

Environment Committee

Meeting date: February 13, 2018

For the Metropolitan Council meeting of February 14, 2018

Subject: Reclaimed Water Agreements with Enerkem

District(s), Member(s): All

Policy/Legal Reference: 2040 Water Resources Policy Plan

Staff Prepared/Presented: Jeannine Clancy, 651-602-1210

Division/Department: MCES Leisa Thompson, 651-602-8101

Proposed Action

That the Metropolitan Council authorize staff to negotiate a Memorandum of Understanding and a Design Cost Deposit Agreement with Enerkem related to reclaimed water service.

Background

Enerkem, a Canadian firm developing a solid waste-to-fuel project in Inver Grove Heights, has expressed interest in obtaining reclaimed water service from MCES. Enerkem anticipates that its facility will need approximately 1.6 million gallons per day (mgd) of reclaimed water for process and cooling water. MCES and Enerkem have been discussing potential reclaimed water service for over a year. MCES will need to construct and operate treatment and pipeline facilities in Dakota County in order to provide the reclaimed water service. At this time, MCES and Enerkem desire to memorialize their understandings and expectations of the developing project in a non-binding Memorandum of Understanding. Additionally, to move forward to the next phase of the project, MCES would need assurance of payment from Enerkem for the predesign and design work. The Design Cost Deposit Agreement between Enerkem and MCES would address this issue.

Rationale

The Council staff request authority to negotiate these Agreements.

Thrive Lens Analysis

Thrive MSP 2040 sets the direction for the Council's development of wastewater reuse where economically feasible to promote sustainable water resources and emphasizes working with the Council's partners. Working with Enerkem on this potential wastewater reuse project aligns with *Thrive MSP 2040*'s goals by developing wastewater reuse capability in a collaborative manner, setting the stage for reuse-dependent job and economic growth, while advancing resource recovery from solid waste and generation of renewable energy.

Funding

None

Known Support / Opposition

None