

## Minutes of the

### REGULAR MEETING OF THE ENVIRONMENT COMMITTEE

Tuesday, April 9, 2019

#### Committee Members Present:

Peter Lindstrom, Chair; Wendy Wulff, Vice Chair; Susan Vento

#### Committee Members Absent:

Kris Fredson; Phillip Sterner; Raymond Zerán

#### CALL TO ORDER

A quorum being present, Committee Chair Lindstrom called the regular meeting of the Council's Environment Committee to order at 4:00 p.m. on Tuesday, April 9, 2019.

#### APPROVAL OF AGENDA AND MINUTES

It was moved by Susan Vento, seconded by Wendy Wulff to approve the agenda. Motion carried.

It was moved by Wendy Wulff, seconded by Susan Vento to approve the minutes of the March 26, 2019, regular meeting of the Environment Committee. Motion carried.

#### BUSINESS

No new business

#### INFORMATION

##### 1. 2018 Better Government Award

Karen Neis, Director of Administration and Jennifer Zuchowski, Manager of Programs and Administration shared details of the State of Minnesota Governor's Better Government Award that was awarded to the Metropolitan Council for investing in the water utility public sector workforce by improving diversity and employee engagement.

According to a Department of Administration article, "The Better Government Awards highlight the outstanding work that state employees do to make real improvements in the lives of Minnesotans. These initiatives reflect the tremendous creativity and dedication of the state's public servants and serve as an inspiration to our colleagues across the nation," said Administration Commissioner Matt Massman. This article can be found at <https://mn.gov/admin/media/news/?id=36-362319>

As part of the 2018 projects recognized is the Metropolitan Council Environmental Services Employee Recognition Program and Diversity Outreach. "The Metropolitan Council's Environmental Services Division's (MCES) Employee Recognition Program and Diversity Outreach is a multifaceted strategy that works to expand recruitment, retention, and promotion efforts to create a workforce that reflects the diversity of our region, and a culture where employees are prepared welcomed and supported in their work. The program includes working with teachers to help build STEM curriculum (an article about this work is available at <https://www.nacwa.org/docs/default-source/news-publications/Advocate/2019-Wiinter/back-to-school.pdf?sfvrsn=2>) and being visible and vocal in the community by participating in job fairs, job shadowing and includes building relationships with community partners such as Big Brothers Big Sisters and the Twin West Chamber of Commerce. The MCES Employee Recognition Program now includes a peer recognition component and a Keystone Award recognizing the superior achievement of agency goals.

Being recognized for this award are: Karen Neis, Jennifer Zuchowski, Francee Jablonske, Karla Eggink, Kim Burbank, Andrea MacArthur, Suidi Hashi, and Roderic Southall.

In addition, Gabriel Rios and Juan Berry, both Interceptor Service Workers from Regional Maintenance shared their experience with the program.

Comments or Questions:

Thank you, Gabriel and Juan, for the work you do every day. Amazing stories of the workers Environmental Services has on their team.

2. MCES Finance Overview

Ned Smith, Director, ES Finance and Revenue and Kyle Colvin, Manager, Engineering Programs provided an overview of the Environmental Services finance process.

- 1) MCES is fee for service; that is 100% user funded.
- 2) There is no state, federal, or council money used for operations or capital; likewise, MCES fees cannot be used to fund other council activities.
- 3) MCES rates are 40% lower than the national average and 2020 will be year 3 of a 5-year commitment to keep our total municipal wastewater revenue increase below 4% (and inflation thereafter).
- 4) Our municipal wastewater charges (MWV's) are allocated to the communities based on their flow from two years prior as a % of total flow. The allocation is impacted by 3 factors:
  - a. Total Municipal Wastewater fee (<4%).
  - b. A community's flow (impacted by growth and Inflow and Infiltration).
  - c. Total regional flow

*These factors mean no city's rate change will perfectly match the total municipal flow increase.*
- 5) Sewer Availability Charge (SAC) is a fee for connecting to or expanding use of the system. It is about reserving capacity on the system based on total potential discharge and is separate from flow.
- 6) SAC is a material revenue source – it covers approximately 15% of our total revenue budget.
- 7) We have a robust capital program, spending \$120-\$150 million per year. We finance this with triple A (AAA) rated General Obligation bonds, Public Facilities Authority (PFA) subsidized loans, and Pay As You Go (PAYGO). Additional details of our capital program will be shared at a future meeting.

Comments or Questions:

Staff clarified that there is a strength threshold for charges related to industrial waste.

Committee Member Wulff shared that with the increase in microbreweries in the Twin Cities, Environmental Services Industrial waste division worked with a small group of breweries to test for strength to establish a typical standard strength that could be applied to the volume of discharge to determine the charge.

Committee Member Vento asked if there was an increase in flow volume after the NCAA championship game. Staff stated, evaluation was done after the super bowl and it was detectible, but not significant.

Chair Lindstrom asked regarding the decrease in staffing. Staff clarified it is related to attrition due to retirements.

Chair Lindstrom made an observation on what the calculating the cost would be if we had double A (AA) bond rating versus triple A (AAA).

3. General Manager Report

Ms. Thompson commented if Committee Members had agenda topics they would like covered during an upcoming meeting to let her or Environmental Services staff know.

**ADJOURNMENT**

Business completed, the meeting adjourned at 5:03 p.m.

Susan Taylor  
Recording Secretary