

SHEBOYGAN COUNTY RESOLUTION NO. 20 (2023/24)

Re: **Establishing a Non-Lapsing Account for Water Quality Improvement Projects for Monsanto Settlement Funds**

WHEREAS, a number of communities across the country filed a class action lawsuit against Monsanto Company, Solutia Inc., and Pharmacia LLC (“Monsanto”) in the United States District Court of the Central District of California; and

WHEREAS, these communities claimed the defendants produced a class of polychlorinated biphenyls (PCBs) between 1930 and 1977 that led to environmental contamination; and

WHEREAS, Monsanto and the litigating plaintiffs agreed to a settlement in the amount of \$550,000,000.00, representing four (4) different allocations of settlement dollars that vary based on the amount of damage sustained from Monsanto PCBs, with each fund having a specific formula for calculation of payments: (1) the Monitoring Fund, which intends to pay for PCB sampling and/or other mitigation efforts; (2) the TMDL (Total Maximum Daily Load) Fund, which intends to compensate plaintiffs for restitution and remediation efforts, including mitigation of contaminated property, stormwater and/or stormwater systems; (3) the Sediment Site Fund, which intends to compensate plaintiffs for specific sites that have sedimentary contamination from PCBs; and (4) Special Needs Funds, which are broken down for various litigation costs of the plaintiffs that initiated the lawsuit and other litigation costs (the “Settlement”); and

WHEREAS, Sheboygan County received a payment from the Settlement in the amount of \$932,404 on April 17, 2023 from the TMDL Fund; and

WHEREAS, the TMDL Fund is intended to promote remediation efforts and maintain compliance with the TMDL, which is the calculation of the maximum amount of pollutants that an impaired waterbody can receive on a daily basis and still meet water quality standards; and

WHEREAS, the Sheboygan County Planning & Conservation Department (the “Department”) expects continued remediation and mitigation efforts will be necessary for the foreseeable future in order to meet water quality standards within Sheboygan County; and

WHEREAS, with the support of the County Administrator and County Finance Director, the Department has recommended establishing an endowment-type fund (the “Fund”) for at least fifty years with the goal to extend the availability of the Settlement and to create a sustainable funding source for water quality projects targeting TMDL implementation strategies; and

WHEREAS, the Fund would function like other endowment-type funds where the interest earned on the principal could be utilized on a yearly basis, but the principal would remain; and

WHEREAS, any interest earned and not spent in a given year would then non-lapse and be available again in future years; and

WHEREAS, the availability of funds would be in arrears therefore making 2025 the first potential distribution; and

WHEREAS, the Fund will leverage and augment other water quality improvement programs the County may have available and/or established; and

WHEREAS, the Department will provide a report to the Sheboygan County Board of Supervisors on at least a semi-annual basis (odd years) of the projects targeted with the Fund.

NOW, THEREFORE BE IT RESOLVED, the Sheboygan County Board of Supervisors approves the establishment of the Fund and directs the Finance Department to set up the Fund as set forth in this Resolution in a fashion that earns the maximum amount of interest allowed by law and authorizes the County Administrator to direct changes to the Fund setup as necessary to meet the goals stated herein.

BE IT FURTHER RESOLVED, the Planning, Resources, Agriculture, and Extension Committee is authorized to review and approve expenditures from the Fund, consistent with the terms of this Resolution, for TMDL projects as proposed by the Department.

Respectfully submitted this 19th day of December, 2023.

PLANNING, RESOURCES, AGRICULTURE, AND EXTENSION COMMITTEE*

Keith Ablor
Keith Ablor, Chairperson

Rebecca Clarke, Vice-Chairperson

John Nelson
John Nelson, Secretary

Paul A. Gruber
Paul A. Gruber

Henry Nelson
Henry Nelson

Opposed to Introduction:

Adopted 01/16/2024