Minnesota 3M PFC Settlement

Agenda for Citizen-Business Group Meeting

Tuesday, May 19, 2020 1:00 p.m.-4:00 p.m.

Webex link: Join Webex meeting

(If using Webex, we request that you connect to the audio using your phone rather than the computer, and use the "Call me" option. Please refer to the Webex instructions for more information.)

Conference line (if not using the Webex "Call me" option): 1-415-655-0002; Access code: 612 607 255#

Meeting Purpose:

- Achieve a common understanding of progress to date on Settlement activities
- Continue discussion and begin to resolve key considerations for determining good/better/best scenarios
- Clearly identify next steps.

| 1. Welcome | Kirk Koudelka – MPCA | 1:00 pm |
|----------------------------------|------------------------------------|---------|
| a. Agenda | Jess Richards – DNR | 1.00 pm |
| b. Webex instructions | Heather Hosterman – Abt Associates | |
| c. Roll call | Jeanne Goodman – Abt Associates | · |
| Updates and follow-up | Kirk Koudelka – MPCA | |
| a. Liaison updates | Jess Richards – DNR | |
| b. Email update follow-up | Jess Richards – DIVR | |
| | | |
| c. Other questions | mining Kirk Koudelka – MPCA | |
| 3. Key considerations for determ | 8 | |
| good/better/best scenarios | Jess Richards – DNR | |
| | Mark Lorie – Abt Associates | |
| 4. BREAK | | 2:20 pm |
| 5. Key considerations for determ | mining Kirk Koudelka – MPCA | |
| good/better/best scenarios | Jess Richards – DNR | |
| (Cont'd) | Mark Lorie – Abt Associates | |
| 6. Public comments and question | ons Mark Lorie – Abt Associates | 3:30 pm |
| | Milt Thomas – MPCA | |
| 7. Conceptual Drinking Water S | upply Mark Lorie – Abt Associates | |
| Plan | Hannah Albertus-Benham – Wood | |
| a. Overall process and timel | ine to Milt Thomas – MPCA | |
| complete | | |
| b. Next steps (upcoming act | ivities | |
| and tasks, future meeting | | |
| agenda items to request) | | |
| 8. ADJOURN | | 4:00 pm |

Minnesota 3M PFC Settlement

Notes from the Citizen – Business Work Group Meeting

Tuesday, May 19, 2020 1:00 p.m. – 4:00 p.m. WebEx Meeting

Group members in attendance:

| Betsy Daub | Dave Schulenberg |
|-------------------------|------------------|
| David Filipiak | Jess Richards |
| Julie Bunn | Kathryn Sather |
| Katie Johnston-Goodstar | Kirk Koudelka |
| Mark Jenkins | Michael Madigan |
| Monica Stiglich | Steven Colvin |
| Steven Johnson | |

Presenters:

- Kirk Koudelka, Minnesota Pollution Control Agency (MPCA)
- Jess Richards, Minnesota Department of Natural Resources (DNR)
- Heather Hosterman, Abt Associates
- Mark Lorie, Abt Associates
- Milt Thomas, MPCA
- Hannah Albertus-Benham, Wood

Welcome

Heather Hosterman (Abt) and Kirk Koudelka (MPCA) welcomed the work group.

Updates and follow-up

Kirk Koudelka (MPCA) provided project updates:

- AECOM is completing a third-party review of the groundwater model. MPCA will share the results of the review with the work group. The review focuses on Appendices B and C, which are on SharePoint.
- The Mentimeter and Dotmocracy results from the public meetings are also on SharePoint.
- There will be a round of project funding, similar to the expedited projects, to leverage Settlement funds for the 2021-2022 construction season that are consistent with Priority 1 criteria. This will be a limited application round for those who have a relevant road construction projects in place. The Co-Trustees will ask the Government and 3M Working Group if a 30 or 45 day application window will be sufficient or if they will need longer.

Monica Stiglich provided a recap of the April Citizen-Business meeting. April's meeting was focused on the ion exchange (IX) study in Cottage Grove. There were many technical questions about using IX for homes and iron contamination. Pre-treatment was not considered in cost, but may need to be if there is a possibility of contamination in communities.

Key considerations for determining good/better/best scenarios

Mark Lorie (Abt) presented the results of the Key Considerations Survey. The survey represents 22 responses (5 from the Citizen-Business work group, 11 from the Government-3M work group, and 6 from SG1). Work group members should fill out the survey if they have not already done so or have additional comments. The survey results will be used to inform the Co-Trustees as they develop the good/better/best scenario.

The work group discussed five key considerations:

Health Index (HI) threshold for treatment. There is widespread support for HI threshold less than 1
and near unanimous agreement that this issue is very important to resolve. Survey respondents felt
that the most appropriate HI threshold was >=0.5. There was some confusion about the definition of
HI and how it is measured.

Uncertainty comes from additional PFAS analytes being added as well as the plume moving. One work group member expressed the desire for a more aggressive testing plan to address uncertainty, especially on wells that were only tested one time.

Addressing sustainability and resilience. Sustainability was not as high of a priority as HI. There was
a diversity of responses in how important to rank sustainability and a near even split about when to
incorporate sustainability and whether Settlement implementation should include incentives for
sustainability.

One work group member asked for clarification on the purpose of the groundwater model and its goal to prove there was adequate groundwater to place wells. MPCA explained that sustainability included social and economic considerations as well as environmental factors. DNR is looking at how to connect the White Bear Lake Model to the East Metro Groundwater model. There will be more conversations on this topic.

• **Cost-sharing.** A majority of responses indicated it is important or very important to consider cost-sharing as part of the Settlement.

There was a discussion about the different distribution systems in communities. Are distribution systems being designed to provide potable water as well as fire protection? Providing fire protection means much larger water mains and could raise costs. If there are options that provide for a water distribution systems similar to Woodbury or Cottage Grove, then there should be cost sharing related to upsizing the pipes for water protection. Some work group members felt the highest priority was to provide clean and safe drinking water to residents before adding fire protection. If cities want something that is larger or fancier than what the Settlement will provide, that city should be responsible for those extra costs. All work group members agreed that the Settlement should not fund infrastructure in new developments.

MPCA discussed that if wells are treated to an HI below 1 and funding runs out, that would be inequitable. If money runs out, then someone with a granulated activated carbon (GAC) system would be in charge of a yearly \$1000 change-out fee. Others on municipal systems would have their costs spread out across a community. Is it more equitable to cover longer O&M costs for private homeowners? What is the best way to spread funding across a community? One work group member pointed out that communities already pay different amounts for water, so the LGUs need to understand that not everything is going to be equal. Work group members would like an updated table (Table 7.2) that includes efficiency costs and actual costs.

Work group members also asked for an update on Battle Creek.

Public comments and questions

Members of the public were given the opportunity to ask questions. There were no comments or questions from the public.

Conceptual Drinking Water Supply Plan

Mark Lorie (Abt) presented on current steps, including:

 Co-Trustees, with support from Abt and Wood, are incorporating comments, changes to scenarios, and updating water supply demands.

Abt also presented on next steps. Co-Trustees, with support from Abt and Wood, will:

- June July: Consider next scenario iterations, update evaluations as needed (Chapter 7 and Appendix G), and finalize draft evaluations (Chapter 7 and Appendix G)
- August: Draft good/better/best scenario and Chapter 8
- September October: Meet with each community's leadership to discussion good/better/best recommendation and final decision. During this time, the Co-Trustees will share draft Chapter 7 and 8 with the work group and open a public comment period.

The work group meeting in June is cancelled. The status of the July and August work group meetings will be decided at least two weeks before their scheduled dates. Work group members should fill out the key considerations survey if they have not had a chance to do so or if they have additional comments. The survey will be open until Thursday, May 21. The Co-Trustees will provide an updated Table 7.2 and Battle Creek information.

Liaison Report – 22 May 2020

Citizen – Business and Government – 3M Work Group WebEx Meetings

Item #2 Updates

Appendices B and C have been posted in the Water Settlement Share Point.

Survey and comment information from the public meetings held in February were provided in the transmittal email for these meetings.

A question was raised whether expedited projects could again be submitted. The MPCA response was that a submittal window of 30 to 45 days would be open only to LGUs, likely beginning in the next two weeks. A request was made for the Work Groups to review these applications, as was done for the previous expedited projects.

A question was raised about the status of interest earned on the Settlement monies; interest earned goes back into the fund and is only used for Settlement purposes.

<u>Item #3</u> Discussion of Key Considerations for Good/Better/Best Scenarios

Information collected in the survey available to the Work Groups and Sub Group 1 was the basis for discussion (5 responses from Citizen-Business, 11 from Government-3M, and 8 from SG1). The presentation for the discussion provided details and prompts for further input and discussion.

The discussion in both meetings focused on the use of the Health Index (HI) to determine which wells/water systems would receive treatment (beyond those with a Health advisory, HI>=1.0). It was noted that once Settlement dollars are gone, systems with HI<1.0 would not be covered by the Consent Order. This prompted the (repeated) discussion of capital investment as a precautionary measure for water treatment for both HI<1.0 and for future additional analytes and/or health values at even lower levels than are currently stated by the Health Department. Wood personnel pointed out the water treatment media for HI<1.0 would have a different change-out than is in the current cost estimates (i.e., more frequent, higher cost). Also noted by Wood in the Sub Group 1 meeting, the current granulated activated carbon (GAC) and/or ion exchange (IX) media have not necessarily been proven effective for the additional analytes and/or lower HI values.

The other discussion area focused on cost sharing. As noted above, for treatment of systems with HI<1.0, cost sharing (especially for private systems) would need to be managed by the LGUs.

After the Government-3M discussion, the following were listed as a brief summary:

- 1. Capital investment to cover lowest levels of PFAs feasible
- 2. Operating and Maintenance (O&M) as long as possible for public systems, "longer" for private POETs (point of entry treatment)
- 3. Contingency for "new science on PFAs"

Respectfully submitted,

Monica Stiglich and Kevin Chapdelaine, Work Group Liaisons

26 May 2020