

**M E M O R A N D U M**

**DATE:** June 12, 2017

**TO:** Licensed Well Contractors

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**SUBJECT:** Well Fee and Policy Changes Effective July 1, 2017

In January 2017, the Governor included well fee and policy changes in his budget Proposal to the Legislature. A summary of the proposed changes was published in the *Fall 2016/Winter 2017 Minnesota Well Management News*. The proposed wells legislation was not heard by either the House or Senate during the session and we thought the changes were not going to happen this year. However, during negotiations at the end of the legislation session, the well fee and policy changes were added to the Health and Human Services Omnibus Bill which was ultimately passed by the Legislature and signed into law by the Governor on May 30, 2017.

Below is a summary of most of the changes. There were a few other minor wording changes as well. The actual bill can be found through the Minnesota Office of the Revisor at 2017 Minnesota Session Law Chapter 6—S.F.No. 2 (<https://www.revisor.mn.gov/laws/?year=2017&type=1&doctype=Chapter&id=6>).

The new legislation:

- Places a \$225 cap on the certification fee for representatives of limited well/boring contractors who hold more than 3 certifications, to be consistent with the license fee.
- Requires the certified responsible individual overseeing exploratory borings to annually renew and pay an annual \$75 fee consistent with all other certified individuals.
- Requires that licensed explorers pay a notification fee for construction of exploratory borings commensurate with other well notification fees.
- Eliminates the dug well/drive-point and individual licenses which have become obsolete. Persons with a current individual well contractor license will be converted to a full well contractor certification.

- Combines the pump license with the pitless/screen license. Current licensees with either a pump license or pitless/screen license will be given a combined license.
- Increases permit, notification, sealing, and maintenance permit fees to cover increased program costs. Eliminates the monitoring well maintenance permit fee charged to governmental agencies. Fees changes are summarized below.
- Extends the monitoring well (environmental well) site fee to all other sites. Currently the site fee is limited to a motor fuel retail outlet, petroleum bulk storage site, and agricultural chemical facility.
- Combines monitoring wells, environmental bore holes, and remedial wells into a single category “environmental well” and requires a notification instead of a permit, consistent with most other wells.
- Adds a definition for a temporary environmental well which will require a sealing notification and fee, but not a construction notification and fee.

The new “Environmental Well” means an excavation 15 or more feet in depth that is drilled, cored, bored, washed, driven, dug, jetted, or otherwise constructed to:

1. conduct physical, chemical, or biological testing of groundwater, and includes a groundwater quality monitoring or sampling well;
2. lower groundwater level to control or remove contamination in groundwater, and includes a remedial well and excludes horizontal trenches; or
3. monitor or measure physical, chemical, radiological, or biological parameters of the earth and earth fluids, or for vapor recovery or venting systems.

Environmental wells includes bore holes meeting the above definition, regardless of whether or not water is encountered.

A “temporary environmental well” is an environmental well that is sealed within 72 hours of the time of construction.

Environmental wells will be subject to the current rule requirements for monitoring wells until new rules are promulgated.

The new fees are as follows:

<b>Fee Type</b>	<b>Current Fee</b>	<b>New Fee</b> (Effective July 1, 2017)
<b>Construction Notifications</b>		
Water Supply Well	\$235	\$275
Dewatering Well	\$235	\$275
Dewatering Site (5 or more)	\$1,175	\$1,375
Environmental Well (change from monitoring well)	\$235	\$275
Environmental Well Site (change from monitoring well)	\$235	\$275
Exploratory Boring	\$0	\$275
<b>Construction Permits</b>		
Bored Geothermal Heat Exchanger		
< 10 Tons	\$235	\$275
10 to 50 Tons	\$475	\$515
> 50 Tons	\$700	\$740
Elevator Boring	\$235	\$275
Groundwater Thermal Exchange Device	\$235	\$275
<b>Maintenance Permits</b>		
Environmental Well	\$175	\$175
Environmental Well Site	\$175	\$175
Environmental Well (for Government only)	\$50	\$0
<b>Sealing Notifications</b>		
Well Sealing Notification	\$65	\$75
Temporary Environmental Well Site Sealing Notification	\$65	\$75
<b>Variance</b>		
Variance Application	\$235	\$275
<b>Certification</b>		
Explorer Responsible Individual Certification		
Renewal	N/A	\$75

Fees not listed here, including license, certification, and rig registration fees, have not changed.

The new state fees do not apply in jurisdictions where administration of the well program has been delegated to a local government and the fees are established by the delegated program. Individuals should check with the delegated program for their fee structure and other administrative requirements.

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cc: Delegated Well Programs