

## MEMORANDUM

**To:** MCWD Board of Managers  
**From:** Becky Christopher  
**Cc:** James Wisker  
**Date:** May 26, 2015  
**Re:** Annual Review of Capital Improvement Plan

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### **Purpose:**

Staff is requesting authorization to release the annually revised Capital Improvement Plan (CIP) to the cities and counties for 30 day review and comment.

**Note** – A few revisions to the CIP have been made based on feedback from the Board at the May 14, 2015 Board Workshop and further refinement of project costs and funding sources for 2016.

### **Background:**

Each year, as required by the District's Comprehensive Water Resources Management Plan, the District revises and distributes its Capital Improvement Plan (CIP) to the cities and counties for 30 day review and comment. The Draft CIP is attached and has been updated to reflect current District priorities and project opportunities.

The District is currently transitioning between the 2007 CIP and the next generation Plan CIP. The 2007 CIP carries through the end of 2016. This year, staff has extended the projected project list out through 2018.

Staff has also changed the format to better reflect the District's Two-Track Approach with current focus in the Minnehaha Creek and Six Mile Creek Subwatersheds. Projects outside of these subwatersheds are listed under the "responsive track" and include projects such as large-scale Cost Share grants, flood damage repairs, and capital projects such as the Highway 101 Causeway. The CIP and accompanying letter will encourage cities and other partners to approach the District with project opportunities that may be incorporated into the CIP based on timing, alignment with District goals, and available funding.

This year's CIP also reflects the shift in the District's project development process from one that is highly prescriptive to one that allows for improved integration with community land use planning. Rather than developing a 10-year list of specific capital improvements based on water resource data, the District will identify issues and management strategies and work closely with cities, landowners, and other partners to identify specific project opportunities in real-time.

Another change to this year's CIP is the addition of the "Funding Sources" column to reflect the District's efforts to diversify funding sources beyond the District levy. As always, cost estimates shown in the CIP should not be interpreted as actual budget or levy projections for these years. For instance, the estimates shown in the CIP do not account for carry over from past years or the fact that funds for larger projects are often levied over multiple years.

This list includes all projects that are currently in development and have potential to move forward dependent on further analysis, community support, land rights, and securing funding. Based on these variables affecting project development, project timing may change and some projects may not be delivered.

**Next Steps:**

Distribution of the draft CIP is the first step in the process of projecting next year's work plans and budget. Following the 30-day comment period, any comments received will be brought to the Board for consideration, and revisions to the CIP may be made prior to Board approval.

Over the next few months, staff will continue to refine the project list and cost estimates and explore outside funding sources. Project work plans for 2016 will be brought to the Board for review in July, facilitating the prioritization process of the budget and levy development.

If there are questions in advance of the meeting, please contact Becky Christopher at 952-641-4512 or [bchristopher@minnehahacreek.org](mailto:bchristopher@minnehahacreek.org).

**MEETING DATE:** May 28, 2015

**TITLE:** Authorization to Distribute Revised Draft Capital Improvement Plan for Annual Review

**RESOLUTION NUMBER:** 15-049

**PREPARED BY:** Becky Christopher

**E-MAIL:** bchristopher@minnehahacreek.org

**TELEPHONE:** 952-641-4512

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

**WORKSHOP ACTION:**

<input checked="" 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 type="checkbox"/> Other (specify): _____	

**PURPOSE or ACTION REQUESTED:**

Authorization to distribute the revised draft Capital Improvement Plan to the counties and municipalities for 30-day review and comment.

**SUMMARY:**

Each year, as required by the District's Comprehensive Water Resources Management Plan, the District revises and distributes its Capital Improvement Plan (CIP) to the cities and counties for 30 day review and comment. The Draft CIP is attached and has been updated to reflect current District priorities and project opportunities.

The draft CIP has been reformatted to better reflect the District's Two-Track Approach with current focus in the Minnehaha Creek and Six Mile Creek Subwatersheds. Projects outside of these subwatersheds are listed under the "responsive track" and include projects such as large-scale Cost Share grants, flood damage repairs, and capital projects such as the Highway 101 Causeway. The CIP and accompanying letter will encourage cities and other partners to approach the District with project opportunities that may be incorporated into the CIP based on timing, alignment with District goals, and available funding.

Following the 30-day comment period, any comments received will be brought to the Board for consideration, and revisions to the CIP may be made prior to Board approval.

**RESOLUTION**

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**RESOLUTION NUMBER:**    15-049

**TITLE: Authorization to Distribute Revised Draft Capital Improvement Plan for Annual Review**

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

WHEREAS, the CWRMP 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, the District Board of Managers has articulated a policy approach that its mandate to manage and improve water resources is more effectively achieved not when the District seeks to apply its resources evenly across its territory at all time but rather when it coordinates its programs and capital investments so as to focus on specific subwatersheds; and

WHEREAS, the District has identified the Minnehaha Creek Subwatershed and Six Mile Creek Subwatershed as current priority subwatersheds under this approach; and

WHEREAS, the Draft CIP has been revised to reflect these current MCWD priorities and other project opportunities District-wide; and

WHEREAS, at the MWCD Board Workshop dated May 14, 2015, it was moved by Manager Miller, seconded by Manager Blixt and passed 7-0 that this resolution be forward to the next Board Meeting for final action;

NOW, THEREFORE, BE IT RESOLVED, the MCWD Board of Managers authorizes staff to distribute the Draft CIP for 30 day review and comment.

Resolution Number 15-049 was moved by Manager \_\_\_\_\_, seconded by Manager \_\_\_\_\_. Motion to adopt the resolution \_ ayes, \_ nays, \_ abstentions.

\_\_\_\_\_  
Secretary

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

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**DRAFT for discussion purposes only and subject to Board approval and the availability of funds.  
Resolutions are not final until approved by the Board and signed by the Board Secretary.**

**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		
Focal Geography 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	
Focal Geography 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)	
Focal Geography 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	
Focal Geography 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:				
		Halsteds Bay Tributary Alum Injection System	Collaboration with Minnetrista to reduce nutrient loading from Six Mile Creek and internal loading in Halsteds 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.	
		Halsteds 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.