

Committee Report

Business Item No. 2016-55 - SW

Environment Committee

Meeting date: March 8, 2016

For the Metropolitan Council meeting of March 9, 2016

Subject: Approval of 2016 Targeted Stormwater Grants Program

Proposed Action

That the Metropolitan Council authorize its Regional Administrator to approve the process identified in Attachment A for the 2016 stormwater grant program and authorize staff to advertise the availability of funding and solicit applications for 2016 grants.

Summary of Committee Discussion/Questions

A targeted stormwater grant in the amount of \$50,000 was issued to the City of Hugo in 2015 for reusing stormwater on public land.

Lessons learned include there was a lot of interest in the 2015 program. We received requests for funding well above the amount we had available. We also learned that there was a need for funding for smaller projects which is why we changed the program in 2016 to fund projects ranging from \$2,000 to \$200,000. Additional conversations have occurred with watersheds and cities about the continued need for this program and the types of projects that we should fund with this program.

A suggestion was made to update the response period to 8 weeks rather than 6 weeks.

Motion to approve the proposed action above was made, seconded, and passed unanimously.

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District(s), Member(s): All

Policy/Legal Reference: Water Resource Policy Plan, Minnesota Statute 471.59 (Joint Exercise of Powers) and 473.505 (Total Watershed Management)

Staff Prepared/Presented: Judy Sventek, 651-602-1156; Joe Mulcahy, 651-602-1104

Division/Department: MCES c/o Leisa Thompson, 651-602-8101

Proposed Action

That the Metropolitan Council authorize its Regional Administrator to approve the process identified in Attachment A for the 2016 stormwater grant program and authorize staff to advertise the availability of funding and solicit applications for 2016 grants.

Background

Research and monitoring has shown that nonpoint source pollution is having a detrimental effect on the water quality of lakes, streams, and rivers in the Twin Cities Metropolitan Area. Nonpoint source pollution is polluted stormwater runoff from agricultural and urban land that enters wetlands, lakes, streams, and rivers without treatment.

These grants will help fund innovative, high visibility demonstration projects to treat stormwater that could be replicated throughout the metro region.

Rationale

This project supports the Thrive MSP 2040 stewardship and sustainability outcomes and the water sustainability goal of the Water Resources Policy Plan.

Funding

~~Transfer from 2016 budgeted excess levy funds.~~ Funding is budgeted in the 2016 operating budget from the Council's General Fund.

Known Support / Opposition

No known opposition

Metropolitan Council 2016 Stormwater Grant Program



Design and Process

Overview

The Metropolitan Council (Council) will implement a stormwater grant program effective March 14, 2016. Grants will be awarded on a competitive basis to metropolitan area watershed management organizations (WMOs) or watershed districts (WDs). The Council will provide 75% of the program cost; the grantee must provide the remaining 25%. Grants will be made available in amounts with a minimum of \$2,000 and a maximum of \$200,000. Grantees will be required to provide promotional/educational signage regarding the project for the benefit of cities and the public.

Legislative Directive

The Council is authorized by Minnesota Statutes section 473.505 to enter into agreements with other government bodies and spend funds to implement total watershed management. This includes the authority to make grants to other government bodies to implement total watershed management.

Grant Program Goal

The goal of the stormwater grant program is to demonstrate innovative practices that treat and manage stormwater with the intent of reducing pollution discharging to receiving waters in the seven-county metropolitan area.

Grant Program Structure

Administration and Funding

The \$1 million stormwater grant program will be administered by Metropolitan Council Environmental Services (MCES) and will be funded by Metropolitan Council levy funds. Grant applications will be reviewed and ranked by the MCES Water Resources Assessment Section staff. Rankings will then be reviewed by Metro Cities staff before being forwarded to MCES management for their approval to send to the Environment Committee and full Council for their approval to award the grants.

Grants will be awarded to watershed management organizations or watershed districts in amounts ranging from \$2,000 to \$200,000 for implementation of stormwater management practices. Municipalities and other local units of government will be encouraged to work with

their respective WMO/WD to apply for funds for projects in their areas. Grant payments to the WMO/WD will be for 75% of approved project costs. The WMO/WD (or their partners) must provide the remaining 25% of the project cost. Payments for awarded projects will be made on a reimbursement basis.

Eligibility

Due to the relatively small amount of available funding the grant program is limited to watershed management organizations (WMOs) or watershed districts (WDs) in the seven-county metropolitan area.

Eligible WMOs/WDs must apply for funding and, if approved, sign a standard Council grant agreement, before any eligible costs can be submitted for reimbursement.

Unless there are extenuating circumstances, projects awarded grant funding must be completed by December 31, 2018.

Application Process

- Applicants must be watershed management organizations (WMOs) or watershed districts (WDs) located in the seven county metropolitan area.
- Organizations will have six weeks to submit grant applications.
- Metropolitan Council will notify applicants of grant awards by May 30, 2016.
- Successful applicants will be required to submit detailed project work plans and budgets which will be included as exhibits in the standard grant agreements.
- The Council will encourage all successful applicants to solicit and include Metropolitan Council Underutilized Businesses (MCUB) firms in grant funded activities that MCUB firms can perform. The Council will require grantees to report on the results of these efforts. A list of MCUB firms is available on the Council's website.
- No project expenses incurred before agreement execution will be eligible for reimbursement by the Metropolitan Council.
- No payments will be made that would cause total compensation to exceed the total grant amount.

Primary Proposal Selection Criteria

Preference will be given to projects that are:

- Innovative and use novel methods or practices to treat or manage stormwater
- Can serve as visible demonstration projects
- Are easily replicated in other parts of the metro area
- Have a strong educational component
- Focus on multiple benefits such as
 - Volume reduction
 - Stormwater reuse
 - Address difficult pollutants such as chloride, nitrate, or bacteria
 - Address difficult sites: small sites, redevelopment, contaminated, or compacted areas
 - Provide greater than required treatment, i.e. "treatment train" practice sequencing

- Address items generally not eligible for cost share like practice maintenance, research, and outreach

Secondary Selection Criteria

Additional credit will be given to projects that:

- Support Council authority to partner with local units of government to implement total watershed management
- Benefit impaired waters and are identified as needed in local water management plans
- Have multiple partners
- Leverage other funds
- Include provisions for long-term maintenance
- Provide benefit to other regional water issues, i.e. groundwater and drinking water supply, wastewater capacity limitations
- Support equity and sustainability principles of Thrive MSP 2040 and the Water Resources Policy Plan