

**HF1314 - 0 - "Expand Source Water Protection Program"**

Chief Author: **Todd Lippert**  
 Committee: **Environment & Natural Resources Finance Division**  
 Date Completed: **03/25/2019**  
 Agency: **Health Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2019	FY2020	FY2021	FY2022	FY2023
General Fund	-	1,162	783	647	647	
<b>Total</b>	-	<b>1,162</b>	<b>783</b>	<b>647</b>	<b>647</b>	<b>647</b>
<b>Biennial Total</b>			<b>1,945</b>			<b>1,294</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2019	FY2020	FY2021	FY2022	FY2023
General Fund	-	5.5	4	3	3
<b>Total</b>	-	<b>5.5</b>	<b>4</b>	<b>3</b>	<b>3</b>

**Executive Budget Officer's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

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**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
<b>Dollars in Thousands</b>		<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>
General Fund	-	1,162	783	647	647	
<b>Total</b>	<b>-</b>	<b>1,162</b>	<b>783</b>	<b>647</b>	<b>647</b>	<b>647</b>
	<b>Biennial Total</b>		<b>1,945</b>			<b>1,294</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
General Fund	-	1,162	783	647	647	
<b>Total</b>	<b>-</b>	<b>1,162</b>	<b>783</b>	<b>647</b>	<b>647</b>	<b>647</b>
	<b>Biennial Total</b>		<b>1,945</b>			<b>1,294</b>
<b>2 - Revenues, Transfers In*</b>						
General Fund	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Biennial Total</b>		<b>-</b>			<b>-</b>

**Bill Description**

This bill requires the Health Department to enhance drinking water source protection for private wells and surface water sources.

**Assumptions**

The legislation has 4 separate activities:

(1) collect new water-quality information and use available data to identify, map, and make available to the public information about the state's most vulnerable aquifers that serve as primary sources of drinking water for private wells.

Assumptions: There is not a need to collect new water-quality information to make a map of where vulnerable aquifers and private wells are in the state. It will be assembling existing readily available maps and information to make a statewide map. This will require 0.5 FTE Hydrologist 3 for one year.

(2) prepare draft policy and plans to protect the state's most vulnerable aquifers used as sources of domestic drinking water. A report is also required that includes recommendations for regulatory, policy and statutory changes that protect vulnerable aquifers used as private wells and surface waters used as sources of municipal drinking water.

Assumptions: This requires a combination of planning, technical analysis, and coordination with stakeholders. The report is due November 1, 2020, which will require 1.0 FTE Planner Principal and 1.0 FTE Hydrologist 3 in the first year, then 0.5 FTE Planner Principal and 0.5 FTE Hydrologist 3 for the second year

(3) develop and implement two real-time pilot monitoring sites above municipal drinking water intakes on one or more rivers in the state to detect potential threats to sources of public water supplies.

Assumptions: These two sites will have automated equipment to measure a variety of water chemistry parameters including pH, dissolved oxygen, temperature, conductivity, total organic carbon, total dissolved solids, etc. In addition, equipment to measure phycocyanin and chlorophyll (a blue green algae indicator), nitrate and petroleum related compounds will be incorporated. There will be a cost for MDH staff to develop and implement the sites, 1.0 FTE Hydrologist 3 for 1 year. The data will be sent through telemetry to the municipal water suppliers downstream of the stations, so there will be a cost to them for reading and evaluating the information. There will also be an ongoing cost to MDH for maintenance of the stations and to conduct evaluation of long-term trends of the data beyond year 1 by 1.0 FTE Hydrologist 3.

(4) improve monitoring for and dissemination of information to the public about contaminants in sources of drinking water used by private wells and in rivers and lakes used as sources of municipal drinking water.

Assumptions: An enhancement of existing private well protection efforts to include more resources for private well testing through local governments and other partners as well as enhanced education and outreach to private well owners. This will require 1.0 FTE Planner Principal ongoing to administer and promote the program and resources for 1,000 samples per year at \$100/sample. Resources will also be needed to pass to entities such as local governments, counties, and soil and water districts so they can coordinate and participate in the private well sampling efforts; assume 5 grants per year at \$20,000 each. Also, 1.0 FTE Health Educator 2 is necessary to increase outreach to private well owners and public water supply users who have a surface water source.

We assume the cost of providing \$100,000 in grants (\$20,000 x 5 grantees) to local entities to support private well sampling, which includes sample processing expenses and staff time. We anticipate issuing grants to different participants each year through a competitive process.

**Expenditure and/or Revenue Formula**

Full-time Equivalent (FTE) Staff	Annual Salary & Fringe	FY20	FY21	FY22	FY23
Task 1:					
Hydrologist 3	\$111,794	0.50	0.00	0.00	0.00
Task 2:					
Hydrologist 3	\$111,794	1.00	0.50	0.00	0.00
Planner Principal	\$103,746	1.00	0.50	0.00	0.00
Task 3:					
Hydrologist 3	\$111,794	1.00	1.00	1.00	1.00
Task 4:					
Planner Principal	\$103,746	1.00	1.00	1.00	1.00
Health Educator 2	\$80,971	1.00	1.00	1.00	1.00
<b>Total Salary &amp; FTE units</b>	<b>\$623,846</b>	<b>5.50</b>	<b>4.00</b>	<b>3.00</b>	<b>3.00</b>

Expenditure	FY20	FY21	FY22	FY23
<b>Subtotal, Salary &amp; Fringe</b>	<b>\$567,949</b>	<b>\$404,282</b>	<b>\$296,511</b>	<b>\$296,511</b>
<b>Information Technology:</b>				
Computer, phone, software, support (\$2,252*FTE)	\$12,386	\$9,008	\$6,756	\$6,756
<b>Subtotal, IT</b>	<b>\$12,386</b>	<b>\$9,008</b>	<b>\$6,756</b>	<b>\$6,756</b>
<b>Other Operating Expenditures:</b>				
Materials, supplies & training (\$600*FTE)	\$3,300	\$2,400	\$1,800	\$1,800
Private Well Sample Laboratory Analysis	\$100,000	\$100,000	\$100,000	\$100,000
Surface water sampling station equipment	\$160,000	\$0	\$0	\$0
Ongoing sampling station equipment maintenance and replacement	\$0	\$20,000	\$20,000	\$20,000
<b>Other Operating, Subtotal</b>	<b>\$263,300</b>	<b>\$122,400</b>	<b>\$121,800</b>	<b>\$121,800</b>
<b>Grants, Aids &amp; Subsidies:</b>				
Grants to local entities to support private well sampling - Task 4	\$100,000	\$100,000	\$100,000	\$100,000

<b>Subtotal, Grants</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>
<b>Subtotal, Admin. Indirect (23.16% of eligible costs)</b>	<b>\$218,546</b>	<b>\$147,226</b>	<b>\$121,606</b>	<b>\$121,606</b>
<b>Total</b>	<b>\$1,162,181</b>	<b>\$782,915</b>	<b>\$646,673</b>	<b>\$646,673</b>

**Long-Term Fiscal Considerations**

**Local Fiscal Impact**

The municipal water suppliers will need to have some information technology work to set them up to read the information generated from the surface water monitoring stations and have staff read and evaluate the information on a daily basis.

**References/Sources**

<b>Fiscal Tracking (dollars in thousands)</b>						
<b>FUND</b>	<b>BACT</b>	<b>Description</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
GF	03	Health Protection - Administration	\$1,062	\$683	\$547	\$547
GF	03	Health Protection - Grants	\$100	\$100	\$100	\$100
		<b>Total</b>	<b>\$1,162</b>	<b>\$783</b>	<b>\$647</b>	<b>\$647</b>

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