Good afternoon Senator Fischbach and Representative Howe,

I wanted to provide you both a brief update on the Clearwater River Watershed District's (CRWD) implementation of a solution to the nitrogen mitigation issue faced by residents on the Clearwater Harbor and Hidden River communal septic systems. You both will recall our listening session on March 25, 2017, and your assistance to the CRWD on this matter. We thank you both for your help on passing funding for the state Public Facilities Authority's (PFA) Point Source Implementation Grant (PSIG) Program and setting the program's grant funding share at 80% of project cost.

Project Update
Our project was not "in the money" for the FY2018 PSIG Program (follow this link for PSIG's FY2018 funding list: https://mn.gov/deed/assets/2018-psig-application-list_tcm1045-310307.pdf). However, it is the CRWD's goal to have the project certified for FY2019 PSIG funding.

To that end, the CRWD will be submitting to the MPCA a design package for a nitrogen mitigation system to serve both communal septic systems this month. This "certification" process is necessary for eventually funding via the PSIG program. In addition, the CRWD will re-apply mid-year for funding through the PSIG program. Assuming PSIG funding is acquired during the next cycle, project construction should be completed in 2019.

In addition, we've had discussions with the MPCA and have received assurances the MPCA will work with the CRWD in late 2018, as part of the systems' MPCA permit renewal, to review the project status at that time and determine whether a schedule of compliance will be necessary. The systems' operating permit expires May 2019. It is our hope that by the end of 2018 time the project will be funded, and such a compliance schedule will not be necessary.

Closing
We have four specific things we'd like you both to assist us with in regards to this matter:

- Would you continue to support the PFA’s PSIG program? As discussions are held during this year's legislative session, would you continue to support allocating the necessary resources to keep and/or expand the program's funding?
- Would you consider drafting a letter of support for us to give to the MPCA along with our design package?
- Would you consider drafting a letter of support for us to give to the PFA when we re-apply for the PSIG program?
- If the project does not receive funding via the PSIG program for FY2019, would you consider supporting a direct line appropriation in the 2019 legislative session?

Again, we thank you both for your support of the CRWD and the residents served by the noted sewer systems. We'd also like to offer ourselves as a resource to you. We know that as a member of the legislature, you are expected to maintain a broad array of knowledge on a host of different issues. When it comes to water resources, we are happy to serve as a resource for you. Please feel free to contact us anytime!

On behalf of the CRWD,

-Cole Loewen

Clearwater River Watershed District