

**Minnesota 3M PFC Settlement**  
 Agenda for Citizen – Business Group Meeting

Tuesday, October 20, 2020  
 1:00 PM - 4:00 PM

**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: 171 330 6983#

**Meeting Purpose:**

- Clarify details about the recommended options and achieve a common understanding of how Co-Trustees arrived at the recommendations described in the Draft Conceptual Plan
- Discuss feedback received so far and continue to gather feedback on the recommended options and the supporting documentation
- Clearly identify next steps and the path forward to finalize the Conceptual Plan

1. Welcome a. Webex instructions b. Roll call c. Agenda d. Updates and email follow-up e. Liaison report(s)	Kirk Koudelka – MPCA Jess Richards – DNR Heather Hosterman – Abt Associates Mark Lorie – Abt Associates	1:00 PM
2. Recommended option details a. Treatment thresholds and how it relates to municipal and private wells receiving treatment b. Neighborhood municipal connections	Kirk Koudelka – MPCA Jess Richards – DNR Hannah Albertus-Benham, Wood	
3. Settlement fund allocations and impacts on communities a. Co-Trustee water rate study b. O&M durations in the recommended options	Mark Lorie – Abt Associates	
4. Public comments and questions	Mark Lorie – Abt Associates	2:20 PM
BREAK	N/A	2:30 PM
5. Recommended cost allocations: rationale and example project concepts for each category a. Sustainability and conservation b. Drinking water protection c. State administration	Kirk Koudelka – MPCA Jess Richards – DNR Mark Lorie – Abt Associates	2:40 PM
6. Feedback and discussion on the draft recommended options	Kirk Koudelka – MPCA Jess Richards – DNR Mark Lorie – Abt Associates	

7. Next steps	Kirk Koudelka – MPCA Jess Richards – DNR Mark Lorie – Abt Associates	
8. Public comments and questions	Mark Lorie – Abt Associates	3:50 PM
ADJOURN		4:00 PM

**Minnesota 3M PFC Settlement**  
Notes from the for Citizen – Business Group Meeting

Tuesday, October 20, 2020  
1:00 PM - 4:00 PM  
Virtual WebEx Meeting

Group members in attendance:

Amy Schall	Barbara Ronnigen
Dave Schulenberg	David Filipiak
Jeff Holtz	Jess Richards
Julie Bunn	Kathryn Sather
Kevin Chapdelaine	Kirk Koudelka
Michael Madigan	Monica Stiglich
Steven Colvin	Steve 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
- Hannah Albertus-Benham, Wood

**Welcome**

Heather Hosterman (Abt Associates) welcomed the work group. Mark Lorie (Abt Associates) reviewed the meeting agenda and the Citizen-Business Group liaisons provided a report from the September meeting. Key topics of the liaison reports and discussion included:

- Local Government Unit (LGU) members need to update their capacity grants
- How the Settlement dollars will be distributed. The money will stay in a trust to generate interest. There is a need for an audit trail for all of the funds.
- Public versus private operation and maintenance (O&M) duration to ensure private well owners are covered for a long period of time.
- Restrictions because of the White Bear Lake court decision

Kirk Koudelka (MPCA) announced that the public comment period has been extended to December 10, 2020. The State agencies will continue running various social media campaigns to raise awareness and increase the number of responses. Comments after the 10<sup>th</sup> will still be considered as the Co-Trustees will need to have continued conversation with communities.

Jess Richards (DNR) reminded work group members to look at the Settlement in a holistic way while discussing funding allocations instead of focusing one aspect of the Settlement at a time. More money for one funding allocation means less money for another.

### **Recommended option details**

Hannah Albertus-Benham (Wood) presented on Health Index (HI) treatment thresholds and how it relates to municipal and private wells receiving treatment and on neighborhood municipal connections. Key points include:

- The Health Index (HI) determines which wells receive treatment; it is not a treatment standard
- The Settlement has planned granular activated carbon (GAC) for wells that are above the HI thresholds in the recommended options (HI>0.5 for Options 1 and 3; HI>0.3 for Option 2)
- Some wells will be treated even if they are not above the HI level because of their proximity to affected wells and to meet operational needs of the well field (e.g., the Tamarack Well Field)
- The Minnesota Department of Health (MDH) will continue to issue well advisories when HI=1 or greater

Across all of the options, there are 2062 homes being connected to municipal systems and 61 homes that receive point of entry treatment systems (POETS) instead.

### **Feedback:**

There were questions from the work group on well advisories and potential pollution in the future. Kirk explained that the State needs to set up a system to notify well owners if their well is above HI of 0.3 or 0.5 and qualifies for treatment under the Settlement funds. He also explained that by connecting more houses to municipal systems now, it will hopefully reduce the need for treatment in the future. Another work group member asked about wells that could be polluted later. Hannah explained that the 61 wells receiving POETS are currently above HI 0.3 or 0.5. Wood conducted particle tracking to estimate where the PFAS plume might move in the future. If more wells become contaminated, treatment costs will come out of the contingency funds.

One work group member brought up a recently published health study from Oakdale that showed increased PFAS levels in nursing babies and mothers when women drank unfiltered water. The work group member noted that because PFAS is in many other products, there is a concern that the State cannot stop exposure to PFAS through drinking water only. He advocated for treating to the lowest HI level as was possible with Settlement funds. He also asked if the State could provide a summary of current health studies of PFAS impacts, a list of consumer products containing PFAS, the current drinking water standards in the U.S. and Europe, and a range of bioaccumulation of PFAS in East Metro residents. Others are also interested in this information. Kirk assured the work group that they could provide additional information and that in areas where they had done biomonitoring after drinking water treatment was installed, they saw lower levels of PFAS in residents. Representatives from MDH said they refute some of the information that was presented in the article about Oakdale and their response to the study is available on the MDH website.

One work group member discussed a potential issue with social equity. They asked how many wells were not being treated in communities. If there are a significant number of wells that are not treated, but the entire population is paying the same rate as those with treated water, it could be problematic. Kirk estimated there are about 6000 private wells in the area. Approximately 3500 have been sampled. Of that 6000, over 2000 wells will be hooked up to municipal systems or POETS.

The discussion concluded with another work group member voicing support for treating to the lowest HI level possible.

Hannah then presented on neighborhood hookups and how the Co-Trustees determined which homes that are currently on private wells would be connected now versus later. All neighborhoods were evaluated independently meaning the Co-Trustees did not compare neighborhoods with one another. There are two options for private well owners:

- POETS – Settlement eligible costs include treatment system installation (approx. \$2500) and annual O&M (approx. \$1000)
- Municipal system connection – Settlement eligible costs include connection to home (approx. \$2500), cost per linear foot of water main, and well sealing (approx. \$2000).

The Co-Trustees recommend neighborhoods be connected to the municipal system if they currently have a large number of wells with elevated HI levels and if the costs of water mains and connections are less than the cost of POETS after a reasonable amount of time. Kirk said a reasonable amount of time would be around 80 years or so. Each neighborhood was reviewed and placed into one of three hookup categories:

- 1) Yes – neighborhood proposed to be hooked up as part of initial implementation.
- 2) To be determined (TBD) – neighborhood proposed to potentially be hooked up later after additional testing
- 3) No – neighborhood not proposed to be hooked up

Wood estimated \$41 million would be needed to hook up neighborhoods in the future. This is separate from the general Settlement contingency fund. The \$41 million is the same for each recommended option. Hannah walked through some examples of neighborhood hookup decisions:

- Cottage Grove: Three example neighborhoods (Goodview Ave, Harkness Ave, and Point Douglas Road) are all proposed to be connected to the municipal system. The Keats Ave neighborhood is TBD pending more testing of wells in that area.
- Lake Elmo: The Homestead neighborhood is proposed to be connected to a municipal system because of the proximity of its wells and HI levels. Tartan Meadows is TBD because the wells are spread farther apart and more well testing is needed. Hannah clarified additional tests have been done here, but are not yet reflected in the data.

The work group then discussed plans for West Lakeland. Kirk explained that West Lakeland is different because the recommended new water system has a high per capita cost. However, it's not accurate to simply compare communities in terms of per capita cost because they have different water system needs. The options for West Lakeland are to keep everyone on POETS or move to a municipal system. In West Lakeland, there were 300 wells sampled since Wood last analyzed the data. More sampling shows that West Lakeland has expansive PFAS impacts and no municipal system to fall back on. Hannah detailed the cost differences between installing POETS versus establishing a new municipal system for West Lakeland. Data shows that, when considering HI values, the cost of POETS will exceed eligible costs of the municipal system after 78 years.

*Feedback:*

The work group members had questions on costs covered by the Settlement. One work group member asked if the Settlement would cover connection costs over \$2500 and well sealing costs over \$2000. Gary Krueger (MPCA) explained that Settlement funds will cover the full cost of home connections and well sealing, but \$2500 and \$2000 are reasonable estimates based on Wood's calculations. Another work group member asked if residents would be billed for water use. Residents that become hooked up to the municipal system under the Settlement will receive a water bill that they are responsible for paying.

There were additional questions on the graphs showing the municipal system and O&M cost differences in West Lakeland. One work group member asked if the graphs were actually in millions. Hannah explained that they were in millions and that O&M would accumulate to billions of dollars in the future. Kirk reiterated that the Settlement could either pay more upfront for a municipal system or end up paying more for O&M on POETS in the long term. Some work group members pointed out that the comparison presented was not totally fair since it considered inflation, but did not discount future O&M costs to present value. Mark said they would reevaluate and present new numbers to the work group.

Another work group member asked if West Lakeland residents have a choice to connect to the municipal system. Kirk explained that home owners do not have to hook up to the municipal system, but they are financially responsible for any future hookup. They are also responsible for any whole home treatment system required in the future. When they sell their house, they will have to disclose any water contamination and may have to pay for treatment then. Another work group member asked what happens if a whole community does not want to be hooked up. Kirk explained it is typically only a handful of people out of hundreds of households.

Work group members asked for further clarification on what happens if a homeowner refuses connection or treatment and their well reaches HI over 1 in the future. Does the Consent Order pay for this? Kirk explained that the Consent Order does not kick in until the Settlement funds run out. Furthermore, Gary said that 3M may not pay for that because the homeowner was given the option to connect to the system. Kirk provided a factsheet ([https://3msettlement.state.mn.us/sites/default/files/Private\\_well\\_owners.pdf](https://3msettlement.state.mn.us/sites/default/files/Private_well_owners.pdf)) to help explain such decisions to homeowners. Another concern brought up by work group members is if 3M were to go out

of business in 30-40 years. They would then no longer be responsible to pay for treatment under the Consent Order.

One work group member asked how future PFAS discoveries and research may change the Consent Order requirements. Hannah explained that the Consent Order pays for treatment when HI is over 1, and that HI will be calculated with any potential new health-based values, health risk limits or other guidance from MDH. The Consent Order requirements will automatically adjust to these changes.

### **Public comments and questions**

There were no comments or questions from the public at this time.

### **Recommended cost allocations: rationale and example project concepts for each category**

Mark presented on recommended costs allocation for sustainability and conservation, drinking water protection, and state administration. The Co-Trustees feel that sustainability and conservation and drinking water protection very much address Priority 1 goals, which include protecting drinking water quality, quantity, and sustainability.

#### ***Feedback:***

One work group member again expressed support to treat to the lowest detectable limit. That should be the priority and then anything leftover could be dedicated to sustainability and drinking water protection. They questioned why such a large fund was being dedicated to sustainability and conservation and drinking water protection when those goals are the responsibility of MPCA and DNR. Kirk explained that the agencies would not otherwise be funding these activities. Another work group member supported these funding allocations because it is one of the only opportunities to discuss remediation of the source contamination so there is not continued contamination in the future. These help diversify the goals of the Settlement instead of only focusing on treatment. Work group members said it would be helpful to have a call focused on diving into details of these funding allocations.

Mark walked through some example projects under each funding allocation. The implementation of these projects would hopefully reduce the need for treatment in the future. Projects to address water quality at the source include targeted sediment removal in Project 1007 area to reduce regional groundwater contamination; treating contaminated surface water to minimize contributions to additional groundwater/drinking water contamination; and develop multi-benefit wells (pump and treat) in targeted area to control plume movement and explore possibility of municipal or industrial use of treated water. Projects to address sustainability and conservation include grants to support efficient home appliances, use of treated groundwater to recharge aquifers, select stormwater management projects for groundwater recharge, land acquisition to preserve groundwater recharge areas, and incorporating sustainability measures into drinking water infrastructure projects.

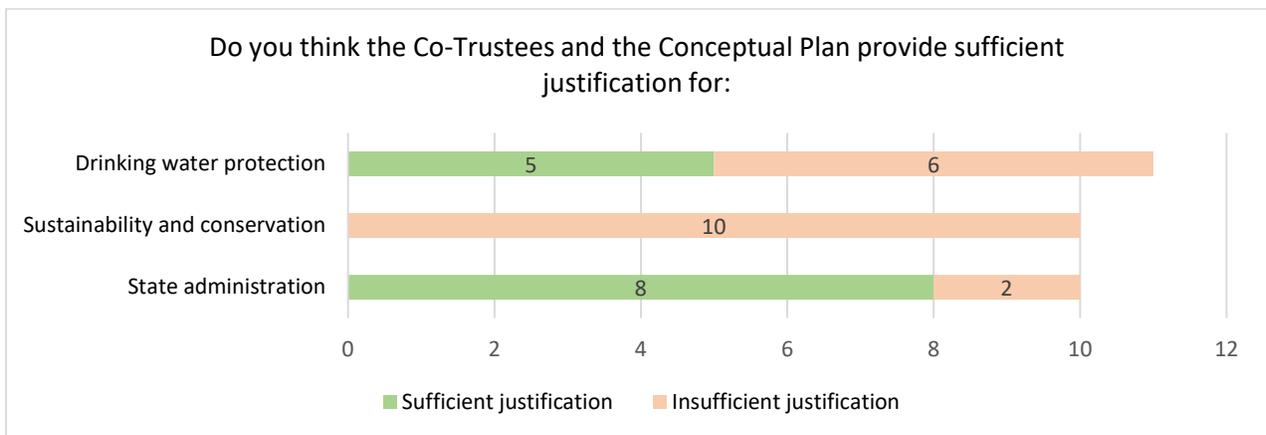
#### ***Feedback:***

Work group members asked if they would be able to weigh in on these options. They also noted that other organizations are also doing a lot of this work and the Settlement should avoid duplicating efforts.

Mark explained that Subgroup 2 would be the technical group charged with figuring out the details of these projects and avoid duplication with other efforts. Kirk also said the Co-Trustees would have a call on the grant application process. He expects the State will provide funding but other organizations will implement the projects. Another work group member said Subgroup 2 needs to work with those in stormwater management and that the current funding allocation for sustainability may be too large. Work group members expressed interest in seeing a cost analysis. If the Settlement is investing \$60 million in sustainability and conservation and \$70 million on drinking water protection projects, how much money is that saving in reduced treatment in the future? They would like to see a factsheet on this information.

Mark also walked through the State administration fund of \$22 million, based on an analysis of current spending, which supports MPCA, DNR, MDH, and consultants to implement the Settlement. It also includes things like capacity grants for communities. .

To conclude this presentation, Mark asked a poll question to the work group members. The results were as follows:



### Next steps

Mark reviewed next steps. Work group members were asked to fill out their feedback spreadsheet and email it to [pfcinfo.pfc@state.mn.us](mailto:pfcinfo.pfc@state.mn.us) by December 10, 2020. Over the next couple of months, the Co-Trustees will gather feedback, hold working sessions to incorporate feedback and update the recommended options as needed, finalize the plan, and draft Chapter 8 documenting their final decision. The Citizen-Business Group will have their next meeting on November 17, 2020 from 1 – 4 PM CST. Work group members are encouraged to send ideas for agenda items they would like to discuss.

### Public comments and questions

There were no comments or questions from the public at this time.