

# E Environment Committee

Item: 2009-245

For the Metropolitan Council meeting of July 22, 2009

## ADVISORY INFORMATION

**Date Prepared:** June 15, 2009

**Subject:** Authorization to Submit Phosphorus Reduction Grant Applications to the Public Facilities Authority (PFA), Resolution No. 2009-12

### **Proposed Action:**

That the Metropolitan Council approve the attached Resolution 2009-12 to authorize the Regional Administrator to submit phosphorus reduction grant applications to, and to execute any resulting grant agreements with, the Minnesota Public Facilities Authority (PFA).

### **Summary of Committee Discussion / Questions:**

Council Member Wittsack wanted to know what the timeline is for approval of the grants. Staff responded that communities will have until May 2010 for projects to be certified by Minnesota Pollution Control Agency to qualify and receive the funds.

Council Member Leppik asked about the underlying purpose of the grants. Staff explained that the state has increased the regulation for phosphorus reduction statewide; it's quite expensive, and it may be the intent of the grants to assist communities to afford the cost.

Council Member Wulff asked what awards were made in 2006. Staff answered that the Council did not receive grants in 2006. Staff identified those awarded in 2006 as Annandale/Maple Lake, LeSeuer/Henderson, Princeton, Red Wing, Lester Prairie, Menahga, Harris.

Council Member Wulff asked about the chances of the metro area receiving any priority in this grant round. Staff said there's a chance that we might get some at some point, as PFA follows rules about who gets the grants. It's more likely if this program continues to get funding from the legislature in the future. Staff said future requirements to further reduce phosphorous levels are already being discussed and at that point the Council would want to request much more substantial funding assistance.

**E Environmental Committee  
Meeting date: July 14, 2009**

**For Metropolitan Council Meeting July 22, 2009**

<b>ADVISORY INFORMATION</b>	
<b>Date:</b>	July 7, 2009
<b>Subject:</b>	Authorization to Submit Phosphorus Reduction Grant Applications to the Public Facilities Authority (PFA), Resolution No. 2009-12
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	Minn. Stat. 446A.074; Council Policy 3-1-1 and 3-2-2
<b>Staff Prepared/Presented:</b>	Jason Willett, MCES Finance Director (651-602-1196) Kay Dawson, MCES Budget Manager (651-602-1020)
<b>Division/Department:</b>	MCES, William G. Moore, MCES General Manager (651-602-1162)

**Proposed Action**

That the Metropolitan Council approve the attached Resolution 2009-12 to authorize the Regional Administrator to submit phosphorus reduction grant applications to, and to execute any resulting grant agreements with, the Minnesota Public Facilities Authority (PFA).

**Background**

The Council has two projects already approved and underway to reduce phosphorus which qualify under the grant criteria: Blue Lake Plant Improvements (Project #8018) and the Seneca Disinfection & Phosphorus (Project #8019). Any grant funds awarded to the Council would reduce the debt service on these projects, reducing future increases in both the Wastewater Service Charge to current customers and Service Availability Charge (SAC) for new development.

**Rationale**

PFA Grant Applications require a Council resolution.

**Funding**

Voters passed the Clean Water, Land and Legacy Amendment in November 2008, to dedicate incremental sales tax, including a projected \$80 million per year to the Clean Water Fund, to protect, enhance and restore Minnesota water quality. The Phosphorus Reduction Grants program, managed by the PFA, is one of the recipients of these funds, for the state's fiscal year 2010. Grants up to \$500,000 will be awarded by the PFA to governmental units for up to 75% of the eligible capital costs for phosphorus treatment. The total amount to be awarded state-wide will be \$4,125,000.

**Known Support / Opposition**

None.

Metropolitan Council

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RESOLUTION NO. 2009-12

AUTHORIZING THE METROPOLITAN COUNCIL (COUNCIL) TO SUBMIT PHOSPHORUS REDUCTION GRANT APPLICATIONS TO THE MINNESOTA PUBLIC FACILITIES AUTHORITY (PFA) AND TO AUTHORIZE COUNCIL OFFICIALS TO EXECUTE GRANT AGREEMENTS

WHEREAS, under the provisions contained in Minnesota Laws 2006, Chapter 251, Section 14, the 2006 Legislature created the Clean Water Legacy Phosphorus Reduction Grant Program and appropriated funds;

WHEREAS, the COUNCIL has two wastewater treatment plant projects that include phosphorus reduction and will qualify for the grant, the *Blue Lake Plant Improvements* project and the *Seneca Disinfection and Phosphorus* project; and

WHEREAS, these two projects may be eligible for grants up to \$500,000 each.

BE IT RESOLVED that the COUNCIL has the legal authority to apply for the grants, and the financial, technical, and managerial capacity to ensure proper construction, operation and maintenance of the projects for their design lives.

BE IT FURTHER RESOLVED, that upon approval of its application by the PFA, the COUNCIL may enter into agreement(s) with the PFA for the above referenced projects, and that COUNCIL certifies that it will comply with all applicable laws and regulations as stated in all contract agreements described in the Compliance listing of the grant application.

NOW, THEREFORE BE IT FURTHER RESOLVED, that the COUNCIL's Regional Administrator, or successor in office, is hereby authorized to execute such agreements, and amendments thereto, as are necessary to implement the Phosphorus Reduction project(s) on behalf of the COUNCIL.

I CERTIFY THAT the above resolution was adopted by the COUNCIL on July 22, 2009.

SIGNED:

WITNESSED:

\_\_\_\_\_  
Peter Bell, Chair

\_\_\_\_\_  
Pat Curtiss, Recording Secretary

Date: \_\_\_\_\_

Date: \_\_\_\_\_

The COUNCIL has no S E A L