



MEMORANDUM

To: MCWD Board of Managers

From: Anna Brown

Date: December 20, 2018

Re: Policy and Planning Committee item 4.1 SMCHB Subwatershed Update

Purpose:

At the December 20, 2018 Policy and Planning Committee Meeting, staff will provide an update on planning and project initiatives in the Six Mile Creek-Halsted Bay Subwatershed (SMCHB). This memo provides a summary of some of the major project initiatives that will be discussed at this meeting, including the Western Growth Area Planning Initiative, Wassermann West Lakefront Park, and SMCHB Habitat Restoration Project (carp management).

Western Growth Area

Background

District staff have been working with the City of Victoria through its Comprehensive Plan Development Process to establish a shared vision and principals for an integrated greenway network that encompasses both City and District priorities around natural resources, recreational assets, and sustainable growth in the City's western growth area.

The western growth area is a 1,500 acre area just west of the City's current municipal boundary that is mostly rural residential and agricultural. Through the 2040 Comprehensive Plan Update, Victoria is guiding land use in this future development corridor to provide for anticipated population growth in the City. This presents a unique opportunity for both City and District to identify natural resource protection and restoration strategies at the front end of development, helping to support the City's vision as the "City of Lakes, Parks, and Trails".

The western growth area is of strategic interest to the District as it encompasses extensive water resources and several priority areas for capital investment as identified in the Six Mile Creek-Halsted Bay Subwatershed Plan. Both City and District recognize the value of early coordination in development planning, and have endeavored to proactively engage in planning for this area so as to anticipate regulatory challenges, propose growth that is congruous with the landscape,

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maximize development patterns for City and County infrastructure including stormwater facilities, right of way, and parks, trails and open space, provide clarity and early coordination for future developers, and program natural resource investment in the area. This coordinated effort may serve as a model for proactive engagement with growing municipalities and for land use water integration through deliberate planning.

Summary

District staff have been working with Hoisington Koegler (the City's planning consultant), the Comprehensive Plan Steering Committee, and City staff to develop this vision and ensure that it is incorporated into the Comprehensive Plan as a guidepost for how the District and City will invest in the western growth area, and how natural resources will underpin growth and development in that area.

Staff provided an update at the October 25 Policy and Planning Committee, and have incorporated the Committee's feedback into a draft layout for the Comprehensive Plan. At the December 20 Policy and Planning Committee, staff will present the current draft layout, discuss the feedback and reception from the City's Planning Commission and Council, and discuss timeline and next steps for carrying this vision forward into implementation.

Wassermann West Lakefront Park

Background

In May of 2017, the Minnehaha Creek Watershed District (MCWD) and City of Victoria entered into a cooperative agreement memorializing the goal of developing a park and natural resource restoration on two properties on Lake Wassermann (PID 650230600 and 650230700), now Wassermann West. At that time, MCWD had an executed purchase agreement with a private landowner for the properties, with closing contingent upon the execution of the cooperative agreement. Upon its execution, MCWD became the fee owner of the property.

Under the cooperative agreement, the following terms were established:

- The City and District would enter a purchase agreement under which the District would convey fee title interest to the City and retain an easement over the wetland area;
- The City and District would develop a concept plan, including project cost elements, for recreation and conservation purposes;
- The City would fund the recreational site improvements and the District would fund the conservation and restoration improvements.

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Beginning in June of 2018, after completing the development of a concept design, the City and District endeavored to evaluate scenarios to finance the park improvements as identified in the concept plan. The estimated capital costs for park construction is \$2.2 million, \$3.1 million with the City's land costs included.

There are two options for financing the improvements:

- The City can finance the \$3.1 million through its own bonding authority
- The District can utilize the Carver County Master Finance Agreement, wherein the County would issue bonds to finance the project, and the City would enter a general obligation note with the District to repay the obligation through that program

District staff have worked through a series of meeting with the City's staff, Finance Committee, and Council to evaluate the options for financing these improvements. Once a plan for financing is developed and memorialized in the next phase cooperative agreement, the District and City can move forward with final design and construction.

Summary

These financing options were discussed with the Policy and Planning Committee on August 20, 2018, and the Committee was favorable to working towards utilizing the Master Finance Agreement as a preferred approach to financing the improvements.

Since that time, staff have gathered additional procedures about the timeline and procedures for utilizing this finance vehicle, which will be reviewed at the December 20 Policy and Planning Committee. Staff will also brief the Committee on the status of discussions with the City of Victoria and the anticipated timeline for moving into the next phase of design.

SMCHB Habitat Restoration Program

Background:

The SMCHB Habitat Restoration Program, funded through the Lessard Sams Outdoor Heritage Fund, will restore 2,488 acres of deep and shallow lakes through:

- Strategic fish barrier installation
- Aeration of reproduction areas to keep predator fish alive
- Adult biomass removal

Since the beginning of the Lessard Sams Outdoor Heritage Fund Grant period in July of 2018, staff have been focusing implementation efforts on the construction of capital infrastructure, including installation of utility service for aeration and barrier construction. Adult biomass removal will occur throughout the three year grant period.

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In October 2018, the MCWD Board of Managers awarded a contract to Blackstone Contractors for carp barrier construction. At the time of award, land rights had not yet been secured for the Crown College site, and those land rights are still in development. Staff will provide an update regarding the status of those land rights and the construction timeline for the other two sites, Wassermann and Highland Road.

In November 2018, the MCWD Board of Managers awarded a contract to Telcom Construction for utility service installation. To date, the conduit is in place to extend the utilities at the South Lundsten and Mud Lake sites, and the utilities will be fully installed by the middle of January at those sites. The other sites will be installed in advance of the winter of 2019/2020.

Summary:

At the December 20, 2018 Policy and Planning Committee Meeting, staff will provide an update on the SMCHB Habitat Restoration Program, including the following items:

- Carp barrier construction timeline and budget
- Update on utility installation and future land rights considerations
- A new opportunity through the Minnesota AIS Research Center for ongoing effectiveness monitoring

If there are questions in advance of the meeting, please contact: Anna Brown at (952) 641-4522 or abrown@minnehahacreek.org

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