

Shingle Creek and West Mississippi Watershed Management Commissions Cost Share Policy for Capital Improvements

Adopted 8/8/19

The Shingle Creek and West Mississippi Watershed Management Commissions share the cost of watershed-priority capital improvements and demonstration projects through the Commissions' Capital Improvements Program (CIP). High-priority watershed capital improvements are those activities that go above and beyond general or routine city management activities to provide a significant improvement to the water resources in the watershed. This Cost Share Policy establishes the basis for and amount of Commission contribution to qualifying projects.

Capital Improvements

High priority activities that result in Wasteload Allocation reductions toward a TMDL, help solve a regional flooding problem, or are otherwise determined by the Technical Advisory Committee (TAC) and Commissions to be high priority are eligible to receive up to 25 percent of the final improvement cost in Commission cost-share, funded by the county ad valorem tax levied on all property in the watershed. The balance of the improvement cost, less any grant or other funds received, must be funded by the local government(s) participating in or benefiting from the improvement. The Commissions' minimum share is \$50,000. There is no maximum share; the maximum is limited by the amount the Commission is willing/able to certify as a levy.

Eligible improvements include both structural and nonstructural activities. Routine maintenance or localized improvements are not eligible for cost share. Thus, a local street flooding issue is not of watershed priority, but a local flooding issue that creates significant erosion and sedimentation impacting a downstream resource may be a watershed priority. Capital equipment that has been demonstrated to reduce loading of TMDL pollutants such as TP, TSS, or chloride, may be eligible if: 1) the equipment is new or an upgrade and not simply a replacement of existing equipment; 2) the equipment is to allow the member city to undertake a new or expanded load-reducing activity; 3) use of the equipment for the load reductions is supported by academic or governmental research; and 4) the city agrees to document for at least five years the effectiveness of the capital equipment in achieving the load reductions. The demonstrated effectiveness, or lack thereof, of a particular item of capital equipment in achieving load reductions may affect the eligibility of such equipment for funding in the future. Examples of equipment purchase that may be eligible include equipment to begin or expand prewetting or anti-icing, or adding or upgrading to a regenerative air street sweeper. Only the incremental cost of such an upgrade would be eligible for cost share.

The Commissions have developed a set of criteria by which proposed activities may be scored, with only those that pass screening questions advancing to a prioritization stage by the Technical Advisory

Committee (TAC). Prioritization will be based on cost effectiveness, amount of improvement achieved, and regional significance.

Activities of Watershed-Wide Benefit

The capital cost of activities addressing TMDL Load Allocation reductions and projects of watershed-side benefit may be funded 100 percent by the ad valorem tax levy. These types of activities include but are not limited to:

- Lake Internal Load Reduction Actions
 - Alum treatments
 - Rough fish management
 - With Hennepin County and DNR concurrence, initial, whole-lake invasive aquatic vegetation management treatments performed for water quality, excluding those for recreation, aesthetics, or navigation
- Stream Internal Load Reduction Activities
 - Channel narrowing or creation of a low-flow channel to reduce sediment oxygen demand
 - Projects to increase DO at wetland outlets
- Non-TMDL Parameters (actions required by TMDLs not associated with a pollutant for which a numerical reduction of improvement can be specified)
 - o Restoration or enhancement of in-stream habitat
 - Increases in channel roughness to enhance DO
 - Removal or bypass of barriers to connectivity
 - o Streambank restoration below the top of the bank
- Other Watershed Benefiting Improvements as Recommended by the TAC

Guidelines

- 1. Capital improvements must be for water quality or ecological integrity improvement, and must be for improvement above and beyond what would be required to meet Commission rules or common practice. Only the cost of "upsizing" a BMP above and beyond is eligible.
- 2. Preexisting routine maintenance activities are not eligible.
- 3. The effectiveness of any proposed nonstructural improvements must be supported by literature or academic/practitioner experience and documentation.
- 4. The applicant must agree to document the effectiveness of any proposed nonstructural improvements and report those results to the Commissions for at least five years.
- 5. The standard Commission/Member Cooperative Agreement will executed prior to BMP implementation. This Agreement will specify the type and adequacy of effectiveness reporting.