

City of Minneapolis: Water Resources Policy Plan Comments, March 2015

Integration of Surface Water Management, Water Supply, and Wastewater Services

We applaud the Metropolitan Council's efforts to integrate surface water management, water supply, and wastewater services into one cohesive policy document. While the Council has varying levels of responsibility for each of these functions, we agree that there is regional benefit to coordinated water policies and strategies.

Water Resources and Regional Growth

While the integration of the council's varying roles in water resources is a positive development, the draft plan lacks a clear connection to the growth policies outlined in Thrive MSP 2040 and the other three policy plans adopted by the Metropolitan Council in 2014 – The Transportation Policy Plan, The Parks and Open Space Policy Plan, and the Housing Policy Plan. The City of Minneapolis encourages the Metropolitan Council to draw that clear connection between this document and the Thrive 2040.

In the comments made by the City of Minneapolis on Thrive MSP 2040, we asked that the Metropolitan Council rethink its population and employment projections to better match the forward-thinking growth policies in the plan. Given that the City of Minneapolis issued 25% of the region's building permits over the past five years, we questioned the assumption that the region will continue to decentralize in the manner projected in Thrive. We said then, and continue to believe, that we have entered into a new urban era – one driven by preferences for amenity rich urban neighborhoods and informed by the values embedded in current best practices like compact development, green infrastructure, car and bike sharing, pedestrian accessibility and transit. The Water Resources Policy Plan should reflect this new urban era.

In its current form, the draft Water Resources Policy Plan appears to position the Metropolitan Council to accommodate continued decentralization through expanded regional wastewater treatment services. While the current round of regional policy plans does not show an expanded urban service area, both the near-term capital improvement program and the post-2040 wastewater system plan continue to show growth in the wastewater treatment system. The plan does not consider or make clear the regional trade-offs associated with such expansion and development patterns, including impacts to the Council's other systems. The City of Minneapolis recommends that the Metropolitan Council conduct an analysis of what the most efficient way to develop and serve the region's wastewater needs in relation to the intended growth pattern. For instance, it would be useful to know what would happen if a higher share of the region's growth took place in the core cities. How would that impact the need for investment in the region? How would that influence the near term capital improvement program?

Equity

The City welcomes the region's policy focus on equity, including guidance related to Racially Concentrated Areas of Poverty (RCAP) and Areas of Concentrated Poverty (ACP). The Metropolitan

Council has included equity as a focus of each of the other regional policy plans. However, the Water Resources Policy Plan highlights equal access to wastewaters systems, uniform maintenance, and uniform rates as evidence that the draft water resources policies achieve equity. This confuses *equity* with *equality*, and ignores that some areas have unique challenges and need additional attention. Consistent with its other policy plans, the Council should consider how water resources relate to racial equity objectives.

Sewer Availability Charge

Chief among the Metropolitan Council's policies of uniformity is the Sewer Availability Charge, or SAC. Again, this policy is based on equality, not equity. The differential between the cost of providing service in existing urban systems versus the cost of developing service in suburban and rural areas means that the urban areas are carrying a greater proportion of the system's overall costs. In effect, highly urbanized areas are subsidizing those areas that are less urbanized. In addition, there are unanswered questions of equity in this policy of a flat rate. The City of Minneapolis recommends that the Metropolitan Council consider this inequity, conduct analysis that examines it in relation to the regional growth policies, and reconsider the policy of uniformity in SAC charges.

Reforming SAC has been the subject of regional conversation for years, but is conspicuously absent from the Metropolitan Council's draft Water Resources Policy Plan. It would be helpful for this overarching policy document to address the issue broadly and set the stage for future changes aimed at achieving equity, simplicity, low rates and promoting sustainable development.

Capital Improvements

We encourage the Metropolitan Council to maintain reasonable wastewater rates while prioritizing sound investments with regional benefit. Maintaining the Council's current wastewater system is crucial to meeting the basic infrastructure needs of the region, and we appreciate the inclusion of a capital improvement program in the draft Water Resources Policy Plan.

Among the potential future expenditures is acquisition of existing municipal wastewater treatment plants for incorporation into the regional system. It is unclear what the financial implications of such acquisitions would be for ratepayers in areas already served by regional wastewater services. We are encouraged, however, by the transparent policy of soliciting customer input and conducting a public hearing when a municipality requests Met Council acquisition of a treatment plant.

Environmental Sustainability

The draft Water Resources Policy Plan makes a strong commitment to environmentally sustainable practices at the Metropolitan Council's facilities. It also highlights important past successes, including the laudable reduction of phosphorous effluent from regional wastewater treatment plans. While sustainable practices by the Council itself are important, the plan should also comment on how these efforts might be promulgated by other jurisdictions and the private sector, to support overall sustainability goals.

The City of Minneapolis appreciates that the Metropolitan Council considers a variety of approaches to sustainability. Identification of renewable energy sources, gray water reuse, and industrial incentives are valuable steps in continuing to move the region towards sustainable goals. Minneapolis encourages the Metropolitan Council to pursue these opportunities and encourage others as well when they are cost beneficial to the system and the region. This is consistent with the Metropolitan Council's role as described in *Thrive* to convene communities to address climate change mitigation and adaption and elevate this important issue.

Water Supply

We look forward to the coming discussion on water supply as the Metropolitan Council prepares a draft Master Water Supply Plan for public review.

Water Conservation

The City agrees that water conservation measures are important tools for sustaining the region's water supply. We encourage the Metropolitan Council to be clear about the tools that are available for water conservation and which entities are best positioned to implement conservation. The draft policy is vague regarding how land use can support conservation. Urban development is often much more efficient in terms of water use and conservation than suburban and rural development, even if the latter is classified as low impact. This is reflected in significant lower per-household water consumption in urban centers as compared to similar suburban and rural households. Efficient and denser land use patterns go hand in hand with water conservation.

Specific page-by-page comments

- Page 7, last paragraph – The section on MUSA seems to have been copied from the regional parks policy plan. The description of popular parks seems out of place here. The same is true for the descriptions of the Rural Service Area on page 8, which also has language that appears straight from the regional parks plan.
- Page 21, third paragraph –The plan should define “low impact development”
- Page 21, second to the last paragraph – This paragraph seems to overstate and oversimplify the infiltration process. The explanation needs clarification and graphics may be helpful.
- Page 25, Implementation – Does the surface water quality monitoring work here interrelate at all with state level shoreland regulations, which are aimed at improving water quality, particularly from nonpoint source pollution? The DNR has been engaged in Mississippi River critical area rulemaking, and the governor has recently released new guidelines for shoreland buffers. Does this plan speak to any of these, or how they fit in with other water quality efforts? On another topic, is there any relationship to state and regional programs to assist with brownfields cleanup, particularly as heavily contaminated sites can impact groundwater quality?
- Page 26, last line on the page – Change **a lot** that can ... to **more** that can be done
- Page 27 – The investment policy outlined here seems mislabeled. How does it relate to wastewater system maintenance and expansion? There isn't anything in the policy or strategies about that. How does it relate to the capital improvement program?

- Page 28, last bullet – This strategy says to improve sustainability of wastewater operations “when economically feasible.” Similar language about economic feasibility appears in several other places throughout the document. What is meant by economically feasible? It appears that this language is about weighing costs and benefits. We suggest benefit-cost language be used rather than feasibility in these instances.
- Page 28, 2nd to last paragraph – treated, ~~unnecessarily,~~ at wastewater ... to treated at wastewater treatment plants
- Page 29, second full paragraph – delete this portion of the second sentence. ... ~~and, in some cases, the additional flow exceeds the available sewer system capacity.~~
- Page 29, second full paragraph – add ... accommodate **existing flow and** new development
- Page 29, third full paragraph – add the following sentence. **In these communities the additional challenge is the risk of an overflow to the Mississippi River.**
- Page 37, Capital Improvement section bullets – it appears that a 4th objective about meeting regulatory requirements should be added or incorporated into one of the other 3 bullets
- Page 39, Minneapolis Interceptor 310/320 Diversion – wouldn’t that project also benefit growth long term?
- Page 41, 2nd to last paragraph, 2nd line – suggest using **reducing** water quality risks rather than **avoiding**
- Page 41, last line on the page – phosphorus fertilizer is one of the non-point sources of phosphorus that creates water quality issues. This has the potential to conflict with water quality goals.
- Page 42, last paragraph in the Industrial and Irrigation Uses section – Does this mean that regionally 20-30% of all water is used for irrigation purposes on an annual basis? If not, what does it mean?
- Page 53, Table A-3 – There is an asterisk by Minneapolis in the table, but no explanation of what that asterisk refers to.
- Page 74 in the Requirements for Areas Not Served by the Regional System – It seems like agencies should provide similar information as the areas served by the regional system including but not limited to capital improvement programs, maintenance schedules, I/I and how do they plan to accommodate growth
- Page 90 – Should include a definition for nonpoint source pollution
- Page 90 – The first letter of the Open Space definition is a zero, not an O
- Page 93 – Map is useful, but legend and labels are very hard to read, even when magnified