

Minutes of the

REGULAR MEETING OF THE ENVIRONMENT COMMITTEE

Tuesday, March 25, 2014

Committee Members Present:

Wendy Wulff, Vice-Chair; Marie McCarthy; Harry Melander; Edward Reynoso; Lona Schreiber; Gary Van Eyll

Committee Members Absent:

Sandy Rummel, Chair

CALL TO ORDER

A quorum being present, Committee Vice-Chair Wulff called the regular meeting of the Council's Environment Committee to order at 4:00 p.m. on Tuesday, March 24, 2014.

APPROVAL OF AGENDA AND MINUTES

It was moved by Schreiber, seconded by Van Eyll, to approve the agenda. Motion carried.

It was moved by Van Eyll, seconded by Schreiber, to approve the minutes of the February 11, 2014 regular meeting of the Environment Committee. **Motion carried.**

BUSINESS

2014-34 SW 2014 Unified Operating Budget Amendment

It was moved by Melander, seconded by Reynoso, that the Metropolitan Council amend the 2014 Unified Operating Budget for wastewater operations to increase expenses by \$2,010,979.

Motion carried.

2014-66 Authorization to Purchase Three 6,000 Gallon Sludge Tanker Trucks from Nuss Truck and Equipment (Mack Trucks), Roseville

It was moved by Schreiber, seconded by Van Eyll, that the Metropolitan Council authorize the Procurement of three 6,000 Gallon Sludge Tanker Trucks from Nuss Truck and Equipment (Mack Trucks), for a total of \$753,176.

Motion carried.

2014-67 Authorization to Negotiate and Execute Engineering Services Contract 13P210 for the Design and Construction Support for Empire Wastewater Treatment Plant (WWTP) Solids Improvements Project

It was moved by Reynoso, seconded by McCarthy, that the Metropolitan Council authorizes its Regional Administrator to negotiate and execute an Engineering Services Contract for Design and Construction Support for Empire Wastewater Treatment Plant (WWTP) Solids Improvements Project, Contract No. 13P210 to HR Green in the amount of \$1,501,958.

Motion carried.

2014-68 Authorization to Award and Execute Construction Contract for Excelsior Forcemain-West

It was moved by Reynoso, seconded by Schreiber, that the Metropolitan Council authorize its Regional Administrator to award and execute a contract for construction of the Excelsior Interceptor 7017 (Segment 2) Project No. 802851, Contract 13P247, with SR Weidema, Inc. for their low responsive, responsible bid of \$7,891,524.45.

Motion carried.

2014-69 Authorization to Award and Execute a Construction Contract for 1-MN-344 Interceptor Rehabilitation, MCES Project No. 807628, Contract No. 13P228

It was moved by Van Eyll, seconded by Melander, that the Metropolitan Council authorize its Regional Administrator to award and execute a contract for construction of the 1-MN-344 Interceptor Rehabilitation, MCES Project Number 807628, Contract No. 13P228, with Lametti & Sons, Inc. for their low responsive, responsible bid of \$6,141,700.00.

Motion carried.

2014-70 Authorization to Award and Execute a Construction Contract for HSI Contract F – St. Louis Park Forcemain, MCES Project No. 804130, Contract No. 13P243

It was moved by Reynoso, seconded by Schreiber, that the Metropolitan Council authorize its Regional Administrator to award and execute a contract for construction of the HSI Contract F – St. Louis Park Forcemain, MCES Project No. 804130, Contract No. 13P243, with Minger Construction, Inc. for their low responsive, responsible bid of \$14,747,170.32.

Motion carried.

INFORMATION

1. Water Conservation and Reuse in the City of Hugo

Bryan Bear, Hugo City Administrator, and Jay Kennedy, Hugo city engineer, explained the City of Hugo's water conservation policies and plan. The city's objective is to 'Reduce – Reuse – Replenish.' The city developed water conservation guidelines/incentives for new development, established an incentive program for homeowners, and adjusts water conservation rates to promote good water stewardship practices. The city and the Rice Creek Watershed District are working collaboratively on a number of projects to reduce water use by reusing stormwater and infiltration. The city believes that as a result of these projects, it: will reduce pumping by 50-60 mg annually; reuse 50-60 MG of stormwater; replenish the aquifer; remove up to 800 pounds of phosphorus annually; estimates that by reducing the amount of water that the city pumps it can add up to 800 homes without changing the amount of water the city pumps out of the ground. Instead of having to pump more than 425 mg to grow, the city can pump the same amount of water and add homes.

Bear said city council leadership was instrumental in the success of these efforts. The issue is important to the city council and it made this a priority, setting aggressive goals. That mindset has been instilled in the staff of public works, engineering, planning, parks, and building departments. The community also supports water conservation.

Schreiber applauded the city's efforts and asked how the city's efforts can be translated to other communities. She asked about the barriers that Hugo could see for other communities, particularly older, fully developed communities.

Bear said Hugo has some things going for it that makes it a little bit easier. One is the leadership on the city council - the other is the availability of water, which provides opportunities for reuse. Not every community will have that. Hugo also has opportunities because of the development that is occurring in the city. Development happens much differently now than it used to. Because of the water conservation guidelines and incentives established by the city, after a development project, more water is put back into the ground than what naturally occurs. Hugo is about 14,000 in population and is a growing community. The MC has given us a forecast of 32,000 – 33,000 by 2040. There is a good business industrial base and a growing retail base in the community.

Kennedy pointed out that in terms of other communities that would have the same ability to implement at least some of these things Hugo has done, the City of Woodbury worked with an adjacent golf course to incorporate stormwater reuse, similar to what Hugo did at Oneka Ridge. Kennedy also mentioned that the City of Mahtomedi is fully developed and does not have the same opportunities as Hugo, but the city is finding way to implement stormwater management practices through some irrigation-type projects. It's on a smaller scale, but it's the right thing to do and there is some benefit to Mahtomedi from a stormwater management perspective.

Wulff said that St. Anthony Village is also fully developed and has done an irrigation project in one of its parks where the stormwater is collected and reused.

Schrieber asked what percent of land is still available for development in Hugo. Bear said that probably less than one-fourth of the community is developed.

2. MCES 2013 Energy Update

Sara Smith, Senior Planner, informed the committee that MCES is on track to meet its 2015 energy goal.

In 2006 the goal was established to reduce energy purchases by 15% by 2010. The goal was successfully met and MCES moved on to more aggressive goals. The next two goals are to reduce energy purchases by 25% by 2015, then 50% by 2020. To date, energy purchases have been reduced by about 21%. There are projects in the works that will help to reach that 2015 goal. Even after those projects are complete, an additional 200,000 MMBTU of savings is needed to meet the 2020 50% reduction goal.

One way the energy usage is tracked is using the Energy Star Program, which is a program that was established through the U.S. EPA. The program enables facilities to compare energy usage with similar facilities. In response to a question from Council member Wulff, Smith explained why the ratings went down for some MCES facilities. In the case of Hastings WWTP, this facility will be decommissioned within the next 10-12 years, and maintenance on projects that would further energy savings has not been a priority. Seneca has had some permit changes (phosphorus limits), and in order to meet those permit changes some processes had to be changed which are a little more energy intensive. St. Croix Valley has experienced some issues with aeration. It's possible that filters need to be cleaned, and there's an underground air leak which requires a difficult method of repair.

To be an energy star rated facility or building, a 75 or greater rating from the Energy Star Program is required. While wastewater treatment facility buildings can get rated, there is no official energy star 'certificate.' So we're just acting as if it would be 75% and using that as a benchmark.

In 2013 there have been a number of accomplishment beyond the savings realized from energy projects. MCES has also received a number of rebates, two especially noteworthy. One for the Blue Lake digester (\$150,000) and one for the steam turbine at Metro (\$230,000). In both of these cases, ES staff worked very hard with the utilities to justify the level of rebate received. MCES has a memorandum of understanding with Xcel Energy to identify conservation that can be done at our facilities within their service area; we have a separate goal with Xcel where if we meet that goal of conservation and surpass it, we get a bonus rebate. This year we surpassed our goal by over 20% and received a \$57,000 bonus rebate.

Smith outlined a plan to meet the 2050 energy goal. In September 2013 an Energy Master Planning process was initiated. Staff is working with a consultant (Brown &

Caldwell) and Xcel Energy. Xcel has agreed to pay for 85% of the planning project, with the stipulation that they are at table during the planning process, which is an added bonus to us. So far we've looked into ways that we can further conserve energy; the next phase is to look at how we can generate more energy on site so that we purchase less from utilities.

Smith explained the Energy Management System as an open source (system-wide energy management) system that can be used to track energy usage and process information system-wide. It will allow us to have information at staff's desktops and remotely so changes can be made.

Jason Willett, MCES Finance, Revenue and Energy Director informed the committee that MCES is still potentially on track for building and completing the Blue Lake Solar project this year. It does appear now that belatedly we are sort of in a second tier but we're going to get an Xcel renewable development fund grant. The project is for \$2 million. However it also means that we have to negotiate the grant agreement terms and that's possible it may push us into the 2015 construction period. Also, we've been looking more closely at the original size of the system to upgrade to either 1.5 or even 1.75. In addition, there has been discussion about building a community solar garden on the same site. MCES could subscribe for some of that power and perhaps our cities or customers could subscribe for more.

Willett explained that the second project – portfolio solar - is where we look at all the potential sites (in ES, we've identified at least four or five). We've also talked to transit, and they've identified seven sites. We would make the sites and site information available to vendors who would pick and choose what they would want to propose on.

Community solar gardens are rapidly developing. This was a mechanism approved by the state legislature last year. Solar panels are placed on properties that are well-situated for sun exposure, and nearby property owners can subscribe.

3. General Manager's Report

Leisa Thompson informed the committee that the Metro Plant has reached 28 months of permit compliance and the remaining treatment facilities have met permit compliance for seven years.

ADJOURNMENT

Business completed, the meeting adjourned at 5:21 p.m.

Susan Harder
Recording Secretary