



# LOWER MINNESOTA RIVER WATERSHED DISTRICT

## Executive Summary for Action

Lower Minnesota River Watershed District Board of Managers Meeting

Wednesday, July 21, 2021

### Agenda Item

#### Item 6. F. - Legislative Action

#### Prepared By

Linda Loomis, Administrator

#### Summary

The Legislature met in special session since the last Board meeting and many bills were passed and signed by the Governor. Lisa Frenette, Legislative consultant for the LMRWD has provided a summary for the Board, which is attached. Lisa is planning to attend to the meeting in order to meet the Board.

One provision that was passed would allow the LMRWD to use State funds provided to the District for dredge management to replace the Clean Water Fund grant for the Seminary Fen Ravine project. Ms. Frenette has contacted BWSR to see how to facilitate the transfer and I will be working with Carver County, the District's financial service provider and Redpath and Company, LMRWD auditors, to make such the transfer is booked properly.

**History:** In 2013, the LMRWD received a grant of \$220,800 to stabilize a ravine in Chaska that was contributing sediment to Seminary Fen. The original grant application under-estimated the cost of the project and several years were spent trying to design a project that would stabilize the ravine and fit the original budget. Eventually, a design that was acceptable to BWSR, the granting agency, was found and the project was bid before the grant expired. Weather conditions prevented the project from being completed on time and an extension of the grant was requested and approved. After completion of the project, reporting to BWSR was not complete in a timely manner and when the reporting was finally accepted by BWSR, the LMRWD was told that funds were not available to pay the second half of the grant. (The first half of the grant was received when the grant was approved.) The LMRWD reimbursed the City of Chaska for costs incurred for completion of the project. Reimbursement included the grant funds that were not paid and the LMRWD contribution to the project. The LMRWD worked with BWSR to try to find funds to replace the grant money.

The LMRWD successfully lobbied the State to contribute financially to dredge management. The LMRWD planned to use State funds for dredge management to bring the dredge storage site up to industry standards. The bids received for the dredge site project came in significantly below the estimated cost. BWSR suggested that the LMRWD seek permission from the Legislature to use funds allocated to the LMRWD for dredge management to replace the lost grant for the ravine stabilization. This permission was in legislation passed this year.

#### Attachments

Legislative update

#### Recommended Action

No action recommended

The legislature met remotely for the second year making it difficult to have one on one contact with legislators to discuss issues related to the Lower Minnesota River Watershed District (LMRWD). It looks as though the legislature will be fully open for next year's session and lobbyists and their associations will be able to meet directly with legislators and attend committee hearings. For now, everyone gets to take a much needed break after 18 months of sessions (2 regular and 8 special).

The Minnesota Legislature came down to the wire and passed budget bills to keep the state of Minnesota running on June 30, 2021. The legislature must pass its budget bills by June 30th at the end of each biennium in order to avoid a shut down. Avoiding this shut down allowed Minnesota parks to stay open for the Fourth of July.

### **Bonding**

Sessions during even years tend to focus on a larger capital investment bill than in odd years. There were discussions around a \$400 to \$500 million-dollar bill for emergent and maintenance projects, but did not gain enough momentum to move forward. Minnesota passed its largest bonding bill last October.

### **Environment**

The 2021 Special Session Environment bill was a pared down, limited focus bill due to the disagreements between the House and the Senate on several provisions. The first year of the biennium is technically dedicated to appropriating funds to agencies while the second year is to pass policy language and funding for capital investment projects. The bills main highlights were on Aquatic Invasive Species, PFAS ( or Per- and polyfluoroalkyl substances) and hunting and fishing regulations. Also included in the bill was language appropriation funds from the Environmental Trust Fund for 2021 and 2022.

The two provisions sought by the LMRWD were continued funding for the Dredge Maintenance fund as well as the transfer of funds to the city of Chaska. Dredge Maintenance was funded at its full and current level (\$240,000 per year). This is a testament to job the LMRWD is doing to maintain water quality and wildlife habitat while ensuring important transportation commerce on the Lower Minnesota.

The legislature also agreed to allow a transfer of \$111,000 from one LMRWD account to another. This fills a gap in the LMRWD budget for funds that were paid to the city of Chaska for the Seminary Fen project.

The following initiatives were passed on PFAS:

- \*\$600,000 the first year of the biennium to develop and implement an initiative to reduce sources of PFAS in the environment that are eventually conveyed to municipal wastewater treatment facilities; and
- Prohibiting PFAS in food packaging.

A new water quality and storage program was established to provide financial assistance (\$2 million) to local units of governments with priority funding to the Minnesota River Basin to help sustain or improve water quality with high water rate and volume.

Language was introduced this session to have BWSR conduct a study on the impacts of merging watershed districts and soil and water conservation districts. The LMRWD along with other watershed districts opposed this language. The bills were passed in either body.

### **Legacy**

The Friends of the Minnesota River Valley secured \$200,000 for a River Watch program. This program gets kids out on the river to study water quality, snow depth and other environmental issues to assist in maintaining a healthy river ecosystem. Also passed was a study on how to best appropriate funds for this important educational opportunity throughout the state.