

E Environment Committee
Meeting date: November 10, 2009

ADVISORY INFORMATION	
Date:	November 4, 2009
Subject:	Authorization for Additional Inflow/Infiltration (I/I) Grant Program Funding and Program Modification
District(s), Member(s):	All
Policy/Legal Reference:	Water Resource Management Policy Plan (re: I/I) and Administrative Policy 3-31 (re: grants)
Staff Prepared/Presented:	Jason Willett 651-602-1196
Division/Department:	MCES/Finance

Proposed Action

That the Metropolitan Council authorizes additional Inflow/Infiltration (I/I) grant funding for municipalities from the remaining funds in the ES grant funds, and modification of program.

Background

This program provided reimbursement to cities to pass through to non-municipal parties that fixed foundation drains or private service lines to mitigate I/I that gets into municipal and consequently metropolitan sewer systems. Private parties were granted reimbursements for up to \$2000 or 50% of projects costs, whichever was lesser. In addition, one municipality matched the Council funding. Council costs were funded with \$700,000 that was returned or undisbursed grant monies from prior non-point source grant programs.

The offer made clear to the municipalities that once the authorized \$700,000 was exhausted that the program would end and further that in the last month only partial reimbursement would be made for eligible costs. The service line reimbursements were popular and the \$700,000 was exhausted in May of 2009. As anticipated, only partial funding was available in May – 57% of the grant funds requested and eligible were paid.

Unfortunately, because of the surge of the service line work in the spring, there were a number of parties that expected partial grant reimbursement and committed to the work prior to the funding being exhausted. Their work was not completed by May (mostly because of contractor backlog) and so they did not qualify for any reimbursement.

The proposed modification of the program is to reimburse municipalities (for pass through to property owners) for a portion of those eligible costs for which 1) a municipal official will certify that the eligible work was committed prior to the end of May, 2) the work was subsequently completed and 3) these facts can be verified by the Council's auditor. The portion to be reimbursed is proposed to be the same 57% that was reimbursed for similar work completed in May, or a lesser percentage to be determined by the total amount eligible by the original rules divided by the amount available in these grant funds. At 57%, based on an informal survey of the communities, the total reported was expected to be \$100,000 to \$200,000 – however, with these documentation requirements it may be less.

Rationale

The I/I mitigation work was done in good faith by the private parties and they reasonably anticipated getting some grant funding. The work benefits both the municipal and metropolitan sewer systems by helping to avoid building unneeded capacity in the future.

Funding

About \$150,000 of additional funds are available in the ES grant funds from unspent non-point grant funds (this is the same source as the original \$700,000 for these grants).

Known Support / Opposition

Four communities were actively getting I/I grants in May and thus would likely support this additional funding. Use of regional funds for specific communities could engender some opposition but this is a minor use and provides good will and the work provided good results for the public benefit.