

MEMORANDUM

To: MCWD Board of ManagersFrom: Becky Christopher, Policy Planning ManagerDate: August 19, 2019

Re: Taft-Legion Project Update

Purpose:

At the August 22, 2019 Policy and Planning Committee (PPC) Meeting, staff will provide an update on the status of the Taft-Legion Lake Improvement Project.

Background:

Project Background

During the 2010 distribution of the District's Capital Improvement Plan, the City of Richfield requested that an improvement project for Taft and Legion Lakes be included. A project proposal was developed that outlined details of a partnership between MCWD and the City of Richfield to improve water quality in the two lakes through a combination of project elements:

- Infiltration systems that draw water from Taft Lake and the forebay draining to Legion Lake and direct it to underground infiltration systems in the adjacent park land
- A flocculation treatment system that treats water withdrawn from Taft Lake, removing dissolved phosphorus loads, before it is discharged back into the lake
- Native lakeshore buffers established in select areas surrounding Legion Lake
- Pre-treatment of runoff to Legion Lake by redirecting pipes to expanded sedimentation ponds to remove pollutant loads prior to being discharged into Legion Lake

In September 2012, the Board ordered the project and authorized staff to enter into a cooperative agreement with the City of Richfield under which the City would construct, maintain, and finance the project, and the MCWD would make payments to the City on a 20-year payment schedule to cover the costs of design, construction, bond issuance, and interest totaling \$3,466,124. Annual District payments are approximately \$169,000-\$177,000 and began on February 1, 2014.

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Project Performance

The City completed construction of the project in fall of 2016. Since that time, the City has been operating and monitoring the performance of the systems and providing annual reports to the District by June 30 each year, as required under the cooperative agreement.

To date, the project has been significantly underperforming as compared to the performance standards established in the feasibility report and cooperative agreement. The intended and actual performance metrics are summarized below:

	Intended Performance	2015 Actual*	2016 Actual*	2017 Actual	2018 Actual
Volume Reduction (acre-ft)	134-280	16.1	75.4	40.3	12.1
Phosphorus Reduction (lbs)	167-413	7.2	16.4	22.3	39.8

*Note – The system was not fully operational until September 2016.

In August 2017, District staff initiated discussions with the City about concerns with the project's performance. Since then, the City and District have identified a range of issues affecting the performance of the system, including pre-project assumptions about water quality, mechanical issues, capacity of the flocculation system, and several others.

At a meeting in February 2018, the District requested that the City develop a plan to comprehensively assess the issues and describe actions the City will take to improve performance.

On March 15, 2019, the District sent a letter to the City which outlined in detail the District's understanding of the various issues as well as what the District believes are reasonable actions and timelines for addressing the issues. It requested that the City evaluate potential improvements for feasibility and cost-effectiveness and transmit its findings and recommendations to the District for consideration by May 30, 2019.

Summary:

The City provided a report on June 13, 2019 in response to the District's March letter which identified some adjustments and additional monitoring that would be undertaken, but did not provide a clear strategy or plan for comprehensively addressing the issues. The District and City met on June 24, 2019 to discuss the report and outstanding questions. The District expressed its ongoing concerns with the lack of clarity and a desire to work closely with the City to evaluate and address the issues.

At the August 22, 2019 PPC Meeting, staff will provide an overview of the current status and recommended next steps. If there are questions in advance of the meeting, please contact: Becky Christopher at (952) 641-4512 or <u>bchristopher@minnehahacreek.org</u>.

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