

3M settlement: key facts

The State of Minnesota and the 3M Company announced an agreement to settle the state’s Natural Resource Damage lawsuit on February 20, 2018. Under the terms of the agreement, 3M will make 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 are paid, about \$720 million will be invested in drinking water and natural resource projects in the Twin Cities east metropolitan region.

Grant trustees

The grant trustees are the Minnesota Pollution Control Agency (MPCA) and Minnesota Department of Natural Resources (DNR).

Priority one — ensure safe drinking water

The top priority for investing the grant money is to improve the quality and quantity of drinking water in the east metropolitan area. This area includes, but is not limited to, the cities of Afton, Cottage Grove, Lake Elmo, Newport, Oakdale, St. Paul Park, Woodbury and the townships of Grey Cloud Island and West Lakeland.

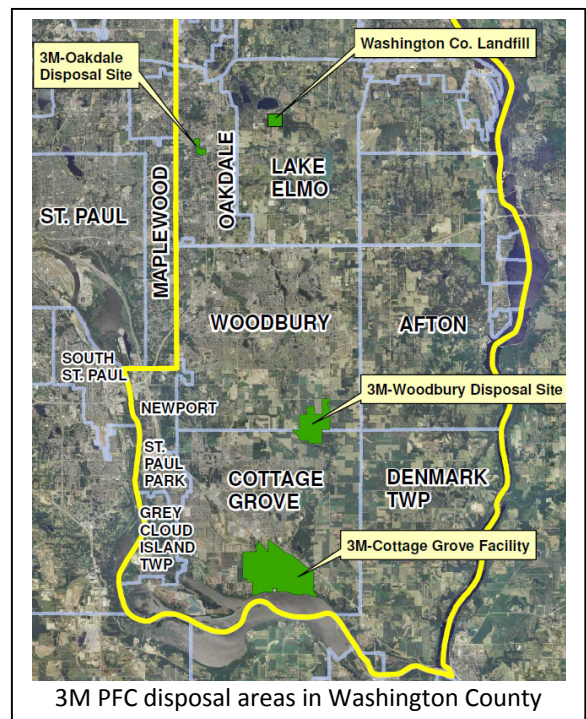
Funded projects will help provide the region’s 157,000 residents and businesses with clean drinking water to meet current and future needs. Such efforts could include alternative sources of drinking water for cities or private well owners, treating existing contaminated drinking water wells, or connecting homes served by private wells to municipal drinking water systems.

Grant funds could also support the sustainability of drinking water sources with projects such as promoting water conservation or preserving open spaces to help recharge drinking water sources and enhance water quality.

Priority two — enhance natural resources

The second priority for grant spending is to enhance water resources, wildlife habitat, and outdoor recreational opportunities in the east metropolitan area, or downstream of the area on the Mississippi and St. Croix Rivers. Such projects might include restoring and protecting fish and wildlife habitat, building boat ramps and fishing piers to provide access to fish unaffected by PFC contamination, or cleaning up contaminated river sediments.

The MPCA and DNR will have immediate access to \$20 million in grant funds for projects in this priority category. After the safe drinking water goals of the first priority are reasonably achieved, more grant money can be used for natural resource projects.



3M PFC disposal areas in Washington County

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, recreation improvements, or other sustainability projects would be considered.

Recent settlement agreement and 2007 Consent Order

A 2007 Consent Order between the MPCA and 3M spelled out what activities 3M is required to pay for related to PFC contamination. The 2007 Consent Order remains in place, and the recent settlement agreement outlines how the grant will work in conjunction with the 2007 Consent Order.

For the next five years, 3M will pay up to \$40 million for the short-term drinking water needs — out of its own funds on a reimbursable basis — under the terms of the 2007 Consent Order. This includes expenses such as providing bottled water and installing temporary in-home water filtering systems to residents with PFC-contaminated wells. The company will also pay for the operation and maintenance of temporary municipal drinking water treatment systems, such as those recently installed to treat wells in Cottage Grove. These dollars are intended to be used as a bridge to the long-term solutions funded under priority one.

Once the five years are over or \$40 million is spent, any remaining short-term drinking water expenses will be covered by the grant, if grant funds remain available. After the grant funds are gone, 3M under the 2007 Consent Order continues to be required to cover all drinking water expenses due to the contamination.

3M will also continue to pay remediation costs under the 2007 Consent Order at the three Washington County disposal sites for which the company has assumed responsibility:

- 3M Cottage Grove facility
- 3M Oakdale disposal site
- 3M Woodbury disposal site

Next steps

- Continue to ensure all interim safe drinking water needs are met.
- Identify potential water quality and natural resource projects through a series of public open houses and working groups. The first steps in this process include:
 - Spring 2018 — Host open houses/listening sessions in the east metro area
 - Spring/Summer 2018 — Establish one or more working groups to help identify possible projects and prioritize funding. Groups will include representatives of east metro communities, 3M, and the state of Minnesota
- Determine a schedule for reporting progress on investing funds in clean water and natural resource projects (MPCA, DNR).

Contact

Please email your questions and comments to — pfcinfo.pca@state.mn.us