

MEETING DATE: September 27, 2018

TITLE: Approval of Minnetrista Local Water Management Plan

RES. NUMBER: 18-102

PREPARED BY: Renae Clark

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REVIEWED BY: Administrator Counsel Program Mgr.
 Board Committee Engineer Other

WORKSHOP ACTION:

Advance to Board mtg. Consent Agenda. Advance to Board meeting for discussion prior to action.

Refer to a future workshop (date): _____ Refer to taskforce or committee (date): _____

Return to staff for additional work. No further action requested.

Other: Requesting final action September 27, 2018

PURPOSE or ACTION REQUESTED:

Approval of the City of Minnetrista Local Water Management Plan (LWMP)

PROJECT/PROGRAM LOCATION:

City of Minnetrista

PROJECT TIMELINE:

June 16, 2017	Minnetrista LWMP first draft submitted to MCWD
August 15, 2017	MCWD denial letter sent
April 16, 2018	Minnetrista LWMP updated draft submitted to MCWD
June 12, 2018	MCWD provided additional comments on LWMP
July 10, 2018	MCWD provided additional comments to Minnetrista
August 8, 2018	MCWD and City meeting to discuss coordinated planning and LWMP requirements
September 14, 2018	Minnetrista provided updated LWMP

PAST BOARD ACTION:

August 20, 2009	MCWD approval of Minnetrista local water resources management plan (09-082)
January 11, 2018	Approval and adoption of MCWD Watershed Management Plan for the implementation period 2018-2027 (18-004)

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SUMMARY:

Background:

MN Statutes § 103B.235 and MN Rules § 8410.0160 grant watershed districts the authority to review and approve local water management plans (LWMPs). Under this framework, watershed districts can assign responsibilities to local government units (LGUs) for carrying out implementation actions defined in the watershed plan. The LWMP is a required element of the LGU comprehensive land use management plan which LGU's must adopt by the end of 2018.

The Minnehaha Creek Watershed District (MCWD or District) adopted its new Watershed Management Plan (Plan) in January 2018. The Plan is rooted in the District's Balanced Urban Ecology policy (BUE) as the principal strategy to accomplish its mission. The BUE policy recognizes the inter-dependence of the natural and built environment and that both benefit through a holistic planning approach. The BUE policy establishes the guiding principles of focus in areas of highest resource needs, flexibility to respond to emerging opportunities as a result of land use change in real time, and pursuing clean water goals in partnership with our communities.

The Plan establishes the District as a regional water planning agency. The Plan provides rationale for subwatershed-based planning and prioritization by which to focus implementation efforts for the 2018-2027 Plan cycle. The District has prioritized the subwatersheds of Minnehaha Creek, Six Mile Creek-Halsted Bay and Painter Creek based on a combination of resource needs and opportunities for management of some of the State's most prized recreational natural resources of Lake Minnetonka and Minnehaha Creek – including the Minneapolis Chain of Lakes.

In addition to these focused planning and implementation efforts, the District's approach watershed-wide is to remain responsive to opportunities created by local land use change or partner initiatives. The District's responsive approach relies on early and effective coordination by the District's communities to help identify opportunities to integrate plans and investments. As opportunities arise, the District will evaluate them against the resource needs and priorities defined for each subwatershed in the District's Plan and determine the appropriate response. The District has a wide range of services it can mobilize to address resource needs and support partner efforts, including data collection and diagnostics, technical and planning assistance, permitting assistance, education and capacity building, grants, and capital projects.

Integration of land use and water planning is the primary focus of the LWMP requirements set forth in the District's Plan. To effectively integrate the goals of MCWD and its LGUs in a way that maximizes community benefits and effectively leverages public funds, the District has invited a partnership framework with its communities. In addition to the legally required elements of LWMPs, as defined in State statute and rules, the MCWD Plan requires communities to propose a coordination plan which describes how the LGU and MCWD will share information and work together to integrate land use and water planning. Specifically, the purpose of a MCWD/LGU coordination plan is to:

1. Establish a framework to be informed as to current LGU land use and infrastructure planning and enable early coordination of land use and water resources management
2. Foster LGU development regulation that integrates water resource protection before plans are fixed
3. Identify and capitalize on project opportunities for improved water resources outcomes while maximizing other public and private goals

As established in the District's Plan, MCWD will prioritize implementation efforts and resource deployment based on its established priorities and LGU commitment to coordination. This commitment is demonstrated through the coordination plan and its implementation by the LGU.

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Minnetrista LWMP Summary:

The City of Minnetrista (City) has submitted its LWMP for MCWD review and approval. District staff reviewed the LWMP and provided detailed comments regarding the goals and requirements of the District's Plan for consideration and incorporation into the LWMP. The City has revised the LWMP to address the District's comments.

The City of Minnetrista is approximately 32 square miles located partially within the MCWD (20 square miles) and partially within Pioneer-Sarah Creek Watershed Management Commission. Minnetrista includes part of the following subwatersheds: Lake Minnetonka, Dutch Lake, Langdon Lake, Painter Creek, and Six Mile Creek-Halsted Bay. Major water bodies in MCWD partially or wholly within the City of Minnetrista include: Lake Minnetonka (Jennings Bay, Halsted Bay, Priest Bay, and Upper Lake), Dutch Lake, Mud Lake, Six Mile Marsh and Six Mile Creek, and Painter Creek. Of these waterbodies Jennings Bay, Halsted Bay and Dutch Lake are on the State's Impaired Waters List for excess nutrients and Painter Creek is listed for E.coli. Portions of Minnetrista also drain to additional impaired waters outside the City boundary within MCWD which include Forest Lake and West Arm (Lake Minnetonka), Langdon Lake, Parley Lake, and Stone Lake.

The District's Plan identifies resource protection through regulation, early coordination and integration with land use planning, and opportunity-driven stormwater management as primary strategies for protecting water quality in the Langdon Lake, Lake Minnetonka, and Dutch Lake subwatersheds.

According to the guiding principles of the Balanced Urban Ecology policy discussed above, the District will focus its implementation priorities in areas of highest resource need and then partner with others to pursue watershed management goals. The City of Minnetrista includes portions of the Painter Creek and Six Mile Creek-Halsted Bay subwatersheds which the MCWD plan has identified as priority areas of focus to address impaired bays within Lake Minnetonka by reducing external loading to the lake from these tributary subwatersheds. The Minnetrista LWMP acknowledges this partnership and opportunity-driven approach through identified proactive coordination of City planning and regulatory activities and through its recognition of the Six Mile Creek-Halsted Bay Subwatershed Partnership framework, including the specific implementation opportunities which have been identified.

As a required element of the LWMP, the City has developed a MCWD coordination plan which incorporates the current, collaborative planning and under which it has committed to the following additional collaboration:

- Annual meeting - City staff members will meet during the summer to review NPDES MS4 reports and activity from the previous year. Staff will also discuss draft Capital Improvement Plans for each entity for the upcoming year.
- Land use planning –The City will continue to join with its partners in the Six Mile Creek-Halsted Bay subwatershed in order to implement water resource priorities identified in the MCWD WMP. Additionally, specific land use changes on the horizon have been identified for early coordination
- The City has committed to include the MCWD early in project initiation to utilize technical planning assistance from MCWD and to look for opportunities to incorporate water quality improvements into otherwise non-water related projects.
- Regulatory coordination – The City will include the MCWD early on in City projects including holding pre-application meetings to discuss proposed project plans and will continue to refer developers to the MCWD early on in project planning. The City will also coordinate Wetland Conservation Act administration activities.
- Public Outreach and Education –The City will help promote the MCWD's educational workshops and events to private homeowners and developers and coordinate with the MCWD on other educational efforts when possible to avoid duplicating efforts.

- Technical assistance and funding –The City has identified MCWD as a potential funding partner to carry out activities within its CIP. The City understands that the process to align investments begins at the concept stage of project development and recognizes that in addition to a future competitive grant program, the MCWD may offer technical resources and planning assistance to assist the City in aligning public and private investments, providing value to its residents and the environment. In addition to leveraging MCWD technical and financial assistance, the City will support the MCWD as it pursues external funding resources to support capital project implementation within the City and the Six Mile Creek-Halstead Bay subwatershed.

The City has not proposed to acquire implementation authority for any MCWD water resource regulation and has proposed that the City retain Local Government Unit status for the Wetland Conservation Act.

The City's coordination plan is attached, and the full LWMP can be found at: <https://wsbeng.sharefile.com/d-sc8022d7263c4c03b>

Recommendation:

Staff has verified that the LWMP meets the requirements of Minnesota Statutes §103B.235, Minnesota Rules 8410.0160, and the MCWD Watershed Management Plan and recommends approval.

Attachments:

- Minnetrista Coordination Plan

RESOLUTION

RESOLUTION NUMBER: 18-102

TITLE: **Approval of Minnetrista Local Water Management Plan**

WHEREAS, on January 11, 2018, the MCWD adopted its Watershed Management Plan (WMP) pursuant to Minnesota Statutes §103B.231 and Minnesota Rules 8410, which describes how the MCWD will fulfill its responsibilities under the Metropolitan Surface Water Management Act for implementation over the period 2018-2027, and which is guided by the organizational strategy and approach defined through the Balanced Urban Ecology policy; and

WHEREAS, the Balanced Urban Ecology policy prioritizes partnership with the land use community to integrate policy, planning, and implementation in order to leverage the value created when built and natural systems are in harmony; and

WHEREAS, the Balanced Urban Ecology policy rests on the guiding principles of focusing in areas of highest resource needs, being flexible to respond to opportunities that arise through land use changes, and working in partnership to achieve the MCWD's goals; and

WHEREAS, on watershed district adoption of its WMP, cities and towns (local government units or LGUs) within the watershed must prepare local water management plans (LWMPs) that meet content requirements of Minnesota Statutes §103B.235, Minnesota Rules 8410.0160 and the WMP;

WHEREAS, the LWMP is a primary tool to provide a framework for increased early coordination of land use and water planning through the coordination plan that is a required component of the LWMP and the content of which is described in the WMP, Appendix A; and

WHEREAS, the MCWD will prioritize implementation efforts and resource deployment based on its established priorities and LGU commitment to coordination as demonstrated through the coordination plan and its implementation by the LGU; and

WHEREAS, the City of Minnetrista (City) has revised its LWMP and submitted it to the MCWD for review and approval; and

WHEREAS, MCWD staff reviewed the draft LWMP, provided detailed written comments on the LWMP, and thereafter worked with City staff to achieve the development of a proposed LWMP for consideration by the MCWD Board of Managers; and

WHEREAS, the Metropolitan Council has reviewed the LWMP and provided its written comments to the MCWD in a letter on April 30, 2018, and the MCWD has fully considered the comments; and

WHEREAS, the LWMP states that the City does not choose to exercise sole regulatory authority but, instead, wishes that the MCWD continue to require permits for the use and development of land, and otherwise exercise its regulatory authority, within the meaning of Minnesota Statutes §103B.211, subd. 1(a)(3); and

WHEREAS, the LWMP states that the City elects to continue to act as the Local Government Unit responsible to implement the Minnesota Wetland Conservation Act; and

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WHEREAS, the LWMP contains a coordination plan that meets the standards set forth in the MCWD WMP, Appendix A; and

WHEREAS, the MCWD has determined that the final revised LWMP meets the requirements of Minnesota Statutes § 103B.235, Minnesota Rules 8410.0160, and is consistent with the MCWD WMP including Appendix A, "Local Water Plan Requirements";

NOW, THEREFORE, BE IT RESOLVED, that the MCWD hereby approves the City of Minnetrista Local Surface Water Management Plan;

BE IT FURTHER RESOLVED, that the Board approves the associated coordination plan and adopts it on behalf of the MCWD;

BE IT FINALLY RESOLVED that the City is to adopt and implement its LWMP within 120 days, and to notify the MCWD within 30 days thereafter that it has done so.

Resolution Number 18-102 was moved by Manager _____, seconded by Manager _____.
Motion to adopt the resolution ___ ayes, ___ nays, ___ abstentions. Date: September 27, 2018.

Secretary Date: _____.

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CITY OF MINNETRISTA AND MINNEHAHA CREEK WATERSHED COORDINATION PLAN

Background

The MCWD has defined its role as a regional water planning agency through its Watershed Management Plan. The Watershed Management Plan focuses on partnership with the land use community and incorporates a subwatershed focus to address areas of significant resource needs with a level of complexity that requires sustained effort and coordination across multiple partners. Within the City, the MCWD has identified Six Mile Creek-Halstead Bay and Painter Creek subwatersheds as priority areas of focus for the 2018-2027 plan cycle. Degraded water quality and ecological integrity within these systems are driven by both historical land use and ongoing system stressors including invasive species, internal nutrient loading, and historic modification of the drainage system. In 2015, the MCWD Board of Managers officially adopted the Six Mile Creek-Halstead Bay subwatershed as a priority and convened a multi-jurisdictional partnership, of which the City is a participant, to work together to guide and prioritize planning and implementation efforts in this region.

Purpose

The MCWD's approach to water resource planning recognizes the environmental, social, and economic value created when built and natural systems work in harmony. Through its Watershed Management Plan the MCWD emphasizes early coordination of land use and water resources planning with cities to integrate water resources goals with other public and private goals to add this broader value and quality of life to the community. To maintain awareness of needs and opportunities to implement programs and projects that reflect the cooperation of other public and private partners, align investments, and secure a combined set of MCWD, City, and partner goals, the MCWD requests that cities establish a coordination plan as part of the Local Water Management Plan that the City and MCWD can implement at a staff level. Improving coordination between land use planning at the City and watershed planning at the MCWD at the conceptual level planning phase will result in better projects that meet agency goals and are a more efficient use of public funds. Early coordination and collaboration between entities is the key to maximizing shared water resource goals and community goals for private redevelopment and public capital improvements. Through this coordination, it is the intent of the City to efficiently manage water quality concerns and maximize the asset value of the City's natural resources in the future.

Coordination

The following is a coordination plan, which will be adjusted and expanded as deemed appropriate by the City and MCWD during project implementation.

- Annual meeting – City and MCWD staff will meet during the first quarter of each year to review the NPDES MS4 reports and activity from the previous year. Staff will also discuss draft CIP for each organization for the upcoming year. Opportunities for early coordination and review of land use change applications and regulatory coordination will also be reviewed to identify potential areas of collaboration.

- Land Use Planning – The City will continue to join with its partners in the Six Mile Creek-Halstead Bay subwatershed to implement water resource priorities identified in the MCWD Watershed Management Plan, align local plans and capital investment to identify opportunities where local investments intersect with natural resource goals, and endeavor to leverage external funding to implement the shared vision for the Six Mile Creek-Halstead Bay subwatershed. Implementation opportunities that the City and MCWD will endeavor to implement through on-going coordination and partnership include the Halstead Bay alum treatment facility and the Mud Lake watershed load reduction plan. Through on-going coordination of land use planning and changes the City and MCWD will adaptively evaluate project opportunities and assess them against the established goals of the partnership. Specific land use changes on the horizon identified for early coordination include the following:
 - Commercial development along Highway 7
 - Expansion of the Hunters Crest neighborhood
 - Build-out of Woodland Cove
 - Roadway and utility improvements throughout the Six Mile Creek-Halstead Bay subwatershed

The City's ten-year CIP is a flexible schedule of projects and public improvements that the City wishes to enact in the next ten years. The 2014-2027 CIP is the most recent version of the CIP and can be found in Appendix A of the 2040 Comprehensive Plan. The CIP is updated annually to ensure consistency of changing demands and funds available. Projects are prioritized by the current level of need for the project and available funds. The City will send the MCWD the CIP when it is updated and ask the MCWD for planning assistance and aid in finding funding sources to help finance the projects on the CIP. The City will send the MCWD any small area plans, major land use changes, or policy changes such as zoning and ordinance updates to receive feedback from the MCWD on how water quality treatment could be incorporated into these items. The City will include the MCWD early on in project initiation, even if projects are unfunded at the time, to utilize the technical planning assistance offered by the MCWD and to look for opportunities to incorporate water quality improvements into otherwise non-water related projects.

- Regulatory Coordination – City planning staff will endeavor to continue to route requests for land use approvals including but not limited to, subdivisions, site plan approvals, WCA applications, infrastructure improvements, and park improvements to the district at concept plan phase in an effort to maximize water resources benefits and streamline regulatory processes. Specific areas of regulatory coordination include the following:
 - Pre-application meetings and permit reviews coordinated with MCWD early in the planning process.
 - City assistance to support MCWD in construction site inspections and compliance.
 - MCWD will keep the City apprised of water resource violations and expectations for compliance.

- Coordination and notice from the City on WCA administration, applications, and decisions.
 - The City will require documentation of required MCWD permits in advance of issuing applicable City permits. Approved MCWD permits will be stored with other project documentation for future reference.
 - City road, infrastructure, facilities, and land improvements that require MCWD permits will be coordinated as part of the annual meeting and otherwise early in the CIP process so that the regulatory process may be efficient and integrated water and natural resource improvements may be explored.
 - The primary person responsible for regulatory coordination at the City is the Community Development Director David Abel, and the Permitting Program Manager at MCWD
- Public Outreach and Education - The City will continue to provide surface water management updates to the public through the annual newsletter, City mailings, and the City website. The City will meet with building contractors, developers, and/or excavators as needed to inform these professionals of stormwater related issues as appropriate. The City will encourage programs aimed at fostering responsible water quality management practices by its residents, including educating residents on the proper use of fertilizer and the importance of cleaning up after their pets. The City will help promote the MCWD's educational workshops and events to private homeowners and developers. The MCWD's educational workshops cover topics such as winter maintenance training, installing turf alternatives, and informational sessions on the Master Water Steward program. The City will coordinate with the MCWD on other educational efforts when possible to avoid duplicating efforts.
 - Aligning Planning and Investments - The City has identified MCWD as a potential funding partner to carry out activities within its CIP. The City understands that the process to align investments begins at the concept stage of project development and recognizes that in addition to a future competitive grant program, the MCWD may offer technical resources and planning assistance to assist the City in aligning public and private investments providing value to its residents and the environment. In addition to leveraging MCWD technical and financial assistance, the City will support the MCWD as it pursues external funding resources to support capital project implementation within the City and the Six Mile Creek-Halstead Bay subwatershed.
 - Communication – The primary contact person responsible for implementation of the coordination plan is the City Community Development Director at the City and the Policy Planning Manager at the MCWD.
 - Six Mile Creek-Halsted Bay Subwatershed Partnership - Beginning in 2015, MCWD convened all watershed agencies and formed the Six Mile Creek-Halsted Bay Subwatershed Partnership to develop a coordinated, multi-jurisdictional plan to address the complex water resources issues in this geography. The plan integrates natural resource improvements with other, non-water public investments including

parks and recreation, growth and development, and infrastructure investment. The goal of the plan is to not only improve water resource outcomes but identify areas where water resources improvements intersect with local planning priorities.

The City will continue to work with the MCWD on implementation of the shared vision for the Six Mile Creek Halsted Bay Subwatershed in the following areas:

CIP

The Six Mile Creek-Halsted Bay Subwatershed Plan identifies several specific implementation opportunities that the City and MCWD will endeavor to implement in partnership. These include:

- Halsted Bay Alum Treatment Facility: The City will work with the MCWD as it develops plans for the construction of an alum treatment facility adjacent to Six Mile Marsh to treat upstream phosphorus loading to Halsted Bay of Lake Minnetonka, as well as coordinate on the long-term plans to restore the upstream Parley-Mud drainage area.
- Mud Lake Watershed Load Reductions: The MCWD worked with the Cities of Minnetrista and St. Bonifacius in 2015 and 2016 to evaluate watershed loads in the Mud Lake Subwatershed, as substantial phosphorus source to Lake Minnetonka. The study identified a series of wetland restorations, regional treatment options, and enhancements to existing stormwater facilities to improve downstream water quality.

Integrated Planning

The City will continue to play a large role in working with the MCWD to identify opportunities for coordinated implementation on an ongoing basis. The partnership will routinely reengage to:

- Adaptively evaluate capital project opportunities and assess them against the established goals of the Partnership;
- Align local plans and initiatives with the goals of the MCWD and the Partnership, including local surface water plans, comprehensive plans, and area plans;
- Coordinate on non-MCWD capital improvements such as transportation projects, new development, and utility updates to pro-actively identify opportunities to layer in water quality and natural resource benefit; and
- Support the MCWD as it pursues external funding resources to support capital project implementation.