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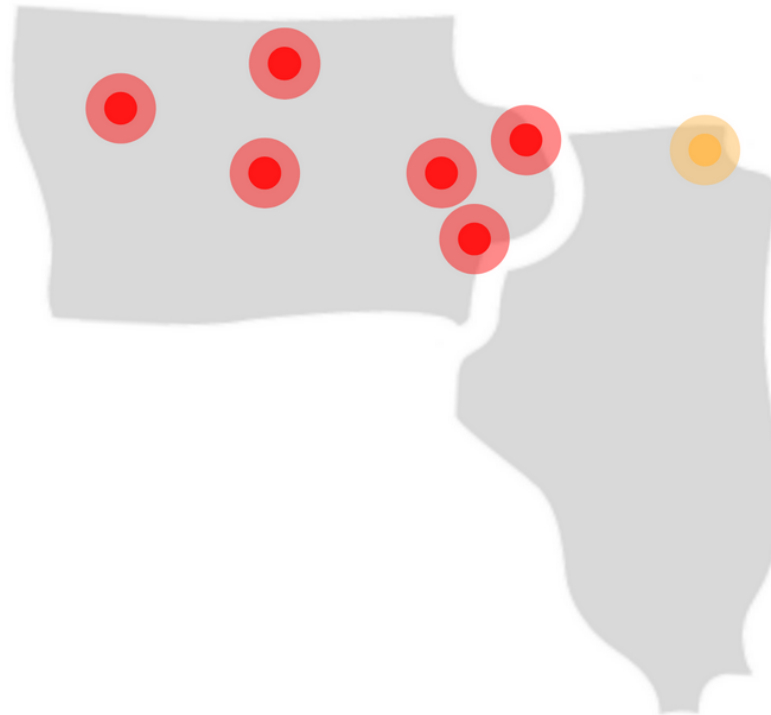
[Ames MOU](#)

[Cedar Rapids MOU](#)


[Dubuque MOU](#)


[Muscatine MOU](#)

[Storm Lake MOU](#)



## Expanding use of farm-based projects

 Memorandum of  
Understanding  
Completed

 In progress

**“Use of Nutrient Reducing Practices as Offsets.** Provided that the terms of this agreement are followed, the City shall be able to utilize nutrient reducing practices as offsets (Nutrient Reduction Offsets) towards its requirements for nutrient reduction under an NPDES permit, in accordance with the terms of this MOU.”

6. **Partnerships, Contractual Relationships, Watershed Management Authorities, Third-Party Designees, and Other Arrangements.** Under this MOU the City is permitted to implement the activities defined by its Watershed-Based Nutrient Reduction Plan(s) through a partnership, contractual relationship, Watershed Management Authority, Third-Party Designee (such as the Soil and Water Outcomes Fund), or other arrangement. In these instances, the City shall maintain the right to register practices implemented through arrangements in which City funds were utilized.

7. **Determining Achievement of the City's NRS Goals, Interim Progress, and Usable Nutrient Load Reductions.**

A. **Method of Determining NRS Goals Achievement Progress.** Interim progress, final achievement of the City's NRS goal and usable nutrient load reductions will be determined using the best available modeling tools. Currently, BMPs will be modeled at the field scale using the NTT. Other models or methods may be substituted as deemed appropriate, subject to agreement by the parties to this MOU.

B. **Offset and Practice Eligibility.** Implemented BMPs shall be recorded on the NRE. In general, the City shall provide experienced personnel to be trained in the NTT, to model BMPs and/or other nutrient reduction efforts through the NTT (or other approved model), obtain verification and approval from ISU or the DNR designee, and to confirm and document practice construction completion and record NTT results into the RIBITS system. The DNR shall accept the NTT-modeled load reductions of the BMPs or other nutrient reduction efforts within RIBITS and issue a letter establishing the validity of the practices. These may be used by the City as an offset in a one-to-one ratio to contribute to its NRS goals or may be used in other regulatory formats so long as the practice has been maintained and is functioning as designed. Upon receipt of the verification and approval of the model run by ISU (or the DNR designee), the DNR shall have sixty (60) days to review, comment, and issue a letter establishing the validity of the nutrient load reductions claimed or request modifications.

C. **Interim Progress for NRS Goals.** During the term of this MOU, the City shall provide annual progress reports to the DNR detailing its progress in the watershed, the BMPs and/or other nutrient reduction efforts implemented, verification of ongoing practices, and the nutrient load reductions obtained. To the extent nutrient load reductions were committed as offsets towards use in the City's NPDES permit requirements, the report shall identify overall progress towards the 5-year goals for N and P reductions, as well as what percentage of reductions come from technological improvements versus work in the watershed. DNR also expects the report to sum the load reductions (i.e., pounds) in each year for each of the pollutants at issue (e.g.,

Make clear that cities will work directly with farmers to fund projects that become part of their compliance work

OR

that cities can purchase the offsets from completed projects that someone else has financed (such as the Soil and Water Outcomes Fund)

Suspended Solids ("TSS"). Based upon this proposal, the DNR and City shall agree upon a rate of Nutrient Reducing Offsets that may be applied toward the NPDES permit.

C. **Baselines.** Baselines for measuring environmental outcomes resulting from watershed management activities will be established at the outset of this MOU, prior to the implementation of any new BMPs and/or other nutrient reduction efforts by the City. The baselines will be set through the calculation of point and nonpoint source loads of N, P, and sediment as estimated using NTT modeling. For nutrient reducing practices, baseline conditions may be further defined in terms of geographic scale, existing conservation practices, and schedule of implementation to facilitate improved environmental performance to achieve nutrient load reductions. Agricultural nonpoint source baselines will be established using pre-existing field management data. Baseline data will be verified using the NRE guidelines and will be stored within the NRE system as a part of the NTT model runs. Baseline conditions shall be established at the field scale prior to the City-connected implementation of any BMP on a given field.

D. **Future Mandated Practices.** In order to recognize investments made by the City towards NRS reduction goals, and to reward leadership, if a BMP, urban practice or other nutrient reduction effort funded under a watershed project subsequently becomes mandated by local, state or federal law, the N, P, and TSS reductions associated with that BMP, urban practice or other nutrient reduction effort will continue to be credited to the City if allowed under the new law, provided that the BMP, urban practice or other nutrient reduction effort continues to be viable with ongoing maintenance or rehabilitation, verified, and within the useful life of the practice.

E. **Total Suspended Solids.** BMPs and other nutrient reduction efforts put in place to address P will also generally be effective in reducing TSS. Where necessary and when correlated within a watershed, P reductions will be used as a surrogate for TSS reductions. TSS reductions, in addition to N and P reductions, can be considered, if applicable and consistent with state and federal law.

5. **Watershed-Based Nutrient Reduction Plan.**

B. **Outlining the City's Goals.** Every five years following the adoption of this MOU, the City must submit a watershed-based nutrient reduction plan or a document that explains the City's approach for implementing BMPs and/or other nutrient reduction efforts within the watershed to achieve nutrient reductions within the permit timeframe. Each watershed-based nutrient reduction plan will outline a targeted strategy for implementing the City's Nutrient Reduction Program to ensure maximum efficiency in the use of City

Allow flexibility for any future project that meets certain conditions.

You don't need a prior, location-specific plan for all projects to be approved before work can begin.

Past projects that have a well-documented baseline can be counted toward requirements of a future permit.

These conditions speed up investment in watershed work so more progress is made, even while negotiations over larger treatment upgrades or other work are ongoing.

loading to the Mississippi River. While the City is proud to do its part by working to achieve the point source goals of the Iowa NRS, it also recognizes that the overall goals of the NRS cannot be achieved without significant reductions from nonpoint sources in the watershed as well. The City desires to foster and encourage nutrient discharge-reducing activities upstream of the Muscatine WRRF by supporting the activities of willing landowners, and by undertaking projects itself where appropriate.

In support of the Iowa NRS's goals and policy statements and in partnership with the Iowa League of Cities, the DNR established a Nutrient Reduction Exchange (NRE), a tool for registration of practices implemented in a watershed that reduce Nitrogen (N) and Phosphorus (P), for registration of the modeled nutrient reductions of those practices, and that are thus available for offsets or trading. This MOU is designed to build on the Iowa NRS policy and goals, and the establishment of the NRE, to provide the City with a well-defined path to achieving regulatory compliance and regulatory certainty through the implementation of watershed-based nutrient reduction practices.

3. **Goal.** The goal of this MOU is to provide the City with regulatory certainty by allowing the City to utilize nutrient load reductions achieved through implementation of BMPs and/or other nutrient reduction efforts in the watershed to offset nutrient reduction targets required in the City's current (NPDES Permit No. 7048001) and future NPDES permits, or to bank environmental outcomes of nutrient reducing practices to offset future permit requirements.

4. **General Areas of Agreement.**

- A. **Use of Nutrient Reducing Practices as Offsets.** Provided that the terms of this agreement are followed, the City shall be able to utilize nutrient reducing practices as offsets (Nutrient Reduction Offsets) towards its requirements for nutrient reduction under an NPDES permit, in accordance with the terms of this MOU. Nutrient reducing practices (such as BMPs) built or implemented as part of a watershed plan will be considered as described below.
- B. **Monitoring and Modeling.** The City may develop a monitoring strategy to assess overall N and P concentrations in-stream and to document progress toward nutrient reductions within the watershed. However, progress towards nutrient reduction will be based on modeling using the Nutrient Tracking Tool (NTT) provided by the U.S. Department of Agriculture's Environmental Markets Division, or another mutually agreed upon model, as further set forth below.

For urban practices, the City may present the DNR with a proposal for new infrastructure and an analysis, using one or more models then in use by the civil engineering community, of the expected reduction in N, P or Total

Banking the watershed credits encourages early and more intensive work

# COMPREHENSIVE CONSERVATION FINANCE ACT

- Recognize watersheds as state infrastructure
- New type of state contract (Pay for success) allows states to simply buy environmental outcomes at the end of project
- New definition of 'environmental outcome' makes carbon, water quality, etc. a purchasable 'good'
- First definition in law for blue infrastructure; first green infrastructure definition to include climate resilience
- Water infrastructure loans for forest preservation and management
- Prioritizes projects with quantifiable co-benefits (local jobs, soil carbon, EJ)
- New state commission to eliminate duplicative permitting requirements for restoration and green infrastructure work
- Creates task force on local government natural asset accounting (i.e. what is the value and depreciation of trees and waters)

