

Minnesota 3M PFAS Settlement

Notes for Combined Working Group Meeting

Wednesday, November 20, 2024

9 a.m. – 12 p.m.

Hybrid Teams and in-person meeting

Combined working group members in attendance

- Clark Schroeder
- Dan Wietecha
- Dave Schulenberg
- Karie Blomquist
- Jeff Dionisopoulos
- Jeff Holtz
- Jennifer Levitt
- Jess Richards
- Jessica Stolle
- Kirk Koudelka
- Mark Jenkins
- Mary van Milligen
- Melissa Kuskie
- Michael Madigan
- Monica Stiglich
- Nicole Miller
- Pam Anderson
- Stephanie Souter
- Steven Johnson

Presenters

- Kirk Koudelka, Minnesota Pollution Control Agency (MPCA)
- Jess Richards, Minnesota Department of Natural Resources (DNR)
- Rebecca Place, MPCA
- Andri Dahlmeier, MPCA
- Debra Fleischer, Abt Global
- Emma Glidden-Lyon, Abt Global

Welcome

Debra Fleischer (Abt Global) opened the work group meeting by walking through the hybrid meeting logistics, conducting roll call, and discussing the meeting agenda. Kirk Koudelka (MPCA) and Jess Richards (MPCA) provided updates on Priorities 1 and 2. Mr. Koudelka detailed progress on Priority 1 projects, highlighting advancements in municipal and drinking water systems, including increased sampling of private wells and the installation of granular activated carbon (GAC) systems. Mr. Koudelka reminded attendees that when sampling results are sent to residents by letter, the letter includes the contact and process information to request bottled water and start the processes for installing the GAC. The public can find the location of the private wells with well advisories online at the [Well sampling in the East Metro Area - MPCA Website](#). Mr. Koudelka emphasized that water sampling efforts are focused on prioritizing areas that are likely to have exceedances based on new standards. Updates on Priority 2 included hiring new staff and outlining the upcoming two-part process for grant proposals, starting with a letter of intent in early 2025.

Finally, Mr. Koudelka also provided the update that the U.S. Environmental Protection Agency's Maximum Contaminant Levels (MCLs) for PFHxS will be used for relevant project consideration. When the Co-Trustees have multiple standards for eligible PFAS compounds, they rely on the more protective of those numbers, which is the case for PFHxS.

Annual Review

Rebecca Place (MPCA) presented the Annual Review, which provided a comprehensive snapshot of the fiscal year spanning July 1, 2023, to June 30, 2024. This review evaluates progress on the implementation of the Conceptual Plan over the past fiscal year, impacts to implementation of the Plan from new information, anticipated projects in fiscal year 2025 and their anticipated impact on settlement funds, and contingency funding and fund reallocation.

The draft Annual Review will be finalized and published online at 3Msettlement.state.mn.us after incorporating feedback.

Hastings

Andri Dahlmeier presented updates on the City of Hastings and its inclusion in the settlement's Priority 1 projects. The Co-Trustees have determined that PFAS treatment for one of Hastings' municipal wells (Well 5) is eligible for 3M Settlement funds because there is connection between PFAS contamination in Well 5 and the PFAS at the 3M Cottage Grove facility. This determination follows detections of TFSI at the 3M Cottage Grove facility and Well 5, the major fault running through the river and next to Well 5 providing a transport pathway, and the results of the isotope analysis showing Well 5 is pulling in surface water.

Work Group Feedback

One work group member asked if MDH's HBVs and the EPA's MCLs are currently being funded and whether there has been clear communication regarding their use moving forward. The Co-Trustees explained that MDH is still determining how HBVs and MCLs will function together in state policy. For now, prioritization remains on HBVs as outlined in the settlement document, and decisions are being made using the current HBVs. If the policy changes statewide in the future, adjustments might be made to maintain consistency, but any grant agreements already finalized will not be retroactively altered. The intent is to ensure consistency while honoring prior commitments.

Another work group member asked why Hastings is now undergoing additional research and analysis to be added to the 3M Settlement and was not included in the original Consent Order. The Co-Trustees explained that the recent MPCA determination of a connection between the 3M Cottage Grove facility and Well 5 may allow Hastings to be party to the Consent Order, but that the Consent Order is paused while the Settlement is being used to address drinking water. This is true for all the communities included under the Consent Order and the Settlement.

Multiple work group members asked about TFSI, including if it has a health value or would be added to the list of materials of concern. There are no current or planned health values for TFSI. TFSI is a tracer which helps confirm links with the 3M Cottage Grove facility, but it is not required to make the case for eligibility. In response to a follow-up question about capturing TFSI, the Co-Trustees explained that TFSI is harder to treat with carbon filters due to its shorter chain, but alternative methods like ion exchange, reverse osmosis, and microfiltration are more effective.

Another work group member asked for clarification on the process for testing private wells in Hastings and whether they will be included in the GAC treatment program, now that Hastings has access to funds for municipal water treatment. The Co-Trustees explained that while there are several private wells in the Hastings area, most of them are not used for drinking water, but for irrigation. Testing has been conducted on a few

private wells to fill data gaps, but they are looking to track down if there are any other wells in the area that are being used for drinking water.

Another work group member asked whether 3M signing the agreement will have an impact on the ability to collect more data on TFSI. The Co-Trustees explained that the decision for 3M to sign the agreement does not impact the ongoing data collection process, as the MPCA and DNR are leading the Settlement decisions. Additional investigations are already underway in Hastings and northern Dakota County as per the MPCA's request. MPCA and the governor had requested \$25 million in funding statewide investigations and treatment planning for cities not eligible for the Settlement. Hastings is already in this process, with \$3 million of that funding supporting the design and planning phase in Hasting. State agencies are also working to secure more funds for additional communities facing similar challenges.

Another work group member asked if a map of the affected area of Hastings could be provided by email. The Co-Trustees stated that while there was not a traditional plume map yet, there are reports with sample results from Hastings that can be shared which can be made available to work group members.

One work group member asked how the confirmed connection between the Mississippi River and Hastings Well 5 downstream of the Cottage Grove facility would impact the NPDES permit for that facility. The Co-Trustees stated that they were unsure how this connection would specifically affect the NPDES permit at this time. The Co-Trustees believed that the permit is being guided by site-specific criteria, including findings from the 2023 report and PFAS impacts on aquatic life in the river near the facility.

Another work group member asked if PFAS contamination in the Mississippi River could be attributed to both the industrial plant in Cottage Grove and wastewater discharge, and whether wastewater is monitored for PFAS. They followed up by asking if PFAS chemicals might eventually be classified as hazardous substances and prohibited from discharge into the environment. The Co-Trustees explained that under the PFAS Blueprint, PFAS monitoring is being incorporated into NPDES permits for wastewater plants, including those with industrial sources. Approximately 90 wastewater facilities, potentially including the one near Cottage Grove, are conducting monitoring and working on source reduction plans. While some plants already had monitoring based on site-specific criteria, others are being integrated into the regulatory program as PFAS management continues to evolve. A work group member also made a comment saying that the Pig's Eye Landfill is a source of PFAS in the Mississippi River near the Metro Plant discharge, upstream of the Cottage Grove facility.

Regarding PFAS classification as hazardous substances, the Co-Trustees clarified that Minnesota already designates PFAS as hazardous under state regulations, while federal recognition is limited to PFOA and PFOS. Discharge allowances are governed by NPDES requirements and applicable standards, which depend on regulatory frameworks.

Public comments and questions

A public commentor asked if 3M would provide a GAC system for a private well that contains TFSI but no PFAS levels exceeding drinking water guidelines. The Co-Trustees explained that a GAC would not be provided in such cases, as there is no HBV established by the Department of Health for TFSI. Decisions regarding GAC installation must be based on existing HBVs for PFAS.

A public commentor asked if private well owners in Dakota County with PFAS levels above guidelines might become eligible for 3M-funded GAC systems in the future. The Co-Trustees explained that 3M has been asked to investigate private wells in northern Dakota County, including Nininger Township, to identify any impacted

wells. Sampling efforts will focus on areas near known municipal PFAS sources, such as Hastings, and expand outward as necessary. In other parts of Dakota County, unless PFAS detections are identified, further sampling is not planned.

A public commentor asked where Stillwater fits into the Priority 1 efforts. The Co-Trustees explained that Stillwater is currently being addressed under the Site Assessment program, which focuses on identifying PFAS in community wells and determining contamination sources. Stillwater is not categorized under Priority 1 at this time, as the source of the PFAS contamination must first be established.

Future Funding Considerations/Transition Path

Emma Glidden-Lyon (Abt Global) discussed future funding considerations stemming from the Annual Review and the Consent Order. She began by noting that as of the end of FY24, Settlement funds earned approximately \$80 million in interest and that most of those funds have still yet to be committed. Predictions for FY25 indicate that reallocation will likely be needed to cover capital project commitments. Current projects anticipate the Settlement to be fully allocated around FY2027, depending on project timing and cost estimates. The Co-Trustees are having biweekly meetings with 3M which aim to refine the scope and timing of transitioning to the 2007 Consent Order.

Work Group Feedback

A work group member asked about the communications support grant listed for Woodbury and what it entails. They also inquired whether other communities are requesting similar funding. The Co-Trustees explained that Woodbury's communications grant relates to the water treatment plant and funds activities such as posting bidding opportunities in newspapers and other communication efforts tied to PFAS-related treatment. Other communities, such as Cottage Grove and Lake Elmo, have also received similar administrative grants. The structure of these grants is tailored to each community's needs. They also stated that some communities preferred combined grants while others request separate allocations for accounting purposes.

Another work group member wondered if cities are represented in the biweekly transition meetings with 3M to provide input, and who those city representatives might be. The Co-Trustees explained that city representation is not part of those biweekly transition meetings with 3M. Those meetings focus on a wide range of topics which include investigations, remediation work, and other legal discussions. The work group members encouraged the Co-Trustees to include city representation as they are the ones dealing with the issues and can give better insight on how things work in their jurisdictions and their timelines.

Work group members also inquired about the status of Lake Elmo's treatment plant projects and Hastings project, as they did not see monetary estimates listed for those projects. The Co-Trustees clarified that the Lake Elmo and Hastings projects are included in the future funding planning but assumed to be occurring after fiscal year 2025 so an estimated amount was not included in the presentation, although it is in the future funding analysis.

Multiple work group members expressed concern about the timeline for the transition to the 2007 Consent Order, which is causing uncertainty for city budgeting and city utility planning. They asked for reassurance that the transition would occur smoothly and on time. They emphasized the need for a planning window to ensure that decisions can be made in time for the start of FY2025. The Co-Trustees acknowledged the concern and emphasized that cities need a two- to three-year planning window to prepare for potential costs given the scale of treatment plants and the financial burden of O&M costs. They recognized that cities cannot absorb these costs through utility rates alone and need clarity on the transition to avoid gaps in funding once the Settlement

runs out. The Co-Trustees stated that they are working to ensure a smooth transition by actively engaging with 3M on this matter. They noted that feedback from communities, particularly regarding budgeting cycles, is crucial for refining the transition plan and providing the necessary information for cities to make decisions.

Multiple work group members had questions about how and by whom the Consent Order would be managed – whether it would be overseen by the Co-Trustees, 3M, the State, or another entity. They mentioned that Oakdale had to manage the process alone and that this was particularly worrying because the state had previously fronted the money to help cover costs while waiting for reimbursement from 3M. They also inquired about the oversight and data management process and how the Co-Trustees planned to continue working with the cities. The Co-Trustees explained that the transition discussions with 3M are focused on understanding how the Consent Order will be managed, including aspects such as payment schedules and how data will be handled. The goal is to create a unified system for all 15 communities to avoid having different processes for each city. The Co-Trustees shared that prior experience with the Consent Order will inform the transition process.

A work group member asked whether the goal is to create a Memorandum of Understanding (MOU) or another legal addendum as part of the transition process to the Consent Order. They expressed concern about 3M's motivation and whether the process would be effective, raising the possibility of future disputes, and asked if there would be an appeals process for denied reimbursements. The Co-Trustees explained that the legal commitment from 3M is already outlined in the Consent Order. The discussions with 3M are focused on how to implement this agreement administratively. This includes setting up processes for reimbursements and timelines. The Co-Trustees emphasized the desire to develop a streamlined and standardized system for the fifteen communities in a way that is similar to the current grant process under the Settlement. If disagreements arise, both the Consent Order and the Settlement have established dispute resolution processes, and if necessary, the matter could be taken to court.

Next Steps

Rebecca Place presented the next steps for ongoing efforts. The Co-Trustees will continue reviewing incoming grant forms, implementing community projects, and evaluating these against available funds. This information will be used to continue to help plan the transition to the Consent Order. Private well resampling will continue, and the Co-Trustees will keep communicating with residents whose wells require testing. Additionally, whole-home treatment systems will be installed in homes with well advisories. Regarding Priority 2, an RFP letter of intent will be issued in early 2025, followed by a Question-and-Answer period. The full RFP will open in summer 2025 with applications due in the fall. If approved, projects will begin in 2026.

Work Group Feedback

A work group member asked if the rate or quantity of testing in the area that is reimbursed with Settlement dollars will change under the Consent Agreement. The Co-Trustees explained that the rate of testing is based on the data observed in the field. While sampling was reduced in previous years due to a good understanding of contamination and only a few unknown hotspots, the recent changes in HBVs and MCLs have prompted an increase in testing. As HBVs and MCLs have lowered, more sampling is required to ensure compliance.

A work group member asked if the presentations would be available on the website. The Co-Trustees confirmed that the presentations will be made accessible on the 3M settlement website and YouTube Channel.

Public comments and questions

A member of the public asked for more details on the possibility of a pilot for reverse osmosis systems. The Co-Trustees clarified that while there have been pilot studies for other systems, they were not aware of any pilot program for reverse osmosis systems.

Another member of the public asked a follow-up question about Stillwater, seeing if it is related to Project 1007 or if it is too far north to be included in the project. The Co-Trustees explained that Stillwater's involvement is still being determined through the Site Assessment program. If the source of contamination can be linked to one of the four disposal facilities, it could potentially be connected to Project 1007.