



## MEMORANDUM

**To:** MCWD Board of Managers

**From:** James Wisker

**Date:** April 24, 2017

**Re:** April 27, 2017 PPC - Draft Capital Improvement Plan Discussion

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### **Purpose:**

To frame the April 27, 2017 PPC Discussion of the Minnehaha Creek Watershed District's (MCWD or District) draft Capital Improvement Plan (CIP). This discussion will:

- Review the draft 2018-2021 CIP
- Overview a strategic funding plan to support the implementation of the 2017-2021 CIP
- Outline the communication of this information to MCWD stakeholders

### **Background:**

#### MCWD Strategic Priorities:

Over the last year the MCWD has undertaken an assessment of its organizational strategy. The District is now in the process of aligning operations to ensure all programs directly support the stated strategic goals:

1. Develop high-impact capital improvements, integrated with non-water initiatives through multi-jurisdictional partnerships.
2. Change the land-use and water policy environment to increase early value-added partnership with private development, public infrastructure and public policy/planning

#### Capital Improvement Plan Background:

Every year, in June, as required by the Minnehaha Creek Watershed District's (MCWD or District) Comprehensive Water Resources Management Plan (Plan), the District revises and distributes its Capital Improvement Plan (CIP) to cities and counties for 30 day review and comment.

Annually, the review and revision of the Capital Improvement Plan serves two primary functions:

1. Communicates 2-3 year capital project priorities externally to District stakeholders
2. Internally initiates future project forecasting, to inform resources needed to support the CIP

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On April 13, 2017, the PPC received and discussed a presentation of the 2-3 year capital improvement priorities for the District, which initiated the 2018 budget process and began discussion of project priorities.

This presentation highlighted the major focus areas for capital improvement, based on water resource need, strategic threats and opportunities, and the partnership framework to support the capital improvement priorities.

As the regular discussion of the CIP continues, Planning staff and the Board will need to develop funding strategies to support the priorities.

Capital Project Funding Strategies:

While the Board of Managers has established the development of capital improvements as the highest organizational priority, it has also identified the limitations of the District's tax levy in funding implementation at a larger landscape scale.

To initiate plans to increase the volume of outside funds supporting MCWD's capital improvement program, in 2016, the Board appointed an Investment Task Force. With Board concurrence, the Task Force established the following goals:

1. Obtain ongoing supplemental funding (larger than one-time project specific grants) to implement landscape scale restoration and implementation objectives identified within priority focal subwatershed plans, such as Six Mile Creek-Halsted Bay.
2. Increase one-time funding for specific capital improvements identified through responsive track planning.
3. Obtaining one-time or ongoing supplemental funding for MCWD programs, historically funded through levy resources (land management, data collection, education and communications, permitting, operations, etc.)

To support goals 1 and 2 above, the Task Force recommended the following strategies be employed:

- Group individual projects into implementation categories that can be effectively marketed as larger scale programmatic initiatives to specific funding sources.
- Develop strategic partnerships with third parties that increase eligibility for programmatic funding described above.

**April 27, 2017, Planning and Policy Committee:**

At the April 27, 2017 PPC, staff will review the draft capital improvement plan, before refining and bringing forward for Board authorization to release for public comment in May 2017.

As part of the upcoming PPC presentation, staff will provide an overview of funding strategies to support the capital project priorities in the coming years.

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Staff will also review the overarching communications plan to distribute this information for public review and comment.

This preliminary discussion is intended to:

- Review and refine the 2018 – 2021 Capital Improvement Plan
- Develop a common understanding of funding strategies to support planned capital improvements
- Review and discuss the communication of this information to MCWD stakeholders.

Staff continues to work on refining the CIP, which it hopes to upload on Tuesday, April 25, 2017, if possible.

If there are questions in advance of the meeting, please contact James Wisker at 952.641.4509 or [Jwisker@minnehahacreek.org](mailto:Jwisker@minnehahacreek.org)

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