



MEMORANDUM

To: St. Anthony Village City Council
From: Charlie Yunker, City Manager and Nicole Miller, Assistant City Manager
Date: March 12, 2024 City Council Meeting
Request: Metropolitan Council Inflow & Infiltration Grant Agreement

BACKGROUND

In early 2016, the Metropolitan Council appointed a Task Force of local community representatives to discuss and identify areas of improvement for the existing Metropolitan Council Environmental Services (MCES) Ongoing Inflow and Infiltration (I/I) Program and the potential for future inflow and infiltration mitigation strategies for both public and private infrastructure. This Task Force, representing public works directors, city engineers, utility managers, finance directors, (Including our former Finance Director, Shelly Rueckert) and city managers, met during the 2016 calendar year.

From that work, the MCES is implementing a pilot private property inflow and infiltration grant program beginning in 2024. The goal of the program is to assist private property owners with financial assistance to remove I/I from the regional interceptor system through repairs of the sewer lateral or foundation drain on the property. The task force in 2016 identified a typical cost range of \$5,000 to \$7,000 for repair or replacement. MCES staff provided details on the pilot program to eligible cities on November 9, 2023. The eligible work is summarized below:

- Grants to private property owners shall be for a percentage of actual, reasonable, and verifiable I/I mitigation costs. No costs of studies, engineering, or planning shall be eligible.
- Grant reimbursement shall be 50% of eligible costs, up to \$5,000, for applicants not meeting equity criteria set by the participating municipalities. Eligible work includes:
 - Private lateral repair and/or replacement
 - Foundation drain disconnections and new sump pump, if associated with the foundation drain disconnect
 - Lateral televising and cleaning costs if:
 - Applicant meets the equity criteria or
 - Televising and cleaning result in repair or replacement of sewer lateral
- Grants of up to \$10,000 may be given to private property owners meeting the municipality's equity criterion.
- The private service line or foundation drain must be active and serving an occupied building.
- All repairs and replacements must be made with materials and methods consistent with local codes and permit requirements.
- Qualified spending on eligible work must occur between January 1, 2024, and December 31, 2024.

The program will be administered by eligible cities, which are those have had a measurable flow rate within 20 percent of the permitted flow limit, and which St. Anthony is one of those cities. Cities can apply for a block of funding and determine eligibility within the city for those funds. If a city included an equity component, additional funding per repair can be made available. Application for the funding had to be made by Friday, December 15, 2023. Guidance by MCES was a reasonable application would be for \$25,000 - \$50,000 per city.

SAINT ANTHONY PROGRAM PARAMETERS

The MCES program guidelines are attached to this memo for reference, and based on those guidelines, staff drafted parameters for a city program that was approved by the City Council in December of 2023.

These guidelines were including in our grant application, and St. Anthony was ultimately approved for \$40,000 in funding for 2024 following the below parameters:

- City will accept applications for 30 days, May 1 - May 31, 2024
- Owner Occupied properties eligible
- Prioritize applications meeting equity criteria
 - Verify income with 2023 Federal tax return

To include an equity criteria for the program, staff used the income limits utilized by the Metropolitan Council, which are based on the Federal Housing of Urban Development (HUD) limits. Then graduated the maximum assistance based on those limits as presented below:

FY 2023 Income Limits Summary

FY 2023 Income Limit Area
Minneapolis-St. Paul-Bloomington, MN-WI HUD Metro FMR Area

Median Family Income
\$124,900

FY 2023 Income Limit Category	Persons in Family							
	1	2	3	4	5	6	7	8
Extremely Low Income Limits (\$)	\$ 26,100	\$ 29,800	\$ 33,550	\$ 37,250	\$ 40,250	\$ 43,250	\$ 46,200	\$ 50,560
Very Low (50%) Income Limits (\$)	\$ 43,500	\$ 49,700	\$ 55,900	\$ 62,100	\$ 67,100	\$ 72,050	\$ 77,050	\$ 82,000
Low (80%) Income Limits (\$)	\$ 66,300	\$ 75,750	\$ 85,200	\$ 94,650	\$ 102,250	\$ 109,800	\$ 117,400	\$ 124,950

Grant awards may be 50% of eligible costs up to \$5,000. For private property owners meeting their municipality’s equity criterion, the grant award may increase up to \$10,000.

Reimbursement \$ Max	Persons in Family							
	1	2	3	4	5	6	7	8+
Extremely Low Income	\$ 8,600	\$ 8,800	\$ 9,000	\$ 9,200	\$ 9,400	\$ 9,600	\$ 9,800	\$ 10,000
Very Low (50%) Income	\$ 7,000	\$ 7,200	\$ 7,400	\$ 7,600	\$ 7,800	\$ 8,000	\$ 8,200	\$ 8,400
Low (80%) Income	\$ 5,400	\$ 5,600	\$ 5,800	\$ 6,000	\$ 6,200	\$ 6,400	\$ 6,600	\$ 6,800

RECOMMENDATION

Staff recommends approval of the grant agreement to participate in the pilot program.

ATTACHMENTS:

- Grant Agreement
- Authorizing Resolution