

Clean Water Council (Council)
August 15, 2022

1. Regular Council Business

The meeting was called to order by Chair Barten at 9:02 a.m. Introductions were made. The agenda and the April 25 meeting minutes were approved. Information of particular interest to watershed organizations are highlighted in gray.

Chair and Council Staff Update

Paul Gardener provided housekeeping information. Senator Ruud said the sales tax numbers are looking good, which is good news for the Clean Water Fund (CWF).

2. Local Government Input on Clean Water Fund Implementation

LeAnn Buck, Minnesota Association of Soil and Water Conservation Districts (SWCD); Emily Javens, Minnesota Association of Watershed Districts; and Brian Martinson, Association of Minnesota Counties gave a PowerPoint presentation about Watershed-Based Implementation Funding.

Council members asked questions about private sector partners; One Watershed, One Plan (1W1P); promoting good agriculture and soil health practices; how to include city drinking water in 1W1P; shoreland protection in planning and zoning regulations; the funding change from competitive to predictable through 1W1P; the use of Watershed Restoration and Protection Strategies data to determine strategies in 1W1P; the importance of partnering to bring about regulatory and voluntary changes on the landscape; ongoing conversations with and the need for landowner acceptance for change to happen; forestry plans; that 1W1P is a new business model to fund watershed work; and that money alone will not solve water quality problems.

Elizabeth Wefel, Coalition of Greater Minnesota Cities explained that the organization she represents plays an essential role in protecting and enhancing water quality in lakes, rivers, and streams. Three programs they urge strong support for: point source implementation grant program; chloride reduction grants; and funding for wastewater and stormwater.

[Break from 10:30 a.m. to 10:45 a.m.]

3. Summary of Written Comments on Draft CWF Recommendations

Paul Gardener gave a summary of the written comments received on the draft CWF recommendations. They received more input than in the last cycle. Support was given for funding for lead service lines inventory that was not included in the summary document. The Council discussed the comments.

4. Public Input

Public input was received in support of the stormwater research program at the University of Minnesota; concerns about ground water contamination in private wells and community water supplies in Lewiston and Utica and the need for expensive treatment or new wells because of the contamination; funding for Voyageurs National Park; Forever Green; and the lead service inventory.

Concerns were expressed regarding the funding for the BWSR buffer law implementation when it is reported that there is 99% compliance, it is unclear why this level of funding is necessary); relating to the Minnesota Ag Water Quality Certification Program in that profitability isn't always compatible with public health goals for nitrates and the need for additional guidance for Drinking Water Supply Management Areas; and that appropriating funds for specific projects such as Voyageurs National Park runs counter to the program-based nature of the CWF program. Better funded through PFA wastewater treatment grant program.

[Break for lunch 11:50 a.m. to 12:20 p.m.]

5. Discuss Scenarios/Process for Modifying CWF Recommendations Due to November Forecast

Paul Gardner gave a PowerPoint presentation focusing on the Council's timeline for CWF recommendations, his suggestions for the process, and potential scenarios given the November budget forecast and funding for SWCDs.

Timeline

- Agencies submit budget info to MMB/Governor in **late August**
- Election on **November 8th** determines Governor and majorities in House & Senate; committee chairs determined **early December**
- November budget forecast comes out ~ **week of November 28th**
- Governor/MMB then requests any changes from agencies to revise budget to match new revenue estimate
- Council recommendations due **January 15, 2023**
- Late February 2023 forecast "locks in" revenue estimate for FY24-25

Suggestion

- Legislature and the public would appreciate the Council and agencies/Governor being in agreement on any changes based on November forecast.
- Will save a lot of time during session.
- Gives greater credibility to recommendations on the whole.
- Time between November forecast and January 15th is SHORT—maybe 45 days including Thanksgiving and December holidays. (Council has often cancelled a December meeting.)
- At September & October meetings, Council can identify where to cut or add (with agency and stakeholder input) depending on November forecast and respond quickly

Scenarios for November Budget Forecast & SWCDs

- Clean Water Fund could
 - Decrease by a few million, which would be easy to address with little pain
 - Decrease by a lot more, which would require some serious cuts
 - Increase by a few million, allowing rounding up some requests
 - Increase by a lot more, allowing additional programs or program increases
- AND/OR Legislature could appropriate ~\$24 million from CWF for SWCDs
 - A bipartisan tax bill from 2022 could be revived to provide some non-CWF \$\$
 - Depends on who is in charge at Legislature
- Monthly sales tax revenue since last forecast is UP

The Council discussed the suggestion and scenarios. Their task is to determine what programs they firmly support and which ones could potentially receive funding cuts. This will be done before the next legislative session.

6. Adjourn

The meeting adjourned at 1:00 p.m.

Notes submitted by
Jan Voit