Appendix D – Summary of Policies and Implementation Strategies

Water Resources Policy Plan Overall Goal and Policy

Thrive MSP 2040 Water Sustainability Direction:
The region's water resources are sustainable, supported by a regional strategy that balances growth and protection to improve and maintain the quality and quantity of water in our lakes, rivers, streams, wetlands and groundwater.

The Council will work with state, local and regional partners to provide for sustainable water resources through effective planning and management of water supply, surface water, and wastewater.

Water Sustainability Goal:
To protect, conserve and utilize the region's groundwater and surface water in ways that protect public health, support economical growth and development, maintain habitat and ecosystem health, and provide for recreational opportunities, all of which are essential to our region's quality of life.

Working Toward Sustainability Using the Watershed Management Approach

Policy on Watershed Approach:
The Council will work with our partners to develop and implement a regional watershed-based approach that addresses both watershed restoration (improving impaired waters) and protection (maintaining water quality in unimpaired waters).

Implementation Strategies:

- Work with the watershed management structure in the metro area on issues that transcend watershed organization boundaries to prepare water management plans that promote the protection and restoration of local and regional water resources (lakes, rivers, streams, wetlands and groundwater).
- Through the review process for comprehensive plans, local water plans, and watershed management plans, make water resources management a critical part of land use decisions, planning protocols and procedures to ensure these plans are making progress toward achieving state and regional goals for protection and restoration of water resources.
- Provide technical and financial assistance to local governments and other partners on water issues and water management activities.
- Facilitate discussions on regional water issues that transcend community or watershed organization boundaries.
- Provide technical information to watershed organizations on practices to use and incorporate into their plans that protect water quality for water supply sources.
- Support educational efforts through partnership opportunities with agricultural communities in the region and collar counties on watershed issues.

Working Toward Sustainability of Our Water Supplies

Policy on Sustainable Water Supplies:
While recognizing local control and responsibility for owning, operating, and maintaining water supply systems, the Council will work with our partners to develop plans that meet regional needs for a reliable water supply that protects public health, critical habitat and water resources over the long-term.

Implementation Strategies:

- Collaborate with state agencies, watershed organizations, and community water suppliers to update the regional Master Water Supply Plan.
- Support community efforts to improve water supply resiliency by cooperatively identifying economically and technically feasible water supply alternatives.
- As required by Minnesota Statutes, review and comment on local water supply plans.
- As requested by the DNR, review and comment on Groundwater Management Areas and water appropriation permits.
- As required by Minnesota Statutes, review and comment on wellhead protection and county groundwater plans.
- Facilitate discussions on water supply issues that transcend community boundaries, through subregional work groups and on an ad hoc basis as needed.
- Collaborate with partners to perform special studies as needed.

Assessment of Regional Water Resources

Policy on Assessing and Protecting Regional Water Resources:
The Council will continue to assess the condition of the region's lakes, rivers, streams, and aquifers to evaluate impacts on regional water resources and measure success in achieving regional water goals.

Implementation Strategies:

- With our many partners, monitor the quality of regional lakes and rivers and the quality and flow of regional streams.
- Work with our partners to fill gaps in assessments of lake, stream, river, and groundwater data.
- Assess and evaluate long-term water quality trends for the region's lakes, streams, and rivers and identify key issues to be addressed.
- Maintain a regional database that contains easily accessible water quality, quantity and other water-related information collected as part of the Council's monitoring programs.
- In partnership with others, complete technical studies to understand regional and subregional long-term water supply availability and demand.
- Support community efforts to identify and evaluate the economic and technical feasibility of water supply approaches and best practices that increase water conservation, enhance groundwater recharge, and make the best use of groundwater, surface water, reclaimed wastewater, and stormwater.
- Convene stakeholders and collaborate with partners to identify implementation paths for water quality improvement.

Water Conservation and Reuse

Policy on Water Conservation and Reuse:

The Council will work with our partners to identify emerging issues and challenges for the region as we work together on solutions that include the use of water conservation, wastewater and stormwater reuse, and low-impact development practices in order to promote a more sustainable region. Read May 2018 policy amendment.

Implementation Strategies:

- Identify and pursue options to reuse treated wastewater to supplement groundwater and surface water as sources of water to support regional growth, when economically feasible.
- Promote water supply resiliency through the use of stormwater best management practices that minimize aquifer impacts and maximize groundwater recharge, where practical.
- Promote water conservation measures, including tool development and outreach.
- Encourage low-impact development, land uses, and cooperative water use practices that minimize impacts on aquifers.
- Investigate reusing treated wastewater, and when cost-effective, implement reuse.
- Provide research and guidance on best management practices to use for effective surface water management.
- In partnership with others, research and promote the development of innovative best management practices, including low-impact development technologies and agricultural best practices.
- Install and monitor innovative practices to reduce nonpoint-source pollution at Council facilities and support economically feasible projects that demonstrate new technologies and their effectiveness.

Planning for Regional Growth

Policy on Serving the Urban Area:

The Council will plan for sustainable water resources that protect public health, provide recreational opportunities, maintain habitat and ecosystem health and ensure that supplies of potable water are sufficient for the orderly and economical development and redevelopment of the metro area long into the future. A community's comprehensive plan is expected to accommodate the forecasts and to meet the densities specified in the Council's *Thrive MSP 2040* plan.

A community's comprehensive plan must include:

- A water supply plan that is informed by the Twin Cities metro area Master Water Supply Plan and meets the Department of Natural Resources plan requirements.
- A local surface water management plan that is consistent with Minnesota Rules Chapter 8410 and Council policy, and does not adversely impact the regional wastewater system.
- A comprehensive sewer plan that is consistent with the regional wastewater system plan.

Inconsistencies between the local plans and the Council's plans may result in the Council's finding that the community's plan is more likely than not to have a substantial impact on, or contain a substantial departure from, the metropolitan system plan, thus requiring modifications to the local comprehensive plan.

Implementation Strategies:

- Provide a level of wastewater service commensurate with the needs of the growing metro area, and in an environmentally sound manner.
- Provide sufficient capacity in the wastewater system to meet the growth projections and long-term service area needs identified in approved local comprehensive sewer plans.
- Stage wastewater system improvements, when feasible, to reduce the financial risks associated with inherent uncertainty in growth forecasts.
- Potentially implement early land acquisition and work closely with communities to preserve utility corridors when it is necessary to expand its facilities or locate new facilities needed to implement the wastewater system plan.
- Efficiently use existing sewer investments in developing and redeveloping areas.
- Preserve unsewered areas inside the Long-Term Wastewater Service Area for future development that can be sewered economically.
- Extend wastewater service to suburban communities if the service area contains at least 1,000 developable acres.
- Require that all communities currently served by the regional wastewater system remain in the system.
- Acquire wastewater treatment plants from suburban communities outside the current service area, based upon their request through the comprehensive plan and comprehensive sewer plan process, after soliciting customer input and conducting a public hearing on the request.

Policy on Serving the Rural Area:

The Council will acquire wastewater treatment plants owned by Rural Centers, based upon their request through the comprehensive plan and comprehensive sewer plan processes, and based upon criteria that ensure direct identifiable regional benefits, after soliciting customer input and conducting a public hearing on the request.

Implementation Strategies:

- Accept the wastewater service request only when the following criteria are met:
  - The community accepts the Council's growth forecasts, as well as preserves at least 1,000 developed or developable acres for growth through the land use planning authority of the county or adjacent township(s) or through an orderly annexation agreement or similar mechanism to provide for staged, orderly growth in the surrounding area.
  - The community has a DNR-approved water supply plan.
  - The community has adequate transportation access.
  - The community lies within the Long-Term Wastewater Service Area or other regional benefits would result, such as economic development unique to the rural area or preservation of high-value water resources.
  - There are feasible and economical options for siting and permitting an expanded wastewater treatment plant or for extending interceptor service.
  - The Council has sought customer input, has conducted appropriate financial analysis, and has conducted a public hearing on the community's wastewater service request.
- Convene a work group of urban customer representatives to advise the Council regarding growth forecast uncertainty, transportation to support the growth forecast, and the identifiable regional benefits.
- Require that, if the most economical and beneficial wastewater service option is to construct a regional interceptor to serve the community, the Council will not acquire the community's

wastewater treatment plant, and the community will be responsible for decommissioning its treatment plant.
- Not allow connections to the regional wastewater system outside the sewered rural community. The Council may construct capacity to serve the long-term needs of the rural and agricultural planning areas, but will not provide service until the Council, in consultation with the appropriate community, designates the area as a developing community and the community amends its comprehensive plan accordingly.
- Preserve areas outside the Long-Term Wastewater Service Area for agricultural and rural uses, while protecting significant natural resources, supporting groundwater recharge, protecting source water quality, and allowing limited unsewered development.

Policy on Private Wastewater Systems:

Communities that permit the construction and operation of subsurface sewage treatment systems and other private wastewater treatment systems within their communities are responsible for ensuring that these systems are installed, maintained, managed, and regulated consistent with Minnesota Pollution Control Agency rules. The Council will not provide financial support to assist communities if these systems fail.

Implementation Strategies:

- To ensure that failing systems do not cause the need to prematurely extend the metropolitan disposal system, the Council, through the local comprehensive planning process, requires that communities submit copies of their ordinances for subsurface sewage treatment systems and information on their management programs for these systems.
- The Council will continue to support State rules for subsurface sewage treatment systems and other private wastewater systems.
- The Council will allow a community to connect a failing subsurface sewage treatment system or other private wastewater treatment system to the regional wastewater system at the community's expense.

Investment

Investment Policy:

The Council will strive to maximize regional benefits from regional investments.

Implementation Strategies:

- Invest in nonpoint-source pollution control when the cost and long-term benefits are favorable compared to further upgrading wastewater treatment.
- Consider pollutant trading or off-set opportunities with nonpoint-sources of pollution when cost-effective and environmentally beneficial.
- Invest in wastewater reuse when justified by the benefits for supplementing groundwater and surface water as sources of nonpotable water to support regional growth, and by the benefits for maintaining water quality.
- Potentially invest strategically to further the effectiveness of the region's nonpoint-source pollution prevention and control program and to ensure efficient investment to achieve regional water quality objectives.
- Support cost-effective investments in water supply infrastructure to promote sustainable use and protect the region's water supplies by:
  - Developing criteria to identify water supply projects with regional benefit.
  - Promoting equitable cost-sharing structure(s) for regionally beneficial water supply development projects.
  - Supporting cost-benefit analyses of alternative water supply options.
  - Identifying funding mechanisms for regionally beneficial water supply development projects.

Wastewater Services

Wastewater Sustainability Policy:

The Council will provide efficient, high-quality, and environmentally sustainable regional wastewater infrastructure and services.

The Council shall conduct its regional wastewater system operations in a sustainable manner as is economically feasible. Sustainable operations relate not only to water resources but also to increasing energy efficiency and using renewable energy sources, reducing air pollutant emissions, and reducing, reusing, and recycling solid wastes.

Implementation Strategies:

- Implement and enforce *Waste Discharge Rules* for the regional wastewater system.
- Preserve regional wastewater system assets of the Council through effective maintenance, assessment of condition and capacity, and capital investment.
- Accept septage, biosolids, leachate, and other hauled liquid waste at designated sites, provided that the waste can be efficiently and effectively processed.
- Reuse treated wastewater to meet nonpotable water needs within Council wastewater treatment facilities where economically feasible.
- Provide industries with incentives to pretreat wastewater to reduce its strength and thus provide the most environmental and economical benefit for the region.
- Generate energy from biosolids processing, utilize energy-efficient processes and equipment, and reduce building-energy use.
- Pursue other renewable energy sources, such as solar power generation, thermal energy recovery, and new technologies – such as fuel cells – as they become proven and economical.

- Stabilize and reduce the volume of biosolids through thermal processing or anaerobic digestion, and utilize the remaining solids as fertilizer and soil conditioner.
- Improve sustainability of wastewater operations, when economically feasible.

Policy on Inflow and Infiltration:
The Council will not provide additional capacity within its interceptor system to serve excessive inflow and infiltration.

The Council will establish inflow and infiltration goals for all communities discharging wastewater to the regional wastewater system. Communities that have excessive inflow and infiltration in their sanitary sewer systems will be required to eliminate the excessive inflow and infiltration within a reasonable time period.

Implementation Strategies:

- Maintain and rehabilitate Council interceptors to minimize inflow and infiltration.
- Develop inflow and infiltration goals for all communities served by the regional wastewater system.
- Require all communities served by the regional wastewater system to include its inflow and infiltration mitigation program in its comprehensive sewer plan, including a program to mitigate sources of inflow and infiltration from private property.
- Limit expansion of service within those communities where excessive inflow and infiltration jeopardizes the Council's ability to convey wastewater without an overflow or backup occurring, or limits the capacity in the system to the point where the Council can no longer provide additional wastewater services. The Council will work with those communities on a case-by-case basis, based on the applicable regulatory requirements.
- Potentially institute a wastewater rate demand charge for those communities that have not met their inflow and infiltration goal(s), if the community has not been implementing an effective inflow and infiltration reduction program as determined by the Council, or if regulations and/or regulatory permits require Council action to ensure regulatory compliance.
- The wastewater demand charge will include the cost of wastewater storage facilities and/or other improvements necessary to avoid overloading Council conveyance and treatment facilities, and the appropriate charges for use of capacity beyond the allowable amount of inflow and infiltration.
- Work with the State to attempt to (1) make funds available for inflow and infiltration mitigation, and (2) promote statutes, rules, and regulations to encourage I/I mitigation.
- Develop a program to assist communities with reducing inflow and infiltration from private property sources.

Wastewater System Finance Policy:

The Council will continue to implement regional wastewater service fees and charges based on regional cost of services and rules adopted by the Council.

Implementation Strategies:

- Metropolitan wastewater charges will be allocated among local government units based on volume of wastewater treated.
- Industrial wastewater strength charges will be based on actual or average discharge strength above domestic wastewater strength.
- Load charges for septage, portable-toilet waste, holding-tank wastewater and out-of-region wastes will be uniform for each type of load, and based on the volume of the load, the average strength of the types of loads, and the costs of receiving facilities.
- Sewer availability charges (SAC) will be uniform within the urban area based on capacity demand classes of customers and the SAC Procedure Manual. Sewer availability charges for a rural center will be based on the reserve capacity and debt service of facilities specific to the rural center.
- Other fees recovering costs of specific services may be imposed, as approved by the Council.
- Cost-sharing between the Council and a local governmental unit may be used when construction of regional wastewater facilities provides additional local benefits for an incremental increase in costs.
- Facilities that are no longer a necessary part of the regional wastewater system will be conveyed to the benefiting local governmental unit, or will be abandoned or sold, pursuant to related statutes.
- The Council will seek customer input prior to, and give at least three months, notice of, any material changes in the design of charges.
- The Council will continue efforts to work to simplify and improve SAC and to communicate to customers.

Read May 2018 policy amendment.

2018 Amendments to the 2040 Water Resources Policy Plan

On May 9, 2018, the Metropolitan Council amended the 2040 Water Resources Policy Plan by adding new implementation strategies related to wastewater reuse. Below are the two related policies and the amended implementation strategies. The added strategies are highlighted.

Policy on Water Conservation and Reuse

The Council will work with our partners to identify emerging issues and challenges for the region as we work together on solutions that include the use of water conservation, wastewater and stormwater reuse, and low-impact development practices to promote a more sustainable region.

Implementation Strategies:

- In partnership with others, research and promote low-impact development, land use practices, agricultural best practices, and cooperative water use practices that minimize impacts on aquifers and maximize groundwater recharge, where practical.
- Provide research and guidance on best management practices for effective surface water management.
- Install and monitor innovative nonpoint-source pollution reduction practices at Council facilities and support economically feasible projects that demonstrate new technologies and their effectiveness.
- Promote and support water conservation measures, including education, outreach and tool development.
- To supplement groundwater and surface water, investigate reusing treated wastewater as sources of nonpotable water to support regional growth, and when cost-effective, implement reuse.
- The institutional arrangements and cost of service approach for wastewater reuse are important to the development of wastewater reuse in the region. In implementing wastewater reuse opportunities, the Council will use the following approaches:
  - Council shall use a cost-of-service, case-by-case approach to wastewater reuse in cooperation and partnership with local communities. The Council will evaluate the potential regional benefit of a potential wastewater reuse project and, if the Council's criteria are met, will determine an appropriate cost share, provided that the cumulative regional cost share shall not exceed 0.75% of the total annual municipal wastewater charges.
  - Criteria to be used to evaluate whether there is a regional benefit to a potential wastewater reuse opportunity shall include: (1) the regional wastewater system was built to service long-term growth in a sub-regional service area in which (a) water managers now recognize concerns about sustainable water supply and the importance of meeting the needs of future generations while not harming ecosystems, degrading water, or reducing water levels beyond the reach of public water supplies and private wells and (b) a growing demand for groundwater could mean it will be difficult to obtain a groundwater use permit from the Department of Natural Resources; and/or (2) the proposed reuse project reduces MCES' surface water discharge, delaying capital improvements to meet more stringent regulatory requirements.
  - Council shall hold a public hearing to obtain customer and public input prior to making a final determination on regional benefit and regional cost share.
  - Implementation of each wastewater reuse project shall be consistent with the comprehensive plan of the community in which the reclaimed water user is located.

- Council shall enter into a joint powers agreement with the community in which the reclaimed water user is located to define the reclaimed water service institutional arrangements and to avoid competition with municipal water suppliers.
- Council shall enter into a long-term reclaimed water service agreement with each user, using a cost-of-service approach, including a potential regional cost share where appropriate.
- Council shall pursue sources of non-Council funding to complement Council funding of wastewater reuse projects, including Clean Water Legacy Funds, state bond funds, and reuse grants.
- Council shall report about the wastewater reuse pilot program at Council's annual budget outreach meetings.

Wastewater System Finance Policy

The Council will continue to implement regional wastewater service fees and charges based on regional cost of services and rules adopted by the Council.

Implementation Strategies:

- Metropolitan wastewater charges will be allocated among local government units based on volume of wastewater treated.
- Industrial wastewater strength charges will be based on actual or average discharge strength above domestic wastewater strength.
- Load charges for septage, portable-toilet waste, holding-tank wastewater and out-of-region wastes will be uniform for each type of load, and based on the volume of the load, the average strength of the types of loads, and the costs of receiving facilities.
- Sewer availability charges (SAC) will be uniform within the urban area based on capacity-demand classes of customers and the SAC Procedure Manual. Sewer availability charges for a rural center will be based on the reserve capacity and debt service of facilities specific to the rural center.
- Other fees recovering costs of specific services may be imposed, as approved by the Council.
- Cost-sharing between the Council and a local governmental unit may be used when construction of regional wastewater facilities provides additional local benefits for an incremental increase in costs.
- Facilities that are no longer a necessary part of the regional wastewater system will be conveyed to the benefiting local governmental unit, or will be abandoned or sold, pursuant to related statutes.
- The Council will seek customer input prior to, and give at least three months notice of, any material changes in the design of charges.
- The Council will continue efforts to work to simplify and improve SAC and to communicate to customers
- The Council shall report about the wastewater reuse pilot program funding at Council's annual budget outreach meetings.