

I. Well-Sealing Cost-share Grants

Project Manager: Eric Mohring
 Board of Water and Soil Resources
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A. M.L. 91 Ch. 254 Art.1 Sec 14 Subd. 4p
 Appropriation: \$750,000
 Balance: \$0

This appropriation is from the Minnesota environment and natural resources trust fund to the Board of Water and Soil Resources to make grants to counties for sharing the cost of sealing wells under Minnesota Statutes, section 103I.331.

B. Compatible Data: Data collected by this project that have common value for natural resource planning and management will conform to information architecture as defined in guidelines and standards adopted by the Minnesota Land Management Information Center.

C. Match Requirement: Funds will be used in the form of grants to counties. State cost sharing is limited to 75% of the total cost of sealing a well, not to exceed \$2,000 per well.

II. Narrative:

Unsealed abandoned wells are a potential source of ground water degradation. Estimates of the number of abandoned wells in Minnesota range from 800,000 to 1,600,000. Properly sealing abandoned wells eliminates these contamination risks and helps protect ground water.

The Ground Water Protection Act of 1989 provided funds to the Board of Water and Soil Resources (BWSR) to establish a grant program to share the cost of sealing abandoned wells. BWSR, in consultation with other agencies, selected counties to receive grants and established priorities for well sealing. Setting of priorities is necessary, as the available funding will be able to address only a fraction of the number of unsealed abandoned wells statewide.

III. Objectives:

A. Well-sealing cost-share grants

- Under this program, BWSR will make grants to counties to share the costs with landowners of sealing high-priority abandoned wells.
- Procedures: grant applications will be accepted under 2 options:

Option #1 - "Well Criteria" Under this option, counties would apply to BWSR with a list of wells identified for sealing. Funds would be requested to seal these specifically identified wells. The funding decision would be based on the wells being high priority for sealing. This option is preferable, because it will targets specific high priority wells for sealing. To encourage this option, 10% administrative costs would be allowed.

Option #2 - "County Criteria" Under this option, a county would apply to BWSR for an up-front grant to carry out a well-sealing program. No list of identified wells would be required for this option. After receiving the grant, the county would identify and prioritize wells for sealing. Selection of the counties would be based on strength of the proposals, ability of the county to administer the program, and extent of planning and inventory efforts. No administrative funds will be allowed under this option - all funds must go towards actual well-sealing costs. All wells sealed must be high priority. Counties may use the grant to set up local revolving fund to pay costs of well sealing and recover costs through liens or property tax assessments.

- There will be up to 3 selection periods. Applications will be accepted continuously, but there will be a deadline for each selection period.
- If enough qualified applications received, all funds may be awarded in the first period.
- Proposals will be evaluated by an interagency advisory group with representation from BWSR, MPCA, DNR, MDH, and MGS.

3. Budget: Amount budgeted: \$750,000
 Balance: \$0

4. Timeline:

	1991]	[1992]	[1993																				
	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J		
Develop program	*****																										
Notify Counties	**																										
Accept applications	****[*****]																										
Evaluate applications & award grants						****	[****]					[****]															
Reports from counties											*											*					
LCMR Status Reports											*											*					

5. Status:
- The BWSR administered the well-sealing cost-share program using the following objectives:
- Develop priorities for well sealing. Use state cost-share funds to seal only high-priority wells.
 - Select counties based on the strength of the county's proposal, the county's ability to administer the program, and on the county's planning and inventory efforts, in addition to factors such as well construction, hydrogeology, aquifer characteristics, and land use.
 - Select counties in different hydrogeologic settings with different well construction practices.
 - Take maximum advantage of training, education, and demonstration opportunities afforded by the well-sealing work.

- Give selected counties maximum flexibility to tailor the program to local needs.

The program was developed and counties were notified on schedule. As of the December, 1991 application deadline, 24 applications were received for the "County Criteria" option and 11 applications were received for the "Well Criteria" option.

In January, 1992, grants totalling \$517,050 were allocated to 29 counties. This included grants to 10 counties under the "Well Criteria" option totalling \$161,050, and grants to 22 counties under the "County Criteria" option totalling \$356,000. The remaining \$233,000 was reserved for additional applications under the "Well Criteria" option. Applications were accepted on a continuous basis as long as funding was available. The remaining \$233,000 were allocated in "well criteria" grants to 18 counties by September, 1992. A total of 39 counties received well-sealing cost-share grant funding from the \$750,000 appropriation.

Well-sealing work began in most of the counties receiving grant funds during the 1992 summer field season. **As of June, 1993, 1270 wells have been sealed as a result of cost-share grants from this appropriation, with approximately 2000 wells projected to be sealed.** Together with the previous biennium's well-sealing cost-share appropriation, the state will have shared the cost of sealing approximately 3200 high priority wells.

A report entitled "Status of Abandoned Well Programs" was prepared and submitted to the legislature in January, 1993 in cooperation with the Minnesota Department of Health.

Some successes of the well-sealing cost-share grant program included:

- A variety of different approaches were tried around the state. The experience gained by local units of government will be valuable in making the current and future programs run more efficiently.
- Local government knowledge of the abandoned well problem, and of wells and ground water in general has increased, as has the local capability in managing abandoned well programs.
- Counties have learned and benefitted from each others' administrative and technical experience.
- The cost-share funds served as a "catalyst" to increase public awareness. Many additional wells were sealed voluntarily in addition to those cost-shared as a result of this increased public awareness.
- The program fostered local educational efforts. County staff designed displays, presented information to schools and adult audiences, published news releases, and were interviewed for radio and TV spots.
- Local funds were leveraged - both the "in-kind" administrative support generated in every case, as well as local cash used to augment the state grant in a few cases.
- The program stimulated abandoned well inventory activity.
- The well-sealing cost-share program enabled BWSR and other agencies to expand their efforts in providing ground-water training and technical support to local units of government. Guidance documents were prepared to assist counties with conducting well inventories and prioritizing wells

for sealing.

- The BWSR held training sessions on abandoned wells and more general ground-water training workshops around the state. More than 400 local government staff attended.

6. **Benefits:** High-priority abandoned wells will be sealed using locally-administered programs. The grant program allows for flexibility at the local level while insuring that the limited state funds are used in a cost-effective manner to maximize the ground-water protection achieved. The program encourages and builds upon local efforts to inventory and set priorities for sealing abandoned wells.

IV. **Evaluation:**

Evaluation of the grants will be based on reports submitted by counties, meetings with county staff, and on-site inspections.

V. **Context:**

The appropriation last biennium for well-sealing cost-share grants provided enough funding to seal only several hundred wells, and allowed for participation by a limited number of counties. The project would allow for increased participation in the program.

The well sealing grants will build upon inventory work accomplished under the "Pilot abandoned well inventory project" This is a separate general fund appropriation of \$200,000 for grants to counties to conduct abandoned well inventories. Work done for this program will especially drive applications under the "well criteria" option.

Biennial Budget System Program Title (FY 90-91): Well Sealing Grants
APID# 19040;15-10
\$455,000

Biennial Budget System Program Title (FY 92-93): Well-Sealing Cost Share - LCMR
APID# 19040;25-03
\$750,000

VI. **Qualifications:**

1. **Program Manager:**

Eric Mohring
Hydrogeologist, Minnesota Board of Water and Soil Resources

2. **Cooperators:** Local units of government, state agencies (MDH, MPCA, DNR), and Minnesota Geological Survey.

VII **Reporting Requirements:** semi-annual status reports will be submitted not later than January 1, 1992, July 1, 1992, and January 1, 1993, and a final status report by June 30, 1993.

1991 Project Abstract

FOR THE PERIOD ENDING JUNE 30, 1993

This project was supported by the Environment and Natural Resources Trust Fund

TITLE: Well-Sealing Cost-Share Grants
PROGRAM MANAGER: Eric Mohring
LEGAL CITATION: M.L. 1991, Ch. 254, Art.1, Sec. 14, Subd. 4p
APPROPRIATION AMOUNT: \$750,000

STATEMENT OF OBJECTIVES

- To make grants to counties to be used for sharing with landowners the cost of sealing high-priority abandoned wells.
- To use state cost-share funds to seal only high-priority wells.
- To select counties based on the county's ability to administer the program, on the county's planning and inventory efforts, in addition to well construction, hydrogeologic setting, and land use.
- To take maximum advantage of training, education, and demonstration opportunities afforded by the well-sealing work.
- To give selected counties maximum flexibility to tailor the program to local needs.

RESULTS

A total of 39 counties received well-sealing cost-share grants from this appropriation. The grants ranged in size from \$2,000 to \$55,000. As of mid June 1993, 1270 abandoned wells have been sealed as a result of these grants, with approximately 2,000 wells projected to be sealed. Together with the previous biennium's well-sealing cost-share appropriation, the state will have shared the cost of sealing approximately 3200 high-priority wells.

A variety of different approaches were tried around the state. Local government knowledge of the abandoned well problem, and of wells and ground water in general has increased, as has the local capability in managing well programs. Local resources, both cash and in-kind services, were leveraged to augment the state grants. The program greatly stimulated abandoned well inventory activity.

PROJECT RESULTS USE AND DISSEMINATION

A report entitled "Status of Abandoned Well Programs" was submitted to the legislature, and widely distributed to local governments, in January, 1993. Guidance documents were prepared to assist counties with conducting well inventories and prioritizing wells for sealing.

The local cost-share grant programs served as an effective catalyst to increase public awareness. Many additional wells have been sealed voluntarily in addition to those cost-shared as a result of the increased public awareness.

The programs fostered local educational efforts. County staff designed displays, presented information to schools and adult audiences, published news releases, and were interviewed for radio and TV spots.

The well-sealing cost-share program enabled BWSR and other agencies to expand their efforts in providing ground-water training and technical support to local units of government. Local government staff have learned and benefitted from each others' administrative and technical experience.

The project will be presented at the October 1993 Water Resources Conference in St. Paul.