

Clean Water Council
Budget and Outcomes Committee (BOC) Meeting Agenda
Friday, March 13, 2026, 9:00 a.m. to 2:00 p.m.

Hybrid – Webex and Online

2026 BOC Members: 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
- Chair and Staff update

9:20 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.

9:35 Chair and Vice Chair election

With the Committee rosters affirmed at the February Council meeting, a Chair and Vice Chair needs to be elected. At the time of drafting the agenda, one person has expressed interest. Members are invited to self-nominate at the meeting, or nominate others.

9:45 (ACTION ITEM) Supplemental budget discussion

MMB published the February Forecast on Friday, February 27th. The forecast shows an increase in the available funds for FY26-27 to \$9.03M, and an increase for FY28-29 to \$331.805M. The BOC will need to make a recommendation in this meeting for how to proceed.

10:15 Overview of process for today

At the end of this meeting, the BOC will be asked to submit initial considerations for funding directions for each of the programs that were presented at the February Council meeting. These will be discussed at the March Council meeting for initial feedback from other Council members. We will go over the process with that end goal in mind and make sure no one has any questions.

10:30 Break

10:45 Proposal review

12:00 Lunch

12:30 Continued proposal review

1:30 Finalize initial considerations for funding direction

2:00 Adjourn

Clean Water Fund Availability - November 2025 Forecast

Minnesota Management and Budget

2/27/2026

(\$ thousands)

	February 2026			
	FY26	FY27	FY28	FY29
Unobligated Carry Forward from Prior Year	360	7,544	7,797	7,941
Obligated Carryforward from Prior Year	102,182	-	-	-
Sales Tax Receipt Forecast	150,875	155,933	158,817	161,734
Investment Income & Other Revenue	7,716	5,864	5,770	5,770
Other Revenue	2	2	2	2
<i>Total Resources</i>	<i>261,135</i>	<i>169,343</i>	<i>172,386</i>	<i>175,447</i>
<i>Total Uses</i>	<i>246,807</i>	<i>159,301</i>	<i>-</i>	<i>-</i>
Budgetary Balance	14,328	10,042	172,386	175,447
Required 5% Reserve	(7,544)	(7,797)	(7,941)	(8,087)
Amount Available to Appropriate	6,784	2,245	164,445	167,360
Biennial Total		9,030		331,805

Annual/biennial amounts in the table are not cumulative; any amount unspent will be available to appropriate the following year

November 2025 to February 2026 Forecast Changes

	FY26/27	FY28/29
February Forecast Biennium Available	9,030	331,805
November Forecast Biennium Available	7,111	329,282
Change	1,919	2,523

	November Forecast				February Forecast				Change			
	FY26	FY27	FY28	FY29	FY26	FY27	FY28	FY29	FY26	FY27	FY28	FY29
Reserve Carryforward		7,512	7,749	7,874		7,544	7,797	7,941	-	32	48	67
Prior Period Adjustment	-	-	-	-	-	-	-	-	-	-	-	-
Sales Use Taxes	150,231	154,976	157,481	160,545	150,875	155,933	158,817	161,734	644	957	1,336	1,189
Interest Earnings	7,355	5,859	5,765	5,765	7,716	5,864	5,770	5,770	361	5	5	5
All Other Revenue	2	2	2	2	2	2	2	2	-	-	-	-
All Uses	246,807	159,301	-	-	246,807	159,301	-	-	-	-	-	-
5% Reserve	(7,512)	(7,749)	(7,874)	(8,027)	(7,544)	(7,797)	(7,941)	(8,087)	(32)	(48)	(67)	(59)
Total Change Per Fiscal Year									972	946	1,322	1,201
Total Availability Change												4,442

Clean Water (2302)



(\$ in thousands)	Actual 2022	Actual 2023	Biennium 2022-23	Actual 2024	Actual 2025	Biennium 2024-25	FEB 26 Fcst 2026	FEB 26 Fcst 2027	Biennium 2026-27	FEB 26 Fcst 2028	FEB 26 Fcst 2029	Biennium 2028-29
ACTUAL & ESTIMATED RESOURCES												
Balance Forward From Prior Year	73,820	84,420	73,820	123,138	132,837	123,138	102,542	14,327	102,542	16,825	181,414	16,825
Prior Period Adjustment	12,739	22,374	35,113	17,975	8,694	26,669	0	0	0	0	0	0
Adjusted Balance Forward	86,560	106,793	108,934	141,113	141,531	149,807	102,542	14,327	102,542	16,825	181,414	16,825
Revenues												
Sales-Use Taxes	129,234	145,295	274,529	146,088	144,074	290,162	150,875	155,933	306,808	158,817	161,734	320,551
Taxes	129,234	145,295	274,529	146,088	144,074	290,162	150,875	155,933	306,808	158,817	161,734	320,551
Statewide Investment Income	600	5,487	6,088	10,405	9,827	20,232	7,716	5,864	13,580	5,770	5,770	11,540
Investment Income	600	5,487	6,088	10,405	9,827	20,232	7,716	5,864	13,580	5,770	5,770	11,540
Internal Reimbursement	16	0	16	8	0	8	0	0	0	0	0	0
Other Revenue	1	0	1	0	5	6	0	0	0	0	0	0
Cost Recovery/Reimbursement	1	1	2	2	2	4	2	2	4	2	2	4
All Other Revenue	18	1	19	10	8	18	2	2	4	2	2	4
Total Revenues	129,853	150,783	280,636	156,504	153,909	310,412	158,593	161,799	320,392	164,589	167,506	332,095
Total Resources Available	216,413	257,577	389,570	297,616	295,440	460,220	261,135	176,126	422,934	181,414	348,920	348,920

ACTUAL & ESTIMATED USES

Expenditures by Bill Area and Agency

University Of Minnesota	2,673	1,295	3,968	1,500	2,500	4,000	1,000	1,400	2,400	0	0	0
Higher Education	2,673	1,295	3,968	1,500	2,500	4,000	1,000	1,400	2,400	0	0	0
Health	6,416	7,550	13,966	9,508	11,737	21,245	25,217	15,845	41,062	0	0	0
Health and Human Services	6,416	7,550	13,966	9,508	11,737	21,245	25,217	15,845	41,062	0	0	0
Pollution Control	22,420	22,506	44,926	24,005	29,443	53,448	32,758	24,702	57,460	0	0	0
Natural Resources	9,032	8,903	17,935	11,963	11,927	23,890	18,886	14,650	33,536	0	0	0
Water and Soil Resources, Board of	57,898	70,578	128,476	75,614	96,255	171,869	126,177	75,004	201,181	0	0	0
Metropolitan Council - Environment	1,544	1,544	3,088	1,875	1,875	3,750	2,025	2,125	4,150	0	0	0
Environment and Energy	90,894	103,531	194,425	113,457	139,500	252,957	179,846	116,481	296,327	0	0	0
Agriculture	15,205	16,370	31,575	22,467	25,383	47,850	20,034	15,350	35,384	0	0	0
Public Facilities Authority	15,683	5,646	21,329	12,597	5,639	18,236	18,769	8,300	27,069	0	0	0
Jobs, Commerce, Ag and Housing	30,888	22,016	52,904	35,064	31,022	66,086	38,803	23,650	62,453	0	0	0

Clean Water (2302)



(\$ in thousands)	Actual 2022	Actual 2023	Biennium 2022-23	Actual 2024	Actual 2025	Biennium 2024-25	FEB 26 Fcst 2026	FEB 26 Fcst 2027	Biennium 2026-27	FEB 26 Fcst 2028	FEB 26 Fcst 2029	Biennium 2028-29
Legislature	9	1	10	4	1	5	17	0	17	0	0	0
State Government and Veterans	9	1	10	4	1	5	17	0	17	0	0	0
Total Expenditures	130,881	134,392	265,273	159,533	184,760	344,292	244,883	157,376	402,259	0	0	0
Transfers To Other Funds:												
Transfer Out to Special Revenue	1,113	47	1,159	5,247	8,138	13,385	1,925	1,925	3,850	0	0	0
Total Transfers to Other Funds	1,113	47	1,159	5,247	8,138	13,385	1,925	1,925	3,850	0	0	0
Total Uses	131,993	134,439	266,432	164,780	192,897	357,677	246,808	159,301	406,109	0	0	0
Balance Before Reserves	84,420	123,138	123,138	132,837	102,542	102,542	14,327	16,825	16,825	181,414	348,920	348,920
Budgetary Balance	84,420	123,138	123,138	132,837	102,542	102,542	14,327	16,825	16,825	181,414	348,920	348,920

Clean Water Council By-Laws

Clean Water Council (Council) Purpose

The Clean Water Council was created to advise on the administration and implementation of [MN Statutes Chapter 114D](#), the [Clean Water Legacy Act](#), and foster coordination and cooperation as described in section [MN Statutes Chapter 114D.20, subdivision 1](#). The Council may also advise on the development of appropriate processes for expert scientific review as described in [MN Statutes Chapter 114D.35, subdivision 2](#).

Council Member Conduct

Council members have a duty to act in good faith and with complete accuracy, candor, truthfulness and disclosure in all formal or informal discussions, communications or related actions between any members of the Council.

Election of Chair and Vice-Chair

The Council shall elect from its voting members a chair and vice-chair. Elected chair and vice-chair will serve one two-year term, beginning in January. The Council shall use the methods of nomination and elections consistent with Robert's Rules of Order, and in compliance with Minnesota Open Meeting Law, as outlined below.

Election Process: *(Process to be followed separately; first for election of Chair and subsequently, election of Vice-Chair)*

1. Council members submit nominees to Chair prior to election.
2. Current Chair may designate another Council member to facilitate the election of Chair.
3. Chair or designee presents list of nominees for Chair/Vice-Chair to the Council. There is no vote taken on accepting this list of nominees, these nominations are treated as if made by members from the floor.
4. Chair or designee opens floor for further nominations for Chair/Vice-Chair.
5. Council member makes verbal nomination; nominee names are noted. Nomination need not be seconded.
6. Chair or designee seeks any further nominations.
7. Chair or designee seeks motion to close nominations. Council members makes a motion; motion is seconded by another Council member.
8. Chair or designee calls for a vote on the motion to close nominations.
9. When the Council votes on closing the floor for nominations, Council then proceeds to the election.
 - a) *If there are no nominees for the position of Chair/Vice-Chair*, the Council shall vote on continuing the term of the current Chair/Vice-Chair.
 - b) *When there is one nominee for Chair/Vice-Chair*: Chair or designee calls for a vote to elect this individual to the position. If majority of Council members vote in favor, nominee is elected as Chair/Vice-Chair.
 - c) *When there are multiple nominations*: Chair or designee calls for a vote for each nominee. Each Council member may only vote once. Council member may vote for him/herself. A member has the right to change his/her vote up to the time the vote is finally announced. Nominee with the majority vote is elected to the position.
10. Chair or designee announces who is elected as Chair/Vice-Chair, their effective starting date (typically January), and length of term (typically 2 years from start date).

The powers and duties of the Chair shall be as follows:

1. To preside as Chair at all meetings of the Council.
2. To see that the laws of the State, pertaining to the purpose and functions of the Council, the resolutions of the Council and its policies are faithfully observed and executed.
3. To call special meetings of the Council, on his/her own initiative, or upon request of three or more members.
4. To serve on the Steering Committee.

The powers and duties of the Vice-Chair shall be as follows:

1. To perform the Chair's duties at regularly scheduled or special Council meetings whenever the Chair is absent.
2. To handle Council business on behalf of the Chair whenever illness or personal matters prevent the Chair from handling Council business outside of regularly scheduled or special Council meetings.
3. To serve on the Steering Committee.

Whenever the Chair and Vice-Chair are both absent from any regularly scheduled meeting, his/her duties shall be performed by another member of the Council as determined at the beginning of a meeting.

Council Organization

1. The **Steering Committee**, the **Budget and Outcomes Committee**, and the **Policy Committee** are standing committees.
2. A **Steering Committee** will consist of the following members:
 - Chair
 - Vice-Chair
 - Past Chair (two-year term on Committee)
 - Agency representatives on the Council
 - Budget and Outcomes Committee Chair and Vice-Chair
 - Agency staff

The Steering Committee plans meetings and other activities as designated by the Chair or Council. The Steering Committee is accountable to the Council.

3. The **Budget and Outcomes Committee** shall consist of a minimum of four voting members and a maximum of a non-majority of the current seated voting Council members. The Budget and Outcomes Committee:
 - Prepares initial input on budget recommendations to Council;
 - Reviews existing measurable outcomes information to show effectiveness of accomplishments;
 - Is accountable and advisory to the full Council; and
 - Elects its own Chair and Vice-Chair.

Membership of this Committee is reviewed every two years. If the number of members interested in serving on the Budget and Outcomes Committee exceeds a non-majority of voting members, the Council Chair will decide who will serve on this Committee. If a Committee member misses more than three consecutive Budget and Outcomes Committee meetings, the Council Chair may replace this person at his/her discretion.

The powers and duties of the Budget and Outcomes Committee Chair shall be as follows:

- To set the agenda for Committee meetings.
- To preside as Chair at all Committee meetings.
- To serve on the Council's Steering Team.
- To coordinate with the Clean Water Fund Interagency Coordination Team.
- To discuss Council recommendations with the Legislature and Governor (in coordination with the Council Chair and Vice-Chair).
- To call special meetings of the Committee.

The powers and duties of the Budget and Outcomes Committee Vice-Chair shall be as follows:

- To perform the Committee Chair's duties at regularly scheduled or special Committee meetings whenever the Committee Chair is absent.
- To handle Committee business on behalf of the Committee Chair whenever illness or personal matters prevent the Committee Chair from handling Committee business outside of regularly scheduled or special Committee meetings.
- To serve on the Steering Committee.

4. The **Policy Committee** shall consist of a minimum of five voting members and a maximum of a non-majority of the current seated voting Council members. Non-voting members appointed by the Legislature, the University of Minnesota, and the Metropolitan Council may also be members. The Policy Committee:

- Reviews existing policy information from the Council meetings and relevant reports;
- Prepares policy recommendations for the Council;
- Is accountable and advisory to the full Council;
- Solicits input on potential policy recommendations from stakeholder groups, agencies, and other experts; and
- Elects its own Chair and Vice-Chair.

Membership of this Committee is reviewed every year or by the Council Chair's discretion and is approved by the Council. If the number of members interested in serving exceeds a non-majority of voting members, the Council Chair will decide who will serve on this Committee. If a Committee member misses more than two consecutive meetings, the Council Chair may remove this person at his/her discretion.

The Clean Water Council will review, revise, and decide whether to adopt the Committee's policy recommendations.

The powers and duties of the Policy Committee Chair shall be as follows:

- To set the agenda for Committee meetings.
- To preside as Chair at all Committee meetings.
- To serve on the Council's Steering Team.
- To coordinate with the Clean Water Fund Interagency Coordination Team.
- To discuss Council recommendations with the Legislature and Governor (in coordination with the Council Chair and Vice-Chair).
- To call special meetings of the Committee.

The powers and duties of the Policy Committee Vice-Chair shall be as follows:

- To perform the Committee Chair's duties at regularly scheduled or special Committee meetings whenever the Committee Chair is absent.
- To handle Committee business on behalf of the Committee Chair whenever illness or personal matters prevent the Committee Chair from handling Committee business outside of regularly scheduled or special Committee meetings.
- To serve on the Steering Committee.

5. **Administrative Support:** The Pollution Control Agency and the other state agencies represented on the Council shall provide administrative support for the Council, as appropriate.

Council Procedures

- **Council Decisions** - All formal actions of the Council shall be made at open public meetings. A simple majority vote of the voting Council members present at the meeting, at which a quorum has been established, is needed to take formal action. Agency and legislative representatives on the Council are non-voting members.
- **Quorum** - A simple majority of seated voting Council members constitutes a quorum.
- **Record of Decisions** - The Council shall use meeting minutes or resolutions to transmit a record of its formal actions. Upon their adoption, copies of the resolutions shall be sent to affected parties/organizations. Resolutions shall be kept on file and shall be made available to the public.
- **Speaking on Behalf of the Council** - Members speaking on behalf of the Clean Water Council may speak only in terms of ideas or resolutions supported and agreed upon by the Council, either by a formal vote, resolution or supported in discussion at a regularly scheduled Council meeting.
- **Legislative Input** - Members of the Clean Water Council may not be registered lobbyists. Communication with the legislature is limited to providing information on Council matters, and submittal of the legislative reports, specified in [MN Statutes Chapter 114D.30](#).

Council Meetings

- **Frequency and location** - Regular Council meetings shall be held the third Monday of the month, on a monthly basis, unless determined otherwise. When the third Monday falls on a holiday, the Council shall meet the fourth Monday of that month. Meetings will be held in St. Paul, unless determined otherwise.
- **Accessibility to the Public** – Meetings of the Council shall be held at facilities that are readily accessible to the public. All regular Council meetings and work group meetings shall be open to the public.
- **Public Information** – Information regarding regular Council meetings, meeting minutes and meeting agendas will be available on the [Clean Water Council website](#).
- **Public Input** - The Council welcomes public input on matters relevant to Council work. Members of the public may comment at Council meetings during specified times, as the agenda allows. Time for public comment is under the discretion of the Council chair.
- **Agendas** - The Council chair, in collaboration with the Steering Committee, shall establish the agenda for Council meetings. The chair shall provide an opportunity to obtain Council member input at each meeting regarding the substance of future Council agendas.
- **Rules of Order** - Robert's Rules of Order shall be the parliamentary authority for all matters of procedure of this Council not otherwise covered in these By-Laws. In the event of conflicts between Robert's Rules of Order and the Minnesota Open Meeting Law or Data Practices Act, the Minnesota law requirements shall prevail.

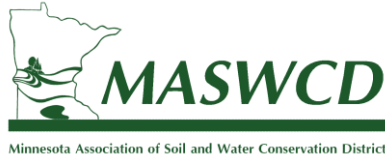
The Council's duties, membership, appointment, conflict of interest, implementation plan, recommendations on appropriations of funds, biennial report to the legislature, and vacancies are specified in [MN Statutes Chapter 114D.30](#).

The Council members' terms, compensation, and removal are specified in [MN Statutes Chapter 114D.30](#) and [MN Statutes Chapter 15.059](#).

The procedure to be used by Council members for requesting and receiving payment of per diem and expenses is identified in the *Council Per Diem and Expenses Policy* document.

Changes to By-Laws

Any additions, deletions or revisions to the approved Clean Water Council By-Laws must be submitted as an amendment in writing for discussion and consideration at a meeting of the Council prior to approval by the Council at a subsequent meeting.



The Local Government Water Roundtable is an affiliation of three of Minnesota's key local government entities in the planning and wise use of our state's water resources

February 6, 2026

John Barten, Chair
Clean Water Council
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Jen Kader, Administrator
Clean Water Council
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Chair Barten and Administrator Kader,

On behalf of the state associations of counties, Soil and Water Conservation Districts, and Watersheds, we want to express our appreciation for the deliberative process the Council has undertaken for making recommendations to the legislature for Clean Water Fund appropriations.

As the Council considers possible supplemental appropriations for the FY26-27 biennium pending the February economic forecast, we strongly support directing any supplemental funding toward the budget items that were reduced from the Council's original recommendations for the current budget cycle. Those recommendations were the result of a year-long effort by the Council. Primary among these are Watershed Based Implementation Funds, which are critical to advancing local implementation efforts.

Our Local Government Water Roundtable remains committed to strengthening our collective partnership in implementing Comprehensive Watershed Management Plans, and Watershed Based Implementation Funding is paramount to achieving our shared clean water goals.

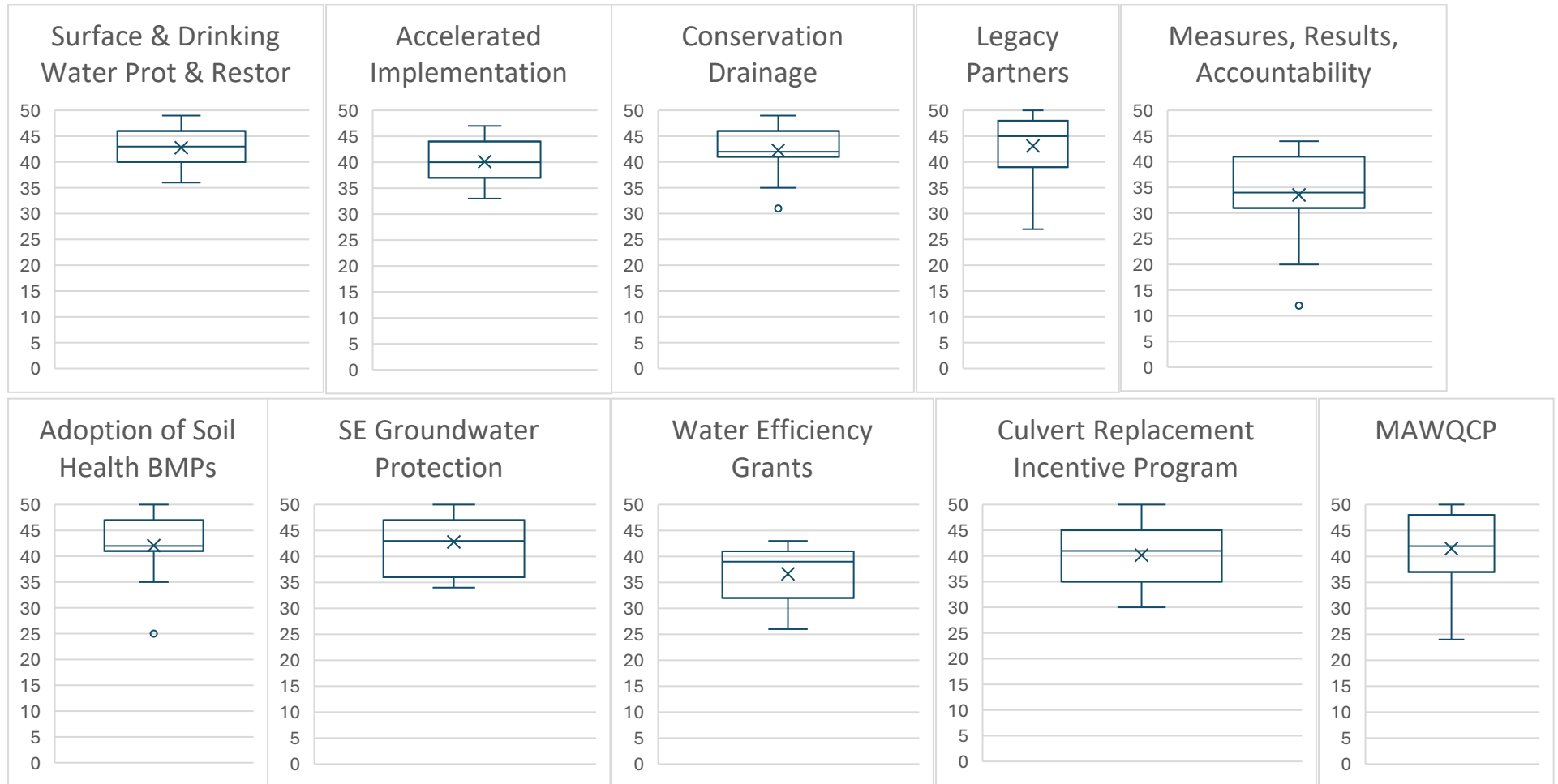
Thank you for your consideration. Please do not hesitate to reach out to us with any questions or if we can be of assistance.

Brian Martinson
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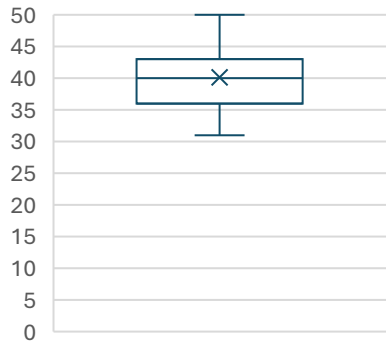
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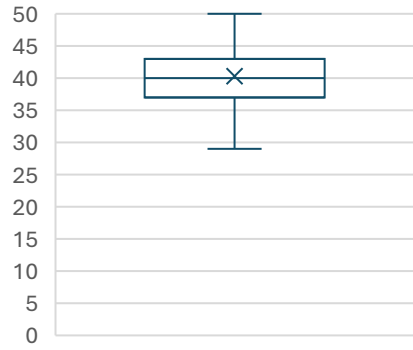
Box and whisker charts showing final scores for all programs



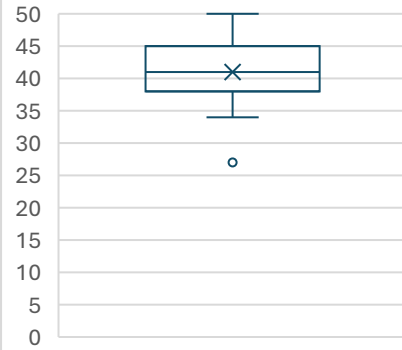
Critical Shoreland Easements



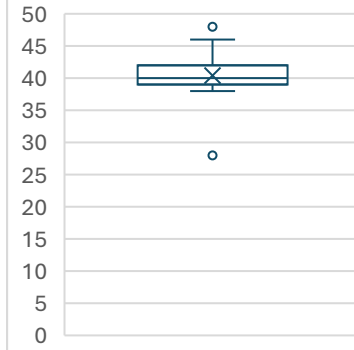
Wetland Restoration Easements



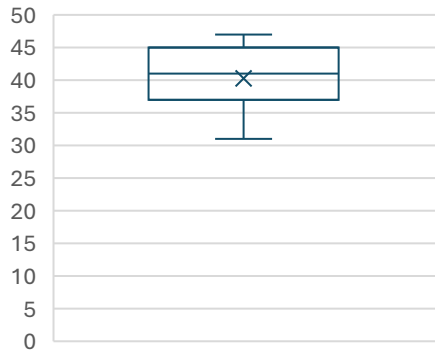
Working Lands Floodplain Easements



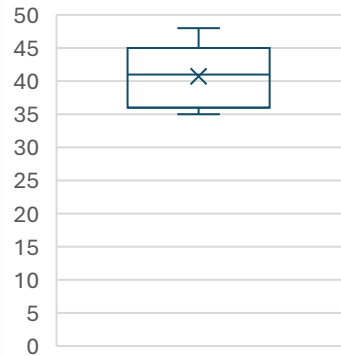
Drinking Water Protection Easements



Conservation Equipment Assistance



AgBMP Loans



ID	Program	Proposer	Brief Description	26-27 Amount	Proposed Change	BOC suggestion	CWC response
1	Surface and Drinking Water Protection Restoration (Projects and Practices)	BWSR	This project-specific competitive grant program provides Clean Water Funds to local governments to support the implementation of high priority surface and groundwater projects derived from state approved, locally adopted water management plans.	\$ 6,000,000	Increase		
2	Accelerated Implementation	BWSR	This program is used to enhance the capacity of local governments to accelerate implementation of projects and activities that supplement or exceed current state standards for protection, enhancement, and restoration of water quality in lakes, rivers, streams, and groundwater. Activities include 1) increasing technical assistance through regional technical service areas (TSAs), 2) technical training and certification, 3) inventories of potential restoration or protection sites, and 4) developing and using analytical infrastructure of the agency such as the targeting tool Prioritize, Target, and Measure Application (PTMApp) and eLINK as well as funding to local governments to support staff participation in training and increased capacity to deliver priority water quality projects.	\$ 8,700,000	Increase		
3	Conservation Drainage (Multipurpose Drainage Management)	BWSR	This program provides financial and technical assistance to Minnesota's Public Drainage Authorities and Soil and Water Conservation Districts to facilitate planning, design, and installation of conservation practices on drainage systems that will result in water quality improvements. These practices promote retention of rainfall and runoff on the land, soil erosion reduction, and water quality improvement in drainage systems and receiving waters while maintaining agricultural production. The program is implemented through partnering with the state's public drainage system authorities, principally counties and watershed districts. The state's investment leverages local investment as the grants require a 10% local match.	\$ 2,000,000	Increase		
4	Legacy Partners	BWSR	The Clean Water Legacy Partners program funds implementation of high-priority projects that protect, enhance, and restore Minnesota's lakes, rivers, streams, groundwater, and drinking water sources. By advancing actions identified in state, local, and Tribal water management plans, the program delivers measurable water quality improvements in impaired and vulnerable waters. The program serves Tribal nations, nonprofits, community-based organizations, and local partners, expanding implementation capacity, strengthening collaboration, and ensuring Clean Water Fund investments reach diverse communities and priority waters statewide.	\$ 1,000,000	Increase		
5	Measures, Results, and Accountability	BWSR	This funding provides the required oversight and accountability for the Clean Water Funds that MN Board of Water & Soil Resources administers to measure, track, and communicate the results of projects, ensuring effective and high-quality investments of funds with measurable water quality results. Central to these efforts is eLINK, the agency's grant management system, which features grants tracking from application to reporting, contract management, and tracking of outcomes, including pollution reduction estimates. BWSR also administers a grant reconciliation process, through which staff conduct field visits with grant recipients to ensure compliance with state policies, guidance and fiscal best management practices.	\$ 2,500,000	Increase		
6	Enhancing Landowner Adoption of Soil Health Practices for DW & GW Protection	BWSR	This program provides an opportunity for a large acre and participant increase in cover crop and soil health practice adoption. To reduce nitrate from leaching into our groundwater and running off into our surface waters, a shift in the cropping system is required. One component of this shift is the recommended use of cover crops to scavenge excess nitrogen from the soil. Cover crop adoption improves groundwater and surface water quality and benefits drinking water supply areas. Clean Water Funds will be made available to plant cover crops, provide payments to reduce risk, and purchase specialized interseeding equipment in one or two targeted areas within the state. This initiative can leverage existing NRCS financial assistance programs and will be implemented by SWCDs with partnership opportunities for Tribal governments.	\$ 9,486,000	Increase		
7	Southeast Groundwater Protection and Soil Health Initiative	Olmsted County	This program will collaboratively address rising nitrate trends in groundwater on a regional scale by working with farmers to implement soil health practices on private land in SE MN where karst geology is prevalent and groundwater is susceptible to contamination. Protecting groundwater is imperative because it serves as our drinking water supply and sustains local industries and communities. Research confirms that converting traditional row crops to small grains, cover crops, and perennial hay and grazing systems reduces nitrate leaching, retains nitrogen, and limits erosion. The program could also be expanded statewide.	-	NEW		

8	Water Efficiency Grant	MC	The program provides grants to assist municipalities in the 7 county Twin Cities metro area as they implement water demand reduction and water efficiency measures to ensure the reliability and protection of drinking water supplies and support resiliency of water suppliers. This program provides funding to residents in the region that currently get their drinking water from a municipality to purchase water efficient appliances which reduces the demand on ground and surface water sources. It also provides funds to communities that supply water to improve the efficiencies of their systems and facilities, also reducing water use and demand on our valued water resources.	\$ 1,400,000	Hold Steady		
9	Culvert Replacement Incentive Program	DNR	The program helps Minnesota communities modernize the state's more than 65,000 road-stream crossings by providing design expertise and funding natural channel and floodplain designs using the geomorphic approach. The program delivers three primary benefits. It ensures cleaner water by reducing soil erosion and allowing natural areas to filter pollutants. It supports healthier ecosystems by restoring fish passage and habitat. It also strengthens infrastructure, lowering maintenance costs and reducing the risk of washouts during floods. Ultimately, the program encourages local governments to adopt these high-performing designs as the standard for all future road projects.	\$ 2,800,000	Hold Steady		
10	MN Ag Water Quality Certification Program	MDA	MAWQCP is a first-of-its-kind, voluntary initiative that supports the adoption of conservation practices on a field-by-field and whole-farm basis, whether the land is owned or rented. The program uses a comprehensive risk assessment process that evaluates every parcel and cropping scenario to identify and mitigate potential impacts to water quality. Producers work one-on-one with local agronomic and conservation professionals to assess risks and implement proven practices that protect water quality. This level of individualized, whole-farm evaluation and direct technical support is unmatched by any other program in the nation and provides a uniquely effective approach to protecting Minnesota's water resources.	\$ 7,000,000	Increase		
11	Critical Shoreland Easements	BWSR	The program goal is to protect lands adjacent to public waters with good water quality but threatened with degradation. Using the RIM program, conservation easements are acquired to protect existing high quality shoreland areas. The highest priority areas are targeted through science-based conservation methods.	\$ 1,000,000	Increase		
12	Wetland Restoration Easements	BWSR	This program restores and permanently protects previously drained wetlands and adjacent uplands via RIM easements on private lands across the state for water quality and habitat benefits. The program utilizes a ranking and selection process and is locally implemented by SWCD staff. Restored wetlands benefit society by storing floodwaters, filtering pollutants, serving as a carbon sink, and providing habitat.	\$ 5,000,000	Increase		
13	Working Lands and Floodplain Easements	BWSR	The program goal is to restore and protect riparian and floodplain areas across the state to improve and enhance water quality and wildlife habitat through limited term and perpetual easements with private landowners. The land targeted for this program is existing row crop agriculture within a riparian area or a mapped floodplain. Landowners have options to restore the easement to native vegetation or continue to generate income through uses that do not include row crop agriculture, with payment structure based on the proposed easement length and use.	\$ 2,000,000	Increase		
14	Targeted Wellhead/Drinking Water Protection	BWSR	The program goal is to ensure that the land use within a DWSMA is conducive to protecting or improving the drinking water that is impacted by the land use in areas that are vulnerable to contamination and protect the land via RIM easements or agreements with local units of government for fee title acquisitions.	\$ 5,000,000	Hold Steady		
15	Conservation Equipment Assistance	MDA	This program supports MDA's Soil Health Financial Assistance Program (SHFAP), which provides grants to producers, producer groups, and local governments to purchase or retrofit equipment that promotes soil health practices. By expanding access to equipment for cover cropping, reduced tillage, managed grazing, and similar practices, the program improves soil structure, increases infiltration, and limits disturbance. These improvements directly protect water quality by reducing erosion and curbing sediment and nutrient runoff into Minnesota's waterways.	\$ 3,500,000	Hold Steady		
16	AgBMP Loan Program	MDA	This program provides low-interest loans (<3%) to farmers, rural landowners, and agriculture supply businesses to implement BMPs that prevent, reduce, or eliminate a water pollution problem. The program is administered by local governments and has very low transaction costs; revolving loan repayments fund additional projects. Demand for AgBMP loans greatly exceeds available resources and additional funding would allow for expanded projects and practices that help protect and restore water quality.	\$ 4,000,000	Increase		

FY28-29 Clean Water Fund Proposal | Response to Questions

PROGRAM TITLE: All BWSR Programs

AGENCY/ORGANIZATION NAME: Board of Water & Soil Resources

CONTACT: Marcey Westrick | marcey.westrick@state.mn.us

Maggie Karschnia | maggie.karschnia@state.mn.us

It seems like there is a lot of overlap and similarity between programs, with the possibility of a single project being funded through a couple of different programs. Is there opportunity to streamline or simplify?

Combining related programs may offer an opportunity to streamline administration and align water quality goals. In opportunities where it might make sense, combining program management could improve efficiency and strengthen strategic planning across connected landscapes.

At the same time, there are trade-offs and risks to consider. Merging programs could create complexity in managing different implementation approaches, dilute specific program outcomes, and require upfront investment in staff training, policies, and data systems.

One example of combining programs is listed below, but other options may be entertained. Note that any decision to combine programs would require further analysis of water quality goals, funding constraints, and operational feasibility.

OPPORTUNITY TO STREAMLINE OR SIMPLIFY:

The Critical Shorelands Easements and Working Lands Floodplain Easements programs have aligned outcomes that both focus on shoreland and near-shore protection. This creates an opportunity to combine the two programs into one Shoreland Protection Easements program.

PROGRAM GOALS:

- **Critical Shoreland Easements:** To protect lands adjacent to public waters with good water quality but threatened with degradation.
- **Working Lands Floodplain Easements:** To restore and protect riparian and floodplain areas across the state to improve and enhance water quality and wildlife habitat.

While the Critical Shoreland Easements target high-quality lands at risk of degradation, and the Working Lands Floodplain Easements target row crop agriculture for restoration, the underlying environmental goals—improving and protecting shorelands and adjacent lands—are the same. Combining the programs would allow a unified strategy to achieve these outcomes across a broader landscape.

As noted previously, the example above highlights just one potential option for consolidation. Additional alternatives may exist, and any consolidation would require careful analysis to ensure alignment with water quality priorities, funding structures, and operational capacity.

Or are there key benefits that would best be maintained by keeping different funding streams?

KEY BENEFITS OF SEPARATE PROGRAMS:

- **Targeted Funding for Specific Outcomes:** Each grant program ensures funding to address specific needs such as groundwater protection, local capacity building, or soil health. Keeping these separate ensures that their intended outcomes.
- **Accountability:** Some of BWSR’s Clean Water Fund programs were created with specific statutory direction or to the CWC’s Strategic Plan. Separate programs makes it easier to track performance, measure results, and report outcomes to the Legislature and the CWC, as well as to the public.
- **Equity:** Separate programs ensure that smaller communities, SWCDs, tribal partners, and non-profit organizations can compete within funding categories that fit their scale and capacity. Combining programs could unintentionally favor larger organizations with more administrative capacity.
- **Increased Ability to Leverage Funds:** Maintaining distinct programs can strengthen opportunities to leverage federal and non-government funding sources whose priorities align with specific program objectives.

CWF Grant Programs

WBIF

- **Non-competitive**
- Stable, consistent funding to support watershed plan implementation
- Supports **planning, outreach, projects, and practices**

PROJECTS & PRACTICES

- **Competitive**
- Often **high-impact, high-cost** projects
- Supports **time-sensitive** and/or cost-effective opportunities

MULTIPURPOSE DRAINAGE MANAGEMENT

- **Once-in-a-generation opportunity**
- Coordinated with maintenance for **cost-effective results**

LEGACY PARTNERS

- Funding for **tribal governments, nonprofits, and community-based organizations**
- Strengthens local **partnerships**

SOIL HEALTH

- Provides funding to support a **systematic shift in cropping systems** across the state
- **Leverages NRCS funding**



CWF Training & LGU Capacity Programs

ACCELERATED IMPLEMENTATION

- **Technical assistance** through TSAs
- **Technical training** and certifications
- Analytical **tools**

RIPARIAN PROTECTION

- **Funding to SWCDs** for monitoring, assessment, investigation and implementation of the **buffer law**

1W1P

- **Evaluations and amendments** of comprehensive watershed management plans
- Mostly **pass-through grants to LGUs**

CCMI

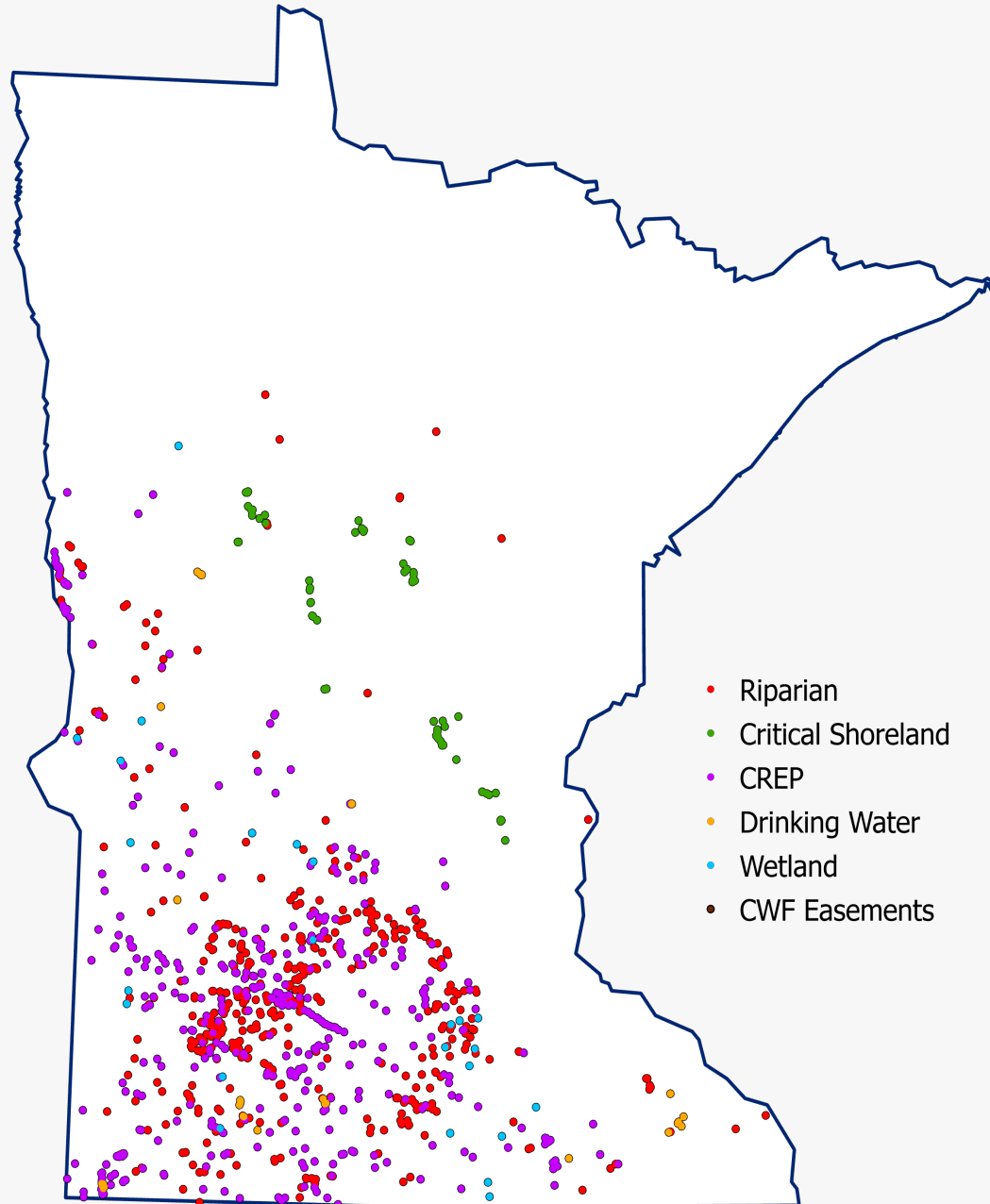
- **Delivery of services** to LGUs and Tribal nations (restoration, maintenance, training, and other activities)
- Projects selected by **RFP process**

GREAT LAKES RESTORATION

- **Leverages GLRI and other federal funding** in the Lake Superior basin
- **94% pass-through** for SWCD staff training & capacity



Easement Programs



CRITICAL SHORELAND

- **Protection**
- Permanently protect lands adjacent to public waters

WETLAND RESTORATION

- **Restoration**
- Restore and permanently protect altered wetlands and adjacent uplands

RIPARIAN & FLOODPLAIN

- **Restoration**
- Restore and protect riparian and floodplain lands

DRINKING WATER PROTECTION

- **Restoration**
- Protect drinking water supplies through easements or fee title acquisition

Data & Oversight Programs

TECHNICAL EVALUATIONS

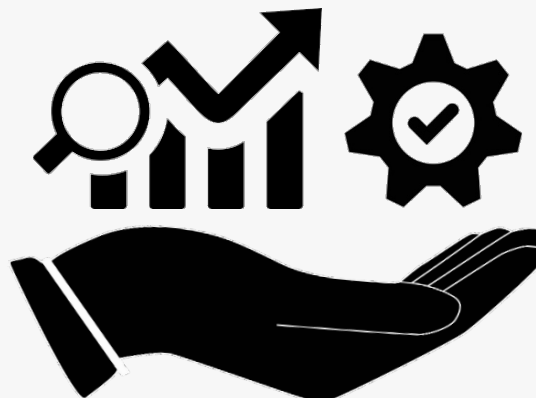
- **Restoration project evaluations** assessing project performance to ensure and improve conservation outcomes across the state
- DNR and BWSR combine administration and reporting for **three statutory requirements**

MRA PROGRAM

- **Oversight and accountability** for all BWSRs CWF programs
- **Measures, tracks, and communicates** the results of projects
- **Grants management** training, compliance and reconciliation

TILLAGE & EROSION TRANSECTS

- **Collect data** on high residue cropping systems and cover crop adoption to estimate soil erosion
- Improves existing water quality models for **better prioritization of** practices and projects



FY28-29 Clean Water Fund Proposal | Response to Questions

PROGRAM TITLE: Measures, Results and Accountability

AGENCY/ORGANIZATION NAME: Board of Water & Soil Resources

PROGRAM CONTACT: Maggie Karschnia | maggie.karschnia@state.mn.us

Can you speak more about why [the MRA Program] needs to be separate?

The MRA program is different from the other BWSR CWF programs in that it provides a centralized program for results and accountability that allows for standardization, efficiency, transparency and stewardship of clean water funds.

Giving the MRA Program structure communicates that it's a priority. If it lives everywhere, it is owned nowhere. As a standalone program, it ensures that changes to measures, results, and accountability are deliberate and visible, instead of reactive and vulnerable to mission drift.

Would BWSR entertain incorporating admin costs in their other programs and dropping the Measures, Results, and Accountability program? What would that look like?

We recommend keeping the program's functions separate rather than incorporating them into individual programs. Given that this involves constitutionally dedicated funding, the standards for proof of results and accountability must remain exceptionally high.

These are not simply administrative costs. The Measures, Results, and Accountability program employs dedicated and specialized staff who ensure our programs deliver their intended outcomes, providing qualitatively distinct oversight and analytical capacity that cannot be replicated by program-level administration alone.

Incorporating these functions into individual programs would:

- **Divert resources from critical implementation** within program budgets
- **Weaken cross-program insights** and our ability to draw meaningful conclusions
- **Fragment accountability** structures, undermining the ability to ensure uniform grant compliance, monitor performance, and provide transparent reporting

While our programs would continue to operate without this dedicated function, doing so would sacrifice essential cross-program analysis and hinder our ability to communicate results effectively to the public. Tucking this funding into individual programs would erode the trust, accountability, and rigorous stewardship that the constitutionally dedicated funding demands. Retaining this as a distinct program is essential to ensure both effective state-wide implementation of programs and demonstrable outcomes.

FY28-29 Clean Water Fund Proposal | Response to Questions

PROGRAM TITLE: Enhancing Landowner Adoption of Soil Health Practices for Drinking Water & Groundwater Protection

AGENCY/ORGANIZATION NAME: Board of Water & Soil Resources

PROGRAM CONTACT: Jared House | jared.house@state.mn.us

Would BWSR be able to absorb the administration of the Olmsted County proposal?

From a grant administration perspective, we have the systems and processes in place to deliver the effort via grants to the local governments. We have the capability and capacity to deliver the administrative portions of this program at a high level without a significant need for more capacity.

If this question is also intended to include programmatic administration, the answer is also yes. We have been working with Olmsted County and the Minnesota Office for Soil Health (MOSH) to emulate and integrate Olmsted County's results-based standard as another option in our statewide programming. That work is an ongoing part of our program development and will happen with or without funding tied to their specific implementation model.

If we moved forward with programmatic administration, we would allow partnering SWCDs in Southeastern Minnesota to choose if they wanted to utilize BWSR's Soil Health program or a model like Olmsted is working on. This would create an opportunity for SWCDs to adopt the approach where it aligns with their interests and local priorities.

The key difference in Olmsted's delivery is their online sign-up portal and contracting system. If this was to be something that was developed or shared with other areas, there would be significant administrative costs needed to make that system available. However, the system may not be used by all SWCDs, and its use would likely vary depending on local preferences.

At a high level, BWSR is very open and interested in finding a way to support the SWCDs in the SE part of the state to expand and utilize a model like Olmsted has been working on in recent years. We have the capacity to deliver on that programming, and while there would be some increase in administrative costs, our expectations are that those costs would be relatively minimal. Some may be costs that we could work directly with Olmsted on to make work.

And/or, could you compare/contrast the success and outcomes from their proposal and BWSR's soil health proposal?

The outcomes of these two proposals are difficult to compare directly due to their different measurement metrics: BWSR focuses on downstream pollutant reduction, while it appears Olmsted County focuses on on-farm input reduction.

BWSR utilizes established watershed models to forecast a 540,000 lb N reduction. Olmsted proposes a much larger 9.2 million lb reduction in N fertilizer application, verified by in-field data. While the delivery methods differ – one being model-driven and the other data-driven – the scale of Olmsted's target suggest a focus on source reduction, whereas BWSR's target reflects calculated environmental loading. A full comparison would require more detail on how Olmsted translates fertilizer reduction into pollutant reduction models.

Southeast Minnesota Regional Groundwater Protection & Soil Health Initiative

- Responses to questions from Clean Water Council
 - 1) Acknowledging that your program is newer, could you compare/contrast the success and outcomes from your proposal and BWSR’s soil health proposal?
- SE Regional Soil Health Initiative:
 - Outcome based goals
 - Menu of options for farmers
 - Flexible enrollment & certification selected by farmers, guided by SWCDs
 - Utilizes broader scoping acceptable standards including planting rates, timing, seed source, species selection
 - Successful locally led, grass roots program
 - Farmer vetted incentives, payment cap & acreage cap
 - Small to large farmer involvement, no minimum acreage
 - Effective, required outreach & education component drives success
 - Peer to peer mentoring drives success
 - Farmers are asking for the program in other counties
 - Scalability of program keeps expansion and growth on track
 - Expanded landscape benefits derived from 2:1 direct vs indirect implementation (paid acres vs. additional volunteer planted acres).
- Successes:
 - This is a 3-year snapshot of the growth of Olmsted County’s Groundwater Protection and Soil Health Initiative which we believe will demonstrate similar successes across the region.

Olmsted Co Soil Health Program Overview	2023	2024	2025
# of Producers	66	119	137
# of Contracts	87	166	181
# of Cover Crop Acres	4,943	7,198	8,832
# of Alternative Crop Acres	1,211	2,941	2,670
# of Haying, Grazing and Pasture Enhancement Acres	257	949	1,021
Total Program Acres	6,411	11,088	12,525
Total Reported Grown Acres	9,845	19,556	23,378

- Focused on 3 nitrate reduction enrollment options:
 - cover crops,
 - alternative crops/small grains and
 - new haying & grazing acres with added pasture enhancement options

- We are seeing an uptick in producers applying for MDA's equipment grants as they permanently adopt soil health systems. Olmsted SWCD staff have written several letters of support for interested producers.

- BWSR Soil Health Program:
 - Program offers a broader range of practices, but many of these practices promote a change away from actively farming of the enrolled acres.
 - Program is tied to NRCS non-structural practice standards which reduce flexibility.
 - Program is not outcome based, which reduces the soil health and water quality benefit.
 - There is no educational requirement to assist with practice adoption and implementation success.
 - State funding leverages federal funding which comes with restrictions.
 - There is no alternative crop option for producers. The program lacks a conservation crop rotation option to incentivize the production of small grains.

- 2) Could you confirm that it would be okay to have this proposal go through a state agency? Do you have any concerns about that in terms of program impact?
 - Having the funding come down to each SWCD from the state would take pressure from Olmsted County to serve as the grant administrator for 10 other counties and SWCDs.
 - With state agency involvement comes added administrative costs. These costs would need to be defined and can reduce the amount of funds available to producers to implement practices.
 - It would be prudent to ensure that the structure and flexibility of the current soil health program is maintained.
 - State agency involvement could streamline reporting efforts as SWCDs are generally familiar with the reporting processes & procedures used by most state agencies.

03/13/2026



DATE: March 6, 2026
TO: Clean Water Council Budget and Outcomes Committee
FROM: Judy Sventek, ES Water Resources Manager
SUBJECT: Water Efficiency/Demand Reduction Grant Program – Answers to Clean Water Council Questions

Water Efficiency/Demand Reduction Grant Program - Answers to Questions from Clean Water Council Members

Questions Relating to Results

1. Is there a water use reduction goal? How does this program contribute to that goal?

This program supports the reduction of water use and has focused mainly on the reduction of residential water use. Originally the program targeted only communities who used groundwater as their main water supply source to help reduce the stress on the aquifers in the region. Communities who use groundwater as their main water supply source remain the majority of participating municipalities. We generally use the Department of Natural Resources' recommended goal of having residential water use be at or below 75 gallons per capita per day for the water reduction goal. We have also used the Metro Council's efforts to look at average indoor, outdoor, and residential water use for the region for this work. We are tracking this use to see if we are seeing declining water use in these areas all of which lead to having more sustainable water supplies.

2. How are reductions being estimated? Is it based on a calculator or measured results from of a participating community? How are you ensuring that an inefficient toilet (or another appliance) is what is being replaced? Are we assuming they are all pre-1995 toilets, for example?

Our program is designed to be run by the city and meet their individual needs. The city sets the rules for their programs and oversees device and replacement eligibility. We do spot checks on the programs based on receipts we receive. Estimated water savings are provided by the participating community in their quarterly report. Met Council points participants to the WaterSense and Energy Star websites which provide estimated water savings for eligible devices. Some participants provide alternative water savings estimates based on calculations they have developed or use other water savings calculators. Irrigation system audits typically have a water savings estimate provided in the audit report.

3. Can the reduction in ground/surface water use be confirmed by those operating drinking water utilities?

It is more complicated than that. The communities/utilities do measure water use but it would be hard to attribute all the changes to this one program. For example, climate can impact the numbers such as when there is more irrigation use in times of drought. Another examples is that people may hear of neighbors replacing their appliances and chose to

replace their own appliances outside of this grant program. Unaccounted for water use fluctuates yearly for communities so changes could be attributed to that as well. And these are just a few examples. However, we do know that replacing these fixtures and updating appliances is using less water.

4. Have you compared residential use per capita for participating communities to that of non-participating communities to validate that the reductions are attributed to this program?

Again, any change to a community's per capita use is a combination of several factors. It is speculative to claim any reductions are solely due to this program alone. This program does support water conservation and for communities that participate, it is a factor in influencing and seeing positive outcomes.

Questions Relating to Communication with Recipients of Grants

1. Are recipients of new appliances informed that the Clean Water Fund is providing the financial resources for the program?

As part of the grant agreement that participating communities enter into, communities are required to display the Clean Water Fund logo on their program website and communications to residents.

2. Besides grant program promotion, are communities also providing educational information to residents/users on water use reduction?

Since municipalities design and operate their own programs and communications with residents, this is not something that we directly track. Many participating communities include various links to WaterSense or Energy Star resources on their program websites. As part of the next round of grants, we plan to investigate some shared messaging that communities could use.

3. Why were no specifics on a communication plan included in the request? Can you talk about your communications plan? Looks like this question was missed in the application.

Our strategy for communications around this program will be similar to past grant cycles. Met Council staff reach out to past, existing, and eligible participants with information about applying to the program. Additionally, Met Council will issue a press release about the application window opening. Applicants to the Water Efficiency Grant Program are required to submit a work plan and communications strategy for their proposed program, including examples of how they intend to communicate about this program. Our program focuses on allowing communities to decide on how to structure and operate their own programs to meet their needs and we pass the money through to them. We do ask as part of the application how they are communicating about this program and provide a list of communication options to pick from.

Questions Relating to Program Cost and Funding

1. Does the Met Council partner with retailers, manufacturers, and installation professionals to save program costs?

No, currently we do not do this as part of our program.

2. The proposal notes that there isn't an intention to continue the program beyond 2034 - is there a plan in place to wind down this program over the coming years?

I should have answered this question differently. If there is a need for this program to continue and if there is funding available to fund, we will look to continue the program beyond 2034. I want to point out in all of the follow up surveys we do for this program, there remains a strong interest and need for this program. With that said, the main point for us is that continuation of this program would be dependent on a funding source.

3. Why doesn't Met Council levy for the program?

The maximum levy the Met Council can charge for non-debt-service is statutorily limited by the implicit price deflator (a state-provided inflation proxy). The existing council programs (e.g., parks, planning) are at the limit of the available levy. Currently there is no extra money in these funds to support this highly valued program.

Questions Relating to Equity

1. Do you know what the percentage of low-income households have participated per community or overall?

The short answer is no. We do have all the addresses where grant activities have occurred so it would be possible to map those in GIS and then overlay with income data. We still wouldn't be able to draw a direct conclusion from that because it's possible a high-income resident lives in a census area that is low-income on average, but that would give us at least some estimation.

Total Water Efficiency Grant outcomes through Sept. 30, 2025



FY28-29 Clean Water Fund Proposal | Response to Questions

PROGRAM TITLE: Critical Shorelands Easements

AGENCY/ORGANIZATION NAME: Board of Water & Soil Resources

PROGRAM CONTACT: Sharon Doucette | sharon.doucette@state.mn.us

For Critical Shoreland Easements, how many feet of shoreline have been protected to date?

The Critical Shorelands program scores parcels based on how much riparian frontage they have along the Mississippi River and its major tributaries using different ranges of linear feet frontage. Parcels are assigned scores using these ranges of linear feet frontage, rather than exact measurements, with higher ranges receiving higher scores and priority. The score is reported but the actual linear feet are not.

After reviewing options to obtain the data, BWSR determined that calculating the actual number of shoreline feet was an exercise that would take a fair amount of staff time for all 75 Critical Shoreland easements that are recorded or in process and is not able to provide a response on the timeline necessary for the BOC meeting. If CWC determines that this information is critical, a GIS exercise to calculate the actual linear feet of shoreline could be completed which would be provided at a future meeting.