



MINNESOTA ENVIRONMENTAL QUALITY BOARD

Wednesday, November 18, 2015

Meeting Location: MPCA Board Room

520 Lafayette Road North

St. Paul, Minnesota 55155

1:00 p.m. – 4:00 p.m.

****ATTENTION****

Please see attached map for building entrance and visitor parking.

AGENDA

- I. *Adoption of Consent Agenda
Proposed Agenda for November 18, 2015, Board Meeting
September Meeting Minutes
- II. Introductions
- III. Chair's Report
- IV. Executive Director's Report
- V. Minnesota's Water Industry Economic Profile
- VI. Management Analysis and Development Recommendations for the Environmental Quality Board
- VII. Silica Sand Update
- VIII. Adjourn

Note: Items on the agenda are preliminary until the agenda is approved by the board.

This agenda and schedule may be made available in other formats, such as Braille, large type or audiotape, upon request. People with disabilities should contact Elizabeth Tegdesch, Board Administrator, as soon as possible to request an accommodation (e.g., sign language interpreter) to participate in these meetings.



MINNESOTA ENVIRONMENTAL QUALITY BOARD

Wednesday, November 18, 2015

Meeting Location: MPCA Board Room

St. Paul, Minnesota

1:00 p.m. – 4:00 p.m.

ANNOTATED AGENDA

General

This month's meeting will take place in the MPCA Board Room at 520 Lafayette Road in St. Paul. The EQB Board Meeting will be available via live stream on November 18 from 1:00 p.m. to 4:00 p.m. You will be able to access the webcast on our website: www.eqb.state.mn.us

The Jupiter Parking Lot is for all day visitors and is located across from the Law Enforcement Center on Grove Street. The Blue Parking Lot is also available for all day visitors and is located off of University and Olive Streets.

I. *Adoption of Consent Agenda

Proposed Agenda for November 18, 2015, Board Meeting
September Meeting Minutes

II. Introductions

III. Chair's Report

IV. Executive Director's Report

V. Minnesota's Water Industry Economic Profile

Presenter: Weston Merrick, Department of Employment and Economic Development
651-201-8022

Materials enclosed: None

Background: Minnesota's Water Industry Economic Profile is the state's most comprehensive effort to quantify the businesses, employment, wages, patents, and investments directly engaged in the water industry. In addition, this report assesses ways to support industry competitiveness.

This report focuses on four core water industry segments: water treatment, infrastructure and management, efficiency, and utilities. This represents a subset of the "water-enabled" industry analyzed by other reports.

* Items requiring discussion may be removed from the Consent Agenda

**Denotes a Decision Item

This research is to augment a more comprehensive review of Minnesota's water policies being compiled by the EQB. The scope of this report is limited to assessing the size and characteristics of the water industry as identified above, and does not include a comprehensive economic analysis with data points such as the social cost of water or the cost of doing business.

VI. Management Analysis and Development Recommendations for the Environmental Quality Board

Presenter: Kristin Batson, Director, Management Analysis and Development
651-259-3816

Materials Enclosed: Environmental Quality Board: Interagency Projects Assessment

Background: Management Analysis and Development was retained to assess Environmental Quality Board operations for interagency projects and make recommendations on potential improvements and efficiencies. The project consultant will provide an overview of the assessment findings and recommendations.

VII. Silica Sand Update

Presenters: Erik Cedarleaf Dahl, Environmental Quality Board
651-757-2346
Jeff Hedman, Minnesota Pollution Control Agency
651-757-2416
Catherine Neuschler, Minnesota Pollution Control Agency
651-757-2607
Heather Arends, Department of Natural Resources
651-259-5376

Materials enclosed: None

Issue before the Board: N/A

Background: Pursuant to 2013 legislation, the EQB leads a technical assistance effort to support local governments on silica sand regulation and planning. The Board, along with the MPCA and DNR, have been directed to promulgate rules pertaining to silica sand projects. This presentation will cover a general update on silica sand activities in the state as well as updates on agency rulemaking related to silica sand (MPCA, DNR, EQB).

VIII. Adjourn

**MINNESOTA ENVIRONMENTAL QUALITY BOARD
MEETING MINUTES**

**Wednesday, September 16, 2015
MPCA Room Board Room, 520 Lafayette Road N, St. Paul**

EQB Members Present: Brian Napstad, Julie Goehring, Kristin Eide-Tollefson, Mike Rothman, Kate Knuth, John Saxhaug, John Linc Stine, Adam Duininck, Kevin McKinnon-DEED, Dr. Ed Ehlinger, Matt Wohlman–Dept. of Agriculture

EQB Members Absent: Dave Frederickson, Matt Massman, Katie Clark-Sieben

Staff Present: Will Seuffert, Megan Eischen, Anna Henderson, and Courtney Ahlers-Nelson

Vice Chair Brian Napstad called the meeting to order.

I. Adoption of Consent Agenda and Minutes

II. Introductions

The Citizen members requested, at the last meeting, that the Commissioners and Brian Napstad, Chairman of the Board of Water and Soil Resources, share a brief overview of activities that are occurring within their agencies/Board that have relationship with the EQB.

III. Chair's Report

No Report

IV. Executive Director's Report

Will Seuffert was recognized by Commissioner Stine for 10 years of state service.

The EQB concluded a second round of interviews for the Environmental Review position and expects to have a candidate on board by early October.

Thanked those who attended the Minnesota Water Technology Summit last week. The Lieutenant Governor announced the efforts of our joint water economic analysis at that meeting.

Will recognized staff who contributed to both of the Water Policy Report and the Water Industry Economic Profile. Erik Dahl and Anna Henderson did an exceptional job of managing this project, and also the inter-agency coordinating team for their participation.

V. Beyond the Status Quo: 2015 EQB Water Policy Report

Presenters: Erik Dahl and Anna Henderson of the EQB

BWSR, DEED, MDNR, Met Council, Dept. of Agriculture, MDH, MnDOT, MPCA

EQB staff and staff from member agencies presented an overview of the EQB water report. They are seeking approval of the 5-year *Beyond the Status Quo: 2015 EQB Water Policy Report* for submittal to the Minnesota Legislature.

A motion to approve the Resolution was made by Commissioner Ehlinger and seconded by Commissioner Landwehr. The motion approves the Resolution and, in addition, it would authorize staff to make any technical or grammatical changes to the document that does not change its substance. Motion carries unanimously and the 2015 EQB Water Policy Report is approved.

VI. Adjourn

The audio recording of the meeting is the official record and can be found at this link:
ftp://files.pca.state.mn.us/pub/EQB_Board/

Webcast is also available on the EQB website: <https://www.eqb.state.mn.us/>



Management
Analysis
& Development

Environmental Quality Board Interagency Projects Assessment

October 9, 2015

Minnesota Management & Budget, 203 Administration Building, 50 Sherburne Avenue, St. Paul, MN 55155
Telephone: 651-259-3800 Fax: 651-797-1311 Website: mn.gov/mmb/mad

Project team

Kristin Batson

Division director

Kristin Batson

Assistant division director

Beth Bibus

Contact information

Telephone: 651-259-3800

Email: Management.Analysis@state.mn.us

Fax: 651-797-1311

Website: mn.gov/mmb/mad

Address: 203 Administration Building
50 Sherburne Avenue
St. Paul, Minnesota 55155

Copies of this report

For more information or copies of this report, contact the **Environmental Quality Board**.

Management Analysis & Development

Management Analysis & Development is Minnesota government's in-house fee-for-service management consulting group. We are in our 30th year of helping public managers increase their organization's effectiveness and efficiency. We provide quality management consultation services to local, regional, state and federal government agencies and public institutions.

Alternative Formats

Upon request, this document can be made available in alternative formats by calling (651) 259-3800.

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Introduction

The Minnesota Environmental Quality Board (EQB) provides leadership and coordination on cross-cutting environmental issues that cannot be addressed by a single state agency. The EQB is governed by a board of nine state agency heads and five citizen members. It is housed at and receives administrative services from the Minnesota Pollution Control Agency, but is an independent entity. The EQB currently has a staff of six and also works with seven agency-appointed Technical Representatives and other interagency staff to achieve its mission.

The role, authority, and funding of the EQB has evolved significantly over the past decade. In November, 2011, Governor Mark Dayton issued Executive Order 11-32, which directed the EQB to evaluate and make recommendations on how to improve environmental review and environmental governance and coordination, prepare an environmental and energy report card for the state, and host an environmental congress. Executive Order 11-32 also directed EQB's member agencies to dedicate staff resources to the work of the EQB.

The EQB currently operates from the strong foundation of a passionate and committed board, a talented and effective (albeit small) staff, and the clear direction set forth in Executive Order 11-32. Its primary functional areas are the oversight of statewide environmental review and interagency projects that address environmental issues that span more than one agency.

The organization has accomplished a great deal in the past four years and is positioned to continue in the same vein, but resources are stretched. Management Analysis & Development (MAD) was retained to assess EQB operations for its interagency projects and make recommendations on potential improvements and efficiencies.

Project Scope and Methods

The primary research questions for this assessment were:

- What is the best way for the EQB to identify and secure the interagency staff resources necessary to carry out the Board's priorities?
- How can the EQB better operationalize the Board's priorities?
- To what extent is the current system of member agency Technical Representatives meeting the EQB's needs concerning interagency work?
- What barriers (other than financial) prevent the EQB from supporting more robust interagency initiatives?
- Given limited staff resources, how can the EQB move forward on issues of emerging concern?
- How can the EQB measure and improve interagency environmental outcomes and what is the Board's role in this?

MAD reviewed background documents and conducted 34 key informant interviews to gather data for this project. MAD interviewed 12 EQB Board members, six EQB staff members, eight Technical Representatives, and eight representatives from other agencies who had been involved in EQB interagency projects. Many of the interviewees said that they did not have the knowledge to reply to some of the interview questions, given their limited role with the EQB.

Findings

Overall Interview Findings

Findings from the key informant interviews are organized by key informant group, but several findings came from a broader cross-section of the 34 people interviewed for this project:

- **Most interviewees reported that they value the EQB’s work and expressed support for the cross-cutting coordinating role that it plays.**
They said that they appreciate the opportunity to understand and strategize on complex issues that traverse organizational boundaries, as well as the EQB’s function in facilitating that work. As one interviewee said, “The interagency work that the EQB takes on represents the best of what state government can do.” Some interviewees reported that the EQB’s involvement on an issue also implies the Dayton Administration’s support and enhances levels of interagency cooperation.
- **Most interviewees voiced appreciation for the efforts of the EQB staff and described them as smart, capable, and committed.** Most interviewees also expressed appreciation for the leadership of the EQB’s current director.
- **Most interviewees expressed a desire for the EQB to engage board, staff, Technical Representative, and key stakeholders in more frequent and rigorous planning activities.** They believed that more frequent and rigorous planning would go a long way to address some of the strains related to interagency projects and also help the EQB to prioritize and allocate limited resources.
- **Most of the interviewees evaluated at least one (and typically two or three) of the interagency projects of the past four years as having been a success.** When asked to identify successful EQB interagency projects, interviewees mentioned the Environmental Congress, the Environment and Energy Report Card, the silica sand project, and the climate report. Some interviewees also mentioned that they were pleased with how the water report was taking shape, although tensions related to the project’s late start also caused a negative reaction from some participants. Some interviewees reported that they had questions about the purpose and scope of the pipeline report, and others expressed frustration with the State’s dependence on external consultants for the Climate Solutions and Economic Opportunities report.
- **Many interviewees expressed a desire for the EQB to engage more deliberately with the public on environmental issues.** Some interviewees said that the EQB should hold future environmental congresses as an ongoing way to engage a broad group of stakeholders on a more regular basis.

- **Many interviewees described the EQB as being under-resourced and cited that as the source of most strains related to interagency projects.**

Board Interview Findings

Twelve EQB Board members were interviewed for this project. Findings are grouped by board members who work in state government and public board members.

Findings from State Government Board Member Interviews

- **Many interviewees expressed a desire for the EQB to look for additional ways to engage members of the public.** They expressed appreciation for the commitment of the public board members and wanted the organization to assess how it could better engage public stakeholders.
- **Most interviewees expressed support for the EQB's work and were willing to provide assistance from their agencies for interagency projects.**
- **Many interviewees expressed a desire for the EQB to do more planning and to have more board discussions about EQB priorities and how they relate to interagency projects.** They expressed both organizational and personal commitment to the environment and wanted to be able to engage in fuller, more open-ended discussions about environmental issues facing Minnesota.

Findings from Public Board Member Interviews

- **Every public board member expressed appreciation for the renewed energy and vitality of the EQB.** They reported having a long association with the EQB and were pleased to see its renewed vitality and support from the Governor.
- **Every public board member expressed appreciation for the increased efforts to engage public board members.** Most interviewees expressed questions about the most effective role for public board members in engaging the public in the EQB's work and wanted the EQB to define it further.
- **Some public board members expressed a desire for more open-ended board discussions about the environmental issues facing Minnesota.** They identified the EQB as being the best venue for discussions about cross-cutting and emerging environmental issues.

EQB Staff Interview Findings

Six EQB staff members were interviewed for this project. Findings from those interviews included the following:

- **All staff expressed a desire for better communication with EQB partners and stakeholders and a need for productive relationships.** They clearly understood that they need good relationships to accomplish their work and had ideas for how to improve current relationships.

- **All staff expressed appreciation for the contributions of staff at other agencies on interagency projects.** They understood that these projects were usually assigned on top of already full workloads and were grateful for interagency partners who were focused on making a quality contribution.
- **Many staff members expressed a concern that the EQB did not have the current capacity to meet its environmental review responsibilities.** They observed that the time sensitivity of interagency projects with hard deadlines could often detract attention from environmental review, which is equally important but not as time sensitive.
- **Most staff members wanted more clarity on the role of Technical Representatives.** EQB staff acknowledged that the Technical Representative role had changed over the past decade and wanted the EQB to define their current optimal role. They also highlighted that there is inconsistency across agencies in Technical Representative assignments and participation. They expressed frustration with monthly meetings that accomplished little more than minimal information sharing.
- **Some EQB staff members expressed frustration at having to spend considerable time negotiating for and identifying resources to complete interagency projects.** They said that the time spent doing this was a distraction from other important project work and they hoped for a more efficient way to identify interagency project staff. They expressed appreciation for the support of commissioners in dedicating agency resources to these projects, but wanted additional management support to identify the correct staff resources more efficiently. They also observed that Technical Representatives could potentially help with project communications, but were not in a position to make decisions about resource allocation.
- **Some EQB staff members expressed frustration that there is a lack of accountability for EQB project participation.** They reported that participation in interagency projects is often a lesser priority for the interagency staff assigned to them and that this dynamic can cause missed deadlines and project delays. EQB staff said they seldom had any control over whether project participants met their project deadlines or not.

Technical Representative Interview Findings

Eight Technical Representatives were interviewed for this project. Findings from those interviews included the following:

- **All of the Technical Representatives reported that their role has changed over the past several years.** Many of them also said that they do not perceive their role to be as integral to EQB's interagency work as it was in the past. A few of the Technical Representatives also said that they don't think they can be as helpful on interagency projects as some of the other Technical Representatives are, depending on the size and mission of their home agency.
- **Most Technical Representatives expressed a concern that the EQB did not have the current capacity to meet its environmental review responsibilities.** They expressed concern that environmental review was not staffed adequately and said that they wanted the EQB to provide more leadership in environmental review.
- **Many Technical Representatives said that they could be more helpful to the EQB in identifying staff at their agency who could best assist with interagency projects if they knew more about**

the specific skills, knowledge, and availability needed for the project. They reported that agencies will make staffing decisions based on how big of a priority the project is for their agency and how much is known about what will be required by their staff.

- **Most Technical Representatives said that they would like the regular Technical Representative meeting at the EQB to have a clearer purpose and a more robust and relevant agenda.** They said that these meetings could be more focused and productive if their role were more clearly defined.
- **Some of the Technical Representatives reported that they could be more helpful in communicating the EQB's work and priorities within their agency if they were better prepared with key information and messages.** They expressed a general sense that they could be good ambassadors for the EQB's work if they were better prepared with key messages and information.
- **Some Technical Representatives said that the EQB may have an easier time obtaining interagency staff resources for projects if they communicated with more lead time and provided more detail about the project and the specific staff resources that were needed.**
- **Most Technical Representatives said that they can add value by meeting with their commissioner to review upcoming board agendas and discussing what their agency's response should be.** This practice exists in most but not all member agencies.

Interagency Partners Interview Findings

Eight representatives from agencies who have participated on EQB interagency projects were interviewed for this project. Findings from those interviews include the following:

- **Some interagency partners said that they feel considerable pressure to say that they have the time to devote to EQB interagency projects when they really don't.** They feel pressure to contribute if leadership in their agency asks them to, but it is usually an assignment beyond an already full workload.
- **Some of the interagency partners interviewed wanted a more efficient process once they become involved in an interagency project, including a clearer project purpose and scope, more disciplined meetings, and timelines that are respected by all partners.** A few interviewees suggested the use of tools like SharePoint to make interagency projects more efficient for all participants.
- **Some interagency partners expressed a desire for their upper management to get involved in identifying and coordinating project resources contributed by their agency.** They said that commissioner-level support is crucial to initiating agency participation, but that a different level of management involvement is needed to best identify and coordinate specific staff resources.
- **Some interagency partners said that it was easy to understand why their agency needed to contribute subject matter expertise to interagency projects, but felt that the EQB should identify their own resources for project tasks that do not require particular subject matter expertise.**

Recommendations

The following recommendations are based on the findings from the key informant interviews and are designed to address the issues that were raised:

- **The EQB should hold an annual work planning session for staff, board, Technical Representatives, and other key stakeholders to come together and identify the top priorities for the next two years.** The EQB should plan for the next two years, understanding that the first year will be the most critical. EQB staff can then take the top priorities identified in the planning session and begin to scope them and identify more detailed resource needs and project timelines. Ideally, planning should be conducted with the goal of giving as much as a year's notice for all projects. However, since the need for work on emergent issues does not always provide such a long planning horizon, member agencies should also allow for some level of unexpected EQB project work.
- **The EQB should adopt a consistent project management approach for interagency projects and obtain project management training for all staff.** This approach should include the use of project charters that document (at a minimum) the project purpose, scope, key stakeholders, a high-level timeline, and roles and expectations for participants. The project management approach should also include more detailed work plans and communications plans for project updates. The EQB should also identify an interagency sponsor at a senior leadership level for each project. The EQB should consider holding project closeout reviews at the end of each interagency project, hosted by the project manager and sponsor. These meetings will provide all participants the opportunity to assess what aspects of the project worked well and which ones could be improved.
- **Staff resource availability should be better communicated and factored into prioritization and scoping decisions by the Board. Alternative avenues for support should be explored by the Board.** The Board is uniquely created to draw from agency resources to execute its responsibilities. *(The board shall have the authority to request and require staff support from all other agencies of state government as needed for the execution of the responsibilities of the board -M.S. 116C.03, Subd. 4).* In instances where there is not available staff to support EQB projects in-kind, member agencies should consider alternative ways of supporting projects when there are staffing constraints, such as financial contributions to fund contractors or resource pooling to fund temporary positions.
- **The EQB should communicate more frequently with interagency partners and key public stakeholders via newsletter.** The newsletter could provide updates on agency work, especially current and upcoming projects. This will help build understanding of and support for the EQB's work among all of its interagency partners on an ongoing basis, as well as provide advance notice of future projects. This could be done on a quarterly basis. It could replace the monthly information-sharing component of Technical Representative meeting agendas, providing a platform for more widespread understanding of EQB work and corresponding timelines.
- **The EQB should work with the Board and Technical Representatives to redefine the Technical Representative role and function.** Given the environmental review-related technical expertise of the "Tech Rep" group, their role should primarily focus on environmental review. Given this redefinition, the EQB should consult with Board members and Technical Representatives to ensure

that the correct member agency representative is in the Technical Representative role and any necessary changes should be made.

Monthly Technical Representative meetings may not be necessary if a newsletter or other communication practice is implemented. But quarterly meetings focused on environmental review would help to advance that work. Technical Representatives could also play a valuable role communicating EQB's broader work and priorities at their agencies if they are given the information to do so.

- **The EQB should make it a priority to involve and communicate with upper management at member agencies.** This could be an informal group of key deputy commissioners, assistant commissioners, division directors, or other top managers. The group does not need to meet on a regular basis. But they should understand EQB's current and future priorities and projects so they have the context to help identify and coordinate resources within their agency. This group should advise the EQB on agenda development while providing a connection between the Board members and relevant staff assigned to participate in EQB work.
- **The EQB should establish a board executive committee of three to five members to assist with planning for issues facing the board and act as a sounding board for the EQB Director.** There should be balanced representation on the executive committee between state agency and public members. The focus of this committee should be strategy, accountability, and administrative oversight.
- **The EQB should continue hosting future environmental congresses and updating the Environment and Energy Report Card as a primary way to engage stakeholders in and report on the state's environmental health.** Most interviewees acknowledged that the EQB may not have the staff resources to do this on an annual basis, but suggested that it be done every other year. The Environment and Energy Report Card was perceived to be a powerful way for the EQB to report on cross-cutting environmental outcomes. However, updating the Report Card requires considerable staff time and effort and should be factored into annual work plans.
The EQB should also continue to define the role of the organization in engaging stakeholders and the role of public board members.

Conclusion

After a decade of significant change, the EQB is positioned well to help lead Minnesota's response to environmental issues. It has a strong and committed board, talented and creative staff, many willing and informed partners across state government, and the support and direction of the Governor. Making timely adjustments to the way it vets, plans, and coordinates interagency projects will pay a substantial dividend in increasing its ability to continue excellent work responding to environmental issues.

VISITOR PARKING MAP

Minnesota Pollution Control Agency
Board of Water and Soil Resources

