

Clean Water Council
Budget and Outcomes Committee (BOC) Meeting Agenda
Friday, February 6, 2026, 9:00 a.m. to 12:00 p.m.

Webex Only

2025 BOC Members (Roster to be updated in January 2026): Steve Besser (BOC Chair), Dick Brainerd (BOC Vice-Chair), Steve Christensen, Warren Formo, Brad Gausman, Holly Hatlewick, Annie Knight, Fran Miron

9:00 Regular Business

- Introductions
- Approve agenda & January meeting minutes
- Chair and Staff update

9:30 Public Comment

Any member of the public wishing to address the Council regarding something not on the agenda is invited to do so as a part of this agenda item.

9:45 (DISCUSSION ITEM) Supplemental budget discussion

Following the discussion at our last BOC meeting, the Interagency Coordinating Team met and drafted a memo to share with this Committee today. That memo is attached as part of the meeting packet, and will be included in the BOC's discussion of how to approach a decision a supplemental budget. If the BOC recommends moving forward with a supplemental budget, programs to receive funding should be identified during this meeting.

12:00 Adjourn

Budget and Outcomes Committee Meeting Summary
Clean Water Council (Council)
January 9, 2025, 9:30 a.m. to 12:00 p.m.

Committee Members present: Dick Brainerd (Committee Vice Chair), Steve Christenson, Warren Formo, Holly Hatlewick, and Fran Miron.

Members absent: Steve Besser (Committee Chair), Brad Gausman, and Annie Knight.

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
 - Margaret Wagner, Minnesota Department of Agriculture (MDA): They are seeking public comment on the adequacy of the Groundwater Protection Rule. Open comment period will be until Thursday, March 12th. It is a part of ongoing litigation; to check if it provides sufficient protection, or if more protection is needed.
- Motion to approve the January 9th meeting agenda and December 5th meeting minutes by Fran Miron, seconded by Warren Formo. Motion carries unanimously.
- Chair and Staff Update
 - Council elections will be held at the February meeting, hoping new members will have been selected.
 - Jen Kader: Proposals are due January 16th. The Red River Board and the Voyageurs National Park Water Quality Joint Powers Board will submit a proposal. Presentations will be organized by Water Management Framework steps, so it is easier to see how the programs interact and relate to each other. The schedule will be finalized in the next few weeks.
 - A reminder of what Council members need to do before the Council meeting on January 26th: Proposals are due January 16th to Jen Kader. Documents will be uploaded to the Teams website. There will be an overview at the January meeting and check to make sure that Council members know how to find the information, especially the form to submit the scores and feedback.
 - *Question:* Could we have a schedule so stakeholders could show up? Perhaps included in the Newsletter, to make it public and easy to access. *Answer:* Yes.

Supplemental Budget Scenarios Discussion (Webex 00:40:30)

According to the November forecast, the Council has the option of pursuing a supplemental budget for the current biennium. At this time, it would benefit the Council to develop scenarios for how to respond once the February forecast is issued. Once the forecast is made known, the Council will want to act fast to pass along the recommendation. At the full Council, you plan to move a recommendation forward, whether it was to provide recommendations or hold onto the funding for FY28-29 biennium. It is all forecast, and we do not know what the final amounts will be.

- Steve Christenson: Have we heard any feedback from the Legislators on the Council? What have they suggested? Also, what are the other Legacy amendment funds doing? *Answer:* Regarding feedback from Legislators, I haven't had anything except what Rep. Pursell shared at the December meeting. She said it will be an election year. There is a shortened schedule, and there are a lot of hot topics. The Lessard-Sams Outdoor Heritage Fund (LSOHF) is annual, so they will provide recommendations. Arts and Cultural Heritage would likely not want to pursue a supplemental budget because of the need to review all of the grants, which would be a big lift in a short amount of time.
 - Warren Formo: This is where the Interagency Coordination Team (ICT) can be helpful. If they have programs that could really use additional funds, they can come forward to share that with us. Yet, unless the numbers change a lot, we are talking about a two percent adjustment to the Clean Water Funds (CWFs). In this range, we should lean towards listening to ICT first but lean towards letting the funding go into the FY28-29.
 - Steve Christenson: If it's less than \$5 million, let it shift over. If it's over \$10 million I think we should provide some recommendations. I do not like to follow what the ICT recommends, because we need to

exercise independent judgment. The purpose of the Legacy Amendment is to have durability and survive after 2034. I think about the critical shorelands for the Upper Mississippi River and Forever Green Initiative. I would be interested in feedback from the agencies on what they think about those programs.

- Holly Hatlewick: We need to hear input from the ICT. I don't think it is fiscally responsible to shift those funds if the ICT cannot shift or react to it. As a committee, we need to do our diligence and vet things. Yet, we need the input from the ICT, the implementers. I also had \$10 million as the tipping point.
- Fran Miron: I am relatively new to the budget process. I share similar viewpoints. As you look at the work capacity and workload, we need to know that information. The input from the ICT is important.
- Dick Brainerd: How specific of a plan should we have? Perhaps, a statement? *Answer:* Yes, but that would be more of the February meeting.
- Dick Brainerd: Jen, what do you need from the Council? *Response:* We will see what the amount is. If over \$10 million the Council can provide some recommendations. That BOC meeting will be about decisions on it.
- Margaret Wagner: The ICT could provide feedback on programs that would be open to receiving additional funding, if the Council would like that information. *Response from Jen Kader:* We can add a column with yes/no for further investment.
- Steve Christenson: I like this idea. Yet, I also have three programs in mind I would like to see have additional funds. If we had more than \$10 million, I would like to consider individual programs.
- Holly Hatlewick: I like adding it in a column. Perhaps, we should add an asterisk of the programs that are primed to go, to be clear that it is just for this period of supplemental funding (not down the road).
- Jen Kader: Would helpful information also include a priority of where the ICT would want to see funding go? Would that be helpful? *Answer from Warren Formo:* Yes. Hearing the discussion is important.
- Jen Kader: To summarize, using \$10 million as the dividing line. The ICT will be informed about the Council's request (additional column information). An update will be provided to the full Council.

KPI Dashboard: Continuing the Conversation (Webex 01:18:00)

The December Council meeting generated a lot of discussion about the KPI Dashboard and demonstrated a split of opinion about whether a KPI dashboard is needed and should be pursued. Following that meeting, the slide deck for dashboard items was reduced to a new proposed set. However, before we review that reduced set, the BOC should spend some time clarifying the overall purpose and value.

The Council has the Clean Water Fund Performance Report, which is updated every two years. There is an opportunity for a crosswalk between the Performance Report and programs, so members can view how outcomes specific to those programs are changing. This group has also talked about how the proposal form currently serves to a degree as both a report of past funding as well as a proposal for new. That gives details at the program level. The Council can always ask questions for programs. The KPI dashboard can serve as a compliment, but we need to be clear on its purpose and value. What is the value of something that would be a quick reference point?

Discussion:

- Warren Formo: It makes sense. It is a tool for this process. I see a lot of value in it. The KPI dashboard is a component along with the rubric, which provides additional input while acknowledging it is not the only information.
- Steve Christenson: This provides us with more information to steward the CWFs. From the corporate perspective, we look at measurements quarterly and watch these measurements. A common set of key facts we can rely on.
- Jen Kader: Would it be only for Council members use? Or for the public?
 - Steve Christenson: I would expect it to be available for the public. I intend to use it when talking with stakeholders. However, it is intended for a somewhat knowledgeable CWF informed person (it is high level).
- Holly Hatlewick: I see the value. I struggle with a few items. For example, the frequency of the data updated. All the programs are different in the reporting timeline and when the data is available. Is it annual versus quarterly. Is it valuable going through the updates if the data did not change, or did not have a significant change, because of the reporting deadline. Additionally, I understood the intent was the audience of the Council. Yet, these are a high level of understanding, but publicly available, would that provide miscommunication, when the performance is all the measurements. Perhaps, subconsciously, certain selected measurements would get more attention. It is a concern. The items in front of us are in front of our mind.

- Jen Kader: Thinking about how we make sure these measurements don't skew the priorities. In the proposal coming forward after the last Council meeting we took out outputs specific to individual programs. Instead we have focused on the outcomes (so multiple programs are feeding into it instead). As part of that crosswalk, we could show the number of programs feeding into the item.
- Holly Hatlewick: Yes. It is overlapping. I would find value in it.
- Steve Christenson: What do you think the frequency should be?
- Holly Hatlewick: Yearly. I would assume the data would be available in June or July, because reporting is often due February 1. A year is both a long time, and not a long time.
- Steve Christenson: I could support annually.
- Warren Formo: Could this be tied to the budget process, doing it every other year?
- Steve Christenson: In my opinion it is not often enough.
- Fran Miron: I like the correlation to the budget cycle and fits better in our workload and what we are doing.
- Heather Johnson, Minnesota Pollution Control Agency (MPCA): I would suggest you place a date stamp on the data you are reviewing, so you know what time it represents.
- Jen Kader: The Council currently has a budget year and a strategy year. Thinking about the overall purpose for the Council to strategically focus its time and efforts, annual updates gives up to date information for both years. The Policy Committee could use these as well. It is not just for budget conversations.
- Jen Kader: Would having a tailored selection of materials available for folk's work? When talking to folks, having some KPI items to point out be helpful? Education will always need to be tailored to the audience. Would that help relieve the pressure (while avoiding misunderstanding)? *Response from Holly Hatlewick: It would be helpful.*
- Warren Formo: I will be able to share my thoughts on the frequency in two years, once we get through it once. When we see things that are not working (like six months from now), we can change them. I bet we will want to tweak something.
- Jen Kader: Let's make sure it is used as a tool. We want to activate and elevate the Clean Water Fund Performance Report when it comes out this spring. If Council members start looking for what was not included, we should highlight that, to reevaluate and consider changes for the KPI. Yet, the Council should be mindful in the process, to acknowledge the KPI is not the only metrics cared about.
- Steve Christenson: It is a good idea to try something and recognize it will not be perfect out of the gate. It is a good thing to take steps forward that are not perfect, but to move forward.
- Justin Hanson: There are different audiences and ways we talk with folks about the work we do. As an agency, we are trying to demonstrate trust with the funding we have been given. The investments are every year, but the assessments are not made every year. If we manage expectations, around how much the metrics will change, because it may not be a big change year to year. So, expectations need to be understood. Mining the data happens over time.
- Jen Kader: Here is what I am hearing. We have the Clean Water Fund Performance Report, which has a lot of details which can be overwhelming. KPIs, in companion to the rubric, will help assess how the Council should prioritize time, effort, and funds. The principle is to increase accountability. The audience is the Council, though they may use elements externally. It will be updated annually.
- Kim Laing, MPCA: I appreciate the conversations today. There were a lot of good points. We are trying to meet your needs. So, the clarity of your needs is helpful.
- Jen Kader (PowerPoint on Reduced Selection of Key Performance Indicators):
 - Metrics that were specific to outputs were removed. These focus on metrics specific to outcomes. This helps to move away from program specifics and looks more at the overarching metrics.
- Steve Christenson: Could we add a list of relevant CWF programs that contribute to the metric in the slide? *Answer: I think it would be long, if you thought about the different programs. When thinking about how streamline this is to be, that would impact it. There could be a standalone document on the list that could be created, or in the notes section of PowerPoint.*
- Dick Brainerd: This is for the Council to use. However, for good communication, I think you need to have an intro or cover page. *Answer: We can do that. I think an FAQ would help provide a quick and dirty explanation for Council members to understand how we came to these conclusions and uses.*

- Tannie Eshenaur, Minnesota Department of Health (MDH): There is no drinking water measure. *Response:* It can be added back in. Jen Kader will send over those options, for one or two to be selected by MDH. It should be included.
- Next steps: Before we ask for more work to be done on this project from the state agencies, do we want to move forward with an intro page added and remove duplicative info, before bringing it to the full Council? To provide a trial process. *Answer:* Yes.
- Kim Laing, MPCA: Can you confirm the frequency? *Answer:* Annual (update towards the late summer).

Motion to adjourn the meeting by Steve Christenson, seconded by Warren Formo. Motion carries unanimously.

Adjournment (*Webex 02:30:49*)



Date: January 26, 2026

To: John Barton, Clean Water Council Chair
Steve Besser, Budget and Outcomes Committee Chair, Clean Water Council
Jen Kader, Clean Water Council Administrator

From: Dana Vanderbosch, Assistant Commissioner, MPCA
Katie Smith, Assistant Commissioner, DNR
Myra Kunas, Assistant Commissioner, MDH
Steve Walter, Executive Director, Public Facilities Authority
Andrea Fish, Assistant Director for Strategy and Operations, BSWR
Raj Mann, Assistant Director, MDA
Sam Paske, Assistant General Manager, Metropolitan Council Env. Services Division
Joel Larson, Associate Director of the Water Resources Center, University of Minnesota

RE: 2026 Clean Water Fund supplemental budget recommendations

The Clean Water Council (Council) has been discussing whether to make recommendations to Governor Tim Walz on spending the forecasted \$7.1 million dollars that is available to be appropriated from the Clean Water Fund during the 2026 session. The Clean Water Fund Interagency Coordinating Team (ICT) has been asked if they have spending recommendations for available funding. The ICT appreciates the opportunity to weigh in on this discussion.

Considering the rise in costs seen at the state and local level for every partner involved in Minnesota's water management work, and the relatively small amount of funding available, we recommend not spending this available funding during the 2026 session and, instead, let it roll over to be available to appropriate as part of the regular FY28-29 biennial budget process during the 2027 legislative session.

If the Council decides to develop recommendations to spend the funding, our various ICT agency members who sit on the Council will be prepared to engage in that discussion to support the Council's work.