

**Roseville Public Works, Environment and
Transportation Commission**

Agenda Item

Date: September 24, 2019

Item No: 3

Item Description: Approval of the August 27, 2019 Public Works Commission Minutes

Attached are the minutes from the August 27, 2019 meeting.

Recommended Action:

Motion approving the minutes of August 27, 2019 subject to any necessary corrections or revision.

Move: _____

Second: _____

Ayes: _____

Nays: _____

**Roseville Public Works, Environment
and Transportation Commission
Meeting Minutes**

Tuesday, August 27, 2019, at 6:30 p.m.
City Council Chambers, 2660 Civic Center Drive
Roseville, Minnesota 55113

1 **1. Introduction / Roll Call**

2 Chair Cihacek called the meeting to order at approximately 6:30 p.m. and at his
3 request, Public Works Director Marc Culver called the roll.

4
5 **Present:** Chair Brian Cihacek; Vice Chair Joe Wozniak; and Members Shane
6 Spencer, Michael Joyce

7
8 **Absent:** Member Stephanie Hammer (Excused), Karen Huiett, Nancy Misra

9
10 **Staff Present:** Public Works Director Marc Culver

11
12 **2. Public Comments**

13 None

14
15 **3. Approval of July 23, 2019 Meeting Minutes**

16 *Comments and corrections to draft minutes had been submitted by PWETC*
17 *commissioners prior to tonight's meeting and those revisions incorporated into the*
18 *draft presented in meeting materials.*

19
20 **Motion**

21 **Member Joyce moved, Member Spencer seconded, approval of the July 23,**
22 **2019 meeting minutes as presented.**

23
24 **Ayes: 4**

25 **Nays: 0**

26 **Motion carried.**

27
28 **4. Communication Items**

29 Public Works Director Marc Culver provided a brief review and update on projects
30 and maintenance activities listed in the staff report dated August 27, 2019.

31
32 Member Wozniak asked what the roll out plan was for the Organics Drop off.

34 Mr. Culver thought the County will do some social media blasts and also in the
35 recycling newsletter and the city will do the same.

36
37 Chair Cihacek asked if Eureka will replicate that copy into some of their
38 publications.

39
40 Mr. Culver indicated staff will make sure there is information put into Eureka's
41 publications.

42
43 Mr. Culver explained the Tiered Water Rate schedule was presented to the city
44 Council and the Council was interested and understood to some extent what the
45 PWETC was trying to do as far as water conservation but did not feel, at this point,
46 that a new tier would necessarily accomplish that.

47
48 Chair Cihacek indicated he would be interested if Mr. Miller could model out the
49 utility rates so the Commission can recommend a proposal and represent that to the
50 Council. He noted the Commission would like to see the new tier implemented in
51 the next year.

52
53 Mr. Culver noted he could mention that. Mr. Miller's last day with the City of
54 Roseville will be September 5th and will not be presenting the utility rates to the
55 Council in November. The utility rate recommendation is already set and does not
56 include an additional tier at this point. He presumed the city's Assistant Finance
57 Director will be the Acting Finance Director until a new Finance Director can be
58 hired, Jason Schirmacher will be making that presentation in November.

59
60 Chair Cihacek thought adding a tier sooner than later will be wanted due to
61 education and the time it will take to implement it.

62
63 Member Wozniak thought the Council indicated there was not any value in this
64 approach. He wondered if the Council had any other suggestions other than trying
65 to coach people on being more conservative with their water.

66
67 Mr. Culver explained there was talk about rebates and the city is making an
68 application for a Met Council grant for water conservation rebate program so the
69 city can use their dollars to provide rebates for water smart appliances and fixtures
70 and included with that are smart water irrigation controllers and he thought that is
71 really what he wants to push for those high irrigation users. He indicated the city
72 did not need to just focus on people over fifty thousand. That is a program that he
73 felt will be very effective if the city can get people to use those controllers and that
74 technology. The goal is to get people to use less water and not to necessarily bring
75 in more revenue.

76
77 Chair Cihacek agreed. He thought there would not be incentive to act if there is not
78 consequences for failure to act as well. Education is good but people seem to be
79 ok with the rate that is already being paid and no incentive for change beyond good

80 will. He thought it is important to bring this forward to the Council again to get
81 their attention on how important it is to try to get people to use less water.

82
83 Mr. Culver continued with his review on project and maintenance activities in the
84 city including State Fair park and ride lots.

85
86 Chair Cihacek asked if the Council was looking to expand the park and ride options
87 for the State Fair.

88
89 Mr. Culver explained that is up to the State Fair. He thought there were eleven to
90 twelve State Fair lots within the city limits. Seven or nine of those have to get an
91 interim use permit because those lots are within residential zoning such as a church
92 or school. He was not sure what the State Fair's budget was to add more lots and
93 he thought it was a bit frustrating that the State Fair has turned a blind eye to the
94 parking demand issue that is created around any park and ride lot. He thought this
95 is something that will continue to evolve over time.

96
97 Mr. Culver indicated the city is actively soliciting youth members for the
98 Commissions. He noted the positions are not generally filled until the school year
99 starts. He asked the Commission to help pass out information to family and friends.

100
101 Member Spencer asked if it is ok to post where he works the position for a Youth
102 Commissioner.

103
104 Mr. Culver thought that was fine and the student can go to any school but needed
105 to be a resident of Roseville.

106
107 Member Spencer indicated he was looking over the list in the packet and he did not
108 see anything for Glenwood Avenue, and it looked there was a house being built
109 there or a fairly large addition to a house.

110
111 Mr. Culver explained he did not know at what level it would be triggered on the
112 map but thought it would be a larger remodel such as a business remodel or brand
113 new home construction. He noted staff could look into that.

114
115 Member Spencer explained another thing he was asked to find out is who is
116 responsible for trimming the trees around Lake McCarrons on the walking path that
117 hang over the fence. He wondered if it was the homeowner's responsibility or the
118 city's responsibility.

119
120 Mr. Culver explained it depends on where the lot is located.

121
122 Member Wozniak noticed along the pathway on County Road C there is some
123 pavement irregularities and also some shrubbery encroaching on the pathway right
124 of way close to the pullout from City Hall on the south side.

125

126 Mr. Culver noted staff will take a look at that.

127

128 **5. Recycling Update**

129 Public Works Director Marc Culver provided a brief review and update on
130 recycling and costs listed in the staff report dated August 27, 2019. He noted the
131 city is not getting any revenue for mixed paper that is being collected and recycling
132 revenue has been declining through the years.

133

134 Member Joyce asked how the city absorbs the loss in the budget.

135

136 Mr. Culver explained the city had built up a surplus over the years in the recycling
137 fund. He anticipates the balance of the fund to be near zero by the end of the year
138 and did ask Ramsey County for some help in absorbing additional costs and
139 Ramsey County did have some funds set aside for this type of thing.

140

141 Member Spencer asked if this a one-time aid.

142

143 Mr. Culver indicated it was.

144

145 Chair Cihacek thought the more people that recycle the bigger the problem
146 becomes.

147

148 Mr. Culver stated that was right. He said there are a number of cities in the Nation
149 that have stopped recycling because of the costs. No one is asking Roseville to stop
150 recycling. He explained that going forward the city is going to have to find out
151 how to manage this. He indicated staff has asked Eureka what it would cost if
152 revenue sharing were removed. Eureka came up with a proposed rate chart. He
153 reviewed the chart with the Commission.

154

155 Member Spencer asked if Mr. Culver had a sense of what the collection costs are
156 versus the processing fees.

157

158 Mr. Culver explained the current contract spells that out. Eureka funds their
159 collection service with the \$2.46 per unit. In 2019 for \$465,000 that pays for them
160 to collect the recycling. He indicated he ran the numbers himself and between 2006
161 and 2018 the city averaged 3,329 tons per year of recycled material collected. To
162 process the material at \$58 a ton it costs \$193,082 per year. Over the 15,332 units
163 it is \$12.60 per year, \$3.14 per quarter or \$1.05 per month and Eureka's proposal
164 to get rid of the revenue sharing happened to be \$1.00 extra. He noted this works
165 from a math perspective if worked backwards.

166

167 Mr. Culver indicated if the city were to take Eureka's current proposal and go to
168 \$3.46, combined processing and collection and no revenue sharing or extra costs it
169 would add up to be \$654,000 in 2019 which is \$114,000 more than staff thinks the
170 city will end up paying Eureka in 2019. In 2020, staff thinks that number is

171 \$123,000 difference. He indicated staff does not know how much the city is
172 actually going to end up paying Eureka in 2020 to process the materials.
173
174 Member Joyce thought glass is the big candidate to stop collecting because it is
175 costing the city the most money.
176
177 Chair Cihacek noted glass is losing the same amount as the residual recycling right
178 now.
179
180 Member Wozniak explained it is also a consistent twenty percent of the volume
181 that is collected which is a lot.
182
183 Mr. Culver noted that is by ton and glass is going to weigh more than aluminum.
184
185 Chair Cihacek explained there is also a cost to re-educate people. He also did not
186 think people would say it is ok to landfill the glass bottles. It does not make sense
187 in today's environment.
188
189 Member Wozniak indicated the glass bottle would not go to a landfill it would go
190 to the waste processing facility in New Port which is required by law.
191
192 Chair Cihacek explained he was ok with the \$58 as an estimate of actual cost.
193
194 Mr. Culver indicated that the city can assume that the glass that Eureka is collecting
195 and processing will eventually get recycled and reused versus going to a landfill.
196 A lot of people would say that even if it cost more to process that glass bottle and
197 eventually end up using it in some other product or getting a second life that would
198 be preferable over putting it in a landfill.
199
200 Member Spencer supported that thought.
201
202 Member Joyce thought Mr. Culver was right and people do not want to throw things
203 of value or could be used in a landfill.
204
205 Member Wozniak noted the energy savings from recycling glass and making it into
206 new glass versus creating it from scratch is tremendous.
207
208 Mr. Culver explained that philosophy or value does not help the city budget.
209
210 Member Wozniak asked if the goal is to try to address the budgetary deficits or to
211 reduce risk.
212
213 Mr. Culver thought that was a good question and staff wants some input from the
214 Commission on that. He indicated the Finance Department is going to recommend
215 \$9.00, increasing the recycling fee from \$7.15 per quarter to \$9.00 per quarter in
216 2020. If the city goes with the proposal from Eureka, he imagined the city will

217 have to increase the fee to \$11 or more per quarter to recover this but then staff will
218 know the budget will balance at the end of the year.

219
220 Chair Cihacek thought raising the fee now is a good plan and if the residual profit
221 comes back and the city starts to see a turn for the better this can be revisited to
222 discuss if the fee should be lowered.

223
224 Mr. Culver reviewed comparable cities and their RFP's with the Commission.

225
226 Chair Cihacek explained at some point the city has to start escalating to the market
227 in response to the market versus what the city thinks is likely viable and the city
228 can choose to do it progressively so a little bit each year until it gets closer to market
229 proximation or set it at what the market is at now. He noted in his mind he would
230 rather take the risk out and try to negotiate for better terms so the city does not have
231 to worry about taking a deficit because if a deficit is taken, it still comes from
232 somewhere and the city may end up paying more because the deficit will compound
233 over time.

234
235 Chair Cihacek indicated it is a one dollar a month more charge and even though it
236 is significant in terms of percentage it is not significant in terms of financial impact
237 per person but the city will be able to sustain that rate for a longer period of time
238 then if the city does not charge that right now. He stated he would ask for the \$3.46.

239
240 Member Wozniak thought the city should negotiate the cost.

241
242 Mr. Culver indicated as a part of the negotiation would the Commission be ok with
243 extending the contract one or two years.

244
245 The Commission agreed.

246
247 Chair Cihacek thought the city should lock the rate in to the best rate possible with
248 the assumption that the market will continue to decline.

249
250 Member Wozniak indicated he was not in favor of raising the fee a dollar.

251
252 Chair Wozniak thought it could be cut in half for fifty cents and waive revenue
253 share for the time being and then negotiate the cost.

254
255 Member Wozniak thought one of the things the city could look at is to reduce the
256 residuals and eliminate the black plastics in carryout containers. He thought the
257 city Council had mentioned taking some action on carryout containers at the July
258 meeting so there might be some interest there.

259
260 Chair Cihacek indicated he was ok with going with \$3.46 and work the cost down
261 and see what the negotiation looks like. He would rather be prepared to pay the
262 maximum amount.

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Member Wozniak thought with the rate Roseville charges he would think the city should build in an additional buffer unless the city gets rid of the revenue risk, revenue sharing and then make sure there is a mechanism in there so that any surplus at the end of the year remains in a fund that can only be spent on recycling.

Mr. Culver summarized the discussion of the Commission and indicated the Commission recommended the city work with Eureka to see if there can be a reduced increased rate to remove the revenue share/cost share model.

Chair Cihacek thought the Commission is recommending that the city increase the utility fee equal to what the loss would be such as there would be no net deficit in the budget and see if the city can negotiate different terms to account for the loss of the revenue share and make it more consistent.

6. Items for Next Meeting – September 24, 2019

Discussion ensued regarding the September PWETC agenda:

- Community Development: Current Sustainability Requirements and Incentives
- Youth Member Update/Recommended Candidates
- Continue Discussion on recycling rates

Mr. Culver noted in July a Forestry Task Force was created to assemble and talk about forestry policy issues. It will comprise members of the Planning Commission, PWTEC and the Parks and Recreation Commissions. He indicated he is reaching out to the Commissions.

7. Adjourn

Motion

Member Wozniak moved, Member Joyce seconded, adjournment of the meeting at approximately 8:24 p.m.

Ayes: 4

Nays: 0

Motion carried.