Policy Committee Meeting Agenda
Clean Water Council
February 23, 2024
9:30 a.m. – 12:00 p.m.
WebEx Only

2024 *Policy Committee: John Barten, Rich Biske (Chair), Gail Cederberg, Kelly Gribauval-Hite, Victoria Reinhardt (Vice Chair), Peter Schwagerl, and Marcie Weinandt*

9:30 Regular Business
- Introductions
- Approve today's agenda
- Approve minutes of previous meeting(s)
- Chair update
- Staff update

9:45 Integrating Policy Statements into FY26-27 Clean Water Fund Proposals

10:15 Policy Considerations for Private Wells in Southeast Minnesota

10:45 Break

11:00 Soil Health Plan
- Tom Gile, BWSR

11:45 Public Comment

12:00 Adjourn

Next Meetings Options:
- Water storage pilot completion
- Soil Health Part 2
- **New Report:** Minnesota's Vanishing Natural Shorelines: A Loss that Contributes to Degraded Lake Quality + lake water quality issues in general

Policy Committee Meeting Summary
Clean Water Council (Council)
November 17, 2023, 9:30 a.m. to 12:00 p.m.

Committee Members present: John Barten, Rich Biske (Chair), Gail Cederberg, Kelly Gribauval-Hite, and Peter Schwagerl.
Members absent: Victoria Reinhardt (Vice Chair) and Marcie Weinandt.

To watch the Webex video recording of this meeting, please go to https://www.pca.state.mn.us/clean-water-council/policy-ad-hoc-committee, or contact Brianna Frisch.

Regular Business

- Introductions
- Approval of the November 17 agenda, moved by Marcie Weinandt, seconded by Peter Schwagerl. Motion carries. No meeting summary to approve this meeting.
- Chair and staff update:
  - The Minnesota Ag Water Quality Certification Program (MAWQCP) has reached a million acres (celebrated on November 3, 2023).
  - The Board of Soil and Water Resources (BWSR) was awarded a Regional Conservation Partnership Program (RCPP) grant for $25 million to accelerate soil health practices, as well as capacity building. They have released applications to Soil and Water Conservation Districts (SWCDs) and others to help build capacity that way too.
  - The last policy meeting touched on equity, specifically reflecting about it for the Council's Strategic Plan. There are some areas to touch on it more, like budgeting for equity like contracting (which the state is already working on with targeted vendors), collaboration, and other areas we are working on currently.
  - Monday's full Council meeting will see a supplemental budget projection to discuss.

Updated Drainage Policy Statement *(Webex 00:10:00)*

- Feedback on new draft was received from the full Council, the Minnesota River Collaborative, the Minnesota Center for Environmental Advocacy, and some conversations with the Association of Minnesota Counites. These were constructive conversations. A few items were merged. We are looking at four items now. First, identify more opportunities to include water quality when improvement projects are going on. Second, data to show that multipurpose drainage management is working as desired. Third, is to support opportunities for training of drainage engineers and other relevant professionals. Finally, the drainage endorsement for the MAWQCP program, with the input of the Drainage Work Group and other stakeholders. This input was valuable and much appreciated.
- There is a lot of progress that has been made in this area, and we want to share some of it in this document.
- Drainage has benefits, so some of those were acknowledged in this statement as well. The document also acknowledged multi-purpose drainage management (MDM) and water storage. Despite the positive development and projects, the Council believes that many more opportunities exist for conservation drainage.

Discussion:

- Gail Cederberg: I really like the tightened-up version. It has addressed some of my questions. However, item number two I had highlighted before on request data. I want to know who, when, etc. Otherwise, it seems nebulous, and we would like to obtain versus request it. If we can figure this out it would be good.
  - *Rich Biske:* I support that, it is a good addition.
  - *John Barten:* I also think wording like "gather the data" or "develop data" instead of "request data", to make is clearer.
  - *Gail Cederberg*: I like adding "compile data."
- Jan Voit, public member: We worked with some of our engineers based on the state water plan for activities going on statewide. We would appreciate if you shared that with the Council, on items going on now. It is a good starting point for you. *Response:* Paul has this and can share.

- Rich Biske: Regarding research, would that be something to include here as well? Dr. Jeff Strock with the University of Minnesota (UMN) has been good at moving this along, so perhaps it could be included. I would like to see a small mention of that research. Given the scope and relevance of drainage across the state it would be good support. *Answer:* Yes, we could check into that. Warren Formo may have some more information on the tile drainage area as well.
- Jan Voit, public member: I appreciate the work. Right now, this looks good. I will share it with my members. If there is anything else, we will let you know. Thank you for the opportunity.
- Molly Jansen, public member: I appreciate the opportunity to weigh in. I also think this looks good.
- This policy statement will be brought forward to the full Council's December meeting, as it could have impacts on budget considerations.

Preparation for Full Council Discussion on EPA Response on Private Wells in SE Minnesota *(Webex 01:03:00)*

- This is not a decision item but is a large-scale complex issue that will be discussed on Monday.
- Several organizations submitted a petition to the United States Environmental Protection Agency (EPA) asking for an emergency declaration to be able to get people water for those that have wells with elevated nitrate. This is for nine counties in southeast Minnesota in the karst region. The EPA connected with those folks. Then, the EPA sent a letter to the commissioners of the Minnesota Department of Health (MDH), the Minnesota Pollution Control Agency (MPCA), and the Minnesota Department of Agriculture (MDA) to highlight seven elements where they would like to see a work plan to provide a response (communication of issue, identify residence impacted, education and outreach, drinking water testing, provide alternative water, retain public records, and communicate with the EPA). There is a recognition that the state is working on many long-term solutions to this issue, but that some people are above the limit now and need relief. There is a lot of data included in this document. The reason the petitioners have a lot of data is due to well testing funded by the CWFs.
- The response to the EPA was requested within thirty days. There may be a request for funds from the CWFs, either with the next budget cycle or the supplemental budget recommendations, and if the Council feels like this a good use of these funds.

Discussion:

- Rich Biske: What is the precedent for this from EPA on having a response? It sounds like it is novel?
  - *Answer from Margaret Wagner, MDA:* There have been similar cases, or petitions, in other states. The speed of this response was unique. Sometimes it takes years, and sometimes these issues are not resolved. It is unique that they responded to the petition with a formal request to the state agencies with the timeline. It does acknowledge the state's work and seeks to accelerate it. CWF investments have provided the foundational science. MDA works on the long-term approach. There are seven major asks, but with no funding provided to the state. We are looking at the additional required resources.
- John Barten: Nitrate has been an issue in Minnesota for a while. Regarding the southeast Minnesota area, has there been any estimates to provide safe water for these folks? *Answer from Margaret Wagner:* We are working on that. In emergency situations, bottled water is a good response, but this is at a different level. In-home treatment and remediation are being looked at. Replacing wells would be high cost but would be another option.
- Rich Biske: Thinking about this issue and the role of the Council, how much is really understood about the rate of adoption of the practices necessary to achieve the goals? It is a lot about the effort put into the adoption of the outcome interacting with the effort to achieve this outcome.
- Tannie Eshenaur, MDH: We have been hearing loud and clear from stakeholders about long-term needs to address nitrate in the aquifers, which can take away attention to the more immediate public health needs. As we read the letter from the EPA, we see three timelines and what they are asking from the state. One, being the immediate response to provide mass communication and alternate water. Second, is a public health response. Then, the longer term to address the nitrates levels in the aquifers.
- Rich Biske: We want to make a note of what Tannie Eshenaur has said here, so that we can be conscious of it at Monday's meeting. There will be a lot of interest moving forward, especially in how it involves the Council, specifically the supplemental budget.
- Peter Schwagerl: I am on board with these different timelines. As a Council, we need to prioritize the public health response, and doing what we can. I have a lot of thoughts on the longer-term plan. I will be interested

to hear more about long-term trend data and modeling work to see the scale of the issue. The urgency to get it resolved, and how quickly people will need to adapt, are all concerning in the agricultural community. I think we have to adapt, and that is why we have some of these programs out there already. Yet, when it is a large-scale area, the demand to implement new practices is outstripping the funding available to allow these changes. When there are rapid and dramatic changes required, be aware that does impact farmers, especially smaller scale or emerging farmers who do not have the resources to make rapid changes to their operation. That could push out those smaller farmers. Long-term prioritization of the funding pools will be important. It will be needed to tackle that landscape change.

- John Barten: What is the relative cost to treat in the short-term fix, turn into treating the long-term fix? It is something to consider. If we cannot change the long-term impacts, how long are we going to be assisting with short-term fixes? It would be interesting to find out.
  - *Response from Tannie Eshenaur, MDH:* Dr. Bonnie Keeler at the UMN has done some work touching on this area (with some large assumptions and estimates). She has several journal articles on the social costs of nitrogen. There is one on private wells and the associated costs of it. Her work is also in other areas, like disease as well. It is something that may interest folks.
  - *Larry Baker (public):* The UMN keeps a database on the economics of farming practices (https://finbin.umn.edu/). You could do a rough calculation in a few hours, so you could do some estimates. There are many ag practices included as well.
  - *Rich Biske:* The different cost estimates are intriguing. There are many different things happening to address this issue. Thinking about the cost of action versus inaction, and how does it factor in. It is part of the cost-benefit analysis. Dr. Bonnie Keeler's work may be out of the scope of clean water, but directly involved in public health.
  - *Margaret Wagner, MDA*: As we do our modeling work in different areas of the state, there is a lot of historical information that needs to be pulled together to get a better understanding of this work. It creates a complicated modeling exercise that makes a lot of assumptions. I caution that. Modeling is part of the solution, but it will not lay everything out for us, especially the complex geology. It has taken decades to get to this point and will take a long time to help address it. The timeline is a hard reality of southeast Minnesota. We are talking about implementing practices today that are protective. From the MDA, we are taking a lot of learning, tools, and are continuing to address it. It will not be easy. There is a lot of good work happening now, a lot has been invested, and it is being pulled together from the scientific perspective to help approach this landscape with more protective practices.
- The full Council will hear more on Monday. The Policy Committee may follow up on further discussions.

Adjournment *(Webex 02:08:06)*

Clean Water Council

Budget Implications of Policy Statements & Strategic Plan

February 2024

BUDGET IMPLICATIONS OF POLICY STATEMENTS	
Topic	Status
Drainage	
Identify more opportunities for multi-purpose drainage management (MDM) and water storage that improve water quality and complement Watershed Restoration and Protection Strategies (WRAPS) and One Watershed One Plan (1W1P).	BWSR and DNR are actively soliciting drainage authorities to take advantage of MDM and water storage grant opportunity. Engineering firms that help landowners with drainage improvement are also good at promoting them. (PG noted this at the AMC drainage conference.)
Request data to **quantify the effectiveness of Multi-Purpose Drainage Management** relative to nutrient transport and hydrologic changes compared to traditional drainage systems, and an **estimate of the hydrologic impact** of drainage projects on downstream rivers and streams.	Engineering firms like ISG have some good examples of this and they could present to the Council. (PG saw at drainage conference.)
Support opportunities for training of drainage engineers, drainage commissioners, and other relevant professionals on the benefits of MDM and resources available, to encourage line-item estimates for conservation practices, and to encourage cost-benefit analysis of water storage and its resulting impact on drainage system and maintenance costs.	The AMC drainage conference showed that commissioners in particular need more information and training, and the conference was a good venue for doing so. The Council could continue to participate in this conference and promote opportunities.
Develop a **drainage endorsement** for the Minnesota Agricultural Water Quality Certification Program (MAWQCP) with the input of the Drainage Work Group and other stakeholders.	CWF Funding Need: MAWQCP would need additional funds to complete this.
Chloride from De-Icers	
Research funds to develop new technology, alternatives, and BMPs	CWF Funding Need: Not sure if there is a CWF funding need that the Council want to support?
Fully fund the Smart Salting applicator training and certification program, and MPCA chloride reduction program aimed at reducing salt use.	CWF Funding Need: Council can continue existing funding.

Stakeholder process for new labeling requirements on bags of de-icing chemicals.	This is probably not something that the CWF should be used for.
Chloride from Water Softeners	
Provide financial support and technical assistance to municipalities to reduce chloride discharges and allow flexibility for how municipalities achieve these reductions.	CWF Funding Need: The Council can continue existing funding but leave capital intensive work to the Public Facilities Authority.
Fund a program for activities, training, and grants that reduce chloride pollution. Grants should support upgrading, optimizing, or replacing water softener units.	CWF Funding Need: The Council can continue existing funding.
Advanced Drinking Water Protection	
Property Transfers: Direct the Minnesota Department of Health to promote adoption of county ordinances that require well testing and a disclosure of the testing at the time a property is transferred, and develop model ordinances. Ordinances should reflect the contaminants of particular interest to the geology of a given county.	CWF Funding Need: Not sure. Does MDH need funding to develop and disseminate these model ordinances?
Private Well Mitigation: Develop cost-effective strategies for private well owners to help mitigate wells that do not meet Minnesota health-based guidance for those five contaminants, with a particular focus on low-income households.	CWF Funding Need: The Council has funded free public well testing for 10% of private well users per year for ten years.
PHARMACEUTICALS	
Fund research on the pathways of pharmaceuticals into surface water and ground water, identify priority pharmaceuticals that pose the greatest risk to human health and aquatic life, identify and support practicable solutions to reduce their entry into Minnesota waters, and recoup reasonable costs through an industry-funded safe medication return program.	CWF Funding Need: Not sure. MPCA has used the CWF to develop aquatic toxicity profiles (ATP) for pharmaceuticals that are most prevalent up in Minnesota waters. MDH has developed a rapid assessment tool for these pharmaceuticals as well. A safe medication return program would require legislation.
PFAS	
The CWF should be a partial source of funding to implement Minnesota's comprehensive PFAS Blueprint. Of the ten key issue areas prioritized in the Blueprint, there are three in which the CWF would fulfill both the Clean Water Legacy Act and the Blueprint: 1) Quantifying PFAS risk to human health; 2) Limiting PFAS exposure from drinking	CWF Funding Need: Agencies should have the resources they need on an ongoing basis if the supplemental FY24-25 recommendations are appropriated.

water; and 3) Reducing PFAS exposure from fish and game exposure.	
NEW BUDGET IMPLICATIONS FROM STRATEGIC PLAN	
Groundwater	
MAWQCP drainage endorsement	CWF Funding Need: MDA would probably need an appropriation to develop a new endorsement for drainage.
Drinking Water	
Groundwater Protection Rule	CWF Funding Need: Does MDA need additional resources to complete all the plans required for Part 2? Will funding be required for enhanced compliance and enforcement for the regulatory element (Part 2, levels 3 and 4)?
Protecting 400,000 acres in vulnerable DWSMAs	CWF Funding Need: Does MDH have what it needs to produce a dashboard to show progress?
	CWF Funding Need: Do we need to invest in more easements to protect sinkholes, trout streams, and other SE MN features?
Surface Waters	
Water storage	CWF Funding Need: Do agencies have the resources to quantify water storage needs by watershed by 2026 and storage opportunities and hydrograph estimates by 2028?
Taking care of resources	
Renters	CWF Funding Need: Do MDA and/or BWSR require additional funding to reach out to non-operating landowners on water quality opportunities?
Lakeshore property owners	CWF Funding Need: Does DNR require funding to drive improvements in lakeshore property management?
Upper Mississippi Headwaters	CWF Funding Need: Does BWSR or others require funding to track the 200,000 protection and restoration goal? Are we putting enough funding into easements in this basin?

Suggested Policy Ideas from Southeast MN Private Well Discussion

January 2024

Funding Sources

- Fees
- Rural Water System support

Land Use Changes

- Determining what lands should be set aside
- Targeted required use of buffers
- Targeted use of easements
- Market based continuous living cover

Regulatory

- Expansion of Groundwater Protection Rule to township level
- Legal requirement to seal well after maybe 3 years
- Well testing requirement
- Enhanced compliance on feedlots

Data gaps

BOARD OF WATER AND SOIL RESOURCES

Soil Health Programs

February 23, 2024

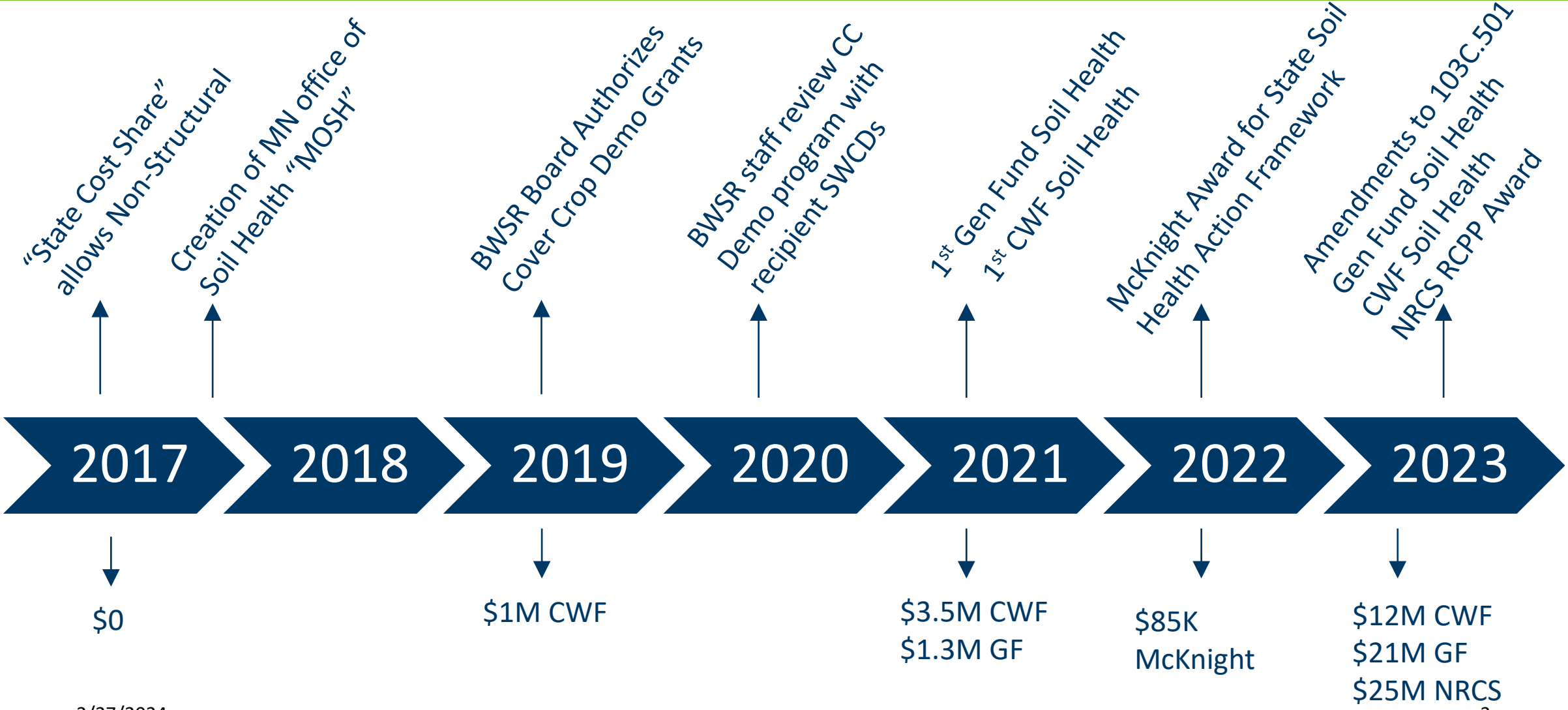
Tom Gile – Resource Conservation Section Manager

MN Board of Water and Soil Resources

Soil Health Principles

- Minimize Disturbance
- Keep living Roots in the Ground
- Keep the Soil Covered
- Maximize Biodiversity

How did we get here . . .



MN Soil Health Action Framework

Key concepts and priorities

- **Invest in people, not just practices.**
- **Expand public-private partnerships across multiple sectors and activities.**
- **Increase the role of private sector agronomists**
- **farmer mentorship and peer-to-peer learning support**
- **designing programs to meet farmer needs/small-scale commitments and experimentation.**
- **different scales and approaches in agriculture**

Project Team

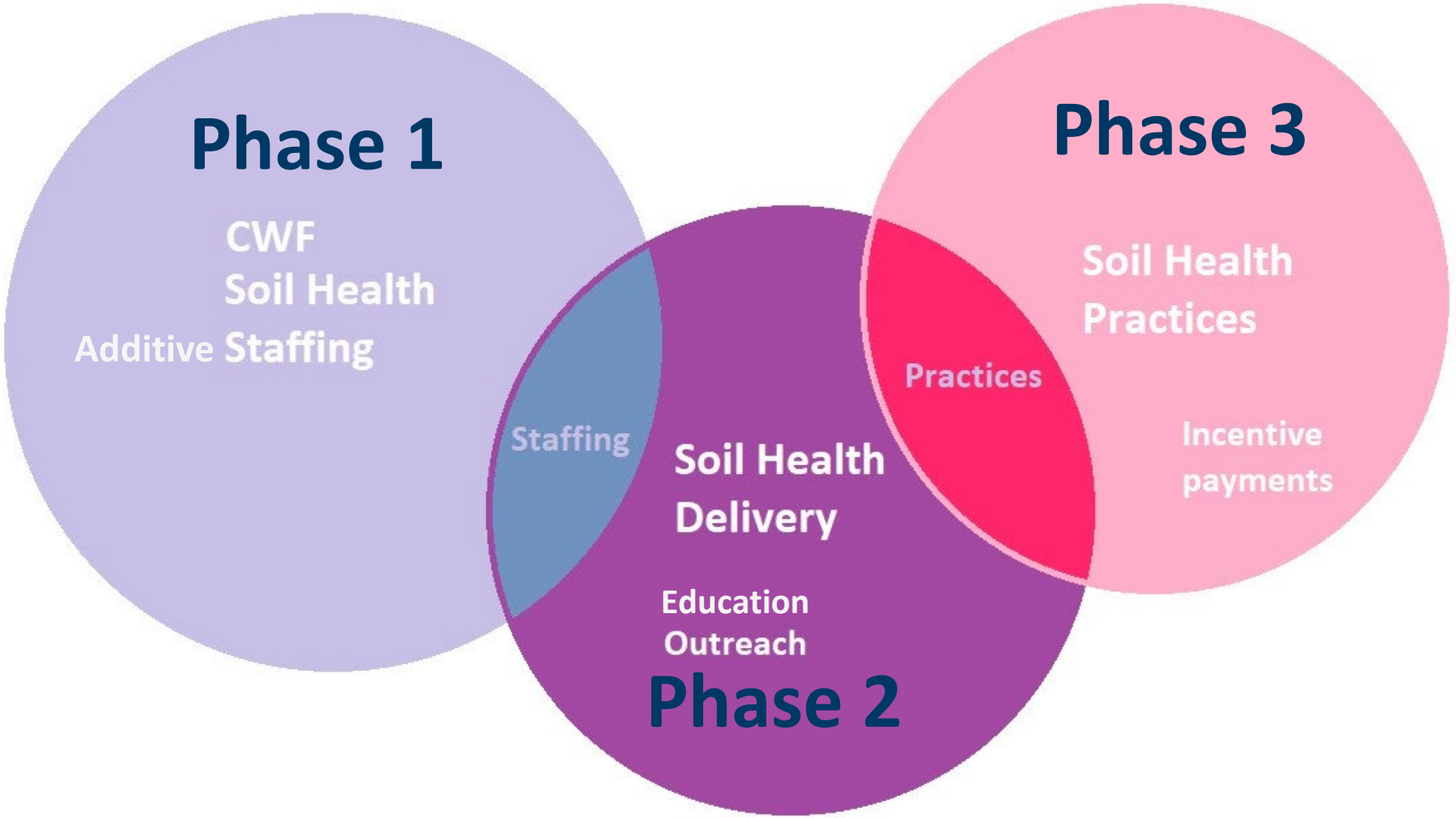
A. Marcelle Lewandowski, Anna Cates, Sarah Roth, University of Minnesota Office for Soil Health
Tom Gile, Suzanne Rhees, Board of Water and Soil Resources

Stakeholder Advisory Group

This report is based on discussions of the following group. Including names on this list does not indicate the individuals or organizations approve all the statements in this report. The authors aimed to represent their wide-ranging perspectives, but ultimately the authors are responsible for the content.

JoAnne Berkenkamp, Managing Director, MBOLD, Greater MSP Partnership
Peter Mead, Rich Biske, The Nature Conservancy
LeAnn R. Buck, Minnesota Association of Soil and Water Conservation Districts
Mark Gutierrez, Minnesota Soil Health Coalition
Jodi DeJong-Hughes, Jennifer Hahn, University of Minnesota Extension
John Jaschke, BWSR (ex officio)
Ariel Kagan, Anne Shwagerl (farmer), Minnesota Farmers Union
T.J. Kartes, Saddle Butte Ag, Inc.
Therea Keaveny, Climate Land Leaders
Peter LaFontaine, Friends of the Mississippi River
Stephanie McLain, Samuel Porter, Ryan Buetow, NRCS
Aaron Meyer, Minnesota Rural Water Association
Rodney Moe (farmer), Maciej Kazula, Amanda Bilek, Adam Birr, Minnesota Corn
Carolyn Olson (Farmer) Minnesota Farm Bureau
Danielle Isaacson, Brad Jordahl Redlin, Minnesota Agricultural Water Quality Certification Program
Amy Robak, Centra Sota Cooperative
Laura Schreiber, Land Stewardship Project
Lauren Servick, Minnesota Pork
Lucas Sjostrom (Farmer), Minnesota Milk Producers
Carissa Spencer, USDA Farm Service Agency
Doug Thomas, Houston Engineering
Anna Teeter, Cargill
Reid Christiansen, Aicam Laacouri, Margaret Wagner, Minnesota Department of Agriculture
Lucinda Winter and Sarah Lindblom (farmer), Sustainable Farming Association

How New funding fits together



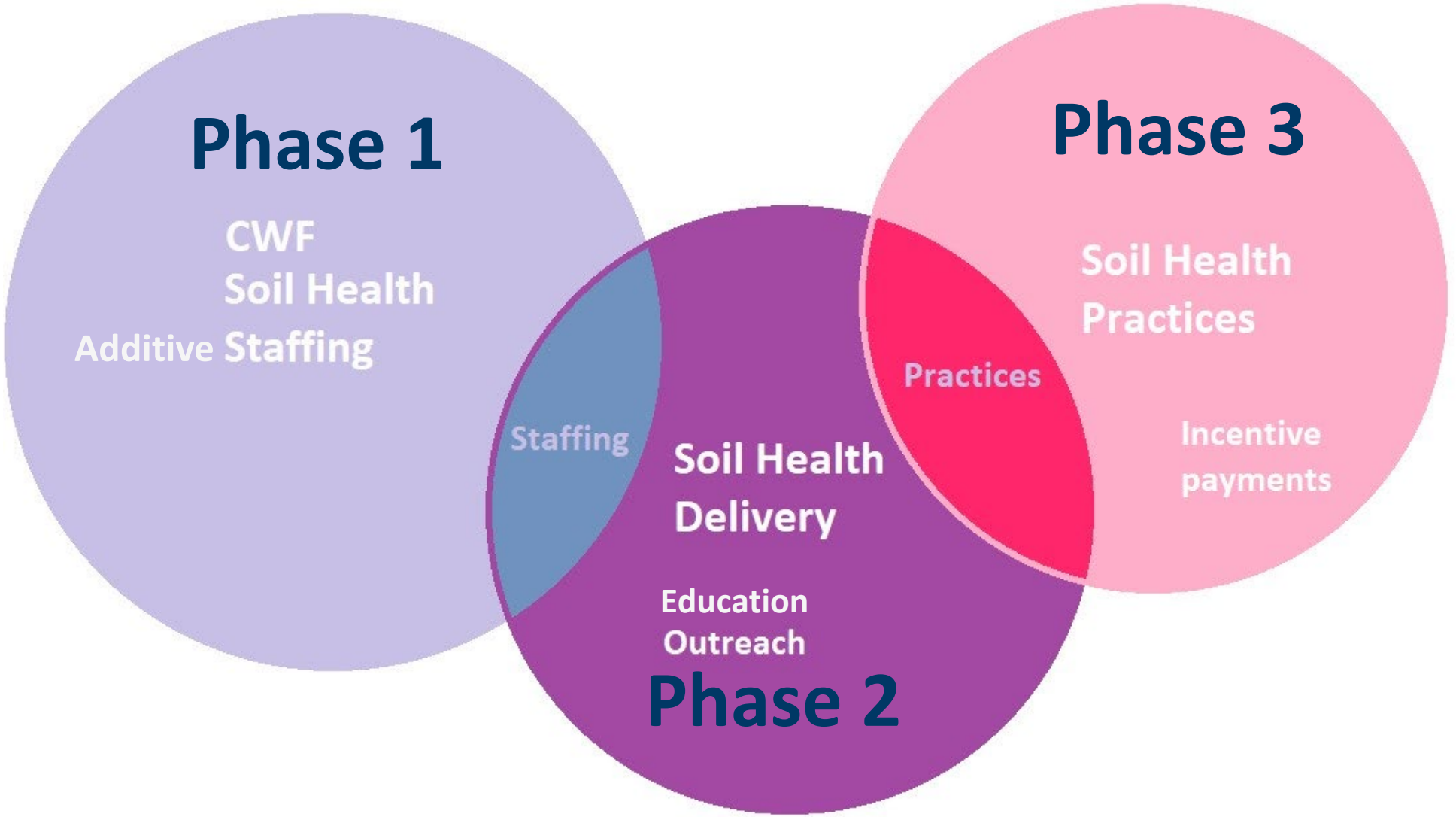
State Funds – Soil Health Staffing Phase 1

Soil Health Supplemental Staffing Grant (Phase 1)

- To create additional local points of contact to work with landowners on increasing utilization of soil health practices and systems that advance the principles of soil health
- Competitive (SWCDs), statewide RFP (Scoring applications)
- Increase
  - Trusted local expertise (Staff/assistance capacity)
  - Partnerships
  - Mentorship and farmer-to-farmer learning support

CLEAN WATER LAND & LEGACY AMENDMENT

How New funding fits together

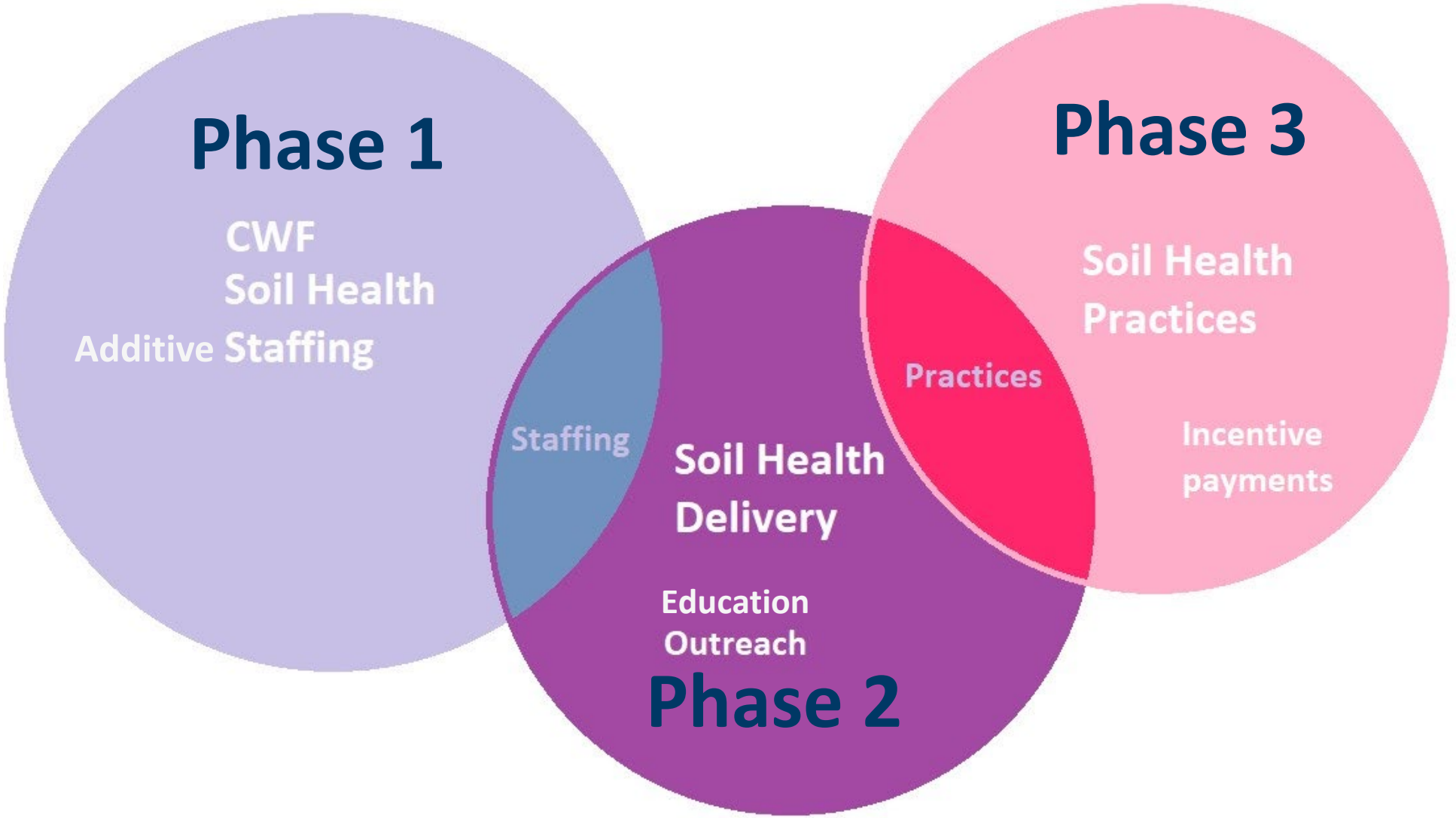


State Funds – Soil Health Phase 2

Delivery Grant

- Soil Health implementation (financial assistance), education/outreach, staff time
- Expected to be non-competitive (RFI), statewide, formula based
  - Funding expected to become available as quickly as possible after Phase 1 grants are awarded
  - Minimum of $4 Million
- Local policy driven

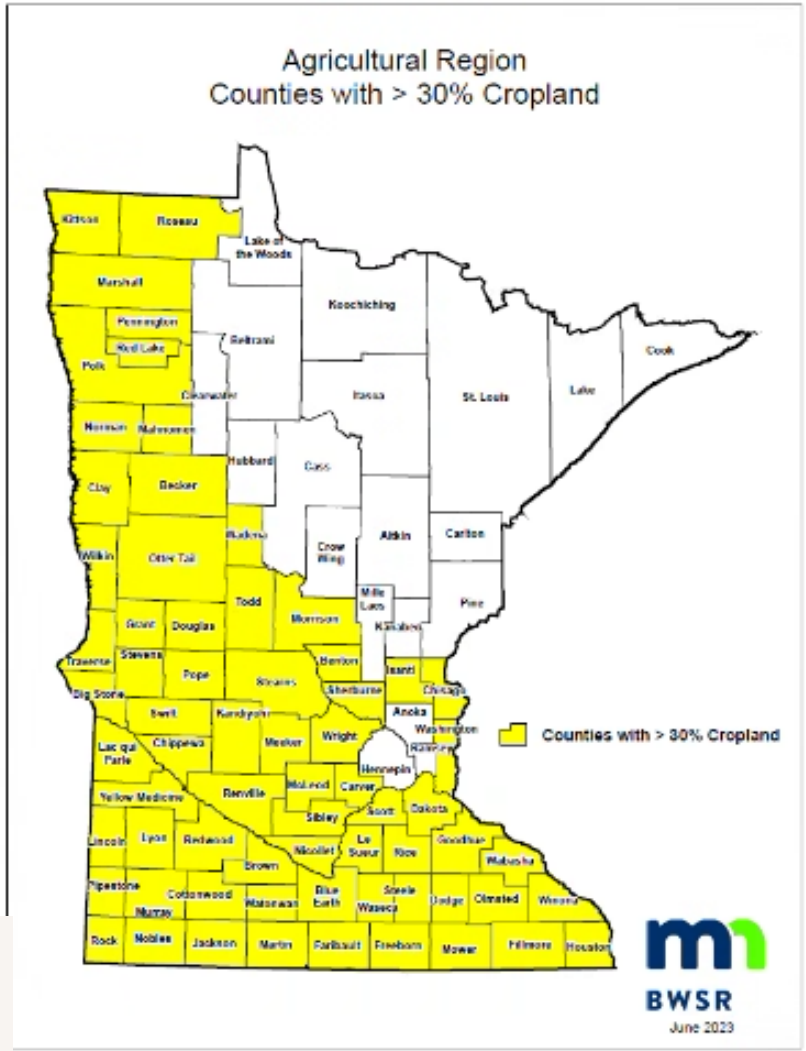
How New funding fits together



Federal Funds – RCPP Phase 3

Regional Conservation Partnership Program (RCPP)

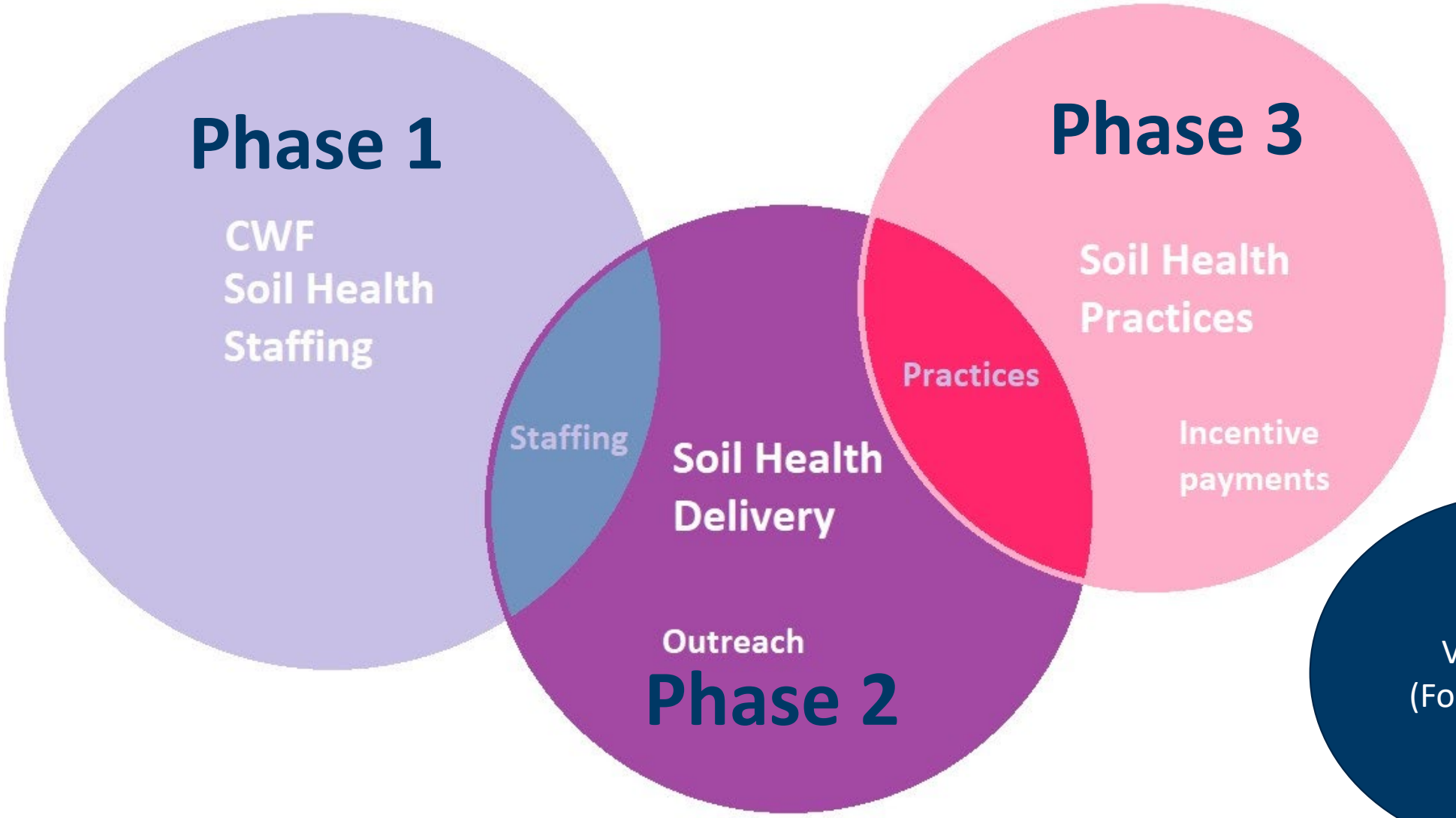
- Advancing Soil Health in Minnesota Agriculture
  - Soil health practice implementation
- Total Funding Request: $25 Million
  - State needs to provide match (Via Phase 1 & Phase 2)
- Alternative Funding Agreement (AFA)
- Counties with greater than 30% agriculture
- Negotiations ahead before an agreement is final and details known



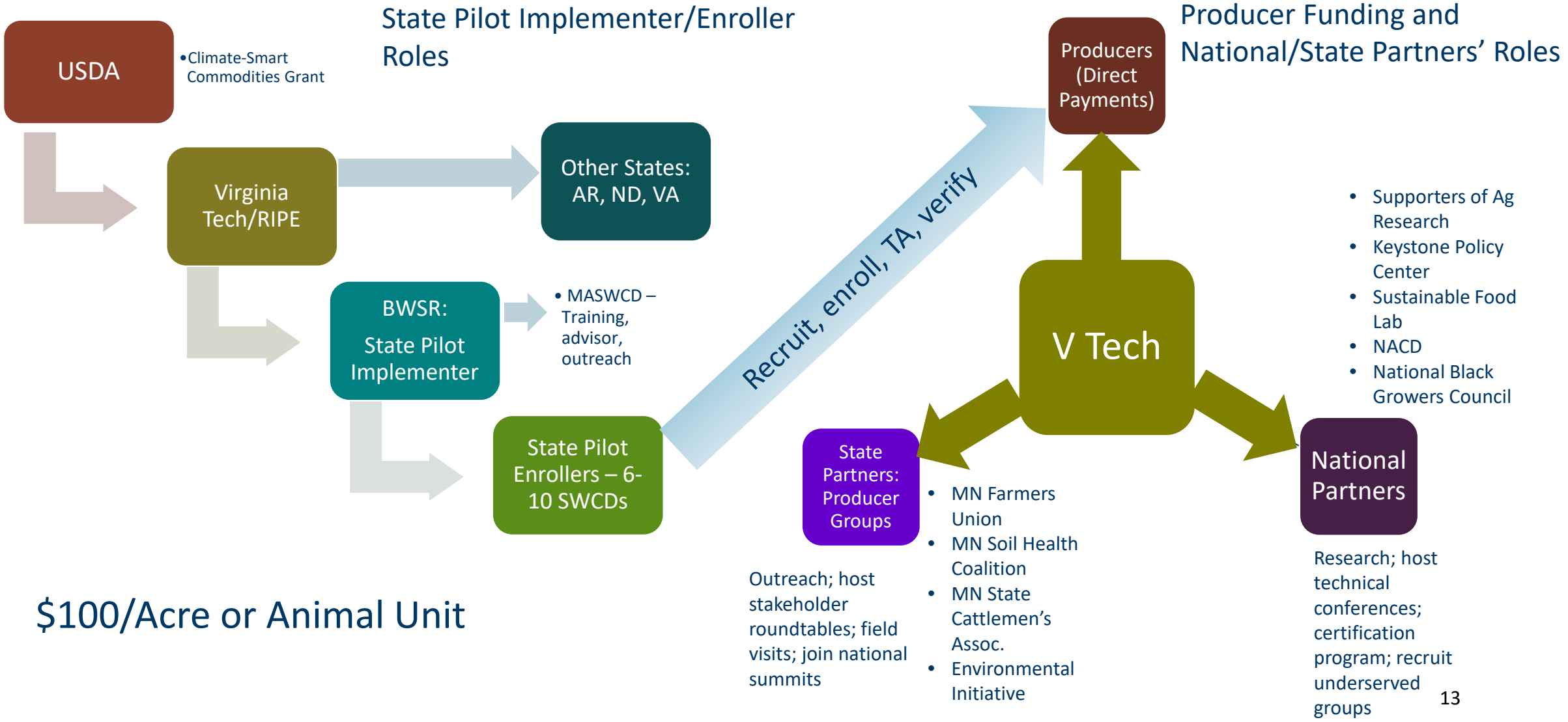
USDA Natural Resources Conservation Service
U.S. DEPARTMENT OF AGRICULTURE

SHIFTING GEARS (BUT WAIT THERE'S MORE)

How New funding fits together



VT Alliance Project:
Organizational and Funding Paths



VT Alliance What practices will be compensated?

Crop practices:

- Cover crops
- No-till; reduced till
- Nutrient management, including precision nutrient management
- Conservation crop rotation
- Silvopasture
- Riparian forest buffer
- Riparian herbaceous cover

Livestock practices:

- Comprehensive nutrient and manure management plan and implementation
- Roofs and covers
- Waste separation facility
- Feed management to reduce enteric emissions
- Prescribed grazing
- Nutrient management
- Silvopasture

Things to Think about

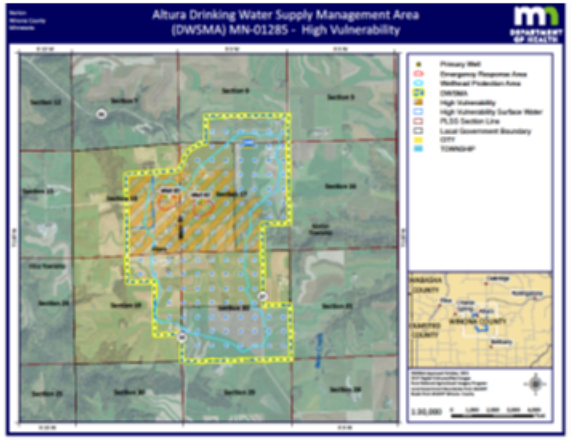
Local Priorities

CEDAR RIVER
1 Watershed, 1 Plan Initiative

Soil Health - Drinking Water Priorities

Public Water Supplies - Groundwater

- High Vulnerable (HV) DWSMA's *(Drinking Water Supply Management Areas)*
- HV DWSMAs that are in MDA Level 1 or 2 Mitigation DWSMAs. www.mda.state.mn.us/nfr



MDH Map Viewer of all SWP Areas both groundwater and surface water:

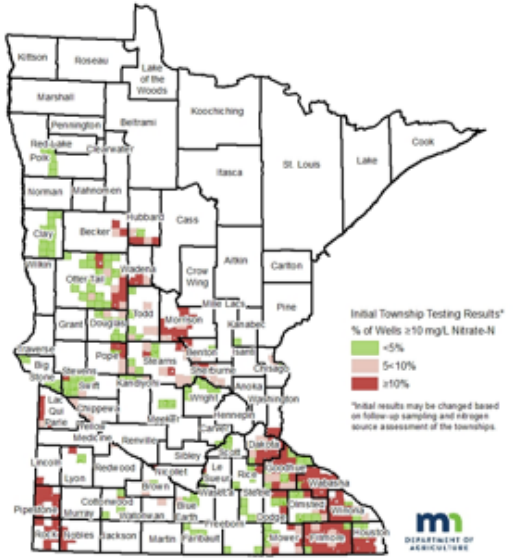
https://www.health.state.mn.us/communities/environment/water/swp/mapviewer.html

Soil Health - Drinking Water Priorities

Groundwater – Private Wells

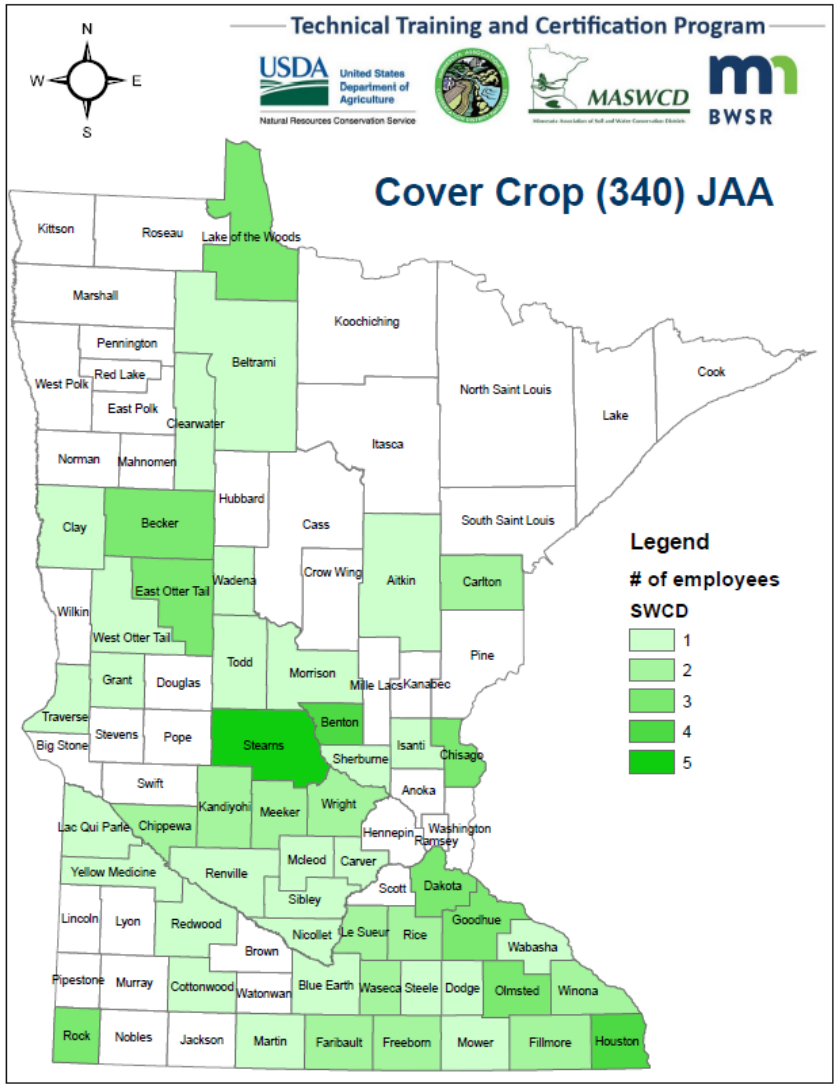
- Where? Vulnerable Aquifers / drinking water sources:
  - Central Sands -
  - Karst –
  - Outwash –
- MDA Township Testing Areas:

MDA Township Testing : https://www.mda.state.mn.us/township-testing-program

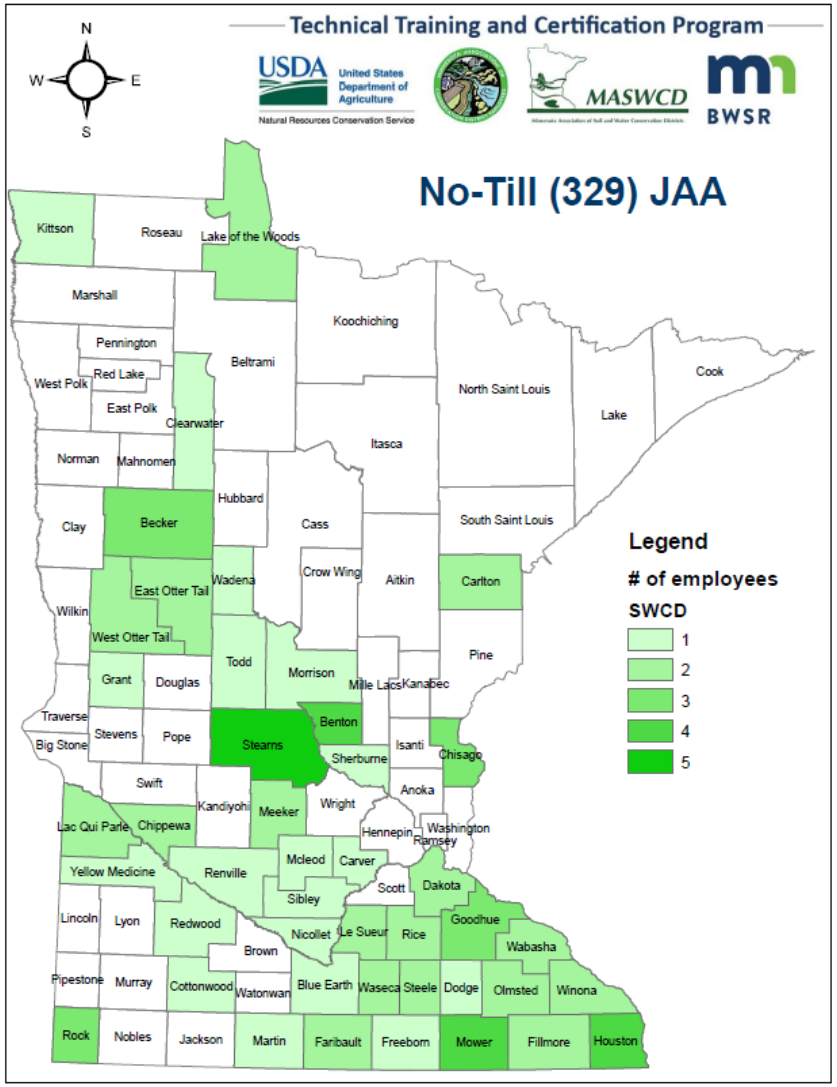


12/12/2023 health.state.mn.us 3

JAA…… GET IT……

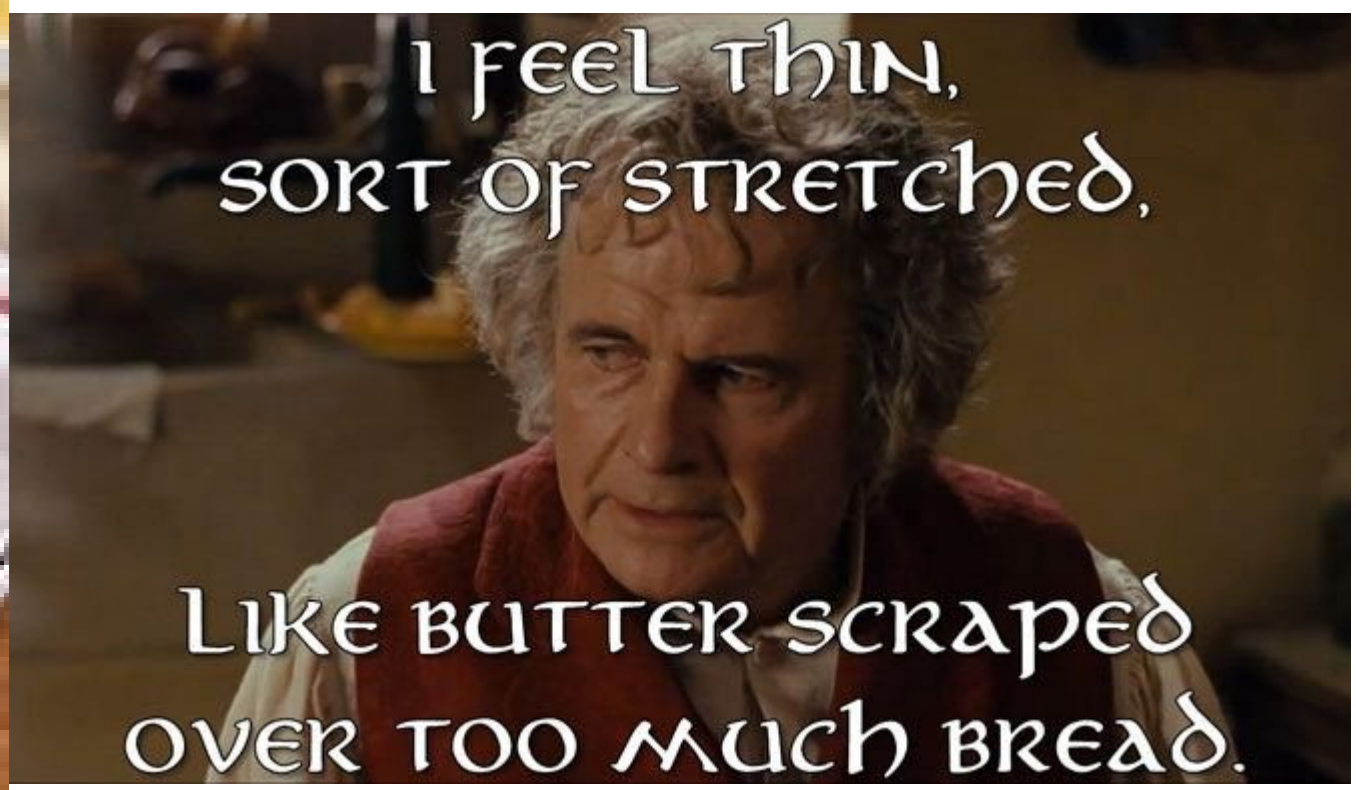


Data as of February 7, 2023

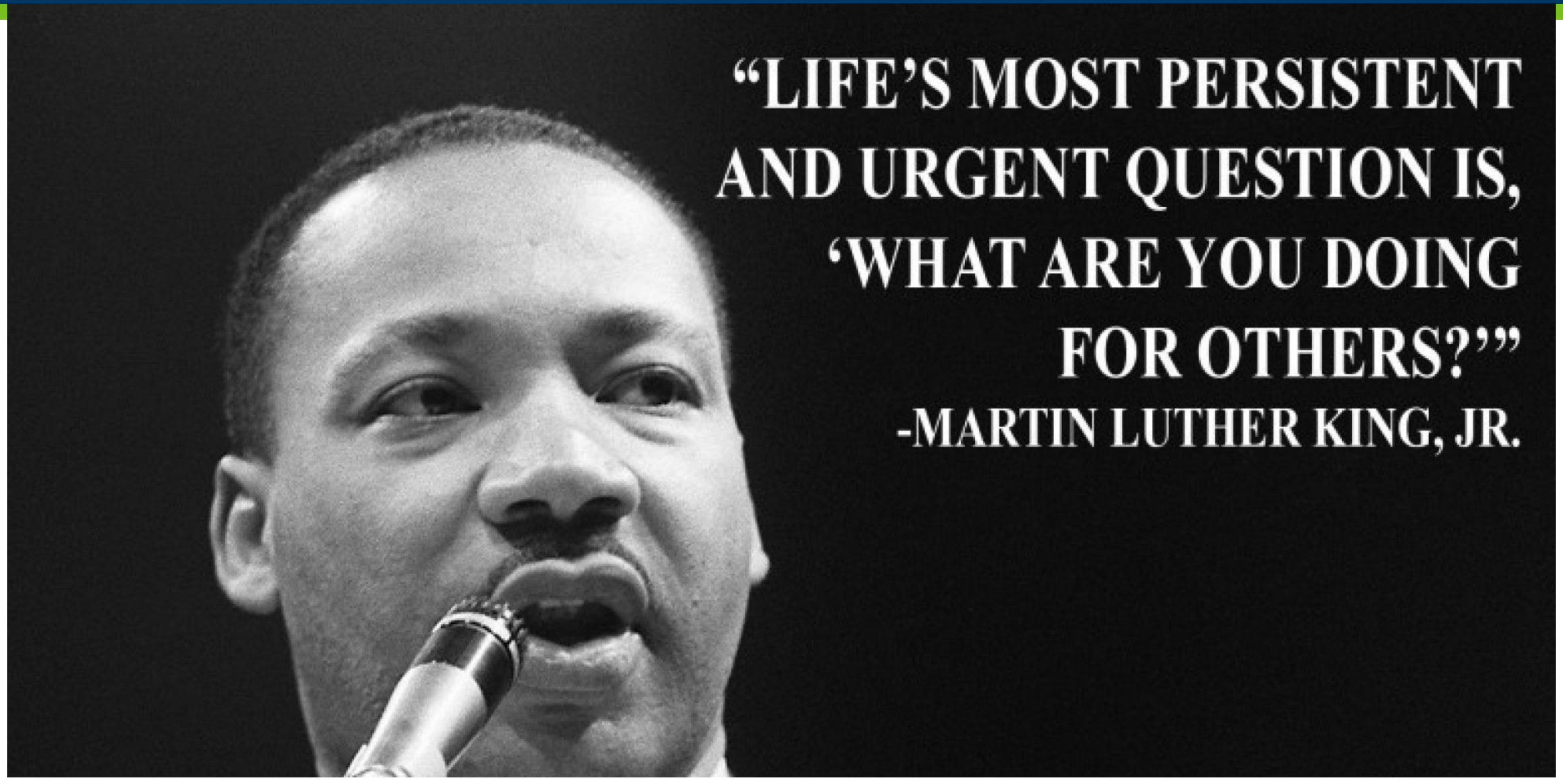


Data as of February 7, 2023

Workload


I FEEL THIN,
SORT OF STRETCHED,
LIKE BUTTER SCRAPED
OVER TOO MUCH BREAD.

THIS IS NOT ABOUT CONTRACTS



QUESTIONS?

- Contact your Board Conservationist
- Contact Tom Gile tom.gile@state.mn.us or 507-696-1974
- Staffing Grant – Sumit a question about the RFP to cwfquestions@state.mn.us

Current or Incoming Soil Health Funding

- Federal Funds
  - Regional Conservation Partnership Program Alternative Funding Arrangement (RCPP AFA)
    - $25 Million
  - Partnerships for Climate-Smart Commodities
- FY2024 and FY2025 State Funds
  - Clean Water Fund
    - $12 Million
  - General Fund
    - $21 Million

Photo: Tom Kaspar, USDA ARS – winter rye

Federal Funds – Partnerships for Climate-Smart Commodities

Virginia Tech Alliance

- The Alliance to Advance Climate-Smart Agriculture: Supporting Producers to Promote Productivity, Markets, and Environmental Benefits
- Lead: Virginia Tech (VA Polytechnic Institute and State University)
  - Agreement between USDA and VT is executed
- Primary States: Virginia, North Dakota, Minnesota, Arkansas
  - Subagreements in negotiation
- Competitive RFP, statewide (winter), SWCDs
- Eligible practices will be a mix of crop and livestock practices
  - $100 per acre or animal unit (160 maximum)
- Board Order #23-22

State Funds – Soil Health Practice Program

Staffing and Delivery Grants

- Board Order #23-60
- Soil Health is defined in MN Statute Section 103C.101, Subd. 10a.
  "Soil Health" means the continued capacity of soil to function as a vital living system that sustains plants, animals, and humans. Indicators of soil health include water infiltration capacity; organic matter content; water holding capacity; biological capacity to break down plant residue and other substances and to maintain soil aggregation; nutrient sequestration and cycling capacity; carbon sequestration; and soil resistance.
- Laws of Minnesota 2023, Chapter 60, Article 5, Section 15 establishes the Soil Health Practices Program in MN Statute Section 103F.06 to accomplish soil health activities to achieve water quality, soil productivity, climate change resiliency, or carbon sequestration benefits.