

Vermillion River Watershed Joint Powers Organization (VRWJPO) Implementation Project Funding Policy

The implementation section of the 2016-2025 Draft Vermillion River Watershed Management Plan (Watershed Plan) outlines many capital improvements using VRWJPO funding, grants, and partnerships to restore or protect the watershed's natural resources. Partnerships will be pursued to the extent possible, which lessens the financial burden to the VRWJPO when implementing projects of mutual interest with partners. While partnerships typically allow for benefits to accrue for all those involved, the VRWJPO recognizes its primary role in protection and improvement of water resources and will lead certain implementation efforts to accomplish the goals identified in the Watershed Plan.

VRWJPO funding will be used to implement projects that provide watershed-wide benefits. The VRWJPO's use of its funding will focus primarily on projects identified in the implementation section of the Watershed Plan. Projects not specifically identified within the implementation plan that meet the watershed's goals or are consistent with the type of projects identified within the implementation plan and provide some level of watershed-wide benefit may also be eligible for VRWJPO funding.

Eligibility

Partnerships considered under this policy include:

- Governmental agencies
- Schools
- Non-profit organizations
- Faith-based or religious organizations
- Businesses and corporations
- Private property owners supporting projects specifically within the VRWJPO

Implementation Project Funding Participation

The VRWJPO's implementation project funding policy provides guidance regarding the distribution of costs between the VRWJPO and its potential partners for various watershed management efforts within the Vermillion River Watershed. The policy reflects a presumed level of watershed benefit and local benefit accruing from various types of projects, based on the VRWJPO's priorities for improvement identified in this policy. The VRWJPO will base its participation in a particular proposed project on an evaluation of factors, including:

- Available funding
- Watershed benefit
- Watershed priority
- Project feasibility
- Project cost
- Partner contributions

Existing Partnerships and Project Funding Limits

The VRWJPO partners with Dakota County Soil and Water Conservation District (SWCD) and Scott SWCD to distribute a portion of the VRWJPO's Capital Improvement Program funding in the form of technical assistance and cost share to stakeholders within the watershed who wish to implement projects. The VRWJPO anticipates continuing this successful partnership throughout the life of the 2016-2025 Vermillion River Watershed Management Plan.

The scale of projects implemented independently by the SWCDs and the VRWJPO differs due to the capacity of each organization. As a result, the VRWJPO will provide funding to design and construct projects where the anticipated funding from the VRWJPO would be greater than or equal to \$50,000,

but not more than \$250,000. For projects that are anticipated to cost less than \$50,000, the VRWJPO encourages stakeholders to contact the SWCDs directly for technical and financial assistance.

Watershed Benefit

Watershed benefit is defined as achieving, in whole or part, a high-priority watershed need as described in this policy. Watershed needs have been identified by data collection, studies, and planning efforts that have enabled staff to prioritize and recommend to the Vermillion River Watershed Joint Powers Board (VRWJPB) where projects are most needed to improve watershed conditions. The VRWJPO's policy is that any project not included under this policy is solely of local benefit and should be funded by the benefiting party(ies). Routine maintenance, required mitigation, land acquisition, and storm drainage system construction are generally of local benefit, except and unless those activities are an integral component of a project previously defined as a watershed priority need and inclusion of those items is approved by the VRWJPB.

Priorities for Improvement

The VRWJPO's primary priorities for improvement are projects that are determined to be of watershed-wide benefit. Those primary priorities include:

- Projects identified within the Vermillion River Watershed Restoration and Protection Strategy (WRAPS), where the VRWJPO is identified as the governmental unit with primary responsibility.

The VRWJPO's secondary priorities for improvement are projects that are determined to be of at least moderate watershed-wide benefit. With the exception of those potential projects already identified within the WRAPS mentioned above, secondary priorities include:

- Reduction of water volume reaching the Vermillion River, primarily from tributaries (North Creek, Middle Creek, South Creek, and South Branch), lakes, or wetlands, unless water volume is required to maintain natural hydrology of these resources. Areas of priority are urbanized areas where stormwater is currently untreated, subwatersheds where soil types limit the ability to reduce volume via infiltration, and agricultural areas where artificial drainage, ditching and drain tile, exist. Where infiltration is not feasible, filtration projects will be considered as an acceptable practice.
- Restoring or improving streambank vegetation.
- Restoring or improving riparian vegetation within buffer zones, as identified in the VRWJPO Standards, which do not fall under a conservation easement or dedicated outlot.
- Correcting existing erosion problems in the main stem and its primary tributaries.
- Preserving and improving habitat and suitable stream conditions in those portions of the main stem and its primary tributaries designated by the Minnesota Pollution Control Agency (MPCA) as Class 2A, cold-water streams, through in-stream actions and actions throughout the watershed (e.g., thermal protection measures).
- Addressing surface water impacts on water supply aquifers.
- Addressing impacts to surface waters from groundwater withdrawals.
- Reducing E. coli bacteria in the Vermillion River or its tributaries.

The VRWJPO's tertiary priorities for improvement are projects that are determined to be of low watershed-wide benefit. Excluding potential projects identified within the WRAPS, tertiary priorities include:

- Lake or pond chemical treatments (i.e. treatment with alum or ferric chloride) when other alternatives have been exhausted or when these projects are identified as a cost-effective method of achieving a water quality goal when considered against other alternatives.
- Addressing non-Total Maximum Daily Load (TMDL) water quality concerns.
- Preserving and improving habitat and suitable stream conditions in those portions of the main stem and its primary tributaries considered by the MPCA as Class 2B, warm-water streams, through in-stream actions and actions throughout the watershed.

These priorities may be amended by the VRWJPB from time to time throughout the 10-year Watershed Plan implementation period as more information about water resources is learned.

Funding Guidelines

For those projects listed in this policy as being of primary, secondary, or tertiary priority for improvement, the following tables illustrate the maximum amount of funding that the VRWJPO will provide for the cost of study, analysis, design, construction, or implementation of projects. The funding available differs for those projects that occur either on public property, or within DNR public waters versus those projects that occur on private property. For projects on private property, a requirement of funding includes execution of any required easements as well as a 10-year maintenance agreement.

VRWJPO Priority for Improvement	Project Funding on Public Property or within DNR Public Waters*	Project Funding on Private Property*
Primary	100%	75%
Secondary	75%	50%
Tertiary	50%	25%

*Percentages indicates the maximum potential amount of funding to be contributed by the VRWJPO

Partner Contributions

Partner contributions can include cash or in-kind support including: project engineering/design/planning, labor, project materials, or land acquisition, if the acquisition is an essential component for project implementation.

Reservation of Authority

By agreement of a majority of its members, the VRWJPB may choose to participate in the cost of other projects not identified or contemplated in this policy, or may adjust the level of VRWJPO funding for a specific project.