

Committee Report

Business Item No. 2017-47

Environment Committee

For the Metropolitan Council meeting of February 22, 2017

Subject: 2017 Regional Stormwater Innovation Grant Program

Proposed Action

That the Metropolitan Council approves the process for 2017 stormwater innovation grants described in Attachment A, and authorizes staff to advertise the availability of grant funding and solicit applications for the 2017 grants.

Summary of Committee Discussion/Questions

Staff shared the examples of grants issued in prior years. The list provided ideas for those who may be considering submitting grant applications. Metropolitan Council staff currently review the applications. External reviewers are being considered.

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

Environment Committee

Meeting date: February 14, 2017

For the Metropolitan Council meeting of February 22, 2017

Subject: 2017 Regional Stormwater Innovation Grant Program

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 approves the process for 2017 stormwater innovation grants described in Attachment A, and authorizes staff to advertise the availability of grant funding and solicit applications for the 2017 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. Staff propose slight changes to the process used for the 2016 grant program, primarily to improve geographic distribution of the projects.

Rationale

These grants will help fund innovative, high visibility demonstration projects to treat stormwater that could be replicated throughout the metro region. Projects funded by these grants will protect and improve water quality in the region.

Thrive Lens Analysis

This action supports the Thrive MSP 2040 stewardship and sustainability outcomes and the water sustainability goal of the Water Resources Policy Plan. Innovative stormwater treatment will protect and improve water quality in the region's lakes, streams, and rivers.

Funding

This action will be funded with \$1 million budgeted in the 2017 MCES operating budget from the Council's General Fund.

Known Support / Opposition

No known opposition

Metropolitan Council 2017 Stormwater Grant Program



Design and Process

Overview

The Metropolitan Council (Council) will implement a stormwater grant program effective March 13, 2017. Grants will be awarded on a competitive basis to metropolitan area watershed management organizations (WMOs), watershed districts (WDs), or soil and water conservation districts (SWCDs). If an organization submits more than one application, they must prioritize the applications in order of merit. The Council will provide 75% of the cost; the grantee must provide the remaining 25%. Grants will be made available in amounts with a minimum of \$10,000 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 Statute section 473.505 to enter 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 to treat and manage stormwater to reduce pollution of receiving waters in the seven-county metropolitan area.

Grant Program Structure

Administration and Funding

The stormwater grant program will be administered by the Metropolitan Council Environmental Services (MCES) and will be funded with \$1 million budgeted in the 2017 MCES operating budget from the Council's General Fund. Grant applications will be reviewed and ranked by a review team comprised of staff from MCES and Community Development staff. Rankings will then be reviewed by MCES management and forwarded to Metro Cities staff for their information, before being taken to the Environment Committee and full Council for approval.

Grants will be awarded to watershed management organizations, watershed districts, or soil and water conservation districts in amounts ranging from \$10,000 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/SWCD to apply for funds for projects in their areas. Grant payments to

the WMO/WD/SWCD will be for 75% of approved project costs. The WMO/WD/SWCD (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), watershed districts (WDs), or soil and water conservation districts (SWCDs) in the seven-county metropolitan area.

Eligible WMOs/WDs/SWCDs must apply for funding and, if approved, sign a standard Council grant agreement, before any eligible costs can be submitted for reimbursement. Any organization that submits more than one application must prioritize them in order of merit.

Unless there are extenuating circumstances, projects awarded grant funding must be completed by December 31, 2019.

Application Process

- Applicants must be watershed management organizations (WMOs), watershed districts (WDs), or soil and water conservation districts (SWCDs) located in the seven-county metropolitan area.
- If an organization submits more than one application, they must prioritize the applications in order of merit.
- Organizations will submit grant applications by April 28, 2017.
- Metropolitan Council will notify applicants of grant awards by May 30, 2017.
- Successful applicants will be required to submit detailed project work plans and budgets which will be included as exhibits in the standard grant agreements.
- Grant funding will be provided on a reimbursement basis.
- 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.
- All projects funded must submit a final report that reports lessons learned and quantifies the environmental benefits of the project. Information on how the grantee intends to quantify benefits will be included in the grant application.

Primary Proposal Selection Criteria

Innovative and novel methods or practices to treat or manage stormwater

Secondary Selection Criteria

Preference will be given to projects that:

- Can serve as visible demonstration projects for other local government units
- Are easily replicated in other parts of the metro area
- Have a strong educational component
- Are construction ready; with no implementation delays foreseen
- 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

Additional Selection Criteria

Additional credit will be given to projects that:

- Benefit impaired waters and are identified as needed in management plans
- Have multiple partners
- Leverage other funds
- Integrate other water issues, i.e. groundwater and drinking water supply
- Are located in parts of the Metropolitan Area that have not received funding before (contribute to geographic balance)
- Support equity and sustainability principles of Thrive MSP 2040 and the Water Resources Policy Plan