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| Title: | Authorization to Apply for Watershed-Based Implementation Funding |
| Resolution number: | 25-029 |
| Prepared by: | Name: Rebecca Neal Phone: 952-641-4507 rneal@minnehahacreek.org |
| Recommended action: | Authorize staff to apply for grant funding through the Board of Water and Soil Resources Watershed-Based Implementation Funding Program |
| Schedule: | April 2025 – Deadline for funding request May 2025 – Board approval of BWSR grant agreement June-July 2025 – Board approval of funding agreements with partners December 2027 – Grant expiration |
| Budget considerations: | N/A |
| Past Board action: | Res # 23-012 Title: Authorization to Apply for Watershed-Based Implementation Funding |

Summary:

The fourth round of Watershed-Based Implementation Funding (WBIF) is available through the Board of Water and Soil Resources (BWSR). Funds are allocated on a watershed basis, and the Minnehaha Creek watershed area has \$424,534 available to fund eligible projects/activities for implementation in 2025-2027.

Eligible entities in our allocation area include Minnehaha Creek Watershed District (MCWD), Hennepin and Carver counties, Carver Soil and Water Conservation District (SWCD), and municipalities. For a project/activity to be eligible for funding, it must be identified in the implementation section of an eligible plan. In our allocation area, eligible plans include only the MCWD Watershed Management Plan and the Carver County Groundwater Plan. Activities must have a primary benefit towards water quality and must be completed by December 31, 2027.

The program requires a convene meeting process through which participants meet to develop a budget request for submittal to BWSR that is prioritized, targeted, and measurable. Participants include one representative from each watershed district, SWCD, county with a current groundwater plan, and up to two representatives from municipalities within the allocation area. MCWD serves as the convener for this process and solicited project proposals from all the eligible entities. Two projects were submitted for consideration:

Cedar-Bloomington Stormwater BMP

MCWD, along with the Minneapolis Park & Recreation Board (MPRB) and the City of Minneapolis, submitted the Cedar-Bloomington Stormwater BMP, which will convert parkland along Minnehaha Parkway from Cedar Ave to 16th Ave in Minneapolis into a multi-basin stormwater wetland that provides water quality improvements to impaired Lake Hiawatha and flood mitigation for the surrounding neighborhoods. This project is estimated to provide 20-40 lbs/yr of total phosphorus (TP) removal. Depending on the scale and final layout of the wetlands, the total construction cost of the stormwater wetlands ranges from \$490,000-\$840,000. This project is part of a broader partnership between MPRB, Minneapolis, and MCWD, and is the first of three projects from MPRB's Master Plan that the partnership has selected to move forward.

Montgomery Ave Area Drainage Project

The City of Deephaven submitted the Montgomery Ave Area Drainage Project, which will construct an underground infiltration system at Calvary Church that will remove 7.8 lbs of TP/yr to Lake Minnetonka and reduce local flooding. The total cost estimate of this project is \$588,000. This project was also submitted to MCWD for funding support through the Land & Water Partnership (LWP) program in 2024, and the Board concurred with staff's recommendation to provide funding of \$125,000. The City is seeking \$200,000-228,000 in WBIF support to close the remaining funding gap.

The WBIF convene meeting was held on April 9, 2025 to review the projects and develop a budget request. The group agreed that both projects were worth supporting and recommended splitting the \$424,534 between the two projects. Based on the relative cost-effectiveness of the two projects and the level of support needed for both projects to be able to advance, the group decided to allocate \$224,534 toward Cedar-Bloomington Stormwater BMP and \$200,000 toward the Montgomery Ave Project.

The group also recommended that MCWD serve as the grantee and fiscal agent, as it did for the last round of WBIF, to allow for easier transfer of funds between the two projects, if needed, based on additional feasibility work and cost refinement for the two projects. MCWD staff will develop agreements with the partners to outline how funds will be disbursed, as well as roles and responsibilities for grant administration. These agreements will be brought back for Board authorization, along with authorization to execute the grant agreement.



RESOLUTION

Resolution number: 25-029

Title: Authorization to Apply for Watershed-Based Implementation Funding

- WHEREAS, the Minnesota Board of Water and Soil Resources (BWSR) has transitioned its Clean Water Funding model from project by project competitive grants to a coordinated watershed funding approach which relies on comprehensive watershed management plans developed under the One Watershed, One Plan Program or the Metropolitan Surface Water Management Act to provide assurance that actions are prioritized, targeted, and measurable;
- WHEREAS, on August 24, 2023, BWSR approved the Watershed-Based Implementation Funding (WBIF) watershed allocations and program policy for the 2024-2025 biennium;
- WHEREAS, funds have been allocated based on hydrologic boundaries, and the Minnehaha Creek Watershed planning area has been allocated \$424,534;
- WHEREAS, the WBIF program requires that all eligible entities within the planning area, including the watershed district, counties, soil and water conservation districts, and cities, work together to develop a collaborative budget request that is prioritized, targeted, and measurable;
- WHEREAS, MCWD serves as the convener for this process and solicited project proposals from all the eligible entities, and two projects were submitted for consideration:
- Cedar-Bloomington Stormwater BMP (Minneapolis/Minneapolis Parks & Recreation Board (MPRB)/MCWD) – a regional stormwater management project in an MPRB-owned park that drains to Minnehaha Creek and impaired Lake Hiawatha;
 - Montgomerie Ave Area Drainage Project (Deephaven) – an underground stormwater infiltration system to address local flooding and improve water quality to Lake Louise and Lake Minnetonka;
- WHEREAS, the convene meeting was held on April 9, 2025 to review the projects and develop a budget request, and the group agreed that both projects were worth supporting and recommended splitting the funds between the two projects with \$224,534 allocated to the Cedar-Bloomington project and \$200,000 to the Montgomerie Ave project;
- WHEREAS, the group recommended that MCWD serve as the grantee to allow for easier transfer of funds between the two projects, if needed, based on additional feasibility work and cost refinement for the two projects;
- WHEREAS, the MCWD Board has requested that they be notified of grant opportunities and authorize staff to apply for grants; and
- WHEREAS, staff will work with the project partners to develop agreements that outline the roles and expectations for advancing the projects and managing the grant;
- NOW, THEREFORE, BE IT RESOLVED that the Minnehaha Creek Watershed District Board of Managers authorize staff to apply for grant funding through the BWSR Watershed-based Implementation Funding Program for the aforementioned projects.

Resolution Number 25-029 was moved by Manager _____, seconded by Manager _____. Motion to adopt the resolution ___ ayes, ___ nays, ___ abstentions. Date: 4/24/2025

Secretary Date: _____

DRAFT