

## Minutes of the

### REGULAR MEETING OF THE ENVIRONMENT COMMITTEE

Tuesday, May 11, 2021

#### Committee Members Present:

Peter Lindstrom, Chair; Kris Fredson; Phillip Sterner; Susan Vento; Wendy Wulff, Vice Chair; Raymond Zeran

#### Committee Members Absent:

None

#### CALL TO ORDER

A quorum being present, Committee Chair Lindstrom called the regular meeting of the Council's Environment Committee to order at 4:01 p.m. on Tuesday, May 11, 2021 with the following roll call:

Aye: 6 Lindstrom, Fredson, Sterner, Vento, Wulff, Zeran  
Absent: 0

Governor Walz notice was read at the beginning of the meeting as follows:

NOTICE: Governor Walz has declared a peacetime emergency (Emergency Executive Order 20-01) in response to COVID-19 and the Metropolitan Council Chair has determined it is not practical or prudent to conduct an in-person meetings for reasons stated in the Governor's Emergency Executive Order. Accordingly, committee members will participate in this meeting via telephone or other electronic means and the meeting will be conducted under Minnesota Statutes section 13D.021 at the date and time stated above. We encourage you to monitor the meeting remotely. If you have comments, we encourage members of the public to email us at [public.info@metc.state.mn.us](mailto:public.info@metc.state.mn.us). We will respond to your comments in a timely manner.

#### APPROVAL OF AGENDA AND MINUTES

Without objection amended agenda was approved.

NOTE: Amended items were posted after the conclusion of the meeting

It was moved by Wulff seconded by Vento to approve the minutes of the April 27, 2021, regular meeting of the Environment Committee.

Aye: 6 Lindstrom, Fredson, Sterner, Vento, Wulff, Zeran  
Nay: 0  
Abstain: 0  
Absent: 0

Motion carried.

#### CONSENT BUSINESS

None at this time

#### NON-CONSENT BUSINESS

1. 2021-114: 2021 Large Diameter Interceptor Cleaning – Phase 2, Contract 21P000

It was moved by Wulff, seconded by Fredson that the Metropolitan Council authorize its Regional Administrator to award and execute a contract for phase 2 large diameter interceptor cleaning, Project 819016, Contract

21P000, to Doetsch Environmental Services for cleaning 12,500 feet of interceptor pipe in an amount not to exceed \$11,955,680.00.

Aye: 6 Lindstrom, Fredson, Vento, Sterner, Wulff, Zeran  
Nay: 0  
Absent: 0

Motion carried.

2. 2021-115: Acquisition of Real Property for Shakopee Interceptor Odor Improvements Project, Project No. 809510

It was moved by Wulff, seconded by Sterner that the Metropolitan Council authorize the acquisition of the real property located at 6100 County Road 101 East, Shakopee, necessary for the construction of odor control facilities planned as part of the Shakopee Interceptor Odor Improvements project.

Aye: 6 Lindstrom, Fredson, Vento, Sterner, Wulff, Zeran  
Nay: 0  
Absent: 0

Motion carried.

3. 2021-119: Interceptor 1-MN-341 Pipe-in-Pipe Rehabilitation, Contract 21P064

It was moved by Wulff, seconded by Zeran that the Metropolitan Council authorize its Regional Administrator to award and execute a contract for Interceptor 1-MN-341 pipe-in-pipe rehabilitation project 807618, contract 21P064 to PCiRoads, LLC, to install thirteen maintenance holes and rehabilitate 8,200 feet of "pipe-in-pipe" interceptor, in an amount not to exceed \$6,508,850.

Aye: 6 Lindstrom, Fredson, Vento, Sterner, Wulff, Zeran  
Nay: 0  
Absent: 0

Motion carried.

4. 2021-120: Interceptor 1-MN-310 Rehabilitation, 15<sup>th</sup> to 8<sup>th</sup> Avenue North, Contract 21P007

It was moved by Vento, seconded by Wulff that the Metropolitan Council authorize the Regional Administrator to award and execute a contract for Interceptor 1-MN-310 rehabilitation from 15<sup>th</sup> to 8<sup>th</sup> Avenue North, project 807667, contract 21P007 to Michels Corporation for the rehabilitation of 1,850 feet of interceptor and five maintenance holes, in an amount not to exceed \$2,706,093.

Aye: 6 Lindstrom, Fredson, Vento, Sterner, Wulff, Zeran  
Nay: 0  
Absent: 0

Motion carried.

## **INFORMATION**

1. Budget Rates and Concepts

Ned Smith, Director of ES Pretreatment and Finance presented information for 2022 as follows:

- MCES overall Municipal Wastewater Charge (MWC) will increase 4.0% across the region.
- SAC will remain flat for the 9th year in a row at \$2,485 per unit. This is a result of the robust development seen for the past 6-8 years.
- Industrial Strength Charges will increase 5.4%.
- Permitting fees will increase ~4.0%.
- The budget reflects a \$2.0 million *use of operating reserves* to keep our rate increase as low as possible in these *uncertain* times.
- Expense increases were mostly driven by Information Services projects, labor, chemicals, and utilities.
- Overall outstanding debt for MCES peaked in 2018 at \$1.4B. it will level off at \$1.3B for the remainder of the 2020s.
- The debt service “bubble” peaked in 2021 and is expected to have modest increases in 2022 and 2023.
- Retail sewer rates in the region are ~40% below the national average for peer agencies (per the 2017 National Association of Clean Water Agencies triennial survey).

Staff will share the budget, capital, and other MCES programs at the upcoming Budget Workshop Webinars, scheduled for May 25 and June 10.

#### Comments and Questions:

- Chair Lindstrom inquired how the Council is able to build and get new plants, such as Hastings and Crow River, online while maintaining a steady debt service. Staff stated the capital program is managed to keep cost reasonable.
- Committee Member Wulff acknowledged flat rate for SAC. In 2015 she convinced staff to keep it flat and let development drive the needed revenue. History has proven her correct.

## 2. General Manager Report

General Manager Thompson thanked the staff who contributed to getting the two items amended to the agenda for this meeting. This included Procurement, Jeannine Clancy’s group and Susan Taylor, in particular who had to do some rush work to get the items ready for the meeting. As you heard, we were unable to post the items before the meeting due to a system upgrade, but they will be posted on May 12, 2021.

There are currently no items on the May 26, 2021 meeting agenda. If there are no urgent items that come up, we can likely cancel the meeting, which will give us a bit of a break.

Committee member attendance is encouraged at one of the upcoming forums mentioned. Committee members have heard the information before, however, the interaction with communities may be of interest.

If Committee members have items they would like brought before this committee, please let [leisa.thompson@metc.state.mn.us](mailto:leisa.thompson@metc.state.mn.us) know.

## **ADJOURNMENT**

Business completed the meeting adjourned at 5:10 p.m.

## **CERTIFICATION**

I hereby certify that the foregoing narrative and exhibits constitute a true and accurate record of the Environment Committee Meeting of May 11, 2021.

Susan Taylor  
Recording Secretary