

Watershed Based Funding Focus Group: Watershed District Meeting Summary

September 11, 2018 at MCES Metro 94 Office

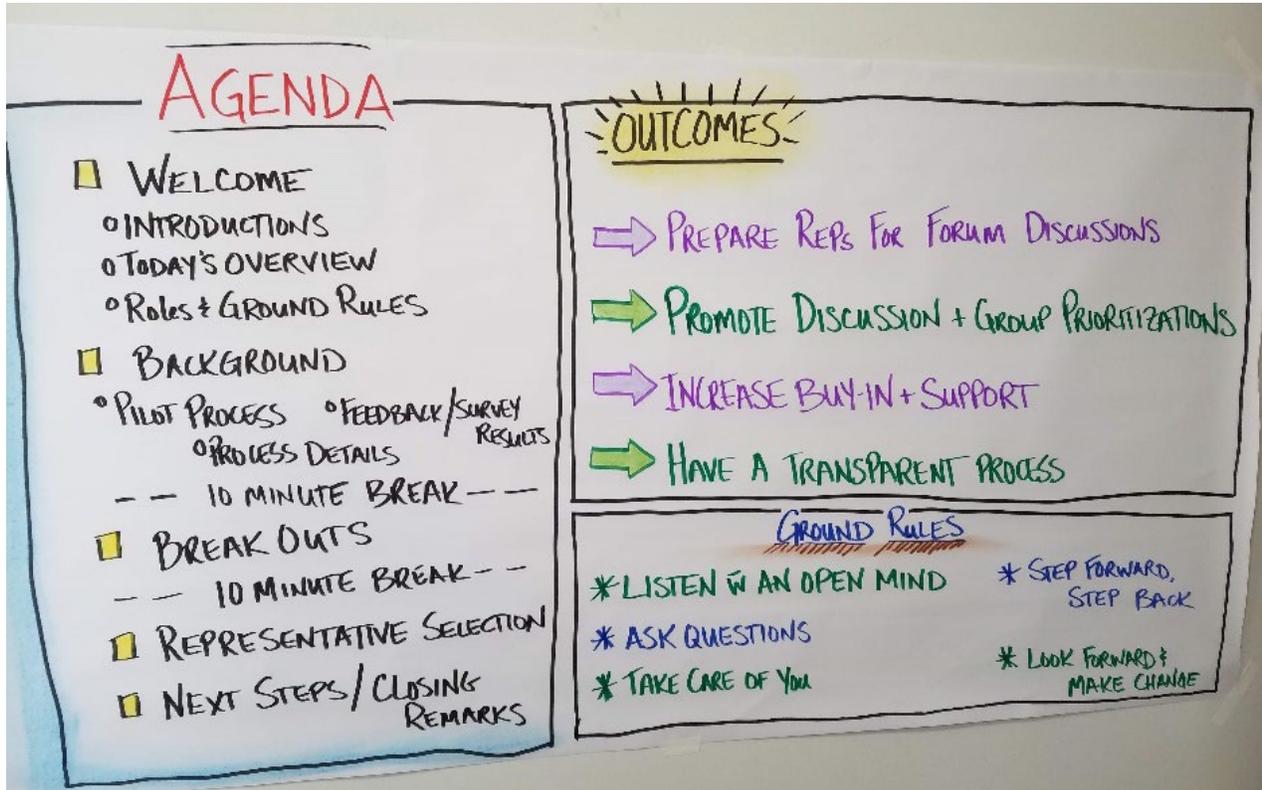


Figure 1. Watershed Based Funding Focus Group Agenda

Outcomes

- Prepare representatives for forum discussions.
- Promote discussion and group prioritizations.
- Increase buy-in and support.
- Have a transparent process.

Ground Rules

- Listen with an open mind
- Ask questions
- Take care of you
- Step forward, step back
- Look forward & make change

Agenda

Welcome

- Introductions
- Today's Overview
- Roles & Ground Rules

Background

- Pilot Process
- Feedback/Survey Results
- Process Details

Breakouts

Representative Selection

Next steps/Closing Remarks

Plus/Delta

Roles & Responsibilities

Meeting Facilitators: Jen Kostrzewski, Emily Resseger, Anna Bessel, Karen Jensen, Nanette Ewald, Judy Sventek

BWSR Representatives: Melissa Lewis, Marcey Westrick

Attendees: Randy Anhorn, Tina Carstens, Emily Javens, Mark Doneux, Matt Moore, Tom Dietrich, Linda Loomis, Diane Lynch, Claire Bleser, Phil Belfiori

Forum Representatives: Mark Doneux (Capitol Region Watershed District), James Wisker or Becky Christopher (Minnehaha Creek Watershed District), 1st Alternate = Diane Lynch (Prior Lake Spring Lake Watershed District)

Background

BWSR is gathering input about the Watershed Based Funding (WBF) Program for the Twin Cities metropolitan area.

An electronic survey was sent out to 279 entities from the metro area, and survey responses were then used to shape the design of four stakeholder workshops:

1. Cities & Townships
2. Watershed Districts
3. Watershed Management Organizations
4. Counties & SWCDs

Each workshop provides stakeholders an opportunity to provide deeper input into how they would propose BWSR move forward with the WBF Program.

Following the four stakeholder workshops, a forum will be held to bring together representatives of from all stakeholder groups.

Meeting Summary

The participants were engaged throughout the meeting, and in general, the conversation was lively and thoughtful. Representatives from 9 of the 14 watershed districts attended.

After the introductions and overview, Melissa Lewis explained how the WBF Pilot Program worked in the 7 counties and provided some feedback from the pilot.

Table 1: Watershed Based Funding Pilot Program Funding Allocation

County	Allocation	Total Dollar Amount
Anoka	\$125,000 for stormwater education Remaining funds allocated by formula based on: <ul style="list-style-type: none">• Land area• Water resources	\$826,000
Carver	All funds allocated by formula based on: <ul style="list-style-type: none">• Land area• Tax capacity	\$749,200

County	Allocation	Total Dollar Amount
Dakota	\$100,000 for Dakota SWCD \$50,000 as base funding for each WD/WMO \$618,000 allocated by formula based on: <ul style="list-style-type: none"> • Land area • Property value 	\$1,018,000
Hennepin	\$102,240 for chloride education Remaining funds allocated by formula based on: <ul style="list-style-type: none"> • Land area • Tax capacity 	\$1,018,000
Ramsey	\$44,200 for Ramsey County (formerly RCD) Remaining funds allocated by formula based on land area	\$442,000
Scott	\$100,000 for county-wide collaborative projects \$75,000 as base funding for each WD/WMO \$349,200 allocated by formula based on: <ul style="list-style-type: none"> • Land area • Assessed value 	\$749,200
Washington	Equal allocation for each of the 10 entities	\$787,600

Melissa also shared results of a survey that was sent to 279 entities from the metro area. There were 39 responses. The top comments from the survey touched on:

- BSWR Flexibility vs Funding Requirements
- Not enough time
- Not enough money
- Eligibility of certain projects and organizations
- Allocation of funds

These comments helped BWSR and Metropolitan Council to shape the focus group breakout questions for the day.

Lastly, Melissa shared information about the current engagement process. It is being independently facilitated by the Metropolitan Council to assist BWSR with gathering input about the Watershed Based Funding Pilot. The survey was the first round of engagement. The next round is a series of focus groups. There will be four focus groups for each stakeholder category:

1. Cities & Townships
2. Watershed Districts (this meeting)
3. Watershed Management Organizations
4. Counties & SWCDs

Each focus group is being run in a consistent manner to provide the stakeholders an opportunity to provide deeper input into how they would propose going forward with the WBF Program. At the end of the focus group, the attendees will have the opportunity to select 2 representatives and 1 alternate to attend the stakeholder forums.

The forums will be in mid to late October and they will provide the space for discussion between the stakeholder representatives to come to some consensus about Program recommendation(s) by the end of 2018. These recommendation(s) will be used in combination with input from the Local Government Water Roundtable, BWSR staff teams, the Metro Forum, pilot areas, and other stakeholder feedback/guidance to be evaluated by BWSR committees. Eventually, the recommendation(s) will be put before the BWSR Board in 2019.

Breakout Sessions

Attendees were split into two different breakout groups that addressed the same three questions:

1. At what scale should decision-making occur (metro-wide, major watershed, county, WD/WMO, Other)?
2. How should funds be allocated (Competitive, Equal Distribution, Proportional/Formula, Project Prioritized, Other)?
3. In an ideal world, which LGUs/organizations or projects should be eligible for this funding?

For the first two questions, participants were asked to identify at least one benefit (Pro) and one drawback (Con) for each option. The last question was included to identify the participants' thoughts about the range and breadth of the program.

Question 1: At what scale should decision-making occur?

Scale	PROs	CONs
METRO-WIDE	<ul style="list-style-type: none"> Recognized by State Addresses unique urban issues Purse gets bigger ABLE to look at the most Benical projects that are Resource Based Follows Guiding Principles More closely Works or the watershed PTM - more closely to follow through Clarity on Metrics from BWSR Watershed districts - only one County Forces people to work together (Cities/Watersheds/etc...) 	<ul style="list-style-type: none"> Doesn't Support local values politically Based (X3) Doesn't follow guiding principles of program Funding of Clean Water Act (VOTERS) (PTM) Large Area w/ diverse needs Doesn't meet local needs or priorities Forces you to develop metrics to weigh one over the other Rural - vs - Urban Multiple Counties + Watershed districts Doesn't follow guiding principles Politically Based Creates a weird dynamic between Watersheds + districts Doesn't engage regional needs + priorities Funds would be split between lots of entities = small funding
MAJOR WATERSHED	<ul style="list-style-type: none"> Already have plans + guiding principles in place Aware of local needs + priorities Allows the Surface Water Act to be use correctly The plans have gone through PTM More intent of funding Change to get a larger piece of the pie 	<ul style="list-style-type: none"> Doesn't follow guiding principles of program Doesn't follow guiding principles of program Doesn't follow guiding principles of program
COUNTY		
WD/WMO		

	PROs	CONs
Metrowide	<ul style="list-style-type: none"> Apply to Watersheds At least need in Metro is Acknowledged Unified consensus across if all participate Could create Metro grant program 	<ul style="list-style-type: none"> Too many LGUs Too many Cooks Diverse landscape - how to prioritize Equital Not watershed based Not " " " " Not PTM Needs competitive basis Need process for prioritization Group may still be too large Too large to implement limited by Metro boundaries Too many LGUs
Major Watershed	<ul style="list-style-type: none"> Work on watershed issues together Watershed based Follow hydro boundary but question of scale 	
County	<ul style="list-style-type: none"> Better for GW planning Many groups already working together " " " " Local focus with Watersheds + Cities locally watershed based Existing 10-yr plans Predictable fund Existing partnerships + mechanism to implement PTM from Comp plan Existing framework Allows local control + priorities 	<ul style="list-style-type: none"> Not watershed based Not predictable Not PTM loose focus of hydro boundaries Multiple w-sheds with diverse landscapes loses focus on major river (Miss River) Too competitive based LGUs in disagreement Not PTM across basins Scale over No basin planning Does not prioritize benefit of project Lack of willingness to fund outside w-sheds
Watershed		

Figure 2: Focus Group Pros & Cons of Scale

Table 2: Summary of responses to Question 1

Scale	Pros	Cons
Metro-Wide	<ul style="list-style-type: none"> Recognized by State Addresses unique urban issues Purse gets bigger Apply to watersheds Metro water issue needs acknowledged Unified consensus across all metro if all participate Could create a metro grant program 	<ul style="list-style-type: none"> Doesn't support local values Politically based ✓✓✓ Doesn't follow guiding principles of program (PTM) Funding of Clean Water Act (voters) Too many LGUs/participants Metro has a diverse landscape – how to prioritize equitably? Not watershed-based ✓ Not PTM Needs to be competitive basis
Major Watershed	<ul style="list-style-type: none"> Able to look at the most beneficial projects that are resource based Follows guiding principles (PTM*) ✓ Closer to WRAPS* or TMDLs* Clarity on metrics from BWSR Work on watershed issues together Watershed-based Follows hydrologic boundaries 	<ul style="list-style-type: none"> Large area with diverse needs Doesn't meet local needs or priorities Forces development of metrics to weight one over the other (Rural vs. Urban) Need process for prioritization Group may still be too large Too large of scale to implement Limited by metro boundaries Too many LGUs
County	<ul style="list-style-type: none"> Good for watershed districts in only one county Forces people to work together (cities/watersheds/etc.) Better for groundwater planning Many groups are already working together ✓ Local focus with watersheds and cities 	<ul style="list-style-type: none"> Watershed districts are in multiple counties Doesn't follow guiding principles Politically based Not all counties are eligible Creates a weird dynamic between watershed districts and counties Doesn't follow watershed plans Not watershed-based ✓ Funding would not be a predictable amount for planning large projects Not PTM Not hydrologically defined Contain multiple watersheds with diverse landscapes
Watershed Districts/ Watershed Management Organizations	<ul style="list-style-type: none"> Already have plans and guiding principles in place Aware of local needs and priorities Allows the Surface Water Act to be used correctly The plans have gone through PTM Meets intent of funding Chance to get a larger piece of the pie Locally focused, watershed-based Existing 10-year plans Predictable funding Existing partnerships and mechanisms to implement PTM from Comprehensive Plans Existing framework Allows local control and priorities 	<ul style="list-style-type: none"> Doesn't recognize regional needs and priorities Funds would be split between lots of entities = small funding Loses focus on major rivers Too competitive based LGUs in disagreement Not PTM across basins No river basin planning Doesn't prioritize benefit of projects Lack of willingness to fund projects outside of watersheds

*PTM – Prioritized, Targeted, Measured; WRAPS – Watershed Restoration and Protection Strategy; TMDL – Total Maximum Daily Load; ✓ - duplicated comment

Question 2: How should funds be allocated?

Allocation	PROs	CONS
<u>COMPETITIVE</u>	<ul style="list-style-type: none"> Awards the best project (x3) 	<ul style="list-style-type: none"> Large Scale = lots of Competition Metric of Judging • Winner = Best Grant Writer
<u>EQUAL DISTRIBUTION</u>	<ul style="list-style-type: none"> Everybody gets something Easy calculation 	<ul style="list-style-type: none"> Everybody doesn't get enough Doesn't meet the intent of PTM - County/metro wide Between who? (Small funding to cities - dist really matter)
<u>PROPORTIONAL/FORMULAIIC DIST.</u>	<ul style="list-style-type: none"> Who designs the formula? Most fair (?) Allow funds to be allocated to different pots 	<ul style="list-style-type: none"> Who designs the formula (?) Might not be enough funding lots of factors that go into formula - Bigger Scale = more complex
<u>PROJECT PRIORITIZATION</u>	<ul style="list-style-type: none"> Buy-in - Democratic process More Innovation w/ Spending Award to Beneficial Projects Time to do the project Stronger foundation w/ measurable results 	<ul style="list-style-type: none"> What project is most beneficial - to what? (funding) Scale dependent - Conversations about prioritization - Add another level of planning

Q2 Group #1
9/11/18

- Project prioritization: Allows PTM
- Prioritization already occurs in WD plans
- Prioritization methods may differ between watershed

If funding WAS reliable per year, could rotate annually between W-sheds.

Formula-base allows better planning of resources, AS long AS banking is allowed

Collaboration is variable, depending on County

Relies on results of Question #1

Watershed organizations are not all equal: LGUs

W-shed organizations have 10-yr plans with PTM project prioritization on watershed basis

City plans need to be approved by W-shed orgs.

Focus group participants want to receive results of other focus groups

Figure 3: Focus Group Pros & Cons of Allocation

Table 3: Summary of Responses to Question 2: Allocation

Allocation	Pros	Cons
Competitive	<ul style="list-style-type: none"> Awards to the best projects ✓✓✓ 	<ul style="list-style-type: none"> Large scale = lots of options What happens if there's a good project but doesn't match the metric of judging Winners are the LGUs with the best grant writers, not necessarily the best projects
Equal Distribution	<ul style="list-style-type: none"> Everyone gets some money Easy calculation If funding was reliable per year, could rotate annually between LGUs 	<ul style="list-style-type: none"> Everybody doesn't get enough Doesn't meet the intent of PTM – at the County or Metro-wide scale Between who? Small funding to cities – maybe too small amount to matter
Proportional/Formulaic	<ul style="list-style-type: none"> Who designs the formula? This could be a pro... Most fair ✓ Allows funds to be allocated to different pots Allows for better planning of resources – AS LONG AS BANKING IS ALLOWED 	<ul style="list-style-type: none"> Who designs the formula? This could be a con... Might not be enough funding Lots of factors that go into the formula – The larger the scale, the more complex
Project Prioritization	<ul style="list-style-type: none"> Buy-in – It's a democratic process More innovation with spending Awards to beneficial projects Time to do the project Stronger foundation with measurable results Allows for PTM Already occurs in watershed district plans Allows for local variation 	<ul style="list-style-type: none"> What project is most beneficial – to what? To whom? Scale dependent – conversations about prioritization/funding Adds another level of planning Collaboration is variable

*PTM – Prioritized, Targeted, Measured; ✓ - duplicated comment

Question 3: In an ideal world, which LGUs/organizations or projects should be eligible for this funding?

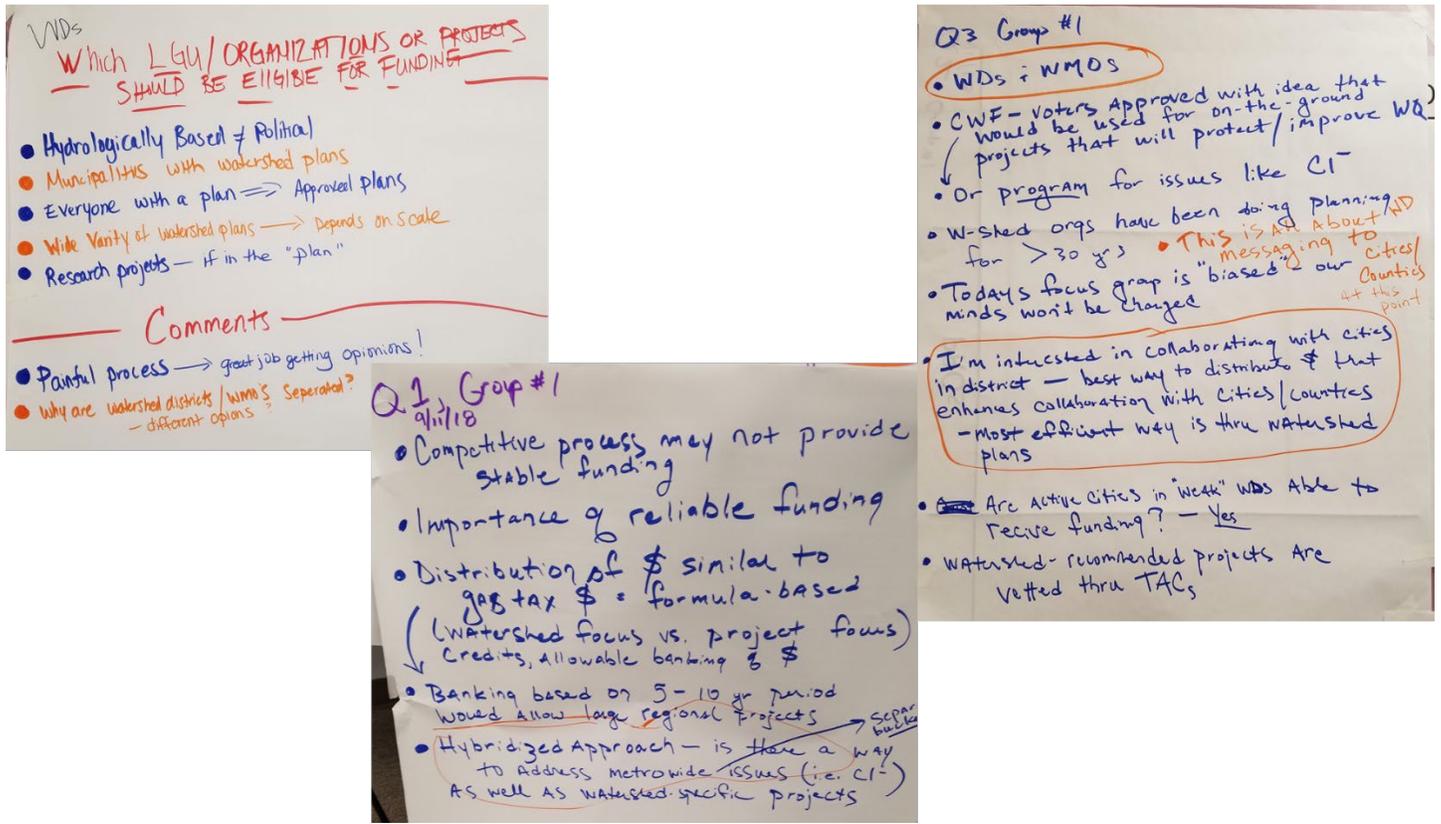


Figure 4: Focus Group Eligibility Brainstorms & Other Comments

Table 4: Summary of Responses to Question 3: Organization and Project Eligibility

	Eligible	Not Eligible
LGUs/Organizations	<ul style="list-style-type: none"> Watersheds – hydrologically based, not political Municipalities with watershed plans Anyone with an approved plan Watershed Districts and Watershed Management Organizations Active cities in “weak” watershed districts 	<ul style="list-style-type: none"> Anyone without an approved plan
Projects/Programs	<ul style="list-style-type: none"> In a watershed plan <ul style="list-style-type: none"> Research On the ground projects or programs that will protect/improve water quality Watershed-recommended projects that are vetted through Technical Advisory Committees 	

√ - duplicated comment

Other comments:

- Watershed Organizations have been doing this for 30+ years
 - This is all about WD/WMOs messaging to cities/counties at this point
- Today’s focus group is biased – our minds won’t be changed
- I am interested in collaborating with cities in district

- What's the best way to distribute money that enhances collaboration with cities/counties
- The most efficient way is through watershed plans
- Funding related comments:
 - Competitive process may not provide stable funding
 - Reliable funding is important
 - Distribution of money like gas tax = formula based
 - Banking based on 5-10 year period which would allow for large regional projects
 - Hybridized approach – is there a way to address metro-wide issues (i.e. Chloride) as well as watershed-specific projects

Priority Voting

After the report back from the breakout sessions the group was asked to participate in ranked-choice voting to select their 1st, 2nd, and 3rd choices in both scale and allocation. This was done with private ballots.

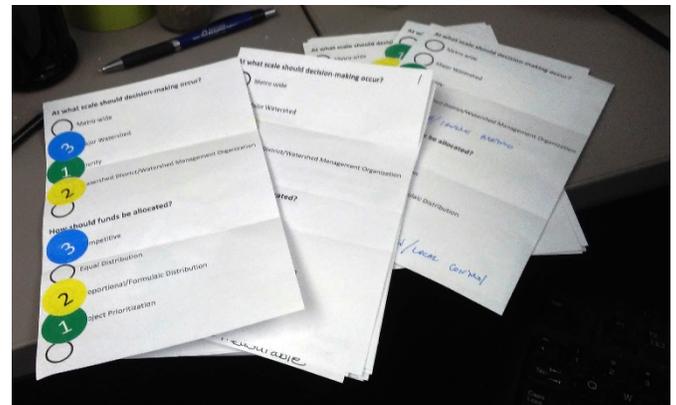
Results

Scale

- 1: Watershed district/Watershed management organization
- 2: Major watershed

Funding

- 1: Project prioritization
- 2: Proportional/formulaic
- 3: Tie – Competitive
- 3: Tie - A blend: Depends on the scale of decision-making, but should Prioritize, Target, and be Measurable.



Meeting Take Away

The watershed district participants actively participated in all discussions in a thoughtful way. Generally, there was a consensus that watershed organizations might be the better scale to make the WBF decision-making, and if not at that scale, the major watershed would be the next best scale. The allocation preference favored Project Prioritization List with Proportional/Formularic behind it. There was also support for a blend of both Proportional/formularic and Project prioritization, depending on the scale of decision making and a competitive process. Participants were clear that entities with approved plans should be eligible for funding as long as they meet the PTM criteria. Cities would be eligible through their watershed organization plans. Participants believe funds should prioritized projects.

During the plus/delta the group appreciated the organization of the event, the thoughtful participation of the group, and the power bars, but would have preferred more information about the day's agenda and information from the pilot program allocations.

Attendee Contact List

Name	Organization Represented	Email Address
Randy Anhorn	Nine Mile Creek Watershed District	ranhorn@ninemilecreek.org
Tina Carstens	Ramsey Washington Metro Watershed District	tina@rwmwd.org
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Mark Doneux	Capital Region Watershed District	mark@capitalregionwd.org
Matt Moore	South Washington Watershed District	Matt.Moore@woodburymn.gov
Tom Dietrich	Minnehaha Creek Watershed District	tdietrich@minnehahacreek.org
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