LCMR PROGRESS REPORT July 1, 1993

LCMR Final Status Report

I. Clean Water Partnership Grants to Local Units of Government - Water 55

Program Manager: Gaylen Reetz

Minnesota Pollution Control Agency

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A. M.L. 91 Ch. 254, Art. 1 Sec. 14 Subd. 4 (h)

Appropriation: \$700,000

Balance:

Clean Water Partnership Grants to Local Units of Government: This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of the pollution control agency for Clean Water Partnership grants under Minnesota Statutes, section 115.096. In addition to the required work program, grants may not be approved until grant proposals have been submitted to the legislative commission on Minnesota resources and the Commission has either made a recommendation or allowed 30 days to pass without making a recommendation.

- B. Compatible Data: (see Minnesota Statutes, section 115.102)
- C. Status of Match requirement: (see Minnesota Statutes, section 115.096)

II. Narrative

The Clean Water Partnership Program was established by Minn. Stat. sections 115.091 to 115.103 (1988). The program focus is control of nonpoint sources of pollution through watershed management to protect and improve surface and ground water in Minnesota. The Clean Water Partnership Program provides financial assistance through matching grants and technical assistance to local units of government to lead pollution control projects. The Clean Water Partnership Rules (Minn. Rules Chapter 7076, effective Sept. 1988) define the criteria and procedural conditions under which the Agency may award grants to local units of government. The rule provides separate grants for 50 percent of the eligible costs of project development and project implementation. Project development grants are provided to complete a diagnostic study and develop an implementation plan which meet the requirements defined in the rules. Project development activities include water quality monitoring, identifying sources of pollution and the combination of best management practices, activities and protective measures that will be necessary to solve the identified problems. A project implementation grant is provided to install the best management practices and carry out educational and other activities identified in the implementation plan.

III. OBJECTIVES:

- Grants to local units of government
- A.1. Narrative: Provide CWP grants to local units of government to solve surface and ground water quality problems resulting from nonpoint sources of pollution.

A.2. Procedures: grants will be administered in accordance with Mi lota Rules Ch 7076 which derine the project selection criteria, procedures and conditions for administration of the Clean Water Partnership Program. The rules establish the criteria and procedural conditions under which the Agency may award grants for projects to control nonpoint sources of pollution. The rules provide separate grants for fifty percent of the eligible costs of project development and project implementation. The project development grant is to complete a diagnostic study and implementation plan which meet the requirements defined in the rules. The project development activities identify the specific water quality problems and sources of pollution and the combination of best management practices, activities and protective measures that will be necessary to solve the identified problems. The project implementation grant is to install the best management practices and carry out educational and other activities identified in the implementation plan completed through the project development grant.

The rules also include the procedures and conditions for administration of the program. This includes the application requirements that provide the Agency with the information necessary to rank the projects in order of priority for funding. The rules spell out the criteria and procedures to be used by the Agency in ranking projects to receive funding, the allocation of funds between project development grants, project implementation grants and the continuation of ongoing projects.

The rules also identify costs that are eligible for reimbursement, requirements for contracts between the Agency and the project sponsor and procedures for reimbursement of grant eligible costs.

A.3. Budget

LCMR Funds

a. Amount Budget:

\$700,000

b. Balance

A.4. Timeline Objective A

- Notice Accepting Applications

- Application Period July through August 91

- May July through August 92

- Application Review and Selection

- Sept-Nov

* Review applications for eligibility and completeness - September

* Send copies of applications to LCMR * Project interviews

- September

* Project review and staff ranking

- September - October

* Project Coordination Team Ranking

- October - October

* PCA Admin review and Board briefing * Send project selection recommendation to LCMR

- October

* Final selection at Board meeting

- November - December - January

- Award Contracts - Local sponsors conduct projects

- January ->

* Prepare Work Plan and Monitoring Plan

* Prepare semi-annual reports

* Complete diagnostic study and implementation plan

A.5. Status: During a two year LCMR funded program acceleration period be MPCA held two Clean Water Intership application periods. During both application periods: the MPCA announced in July through the State Register and mailings to interested organizations that it would be accepting CWP grant applications; held application assistance meetings in August and September in Mankato, Brainerd and St. Paul, so potential applicants could get assistance completing their applications; held interviews with representatives of each project application to provide an opportunity to describe the proposed project and clarify information in the application; each application was reviewed and scored by MPCA staff and the Project Coordination Team in accordance with criteria in MN. Rules 7076; and the results of the ranking process were discussed with the MPCA Board Water Quality Committee and the Legislative Commission on Minnesota Resources.

Sixteen applications were received in the 91/92 application cycle. In January 1993 the MPCA Board awarded grants to three projects, consistent with LCMR recommendations. Sixteen applications were received in the 92/93 application cycle. In February, the MPCA Board awarded grants to seven projects consistent with LCMR recommendations. MN Environment and Natural Resources Trust Fund funds were used to award grants to three of the Phase II projects: 1) the Lambert Creek Improvement project in Ramsey County, 2) the Brown-Nicollet-Cottonwood Ground Water Protection Phase II in Brown, Nicollet and Cottonwood Counties and 3) the Lake Shaokatan Restoration Project in Lincoln County. Contracts have been executed with each of these projects, and initial work has begun including workplan development, information/education, engineering and project implementation. MPCA staff continue to provide technical assistance to these and the other 32 currently funded Clean Water Partnership projects.

- A.6. Benefits: The program combines the initiative, leadership and knowledge of of local governments with the financial resources of the state in a joint cooperative effort to restore or protect specific water resources within the local government's jurisdiction.
- IV. Evaluation: On an individual project basis evaluation will be based on the completion of the diagnostic study and implementation plan, which identifies realistic and reasonable goals and the plan of action to achieve those goals by the local project sponsor. On a longer term basis, it will be the water quality improvement as a result of a project, and the associated benefits.

V. CONTEXT

A. Since the program was established in 1987, 25 projects have been selected that total over \$4,264,000 of state and local effort. These projects represent a broad range of effort including: lake, stream, ground water, wellhead protection and wetland restoration projects from across the state. The CWP Program has received 81 applications through three application periods. There is a tremendous interest and demand for participation in this new and innovative program.

Sixty-six of the 81 counties outside the metropolitan area, plus watershed management organizations in the 7 metropolitan counties have completed, or are nearing completion of their local water plans. The Clean Water Partnership Program is an important mechanism to implement the initiatives identified in these local plans.

The MPCA provides technical and administrative support to these projects (this aspect is not funded by LCMR). Technical assistance with design of monitoring programs, computer modeling, data interpretation, selection of resource management options and selection, design and installation of best management practices is an important aspect of projects being completed successfully. Administration of the contracts, payments and other program support activities are also important to project success. Limited MPCA technical and administrative support for these projects may erode the partnership discouraging local units of government from working on or completing their projects.

- B. These funds will provide supplementary grant funds to fund additional projects.
- C. (See A. above).
- D. The FY 90-91 Biennial Budget for CWP grants was \$ 1,300,000.
- E. The FY 92-93 Biennial Budget

from across the state.

VI. Qualifications

- 1.a. Supervisor of Unit responsible for management of CWP projects b. Minnesota Pollution Control Agency, Water Quality Division
- 2.a. Staff, consultants, and contractors of Local units of government
- VII. Reporting Requirements: Semiannual status reports will be submitted not later than Jan. 1, 1992, July 1, 1992, Jan. 1 1993 and a final status report by June 30, 1993.

1991 RESEARCH PROJECT ABSTRACT FOR THE PERIOD ENDING JUNE 30, 1993

This project was supported by the MN Environment and Natural Resources Trust $\operatorname{\mathsf{Fund}}$

TITLE: Clean Water Partnership Grants to Local Units of Government

PROGRAM MANAGER: Gaylen Reetz

ORGANIZATION: MN Pollution Control Agency

LEGAL CITATION: M.L. 91 Ch. 254, Art. 1 Sec. 14 Subd.4(h)

APPROP. AMOUNT: \$ 700,000

STATEMENT OF OBJECTIVE

To provide grants to local units of government to solve surface and ground water quality problems resulting from nonpoint sources of pollution.

RESULTS

Three projects were selected to receive funding through CWP: 1) the Lambert Creek Improvement project in Ramsey County; 2) the Brown-Nicollet-Cottonwood Groundwater Implementation project in Brown, Nicollet and Cottonwood Counties and 3) the Lake Shaokatan Restoration Project in Lincoln County.

The Lambert Creek Improvement project focuses on the domestic water supply for St. Paul. The diagnostic study found that 40 percent of the nutrients in only 6 percent of the water inflows entering Vadnais Lake originated from the urban Lambert Creek watershed. Vadnais Lake has experienced severe eutrophication which, in turn, has generated taste and odor and trihalomethane precursor concerns for the St. Paul water users. Implementation actions include impoundment of three areas in conjunction with Ducks Unlimited and the U.S. Fish and Wildlife Service and, if necessary, the chemical treatment of sediments to enhance nutrient retention.

The Brown-Nicollet-Cottonwood Groundwater Implementation project goals are to reduce nitrate-nitrogen contamination of drinking water, to prevent contamination of drinking water in the future, and to increase public awareness of the linkage between land use practices, water quality and public health. A six year implementation phase is beginning with major emphasis on education, promotion of best management practices (especially nitrogen management), further assessment of agricultural and urban fertilization practices, water quality monitoring, and wellhead protection (city of St. Peter).

Lake Shaokatan has experienced severe eutrophication in recent years with symptoms including toxic blue-green algal blooms, anoxic waters, fish kills, and other measures of water quality decline. The Lake Shaokatan Restoration Implementation Project has defined specific watershed sources of excess nutrients which will be reduced by implementation of various management practices such as feedlot management, wetland restorations, and agricultural nutrient management. It is anticipated that the lake will respond quickly to the watershed implementation actions, given the hydrology of the watershed.

PROJECT RESULTS USE AND DISSEMINATION

The information from projects will be transferred to other local units of government so they can learn from the experiences of these and the other 32 Clean Water Partnership projects.