

**Clean Water Council
Budget and Outcomes Committee (BOC) Meeting Agenda
Friday, February 7, 2025 9:30 a.m. to 12:00 p.m.**

Hybrid Meeting: In person at 520 Lafayette Road, St. Paul, MN 55155 & on Webex

2023 BOC Members: Steve Besser (BOC Chair), Dick Brainerd (BOC Vice-Chair), 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 Ideas for More Formalized Input to Interagency Coordination Team in 2025

10:15 Showing Outcomes from the Clean Water Fund: Some Dashboard Concepts

10:45 BREAK

11:00 Upper Miss protection/restoration goal update

11:45 Public Comment

12:00 Adjourn and Lunch

Budget and Outcomes Committee Meeting Summary
Clean Water Council (Council)
December 6, 2024, 9:30 a.m. to 12:00 p.m.

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

No members absent.

Others present: Dana Vanderbosch (MPCA), Paul Gardner (CWC), Brianna Frisch (MPCA), John Barten, Clara _____ (University of Minnesota), Jessica Wilson, Judy Sventek (Met Council), Margaret Wagner (MDA), Tannie Eshenaur (MDH), Marcey Westrick (BWSR), Annie Felix (BWSR), Sheila Vanney (MASWCD), Trevor Russell (Friends of the Mississippi River), Jason Moeckel (DNR), Justin Hanson (BWSR), LeAnn Buck (MASWCD), Ryan Hughes (BWSR)

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 December 6th meeting agenda and November 1st meeting summary, moved by Dick Brainerd, seconded by Steve Christenson. Motion carries.
- Chair and Staff Update:
 - Steve Besser, Brad Gausman, John Barten, Holly Hatlewick, and Paul Gardner appeared at the Minnesota Association of Soil and Water Conservation Districts (MASWCD) annual meeting.
 - We are still waiting for the Governor's appointments for counties and townships on the Council.
 - Paul Gardner's position will be posted soon.
 - The story map webpage will have an updated map with lots of dots on it revealing selected projects supported by the Clean Water Fund (CWF). It highlights the Minnesota Department of Health (MDH) source water protection grants received, the Minnesota Department of Agriculture (MDA) Minnesota Ag Water Quality Certification program, and the Minnesota Board of Water and Soil Resources (BWSR) funding to protect or restore surface waters.

Update on November Budget Forecast, Paul Gardner (Webex 00:27:30)

- First, the November forecast reveals a total for \$310,752,000 for FY26-27, or an \$3.72 million increase. There was a slight increase in the investment income and other revenue category, and some carry over that rolled back into the fund.
- At the last full Council meeting, the BOC walked through the process of allocating the \$307 million in recommendations. The BOC wanted to increase funding to Forever Green Initiative, Voyageurs National Park, and the Stormwater Research programs. If there was a chance to back fill, the BOC recommended they would go back to the two funds that money had been taken out of: Watershed Based Implementation Funding (WBIF) and Enhancing Soil Health. These two programs add up to \$3.9 million (\$148,000 remaining to determine). The contingency planning has paid off.

Questions/Comment/Discussion:

- Steve Christenson: *Motion to recommend to the December 16th full Council meeting, that we stick with our original decision to restore the funds to those two programs listed (WBIF and Enhancing Soil Health). The \$148,000 should come out of the Enhancing Soil Health (which would be funded at \$1,852,000). This is in line with the Interagency Coordination Team (ICT) recommendations. Motion seconded by Steve Besser.*
Discussion:
 - Holly Hatlewick: I would like to suggest an amendment. If the next forecast provides an additional increase, that it is to restore that to the Enhancing Soil Health. Every dollar counts because it is a federal match.
 - Steve Christenson and Steve Besser agree to the amendment.
 - *Motion carries unanimously.*

Further Discussion on ICT and Council Budget Process with Dana Vanderbosch, MPCA (Webex 00:44:30)

- Steve Besser: Since Dana Vanderbosch is here representing the MPCA, I would like to ask her to provide some ICT information. If we could ask some questions?
 - *Answer from Dana Vanderbosch:* The relationship between the Council and the ICT has changed over time. When the CWF started, we had to figure out the interplay between all the groups. This biennium we worked with Paul to learn the schedule of the Council. We figured out when the ICT can expect to provide input to the state budget system. The state agencies have dates that they need to send in budget information into the Governor's Office. In June the Council is looking for budget numbers. Each agency works with their fiscal teams to figure out costs. The ICT has a tight schedule in July. Commissioners will meet if there are sticking points. If still stuck, they go to the Governor's Office.
 - *Margaret Wagner, MDA:* The ICT meets monthly, and it is continuous outside of the budgeting process. May to July are dedicated to the Clean Water Fund, which often coincides with the Council's process. We all do our own budgeting and come together to figure it out on our side. Needs exceed the budgets we have so it takes multiple meetings to finalize. There are principles that the ICT has developed. Cuts take time. Feedback from the Council during that process is important. We aren't just talking about programs, but the leveraging of funds.
 - *Tannie Eshenaur, MDH:* There is more to the coordination than just the budget process. There are also subteams. We have projects we are working on together. It has enhanced our work and made it easier to leverage each other's work. It is a benefit to the CWF that we are brought together across the agencies. Additionally, we have been working with equity and looking at how we are weaving it into all our processes. The way we spend our dollars reflects our values.
- Steve Christenson: Why don't the state agencies ask for a dollar amount during their presentations?

Response: The presentations occur over a long period of time, and so the state agencies are not thinking about that until later in the year. That is one part. Another part is not being presumptuous. We want input from the Council and stakeholders to make informed decisions about the level of need. We can provide indications (i.e., steady funding, increase, decrease), but we cannot pinpoint a dollar amount yet.
- Paul Gardner: Why do the state agencies need to work together versus distinct proposals submitted together like with the other Legacy amendment groups such as the Lessard-Sams Outdoor Heritage Fund (LSOHF)? Is it because they are distinct proposals?
 - *Jason Moeckel, Minnesota Department of Natural Resources (DNR):* We go to the LSOHC, and we ask for assistance for what we want to get done. Those are projects using staff time, with contracts and construction. They operate over a different timeline (five years) to spend that amount. For CWFs, the funding is more sensitive and so the approach is more intricate and needs to be sustained. The LSOHF is more project driven. That is the big distinction. There are many programs interconnected across the agencies. When you start to pull threads from one program, it impacts work in another agency. We work together to keep these things moving along smoothly, working together. Some items have been in place for a while. There can be a delicate balance, especially with major cuts.
 - *Tannie Eshenaur, MDH:* A basic difference between LSOHF and CWFs is that we use strategic programming over the life of the amendment and LSOHF is based on limited time projects.
- Steve Christenson: Do you have any suggestions for process improvement? How was our process timing?
 - *Tannie Eshenaur, MDH:* I think it was timely. While we are looking for specific input during the budgeting process, we get a good sense on what the Council's concerns and priorities are to report back to our agencies. I think we receive good input on what we needed to hear about on programming and process.
 - *Margaret Wagner, Minnesota Department of Agriculture (MDA):* I agree. It is working, and there is a lot of overlap between that membership. If the Council would like to share input, let those state agency folks know, and they will bring it back to their agencies.
- Annie Knight: Direct feedback is welcome from the state agencies, but does there need to be a more formalized format for the Council to provide. We have tentatively been discussing a rubric. Would that be helpful, or would that not be useful at the ICT level?

Answer: I think we would need to mull over that and have discussion. The biggest issue is time. We know what it takes to maintain, and we know where we would like to increase funding. However, it has been time sensitive. What Paul is providing to the ICT has been communicating needs well.

 - Steve Besser: Perhaps a statement from the Council? Perhaps by May 30th.

- Paul Gardner: Rich Biske says there should be input to the ICT before agencies begin “making spreadsheets.” It is harder to pivot and consider new ideas after that. Therefore, 2025 would be a good year to reflect on outcomes. Then, at the end of 2025, there could be something in writing.
- Dana Vanderbosch: I think we need to talk with the ICT on it.
- Steve Besser: Perhaps, there is something to provide to the ICT on areas we are concerned about. We are not scientists, so we need the state agencies folks to tell us what programs will work towards those concerns. Any guidance early on might be good.
- Annie Knight: Perhaps we can provide that feedback in early June, after the presentation. Maybe that would be helpful. A rubric may not be useful, but feedback of some sort could be helpful.
- Dick Brainerd: We have had a lot of discussions about the ICT. New Council members ask about it. I think about how all these items fit together in the timeframe. We haven’t talked about the Legislature and their involvement. Just thinking about how this all fits together. *Answer by Dana Vanderbosch, MPCA:* We could put together a two-page cheat sheet of the ICT, going over how the ICT is composed.
- Brad Gausman: Regarding one of the programs that didn’t fit the mold of the ICT process was the Voyageurs program. Unlike the others, it did not go through the ICT process. It was not part of the ICT recommendations, and I don’t believe it was considered, because it is not within the state agencies purview. Those funding recommendations made it into the final recommendations. How should the ICT review those kinds of proposals? If the Council is looking to lean into these kinds of programs (outside of the ICT purview), so how should we as a Council view that kind of work, or integrate those kinds of programs? *Answer:* The Voyageurs National Park appropriation does come through the MPCA because funding needs to be through a state agency. For this program, it comes up in the ICT every time. It is only for a portion of the state, and we do not like to look like we are advocating for just one part of the state and prefer statewide. We do have priority areas based on pollution. With the Voyageurs National Park, it is not just replacement of septic systems for water quality, it is also sewerage unsewered areas to organized development. It is not in alignment with our charge. If it were one hundred percent replacing failing septic systems, it would be like our SSTS program, and we would just ask for the money through there, but the goals and aims of this program are slightly different than that. For those reasons it never makes its way into the state agencies recommendations to the Legislature, but we recognize the Council may want to support it. The ICT has handled it different ways, at different times. It explains why the MPCA does not advocate it, but the funding goes through them. Proactively, the Red River Management Board is another one that is directed by the Legislature. The MPCA has statewide monitoring programs, so we do not advocate for it. However, it gets included, and funding is pulled from the MPCA monitoring program for it. We all must work together to get along.
- Brad Gausman: Looking at the CWFs, if these programs are proven effective, I would like to see them integrated into the general budget. Then, CWF dollars are freed up to usher in the next generation of programs that could prove to be successful, and then ramp up into state agency budgets.
 - *Response from Dana Vanderbosch, MPCA:* I would like to speak on this item. There is no way that the general fund budget is going to be able to accommodate \$307 million in a biennium. We need to be focused on fighting for a continuation of CWFs that is perpetual, because the need here is perpetual. We will always need a water management framework. In this state with all our water resources, we need it. I feel strongly about it. It needs to recognize how all these water resources are to all of us. The idea that we would just accommodate these would not happen, because it is too much funding.
 - *Brad Gausman:* Looking at the source of this funding and the way it is spent, and we are supplementing agency budgets with that funding source and using them in a way that feels like general spending, but that isn’t going through the Legislature and is this extra pool of very special money. I can’t help but think of it.
 - *Steve Besser:* The Legislature has the final say on the funding. It is only one part of the Legacy funds.
 - *Margaret Wagner, MDA:* The CWFs are not considered base funding. They are a game changer and have accelerated the work. Each agency can provide examples of work, which did not exist until it was with CWFs. There was a vision for the work, but we were only able to execute it because of the funding. We wanted to do the work but were only able to once being able to leverage the funding. There are clear examples of how we have been able to accelerate work, tracking the outcomes, and showing the results. It is so clear to me. Our predecessors had the ideas, but the funding has provided the scale of the work to come to fruition.

No Public Comment (*Webex 02:03:00*)

Adjournment (*Webex 02:04:24*)

Clean Water Council Dashboard

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.

Strategy: Develop baseline data on Minnesota's groundwater quality, including areas of high pollution sensitivity.

Action: Complete groundwater atlases for all Minnesota counties

Part A County Geologic Atlases completed by 2033			
	complete today	46	53%
	in progress	26	30%
	future start	8	9%
Part B County Groundwater Atlases completed by 2038			
	complete today	36	41%
	in progress	12	14%
	future start	39	45%

Action: Monitor ambient groundwater quality throughout the state.

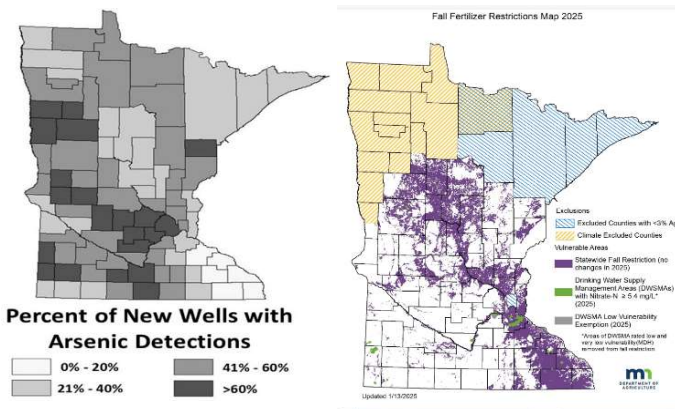
Updates from the MPCA Groundwater Monitoring Program			
	Wells in 2013	35	
	Wells in 2022	120	
	Chloride ↑ in 23% of wells		

Action: Characterize nitrate and pesticide contamination in vulnerable aquifers.

MDA Township Testing Program (Nitrate)	MDA Township Testing Program (Pesticides Phase I)	MDA Township Testing Program (Pesticides Phase 2)	MDA Central Sands Private Well Network	MDA SE MN Vol N Monitoring Network
2020	2014-2020	2021-2022	2022	2022
32217 wells tested	1841 wells tested	1095 wells tested	282 wells tested	376 wells tested
			90.4% < 3 mg/L	69.4% < 3 mg/L
			7.4% > 3 & < 10 mg/L	22.3% > 3 & < 10 mg/L
9.1% > 10 mg/L	3% > HRV cyanazine	62 > HRV cyanazine	2.1% > 10 mg/L	8.2% > 10 mg/L

Action: Characterize natural and synthetic contaminants in groundwater.

Locations with high concentrations of natural contaminants mapped.			
nitrates	See map for nitrate vulnerability		
arsenic	See MDH map		
radium	MDH report pending		
Groundwater monitoring performed as appropriate for contaminants of emerging concern.			
Nitrate		Arsenic	
3% new wells with > 3 & < 10 mg/L		51% new wells have arsenic since 2008	
1% new wells > 10 mg/L		11% new wells > drinking water standard	
MDH seeks 0% w/ > 3 mg/L nitrate			



Strategy: Develop and carry out strategies that will protect and restore groundwater statewide.
pending

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

Strategy: Support ongoing monitoring of groundwater quality
pending

Strategy: Develop a cumulative impact assessment and support planning efforts to achieve a sustainability standard for groundwater.
pending

Strategy: Develop and carry out strategies that promote sustainability of groundwater use.
pending

Strategy: Identify options that will accelerate progress to achieving a sustainable groundwater standard in line with circular water economy principles.
pending

MN CWC Scoring Rubric to Aid in Evaluating Funding Requests

Constitutional and Statutory Charge - funds may be spent only to protect, enhance, and restore water quality in lakes, rivers, and streams, to protect groundwater from degradation, and to protect drinking water sources. Projects MUST be consistent with current science, and incorporate state-of-the-art technology.	2 (Yes)	1 (Partial)	0 (No)
Do the requested funds supplement rather than supplant traditional funding sources?			
Clean Water Council shall give priority in its recommendations for Restoration and Protection funding to projects that: (1) coordinate with and utilize existing local authorities and infrastructure for implementation; (2) can be implemented in whole or in part by providing support for existing or ongoing restoration efforts; (3) most effectively leverage other sources of restoration funding, including federal, state, local, and private sources of funds; (4) show a high potential for early restoration and delisting based upon scientific data developed through public agency or citizen monitoring or other means; and (5) show a high potential for long-term water quality and related conservation benefits.			
Nonpoint priority funding plan requirements. Does the proposal prioritize potential nonpoint restoration and protection actions based on available WRAPSs, TMDLs, and local water plans (BWSR provides)? Does the plan take into account the following factors: water quality outcomes, cost-effectiveness, landowner financial need, and leverage of nonstate funding sources (all Agencies must provide)?			
Does the funding celebrate cultural diversity or reach diverse communities in Minnesota, including low-moderate-income households? Does it address equity and environmental justice issues affecting these communities (i.e., protecting water-based cultural activities including protecting streams for recreation, for subsistence fishing, for culturally significant species, for wild rice production, and for drinking water)?			

MN CWC Scoring Rubric to Aid in Evaluating Funding Requests

Does the proposal address climate change, e.g., does it (i) include evaluation of the potential impact(s) of climate change on the subject watershed or infrastructure as a result of extreme climate and precipitation events; (ii) integrate climate resiliency through planning based upon available climate modeling resources?			
---	--	--	--

Strategic Plan analysis – do we need to address individually? Discuss

DRAFT

Strat Plan – as updated in 2024

Relevant CWC Strat Plan text:

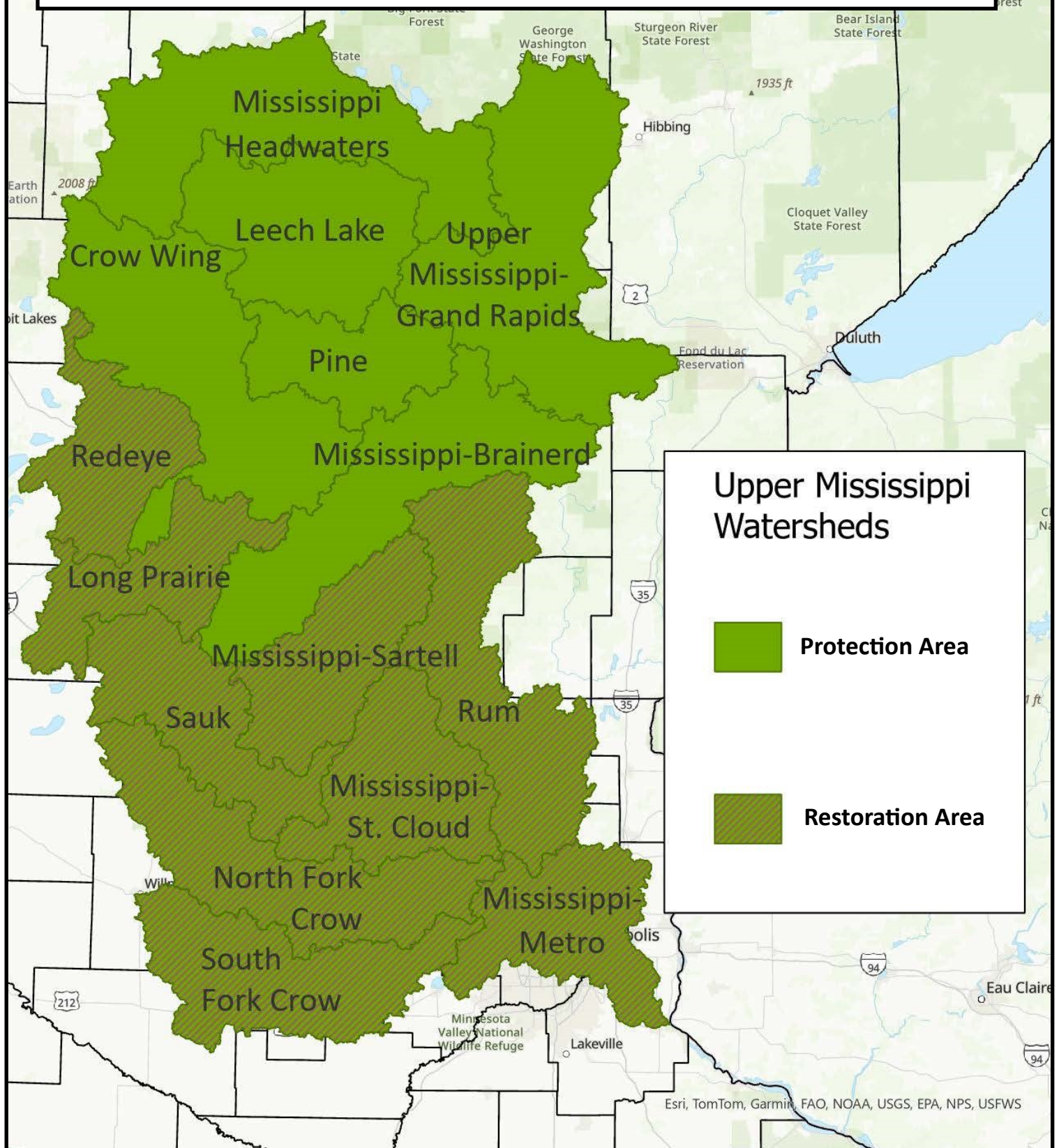
- Vision: All Minnesotans value water and take actions to sustain and protect it.
- Goal 1: Build capacity of local communities to protect and sustain water resources.
 - o Action: Support local efforts to engage lakeshore property owners and private landowners.
 - Measure: Protection of 100,000 acres and restoration of 100,000 acres in the Upper Mississippi River headwaters basin by 2034.

Upper Miss River Acres Protected – 2018-2024

major wshd	acres	Protected_2018ac	Protected2024_ac	Increase_2018_2024ac
Mississippi River - Grand Rapids	1,332,798.4	996,893.4	1,002,257.8	5,364.4
Mississippi River - Headwaters	1,228,889.4	886,394.7	890,829.2	4,434.5
Leech Lake River	857,971.5	675,559.8	681,178.4	5,618.6
Crow Wing River	1,268,959.2	573,440.9	591,442.6	18,001.8
Mississippi River - Brainerd	1,076,299.8	549,091.2	562,407.9	13,316.7
Rum River	1,013,794.2	461,141.9	465,884.3	4,742.3
Pine River	500,887.1	323,125.5	328,699.1	5,573.7
North Fork Crow River	944,858.2	247,034.6	252,446.1	5,411.5
Long Prairie River	565,078.1	185,031.3	191,604.1	6,572.7
Mississippi River - St. Cloud	717,376.5	191,032.7	190,956.5	-76.2
Redeye River	572,068.9	177,609.0	179,037.3	1,428.4
Mississippi River - Sartell	656,115.2	170,732.0	174,062.8	3,330.8
Mississippi River - Twin Cities	644,322.9	169,677.3	164,968.8	-4,708.5
Sauk River	666,749.9	142,005.2	145,455.7	3,450.5
South Fork Crow River	818,102.8	118,138.7	120,987.9	2,849.2
Totals	12,864,271.9	5,866,908.2	5,942,218.5	75,310.3

Upper Mississippi Watershed

Watershed Protection and Restoration goals for 2018 –2034



Council Discussion for the Upper Mississippi Protection goals and strategies

Summary of Presentation from Local Partnerships in the Upper Mississippi Watershed

The One Watershed Partnerships are using a science based, targeted approach to their protection strategies. The strategies use programs that incentivize long term agreements that limit the land use on forested lands. The strategies assess the water quality protection needs and set goals to assure that will maintain water quality and ecological benefits.

CWC Question: How should we define the scope of the Upper Mississippi River headwaters), with emphasis on protection of the northern half and restoration of the southern half.

Answer: A map has been developed to identify the Upper Mississippi Watershed. Within the entire watershed, there will be restoration and protection practices applied. However, the northern watersheds will be more suitable for Protection easements or long term land use limitation programs. The southern portions of the Upper Mississippi will utilize restoration practices that will convert agricultural land into natural wetlands and prairies.

CWC Question: Should Council be agnostic about funding sources toward achieving the goal of protecting the Upper Mississippi River headwaters basin by 2034. In other words, do acres protected or restored with funding from OHF, ENRTF, SFIA and sources other than CWF “count” towards the goal?

Answer: We think that you want to support the multiple groups that utilizing resources to restore and protect the land in the Upper Miss. The council has supported the Watershed management plans which are being used to protect those resources is a strategic way.

CWC Question: If 2008 is utilized as the starting point for the timeframe ending in 2034, should CWC increase the target to higher numbers than 100,000 acres of protection and 100,000 acres of restoration?

Answer: Minnesota has added more than 200,000 acres through permanent protection measures between 2008 – 2018. An additional 80,000 acres of protection have been added between 2018 and 2024. Practice protection and restoration activities may include; Easements, Conservation Reserve Program, Sustainable Forest Incentive Act and other programs that assure long term vegetated cover within the Upper Mississippi River Watershed.

Proposed Strategic Plan Language for Protection and Restoration Goals

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

Goal 1: Build capacity of local communities to protect and sustain water resources.

o Action: Support the goals of the Comprehensive Local Water Management implementation strategies to identify long term protection and restoration activities. Practice examples include; Easements, Conservation Reserve Program, Sustainable Forest Incentive Act and other programs that assure long term vegetated cover within the Upper Mississippi River Watershed.

▪ **Measure:** Protection of 200,000 acres of protection and restoration in the Upper Mississippi River headwaters basin between 2018 and 2034.