

COUNCIL ACTION FORM

**SUBJECT: IN-KIND CONTRIBUTION TOWARDS SQUAW CREEK WATERSHED
WATER QUALITY INITIATIVE GRANT**

BACKGROUND:

The City of Ames is a charter member of the Squaw Creek Watershed Management Authority (SCWMA), whose purpose is to “encourage, plan for, and implement watershed activities within the Squaw Creek watershed.” The SCWMA Board has adopted a strategic plan that calls for watershed education outreach to land owners across the watershed. The goal is to encourage advanced land stewardship practices that will, in turn, help improve water quality and reduce the severity of flooding within the watershed.

The SCWMA, in partnership with Prairie Rivers Resource Conservation & Development, was successful in receiving a Water Quality Initiative Targeted Demonstration Watershed project grant from the State of Iowa. During the grant application process, City staff provided a written letter of support that indicated the City’s willingness to consider purchasing permanent water quality monitoring equipment for a single location along Squaw Creek within the City limits at a cost of up to \$15,000.

When a new National Pollutant Discharge Elimination System (NPDES) permit is issued for the Water Pollution Control Facility (WPC), it will include a requirement for the City to identify a cost-effective means to achieve compliance with Iowa Nutrient Reduction Strategy. Nutrient credit trading could be a viable strategy for meeting the intent of the Nutrient Reduction Strategy, but it will require data that can tie specific land use practices to improvements in water quality; something that the SCWMA grant project will help provide.

For that reason, staff is recommending that the \$15,000 needed to purchase the equipment come from the available Sanitary Sewer Fund balance. When the Capital Improvements Plan is updated in early 2016, staff will make a corresponding \$15,000 reduction in the proposed budget for performing the Nutrient Reduction Modifications evaluation at the Water Pollution Control Facility (\$300,000). Ownership and possession of the purchased equipment will remain with the City of Ames, but it will be used for the purposes of the Water Quality Initiative Targeted Demonstration Watershed project grant during the life of the grant.

City staff will also be providing additional in-kind contributions to the Water Quality Initiative study in the form of sampling and water analyses. The exact magnitude of this additional contribution has yet to be determined; but staff has indicated to the SCWMA

that it must be compatible with the existing capabilities and workload of the Laboratory Division.

ALTERNATIVES:

1. Authorize staff to purchase water quality monitoring equipment in an amount not to exceed \$15,000; and authorize the equipment to be used for the purposes of the Water Quality Initiative Targeted Demonstration Watershed project grant for the life of the grant. Funding for the equipment purchase would come from the available Sewer Fund balance. Staff will also provide in-kind sampling and water analyses consistent with the existing capabilities and workload of the Laboratory Division.
2. Authorize the purchase of the equipment, but designate a different funding source.
3. Do not authorize the purchase of the equipment at this time.

MANAGER'S RECOMMENDED ACTION:

The City of Ames is a charter member of the Squaw Creek Watershed Management Authority (SCWMA). The SCWMA has received a grant for a Targeted Watershed Demonstration project to encourage advanced land management practices within the watershed. The City has previously indicated its willingness to consider purchasing stream monitoring equipment, valued at up to \$15,000, towards the project. The City will also provide additional in-kind contribution in the form of analytical laboratory analysis, consistent with the existing capabilities and workload of the Laboratory Division.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative 1, thereby authorizing staff to purchase water quality monitoring equipment in an amount not to exceed \$15,000, and authorize the equipment to be used for the purposes of the Water Quality Initiative Targeted Demonstration Watershed project grant for the life of the grant.

Funding for the equipment purchase would come from the available Sewer Fund balance. When the Capital Improvements Plan is updated in early 2016, staff will make a corresponding \$15,000 reduction in the proposed budget for performing the Nutrient Reduction Modifications evaluation at the Water Pollution Control Facility (\$300,000).

The City Council should note that the Staff will also provide in-kind sampling and water analyses consistent with the existing capabilities and workload of the Laboratory Division.