

GUIDE TO

MINNESOTA

*Pollution Control
Agency*

1999

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November 1998

Minnesota Pollution Control Agency

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STATE OF MINNESOTA

OFFICE OF THE GOVERNOR
130 STATE CAPITOL
SAINT PAUL 55155

ARNE H. CARLSON
GOVERNOR

To the Incoming Administration:

As you begin your new term, I am pleased to report that in the past eight years Minnesota has made a greater investment in environmental protection than in any previous comparable time period. And during this time, Minnesota's primary environmental regulatory agency has successfully made changes that position our state for continued environmental leadership into the next century.

Compared to the 1990-1991 biennium, the Minnesota Pollution Control Agency's budget has doubled from about \$50 million per year to about \$100 million per year with little change in the share coming from tax dollars (about \$12 million). This increase was necessary for the state to address the increasingly complex and newly emerging environmental issues such as water pollution from surface runoff, health risks from toxic air pollutants, pressures on waste disposal and feedlot odors, to name a few examples.

With the increased funding came a commitment to improve the efficiency and effectiveness of the agency's operations. This was the impetus for a comprehensive reorganization of the agency that was implemented this year. The outcome of the change will be improved environmental protection for the state.

Among our accomplishments:

Minnesota River. There have been great improvements in the water quality of the Minnesota River, thanks to a watershed-based assessment and education program, which relies heavily on garnering the support of citizens and jurisdictions in the Minnesota's basin.

Lake Superior protections. Our Greatest Lake now benefits from the joint U.S./Canadian Binational Agreement to Protect Lake Superior. Among other things, this innovative program has the goal of achieving "zero discharge" of persistent toxic chemicals which bioaccumulate in the ecosystems of the lake.

Land Recycling. Through several MPCA programs, sites contaminated by hazardous wastes, leaking underground storage tanks or closed landfills are cleaned up and the land restored to productive use.

Air Quality Meets Health-based Standards. During the past eight years, Minnesota has successfully maintained or improved air quality in its urban areas so that they can meet the EPA's health-based standards. Cities that meet air quality standards are less subject to restrictions on economic development.

Nonpoint-Source State Revolving Fund. In 1994, the state authorized a \$630 million bonding bill which provided significant funds for environmental protection projects. Low-cost loans are provided for feedlot upgrades, partnerships to reduce nonpoint source pollution, individual sewage treatment systems for homes, resorts and small businesses, and municipal storm-water projects.

Enhanced State Feedlot Program. Direct discharge of untreated animal wastes or runoff from feedlots can be a considerable threat to health and the environment. Through increasingly stringent permit requirements and environmental review for feedlots, the MPCA is now providing better protection of Minnesota's resources.

Cleaner Lakes and Rivers. The improvements to wastewater discharges to Minnesota lakes and streams are especially remarkable given the economic growth that the state has experienced in the last several years. From 1992 to 1996, discharges from permitted municipal and industrial water treatment facilities have declined by nearly a third for total suspended solids and nearly by half for biochemical oxygen demand.

Many challenges remain. The work of the past eight years provides a solid base to build upon. I wish you and your administration the best as you work to make even more progress in protecting Minnesota's environment.

Warmest regards,

A handwritten signature in black ink, appearing to read "Arne H. Carlson". The signature is written in a cursive, flowing style.

ARNE H. CARLSON
Governor



Minnesota Pollution Control Agency

To the new MPCA Commissioner:

On behalf of myself and the staff and management of the Minnesota Pollution Control Agency, welcome to your new post. We wish you a productive and fruitful term as commissioner, and are confident that, together with the new administration, you will continue the Minnesota tradition of innovation and national leadership in environmental protection.

The 1990s have been a time of considerable achievement, as this agency has made great strides forward in environmental protection in this decade. We are very proud of our successes, such as making rapid progress in a new effort to clean up the Minnesota River; strengthening our regulatory programs for pollution related to animal agriculture; and a new program to clean up contaminated land for redevelopment, known as the "brownfields" initiative, to name just a few.

The 1990s also have seen a number of daunting new challenges surface in the environmental arena. These are areas which the new administration will find itself dealing with soon, and I wanted to be sure to bring them to your attention. They include:

- **Feedlots.** The environmental and socioeconomic effects of the state's rapid conversion to large-scale confined animal feeding facilities continue to elevate in profile. The MPCA has been and will continue to be heavily involved in charting new territory for environmental regulation of this industry. A Generic Environmental Impact Statement, begun this year, will help keep the issue at the forefront for at least the next few years.
- **Increased emphasis on the water quality of lakes.** Minnesotans cherish our lakes now more than ever, and are demanding increased efforts to keep them clean and unspoiled. This is reflected in a comprehensive Lakes Initiative Governor Carlson has proposed for the 1999 session. The time is now to deal with pressures of water pollution due to development and increasing use, and what we do in the next 10 years will affect the quality of our lakes for the next hundred years.
- **Mercury pollution.** Mercury is the primary culprit in fish-consumption advisories in Minnesota, and the MPCA leads a state Mercury Advisory Council which is developing recommendations to deal with this persistent bioaccumulative toxin.
- **Global climate change.** Minnesotans are expecting the state to do its part in finding solutions, and the MPCA is increasingly engaged in state and national dialogues on this problem.
- **Endocrine disrupters.** Evidence is accumulating that manmade chemicals which are nearly ubiquitous in the environment are beginning to interfere with reproductive and developmental processes in animals, and possibly in humans. The MPCA will be increasingly involved in the search for answers.

In order to deal with these issues and continue on the path of success, we found that we needed to change. In August of this year we implemented a major restructuring which had been over two years in the planning. This change has entirely transformed the MPCA. For most of our history this agency had followed a traditional model of environmental regulation, focusing on permitting and enforcement within environmental media (air, water, land, etc.). Staff in each of our media-specific divisions largely concerned themselves with what was happening in their areas.

Over the years this traditional approach had led the agency into a structure that lacked horizontal communication and overemphasized command and control. This structure has increasingly frustrated the public and our industrial and municipal permittees. We realized we had to broaden our focus and seek more input from the public and regulated parties as to the best and most cost-effective ways to provide the services and achieve the environmental outcomes which Minnesota citizens demand. In the early 1990s we began an evolving process of strategic planning that resulted in a comprehensive redesign of the entire agency structure, which we called "GOAL 21."

The restructuring is now implemented, and staff are busily settling into new roles and responsibilities. The MPCA now is a much more forward-looking organization, focused on cross-media service delivery within targeted geographic areas rather than the old vertical silos. The new structure depends heavily on the use of partnerships and participation of both the public and regulated parties in setting policy and determining environmental priorities. Above all, the MPCA is now focused on achieving desired environmental outcomes rather than measuring mere program outputs. The bottom line is, are we working to assure that the air, land and water will be cleaner than they are now. This is the yardstick by which we will measure success from.

Many other states and federal agencies have supported us in this change and are watching the process with great interest. Undoubtedly there will be "growing pains" as we flesh out what is really a leading-edge concept of environmental regulation. But we are confident that, going into a new century, we are on the right track. And we look forward to your work to continue protecting our prized environment and making Minnesota the cleanest and healthiest place to live and work in the nation.

Sincerely,
Peder A. Larson
Commissioner

Mission, vision, values

Mission

The MPCA's mission is to protect Minnesota's environment to secure the quality of life of its citizens.

Vision

Clean and clear air; fishable and swimmable lakes and rivers; uncontaminated ground water and land; sustainable ecosystems.

Values

The people of Minnesota have entrusted the MPCA with the protection of the quality of Minnesota's water, air, and land. Toward that end, we strive to engage in partnerships with other stewards of Minnesota's environment.

We work at being efficient, effective, flexible, creative and innovative in performance of our mission to protect the environment and serve the public.

Minnesota's citizens deserve effective, responsive government services, and we strive to meet that challenge. We intend to fulfill our duty to this generation and generations to come by:

- Delivering services to our customers with courtesy, understanding, respect, helpfulness, and a willingness to listen.

- Providing prompt and clear communications, a clear explanation of what our customers can expect from us, and a reasonable explanation when our answer is "no" or "I don't know."
- Actively seeking our customers' opinions on how well we are doing.

We are honest, open, worthy of trust, and objective in all our actions.

We value a multimedia approach for responding to environmental problems. We view the environment as an interconnected system and strive to promote sustainable practices to ensure its long-term health.

Within our agency

The employees of the MPCA are its most important resources. We treat each other with fairness and respect. We invest in our employees' professional development so that they have the knowledge and skills to perform their responsibilities.

We support individual initiative, risk-taking, teamwork, and constructive debate. We strive to be proactive and open to change.

We seek to recognize and celebrate our accomplishments, and to learn from our shortcomings.

Key legislators and legislative committees

Most of the legislators listed here are members of committees which are key to the MPCA's work, or who have shown a steady environmental interest.

Representatives

Bishop (Capital Investment IR lead, water issues)
Carruthers (House Speaker)
Finseth (ENR Finance, Ways & Means)
Folliard (ENR, education interest)
Greiling (Gov Ops, rulemaking issues)
Harder (Agriculture IR lead)
Hausman (ENR vice-chair)
Holsten (ENR Finance IR lead)
Kahn (Gov Ops chair)
Kalis (ENR Finance, Capital Investment chair)
Knoblach (rulemaking issues)
Larson (Gov Ops, interest in env. issues)
Leppik (ENR policy IR lead)
McCollum (ENR finance, Gov't reform subcommittee chair)
Munger (ENR chair)
Osthoff (ENR Finance chair)
Ozment (Taxes, Reg. Industries, environmental interest)
Peterson (ENR Finance, Agriculture vice-chair)
Rest (Local Gov't chair, Taxes)
Rukavina (State Gov't Finance chair)
Schumacher (Agriculture, interest in env. issues)
Sekhon (ENR Finance vice-chair, Waste subcommittee)
Solberg (Ways & Means chair, Capital Investment, LCMR chair)
Sviggum (minority leader)
Tingelstad (ENR Finance)
Trimble (Econ Dev. Finance chair, Capital Investment, Ag)
Wagenius (ENR, Transportation chair)
Wenzel (ENR Finance, Agriculture chair)
Winter (majority leader, Agricultural issues)

House Staff

Liz Anderson (ENR Finance Committee Administrator)

Karen Baker (House research)
Jeanne Cochran (House research)
Betty Goihl (ENR Committee Administrator)
John Helland (House research)
Pat Lindgren (Capital Investment Committee Administrator)
Pat Plonski (Ag Committee Administrator)
John Skare (Taxes Committee Administrator)

Senators

Anderson (ENR vice-chair)
Beckman (Econ. Dev. budget chair, Agriculture)
Cohen (State Gov't Finance chair)
Day (minority leader)
Dille (ENR budget, Agriculture)
Fredrickson (ENR budget)
Hottinger (rulemaking issues, etc.)
Johnson, D (Taxes chair)
Johnson, JB (ENR budget, Transportation budget chair)
Krentz (ENR budget)
Laidig (ENR budget, capital budget)
Lessard (ENR chair)
Moe (majority leader)
Morse (ENR budget chair)
Novak (ENR policy, Energy & Comm. Dev. chair)
Price (ENR budget, Gov Ops budget chair)
Sams (Agriculture chair)
Stevens (ENR policy, Gov Ops)
Stumpf (ENR budget)
Vickerman (Local Gov't chair, ENR buget, LCMR, Ag interest)
Wiener (Gov Ops, reform issues)

Senate Staff

Cory Bennet (Ag Committee Administrator)
Tom Bottern (ENR Senate Counsel)
Keith Carlson (Director of Tax Analysis)

Kristin Eggerling (ENR budget Division Administrator)
Steve Ernest (ENR budget Fiscal Analyst)
Gino Fragnito (ENR Committee Administrator)
Gregg Knopff (ENR Legislative Analyst)

Government Operations (Rep. Phyllis Kahn)
Local Government & Metropolitan Affairs (Rep. Ann Rest)
Taxes - Sales & Income Tax Division (Rep. Alice Johnson)
Ways & Means (Rep. Loren Solberg)

Key committees

House

Environment & Natural Resources Committee

(Hears policy bills on environment and natural resources)

Chair - Rep. Willard Munger
Vice-chair - Rep. Alice Hausman
Administrator - Betty Goihl

ENR Finance Committee

(Biennial and special-appropriations budgeting on environment and natural resources matters. Biennial appropriations are made in odd-numbered years.)

Chair - Rep. Tom Osthoff
Vice-chair - Rep. Kathleen Sekhon
Administrator - Liz Anderson
Fiscal Analyst - Jim Reinholdz

Capital Investment Committee

(Bonding for infrastructure to be built on publicly owned property. Bonding bills are normally heard in even-numbered years.)

Chair - Rep. Henry Kalis
Vice-chair - Rep. Darlene Luther
Administrator - Pat Lindgren

House Research Department's analyst/attorneys in the environmental field

John Helland
Jeanne Cochran

Other relevant committees and subcommittees

Agriculture (Rep. Steve Wenzel)

Other relevant commissions

Legislative Commission on Minnesota Resources

Senate

Environment & Natural Resources

(Policy bills on environment and natural resources activities)

Chair - Sen. Bob Lessard
Vice-chair - Sen. Ellen Anderson
Administrator - Gino Fragnito
Counsel - Tom Bottern
Legislative Analyst - Gregg Knopff

Environment & Natural Resources Budget Division

(Biennial appropriations for environment and natural resources activities)

Chair - Sen. Steve Morse
Administrator - Kristin Eggerling
Fiscal analyst - Steve Ernest

Governmental Operations Budget Division

(Agencies' biennial budgets)

Chair - Sen. Leonard Price
Administrator - Kathleen Lonergan
Counsel - Peter Wattson

Other important committees

Local and Metropolitan Government (Sen. Jim Vickerman)
Governmental Operations (Sen. James Metzen)
Agriculture and Rural Development (Sen. Dallas Sams)
Committee on Taxes (Sen. Doug Johnson)
State Government Finance Committee (Sen. Richard Cohen)

Boards, commissions and task forces

The primary board with which the MPCA is concerned is the MPCA Citizens Board. This 9-member board of citizens, appointed to staggered 3-year terms by the governor, has statutory authority for overseeing major decisions and policy development for the agency (M.S. 14.06, 116.07). The MPCA Commissioner chairs the Citizens Board. The Board's meetings are open to the public and

are held in the boardroom of the MPCA's St. Paul office on the fourth Tuesday of each month.

Following is a listing of other key boards or commissions etc. on which MPCA staff or management serve as part of their job function.

Group	Purpose	Meetings
Agriculture Of Economic Development	Decisions on funding economic envelopment	Monthly
Environmental Education Board		9 times a year
Information Policy Council		Monthly
Consulting Engineer Council	Solid waste perspectives	
Association of State and Territorial Solid Waste Management Officers	Share policy advances and positions, and influence EPA and other national entities to ensure effective national programs	Board or committee meetings quarterly
Association of State and Interstate Water Pollution Control Administrators	Share policy advances and positions, and influence EPA and other national entities to ensure effective national programs	Board or committee meetings quarterly
Solid Waste Management Coordinating Board		
Water Quality Industrial Workgroup		Every 2 months
Minnesota Chamber Consulting Engineers Council	Coordinate activities of the various consulting engineer firms	Every 2 months Every other month
Minnesota River Basin Joint Powers Board	Coordinate activities within the Minn. River basin/pollution	Every other month
American Association Of Civil Engineers	Engineering firms/standards and issues	Monthly
Water/Wastewater Treatment Operators Certification Council		Second Thursday of the month
Individual Sewage Treatment System Advisory Committee	To advise MPCA on matters relating to ISTS regulation	Quarterly
Feedlot Generic Environmental Impact Study	Scope and conduct a GEIS on animal agriculture	Monthly
Feedlot Manure Management	Comprises varied	Every 5-6 weeks

Advisory Council	interests/issues and policies regarding feedlots	
Wetland Breakfast Meeting	Discuss wetland issues	First Tuesday of the month
Interagency Wetlands Group		Monthly
Lake Superior Ecosystem Cooperative	Provide coordinated research on waters, air, fish, wildlife, forests and wildlands of Lake Superior basin	Twice a year
Water Resources Committee	Provide comprehensive water planning for the state	
Interagency Fish Contaminants Committee	Make decisions on changes to the basic fish monitoring plan	2-3 times a year
Interagency Lakes Coordinating Committee	Mechanism for coordinating lake- related work between agencies	Quarterly
Red River Pollution Control Board	Treaty between US and Canada on boundary waters	Annual
Rainy River Pollution Control Board	“” “”	Annual
Great Lakes Water Quality Board	“” “”	Annual
Lake Superior Task Force	Policy setting and interagency coordination for Lake Superior	2 meetings a year
U.S. Environmental Protection Agency	Preparation of strategies, recommendations reviewing/ critiquing EPA documents	1-2 meetings a year
US Dept. of Agriculture Natural Resource Conservation Service	Advise NRCS on programs and activities	4 -6 times a year
Public Facilities Authority Board of Water and Soil Resources		
Health Risk Values (HRV) Application Workgroup	Develop agency process/policy for air toxics review & application of HRVs	Monthly
HRV Workgroup	Technical discussion/review of proposed HRVs	Currently on hiatus has been approx. Monthly
Transportation	Metropolitan/state transportation issues	Monthly
Environmental Quality Board	Forum to discuss environmental issues & solutions	Monthly
Environmental Council of the States	To effect change at federal level/share info	Twice per year
Environmental Cluster	State cabinet environmental policy setting & information	Weekly during the session/ monthly after session
Deputy Commissioner Meeting	Information sharing	First Thursday each month

Activity summary

As a regulatory agency, the MPCA protects the public health by developing regulations, providing education, giving technical assistance, and taking steps to enforce regulations and laws when necessary. The agency's job is to limit pollution caused by businesses, organizations and individuals in order to protect the environment and human health. Generally, the MPCA's activities fall into the categories of:

1. Monitoring, testing and research to identify problems
2. Setting standards and developing rules to protect the environment and human health
3. Developing permits to control activities and reviewing proposed projects which affect or may affect the quality of the environment
4. Providing technical assistance and education
5. Responding to emergencies
6. Taking enforcement action to ensure compliance with laws and rules.

These activities are accomplished through numerous programs. Most of these programs have been implemented as the result of state or federal legislation regulating activities which affect the environment. Others are research-based programs designed to contribute to our knowledge of the state of the environment. In general, the above activities are accomplished as follows:

1. Monitoring, testing and research

To determine what kind of pollution controls are necessary, the MPCA regularly monitors specific environmental conditions throughout the state. Examples: The MPCA monitors air quality for major pollutants at 50 sites across the state. As part of the program to detect the effects of acid rain, the MPCA test rain and melting

snow in 10 locations and at several thousand lakes. Lakes rivers, fish tissue, and ground water are routinely sampled at hundreds of sites. Water and soil samples are collected and analyzed at landfills, hazardous waste dumps, and chemical spill sites. Monitoring of ground water, surface water, or air quality takes place at or near most of the major facilities which emit significant pollutants in the state.

2. Setting standards and developing rules

With the information provided from monitoring, the MPCA sets standards that protect the environment and develops rules based on those standards. When monitoring indicates that limits set in permits are not being met, responses range from technical assistance to help permittees return to compliance, to enforcement actions including monetary penalties and even criminal prosecution. When indications are that current state rules are not effectively controlling pollution problems or when problems are newly discovered, rules are amended or new rules developed in response the information. Monitoring also helps the agency set priorities by showing where the most serious problems are.

3. Developing permits and reviewing proposals

Much of the MPCA's effort to protect the environment is achieved through developing permits to control potential sources of pollution. A permit is a regulatory tool which sets specific goals for specific activities, usually at a specific facility. A permit sets goals for the prevention, control, or cleanup of pollution; limits the release of specified pollutants; directs construction of

operation of a facility; and controls storing, collecting, transporting, and processing of waste. Permits are written on a case-by-case basis to ensure the permit holder (permittee) is operating within state and federal laws.

The agency also reviews plans for major development projects in order to assess their potential for and prevent environmental damage. This process, called environmental review, is a one-or two-step process designed to allow development to occur with any needed environmental safeguards included in operating permits. Occasionally the potential for damage is significant enough that permission to go ahead is denied for some proposals.

The first step in the process is the preparation of an Environmental Assessment Worksheet (EAW) by the person or organization proposing the project and the local unit of government responsible for overseeing the project. If the EAW indicates there is a possibility of environmental damage from the project, then the next step is the preparation of an Environmental Impact Statement (EIS) to review the potential for damage and how it can be prevented. Public comment is sought at several stages of the environmental review process.

No permit for a proposed project may be issued until this process has been completed, if the process is required; however, most projects that require environmental permits do not require an environmental review. Some projects automatically require an EAW, and a few, such as building an electric plant or petroleum refinery, automatically require an EIS. Citizens may also petition the state Environmental Quality Board for an environmental review if they believe a proposed project may damage the environment.

4. Technical assistance and education

The MPCA's information and education services reach thousands of Minnesota's businesses, organizations, and individuals each year. The MPCA uses education and training to help the regulated community meet the requirements of pollution laws and rules, including written materials, workshops, information phone lines, technical newsletters, conferences and speakers.

Each year, the agency's Public Information Office receives and responds to requests from teachers, students, civic organizations, businesses and others for brochures, fact sheets, information and speakers on environmental and pollution-control topics. The Public Information Office also provides a variety of communication, information, and education services to MPCA staff and the news media. The MPCA's in-house library is also open to the public for on-premise use of materials, including thousands of publications; on-line computer access to data bases and other publications; and directories and technical documents. The library also loans films and videos.

With the passage of the 1990 Minnesota Toxic Pollution Prevention Act, pollution prevention -- eliminating or reducing hazardous and toxic pollutants at the source -- became official state policy. The MPCA continues to evaluate ways to integrate pollution prevention into the existing system of environmental regulations. Among its many pollution prevention efforts, the MPCA provides technical assistance and education to help businesses that produce hazardous wastes find ways to recycle those wastes and/or use nontoxic alternatives, to encourage citizens to buy products with less

packaging, and to assist municipal wastewater treatment plants in better controlling the input of pollutants from their wastewater customers.

5. Responding to emergencies

MPCA staff are on call 24 hours a day to respond to environmental emergencies in order to make sure that problems are contained and cleaned up as soon as possible. Typical emergencies which call out MPCA staff include oil or chemical spills, fires involving or threatening hazardous materials, discovery of abandoned hazardous wastes, and unexplained appearance of contaminants in waterways requiring investigation as to potential source or perpetrators. Usually staff are assisting firefighters or other emergency response personnel at these events. Staff also conduct or oversee environmental sampling during and after emergencies to determine whether there are potential deleterious impacts to the environment or human health. Emergency response staff train regularly in simulated major environmental accidents in order to be prepared should such events occur.

Parties responsible for spills or other environmental accidents are required to report incidents promptly to the State Duty Officer (Department of Emergency Management). The duty office phone is staffed 24 hours a day, telephone (651) 649-5451 (metro) or (800) 422-0798. Citizens are also encouraged to report spills and other environmental emergencies any time to the MPCA at (651) 296-6300 or (800) 657-3864.

6. Enforcement

Running effective and fiscally responsible environmental regulatory programs requires striking a balance between providing training, assistance, and enforcement

activities. The MPCA's regulatory philosophy favors providing training and assistance first, because most businesses want to do what's right. On the other hand, the agency has always been, and will continue to be, tough yet fair when it comes to dealing with those businesses and individuals that break rules and regulations designed to protect Minnesota's environment.

Some businesses and industries, particularly the smaller ones, need to know exactly what is required of them and the rationale behind the laws with which they need to comply. When provided with this information, the agency's experience is that the majority of them will voluntarily comply with these laws. The MPCA works cooperatively with these entities because preventing problems from occurring in the first place is much easier and cheaper than correcting them later.

Another much smaller segment of the regulated community is not adequately motivated to "do the right thing" when it comes to abiding by environmental rules. These parties may need more than a gentle nudge to bring them into compliance. While it might not be necessary to immediately fine or penalize these entities, they do need to clearly understand that there will be significant consequences for not operating in an environmentally responsible manner. A still smaller number of regulated parties believes they can benefit by disregarding environmental regulations. They might gain a temporary economic benefit by doing so, but what they fail to realize is that sooner or later they will be caught and the penalty they receive will negate that short-term benefit. For these businesses, penalties and other retribution for their actions is the proper course of action.

When enforcement action is required, the MPCA has a variety of tools available, ranging from letters of warning and notices of violations to administrative penalty orders, civil citations, consent decrees, stipulation agreements and, for severe cases, criminal prosecution. The latter is done in cooperation with state, county or U.S. attorneys' offices.

Public and political opinion on the proper balance of assistance versus enforcement

swings like a pendulum. Not long ago, the MPCA was criticized for being too tough on businesses, and now the pendulum has swung the other way. Through all these changes, the MPCA has maintained a steady course and has not made knee-jerk adjustments to its enforcement policy. This steady course lends credibility to our enforcement program and helps to build trust between our staff and the regulated parties with which we work.

Priority projects/upcoming events

Following is a list of important projects or upcoming events for the MPCA. The list is separated into statewide and location- or facility-specific issues. Where applicable, time frames are noted; “n/a” means there is no

applicable deadline but the effort will have significant profile during the next year. Items which have the potential for significant controversy are so noted.

Statewide issues

Project/event	Comments	Time frame
Revisions to above-ground storage tank rules	Various rules governing above-ground storage of petroleum tanks will be phased in over the next several years.	n/a
Updating of state solid waste rules and programs	Includes Solid Waste Rule amendments and updates, overhaul of Waste Management Act (M.S. 115A), changes to financial assurance procedures for landfill closure, expansion of Closed Landfill Program (M.S. 115B), and additional state assistance for remediation of old municipal dumps.	n/a
Feedlot rule revision	The 1998 Legislature passed a law requiring adoption of feedlot rule revisions in 1999. Will codify policies developed over last several years.	6/1/99
National Environmental Performance Partnership System	Major state/EPA effort to introduce accountability, flexibility, and focus on environmental results into state and federal environmental protection system.	n/a
Individual Sewage Treatment System rule revision	Will add performance standards for ISTS. Rules have been drafted, public comment currently ongoing. Anticipated rule publication date in State Register Dec. 14, 1998	12/1498
Basin Management Program	The MPCA is in the process of converting its formerly program-based water-quality programs to a geographically based Basin Management system. The system relies heavily on input from local resource managers in determining appropriate courses of action to protect and restore water resources in the state (see next item.)	n/a
Basin Information Documents	BIDs are the foundation for assessment and management under the Basin Management system of the state’s nine major drainage basins. Being produced on a rotating cycle, BIDs currently are available for the Red and Minnesota rivers and the Lake Superior basin.	n/a
Various small-business assistance programs	e.g., MPCA small-business ombudsman’s office, Compliance Advisory Panel, Small-Business Environmental Improvement Loan Program, Concrete Initiative (assistance for the concrete	n/a

Clean Water Partnership Program	industry). Grants program created in 1987 to address water pollution associated with “nonpoint source” runoff from agricultural and urban areas. Provides local jurisdictions and citizens with resources to protect and improve lakes, streams and ground water. Requests for funds always exceed state resources available.	n/a
Revisions to Very-Small-Quantity Hazardous Waste Generator rules	Rules will drafted sometime in 1999. Purpose is to reduce the burden on small generators while maintaining proper storage and disposal of wastes.	n/a
Deadline for upgrade of all below-ground storage tanks	The next Legislature may attempt to extend the deadline, which would put MPCA out of compliance with federal law.	12/22/98
Re-issue of NSP ash disposal site permits	Ash utilization from power generation is a perennial source of controversy.	n/a
Deadline for approval of grant dollars for municipal wastewater treatment facilities	Some communities may not be able to submit grant applications in time for evaluation.	10/1/99
Solid-Waste combustion incinerators compliance	Solid waste incinerators statewide are beginning to experience significant air-quality compliance problems	n/a
New federal air-quality standards	New National Emission Standards For Hazardous Air Pollutants (NESHAP) and associated Maximum Achievable Control Technology (MACT) standards will affect both major and regular facilities statewide.	n/a
New state rules for Individual Sewage Treatment Systems	Will be public-noticed in December 1998, may be controversial due to one-size-fits-all requirements that don’t always fit.	12/14/98
“Red tag” citations for underground storage tanks (USTs)	MPCA inspectors will begin newly authorized civil enforcement to cite clear-cut violations of UST regulations with authority to shut down serious violators.	1/1/99
MPCA/county feedlot partnerships	MPCA continues to work with counties to effectively delegate the feedlot assistance and enforcement program to the local county level.	n/a
Health Risk Values (HRVs) for ambient air	The Health Department is developing HRVs for chemicals in ambient air. These are levels to which people can be exposed without risk of adverse health effects. MPCA is involved, to be completed in summer of 1999.	8/99
Total Maximum Daily Load (TMDL) studies	The federal Clean Water Act requires states to compile a list of waters which do not meet water-quality standards and conduct TMDL studies on these waters to determine how to limit pollutant loadings to them. Minnesota has a list of +160 waters which need these studies, which require a great deal of effort and resources to accomplish.	n/a
Water Quality Standards revisions	Standards which limit pollutant loadings to waters of the state are required to be revised every three years	spring 1999

	under the Clean Water Act. Ammonia limits will be contentious in the next round of revisions (hearings in spring of 1998).	
Environmental Indicators	Development of environmental indicators is essential for demonstrating progress in both environmental improvement and program effectiveness. This will be a critical effort for the MPCA in coming years.	n/a
Air emissions inventory	Setting of the best pollution control strategies requires good data on air emissions from area, mobile and point sources. The MPCA's air emissions inventory program is responsible for collecting this data on an annual basis.	n/a
Mercury task force	Coordination of the state's multimedia mercury investigation and reduction is an ongoing responsibility. Ongoing issues include how to reduce mercury use and understanding how it moves in and affects the environment.	n/a
Air toxics modeling	Computer modeling of dispersion of toxic air pollutants for industries and feedlots is a continuing effort needed to help establish air-quality limits in permits.	n/a
Feedlot air monitoring	Monitoring of selected feedlots for potentially harmful hydrogen sulfide emissions will resume in the spring. This program has been very controversial and is an emerging issue in feedlot regulation.	n/a
Cost-Benefit Scoping Study	Discussions of the costs and benefits of environmental regulations have become a hot topic for both the Legislature and regulated community in the past two years. These discussions center primarily on the state's water-quality standards. A report from a task force studying possible legislation on this topic is due to the Legislature Oct. 15, 1998.	10/15/98

Location- or facility-specific issues

Operating permits for Met Council Regional Wastewater Treatment System	This system treats approximately half the wastewater generated in Minnesota. Permit re-issuance for the Pigs Eye plant is bound to be controversial, and an application for a new facility in Cottage Grove also is generating controversy.	n/a
Metropolitan Airports Commission stormwater discharge permit	Primary issue is treatment and disposal of de-icing fluids to the Minnesota River	n/a
Koch refining	Recipient of recent major penalty for environmental violations	n/a
Kondirator metal shredder, Minneapolis	This proposed metal recycling facility has been subject of hot controversy for several years. Court remanded agency's environmental review decision as permits were poised to be issued. Issues include extent to which cumulative/background risks need to	n/a

NIROP Fridley	be considered and parallel land-use dispute. Ongoing Superfund cleanup at this Naval ordnance facility has potential to contaminate water supply for city of Minneapolis.	n/a
Federal storm-water rules for larger cities	New federal requirements on storm-water rules for cities of +10,000 pop. take effect. MPCA has delegated authority.	4/1/99
St. Croix River Management Plan	New plan will be proposed by Nat. Park Service for management of land use in the river corridor, will be contentious. MPCA has strong interest in water-quality provisions.	9/99

Budget and personnel/overview

The agency's biennial budget is derived primarily from two sources, direct appropriations and statutory appropriations, including fees and other revenues. Full detail on the MPCA budget is available in the Biennial Budget documents.

In general, the agency's budget supports a newly reorganized program structure which breaks out into the major areas of:

Protecting the water

- Assessing environmental outcomes
- Watershed assistance/planning and policy development
- Reducing point-source pollution
- Reducing nonpoint-source pollution

Protecting the air

- Assessing environmental outcomes
- Planning and policy development
- Reducing point-source pollution
- Reducing nonpoint-source pollution

Protecting the land

- Assessing environmental outcomes
- Planning and policy development
- Waste management
- Waste Cleanup

Administrative services

Appropriations

In the category of direct appropriations, the major Fund sources in the MPCA's budget are General, Petroleum Tank Release Cleanup, Environmental, and Solid Waste Cleanup. Smaller Fund sources are Environment and Natural Resources, Minnesota Resources, State Government Special Revenue, Special Revenue, and Metro Landfill Contingency.

Major Funds from which the agency receives statutory appropriations are Petroleum Tank Release Cleanup, Special Revenue, Federal, Environmental, and Solid Waste Cleanup.

Revenue sources

The agency is supported with both dedicated and non-dedicated revenue. Non-dedicated revenue is generated primarily through fees paid by the regulated community. Permit fees are paid for air, water, and hazardous waste permits. In addition, a solid waste assessment fee is paid by households and businesses. The other major contributor to non-dedicated revenue is penalties and fines.

Fees are collected from municipalities and industries regulated by the MPCA. In order to protect and improve Minnesota's water, air and land, the agency issues permits to entities which produce pollutants. (Permits specify limits on emissions or discharge of pollutants.) The fees paid for permits are used to provide programs to set standards, determine pollutant loadings, assist fee payers with compliance, and, when necessary, provide enforcement. The agency collects fees directly for permits related to water and air quality, and hazardous waste. Other fees collected by other agencies are shared indirectly with the MPCA; for example, the Department of Commerce collects fees paid at the gas pump to support the Petroleum Cleanup Fund. Other than license and certification fees, fees are set by rule.

The agency receives an appropriation for environmental enforcement from the penalties and fines which are collected. Funds up to the amount appropriated are deposited to the Environmental Fund.

Personnel

The MPCA currently funds 812 active FTEs (as of 9/98). They are broken out as follows:

Commissioner's office	16 FTEs
Policy & Planning division	107 FTEs

Outcomes division	111 FTEs
Administrative services	79 FTEs
Fiscal services	22 FTEs
Metro district	214 FTEs
North district	139 FTEs
South district	124 FTEs

The vast majority of positions held within the MPCA are in the environmental management and natural resources areas. Professional staff make up 63% of the employee population; 11% are engineers; 15% are clerical; and 12% are

supervisory and managerial. Of the professional environmental staff there are approximately 360 pollution control specialists, 70 hydrologists, 47 planners and 30 scientists. In total, 90% of the staff is employed in permanent full-time positions; the remaining 10% are in either unclassified or temporary unclassified positions. The average age of the workforce is 41, with 56% male and 44% female. People of color make up 6% of the workforce and 9% are people with disabilities.

Description of divisions

As mentioned in the section on the agency's strategic plan, in August 1998 the MPCA implemented a restructuring which did away with the former media-based structure in which divisions were organized by air quality, ground water and solid waste, hazardous waste, and water quality. The agency now is organized into three new geographic districts — Southern, Northern and Metro districts. These district offices currently are headquartered at the MPCA's St. Paul office but include staff of the agency's existing regional offices. In addition, there is an Administrative Services division, as before, and three new divisions: Policy and Planning, Environmental Outcomes, and Fiscal Services.

The new **district offices** are where the majority of service delivery formerly handled in the media-specific divisions is now housed. However, the districts now work *across* environmental media. That is, each of them is responsible within their own geographic areas for matters of air, water, and ground-water quality; and for regulation of hazardous and solid waste. No longer will the regulated community deal with separate, vertical divisions for each of these matters. In addition, a new **Strategic Directions Team** based in the St. Paul Office will have the primary responsibility for setting priorities and allocating resources at a statewide level.

The **Administrative Services Division** handles the agency's human resources, public information, organizational development, and computers and information management.

The new **Policy and Planning Division** will develop the overall program rules, policies and procedures which provide the framework for services delivered at the district or local level. Matters of consistency and continuity for

cleanups, processes, enforcement, etc. are handled by this group. The group also is home to a pool of technical experts that will be available to work on special projects or hot issues as the need arises and as sanctioned by the Strategic Directions Team.

The new **Environmental Outcomes Division** is responsible for monitoring, measurement, and assessment of the environment. The division will track the success and effectiveness of agency programs and determine whether goals are being met as expected in conjunction with the Fiscal Services Division. The group will recommend new or revised statewide goals to the Strategic Directions Team based on an evaluation of environmental results and program effectiveness. Finally, this group will be responsible for keeping track of federal environmental relationships, for example with the U.S. EPA and other agencies.

The new **Fiscal Services Division** is responsible for the agency's financial affairs through integration of programs, priority setting, and resource allocation and directing evaluation of effectiveness and efficiency of the agency's environmental programs.

The MPCA's new structure is designed to take much greater advantage of opportunities to work "laterally" across units, sections and divisions as needed. This is reflected in the similarity between the organization of the Districts, and the Policy and Planning Division. The old structure and practices of the MPCA often impeded such lateral cooperation; projects requiring lateral work were sometimes viewed as keeping staff from doing work assigned to them for their own division. In the new structure, lateral work across the units and divisions will be viewed as normal and desired, not as a nuisance or special project. The design

of units and sections in the new structure is intended to encourage lateral cooperation between peer units and staff, no matter what division or district they are assigned to. By

design, staff will need to work with others outside their work areas in order to meet their own needs.

