

## Minutes of the

### REGULAR MEETING OF THE ENVIRONMENT COMMITTEE

Tuesday, April 11, 2017

#### Committee Members Present:

Sandra Rummel-Chair, Wendy Wulff-Vice Chair, Cara Letofsky, Marie McCarthy, Harry Melander, Edward Reynoso

#### Committee Members Excused:

Lona Schreiber

#### CALL TO ORDER

A quorum being present, Committee Chair Rummel called the regular meeting of the Council's Environment Committee to order at 4:03 p.m. on Tuesday, April 11, 2017.

#### APPROVAL OF AGENDA AND MINUTES

It was moved by Wendy Wulff, seconded by Edward Reynoso to approve the agenda. **Motion carried.**

It was moved by Wendy Wulff, seconded by Cara Letofsky to approve the minutes of the March 14, 2017 regular meeting of the Environment Committee. **Motion carried.**

#### BUSINESS

1. 2017-80 SW: Metro SMB Lime Kiln Dust

It was moved by Cara Letofsky, seconded by Wendy Wulff, that the Metropolitan Council authorize the Regional Administrator to enter into a lime kiln dust contract with Omni Materials, Inc, for their low responsive, responsible bid of \$79.50 per ton for the first two years and \$82.00 per ton for years three and four. The contract term is four years and not to exceed total cost of \$1,000,000; MCES contract 16P262. **Motion carried.**

2. 2017-81: 2017 Green Infrastructure Pilot Grant

It was moved by Harry Melander, seconded by Edward Reynoso, that Metropolitan Council approve the process for the 2017 Green Infrastructure Pilot grant described in Attachment A, and authorize staff to advertise the availability of grant funding and solicit applications for the grant. **Motion carried.**

3. 2017-83: Elko New Market Wastewater Services Agreement Amendment

It was moved by Wendy Wulff, seconded by Edward Reynoso that the Metropolitan Council authorizes its Regional Administrator to execute an amendment to the Wastewater Services Agreement with Elko New Market according to the attached agreement (Amendment Two). **Motion carried.**

#### INFORMATION

1. SAC Task Force Update:

Ned Smith, Director of Finance and Revenue provided an update on the SAC Task Force approved by the Council November 30, 2016.

MCES regularly convenes a customer group to examine and evaluate SAC issues. In 2016, House and Senate bills were introduced to exclude outdoor seating from SAC charges which did not pass. MCES and Metro Cities committed to convene a

task force to look at outdoor seating and other outstanding issues. The Task Force was then approved by the Council on November 30, 2016.

Since that time, 6 meetings have been held between December 1, 2016 and February 21, 2017. The task force has 16 members that encompass city administrative staff and business representatives from across the region. Issues discussed at these meetings included a review of the current outdoor seating policy, evaluating options of manufactured homes, simplifying the determination process, and simplifying the credit process.

#### Issue 1: Review Outdoor Seating Policy

Members voted to keep the outdoor seating policy but change how the criterion is presented in the 2018 SAC Procedure Manual to reflect 1 SAC per 40 seats. An information item summarizing the issue was written and approved by the Task Force and presented at the January 11, 2017 Council meeting. Wording change was approved and will be implemented in the 2018 procedure manual.

#### Issue 2: Evaluate Options for Manufactured Homes

Members voted unanimously to continue the SAC policy for manufactured homes and encouraged pursuit of non-MCES funded grants. Since then a Manufactured Home Preservation Grant is proceeding in 2017.

#### Issue 3: Simplify the Determination Process

Task Force members requested the Council analyze using gross square footage instead of net square footage for determining square foot dependent SAC charges. Analysis is underway to determine the impact of the change. Future Task Force meetings will be set in the July or August timeframe to report on analysis.

#### Issue 4: Simplify the Credit process

Task Force members discussed that the gross square footage approach has material impacts on the credit process. Analysis is underway to evaluate this approach.

Next steps include the completion of gross square footage analysis in approximately June 2017, Task Force finding will be reviewed in July 2017 with a final Task Force report anticipated sometime in September 2017.

#### Comments and Questions:

Committee Member Letofsky stated she has been part of the task force. One thing discussed recently is to consider outreach with businesses as there might be other parts of the region that may have feedback. Staff stated the June or July timeframe could be explored to convene user groups in order to obtain feedback.

Chair Rummel thanked Committee Member Wulff on her dedication to SAC concerns. It is a complex situation. Thank you to Metro Cities and those who think through issues with the Council. It is a good system.

Committee Member McCarthy inquired if there was legislation that created the task force? A House bill had previously been introduced to eliminate outdoor seating from SAC. The Senate bill was amended to create a task force. Although neither bill passed, MCES and Metro Cities still thought a task force was worth pursuing.

Committee Member Letofsky suggested looking at two other options:

- The first is to talk about the topic as paying for SAC the same way we pay for the capital system
- The system has been created and may be fair, but irritating due to complexity. Would like to see clarity around credits and determinations

Committee Member Wulff commented that we have the fairest system in the county and a drive for simplicity is the reason we are considering a gross square footage calculation.

2. General Manager Report:

- Six plants have 5+ years of perfect compliance with two plants working their way up to 5 years of perfect compliance.
- MCES Environmental Quality Assurance group partnered with HDR and Barr Engineering and received an award from the Freshwater Society for studies on subregional water supply issues.
- The Manufactured Home Park (MHP) Preservation Equity Grant program opened for applications April 3, 2017 and closes June 16, 2017. Details of the grant program can be found at <https://metro council.org/Wastewater-Water/Funding-Finance/Finance-Pubs/Manufactured-Home-Park-Preservation-Equity-Grant.aspx> . Three eligible MHP are currently nearing “ready to connect to the Regional Wastewater Treatment system” and includes Maple Hills Estates in Corcoran, Village Green North in East Bethel and Cimarron in Lake Elmo. Staff will bring recommendations to this Committee in terms of awarding grants.

**ADJOURNMENT**

Business completed, the meeting adjourned at 5:13 p.m.

Susan Taylor  
Recording Secretary