

SUMMARY

STATE PLANNING AGENCY
WATER AGENCY MERGER STUDY
(1984-1985)

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REASONS FOR LOOKING AT REORGANIZATION

- ** GOVERNOR'S GOAL -- A CENTRAL GOAL OF THE PERPICH ADMINISTRATION IS TO MAKE GOVERNMENT MORE RATIONAL IN STRUCTURE, AND MORE COST EFFICIENT IN OPERATION.
- ** EXPRESSIONS OF CONCERN -- LEGISLATORS AND CITIZEN GROUPS (E.G., LEAGUE OF WOMEN VOTERS AND CITIZENS LEAGUE) HAVE RAISED THE ISSUE OF WATER ORGANIZATION.
- ** LOCAL WATER PLANNING INITIATIVE -- REORGANIZATION HAS BEEN RAISED IN THE CONTEXT OF THE LOCAL WATER PLANNING INITIATIVE.

OPTIONS CONSIDERED

- ** THE STATUS QUO -- MAINTAIN EXISTING AGENCIES AND BOARDS, WITH THE ENVIRONMENTAL QUALITY BOARD AS COORDINATOR.
- ** RESTRUCTURE THE WATER RESOURCES BOARD -- ADD COUNTY COMMISSIONERS, HAVE GOVERNOR APPOINT CHAIR, HOUSE IN STATE PLANNING AGENCY, ABOLISH SOUTHERN MINNESOTA RIVERS BASIN COUNCIL.
- ** MODIFY THE ENVIRONMENTAL QUALITY BOARD -- MERGE WRB AND MINNESOTA-WISCONSIN BOUNDARY AREA COMMISSION INTO EQB, ESTABLISH STATEWIDE WATER ADVISORY COUNCIL TO REPLACE SMRBC.
- ** THE WATER AND LAND RESOURCES BOARD -- MERGE SOIL AND WATER CONSERVATION BOARD, WRB, SMRBC, MN-WIS BAC, AND SPA/EQB WATER PLANNING DUTIES.
- ** THE DEPARTMENT OF RESOURCE PROTECTION -- COMBINE FUNCTIONS OF POLLUTION CONTROL AGENCY, DEPARTMENT OF NATURAL RESOURCES WATERS DIVISION, DEPARTMENT OF HEALTH WATER SUPPLY SECTION, EQB, SWCB, WRB, SMRBC, AND MN-WIS BAC.

NOTE: Study participants included the Departments of Agriculture (represented by the Soil and Water Conservation Board), Health, and Natural Resources, the Pollution Control Agency, the Water Resources Board, the Southern Minnesota Rivers Basin Council, the Minnesota-Wisconsin Boundary Area Commission, and the State Planning Agency. Interest groups were also asked to react to the initial set of options identified and to offer suggestions concerning the organization of state water agencies.

** THE ENVIRONMENTAL PROTECTION AGENCY -- TO THOSE PROGRAMS INCLUDED IN THE DEPARTMENT OF RESOURCE PROTECTION, ADD REST OF THE MDH ENVIRONMENTAL HEALTH DIVISION, THE AGRICULTURE PESTICIDE CONTROL AND WATER SUPPLY TESTING PROGRAMS, AND THE DNR AQUATIC NUISANCE CONTROL PROGRAM.

CONCLUSIONS

** THE STATUS QUO IS UNACCEPTABLE. COORDINATION OF STATE AGENCIES SHOULD BE IMPROVED. AN INTEGRATED STATE APPROACH TO LOCAL GOVERNMENT IS LACKING. IN TURN, LOCAL GOVERNMENT LACKS AN ADEQUATE FORUM FOR INFLUENCING DECISIONS AT THE STATE LEVEL.

** A STRONG PARTNERSHIP BETWEEN LOCAL AND STATE GOVERNMENT IS ESSENTIAL TO WISE WATER AND SOIL MANAGEMENT.

** STATE WATER-RELATED PROGRAMS NEED TO BE BETTER COORDINATED IN ORDER FOR STATE GOVERNMENT TO BE AN EFFECTIVE PARTNER WITH LOCAL GOVERNMENT.

** TWO ORGANIZATIONAL ACTIONS ARE NECESSARY AT THE STATE LEVEL:

1. STATE WATER PLANNING AND PROGRAM COORDINATION ARE INSEPARABLE AND SHOULD BE COMBINED DUTIES OF A SINGLE COORDINATING BOARD. TO ENABLE IT TO EFFECTIVELY COORDINATE STATE WATER PROGRAMS AND IMPLEMENT THE STATE WATER PLAN, THIS BOARD SHOULD BE GRANTED AUTHORITY TO REVIEW AND APPROVE AGENCY WATER-RELATED BUDGETS AND LEGISLATIVE INITIATIVES.

2. A SINGLE STATE AGENCY WHOSE JOB IS TO COORDINATE STATE GOVERNMENT'S WATER- AND SOIL-RELATED WORK WITH LOCAL GOVERNMENTS IS NEEDED. THE WATER AND SOIL AGENCY SHOULD SERVE AS THE FORUM FOR DISCUSSION OF LOCAL WATER-RELATED ISSUES AND SHOULD REPRESENT A BROAD RANGE OF LOCAL INTERESTS.

** IT IS IMPORTANT THAT THE MAJOR STATE WATER AGENCIES BE REPRESENTED ON THE COORDINATING BOARD TO ASSURE THAT STATE WATER PLANNING AND PROGRAM COORDINATION FAIRLY AND EFFECTIVELY ADDRESS THE BROAD RANGE OF STATE PROGRAM NEEDS.

** THE WATER AND SOIL AGENCY SHOULD BE REPRESENTED ON THE BOARD ASSIGNED RESPONSIBILITY FOR STATE WATER PLANNING AND PROGRAM COORDINATION IN ORDER TO PROVIDE THE LINK BETWEEN STATE AND LOCAL WATER-RELATED INTERESTS.

RECOMMENDATIONS

- ** THE ENVIRONMENTAL QUALITY BOARD SHOULD RETAIN ITS EXISTING WATER-RELATED RESPONSIBILITIES FOR STATE PROGRAM COORDINATION AND POLICY DEVELOPMENT. ITS ABILITY TO CARRY OUT THESE DUTIES SHOULD BE STRENGTHENED BY ADDITION OF THE AUTHORITY TO REVIEW AND APPROVE AGENCY WATER-RELATED BUDGETS AND LEGISLATIVE INITIATIVES.

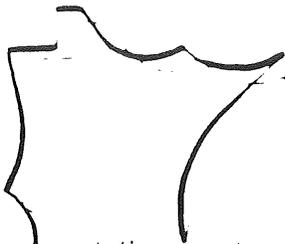
- ** A WATER SUBCOMMITTEE OF EQB SHOULD BE ESTABLISHED TO PROVIDE THE FOCUS NECESSARY FOR EFFECTIVE INTEGRATION OF WATER PROGRAMS AND POLICIES. THE SUBCOMMITTEE SHOULD CONSIST OF REPRESENTATIVES OF THE DNR, PCA, MDH AND MDAG DESIGNATED BY THE RESPECTIVE AGENCY HEADS, AS WELL AS THE CHAIRMAN OR EXECUTIVE DIRECTOR OF THE MERGED WATER AND SOIL BOARD (ALSO ADDED TO THE FULL EQB AS SPECIFIED BELOW) AND TWO CITIZENS. IF A COUNTY COMMISSIONER IS INCLUDED IN THE MEMBERSHIP OF THE FULL BOARD AS RECOMMENDED BY THE MULLIGAN TASK FORCE, THAT PERSON SHOULD BE ONE OF THE CITIZEN MEMBERS ON THE SUBCOMMITTEE.

- ** THE SOIL AND WATER CONSERVATION BOARD, WATER RESOURCES BOARD, AND SOUTHERN MINNESOTA RIVERS BASIN COUNCIL SHOULD BE MERGED INTO A SINGLE BOARD. THIS BOARD SHOULD BE CHARGED WITH COORDINATING THE DELIVERY OF STATE TECHNICAL AND FINANCIAL ASSISTANCE TO LOCAL UNITS OF GOVERNMENT IN THE AREA OF SOIL AND WATER CONSERVATION. IT SHOULD ALSO BE RESPONSIBLE FOR A VARIETY OF STATE OVERSIGHT DUTIES, SUCH AS THE APPROVAL OF LOCAL WATER PLANS REQUIRED BY STATE LAW. THE MERGED BOARD SHOULD BE INDEPENDENT, CONTRACTING AS NECESSARY WITH THE AGENCY OF ITS CHOICE FOR ADMINISTRATIVE SERVICES.

- ** THE MERGED BOARD SHOULD CONSIST OF NINE MEMBERS WHO WOULD BE APPOINTED BY THE GOVERNOR, INCLUDING AT LEAST ONE COUNTY COMMISSIONER, ONE SOIL AND WATER CONSERVATION DISTRICT SUPERVISOR, AND ONE WATERSHED DISTRICT MANAGER. APPOINTMENTS TO THE REMAINING SEATS SHOULD NOT BE RESTRICTED, EXCEPT THAT REPRESENTATION FROM EACH OF THE STATE'S CONSOLIDATED RIVER BASIN AREAS, AS WELL AS THE METROPOLITAN REGION, SHOULD BE REQUIRED TO ASSURE A DISTRIBUTION OF APPOINTEES ACROSS THE STATE.

- ** THE GOVERNOR SHOULD BE RESPONSIBLE EITHER FOR THE APPOINTMENT OF THE CHAIRMAN OF THE MERGED BOARD (WHO WOULD SERVE AT HIS DISCRETION), OR THE EXECUTIVE DIRECTOR (ALONG THE LINES OF THE MPCA MODEL). IF THE FIRST CHOICE IS PREFERRED, CONSIDERATION MIGHT ALSO BE GIVEN TO MAKING THE CHAIRMANSHIP A FULL-TIME POSITION. THE POSITION THAT SERVES AT THE DISCRETION OF THE GOVERNOR SHOULD BE A DESIGNATED REPRESENTATIVE ON THE EQB.

- ** THE MERGED BOARD AND EQB SHOULD BE LINKED STRUCTURALLY IN TWO KEY WAYS. FIRST, EITHER THE CHAIRMAN OR EXECUTIVE DIRECTOR OF THE MERGED BOARD (SEE ITEM ABOVE) SHOULD BE MADE A FULL MEMBER OF THE EQB AND ITS SUBCOMMITTEE ON WATER. SECOND, A CROSS-FERTILIZATION OF IDEAS SHOULD BE FOSTERED BY DESIGNATING REPRESENTATIVES OF THE WATER SUBCOMMITTEE OF THE EQB AS AD HOC NON-VOTING MEMBERS OF THE MERGED BOARD AND MEMBERS OF THE MERGED BOARD (IN ADDITION TO EITHER THE CHAIRMAN OR EXECUTIVE DIRECTOR) AS AD HOC NON-VOTING MEMBERS OF THE EQB SUBCOMMITTEE.



Minnesota

STATE PLANNING AGENCY

Room 100 Capitol Square Building
550 Cedar Street St. Paul, MN 55101

October 31, 1985

Representative Dennis Ozment, Chair
Government Operations Subcommittee
on Agency Management of Water Resources
577 State Office Building
St. Paul, Minnesota 55101

Dear Representative Ozment:

As requested by the committee at its September 19, 1985 meeting, we have prepared a listing of the types of problems faced in water management at the state level as a result of, or in some way connected to, government organization. We do not pretend that this listing is complete, or that others would not view the same set of circumstances differently. However, we do feel that the problems we describe provide a sound basis for considering institutional concerns in Minnesota's water resources management program.

In addition, we are providing you with the summary tables from our initial framework plan problem's assessment (completed in 1978) and a 1979 report to Senator Hanson in response to a question similar to that raised by the Subcommittee. These materials are provided to assist you in understanding the background and history of the consideration of water management organization issues. (To complete this history of these efforts, it should be noted that in 1980-81 we concentrated on local management issues, in 1982-83 on establishing the state coordinating board, and since 1983 have focused on implementation.)

As an introduction to the identified problems, several points are important. While Minnesota's water management structure currently involves at least ten agencies employing five boards and one council, there is a rational basis for this organization. As we noted at the first subcommittee meeting, this foundation is the "advocacy" approach to water management. The "advocacy" approach favors a structure providing separate, visible advocates for key water management functions like pollution control, the safeguarding of public health, and natural resources management.

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However, while this approach may develop visible advocates for certain issues, it is fragmented and, consequently, tends to create a variety of problems related to communication, coordination, and conflicts in priorities. The judgment that has to be made is whether the advantages of having somewhat narrowly focused advocates outweigh the problems that can arise from shortcomings in communication, consistent priority-setting, and coordination which are not (or cannot) be effectively handled through a coordinating process. The extreme alternative is a single agency combining each of the responsibilities for water management. As we have testified, we believe that the problems point out the need for improved state coordination (through changes in the powers and composition of the Environmental Quality Board) and a strong new forum for local governments at the state level (through a merger of certain water-related boards that now relate to local governments).

In examining the state organizational structure to determine what problems exist for water planning and management, we did not find examples of duplication as much as inefficiencies, missed opportunities, and gaps. Each program is managed for a particular purpose. It is often difficult to tie a particular program in one agency with programs in other agencies that, if coordinated, could save staff time, provide valuable new data, or improve delivery of service.

While the list of problems that we have included in the attachment is lengthy, we want to emphasize that the list of positive, coordinated activities would likewise be long. Examples of such a list would include:

- ** The interagency assessment of water organization needs developed through the State Planning Agency;
- ** The Ground Water Issue Team report and the report on "Ground Water in Minnesota" prepared jointly by SPA and MPCA;
- ** The use of the "1983-85 Priorities Report" to guide interagency decisions and recommendations to the Legislative Commission on Minnesota Resources on allocation of LCMR funds;
- ** Development (in progress) of an interagency-interstate wetland evaluation methodology;
- ** Various interagency memorandums of agreement (the latest being one between the State Planning Agency and Water Resources Board concerning implementation of the Comprehensive Local Water Management Act (Laws 1985, Special Session, Chapter 2)); and

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** The EQB Work Program (designed to fill the cracks in water-related management programs, as well as to develop a comprehensive water strategy for the state).

I hope this information will be of use to you and your committee. We applaud your efforts to assure that Minnesota's overall water program is efficiently and effectively organized.

Sincerely,

Jack Ditmore
Deputy Director
(612) 296-9007

WATER PROBLEMS RELATING TO ORGANIZATION

1. Missed Opportunities for Inter-relating Programs.

- ** To effectively manage Minnesota's ground water resources requires recognition of the fact that quality and quantity considerations are inter-related. Management has been hindered because adequate consideration has not been given to this fact. We have yet to: a) develop an effective mechanism to coordinate quality and quantity concerns as they pertain to specific problems; b) operate within a comprehensive ground water strategy; and c) integrate ground and surface water management.

Coordination between the Departments of Natural Resources and Health on water appropriation permit and water supply system plan approvals is a specific example. Water wells must presently be constructed before an appropriation permit is granted. An unnecessary cost would be incurred should a permit be denied at this point.

Improved coordination between the Pollution Control Agency and the DNR in the clean-up of ground water contamination sites is a second example. MPCA frequently recommends pumping out contaminated waters, while DNR favors consideration of options that better conserve the water resource.

- ** Legislation calls for local participation in preserving agricultural land, limiting loss of soil, managing solid waste, planning to protect community health, and planning for comprehensive local water management. It has been difficult for the state to integrate these programs because of their timing and scattered location in state government. The positive interest that many counties have expressed in addressing these programs comprehensively is difficult to take advantage of under the present system.

- ** Opportunities for sharing staff resources to permit simultaneous collection of water quality and quantity information have been missed. A recent example with a positive result demonstrates the inefficiencies of an approach that supports field staff from a variety of agencies collecting water samples for narrowly-focused programs.

The Department of Agriculture initially refused to collect water samples for nitrate analysis in southeastern Minnesota under its program for testing dairy water supplies. (The program only samples for bacteriological analyses.) The

nitrate information is of great significance in understanding the extent of water well contamination, a matter of great interest to two inter-county task forces established to address ground water problems. However, nitrate analysis is not required by the federal government to be included in the Department's testing program. Subsequently, the Department was convinced of the importance of this data and agreed to direct its field staff to collect samples for nitrate analysis.

- ** State agencies may miss opportunities to work cooperatively on water management problems because of their scattered location in regional field offices. Staff of one agency may collect data, make technical assessments, and, in general, administer programs that relate closely to interests of another agency. With regional offices in different buildings and even different cities, routine coordination of efforts is made difficult.

2. Missed Opportunities for Comprehensive Approaches.

- ** DNR has a proposal for a flood damage reduction program which is consistent with framework plan recommendations, but the opportunity to encourage a comprehensive approach to watershed management could be missed by pursuing only a flood damage reduction objective. Flood damage reduction efforts need to be related to other aspects of watershed management to assure that solutions to one problem do not create others.

A major state effort is needed for developing and implementing comprehensive local water plans. In fact, it would be logical for such an effort to precede the single purpose flood damage reduction effort. However, flooding is an urgent problem in many areas of the state, today, and it is difficult to argue that we should hold off state efforts until comprehensive local water plans are in place.

- ** The Reinvest in Minnesota program proposals also provide an example of an opportunity to comprehensively address resource needs. While protecting water resources is a key objective of setting aside marginal farm lands, opportunities to assure that set-aside monies go to those sites that would most benefit water resources (e.g., sites upstream of vulnerable lakes and streams) may be missed without adequate consideration as the legislation and implementing rules are developed. Again, timing, as well as the origin of the proposal, creates the problem. (Steps to involve additional agencies in the process, particularly the MPCA, are now being taken.)

- ** The state lacks a stream-oriented information system that ties together water and related land use data from the various state and federal agencies. In 1983, the EQB organized and chaired an interagency task force for developing a stream/watershed information system. The system was designed to inter-relate information on water appropriation, wastewater discharge, stream water quality, stream flow, land use, and so forth.

Without a separate source of funds earmarked for a comprehensive information systems approach, the idea has been dormant for over two years. Individual agencies have concentrated on building data bases to support their programmatic needs. The focus on contributing to the comprehensive system needed for watershed management has been lacking.

- ** The management of lakes in Minnesota arguably suffers from a fragmented organization of water programs. We lack a comprehensive, coordinated strategy that ties together the various state programs for shoreland management, public access, fisheries management, weed management, water quality monitoring, lake classification, lake restoration, and non-point source pollution controls.

3. Missed Opportunities for Securing Local Involvement.

- ** Local government lacks an adequate forum for influencing decisions at the state level. Currently, general purpose governments and watershed districts have no voice in the governmental structure with which they must deal.

Counties, in particular, are confronted with a series of programs relating to water management, but have no representation on the state boards that govern these programs. For example, the Water Resources Board is charged with adopting rules for approval of county water plans, but local officials cannot be included on its board by law. The Soil and Water Conservation Board includes seven SWCD supervisors, but no county commissioners despite the major role counties play in funding districts and in regulating loss of soil.

- ** State law puts one state board (the Water Resources Board) in the position of approving local plans that may counter local plan approvals of a second state board (the Soil and Water Conservation Board). This situation may occur because there is significant overlap in the water-related duties of counties, watershed districts, and soil and water conservation districts.

Control of non-point sources of pollution is an area where this is particularly evident. All three units of government have duties relating to erosion control and planning. The Comprehensive Local Water Management Act provides the vehicle to tie these efforts together through the county. However, the act puts the Water Resources Board in the position of approving county plans that might in effect counter elements of SWCD plans approved by the Soil and Water Conservation Board.

4. Shortages in Staffing/Funding of Certain Programs. This category of problems may be related to organization because: (a) priorities for water program support are made within other contexts (e.g. health, natural resources, etc.); and (b) certain agencies may tend to place less emphasis on their water program needs, or be less successful in gaining the support needed because of their position in the organizational structure.

- ** Data collection efforts were unilaterally cut during the fiscal crises of the early 1980's. There was no mechanism to bring to bear a comprehensive perspective on overall water program needs. Instead, water program needs in the Department of Natural Resources and Department of Health, for example, were of necessity juggled with other natural resources or health program needs when decisions on budget cuts were made. Absence of a strong spokesman for overall water strategy requirements raised the possibility that various facets of the program would be cut disproportionately.
- ** The Minnesota Department of Health has support to provide only four hydrologists statewide to administer the water well construction code. The code has operated at roughly the 50 percent compliance level level for years, not counting the thousands of abandoned wells that need to be located and properly sealed to protect ground water.
- ** The Water Resources Board has been unable to secure the staff needed to administer major new programs assigned to it in the area of local water management. As a consequence, it has been unable to give local governments the assistance and guidance they need to get involved in planning for the management of water resources.
- ** The Minnesota Geological Survey has been unable to obtain funding through the University budget process for development of county geologic atlases. Two atlases have been completed to date and work on a third has begun with demonstration funds provided by the Legislative Commission on Minnesota Resources. However, long-term future funding of this critically important task must come through the University under the present organizational structure.



OFFICE OF THE CHAIRMAN

STATE OF MINNESOTA
WATER PLANNING BOARD

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October 23, 1979

The Honorable Marvin B. Hanson
Minnesota Senate
Rural Route 1
Hallock, Minnesota 56728

Dear ^{Marv} ~~Senator Hanson~~:

As we indicated at the October 2, 1979 meeting of the Water Committee of the Legislative Commission on Minnesota Resources, more concrete examples of actual problems resulting from overlapping authorities can be cited than those which were noted during our presentation. Examples of problems in nine separate areas are noted in the attachment to this letter.

Perhaps most important, however, is the fact that the Board does not find that overlapping authorities per se pose the most serious threat to state water management. Rather than rendering existing water management totally ineffective, they tend to make it inefficient. That is, inaction or delayed action is often the outcome of overlapping authorities since too many "decision-makers" can inject themselves into the process at many different times. The fact that the Board selected the "coordinating body" option over several types of reorganization options (e.g., a Department of Waters or a natural resources "super" agency) reflects the conviction that increased efficiency in water resources management is the greatest need in Minnesota.

An excellent example of the impact of overlapping authorities is provided by an outlet and bank stabilization project on Artichoke Lake in Big Stone County. The project was first proposed as a part of the Resource Conservation and Development program sponsored by the U.S. Department of Agriculture. The state became involved through a request by project sponsors for financial assistance through the State Soil and Water Conservation Board's Sediment and Erosion Control Demonstration program. The SWCB approved the request (about \$16,000), contingent upon the granting of appropriate permits. The Department of Natural Resources granted necessary state permits, but the project sponsors ran into problems when it became apparent U.S. Army Corps of Engineer permits were also required. Federal regulations require site surveys of projects for determination of archeological significance. The State Historical Society became involved at this point,

The Honorable Marvin B. Hanson
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requesting \$5,000 from project sponsors to conduct the necessary study. As a result of these events, the project sponsors decided to split the project, since only the bank stabilization effort would be affected by the archeological study. However, as the result of the delay, more money was requested from the SWCB (about \$8,000 more). Work finally began on the outlet segment of the project in the spring of 1978. (Although the bank stabilization segment of the project finally received the necessary Corps permits, the SWCB was unable to increase its contribution for this segment).

Other specific examples of problems created by overlapping authorities include stormwater drainage into Lake Phalen, causing a degradation in water quality and the expenditure of funds to restore the lake; the diversion of water (permitted by DNR) from Lake Wagonga to Big Kandiyohi Lake, although the Lake Wagonga water was of low quality due to the receipt of treated sewage (permitted by the MPCA) from the City of Willmar; a "sole source aquifer" petition to the Environmental Protection Agency by the Department of Health without discussions with other agencies, even though such a designation would impact on the DNR, MPCA, and the Metropolitan Council (the petition has been withdrawn); and the establishment of separate cost-sharing formulas and administrative agencies for flood control programs with similar goals. These and a number of other examples are included in the attachment to this letter.

I hope the examples provided adequately respond to your question. Again, we do not argue that the problems noted have resulted from institutional arrangements that do not work; but, rather, from inefficiencies in the existing system. The Board suggests the establishment of a state level coordinating body with duties designed to assist Minnesota toward efficient allocation and management of its water resources.

I appreciate your interest in water resources management. As you recognize, we are now taking only the initial steps. Much remains to be done. The Board staff is committed to working with you and other interested legislators to improve the way in which our water resources are managed. If you have specific questions on water management recommendations, please feel free to contact either Jack Ditmore or John Wells at (612) 296-1424.

Sincerely,



THOMAS KALITOWSKI
Chairman

TK:JW:pm
cc: Bob Hansen, Executive Director
Legislative Commission on
Minnesota Resources

Senator William Kirchner, Chairman

Problems Resulting From Overlapping Authorities

1. Water Quality-Quantity Decisions. The overlap occurs because three agencies make decisions relating to quality and quantity aspects of one resource: water. Having one agency protecting public health, one fighting for pollution control, and one advocating conservation has been effective in Minnesota, but has sometimes resulted in bad decisions and inefficient use of resources because the agencies do not always think how their actions affect others.

** MPCA and DNR monitor quality and quantity of surface and ground waters, respectively, but neither has looked at how they could gather data for the other at the same time with little added cost.

** Both DNR and MDH are charged with protection of the availability of domestic supplies during critical periods, from the quantity and health-quality perspectives, respectively. Neither has taken steps to define critical periods or to prepare for them; and neither has spoken to the other on the subject

** DNR is charged with developing a public waters inventory, while MPCA is charged with classification of waters for quality management. MPCA "class D" waters correspond in many ways to DNR non-public waters, but little coordination between the two agencies has been possible because of delays in the public waters inventory. (See Exhibit 1, page 76 of plan.)

** DNR currently regulates stormwater discharges to public waters for quantity reasons. MPCA may get involved for quality reasons sometime in the future. An example of a costly mistake in this area concerns a decision by St. Paul to route polluted stormwater directly into Lake Phalen. Lake quality has been degraded and expensive lake restoration efforts through MPCA and both federal and local governments are now underway.

** The interplay among authorities at state and local levels is also illustrated in the case of Big Kandiyohi Lake. This lake has experienced a chronic low water problem caused by diversion of water from the lake's natural drainage area. Extensive mud shorelines as wide as 400 feet, docks well above the water line, and shoreland homeowners in great distress have been the result of drainage activities of public drainage authorities over the past fifty years. A \$65,000 project given the go-ahead by DNR in the late 60's attempted to solve the problem by diverting water from Wagonga Lake by means of an overland ditch. However, the quality of this water was poor since that lake was and is the recipient of over 2 million gallons a day of treated sewage from the City of Willmar, operating under permit from the MPCA. The project had to be stopped when this water started causing the rapid eutrophication of Big Kandiyohi Lake. The state is still evaluating potential solutions to the problem (through DNR and MPCA) but none appear that do not raise quality questions. In the meantime, the county (under special legislative authorization) has begun to take action to address the problem with a second water diversion project, though quality of the lake may again be threatened.

** MPCA policy discourages adjusting effluent standards to give dischargers credit for conservation practices even when water quality would be protected. The conflict between MPCA and DNR on whether to require or prohibit cooling towers for Sherburne Power Station provides an illustration of a related problem. MPCA and federal EPA regulations were interpreted to require cooling towers to protect stream temperature standards. The Department of Natural Resources advocated once-through cooling to conserve water and enhance fisheries and might have denied its required permits, but was forced to yield to the dominant federal quality interest. Was this decision in the state's best interest?

2. Ground-Water Management. The fragmentation at the state level has caused problems related to quality-quantity decisions and has sometimes resulted in confusion and uncoordinated actions by the state.

** MPCA and MDH found the need to form an ad hoc committee to deal with the creosote problem in St. Louis Park. Initially, DNR was not asked to participate, even though the solution to the problem may require DNR appropriation permits.

** MDH petitioned the federal EPA to designate part of the Metropolitan area a "sole source aquifer." This status would add significant requirements to all federal money targeted to the area. MDH failed to ask DNR, MPCA, or the Metropolitan Council whether they supported the action. At the urging of these agencies, MDH has since asked EPA to return its petition "pending further study." EPA recently granted their request.

** The Water Well Construction Code administered by MDH does not adequately address availability considerations of concern to DNR, though this could simplify permit applications of new well owners.

3. Flood Damage Reduction. State involvement with federal agencies has had little sense of direction or impact in getting solutions on the land. Average time for getting projects constructed now approaches 20 years. The state has recently made financial commitments to state grant-in-aid programs, but these new efforts are fragmented.

The State Soil and Water Conservation Board administers a pilot grant-in-aid program for "Area II" of the southern Minnesota rivers basin. This program offers grants of up to 75 percent of construction costs. The SWCB has hired a professional engineer to assist local governments in qualifying for the program and in designing structures. The engineer has been able to get on-the-job training from the federal SCS in design of structures.

DNR also administers a flood damage reduction grant-in-aid program for the Red River Valley involving grants of up to 50 percent. The DNR has also hired an engineer to assist in program implementation.

The following questions must be asked: Wouldn't it make sense to have one formula for granting aid in both basins and elsewhere in the state? While two engineers might be needed in any case, it seems desirable that they work for the same agency and with the same standards, both for economic efficiency and technical aspects.

4. State Oversight of Water Management Districts. Three separate but parallel systems currently exist to provide state guidance to comprehensive water management districts. These include the State Soil and Water Conservation Board, Water Resources Board, and Department of Natural Resources (with guidance responsibilities over soil and water conservation districts, watershed districts, and lake improvement districts, respectively).

Several specific problems can be cited with the three existing systems.

** The Department of Natural Resources has final say over whether a lake improvement district should be formed. However, many districts are likely to be proposed for water quality restoration purposes, which is the concern of the Pollution Control Agency.

** The Water Resources Board has chosen to maintain a low profile concerning watershed districts. It has not provided guidance in the form of rules on such topics as project benefit-cost analysis, a methodology for assessment of benefitted property owners, and considerations in the formation of watershed districts (including boundary determinations, determinations of need, etc.). The result is variation in the operations of districts throughout the state (e.g., 24 have adopted permit requirements; 11 have not), the formation of districts for widely ranging purposes (from P.L. 566 project operation and maintenance, such as Crooked Creek, to more total watershed management, such as Nine Mile Creek), discrepancies in the assessment of project costs (noted more fully in the Battle Creek example below), and districts perhaps too small to allow for financing of projects (e.g., the Valley Branch Watershed District).

In addition, the WRB has failed to carry out its mandate to review district overall plans every two years. The failure to take a strong role in this area has contributed to problems in the Coon Creek Watershed District (essentially a development moratorium in the watershed) and in the Valley Branch Watershed District (where a plan prepared by the district engineer has lain dormant for nearly two years). In other areas, overall plans do not provide specific guidance for district activities and generally tend toward passive management (detailed in Appendix A to the framework plan).

** The Soil and Water Conservation Board, by law "an agency within the department of natural resources," has experienced difficulties in its relationship with the DNR. The DNR and the SWCB have differed over allowing the Board to organize its regional staff according to soil and water conservation needs; the hiring of a public information specialist knowledgeable in soil and water conservation; and the advocacy of SWCB budget proposals outside of DNR channels.

The SWCB has also experienced problems relative to its relationship with the federal Soil Conservation Service. It has been reported (but not independently verified) that federal staff have been resisting efforts of the SWCB to develop an independent policy analysis capability in the state and local soil and water conservation boards.

Other problems related to the SWCB which have consequences in overlaps with other programs are the failure to complete (although the Resource Conservation Act intervened) a state sediment and erosion control program plan (which must be coordinated "with other statewide resources plans, such as the statewide framework water resources plan and the statewide water quality management plan") and the failure to develop a priority system (including economic efficiency) in administration of the Pilot Grant-in-Aid Flood Damage Reduction program (which might have been interfaced with the new Red River Valley program).

The above problems vary in significance and could be addressed within the three current parallel systems. However, the opportunities missed by absence of a unified guidance system may be more significant. More efficient utilization of staff would be foregone. No effective way to arbitrate disputes between the three types of districts could be devised. One system would provide a stronger voice at the state level and a more effective means of channeling local input into state water policy decisions. One board might best be called upon to judge whether existing institutions could be utilized or whether formation of a watershed district would be warranted. Finally, one board might provide the best forum for the examination of needed changes in relationships and authorities at the local level.

5. Water Policy Conflict Resolution. Three state agencies currently have authorities in conflict resolution: the Environmental Quality Board, Water Planning Board (on an interim basis), and the Water Resources Board. A fourth, the Office of Hearing Examiners, is involved in conducting and reporting on hearings relating to rules and contested cases.

Problems with this array of conflict resolution authorities were identified in that (1) the EQB process for interagency conflict resolution has been used only once, despite need, because of the preoccupation with more visible and seemingly urgent issues (e.g., the EIS process); (2) the WRB intervention process has failed to function optimally due to the reluctance of agencies to petition the WRB to intervene in conflicts, because WRB lacks an independent staff analytical capability, because its recommendations are not binding on the parties involved, and because it often deals with questions only the Legislature can effectively resolve (e.g., those of apparently conflicting statutes); and (3) the WPB policy development and coordination functions have been carried out in separation from other conflict resolution authorities, though its process provides the means for long-term resolution and prevention of conflicts (through the introduction and critique of draft legislation).

6. Water Resources Planning. Several state agencies have been charged with responsibilities relating to water and related land resources planning. These include the Water Planning Board and Department of Natural Resources (both charged with developing a state framework plan), the Environmental Quality Board (charged with developing long-range environmental plans), and the Southern Minnesota Rivers Basin Board (charged with developing an environmental conservation and development plan for that basin)

Though the DNR has never developed a framework plan as charged, there is some question if it did as to how it would relate to the plan developed by the Water Planning Board. The legal status of the WPB framework plan is also unknown as it may relate to charges in Minnesota Statutes, Chapter 105, that various programs and state, regional, and local plans be consistent with the approved state framework plan. The relationship of these plans to state environmental policy plans to be developed by EQB every two years would likewise need definition should this charge be carried out by EQB. The water plans under development by the SMRBB are being prepared through the federal Soil Conservation Service (except certain policy elements). The SMRBB has been given responsibility for developing state policy in this area in duplication of the authorities also given the interim WPB.

Other water and related land resources planning efforts are being carried out by the State Soil and Water Conservation Board (the Sediment and Erosion Control Plan and federally-instigated Resource Conservation Act planning), the Minnesota Pollution Control Agency (the "208" Area-Wide Water Quality Management Plan), and the federal-state basin commission "comprehensive, coordinated, joint plans."

While it can be argued that these planning efforts are each being conducted for important purposes, the net effect has been an uncoordinated approach that is confusing to citizens and program managers alike.

7. Dredge and Fill Permits. Overlaps in this category primarily occur among levels of government. The overlapping permit authorities include the U.S. Army Corps of Engineers (dredge and fill permits under Section 404 of the Federal Clean Water Act), the Department of Natural Resources (permits for works-in-the-bed of public waters), watershed districts, and counties. The state could take over the Corps program for permit processing in all but truly navigable waters, though this might first necessitate statutory changes and would be accompanied by complex federal review procedures. The DNR has also been given authority to delegate processing of certain works-in-the-bed permits to local units of government, though they have not done so to date.

This overlapping of authorities has at time placed an undue burden on applicants for permits largely because of the lack of coordination among the regulatory agencies. For example:

water resources permitting is illustrated by outlet and bank stabilization work on Artichoke Lake in Big Stone County. The project was initially proposed as part of the Resource Conservation and Development program sponsored by the USDA. The State of Minnesota first got involved with the request of project sponsors for financial assistance under the State Soil and Water Conservation Board's Sediment and Erosion Control Demonstration program. The SWCB approved the request for half the local share of project costs, or \$16,000, contingent upon sponsors getting appropriate permits. The DNR granted all needed state permits but sponsors ran into trouble getting required Corps of Engineers permits. Federal regulations require site surveys of such projects for archeological significance. The State Historical Society became involved at this point, requesting \$5,000 at the expense of project sponsors to conduct the study as required by Corps regulations. It was decided to split the project at this point since only the bank stabilization portion would be affected by the archeological study. Because of the delay, however, project sponsors were forced to request additional funds of the SWCB. The Board's grant was increased to \$24,000. Work began on the outlet in the spring of 1978 and is now completed. Construction is just now beginning on the remaining portion of the project after compliance with all the Corps permit requirements. The delay to this portion of the project led to requests for additional funding; however, the SWCB was not able to increase its contribution further.

In addition, the Middle River-Snake River Watershed District cited overlapping authorities in water resources permitting programs as an important problem. In response to survey question, the Watershed District stated: "This creates a problem in that no single authority has the authority to issue a permit but several agencies have the authority to deny one. This division of authorities creates confusion for the applicant in making application for a permit and makes most applicants reluctant to enter the state permit process... What is necessary is a clear definition of the permit authority of all agencies presently requiring permits for work related to waters and drainage."

8. Information and Data Management. Major problems were identified in the efficiency of data collection efforts by state agencies and in the ability to share and disseminate available information for use in planning and management decision-making. In 1978, nearly 60 programs or projects were identified which deal with primary water resources data collection.

** Fragmentation of lake management authorities has spawned several independent data gathering activities. A Water Planning Board survey of data collection programs evidenced the need of program managers to access related lake data housed in other agencies, and to be kept informed of proposed data gathering activities.

** While the MPCA and several other agencies (e.g., DNR, MDH, DOT) regularly collect information on the quality of Minnesota waters, there is no coordinated system for collecting it or disseminating it to potential users. As a result, the state is obtaining far less benefit from available information than could be achieved. At the same time, there is insufficient data to answer many of the specific questions raised by planners, organiza-

While individual agencies will continue to collect and store information under any future scenario, standardization of this information and compilation of the information in a way that it can be made readily accessible to potential users remain problems. There is no assurance of standardization and accessibility under individual agency system development plans. Further, as data quality needs vary among users, uniform quality may not be achieved. Data privacy may become an issue either under individual agency systems development or standardized, coordinated development.

9. Overlap of Local Water Management Authorities. Numerous local units of government may be involved directly in management of water resources, including both general purpose units (counties, municipalities, and townships) and special purpose districts (watershed districts, soil and water conservation districts, lake improvement districts, lake conservation districts, water and sewer authorities, sanitary districts, drainage and conservancy districts, public drainage authorities, and county committees of the U.S. Farmers Home Administration and Agricultural Stabilization and Conservation Service).

Problems with overlapping authorities between watershed districts, soil and water conservation districts, and municipalities can be seen in erosion control.

** The Rice Creek and Ramsey-Metro-Washington Watershed Districts have adopted regulations for erosion controls accompanying land disturbing activities, such as are involved in subdivision development. The Ramsey Soil and Water Conservation District has a primary (but non-regulatory) concern with the control of erosion and has reviewed development plans (plats) for the watershed districts and municipalities. In F.Y. 1977, the Ramsey SWCD reviewed 77 plats and recommended appropriate erosion control measures. Of the 17 development plans being carried out this summer, only two had adopted erosion control measures even though most were in the two watershed districts with regulatory authority. Of the 25 plats reviewed in F.Y. 1979, six had construction ongoing this summer; all were in the two watershed districts; and none had adopted erosion control measures. Clearly, advantage is not being taken of the time and resources expended by the Ramsey SWCD, although the advice provided to watershed districts and municipalities is clearly within its area of expertise.

** Battle Creek Park in St. Paul has been closed since 1975 because of the inability of the involved authorities to arrive at a solution to a massive erosion and significant flooding problem. The project plan most recently proposed by the Ramsey-Metro-Washington Watershed District was prepared with the benefit of only one public hearing, and that was two years ago. Differences are so severe, the formula for assessing project costs has already raised the possibility of litigation and the mayor of St. Paul has personally intervened with the Metropolitan Council to ask for a delay (through the Council's project review authority) in the project.

In addition, four general types of problems may be at least partially attributable to the overlapping of these authorities. These include (1) shortages in qualified staff and resources to support this staff, (2) problems in public awareness and perceptions of the various special purpose districts, (3) inconsistent statewide coverage of water management authorities (e.g., SWCD's statewide, but WD's covering only about one-third of the state), and (4) limitations on the fund-raising abilities of the various districts. Each of these problems was identified by local authorities in the management survey of the Water Planning Board.

Other Problems in Water Management

Problems of agency accountability and enforcement of rules are not necessarily related to overlapping authorities. However, in our opinion, these are among the most significant problems facing the state in managing its water resources. They bear directly on the organization of water management and on the priorities set by agencies. Therefore, we feel it is necessary to call attention to problems of accountability and enforcement in this attachment, even though they fall somewhat outside of the general purpose of outlining problems arising from overlapping authorities.

Accountability and enforcement problems are listed on page 78 of the framework plan document. Included are problems associated with:

** The failure of the Department of Natural Resources to develop a water conservation program (mandated in 1947), prepare a framework water and related land resources assessment (due in 1975), and to develop rules governing the water appropriation permit program (due first in 1975, but postponed to January 30, 1978);

** The failure of the DNR to promptly implement laws designed to protect or enhance the use of lakes, including the development or rules for lake improvement districts (due July 1, 1974), surface-use zoning, and appropriations from lakes;

** The failure of the Environmental Quality Board to complete and approve an inventory of power plant sites (required by 1976, and extended to January 1, 1979), although this task has been confounded by the DNR's tardiness in developing criteria for establishment of protected streamflow and lake elevation levels;

** The failure of the Environmental Quality Board to prepare a long range plan and program for the implementation of state environmental policy in each even-numbered year as charged in Minnesota Statutes, Section 116C.07 (first due November 15, 1975);

** Regulation of water well construction. Since 1975, the rate of compliance by well drillers in submitting well records as required by law has been roughly 50 percent, with compliance in submission of water samples somewhat less. The Department of Health has been reluctant to employ its authority to revoke licenses for failure to comply with this law;

** Permit coverage reporting of withdrawals in the water appropriation permit program. Large-volume appropriators in at least one category, municipal supply, are without permits in some cases. An effective monitoring program through the Department of Natural Resources is absent;

** Abandonment of wells. The Water Well Construction Code stipulates procedures for the proper abandonment of wells, but there is no redress if procedures are not followed and no viable means of assuring compliance with the Code during abandonment;

** Administration and enforcement of shoreland zoning ordinances. Local units of government (counties and municipalities) are required to enforce minimum standards for the subdivision, use, and development of shorelands of public waters. Local administration and enforcement of shoreland ordinances vary considerably. The Department of Natural Resources appears to have no direct enforcement power, with its only recourse when violations are encountered being action in district court; and

** The Pollution Control Agency construction grants program. The Legislative Audit Commission found that a significant number of projects funded under this program have had serious design or construction problems, but legal action has been pursued in only a few cases.



REVISED DRAFT

STATE PROGRAM INVENTORY

AND

PROBLEM IDENTIFICATION

Minnesota Water Planning Board
Technical Paper No. 5

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Water Policy Planning Project
Department of Natural Resources

August 1978

DRAFT: FOR REVIEW AND DISCUSSION ONLY

Problem Area Categories

PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDING	WORK GROUP RELEVANCY (HIGH, MEDIUM, LOW)
<u>Water Resources Planning</u>									
1. Poorly defined role and purpose of State water resources planning.		X	X		X				High
2. No long-term goals to guide planning and management of water and related land resources.			X	X		X			High
3. Local and regional planning/implementation authorities lacking.		X	X	X	X				High
4. Lack of detailed sub-State plans and possible effect on project implementation time.			X		X	X			Medium
5. Water Resources Board policy recommendations unheeded.		X				X			High
6. Special one-time studies utilized to develop long-term water resources policy.			X		X				High
7. Both Department of Natural Resources and Water Planning Board charged with preparation of a State Framework Plan.	X								Medium
<u>Environmental Review</u>									
8. EIS review dependent on each agencies commitment and ability.					X	X			Low
9. EQB member's narrow perspective - do not appreciate importance of some agency programs.						X			Low
10. Poor coordination between EQB and COE.			X						Medium
11. Division of authority between EQB and WPB not specified - broad overlaps.	X		X						Medium

CHAPTER 1. WATER RESOURCES PLANNING AND ENVIRONMENTAL REVIEW

Problem Area Categories

PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDING	WORK GROUP STUDY RELEVANCY (HIGH, MEDIUM, LOW)
<u>Health Risk Assessment</u>									
12. Absence of program goals and performance indicators.					X				Medium
13. Research activities <u>ad hoc</u> and reactive.					X	X			Medium
14. No formal procedures for selection and distribution of health risk assessment studies.					X				Medium
15. Lack of data and staff to make risk assessments.							X	X	Low

CHAPTER II. WATER QUALITY MANAGEMENT

Problem Area Categories

PROBLEM AREAS

PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDING	WORK GROUP STUDY RELEVANCY (HIGH, MEDIUM, LOW)
<u>Water Quality Standards Development</u>									
1. Lack of coordination between PCA standards and DNR public waters inventory and permits programs.	X		X		X				Medium
2. Lack of firm criteria for variances.					X				Medium
3. Lack of citizen participation in Class D waters designation.				X					Medium
<u>Surface and Ground-Water Monitoring (PCA)</u>									
4. Inadequate coverage of State's waters.								X	Low
5. Concentration on streams with lake monitoring scattered among several agencies.			X		X		X		Medium
6. Different ground-water sampling methods used by different agencies.			X						Low
<u>Permit Programs (PCA)</u>									
7. Division of authority between PCA and other agencies regulating feed lots is unclear.	X		X						Medium
8. Insufficient staff for regulating small feedlots.								X	Low
9. Citizen resistance to hazardous waste disposal siting.				X		X			Low

CHAPTER II. WATER QUALITY MANAGEMENT

PROBLEM AREAS

Problem Area Categories

	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDING	WORK GROUP STUDY RELEVANCY (HIGH, MEDIUM, LOW)
<u>Certification Programs</u>									
10. Duplication of effort - COE, sec. 404 and DNR, sec. 105.42 programs are both issuing dredge and fill permits.	X	X	X		X	X			Medium
11. PCB ban exemptions are being certified due to lack of substitute.							X		Low
<u>Waste Treatment Systems Programs</u>									
12. Grants unavailable for treatment plant operation and maintenance.		X						X	Low
13. Insufficiency and instability of federal funding for plant development - may not reach 1983 goals.								X	Low
14. Plants and operations inadequate - lack of technology and trained designers.							X	X	Low
15. Variability of quality of waste treatment administrators and funding due to local control.					X			X	Medium
16. WPC-40 regulations are not mandatory for small systems.		X			X				Medium
17. Shoreland WPC-40 requirements will not be amended immediately					X	X		X	Medium

CHAPTER II. WATER QUALITY MANAGEMENT

Problem Area Categories

PROBLEM AREAS

	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDING	WORK GROUP STUDY RELEVANCY (HIGH, MEDIUM, LOW)
<u>Run-Off Related Pollution Control Planning</u>									
18. Water Quality management institutional analysis will require careful coordination with WPB analysis.	X		X						High
19. Sediment Control Plan based on generalized data because of timing with 208 Plan.			X				X		Low
<u>Run-Off Related Pollution Control Management</u>									
20. Lack of commitment to control of non-point sources.		X				X			Medium
21. Lack of authority to assure that landowners maintain land treatment practices.		X							High
22. Problematic priority system for funding demonstration projects.			X		X				Low
23. Failure to use quantitative criteria in ranking demonstration projects.					X				Low
24. SWCD have insufficient manpower to carry on increasing management activities.								X	Low
25. SWCD's liability for decisions.			X		X				Low
26. Problems with certain Districts in perception of relationship to SCS.					X				Medium

Problem Area Categories

CHAPTER II. WATER QUALITY MANAGEMENT

PROBLEM AREAS

PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDING	WORK GROUP STUDY RELEVANCY (HIGH, MEDIUM, LOW)
<u>Run-Off Related Pollution Control Management (Continued)</u>									
27. State SWCB unable to obtain authorization for information and education position.								X	Low
28. State SWCB/DMR roles and authority unclear.	X		X		X				Medium
29. Funding for control of erosion, sedimentation and non-point sources lacking.								X	Low
30. Little concern for non-agricultural activity.						X		X	Medium
31. Uncertain administration of Federal cost-share funds under section 208(j) of the Clean Water Act.			X			X			Low
32. Number of local agencies with non-point management responsibility.	X		X		X				High
33. Certain local agencies independent of State policy guidance.		X				X			High
34. Fragmented or inadequate authority for regulation of non-point source generating activities.		X							High
35. Front-end money for lake assessment and feasibility studies unavailable.		X				X		X	Medium
36. Ineligibility of O and M costs for grants.		X				X		X	Low
37. Coordination of water quality and water quantity run-off management	X		X		X				High

CHAPTER 11. WATER QUALITY MANAGEMENT

Problem Area Categories

PROBLEM AREAS

PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STATE FUNDING	WORK GROUP STUDY RELEVANCY (HIGH, MEDIUM, LOW)
<u>Public Drinking Water Quality</u>									
38. Shortage of funding will not permit small systems to meet certain MCLs.					X			X	Low
39. No single regulation presently covers construction of municipal supplies.		X			X				Low
40. Added costs of State enforcement of Federal Safe Drinking Water Act.								X	Low
41. Change in policy orientation to enforcement of Safe Drinking Water Act.						X		X	Low
42. Jurisdiction over water supply activities (including raw water quality) spread out over several agencies.	X		X		X				High
43. First priority of domestic water supply may tend to emphasize availability rather than efficient water use.				X		X			High
<u>Ground Water Quality Control</u>									
44. Sporadic SWCD participation in well log verifications.			X		X		X		Medium
45. Poor communication of well log information no effective means of verification.			X		X		X	X	Medium

CHAPTER II. WATER QUALITY MANAGEMENT

Problem Area Categories

PROBLEM AREAS

PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDING	WORK GROUP STUDY RELEVANCY (HIGH, MEDIUM, LOW)
46. MGS well log corrections not reliably communicated to Health Department - different filing systems identifiers.	X		X		X				Medium
47. Inadequate technical assistance to contractors, drillers, and well owners.			X	X			X		Low
48. Legal sanctions or enforcement inadequate to force compliance with well log submission requirements.					X			X	Medium
49. No penalties for improper well abandonment, filling, and sealing.		X			X				Medium
50. No funds available to develop ground-water quality information systems.							X	X	Low

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Problem Area Categories

PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN BELIEFING, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT OF PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDING	RISK, GROUP STUDY RELEVANCE (HIGH, MEDIUM, LOW)
<u>Public Waters Inventory and Classification and Water Bank Program</u>									
1. Problems when inventory and water bank must balance conflicting interests - local v. state and private v. public.				X		X			Medium
2. Public may have inaccurate perception of purpose and effect.				X					Medium
3. Inventory classifications not consistent from county to county.					X	X			Medium
4. Lack of determinative criteria for field workers.			X		X				Medium
5. Inconsistent delegation of authority to workers of different levels of expertise possibly due to staff and fund shortage.					X			X	Low
6. Poor record keeping - undated maps and no negotiation records.					X				Low
7. Lack of operational latitude in statute and rules delay program.		X							Medium
8. Lack of more concrete criteria and other problems may jepordize State's legal position.				X	X				Medium

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Problem Area Categories

CHAPTER III. WATER QUANTITY MANAGEMENT

PROBLEM AREAS

PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COOPERATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDING	CORE GROUP STABILITY RELEVANCE (HIGH, MEDIUM, LOW)
<u>Water Resource Permit Program: Works in Public Waters</u>									
9. DNR permit authority overlaps that of several other authorities; extension of action deadlines necessary to receive all information inputs.	X	X							High
10. State assumption of federal permit responsibility may require legislative and procedural changes to State programs.	X	X							High
11. Interim public waters classification decisions may not involve depth of investigation desirable.					X				Medium
12. Public drainage projects have partial immunity from permit requirements and State has no other adequate control mechanisms.		X			X	X			High
13. Permit decision makers are not required to wait for opinions of other interested authorities.			X						Medium
<u>Public Drainage</u>									
14. Conservation values and drainage values are inevitably in conflict so each must be compromised.			X			X			Low
15. The State's restricted advisory role in drainage proceedings may leave statewide public interest inadequately protected.		X				X			High
16. Chapter 106 decisions are made by local authorities who may tend to be biased toward drainage.			X			X			Medium
17. Local decision makers may lack expertise.							X	X	Low

Problem Area Categories

CHAPTER III. WATER QUANTITY MANAGEMENT

PROBLEM AREAS

PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICTING PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, EQUIPMENT	WORKING STUDY RELEVANCE (0-100, in LCR)
Public Drainage (Continued)									
18. Public drainage projects may be partially exempt from M.S. 105.42 permit requirements.		X							High
19. Judicial precedent is hostile to conservation interests.						X			Low
20. Procedures permit gerrymandering to circumvent petition requirements.		X							High
21. Fighting a drainage project is procedurally difficult and expensive for objecting landowners.						X			Medium
22. Recent environmental safeguards may be circumvented by enlarging or repairing existing systems.						X			High
23. Technically difficult to prove amorphous public detriments.						X	X		Low
Water Appropriation Permit Program									
24. Administrative rules and regulations have been delayed.					X				Medium
25. Conflicts may develop in standardizing DNR quantity and PCA quality permit criteria - the same criteria may not fit different purposes.	X				X	X			High
26. Permit requirements are not imposed on some large volume users, monitoring and enforcement program lacking.					X		X	X	Medium

CHAPTER III. WATER QUANTITY MANAGEMENT

Problem Area Categories

PROBLEM AREAS

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PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDING	WORK GROUP STUDY RELIABILITY (HIGH, MEDIUM, LOW)
<u>Water Appropriation Permit Program</u>									
27. Use classification scheme inadequate to deal with complex use patterns.							X		Medium
28. Low flow use allocation hampered by lack of protected stream flow criteria.					X		X		Medium
29. Rigid use priorities may cause hardships to communities with different needs.				X		X			High
30. Lack of State contingency planning for allocation when protected stream flow minimums are threatened.					X				Medium
31. Periods of "critical water deficiency" not defined, draft Water Appropriation Rules fail to address subject.		X		X	X				Medium
<u>Water Quantity Research and Support</u>									
32. Lack of reliable soil moisture data network impedes moisture and crop forecasts.							X	X	Low
33. Intermediate level data is presently lacking on ground water necessitating costly Class B procedures.							X	X	Low
34. Unclear lines of authority separating tasks of five agencies working in ground-water management.	X								High
35. Designation of Class A and B permit areas based on questionable data.					X		X		Low

CHAPTER III. WATER QUANTITY MANAGEMENT

Problem Area Categories

PROBLEM AREAS

(iii)

Water Quantity Research and Support

- 36. Lack of comprehensive written lake management policy may result in inconsistent administration.
- 37. Lake level data deficient in coverage and technique; this data is needed for many programs.
- 38. Lake management requires integration of water quality and quantity management which is difficult under present structure.

Industrial and Agricultural Water Use

- 39. Separation of power plant need certification and siting process precludes site - specific benefit analysis.
- 40. Site selection process contingent on completion of protected stream flow criteria.
- 41. Lack of data on higher priority uses makes water availability projection difficult.
- 42. Missed site designation deadline resulted in judicial invalidation of EQB site selection.

	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDING	WORK GROUP STUDY RELEVANCY (HIGH, MEDIUM, LOW)
					X				Medium
			X				X		Medium
	X		X						High
		X	X						Medium
			X		X				Medium
							X		Low
		X			X				Low

CHAPTER IV. RELATED LAND RESOURCES MANAGEMENT

Problem Area Categories

PROBLEM AREAS

PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDING	WORK GROUP STUDY RELEVANCY (HIGH, MEDIUM, LOW)
<u>State Flood Plain Management and National Flood Insurance Program Coordination</u>									
1. Federal and State philosophy and technical opinion conflict.			X		X	X			Low
2. Unrealistic FIA mapping deadline conflicts with State's needs.			X			X			Medium
3. Complexity of flood plain management task requires more funds and staff than has been provided.								X	Low
<u>Flood Control Coordination</u>									
4. DNR has little influence on COE planning.			X						High
5. Complexity and lead time period for COE projects discourages DNR participation in planning.			X					X	Medium
6. Ten year plus lead time unreasonable when projects are badly needed.		X							High
7. Absence of local authority with sufficient jurisdiction makes solutions to large scale problems difficult.		X							High
8. State expertise insufficient to handle large scale program as developer.								X	High

Problem Area Categories

CHAPTER IV. RELATED LAND RESOURCES MANAGEMENT

PROBLEM AREAS

PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDING	WORK GROUP STUDY RELEVANCY (HIGH, MEDIUM, LOW)
<u>State Flood Control Development (SMRB Area II)</u>									
9. SSWCB has insufficient funding to hire mandated engineer.								X	Low
10. Insufficient information to assure economically efficient project selection.					X	X	X		Medium
11. Joint powers agreement may be insufficient to coordinate inter-county watershed projects.		X			X	X			High
<u>Critical Areas Management</u>									
12. Lack of coordination among water-related land use programs.			X		X				Medium
13. Local governments and citizens are hostile to State participation in what is considered local affairs.				X					High
14. Regional Development Commissions lack of knowledge about program - hostility may stem from mistaken perceptions.			X	X					Medium
15. Critical area criteria appear to restrict program use by requiring that other programs not be available.		X							Low
16. Local authorities perceive Critical Areas Program as duplicating other DNR programs.			X	X					Medium
17. Adequate funding not available to local governments to finance plan development.								X	Low

IV - 4

Problem Area Categories

CHAPTER IV. RELATED LAND RESOURCES MANAGEMENT

PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDS	EDUCATIONAL STUDY BELIEVED NECESSARY (HIGH, MEDIUM, LOW)
<u>Coastal Zone Management</u>									
18. Citizens perceive program as usurping local government authority.				X					High
19. Citizen participation not begun early enough.				X					Medium
20. Only 3 of 43 nominated areas have survived initial screening process.				X	X				Medium
21. Recommended reduction in federal funding would require greater State contribution or reductions in program.								X	Low
<u>Wild and Scenic Rivers Management</u>									
22. Program perceived locally as infringement on local control.				X					High
23. Pending litigation of zoning requirement in Pine County threatens program operation.		X			X				Medium
<u>Shoreland Management</u>									
24. Municipal program is running several years behind schedule due to inadequate staff funding.								X	Low
25. Local governments may lack funds to administer programs.								X	Medium
26. Conflicting rule requirements must be amended.					X				Low

CHAPTER IV. RELATED LAND RESOURCES MANAGEMENT

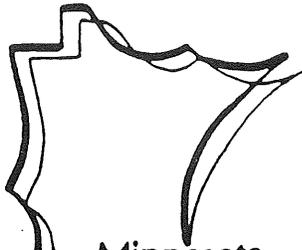
Problem Area Categories

PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDING	WORK GROUP STUDY RATING (LOW TO HIGH)
<u>Shoreland Management (Continued)</u>									
27. Lack of resources hampers mandated task of eliminating non-conforming sanitary systems.					X			X	Medium
28. Local enforcement has been lax in certain counties. Required notifications of inconsistent plats, etc. are often not made to the DNR.					X	X			Medium
<u>Dam Safety</u>									
29. Uncertain whether proposed fee schedules will defray program costs sufficiently.							X	X	Low
30. Inadequate construction records for older private dams. No provision for assisting private owners in making dam repairs.		X			X		X		Medium

Problem Area Categories

CHAPTER V. WILDLIFE AND RECREATION RESOURCES MANAGEMENT

PROBLEM AREAS	OVERLAP OF AUTHORITY	GAPS IN AUTHORITY	COORDINATION, COMMUNICATION	CITIZEN RELATIONS, PARTICIPATION	CONSISTENCY OF ADMINISTRATION	CONFLICT IN PRIORITIES	ADEQUACY OF INFORMATION	ADEQUACY OF STAFF, FUNDS	WORK GROUP STUDY RELEVANCY (HIGH, MEDIUM, LOW)
<u>Scientific and Natural Areas</u>									
1. Data availability is limited and inventory is incomplete.							X		Low
<u>Wildlife Management</u>									
2. Lack of reference file hampers WMA long-range planning.			X				X		Low
3. Absence of wetland inventory hampers operations.			X		X		X		Medium
4. Absence of authority over privately owned land prevents effective wetland habitat protection.		X	X						High
5. Poor record keeping results in insufficient information for management decisions.					X		X		Low
6. Need for more stream surveys and creel census data.							X	X	Low
7. Warm water streams need more management attention.						X			Low
8. County commissioners less receptive to approval of State wildlife acquisition proposals.				X		X			Low
9. Wetlands purchased by State subject to drainage according to Minnesota Drainage Code.		X			X	X			High
<u>Ecological Services Management</u>									
10. Lack of data base of fish and wildlife inventories on surface waters creates problems in project planning and evaluation.								X	Medium
11. Better access to PCA data is needed.			X						Medium



Minnesota
STATE PLANNING AGENCY

Room 100 Capitol Square Building
550 Cedar Street St. Paul, MN 55101

May 4, 1985

The Honorable Carl Kroening, Chairman
State Departments Subcommittee/Senate Finance Committee
Room G-24, State Capitol
St. Paul, Minnesota 55155

Dear Carl:

The State Departments Subcommittee has requested that the State Planning Agency provide to you draft language requiring the Agency to carry out a study of how certain water resource agencies might be consolidated. Draft language to do this is attached.

The draft language requires the State Planning Agency to carry out a study in coordination with the affected parties and to make recommendations in legislative form to the Governor and the Legislature by January 15, 1986. The State Planning Agency will staff this effort within current staff and appropriations levels.

I call your attention to the fact that studies of the same issue are called for in two other pieces of legislation this session. The House Transportation, Agriculture, and Semi-State Agency appropriations bill (H.F. 1639) requires the Commissioner of Agriculture to establish an interim study group and coordinate a study of the consolidation issue. S.F. 910, a bill authored by Senator DeCramer dealing with the establishment of a flood damage reduction program, calls for the State Planning Agency to develop a report "on consolidation of state agencies controlling water resources." The appropriate sections of these two bills are attached for your information.

We are willing to and believe it is appropriate that the State Planning Agency carry out the study suggested. The Agency staffs the Environmental Quality Board. It is a duty of the EQB to coordinate the study of water resource management activities among agencies having jurisdiction in the area (Minnesota Statutes, Section 116C.41). We have staff experienced in this type of analysis and in the issues involved.

Sincerely,

Tom Triplett, Director
(612) 297-2325

WATER RESOURCES AGENCY REORGANIZATION
RIDER

1 The director of the state planning agency shall coordinate a
2 study of the options available for consolidating the functions
3 and responsibilities of the soil and water conservation board,
4 water resources board, and southern Minnesota rivers basin
5 council. The study shall be coordinated with the affected
6 agencies; the associations of soil and water conservation
7 districts and watershed districts; and the senate agriculture and
8 natural resources committee, the house agriculture committee, and
9 the house environment and natural resources committee. The
10 director shall provide the staff and resources necessary to carry
11 out the required study. The director shall report to the
12 governor and the legislature by January 15, 1986 on the options
13 examined. The report shall contain suggested legislation to
14 implement the recommended course of action in consolidating the
15 boards and the council.

ATTACHMENT

H.F. 1639 (Forsythe, for the Committee on Appropriations)
Article I, Section 5
Subdivision 5
(Page 21 of 4/30/85 version)

10 The commissioner of agriculture shall
11 establish and coordinate an interim
12 study group to examine the options
13 available for consolidating the
14 functions and responsibilities of the
15 soil and water conservation board,
16 water resources board, and southern
17 Minnesota rivers basin council under a
18 single entity. The study group shall
19 include: representatives of the
20 affected agencies; staff assigned by
21 the senate agriculture and natural
22 resources committee, house environment
23 and natural resources committee, and
24 house agriculture committee; and such
25 other representatives as the
26 commissioner considers necessary. The
27 commissioner shall report to the
28 legislature on January 15, 1986, on the
29 options examined and the recommended
30 course of action.

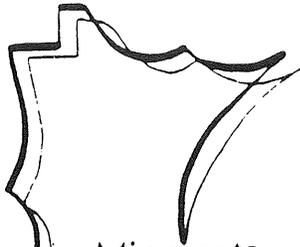
S.F. 910 (DeCramer)
Section 4
(Page 4 of 4/19/85 amendment - SCS 910A-3)

27 Sec. 4. [REPORT.]

28 The state planning agency shall make a report on
.....
29 consolidation of state agencies controlling water resources.
.....

30 The report must designate a lead agency and provide for a
.....
31 governing ~~body~~ ^{Board} At least two-thirds of ~~the~~ members of the

Board must be locally elected
32 ~~selected on a local level.~~ officials from throughout the state.
.....



Minnesota
STATE PLANNING AGENCY

Room 100 Capitol Square Building
550 Cedar Street St. Paul, MN 55101

April 10, 1985

The Honorable Gaylin Den Ouden, Chairman
State Departments Division
House Appropriations Committee
Room 381, State Office Building
St. Paul, Minnesota 55155

Dear Gaylin:

During the Division's discussion of the Water Resources Board budget on April 3, it was requested that my staff prepare an estimate of the cost of implementing a reorganization of water agencies. The reorganization option which we have been discussing with the affected agencies involves combining the Soil and Water Conservation Board, Water Resources Board, and Southern Minnesota Rivers Basin Council into a single, independent state board.

This letter transmits our initial estimates of the cost to the State of Minnesota of implementing the reorganization option. These estimates are contained in the attached table. We estimate that the direct savings to the state as the result of a consolidating the SWCB, the WRB, and the SMRBC will be \$14,700 in F.Y. 1986 and \$16,200 in F.Y. 1987. A greater result of the reorganization proposal will be improved services to local units of government in water management activities.

In developing the attached estimates, the Governor's budget recommendations were used as the base. The staffing assumptions were not changed from those in the Governor's budget proposal. We have assumed that the major savings will accrue from reducing three boards with 23 total members down to one board with only nine members. Per diem and travel savings are estimated from the average costs for the three boards in the Governor's budget. (The exception to the latter is that actual costs for the SWCB in F.Y. 1984 and F.Y. 1985 were averaged to derive SWC costs.) We have added additional funds to the reorganized board cost estimates to reflect rental space for the WRB (as the WRB currently pays nothing to the Department of Natural Resources for space rental) and for contract for fiscal and personnel services between the new board and an agency which it selects.

The Honorable Gaylin Den Ouden
Page 2

My staff has developed the attached estimates with the cooperation of affected boards. If you have further questions on this issue, please contact Jack Ditmore of my staff at 297-2374.

Sincerely,

Tom Triplett, Director
(612) 297-2325

cc : Ron Nargang, Executive Director
Soil and Water Conservation Board

Mel Sinn, Executive Director
Water Resources Board

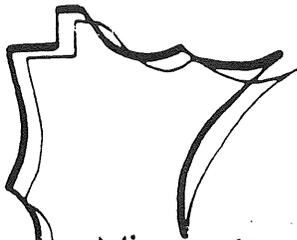
Marilyn Lundberg
Southern Minnesota Rivers Basin Council

WATER BOARD REORGANIZATION: COST ESTIMATES

	Three Separate Boards			Reorganization of Boards		
	F.Y. 86	F.Y. 87	Total	F.Y. 86	F.Y. 87	Total
Personal Services	\$ 694.8	\$ 695.0	\$1,389.8	\$ 683.7	\$ 685.9	\$1,367.6
Expenses/Contract Services	232.8	243.3	476.1	229.2	238.2	467.4
Supplies and Materials	30.6	31.9	62.5	30.6	31.9	62.5
Equipment	7.2	6.5	13.7	7.2	6.5	13.7
Other	-0-	-0-	-0-	-0-	-0-	-0-
TOTALS	\$ 965.4	\$ 976.7	\$1,942.1	\$ 950.7	\$ 960.5	\$1,911.2

STAFFING TOTALS

	Current	Requested in Governor's Budget
Water Resources Board	3	4
Soil and Water Conservation Board	17	17
Southern Minnesota Rivers Basin Council	1	1
TOTAL	<u>21</u>	<u>22</u>



Minnesota
STATE PLANNING AGENCY

Room 100 Capitol Square Building
550 Cedar Street St. Paul, MN 55101

March 8, 1985

TO: Tom Triplett, Director
State Planning Agency

THROUGH: Jack Ditmore, Director
Environmental Division

FROM: John Wells
Environmental Division

SUBJECT: Revised Water Reorganization Consensus

Representatives of the key state water agencies met on February 28 to reconsider earlier water reorganization proposals in light of the ground rules laid out at the February 21 meeting of the Environmental Quality Board. The revised recommendation of the group calls for state water programs and policies to be coordinated by the Environmental Quality Board. A merger of existing water and soil boards is also recommended in order to create a single board whose job is to coordinate state government's efforts in working with local governments. The EQB and the merged board would be closely linked. The details of the recommendation are described in the following paragraphs.

The Recommended Course of Action

1. The Environmental Quality Board should retain its existing water-related responsibilities for state program coordination and policy development. Its ability to carry out these duties should be strengthened by addition of the authority to review and approve agency water-related budgets and legislative initiatives.
2. A water subcommittee of EQB should be established to provide the focus necessary for effective integration of water programs and policies. The subcommittee would consist of representatives of the DNR, PCA, MDH and MDAg designated by the respective agency heads, as well as the chairman or executive director of the merged water and soil board (also added to the full EQB as specified below) and two citizens. If a county commissioner is included in the membership of the full board as recommended by the Mulligan Task Force, that person would replace one of the citizen members on the subcommittee.
3. The Soil and Water Conservation Board, Water Resources Board, and Southern Minnesota Rivers Basin Council should be merged into a single board. This board would be charged with coordinating the delivery of

state technical and financial assistance to local units of government in the area of soil and water conservation. It would also be responsible for a variety of state oversight duties, such as the approval of local water plans required by state law. Except as specified in items one and six, the merged board should be independent, contracting as necessary with the agency of its choice for administrative services.

4. The merged board should consist of nine members who would be appointed by the Governor, including at least one county commissioner, one soil and water conservation district supervisor, and one watershed district manager. Appointments to the remaining seats would not be restricted, except that representation from each of the state's consolidated river basin areas, as well as the metropolitan region, should be required to assure a distribution of appointees across the state.
5. The Governor should be responsible either for the appointment of the chairman of the merged board (who would serve at his discretion), or the executive director (along the lines of the MPCA model). If the first choice is preferred, consideration might also be given to making the chairmanship a full-time position. The position that serves at the discretion of the Governor should be a designated representative on the EQB.
6. The merged board and EQB should be linked structurally in two key ways. First, either the chairman or executive director of the merged board (see item No. 5) would be made a full voting member of the EQB and its subcommittee on water. Second, a cross-fertilization of ideas should be fostered by designating representatives of the water subcommittee of the EQB as ad hoc non-voting members of the merged board and members of the merged board (in addition to either the chairman or executive director) as ad hoc non-voting members of the EQB subcommittee.

We believe that the recommendation represents a sound approach to strengthening state and local water planning programs, consistent with the ground rules laid out by the EQB. We would like to discuss this recommendation and your views on how to proceed with you.

/ms



Minnesota
STATE PLANNING AGENCY

Room 100 Capitol Square Building
550 Cedar Street St. Paul, MN 55101

February 15, 1985

TO: Tom Trippett

THROUGH: Jack Ditmore *yes*

FROM: John Wells *John Wells*

SUBJECT: Update on Water Reorganization Discussions

Representatives of the key state water agencies met on February 7 to discuss the three water reorganizational options that we laid out, as well as a proposal outlined by Senator DeCramer. We met again on February 12 to discuss the same issues in a meeting called by Senator DeCramer. We appear to be quite close to forging a consensus on the actions that should be taken.

Agency Meeting

The sense of the group at the February 7 meeting was that a merged state board combining state and local water coordination and planning duties, as well as soil and water programs, should be advocated. The board structure envisioned would include six citizens from the state's five major river basins and the metropolitan region, and five state agencies (DNR, PCA, MDH, SWCB or perhaps MDA if SWCB is merged, and SPA). A chairperson would serve at the discretion of the Governor. A detailed description of the recommendation is attached.

The group left open the possibility that EQB might continue to exist, although the water coordination and planning duties would be transferred to the modified water board. This position was taken in recognition of the fact that the Administration has not yet decided its response to the Mulligan Task Force's recommendations. The possibility that the Pollution Control Agency might serve in EQB's place as the "court of last resort" on environmental issues was also raised.

While there was widespread support for the option recommended at the February 7 meeting, I want to point out that each of the original options was favored by at least one agency representative. In addition, all three options were considered acceptable by most of those present. The Water Resources Board representative was the only participant not in support of any of the options put forth. (Jack Ditmore, Ray Thron, Larry Seymour and myself attended the WRB meeting the following day to convey the group's position. We were greeted with mixed reaction.)

Meeting with Senator DeCramer

On February 12, Senator DeCramer outlined a proposal for a water policy board composed of six citizens and five agencies, substantially along the lines of the proposal endorsed by the agencies at the February 7 meeting. While he envisions that this board may ultimately "eliminate the need for all other water agencies and boards", he clearly is not advocating major reorganization at this time. While we may have certain concerns about Senator DeCramer's ideas for regional water planning (he has not fleshed these out yet), I believe that his proposal for a water board and that of the agencies are in substantial accord.

Senator DeCramer expressed his intention to amend the Governor's flood damage reduction bill (which he expects to author) to include the reorganization of water boards outlined above. I was asked to meet with him and Senate Counsel some time next week to assist them in drafting a reorganization amendment.

Decision on EQB

We are now approaching the point where several key issues must be resolved. The future of the EQB is a key component of any decision that might be reached on water board reorganization. If EQB is to continue to exist in any capacity, its relationship to a reorganized water board will obviously need to be defined. Further, if a decision to make EQB a focused coordinating body is reached, the proposal tentatively made by the agencies may need to be reconsidered.

The three major options for EQB's future that have been raised are:

1. Abolish the EQB. Under this option, the Environmental Review program would be transferred to the MPCA, the Power Plant Siting program to the PUC, and the Critical Areas program to the DNR. State water planning and coordination duties would be transferred to the new water board. Environmental policy development duties would become an SPA responsibility. This option is the most compatible with the water board reorganization endorsed by the agencies at the February 7 meeting.

2. Strengthen the EQB's Focus on Coordination. The Board would be given new powers to review and approve agency budgets and legislative initiatives relating to the environment (including water). It would further serve in the capacity of the Governor's Subcabinet on Energy, Environment and Resources. Programs currently administered by the Board might be transferred to facilitate the focus on coordination. This option would be consistent with the water board reorganization alternative focusing on local water and soil planning oversight.

3. Continue the EQB with Minor Changes. Under this option, the Board would, for the most part, keep its current focus and authorities. Certain changes might be made to address recommendations of the Mulligan Task Force. Alternatively, state water planning and coordination duties might be transferred to a reorganized water board (as recommended by the Southern Minnesota Rivers Basin Council).

There appear to be three avenues for resolving the question of EQB's future. The Environmental Quality Board will be meeting on February 21 to discuss the Mulligan Report. While water reorganization is currently only an informational item, the Board could be asked to make a decision on both the Mulligan Report and that subject as well (a logical approach if a decision by the Board on either is sought). A second vehicle is the Energy, Environment and Resources Subcabinet which is scheduled to meet on February 24. Finally, one might argue that the interagency meetings that we have already had have brought us to the point where a decision by you and the Governor is now appropriate.

We have not discussed the EQB reorganization options fully within the Environmental Division at this point. We will do this concurrently with your consideration of the above options.

Jack and I plan to contact Senator DeCramer on Wednesday of next week as he has requested. If a decision on EQB is not possible by that time, we will make that point and its implications clear.

/ms

Attachment

OPTION RECOMMENDED IN AGENCY DISCUSSIONS: MERGE WATER-RELATED BOARDS;
CONSIDER ABOLISHING THE ENVIRONMENTAL QUALITY BOARD

The recommended option would consolidate water-related policy and coordination functions of the Water Resources Board, Soil and Water Conservation Board, Southern Minnesota Rivers Basin Council and Environmental Quality Board. The remaining functions of the EQB might be distributed to the Pollution Control Agency (Environmental Review), Public Utilities Commission (Power Plant Siting), Department of Natural Resources (Critical Areas), and State Planning Agency (Environmental Policy Development and Program Coordination). The erosion control cost-sharing programs of the SWCB might remain in the Department of Agriculture as a direct responsibility of the Commissioner.

The merged board would be assigned new authorities for reviewing and approving the water-related budgets and legislative initiatives of state agencies, and for developing a coordinated work plan each biennium for integrating the state's water-related programs. The intent of these authorities would be to assure that the state's water programs are well-coordinated at the state level and effectively delivered to the local level of government.

The board would be composed of five agencies (DNR, PCA, MDH, MDA, and SPA) and six citizens (from the state's five consolidated river basins and the metropolitan region). A chairperson would serve at the discretion of the Governor. The board would be independent.

The board would be responsible for the following programs and functions:

a. Existing WRB Responsibilities:

- ** Establish, Modify, or Terminate Watershed Districts;
- ** Review Boundaries of Metropolitan Watershed Management Organizations (WMOs);
- ** Approve Plans of Watershed Districts and Metropolitan WMOs;
- ** Intervene in Water Policy Disputes;
- ** Hear Appeals of Watershed District Decisions.

b. Existing SWCB Responsibilities:

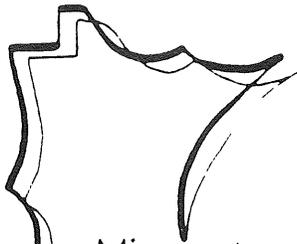
- ** Approve Plans of Soil and Water Conservation Districts;
- ** Provide Financial and Technical Assistance to Soil and Water Conservation Districts;
- ** Develop and Implement a Public Information Program Regarding Soil and Water Issues.

c. Existing EQB Responsibilities:

- ** State Water Plan Development and Program Coordination;
- ** Representation of the Governor on Interstate and State-Federal Water Committees;
- ** Integration of Local Water Plans into State Strategies.

d. New Board Functions Required:

- ** Develop Unified State Approach to Local Government for Water and Soil Programs;
- ** State Oversight/Outreach Functions Associated With the Proposed Comprehensive Local Water Management Act;
- ** Review and Approval of Water-Related Legislative Initiatives Submitted by State Agencies; and
- ** Review and Approval of Water-Related Budget Requests of State Agencies.



Minnesota
STATE PLANNING AGENCY

Room 100 Capitol Square Building
550 Cedar Street St. Paul, MN 55101

January 30, 1985

TO: Tom Triplett
THROUGH: Jack Ditmore *JD*
FROM: John Wells *John Wells*
SUBJECT: State Water Management Organizational Options

Over the past six months, the State Planning Agency has undertaken an extensive review of the existing organization of state water programs and a range of options to this organization. While the driving force behind this review has been the Administration's goal to make government more rational in structure and more cost-efficient in operation, we have found a wide range of concerns that dictate the importance of re-examining state-level water organization. These concerns have been expressed in various contexts by the League of Women Voters, the Association of Minnesota Counties, the Citizens League, the Center for New Democratic Processes, the Southern Minnesota Rivers Basin Council, representatives of environmental groups, legislators, the media, and the Governor's Task Force to Review the Role and Functions of the Environmental Quality Board. In our review, we have sought out the views of potentially affected state agencies and other interested parties, as well as those associated with the above organizations.

We have reached the conclusion that the present organization can be improved. We believe that Minnesota's water programs need to be more closely tied together through an authoritative coordinating body. We further believe that the local-state partnership we seek demands a more effective outreach to local government. A single agency whose job is to coordinate state government's efforts in working with local governments involved in water planning appears warranted.

In our discussions with interested and affected parties, a consensus seemed to emerge in support of a consolidation of water-related boards to accomplish these objectives. However, many key questions remain to be addressed. These include the relationships of: (a) state-level water coordination functions to the broader arena of environmental program coordination; (b) state water plan development, state program coordination, and local water planning outreach; and (c) water resources management and soil conservation programs. Once these relationships are defined, the relatively technical questions of the mix of authorities and responsibilities necessary, the appropriate location of a board or boards, and the membership of any boards can be addressed.

Three options for consolidating water-related boards are described in the attachment to this memorandum. They are:

1. Modifying the Water Resources Board by adding to the Board agencies and citizens representing the state's major river basins and expanding the Board's powers for coordination; abolishing the Environmental Quality Board and distributing its programs to selected state agencies. (This option seems to be favored by Senator DeCramer.)
2. Creating a state Board of Water and Soil Policy by merging the present SWCB, WRB and state water functions of the EQB/SMRBC.
3. Merging the SWCB, WRB and SMRBC into a single state Board focusing on local resource management; modifying the EQB by expanding and focusing the Board's powers relating to the coordination function.

Senator DeCramer has scheduled a meeting on February 12 to discuss organizational options. To prepare for this, we believe that a prior meeting of selected state agencies should be organized to discuss these options. We will try to arrange such a meeting for February 7, if you concur. We also intend to distribute the options (or a modified set if you prefer) to a range of special interests for review and comment. Our goal is to formulate a specific recommendation to you and, ultimately, Governor Perpich by February 15.

This issue may also come up during the February 5 session of the House Environment and Natural Resources Committee. We recommend that you discuss our general conclusions at that time, if asked.

/ms

OPTIONS FOR CONSOLIDATION OF WATER-RELATED BOARDS

1. Modifying the Water Resources Board; Abolishing the Environmental Quality Board. This option would change the membership and expand the responsibilities of the Water Resources Board to include state water planning and coordination duties, as well as local planning oversight and outreach functions. The water planning and coordination duties of the Environmental Quality Board would be transferred to the WRB. The remaining functions of the EQB would be distributed to the MPCA Board (Environmental Review), Public Utilities Commission (Power Plant Siting), the Department of Natural Resources (Critical Areas), and State Planning Agency (Environmental Policy Development and Program Coordination). The Southern Minnesota Rivers Basin Council would be abolished along with the Environmental Quality Board. The state soil and water conservation program would continue to be independent of the water program.

The Water Resources Board would be composed of five agencies (DNR, PCA, MDH, SWCB and SPA) and seven citizens. The citizens would be appointed by the Governor to represent six river basin systems and the metropolitan region. The Governor would appoint the chairman who would serve at his pleasure. The Board might remain independent and be housed in DNR, or be housed and staffed by the State Planning Agency.

The modified Water Resources Board would be responsible for the following programs and functions:

a. Existing WRB Responsibilities:

- ** Establish, Modify or Terminate Watershed Districts;
- ** Review Boundaries of Metropolitan Watershed Management Organizations (WMOs);
- ** Approve Plans of Watershed Districts and Metropolitan WMOs;
- ** Intervene in Water Policy Disputes;
- ** Hear Appeals of Watershed District Decisions.

b. Existing EQB Responsibilities:

- ** State Water Plan Development and Program Coordination;
- ** Representation of the Governor on Interstate and State-Federal Water Committees;
- ** Integration of Local Water Plans into State Strategies.

c. New Board Functions Required:

- ** Review and Approval of Water-Related Legislative Initiatives Submitted by State Agencies;
- ** Review and Approval of Water-Related Budget Requests of State Agencies; and
- ** State Oversight/Outreach Functions Associated with the Proposed Comprehensive Local Water Management Act.

2. Creating a State Board of Water and Soil Policy by Merging the Present SWCB, WRB, and Water Functions of EQB/SMRBC. This option would consolidate the SWCB, WRB and SMRBC into a new board responsible for state water planning and coordination functions, local water planning oversight/outreach functions, and soil and water conservation program functions. The state water planning and coordination duties of the EQB would be transferred to the new board. EQB would retain its broad environmental policy development and coordination responsibilities, as well as the specific programs it currently administers.

The membership of the new Board of Water and Soil Policy would consist of a mix of local officials, citizens and state agencies. The chairman would serve at the pleasure of the Governor. (Note: The SMRBC has recommended only that the merged Board be composed of "implementing groups", knowledgeable citizens, and a chairperson serving at the pleasure of the Governor.) The Board would be independent.

The Board of Water and Soil Policy would be responsible for the following programs and functions:

a. Existing WRB Responsibilities:

- ** Establish, Modify, or Terminate Watershed Districts;
- ** Review Boundaries of Metropolitan Watershed Management Organizations;
- ** Approve Plans of Watershed Districts and Metropolitan WMOs;
- ** Intervene in Water Policy Disputes;
- ** Hear Appeals of Watershed District Decisions.

b. Existing SWCB Responsibilities:

- ** Approve Plans of Soil and Water Conservation Districts;
- ** Administer Cost-Share Programs for Erosion and Water Quality;
- ** Provide Financial and Technical Assistance to Soil and Water Conservation Districts;
- ** Administer Flood Control Grants;
- ** Develop and Implement a Public Information Program Regarding Soil and Water Issues.

c. Existing EQB Responsibilities:

- ** State Water Plan Development and Program Coordination;
- ** Representation of the Governor on Interstate and State-Federal Water Committees;
- ** Integration of Local Water Plans into State Strategies.

d. New Board Functions Required:

- ** Develop Unified State Approach to Local Government for Water and Soil Programs; and
- ** State Oversight/Outreach Functions Associated With the Proposed Comprehensive Local Water Management Act.

3. Merging the Soil and Water Conservation Board, Water Resources Board, and Southern Minnesota Rivers Basin Council; Modifying the Environmental Quality Board. This option would consolidate the SWCB, WRB and SMRBC into a single board responsible for local water and soil planning oversight/outreach functions. The Environmental Quality Board would continue to be responsible for interagency coordination of state water programs, and would take on expanded authorities (budget and legislative initiative review) to increase its effectiveness in this area. State water planning duties would reside in the State Planning Agency and line agencies, as appropriate, subject to the coordination function of the EQB.

The membership of the merged board would consist of a mix of local officials and citizens. The chairman would be designated as a member of a modified Environmental Quality Board. The EQB membership would consist of agencies and citizens in roughly equal proportion, with the chairman serving at the discretion of the Governor. The EQB would continue to be housed in SPA and staffed by it. The merged board would be independent.

The merged board would be responsible for the following programs and functions:

a. Existing SWCB Responsibilities:

- ** Approve Plans of Soil and Water Conservation Districts;
- ** Administer Cost-Share Programs for Erosion and Water Quality;
- ** Provide Financial and Technical Assistance to Soil and Water Conservation Districts;
- ** Administer Flood Control Grants;
- ** Develop and Implement a Public Information Program Regarding Soil and Water Issues;

b. Existing WRB Responsibilities:

- ** Establish, Modify, or Terminate Watershed Districts;
- ** Review Boundaries of Metropolitan Watershed Management Organizations;
- ** Approve Plans of Watershed Districts and Metropolitan WMOs;
- ** Intervene in Water Policy Disputes;
- ** Hear Appeals of Watershed District Decisions.

c. New Board Functions Required:

- ** Develop a Unified State Approach to Local Government for Water and Soil Programs; and
- ** State Oversight/Outreach Functions Associated With the Proposed Comprehensive Local Water Management Act.

The modified Environmental Quality Board would be responsible for the following programs and functions:

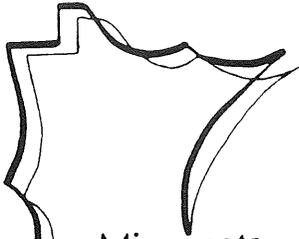
a. Existing EQB Responsibilities*:

- ** Environmental Policy Development and Program Coordination;
- ** State Water Program Coordination;
- ** Representation of the Governor on Interstate and State-Federal Water Committees;
- ** Integration of Local Water Plans into State Strategies.

b. New Board Functions Required:

- ** Review and Approval of Water-Related Legislative Initiatives Submitted by State Agencies; and
- ** Review and Approval of Water-Related Budget Requests of State Agencies.

*Note: The Environmental Review, Critical Areas, and Power Plant Siting Programs of EQB could be retained by EQB under this option or transferred to other agencies as suggested by Option No. 1.



Minnesota
STATE PLANNING AGENCY

Room 100 Capitol Square Building
550 Cedar Street St. Paul, MN 55101

DATE: NOVEMBER 27, 1984

TO: INTERESTED ORGANIZATIONS

FROM: JACK DITMORE, DIRECTOR *Jack Ditmore*
ENVIRONMENTAL DIVISION

SUBJECT: WATER RESOURCES MANAGEMENT

As you know, water management in Minnesota involves at least a dozen state agencies, departments, and boards. This structure is supplemented by the research functions in eight "centers" within the University of Minnesota.

In 1979, the Minnesota Water Planning Board recommended that a permanent "state coordinating body" be established to improve coordination and communication among water management agencies. The creation of the coordinating body was an alternative to a major consolidation of water management agencies.

The Environmental Quality Board was selected by the Legislature in 1983 to become the state coordinating body. The Water Planning Board was discontinued. In 1984, the Legislature approved the location of water planning staff (along with other EQB staff) in the State Planning Agency.

Despite the limited time which has passed to develop effective coordination through the EQB, concern continues to be expressed with the organization at the state level to manage our water resources. This concern has arisen in the context of (1) discussions of citizen organizations (e.g., the League of Women Voters), (2) legislative debate (e.g., during LCMR hearings), (3) debate over local water planning initiatives, and (4) the work of the Southern Minnesota Rivers Basin Council. In addition, Governor Perpich has made it a goal of his Administration to make government more rational in its structure and more cost-efficient in its operation.

As a result of these concerns and the Governor's more general organizational and structural goals, we have undertaken a review of water resources management organization options. We would like your views on the options which are open to us. To obtain these views, we invite you to participate in a meeting/discussion of water resources management on December 4, 1984. The meeting will be held in Conference Rooms A and B on the first floor of the Capitol Square Building, 550 Cedar Street in St. Paul. The meeting will begin at 9:00 a.m. and should conclude by 11:00 a.m.

A tentative agenda for the meeting is enclosed. Also enclosed is a summary of six options identified by our staff. These options are presented for purposes of discussion; they do not represent the totality of possible organizational structures. We hope to devote the bulk of the meeting to discussion of your views. Your input will be used as part of a later discussion of water resources issues with Governor Perpich.

We recognize that the notice of this meeting is short. If you are unable to attend, we would appreciate receiving your views in writing or by telephone by December 7.

Thank you for your continuing interest in this issue. We look forward to seeing you on December 4.

/ms

Enclosures

cc: Tom Triplett, Director
State Planning Agency

TENTATIVE AGENDA

TOPIC: WATER RESOURCES MANAGEMENT
CONFERENCE ROOM A & B
CAPITOL SQUARE BUILDING
DECEMBER 4, 1984
9:00 A.M. TO 11:00 A.M.

- I. INTRODUCTION -- Tom Triplett, Director
State Planning Agency
 - A. Reasons for Looking at Reorganization
 - B. Major Issues

- II. OPTIONS -- John Wells, Senior Hydrologist
State Planning Agency/Environmental Division
 - A. Status Quo
 - B. Modified Water Resources Board
 - C. Modified Environmental Quality Board
 - D. Department of Resources Protection
 - E. Environmental Protection Agency
 - F. Water and Land Resources Board (Option Developed for
Consideration by Southern Minnesota Rivers Basin Council)

- III. OPEN DISCUSSION
Organization Views

- IV. SUMMARY -- Tom Triplett, Director
State Planning Agency

REASONS FOR LOOKING AT REORGANIZATION OPTIONS

1. GOVERNOR'S GOAL -- A CENTRAL GOAL OF THE PERPICH ADMINISTRATION IS TO MAKE GOVERNMENT MORE RATIONAL IN STRUCTURE, AND MORE COST EFFICIENT IN ITS OPERATION.
2. EXPRESSIONS OF CONCERN -- LEGISLATORS AND CITIZEN GROUPS (E.G., THE LEAGUE OF WOMEN VOTERS AND THE CITIZENS LEAGUE) HAVE RAISED THIS ISSUE.
3. LOCAL WATER MANAGEMENT INITIATIVE -- THE LOCAL WATER PLANNING AND MANAGEMENT INITIATIVE WHICH HAS BEEN PURSUED IN RESPONSE TO THE FRAMEWORK WATER PLAN IS A CONTEXT IN WHICH THIS ISSUE IS LIKELY TO BE RAISED.

MAJOR ISSUES

1. EFFECTIVENESS -- IS THE CURRENT WATER MANAGEMENT SYSTEM PRODUCING THE RESULTS DESIRED? WILL ALTERNATE APPROACHES LIKELY INCREASE PROGRAM EFFECTIVENESS?
2. EFFICIENCY -- DOES THE CURRENT SYSTEM ATTAIN ITS OBJECTIVES AT A MINIMUM COST AND IN A STRAIGHTFORWARD MANNER? WILL ALTERNATE APPROACHES INCREASE EFFICIENCY?
3. PERCEPTION -- IS THE APPARENT LACK OF PUBLIC UNDERSTANDING OF THE CURRENT SYSTEM A SUFFICIENT REASON TO CONSIDER ALTERNATE APPROACHES? ARE THERE METHODS SHORT OF REORGANIZATION WHICH WILL EFFECTIVELY INCREASE PUBLIC UNDERSTANDING AND SUPPORT OF THE CURRENT MANAGEMENT APPROACH?

OPTION NO. 1. THE STATUS QUO

MAJOR COMPONENTS

- ** Maintains Separate Advocates for Pollution Control, Health, Agriculture and Resource Management
- ** Maintains Separate Boards Overseeing Watershed Districts and Soil and Water Conservation Districts
- ** Utilizes Environmental Quality Board to Coordinate State Water Programs and to Develop Water Plan
- ** Assigns State Duties for Local Water Planning Initiative to Either EQB or WRB

ASSESSMENT

Pros

- ** Provides Strong, Visible Advocates for Individual Water-Related Programs
- ** Non-controversial.

Cons

- ** Fragmented (10 Agencies; 4 Boards; 1 Commission; 1 Council)
- ** Requires Strong Coordinating Effort
- ** Provides No State-level Voice for Local General Purpose Governments
- ** If WRB Selected to Oversee Local Water Planning Initiative:
 - No Link to State Agencies
 - State Water Planning Separated from Local Water Planning
 - Staff Shortages Crucial
- ** If EQB Selected to Oversee Local Water Planning Initiative:
 - Establishes Two Separate Systems for Local Water Planning
 - Must Confront Negative Perceptions of Local Officials to Build Local-State Partnership

Existing Water and Related Management Organization

STATE PLANNING AGENCY
ENVIRONMENTAL QUALITY BOARD
SOUTHERN MINNESOTA RIVERS BASIN COUNCIL

Statewide Framework Water and Related Land Resources Planning Environmental Impact Assessment Program Review and Policy Conflict Resolution Environmental Policy Planning Systems for Water Information Management Land Management Information System	Coordination of Public Water Resources Management Integration of Local Plans Into State Strategies Critical Areas Management Pipeline Routing and Power Plant Siting Land Use Planning Assistance
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WATER RESOURCES BOARD

Water Policy Conflict Resolution Metro Surface Water Planning Act	Watershed District Formation and Overall Plan Prescription Comprehensive Local Water Management Act
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DEPARTMENT OF AGRICULTURE

Planning Division Weather Modification Dairy Division*	Agronomy Services Division Pesticides and Fertilizer Licensing Food, Meat & Poultry Division*
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SOIL AND WATER CONSERVATION BOARD

Oversight of Soil and Water Conservation Districts Erosion and Water Quality Grants Administration Rural Rainfall Monitoring	Flood Control Grants Administration (Area II) Erosion Control Plan Development
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DEPARTMENT OF HEALTH

Division of Environmental Health

Water Well Construction Safe Drinking Water Program Occupational Health* Environmental Field Services* Hotels, Resorts and Restaurants*	Ground-Water Quality Information System Analytical Services Health Risk Assessment Radiation
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Division of Health Facilities*

POLLUTION CONTROL AGENCY

Division of Water Quality

Water Quality Monitoring Water Quality Management Planning(208) Lake Studies and Restoration Standards Development Certification Program(401,PCB) Emergency Response (Spills)	NPDES Permits Program State Disposal System Permits Liquid Storage Site Permits Land Application Program Municipal Sludge Disposal Agricultural Waste
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Division of Solid Waste

Underground Injection Control Hazardous Waste Management	Residual Waste Management Site Response Section
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DEPARTMENT OF NATURAL RESOURCES

Division of Waters

Protected Waters Inventory and Permits Water Appropriation Permits Hydrology (Including Lake Improvement) Climatology Hydrographic Services	Information Systems Development Dam Safety Shoreland Management Flood Plain Management Public Drainage Review Water Bank Program Underground Gas and Liquid Storage Permits
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Division of Fish and Wildlife

Habitat Improvement Lake Rehabilitation Rough Fish Control Wetlands Acquisition	Water Quality Monitoring Lake Mapping Aquatic Nuisance Control Habitat Evaluation
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Division of Parks and Recreation

Scientific and Natural Areas	Canoe & Boat Route Management Public Access
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Office of Planning and Research

Wild and Scenic Rivers Planning	Statewide Comprehensive Outdoor Recreation Planning
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Division of Enforcement

DEPARTMENT OF TRANSPORTATION

Small Stream Flood Investigation Undisturbed Soil Boring	Ambient Water Quality Program Navigation Planning
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DEPARTMENT OF PUBLIC SAFETY

Division of Emergency Services

Emergency Water Supply Services	Flood Disaster Assistance
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UNIVERSITY OF MINNESOTA
MINNESOTA GEOLOGICAL SURVEY

Hydrogeologic Mapping Statewide Bedrock Hydrogeochemistry Mapping	Water Well Drillers Logs Data Base High Capacity Wells Data Base
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*Includes surveillance of water supplies

OPTION NO. 2. MODIFIED WATER RESOURCES BOARD

MAJOR COMPONENTS

- ** Restructures Water Resources Board (Adds 5 County Commissioners; Chairman Appointed by Governor; Merges Staff Into State Planning Agency)
- ** Assigns State Water Plan Development and State Duties for Local Water Planning Initiative to WRB
- ** Abolishes Southern Minnesota Rivers Basin Council
- ** Other Components Same as Status Quo

ASSESSMENT

PROS

- ** Provides Single Focus for State and Local Water Planning
- ** Provides State-Level Voice for Local General Purpose Governments
- ** Retains Strong, Visible Advocates for Individual Water-Related Programs

CONS

- ** Places 2 Water-Related Boards in State Planning
- ** Fragmented (10 Agencies; 4 Boards; 1 Commission)
- ** Requires Strong Coordinating Effort
- ** Agencies Not Directly Tied to State Water Plan Development
- ** Some Opposition Expected

OPTION NO. 3. MODIFIED ENVIRONMENTAL QUALITY BOARD

MAJOR COMPONENTS

- ** Combines Functions of Water Resource Board, Minnesota-Wisconsin Boundary Area Commission, and Environmental Quality Board
- ** Replaces Southern Minnesota Rivers Basin Council with Statewide Water Advisory Council to EQB
- ** Assigns State Duties for Local Water Planning Initiative to EQB
- ** Other Components Same as Status Quo

ASSESSMENT

PROS

- ** Provides Single Focus for Interstate, State and Local Water Planning
- ** Combines Water Policy and Environmental Policy Development Functions
- ** Provides State-Level Voice for Local General Purpose Governments
- ** Retains Strong, Visible Advocates for Individual Water-Related Programs

CONS

- ** Removes Special Interstate Focus with Wisconsin
- ** Fragmented (10 Agencies; 3 Boards; 1 Council)
- ** Requires Strong Coordinating Effort
- ** Must Confront Negative Perceptions of Local Officials to Build Local-State Partnership
- ** Some Opposition Expected

OPTION NO. 4. DEPARTMENT OF RESOURCE PROTECTION

MAJOR COMPONENTS

** Merges Staff/Programs of:

Pollution Control Agency
MDH Water Supply and General Engineering
Minnesota-Wisconsin BAC
DNR Division of Waters
Environmental Quality Board
Water Resources Board
Soil and Water Conservation Board

** Agency Leadership:

Citizens Board with Executive Director
Subcommittees for Pollution Control; Land & Water Management

** Remaining Interagency Coordination Needs Met by Subcabinet

** Assigns State Duties for Local Water Planning Initiative to New Board

ASSESSMENT

PROS

** Brings Together Key Interrelated Issues:

-- Water Quality, Quantity and Supply
-- Erosion Control and Non Point Source Pollution Control
-- Local, State and Interstate Water Planning

** Greatly Reduces Fragmentation of Water Programs

** Facilitates Unified Approach at Regional Offices

CONS

** Removes External Checks and Balances

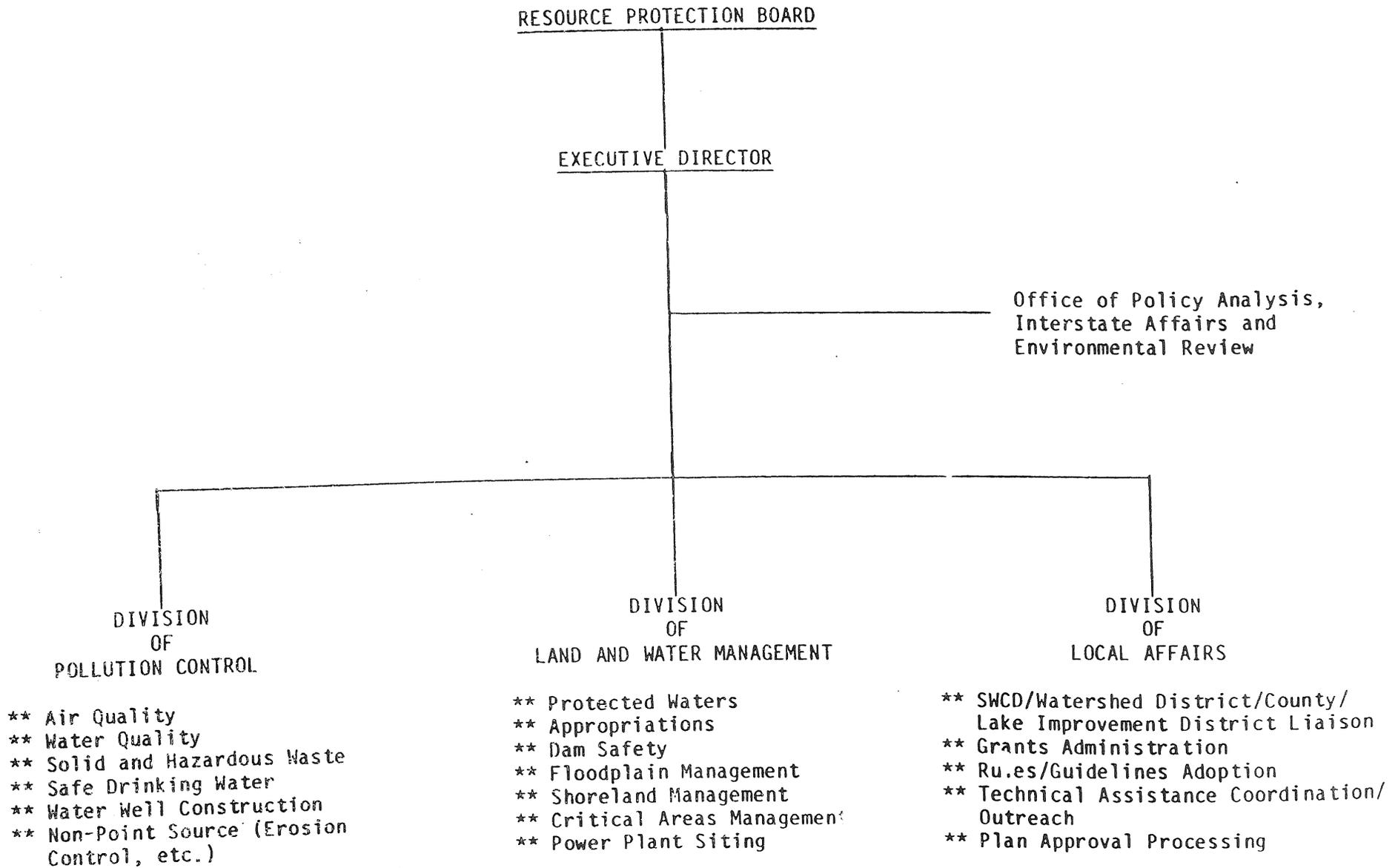
** Breaks Close Ties Between Water Use and Wildlife

** Removes Special Interstate Focus with Wisconsin

** Built-in Sensitivity to Local Issues Difficult to Attain

** Highly Controversial

Figure



OPTION NO. 5. ENVIRONMENTAL PROTECTION AGENCY

MAJOR COMPONENTS

** Builds on Staff/Programs Merged in Option No. 4

Pollution Control Agency
MDH Water Supply and General Engineering
Minnesota Wisconsin BAC'
DNR Division of Waters
Environmental Quality Board
Water Resources Board
Soil and Water Conservation Board

** Adds Staff/Programs of:

Rest of MDH Division of Environmental Health
MDAg Pesticides Control Program
MDAg Water Supply Testing Programs
DNR Aquatic Nuisance Control Program

** Other Components Same as Option No. 4

ASSESSMENT

PROS

** Brings Together Key Interrelated Issues:

-- Water Quality, Quantity, Supply and Health
-- Erosion Control and Non Point Source Pollution Control
-- Local, State and Interstate Water Planning

** Further Reduces Fragmentation of Water Programs

** Facilitates Unified Approach at Regional Offices

CONS

** Removes External Checks and Balances

** Breaks Close Ties Between Water Use and Wildlife

** Removes Special Interstate Focus with Wisconsin

** Built-in Sensitivity to Local Issues Difficult to Attain

** Highly Controversial

Figure

ENVIRONMENTAL PROTECTION BOARD

EXECUTIVE DIRECTOR

Office of Policy Analysis
Interstate Affairs and
Environmental Review

DIVISION
OF
ENVIRONMENTAL HEALTH

Hotels, Resorts & Restaurants
Occupational Health
Water Supply and General
Engineering
Environmental Field Services
Radiation
Health Risk Assessment
Analytic Services

DIVISION
OF
POLLUTION CONTROL

Air Quality
Water Quality
Solid and Hazardous Waste
Safe Drinking Water
Water Well Construction
Non-Point Source (Erosion
Control, etc.)
Pesticides Control
Aquatic Nuisance Control

DIVISION
OF
LAND AND WATER MANAGEMENT

Protected Waters
Appropriations
Dam Safety
Floodplain Management
Shoreland Management
Critical Areas Management
Power Plant Siting

DIVISION
OF
LOCAL AFFAIRS

SWCD/Watershed District/County/
Lake Improvement District Lia
Grants Administration
Rules/Guidelines Adoption
Technical Assistance Coordinati
Outreach
Plan Approval Processing

OPTION NO. 6. WATER AND LAND RESOURCES BOARD

MAJOR COMPONENTS

** Merges

Water Resources Board
Soil and Water Conservation Board
Southern Minnesota Rivers Basin Council
Minnesota-Wisconsin BAC
SPA/EQB Water Planning Staff/Duties

** Maintains Separate Advocates for Pollution Control, Health,
Agriculture and Resource Management

** Assigns State Duties for Local Water Planning Initiative to New
Board

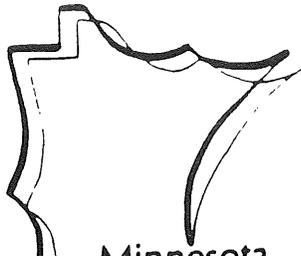
ASSESSMENT

PROS

- ** Reduces Number of State Boards
- ** Provides Single Focus for Interstate, State and Local Water
Planning
- ** Provides State-Level Voice for Local General Purpose Governments
- ** Ties Soil and Water with Water Planning Programs
- ** Retains Strong, Visible Advocates for Individual Water-Related
Programs

CONS

- ** Keeps Water Policy and Environmental Policy Development
Functions Separate
- ** Removes Special Interstate Focus with Wisconsin
- ** Fragmented (9 Agencies; 3 Boards)
- ** Some Opposition Expected



Minnesota
STATE PLANNING AGENCY

Room 100 Capitol Square Building
550 Cedar Street St. Paul, MN 55101

WATER MANAGEMENT ORGANIZATION MEETING
November 8, 1984
Summary of Key Points

Key Underlying Conclusions

1. There is no central place for effective water planning, policy development, and management.
2. Minnesota should preserve its basic advocacy approach to organization of line water programs.
3. Minnesota needs a permanent interagency group to deal with water planning, policy development, and coordination functions.
4. The state water organization recommendations should be packaged with the proposed legislation for local water planning.
5. Significant problems developed in the 1984 legislative session with the identification of EQB as the state authority for approval of county water plans (in S.F. 1316).

State Water Coordinating Body Characteristics

Nature of the Coordinating Function

1. Necessitates sufficient focus and priority on/for water (i.e., requires a substantial commitment of time and resources focused on water issues). (If EQB were to be selected, for example, removal of its environmental review and, perhaps, power plant siting functions would be a prerequisite for successful functioning as the state coordinating body.)
2. Agencies must sacrifice some of their autonomy to the state coordinating body (i.e., the SCB must have a lot of "clout", has to be something the agencies cannot ignore, and must have a stronger role than the Water Planning Board had).
3. The SCB needs a "forced agenda" with specific statutory charges or mandates, and deadlines for producing reports, report updates, recommendations to the Governor and the Legislature, etc..

4. There must be a strong link between planning and management within the coordinating body approach, but "line" programs must not be administered by the SCB if for no other reason than their tendency to dominate a board's agenda. (The role of the line agencies must be defined. While they must be given latitude to administer the programs assigned to them by law, line agencies should also be subject to the coordinating function. The SCB must have the authority to say "This is the plan, the strategy state government will pursue.")
5. The local-state partnership concept embodied in the Water Planning Board's local water planning recommendations necessitates the coordination of state programs and development of a comprehensive approach to local units of government. The SCB also requires a more direct link to local governments and a good rapport with them if local water planning oversight duties are to be included and successfully administered. (Coordination of the regional office approaches of state agencies needs to be part of this.)
6. The state water plan should be given official status to serve as the basis for the SCB to tie together the programs of state agencies and the plans of local units of government.

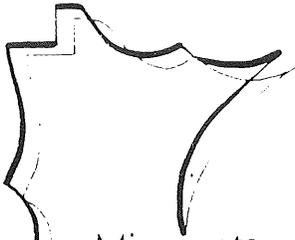
Functions and Duties

1. Further develop and update the state water plan, utilizing the plan as the basis for developing an overall strategy and coordinated budgetary approach, and for assessing the compatibility of local plans with state strategies.
2. Determination of budgetary priorities and of the funding requests that agencies should be authorized to pursue before the Legislature based upon the overall strategy and budgetary approach.
3. Direct a coordinated approach of state technical and financial assistance to local units of government and a coordinated response by state government to local water planning initiatives, including incorporation of local plans into state strategies. (Whether this explicitly necessitates SCB approval of local water plans was not resolved by consensus.)
4. Direct a coordinated state approach to education and communication relating to water-related issues and opportunities, including a process for securing public involvement and interaction.
5. Utilize a statewide water advisory council to assist it in carrying out these responsibilities. Regional councils might also be utilized. (Whether the statewide or regional councils were advocated by the group as a whole is unclear, as is precisely what their role would be.)

SCB Structure

1. The primary state water agencies must be directly represented. At a minimum, the SCB Board should include the DNR, PCA and MDH. (Although some participants preferred a citizen's board to minimize turf protection, others argued that citizens' boards cannot coordinate agencies or get into the "nuts and bolts" of agency programs.)
2. The SCB Board should include representatives of local government (particularly if local water planning oversight duties are included). State associations might be utilized in representing local units or in selecting local representatives.
3. Geographic representation of citizens and local officials should be considered as should interest group representation. (It was unclear whether this idea was offered with respect to board or advisory council membership.)
4. Several explicit options for the SCB were identified:
 - ** A remodeled EQB (new membership, environmental review and power plant siting duties removed).
 - ** A "subcommittee" of EQB (perhaps with separate statutory duties and powers, and with membership not limited to EQB members). (Designation by executive order is also an option, although there would be less of a guarantee of permanency.)
 - ** A board modeled after the Southern Minnesota Rivers Basin Council, Minnesota-Wisconsin Boundary Area Commission, or Waste Management Board (with special ad hoc local representation). (Again, this idea may have been applied to the advisory council concept, not the board concept.)
 - ** Options 2, 3 and 6 of November 8 handout.
5. Other characteristics and comments related to structure:
 - ** The SCB Board should be a relatively small group. (The current EQB is too clumsy and awkward to take on the SCB duties effectively.)
 - ** The board should have a direct link to local units of government.
 - ** If EQB is remodeled to assume a primary water coordinating focus, a name change (Environmental Coordinating Board, Water Policy Board) might be desirable.





Minnesota
STATE PLANNING AGENCY

Room 100 Capitol Square Building
550 Cedar Street St. Paul, MN 55101

TO: TOM TRIPLETT, DIRECTOR
STATE PLANNING AGENCY

DATE: OCTOBER 24, 1984

FROM: JACK DITMORE/JOHN WELLS
ENVIRONMENTAL DIVISION

JD *JRW*

SUBJECT: STRATEGY FOR DISCUSSION OF WATER MANAGEMENT ORGANIZATION

You requested that we prepare a strategy for discussion of water management reorganization options. Attached is an outline of a suggested strategy, leading to a decision by the Governor by mid-December. The outline suggests participants, dates for suggested actions, and the proposed foci for recommended meetings.

In summary, the suggested strategy has seven steps leading to a decision by the Governor by December 15. These steps include:

1. Initial contact with key legislators, agency heads, and the Governor. (This was accomplished with your October 18 memo.)
2. A meeting with potentially affected agencies during the week of November 5 to 9.
3. A meeting with potentially interested groups (ranging from local government representatives to environmental groups to MACI) during the week of November 12 to 16. (This might be split into two sessions.)
4. Discussion by the EQB on November 20, including an attempt to reach agreement on a position to be recommended to the Governor. (Alternatively, the decision step might be left for the November 21 Subcabinet meeting.)
5. Two meetings with legislators, one following the meeting with agencies in early November; the second following the EQB (alternatively, the Subcabinet meeting) in late November. The first meeting would be limited to legislators with past interest; the second expanded to key committee and minority party leaders.
6. A briefing for the Energy/Environment/Resources Subcabinet.
7. In early December, options should be brought to the Governor for review and decision. This meeting should include major agencies, key legislators, and the Governor's principal advisors.

/ms

Attachment

SUGGESTED STRATEGY FOR DISCUSSION OF
WATER MANAGEMENT ORGANIZATION

1. Legislators, agency heads who may be affected, and the Governor should be informed of the status of the State Planning Agency effort and introduced to the options under consideration.
 - A. By October 23, memorandum from Tom Triplett to:
 - (1) Senators Willet (Finance), Merriam (Ag and Natural Resources), and Purfeerst (LCMR);
 - (2) Representative Munger (Environment and Natural Resources);
 - (3) Environmental Quality Board members;
 - (4) Governor Perpich.
 - B. The same or a similar memo should go to other potentially affected or interested persons, including:
 - (1) Pat Mulligan, Chairman of the EQB Review Task Force;
 - (2) Mel Sinn, Executive Secretary of the Water Resources Board (affected agency);
 - (3) Senator De Cramer, interested legislator; and
 - (4) Bob Hansen, LCMR.
2. During the week of November 5 to 9, the potentially affected agencies should be brought together in a meeting chaired by Tom Triplett to discuss options and alternate recommendations for water management organization. SPA staff should provide support services.
 - A. Representatives of each of the following agencies should be included: PCA, DNR, Health, DOAg, EQB, WRB, SMRBC, SWCB, and Mn/Ws Boundary Area Commission.
 - B. The objective of the meeting should be a discussion of options based on the Governor's goal of achieving more efficient operation.
 - C. The meeting should begin with the rationale for examining water management reorganization, followed by an overview of potential options, discussion, and a summary of comments by the chairman. An attempt should be made to get a structured response (e.g., to several key questions) to aid in our understanding of what might be supported and why.

3. During the week of November 12 to 16, Tom Triplett should chair a meeting of potentially interested groups to discuss the need for organizational reform and to gauge receptivity to various options. SPA staff should provide support services.
 - A. Representatives of the following groups should be included: Association of Minnesota Counties, League of Cities, Association of Townships, Association of Soil and Water Conservation Districts, Association of Watershed Districts, Sierra Club, Nature Conservancy, Audubon Council, League of Women Voters, Citizens League, Minnesota Irrigators Association, Farmers Union, Farm Bureau, and Minnesota Association of Commerce and Industry. (If this group is too large, dividing it into two units along the lines of local governments/ interest groups might be considered.)
 - B. The objective of the meeting(s) should be to elicit views on the need for reorganization and receptivity to various options.
 - C. The meeting(s) should begin with the rationale for examining water management reorganization, followed by an overview of potential options, discussion, and a summary of comments by the chairman. An attempt should be made to get a structured response (e.g., to several key questions) to aid in our understanding of what might be supported and why.
4. On November 20, discussion of the reorganization issue by the Environmental Quality Board. (An alternative is to make this discussion a briefing, with the Subcabinet assigned the task of developing a recommendation to the Governor.)
 - A. The Board should:
 - (1) Receive an overview of the issue and discussion to date from its staff;
 - (2) Discuss options and alternate recommendations; and
 - (3) Attempt to reach agreement on a recommendation to the Governor.
5. Once following the meeting with agencies (November 5 to 9) and again following EQB meeting (November 20), Tom Triplett and SPA staff should meet with legislators to discuss organizational issues.
 - A. The first meeting should involve Senators Willet, Merriam, and Purfeerst and Representative Munger. In addition, Bob Hansen (Executive Director, LCMR) might participate in this session. Its purpose should be to solicit their perceptions of what is needed and feasible.

- B. The second meeting should be broadened to include key committee chairmen (e.g., Senators Merriam, Willet and Don Moe; Representatives Munger, Kahn, Wenzel, and Norton), minority party members (perhaps Representatives Doug Carlson, Levy, or Jennings and/or Senators Laidig, Renneke, Frederickson, Isackson, or Ulland), and other interested members (e.g., Senators De Cramer, Purfeerst, and R. Peterson, and Representatives Knuth and Otis). Its purpose should be to review options seriously under consideration for legislative reaction.
6. On November 21, the Energy/Environment/Resources Subcabinet should be briefed by SPA staff on activities and decisions (if any) to date. (Alternatively, this meeting might be used to attempt to reach a decision on a recommendation to the Governor. See step 4.)
 7. In early December, options should be brought to the Governor for review and decision.
 - A. A 1 to 1-1/2 hour meeting should be arranged for the purpose of reviewing the issue, presentation of the options available to the Governor, and discussion. Involved should be representatives of the major potentially affected agencies (i.e., DNR, MPCA, Health, and Agriculture), key legislators (i.e., Willet, Merriam, Munger, Wenzel, Kahn, D. Moe, and Norton), and the Governor's chief advisors (i.e., Triplett, Montgomery, Ford, and Nelson).
 - B. Tom Triplett should review the issue, the options which appear reasonably open, and recommend a course of action.
 - C. The options and recommended course of action should be discussed so as to provide the Governor with the information necessary to reach a policy decision.
 8. Governor's decision by December 15.



Minnesota

STATE PLANNING AGENCY

Room 100 Capitol Square Building
550 Cedar Street St. Paul, MN 55101

October 11, 1984

TO : Tom Triplett, Director
State Planning Agency

FROM : Jack Ditmore *Jack Ditmore*
Environmental Division

SUBJECT : State Water Management Organizational Options

The issue of state-level water organization has arisen in the context of the Governor's goals for the structure and operation of government. It has also arisen in the context of (1) the local water planning initiative which this Division strongly advocates, (2) discussions of citizen organizations (e.g., the League of Women Voters), and (3) the work of the Southern Minnesota River Basin Council (attached). The attached memorandum prepared by John Wells describes five options for addressing the organization of state government to manage its water resources.

The options which we believe are viable are:

1. Maintaining the status quo. This option would continue the agencies with water management responsibilities, including five boards and one council. While this system is called confusing by many, it is also recognized as providing effective resource protection. Under this option, the Environmental Quality Board would retain and strengthen its efforts to assure the management efforts of the multiple agencies are coordinated. The Water Resources Board would be assigned state plan approval duties under the local water planning initiative. The option does not address the Administration goal of reducing the number of agencies reporting to the Governor, but is workable for the local planning initiative and has a track record of some success.
2. Incremental change. Two specific approaches might be considered.

Modifying the Water Resources Board. This option would bring the WRB into the State Planning Agency. It would add five county commissioners to the current composition of the WRB (five citizen members) and provide for a chairperson appointed by the Governor. The Board's staff would become members of the SPA Environmental Division. The WRB chairperson would be added to the membership of the EQB.

Tom Triplett, Director

Page 2

State Water Management Organization Options

The Southern Minnesota River Basin Council would be sunsetted and no statewide advisory committee (an option currently being studied by the SMRBC) would be appointed. This option would be a modest effort to begin addressing Administration goals. It would be a significant improvement over the first option for dealing with the local water management initiative. However, it would create two boards within the SPA with somewhat overlapping responsibilities and would almost certainly be opposed by supporters of the WRB.

Modifying the Environmental Quality Board. This option would merge the WRB into the EQB. In addition, the Minnesota-Wisconsin Boundary Area Commission would become linked to the Board. While the SMRBC would be sunsetted, a statewide water advisory council would be formed to advise the EQB on water resources issues. This option would provide a more significant step toward achieving Administration goals and results in only one board under the SPA. It would have about the same effect on the local water planning initiative as modifying the WRB, although it may bring along some of the negative feelings toward the EQB in the local plan approval role which surfaced last session. This opposition would likely be strongly opposed by the supporters of the WRB and the MN/WI Boundary Area Commission. (This option could also be influenced by the work of the Mulligan Task Force.)

3. Major reorganization of water management agencies. This approach might also take two forms.

Creation of a Department of Water Resource Protection. This option would merge the Pollution Control Agency, Department of Natural Resources/Division of Waters, Department of Health/Division of Environmental Health Water Supply and General Engineering section, EQB, WRB, SMRBC, and Soil and Water Conservation Board. The MN/WI Boundary Area Commission would report to the Department. The new Department might function either under a commissioner or a citizen board and executive director, although the latter approach is preferable to replace the PCA Board. This option is a major initiative in response to the Governor's goals. It may be seen as a positive step in increasing understanding the state's management system. It could accommodate the local planning initiative. However, this approach would raise concerns over the loss of "advocates" for special concerns and of the checks and balances of the current system. The specter of a "water czar" would be raised. It could be difficult to achieve consensus within the Administration on this initiative.

Tom Triplett, Director

Page 3

State Water Management Organizational Options

Creation of a state Environmental Protection Agency. This option would be structured similar to the above approach, but with the addition of the remaining functions of the Department of Health Division of Environmental Health, the water supply testing and pesticides regulation functions of the Department of Agriculture, and the aquatic nuisance control program of the Department of Natural Resources. The supportive and opposition arguments would also be similar.

While we have not studied the fiscal impacts of these options, it is our view that none will provide either large-scale savings or impose great additional costs. Savings may occur in the reduction of some duplicative administrative positions. If in no other way, costs will arise from the expense of physical moves. While non-quantifiable, the potential effects on employee morale and performance should be considered.

In summary, each option has some merit. Each can be expected to meet some opposition. Each warrants consideration as we seek to improve the manner in which water is managed in Minnesota.

Additional Organizational Considerations

The shifts which are proposed under the major reorganization options may provide the Governor with the opportunity to consider other major changes in the Department of Natural Resources. As you remember, in an article in the Pioneer Press in June, Dennis Anderson called for the Governor to consider the formation of a Department of Ecological Services out of the current DNR. With the Division of Waters' functions removed, this might make such a move more reasonable. The Division of Minerals, and perhaps some elements of the Division of Forestry, might not fit well within a Department of Ecological Services (which would focus on fish and wildlife management, protection of ecologically sensitive areas, etc.). They might be shifted to a development agency, such as the Department of Energy and Economic Development.

Further, such a major concentration of environmental management responsibilities under major reorganizations may reshape the way we think about an Environmental Division within the State Planning Agency. Coordination needs may be reduced and analytic tasks better handled within the resource agencies. If this leaves primarily legislative and budget analysis as Division activities, it may make sense to combine these functions with the Department of Finance to develop an approach similar to that of the federal Office of Management and Budget.



Minnesota
STATE PLANNING AGENCY

Room 100 Capitol Square Building
550 Cedar Street St. Paul, MN 55101

October 18, 1984

To: Senator Jerry Willet, Chairman, Senate Finance
Senator Gene Merriam, Chairman, Senate Ag/Natural Resources
Senator Clarence Purfeerst, Chairman, LCMR
Rep. Willard Munger, Chairman, House Environment/Nat Res.

Fr: Tom Triplett, Director and EQB Chair *[Signature]*
Jack Ditmore, Assistant Director/Environmental Division *[Signature]*

Re: Water planning issues

All of you have had a long-standing interest in the improvement of water planning and coordination programs within state government. We thought it would be appropriate to give you a status report on efforts now underway in the Executive Branch.

As you recall, the 1984 Legislature approved the location of the water planning function within the EQB/State Planning staff. This followed the dissolution of the Water Planning Board in the 1983 session of the Legislature.

Over the past year our staff has been working to formulate a comprehensive water planning strategy for the state. We have been reviewing a number of options, and have participated in several pieces of proposed legislation. Our staff will issue a report shortly which summarizes major planning and coordination needs.

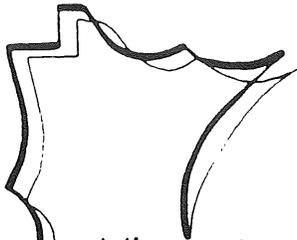
In the meantime, the attached memorandum outlines a series of options that appear to us to be available for improving water planning and coordination activities. We are now doing more extensive analysis of these options, and intend to make specific recommendations to the 1985 session of the Legislature. Although we list the status quo as an option, we want you to know that we regard the current situation as inadequate, and that some form of strengthened water programs is imperative for Minnesota.

The Environmental Quality Board has begun a process of identifying the most important environmental and resource issues facing the state. A preliminary poll of EQB members has indicated that water planning issues will probably be given a high priority when the EQB completes its process in November. We hope that the strong support of EQB will provide further impetus for strengthened water programs.

Water planning issues
page 2

Thank you for your continued interest in water issues. We share your belief that we must do a better job in Minnesota of protecting this most important resource. We will keep you advised as matters proceed on this matter. In the meantime, let us know if you have suggestions for additional steps we should be taking.

cc: Governor Perpich
Members of the Environmental Quality Board



Minnesota

STATE PLANNING AGENCY

Room 100 Capitol Square Building
550 Cedar Street St. Paul, MN 55101

DATE: OCTOBER 9, 1984

TO: JACK DITMORE

FROM: JOHN WELLS

SUBJECT: STATE WATER MANAGEMENT ORGANIZATIONAL OPTIONS

The organization of state water-related functions is increasingly becoming an issue that warrants close scrutiny. As you know, the Governor has identified a central goal of the Administration "to make government more rational in its structure and more cost-efficient in its operation". Concern about the organization of state-level water functions has surfaced in studies by a variety of public interest groups, including the League of Women Voters and the Citizens League. The Governor's committee to review the activities and structure of the Environmental Quality Board has raised questions on the coordination of water programs and plans. The Southern Minnesota Rivers Basin Council, in considering its charge to evaluate the need for a statewide water advisory council to the EQB, has decided to assess the full range of water organizational options. Finally, the local water planning initiative that is strongly advocated by this Division and by key legislators has raised, and continues to raise, organizational questions at the state level. State legislators from both parties have expressed interest in this issue, both because of the local water planning initiative and because of broader concerns about state water management.

The following discussion is intended to introduce you to the major options that warrant consideration by the Administration and by the Legislature. Five options for the organization of state water functions are described, ranging from the status quo to major reorganization. These options are evaluated in terms of their contribution to meeting the Administration's goal of making government more rational in its structure and more efficient in its operation, both with respect to state-level operation and provision of service at the local level. An assessment of the likely response to each proposal is presented.

The discussion under each option assumes the adoption of the local water planning legislation advocated by this Division. This is a necessary assumption because organizational issues will be raised in the debate over this proposal and should be planned for at this time.

OPTION NO. 1. THE STATUS QUO

Description. Figure 1 represents the existing water-related organizational structure at the state level. An underlying premise of this structure is the importance of an advocacy approach to organization of water programs (i.e., a pollution control advocate for pollution control programs, a health advocate for health-related programs, and a resource management advocate for natural resources programs). Under this option, a coordinating body (e.g., the Environmental Quality Board) will continue to be responsible for assuring interagency coordination. In 1979, the Water Planning Board selected this approach as an alternative to major reorganization.

State duties under the local water planning initiative could be assigned to either the Environmental Quality Board or Water Resources Board under this option. Because selection of the WRB would be consistent with that Board's duties under the 1982 metropolitan surface water planning law, this option assumes that the WRB would be assigned this role.

Assessment

A. The status quo involves a structure with ten or more agencies employing five boards and one council. While there is a rational basis underlying this organization (the advocacy approach), this approach contributes greatly to the fragmentation of water programs. In particular, water quality is divorced from water quantity decision-making, and soil programs from water and related land programs. Flood plain management is fragmented with the central effort administered by the DNR and a pilot grant program housed in the SWCB. Water supply testing is done by two agencies--the Departments of Health and Agriculture. Finally, an overlap in functions of the WRB and SWCB, both of which approve local water-related plans of special districts, exists with the EQB (which is charged with integrating local plans into state strategies). This option would not reduce the number of agencies directly involved in water management.

On the other hand, there is no certainty that the problems of fragmentation would be well addressed by combining agency functions. Further, the potential loss of advocate views in a centralized system may make resource management less effective.

B. With respect to local management, the Water Resources Board has experience in approving the overall plans of watershed districts. It has also recently (Laws 1982, Chapter 509) been assigned responsibility for approving the watershed-based surface water management plans now required in the seven-county metropolitan area. Both sets of plans would need to be interfaced with the plans that would be required by the local water planning initiative. Selection of this option would presumably assure that this interfacing takes place.

On the "con" side, the Water Resources Board has a questionable record at either providing or coordinating service delivery. They have previously gone on record as stating service delivery is not an appropriate role of the Board and that local governments (particularly watershed districts) do not need "hand holding". Despite this rhetoric, the Board does occasionally hold informational meetings and has recently published a guidebook for metropolitan surface water planning.

The WRB track record relating to the ability to coordinate state response to local needs is also quite weak, at best. The Board has never seen coordination of state input as one of its duties (although it has permitted state agencies to testify before it). State agencies have a long history of either distrust or ignorance of the Board, particularly relating to its water policy intervention process. (They have not brought policy conflicts to the Board for resolution since the early sixties.) The Board may also have reduced capability to carry out the function because of its citizen composition, its small staff, and its location outside of the mainstream of state government. (It is not part of the Governor's cabinet system and is not directly accountable to the Governor.)

- C. This option is likely to be quite politically feasible in the sense that few "toes" would be stepped on at the state level. At the local level, many officials do not appear to be threatened by the prospect of WRB approval of county plans. There might be opposition from soil and water district interests who would favor the SWCB and from some county people who see the Board as pro-watershed district. There might also be opposition from legislators who see a need to pull together water and soil functions at the state level and who would view this option as a "do nothing" approach to a major concern.

OPTION NO. 2. MODIFIED WATER RESOURCES BOARD

Description. This option involves restructuring the membership of the Water Resources Board and merger of the small Board staff into State Planning as a condition of the assignment of state-level planning and coordination duties associated with the local water planning initiative. The restructuring would include the addition of five county commissioners to the Board (it now has five citizens) and an eleventh member, the chairperson, who would serve at the discretion of the Governor. The Southern Minnesota Rivers Basin Council might be abolished. A statewide council (as is now being studied by the SMRBC) would not be established under this option. The water planning duties assigned to the Environmental Quality Board would be reassigned to the modified WRB. (The chair of the WRB could be made a member of EQB to foster communication and coordination between the Boards. The Environmental Division of the SPA would provide staff to both Boards.

Assessment

- A. This option would consolidate water functions by the merger of Board staff into State Planning. If the SMRBC were to be abolished and no statewide advisory council deemed necessary, an additional reduction in the number of agencies would result. This option would result in the location of two water-related boards (WRB and EQB) in SPA, with overlapping functions remaining, despite the possible transfer of some water planning duties to the WRB. The location of two water-related boards within the Agency may beg the question, why do we need both?
- B. The "pros" and "cons" of the Water Resources Board noted under Option 1 also relate to Option 2. However, access to State Planning Agency staff and expertise would create a greater pool of resources from which a modified Water Resources Board could draw for service delivery to local governments. The presence of five county commissioners on the Board would give the local units most directly affected by the local water planning initiative representation on the state oversight body. This would create the necessary elements of trust, state-level identity, and communication required in a local-state partnership. The ability to coordinate state response to local initiatives and needs would be augmented by staff location in State Planning and the existence of a chairperson with close ties to the Governor (serving at his discretion). It would be impeded by absence of agency membership on the Board (or some other compelling means of securing and assuring full agency participation).
- C. The Water Resources Board and its constituency would likely oppose this option. They have historically argued that there is no efficiency to be gained by merger or relocation (since they are totally efficient as is), that their quasi-judicial duties necessitate an independent Board, and that only citizens without public sector vested interests (i.e., no county commissioners) should be allowed to serve on the Board. Legislators may find it confusing to have two water-related boards within the State Planning Agency.

OPTION NO. 3. MODIFIED ENVIRONMENTAL QUALITY BOARD

Description. This option includes merger of the Water Resources Board and Minnesota-Wisconsin Boundary Area Commission functions into the Environmental Quality Board. The WRB and MN-WI BAC would be abolished. If a stronger link to local government is deemed necessary, the establishment of a statewide water advisory council might also be considered as a component of this option and the SMRBC could be abolished. The modified EQB would be assigned state planning and coordination duties relating to the local water planning initiative. (It should be noted that this option is similar to the approach proposed in 1983. The WRB was removed by the Legislature from the 1983 proposal which merged the Water Planning Board and the SMRBC into the EQB.)

Assessment

- A. This option would consolidate state water functions by abolishing the WRB and MN-WI BAC, eliminating the overlap that currently exists between these boards and the EQB. In addition, the SMRBC might be eliminated, with the option of a statewide advisory panel remaining open. The modified EOB would be the focus for local-state, intra-state, and inter-state water planning and coordination duties. Line agencies would continue to administer water-related programs, although subject to the coordinating efforts of a single state coordinating body. The separation of water quality and quantity, as well as soil and related land resources programs, would continue to the detriment of a fully integrated approach to water management.
- B. This option would rate favorably in the areas of coordinating state service delivery and state response to local initiatives and needs. The ties to State Planning staff, the full participation of key state agencies on the Board, and the technical support staff housed within the agencies are key factors. A liability would be the Board's inability (perceived or otherwise) to relate closely to local government needs. A statewide water advisory council could reduce this problem by acting as a facilitator of the local-state partnership and an advocate of local needs and views at the Board.
- C. The Water Resources Board and its constituency would likely oppose this option as they did a similar proposal in 1983. (See discussion of the previous assessments.) Other advocates of local government would also likely oppose the option because of the perception of EQB as an agency-dominated, "heavy-handed" board. The fate of the proposed EQB role in S.F. 1316 demonstrates the extent of the problem. Opposition from the MN-WI BAC staff and its constituency would also be expected. Some legislators have already indicated their opposition to merging the WRB with other water-related functions.

OPTION NO. 4. DEPARTMENT OF RESOURCE PROTECTION

Description. This option would merge the Pollution Control Agency, DNR Division of Waters, MDH Water Supply and General Engineering Section, Environmental Quality Board, Water Resources Board, Soil and Water Conservation Board, Minnesota-Wisconsin Boundary Area Commission, and Southern Minnesota Rivers Basin Council into a single agency. (See attached Figures 2 and 3.) Two models for leadership of the new agency might be pursued: 1) a commissioner with advisory councils on pollution control, and land and water management (Figure 2); and 2) a board (probably excluding state agency membership) staffed by an executive director, patterned according to the current PCA model (Figure 3). A third approach might utilize two boards in response to perceptions that the PCA Board and other boards already have too much to do.) This analysis assumes the model in Figure 3 is selected. (It would likely be perceived as more feasible by those fearing the "water czar" approach to management, as well as by those linked to existing boards that would be merged.) An assumption underlying this option is that interagency coordination would occur as necessary through the Governor's sub-cabinet.

Assessment

- A. This option rates highly in addressing Administration organizational goals. It would greatly decrease the number of appointments made by the Governor, as well as the number of agencies reporting to him. The consolidation of state water and related land resources functions would bring together the interrelated issues of water quantity and quality, as well as soil, land and water use. These ties are more significant than those that would be severed between water and wildlife. A potential liability of this option would be the removal of certain "checks and balances" inherent in the existing advocacy approach to organization (i.e., the advocacy approach tends to force many decisions which could be more effectively submerged in a single-agency structure to be made in public because of their inter-agency dimensions.)
- B. The option would also rate quite highly in the areas of coordinating state service delivery and state response to local initiatives and needs. The new agency would include the major water-related functions of state government, thus enabling the state to address water issues in a comprehensive fashion. Care would need to be taken to assure that the new agency was given a built-in sensitivity to local issues while at the same time reflecting state needs. The composition of the board, the legislated mission of the agency, and the agency's internal organization (including a Division of Local Affairs in the Director's office) offer opportunities to address this potential concern.
- C. As with any major reorganization, this option has the potential for significant political controversy. The Water Resources Board, Soil and Water Conservation Board, Department of Agriculture and Department of Natural Resources, and the constituencies of these agencies, are likely to provide substantial opposition. The proposal may get labeled as an expansion of the Pollution Control Agency, something those who dislike PCA would strongly oppose. The option will also likely be attacked on the grounds that Minnesota needs neither a water czar nor a super-agency. (While a large bureaucracy may be feared, in fact the new agency would have a staff of less than 600.)

On the positive side, the time for this option may well be right. There is a growing sentiment among key legislators that Minnesota's water management structure is fragmented and unresponsive. The substitution of the Soil and Water Conservation Board for the EQB in S.F. 1316 was made with the comment that it made sense to bring soil and water duties together. Many staff in the Division of Waters clearly feel like their functions are a low priority within the Department. Professionals nationwide have long recognized the problems of separating water quality and quantity functions. Finally, ongoing studies by the Citizens League and the League of Women Voters have also identified major concerns with the existing fragmentation of state water functions.

OPTION NO. 5. ENVIRONMENTAL PROTECTION AGENCY

Description. This option would add the remainder of the Environmental Health Division, the water supply testing and pesticides regulation functions of the Department of Agriculture, and the aquatic nuisance control program of the DNR Division of Wildlife to the agency described in Option No. 4. (See Figure 4.) This consolidation would also open up other opportunities for organizational change. The Department of Ecological Services' proposal suggested in the attached editorial by Dennis Anderson is an example.

Assessment

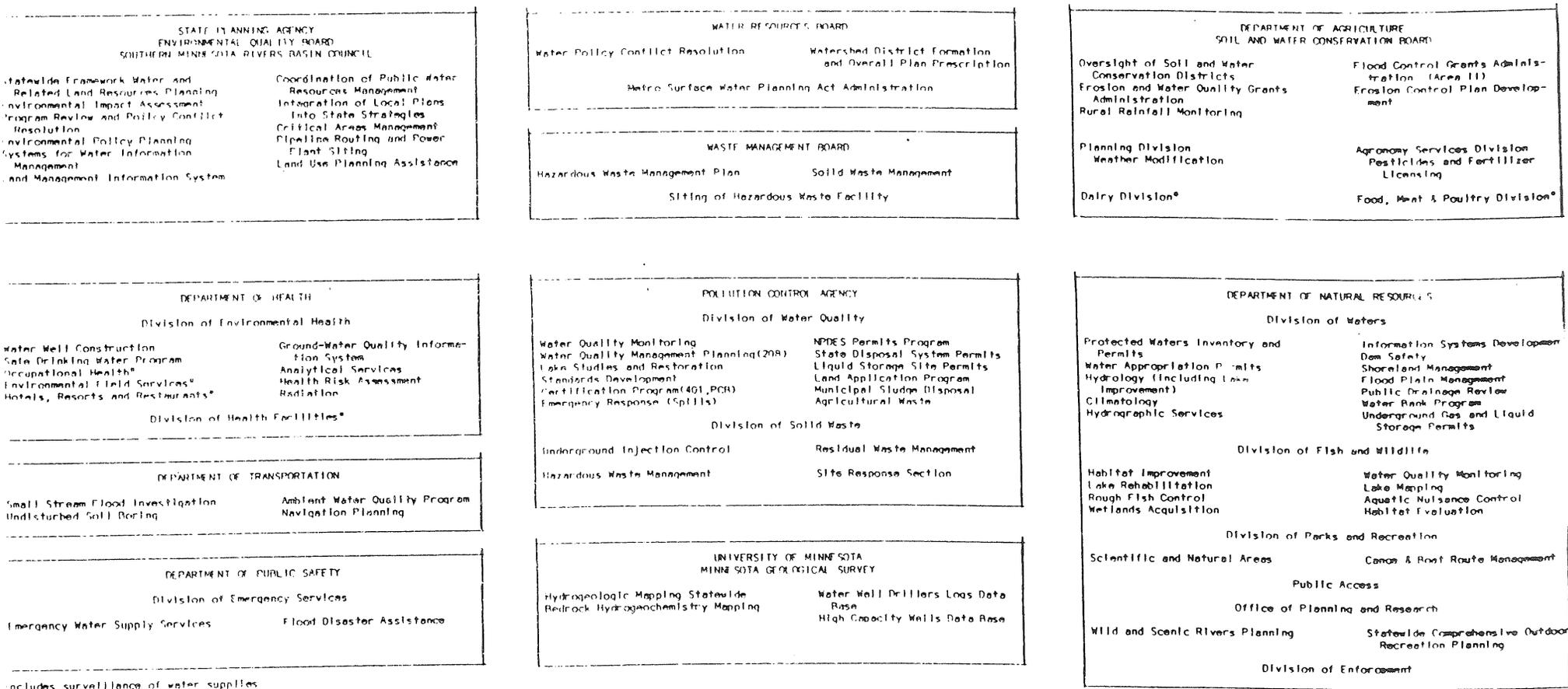
The discussion under Option No. 4 is also applicable here. Additionally, this option would likely encounter increased opposition from the Departments of Agriculture and Health, and from their constituencies.

/ms

Attachments

FIGURE 1

EXISTING WATER AND RELATED MANAGEMENT ORGANIZATION



*includes surveillance of water supplies

Figure 2

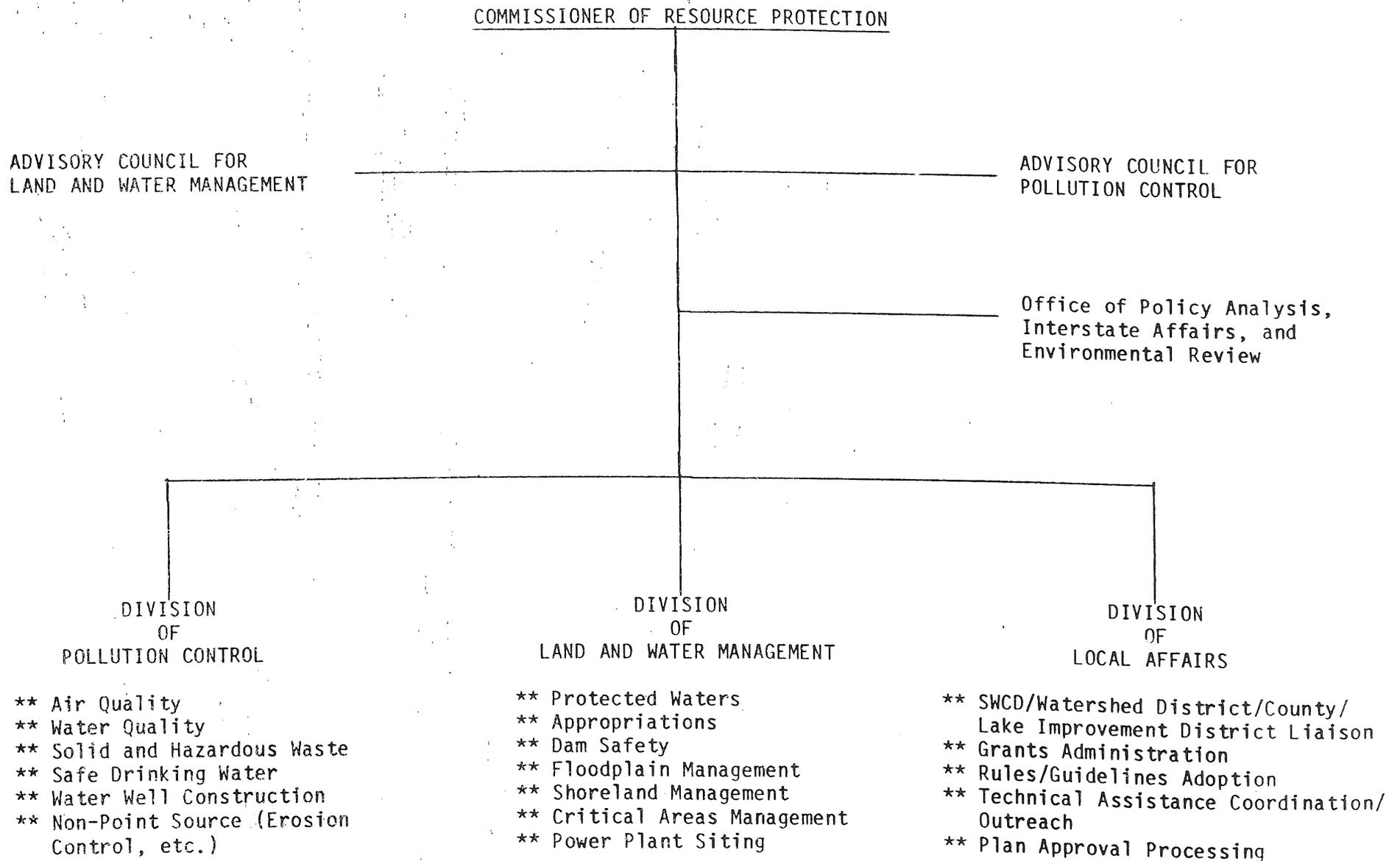


Figure 3

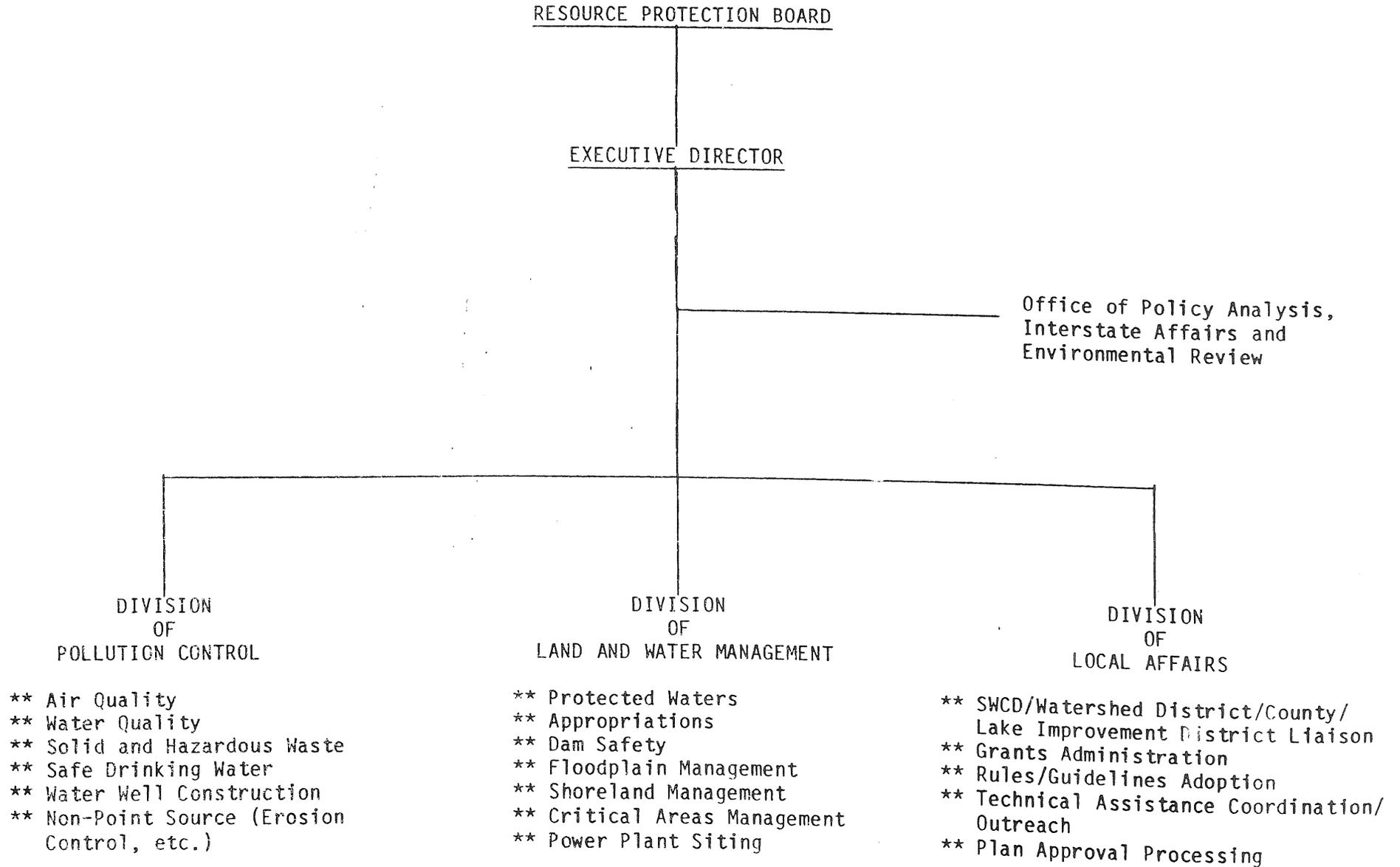
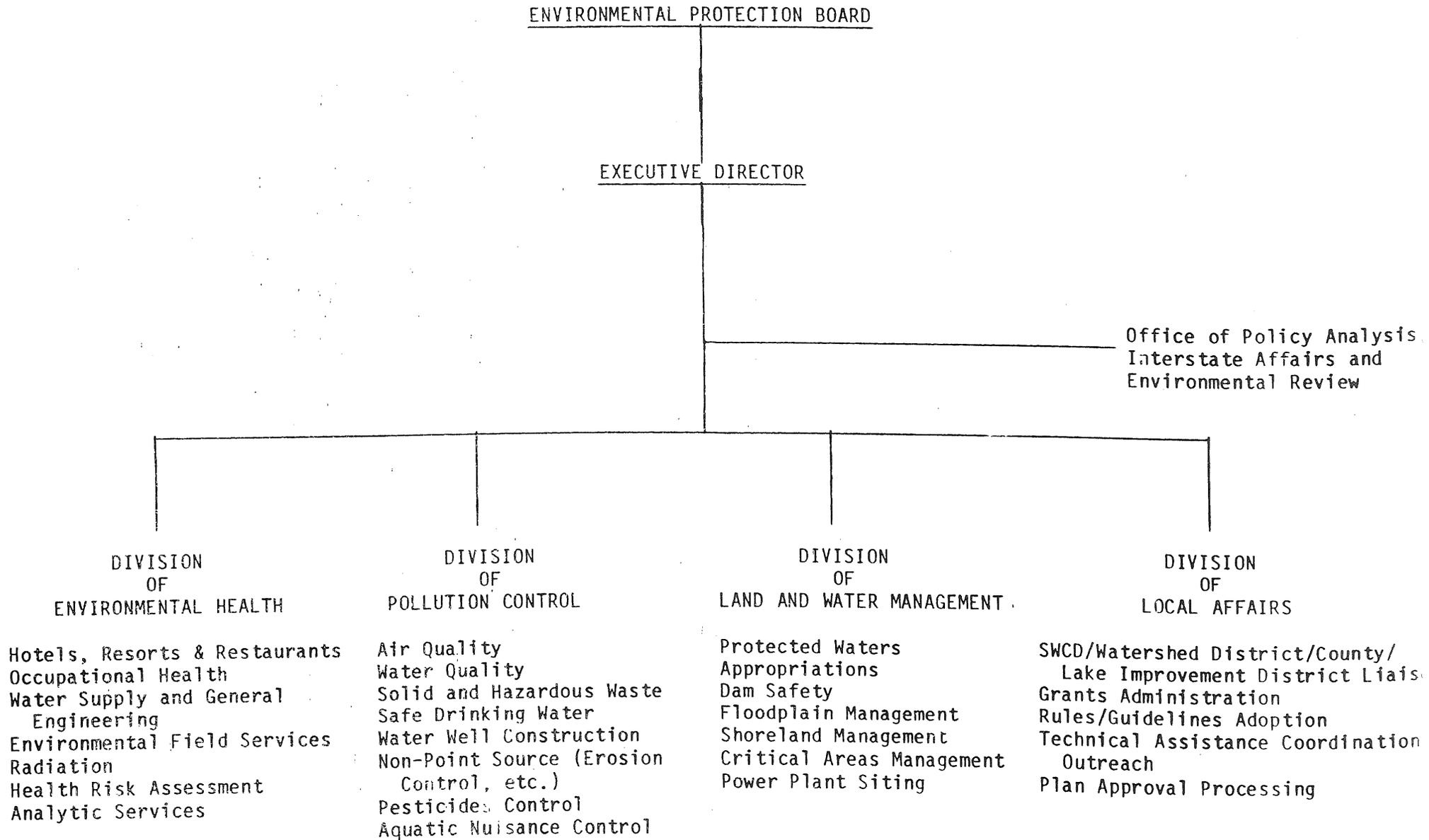


Figure 4



Need for change within DNR is now

Department of Natural Resources Commissioner Joe Alexander is expected to retire within a year. It's time the Perpich administration assesses what the department needs in the next decade and selects a new leader who can fulfill those needs.

And the DNR needs a lot.

The bottom line is that, notwithstanding significant headway recorded by the DNR under Alexander — particularly in public relations — the department remains understaffed, underpaid, poorly equipped, somewhat out of synch with Minnesota sportsmen and of generally poor morale.

Worse, the department is structurally incapable of solving these problems, not to mention the manifold resource problems that will surely arise in years to come.

These are my opinions and the



Outdoors

by Dennis Anderson

June 22, 1984

St. Paul Pioneer Press

opinions of people both inside and outside the DNR.

As one former high-ranking DNR official put it, "I don't even know if the DNR's problems can be solved. They are so pervasive and long-standing."

Consider this:

■ A majority of DNR equipment is sub-standard. Many of the agency's pickup trucks have been driven in excess of 100,000 miles and some break down frequently. So, too, with much of the agency's other equipment.

■ The DNR is considerably un-

derstaffed. Its wildlife division employs 112 people full time. Compare this to Michigan's 183, Wisconsin's 145 and South Dakota's 160.

■ The average salary of the state's 45 area wildlife managers, half of whom hold masters degrees, is \$23,000. A recent Wildlife Management Institute survey showed that of the nation's top 10 states ranked by game and fish license sales, Minnesota ranks 10th in salaries paid to wildlife managers. It ranks in the bottom half when all 50 states are considered.

What does a wildlife manager

do?

He helps oversee the state's 1 million acres of wildlife areas and another half million acres under lease from the federal government. He also oversees the Wildlife Habitat Improvement Program in his region, manages the recently expanded Deer Habitat Improvement Program and participates in at least 28 ongoing game census and survey programs.

Fisheries managers are similarly burdened.

Example: The fisheries manager who oversees the Fergus Falls area is a competent professional, but he's responsible for the management of some 500 fishing lakes. He barely has time to see if the lakes still exist, much less manage them properly.

"Consequently, the state's lakes

Please see Anderson/3D

Anderson

■ Continued from Page 1D

still are managed the way they have been in the past, rather than by modern management methods," said one DNR employee who asked not to be named.

That's one consequence of the problems listed above. Here's another:

Because DNR wildlife managers are overburdened, they were unable to spend \$90,000 of the \$500,000 in pheasant stamp money allotted the agency in fiscal 1984. Consequently, the \$90,000 will revert to the game and fish fund July 1 — and won't be used for pheasant projects for at least another year.

Wildlife section chief Roger Holmes says this isn't all bad, that because of the recent severe winter the pheasant population is down and consequently the number of stamps sold this fall will likely also be down.

"So we may want to use that \$90,000 next year," Holmes says.

Maybe so. But I think it stinks that all the pheasant stamp money wasn't spent this year. This, after all, was the year that the DNR called a pheasant emergency and asked for the public's help to save what birds the state still harbors.

But the pheasant stamp money incident is only the tip of the rooster's tail. Everywhere in the DNR there are feathers askew.

So what's the big deal? Aren't there problems in all state departments?

Yes, but unlike the Transportation or Welfare agencies, the DNR controls and manages resources that in many instances are irreplaceable. And threats to these resources have never been greater. If we are to successfully carry the nation's outdoor heritage into the 21st century — and we would be a different people without it — natural resource managers must be of sufficient number and wherewithal

to complete the mission.

In Minnesota, the following should be done:

■ Perpich should appoint a commission now to determine the status and conditions within the DNR. The commission should make recommendations to Perpich about how to solve the problems.

■ Perpich and concerned legislators should develop a legislative package to submit to the Legislature when it convenes next year. DNR issues addressed should include staffing, salaries and equipment.

■ A major effort should be made to include non-consumptive users of the outdoors in the "new" DNR. This includes birdwatchers, backpackers, hikers and canoeists. This has been done within the DNR in the last decade, but more work remains.

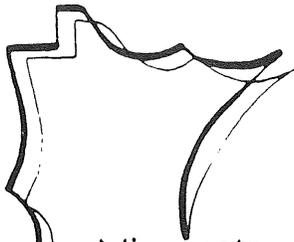
■ The Legislature should consider changing the agency's name, possibly to the Department of Ecological Services. This will further broaden the department's constituency and, at least symbolically, signify a change in its direction.

■ When Alexander retires, a commissioner should be appointed with vision enough to understand what needs to be done and with guts enough to do it. This is not to imply that Alexander lacks either; he did the best with what he had.

■ When appointed, the new commissioner should, among other things, undertake a major reshuffling of DNR professionals.

Someone once said, "I have never met a DNR employee I didn't like or who wasn't competent. But the DNR on a whole — that's another matter."

The time is now for Minnesotans to recognize that the state may well survive without its Twins, Vikings, Strikers and Guthrie Theater, but it will surely die without the continued well-being of its natural blessings.



Minnesota

STATE PLANNING AGENCY

Room 100 Capitol Square Building
550 Cedar Street St. Paul, MN 55101

DATE: OCTOBER 9, 1984

TO: JACK DITMORE

FROM: JOHN WELLS

SUBJECT: STATE WATER MANAGEMENT ORGANIZATIONAL OPTIONS

The organization of state water-related functions is increasingly becoming an issue that warrants close scrutiny. As you know, the Governor has identified a central goal of the Administration "to make government more rational in its structure and more cost-efficient in its operation". Concern about the organization of state-level water functions has surfaced in studies by a variety of public interest groups, including the League of Women Voters and the Citizens League. The Governor's committee to review the activities and structure of the Environmental Quality Board has raised questions on the coordination of water programs and plans. The Southern Minnesota Rivers Basin Council, in considering its charge to evaluate the need for a statewide water advisory council to the EQB, has decided to assess the full range of water organizational options. Finally, the local water planning initiative that is strongly advocated by this Division and by key legislators has raised, and continues to raise, organizational questions at the state level. State legislators from both parties have expressed interest in this issue, both because of the local water planning initiative and because of broader concerns about state water management.

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The discussion under each option assumes the adoption of the local water planning legislation advocated by this Division. This is a necessary assumption because organizational issues will be raised in the debate over this proposal and should be planned for at this time.

OPTION NO. 1. THE STATUS QUO

Description. Figure 1 represents the existing water-related organizational structure at the state level. An underlying premise of this structure is the importance of an advocacy approach to organization of water programs (i.e., a pollution control advocate for pollution control programs, a health advocate for health-related programs, and a resource management advocate for natural resources programs). Under this option, a coordinating body (e.g., the Environmental Quality Board) will continue to be responsible for assuring interagency coordination. In 1979, the Water Planning Board selected this approach as an alternative to major reorganization.

State duties under the local water planning initiative could be assigned to either the Environmental Quality Board or Water Resources Board under this option. Because selection of the WRB would be consistent with that Board's duties under the 1982 metropolitan surface water planning law, this option assumes that the WRB would be assigned this role.

Assessment

- A. The status quo involves a structure with ten or more agencies employing five boards and one council. While there is a rational basis underlying this organization (the advocacy approach), this approach contributes greatly to the fragmentation of water programs. In particular, water quality is divorced from water quantity decision-making, and soil programs from water and related land programs. Flood plain management is fragmented with the central effort administered by the DNR and a pilot grant program housed in the SWCB. Water supply testing is done by two agencies--the Departments of Health and Agriculture. Finally, an overlap in functions of the WRB and SWCB, both of which approve local water-related plans of special districts, exists with the EQB (which is charged with integrating local plans into state strategies). This option would not reduce the number of agencies directly involved in water management.

On the other hand, there is no certainty that the problems of fragmentation would be well addressed by combining agency functions. Further, the potential loss of advocate views in a centralized system may make resource management less effective.

- B. With respect to local management, the Water Resources Board has experience in approving the overall plans of watershed districts. It has also recently (Laws 1982, Chapter 509) been assigned responsibility for approving the watershed-based surface water management plans now required in the seven-county metropolitan area. Both sets of plans would need to be interfaced with the plans that would be required by the local water planning initiative. Selection of this option would presumably assure that this interfacing takes place.

On the "con" side, the Water Resources Board has a questionable record at either providing or coordinating service delivery. They have previously gone on record as stating service delivery is not an appropriate role of the Board and that local governments (particularly watershed districts) do not need "hand holding". Despite this rhetoric, the Board does occasionally hold informational meetings and has recently published a guidebook for metropolitan surface water planning.

The WRB track record relating to the ability to coordinate state response to local needs is also quite weak, at best. The Board has never seen coordination of state input as one of its duties (although it has permitted state agencies to testify before it). State agencies have a long history of either distrust or ignorance of the Board, particularly relating to its water policy intervention process. (They have not brought policy conflicts to the Board for resolution since the early sixties.) The Board may also have reduced capability to carry out the function because of its citizen composition, its small staff, and its location outside of the mainstream of state government. (It is not part of the Governor's cabinet system and is not directly accountable to the Governor.)

- C. This option is likely to be quite politically feasible in the sense that few "toes" would be stepped on at the state level. At the local level, many officials do not appear to be threatened by the prospect of WRB approval of county plans. There might be opposition from soil and water district interests who would favor the SWCB and from some county people who see the Board as pro-watershed district. There might also be opposition from legislators who see a need to pull together water and soil functions at the state level and who would view this option as a "do nothing" approach to a major concern.

OPTION NO. 2. MODIFIED WATER RESOURCES BOARD

Description. This option involves restructuring the membership of the Water Resources Board and merger of the small Board staff into State Planning as a condition of the assignment of state-level planning and coordination duties associated with the local water planning initiative. The restructuring would include the addition of five county commissioners to the Board (it now has five citizens) and an eleventh member, the chairperson, who would serve at the discretion of the Governor. The Southern Minnesota Rivers Basin Council might be abolished. A statewide council (as is now being studied by the SMRBC) would not be established under this option. The water planning duties assigned to the Environmental Quality Board would be reassigned to the modified WRB. (The chair of the WRB could be made a member of EQB to foster communication and coordination between the Boards. The Environmental Division of the SPA would provide staff to both Boards.)

Assessment

- A. This option would consolidate water functions by the merger of Board staff into State Planning. If the SMRBC were to be abolished and no statewide advisory council deemed necessary, an additional reduction in the number of agencies would result. This option would result in the location of two water-related boards (WRB and EQB) in SPA, with overlapping functions remaining, despite the possible transfer of some water planning duties to the WRB. The location of two water-related boards within the Agency may beg the question, why do we need both?
- B. The "pros" and "cons" of the Water Resources Board noted under Option 1 also relate to Option 2. However, access to State Planning Agency staff and expertise would create a greater pool of resources from which a modified Water Resources Board could draw for service delivery to local governments. The presence of five county commissioners on the Board would give the local units most directly affected by the local water planning initiative representation on the state oversight body. This would create the necessary elements of trust, state-level identity, and communication required in a local-state partnership. The ability to coordinate state response to local initiatives and needs would be augmented by staff location in State Planning and the existence of a chairperson with close ties to the Governor (serving at his discretion). It would be impeded by absence of agency membership on the Board (or some other compelling means of securing and assuring full agency participation).
- C. The Water Resources Board and its constituency would likely oppose this option. They have historically argued that there is no efficiency to be gained by merger or relocation (since they are totally efficient as is), that their quasi-judicial duties necessitate an independent Board, and that only citizens without public sector vested interests (i.e., no county commissioners) should be allowed to serve on the Board. Legislators may find it confusing to have two water-related boards within the State Planning Agency.

OPTION NO. 3. MODIFIED ENVIRONMENTAL QUALITY BOARD

Description. This option includes merger of the Water Resources Board and Minnesota-Wisconsin Boundary Area Commission functions into the Environmental Quality Board. The WRB and MN-WI BAC would be abolished. If a stronger link to local government is deemed necessary, the establishment of a statewide water advisory council might also be considered as a component of this option and the SMRBC could be abolished. The modified EQB would be assigned state planning and coordination duties relating to the local water planning initiative. (It should be noted that this option is similar to the approach proposed in 1983. The WRB was removed by the Legislature from the 1983 proposal which merged the Water Planning Board and the SMRBC into the EQB.)

Assessment

- A. This option would consolidate state water functions by abolishing the WRB and MN-WI BAC, eliminating the overlap that currently exists between these boards and the EQB. In addition, the SMRBC might be eliminated, with the option of a statewide advisory panel remaining open. The modified EOB would be the focus for local-state, intra-state, and inter-state water planning and coordination duties. Line agencies would continue to administer water-related programs, although subject to the coordinating efforts of a single state coordinating body. The separation of water quality and quantity, as well as soil and related land resources programs, would continue to the detriment of a fully integrated approach to water management.
- B. This option would rate favorably in the areas of coordinating state service delivery and state response to local initiatives and needs. The ties to State Planning staff, the full participation of key state agencies on the Board, and the technical support staff housed within the agencies are key factors. A liability would be the Board's inability (perceived or otherwise) to relate closely to local government needs. A statewide water advisory council could reduce this problem by acting as a facilitator of the local-state partnership and an advocate of local needs and views at the Board.
- C. The Water Resources Board and its constituency would likely oppose this option as they did a similar proposal in 1983. (See discussion of the previous assessments.) Other advocates of local government would also likely oppose the option because of the perception of EQB as an agency-dominated, "heavy-handed" board. The fate of the proposed EQB role in S.F. 1316 demonstrates the extent of the problem. Opposition from the MN-WI BAC staff and its constituency would also be expected. Some legislators have already indicated their opposition to merging the WRB with other water-related functions.

OPTION NO. 4. DEPARTMENT OF RESOURCE PROTECTION

Description. This option would merge the Pollution Control Agency, DNR Division of Waters, MDH Water Supply and General Engineering Section, Environmental Quality Board, Water Resources Board, Soil and Water Conservation Board, Minnesota-Wisconsin Boundary Area Commission, and Southern Minnesota Rivers Basin Council into a single agency. (See attached Figures 2 and 3.) Two models for leadership of the new agency might be pursued: 1) a commissioner with advisory councils on pollution control, and land and water management (Figure 2); and 2) a board (probably excluding state agency membership) staffed by an executive director, patterned according to the current PCA model (Figure 3). A third approach might utilize two boards in response to perceptions that the PCA Board and other boards already have too much to do.) This analysis assumes the model in Figure 3 is selected. (It would likely be perceived as more feasible by those fearing the "water czar" approach to management, as well as by those linked to existing boards that would be merged.) An assumption underlying this option is that interagency coordination would occur as necessary through the Governor's sub-cabinet.

Assessment

- A. This option rates highly in addressing Administration organizational goals. It would greatly decrease the number of appointments made by the Governor, as well as the number of agencies reporting to him. The consolidation of state water and related land resources functions would bring together the interrelated issues of water quantity and quality, as well as soil, land and water use. These ties are more significant than those that would be severed between water and wildlife. A potential liability of this option would be the removal of certain "checks and balances" inherent in the existing advocacy approach to organization (i.e., the advocacy approach tends to force many decisions which could be more effectively submerged in a single-agency structure to be made in public because of their inter-agency dimensions.)
- B. The option would also rate quite highly in the areas of coordinating state service delivery and state response to local initiatives and needs. The new agency would include the major water-related functions of state government, thus enabling the state to address water issues in a comprehensive fashion. Care would need to be taken to assure that the new agency was given a built-in sensitivity to local issues while at the same time reflecting state needs. The composition of the board, the legislated mission of the agency, and the agency's internal organization (including a Division of Local Affairs in the Director's office) offer opportunities to address this potential concern.
- C. As with any major reorganization, this option has the potential for significant political controversy. The Water Resources Board, Soil and Water Conservation Board, Department of Agriculture and Department of Natural Resources, and the constituencies of these agencies, are likely to provide substantial opposition. The proposal may get labeled as an expansion of the Pollution Control Agency, something those who dislike PCA would strongly oppose. The option will also likely be attacked on the grounds that Minnesota needs neither a water czar nor a super-agency. (While a large bureaucracy may be feared, in fact the new agency would have a staff of less than 600.)

On the positive side, the time for this option may well be right. There is a growing sentiment among key legislators that Minnesota's water management structure is fragmented and unresponsive. The substitution of the Soil and Water Conservation Board for the EQB in S.F. 1316 was made with the comment that it made sense to bring soil and water duties together. Many staff in the Division of Waters clearly feel like their functions are a low priority within the Department. Professionals nationwide have long recognized the problems of separating water quality and quantity functions. Finally, ongoing studies by the Citizens League and the League of Women Voters have also identified major concerns with the existing fragmentation of state water functions.

OPTION NO. 5. ENVIRONMENTAL PROTECTION AGENCY

Description. This option would add the remainder of the Environmental Health Division, the water supply testing and pesticides regulation functions of the Department of Agriculture, and the aquatic nuisance control program of the DNR Division of Wildlife to the agency described in Option No. 4. (See Figure 4.) This consolidation would also open up other opportunities for organizational change. The Department of Ecological Services' proposal suggested in the attached editorial by Dennis Anderson is an example.

Assessment

The discussion under Option No. 4 is also applicable here. Additionally, this option would likely encounter increased opposition from the Departments of Agriculture and Health, and from their constituencies.

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Attachments

FIGURE 1

EXISTING WATER AND RELATED MANAGEMENT ORGANIZATION

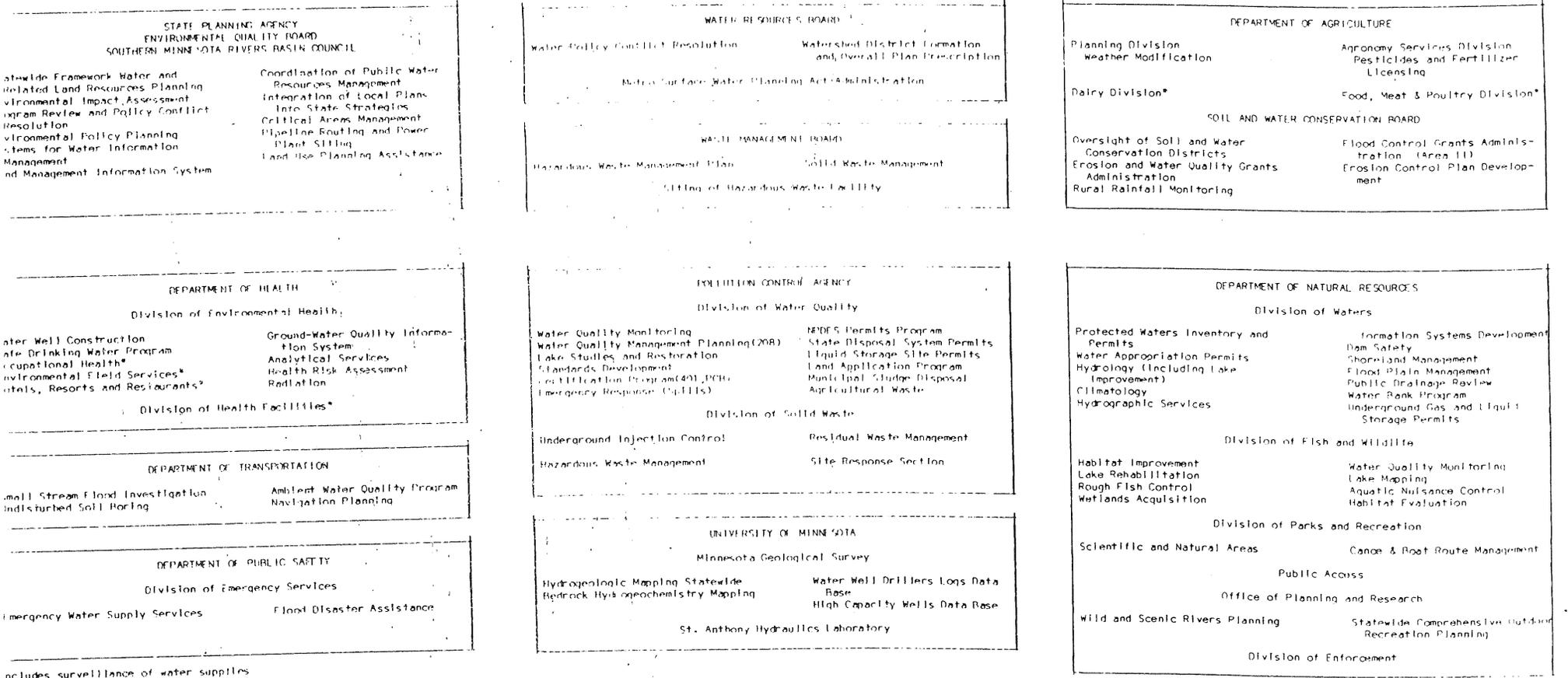


Figure 2

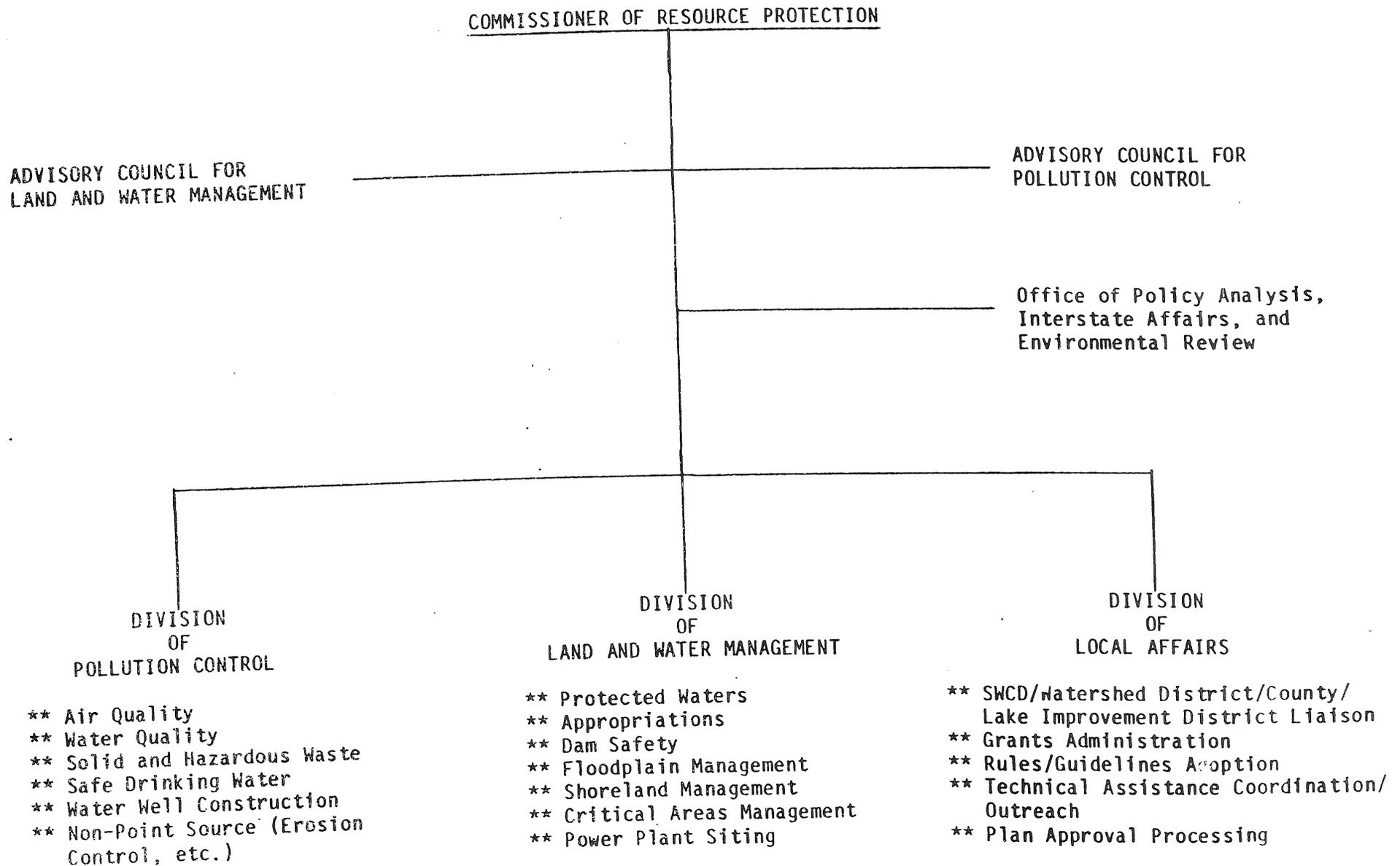


Figure 3

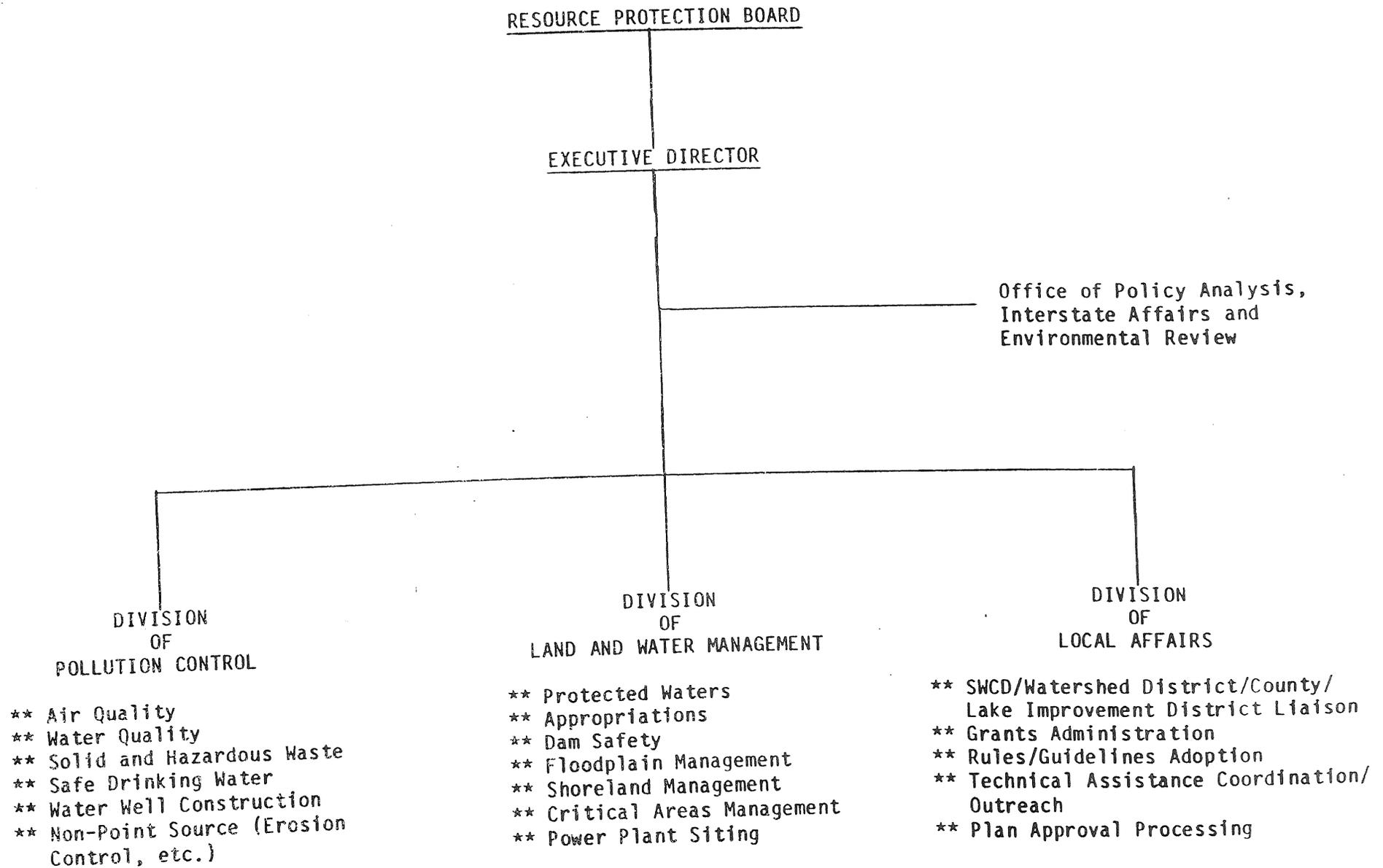


Figure 4

