

# E Environment Committee

Meeting date: February 8, 2011

For the Metropolitan Council Meeting of February 9, 2011

## ADVISORY INFORMATION

**Date:** January 18, 2011

**Subject:** Municipal I/I Grant Program Guideline Changes

**District(s), Member(s):** All

**Policy/Legal Reference:** 2010 MN Bonding Bill Subd. 3 "Metropolitan Cities inflow and Infiltration Grants", Council Policy 3-3-1 (Grant/Loan Approval) and Water Resource Management Policy Plan

**Staff Prepared/Presented:** Jason Willett 651-602-1196

**Division/Department:** MCES c/o William G. Moore 651-602-1162

## Proposed Action

That the Metropolitan Council approves changes to the guidelines for the municipal publicly-owned infrastructure infiltration/inflow grant program and program guidelines.

## Background

Metro Cities championed inclusion of a \$3 million grant program in the 2010 bonding bill for the purpose of providing grants to municipalities for capital improvements to public infrastructure to reduce I/I.

The Metropolitan Council approved guidelines for the Metropolitan Cities Inflow and Infiltration Grants program in June 2010. At a meeting at Metro Cities on January 18, 2011, grant applicants suggested changes to the program to give them an opportunity to appeal/revise their eligible project amounts and allocate the remaining grant funds.

## Rationale

The state appropriation of the money requires that the Council adopt program guidelines. Through Metro Cities, applicants have requested changes in the program.

## Funding

The \$3 million grant program was included in the 2010 state bonding bill. The funding is available now but will be disbursed by the state to the Council only on a reimbursement basis. The Council's guidelines provide funding to the municipalities also on a reimbursement basis. Therefore the Council will only incur a small amount of interest expense (after reimbursing the municipalities and before getting reimbursed by the state); this small expense will be taken from wastewater fund earnings.

**Known Support / Opposition** There is no known opposition to the I/I Municipal Grant Program or the proposed guideline changes.

## **Municipal Publicly-Owned Infrastructure Inflow/Infiltration Grants**

### **Proposed Changes to Council Guidelines**

1. Allow applicants to revise their applications for a short period now, i.e. substitute other projects or add additional work, so long as the total grant amount is unchanged.
2. Extend the end date for grant eligible expenses on projects from June 30, 2012 to September 30, 2012.
3. Once any appeals and opt outs are final, if additional funds remains un-awarded from the \$3 million, staff will do a minor additional solicitation so applicants can increase their grant amounts (some have said they have additional eligible work for which they did not yet apply). These additional solicitations will continue all the same program requirements, except that the allocation percent will simply be the amount left available divided by the eligible expenses submitted in round 2 (but limited by law to 50% maximum grant). As an example, if \$200k remains un-awarded in the appropriation and additional eligible expenses that equate to \$500,000 are proposed, each would get a 40% grant on these newly proposed expenses.

# METRO CITIES

Association of Metropolitan Municipalities

January 25, 2011

Mr. Jason Willett  
Finance Director  
MCES  
390 North Robert Street  
Saint Paul, MN 55103

Dear Jason:

Thank you for meeting with city officials and Metro Cities staff last week to discuss the status of the inflow and infiltration grant program. We appreciated your time, and the opportunity to provide feedback regarding the program. This is an important program, and one we all want to make sure is a success for communities.

To that end, Metro Cities respectfully requests that the Met Council consider changes to the program as follows, based on the suggestions and discussion from our meeting:

1. To allow cities to revise their applications, by, for example, substituting other projects, or adding additional work, as part of the appeal process, with the total grant amount remaining the same as originally determined.
2. Extend the end date for grant eligible expenses on projects from June 30, 2012 to September 30, 2012.
3. If additional funds remain after the grants are awarded, to undertake a second solicitation using the same eligibility requirements, with the exception that the allocation would be based on the amount available in the program, divided by eligible expenses, up to 50%.

Thank you for your consideration of these recommendations. We appreciate the work of you and your staff on the implementation of the I/I grant program, and look forward to continuing to work with you on these important issues.

Please feel free to contact me with any questions.

Sincerely,

  
Patricia A. Nauman  
Executive Director

## **Mulcahy, Joe**

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**From:** Bob Cockriel [rcockriel@ci.bloomington.mn.us]  
**Sent:** Thursday, January 27, 2011 9:26 AM  
**To:** Willett, Jason; Mulcahy, Joe  
**Subject:** Re: Municipal I&I Grant Time Changes  
**Attachments:** MHs In 2010 PMP Areas.pdf

Jason and Joe, I am writing this email to you asking for consideration for an amendment to the City of Bloomington's I & I Grant application. When the City originally applied for the I & I Grant, it was with the understanding that the remediation work would be done in the 2011 construction season, and not for eligible work done prior to the Grant application deadline of December, 2010.

After attending the I & I Grant meeting hosted by MCES on January 18th, 2011, I asked our Utilities Engineer to look back at the work the City contracted for in 2010, that was done after July 1, 2010, to see if any of the work met the stated criteria for I & I removal/reduction, per the application. Attached is a spreadsheet which contains those items, and the contract costs, for I & I remediation work done under City contract after July 1, 2010.

I am willing to provide any level of detail to support the work highlighted in the attached spreadsheet to further clarify this request. Please let me know if this email suffices for an "official" amendment request to the City's original grant application. Thank you in advance for your consideration to this request. I can be reached using the contact information below.



CITY OF  
**BLOOMINGTON**  
MINNESOTA

Robert J. Cockriel | Utilities Superintendent  
1700 W 98<sup>th</sup> St. | Bloomington, MN 55431  
952-563-8774 | 952-563-8770 (fax)  
[rcockriel@ci.bloomington.mn.us](mailto:rcockriel@ci.bloomington.mn.us)

>>> On 1/19/2011 at 1:55 PM, in message

<[D2F8DD1CA144447AC3C0AE61A530CA501212FCEE2B1@EXCHMB1.mc.local](mailto:D2F8DD1CA144447AC3C0AE61A530CA501212FCEE2B1@EXCHMB1.mc.local)>, "Mulcahy, Joe"

<[joe.mulcahy@metc.state.mn.us](mailto:joe.mulcahy@metc.state.mn.us)> wrote:

I & I Grant Applicants,

At a meeting at Metro Cities yesterday, several cities asked for more time to appeal the eligible amount. We decided to extend the deadline to appeal the eligible amount to January 31, and the opt out period to February 15<sup>th</sup>.

If you wish to appeal the eligible amount, you may ask for a review by writing to:

Jason Willett  
390 Robert Street North  
St. Paul, MN 55101-1805

or emailing at

[jason.willett@metc.state.mn.us](mailto:jason.willett@metc.state.mn.us)

Appeals could affect everyone's grant amount. When we have finished all the appeals I will send an email to each applicant with their proposed grant amount, and ask them to verify that they want to participate. Applicants will then have until February 15, 2011 to decide to participate or to opt out. If you have any questions please call me.

Thanks, and sorry for the confusion.

**Joe Mulcahy**  
Grant Coordinator  
(651) 602-1104 Fax: 602-1130  
joe.mulcahy@metc.state.mn.us