

MEMORANDUM
Comfort Lake-Forest Lake Watershed District

To: Lower St. Croix Steering Committee **Date:** June 29, 2022
From: Comfort Lake-Forest Lake Watershed District Staff
Subject: Consideration of WBIF Grant Allocations

Background

At its June 22nd meeting, the Steering Committee considered two Watershed Based Implementation Funding requests from Lower St. Croix partners: Comfort Lake-Forest Lake Watershed District’s Sunrise River/Tax Forfeit Wetland Restoration and South Washington Watershed District’s Trout Brook Project. Both projects result in significant phosphorus reductions to priority waterbodies identified in the LSC Comprehensive Plan, as well as multiple additional benefits. Other than a forthcoming wetland project from Pine SWCD, there are no other projects of this magnitude identified for LSC WBIF at this time.

There was discussion at the June 22nd Steering Committee meeting about ranking projects according to their direct benefit to the St. Croix River. If the Partnership would like to change its scoring criteria to focus primarily on phosphorus reduction to the St. Croix River, it should apply that reasoning uniformly. At its May 25th meeting, the Steering Committee approved funding for three projects that did not demonstrate a measurable nutrient reduction to the St. Croix River (see page 2). If project priorities were to change, an amendment to the Comprehensive Watershed Management Plan would be appropriate, given that priority waterbodies are detailed in the CWMP.

Under its current project ranking criteria, it is possible for the Partnership to fully fund both requests so that both of these highly beneficial projects can move forward. The Sunrise River Wetland Restoration requires frozen conditions for construction, and therefore won’t be able to wait until the FY23 Clean Water Fund competitive grants are awarded. CLFLWD will leverage additional funds through an existing CWF grant, a federal 319 grant, and its local levy, but these sources are not enough to fully fund the project.

Given the timing of the Trout Brook Project’s main construction (spring 2023, after ski season), it is possible for SWWD to obtain additional funding from the FY23 Clean Water Fund competitive grant program (awards expected to be available by March/April 2023) and/or funding from the MN Department of Natural Resources (this project is located on MNDNR-owned state park land) and/or funding from Vail Resorts (the project is also on Afton Ski Area property).

Project Scoring

The LSC Partnership has an approved Comprehensive Watershed Management Plan that outlines priority waterbodies (Tables [5-2](#) and [5-3](#)) and a method for scoring ag/urban projects ([Appendix C](#)). The Partnership also has approved scoring criteria for [wetland restoration projects](#). Additionally, at past meetings, some partners have expressed a desire to not focus too narrowly on phosphorus reductions, but to consider projects that have multiple benefits; the scoring matrices factor in multiple benefits.

1. SWWD Trout Brook: requested \$350,000; project results in 177 lb/yr P reduction to Trout Brook, a tributary of the St. Croix River, a LSC CWMP priority watercourse. Appendix C scoring matrix: 25 points. Multiple benefits to trout habitat are described in project request.

MEMORANDUM

Comfort Lake-Forest Lake Watershed District

2. CLFLWD Sunrise River: requested \$300,449; project results in 81 lb/yr P reduction to Sunrise River, a LSC CWMP priority watercourse. Given that this project addresses stream impairment to a priority watercourse, CLFLWD scored it with Appendix C scoring matrix: 26 points. Wetland scoring matrix: 69 points. Multiple benefits to wetland habitat and groundwater are described in project request.

At its May 25th meeting, the Steering Committee approved funding for three projects that did not demonstrate a measurable nutrient reduction to the St. Croix River. Two of the projects demonstrated measurable nutrient reductions to other priority waterbodies identified in the CWMP.

1. CMSCWD Goose Lake Wetland Restoration: approved \$10,000; project results in 20 lb/yr P reduction to Goose Lake, which is not identified as a priority lake in the LSC CWMP. The project is not located in a priority wetland restoration area, per the CWMP Figure [5-5](#).
2. CMSCWD Big Marine Boat Launch: approved \$10,000; project results in 1.1 lb/yr P reduction to Big Marine Lake, a LSC CWMP priority lake.
3. Pine SWCD Hinze WASCOD: approved \$8,476; project results in 20 lb/yr P reduction to Rock Lake, a LSC CWMP priority lake.

Recommended Action

CLFLWD staff recommends the Partnership fully fund both requests by spanning both FY21 and FY23 WBIF grants, if necessary, after FY23 CWF competitive awards are announced.

The Partnership has an opportunity to help implement two shovel-ready projects that have both ranked highly according to the approved scoring criteria. CLFLWD staff recommends that the Partnership not pass up this opportunity, especially considering that this scenario still leaves a significant amount of funding available for future, yet unidentified, projects.

1. Recommend to the Policy Committee a FY21 WBIF award to SWWD for the Trout Brook fall construction costs (e.g., tree work). **This would necessitate SWWD to give an estimate for the cost of the fall construction work alone.**
2. Recommend to the Policy Committee a FY21 WBIF award to CLFLWD for the Sunrise River Wetland Project in the amount of \$300,449.
3. Recommend SWWD apply to the FY23 CWF competitive program to leverage more funding for Trout Brook spring construction. Awards are generally announced in December. If the project does not win the grant, we recommend SWWD come back to the LSC with a request to fund the spring construction with the FY23 WBIF grant.

Attached: Recommended Budget Scenario

ATTACHMENT - RECOMMENDED FUNDING SCENARIO
CLFLWD and SWWD Projects

Project	Requested Grant \$	FY21			FY23			Total Recommended Award
		FY21 Remaining Grant Budget	Recommended FY21 Award	Balance After Rec Award	FY23 Preliminary Targeting/CIP Budget	Recommended FY23 Award	Balance After Rec Award	
CLFLWD Sunrise Wetland	\$300,449.00		\$300,449.00			\$0.00		\$300,449.00
SWWD Trout Brook - Fall Construction	\$350,000.00		\$100,000.00			\$0.00		\$350,000.00
SWWD Trout Brook - Spring Construction			\$0.00			\$250,000.00		
TOTAL	\$650,449.00	\$431,368.69	\$400,449.00	\$30,919.69	\$683,829.00	\$250,000.00	\$433,829.00	\$650,449.00
Comments		Remaining unencumbered \$ amt per Craig Mell's 6/22/22 email. Current unencumbered balance minus anticipated encumbrances (Pine SWCD 2nd wetland restoration request, A8 Targeting Analyses, A10 Adm/Coord)	\$100K is a placeholder. Request that SWWD provide estimate for fall construction	Balance remaining for additional FY21 WBIF projects	Per Tom Dietrich's 6/22/22 convene meeting presentation	\$250K is a placeholder. Request that SWWD provide estimate for spring construction. May not be necessary to fund if SWWD can obtain FY23 CWF competitive grant	Balance remaining for additional FY23 WBIF projects	Fully fund both requests by spanning FY21 and FY23 grants and seeking competitive grant awards when feasible.