

Clean Water Council
Budget and Outcomes Committee (BOC) Meeting Agenda
Friday, May 3, 2024 9:30 a.m. to 12:00 p.m.

Webex Only

2023 BOC Members: Steve Besser (BOC Chair), Dick Brainerd (BOC Vice-Chair), Gary Burdorf, Steve Christensen, Warren Formo, Brad Gausman, Holly Hatlewick, Annie Knight

9:30 Regular Business

- Introductions
- Approve agenda & most recent minutes
- Chair and Staff update

9:45 Questions, Comments, Conversation about April 15th Full Council presentations

NOTE: This will not include presenting slides again. Agencies will be asked to re-state the function of the program before the Council and agencies discuss the program.

EASEMENTS

- Critical Shoreland Protection - Permanent Conservation Easements (BWSR)
- Wetland Restoration Easements (BWSR)
- Working Land and Floodplain Easements (BWSR)
- Targeted Wellhead/Drinking Water Protection (BWSR)

10:30 Break

10:45 Questions, Comments, Conversation about April 15th Full Council presentations

- Buffer Law Implementation (BWSR)
- Nonpoint Source Restoration and Protection Activities (DNR)
- Technical Assistance (MDA)
- Conservation Equipment Assistance (MDA)
- AgBMP Loan Program (MDA)
- Mussel Restoration Pilot Program (DNR)
- Water Storage (DNR)

12:00 Lunch

12:30 Questions, Comments, Conversation about April 15th Full Council presentations

- Great Lakes Restoration Projects (MPCA/BWSR)
- Enhanced County Inspections/SSTS Corrective Actions (MPCA)
- National Park Water Quality Protection Program (St. Louis County Commissioner Paul McDonald and Jason Chopp)

1:45 Public Comment

2:00 Adjourn

Budget and Outcomes Committee Meeting Summary

Clean Water Council (Council)

April 5, 2024, 9:30 a.m. to 2:00 p.m.

Committee Members present: Steve Besser (Committee Chair), Dick Brainerd (Committee Vice Chair), Steve Christenson, Warren Formo, Holly Hatlewick, and Annie Knight.

Members absent: Gary Burdorf and Brad Gausman.

Others present: Judy Sventek (Met Council), Jen Kader (Met Council), Annie Felix-Gerth (BWSR), Sharon Doucette (BWSR), Julie Westerlund (BWSR), Justin Hanson (BWSR), M.C. Henry, Stephanie Pinkalla (Nature Conservancy), Rich Biske, Frieda VanQualen (MDH), Glenn Skuta (MPCA), Kim Kaiser (MDA), Sheila Vanney (MN Association of Soil and Water Conservation Districts), Brad Jordahl Redlin (MDA), Danielle Isaacson (MDA), Jamie Beyer (Bois de Sioux Watershed District), Marcey Westrick (BWSR); Paul Gardner (CWC)

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 April 5 meeting agenda and the February 2 meeting summary, moved by Steve Christenson, seconded by Holly Hatlewick. Motion carries.
- Chair and Staff update
 - Brad Gausman is at a rally at the Capitol, which members are invited to attend.
 - The Minnesota Pollution Control Agency (MPCA) would like to invite the Council to the Earth Day Celebration at Hidden Falls Regional Park on April 22 at a park 10:30-11:30. There is monitoring that takes place along the Mississippi River at that location.
 - Paul Gardner, Clean Water Council Administrator, testified at the House Legacy Committee. The House will be coming up with their own bill, posting it on April 15. The House is not as enthusiastic about the 50-year water plan inserted by the Senate. They have some interest in some rain garden funding. There will be differences to work out in conference committee.

Questions, Comments, Conversation about March 18th Full Council Presentations (*Webex 00:20:00*)

- The Council members provided comments for the programs presented, which are in the meeting packet. They were provided to the agencies before the meeting. Since there are many questions, top concerns will be addressed first, and others can be managed or answered via email afterwards.
- Watershed Based Implementation Funding (WBIF) (BWSR) (*Webex 00:48:00*)
Questions/Comments:
 - Looks like a lot of ag practices, especially cover crops and soil health. Will WBIF continue to fund soil health given the \$60 million in state and federal funding? *Answer:* They have used WBIF to elevate cover crops. The Board of Water and Soil Resources (BWSR) is not making any material changes to the program in the near term. The local folks do not need additional restrictions. The One Watershed One Plan process has earned trust. If they have enough resources to execute tasks, they will move on to other tasks. It is important to leave flexibility.
 - Does the Soil and Water Conservation District (SWCD) general fund money offset administration and coordination costs?
 - *Answer:* The SWCD aid was always intended to meet the statutory requirements and duties prescribed in state statute. The SWCD aid from the general fund will assist with these costs.
 - *Comment from Holly Hatlewick:* The support is missing from the federal side, but we are getting that support from the watershed implementation.
 - *Comment from Warren Formo:* The whole process is working so well. One of the most important pieces is leveraging federal funds. For many years we struggled with how to do that. You provide state support to start the ball rolling, and other support keeps it rolling. It is working across county boundaries because the watersheds are large. There is tremendous cooperation, and a lot of work. It is very helpful.

- This process seems very logical and successful, but how would we answer this basic question: “Is WBIF making a dent in the problem? How much? Does it vary by watershed?” How can we visualize the progress against targets in WRAPS? Not in dollars spent but outcomes achieved. *Answer:* That is a great question. The encouraging piece is that we are building system changes. We are getting away from the individual practices, in a transactional practice, that was the random acts of conservation approach. However, the outcomes become real when they are experienced, whether is in the community or at a neighbor. Building trust in activities because people trust each other. They have a vested interest. We want this to be sustainable, to create systems, to be engrained in the culture. They are more inclined to participate with that approach.
- How are funds directed toward nearly/barely impaired waters? *Answer:* The impaired waters list identifies the waters that are priority for the state because they are the nearly/barely impaired waters. There are many examples of comprehensive watershed management plans developed through the One Watershed, One Plan (1W1P) program where the high-level priorities can include nearly/barely impaired waters. The data and local values are merged to establish the local priorities. As we look at the information that goes into the prioritization process, pulling the science, and the social construct of designated uses. There are so many factors at play.
- If the grant funding is not used by grant deadline, I assume this funding is recycled back into the WBIF overall account and reallocated accordingly. Can the Council get annual updates on this rollback? As I assume this will affect the projected continued investment. *Answer:* This has not occurred yet. We have never had funding returned.
- Additional questions can be answered through email.
- Water Demand Reduction Grant Program (Metropolitan Council) (*Webex 01:22:30*)
Questions/Comments:
 - Is there a way to use funds to eliminate lawn irrigation during rain events? *Answer:* The irrigation controller systems funded by the program have moisture sensors so this is happening already.
 - Is there is a need to fund households that could probably afford to do it on their own. These programs are set up to have local control and local input. Every community that requests this program sets up their requirements to use the funding for their needs. They know which areas they need to work on. There may be a bigger need to help with irrigation systems. The intent of the program is to reduce water use, so even lawn irrigation replacement is really reducing the water demand on that would be good. However, this year we are focusing on more equity and putting a pilot program together. We are at 59 million gallons of water saved annually. Most things funded have been toilet replacements and irrigation systems. We have seen the need for this program. It started out with \$500,000 initially and have ramped up over the years. The \$1.5 million requested last time will probably be the request again, to stay steady with the request. There is a need, and cities are supportive.
- Surface & Drinking Water Protection/Restoration Grants (BWSR) (*Webex 02:22:00*)
Questions/Comments:
 - This is a long-standing program, has been around for a long time, and it is competitive. The grant writers are excellent. Not everyone is eligible for the WBIF, because they don’t have a plan written yet. This program is a main one that some folks look at, so we want to make sure there is always a pot of funding. Competitive is good, because it is a fair way to do this work and shows where the funding is going. What is great with this program is there is an interagency set of reviewers (about two from each agency). They are scored, and then goes in front of the BWSR Board. Decisions are made in December. The grant execution begins a few months later. Having different options for grants and funding makes sense. There are many mechanisms in place to minimize risks.
 - Will requests decrease as WBIF funds increase? *Answer:* The funding requests have remained stable. We will see if it changes when everyone has access to WBIF.
- Watershed Legacy Partners Grants (BWSR) (*Webex 02:31:30*)
Questions/Comments:
 - According to the proposal, this program has received \$9.5 million and started in FY12. My understanding is that this has received \$2 million to date as a pilot program. Can you explain? *Answer:* This is comparing apples and oranges because it is two separate programs. There was a previous program with the same name, but they were set up differently. This new program is about non-government partners, who work

with the typical local government unit (to make the application). So, the new program is doing a better job, still driven by the local folks. This also was a way to fund tribal governments. Sovereign nations should not need to compete with local governments. It is \$1 million with \$500,000 for non-government partners and \$500,000 for tribal governments. Learning the E-Link database is also a little tricky, so there is fiscal training provided.

- Measures, Results, and Accountability (BWSR) (*Webex 02:58:30*)

Questions/Comments:

- Why aren't the WBIF proposals on the BWSR website? Could they be made available?
 - *Answer:* I think we would have to talk about it more. If they were on the website, it would be a duplicate. They are already in their software system. It is not a competitive cycle. There could be the proposed outcomes, just a spreadsheet, or top priorities.
 - *Comment from Holly Hatlewick:* Dashboards at the local level are being developed and provided. That is great. However, I cringe a bit thinking about putting the proposal out into the public because it is a moving target. The plan, priorities, and cost estimates are the best guess at the time, until working with the landowners and third parties, and it can change so much from the initial estimates. It is so fluid. It would be good to have more public information, but what does that look like.
 - *Comment from Steve Besser:* There is limited staff capacity, so putting a lot of effort into managing dashboards must be useful time. There can be a happy medium between transparency and efficiency.
 - *Comment from Glenn Skuta, MPCA:* I think BWSR and MPCA could talk about existing platforms and how they can be expanded. For example, the MPCA's healthier watershed platform is numbers based and map based now but could include something like a summary.
 - *Comment from Jen Kader (Met Council):* The Council had a communication plan. It would be good to look at that area as well.

- Minnesota Agricultural Water Quality Certification Program (MAWQCP)(MDA) (*Webex 03:11:45*)

Questions/Comments:

- Have practices been evaluated to determine impact to surface and groundwater? *Answer:* We are looking at all the practices, and are not monitoring all the practices, because it would be incredibly costly to do that work. We assess the practices implemented, and there are e-link formulas to assess impact. Discovery Farm participants, Root River Stream Farms, field trials, and research centers, have some monitors on them. So, we can access those to see the real impacts on the land. We are working with the University of Minnesota for more information on certified acres, and the impacts of those practices to the water. We want to find that data. The funding only goes so far, so additional funds could assist in this area. Technology could help answer it. There is also GIS mapping that goes into the approved farms, so people have existing formulas and metrics, can provide estimates to run tests.
- Could you clarify what a "whole farm" assessment means? This program means that farmers must excel in ALL parts of a farm's operation to get certified, and that those achievements are better than most conventional practices, right? We need to stress how certification tells us that a farm is performing higher than their neighbors and if everyone did it, we would know that we're doing just about everything we can. *Answer:* A farm applies. A certifier goes to the farm and gives it a physical. It is every acre, every parcel, everything that happens on it, at all times of the year. It is a thorough examination. It is a risk assessment process. There are challenges, and we work to discover the challenges to the grower, and work to mediate it. The farmers like it because they must make all the decisions.
- What do you need to provide outreach to renters? We are leaving half the crop acres on the table without having a way to reach them systematically. *Answer:* When we talk about renters, the majority of the certified farms are renters. We work to reach the landowners, and we work to network to them as well.
- Can you do a drainage endorsement, or do you have enough standards already in the program? I'm thinking side inlets, controlled tile drainage, etc. *Answer:* We have not done a drainage endorsement yet. There is more that can be done with drainage. Drainage is a part of the farmers nutrient management to reduce the risks present with that area. We convene folks to select the endorsements, so this topic has not come up yet. We have not succeeded in getting the stakeholders pushing that item forward.
- Starting year was 2014. With the 10-year contracts, what percentage of the contracts have stayed intact? Is there a penalty for severing the contract? *Answer:* No one has been recertified yet because they have not reached the end of their term yet. We have our lists and are contacting those 25 farms certified in the

pilot year. So far, they have all wanted to recertify. It is more rigorous now, to the current standards. The farmers have been our biggest champions.

- Programs not discussed during meeting: Accelerated Implementation (BWSR), Conservation Drainage Management and Assistance (BWSR), and Enhancing Landowner Adoption of Soil Health Practices for DW & GW Protection (BWSR). Questions can be answered via email.

Public Comment (*Webex 03:43:45*)

- No comments.

Adjournment (*Webex 03:45:22*)

Comment Sheet

for Clean Water Fund Requests

May 3, 2024

Agencies: These are comments from Clean Water Council members from the April 15th full Council meeting. Please review to prepare for follow-up at the May 3rd BOC meeting.

Easements

1. Broadly stated, where are we on our journey toward protecting & restoring 100,000 acres in the Upper Mississippi by 2034? What's protected? What work remains?
2. More specifically, how many acres are protected already by the CWF's \$12M investment in Critical Shorelands Protection – Permanent Conservation Easements program? If I'm reading the application correctly, only 4,000 acres are under easement or in process in the program.
3. Are we counting Wetland Restoration Easements in Upper Mississippi River headwaters basin toward the 100,000 acre target? If so, how many acres are protected by the \$15M invested?
4. How many acres are protected by the Riparian and Floodplain Restoration Easements in the Upper Mississippi River headwaters basin? If I'm reading the application correctly, since FY10-11, Clean Water Fund funding of \$69M invested has protected over 26,000 acres state-wide.
5. Is it a wise investment to pay \$7,500 per acre for Riparian and Floodplain Restoration Easements, when the land in question would cost ~\$10,000 per acre to "own?"
6. What's the overlap or duplication of effort between CWF, OHF, and ENRTF funding toward protecting 100,000 acres in the Upper Mississippi? Or, stated more positively, what are the synergies across these programs to help achieve the 100,000 acre target?
7. Because of the multiple funding sources for those easement programs, looks like CWF gets lots in the public information.
8. The people who benefit from these easements aren't likely the people who voted for the Legacy Amendment.
9. How are cost per acre of easements determined? What is the typical cost?
10. How much time/effort is spent soliciting easements on DWSMA sensitive areas vs. waiting for voluntary sign-ups?

Buffer Law Implementation (BWSR)

Nonprofit Source Restoration and Protection Activities (DNR)

1. Would a financial incentive (mini easement) program help to better maintain forest stewardship in long term?
2. Can projects reimburse DNR for this technical assistance when possible?

Technical Assistance (MDA)

1. Has any monitoring been done on runoff quality and quantity from the targeted implementation areas with the 16 control basins, 100,000 feet of grassed waterways? What would it cost/year to set up monitoring systems to capture this data?

Conservation Equipment Assistance (MDA)

1. Sounded like funds from this program can be used for equipment that is used “for hire” by owner. Is using public funds for equipment to develop a private business “ethical”?
2. Do all transaction meet the “but for” test? Meaning, but for the Clean Water Fund grant, farmers would not have done the BMP?
3. Will you go back to grant recipients after 2-3 years (like MAWQCP) to see if they are still using the equipment? Are there requirements in a contract for this, such as if they aren’t using it after a while they have to give it back?
4. What situations exist where AgBMP loans don’t work and someone needs a grant?

Agricultural Best Management Practices Loan Program (MDA)

1. What is the repayment rate for these funds? Or the default rate?
2. Does the program count outcomes like Lyon County did? They did a nice job.
3. How can we track what loans involved the CWF vs the other part of the funding (PFA) 10 years ago? Like easements, it’s hard to connect the dots between the CWF and outcomes here.

Mussel Restoration Pilot Program (DNR)

1. Always fascinating.
2. Could this program utilize \$1-2 million/year?
3. Did DNR grow these mussels before receiving the CWFs, and the CWF provides greater scale aka additionality? Just want to understand the “supplemental” benefit here. Also how did DNR decide what part of this project should be CWF vs other funds like ENRTF, OHF, game and fish fund, etc.

Water Storage (DNR)

Great Lakes Restoration Projects (BWSR/MPCA)

Enhanced County Inspections/SSTS Corrective Actions (MPCA)

1. Is MPCA coordinating with the Voyageurs project?
2. Please talk more about the facilitator for under-sewered communities. How many of the ~860 communities will get in the queue for the next step like the Small Community Wastewater Treatment Program. It seems like we could check off a bunch of these communities for a small amount of facilitator funding.

National Park Water Quality Protection Program (MPCA/Voyageurs National Park Joint Powers group)

1. Is this program coordinating with the MPCA SSTS program if SSTS is involved.
2. Appropriate for CWFs to upgrade failing systems, but not to facilitate development and construction of new homes.
3. Are you planning to ask for CWFs until the CWFs expire in 2034?
4. Can you list the other sources of funding?
5. What wouldn’t happen without the Clean Water Fund for this project that receives funding from other sources?
6. Could you list the outcomes from monitoring data here?

Water Demand Reduction Grant Program (Metropolitan Council)

1. Question/comment: Is there a way to use funds to eliminate lawn irrigation during rain events?

Yes. Our Water Demand/Reduction Grant program already factors this in. By funding installation of WaterSense labeled smart irrigation controllers, we prevent the systems from turning on during rain events. This can save up to 15,000 gallons of water over the course of a year as compared to a time-based controller. More information is available on the [WaterSense website](#).

2. Question/comment: State statutes say that irrigation systems installed after 2002 or something like that have to use a moisture sensor. Cities (or maybe the state) require households to not send sump pump water into the home drain, and my city came to everyone's house to check. We ought to move toward requiring the pre-2002 systems to do the moisture sensor in the same way and not subsidize big suburban homes.

Cities have a key role managing irrigation efficiency. The Met Council Water Demand/Reduction Grant program supports city inspections by funding irrigation system audits conducted by a certified Irrigation Professional (US EPA WaterSense program). Program funding also helps communities incentivize and support replacement of older irrigation systems with newer WaterSense labeled smart irrigation controllers and spray sprinkler bodies. Each community designs their own program and many do encourage and fund the replacement of older irrigation controllers with smart controllers and spray sprinkler bodies.

3. Question/comment: Establish criteria so that funding for this program is targeted to people for which the cost of implementing new appliances is a barrier. We should not be cost sharing irrigation controllers for people wealthy enough to sprinkle their lawn. Locals could give information on selecting a Water Sense certified product but not pay for it with Clean Water Funds. We should fund projects like the St. Paul toilet conversion project.

We had a pilot project with St. Paul Regional Water Services in FY23/24 where Clean Water Funds supported a project to conduct no-cost-to-resident toilet replacements for renters in apartment buildings in areas of concentrated poverty who pay their own water use expenses. We are now working on a new equity-based program for part of the funding we received in FY 24/25. This new program will continue to evolve based on input from our partners based on their needs. Based on input so far, we will continue to use a portion of our funding received for this program to target areas and people in need of more support to replace toilets and other high water use appliances to help reduce their water use and water bills.

Comment Sheet
for Clean Water Fund Requests

April 5, 2024

Minnesota Agricultural Water Quality Certification Program
(MAWQCP)(MDA)

1. Have practices been evaluated to determine impact to surface and groundwater?

In the most literal sense of the question, that has not been done on all acres certified through the MAWQCP. All practices' effectiveness have been evaluated, the same as all practice standards and metrics are maintained the same as all NRCS/SWCD/BWSR etc. practices (they are the same thing), and of course MPCA records the official water quality data for Minnesota. Still, recognizing our responsibility to effect water quality improvement, we are presently contracting with the University of Minnesota Super Computing Institute to develop means for quantifying the proximate impact of individual practice and management changes on receiving waters, surface and/or ground. Other than expensive and labor-intensive in-field/edge-of-field/in-stream monitors, the MAWQCP--in fulfilling our CWF responsibility to quantify outcomes--records the calculated impact of all practice and management changes per below (and conducted precisely the same as all other CWF implementation projects). Additionally, while limited in number, there are MAWQCP-certified farms with water quality monitoring in place, in particular certified farms participating in Discovery Farms and designated research sites, including the Root River Field to Stream project. Finally, with the GIS mapping of all new MAWQCP-instigated implementation activities (along with many/most pre-existing practices), coupled with the longer term 10-year (and potentially 20+ year) participation, we maintain a constantly updated data set of physical sites that are available for any applicable metrics or calculations that can be applied.

MAWQCP certifications (thru 3-29-24)

1,471 producers certified

1,049,468 acres certified

2,857 new practices, achieving annual outcomes (thru 3-8-24) of:

47,835 tons of sediment prevented per year

142,806 tons of soil saved per year

59,691 lbs of Phosphorous loss prevented per year, and

Nutrient management resulting in 45% reduction in Nitrogen loss

51,939 CO2-equivalent metric tons of GHG emissions reduced per year

...and 25% higher profits than non-MAWQCP certified farms (Minnesota State Colleges)

2. Could you clarify what a "whole-farm" assessment means? This program means that farmers have to excel in ALL parts of a farm's operation to get certified, and that those achievements are better than most conventional practices, right? We need to stress how certification tells us that a farm is performing higher than their neighbors and if everyone did it, we would know that we're doing just about everything we can.

Yes. Whole-farm risk assessment process on all acres, rented or owned, under all cropping and production scenarios on the farm, means physical and management challenges are addressed as and where they exist. Mitigating present issues employs conservation practices, but starts with the issue that exists, not with a promoted practice. The one-to-one and 10-year nature of MAWQCP further enables and ensures risk remains mitigated and any evolving challenges are treated.

3. What do you need to provide outreach to renters? We are leaving half the crop acres on the table without having a way to reach them systematically.

All land rented or owned in a farming operation must be certified. When we certify farms, we certify renters: a majority of certified farms have rented land. In particular, we are especially interested in reaching landlords because MAWQCP provides “conservation leases” that ensure stewardship and resiliency in their heritage (or investment) farmland, and can literally be incorporated as appendices to lease documents. We’ve partnered with organizations across the spectrum, from Women, Food and Ag Network to pursuing efforts to work with land management firms (albeit, still seeking success there).

4. Can you do a drainage endorsement or do you have enough standards already in the program? I’m thinking side inlets, controlled tile drainage, etc.

A drainage endorsement has been the subject of MAWQCP planning, most specifically as recorded in the Minnesota Environmental Quality Board (EQB) State Water Plan. The endorsement has not been created, but, to the question, there is “space” between risk-mitigation relative to presence of drainage that must occur to earn MAWQCP-certification, and advanced management and practices that could be components of an endorsement. For instance, water retention and re-use systems, subsurface irrigation, controlled drainage systems with added redundancy or “back-up” for system bypass conditions, etc. We are absolutely not opposed to a drainage endorsement, to date there has been some challenge in successfully obtaining stakeholder participation in the effort to create an “endorsed” endorsement. [NOTE: the MAWQCP endorsements have all been created through an expert panel of stakeholder organizations and entities; for instance, the Wildlife endorsement was developed through a consensus process of a working group made up of representatives of species organizations, habit/conservation NGOs, pollinator advocates, local conservation districts, fish and game agencies, etc.]

5. Starting year was 2014. With the 10-year contracts, what % of the contracts have stayed intact? Is there a penalty for severing the contract?

There is no penalty for severing the contract, except and appropriately in the case of public financial assistance being provided and the activity supported by the project was not undertaken, completed, or maintained in accordance with the agreement. In such a case funds must be returned (the MAWQCP certification contract provides specific terms and legal actions to fulfill this requirement). Our first certification was in June of 2014, so no recertifications have yet occurred, but our area certification specialists are naturally actively communicating and working with concluding certifications in their regions. No certified farms have yet reported that they will not seek re-certification. [NOTE: re-certification will occur under current assessment process and values. We have always committed to improve and refine processes to better access and mitigate agricultural risk. In short, in select aspects, re-certification will be more rigorous than the original].

FY26-27 CLEAN WATER FUND PROPOSAL

Critical Shoreland Protection – Permanent Conservation Easements	
BWSR	Program Number: 21
Program Contact Name: Sharon Doucette	Phone: 651-539-2567
Contact E-mail Address: Sharon.doucette@state.mn.us	
Person filling out form: Marcey Westrick	Phone: 651-284-4153
Person filling out form e-mail address Marcey.westrick@state.mn.us	

Purpose

To purchase permanent conservation easements to protect lands adjacent to public waters with good water quality but threatened with degradation. Easement focus has been in the headwaters of the Mississippi River for protection of tributaries and the Mississippi River, to provide source water protection for the Twin Cities and other communities along the Mississippi River.

Webpage

[Critical Shorelands: Rum River Conservation Easements | MN Board of Water, Soil Resources \(state.mn.us\)https://bwsr.state.mn.us/node/8926](https://bwsr.state.mn.us/node/8926)

(Website will be updated to the more general “Critical Shorelands” title with largely the same materials and text)

Rationale/Background

Please describe how this program will protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation, or protect drinking water sources.

Historically, protects high quality public waters in the Upper Mississippi Basin including the Mississippi and its tributaries using the Reinvest in Minnesota (RIM) easement process.

Historically, each biennium of funding was designated to a specific high priority subwatershed within the larger upper Mississippi River area. The FY 16/17 funds were used exclusively in the Pine River Watershed, FY 18/19 funds were used in the Crow Wing River Watershed, FY 20/21 and 22/23 were used in the Rum River Watershed. Based on feedback from partners in the area, FY 24/25 funds are not focused on a specific watershed but is accepting easement applications from all previous focus areas, the Pine, Crow Wing and Rum, as well as adding the connecting watershed – Mississippi River, Brainerd.

Parcels are selected by local technical committees composed of SWCD, BWSR and other agency/partner staff. The technical committees use a scoring system that includes specific criteria – for example, the number of feet of shoreline, parcel size, percent forested, and RAQ score (RAQ stands for Riparian, Adjacency, Quality - a model run for the major watershed),

among other criteria. Scoring is not directly linked to 1W1P because it has not been completed in all watersheds in this part of the state. However, most technical committee members have also been involved in WRAPs, Landscape Stewardship Plans and 1W1Ps and bring that knowledge to team meetings. That information is also used in targeting outreach efforts to specific landowners. Watersheds are prioritized based on the US Forest Service publication “Forests, Water and People: Drinking water supply and forested lands in the Northeast and Midwest United States.” The publication identified the most important watersheds for protecting source water for communities in the Twin Cities.

Typical landowner easement payment for this program is \$2,000/acre currently. If counties closer to the metro secure more easements, that will almost double the per acre rate (Anoka and Isanti both have significantly higher assessed land values than other counties that are part of the program).

PRIOR APPROPRIATIONS	
FY10-11	
FY12-13	
FY14-15	
FY16-17	\$2,000,000
FY18-19	\$2,000,000
FY20-21	\$2,550,000
FY22-23	\$2,468,000
FY24-25	\$3,000,000
TOTAL APPROPRIATED TO DATE	\$12,018,000

FY26 Request	FY27 Request	FY26-27 TOTAL REQUEST

Alignment with Clean Water Council Strategic Plan

Please indicate which strategy in the Clean Water Council's most recent Strategic Plan applies to this proposal.

Surface Water Protection and Restoration Vision: Minnesotans will have fishable and swimmable waters throughout the state.

Goal 2: Protect and restore surface waters to achieve 70% swimmable and 67% fishable waters by 2034 via by prioritizing and targeting resources by major watershed.

Strategy: Prioritize waters for protection and restoration using comprehensive watershed management plans (One Watershed One Plan or other approved plans) updated every ten years.

Outcomes

Describe the likely measurable outcomes of this proposal. (If this program has been funded previously by the Clean Water Fund, please describe the measurable outcomes, outputs, or results achieved to date and how close the program is to a goal, when applicable.)

Permanent protection around high quality public waters in the Mississippi Headwaters.

4,000 acres under easement or in process in the program. Currently on track with demand.

There are several remaining Mississippi watersheds above the Twin Cities that could be made eligible for the program, both upstream and downstream of the current eligible areas.

Appropriation language states: *“to protect lands adjacent to public waters that have good water quality but that are threatened with degradation”*. There are other areas of the state, outside of the Mississippi Headwaters, where the funds could be used for protection easements.

Long-term funding vision

If this proposal is funded, should the Clean Water Council expect future requests to increase, decrease, stay about the same, or not be needed? (Do not factor inflation into your answer.)

Stay the same

Non-CWF Funding

Will this program receive or request other funding from non-CWF sources, or eventually leverage non-CWF sources? If so, please describe. If not, leave blank.

Much of this same area is within the Mississippi Headwater Board’s (MHB) jurisdiction. MHB and BWSR have a partner project, funded by Outdoor Heritage Fund, for protection easements with a focus on protection of existing high-quality habitat corridors in the area.

Supplement vs. supplant

Minnesota Statutes 114D.50 Subd. 3 requires that “any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.” **Indicate if this proposal will supplement or supplant previous funding.**

Supplement

Past Funding Recipients

If this funding will be disbursed through competitive grants, loans, or contracts, or if recipients are not yet known, please list what entities have received this funding in previous fiscal years and how much.

NA

State Employees

Indicate the number the full-time state employees supported by the CWF for this program.

Annual FTE numbers

FY10-11	
FY12-13	
FY14-15	

FY16-17	0.6
FY18-19	0.6
FY20-21	0.6
FY22-23	0.6
FY24-25	0.6
FY26-27	

FY26-27 CLEAN WATER FUND PROPOSAL

Wetland Restoration Easements	
BWSR	Program Number: __
Program Contact Name: Sharon Doucette	Phone: 651-539-2567
Contact E-mail Address: Sharon.doucette@state.mn.us	
Person filling out form: Marcey Westrick	Phone: 651-284-4153
Person filling out form e-mail address Marcey.westrick@state.mn.us	

Purpose

The purpose of the RIM Wetlands Program is to restore and protect previously drained and altered wetlands and adjacent grasslands and other important vegetated buffers using permanent RIM conservation easements across the state. Restoring and protecting wetlands provides many water quality, habitat and climate mitigation benefits.

Webpage

[RIM Wetlands | MN Board of Water, Soil Resources \(state.mn.us\)https://bwsr.state.mn.us/node/8926](https://bwsr.state.mn.us/node/8926)

Rationale/Background

Please describe how this program will protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation, or protect drinking water sources.

Funds will acquire permanent conservation easements and restore wetlands in priority areas statewide.

Easement applications are accepted statewide on a quarterly basis. Applications are reviewed together based on scoring criteria to determine funding. Scoring criteria includes, but is not limited to, acres of restorable wetland, upland acres, total easement size, proximity to other protected land or public water and wetland restoration/protection being identified as a priority in a Comprehensive Watershed Management Plan.

To date, the average landowner payment for submitted applications is \$6,200/acre. Statewide average of the new RIM 2024 RIM rates is \$5,500/acre. Reviewing the 2024 rate update in counties where wetland restoration applications frequently are submitted, the average is almost \$8,000/acre for landowner easement payment as many counties in the prairie pothole region of the state had between 20 to 30% increase in the tax assessed value of land as reported to the Minnesota Department of Revenue over the last year. This does not include restoration costs.

PRIOR APPROPRIATIONS	
FY10-11	
FY12-13	
FY14-15	
FY16-17	
FY18-19	
FY20-21	
FY22-23	\$5,660,000
FY24-25	\$10,000,000
TOTAL APPROPRIATED TO DATE	\$15,660,000

FY26 Request	FY27 Request	FY26-27 TOTAL REQUEST

Alignment with Clean Water Council Strategic Plan

Please indicate which strategy in the Clean Water Council's most recent Strategic Plan applies to this proposal.

Surface Water Protection and Restoration Vision: Minnesotans will have fishable and swimmable waters throughout the state.

Goal 2: Protect and restore surface waters to achieve 70% swimmable and 67% fishable waters by 2034 via by prioritizing and targeting resources by major watershed.

Strategy: Prioritize waters for protection and restoration using comprehensive watershed management plans (One Watershed One Plan or other approved plans) updated every ten years.

Outcomes

Describe the likely measurable outcomes of this proposal. (If this program has been funded previously by the Clean Water Fund, please describe the measurable outcomes, outputs, or results achieved to date and how close the program is to a goal, when applicable.)

Increase in restored and protected wetland acres and associated water quality and habitat benefits.

Program totals with RIM Wetlands funding from both OHF and CWF since 2022 (the most recent version of the RIM Wetlands program): 2,400 acres (approximately half from CWF, half from OHF) with some Clean Water funding available from FY24-25 still for landowner payments. Most easements are in southern or western Minnesota. Le Sueur County has submitted the most applications to date.

Clean Water funds have contributed to many more wetland restorations via past CREP appropriations.

Long-term funding vision

If this proposal is funded, should the Clean Water Council expect future requests to increase, decrease, stay about the same, or not be needed? (Do not factor inflation into your answer.)

Increase

Non-CWF Funding

Will this program receive or request other funding from non-CWF sources, or eventually leverage non-CWF sources? If so, please describe. If not, leave blank.

The RIM Wetlands restoration program is also funded through the Outdoor Heritage Fund. General fund dollars were also appropriated to RIM last year specifically for peatland restoration to support the Governor’s Climate Initiative.

Supplement vs. supplant

Minnesota Statutes 114D.50 Subd. 3 requires that “any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.” **Indicate if this proposal will supplement or supplant previous funding.**

Supplement

Past Funding Recipients

If this funding will be disbursed through competitive grants, loans, or contracts, or if recipients are not yet known, please list what entities have received this funding in previous fiscal years and how much.

State Employees

Indicate the number the full-time state employees supported by the CWF for this program.

FY10-11	
FY12-13	
FY14-15	
FY16-17	
FY18-19	
FY20-21	
FY22-23	0.8
FY24-25	0.9
FY26-27	

FY26-27 CLEAN WATER FUND PROPOSAL

Targeted Wellhead/Drinking Water Protection	
BWSR	Program Number: 37
Program Contact Name: Sharon Doucette	Phone: 651-539-2567
Contact E-mail Address: Sharon.doucette@state.mn.us	
Person filling out form: Marcey Westrick	Phone: 651-284-4153
Person filling out form e-mail address Marcey.westrick@state.mn.us	

Purpose

For conservation easements on wellhead protection areas under Minnesota Statutes, section 103F.515, subdivision 2, paragraph (d), or for grants to local units of government for ensuring long-term protection of groundwater supply sources in wellhead protection areas. Priority to be placed on land that is located where the vulnerability of the drinking water supply is designated as high or very high by the commissioner of health, where the drinking water supply is identified as Mitigation Level 1 or 2 by the Minnesota Groundwater Rule, where monitoring has shown elevated nitrate levels, where drinking water protection plans have identified specific activities that will achieve long-term protection, and/or on lands with expiring Conservation Reserve Program contracts. Slight changes to appropriation language will increase flexibility of funding. These changes would include replacing “grants” with “contracts”, removing “permanent” in the type of easement the state can hold, expanding to the whole RIM statute rather than specifically listing 103F.515, and allowing tribal government partnership rather than just LGUs to be eligible under the existing grant program.

Webpage

[RIM Groundwater \(Wellhead\) Protection Easements | MN Board of Water, Soil Resources](https://bwsr.state.mn.us/node/8926)
<https://bwsr.state.mn.us/node/8926>

Rationale/Background

Please describe how this program will protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation, or protect drinking water sources.

Implements long-term land management protection in wellhead protection areas.

Easements and grants are determined by the current appropriation language that states projects must be selected using the following criteria: vulnerability of the drinking water supply is designated as high or very high by the commissioner of health through an approved Wellhead Protection Plan, the drinking water supply is identified as Mitigation Level 1 or 2 by the Minnesota Groundwater Rule, monitoring has shown elevated nitrate levels, drinking water protection plans have identified specific activities that will achieve long-term protection, and/or on lands with expiring Conservation Reserve Program contracts.

2,400 acres via 40 RIM easements and 360 acres via Wellhead Protection Partner Grant. As a voluntary program, specific DSWMAs are not targeted outside of meeting the above criteria. Example counties of easement location include Cottonwood, Rock, Watonwan, and Winona.

PRIOR APPROPRIATIONS	
FY10-11	\$2,300,000
FY12-13	\$3,600,000
FY14-15	\$2,600,000
FY16-17	\$3,500,000
FY18-19	\$3,500,000
FY20-21	\$4,000,000
FY22-23	\$5,000,000
FY24-25	\$5,000,000
TOTAL APPROPRIATED TO DATE	\$29,500,000

FY26 Request	FY27 Request	FY26-27 TOTAL REQUEST

Alignment with Clean Water Council Strategic Plan

Please indicate which strategy in the Clean Water Council's most recent Strategic Plan applies to this proposal.

Drinking Water Source Protection Vision: Drinking water is safe for everyone, everywhere in Minnesota.

Goal 1: Public Water Systems - Ensure that users of public water systems have safe, sufficient, and equitable drinking water.

Strategy: Support prevention efforts to protect groundwater in DWSMAs.

Outcomes

Describe the likely measurable outcomes of this proposal. (If this program has been funded previously by the Clean Water Fund, please describe the measurable outcomes, outputs, or results achieved to date and how close the program is to a goal, when applicable.)

Permanent or long-term protection in highly or very highly vulnerable wellhead protection areas.

The current appropriation language requires the easements to be secured on MDH approved wellhead protection areas (public water supplies). Appropriation language could be modified to strategically place RIM easements targeted in the southeast to provide land protection for other groundwater uses.

Long-term funding vision

If this proposal is funded, should the Clean Water Council expect future requests to increase, decrease, stay about the same, or not be needed? (Do not factor inflation into your answer.)

Increase

Non-CWF Funding

Will this program receive or request other funding from non-CWF sources, or eventually leverage non-CWF sources? If so, please describe. If not, leave blank.

Supplement vs. supplant

Minnesota Statutes 114D.50 Subd. 3 requires that “any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.” **Indicate if this proposal will supplement or supplant previous funding.**

Supplement

Past Funding Recipients

If this funding will be disbursed through competitive grants, loans, or contracts, or if recipients are not yet known, please list what entities have received this funding in previous fiscal years and how much.

Past grant recipients include City of Adrian, Okabena-Ocheda WD, City of Edgerton, and Rock SWCD.

State Employees

Indicate the number the full-time state employees supported by the CWF for this program.

FY10-11	0.5
FY12-13	0.8
FY14-15	0.6
FY16-17	0.6
FY18-19	0.7
FY20-21	0.7
FY22-23	0.8
FY24-25	0.8
FY26-27	

FY26-27 CLEAN WATER FUND PROPOSAL

Riparian and Floodplain Restoration Easements [formerly Riparian Buffer-Permanent Conservation Easements]	
BWSR	Program Number: 25
Program Contact Name: Sharon Doucette	Phone: 651-539-2567
Contact E-mail Address: Sharon.doucette@state.mn.us	
Person filling out form: Marcey Westrick	Phone: 651-284-4153
Person filling out form e-mail address Marcey.westrick@state.mn.us	

Purpose

Easements to restore sensitive land in riparian corridors and floodplains to address water quality issues. Landowners have the option to select a perpetual easement or a limited-term easement. In addition, landowners have options to restore the easement to native vegetation or continue to generate income through uses that do not include row crop agriculture, for example: haying/grazing, silviculture, silvopasture, and/or agroforestry. Easement payment structure is based on the proposed easement length and use.

Webpage

[RIM Riparian and Floodplain Restoration](#)

<https://bwsr.state.mn.us/rim-riparian-and-floodplain-restoration>

Rationale/Background

Please describe how this program will protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation, or protect drinking water sources.

The program focus is to restore and protect sensitive marginal land within the floodplain or riparian area of public waters to improve water quality by establishing permanent vegetative cover on these areas. This work will reduce the direct water quality impacts of these areas when flooded and provide a buffer for surface water flows from adjacent areas to the public waters.

Easement applications are accepted statewide three times a year. Applications are reviewed together based on scoring criteria to determine funding. Scoring criteria includes several categories including: total easement size, land in an existing CRP contract, proximity to other protected land or public water, frequency of flooding and the area being identified as a priority in a locally adopted Comprehensive Watershed Management Plan.

Currently, the average landowner payment for applications submitted for this program is \$7,500/acre.

PRIOR APPROPRIATIONS	
FY10-11	\$6,900,000
FY12-13	\$12,000,000
FY14-15	\$13,000,000
FY16-17	\$9,750,000
FY18-19	\$9,750,000
FY20-21	\$9,500,000
FY22-23	\$3,872,000
FY24-25	\$5,000,000
TOTAL APPROPRIATED TO DATE	\$69,772,000

FY26 Request	FY27 Request	FY26-27 TOTAL REQUEST

Alignment with Clean Water Council Strategic Plan

Please indicate which strategy in the Clean Water Council's most recent Strategic Plan applies to this proposal.

Surface Water Protection and Restoration Vision: Minnesotans will have fishable and swimmable waters throughout the state.

Goal 2: Protect and restore surface waters to achieve 70% swimmable and 67% fishable waters by 2034 via by prioritizing and targeting resources by major watershed.

Strategy: Prioritize waters for protection and restoration using comprehensive watershed management plans (One Watershed One Plan or other approved plans) updated every ten years.

Outcomes

Describe the likely measurable outcomes of this proposal. (If this program has been funded previously by the Clean Water Fund, please describe the measurable outcomes, outputs, or results achieved to date and how close the program is to a goal, when applicable.)

Since FY10-11, Clean Water "buffer" funding has protected over 26,000 acres. Many of the easements are in the SW portion of the state with Redwood and Renville counties having the most individual easements funded.

Long-term funding vision

If this proposal is funded, should the Clean Water Council expect future requests to increase, decrease, stay about the same, or not be needed? (Do not factor inflation into your answer.)

Increase

Non-CWF Funding

Will this program receive or request other funding from non-CWF sources, or eventually leverage non-CWF sources? If so, please describe. If not, leave blank.

The Riparian and Floodplain Restoration program also receives funding from Outdoor Heritage Fund.

Supplement vs. supplant

Minnesota Statutes 114D.50 Subd. 3 requires that “any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.” **Indicate if this proposal will supplement or supplant previous funding.**

Supplement

Past Funding Recipients

If this funding will be disbursed through competitive grants, loans, or contracts, or if recipients are not yet known, please list what entities have received this funding in previous fiscal years and how much.

State Employees

Indicate the number the full-time state employees supported by the CWF for this program.

FY10-11	1.5
FY12-13	2.6
FY14-15	2.8
FY16-17	2.0
FY18-19	2.0
FY20-21	2.0
FY22-23	1.0
FY24-25	1.0
FY26-27	

FY26-27 CLEAN WATER FUND PROPOSAL

Buffer Law Implementation	
BWSR	Program Number: 24
Program Contact Name: Tom Gile	Phone: 507-206-2894
Contact E-mail Address: tom.gile@state.mn.us	
Person filling out form: Marcey Westrick	Phone: 651-284-4153
Person filling out form e-mail address	Marcey.westrick@state.mn.us

Purpose

Provides program oversight and grants to support local governments in their implementation of the statewide buffer law.

Webpage

[Grant Profile: Buffer Law Implementation | MN Board of Water, Soil Resources \(state.mn.us\)](#)

Rationale/Background

Please describe how this program will protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation, or protect drinking water sources.

Funds are made available on a non-competitive, formula-based basis to SWCDs to support their local implementation of the buffer law.

There are approximately 500,000 or so parcels subject to the buffer law and in any given month there will be buffers out of compliance for one reason or another. This program is designed to support the SWCD role in providing landowners with technical assistance, planning assistance and implementation assistance as well as tracking progress for compliance. The buffer law requires SWCDs to track progress towards compliance and SWCDs regularly review parcels in their respective districts to ensure they stay in compliance. When landowners are identified as no longer being in compliance the SWCDs will often work with the initially to take steps to get back into compliance prior to sending them to the County, Watershed District or BWSR for enforcement. It is very important to stress that “enforcement” comes out the General Fund from the tax bill (a Riparian Aid payment from the state to the entities tasked with the enforcement) and not the CWF. This funding supports the SWCDs in the monitoring and implementation aspects of the law and associated BWSR oversight, while the GF dollars support the Counties, Watershed Districts and BWSR work for enforcement.

PRIOR APPROPRIATIONS	
FY10-11	
FY12-13	
FY14-15	
FY16-17	\$5,000,000
FY18-19	\$5,000,000
FY20-21	\$5,000,000
FY22-23	\$3,872,000
FY24-25	\$4,000,000
TOTAL APPROPRIATED TO DATE	\$22,872,000

FY26 Request	FY27 Request	FY26-27 TOTAL REQUEST
\$2,000,000	\$2,000,000	\$4,000,000

Alignment with Clean Water Council Strategic Plan

Clean Water Council Strategic Plan Goal #3.

Outcomes

Describe the likely measurable outcomes of this proposal. (If this program has been funded previously by the Clean Water Fund, please describe the measurable outcomes, outputs, or results achieved to date and how close the program is to a goal, when applicable.)

Continued implementation and monitoring of compliance status for the Minnesota Buffer Law.

- CWF Dollars go to the SWCDs at between 80-90% pass through from BWSR to support the SWCDs monitoring and implementation work.
- BWSR funding covers administrative costs for grants and associated staffing components for continuing education for SWCD staff.
- SWCDs should typically be reviewing about 1/3 of their parcels subject to the law annually. With full review accomplished on 3-year cycles. In addition, they would inspect parcels where complaints or other communications are needed/requested by landowner/operators.
- General Fund Riparian Aid dollars go to Counties Watershed Districts and BWSR to support the development and implementation of local official and/or Administrative Penalty Order plans to provide the framework for the enforcement of cases which are not in compliance. In addition, these funds support staff time and resources associated with compliance actions and communications, legal costs to defend the official controls and court fees or collection fees.
- A number of Counties and Watersheds also work in partnership with the SWCDs to provide resources such as aerial photography, riparian cost share programs and other related support which goes above and beyond the costs provide by the CWF dollars to the SWCDs (This work is optional and in no way expected of the Counties or WDs nor is it consistently provided across the state)

Long-term funding vision

If this proposal is funded, should the Clean Water Council expect future requests to increase, decrease, stay about the same, or not be needed? (Do not factor inflation into your answer.)

Stay about the same

Non-CWF Funding

Will this program receive or request other funding from non-CWF sources, or eventually leverage non-CWF sources? If so, please describe. If not, leave blank.

Enforcement awards are issued annually and range from \$40,000 to \$160,000 per County. Funds are then split between County and WD based on their responsibilities.

Supplement vs. supplant

Minnesota Statutes 114D.50 Subd. 3 requires that “any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.” **Indicate if this proposal will supplement or supplant previous funding.**

Supplement

Past Funding Recipients

If this funding will be disbursed through competitive grants, loans, or contracts, or if recipients are not yet known, please list what entities have received this funding in previous fiscal years and how much.

FY24/25 Buffer Program Implementation Grant Allocations

SWCD	Proposed FY 24/25 Allocation
AITKIN	\$8,500
ANOKA	\$8,500
BECKER	\$21,500
BELTRAMI	\$17,000
BENTON	\$17,000
BIG STONE	\$21,500
BLUE EARTH	\$25,500
BROWN	\$25,500
CARLTON	\$2,500
CARVER	\$17,000
CASS	\$8,500
CHIPPEWA	\$25,500

CHISAGO	\$8,500
CLAY	\$30,000
CLEARWATER	\$17,000
COOK	\$2,500
COTTONWOOD	\$25,500
CROW WING	\$8,500
DAKOTA	\$17,000
DODGE	\$21,500
DOUGLAS	\$17,000
FARIBAULT	\$25,500
FILLMORE	\$25,500
FREEBORN	\$25,500
GOODHUE	\$21,500
GRANT	\$21,500
HENNEPIN COUNTY	\$8,500
HUBBARD	\$8,500
ISANTI	\$8,500
SWCD	Proposed FY24/25 Allocation
ITASCA	\$2,500
JACKSON	\$25,500
KANABEC	\$8,500
KANDIYOHI	\$25,500
KITTSOON	\$30,000
KOOCHICHING	\$2,500
LAC QUI PARLE	\$25,500
LAKE	\$2,500
LAKE OF THE WOODS	\$8,500
LE SUEUR	\$21,500
LINCOLN	\$21,500
LYON	\$25,500
MAHNOMEN	\$17,000
MARSHALL	\$38,500
MARTIN	\$30,000
MC LEOD	\$17,000
MEEKER	\$21,500
MILLE LACS	\$8,500
MORRISON	\$21,500

MOWER	\$25,500
MURRAY	\$25,500
NICOLLET	\$17,000
NOBLES	\$30,000
NORMAN	\$30,000
OLMSTED	\$21,500
OTTER TAIL E	\$21,500
OTTER TAIL W	\$21,500
PENNINGTON	\$21,500
PINE	\$8,500
PIPESTONE	\$21,500
POLK E	\$21,500
SWCD	Proposed FY24/25 Allocation
POLK W 45	\$38,500
POPE	\$21,500
RAMSEY	\$2,500
RED LAKE	\$17,000
REDWOOD	\$30,000
RENVILLE	\$38,500
RICE	\$17,000
ROCK	\$21,500
ROOT RIVER	\$17,000
ROSEAU	\$30,000
SCOTT	\$8,500
SHERBURNE	\$8,500
SIBLEY	\$21,500
ST. LOUIS N	\$2,500
ST. LOUIS S	\$2,500
STEARNS	\$30,000
STEELE	\$21,500
STEVENS	\$25,500
SWIFT	\$25,500
TODD	\$17,000
TRAVERSE	\$25,500
WABASHA	\$17,000
WADENA	\$8,500
WASECA	\$17,000

WASHINGTON	\$8,500
WATONWAN	\$21,500
WILKIN	\$30,000
WINONA	\$17,000
WRIGHT	\$17,000
YELLOW MEDICINE	\$30,000
	\$1,698,500

State Employees

Indicate the number the full-time state employees supported by the CWF for this program.

FY10-11	
FY12-13	
FY14-15	
FY16-17	3.0
FY18-19	3.0
FY20-21	3.4
FY22-23	3.0
FY24-25	3.0
FY26-27	

FY26-27 CLEAN WATER FUND PROPOSAL

Nonpoint Source Restoration and Implementation	
DNR	Program Number: 34
Program Contact Name: Barbara Weisman	Phone: 651-259-5147
Contact E-mail Address: barbara.weisman@state.mn.us	
Person filling out form: Jason Moeckel	Phone: 651-259-5240
Person filling out form e-mail address Jason.moeckel@state.mn.us	

Purpose

The DNR supports local planning and implementation work for clean water. This includes four main activities: providing technical assistance with water quality implementation projects; contributing to Comprehensive Watershed Management Plans under the One Watershed, One Plan (1W1P) program; promoting higher water quality standards in local shoreland ordinances; and forest stewardship planning to protect water quality in at-risk watersheds.

Webpage

A DNR Clean Water Fund website is being developed to provide more information about DNR's technical assistance with implementation projects and links to information related to other activities described above. Meanwhile, the following sites provide additional information:

[DNR Legacy Funded Projects](#): See "Protecting and restoring lakes, rivers, and groundwater" on this site for stories about some of the implementation projects DNR staff have assisted.

DNR's [Innovative Shoreland Standards Showcase](#) website describes the higher standards we promote to communities interested in going beyond state shoreland rules to better protect water quality. See also the [Shoreland Higher Standards](#) training video.

BWSR's [forest land conversation website](#) describes the main elements of DNR's role in forest stewardship planning to protect water quality: [woodland stewardship plans](#) for privately owned land (see also [Private Forests, Pristine Waters](#)) and Landscape Stewardship Plans including links to completed plans.

Rationale/Background

Please describe how this program will protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation, or protect drinking water sources.

Technical assistance with implementation projects:

DNR staff offer stream geomorphology survey data and results of completed projects to support systemic solutions to erosion problems in stream systems where most of the excess sediment is from streambanks or streambeds rather than upland or overland sources. DNR stream

geomorphology experts work with local partners to target, select, and find funding for streambank stabilization and stream restoration projects that not only meet water quality goals holistically but are also more durable in the long-term and provide a multitude of additional ecological benefits, by addressing the root causes of the erosion problem. DNR staff help design projects, oversee construction, and offer training to Technical Service Authority (TSA) engineers and local government technicians.

Contributing to Comprehensive Watershed Management Plans under 1W1P:

The DNR assigns one staff person to each 1W1P watershed-based planning area. This person consults with staff in multiple DNR disciplines (Ecological and Water Resources, Forestry, Fish and Wildlife, Park and Trails, Lands and Minerals) to offer DNR input that is coordinated, integrated, relevant, and useful. Typically, this includes information related to watershed hydrology, geomorphology, connectivity, and biology – key aspects of watershed health in which DNR staff have a great deal of expertise.

Higher water quality standards in local shoreland ordinances and related lake protection work: Staff in DNR's Land Use unit and area hydrologists work with local governments to help them incorporate standards that go beyond state shoreland rules (last updated in 1989) to better protect water quality as communities face modern shoreland development pressures and climate change. A DNR website shares 13 fact sheets with 84 specific examples of higher standards in local shoreland ordinances from all across Minnesota. In related work, DNR Ecological and Water Resources staff annually update and distribute GIS data layers that MPCA and local governments use to help prioritize lake water quality protection work. (These data layers also factor into the DNR's Watershed Health Assessment Tool or WHAF.) Typically, well over 100 local government staff attend DNR trainings or presentations on higher shoreland standards and/or lake water quality prioritization data and methods every year.

Forest stewardship planning to protect water quality:

This program was developed in partnership with the Minnesota Forest Resources Council, BWSR, DNR Forestry, and DNR Fisheries. DNR contracts with SWCDs to write and help private landowners implement woodland stewardship plans to help protect water quality in high-priority waters in sensitive or at-risk subwatersheds identified in Comprehensive Watershed Management Plans for watersheds in forested regions of the state. Initially, this focused on lakes that support tullibee (cisco), an important cold-water fish eaten by walleye and other game fish. Healthy forests are a key to clean water, including conditions that support these sensitive species.

Forest stewardship plans create a relationship between the field forester and the landowner, and that relationship is often long-term. Often a landowner will immediately begin conducting activities in the plan such as tree planting, timber stand improvement, and shoreland stabilization. DNR utilizes CWF and/or other funding to cost-share those activities. Additionally, with the stewardship plan, the landowner becomes eligible to enroll the land in long-term protection programs including perpetual easements via the Reinvest in Minnesota (RIM) or Forest Legacy programs or 8-, 20- or 50-year covenants under the Sustainable Forest Incentives Act (SFIA). Clean Water Fund money for this activity has also supported the development of landscape-scale plans for five Upper Mississippi River Basin watersheds, with specific subwatershed goals and strategies that have been incorporated into Comprehensive Watershed

Management Plans. Landscape-level plans are now being developed for other watersheds with other funding. These plans help local forestry teams plan their landowner outreach based on highly targeted subwatershed-scale strategies and goals.

PRIOR APPROPRIATIONS	
FY10-11	\$500,000
FY12-13	\$2,400,000
FY14-15	\$2,000,000
FY16-17	\$2,000,000
FY18-19	\$1,900,000
FY20-21	\$2,000,000
FY22-23	\$2,500,000
FY24-25	\$3,200,000
TOTAL APPROPRIATED TO DATE	\$16,500,000

FY26 Request	FY27 Request	FY26-27 TOTAL REQUEST
TBD	TBD	TBD

Alignment with Clean Water Council Strategic Plan

Please indicate which strategy in the Clean Water Council's most recent Strategic Plan applies to this proposal.

This program supports the following strategies under the Clean Water Council's Strategic Plan.

- **Surface Water Protection and Restoration Vision:** Minnesotans will have fishable and swimmable waters throughout the state:
 - **Goal 2:** Protect and restore surface waters to achieve 70% swimmable and 67% fishable waters by 2034 via by prioritizing and targeting resources by major watershed.
 - **Strategy:** Prioritize waters for protection and restoration using comprehensive watershed management plans (One Watershed One Plan or other approved plans) updated every ten years. (All actions in this strategy except the last.)
 - **Goal 3:** Protect and restore surface waters to achieve 70% swimmable and 67% fishable waters by 2034 via through statewide, regional, or issue-specific programs that help meet water quality goals but are not necessarily prioritized and targeted according to geography
 - **Strategy:** Support competitive grants for protection and restoration activities.
- **Vision: All Minnesotans value water and take actions to sustain and protect it:** Minnesotans will have fishable and swimmable waters throughout the state:
 - **Goal 1:** Build capacity of local communities to protect and sustain water resources.
 - **Strategy:** Maintain and increase capacity of Minnesotans to improve water quality.
 - **Action:** Support local efforts to engage lakeshore property owners and private landowners.

Outcomes

Describe the likely measurable outcomes of this proposal. (If this program has been funded previously by the Clean Water Fund, please describe the measurable outcomes, outputs, or results achieved to date and how close the program is to a goal, when applicable.)

Technical assistance with implementation projects:

DNR regional and field staff will continue providing technical assistance on 70 to 90 proposed, planned or actual implementation projects each year. These are mostly multi-year efforts to address erosion and excess sediment in impaired streams using Natural Channel Design principles and features to stabilize stream channels or more fully restore stream functions and add ecological benefits. As more such projects are implemented, we will have more and better project effectiveness monitoring data to measure water quality and ecological benefits. This data will be directly applied in designing future projects.

Contributing to Comprehensive Watershed Management Plans under 1W1P:

DNR regional and field staff will continue contributing to Comprehensive Watershed Management Plan development, updates, and implementation efforts. Plans are strengthened by multidisciplinary input, data, and information from DNR. Engaging in these planning efforts enhances later collaborations to implement high-priority projects identified in plans. Staff have developed poster-style handouts for 20-plus watersheds to synthesize and plainly communicate key takeaways from otherwise complex information on hydrology and geomorphology conditions and trends, and their potential impact on top local watershed management concerns. We anticipate developing more such watershed posters. Regional staff also anticipate developing more products like a recent DNR Wells Creek Sediment Strategies report which recommends strategies for highly targeted stream reaches where DNR surveys show excess sediment is mainly from streams. For each set of recommended strategies, the report includes expected sediment load reductions and scalable project cost estimates.

Higher water quality standards in local shoreland ordinances and related lake protection work:

DNR Land Use Unit staff will continue promoting the higher standards documented on the Innovative Shoreland Standards Showcase website via training events and technical assistance. DNR Lake Ecology Unit staff will also continue annually updating and distributing essential GIS layers used to help prioritize lake water quality protection efforts. We anticipate reaching well over 100 local government staff, lake association members and lakeshore property owners per year in trainings and presentations about these information resources and how to apply them.

Forest stewardship planning to protect water quality:

To date, DNR forestry staff have collaborated with BWSR and SWCDS to fund the development of at least 317 forest stewardship plans covering 37,687 acres of privately owned forest in targeted watersheds. More than 20,000 acres of this land was subsequently enrolled in SFIA. The program to date has also provided more than \$200,000 in cost-share to help 70 landowners implement practices identified in their plans. Finally, the program has funded the development of five (5) landscape-level (watershed-scale) forest stewardship plans for watersheds in the Upper Mississippi River Basin—which, together with landscape-level plans for other watersheds in this basin, developed with other funding—will help protect St. Cloud and Twin Cities drinking water.

Keeping forested lands forested and enhancing their management protects water quality in at-risk subwatersheds. In FY24-25, the program will fund the development of landowner stewardship plans and provide plan implementation cost-share funding in four (4) southeastern Minnesota watersheds (Cannon, Root, Winona-LaCrescent, and Root), with a goal of reaching 1,100 highly acres in bluff lands targeted based on separately developed landscape-level forest stewardship plans for those watersheds. In future years, this work might continue here and/or in other forested regions depending on the capacity of SWCDs in a given year.

Long-term funding vision

If this proposal is funded, should the Clean Water Council expect future requests to increase, decrease, stay about the same, or not be needed? (Do not factor inflation into your answer.)

Stay about the same

Non-CWF Funding

Will this program receive or request other funding from non-CWF sources, or eventually leverage non-CWF sources? If so, please describe. If not, leave blank.

Technical assistance with implementation projects:

The projects we assist often involve funding from a variety of sources in addition to the Clean Water Fund, such as state bonding funds, the Outdoor Heritage Fund, US Fish & Wildlife Service funds, federal Farm Bill conservation programs, and the MPCA/EPA 319 Small Watersheds Program.

Forest stewardship planning to protect water quality:

DNR's forest stewardship planning program helps local forestry technical teams develop budgeting tools to leverage private, local, state and federal funds, such as US Forest Service Landscape-Scale Restoration Program funding to write landscape-level (watershed-scale) forest stewardship plans (additional to the five such plans developed with CWF money); state and federal funds for additional cost-share money to implement practices in forest stewardship plans; and state and federal funding for enrolling forestland in the long-term covenant and perpetual easement programs mentioned earlier.

Supplement vs. supplant

Minnesota Statutes 114D.50 Subd. 3 requires that "any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose." **Indicate if this proposal will supplement or supplant previous funding.**

Supplement

Past Funding Recipients

If this funding will be disbursed through competitive grants, loans, or contracts, or if recipients are not yet known, please list what entities have received this funding in previous fiscal years and how much.

Of the \$13.3 million appropriated from FY10 through FY23, 6% has been passed through, mostly for the forest stewardship planning activity (in contracts with SWCDs and cost-share to landowners to implement practices in those plans). In FY24-25, 100% of the \$500,000 allocated for forest stewardship planning will be passed through in this way, and the same or nearly the same is anticipated in FY26-27.

State Employees

Indicate the number the full-time state employees supported by the CWF for this program.

FY10-11	1.0
FY12-13	7.0
FY14-15	6.5
FY16-17	6.3
FY18-19	7.7
FY20-21	8.5
FY22-23	7.7
FY24-25	TBD
FY26-27	TBD

FY26-27 CLEAN WATER FUND PROPOSAL

Technical Assistance	
MDA	Program Number: 15
Program Contact Name: Margaret Wagner	Phone: 651-201-6488
Contact E-mail Address: Margaret.wagner@state.mn.us	
Person filling out form: Margaret Wagner	Phone: 651-201-6488
Person filling out form e-mail address Margaret.wagner@state.mn.us	

Purpose

Funding supports on-farm demonstrations and enhances outreach and education to the agricultural community and local government partners. Demonstration projects evaluate the effectiveness of conservation practices and support collaboration with agricultural stakeholders and peer-to-peer learning among farmers. Includes activities such as Discovery Farms MN, Root River Field to Stream Partnership, Red River Valley Drainage Water Management, and support for evaluation of best management practices (BMPs) and scaling-up adoption.

Webpage

- [Root River Field to Stream Partnership](#)
- [Discovery Farms Minnesota](#)
- [Nutrient Management Initiative](#)
- [Red River Valley Drainage Management](#)

Rationale/Background

Please describe how this program will protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation, or protect drinking water sources.

Technical assistance activities are a primary vehicle to work with the agricultural community to promote best management practices. This funding is used to evaluate the effectiveness of conservation practices, demonstrate practices that protect water, and enhance outreach and education to the agricultural community and local government partners.

PRIOR APPROPRIATIONS	
FY10-11	\$2,665,000
FY12-13	\$1,550,000
FY14-15	\$3,000,000
FY16-17	\$2,250,000
FY18-19	\$2,250,000
FY20-21	\$3,000,000
FY22-23	\$3,000,000

FY24-25	\$3,000,000
TOTAL APPROPRIATED TO DATE	\$20,715,000

FY26 Request	FY27 Request	FY26-27 TOTAL REQUEST

Alignment with Clean Water Council Strategic Plan

Please indicate which strategy in the Clean Water Council's most recent Strategic Plan applies to this proposal.

Groundwater Vision: Groundwater is clean and available to all in Minnesota.

Goal 1: Protect groundwater from degradation and support effective measures to restore degraded groundwater.

- Action: Reduce nitrate contamination of groundwater.
- Action: Reduce risk of pesticide contamination in groundwater.

Drinking Water Source Protection Vision: Drinking water is safe for everyone, everywhere in Minnesota.

Goal 1: Public Water Systems--Ensure that users of public water systems have safe, sufficient, and equitable drinking water.

- Action: Fund protective actions that assist public water suppliers in meeting safe drinking water levels

Surface Water Protection and Restoration Vision: Minnesotans will have fishable and summable waters through the state.

Goal 2: Protect and restore surface waters to achieve 70% swimmable and 67% fishable waters by 2034 by prioritizing and targeting resources by major watershed.

- Action: Support local efforts to support those impaired waters that are closest to meeting water quality standards
- Action: Support efforts to support those high-quality unimpaired waters at greatest risk of becoming impaired waters that are closest to meeting water quality standards

Vision: All Minnesotans value water and take action to sustain and protect it.

- Action: Support local efforts to engage farmers in water quality efforts.
- Action: Engage water managers statewide.
- Action: Support innovative efforts that accelerate progress toward clean water goals.

Outcomes

Describe the likely measurable outcomes of this proposal. (If this program has been funded previously by the Clean Water Fund, please describe the measurable outcomes, outputs, or results achieved to date and how close the program is to a goal, when applicable.)

As of 2024, the MDA has engaged more than 20,000 ag producers, crop advisors and local partners at more than 500 education and outreach events. The MDA supports approximately 100 nutrient management initiative on-farm plots each year engaging 100 farmers and 30 crop advisers.

The MDA maintains more than 25 active edge-of-field water quality monitoring stations around the state. Edge-of-field data have been used for education/outreach and for a variety of computer simulations including PTMApp, Adapt-N, SWAT, and the Runoff Risk Advisory Tool. Data are used to support the State’s Watershed Approach and referenced in numerous WRAPs reports. MDA and project partners have shared edge-of-field monitoring data more than 50 times to support modeling and research (peer reviewed journal articles and large meta-analysis) by other research organizations.

Long-term funding vision

If this proposal is funded, should the Clean Water Council expect future requests to increase, decrease, stay about the same, or not be needed? (Do not factor inflation into your answer.)

Stay about the same

Non-CWF Funding

Will this program receive or request other funding from non-CWF sources, or eventually leverage non-CWF sources? If so, please describe. If not, leave blank.

Yes, staff have leveraged federal EQIP dollars for implementation in the Root River watershed and applied for small grants to enhance demonstration sites. A total of \$3.5M has been leveraged in grants from Fishers and Farmers Partnership, MN Corn Growers, Legislative Commission on Minnesota Resources (LCCMR), investments from private industry and project partners at edge-of-field monitoring sites, and federal cost share.

Supplement vs. supplant

Minnesota Statutes 114D.50 Subd. 3 requires that “any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.” **Indicate if this proposal will supplement or supplant previous funding.**

Supplement

Past Funding Recipients

If this funding will be disbursed through competitive grants, loans, or contracts, or if recipients are not yet known, please list what entities have received this funding in previous fiscal years and how much.

In FY14-FY23, ~20% was passed through in grants and contracts. Recipients include local project partners, farmers, and landowners. For example, partners included Fillmore County SWCD, Mower County SWCD, Wilken County SWCD, and individual participants in on-farm research and demonstration sites.

State Employees

Indicate the number the full-time state employees supported by the CWF for this program.

FY10-11	1.0/3.95
FY12-13	5.2/5.85
FY14-15	8.5/6.85
FY16-17	6.85
FY18-19	7.00
FY20-21	7.00
FY22-23	6.00
FY24-25	6.00
FY26-27	6.00

FY26-27 CLEAN WATER FUND PROPOSAL

Agricultural Best Management Practices Loan Program	
MDA	Program Number: 33
Program Contact Name: Richard Greunes	Phone: 651-201-6609
Contact E-mail Address: Richard.greunes@state.mn.us	
Person filling out form: Margaret Wagner	Phone: 651-201-6488
Person filling out form e-mail address	Margaret.wagner@state.mn.us

Purpose

This program provides revolving low-interest loans for the implementation of activities that reduce, prevent, or eliminate water pollution. The program is administered by local governments, has very low transaction costs, and repayments fund additional projects. Additional funding would allow for more projects or practices that help reduce, eliminate, or prevent water pollution to be funded each year as the local demand for AgBMP loans greatly exceeds available funding.

Webpage

[Agriculture Best Management Practices \(BMP\) Loan Program | Minnesota Department of Agriculture \(state.mn.us\)](#)

Rationale/Background

Please describe how this program will protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation, or protect drinking water sources.

AgBMP loans can be used for the implementation of any practice that reduces water pollution. The purpose is to encourage agricultural best management practices that prevent or reduce runoff from feedlots, farm fields, and other pollution problems identified by the county in local water plans. The program is administered by local governments and local loaning institutions and has extremely low administration costs. Loans are repaid into the corpus of the account and will be available for future clean water projects regardless of the renewal of the clean water fund. A 2024 “program review” revealed there are over \$20M dollars of water quality projects that farmers and rural landowners are waiting to complete due to limited funding.

The AgBMP Loan program is supported through multiple funding sources. The program tracks each loan by funding sources, in separate accounts. This ensures practices supported meet the eligibility of the selected funding sources. As established in Statute, the interest rate assessed to an outstanding loan balance must not exceed 3%. Some counties offer lower interest rates, including a few as low as 0% on some loans.

PRIOR APPROPRIATIONS	
FY10-11	\$4,500,000
FY12-13	\$9,000,000
FY14-15	\$400,000
FY16-17	\$150,000
FY18-19	\$150,000
FY20-21	\$150,000
FY22-23	\$150,000
FY24-25	\$9,598,000
TOTAL APPROPRIATED TO DATE	\$24,098,000

FY26 Request	FY27 Request	FY26-27 TOTAL REQUEST

Alignment with Clean Water Council Strategic Plan

Please indicate which strategy in the Clean Water Council's most recent Strategic Plan applies to this proposal.

Groundwater Vision: Groundwater is clean and available to all in Minnesota.

Goal 1: Protect groundwater from degradation and support effective measures to restore degraded groundwater.

- Action: Reduce risk of bacteria in groundwater.
- Action: Reduce nitrate contamination of groundwater.
- Action: Reduce risk of pesticide contamination in groundwater.
- Action: Reduce risk of stormwater contaminants entering groundwater.

Goal 2: Ensure groundwater use is sustainable and avoid adverse impacts to surface water features due to groundwater use.

- Action: Implement water efficiency BMPs, water use reduction, and irrigation water management in areas of high water use intensity by agricultural irrigators, highly sensitive areas, Groundwater Management Areas (GWMAs), and highly vulnerable Drinking Water Source Management Areas (DWSMAs).

Drinking Water Source Protection Vision: Drinking water is safe for everyone, everywhere in Minnesota.

Goal 1: Public Water Systems--Ensure that users of public water systems have safe, sufficient, and equitable drinking water.

- Action: Support implementation funding and technical assistance to reduce nitrate in DWSMAs that are Level 1 and Level 2 under the GPR.

Goal 2: Private Water Supply Wells—Ensure that private well users have safe, sufficient, and equitable access to drinking water.

- Action: Assist qualifying low-income households and households with vulnerable populations to mitigate contaminants, such as well replacement, water treatment systems, etc.

Surface Water Protection and Restoration Vision: Minnesotans will have fishable and swimmable waters throughout the state.

Goal 2: Protect and restore surface waters to achieve 70% swimmable and 67% fishable waters by 2034 by prioritizing and targeting resources by major watershed.

- Action: Support local efforts to support those impaired waters that are closest to meeting state water quality standards.
- Action: Support efforts to protect those high-quality unimpaired waters at greatest risk of becoming impaired.
- Action: Restore and protect water resources for public use and public health, including drinking water.

Goal 3: Protect and restore surface waters to achieve 70% swimmable and 67% fishable waters by 2034 via through statewide, regional, or issue-specific programs that help meet water quality goals but are not necessarily prioritized and targeted according to geography.

- Action: Maintain compliance rates for subsurface sewage treatment systems (SSTS) at 80 percent with a stretch goal of 90 percent.
- Action: Reduce risk of stormwater contaminants entering surface water.
- Action: Support small unsewered or under-sewered communities for long-term wastewater solutions.

Vision: All Minnesotans value water and take actions to sustain and protect it.

Goal 2:

- Action: Support local efforts to engage farmers in water quality efforts.
- Action: Support local efforts to engage lakeshore property owners and private landowners.
- Action: Engage water managers statewide.
- Action: Support innovative efforts that accelerate progress toward clean water goals.
- Action: Plan for funding resilience after expiration of Legacy Amendment in 2034.

Outcomes

Describe the likely measurable outcomes of this proposal. (If this program has been funded previously by the Clean Water Fund, please describe the measurable outcomes, outputs, or results achieved to date and how close the program is to a goal, when applicable.)

As of June 2023, the AgBMP Loan Program used Clean Water Fund dollars to support 2,253 loans totaling an amount of \$33,941,191. By practice type, 212 loans were for agricultural waste

management projects, 92 for conservation tillage equipment, 981 for structural erosion control, 881 for septic systems upgrades or relocations, and 87 for all other types of practices.

Long-term funding vision

If this proposal is funded, should the Clean Water Council expect future requests to increase, decrease, stay about the same, or not be needed? (Do not factor inflation into your answer.)

Increase

Non-CWF Funding

Will this program receive or request other funding from non-CWF sources, or eventually leverage non-CWF sources? If so, please describe. If not, leave blank.

All dollars are available as loans. This is a revolving loan program so as loans are repaid they go back into the corpus of the program and are used again for additional loans. As of June 2023, the AgBMP Loan Program has received \$86.5 million, primarily from Minnesota's Clean Water State Revolving Fund (SRF). AgBMP funds are available in all counties. Because of the revolving loan structure, the appropriations have been reused 3.58 times to finance 18,308 projects with total loans of \$329.0 million. The AgBMP Loan Program has leveraged over \$414.1 million from other funding sources as of June 2023.

The following are a list of the types of projects or practices the AgBMP Loan Program has been able to assist with through all funding sources: 3,118 agricultural waste management practices, 2,671 structural erosion control practices, 4,226 conservation tillage practices, 7,623 sewage treatment systems, and 670 other practices (i.e., wells, chemical application equipment, alternative energy practices).

Of all the projects listed above as of June 2023, \$14,350,000 invested from the Clean Water Fund has resulted in \$33,941,191 in loans. The Clean Water Funding has also been able to leverage an additional \$34,449,275 from other funding sources to help with projects or practices that have been funded. The Clean Water Fund is responsible for growing the corpus of the loan program and supporting new and additional practices.

Supplement vs. supplant

Minnesota Statutes 114D.50 Subd. 3 requires that "any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose." **Indicate if this proposal will supplement or supplant previous funding.**

Supplement

Past Funding Recipients

If this funding will be disbursed through competitive grants, loans, or contracts, or if recipients are not yet known, please list what entities have received this funding in previous fiscal years and how much.

All dollars are available as loans. This is a revolving loan program so as loans are repaid they go back into the corpus of the program and are used again for additional loans. As of June 2023, \$14,350,000 invested has resulted in \$33.941,191 in loans.

Funding can assist all rural landowners, farmers, farm supply businesses, and water quality cooperatives throughout Minnesota to help prevent, reduce or eliminate water quality concerns. Local Government Units use their local water plans to prioritize their funding if additional funding

State Employees

Indicate the number the full-time state employees supported by the CWF for this program.

FY10-11	0.75
FY12-13	0.5
FY14-15	0.3
FY16-17	0.5
FY18-19	0.5
FY20-21	0.5
FY22-23	0.5
FY24-25	0.5
FY26-27	0.5

FY26-27 CLEAN WATER FUND PROPOSAL

Conservation Equipment Assistance	
MDA	Program Number: __
Program Contact Name: Brad Jordahl Redlin	Phone: 651-200-5307
Contact E-mail Address: brad.jordahlredlin@state.mn.us	
Person filling out form: Brad Jordahl Redlin	Phone: 651-200-5307
Person filling out form e-mail address	brad.jordahlredlin@state.mn.us

Purpose

Funding will provide assistance to both Soil and Water Conservation Districts (SWCDs) and farmers to purchase equipment or items to retrofit existing equipment that has climate and water quality benefits including conservation tillage equipment and cover crop seeding equipment.

Some of the methodologies and equipment needed to implement soil health practices are not part of existing farm management practices and a change in how a farm is operated and/or different equipment may be needed. There are federal and state programs that assist with soil health practices. This proposal would complement cost-share programs by providing the equipment needed to implement practices.

Webpage

<https://www.mda.state.mn.us/soil-health-grant>

Rationale/Background

Please describe how this program will protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation, or protect drinking water sources.

Funding will provide financial assistance to local governments or farmers to cover the costs of specialized equipment and technology necessary to implement and sustain soil health practices, including conservation tillage and seeding equipment, purchases or subscriptions of equipment technology, services to landowners, and other equipment purchases or financial assistance to promote healthy soil.

In order to facilitate adoption of practices that benefit water quality while delivering climate change mitigation through carbon emission reductions and sequestration, the proposal would provide financial assistance to acquire machinery needed for seeding cover crops and for no till/strip till planting. Examples could include a SWCD partnering with a Co-op where the Co-op holds and provides the machinery for custom application and the SWCD promotes the use,

provides clients, and givesg those clients financial and technical assistance to adopt cover crops or strip till. Partnerships could also exist between a consortium of SWCDs with machinery crossing county lines and other local groups or partnerships promoting the availability and use the machine(s).

PRIOR APPROPRIATIONS	
FY10-11	
FY12-13	
FY14-15	
FY16-17	
FY18-19	
FY20-21	
FY22-23	
FY24-25	\$3,500,000
TOTAL APPROPRIATED TO DATE	\$3,500,000

FY26 Request	FY27 Request	FY26-27 TOTAL REQUEST
tbd	tbd	tbd

Alignment with Clean Water Council Strategic Plan

Please indicate which strategy in the Clean Water Council's most recent Strategic Plan applies to this proposal.

Groundwater Vision

- Goal 1; Strategy 2; Action 3
- Goal 2; Strategy 2; Action 1; Strategy 3; Action 1

Drinking Water Source Protection

- Goal 1; Strategy 2; Action 1; Strategy 3; Action 1

Surface Water Protection and Restoration Vision

- Goal 2; Strategy 2; Actions 1, 3, 4
- Goal 3; Strategy 3; Action 1

Vision: All Minnesotans...

- Goal 1; Strategy 1; Actions 7

Outcomes

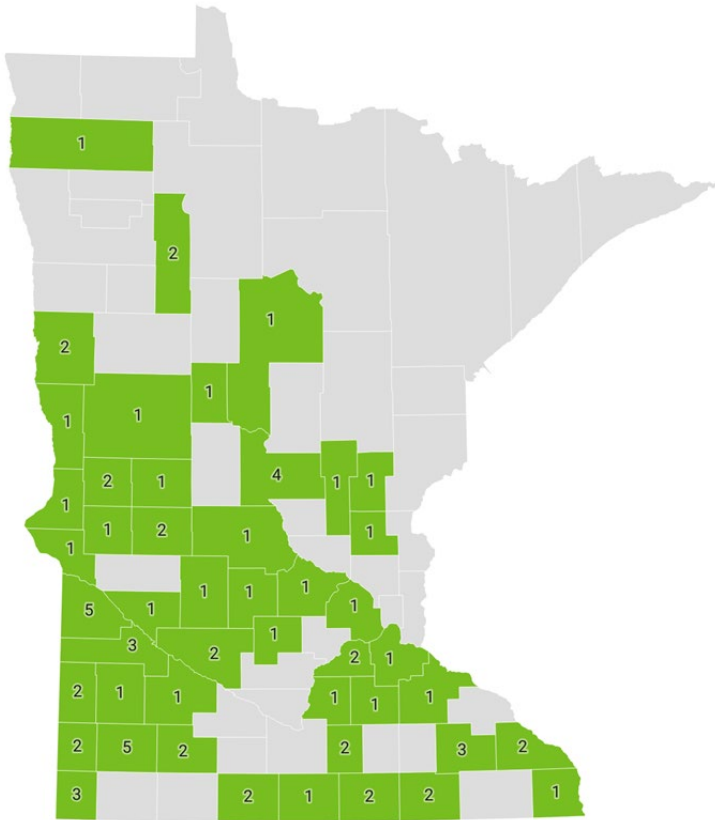
Describe the likely measurable outcomes of this proposal. (If this program has been funded previously by the Clean Water Fund, please describe the measurable outcomes, outputs, or results achieved to date and how close the program is to a goal, when applicable.)

The Minnesota Department of Agriculture (MDA) will track appropriate performance measures such as: number of grants awarded; types of equipment requested and funded; and number of acres with soil health practices implemented, as a result of the new equipment.

FY24 Applications	Awards	\$ Awarded	Average Award	\$ Requested	Affected Acres (annually)
284	81	\$2,358,861.51	\$28,547	\$8.4 million	141,741

Equipment	Count
Air seeder	4
Calmer stalk rolls	1
Cover crop seeder	2
Fertilizer applicator for compost extract	1
Fertilizer/seed tender	1
High boy floater for cover crop seeding	1
Interseeder	4
Liquid fertilizer applicator	2
No-till drill	21
No-till drill and UAV	1
No-till planter	6
No-till planter retrofit	3
No-till planter w/liquid application, cone-bottom tanks, transfer pump	1
Roller crimper	1
Portable fence (Rotational grazing)	1
Row cleaners	1
Row cleaners & seed openers	1
Row units for roller crimper	1
Seed cleaner	1
Seed units for cover crop seeder	1
Seeder	2
Seeder & fertilizer applicator	1
Strip tillage unit	12
Swather	1
UAV for cover crop seeding	5
Vertical manure applicator	1
Vertical tillage equipment (for cover crops)	4

Soil Health Financial Assistance Program Awards by County (FY24)



Created with Datawrapper

NOTE: SEE ALSO 2024 LEGISLATIVE REPORT (uploaded to folder)

Long-term funding vision

If this proposal is funded, should the Clean Water Council expect future requests to increase, decrease, stay about the same, or not be needed? (Do not factor inflation into your answer.)

Same or increase in response to demand 3.5 times the funding available.

Non-CWF Funding

Will this program receive or request other funding from non-CWF sources, or eventually leverage non-CWF sources? If so, please describe. If not, leave blank.

General Fund appropriations of \$625,000 annually in FY24 and FY25; \$639,000 FY26 and each year thereafter. **Note:** Federal USDA funding is not allowed to be used for equipment; no federal match opportunity exists.

Supplement vs. supplant

Minnesota Statutes 114D.50 Subd. 3 requires that "any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of

representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.” **Indicate if this proposal will supplement or supplant previous funding.**

Supplement

Past Funding Recipients

If this funding will be disbursed through competitive grants, loans, or contracts, or if recipients are not yet known, please list what entities have received this funding in previous fiscal years and how much.

In FY24, the first year of the appropriation, there were 81 of 284 applications competitively awarded with the funding available. The recipients consisted of agricultural operators, agricultural operators in partnership, and six Soil and Water Conservation Districts.

State Employees

Indicate the number the full-time state employees supported by the CWF for this program.

FY10-11	
FY12-13	
FY14-15	
FY16-17	
FY18-19	
FY20-21	
FY22-23	
FY24-25	-
FY26-27	1

FY26-27 CLEAN WATER FUND PROPOSAL

Freshwater Mussel Restoration Pilot Program	
DNR	Program Number: ____
Program Contact Name: Jason Moeckel	Phone: 651-259-5240
Contact E-mail Address: Jason.moeckel@state.mn.us	
Person filling out form: Jason Moeckel	Phone: 651-259-5240
Person filling out form e-mail address jason.moeckel@state.mn.us	

Purpose

The DNR has developed the expertise to hatch and grow freshwater mussels and restore populations in Minnesota rivers. We propose to improve techniques and scale up production of native mussel species and place them into their natural habitats. Funding would support collection, rearing, distribution, monitoring costs, and identification of new species and locations for restoration.

Webpage

Minnesota DNR’s Mussels webpage: <https://www.dnr.state.mn.us/mussels/index.html>

Rationale/Background

Please describe how this program will protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation, or protect drinking water sources.

Freshwater mussels play a key role in contributing to fishable and swimmable waters in Minnesota. They are nature’s water filter, removing bacteria and excess nutrients. They also provide habitat and food resources for sportfish and other aquatic organisms. However, freshwater mussels have declined largely because of anthropogenic impacts such as historical overharvest, construction of dams and pollution from urban and agricultural runoff. Even after efforts to improve the condition and connectivity of Minnesota waters, many mussel species are no longer present in sufficient numbers to repopulate rivers and streams. This restoration program would alleviate this constraint by restoring mussels in sufficient numbers to become self-sustaining populations.

PRIOR APPROPRIATIONS	
FY10-11	
FY12-13	
FY14-15	
FY16-17	

FY18-19	
FY20-21	
FY22-23	
FY24-25	\$600,000
TOTAL APPROPRIATED TO DATE	\$600,000

FY26 Request	FY27 Request	FY26-27 TOTAL REQUEST
TBD	TBD	TBD

Alignment with Clean Water Council Strategic Plan

Please indicate which strategy in the Clean Water Council's most recent Strategic Plan applies to this proposal.

Surface Water Protection and Restoration Vision: Minnesotans will have fishable and swimmable waters throughout the state.

Goal 2: Protect and restore surface waters to achieve 70% swimmable and 67% fishable waters by 2034 via by prioritizing and targeting resources by major watershed.

Strategy: Identify and refine strategies required to meet water quality standards in each HUC-8 watershed

Outcomes

Describe the likely measurable outcomes of this proposal. (If this program has been funded previously by the Clean Water Fund, please describe the measurable outcomes, outputs, or results achieved to date and how close the program is to a goal, when applicable.)

Expected outcomes for this proposal include restored populations of freshwater mussels, improved water quality and delisting of impaired waters. This restoration would affect 2-3 sites in each of the following: Cannon watershed and Cedar, Mississippi, and Minnesota rivers. To date, our current grant supported us moving into a new facility and building custom mussel propagation ponds, both of which will allow us to increase and improve our mussel propagation efforts. We also reintroduced a total of about 3,300 juvenile mussels representing four sensitive species into the Cedar (3 sites), Cannon (2 sites), Straight (1 site), and Mississippi (3 sites) rivers. Previously reintroduced juvenile mussels were found to be healthy and showing signs of reproduction, suggesting the mussels are moving toward self-sustaining populations.

Long-term funding vision

If this proposal is funded, should the Clean Water Council expect future requests to increase, decrease, stay about the same, or not be needed? (Do not factor inflation into your answer.)

We expect future Clean Water Council requests to remain about the same.

Non-CWF Funding

Will this program receive or request other funding from non-CWF sources, or eventually leverage non-CWF sources? If so, please describe. If not, leave blank.

Yes. Our program is funded through a combination of federal and state grants. Federal grants typically include State Wildlife Grants and Competitive State Wildlife Grants; state funding typically includes Minnesota Environment and Natural Resources Trust Fund as recommended by the Legislative-Citizen Commission on Minnesota Resources (LCCMR). We hope that the Clean Water Fund can support about 30% of our annual budget with this proposal and into the future.

Supplement vs. supplant

Minnesota Statutes 114D.50 Subd. 3 requires that “any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.” **Indicate if this proposal will supplement or supplant previous funding.**

Supplement.

Past Funding Recipients

If this funding will be disbursed through competitive grants, loans, or contracts, or if recipients are not yet known, please list what entities have received this funding in previous fiscal years and how much.

Minnesota DNR’s Center for Aquatic Mollusk Programs (2111 N. Lakeshore Dr., Lake City, MN) received \$600,000 for fiscal years 2024 and 2025.

State Employees

Indicate the number the full-time state employees supported by the CWF for this program.

FY10-11	
FY12-13	
FY14-15	
FY16-17	
FY18-19	
FY20-21	
FY22-23	
FY24-25	2.5
FY26-27	

FY26-27 CLEAN WATER FUND PROPOSAL

<h3>Water Storage</h3>	
DNR	Program Number: __
Program Contact Name: Jason Moeckel	Phone: 651-259-5240
Contact E-mail Address: jason.moeckel@state.mn.us	
Person filling out form: Jason Moeckel	Phone:
Person filling out form e-mail address same	

Purpose

This proposal for \$1.0 million will design and implement projects in Wildlife Management Areas (WMAs) or other state administered lands that increase water storage, while also stabilizing streambanks in impaired watersheds where Watershed Restoration and Protection Strategies (WRAPS) or One Watershed, One Plans (1W1Ps) have identified the need for water storage and water quality improvements. Initially, these funds would be used to design and construct water storage projects on state administered Wildlife Management Areas in Southern Minnesota. The foundation of the effort is comprehensive assessments of water pollution and supply problems within the state’s 80 major watersheds and prioritized strategies to address these problems.

Webpage

NA at this time

Rationale/Background

The Minnesota DNR administers a large number of acres across 408 Wildlife Management Areas across southern Minnesota. There are about 813 miles of altered natural watercourses on these WMA's. Many of them are potential candidates for restoration efforts that enhance water storage, restore river functions, floodplain connectivity, improved water quality, fish and other aquatic species passage and greater resiliency to climate change. The DNR has identified pilot project sites to demonstrate these benefits, in watersheds where water storage was identified as a strategy to improve water quality.

PRIOR APPROPRIATIONS	
FY10-11	
FY12-13	
FY14-15	
FY16-17	
FY18-19	
FY20-21	
FY22-23	

FY24-25	\$1,000,000
TOTAL APPROPRIATED TO DATE	\$1,000,000

+

FY26 Request	FY27 Request	FY26-27 TOTAL REQUEST
TBD	TBD	TBD

Alignment with Clean Water Council Strategic Plan

Goal 2: Protect and restore surface waters to achieve 70% swimmable and 67% fishable waters by 2034 by prioritizing and targeting resources by major watershed.

Strategy: Identify and refine strategies required to meet water quality standards in each HUC-8 watershed.

Action: Quantify water storage needs and opportunities within each HUC 8 watershed.

- Measure: Acre feet storage goals are set for each watershed by 2026.
- Measure: Storage opportunities and hydrograph estimates are complete by 2028.

Outcomes

These pilot projects will enhance water storage, restore river functions and floodplain connectivity, improve water quality, fish and other aquatic species passage, and provide greater resiliency to climate change. Increased water storage can be estimated from computer modeling simulations and calculations of additional floodplain area on a project-by-project basis during the design stage.

Long-term funding vision

The DNR envisions continuing to explore and implement water storage projects of this nature, however as this is the first year of the pilot it's too early to know if future requests will increase or stay at a similar level. We are currently assessing our capacity to take on additional projects.

Non-CWF Funding

This program is leveraging other DNR funding sources for staff time and expertise, while relying on Clean Water Funds for much of the design and construction costs.

Supplement vs. supplant

Minnesota Statutes 114D.50 Subd. 3 requires that “any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.” **Indicate if this proposal will supplement or supplant previous funding.**

Supplement

Past Funding Recipients

If this funding will be disbursed through competitive grants, loans, or contracts, or if recipients are not yet known, please list what entities have received this funding in previous fiscal years and how much.

State Employees

Indicate the number the full-time state employees supported by the CWF for this program.

FY10-11	
FY12-13	
FY14-15	
FY16-17	
FY18-19	
FY20-21	
FY22-23	
FY24-25	0
FY26-27	0

FY26-27 CLEAN WATER FUND PROPOSAL

Leveraging the Great Lakes Restoration LAMP Program and Other Federal Funds	
MPCA	Program Number: NEW
Program Contact Name: Glenn Skuta	Phone: 651-757-2730
Contact E-mail Address: glenn.skuta@state.mn.us	
Person filling out form: Glenn Skuta	Phone:
Person filling out form e-mail address:	

Purpose

Modeling the approach Minnesota took with leveraging federal dollars to clean up the St. Louis River Estuary Area of Concern, it is time to leverage Clean Water Funds to obtain federal funds to implement Minnesota's Watershed Approach. The purpose of this proposal is to leverage Clean Water Funds to obtain federal funds (i.e., Great Lakes Restoration Initiative (GLRI) funds or other federal funds) to implement Minnesota's clean water strategies through water quality work being implemented by local governments in the Lake Superior Basin. With dedicated state matching funds and resources for applying for and managing federal funds such as GLRI, Minnesota can increase federal funding received for implementing projects that work toward Lake Superior's Lakewide Action Management Plan (LAMP) objectives and local water plan strategies and priorities to continue and enhance water quality protection and restoration work.

Webpage

[Great Lakes Restoration Initiative | Great Lakes Restoration Initiative \(glri.us\)](http://glri.us)

Rationale/Background

Please describe how this program will protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation, or protect drinking water sources.

The five SWCDs (North and South St. Louis, Cook, Lake, Carlton) in the Lake Superior Basin have participated in the development of Watershed Restoration and Protection Strategies (WRAPS) reports and comprehensive local water plans based on them through the One Watershed One Plan (1W1P) process in their areas to protect unique resources in the watersheds of Lake Superior and to restore ecological resources that are impaired. In the four counties, there are approximately \$36M of prioritized watershed restoration, protection and enhancement opportunities such as stream channel restoration, fish passage improvement, coastal habitat enhancement, and protection strategy implementation. These projects will not only better the ecological resources of Lake Superior but will also benefit the local communities and citizens. At this time, funding is provided through federal non-competitive processes and competitive

processes. While SWCDs have been successful in securing some Great Lakes federal funds, their lack of capacity has prevented them from seeking all that could be available to them. It is important to understand that at this time EPA is making more money available than ever before for watershed work in the Great Lakes Basin due to passage of federal infrastructure bills.

Further, many of the LAMP objectives are in alignment with our 1W1P and WRAPS. This planning work provides a strong case for leveraging state funds to bring more resources to western Lake Superior, making Minnesota one of the most competitive states in the Great Lakes. The resulting opportunity to restore and protect Lake Superior Basin resources from this commitment will make lasting impacts to water quality and ecosystem services. In addition, it will save the state millions of dollars by leveraging federal funds, and free up resources to be applied in other places.

The state Clean Water Funds for this effort would be administered by the Board of Water and Soil Resources (BWSR) and directed to the SWCDs, since the capacity funding infrastructure is already in place. A dedicated match for the next biennium would help the Lake Superior Basin SWCDs take greater advantage of the federal funding. SWCDs should be authorized to use the funds for a range of needs including staffing, administration, and implementation. This flexibility will initially provide the capacity to put together project proposals and more aggressively and competitively pursue federal funding opportunities, while also improving staff retention, and eventually supporting the greater project management needs as projects begin to be funded.

PRIOR APPROPRIATIONS	
FY10-11	
FY12-13	
FY14-15	
FY16-17	
FY18-19	
FY20-21	
FY22-23	
FY24-25	(\$1,000,000 supplemental budget recommendation of the CWC)
TOTAL APPROPRIATED TO DATE	(proposed supplemental CWF \$1,000,000)

FY26 Request	FY27 Request	FY26-27 TOTAL REQUEST

Alignment with Clean Water Council Strategic Plan

Please indicate which strategy in the Clean Water Council's most recent Strategic Plan applies to this proposal.

Surface Water Protection and Restoration Vision: Minnesotans will have fishable and swimmable waters throughout the state.

Goal 3: Protect and restore surface waters to achieve 70% swimmable and 67% fishable waters by 2034 via through statewide, regional, or issue-specific programs that help meet water quality goals but are not necessarily prioritized and targeted according to geography.

Outcomes

Describe the likely measurable outcomes of this proposal. (If this program has been funded previously by the Clean Water Fund, please describe the measurable outcomes, outputs, or results achieved to date and how close the program is to a goal, when applicable.)

Funding for this initiative was first appropriated for FY25 (assuming passage of CWC supplemental budget request). Expected results include increasing capacity for local governments in the Lake Superior Basin to apply for and manage federal funds to implement actions that result in water quality improvement.

Long-term funding vision

If this proposal is funded, should the Clean Water Council expect future requests to increase, decrease, stay about the same, or not be needed? (Do not factor inflation into your answer.)

It is anticipated that the requested amount will stay about the same.

Non-CWF Funding

Will this program receive or request other funding from non-CWF sources, or eventually leverage non-CWF sources? If so, please describe. If not, leave blank.

Yes, the purpose of this program is to request federal funding. The CWF will provide capacity to local governments to leverage federal funding opportunities that they would otherwise not be able to obtain.

Supplement vs. supplant

Minnesota Statutes 114D.50 Subd. 3 requires that “any state agency or organization requesting a direct appropriation from the clean water fund must inform the Clean Water Council and the house of representatives and senate committees having jurisdiction over the clean water fund, at the time the request for funding is made, whether the request is supplanting or is a substitution for any previous funding that was not from a legacy fund and was used for the same purpose.” **Indicate if this proposal will supplement or supplant previous funding.**

This request is supplemental, and does not substitute for or supplant previous funding. It is to increase capacity of local governments to enable them to obtain more federal implementation funding.

Past Funding Recipients

If this funding will be disbursed through competitive grants, loans, or contracts, or if recipients are not yet known, please list what entities have received this funding in previous fiscal years and how much.

Having funds for each SWCD for each year of the biennium would provide funds to help develop projects and proposal to acquire federal funds and implement projects.

It is anticipated that the funding will go to five Lake Superior Basin SWCDs including the following: N and S St. Louis County SWCDs, Lake County SWCD, Cook SWCD, and Carlton SWCD.

The following describes the current prioritized implementation project funding need by each SWCD:

County	Plan Cost
Cook	\$11,000,000
Lake	\$10,000,000
St. Louis	\$10,000,000
Carlton	\$5,000,000

State Employees

Indicate the number the full-time state employees supported by the CWF for this program.

FY10-11	
FY12-13	
FY14-15	
FY16-17	
FY18-19	
FY20-21	
FY22-23	
FY24-25	0
FY26-27	0

FY26-27 CLEAN WATER FUND PROPOSAL

Enhanced County Inspections/SSTS Corrective Actions	
MPCA	Program Number: 43
Program Contact Name: Felicia Merkson	Phone: 218-316-3890
Contact E-mail Address: felicia.merkson@state.mn.us	
Person filling out form: Felicia Merkson	Phone: 218-316-3890
Person filling out form e-mail address felicia.merkson@state.mn.us	

Purpose

State and county SSTS program support: This is critical funding that supports SSTS programs at the state and county levels. State staff provide technical assistance to counties and support compliance for some of the most difficult enforcement cases that counties ask the MPCA to take over. Base funding is provided to support County implementation of their local SSTS program requirements (M.S. 115.55) including issuing permits, conducting inspections, identifying, and resolving non-compliant SSTS, and revising and maintaining SSTS ordinances. Additional funding is made available to counties for grants to homeowners to repair or replace noncompliant SSTS (septic systems).

Webpage

[SSTS annual report | Minnesota Pollution Control Agency \(state.mn.us\)](#)

Rationale/Background

Please describe how this program will protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation, or protect drinking water sources.

Approximately 33% of Minnesotans rely on SSTS to treat their wastewater. Properly functioning SSTS help to ensure that our ground and surface waters are protected from pollutants such as bacteria, pathogens, and phosphorus. While the state provides the overarching rules and guidance for the SSTS program, our county partners are required to implement the SSTS program by MN Stat. 115.55. Without base funding, an extensive amount of county-level SSTS permitting and compliance work, that is critical to protect groundwater, would go undone (based on 2023 data): ~86 FTEs on the county level would be unfunded; 33% of wastewater, treated by septic systems in the state would be largely unmanaged; over 10,000 permits, soil verifications, and construction inspections for new and replacement systems would not be issued; and reviews of ~14,000 compliance inspections would not be completed.

PRIOR APPROPRIATIONS	
FY10-11	
FY12-13	
FY14-15	\$6,900,000
FY16-17	\$7,245,000
FY18-19	\$6,870,000
FY20-21	\$6,750,000
FY22-23	\$5,824,000
FY24-25	\$7,100,000
TOTAL APPROPRIATED TO DATE	\$40,689,000

FY26 Request	FY27 Request	FY26-27 TOTAL REQUEST

Alignment with Clean Water Council Strategic Plan

Please indicate which strategy in the Clean Water Council's most recent Strategic Plan applies to this proposal.

- Goal 1, strategy 2, action 2: Reduce risk of bacteria in groundwater. Action: Complete plans and fund activities for protection and restoration of groundwater statewide using a major watershed scale
- Goal 3, strategy 1, action 1: Enhance compliance for regulatory programs to accelerate progress. Action: Maintain compliance rates for subsurface sewage treatment systems (SSTS) at 80 percent with a stretch goal of 90 percent.

Outcomes

Describe the likely measurable outcomes of this proposal. (If this program has been funded previously by the Clean Water Fund, please describe the measurable outcomes, outputs, or results achieved to date and how close the program is to a goal, when applicable.)

- Since FY13, when MPCA began receiving CWF for the SSTS program, it has distributed \$1,473,180 annually to counties for enhancing their SSTS programs, and we anticipate this continuing into the FY26/27 biennium. In addition to providing base funding, counties can apply for grant funds for low-income homeowners who have failing SSTS that need to be upgraded or replaced. The average distribution per county is \$26,885. The total amount of low-income funding distributed since FY13 is ~\$14,518,000.
- The demand from counties for funding the SSTS Low-Income Grant program continues to, on an annual basis, exceeded the amount of funding available by an average of over \$675,000/yr. Without continued funding, some homeowners would have to wait for future funds to become available before they can upgrade their septic systems, and this is a potential risk to groundwater and drinking water wells.

Long-term funding vision

If this proposal is funded, should the Clean Water Council expect future requests to increase, decrease, stay about the same, or not be needed? (Do not factor inflation into your answer.)

Stay about the same.

Non-CWF Funding

Will this program receive or request other funding from non-CWF sources, or eventually leverage non-CWF sources? If so, please describe. If not, leave blank.

CWF supplements other state environmental funds. Base grants per county equal \$21,200. Of this amount, \$17,130 is CWF and \$4,070 is Environmental fund. An LCCMR grant of \$2 million was also awarded by the legislature in 2022 and expires in 2025. This money is being provided to counties as additional grant funding to put toward additional low-income SSTS fixes.

Supplement vs. supplant

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This proposal will supplement previous funding.

Past Funding Recipients

If this funding will be disbursed through competitive grants, loans, or contracts, or if recipients are not yet known, please list what entities have received this funding in previous fiscal years and how much.

93% percent of the entire appropriation for this item is passed through to counties so they can implement their delegated SSTS programs and provide grants to homeowners for SSTS upgrades. Approximately 40% is distributed in base grants for each county and 60% is available to counties through competitive grants.

State Employees

Indicate the number the full-time state employees supported by the CWF for this program.

FY10-11	
FY12-13	1.4
FY14-15	2.1
FY16-17	3.0
FY18-19	3.0
FY20-21	1.8
FY22-23	1.4
FY24-25	1.4
FY26-27	1.4

FY26-27 CLEAN WATER FUND PROPOSAL

National Park Water Quality Protection Program	
MPCA	Program Number: 92A
Program Contact Name: Wade Pavleck	Phone: 218-244-6880
Contact E-mail Address: wade.carol@frontier.com	
Person filling out form: Keith Wiley	Phone: 218-725-5019
Person filling out form e-mail address wileyk@stlouiscountymn.gov	

Purpose

Continued efforts towards protecting the waters of VNP at the four main public access points of the park.

Webpage

[Voyageurs National Park Clean Water Projects \(sehinc.com\)](http://sehinc.com)

Rationale/Background

Please describe how this program will protect, enhance, and restore water quality in lakes, rivers, and streams and to protect groundwater from degradation, or protect drinking water sources.

Development of sanitary sewer infrastructure the eliminates failed septic systems.

PRIOR APPROPRIATIONS	
FY10-11	
FY12-13	
FY14-15	\$3,500,000
FY16-17	\$0
FY18-19	\$2,000,000
FY20-21	\$1,550,000
FY22-23	\$1,400,000
FY24-25	\$2,000,000
TOTAL APPROPRIATED TO DATE	\$10,450,000

FY26 Request	FY27 Request	FY26-27 TOTAL REQUEST

Alignment with Clean Water Council Strategic Plan

Please indicate which strategy in the Clean Water Council's most recent Strategic Plan applies to this proposal.

Outcomes

Describe the likely measurable outcomes of this proposal. (If this program has been funded previously by the Clean Water Fund, please describe the measurable outcomes, outputs, or results achieved to date and how close the program is to a goal, when applicable.)

Creation of Sanitary Sewer Districts in Koochiching County, Crane Lake, Kabetogama, and recent formation of a district in Ash River. Additional funds will be allocated by the VNPCWJPB to further develop the 4 sewer districts as part of the Sanitary Sewer Comprehensive Plan.

Long-term funding vision

If this proposal is funded, should the Clean Water Council expect future requests to increase, decrease, stay about the same, or not be needed? (Do not factor inflation into your answer.)

Stay about the same.

Non-CWF Funding

Will this program receive or request other funding from non-CWF sources, or eventually leverage non-CWF sources? If so, please describe. If not, leave blank.

Yes [Can you give some details on sources and amounts?]

Supplement vs. supplant

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Increase

Past Funding Recipients

If this funding will be disbursed through competitive grants, loans, or contracts, or if recipients are not yet known, please list what entities have received this funding in previous fiscal years and how much.

All of the funding will be allocated to the VNPCWJBP and distributed the the 4 Sanitary Sewer Districts.

State Employees

Indicate the number the full-time state employees supported by the CWF for this program.

FY10-11	0.0
FY12-13	0.0
FY14-15	0.0
FY16-17	0.0

FY18-19	0.0
FY20-21	0.0
FY22-23	0.0
FY24-25	0.0
FY26-27	0.0