



Department Source: City Utilities - Sewer/Stormwater

To: City Council

From: City Manager & Staff

Council Meeting Date: August 6, 2018

Re: Approving submittal of the Hinkson - Perche Creek Proposed Wetland & Stream Mitigation Bank Prospectus to the United States Army Corps of Engineers for review and public notice

Executive Summary

Staff has prepared for Council consideration a resolution to submit the Hinkson - Perche Creek Proposed Wetland & Stream Mitigation Bank Prospectus to the United States Army Corps of Engineers for review and public notice. This prospectus is a plan initiating the City's intent to establish a mitigation bank.

Discussion

A U.S. Army Corps of Engineers (Corps) authorization permit is required for most City construction projects that cross or impact a regulated stream or wetland. During the permit and design process for every construction project, appropriate and practicable steps are taken to avoid and minimize adverse impacts to jurisdictional waters of the United States. For unavoidable impacts, if a proposed project disturbs a regulated stream or wetland, it is possible the Corps will require compensation for those impacts, to meet the requirements of Section 404 of the Clean Water Act. The Corps is responsible for determining the appropriate form, wetland or stream, and amount of compensatory mitigation required. The overall goal of compensatory mitigation is to replace aquatic ecosystem functions that would be lost or impaired because of proposed construction or other activity authorized by the Corps.

In a September 2014 report to Council and at the recent Pre-Council Work Session on July 16, 2018, staff presented the idea of utilizing existing City property to establish a Corps approved wetland and stream mitigation bank to compensate for City impacts to jurisdictional waters of the United States. The mitigation bank could also sell credits to other entities (i.e. MODOT) to compensate for their wetland and stream impacts due to infrastructure projects.

By developing its own mitigation bank, Columbia can achieve multiple benefits. A mitigation bank on Hinkson Creek would provide the opportunity to restore high quality environmental function for the creek. One benefit of high quality natural areas, similar to the 3M Flat Branch Hinkson Creek Wetlands, is creating a wildlife corridor that attracts tourism. This work would also benefit the goals of the Hinkson Creek Collaborative Adaptive Management (CAM) process to improve water quality. The mitigation bank is also a mechanism for handling the City's own mitigation needs; any credits sold could be used to continue to restore mitigation bank properties to a high quality ecological function. Currently, two large parcels of City owned property located next to Hinkson Creek could be developed into a mitigation bank: the Landfill site and Perche site.



City of Columbia

701 East Broadway, Columbia, Missouri 65201

The Landfill site is located on Solid Waste Utility Property with the upper portion of Hinkson Creek bisecting the property. The Landfill site would be developed primarily for stream credits through riparian corridor improvements including tree plantings and preservation that would expand the buffer along the creek.

The Perche site is located on Sewer Utility Property immediately southwest of the Wastewater Treatment Plant and includes the confluence of Hinkson and Perche Creeks and is bisected by the MKT Recreational Trail. This site would be developed for both wetland and stream credits through riparian corridor improvements and wetland creation and enhancement through grading low profile berms. Both sites could accommodate future trails and paths for recreation.

The first step in the official process is to submit a prospectus to the Corps for review and Public Notice. The prospectus provides general information about the mitigation site and ability of the sponsor to manage and maintain a mitigation bank. See the attached prospectus. Information in the prospectus includes objectives, general establishment and operation information, proposed service area, general need and feasibility, ownership and long term management, sponsor qualifications, site suitability and water source for long term sustainability. Once the City receives comments from the Corps, the Interagency Review Team (IRT) and the public, the City will choose whether to proceed with establishment of the mitigation bank.

Should the City choose to proceed, a mitigation banking instrument will be developed detailing the physical and legal characteristics of the mitigation bank including how it will be established, operated and maintained. This instrument would be present to the City Council for consideration before establishment of the bank.

To prepare and submit the prospectus and respond to the Corps is a minimal expense consisting of staff time and existing office resources included in the operation budget. Once a final banking instrument is approved, some initial construction and development expenses will be incurred. However, if Council approves credits for sale at that time, the costs to develop and maintain the bank can be recovered. This will be discussed in more detail with the final banking instrument. Review, public notice and development of the final banking instrument is anticipated to be a two year process.

Fiscal Impact

Short-Term Impact: None

Long-Term Impact: Approximately \$500,000 to completely develop; \$18,000 average annual maintenance; more than \$5 million in potential gross income

Strategic & Comprehensive Plan Impact



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Strategic Plan Impacts:

Primary Impact: Infrastructure, Secondary Impact: Economy, Tertiary Impact: Tertiary

Comprehensive Plan Impacts:

Primary Impact: Environmental Management, Secondary Impact: Land Use & Growth Management, Tertiary Impact: Economic Development

Legislative History

Date	Action
07/16/2018	Pre-Council Work Session Mitigation Presentation
09/15/2014	REP 90-14 Report on Compensatory Mitigation
10/01/2007	B323-07 Appropriate funds to cover expense of Army Corps of Engineers mitigation requirement relating to Gans Road interchange project

Suggested Council Action

Approve resolution to submit the Hinkson - Perche Creek Proposed Wetland & Stream Mitigation Bank Prospectus to the United States Army Corps of Engineers for review and public notice.