

**MEETING DATE:** July 30, 2015

**TITLE:** Approval of Revised Capital Improvement Plan (CIP)

**RESOLUTION NUMBER:** 15-066

**PREPARED BY:** Becky Christopher

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**REVIEWED BY:**  Administrator       Counsel       Program Mgr. (Name): \_\_\_\_\_  
 Board Committee       Engineer       Other

**WORKSHOP ACTION:**

<input type="checkbox"/> Advance to Board mtg. Consent Agenda.	<input type="checkbox"/> Advance to Board meeting for discussion prior to action.
<input type="checkbox"/> Refer to a future workshop (date): _____	<input type="checkbox"/> Refer to taskforce or committee (date): _____
<input type="checkbox"/> Return to staff for additional work.	<input type="checkbox"/> No further action requested.
<input checked="" type="checkbox"/> Other (specify): <u>Not reviewed at workshop. Requesting action at July 30 meeting.</u>	

**PURPOSE or ACTION REQUESTED:**

Board approval of annual Capital Improvement Plan (CIP)

**PAST BOARD ACTIONS:**

May 28, 2015 – Res. 15-049: Authorization to distribute revised Draft CIP for 30-day comment

**SUMMARY:**

At the May 14, 2015 Board workshop, the Board reviewed the annually revised draft Capital Improvement Plan (CIP) and authorized distribution to the cities and counties for 30 day review and comment. Comments on the draft CIP were accepted from June 19, 2015 to July 20, 2015.

Staff received four emails in response to the request for comment from the cities of Minnetonka, Plymouth, Minneapolis, and Mound. The comments from Minnetonka and Mound were supportive of the proposed CIP and two-track approach. The emails from Plymouth and Minneapolis were questions regarding specific projects. None of the commenters requested any changes to the proposed CIP. A summary of the comments and staff's responses is attached.

Staff is not recommending any changes and requests that the Board of Managers approve the draft CIP as presented in May (see attached).

**RESOLUTION**

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**RESOLUTION NUMBER:**    15-066

**TITLE:**            **Approval of Revised Capital Improvement Program (CIP)**

WHEREAS, the MCWD's 2007 Comprehensive Water Resources Management Plan (Plan) included a proposed 10-year Capital Improvement Plan (CIP); and

WHEREAS, the Plan requires that the MCWD annually release its revised Draft CIP for 30 day review and comment to the counties and municipalities in the District; and

WHEREAS, on May 28, 2015, the MCWD Board authorized the Draft CIP to be distributed for 30 day review and comment; and

WHEREAS, the MCWD staff distributed the Draft CIP and comments received to both Carver and Hennepin County; and

WHEREAS, on July 30, 2015, the MCWD Board reviewed comments received on the Draft CIP; and

WHEREAS, in accordance with the Plan, *"at the County(ies) pleasure, but no later than the first Friday in November, the MCWD will meet with the County Board(s) to discuss the District's CIP and annual budget and levy. Any comments received from the County Board will be considered by the MCWD Board and any decreases or increases to the levy will be provided to the County Auditors prior to the date they certify the county levy to the State."*;

NOW, THEREFORE, BE IT RESOLVED that the MCWD Board of Managers approves the revised CIP.

Resolution Number 15-066 was moved by Manager \_\_\_\_\_, seconded by Manager \_\_\_\_\_.  
Motion to adopt the resolution \_\_\_ ayes, \_\_\_ nays, \_\_\_ abstentions. Date:

\_\_\_\_\_  
Secretary

Date: \_\_\_\_\_

## Comments received on the 2015 Draft Capital Improvement Plan and MCWD responses

### Comment 1 – Liz Stout, City of Minnetonka:

“Thank you for the opportunity to review your upcoming CIP. We don’t have any comments or concerns about the district’s program or the new two-track approach. This approach seems like a good way to address both the district’s regional priorities and to leverage existing local projects.”

The email went on to request a meeting to discuss grant opportunities for the City’s 2016/2017 road reconstruction projects.

### MCWD response:

Staff thanked the City for its feedback and scheduled a meeting to discuss partnership opportunities for the City’s upcoming road reconstruction projects.

### Comment 2 – Derek Asche, City of Plymouth:

The City requested further information on the Gleason Lake Flood Damage Repairs listed in the Draft CIP for 2018. The email also noted two projects coming up in the City’s CIP for 2020 that are intended to address the TMDL for Gleason Lake and asked if there would be an opportunity to cost share:

- 19<sup>th</sup> and Dunkirk Pond Improvement
- Maple Creek (Lowe’s to Maple Creek Park)

### MCWD response:

Staff explained that the Gleason Lake Flood Damage Repair project listed in the CIP came out of an assessment completed by the District following the 2014 record flood to look for areas of flood damage along all the major streams in the District. This information was then submitted to FEMA to request funding for repairs. For Gleason Creek, the sites identified were located in the City of Wayzata on the section of creek between Gleason Lake and Highway 12.

Regarding the City’s upcoming projects, staff offered to set up a meeting to discuss the projects in more detail. The City responded that it was still a little early to discuss and that they would plan a feasibility study in 2015 to review the benefits of these two projects.

Comment 3 – Lois Eberhart, City of Minneapolis:

The City sent two questions regarding the CIP:

- 1) For 2016, where are the stream bank repairs reflected?
- 2) There has been funding identified in the past for Minneapolis Flood Areas 21/22 and 29/30. We do not find where the funding is reflected in the program. What is the reason?

MCWD response:

Staff responded that the Draft CIP includes Minnehaha Creek Flood Damage Repairs listed for 2016. The District has secured funding from FEMA for some of the sites along Minnehaha Creek and is awaiting confirmation on other sites. The District will be coordinating with the City and Minneapolis Park and Recreation Board on the planning and design of repair work later this year.

Regarding the two Minneapolis Flood Areas, staff responded that these areas are still called out as areas of potential partnership in the District's Comprehensive Plan. The Draft CIP that was distributed for comment lists projects that are currently in development for 2015-2018 and encourages cities to approach the District with partnership opportunities which may be incorporated into the CIP based on timing, alignment with District goals, and available funding.

The District is not aware of any work that is currently planned by the City in Flood Area 29/30 draining to Lake Harriet. The District has been coordinating with the City and Minneapolis Park and Recreation Board (MPRB) on planning for Flood Area 21/22 to the northwest of Lake Hiawatha. The Houston Engineering study led by the City recommended daylighting the pipe that drains the area through the Hiawatha Golf Course as a strategy to address flood hydraulics and water quality. Pursuant to the cooperative agreement between the District, MPRB, and City, the District is actively working with the MPRB and City on planning for this area and has included the Hiawatha Golf Course project in its Draft CIP for 2016.

Comment 4 – Eric Hoversten, City of Mound:

“I have reviewed the MCWD CIP on behalf of the City of Mound and provide our concurrence with the plan understanding that we retain the opportunity to consult with your team and propose additional projects and cost-share opportunities as burgeoning development opportunities in Mound create the opportunity for additional collaborations. We note and extend appreciation for the proposed increase in cost-share budget projections from \$500K to \$1M. This added budget reach will be a powerful tool for communities to leverage as new challenges and opportunities to partner emerge.”

MCWD response:

Staff thanked the City for its feedback and concurrence on the District's proposed CIP.

**Minnehaha Creek Watershed District Capital Improvement Plan**

Track	Subwatershed	Project Name <sup>1</sup>	Project Description	Estimated Cost <sup>2</sup>	Potential Funding Sources
<b>2015<sup>3</sup></b>					
Responsive Track <sup>4</sup>	District-Wide	Land Conservation Program	Conservation and restoration of land for water resource benefit.	\$ 2,500,000	MCWD Levy (Land Conservation)
	District-Wide	Cost Share Program	Funding assistance for projects identified through coordination with cities, developers, landowners, and other partners.	\$ 500,000	
	Lake Minnetonka	Promenade at Wayzata	Grant awarded for stormwater management and chloride reduction for major redevelopment project in Wayzata.	\$ 322,290	
	Minnehaha Creek	Arden Park Neighborhood Living Streets	Grant awarded for area-wide stormwater management as part of City of Edina road reconstruction.	\$ 89,000	MCWD Levy (Cost Share)
	Minnehaha Creek	Nokomis Neighbors for Clean Water	Grant awarded for stormwater management for 15 alleyways draining to Lake Nokomis in Minneapolis.	\$ 100,000	
	Minnehaha Creek	Parkway Place Townhomes	Potential grant for stormwater retrofits and community engagement efforts for townhomes in South Minneapolis.	\$ 100,000	
Focus Track <sup>5</sup>	Minnehaha Creek	Cottageville Park Phase I	Collaboration with Hopkins to manage stormwater runoff and expand park and green space along creek.	\$ 2,268,388	\$1,785,388 City of Hopkins, \$483,000 Clean Water Legacy Grant
	Greenway	Powell Road Stormwater Diversion	Collaboration with St. Louis Park to divert 217 acres of stormwater runoff.	\$ 1,012,936	\$506,468 Public Facilities Authority, \$506,468 MCWD Levy (Projects)
<b>2015 Total</b>				<b>\$ 6,892,614</b>	
<b>2016</b>					
Responsive Track <sup>4</sup>	District-Wide	Land Conservation Program	Conservation and restoration of land for water resource benefit.	\$ 2,500,000	MCWD Levy (Land Conservation)
	District-Wide	Cost Share Program	Funding assistance for projects identified through coordination with cities, developers, landowners, and other partners.	\$ 1,000,000	MCWD Levy (Cost Share)
	Minnehaha Creek	Flood Damage Repairs	Repair of streambank erosion resulting from 2014 flood.	\$ 875,000	Federal Emergency Management Agency
Focus Track <sup>5</sup>	Minnehaha Creek Greenway	Potential projects identified to date:			
		Powell-Meadowbrook Stormwater	Collaboration with St. Louis Park and private business to manage 36 acres of stormwater runoff and restore 3.5 acre wetland.	\$ 2,030,960	\$1,530,960 Private, \$500,000 MCWD Levy (Projects)/DEED/Hennepin County
		Knollwood Mall	Collaboration with St. Louis Park and private business to manage 150 acres of stormwater runoff.	\$ 4,483,027	\$1,600,000 Private, \$2,883,027 MCWD Levy (Projects)/Grants
		Meadowbrook Golf Course	Collaboration with Minneapolis Park and Recreation Board for stream restoration, flood repairs, and increased flood storage.	\$ 3,120,000	\$2,020,000 FEMA, \$1,100,000 MCWD Levy (Projects)/MPRB/Grants
		Hiawatha Golf Course	Collaboration with Minneapolis Park and Recreation Board to repair flood damage and manage stormwater runoff.	\$ 1,490,000	\$1,490,000 FEMA, stormwater management costs and sources TBD
	Six Mile Marsh	Potential projects identified to date:			
	Six Mile Marsh Infiltration SMC-1	Partnership with private landowners to address nutrient loading to Pierson Lake.	\$ 788,600	MCWD Levy (Projects)	
	Marsh/Wasserman Wetland Restoration	Partnership with Victoria and developers to restore wetlands and reduce nutrient loading to Wasserman.	\$ 721,300	MCWD Levy (Projects)/Private	
<b>2016 Total</b>				<b>\$ 17,008,887</b>	
<b>2017</b>					
Responsive Track <sup>4</sup>	District-Wide	Land Conservation Program	Conservation and restoration of land for water resource benefit.	\$ 2,500,000	MCWD Levy (Land Conservation)
	District-Wide	Cost Share Program	Funding assistance for projects identified through coordination with cities, developers, landowners, and other partners.	\$ 1,000,000	MCWD Levy (Cost Share)
	Lake Minnetonka	Grays Bay Hwy 101 Causeway	Partnership with Hennepin County to protect and enhance shorelines along the Hwy 101 at Lake Minnetonka.	\$ 1,604,308	\$1,574,308 MCWD Levy (Projects), \$30,000 Hennepin County
	Lake Minnetonka	Flood Damage Repairs	Repair of streambank erosion resulting from 2014 flood.	\$ 110,000	Federal Emergency Management Agency
	Long Lake Creek	Flood Damage Repairs	Repair of streambank erosion resulting from 2014 flood.	\$ 77,000	Federal Emergency Management Agency
	Painter Creek	Flood Damage Repairs	Repair of streambank erosion resulting from 2014 flood.	\$ 30,500	Federal Emergency Management Agency
	Painter Creek	Painter Creek Wetland Restoration (Potato)	Potential partnership with Army Corps of Engineers to restore wetland and habitat.	\$ 870,000	\$565,000 Section 206, \$305,000 MCWD Levy (Projects)
Focus Track <sup>5</sup>	Minnehaha Creek Greenway	Potential projects identified to date:			
		Lake St Drainage Diversion	Collaboration with Hopkins to divert 30 acres of stormwater for volume and load reduction.	\$ 199,750	\$99,875 Public Facilities Authority, \$99,875 MCWD Levy (Projects)
		Cottageville Park Phase II	Collaboration with Hopkins to manage stormwater runoff and expand park and green space along creek.	\$ 469,000	City of Hopkins
		Arden Park Stream Restoration	Collaboration with Edina on streambank restoration and ecological improvements for Minnehaha Creek along Arden Park.	\$ 254,900	MCWD Levy (Projects)
		Minnehaha Creek Greenway Trails	Collaboration with St. Louis Park to investigate creek crossing and provide safe passage for trails.	TBD	MCWD Levy (Projects)
	Six Mile Marsh	Potential projects identified to date:			
	Parley Lake Internal Load Management	Partnership with private landowners to address nutrient loading to Parley Lake.	\$ 231,600	The District will undertake a planning effort to develop an integrated investment framework. Potential sources may include: MCWD Levy, Clean Water Legacy, Public Facilities Authority, Section 206, project partners.	
	Turbid/Lunsten Wetland Restoration	Partnership with private landowners to address nutrient loading to Turbid Lake.	\$ 496,300		
	Six Mile Marsh Infiltration SMC-55	Collaboration with St. Bonifacius to address nutrient loading to Mud Lake and flooding and channel erosion.	\$ 590,700		
<b>2017 Total</b>				<b>\$ 8,434,058</b>	
<b>2018</b>					
Responsive Track <sup>4</sup>	District-Wide	Land Conservation Program	Conservation and restoration of land for water resource benefit.	\$ 2,500,000	MCWD Levy (Land Conservation)
	District-Wide	Cost Share Program	Funding assistance for projects identified through coordination with cities, developers, landowners, and other partners.	\$ 1,000,000	MCWD Levy (Cost Share)
	Gleason Lake	Flood Damage Repairs	Repair of streambank erosion resulting from 2014 flood.	\$ 11,800	Federal Emergency Management Agency
	Painter Creek	Painter Creek Wetland Restoration (SOBI)	Potential partnership with Army Corps of Engineers to restore wetland and habitat.	\$ 243,000	\$158,000 Section 206, \$85,000 MCWD Levy (Projects)
	Six Mile Marsh	Flood Damage Repairs	Repair of streambank erosion resulting from 2014 flood.	\$ 34,000	Federal Emergency Management Agency
Focus Track <sup>5</sup>	Minnehaha Creek Greenway	Potential projects identified to date:			
		325 Blake Rd	Implementation of treatment practices to accept 268 acres of runoff from Powell Rd and Lake St. stormwater diversions.	\$ 2,328,500	Public Facilities Authority
		Cottageville Park Phase III	Collaboration with Hopkins to manage stormwater runoff and expand park and green space along creek.	\$ 276,000	MCWD Levy (Projects)
		Meadowbrook to Cedar Trail Connection	Collaboration with St. Louis Park and SWLRT to redesign creek crossing, provide safe passage for Minnehaha Creek Greenway trails and connect the greenway to the Cedar Regional Trail.	\$ 200,000	DNR Local Trail Connections Program
	Six Mile Marsh	Potential projects identified to date:			
	Halsted's Bay Tributary Alum Injection System	Collaboration with Minnetrista to reduce nutrient loading from Six Mile Creek and internal loading in Halsted's Bay.	\$ 7,728,000	The District will undertake a planning effort to develop an integrated investment framework. Potential sources may include: MCWD Levy, Clean Water Legacy, Public Facilities Authority, Section 206, project partners.	
	Halsted's Bay Internal Load Management		\$ 1,100,000		
<b>2018 Total</b>				<b>\$ 15,421,300</b>	

<sup>1</sup>Projects are listed under the expected year of implementation.

<sup>2</sup>Cost estimates listed do not represent actual budgets for these years. For instance, they do not account for carry over from past years, projects that are levied over multiple years, or outside funding from grants and project partners.

<sup>3</sup>Funding for projects listed in 2015 has already been secured and some projects are currently underway.

<sup>4</sup>Under the Two-Track approach, the District remains responsive to needs and opportunities District-wide through project partnerships, grant funding, and other District programs. Municipalities and other partners are encouraged to approach the District with project opportunities which may be incorporated into the CIP based on timing, alignment with District goals, and available funding.

<sup>5</sup>Under the Two-Track approach, the District focuses staff and financial resources to high need areas within the District in order to make significant, lasting improvements to the most sensitive water challenges in the watershed.