



August 10, 2020

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St. Paul, MN 55155

The Honorable Bill Ingebrigtsen
Chair, Senate Environment and Natural
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The Honorable John Persell
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The Honorable Dan Fabian
Republican Lead, House Environment and
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St. Paul, MN 55155

August 10, 2020

Dear Legislators:

Please see the attached 3M Settlement Biannual Report and Spending Plan, as required by 2018 Session Law, ch. 204, sec. 1, subd 4 (2).

Please contact us if you have questions.

Sincerely,



Kirk Koudelka
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520 Lafayette Road North
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Minnesota Department of Natural Resources
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Attachment

cc: Kristin Beckmann, Office of Governor Tim Walz
Sasha Bergman, Office of Governor Tim Walz

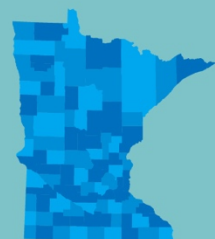
August 2020

3M Settlement biannual report and Spending Plan

Report to the Legislature on Natural Resource Damages settlement



m MINNESOTA



Legislative charge

The commissioner of the Pollution Control Agency and the commissioner of the Department of Natural Resources must jointly submit by February 1 and August 1 each year, a biannual report to the chairs and ranking minority members of the legislative policy and finance committees with jurisdiction over environment and natural resources on expenditures from the water quality and sustainability account during the previous six months. Minn. Stat. § 115B.52

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This report is available in alternative formats upon request, and online at <https://3msettlement.state.mn.us/>

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Foreword

On February 20, 2018, the State of Minnesota settled its Natural Resource Damage lawsuit against the 3M Company in return for a settlement of \$850 million. Minnesota's Attorney General sued 3M in 2010 alleging that the company's disposal of chemicals known as perfluorochemicals (PFCs), more commonly referred to as per- and polyfluoroalkyl substances (PFAS), had damaged and continue to damage drinking water and natural resources in the Twin Cities East Metropolitan Area. After legal and other expenses were paid, about \$720 million is left to finance drinking water and natural resource projects in this region of the Twin Cities.

The Minnesota Pollution Control Agency and the Minnesota Department of Natural Resources are Co-Trustees of these funds.

Please note: Some adjustments to this project were made due to the State of Minnesota's response to the COVID-19 pandemic. Throughout the pandemic, MPCA has remained committed to protecting the environment and human health and our staff continued to review permits, respond to complaints and environmental issues while mostly teleworking. However, all in-person public meetings were cancelled during the initial weeks of the State's response. MPCA and Co-Trustee DNR rescheduled work group and public meetings to online platforms as soon as was practical. The initial Executive Order 20-20 directing Minnesotans to stay at home also impacted our ability to gather lab results as private labs contracted for this project made similar adjustments to their schedules. These did not affect the overall project or its outcomes.

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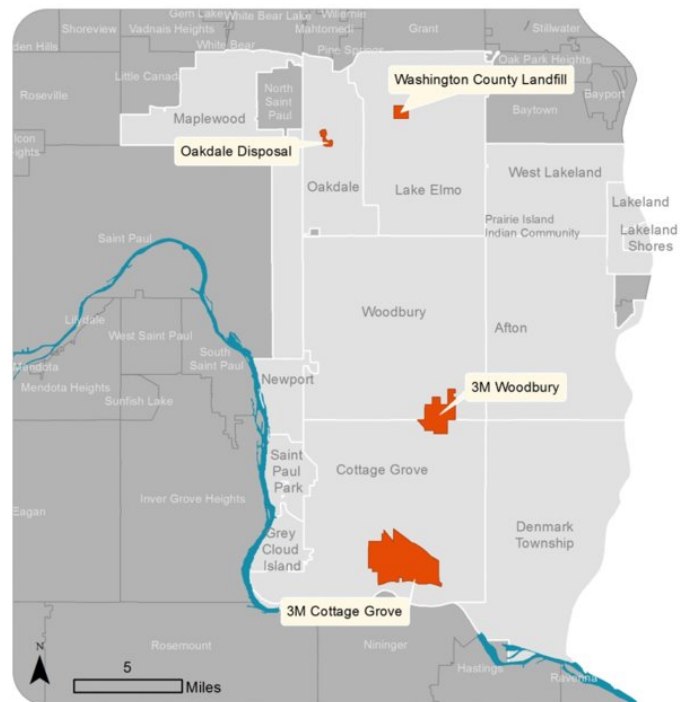
Summary

The State of Minnesota and the 3M Company announced an agreement to settle the state's Natural Resource Damages lawsuit for PFAS contamination on February 20, 2018. Under the terms of the agreement, 3M made an \$850 million grant to the state to be used for clean drinking water and natural resource projects, and the state's lawsuit expenses. After legal and other expenses were paid, about \$720 million is available to finance drinking water and natural resource projects in the Twin Cities East Metropolitan Area. The Minnesota Pollution Control Agency (MPCA) and Minnesota Department of Natural Resources (DNR) are Co-Trustees for the grant.

Figure 1: PFAS contamination traced to four disposal sites

Priority One — Ensure safe and sustainable drinking water

The top priority for the grant money is to enhance the quality, quantity, and sustainability of drinking water in the East Metropolitan Area. This area includes, but is not limited to, the cities of Afton, Cottage Grove, Lake Elmo, Lakeland, Lakeland Shores, Maplewood, Newport, Oakdale, St. Paul Park, Woodbury and the townships of Denmark, Grey Cloud Island and West Lakeland, and the Prairie Island Indian Community. The goal of this highest priority work is to ensure clean drinking water in sufficient supply to residents and businesses in the East Metropolitan Area to meet their current and future water needs.



Priority Two — Enhance natural resources

The second priority for grant spending is to restore and enhance water resources, wildlife, habitat, fish and other aquatic resources, resource improvement, and outdoor recreational opportunities in the East Metropolitan Area.

The terms of the 2018 3M Settlement Agreement specifies that \$20 million from the settlement is available for Priority Two projects. After the safe drinking water goals of the first priority are reasonably achieved, all remaining grant money is then available for natural resource restoration and enhancement projects.

Remaining grant funds

If there are funds remaining after the first two priority goals have been met, the grant can be used for statewide environmental improvement projects. Only projects in categories such as statewide water resources, habitat restoration, open space preservation, outdoor recreation improvements, or other sustainability projects would be eligible.

3M Settlement work groups

The MPCA and DNR are responsible for implementing the 2018 agreement. Under the terms of the agreement, the two agencies are responsible for establishing at least one working group to identify and recommend projects, and are also responsible for determining what projects and other activities will be funded with settlement money.

To engage with communities, stakeholders, and technical experts, the MPCA and DNR created two main work groups — the Government and 3M Working Group and the Citizen–Business Work Group. To assist these two main groups, a Drinking Water Supply Technical Subgroup 1 (Subgroup1) was formed to analyze options and deliver assessments and advice on alternatives and options.

The MPCA and DNR co-chair these groups and will make all final decisions.

Government and 3M Working Group

The Government and 3M Working Group is composed of one representative each from the MPCA, DNR, 3M, Washington County and one representative from each of the following communities: the cities of Afton, Cottage Grove, Lake Elmo, Lakeland, Lakeland Shores, Maplewood, Newport, Oakdale, St. Paul Park, Woodbury, the townships of Denmark, Grey Cloud Island and West Lakeland, and the Prairie Island Indian Community. One representative from the Citizen – Business Group is also a liaison to this group.

The group’s charter, meeting dates, and presentation materials are available on the 3M Settlement website — <https://3msettlement.state.mn.us/government-and-3m-working-group>.

Citizen–Business Work Group

The Citizen–Business Group is composed of MPCA, DNR, and 15 at-large citizen, business, and nongovernmental representatives who live or work in the East Metropolitan Area. One representative from the Government and 3M Working Group is also a liaison to this group.

The groups charter, meeting dates, and presentation materials are available on the 3M Settlement website — <https://3msettlement.state.mn.us/citizen-and-business-group>.

Drinking Water Supply Technical Subgroup 1

This technical subgroup analyzes options and provide assessments and advice to the MPCA, DNR, Government and 3M Working Group and the Citizen–Business Group for long-term options for drinking water supply and for treatment of existing water supplies that will ensure clean drinking water in sufficient supply to residents and businesses in the East Metropolitan Area to meet their current and future needs.

The group is composed of technical experts from MPCA, DNR, MDH, 3M, Metropolitan Council, Washington County, the Minnesota Geological Survey, U.S. Geological Survey, Minnesota Rural Water Association, and the Minnesota Well Water Association. The cities of Afton, Cottage Grove, Lake Elmo, Lakeland, Lakeland Shores, Maplewood, Newport, Oakdale, St. Paul Park, Woodbury, the townships of Denmark, Grey Cloud Island and West Lakeland, and the Prairie Island Indian Community each have one representative on the subgroup.

The group’s charter, meeting dates, and presentation materials are available on the 3M Settlement website — <https://3msettlement.state.mn.us/technical-subgroup-1-drinking-water-supply>.

Planning and assistance

MPCA and DNR retained Abt Associates (Abt) as consultants to coordinate and facilitate implementation activities for the 2018 Settlement. Abt Associates is an existing MPCA contractor for Natural Resource Damage Assessment (NRDA) work and has considerable expertise with natural resource damage assessments and settlement implementation and is providing an essential supplement to existing agency staff capacity.

Wood Environment & Infrastructure Solutions Inc. (Wood) was retained to develop a comprehensive groundwater model as well as a drinking water model for the East Metropolitan Area. These models will enable the Co-Trustees to evaluate long-term drinking water supply scenarios for the 14 communities.

AECOM Technical Services Inc. (AECOM) is providing an independent peer review of the groundwater model. They are also the primary contractor in the assessment and evaluation of Project 1007.

Wood and AECOM are existing MPCA environmental consultants for Superfund projects, have extensive experience in providing technical assistance with hazardous substance release site evaluations and municipal infrastructure projects, and bring national expertise on PFAS contamination issues.

Conceptual Drinking Water Supply Plan

The Conceptual Drinking Water Supply Plan (Conceptual Plan or CDWSP) is a key component to ensure drinking water needs and options for the East Metropolitan Area are appropriately and thoroughly considered. The value of the Conceptual Plan is to narrow options that will meet the needs of the communities in the area — now and for the future.

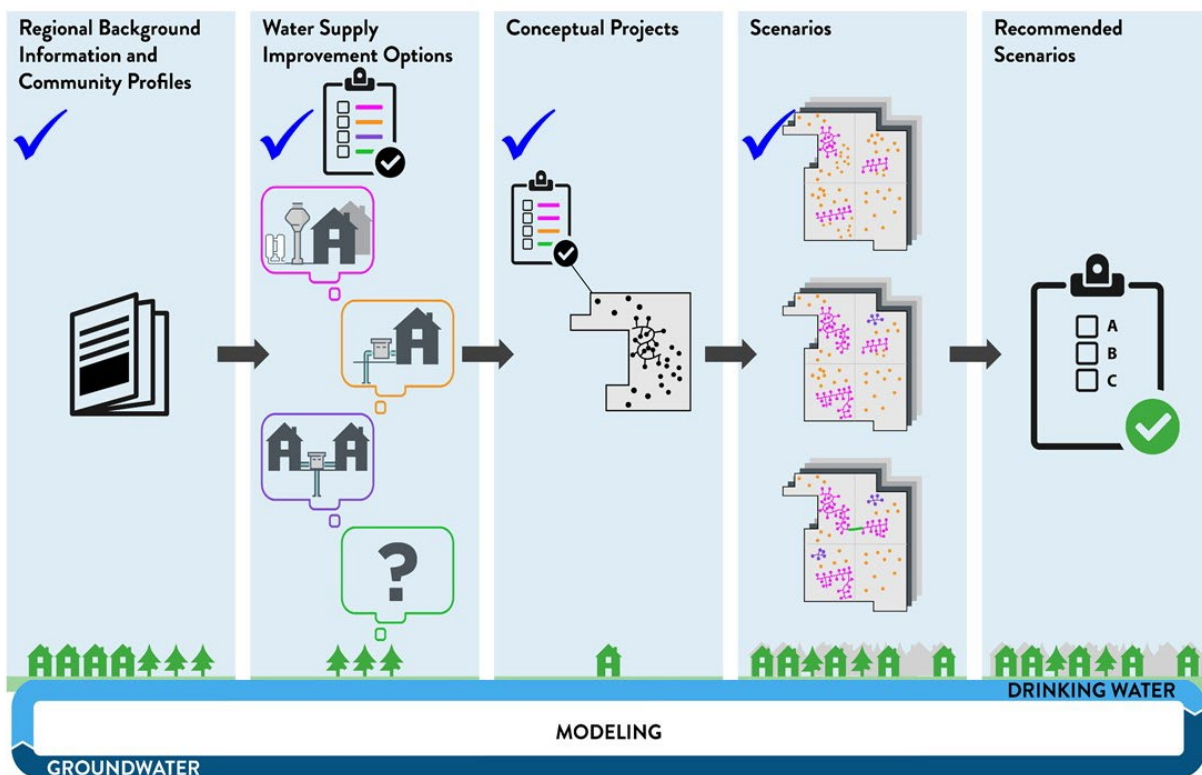
The Drinking Water Supply Technical Subgroup (Subgroup 1) is providing technical input and feedback on potential projects and technologies for evaluation.

Approach and timeline

The Conceptual Plan is being developed in a sequential process, refining a suite of projects (called scenarios) to reach three recommendations for the East Metropolitan Area. An overview of the step-wise approach is described below.

- ✓ Step one — Develop background and community profiles (people, growth, drinking water needs for today and tomorrow, existing resources)
- ✓ Step two — Identify water supply improvement options for individual communities (high-level)
- ✓ Step three — Identify concept-level projects (more detailed)
- ✓ Step four — Evaluate and refine the preliminary list of long-term options, also called scenarios (in process)
- Step five — Release the three recommendations for East Metropolitan Area (anticipated Fall 2020)

Figure 2: Step-wise Conceptual Plan approach



Preliminary list of long-term drinking water supply options

In February 2020, the MPCA and DNR shared a list of preliminary long-term drinking water supply options for those living and working in the East Metropolitan Area. Using the drinking and groundwater models, four groups of scenarios were developed and evaluated.

- **Treatment:** Treating existing public and private drinking water wells
- **Community-specific:** Projects submitted by the 14 communities (within their borders)
- **Regional:** Multi-community shared public water systems supplied by either surface water or groundwater
- **Integrated:** Combination of projects from treatment, community-specific, and regional scenarios

The comprehensive set of scenario options looked at water supply distribution and demand from the more than 6,000 private wells across all 14 communities as well as the eight communities that have public water systems. Population and water demand are expected to grow, future water forecasts were based on each community's comprehensive plan.

The preliminary results are a work in progress and are being refined based on feedback from the community, the work groups, and meetings with the local elected officials and technical staff. The preliminary list of options are available under the heading Informational and Listening Sessions at <https://3msettlement.state.mn.us/>.

Public participation

In February and March, 2020, the MPCA and DNR hosted six Informational and Listening Sessions to present the list of the preliminary long-term drinking water options. About 350 people attended the meetings. South Washington County Telecommunications Commission recorded the February 27, 2020 session. The recording is available at <https://youtu.be/NDCUpqnZMbY>. The meeting materials are available at <https://3msettlement.state.mn.us/>

Based on feedback from the six Informational and Listening Sessions, most people thought the meetings were helpful in understanding the complex topic.

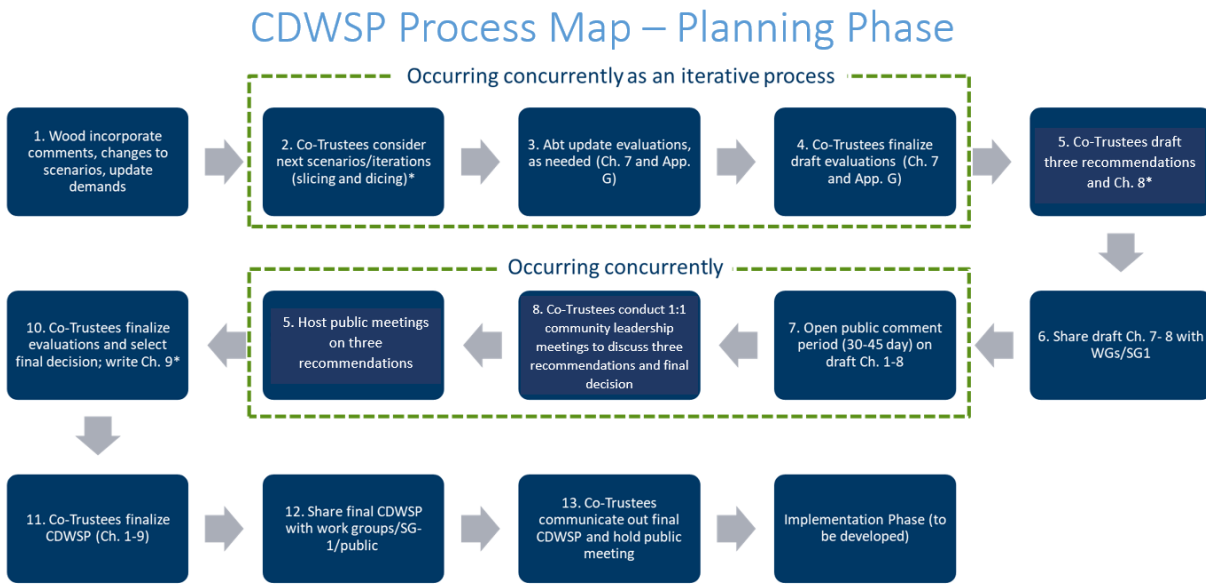
In addition to the public meetings, citizens are invited to join all work group meetings, and/or sign up for GovDelivery email notices.

Refining the scenarios

In May 2020, using the feedback from the work groups and the communities - including local elected officials and technical staff, the Co-Trustees with assistance from Wood and Abt, began refining the scenarios, they include:

- Review Wood's revised groundwater model data based on updates to the water supply projections from Lake Elmo, Oakdale, and Woodbury. The revised water supply projections resulted in an overall 15 percent increase in the average daily demand for water supply.
- Review groundwater modeling results for White Bear Lake. DNR established a protective elevation for White Bear Lake. DNR's groundwater model calculates the amount of water that can be pumped without causing lake levels to fall below a protective elevation.

Figure 3: Process for finalizing the Conceptual Plan



Project 1007

In 1987, the Valley Branch Watershed District constructed Project 1007 — a large flood control project for the Tri-Lakes Area (Lakes Jane, Olson, and DeMontreville). Project 1007 is a system of stormwater pipes, open channels, catch basins, and two dams that direct the flow of water from the Tri-Lakes area to the St. Croix River. It also uses a number of lakes and creeks to connect to the St. Croix River.

One of those creeks, Raleigh Creek, also flows through the former 3M Oakdale disposal site. Additionally, between the late 1980's to the early 1990's, untreated water from Washington County Landfill was discharged to Project 1007.

As part of the 3M Settlement Agreement, the MPCA is conducting a source assessment and feasibility study on the role Project 1007 played in the conveyance of PFAS contamination. Historically, surface and groundwater moved throughout the corridor along known regional paths. Due to continued flooding in the area, a major flood relief project - Project 1007 - effectively controlled the flooding that affected the area. Since 1987, the waters drain overland to the St. Croix River through this system, yet still maintain regional flow patterns below ground. While Project 1007 efficiently achieved its goal of flood control, it may have had the unintended consequence of extending surface water and sediment impacts from PFAS compounds.

Investigation process

AECOM Technical Services Inc. is providing consultation services for the assessment and evaluation. They are working with Valley Branch Watershed District, Minnesota Geological Survey, DNR, MDH, MNDOT and EPA's Office of Research and Development to collect and evaluate the impacts in the corridor. Work includes:

- Completed a baseline surface water, sediment and foam sampling event with continued sampling on a seasonal and as-needed basis
- Learning about the groundwater impacts and geology below the Project 1007 corridor by drilling monitoring wells and sampling soil and groundwater
- Planning focused investigations in targeted areas

- Evaluating interim cleanup options for surface waters

Once the investigation phases are complete, the robust data sets will be used for feasibility studies to evaluate potential mitigation efforts for the East Metropolitan Area.

PFAS-containing foam

During a baseline surface water sampling event for Project 1007, MPCA and MDH found and confirmed elevated levels of PFAS in foam. As a result of these findings, the MPCA and MDH notified local residents of the PFAS foam results and recommended avoiding contact with foam. The MPCA continues its investigation throughout the Project 1007 corridor for instances of PFAS-containing foam. PFAS-containing foam can occur on surface water where low concentrations of PFAS compounds exist due to physical and chemical properties that make their transport at the air-water interface likely. More information on PFAS-containing foam can be found at <https://www.pca.state.mn.us/waste/pfas-foam-surface-water>.

Results from these findings indicate on-going PFAS releases to surface water from the 3M Oakdale disposal site. Under the terms of the 2007 Settlement Agreement and Consent Order (2007 SACO) with 3M, the MPCA directed 3M to conduct additional evaluation of the groundwater control system at the disposal site. The groundwater control system was intended to control PFAS impacted groundwater from discharging to surface water, primarily Raleigh Creek. 3M has submitted a work plan to the MPCA to evaluate on-going PFAS release to surface waters and determine additional remedial measures.

Funded projects

A total of \$22,661,669 of Settlement funds have been awarded in grants to East Metropolitan Area local units of government to assist in addressing PFAS impacts.

Expedited projects

The MPCA and DNR, through discussions with both the Government and 3M Working Group and Citizen-Business Work Group members, recognized there may be some time-sensitive opportunities for projects that are consistent with the agreement's first priority. These projects could be implemented before the Conceptual Drinking Water Supply Plan was completed, but would not be in conflict with potential outcomes of the plan.

Applications were accepted through May 25, 2019 and were open to everyone, including individuals, for-profit businesses, nonprofit organizations, and public entities including the state, tribes, counties, schools, and higher education institutions.

The MPCA and DNR along with the Minnesota Department of Health evaluated all the proposals. The work groups also provided input on the projects in order to help the Co-Trustees make informed funding decisions.

The following list are those projects being funded.

Applicant	Project	Amount funded
City of Cottage Grove	The city will extend the water main in the River Acres neighborhood to connect 123 homes to the city's municipal drinking water supply system.	\$8,800,000.00
City of Cottage Grove	The city will connect 36 homes in the Granada Avenue neighborhood to the city's municipal drinking water supply system.	\$2,250,000.00

Applicant	Project	Amount funded
City of Lake Elmo	The city will extend a municipal water supply system to 65 homes located in the Stonegate 1st and 2nd addition neighborhoods.	\$4,384,300.00
City of Lake Elmo	The city will extend a municipal water supply system to six homes located just east of 31st Street and south of Stillwater Boulevard.	\$549,100.00
City of Lake Elmo	The city will extend a municipal water supply system to 41 homes located in the Hamlet on Sunfish Lake neighborhood.	\$2,712,200.00
City of Oakdale	The city conducted a feasibility study to evaluate treatment locations for its four city wells that received well advisories. The study will determine if there is sufficient space for a temporary or permanent treatment facility at the well location or at a centralized location.	\$20,000.00
City of Woodbury	The city conducted a feasibility study to better understand the city's existing water supply distribution as it relates to PFAS contamination.	\$96,069.00
Washington County	The county will administer and oversee a program to seal PFAS-impacted wells located in the East Metropolitan Area.	\$150,000.00
	Total funded	\$18,961,669.00

Ion exchange pilot project

A pilot project is underway in Cottage Grove to evaluate ion-exchange (IX) as a potential treatment for PFAS in the East Metropolitan Area. Currently, MDH has not approved IX as a treatment option for drinking water systems in Minnesota. The water quality in the East Metropolitan Area is similar enough that MDH expects to be able to use the data gathered from the IX pilot study to validate the design of IX PFAS removal for any of the affected East Metropolitan Area communities.

The pilot project will also compare IX with granular activated carbon (GAC) treatment in order to help local and state officials understand other considerations such as the size of a treatment plant or cost due to frequency of filter change-outs. A \$750,000 grant was provided to the City of Cottage Grove to conduct the pilot study.

The pilot project, started in December 2019, is expected to run for 12 – 18 months. MPCA and MDH are evaluating the progress of the pilot project closely and the entire study conclusion may not be needed to make recommendations. An early issue from iron was identified which resulted in a brief delay of the pilot project. Low levels of iron are found in the groundwater in this area of Washington County. It was not expected to interfere with the ion exchange resin treatment capacity. However, the iron caused significant interference with the ion exchange resin and an iron treatment pre-filter was needed. While this appeared to be a setback, it actually provided valuable information as to the need for some type of pre-treatment, should ion exchange resin be considered for future treatment systems.

Lake Elmo well

The Co-Trustees approved funding for \$2.5 million to the City of Lake Elmo to construct a new municipal well (Well #5) in the northern portion of the City. This was in response to the closure of the City's municipal well #1 due to elevated levels of PFAS. In 2018, MDH issued a Well Advisory for well #1 and recommended the City take appropriate actions to address the PFAS contamination. In response to the Co-Trustees request, the City completed a feasibility study which determined the most appropriate action was to install a new well. The new well is planned for completion in mid-2021, at which time well #1 will be sealed.

Capacity grants

Some of the larger affected communities have full-time staff who are experts with their city's municipal drinking water system. Smaller communities typically rely on outside contractors to help them operate and maintain their systems and associated infrastructure.

Some communities expressed a need for funding to support their participation on the technical subgroups. The MPCA and DNR agreed to provide "capacity grants" to ensure that all communities could fully participate in the technical subgroups. The original \$25,000 grants became effective on December 1, 2018 and have since been amended, as needed, in order support the ongoing participation of the technical subgroup.

A total of \$450,000 has been provided to the following communities and townships to extend their capacity grants to continue their work as part of the technical subgroup:

- Afton
- Cottage Grove
- Grey Cloud Island Township
- Lake Elmo
- Lakeland
- Newport
- Oakdale
- Prairie Island Indian Community
- St. Paul Park
- Washington County
- West Lakeland
- Woodbury

Watershed districts and other organizations have also extended their capacity grants:

- Valley Branch Watershed District
- South Washington County Watershed District
- Middle St. Croix Watershed Management Organization
- Washington Conservation District
- Ramsey-Washington Metro Watershed District
- Minnesota Geological Survey

Temporary drinking water treatment systems

Under terms of the 2018 Settlement Agreement, 3M is to provide up to \$40 million, in addition to the \$850 million grant amount, over the first five years of the agreement for temporary drinking water treatment systems until a long-term action is identified.

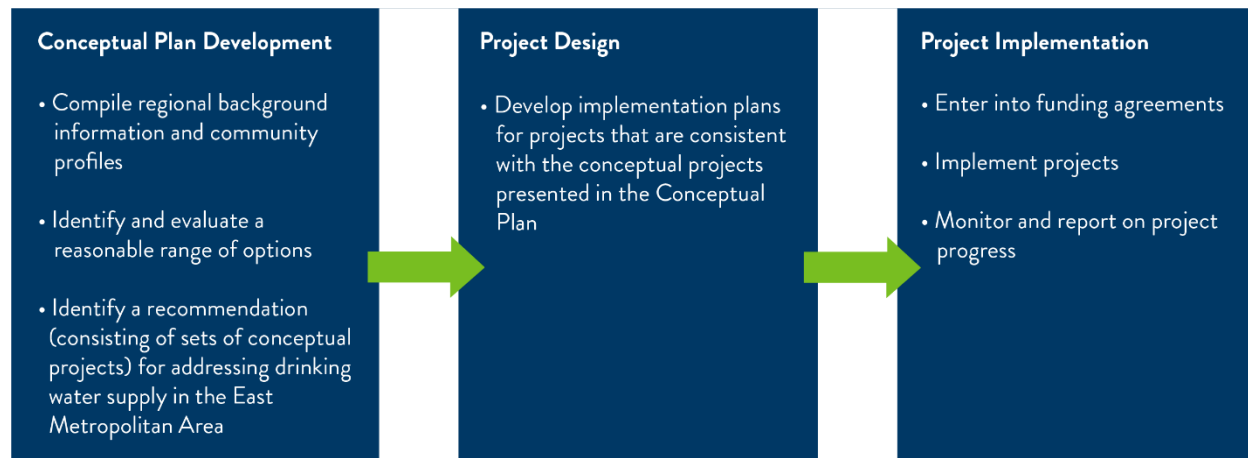
These temporary treatment systems are to meet 3M's obligation to provide an alternative drinking water supply where public or private drinking water wells exceed MDH criteria for PFAS, as outlined in the 2007 Settlement Agreement and Consent Order (2007 SACO) between 3M and the MPCA. Such temporary municipal carbon treatment systems are currently operating in Cottage Grove, St. Paul Park, and Woodbury. A temporary treatment system is currently being considered for one well in Oakdale, in addition to the permanent carbon treatment system already in place. Under the terms outlined in the 2007 SACO, the MPCA seeks costs recovery of State expenses related to these temporary treatment systems.

FY2021: Co-Trustee planned activities

Conceptual Drinking Water Supply Plan (Conceptual Plan)

As part of priority one activities, the MPCA and DNR will continue to refine the scenarios to develop three recommendations for the Conceptual Plan. The goal is to finalize the Conceptual Plan by winter 2020. Once the Conceptual Plan is finalized, the MPCA and DNR will move forward with funding projects through a project implementation process.

Figure 4: Overview of the planning and implementation process



Project 1007

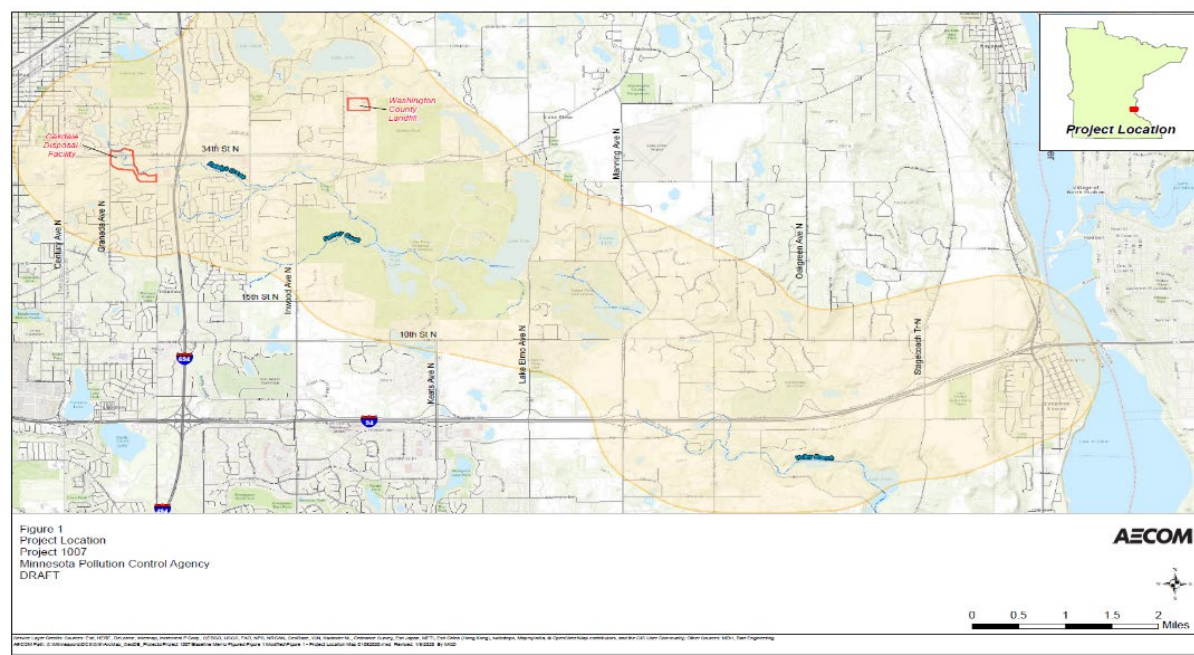
As noted earlier, investigation for Project 1007 is being coordinated in phases. Once the investigation phases are complete, the robust data sets will be used for feasibility studies to evaluate potential mitigation efforts for the East Metropolitan Area.

To inform the overall understanding of PFAS contamination in the 14-mile corridor in the south central portion of Washington County, sampling of surface water, sediment, PFAS-containing foam, soil and groundwater will continue through the end of 2020. PFAS compounds have been confirmed in each of these media.

Deep monitoring wells are being installed throughout the corridor to gain a better understanding of the contaminant movement into the multiple drinking water aquifers that serve Oakdale, Lake Elmo and West Lakeland. Shallower wells will be paired with these deeper wells in certain areas where the impacts appear to move vertically.

Interim cleanup actions are being evaluated for surface water impacts along the Project 1007 corridor. Surface water systems that treat PFAS compounds will be compared to one another and their applicability to the specific conditions of the Project 1007 area as part of the evaluation.

Figure 5: Project 1007 14-mile corridor



Drinking Water Supply Technical Subgroup 1 (SG1)

The Settlement identifies the top priority as safe and sustainable drinking water. The technical subgroup is helping to analyze options and provide assessments and advice for long-term drinking water supply options. To ensure the most efficient use of resources, SG1 will also be charged to analyze options and deliver assessments and advice to the MPCA, DNR, Government and 3M Working Group, and the Citizen–Business Group for long-term projects relating to groundwater protection, sustainability, conservation and recharge in the East Metropolitan Area. This charge was originally planned for Technical Subgroup 2.

Request for project funding

The MPCA and DNR, through discussions with both the Government and 3M Working Group and Citizen-Business Work Group members, recognized there may be some opportunities for projects that are consistent with the agreement’s first priority. These projects could be implemented before the Conceptual Plan was completed, but would not be in conflict with potential outcomes of the plan.

To leverage road construction and/or improvement work planned for 2021 or 2022 while the Conceptual Plan is underway, the Co-Trustees are using the Grant to fund drinking water projects that connect neighborhoods to existing public water systems. Requests for project funding were open from May 26, 2020 through July 10, 2020. Requests for funding were received from:

- City of Lake Elmo: Four applications totaling \$14,982,200
- City of Woodbury: Five applications totaling \$11,173,334

The Co-Trustees are reviewing the project requests based on the eligibility criteria that were developed through the work groups. Under Minnesota Data Practices Act, funding decisions are not public information until the grant agreements are signed and executed.

Priority 2 - Establish technical subgroup

In early 2021, the MPCA and DNR anticipate establishing a technical subgroup to evaluate natural resource protection, restoration, and outdoor recreation projects. The purpose of this group will be to recommend projects to be funded by the Grant that would restore and enhance water resources, wildlife, habitat, fish and other aquatic resources, improve resources, and provide outdoor recreational opportunities in the East Metropolitan Area and downstream of the areas on the Mississippi and St. Croix Rivers. Anticipated work for FY21 includes recruiting work group participants, developing work group governance procedures including a charter, scheduling regular meetings and beginning to establish criteria for evaluating project proposals.

FY2021: Co-Trustee spending plan

The spending plan includes MPCA and DNR planned direct staff and contractual expenses to manage and implement the 3M Settlement. These expenses are from interest earned, not from any of the principal. Individual grant agreement amounts can be found in the respective write-ups within the appropriate sections of the report.

Category	Estimated amount
<i>Settlement, Work Group and Technical Sub-Group costs</i>	
Workgroup Technical Assistance (Abt, Wood)	\$1,750,000
Project 1007 (AECOM)	\$2,250,000
MDH staff/technical support	\$200,000
Reimbursements	
Individual home connections	\$250,000
GAC removal (as part of expedited projects)	\$300,000
<i>MPCA/DNR staff and operational costs</i>	
MPCA/DNR staff/technical support	\$1,000,000
Start of the implementation of the Conceptual Plan	Determined by Conceptual Plan
MPCA/DNR costs for Priority 2	\$70,000
<i>Total estimated Co-Trustee expenditures for FY2021</i>	<i>\$5,820,000</i>
<i>Grants</i>	
Funded Projects/Estimated Grant payments	\$15,000,000
Estimated capacity grant payments	\$100,000
<i>Total estimated Grant expenditures for FY2021</i>	<i>\$15,100,000</i>

Expenditures

Expenses related to implementation of 3M Settlement: Original grant: \$850,000,000
This report covers the period January 1, 2020 – June 30, 2020

Balance: January 1, 2020 **\$744,810,251**

Revenue: Interest Earned January 1, 2020 – June 30, 2020 **\$4,610,757**

Expenditures: January 1, 2020 – June 30, 2020

Category	Amount
<i>Settlement, Work Group and Technical Sub-Group costs</i>	
Workgroup Technical Assistance (Abt, Wood)	(\$543,139)
Project 1007 (AECOM)	(\$728,174)
MDH staff/technical support	(\$76,682)
Reimbursements	
Individual home connections	(\$162,318)
<i>MPCA/DNR staff and operational costs</i>	
MPCA/DNR staff/technical support	(\$343,571)
<i>Total Co-Trustee expenditures subtotal (as of June 29, 2020)</i>	(\$1,853,884)
<i>Grants</i>	
Funded Projects/Estimated Grant payments	(\$836,453)
Capacity grant payments	(\$34,912)
<i>Total Grant expenditures subtotal (as of June 29, 2020)</i>	(\$871,365)
Balance (as of June 30, 2020)	\$746,695,759