Minutes of the
REGULAR MEETING OF THE ENVIRONMENT COMMITTEE
Tuesday, September 12, 2017

Committee Members Present:
Sandra Rummel-Chair, Cara Letofsky, Marie McCarthy, Harry Melander, Edward Reynoso, Lona Schreiber

Committee Members Excused:
Wendy Wulff-Vice Chair

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, September 12, 2017.

APPROVAL OF AGENDA AND MINUTES
It was moved by Edward Reynoso, seconded by Cara Letofsky to approve the agenda. Motion carried.

It was moved by Lona Schreiber, seconded by Cara Letofsky to approve the minutes of the August 8, 2017 regular meeting of the Environment Committee. Motion carried.

BUSINESS
1. 2017-200: Roseville Interceptor Rehabilitation & Meter Improvements
   It was moved by Cara Letofsky, seconded by Lona Schreiber, that the Metropolitan Council authorize its Regional Administrator to award and execute a construction contract for Interceptor 1-RV-430, 1-RV-433 and 8851 Rehabilitation and M046 and M049 Improvements, Project 808830, Contract 16P201, to Lametti and Sons, Inc. for their low responsive, responsible bid of $6,317,700.00. Motion carried.

2. 2017-201: Woodbury L73 Lift Station Access Improvements
   It was moved by Harry Melander, seconded by Cara Letofsky, that the Metropolitan Council authorizes its Regional Administrator to award and execute a contract for Woodbury L73 Lift Station Access Improvements, Project 805570, Contract 16P176, to Rice Lake Construction, Inc. for their low, responsive bid of $2,992,400.00. Motion carried.

3. 2017-202: Intergovernmental Agreement with the City of Mound and Hennepin County; Joint Powers Agreement with the City of Minnetrista
   It was moved by Edward Reynoso, seconded by Lona Schreiber, that the Metropolitan Council authorize its Regional Administrator to negotiate and execute intergovernmental agreements with the City of Mound for the construction of city watermain, Hennepin County for the construction of drainage and roadway improvements, and a joint powers agreement with the City of Minnetrista for acquisition of real property. Motion carried.

4. 2017-203: Mound Area Improvements Real Property Acquisition and Condemnation
   It was moved by Cara Letofsky, seconded by Harry Melander, that the Metropolitan Council pass Resolution 2017-21 to authorize the acquisition of real property necessary for MCES Project 802829 and direct its attorneys to initiate condemnation proceedings for those parcels that cannot be acquired by direct negotiation. Motion carried.
5. **2017-024: 2017 Green Infrastructure Pilot Grant Program – Allocation of Funds**

   It was moved by Marie McCarthy, seconded by Cara Letofsky, that the Metropolitan Council authorize its Regional Administrator to award and execute four green infrastructure grants described in Attachment A in the total amount of $1,000,000.

   If detailed project budgets vary from preliminary amounts resulting in unallocated funds, staff may re-allocate those funds among recommended proposals or high ranking un-funded proposals. If unallocated funds exceed $50,000, staff will bring proposed reallocations back for Council action. **Motion carried.**

**INFORMATION**

1. **2016 Water Resources Year in Review:**

   The purpose of this presentation is to communicate the work done with our partners and other water quality professionals in the metro area. A newsletter was prepared and forwarded to watershed districts and watershed management organizations, soil and water conservation district staff, stream monitoring collaborators, contacts at the Department of Natural Resources, Minnesota Pollution Control Agency, and US Geological Survey, and Citizen-Assisted Monitoring Program (CAMP) participants. The report was also shared at public meetings related to water quality.

   The contents discuss who we are, reviews 2016 monitoring efforts, spotlights selected projects that were completed in 2016 and provides highlights of the plans for 2017.

   The report showcases information on our long-term, routine monitoring programs that take place. River monitoring since 1976 has evaluated 20 sites on 5 rivers, stream monitoring going back to 1989 has evaluated 20 sites on 19 streams, lake monitoring started in 1980 evaluated 168 lakes total in 2016. Data is used internally and shared with collaborators and other organizations for their own uses and is available to the public.

   Also highlighted in the report was information on the local surface water plan requirements and trainings as part of the PlanIt Comprehensive planning process which assists cities who are updating their comprehensive plans for 2040. Materials provided, including webinars and workshops, help guide cities through the process. Cities also have the chance to submit their plan for preliminary review before they submit a final version to be reviewed by the Council.

   Stormwater grants help communications improve their stormwater management infrastructure. In 2016, $1 million in stormwater grants were issued which were split between 9 projects in 8 different watershed districts. Four projects addressed stormwater reuse, four addressed stormwater treatment and one focused on outreach and education.

   The Council strives to provide the best quality data given the resources we currently have. One example in 2016 is the use of a Nitrate probe at Ft. Snelling on the Minnesota River. In the past, there would typically be 30-40 samples a year taken, but the sensor allows for continuous monitoring every 15-minutes. Data is more detailed and helps improve our understanding of how nitrate fluctuates in the Minnesota River before it enters the Mississippi.

   A streamflow workshop was held to facilitate discussion between water quality professionals in the region. Presenters and field demonstrations included MCES, US Geological Survey, and the Department of Natural Resources.

   An updated Environmental Information Management System (EIMS) was released in 2016. Members of the public are able to search the sites and locate maps with links to a page with details about the site, use text filters, and select parameters as well as download data and documents.
In 2017 and beyond we are continuing our lake, river, and lake monitoring programs and providing quality data to the public and our partners. The Council will also work to optimize programs such as sampling protocols, data management tools, etc.

Beyond monitoring and maintaining our data, other projects are anticipated to include:

- Collecting biological samples
- Facilitating forums on data collection, assessment and management that are currently under development by MCES and our partners
- Review of City preliminary comprehensive plans and formal local water plans. Official plans are due at the end of 2018 for review.
- River trend assessment to document changes in the Mississippi, Minnesota, and St. Croix River water quality over the past 4 decades
- Continue with the grant program for stormwater and stormwater infrastructure projects in communities across the region

Questions or feedback can be directed to Judy Sventek at 651-602-1156 or judy.sventek@metc.state.mn.us or Erik Herberg at 651-602-1473 or erik.herberg@metc.state.mn.us

Comments & Questions:

Monitoring occurring across the 7-county area. Other agencies are conducting monitoring in Anoka County

How does the Council determine what we monitor? Anything specific within MCES that states we must monitor? Every program is slightly different. The lake program sends letters to every city and watershed to determine which lakes they want to include. The river sites are monitored for permitting. For streams, some we monitor, some our agency partners monitor.

With the new nitrate probe in the river, is the dip in August and September due to farmers and lawn care applying fertilizers. Staff stated results are being evaluated, a lot has to do with rain fall patterns. Earlier in the year, results are due to snow melt. This will provide more comprehensive data. For now, we have purchased just one nitrate probe and have placed it in the Minnesota River where currently most of the nitrogen is being found.

Who is invited to the forums? Staff stated watersheds that are part of the stream cooperative network were invited in the past. Have expanded to include watersheds, cities, and soil and watershed conservation districts to help develop future forums.

The report has been well-received and helpful. Pleased we are getting our information out to the public.

How do we select lakes to monitor? Is it size? Lake Minnetonka and White Bear Lake are not included. Staff stated Ramsey County is monitoring White Bear Lake and the watershed district is monitoring Lake Minnetonka so the Council does not duplicate efforts. We send out a letter to our partners each year to see which lakes they want to enroll in our program.

EIMS website – if a question comes up how do they get referred for assistance. The web page includes information on who to contact if they have questions about the site or our data.

2. Proposed 2018-2023 Capital Program and 2018 Capital Budget:

This informational item reviews the Proposed 6-year Capital program covering 2018-2023 and the 2018 Capital Budget. The program and budget will be incorporated into the Council’s proposed 2018 Unified Budget that is scheduled to go out for public comment in October and adopted by the Council on December 13 of this year.
The presentation was broken into three topic areas the capital program, authorized capital program (ACP) and the capital budget.

The capital program reflects a 6-year plan consisting of two parts:

1. The Authorized Capital Program or (ACP) which is an authorization to spend on projects in which the Council has given final approval to implement, and;

2. The Capital Improvement Plan or (CIP) reflects the capital investment plan (list of projects) but authority has not been given by the Council to implement.

The capital budget is the annual appropriation from the Authorized Capital Program that the Council authorizes to be spent in the upcoming year.

The Capital Program strives to meet three primary objectives;

1. To preserve the approximately $7 Billion in infrastructure investments that the metropolitan area has made in the regional wastewater collection and treatment system.

2. To provide regional wastewater services commensurate to a community’s request for service as expressed in their approved Comprehensive Sewer Plan.

3. To reinvest in the regional system to make performance improvements in response to regulatory requirements, cost savings, and safety. The Capital Program includes only one minor project that falls under the regulatory category and that’s a project at Hastings related to phosphorous.

The Capital program includes investments in both our wastewater treatment facilities as well as in our conveyance systems.

Projects identified in the 6-year Capital Program include major projects at our Blue Lake, Metropolitan, Empire and Seneca treatment facilities and a new Hastings Plant.

The proposed 2018-2023 Capital Program investments reflect a reduction in spending from a historic perspective. The reduction reflects a number of contributing factors including deferment of low risk projects and completing a large number of rehabilitation projects in the next few years.

These adjustments and the resulting reduction in the anticipated Capital Program expenses support the Council’s goal in reducing the current debt service bubble.

A graphical depiction of the 6-year capital program showed expenditures broken down by project objectives such as asset preservation, system capacity improvements to accommodate growth, and system improvements for regulatory responses, efficiencies' and safety. Followed by another graphical depiction of expenditures broken down by project type.

The 6-year average expenditure is mostly focused on system asset preservation at 79%.

The 6-year capital program projects an approximately 60%/40% split in expenditures between the interceptor and treatment systems, with the majority of expenditures scheduled to occur on the interceptor system. The previous year split was 70/30 due to greater expenditures to the treatment plants such as the Metro solids project which includes the FBR project that is projected to start in 2021.

Proposed revisions to the Authorized Capital Program include two new projects, one in Brooklyn Park L32 relocation and the Blue Lake Solids Improvements.

Proposed adjustments included removal of completed projects, authorized implementation of projects from planning phase to design/construction, and additional needs identified through televised inspection and condition assessment program in the Minneapolis & St. Paul interceptor system and refined cost estimates.

Projects that have been removed or deleted include Blue Lake WWTP Improvements project which was completed, Energy Conservation & Recovery as some projects were completed and others
moved from this program and incorporated into other specific projects, and Metro Nutrient Removal Program which included generalized planning efforts.

One of the new projects in the ACP includes the Brooklyn Park L32 relocation. The project includes the construction of a new L32 across the Mississippi River from the existing L32 on property that the Council recently purchased. Project will also include the phase-out and decommissioning of the existing L32 on the west side of the river. Project will address increased capacity needs due to growth, reduced risk of localized system backups due to local connection elevations to the interceptor immediately upstream of the existing lift station, and provide more buffer to surrounding residential areas.

The ACP requests $1.2 million for planning and design for the project which is expected to start next year with construction anticipated in 2020-21. Total project cost is estimated at $34.5 million.

The other new project in the ACP includes improvements to the solids handling and processing systems at the Blue Lake WWTP. This project includes improvements associated with the solids thickening and drying processes at the plant which is a combination of renewal as some of the equipment is nearing the end of its useful life and capacity. The ACP requests $800,000 for planning and design for the project which is expected to start in 2018 with completion anticipated in 2020-21. Total project cost is estimated at $50.5 million.

In summary the ACP:

Current Authorized Capital Program is a little over $924.1 M
Adjustments to Existing Projects is $145.8 M
New projects (L32 Relocation & Blue Lake Solids Improvements are $ 2.0 M
Completed Projects or moved out of 6-year ACP period are - $192.4 M
Total proposed 2018 Authorized Capital Program request of: $879.6 Million

The proposed changes to the Capital Improvement Plan reflects additions and adjustments that address for the most part asset renewal projects.

The CIP includes the addition of two new projects:
1. The Joint Interceptor Rehabilitation project which identifies an estimated cost of $21 million
2. New Hastings WWTP which represents the relocation of the existing plant out of the downtown Hastings area to property south and east of the downtown area that the Council purchased a few years ago. The CIP identifies and estimated cost for planning, design and construction initiation of the project at $7 million. Project is scheduled to be completed after 2023.

The CIP also includes increased funding for rehabilitation projects in Minneapolis as well as additional projects at the Metro wastewater treatment plant that fall under the asset renewal, capacity and quality categories.

In summary the final proposed 2018-2023 Capital Program totals $1,289 M or $1.3 Billion of which $880 M is the Authorized Capital program and $409 M is the Capital Improvement Program.

The proposed 2018 Capital Budget is $150 Million.

A graphical depiction of the 2018 Capital Budget breakdown by project objective reflects approximately 90% of the proposed 2018 projects will be asset preservation in nature. This compares to the 79% average over the 6-year capital program, illustrating the increased level of asset preservation projects in the initial portion of the 6-year Capital Program.

Finally, the schedule for adopting the MCES Capital Program and Budget, ES’s capital program and budget will be included in the overall Council Unified Operating and Capital Budget and Levies.
In August the Council was presented a “Big Picture” Operating and Capital Budget by each Division Head representing their respective Budgets.

In October the Council will approve and release the Unified Operating and Capital Budget for public comment.

Public comments will be received and presented to the Council along with draft budgets for adoption.

Formal adoption of the Unified Operating and Capital Budget and Levies by the Council is scheduled at its December 13 meeting.

Comments & Questions:
Capital Program numbers prior to 2018 program was 80% vs. 79% for 2018-2023.
Tables are available that detail the capital improvement program.

With the disasters we are seeing in the news lately, do we have plans in place to respond to financial needs resulting in MCES system damage? Staff stated MCES has emergency contingencies in place. Insurance exists for some coverage and the Council has benefited from FEMA funds in the past when floods or significant storms have affected infrastructure. Additional clarification can be provided.

3. General Manager Report:
No report at this time.

Leisa visited Hastings recently. The facility sits at the end of Main Street residences on one side and railroad on the other. Staff are being diligent to contain odors. Looking forward to the possibility of an alternate location for the plant.

ADJOURNMENT
Business completed, the meeting adjourned at 5:33 p.m.

Susan Taylor
Recording Secretary