

## **Policy Committee Meeting Agenda**

Clean Water Council

February 28, 2025

9:30 a.m. – 12:00 p.m.

[WebEx Only](#)

**2024** *Policy Committee: John Barten, Rich Biske (Chair), Gail Cederberg, Kelly Gribauval-Hite, Chris Meyer, Peter Schwagerl, Marcie Weinandt, and Jessica Wilson*

### **9:30 Regular Business**

- Introductions
- Approve today's agenda
- Approve minutes of previous meeting(s)
- Chair update
- Staff update

### **9:45 Draft Clean Water Council Public Participation Plan**

- Jessica Wilson

### **10:30 BREAK**

### **10:45 Data Center follow-up**

- Michelle Stockness & Carrie Jennings, Freshwater

### **11:45 Public Comment**

### **12:00 Adjourn**

**Policy Committee Meeting Summary**  
**Clean Water Council (Council)**  
**January 24, 2025, 9:30 a.m. to 12:00 p.m.**

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

**No members absent.**

**Others present:** Jessica Wilson, Brianna Frisch (MPCA), Paul Gardner (CWC), Glenn Skuta (MPCA), Jeff Berg (MDA), Frieda VanQualen (MDH), Tannie Eshenaur (MDH), Sharon Doucette (BWSR), Annie Felix (BWSR), Judy Sventek (Met Council), Justin Hansen (BWSR), Jen Kader (Met Council)

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 January 24<sup>th</sup> meeting agenda and the October 25<sup>th</sup> meeting summary, motion by Marcie Weinandt, seconded by Gail Cederberg. Motion carries.
- Chair update
  - The Minnesota department of Natural Resources (DNR) Roundtable discussion on culverts was great. Rich Biske, John Barten, Holly Hatlewick, and Brad Gausman. One takeaway was the importance of the correct size. There was discussion on prioritizing stream crossings. There was an interesting policy involving FEMA for disaster funds. It might be something to investigate in the future for policy recommendations with state disaster relief or infrastructure. A university study looked at sediment disturbance from wake boats. Having scientific research papers would be good for discussion.
  - An executive orders has suspended the Inflation Reduction Act for infrastructure funding for 90 days. This effects some Regional Conservation Partnership Program (RCPP) funds. Some were from climate smart crop activities. Any that were not approved prior to the administration change will be on hold for a bit.
  - The Clean Water Council Administrator position has been posted on the state job site.
  - SF106 in the Minnesota Sente relates to public notice and public hearing for Outdoor Heritage Funds and Clean Water Fund (CWF) projects that may impact adjoining properties. A public hearing for each would be burdensome. The bill was held over, possibly for an omnibus bill.
- Staff update
  - Please rank September 2025 Clean Water Field tour options online.
  - We hope to have three Council vacancies filled soon.
  - The Clean Water Council biennial report was submitted on time.
  - At the Minnesota Legislature:
    - Arguments were made in the Supreme Court to resolve the issue of what constitutes a quorum.
    - Disputed ballots from a Shakopee-area House seat are also at issue in the House impasse.
    - The executive branch has been asked not to appear in the House publicly, so Paul Gardner cannot appear in front of any committee. However, he can meet with folks privately. This extends to appointment members of the Council. Nothing has been asked of the Council yet.

Formal action of inducting Jessica Wilson to the Policy Committee will be done at the next full Council meeting (Webex 00:23:30).

**Review Draft Response to Stakeholder Input, by Marcie Weinandt and Jessica Wilson (Webex 00:24:00)**

- The packet includes the Response to Public Input on Clean Water Council FY26-27 Clean Water Fund Recommendations, along with the Ad Hoc public outreach group meeting summary. This will be posted online and the Council can approve it on Monday.
- Moving forward is a plan for 2025 to be responsive to the public and to engage with the public in a more strategic way. We can draft out what the process looks like for the next few years. This is something that will be brought back to this group in the future. It makes us accountable for this plan. There is also a need to do

some baseline training and shared vocabulary on the Council. All the words are related, but all a little different for communicating, so the Council should be using them succinctly. The We Are Water group shared some insights on public engagement.

- Agency staff provided some response to these two items as well.
  - The Minnesota Department of Agriculture (MDA) followed up about the AgBMP loans. They confirmed that is no leftover funding, because they check. They reach out to counties several times a year to see if projects fall behind, and funding becomes available for others to use. It usually does not happen.
  - The MDA followed up about the ag conservation equipment assistance program. Retro fits are often key in getting folks to switch to soil health practices.

#### *Review and Discussion:*

- Rich Biske: What have we learned from this process as we move forward and request future input? Is there a process set moving forward? Is it based on how we categorize them, or is it in general? Also, as those discussions continue, do we want to invite further discussion?
  - *Response from Marcie Weinandt:* This is a framework. What has been done to date is more than what happened before, but not to the extent that we would like to see. With Jessica Wilson now on the Policy Committee, the input that we are getting really does impact the Council's policies.
  - *Paul Gardner:* Jessica Wilson has brought forward the City of Edina's public participation process plan. It is something that could be a part of the Council's communication plan. It is based on the International Association for Public Participation (IAP2).
  - *Jessica Wilson:* We can use the IAP2 process for the Council. It is a common framework. In response to how to do this design, I am not an expert. Let's work on this together. We could include the engagement plan and plans for continuous engagement. We also need to be genuine when asking for feedback, and we need to let it inform the process. There need to be meaningful interactions. It is something we can work on the design for engaging with people, as well as addressing any barriers. It will take iteration and work paced over time.
  - *Paul Gardner:* It might be good to ask the state agencies what their plans are for public engagement strategies before they propose anything to the Council.
  - *Tannie Eshenaur, Minnesota Department of Health (MDH):* It would be good to have you connect with Dr. Davenport at the University of Minnesota. As part of the development of the Clean Water Fund Performance Report, we realize we are biophysical in our orientation as we approach water issues. However, all these things depend on people, and their relationships with each other to the choices they make. At different levels and how our society is put together, we can have different strategies for effecting those levels. We asked Dr. Davenport to put together a model that the state agencies could use to evaluate consistently across the agencies how they interact with people, with organizations, and at higher levels. We have used that framework in the Clean Water Fund Performance Report on social measures. The star project to report on was We Are Water, which hired an external consultant to apply the social measures model. Looking at people's values and how they are created, and if they persist after attending the We Are Water. It has been powerful work. It is worth the time to learn the model.
  - *Rich Biske:* Connecting with We Are Water on engagement would be good. Thinking about when we want to handle the timing of it would be good too. At this time, we can hold off on some of the policy recommendations to focus on the work that was started for engaging with the public.
  - *Marcie Weinandt:* We would want to invite Ole Olmanson and Holly Hatlewick to be a part of this conversation because of their work with the Ad Hoc Outreach Group.
- *Rich Biske:* When this subcommittee was started, did the Ad Hoc Outreach Group have a well-described charge with desired outcomes and deliverables? I don't want to overlook the purpose and what the Council has asked for, which can also frame our discussions. *Answer from Jessica Wilson:* We had a narrow charge on how to engage people on our budget recommendation process. We can improve that process. We also have this desire to do broader engagement on everything we do. When it is open, it feels abstract, so we need to have specific goals and measurable things to be able to return to reevaluate. The origination of the Ad Hoc Outreach group was for that very specific budget recommendations process, and we have completed it and learned some things from that process. We can return to update as we move forward. Many of the broader approach to engage people in all the work that we do, feels like a newer desire to get there. I think we need to find a framework the Council likes to use, we need some shared training and vocabulary, we may need a

subcontractor to help draft this who is an expert in engagement, and it would be a way to complete these in a more comprehensive way. We can draft it out in the next few meetings. *Response from Rich Biske:* It is an iterative approach. We may need to work with the full Council at a larger discussion, if we are involving training and hiring a consultant. Currently, we are working as a group, learning together, and moving forward. We want to take what we have learned and apply it to the next cycle.

#### **Report Out from Ad Hoc Outreach Group (Webex 00:58:30)**

- *Rich Biske:* Did the Ad Hoc Outreach Group have a well-described charge with desired outcomes and deliverables?
  - *Answer from Jessica Wilson:* We had a narrow charge on how to engage people on our budget recommendation process. We can improve that process. We also have this desire to do broader engagement on everything we do. When it is open, it feels abstract, so we need to have specific goals and measurable things to be able to return to reevaluate. The Ad Hoc Outreach group originally was for that specific budget recommendations process. We completed it and learned some things. I think we need to find a framework the Council likes to use, have some shared training and vocabulary, and perhaps use subcontractor to do this in a more comprehensive way. We can draft it out in the next few meetings.
  - *Response from Rich Biske:* We may need to work with the full Council at a larger discussion, if we are involving training and hiring a consultant. We can apply what we have learned to the next cycle. At the next meeting, we can discuss a draft. It should also be informed by the communications plan, to honor some of the work that has been done. This has been needed for a while, so thank you for the work. I feel better getting this set up before the next budget cycle.
  - *John Barten:* The bylaws state we can only have a non-majority membership of seated members. So, the maximum number we can have on the committee is seven. This is because we only have fourteen seated members because we are missing three. Ole is on the Ad Hoc, but he cannot be an official member of this committee. Otherwise, we are in violation of our bylaws. He can participate, but not be official. Once we have seventeen seated members on the full Council, then we can move it up to eight voting members. Council members can still show up, but they cannot vote.

#### **Update on Existing Policy Statements (Webex 01:03:30)**

- Underground utilities: Gopher State One Call has a software upgrade coming. For the first quarter they will roll that out to be able to see buried structures. They also received additional funding.
  - John Barten: Can we share this with Victoria Reinhardt. *Response from Paul Gardner:* Yes.
- Chloride Ideas (Council member Jessica Wilson)
  - I represent the City of Edina, and cities are at the ground level of doing chloride reduction work.
  - In general, we have been focusing on winter maintenance and source control. We have evolved beyond just maintenance. We should now look at other ways to deal with the chloride pollution. We should be doing more in research, planning, design, performance standards, and remediation. Winter maintenance workers are pointing out places for improvements in planning, zoning, and design. See document in the packet. Policy activities can be more comprehensive. We can have folks come in to talk to the committee.

*Questions/Comments:*

  - Peter Schwagerl: I am intrigued by the design aspects, since we have all the smart salt training geared towards the applicators. Where does the outreach need to be? *Answer:* Connie Fortin (formally of Fortin Consulting) and now at Bolton and Menk, and they have a low salt design. They are putting together a handbook and working with the Minnesota Pollution Control Agency (MPCA) stormwater manual. At the state level, a place of influence could be the B3 standards.
  - Gail Cederberg: Hugo redesigned their city hall due to refreezing issues. They shifted the direction on the melting snow, and it made a huge difference. Having a handbook is a great idea.
  - John Barten: What related items to chloride are included in the manual? *Answer:* I don't know for sure. There aren't any design standards for this area, so the approach has been mostly focused on maintenance and reduce the source control. There are plenty of guidance there. For design there isn't as much.
  - Judy Sventek, Met Council: The Met Council has investigated questions the Council posed in a water reuse document. Such as what it would cost for water treatment to do reverse osmosis (RO). They have done studies related to water reuse. They did the Parker Lakes Study. They could speak to the committee.

- Rich Biske: Can you share if there are any incentives for the cities or counties to use these designs and best practices? What is a good mechanism to expand use of these practices?
  - *Answer from Glenn Skuta, MPCA:* Beyond Total Maximum Daily Loads (TMDLs), the municipal separate storm sewer systems (MS4) general permits include chloride requirements, and some additional requirements if there is a TMDL waste load allocation.
  - *Answer from Jessica Wilson:* Our city does have a chloride TMDL, so our permit says we need to make progress. It could be the smallest change possible for the year. It is more of a narrative thing to do better. As a regulated party, it is nice to do what we think is the most valuable thing, but also makes it harder to track the progress. We are trying to manage it city-wide. We need a more comprehensive approach. We need to start this remediation talk now so in ten years we have things set in place. How do you remediate bodies of water that are impaired? We need to think bigger.
- *Rich Biske:* Do you think communities know that this is a big problem?
  - *Answer from Glenn Skuta, MPCA:* There has been a lot going to the media and to local governments. Next week is salt awareness week. It is at the state fair for the Eco Experience.
  - *Jessica Wilson:* Local leadership has a lot of things they need to care about. Winter salt week is good, but the attention could be constant. A proclamation from the Governor for winter salt week would be great. There are lots of different workshops at the city level as well.
- *John Barten:* It seems like the salt really jumped when we quit using sand across the state. That was because of the cost to remove the sand from the stormwater system. When that switch was made, the thought was for a good economic benefit. However, the salt issue is becoming more expensive (polluting water). Has anyone looked at switching back to sand to reduce salt? The removal from the stormwater systems would be cheaper than dealing with removing salt from our waters.
  - *Answer from Glenn Skuta, MPCA:* I would like to challenge the assumption, and I feel like I have heard it said that sand is not as effective. It does not provide melting. It was not only the issue of stormwater cleanout, but also effectiveness. Sand is not recommended until extremely low temperatures when salt is not effective. That is why alternatives (i.e., brine) have been used. Unfortunately, salt is better than sand.
  - *Jessica Wilson:* Effectiveness is important, and with the level of service demand from the public, I don't think you could ever go back from it. You need to mention the safety aspect too, thinking about car crashes on the roads. Salt is necessary for the traveling public. You don't want to overuse it, but it is needed for public safety. We could go forward on new products, but not back to sand.
- *Paul Gardner:* Is this an area we would like to bring broader groups in for ideas? Thinking about amending the policy statement of de-icing. *Answer:* Yes.

**No Public Comment (Webex 02:03:45)**

**Adjournment (Webex 02:03:58)**

# PUBLIC PARTICIPATION PLAN

## INTRODUCTION

The Clean Water Council is committed to seeking the input not just from interested stakeholders but from the public at large. The ratification of the Clean Water, Land and Legacy Amendment in 2008 led to the creation of the Clean Water Fund. Because voters provided their direct financial support to clean water, the Council believes that the Clean Water Fund deserves special attention from the public.

This public participation plan is intended to guide the Clean Water Council in seeking input on its budget and policy recommendations and strategic plan. It is based on the International Association of Public Participation (IAP2) framework.

The purpose of this plan is to;

- Help the Council be more intentional about why, how, when, and who it is engaging.
- Make the entire process more transparent and accessible for people.
- Hold the Council accountable to implement the plan, and continually review and adapt its approach to meet the Council's engagement goals. [Engagement goals of the Council have yet to be defined]

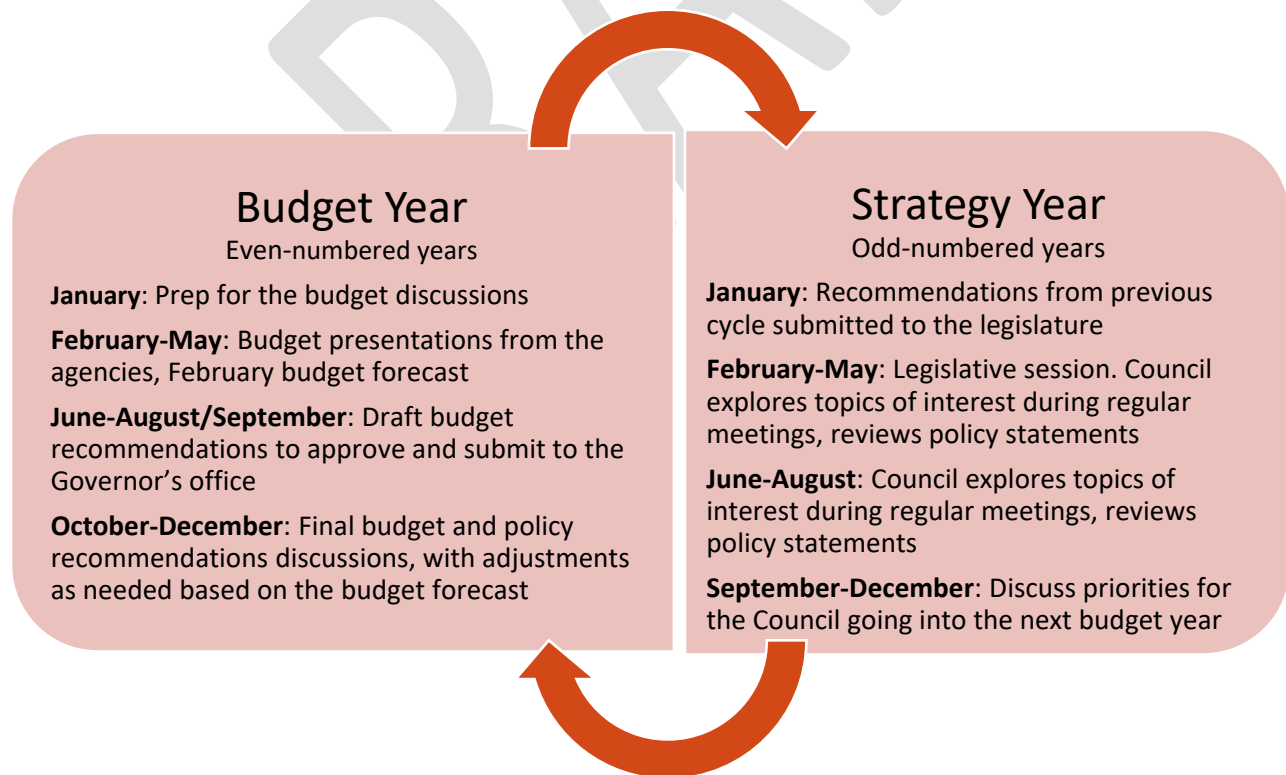


Figure 1. Clean Water Council workflow diagram.

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## DECISION TO BE MADE

- Clean Water Council budget and policy recommendation to the legislature.
- Clean Water Council will make a recommendation, Minnesota legislature will decide.

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## DECISION CRITERIA

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### IN SCOPE

- Funding allocation for individual programs, projects, and initiatives
- Policy statements
- Clean Water Council Strategic Plan

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### OUT OF SCOPE

- Individual agency and Interagency Coordination Team (ICT) budget process
- Implementation of Clean Water Funded programs, projects, and initiatives
- Grant award processes and decisions

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### DECISIONS ALREADY MADE

- Budget deadlines
- Past budget recommendations
- Existing appropriations with and without tails
- Interagency Coordination Team (ICT) structure and process
- Clean Water Council Bylaws and charter
- Clean Water Land and Legacy Amendment and statutory language, Statute 114D

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### OTHER CONSIDERATIONS

- Clean Water Council Strategic Plan
- Agency budgets and ICT
- Research on values, attitudes, beliefs around water
- Outcomes of engagement initiatives such as the We Are Water program
- Clean Water Fund Performance Report
- Clean Water Road Map
- Most recent Clean Water Fund budget and policy recommendations report

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## STAKEHOLDERS

- Minnesota Residents and Taxpayers
- Environmental organizations
- Nonprofit organizations focused on improvement of Minnesota lakes and streams
- Business organizations
- Statewide hunting organizations
- Statewide farm organizations
- Statewide fishing organizations
- Tribal governments

- County government (rural counties and seven-county metropolitan area)
- City governments
- Township officers
- Soil and water conservation districts
- Watershed districts
- Metropolitan Council
- University of Minnesota
- Board of Water and Soil Resources
- Minnesota Department of Agriculture
- Minnesota Pollution Control Agency
- Minnesota Department of Health
- Minnesota Department of Natural Resources
- Interagency Coordination Team
- Minnesota House of Representatives
- Minnesota Senate
- Governor's Office

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## ROLES

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### STAKEHOLDERS, PRACTITIONERS, AND RESIDENTS

Expertise in sense of place, community interests and values, public attitudes, and desired amenities.

- Provides their expertise on values
- Communicates questions, concerns, and ideas
- Reviews and provides input on Council budget recommendations and policy statements

Individuals and groups may provide input directly to the Council or their representative on the Council. Insights from stakeholders may also come indirectly from local engagement initiatives (for example, the We Are Water program) or from research on Minnesotans perspectives on water.

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### CLEAN WATER COUNCIL

The state varies widely in terms of demography, geography, industry, land use, and local capacity. Members of the Council represent the interests of stakeholder groups in strategic planning, setting priorities, providing feedback to agencies on programs, making funding recommendations, and forming policy statements.

- Acts as the aggregator of public sentiment
- Coordinates budget and policy recommendations with the Interagency Coordination Team

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### INTERAGENCY COORDINATION TEAM (ICT)

The Clean Water Fund Interagency Coordination Team (ICT) was formed to coordinate the use of Clean Water Fund dollars for achieving the aims of Clean Water Land and Legacy Act. The ICT includes the seven state agencies involved in protecting water quality: Metropolitan Council, Minnesota Board of

Water and Soil Resources, Minnesota Department of Agriculture, Minnesota Department of Health, Minnesota Department of Natural Resources, Minnesota Pollution Control Agency, Minnesota Public Facilities Authority.

- Represents the agencies that implement various programs funded by the Clean Water Fund
- Informs the Council of agency programs and their associated budgets, needs, and outcomes
- Considers feedback from the Council in their budget proposal to the Governor's office

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#### GOVERNOR'S OFFICE

- Receives Clean Water Fund budget recommendation from the Clean Water Council
- Receives Clean Water Fund budget recommendation from the ICT (with input from the Clean Water Council)
- Finalizes the budget proposal and submits to the Legislature

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#### LEGISLATURE

- Receives Clean Water Fund budget recommendation from the Clean Water Council
- Receives Clean Water Fund budget recommendation from the Governor's Office (which is informed by the ICT and Clean Water Council)
- Finalizes and approves the Clean Water Fund budget and makes appropriations to agencies

**The Clean Water Council makes Clean Water Fund spending recommendations to the Governor and Legislature**

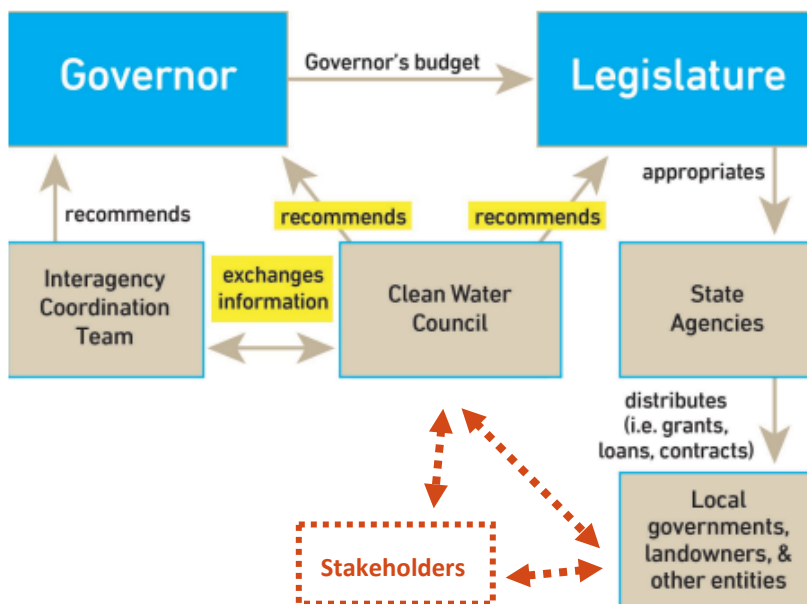


Figure 2. Clean Water Fund recommendations flow chart. Original graphic source: "Putting Minnesota on a Clean Water Trajectory", Freshwater, January 2019

\*Note, orange dashed lines and text box added, to be influenced by Clean Water Council Public Participation Plan.

## PUBLIC PARTICIPATION LEVEL

## IAP2 Spectrum of Public Participation



IAP2's Spectrum of Public Participation was designed to assist with the selection of the level of participation that defines the public's role in any public participation process. The Spectrum is used internationally, and it is found in public participation plans around the world.

INCREASING IMPACT ON THE DECISION					
	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL	To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
PROMISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

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Figure 3. IAP2 spectrum of public participation. \*Orange box outline emphasis added.

- The level of public participation oscillates depending on the phase of work the Council is in and whether it's a 'budget year' or 'strategy year'.
- During the strategy year, the Council operates at the Involve level as members meet with the stakeholder group they represent and seek broad stakeholder input.
- As budget recommendations and policy statements form up or are open for discussion, the Council may Consult people on the Council's priorities or drafts.
- As decisions are made, the Council communicates with stakeholders at the Inform level.

## TECHNIQUES

Inform level: Website, social media, newsletters, interactive storymap, performance reports.

Consult level: Community comment at Council meetings, written comments, We Are Water program summaries, research that captures Minnesota perspectives on water, agency presentations, workshops/presentations from the Council at industry and stakeholder meetings.

Involve level: Council members meet with the stakeholders they represent - information and ideas flow in both directions. Members attend industry and stakeholder conferences, meetings, and field days, seeking to understand concerns and aspirations.

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## DECISION PROCESS

In designing the process for soliciting input, members of the Council should consider what they want to know, when, and how they will get that information. The Council ought to consider all input equally at all phases of engagement and in whatever form stakeholders choose to provide it.

The Council ought to program its engagement actions to sync with when the information would be most impactful to the process. Figure 4 shows the budget year coordination with ICT flowchart including outcomes and key dates.

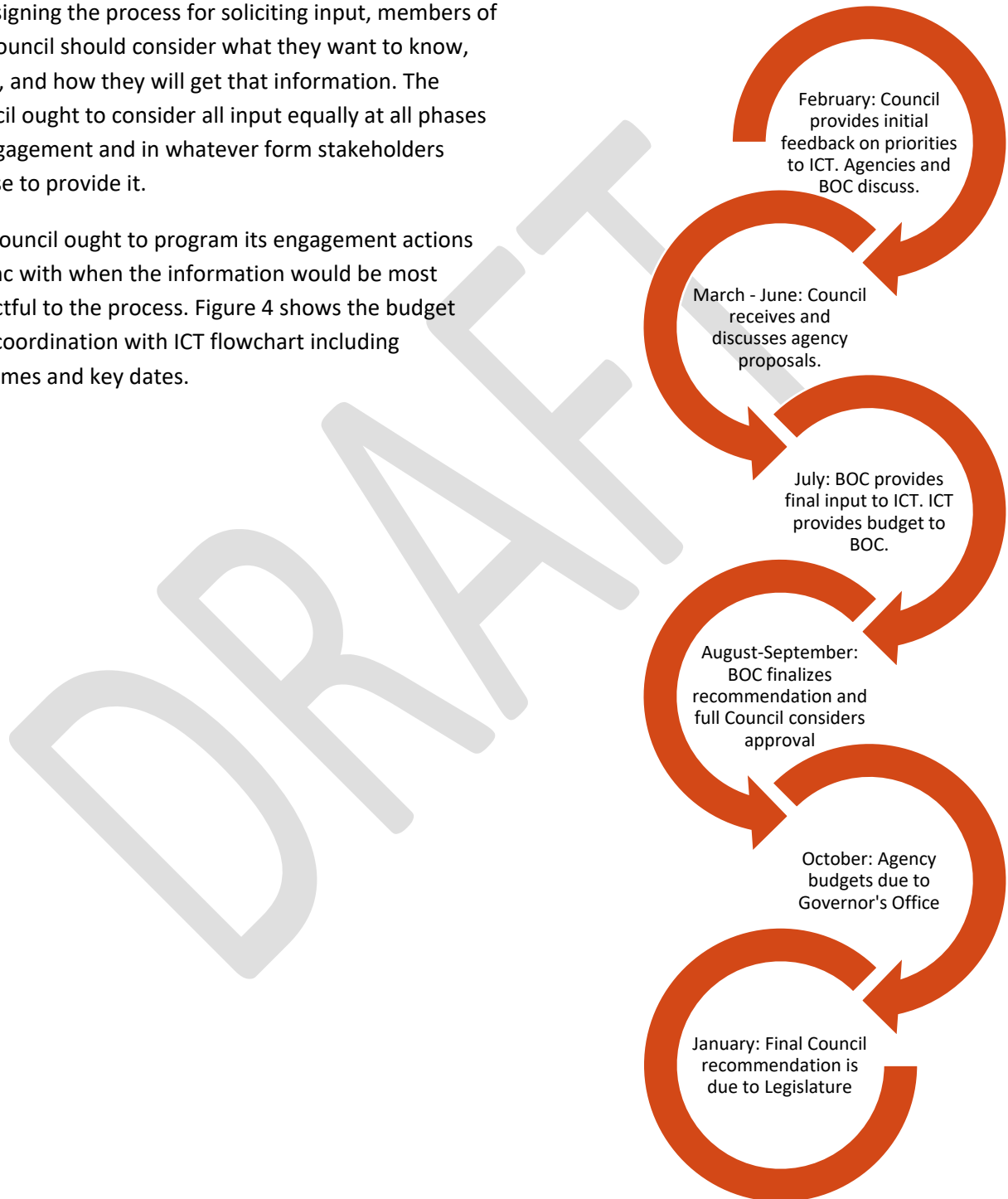









Figure 4. Budget year (even-year) coordination flowchart with ICT.

Strategy Year (odd-numbered years)	
Description	Engagement level
Q1 – Council submits budget proposal in January. Council closes the loop with stakeholders who provided input in the budget recommendation process. Council communicates the decision to stakeholders (the Budget and Policy Recommendations Report). The Council testifies at committee meetings.	<b>Inform</b> 
<p>Q1/Q2 – The Council approves a public participation plan. Council members kick-off engagement with their stakeholder groups broadly, informing them of process, how to participate, and asking for input. All Minnesotans are invited to provide input at this early stage and we utilize our channels to solicit input – newsletter, press release, social media, etc.</p> <p>We ask people to respond to questions like these;</p> <ul style="list-style-type: none"> <li>• What is your vision for 10 years from now?</li> <li>• What is your hope for water resources in Minnesota?</li> <li>• What do we need more of?</li> <li>• What do we need less of?</li> <li>• What are your concerns related to water resources in Minnesota?</li> <li>• What do you want the Clean Water Council to know?</li> </ul> <p>[Fall (Q4) conference abstract submissions are open during this time – do we plan to attend any? The Council could share its public participation plan and ask for input.]</p>	<b>Involve</b> 
<p>Q3/Q4 – Meeting time is set aside for members to bring information from their stakeholders to the Council. A facilitated discussion helps to outline Council priorities based on what each member brings as well as what we hear from other stakeholders, and the themes from this exercise are referenced in subsequent meetings as we march toward the next budget and policy recommendation. Council also seeks input from We Are Water program coordinators and researchers and other indirect sources. We continue to invite people to react to prompts and encourage people to provide verbal or written testimony. We present our work at industry and stakeholder conferences and meetings where we seek input.</p> <p>[Water Resources Conference in October, Minnesota Watersheds Annual Conference in December, others?]</p>	<b>Involve</b> 
Q4 – The Council crystalizes themes and priorities in preparation for budget year. These themes are shared with stakeholders for them to react.	<b>Consult</b> 
Budget Year (even-numbered years)	
Description	Engagement level

Q1 – Council provides initial feedback on priorities to ICT, informed by engagement process.	
Q2 – Council receives proposal presentations from agencies. Council and ICT consider input as they form up proposals. Council members are consulting with their stakeholder groups. Council considers all feedback and synthesizing work from the past year, taking care to weigh all input equally regardless of when or how it was received.	<b>Consult</b> 
Q3 – BOC and ICT exchange budget proposals. Full Council considers approval. The Council describes how input received to-date was used or not used. The Council consults stakeholders on the budget and policy recommendations, then makes a decision.	<b>Consult</b> 
Q4 – Council makes adjustments based on updated budget forecast information, makes a decision, and shares the final version with stakeholders. When the final budget decision is made, its accompanied by a report that evaluates the engagement process and closes the loop with stakeholders. The report describes the fate of input received and how it influenced the decision as well as where input landed – it could be acknowledged, answered, or referred to agencies/policy committee/BOC, as appropriate. The report describes how input was used or not used.	<b>Inform</b> 

\*Cycle repeats with strategy year. All input and wisdom are carried forward into subsequent cycles.

To: Clean Water Council Policy Committee

From: Paul Gardner, Administrator

Date: February 28, 2025

RE: Considerations for a Possible Policy Statement on Data Centers

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On February 24<sup>th</sup>, the Clean Water Council heard a presentation from Freshwater staff about the potential impacts on groundwater from an increased number of large data centers in Minnesota. The Department of Natural Resources also offered some comments based on recent discussions they have had with other state agencies and data center developers.

Because this industry is moving very quickly to site additional facilities, Freshwater indicated some urgency for the Clean Water Council to “foster coordination and cooperation” on the issue as described in the Council’s duties in state statute.

While there is much coordination among water-related agencies in state government, there is less of it between water-related agencies and those agencies that address energy, such as the state’s Department of Commerce (DOC), and economic development, such as the Department of Employment and Economic Development (DEED).

In addition, local government planning and zoning officials may not have data at their fingertips to know where large data centers might not have a sustainable water supply that have no effects on other uses that have higher priority in statute. At this time, data center developers have shown a particular interest in Dakota County where groundwater is relatively plentiful, but where there may be potential interference with other uses.

At the same time, the state has considerable data about where abundant amounts of cooling water are available elsewhere.

It would be helpful to know if the Policy Committee would like to draft a policy statement for the full Council’s next meeting on March 17<sup>th</sup>. Such a statement could be timely since it would be ready for consideration by the Governor and the Legislature April and May.

Suggestions for a policy statement include:

- Ask the Governor to include the DNR (and the Met Council where appropriate) to be a part of a “one-stop shop” of agencies that interact with data center developers interested in building in Minnesota. This arrangement would allow the state to give a quicker answer to developers about the appropriateness of a proposed data center location.
- Consider modification of once-through cooling prohibitions in Minn. Stat. §103G.271 Subdivision 5. (Statute attached.) Modifications could encourage closed loop geothermal systems or other innovative approaches that provide multiple benefits.
- Support capacity building for local governments on data center planning.
- Develop maps of locations that have plentiful groundwater where cooling use will not interfere with other higher priority uses.
- Develop maps of locations where large-scale groundwater use would be problematic.
- Asking BWSR and MDH to consider these uses in GRAPS and One Watershed One Plan.

# FRESHWATER

## Siting and development of water-intensive industry and consideration of long-term water impacts

### Summary of concerns

- Data centers consume [large amounts of water](#) for cooling, which is especially concerning for long-term groundwater sustainability.
  - The [Washington Post](#) reports that data centers can use between 1 and 5 million gallons of water per day.
  - Google's data centers consume [6 billion gallons of water annually](#).
  - Data center water use can be equivalent to that of an entire city.
  - A single ChatGPT query uses at least one 500 ml bottle of water.
- Water supply needs of data centers often are not discussed until late in the planning process.
- Developments tend to move fast before alternative cooling options can be fully considered.
- Local governments often sign [nondisclosure agreements](#) with developers early on, which may prevent water managers and citizens from engaging in the planning process.
- Businesses seek to expedite permitting and often use municipal water sources for supply.
  - This practice may conflict with the prioritization of water use in [Minnesota statute 103G.261](#) (drinking water is highest priority), and it shifts responsibility to the municipality for potential well interference and water quality issues.
  - A large water user today may limit water supply for future developments or residents.
  - Note: Water quality can also be impacted by intensive groundwater pumping as minerals (Arsenic and Manganese, for example) and pollutants are stirred up/mobilized in aquifers.
- New projects are moving quickly with Minnesota and other Midwestern states offering tax incentives specific to data centers as described in this report from the [Midwest Council of State Governments](#).

### Potential planning/coordination solutions

- Coordinate long-term water supply planning on a regional level.
  - Encourage economic development teams to talk about sustainable water supply early in the development process with city and state agencies.
  - Define areas where groundwater is vulnerable to depletion, or there are likely to be well interferences.
- Clarify state agency roles in siting and permitting of water-intensive projects
  - DNR has broad authority to [protect groundwater supplies](#); interaction with Minnesota DEED and local governments during planning process could be clarified.
  - Interagency Drinking Water-Groundwater Team provides a current venue for coordination (DNR, BWSR, MPCA, MDA, MDH, Met Council).
- Activate local watershed planning and implementation groups
  - Local planning groups across the state have been established through the [One Watershed, One Plan](#) process.
  - [Groundwater Restoration and Protection Strategies \(GRAPS\)](#) program is coordinated by Minnesota Department of Health. GRAPS reports could be used to inform regional decision-making around large water users.
  - Provide opportunities for citizens to engage and comment on prioritization for groundwater use in their area; possibly leverage public involvement funding outlined in comprehensive watershed plans.

- Coordinate with U of M Extension [Regional Sustainable Development Partnership](#) to educate communities on sustainable groundwater use.
- Encourage siting of high water use businesses near sustainable water supply sources such as surface water or wastewater treatment plants.
- Encourage groundwater infiltration of industrial discharges to keep water in the watershed.
- Encourage sustainability rating systems and offer incentives for certification.
  - LEED certification for data centers includes criteria to optimize water use. Process water use is focused on multiple cooling loops, reducing water use, or using recycled water.
  - LEED standards currently do not include source water sustainability; new incentives for alternate water sources (besides groundwater) could be added.
- Encourage proactive identification of sites with sustainable water supply sources in city comprehensive plans.
- Engage the University of Minnesota-Duluth Natural Resources Research Institute (NRRI) to incorporate data centers into its [Midwest Industrial Transformation Initiative](#).

### Potential policy/permitting solutions

- Require that developers consider alternatives to using groundwater, such as geothermal, surface water, or water reuse in initial permit evaluations and planning documents.
- Require more transparency around water use, and that state groundwater data to be shared with local decision makers at the city and county level when a new data center is initially proposed.
- Revise existing DNR [water appropriation permit](#) requirements to require preliminary assessments and area hydrologist reviews for all large water uses more than 10,000 GPD or 1MGY, whether new wells or municipal water connections.
- Prohibit data centers in specific municipal zoning districts. [SF608](#) is an example of a zoning restriction, although most data center projects would likely meet the industrial zoning exception stated in this bill.
- Potentially modify or strengthen [Minnesota statute 103G.271](#) prohibiting once-through cooling.
- The Legislature could call for a state agency report on the issue. As an example, [SF117](#) proposes a study on environmental impacts to Minnesota of artificial intelligence.
- Strengthen environmental review for water-intensive developments
  - The Environmental Quality Board could order a [Generic Environmental Impact Statement](#), which is specified for environmental issues that are not adequately reviewed on a project-by-project basis.
  - Ask for additional details on long term water supply evaluations as part of [Alternative Urban Areawide Review](#) (AUAR) submittals.
  - A new [mandatory category](#) could be established for data centers to trigger an automatic environmental assessment worksheet (EAW) or environmental impact statement (EIS).

### Questions to consider

- What roles do state agencies, local units of government, regional planning groups, economic development teams, business coalitions, and the state legislature play? What data do they need to make well-informed decisions for sustainable water supply?
- What are both short-term and long-term options that can address sustainable water supply? New water intensive developments are being proposed now and will continue into the future.



# Addressing water impacts of data centers

February 24, 2025

FRESHWATER



# Presenters

*Backgrounds in drinking water, engineering, geology, and private wells.*



**Michelle Stockness, PE**

**Freshwater**

Executive Director



**Carrie Jennings, PhD, PG**

**Freshwater**

Research and Policy Director



# Agenda



BACKGROUND  
(10 MIN)



OPPORTUNITIES  
(5 MIN)



DISCUSSION  
(30 MIN)



# Goal

## **Sustainable Water Supply**

How can we balance economic development with the need to ensure future water availability for communities and ecosystems?



Kirsti Marohn · February 11, 2025 4:00 AM

## Water-guzzling data centers spark worries for Minnesota's groundwater



A sign voicing opposition to the data center project hangs on a fence at the edge of the Fountain Valley Golf Course on Nov. 14 in Farmington, Minn. 📍 Kirsti Marohn | MPR News

## Farmington residents file lawsuit against city to prevent \$5B data center plan

An injunction was filed late last year to pause negotiations between the city and data developer.

TOMMY WIITA • JAN 9, 2025

## Plans Unveiled for \$5B Sustainable Aviation Fuel Facility in Moorhead

Slated to come online by 2030, the new facility is expected to produce about 193 million gallons of lower-carbon jet fuel a year.

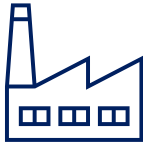
By Dan Niepow  
November 05, 2024

🐦 f 📧 📄 🔗



# What does a typical development process look like?

**Economic Development teams help site the project**



**Municipalities are approached to evaluate land use, power use, water use**



**Agreements are reached and the project goes public**



**Concerns raised by citizens, legislators, water managers**



- Water Managers or regional planners are usually not involved

- NDAs may be used
- Land use and power are usually discussed first
- Partners approached with a short timeline

- Usually a municipal water supply connection
- May or may not require AUAR / EAW / EIS



# Issues we see

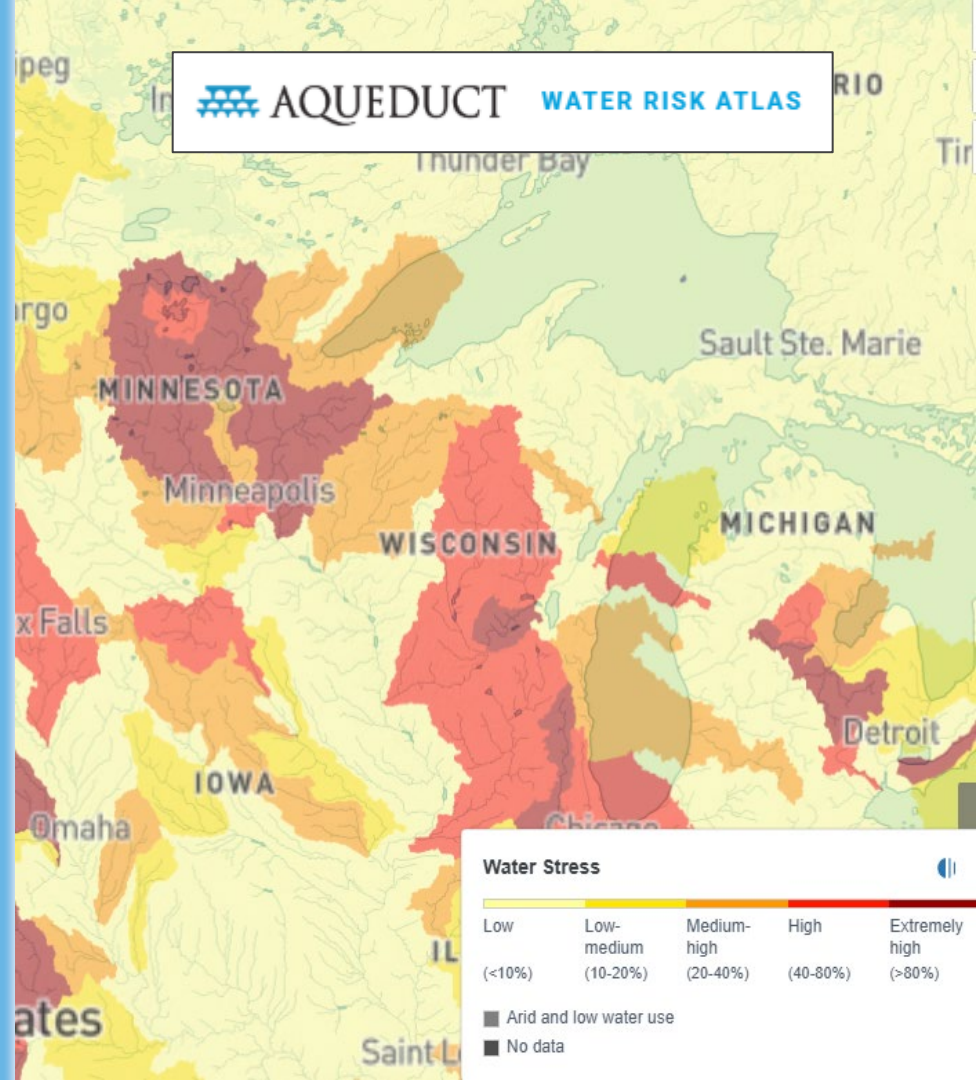


- **Speed.** These projects move faster than water planners are able to react.
- **Need for data sharing.** Do cities have the tools to evaluate regional long-term water supply sustainability?
- **Short term incentives.** Easier to consider than water sustainability and priority of use.
- **Community engagement?** None.
- **Many stakeholders.** Makes being proactive a challenge.



# Minnesota's groundwater picture

Not all areas can handle additional large capacity users



# Opportunities



- Use existing **regional planning tools**.
- **Require transparency** in water use.
- **Allow input** from communities & agencies.
- **Incentivize** water conservation and non-groundwater sources.
- **Guide business to areas with sustainable water** sources proactively, e.g. surface water or water reuse.



# **In Summary**

**We need to act quickly**

**Groundwater is the default  
supply source**

**Agencies and communities  
need to be more involved**



# Discussion

## How should different groups engage on water-intensive developments?

- State agencies
- Local governments
- Regional planning groups
- Economic development teams
- Business coalitions
- Legislators
- Conservation and advocacy groups



# Discussion

**What data, tools or processes can help cities make well-informed water use decisions?**

- What is currently in place?
- What needs to be developed?



# Discussion

**What are specific short-term and long-term approaches to ensure development is sustainable?**



**Thank you inviting us and for  
protecting Minnesota's water**





# FRESHWATER

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[freshwater.org](https://freshwater.org)

**103G.271 APPROPRIATION AND USE OF WATERS.**

Subdivision 1. **Permit required.** (a) Except as provided in paragraph (b), the state, a person, partnership, or association, private or public corporation, county, municipality, or other political subdivision of the state may not appropriate or use waters of the state without a water-use permit from the commissioner.

(b) This section does not apply to the following water uses:

(1) use for a water supply by less than 25 persons for domestic purposes, except as required by the commissioner under section 103G.287, subdivision 4, paragraph (b);

(2) nonconsumptive diversion of a surface water of the state from its natural channel for the production of hydroelectric or hydromechanical power at structures that were in existence on and before July 1, 1937, including repowering, upgrades, or additions to those facilities; or

(3) appropriation or use of stormwater collected and used to reduce stormwater runoff volume, treat stormwater, or sustain groundwater supplies when water is extracted from constructed management facilities for stormwater.

(c) The commissioner may issue a state general permit for appropriation of water to a governmental subdivision or to the general public. The general permit may authorize more than one project and the appropriation or use of more than one source of water. Water-use permit processing fees and reports required under subdivision 6 and section 103G.281, subdivision 3, are required for each project or water source that is included under a general permit, except that no fee is required for uses totaling less than 15,000,000 gallons annually.

Subd. 2. **Consistent with state and local plans.** A water-use permit may not be issued under this section unless it is consistent with state, regional, and local water and related land resources management plans if the regional and local plans are consistent with statewide plans.

Subd. 3. **Permit restriction during summer months.** The commissioner must not modify or restrict the amount of appropriation from a groundwater source authorized in a water-use permit issued to irrigate agricultural land between April 1 and October 1, or, for agricultural land with a crop, until November 15, unless the commissioner determines the authorized amount of appropriation endangers a domestic water supply.

Subd. 4. **Minimum-use exemption and local approval of low-use permits.** (a) Except for local permits under section 103B.211, subdivision 4, a water-use permit is not required for the appropriation and use of less than 10,000 gallons per day and totaling no more than 1,000,000 gallons per year, except as required by the commissioner under section 103G.287, subdivision 4, paragraph (b).

(b) Water-use permits for more than the minimum amount but less than an intermediate amount prescribed by rule must be processed and approved at the municipal, county, or regional level based on rules adopted by the commissioner.

(c) The rules must include provisions for reporting to the commissioner the amounts of water appropriated under local permits.

Subd. 4a. **Mt. Simon-Hinckley aquifer.** The commissioner may not issue new water-use permits that will appropriate water from the Mt. Simon-Hinckley aquifer unless the appropriation is for potable water use, there are no feasible or practical alternatives to this source, and a water conservation plan is incorporated with the permit.

Subd. 4b. **Bulk transport or sale.** (a) To maintain the supply of drinking water for future generations and except as provided under paragraph (b), the commissioner may not issue a new water-use permit to appropriate water in excess of one million gallons per year for bulk transport or sale of water for consumptive use to a location more than 50 miles from the point of the proposed appropriation.

(b) Paragraph (a) does not apply to a water-use permit for a public water supply, as defined under section 144.382, subdivision 4, issued to a local unit of government, rural water district established under chapter 116A, or Tribal unit of government if:

- (1) the use is solely for the public water supply;
- (2) the local unit of government, rural water district established under chapter 116A, or Tribal unit of government has a property interest at the point of the appropriation;
- (3) the communities that will use the water are located within 100 miles of the point of appropriation; and
- (4) the requirements in sections 103G.265, 103G.285, and 103G.287 are met.

Subd. 5. **Once-through water-use permits prohibited.** (a) Except as provided in paragraph (c), the commissioner may not issue a water-use permit to increase the volume of appropriation from a groundwater source for a once-through cooling system.

(b) Except as provided in paragraph (c), once-through system water-use permits using in excess of 5,000,000 gallons annually must be terminated by the commissioner, unless the discharge is into a public water basin within a nature preserve approved by the commissioner and established prior to January 1, 2001. The commissioner may issue a permit for a system in existence prior to January 1, 2015, for up to 5,000,000 gallons annually. Existing once-through systems must not be expanded and are required to convert to water efficient alternatives within the design life of existing equipment.

(c) Notwithstanding paragraphs (a) and (b), the commissioner, with the approval of the commissioners of health and the Pollution Control Agency, may issue once-through system water-use permits on an annual basis for groundwater thermal exchange devices or aquifer storage and recovery systems that return all once-through system water to the source aquifer. Water-use permit processing fees in subdivision 6, paragraph (a), apply to all water withdrawals under this paragraph, including any reuse of water returned to the source aquifer.

Subd. 5a. **Maintaining surface water levels.** Except as provided in subdivision 5, paragraph (b), the commissioner shall, by January 31, 1994, revoke all existing permits, and may not issue new permits, for the appropriation or use of groundwater in excess of 10,000,000 gallons per year for the primary purpose of maintaining or increasing surface water levels in the seven-county metropolitan area and in other areas of concern as determined by the commissioner. This subdivision does not apply until January 1, 1998, to a municipality that, by January 1, 1994, submits a plan acceptable to the commissioner for maintaining or increasing surface water levels using sources other than groundwater.

Subd. 6. **Water-use permit; processing fee.** (a) Except as described in paragraphs (b) to (g), a water-use permit processing fee must be prescribed by the commissioner in accordance with the schedule of fees in this subdivision for each water-use permit in force at any time during the year. Fees collected under this paragraph are credited to the water management account in the natural resources fund. The schedule is as follows, with the stated fee in each clause applied to the total amount appropriated:

- (1) \$140 for amounts not exceeding 50,000,000 gallons per year;

(2) \$3.50 per 1,000,000 gallons for amounts greater than 50,000,000 gallons but less than 100,000,000 gallons per year;

(3) \$4 per 1,000,000 gallons for amounts greater than 100,000,000 gallons but less than 150,000,000 gallons per year;

(4) \$4.50 per 1,000,000 gallons for amounts greater than 150,000,000 gallons but less than 200,000,000 gallons per year;

(5) \$5 per 1,000,000 gallons for amounts greater than 200,000,000 gallons but less than 250,000,000 gallons per year;

(6) \$5.50 per 1,000,000 gallons for amounts greater than 250,000,000 gallons but less than 300,000,000 gallons per year;

(7) \$6 per 1,000,000 gallons for amounts greater than 300,000,000 gallons but less than 350,000,000 gallons per year;

(8) \$6.50 per 1,000,000 gallons for amounts greater than 350,000,000 gallons but less than 400,000,000 gallons per year;

(9) \$7 per 1,000,000 gallons for amounts greater than 400,000,000 gallons but less than 450,000,000 gallons per year;

(10) \$7.50 per 1,000,000 gallons for amounts greater than 450,000,000 gallons but less than 500,000,000 gallons per year; and

(11) \$8 per 1,000,000 gallons for amounts greater than 500,000,000 gallons per year.

(b) For once-through cooling systems, a water-use processing fee must be prescribed by the commissioner in accordance with the following schedule of fees for each water-use permit in force at any time during the year:

(1) for nonprofit corporations and school districts, \$200 per 1,000,000 gallons; and

(2) for all other users, \$420 per 1,000,000 gallons.

(c) The fee is payable based on the amount of water appropriated during the year and, except as provided in paragraph (f), the minimum fee is \$100.

(d) For water-use processing fees other than once-through cooling systems:

(1) the fee for a city of the first class may not exceed \$250,000 per year;

(2) the fee for other entities for any permitted use may not exceed:

(i) \$60,000 per year for an entity holding three or fewer permits;

(ii) \$90,000 per year for an entity holding four or five permits; or

(iii) \$300,000 per year for an entity holding more than five permits;

(3) the fee for agricultural irrigation may not exceed \$750 per year;

(4) the fee for a municipality that furnishes electric service and cogenerates steam for home heating may not exceed \$10,000 for its permit for water use related to the cogeneration of electricity and steam;

(5) the fee for a facility that temporarily diverts a water of the state from its natural channel to produce hydroelectric or hydromechanical power may not exceed \$5,000 per year. A permit for such a facility does not count toward the number of permits held by an entity as described in this paragraph; and

(6) no fee is required for a project involving the appropriation of surface water to prevent flood damage or to remove floodwaters during a period of flooding, as determined by the commissioner.

(e) Failure to pay the fee is sufficient cause for revoking a permit. A penalty of ten percent per month calculated from the original due date must be imposed on the unpaid balance of fees remaining 30 days after the sending of a second notice of fees due. A fee may not be imposed on an agency, as defined in section 16B.01, subdivision 2, or federal governmental agency holding a water appropriation permit.

(f) The minimum water-use processing fee for a permit issued for irrigation of agricultural land is \$20 for years in which:

(1) there is no appropriation of water under the permit; or

(2) the permit is suspended for more than seven consecutive days between May 1 and October 1.

(g) The commissioner shall waive the water-use permit fee for installations and projects that use stormwater runoff or where public entities are diverting water to treat a water quality issue and returning the water to its source without using the water for any other purpose, unless the commissioner determines that the proposed use adversely affects surface water or groundwater.

(h) A surcharge of \$50 per million gallons in addition to the fee prescribed in paragraph (a) shall be applied to the volume of water used in each of the months of May, June, July, August, and September that exceeds the volume of water used in January for municipal water use, irrigation of golf courses, and landscape irrigation. The surcharge for municipalities with more than one permit shall be determined based on the total appropriations from all permits that supply a common distribution system.

**Subd. 6a. Fees for past unpermitted appropriations.** An entity that appropriates water without a required permit under subdivision 1 must pay the applicable water-use permit processing fee specified in subdivision 6 for the period during which the unpermitted appropriation occurred. The fees for unpermitted appropriations are required for the previous seven calendar years after being notified of the need for a permit. This fee is in addition to any other fee or penalty assessed. The commissioner may waive payment of fees for past unpermitted appropriations for a residential system permitted under subdivision 5, paragraph (b), or for a hydroelectric or hydromechanical facility that temporarily diverts a water of the state from its natural channel.

**Subd. 7. Transferring permit.** A water-use permit may be transferred to a successive owner of real property if the permittee conveys the real property where the source of water is located. The new owner must notify the commissioner immediately after the conveyance and request transfer of the permit. The commissioner must not deny the transfer of a permit if the permittee is in compliance with all permit conditions and the permit meets the requirements of sections 103G.255 to 103G.301.

**History:** 1990 c 391 art 7 s 27; 1990 c 594 art 1 s 49; 1990 c 597 s 63-65; 1991 c 214 s 6; 1991 c 234 s 1; 1991 c 354 art 10 s 5; 1992 c 366 s 1; 1992 c 601 s 1; 1993 c 186 s 3-5; 1994 c 557 s 15; 1995 c 218 s 10; 1997 c 104 s 1; 1998 c 401 s 38; 1999 c 231 s 128; 2001 c 160 s 1-3; 2003 c 128 art 1 s 116,117; 2005 c 89 s 1; 1Sp2005 c 1 art 2 s 121; 2006 c 281 art 1 s 21; 2008 c 363 art 5 s 19; 2009 c 37 art 1 s 34; 2010 c 361 art 4 s 52; 1Sp2011 c 2 art 4 s 14; 2012 c 272 s 50; 2013 c 114 art 4 s 69,70; 2014 c 312 art 13 s 20,21; 1Sp2015 c 4 art 4 s 92-94; 2017 c 93 art 2 s 116-119; 1Sp2021 c 6 art 2 s 81,82; 2023 c 60 art 4 s 84