



LOWER MINNESOTA RIVER WATERSHED DISTRICT

April 2019 Administrator report
From: Linda Loomis, Administrator
To: LMRWD Board of Managers

In addition to items on the meeting agenda, work continues on the following District projects and issues:

Metro-area Watershed Based Funding

BWSR asked MCES to facilitate a discussion amongst groups eligible to receive Watershed Based Funding. The goal of the group was to determine a more equitable way to distribute Clean Water Funds in the Metro area. Initial meetings organized by MCES divided the eligible organizations by the type of group, i.e. watershed districts were grouped together, Counties and SWCDs, WMOs, Cities & Townships and so forth. Each group was asked to nominate two representatives to continue discussions.

The representative group has completed its discussion and has made a recommendation to BWSR. A Summary of the process and the recommendation are attached for Board information. BWSR will now have to determine whether or not to accept the recommendation or go in another direction.

Ike's Creek Chloride testing

Vicki Sherry of USFWS (US Fish & Wildlife Service) contacted the LMRWD to see if the District would assist in additional testing of Ike's Creek for Chlorides. She is concerned that the two years of testing USFWS and the LMRWD have done indicates comparatively high levels of Chloride. She would like to collect samples for testing in the summer months to see if the Creek is naturally high in chlorides or if winter salt use is the cause of the high readings.

Dredge site condition

With the recent high water, I inspected the Vernon Avenue dredge site on Tuesday April 9th. I was not able to access the site as Vernon Avenue was completely underwater north of the railroad. The south leg of the tracks coming from Cargill east was also submerged.

I was able to walk along the railroad north to the river to check the containment berms on the river side of the site. The berms have a small amount of erosion and it appears that the river did not overtop the berms. The [observed river elevation](#) in Savage at the time was 708.58 feet. (Flood stage is 702 feet; Moderate flood stage is 710 feet)

Water Storage Forum

The Water Resource Center at Minnesota State University Mankato held a Forum to highlight the issue of upland water storage. Many of the attendees were from drainage authorities in the Minnesota River Basin. It was focused on what needs to be done. I would estimate around 200 people attended.

Future of Drinking Water

I attended a meeting organized by the Minnesota Department of Health on behalf of MAWD. Emily Javens asked District Administrators if someone could cover this meeting for her, because she had a conflict.

This meeting is to look at issues and challenges facing Minnesota's drinking water providers and regulators in the future. This meeting discussed how the Department of Health should consider regulating drinking water sources and providers.

Metro-area drinking Water Source Protection

This meeting was organized by Metropolitan Council Environmental Services to discuss issues and challenges facing drinking water providers and regulators in the future. This meeting took a different approach to the meeting organized by the Department of Health, in that it specifically looked at protecting the water sources in the Metro Area - both groundwater and surface water.

Remote Meeting Participation

I have contacted the consultant retained by the Rice Creek Watershed District to assist them with remote meeting participation. I am meeting with her at the LMRWD meeting venue on Wednesday, April 17th. Carver County has indicated they are not set up to be able to facilitate remote participation in meetings.

I have also received information from Pelican River Watershed District. They sent me the policy they adopted regarding remote participation and they also informed me what equipment they use. The Pelican River **Policy for Meetings Conducted via Interactive Television/Technology Purpose (MN Statute 13D.02) or by Telephone or other Electronic Means (MN Statute 13D.021)** is attached.

Freshwater Society Ice Out/Loon In

Managers planning to attend this event on May 4th, please let me know so that I can let Freshwater know who will attend and then fill out the rest of the table.

Upcoming meetings/events

- Upper Mississippi River Waterway Association - Thursday, April 18, 2019, 11:30am Lilydale Pool & Yacht Club
- Scott County Watershed Planning Commission - Monday, April 22m 4:00pm - Manager Hartmann and I are planning to attend this meeting to update them with the work the LMRWD is doing.
- USACE River Resource Forum - April 23-24, 2019 (more information will be provided as it becomes available)
- [Eden Prairie Arbor Day Walk/Green Fair](#) - Saturday, May 4, 2019, 9:00am -12:00 noon, Round Lake Park, 16691 Valley View Road, Eden Prairie
- [Ice Out/Loon In](#) - Freshwater Annual Gala, May 4, 2019, Metropolitan Club & Ballroom
- [2019 Water Summit-Bridging Science and Society](#) - May 9-10, 2019, 8:30am-4:30pm, Science Museum of Minnesota
- 12th MN River Congress - Thursday, May 16, 2019, St. Peter Minnesota (more information will be provided as it becomes available)
- [Bloomington Public Works Open House](#) - Saturday, May 18, 2019, 9:00am - 12:00 noon, Public Works Building, 1700 W. 98th Street, Bloomington



Metro Watershed Based Funding Local Governmental Unit Engagement



Process Overview



The Board of Water and Soil Resources (BWSR) partnered with the Metropolitan Council to facilitate a multi-phased stakeholder engagement process to gather recommendations for the Watershed Based Funding (WBF) Program for the Twin Cities metropolitan area.

Computer Survey



July-August 2018: The first phase consisted of a high-level stakeholder survey on the pilots of the metro area WBF. An electronic survey was sent out to stakeholders. The results were tallied and shaped the focus group breakout questions.

Focus Groups



September 2018: The second phase consisted of a series of focus groups. Each stakeholder group was invited to provide deeper input into how the future WBF Program would function in the metro area and nominated two representatives and one alternative to attend a multi-stakeholder forum.

Multi-Stakeholder Forums



November 2018- January 2019: The third phase was a multi-stakeholder forum. A group of ten representatives was tasked with developing recommendations from the metro-area stakeholders to guide BWSR staff and committee members as they craft the guidelines of the Metro WBF. The three recommendation topics were Geographic/Planning Areas, Allocation of Funds, and LGU/ Plan Eligibility.

BWSR Integrates Recommendations



January-July 2019: In the fourth phase, BWSR will combine the recommendations from the Metro WBF multi-stakeholder forum with recommendations from other statewide stakeholder groups to develop final guidelines and language for the WBF Program.

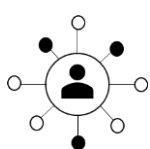
Approved Policy



August 2019: In the fifth and final phase, the BWSR Board will approve and authorize the policy and funding for the WBF Program.

By the Numbers...

5 Stakeholder Groups



Cities & Townships
Watershed Districts
Watershed Management Orgs.
Counties
Soil Water Conservation Districts



86 Participants



28 Hours of Conversation



9 Facilitated Meetings



3 Recommendations

Recommendations

Planning Areas

The Planning Areas should mostly follow the 1W1P boundaries, however, the Mississippi Twin Cities and Lower Minnesota should be split by their rivers (Figure 1).

There should be a separate Planning Area for groundwater.

Allocation

The Allocation from BWSR to the Planning Areas should be distribution by a formula. The primary driver should be Land Area, and the secondary driver should be a tax-based parameter. There should be a minimum allocation amount, so that if a geographic area's formulaic result does not reach the threshold it should have a guaranteed minimum amount.

Groundwater should be allocated separately from the other proposed Planning Areas.

Eligibility

Cities/Townships, watershed districts, watershed management organizations, counties, soil water conservation districts, or joint powers boards/joint powers organizations are eligible for direct distribution of WBF funds.

Eligible plans for WBF funds are WD/WMO management plans, County groundwater management plans, One Watershed One Plan plans, and SWCD management plans (assuming at a minimum they will have a stronger review process including public engagement & BWSR Board approval).

Additional Guidance

Each area will have a group of organizations evaluate fund distribution at their local level. This **Planning Area Evaluation Team** will include 1-2 city/township representative(s), a representative from each of the WD/WMOs, county, and SWCDs in the planning area.

They **must**:

- Use Prioritized, Targeted, Measurable (PTM) in their decision-making. There must be some measurability incorporated into this process. This criterion will allow the areas to identify and track what they are trying to achieve.
- Use Local Water Quality Priorities – The group acknowledges the variation within and across the metro and wants to ensure that the priorities of each planning area are set by the participants, not external influences.
- Meet at least once to decide how the funds will be distributed to the implementing entities.

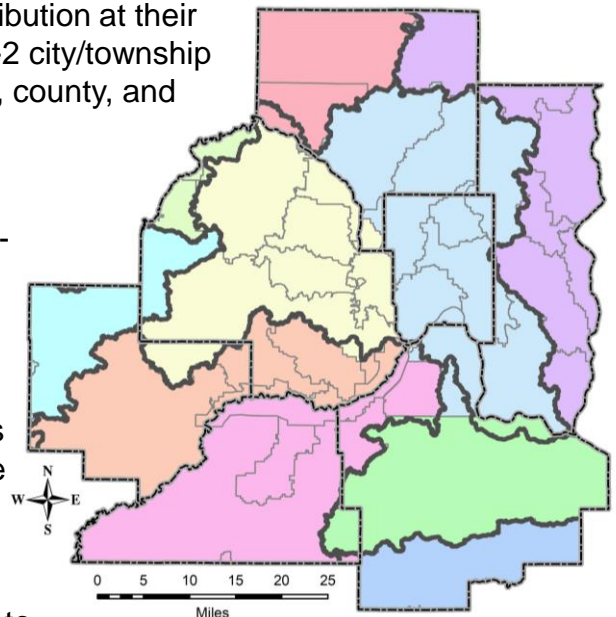


Figure 1: Recommended Planning Areas

Watershed Based Funding Forum Summary

Background

The Board of Water and Soil Resources (BWSR) partnered with the Metropolitan Council (Council) to perform a stakeholder engagement process to gather input about future directions of the Watershed Based Funding (WBF) Program for the Twin Cities metropolitan area.

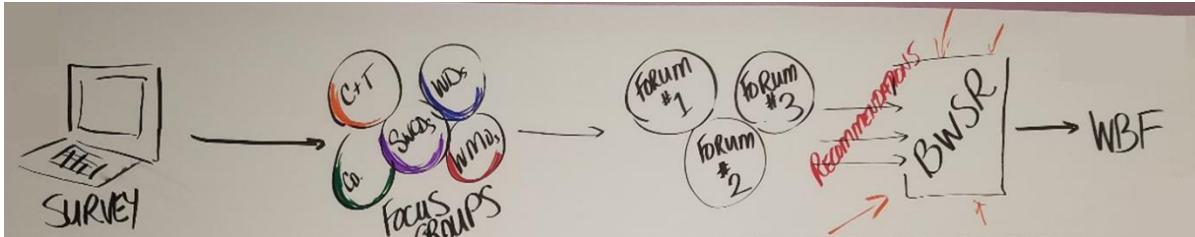


Figure 1: Watershed Based Funding Feedback Process

The first phase consisted of a high-level stakeholder survey on the pilots of the metro area WBF. An electronic survey was sent out to stakeholders. The results were tallied and shaped the focus group breakout questions.

The second phase consisted of a series of focus groups (Cities & Townships, Watershed Districts, Watershed Management Organizations, Counties, SWCDs). Each stakeholder group was invited to provide deeper input into how the future WBF Program would function in the metro area and nominated two representatives and one alternative to attend a multi-stakeholder forum.

The third phase was a multi-stakeholder forum. A group of ten forum representatives was tasked with developing recommendations from the metro-area stakeholders to guide BWSR staff and committee members as they craft the guidelines of the Metro WBF. The three recommendation topics were Geographic/Planning Areas, Allocation of Funds, and LGU/ Plan Eligibility.

In the fourth phase, BWSR will combine the recommendations from the Metro WBF multi-stakeholder forum with recommendations from other statewide stakeholder groups to develop final guidelines and language for the WBF Program.

In the fifth and final phase, the BWSR Board will approve and authorize the policy and funding for the WBF Program.

This document contains the summary notes from each meeting and describes the development of the three Metro WBF recommendations from the multi-stakeholder forums. In addition to the recommendations, the group also provided guidance for the participants of the future Metro WBF process.

Recommendations

Planning Areas

The Planning Areas should mostly follow the 1W1P planning boundaries, however, the Mississippi Twin Cities and Lower Minnesota should be split by their rivers (figure to the right).

There should be a separate Planning Area for groundwater.



Allocation

The Allocation from BWSR to the Planning Areas should be distribution by a formula. The primary driver should be Land Area, and the secondary driver should be a tax-based parameter. There should be a minimum allocation amount, so that if a geographic area's formulaic result does not reach the threshold it should have a guaranteed minimum amount.

Groundwater should be allocated separately from the other proposed Planning Areas.

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Additional Guidance

Each area will have a group of organizations evaluate fund distribution at their local level. This **Planning Area Evaluation Team** will include 1-2 city/township representative(s), a representative from each of the WD/WMOs, county, and SWCDs in the planning area.

They **must**:

- Use Prioritized, Targeted, Measurable (PTM) in their decision-making. There must be some measurability incorporated into this process. This criterion will allow the areas to identify and track what they are trying to achieve.
- Use Local Water Quality Priorities – The group acknowledges the variation within and across the metro and wants to ensure that the priorities of each planning area are set by the participants, not external influences.
- Meet at least once to decide how the funds will be distributed to the implementing entities.

They **should**:

- Consider projects that would benefit bodies of water that are nearly or barely impaired.

- Establish a list of alternative projects that could be funded if an initial project fails.
- Consider the use of impartial facilitators during their meetings.

Additionally, WD/WMOs must meet with their cities and townships to discuss the prioritization of municipal projects prior to the Planning Area Evaluation Team meeting(s). This can be accomplished through a TAC or other WD/WMO meeting.

BWSR will:

- Convene a meeting with the eligible counties with Groundwater Plans to discuss how their distribution of funds should occur.
- Provide a standardized template for reporting purposes.
- Consider providing facilitation for the Planning Area Evaluation Meetings.

Forum Representatives

These are the representatives and alternates from each stakeholder group:

	Representative 1	Representative 2	Alternate 1
Cities	Rebecca Haug	Vanessa Strong	Paul Teicher
WDs	Mark Doneaux	Becky Christopher	Diane Lynch
WMOs	Mark Zabel	Laura Jester	Doug Snyder
Counties	Jessica Collin-Pilarski	Brad Becker	Molly Churchich
SWCDs	Brian Watson	Chris Lord	Jay Riggs

Glossary and Acronyms

When having meaningful discussion, it is important to agree on the definition of words. The participants defined the words/ideas listed below over the course of the Multi-Stakeholder Forum:

1W1P Planning Watersheds	Watersheds that are defined by BWSR. They are derived from the Major Watersheds; however, they are also influenced by political jurisdictions or planning decisions.
Allocation	The distribution of funds from BWSR to the geographic areas.
BWSR	The Minnesota Board of Water and Soil Resources
HUC8 Watersheds	Watersheds defined by the USGS. They are hydrologically defined and can cross state borders
Implementing Entity	Organizations that can sign a BWSR contract or grant agreement. The group agreed that this could be a city or township, a watershed district, a watershed management organization, a county, a soil water conservation district, or a joint powers board or joint powers organization.
Land Area	Privately held land that includes water area and excludes state, federal, and tribal lands
LSWMP	Metropolitan Local Surface Water Management Plan. A municipal plan required by Section 103B MN statute.
Major Watersheds	Watersheds that are defined by the MnDNR. They are derived from the HUC8 Watersheds; however, they are also influenced by state borders.
MnDNR	The Minnesota Department of Natural Resources
PTM	Prioritized, Targeted, Measurable. The concept Prioritize-Target-Measure is being promoted by the Minnesota Board of Water and Soil Resources as a method to plan for and implement effective projects. To prioritize is to recognize that not all valued resources and identified issues can be addressed at the same time—some items will be addressed before others. To target is to take a closer look at priority areas and issues and identify specific cost-effective and measurable actions necessary to achieve goals and address issues. To measure is Watershed Planning Once planners are able to work with entire landscapes that span artificial government boundaries, they can be easier to protect.
USGS	The US Geologic Survey.

Forum Meeting 1 - November 7, 2018

Design

The desired outcomes, agenda, and ground rules were provided at the onset of the forum. Although participants were invited to make suggestions and additions to the ground rules, no one took advantage of this option.

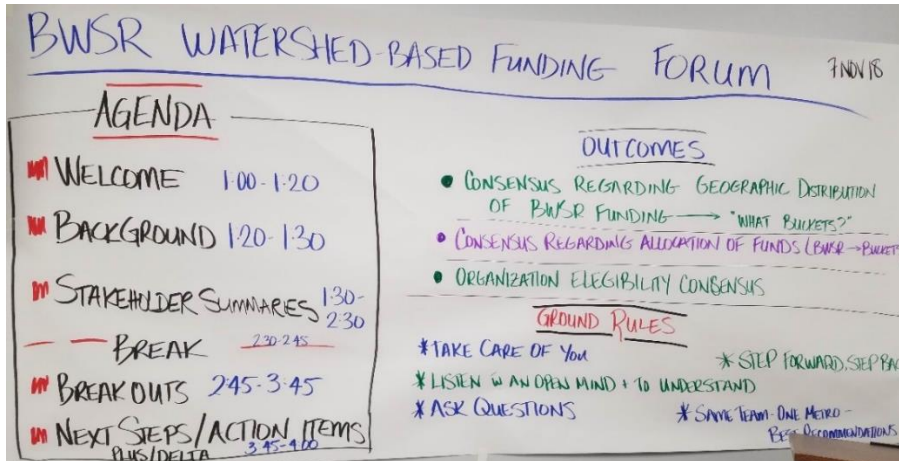


Figure 2: Watershed Based Funding Forum 1 Agenda

Desired Outcomes

- Consensus regarding geographic distribution of BWSR funding → “What Buckets?”
- Consensus regarding allocation of funds → From BWSR to Buckets
- Consensus regarding eligibility of organizations.

Ground Rules

- Take care of you
- Listen with an open mind and to understand
- Ask questions
- Step forward, step back
- Same team, one metro, best recommendation(s)

Agenda

Welcome

- Introductions
- Building Logistics
- Agenda, Outcomes, Roles & Ground Rules
- Definition of Consensus
- Representative Responsibilities

Background

- Process Overview

Summary of Focus Groups & Stakeholder Positions

Breakouts

Next Steps/Action Items

Plus/Delta

Roles & Responsibilities

MCES Meeting Facilitators: Jen Kostrzewski, Emily Resseger, and Judy Sventek

BWSR Representatives: Kevin Bigalke, Doug Thomas, Melissa Lewis, Marcey Westrick

Attendees: Brad Becker, Becky Christopher, Jessica Collin-Pilarski, Mark Doneux, Rebecca Haug, Laura Jester, Chris Lord, Diane Lynch*, Doug Snyder*, Venessa Strong, Brian Watson, Mark Zabel

**Diane and Doug attended as alternates and observers to the meeting, they did not participate as representatives.*

Meeting Summary

The Multi-Stakeholder Forum process will require 2-3 meetings. This was the first. The meeting began with participants introducing themselves, the stakeholder group that they represented, and one hope and one fear about the process. Generally, there was a high-level of hope for consensus and big picture thinking and a fear that there wasn't a clear and easy answer.

Kevin Bigalke shared an overview of the entire WBF feedback process because not all the representatives were able to attend their respective focus groups.

We also agreed on the definition of consensus at the beginning of the meeting. All representatives concurred that consensus does not mean that you support the recommendation 100%, but rather it is that you can live with the recommendation and not actively work against it. We acknowledged that not everyone would be completely happy with this process, but through conversation we can come to consensus.

The representatives summarized their focus group experience and shared their stakeholder group view points on geographic distribution (scale), allocation, and eligibility. We asked for this information in a framework of what was the preferred solution, the alternative solution, and the non-starter solution. The answers were graphically recorded (see Figure 4). Although this first meeting was only focused on geographic distribution, we wanted to have a full conversation about all three aspects. This document will be revisited and revised throughout the Forum process.

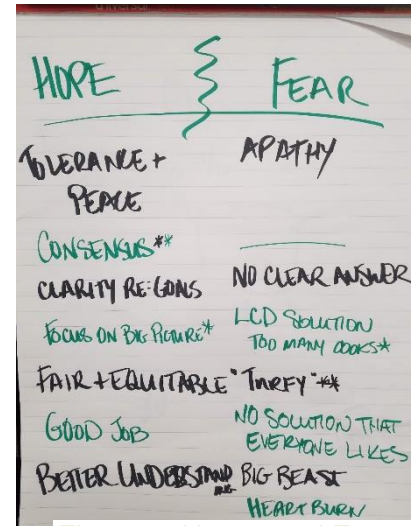


Figure 3: Hopes and Fears

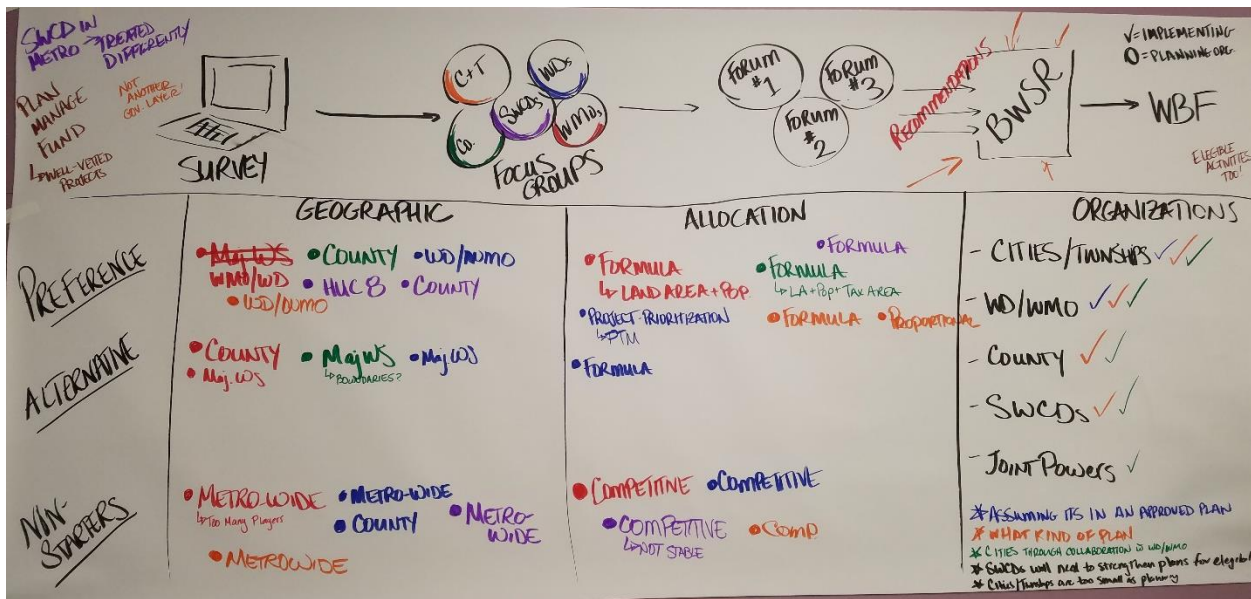


Figure 4: Stakeholder Preferences, Alternatives, and Non-starters for Geographic Distribution, Allocation, and Eligibility

The preferred geographic distribution varied between stakeholder groups – 3 votes for WD/WMO, 2 votes for County, 1 vote for HUC 8. The Alternative had 3 votes for HUC8/Major Watershed, 1 vote for County. The Non-starter was more consistent – 1 vote for County and 4 votes signifying that the Metro-wide scale is not ideal.

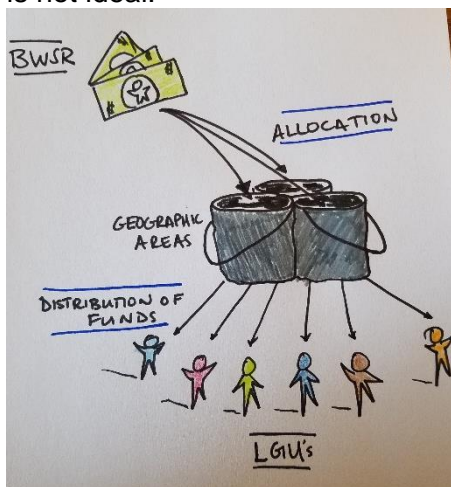


Figure 5: BWSR Fund Allocation and Distribution

The discussion of allocation brought up the need for clarity with this topic. During the focus groups there was confusion if the allocation meant the distribution of funds from BWSR to the geographic areas or if it meant from the geographic areas to the eligible organizations. **For the purposes of the Forum, the term “Allocation” is to be defined as the distribution from BWSR to the geographic areas.**

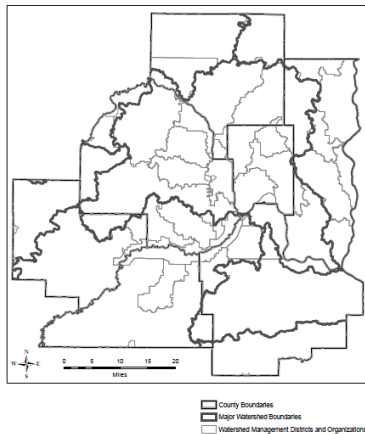
Once we reached an understanding of what “Allocation” meant for this process, we continued our conversation. The responses were primarily in preferred or non-starter categories. The preferred allocation was split between formula (4 votes) and prioritization (2 votes). There was complete consensus that a competitive process is a non-starter and is not ideal for all stakeholder groups.

Further clarity was needed as we began the conversation about the eligibility of organizations to the funding process. A point was raised that we were discussing two different types of eligibility – eligible planning organizations and eligible implementing organizations. The facilitators agreed and tabled this topic for a more nuanced discussion at a later meeting.

Focus Group Breakout Sessions

After a break we started to tackle the first desired outcome of the Forum: *Consensus regarding geographic distribution of BWSR funding* → “What Buckets?” We split the group into two subgroups with a representative from each stakeholder group. The goal of the breakout subgroups was to have a discussion and come together to propose a recommendation to identify the buckets. To inspire creativity, the facilitators offered some example maps showing divisions based on jurisdictional boundaries (Counties, WD/WMO), hydrologic boundaries (HUC 8), and hybrid approaches (HUC 8 split by groups of WD/WMOs or by major river). These maps were only to be prompts to start conversation, so they are not included in this meeting summary.

Twin Cities Metro Area



Subgroup participants were given blank maps (Figure 6), highlighters, and markers. Facilitators acted primarily as timekeepers and notetakers. Discussions at each group were lively. Topics ranged from trying to identify the appropriate size of bucket that would balance collaboration ability and number of LGUs participating to finding the scale that would have a large enough funding amount to make the effort worth it.

Both groups developed issues that were placed in a parking lot:

- How will 1W1P areas be considered for funding in the metro area (Washington, Dakota)? One or the other? Both?
- If WD/WMO level is the distribution level, how will counties get funding?

Figure 6: Blank Metro Area Maps

By the end of the time allotted, we had one recommendation from a subgroup (Figure 7). This recommendation was a hybrid delineation that was loosely based on the HUC 8 boundaries. The group said that the watersheds should not be cutoff by an arbitrary metro boundary, so the Lower St. Croix, the Rum, the Crow, and the Cannon extend to their full-scale. The Vermillion (within the metro) would be in its entirety as well, the Goodhue portion was not discussed. It was also acknowledged that the Lower Minnesota and the Mississippi-Twin Cities would be too large of a scale to promote effective collaboration. To address those concerns the Mississippi -Twin Cities was split in to two groups: East of the Mississippi and West of the Mississippi. The group acknowledged that this might not be the best way to split this watershed, but it was a first draft. Lastly, the Lower Minnesota was kept whole, with the recognition that it is a large parcel of land. Some ideas were floated as to subdividing the watershed, but time ran short. The start of the second meeting will allow for further discussion as a whole forum to continue this conversation.

Meeting Take-Away

The first meeting of the Multi-Stakeholder Forum was successful. The group worked well together. The participants were able to effectively advocate for their stakeholder groups, identify and share commonalities across groups, and listen to alternative perspectives. They did so with respect and understanding for all members participating. As a group, we did not accomplish the desired outcome of developing geographic distribution recommendation(s), but we laid the ground work for continuing successes in the coming meetings.

The group felt as though it needed more guidance. They would like to identify the tenets of the current system that we should preserve, have clarity about the goals we are focusing on, and discuss what's working and what will be durable in to the future.

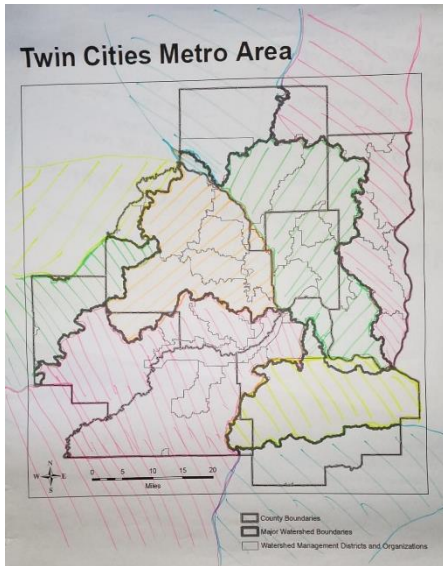


Figure 7: Proposed Geographic Distribution Areas

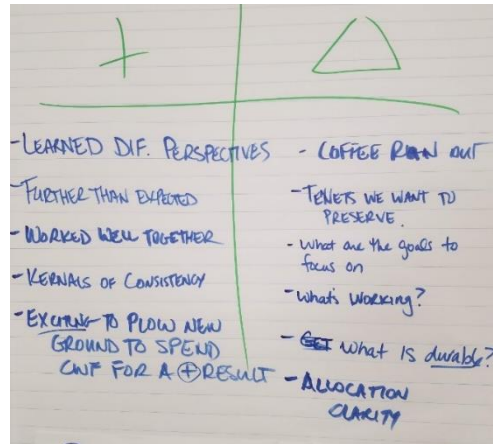


Figure 8: Forum 1 Plus/Delta

Forum Meeting 2 - December 5, 2018

Design

The desired outcomes, agenda, and ground rules were provided at the onset of the forum. Although participants were invited to make suggestions and additions to the ground rules, no one took advantage of this option.

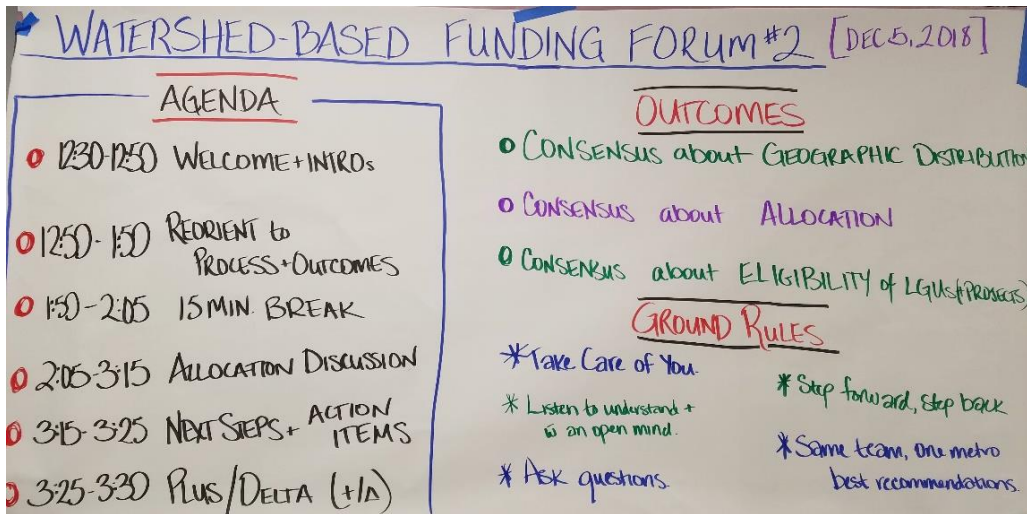


Figure 9: Watershed Based Funding Forum 2 Agenda

Desired Outcomes

- Consensus regarding geographic distribution of BWSR funding → “What Buckets?”
- Consensus regarding allocation of funds → From BWSR to Buckets
- Consensus regarding eligibility of organizations.

Ground Rules

- Take care of you

- Listen with an open mind and to understand
- Ask questions
- Step forward, step back
- Same team, one metro, best recommendation(s)

Agenda

Welcome

- Introductions
- Building Logistics
- Agenda, Outcomes, Roles & Ground Rules

Reorient to Process & Outcomes

- Process Timeline Overview
- Review BWSR Guiding Principles
- Stakeholder Feedback:
- Preferences, Alternatives, Non-Starters
- Outcome 1: Geographic Distribution

Allocation Discussion

- Outcome 2: Allocation
- Parameter Brainstorm
- Reflect on Suggestions
- Prioritize Parameters
- Develop Recommendation(s)

Next Steps/Action Items

Plus/Delta

Roles & Responsibilities

MCES Meeting Facilitators: Jen Kostrzewski and Judy Sventek

BWSR Representatives: Kevin Bigalke and Melissa Lewis

Attendees: Brad Becker, Becky Christopher, Jessica Collin-Pilarski, Mark Doneux, Rebecca Haug, Laura Jester, Chris Lord, Venessa Strong, Brian Watson, Mark Zabel

Handouts – See Appendix

Meeting Agenda

Summary Document of Forum 1

BWSR Guiding Principles for Watershed-Based Funding Pilot Program

Blank Map of the Metro Area

Meeting Summary

The Multi-Stakeholder Forum process will require 2-3 meetings. This was the second. The meeting began with participants introducing themselves, the stakeholder group that they represented, and revisiting their hopes and fears that they offered last meeting about the process. Generally, the group reiterate a hope or a fear from Forum 1, but there were also new hopes and fears added (red ink in Figure 10).

We reviewed the process timeline, and a concern was voiced that we may not be able to meet all our outcomes in three meetings. The group agreed that a fourth meeting might be necessary, and BWSR said that if it was needed, we could continue to meet into early January.

The group reviewed the BWSR Guiding Principles for the Watershed-Based Funding Pilot Program (See Appendix). While the document was created for the WBF pilot, many of the guiding principles are still applicable for the next round of WBF and could be considered some of the tenets that were requested at the end of Forum 1.

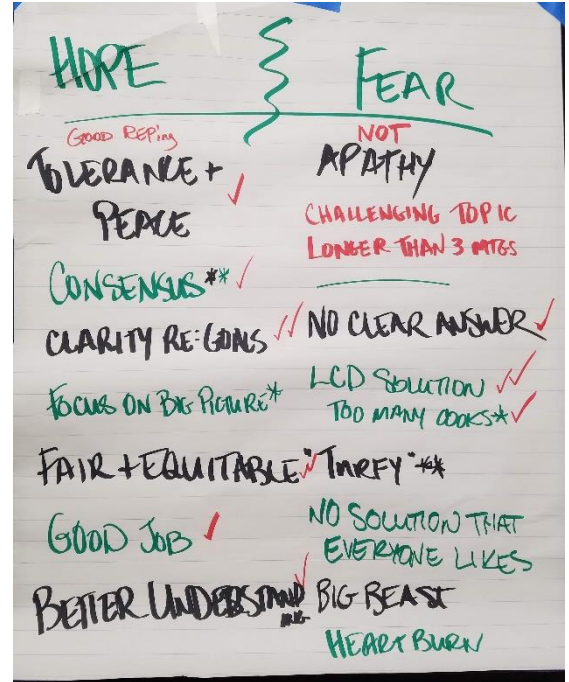


Figure 10: Hopes and Fears Version 2.0

Stakeholder Feedback

As a group, we revisited our work from the last meeting – both the preferences of geographic distribution and allocation types (Figure 11). The participants shared the feedback they had received from their cohorts. Only a couple of the stakeholder groups provided feedback. The was a preference from

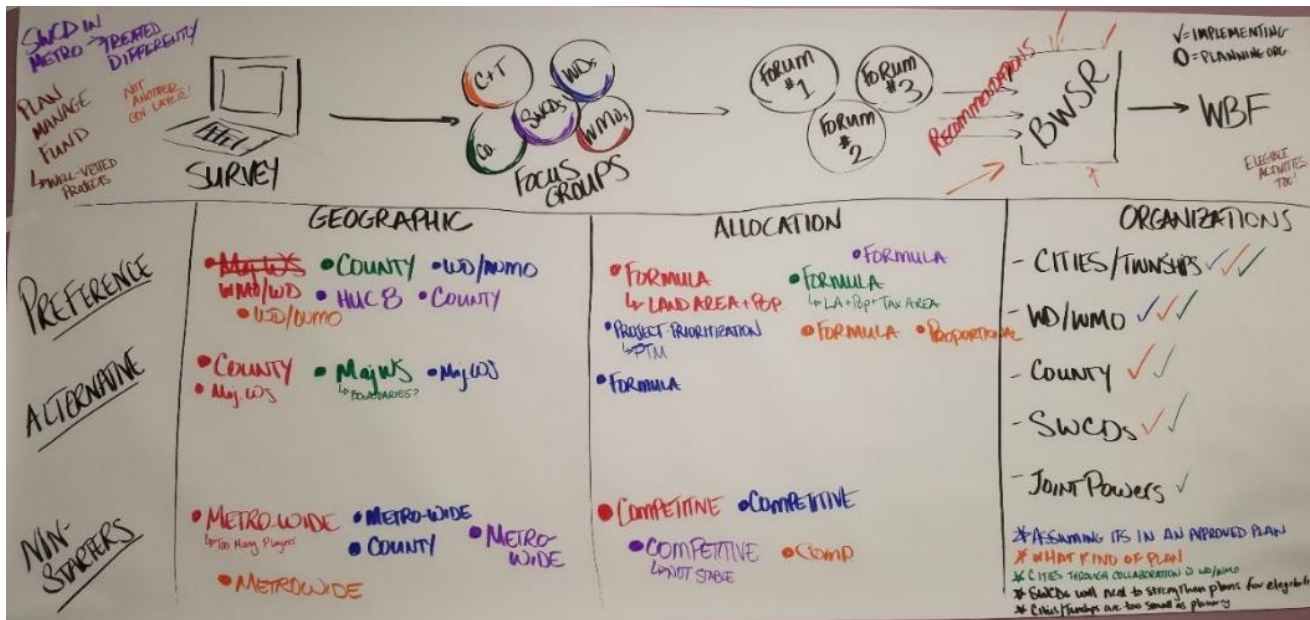
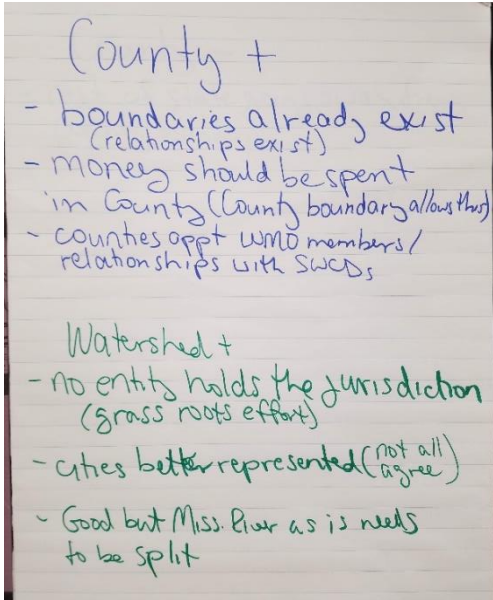


Figure 11: Stakeholder Preferences, Alternatives, and Non-starters for Geographic Distribution, Allocation, and Eligibility

stakeholders for the major watersheds by majority vote, however there was some support for counties as the distribution area. If major watersheds are chosen, they would split the Mississippi Twin Cities and the

Minnesota River watersheds into two parts – East and West of the Mississippi River and split the Minnesota into North and South sections. They prefer the formula-based allocation and would prefer that funds can be spend outside of the metro boundaries for watersheds that extend outside of the metro area – for the good of the watershed. Other stakeholders are concerned about the distribution areas affecting the project targets – the major watershed distribution would put too much focus on the major rivers and

not all the waters in the watershed (streams, lakes, wetlands, etc.).



Outcome 1: Geographic Distributions

The group reflected on their progress made from the first meeting on the geographic distributions. It became clear that we needed to have more clarity about the terms that were used to describe watershed:

HUC8 Watersheds are created by the USGS, and they are defined by hydrologic boundaries and are independent from political boundaries. This means that a HUC8 Watershed can cross state borders.

Major Watersheds are created by MnDNR, and are derived from the HUC8 Watersheds; however, they are also influenced by political boundaries. These watersheds are cut off at the state border.

1W1P Watersheds are defined by BWSR. They are derived from the Major Watersheds; however, they are also influenced by political jurisdictions or planning decisions. ***This is the watershed we are referring to in this process.***

There was a very good discussion about the pros and cons of splitting the metro by watersheds or counties. The list of pros/cons is not to be assumed as exhaustive. The initial consensus was trending towards 1W1P boundaries, so the conversation focused on reasons to consider/not consider county boundaries.

The benefits of the county distribution are:

- The boundaries and relationships already exist
- The money should be spent in the county
- Counties appoint WMO members and has good relationships with SWCDs

The drawback of the county distribution is that the rest of the state is moving away from county boundaries for planning purposes.

The benefits of the watershed distribution are:

- No entity holds the jurisdiction (grass roots effort)
- Cities are better represented (not all participants agreed with this point)
- Some watersheds would be too large – the Mississippi River would need to be split.

To evaluate our consensus on this topic, the group used the “fist to five” exercise. Each participant held up their hand as a fist or up to five fingers to indicate their support for proposals. The fist represents no support and the individual would block the proposal. Three fingers represent a neutral agreement and comfort to let the proposal move forward. Five fingers indicated full support for the proposal. If anyone held up two or less fingers, they were asked to explain their reservations about the proposal.

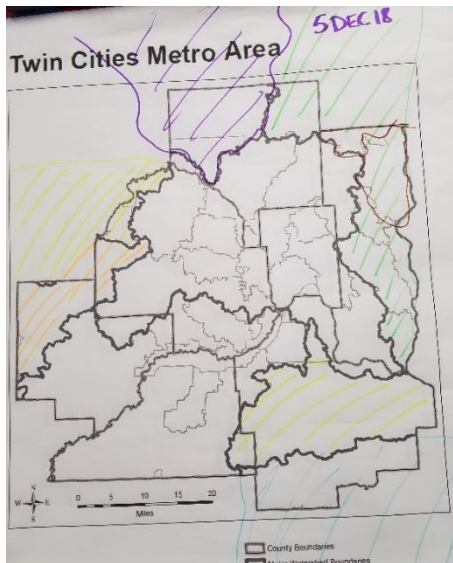


Figure 13: Potential watershed recommendation -- Still in process

The post-discussion vote for county distribution had 6 votes for consensus and 4 participants with reservations about this distribution. The watershed vote had 9 votes for consensus and 1 participant with reservations. We also voted to gauge consensus on WDWMO distribution (4 votes for consensus, 6 votes with reservations).

By the end of the time allotted, we agreed that one potential recommendation would be using the 1W1P watersheds – extending beyond the metro boundaries. There is still uncertainty as to how to divide the Mississippi and Lower Minnesota watersheds, but consensus that they should be split. We will revisit this again at the start of the third meeting.

Outcome 2: Allocation Formula Parameters

After a break, the group returned to discuss allocation. During the first forum, the group defined allocation as the distribution from BWSR to the geographic areas. The group did have agreement that we should discuss how the distribution of funds from the geographic areas to the LGUs can/should occur and what BWSR’s role is for this exchange as well.

There was already strong consensus to move forward with a formulaic approach. However, details of the formula (parameters, weighting coefficients, etc.) were unknown. The group participated in a group brainstorm to develop a wall of potential parameters on post-it notes. The group then categorized the parameters into broad eight categories:

- | | |
|--------------------|------------------------|
| 1. Size | 5. Land Based |
| 2. Demographics | 6. Surface Water Types |
| 3. Base Allocation | 7. Groundwater |
| 4. Planning | 8. Soils |

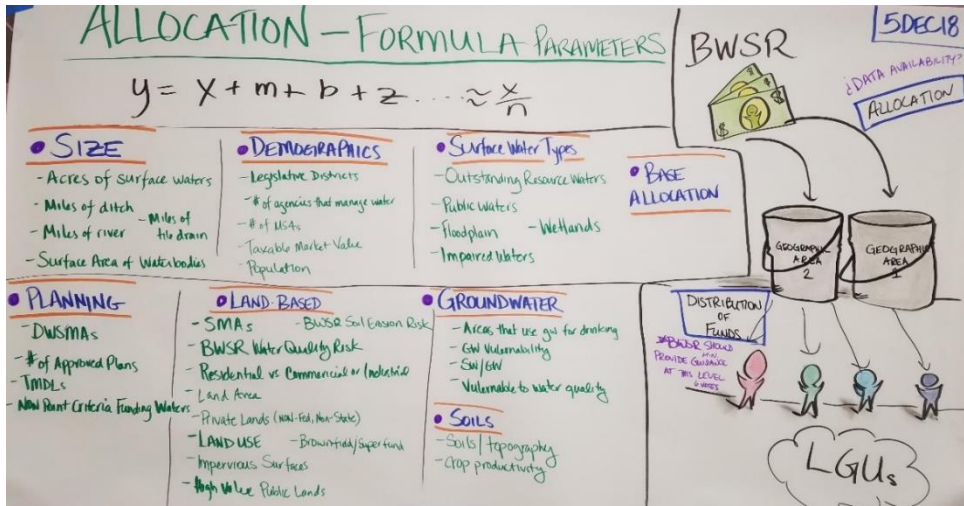


Figure 14: Results from Allocation Formula Parameter Brainstorm and Categorizing

The group reflected on their efforts and started to discuss the benefits and drawbacks of some of the brainstormed parameters. Potential formulas were offered throughout the discussions. It was noted that the group needed to select a limited number of parameters, because if the formula included many parameters they could cancel each other out and result in a relative equal split between the geographic distributions. Additionally, the group discussed the types and characteristics of data needed to develop the parameters.

The potential formulas were:

- 1) Land Area + Tax Capacity
- 2) Base Allocation + Land Area
- 3) Impaired or Non-Point Priority waters + Taxable Market Value + Land Area
- 4) Land Area
- 5) Base Allocation + Impaired or Non-Point Priority waters + Taxable Market Value + Land Area

The data characteristics:

- 1) Non-Debatable
 - Objective
 - Available
 - Don't Collect New Data, Use Existing Data
 - If new data must be determined/calculated, it must be done by BWSR
 - 2) Simple
 - 3) Static or Relatively Stable Data
- *If the data are variable, select a benchmark year for comparison.

The group did not narrow their recommendation to any of these formulas, they are just potential options. The representatives will share these with their respective stakeholders to get their feedback. Other ideas may arise between now and the next meeting. Also, to be clear – there will most likely be a weighting factor attached to each parameter. Do not assume because there are 2 parameters that each will have 50/50 influence on the allocation. It could be 70/30, or 10/90, or anything really.

Meeting Take-Away

This meeting continued to build on the success of the first meeting of the Multi-Stakeholder Forum. The group worked well together. The participants had thoughtful discussions and were able to both share their opinions and listen to the others in the group. Like the first meeting, the time was short, and the group did not accomplish the desired outcome of developing allocation recommendation(s), but they are closer to consensus on geographic distribution.

The group felt as though the brainstorming exercises, facilitation, and graphics supported their progress. They are enjoying the challenge and through continued thoughtful discussion they will have success.

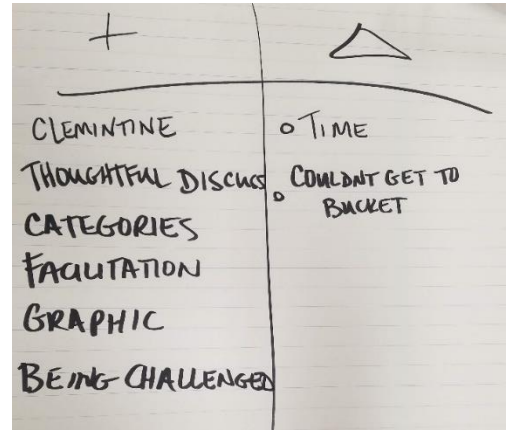


Figure 15: Forum 2 Plus/Delta

Forum Meeting 3 - December 20, 2018

Design

The desired outcomes, agenda, and ground rules were provided at the onset of the forum. Although participants were invited to make suggestions and additions to the ground rules, no one took advantage of this option.

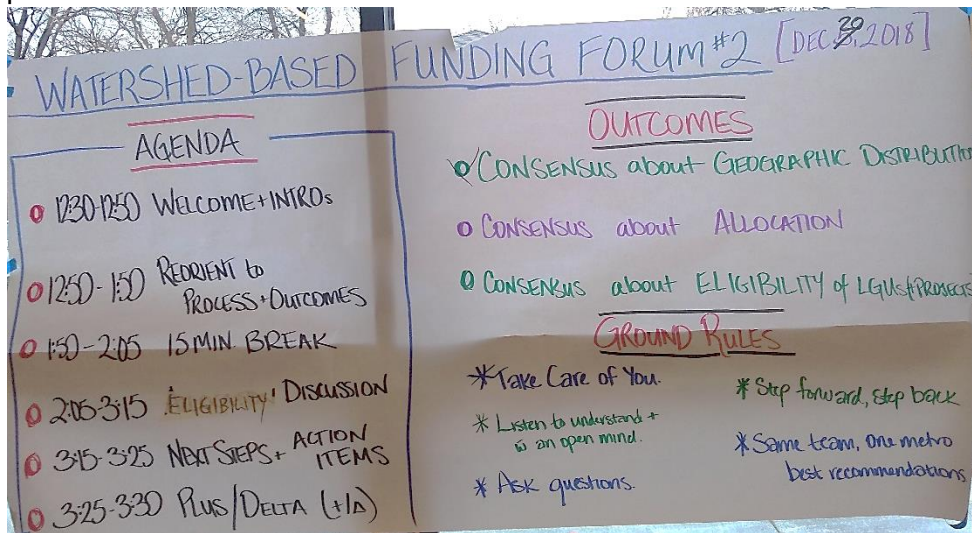


Figure 16: Watershed Based Funding Forum 3 Agenda

Desired Outcomes

- Consensus regarding geographic distribution of BWSR funding → “What Buckets?”
- Consensus regarding allocation of funds → From BWSR to Buckets
- Consensus regarding eligibility of organizations.

Ground Rules

- Take care of you
- Listen with an open mind and to understand
- Ask questions
- Step forward, step back
- Same team, one metro, best recommendation(s)

Agenda

Welcome

- Introductions
- Building Logistics
- Agenda, Outcomes, Roles & Ground Rules

Reorient to Process & Outcomes

- Process Timeline Overview
- Stakeholder Feedback:
 - Outcome 1: Geographic Distribution
 - Outcome 2: Allocation Distribution

Eligibility Discussion

- Outcome 3: Eligibility
- Definitions
- Reflect on Suggestions
- Develop Recommendation(s)

Next Steps/Action Items

Plus/Delta

Roles & Responsibilities

MCES Meeting Facilitators: Jen Kostrzewski, Emily Resseger, and Judy Sventek

BWSR Representatives: Kevin Bigalke and Melissa Lewis

Attendees: Brad Becker, Becky Christopher, Jessica Collin-Pilarski, Mark Doneux, Rebecca Haug, Laura Jester, Chris Lord, Venessa Strong, Doug Synder*, Brian Watson, Mark Zabel

**Doug attended as an alternate and observer to the meeting, he did not participate as a representative.*

Handouts

Meeting Agenda

Summary Document of Forum 2

Meeting Summary

The Multi-Stakeholder Forum process will require four meetings. This was the third. The meeting began with participants introducing themselves and their affiliations.

Stakeholder Feedback

We reviewed the process timeline, the desired outcomes, and the agenda for the day. Knowing that the group had a lot of ground to cover, the participants started by sharing stakeholder feedback about the

work we have done so far – both the geographic distribution and allocation formulas. The participants shared the feedback they had received from their cohorts. All stakeholder groups provided feedback.

Outcome 1: Geographic Distributions

The group reflected on their progress made from the first and second meetings on the geographic distributions. The group had been talking about two different recommendations: Counties and 1W1P Watersheds. By the end of the second meeting the 1W1P Boundaries were drawn with the exception of the Mississippi River Twin Cities and the Lower Minnesota. The group agreed that those watersheds were potentially too large to foster collaboration.

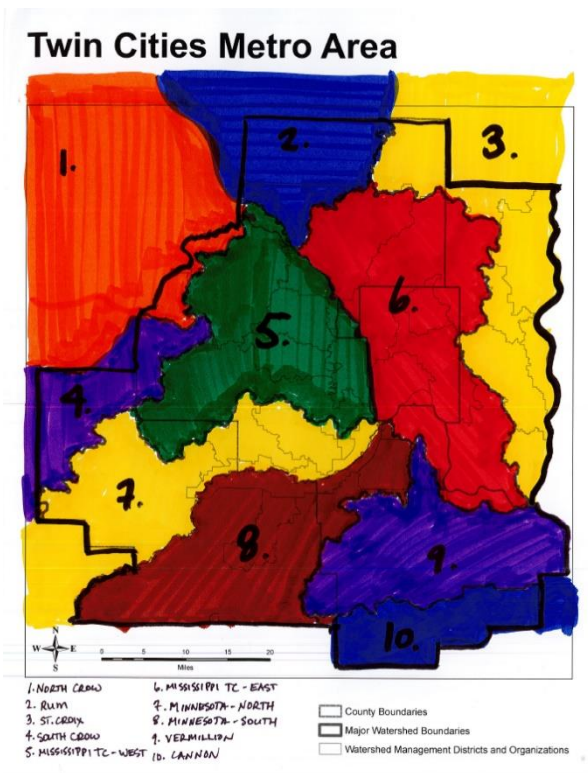


Figure 17: 1W1P Watershed Boundaries

Cities were split on their feedback. Of the four cities that responded, 2 supported counties, 1 supported 1W1P boundaries, and 1 supported WD/WMO levels. Their primary concern is the creation of another level of governance that doesn't already exist. Another larger concern was the size of the large Mississippi and Minnesota areas. If a split at the rivers separated each into two planning areas, that might be ok.

The Watershed Management Organizations were concerned about the capacity for the 1W1P watersheds groups to meet. They have trouble with overlooking their experiences from the pilot but think that the distribution of funds will go better with future funding cycles. They did offer feedback suggested that we should divide the Minnesota at the river.

The Watershed Districts were concerned about being split into multiple 1W1P watersheds. They want to be able to align with one 1W1P watershed or another.

Counties and SWCDs were concerned as to how groundwater plans could be funded if using 1W1P watersheds. Groundwater doesn't necessarily follow surface topography.

There was a suggestion to use the 1W1P boundaries and a separate funding allocation for groundwater.

A vote was taken, and consensus was reached to move forward with one recommendation.

Geographic Distribution Recommendation:

1W1P planning boundaries, Mississippi Twin Cities and Lower Minnesota should be split by their rivers. The distribution assumes flexibility in allowing LGUs split by 1W1P planning boundaries to align with one planning area, and a separate funding bucket for groundwater.

Outcome 2: Allocation Formula

At the end of the second meeting the group had proposed five formulas for consideration for the allocation formula:

1. Land Area + Tax Capacity
2. Base Allocation + Land Area
3. Impaired or Non-Point Priority waters + Taxable Market Value + Land Area
4. Land Area
5. Base Allocation + Impaired or Non-Point Priority waters + Taxable Market Value + Land Area

These were the starting point of conversation for the third meeting and the representatives shared their feedback from their stakeholder groups.

Three major themes developed in the conversation. The first centered around the inclusion of a water component in the formula. The Watershed Districts strongly supported a water element and land area to be included in the formula. SWCDs voiced their support to exclude water from the formula (favored formula #1). They stated that pollution isn't necessarily proportional to the amount of water in an area, rather what's happening with land use. It was noted that in the pilot process the areas with many lakes weren't necessarily spending the funds on the water, but on the land.

The second theme addressed the areas on the fringe of the metro. It was observed that the tax base is centered in the metro, so what would happen to more rural, fringe areas? Additionally, the question of capacity in the rural areas was discussed. There's not much funding and little staffing resources to be able to do projects there. It was suggested that perhaps tax capacity should not be included in the formula, however this was not a majority opinion. It was generally agreed that if it were included in the formula, it would be a secondary/lower weight factor.

An open question was asked of the group: Should the fringe areas only be included in the 1W1P allocations? Should they only participate in the metro WBF allocations? Should they be able to access both funding sources? The representatives that were from 1W1P planning areas in the metro stated that they hadn't been able to prioritize their local priorities with their larger watersheds, and that they should be able to have access to both funding sources. Discussion continued with opinions supporting all the different options (both, metro only, 1W1P, fringe areas should be able to choose one or the other).

The third theme was about land area. It was noted that land area was included in all of the formulas, and that this might suggest consensus that land area should be included. Land area should be consistently defined as with the 1W1P: Land area is the privately held land

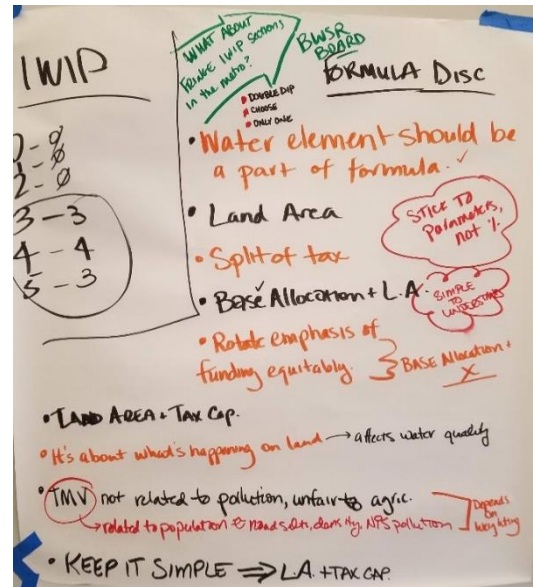


Figure 18: Allocation Discussion Notes

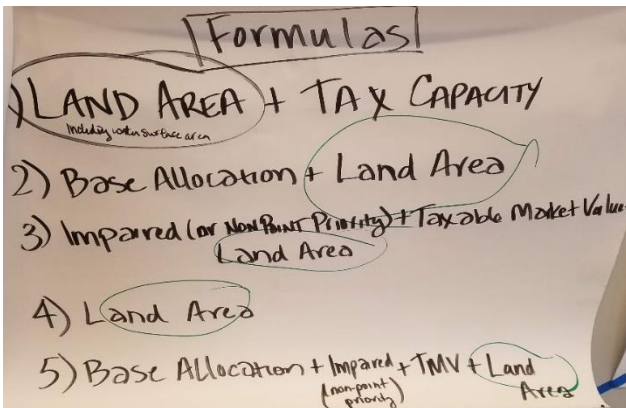


Figure 19: Initial Potential Allocation Formulas

that includes water area and excludes state, federal, and tribal lands. The question of small land areas was raised, and base allocation was discussed. The group decided that instead of a base allocation, a minimum allocation of \$100,000 should be applied. That way, even the fringe areas would receive a sizeable amount to do projects.

It was also observed that it might be impossible for the forum to hit a specific formula without being able to see actual numbers.

Allocation Recommendation:

Not reached during this meeting.

However, consensus was reached to include land area and minimum allocation as primary drivers of the formula.

Outcome 3: Eligibility

After a break, the group returned to discuss eligibility. The group has been tasked to offer a recommendation to decide which organizations, plans, and projects should be eligible for WBF dollars.

Consensus on question of organization eligibility was quickly reached. The Implementing Entities are organizations that can sign a BWSR contract or grant agreement. The group agreed that this could be a city or township, a watershed district, a watershed management organization, a county, a soil water

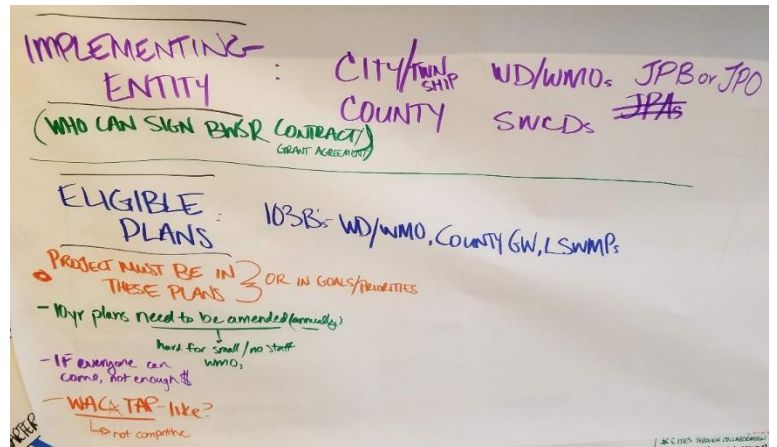


Figure 20: Eligibility Discussion Notes

conservation district, or a joint powers board or joint powers organization. They can pass-thru money to other groups to complete the projects as needed.

The discussion regarding plan eligibility took the remaining time of the meeting. The group easily agreed that Watershed Districts, Watershed Management Organization, and County Groundwater plans should be considered eligible. There was not agreement on municipal Local Water Management Plans (LWMPs).

An opinion was raised to question whether annual work plans should be considered in addition to the 10-year plans. Good conversation was had about how plans should be updated and amended to include the work plans over the course of the ten years. It was noted that the WD/WMO plans allow for prioritization at the watershed scale, and that this should happen prior to the prioritization of the 1W1P

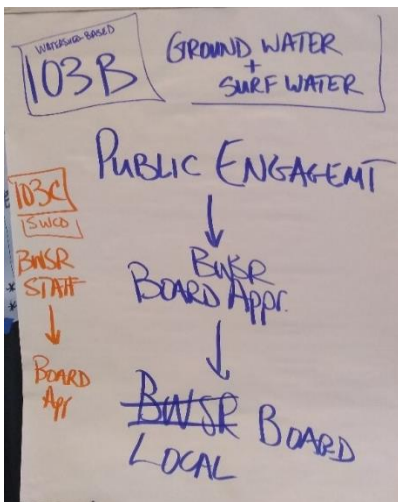


Figure 21: 103B vs. 103C Process

watersheds. It was suggested that not all cities or townships can get their projects on WD/WMO plans, and their plans should be considered for eligibility.

The question of 103C plan eligibility was raised. The primary differences between a 103B and 103C plan is that the 103B plans have a public engagement process and need to be approved by the BWSR Board. However, some 103C organizations use the same rigorous process as the 103B plans (ex. Anoka Conservation District plan) but are still not considered eligible. The group decided to table the discussion of 103C plans until the next meeting.

Meeting Take-Away

This meeting continued to build on the success of the two previous meetings of the Multi-Stakeholder Forum. The group worked well together. The participants had open dialog and were able to both share their opinions and listen to the others in the group. Progress was made - A recommendation was developed for the geographic distribution areas. The new location was beautiful and well-suited for the group's needs (except for the screen). Like the previous meetings, the time was short, and the group did not accomplish the desired outcome of developing allocation or eligibility recommendations.

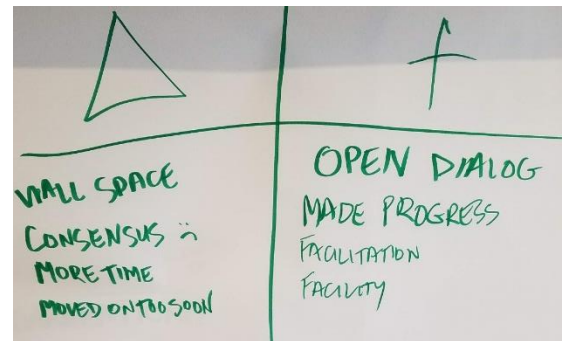


Figure 22: Forum Meeting 3 Plus/Delta

The group felt as though facilitation and graphics supported their progress. They are enjoying the challenge and through continued thoughtful discussion they will have success.

It was requested that the fourth and final meeting be extended beyond the usual 3 hours to allow for the forum representatives to reach consensus on the last two outcomes. It will be an all-day meeting on the 11th or 18th of January.

Forum Meeting 4 - January 18, 2019

Design

The desired outcomes, agenda, and ground rules were provided at the onset of the forum. Although participants were invited to make suggestions and additions to the ground rules, no one took advantage of this option.



Figure 23: Watershed Based Funding Forum 4 Agenda

Desired Outcomes

- Consensus regarding geographic distribution of BWSR funding → “What Buckets?”
- Consensus regarding allocation of funds → From BWSR to Buckets
- Consensus regarding eligibility of organizations.
- Discussion of Process Details → Guidance for Fund Distribution and Collaboration Time

Ground Rules

- Take care of you
- Listen with an open mind and to understand
- Ask questions
- Step forward, step back
- GEPO – Good Enough Push On

Agenda

Welcome

- Introductions
- Building Logistics
- Agenda, Outcomes, Roles & Ground Rules

Outcome 2: Allocation Formula

- Review discussion from previous forums
- Parameter Selection
- Develop Recommendation(s)

Outcome 3: Eligibility

- Review discussion from previous forums
- Eligible LGUs
- Eligible Plans
- Develop Recommendation(s)

Discussion of Process Details

- Guidance for Fund Distribution → From Buckets to Implementers
- Process Timeline

Plus/Delta

Roles & Responsibilities

MCES Meeting Facilitators: Jen Kostrzewski and Emily Resseger

BWSR Representatives: Kevin Bigalke, Melissa Lewis, and Marcey Westrick

Attendees: Brad Becker, Becky Christopher, Jessica Collin-Pilarski, Mark Doneux, Rebecca Haug, Laura Jester, Chris Lord, Diane Lynch*, Venessa Strong, Brian Watson, Mark Zabel

**Diane attended as an alternate and observer to the meeting, she did not participate as a representative.*

Handouts

Meeting Agenda

Summary Document of Forum 3

Meeting Summary

The Multi-Stakeholder Forum process will require four meetings. This was the fourth and final. The meeting began with participants introducing themselves and their affiliations.

Outcome 2: Allocation Formula

The group picked up from the progress made during forum #3: Land area and minimum allocation should be included in the formula in some manner.

In addition to land area and the minimum allocation, a suggestion was to include PTM to focus the Clean Water Funds into areas that are a priority for the state water quality. A discussion followed that questioned whether it was better to have local governments decide the priorities for the geographic areas or if it was better to have a state-led, unified approach. It was decided that PTM is important, but it would be better applied by local governments when distributing funds to the implementing organizations, not by BWSR when allocating to the geographic areas.

The definition of Land Area was discussed again. Should it exclude federal, state, and tribal lands? Or should it be total land area? Melissa Lewis (BWSR) offered some insights from scenario analysis for parameters in the allocation formula. Her major findings were:

- Using private land vs. total area does not change the Metro allocations significantly – there is perhaps a 2-3% change with using private land.
- If a Metro to non-Metro split (before the allocations from BWSR to the watersheds) is not maintained, there is a more significant (negative) impact to the Metro as a whole (the extent of the difference fluctuates depending on the scenario).
 - The impact is the most significant to the watersheds wholly within the Metro (Mississippi River Twin Cities and Vermillion - they are a small % of the state, but a larger % of the Metro).
 - The impact to the watersheds that are part of a larger non-Metro Area is not that much (they are either a smaller part of a bigger Metro and/or a smaller part of a bigger watershed). The decision of a Metro organization to participate in a larger 1W1P should be about the resource and not about the money.

The group decided to keep the definition as private lands (excluding federal, state, and tribal lands) to be consistent with the definition of greater Minnesota WBF criteria.

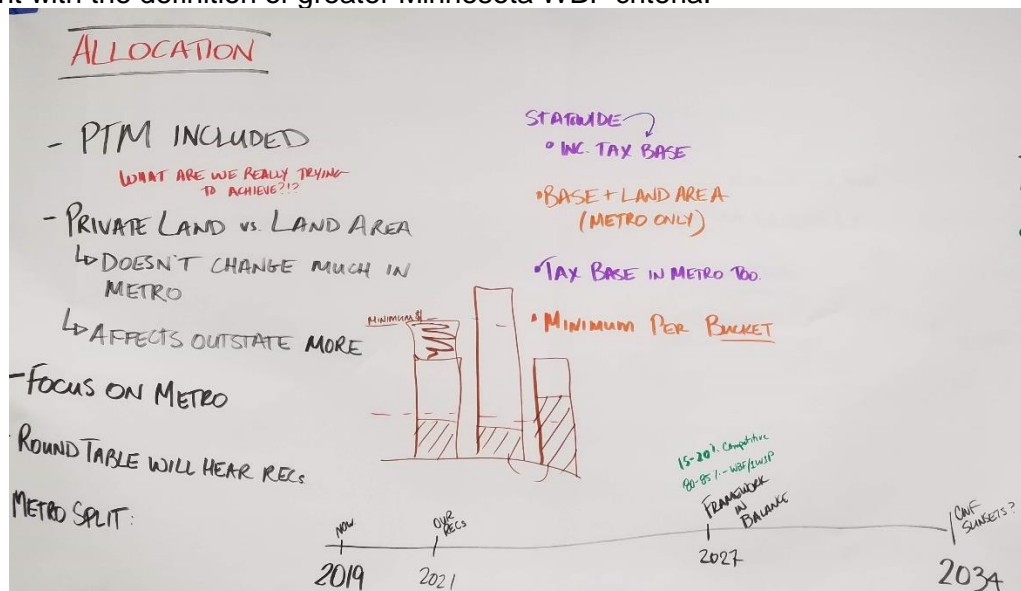
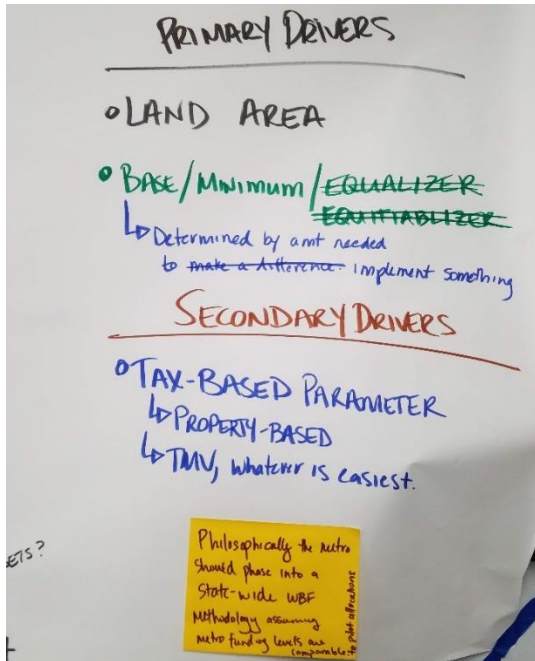


Figure 24: Allocation Discussion Notes



The group also decided to keep their first recommendation to an allocation formula for the Metro-only, however, they are not philosophically opposed to eventually transitioning to a single, state-wide program if the metro funding levels are comparable to the funding for the pilot allocations.

The discussion continued to discuss secondary drivers of the allocation formula. The group agreed that there was a need to include a tax-based parameter in the equation to balance out the expense of completing projects in urban areas. It was suggested that if there was a state-wide formula it should include this parameter to ensure that the metro allocation would be more comparable to the pilot allocations.

Clarifications were offered about this parameter:

- It should be property-based, not income-based.
- The group agreed that it should be whichever parameter is easiest to apply at the proposed planning areas.
- Could be tax capacity, taxable market value, etc.

Figure 25: Allocation Recommendations

Allocation Recommendation:

The allocation should be distribution by a formula. The primary driver should be Land Area, and the secondary driver should be a tax-based parameter. There should be a minimum allocation amount, so that if a geographic area's formulaic result does not reach the threshold it should have a guaranteed minimum amount.

Groundwater should be allocated separately from the other proposed planning areas.

The Metro WBF Forum was philosophically in support to eventually transitioning to a single, state-wide formula assuming that the metro funding levels are comparable to the funding for the pilot allocations.

Outcome 3: Eligibility

After a break, the group returned to discuss eligibility. The group has been tasked to offer a recommendation to decide which organizations and plans should be eligible for WBF dollars.

At the end of the third meeting the group had come to consensus that Implementing Entities are organizations that can sign a BWSR contract or grant agreement. The group agreed that this could be a city or township, a watershed district, a watershed management organization, a county, a soil water conservation district, or a joint powers board or joint powers organization. They can pass-thru money to other groups to complete the projects as needed.

Melissa Lewis informed the group of the list of eligible plans/entities for funding per current BWSR Clean Water Fund policy. The plans need to be current:

- WD/WMO Management Plans
- SWCD Management Plans
- County Groundwater Management Plans
- One Watershed One Plans
- Metropolitan Local Surface Water Management Plans (LSWMPs)

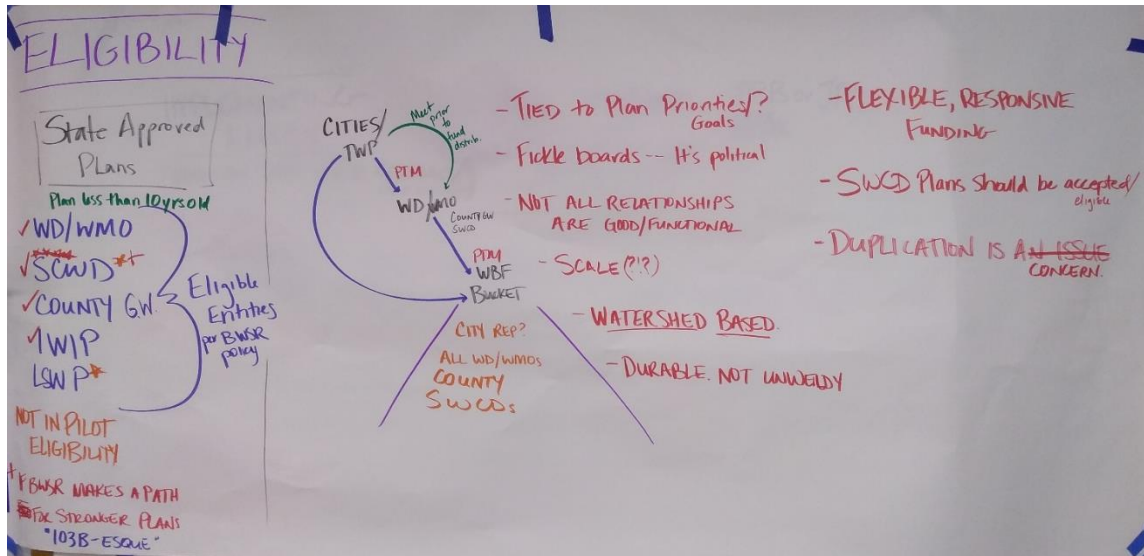


Figure 26: Eligibility Discussion Notes

The SWCD and Metropolitan Local Surface Water Management Plans were not eligible for funds in the WBF Pilot.

The discussion began with attempting to identify plans that had consensus on eligibility. We had consensus agreement that WD/WMO Management Plans, County Groundwater Management Plans, and One Watershed One Plans should be eligible for the Metro WBF Program.

The group focused the discussion on the LSWMPs eligibility. It was suggested the LWSMPs do not need to be eligible because the cities and townships should be able to work with their WD/WMO to get their projects included in those management plans. This would ensure that the project would be tied to the priorities and goals of the watershed plan, it would be vetted by the WD/WMO, and that PTM would be applied at the watershed-level. As projects arise for municipalities, the projects should be eligible if they fall under the general goals and priorities of the plan. Ideally, the WD/WMO’s plan would be written in a manner to allow for new projects to fit in as long as they are in alignment with the intent of the larger plan.

However, it was noted that in some cases, the process is not that clear and easy. The WD/WMO boards can be politically motivated or appear fickle. There is also no guarantee that the relationship between the WD/WMO and city/township is a functional relationship. Cities/Townships would need to have flexibility and responsiveness in their funding. A developer won’t always wait for a project to be amended into a WD/WMO plan. The project would be a missed opportunity.

A point was raised that, given the pacing of a biennium funding cycle, working with WD/WMOs in the WBF process still would not provide the funds in a timely manner. The WBF process would be too slow to respond to that type of situation. Additionally, including LSWMPs would bring many more organizations with projects for consideration. That scale might become too unwieldy and the funding would not be

enough. It was suggested that the group needed to remember that this funding is for watershed-based funding. City/Township plans are not watershed-based, and their projects are not PTM on a watershed basis.

The City/Township Reps agreed with some of the counterpoints, however, they remained firm in the need for their voice in the process. It was suggested that one potential avenue to get their voice heard would be if the Minnesota League of Cities participated in the Local Government Round Table. A compromise was offered – If cities and townships could have 1-2 representatives on the fund distribution group, they would concede having LSWMP be ineligible. The cities and townships still could work with the other eligible plans (WD/WMO, SWCDs, or County GW plans) to have their projects considered, and they would be able to play a role in the fund distribution for their planning area. The group took a consensus vote and consensus was reached. LSWMPs would not be eligible, but cities and townships still have a voice in the WBF process.

Next the group discussed SWCD eligibility. A primary concern was raised that SWCDs would duplicate efforts of the WD/WMOs in the metro and therefore, shouldn't be eligible for the WBF process. A counterpoint was offered that in some locations in the metro the SWCD works to identify and fill the gaps in water planning – where some JPA WMOs do not do projects or implementation. This can allow for a broader, county-wide approach to water planning. They don't have a large budget, and this forces them to ensure they are not performing duplicative actions. Another concern was raised about the process of the 103C plans need to go through for approval.

A consensus vote was taken, and the group agreed that if their plan process was strengthened to a 103B-esque level and have more public engagement, then the SWCD plans could be eligible.¹

Eligibility Recommendation:

Eligible organizations that can be direct recipients of funding are a city or township, a watershed district, a watershed management organization, a county, a soil water conservation district, or a joint powers board/joint powers organization.

Eligible plans are WD/WMO management plans, County groundwater management plans, One Watershed One Plan plans, and SWCD management plans (assuming they have a stronger review process that includes public engagement & BWSR approval).

*Each planning area will have a group of organizations evaluate PTM at their local level. This **Planning Area Evaluation Team** will include 1-2 city/township representative(s), a representative from each of the WD/WMOs, county, and SWCDs in the planning area.*

¹ The conversation about changes to strengthen the SWCD plans continued in email correspondence after the meeting. There were some inconsistencies in the understanding. Based on the meeting notes, we understand forum members agreed that SWCD plans would need a "stronger review process that includes public engagement and BWSR review." However, some attendees also assumed stronger content requirements as well and BWSR Board (not staff) approval. It was also noted some JPA WMOs do not implement projects, which was additional consideration for SWCD plan inclusion.

Outcome 4: Process Details

Over the course of the previous three forum meetings, certain discussion points were tabled. It was decided that if the group could get consensus for the first three outcomes, it would then circle back to address the other topics. The major topics remaining were:

1. Scope out a high-level timeline for the allocation of funds from BWSR to the planning areas
2. Offer guidance to the planning area distribution of funds

WBF Process Timeline

Through discussion, the group and BWSR representatives developed a high-level timeline for the ideal rollout for the WBF process:

January-July 2019	BWSR committees integrate WBF recommendations to develop final recommendations for the BWSR Board's approval.
July 2019	Fiscal year 2020 begins. Half of the WBF money will be available (estimated at \$14.5 million). This will most likely overlap with BWSR Board's decision.
August 2019	WBF Program Authorization.
September 2019- June 2020	Planning areas host collaboration meeting(s) to prioritize their projects and to develop a budget and work plan to submit to BWSR.
July 2020	Fiscal Year 2021 begins. Half of the WBF money will be available.
Summer 2020-July 2021	Contracted Implementing Entities Do Projects. <ul style="list-style-type: none">• The participants requested that BWSR tell them as soon as it can if this recommendation for metro planning areas is accepted by the Board. This will provide additional time for collaboration meetings.• Projects will have to be completed three years after the contracts are signed, however, to provide evidence of the program's success, it would be best to have concrete results prior to the next biennium that begins July 2021.

WBF Guidance for the Planning Area Distribution of Funds

Very early on in the forum, the group identified a need to provide guidance to the planning areas about how to distribute the funds to the eligible organizations. It was noted that the lack of guidance during the pilot of the WBF program detracted from the process.

The Planning Evaluation Team *must*:

- Use PTM in their decision-making. There must be some measurability incorporated into this process. This criterion will allow the planning areas to identify and track what they are trying to achieve.
- Use Local Water Quality Priorities – The group acknowledges the variation within and across the metro and wants to ensure that the priorities of each planning area are set by the participants, not external influences.
- Be comprised of 1-2 members representing Cities/Townships and a representative from each WD/WMO, counties, and SWCDs within the planning area.

- Meet at least once to decide how the funds will be distributed to the implementing entities.

The Planning Area Evaluation Team *should*:

- Consider projects that would benefit bodies of water that are nearly or barely impaired.
- Establish a list of alternative projects that could be funded if an initial project fails.
- Consider the use of impartial facilitators during their meetings.

Additionally, WD/WMOs must meet with their cities and townships to discuss the prioritization of municipal projects prior to the Planning Area Evaluation Team meeting(s). This can be accomplished through a TAC or other WD/WMO meeting.

BWSR will:

- Convene a meeting with the eligible counties with Groundwater Plans to discuss how their distribution of funds should occur.
- Provide a standardized template for reporting purposes.
- Consider providing facilitation for the Planning Area Evaluation Meetings.

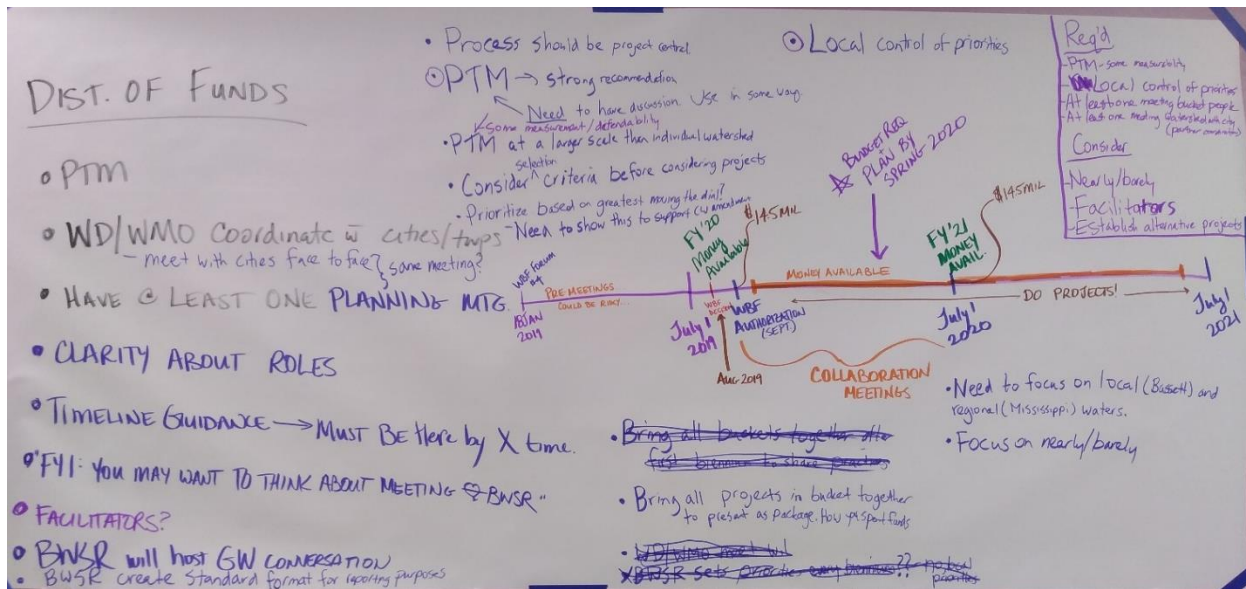


Figure 27: Process Details Discussion Notes

Meeting Take-Away

This meeting continued to build on the success of the three previous meetings of the Multi-Stakeholder Forum. The group worked well together. The participants had open dialog and were able to both share their opinions and listen to the others in the group. All the initial Process Outcomes were achieved – The group came to consensus on geographic distribution areas, allocation formula parameters, and organization/plan eligibility. It was appreciated that the Metropolitan Council and BSWR hosted this inclusive process to promote conversations about this difficult topic. It helped to build trust amongst the participants. The group felt as though facilitation and graphics supported their progress.

The group hopes that this process will not need to be repeated, however, if it is repeated, BWSR should play a larger role in leading the process by providing more guidance and information. It was also

acknowledged that the balance in representation in the forums helped to provide insight and have the good discussion.

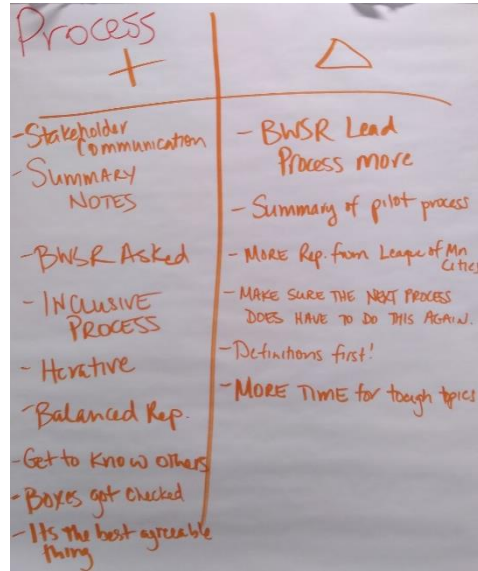
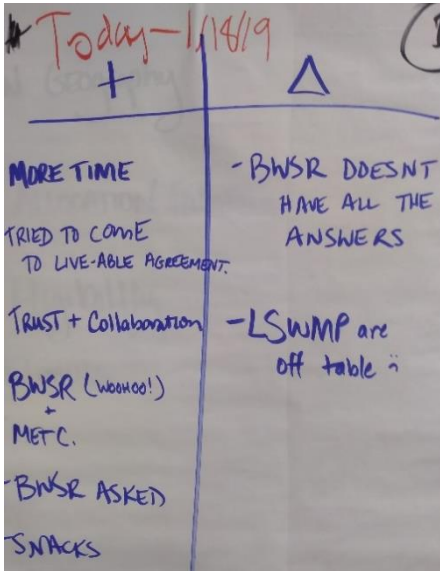


Figure 28: Plus/Delta for Forum 4 (left) and for the entire WBF Stakeholder Engagement (right)

Next Steps

The recommendations and meeting notes from the Metro WBF Forums will be passed onto BWSR committees for their review. BWSR will evaluate this group’s recommendations along with other stakeholder recommendation to develop a statewide WBF Program for the BWSR Board approval by August 2019.

Appendix
Forum 1 Handouts

**BWSR Watershed Based Funding:
Multi-Stakeholder Forum 1**

**November 7, 2018 | 1:00 – 4:00
Metro 94, Large Conf. Room**

	<i>Welcome</i>
	<i>Introductions</i> (Name, Organization, Stakeholder Group, 1 Hope & 1 Fear)
<i>1:00-1:20</i>	<i>Building Logistics</i> <i>Agenda, Outcomes, Roles, Rules</i> <i>Representative Responsibilities</i> <i>Consensus</i>
<i>1:20-1:30</i>	<i>Background</i> <i>Process Overview</i>
<i>1:30-2:30</i>	<i>Stakeholder Summaries</i> <i>Summary of Focus Group</i> <i>Preferences, Alternatives, Non-Starters</i>
<i>2:30 – 2:45</i>	<i>Break</i>
<i>2:45-3:45</i>	<i>Breakout Sessions</i> Geographic/Spatial Distribution Small Group Consensus Report Back & Discussion
<i>3:45 – 3:55</i>	<i>Next Steps & Action Items</i>
<i>3:55 – 4:00</i>	<i>Plus/Delta</i>

Additional Instructions:

Use this section for additional instructions, comments, or directions.

Forum 2 Handouts

BWSR Watershed Based Funding: Multi-Stakeholder Forum 2

December 5, 2018 | 12:30 – 3:30
Metro 94, Large Conf. Room

12:30-12:50	<p><i>Welcome</i></p> <p><i>Introductions</i> (Name, Organization, Stakeholder Group)</p> <p><i>Building Logistics</i> Agenda, Outcomes, Roles, Rules</p>
12:50-1:50	<p><i>Re-Orient to Process & Outcomes</i></p> <p><i>Process Timeline Overview</i> <i>Review BWSR Guiding Principles</i> <i>Stakeholder Feedback:</i> <i>Preferences, Alternatives, Non-Starters</i> <i>Outcome 1: Geographic Distribution</i></p>
1:50-2:05	<p><i>Break</i></p> <p><i>Coffee Refills & Grab that Cookie!</i></p>
2:05 – 3:15	<p><i>Allocation Discussion</i></p> <p><i>Outcome 2: Allocation</i> <i>Parameter Brainstorm</i> <i>Reflect on Suggestions</i> <i>Prioritize Parameters</i> <i>Develop Recommendation(s)</i></p>
3:15 – 3:25	<p><i>Next Steps & Action Items</i></p>
3:25– 3:30	<p><i>Plus/Delta</i></p>

Additional Instructions:

Use this section for additional instructions, comments, or directions.

Guiding Principles

Watershed-based Funding Pilot Program



Vision

BWSR's vision is to move towards more systematic Clean Water Funding for local water management (LWM) authorities on a watershed basis. This funding approach will result in greater efficiency and effectiveness for both LWM authorities and the state and is critical for Minnesota to reach its clean water goals. This funding model could also serve as a future framework for broadening funding to include other state funding sources associated with supporting LWM activities.

Purpose

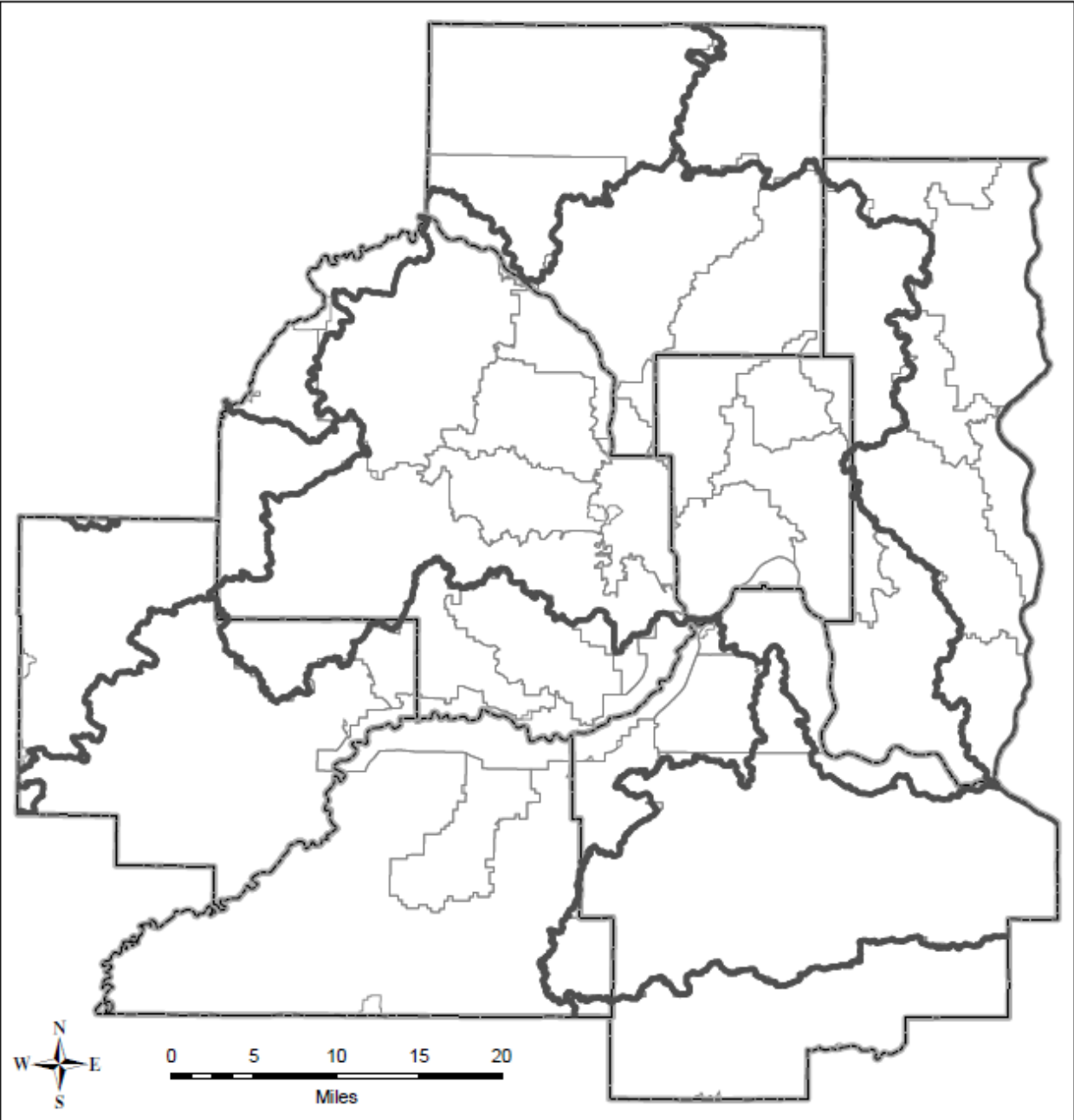
The purpose of this document is to further outline this vision by providing the guiding principles that will direct and influence future policies and procedures for Clean Water Funds appropriated to the Board of Water and Soil Resources for the purposes of implementing comprehensive watershed management plans. Eligible watersheds are defined as those areas that have watershed management plans developed under the One Watershed, One Plan Program or the Metropolitan Surface Water Management Act.

- Watershed-based funding will be used to implement activities identified in comprehensive watershed management plans developed under the One Watershed, One Plan program, the Metropolitan Surface Water Management Act, or the Metropolitan Groundwater Management Act. These plans focus on results and an evidence-based decision-making process. Plans contain implementation timelines, milestones, and cost estimates that address the largest pollution threats and provide the greatest environmental benefits to each watershed.
- Watershed-based funding must be based upon accountability and performance in achieving measurable progress towards elements of the comprehensive watershed management plan. Requests for funding must include transparent standards of accountability and performance criteria to objectively evaluate and prioritize funding based on outcomes.
- Watershed-based funding will be consistent with the Nonpoint Priority Funding Plan (NPPF). Leadership from State agencies tasked with protection and restoration of Minnesota's water resources came together and agreed on a set of high-level State priorities and criteria to ensure Clean Water Funds are used effectively and efficiently. BWSR must allocate funding according to the priorities and criteria identified in the NPPF when Clean Water Funds are the source of funding.
- Watershed-based funding envisions a holistic and flexible approach that includes both protection and restoration. Recognizing that the level of government closest to the ground can best understand resource management needs and implement effective strategies, funding should not be strictly prescribed to a limited number of conservation practices but should allow the flexibility needed by local

water management authorities to address watershed-specific priorities identified in comprehensive watershed management plans consistent with the requirements of the available funding source(s).

- **Watershed-based funding envisions funding requests through a single watershed based work plan.** LWM authorities, as provided in their formal implementation agreement, submit a commitment to collaboratively pursue priority projects and, as identified within the implementation schedule of their approved comprehensive watershed management plans.
- **Watershed-based funding will require a non-state contribution.** A non-state match will be required from LWM authorities in order to have access to this state funding.

Twin Cities Metro Area



- County Boundaries
- Major Watershed Boundaries
- Watershed Management Districts and Organizations

Forum 3 Handouts

BWSR Watershed Based Funding: Multi-Stakeholder Forum

December 20, 2018 | 12:30 – 3:30
Capitol Region WD Offices

12:30-12:50	<p><i>Welcome</i></p> <p><i>Introductions</i> (Name, Organization, Stakeholder Group)</p> <p><i>Building Logistics</i> Agenda, Outcomes, Roles, Rules</p>
12:50-1:50	<p><i>Re-Orient to Process & Outcomes</i></p> <p><i>Process Timeline Overview</i></p> <p><i>Stakeholder Feedback:</i> Outcome 1: Geographic Distribution Outcome 2: Allocation Formula</p>
1:50-2:05	<p><i>Break</i></p> <p><i>Coffee Refills & Grab that Cookie!</i></p>
2:05 – 3:15	<p><i>Eligibility Guided Discussion</i></p> <p><i>Outcome 3: Eligibility</i> <i>Definitions</i></p> <p><i>Discussion Topics:</i> Modify Eligibility Reqs for LGUs Modify Eligibility for Plans Consider Project Eligibility and Connection to a Plan Develop Recommendation(s)</p>
3:15 – 3:25	<p><i>Next Steps & Action Items</i></p>
3:25– 3:30	<p><i>Plus/Delta</i></p>

Additional Instructions:

Use this section for additional instructions, comments, or directions.

Forum 4 Handouts

BWSR Watershed Based Funding: Multi-Stakeholder Forum 4

January 18, 2019 | 9:00 – 3:30
Metro 94 Conference Room

9:00-9:30	<p><i>Welcome</i> Introductions <i>(Name, Organization, Stakeholder Group)</i> Building Logistics Agenda, Outcomes, Roles, Rules Reorient to Process</p>
9:30-10:30	<p><i>Outcome 2: Allocation</i> Review where we left off Parameter Discussion Consensus Recommendation(s)</p>
10:30-10:45	<p><i>Break</i> Coffee Refills & Grab that Cookie!</p>
10:45 – 12:00	<p><i>Outcome 3: Eligibility</i> Review where we left off Modify Eligibility for Plans Consider Project Eligibility and Connection to a Plan</p>
12:00-12:45	<p><i>Lunch</i></p>
12:45– 1:30	<p><i>Outcome 3: Eligibility (if needed)</i> Additional Discussion Consensus Recommendation(s)</p>
1:30-1:45	<p><i>Break</i> Coffee Refills & Grab that Cookie!</p>
1:45-3:00	<p><i>Process Details</i> Distribution of Funds Guidance Time needed for Collaboration</p>
3:00-3:30	<p><i>Plus/Delta</i> Feedback on Forum 4 Feedback on the WBF Outreach Process</p>

Policy for Meetings Conducted Via Interactive Television/Technology Purpose (MN Statute 13D.02) or by Telephone or other Electronic Means (MN Statute 13D.021)

Adopted: _____

The Pelican River Watershed District Board of Managers recognize that it is a deliberative body and that it is important for Managers to attend meetings to perform the role for which they were elected and to add to the diversity of thought and opinion in deliberations.

The Managers recognize that members in certain circumstances may not be physically able to be present at all Board meetings. It is the expectation that this policy will be used in good faith for remote attendance of a meeting in its entirety. **MN State Statute 13D.02 Meetings Conducted by Interactive TV; Conditions** for using interactive television to attend meetings remotely .

The District will follow MN State Statute 13D.02 Meetings Conducted by Interactive TV; Conditions (2018) and as updated as follows:

Conditions (13D.02, Subd 1.)

A meeting governed by section [13D.01, subdivisions 1, 2, 4, and 5](#), and this section, may be conducted by interactive television so long as:

1. all members of the Board of Managers of the Pelican River Watershed District (District) participating in the meeting, wherever their physical location, can hear and see one another and can hear and see all discussion and testimony presented at any location at which at least one member is present;
2. members of the public present at the regular meeting location can hear and see all discussion and testimony and all votes of Board Managers of the District;
3. at least one Board Manager of the District is physically present at the regular meeting location; and
4. each location at which a Board Manager of the District is present is open and accessible to the public.

Members are present for quorum, participation (13D.02, Subd. 2.)

1. Each Board Manager of the District participating in a meeting by electronic means is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

Monitoring from remote site; costs. (13D.02, Subd. 3.)

1. To the extent practical, the District will allow a person to monitor the meeting electronically from a remote location. The District may require the person making such a connection to pay for documented marginal costs that the District incurs as a result of the additional connection.

Notice of regular and all member sites.(13D.02, Subd. 4.)

1. When interactive television is used to conduct a regular, special, or emergency meeting, the District will provide notice of the regular meeting location and notice of any site where a Board Manager of the District will be participating in the meeting by interactive television. The timing and method of providing notice must be as described in section [13D.04](#) (2018).

Use of Interactive Television

1. A Board Manager may attend a meeting via interactive television if s/he is prevented from physically attending because of (1) personal illness or disability, (2) employment or District business, (3) out-of-state personal travel, or (4) a family member illness or emergency.
2. No Manager shall participate remotely more than three (3) times during a calendar year. However, the Board, by majority vote, shall allow a Board Manager to participate remotely more than three (3) times when conditions or circumstances justify such added remote participation.
3. Board Managers who desire to participate in a meeting by means of interactive television shall notify the District Board President and Administrator at least seven (7) days in advance of the meeting in question.

4. The Administrator or his/her designee is authorized and directed to provide the technology sufficient to implement this policy.

The determination as to whether the Board Manager shall be considered present shall be made by the Board Secretary.

1. Each Board Manager participating from a remote location may be requested by any Board Manager physically present to declare that s/he is participating prior to the motion for each item on the agenda.
2. All votes shall be by roll call, so each manager's vote on each issue can be identified and recorded.
3. If remote access fails during discussion preceding an action item, that failure ends the remote participation in the meeting on that topic and precludes further participation in voting at that meeting on that single topic.
4. If remote access is reestablished, members may rejoin discussion and act on subsequent action items.
5. If for any reason the remote access, in full or in part with the Board member malfunctions before the adjournment of the meeting, the meeting shall continue.

Telephone or other Electronic Means (MN State Statute 13D.021)

Use of telephone or other electronic means can only be used if the Board President, legal counsel, or the Administrator determines an in-person meeting or a meeting conducted through interactive television is not practical or prudent **only when the Minnesota Governor or his/her designee declares a health pandemic or an emergency under M.S. Ch. 12 (national security, natural disaster, hazardous materials incident)**

The District will follow Minnesota State Statute 13D.021 (2018) which provides for use of telephone or other electronic means in certain circumstances as follows:

Conditions.(13D.021, Subd 1.)

A meeting governed by this section and section [13D.01](#), subdivisions 1, 2, 4, and 5, may be conducted by telephone or other electronic means so long as the following conditions are met:

- (1) the presiding officer, chief legal counsel, or chief administrative officer for the District determines that an in-person meeting or a meeting conducted under section [13D.02](#) is not practical or prudent because of a health pandemic or an emergency declared under chapter 12;
- (2) all Board Managers of the District participating in the meeting, wherever their physical location, can hear one another and can hear all discussion and testimony;
- (3) members of the public present at the regular meeting location of the District can hear all discussion and testimony and all votes of the Board Managers of the District, unless attendance at the regular meeting location is not feasible due to the health pandemic or emergency declaration;
- (4) at least one member of the District, chief legal counsel, or chief administrative officer is physically present at the regular meeting location, unless unfeasible due to the health pandemic or emergency declaration; and
- (5) all votes are conducted by roll call, so each Board Manager's vote on each issue can be identified and recorded.

Members are present for quorum, participation (13D.021, Subd 2.)

Each Board Manager of the District participating in a meeting by telephone or other electronic means is considered present at the meeting for purposes of determining a quorum and participating in all proceedings.

Monitoring from remote site; costs.(13D.021, Subd 3.)

If telephone or other electronic means is used to conduct a meeting, to the extent practical, the District shall allow a person to monitor the meeting electronically from a remote location. The District may require the person making a connection to pay for the documented additional cost that the body incurs as a result of the additional connection.

Notice of regular and all member sites.(13D.021, Subd 4.)

If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the District shall provide notice of the regular meeting location, of the fact that some members may participate by telephone or other electronic means, and of the provisions of subdivision 3. The timing and method of providing notice is governed by section [13D.04](#) of the Open Meeting Law.

Policy for Use of Electronic Mail by Pelican River Watershed District Board of Managers

Adopted _____

Use of Electronic Mail Use of electronic mail (email) by Managers should conform to the same standards of judgment, propriety, and ethics as other forms of related communication. Board Managers shall comply with the following guidelines when using email in the conduct of board responsibilities:

- The Board Managers shall not use email as a substitute for deliberations at board meetings or for other communications or business properly confined to board meetings.
- Board Managers should be aware that email and email attachments received or prepared for use in board business or containing information relating to board business are likely to be regarded as public records which may be inspected by any person upon request, unless otherwise made confidential by law.
- Board Managers should avoid reference to confidential information about employees, students, or other matters in email communications because of the risk of improper disclosure. Board Managers should comply with the same standards as District employees with regards to confidential information.