

# Roseville Public Works, Environment and Transportation Commission Meeting Minutes

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Tuesday, April 24, 2018, at 6:30 p.m.  
City Council Chambers, 2660 Civic Center Drive  
Roseville, Minnesota 55113

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## 1. Introduction / Roll Call

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

**Present:** Chair Brian Cihacek; Members Michael Joyce, Martin Kors, Michael Kruse, and Thomas Trainor; with Member Nancy Misra arriving at approximately 6:34 p.m.

**Absent:** Vice Chair Wozniak and Member Nancy Misra

**Staff Present:** Public Works Director Marc Culver; City Engineer Jesse Freihammer;

## 2. Public Comments

None.

## 3. Swearing in of New Commissioners

Chair Cihacek swore in the following new Commissioners: Michael Kruse, Martin Kors, and Michael Joyce.

## 4. Approval of March 27, 2018 Meeting Minutes

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

Member Trainer indicated he previously brought up this correction to Public Works Director Culver. On lines 98-99, it currently reads as follows:

*He stated it did not indicate that nos. 3 and 6 plastics have been authorized for recycling.*

Instead, it should read:

*He stated it did not indicate that nos. 3 and 6 plastics are restricted for recycling.*

**Motion**

**Member Trainor moved, Chair Cihacek seconded, approval of the March 27, 2018 meeting minutes as amended.**

**Motion**

**Chair Cihacek moved, seconded by Member Trainor to TABLE this item until an additional Member arrives at the meeting, since the 3 new Commissioners were not present at the March meeting.**

**Ayes: 2**

**Nays: 0**

**Abstentions: 3 (Joyce, Kruse, Kors)**

**5. Communication Items**

Member Misra arrived at this time, at approximately 6:34 p.m.

Public Works Director Culver provided a brief review and update on projects and maintenance activities listed in the staff report dated April 24, 2018.

Member Kors inquired about the location of the lift station.

City Engineer Freihammer pointed out the three new lift stations on the map.

Member Trainor asked whether there continue to be flooding issues near the Godfrey Pit lift station.

Mr. Culver pointed out the last time flooding happened was in 2013. That is a spot that staff continues to watch. There have been significant improvements to the lift station, but there will still be rain events that impact the area.

Mr. Culver pointed out that one of the flyers in the newsletter reference recycling. Staff works with Ramsey County to maintain a consistent message on recycling. Member Trainor had previously pointed out the change in recycling standards, which now permit paper towel and toilet paper tubes. Under the plastic container section, it does not specifically mention that residents cannot recycle nos. 3 and 6 containers. That is a difference in philosophy between the County and Roseville, and even with Eureka. The County feels if the numbers are included, people will forget what the number is and they will look at the container and throw it away. He continued that the City will have to manage the message. Through all the years of recycling, he believes the public is generally educated enough to look at the numbers and know what is accepted. Those numbers should be reinforced, in his opinion.

Member Kruse asked whether Pathway projects are funded out of Public Works.

Mr. Culver responded that it depends. Some State-aid funds are used when permitted. Many of the miles of Pathways sidewalks added over the last three to four years have been funded by the parks renewal bond program. Part of that was connecting schools and parks. The projects under construction now are being funded by extra, leftover dollars. There are no identified funds to add sidewalks for Pathways on a regular basis.

**Motion**

**Member Trainor moved, Chair Cihacek seconded, approval of the March 27, 2018 meeting minutes as amended.**

**Ayes: 3**

**Nays: 0**

**Abstentions: 3 (Joyce, Kruse, Kors)**

**6. Eureka Annual Report**

Chris Gray, Eureka Recycling, presented the 2017 annual report. He pointed out the extensive report included in the Members' packet, noting he will only highlight a few issues.

Mr. Gray summarized that the City of Roseville's recycling program is going very well. Roseville has one of the better recycling programs in the County and in the State, and resident participation is high. It is becoming more and more important to be sure the right things are being recycled and also being recycled for its best use. Recycling tonnage is flat, which has been the trend for a few years. He noted that weight as a measure of success is actually a very dull tool. The composition of the material may be lighter, in increased quantities, which may be misleading by how much is actually being recycled. He continued that over the past ten years, magazines and newspapers delivered to homes have gone away and have been replaced by large volumes of light plastics. For Roseville to have a decrease of only two tons, which is indicated in the report, is actually a positive sign. He also noted that packaging has changed for things like cereal. Cereal boxes are starting to be replaced by plastic pouches, which are not recyclable. That is a disturbing trend for the recycling industry. He encouraged consumers to give feedback to their favorite brands that recyclable packaging is preferred.

Mr. Gray also discussed the changes in the industry related to aluminum and paper. He also discussed the residual, which is the percentage of things coming into the facility in the trucks and leaving the facility as trash. Sometimes the residual is residents putting things in the recycling container that cannot be recycled. Some programs want to go towards making it as easy as possible, encouraging everything to be put in, and it then becomes the job of the facility to get the stuff back out. The downside to that philosophy is that the goal is to educate people on what is recyclable.

Mr. Gray continued on to explain the National Sword Policy currently coming out of China. China has historically been a big recipient of recycled materials. Now, however, they have closed the door to shipments of recycling coming in to the country and not letting the materials in unless they meet a very, very high standard. One of the things impacting the revenue for Roseville over the past year is the National Sword Policy. In the long run, this policy will actually be a good thing for the recycling and manufacturing markets. But in the short-term, it is creating difficulties.

Member Kruse asked if it is feasible to meet China's new standards.

Mr. Gray noted that China is currently issuing a standard of less than a half-percent of contamination, which is a standard that even Eureka would have trouble meeting. Perhaps the end negotiated level would be higher than that; it is hard to know. If China goes on too long like this, their internal markets will run out of supply.

Chair Cihacek asked whether international markets are being impacted as significantly as American recycling markets.

Mr. Gray responded that the system has worked so efficiently in the past, because Chinese containers arrive here full of products; the containers are emptied and then refilled with recyclables. Going elsewhere for recycling material would require an entirely new system and structure.

Member Kruse asked if China currently uses all of the recyclable material it imports from the United States.

Mr. Gray explained part of the problem with international markets is there are good international end markets, companies that are responsible with the material and have controls in place. And then there are also companies that do not have proper environmental controls. There is not an easy way to track where the material goes. Eighty-five percent of what Eureka generates stays in Minnesota, but Eureka is also susceptible to global pricing fluctuations for commodities.

Member Misra asked whether there are facilities in the US that are positioned to pick up this slack, particularly in plastics. Also, she asked if there is a way to track the shipments going abroad.

Mr. Gray responded there is no system. Once it leaves the shores of America, the tracking and enforcing of environmental controls is completely out of Eureka's control. He also noted that there are markets in America for this type of material, but these markets do not have the capacity to absorb it all. If it becomes clear China will not back down, then there is incentive for that kind of capital and facilities to develop in America.

Member Kors asked whether China generates this quality of recyclables in their own country.

Mr. Gray responded it is really about what they are letting in the port. That is a lot different than whether internal markets in China are selling to a paper mill in China. Because it is not global in that situation, it is a relationship just between the producer and that market.

Chair Cihacek asked about the impact to recyclables by the oil market.

Mr. Gray explained that the cheaper oil is, it places a cap on what can be obtained for plastics. Recyclable material is an alternative to using oil. At a basic level, they are linked. If one goes down, the other goes down. One of the things impacting pouches becoming a dominant choice for packaging, is that one of the ways to generate oil domestically is through fracking. Plastic comes from an oil product. The price for plastic pouches is very low, so there is financial incentive to for manufacturers to make that choice.

Mr. Gray indicated Eureka is studying three different collection methods for clothes and linens in St. Paul: (1) put it out on recycling day; (2) monthly collections; and (3) on-demand via an app or website. This study has been funded by a grant. He noted that Eureka relies on a couple environment models that look at the full life cycle of recycling material rather than incinerating it, specifically, how much carbon dioxide was emitted.

Member Misra asked how close Roseville is getting to having recycling every week and garbage every other week.

Mr. Gray noted these are conversations that happen with City staff during the RFP period, as there is a cost associated with weekly collection. The trash side of the collection is more complicated, as it is an open system. The City does not provide as much control over the system. He suggested that research shows that when there is a compostable option for residents, recycling increases.

Member Joyce asked about Eureka's promotion of zero-waste evenings.

Mr. Gray responded affirmatively, noting Eureka currently does four zero-waste events: Earth Day celebration, the Run for the Roses, Taste of Rosefest, and Wild Rice Festival.

Chair Cihacek asked how many residents ask for additional pickups.

Mr. Gray responds that in Roseville, if the driver sees extra, the driver just picks up the extra.

Chair Cihacek noted that is a factor in determining what service levels to contract for.

Mr. Gray noted that one part of the calculus is linked to whether to offer a proposal with City-owned carts or a proposal with the contractor-owned carts. While it is an advantage for Eureka to own its own carts, it would actually be of benefit to the City to invest in their own carts at some point.

Member Misra recalled that by making recycling convenient, people took part in the program.

Mr. Gray added that Eureka does track people requesting larger carts. They also track the tags that are issued. The most frequent tag issued is one that notifies customers that they should ask for a larger cart, since they have so much material.

Member Misra noted that it is important data to find out how much recyclable material are included in the trash pickup. She is concerned about the global tracking issue, especially the plastics. As long as residents are continued to recycle, there should be some assurance that the material ends up at a facility being remade into something. There is a lot of reporting about how that does not happen.

Mr. Gray noted that Eureka has had market criteria for a long time, prior to accepting classics. However, there is another level of confidentiality to information about the end markets.

Member Kruse asked if materials are paid for.

Mr. Gray responded that one thing that is tricky with plastics is sometimes the plastics are not sold to a manufacturer, but rather to a broker, who will then move the materials to multiple end markets. Some brokers are solid, but vetting has to be done.

#### **7. Tiered Water Rate Analysis**

Mr. Freihammer recalled that the Commission has taken up this issue a couple of times in the past, and the packet includes minutes from the previous discussions. Mr. Freihammer presented the current utility rates and water usage graphs.

Member Kruse asked whether staff knows what percentage of water usage is residential vs. commercial.

Mr. Freihammer indicated he does not know that number offhand but can get it for the Commission.

Mr. Culver pointed out that the five largest users are all industrial users.

Member Misra asked about the chart showing water usage per year. It looks like 2012 was an anomaly. But otherwise from 2008-2009, it looks like a plateau has been hit.

Mr. Freihammer noted that the chart calculates averages. There is also a correlation between precipitation and water usage, particularly in the summer.

Mr. Culver noted the trend is not just Roseville. St. Paul does not have that significant of a base fee, so their rates are higher. Their revenue, then, is much more reliant on usage. That is the dilemma of some of Cities. Pressure is being applied by various agencies to push conservation, but that is a good source of revenue for them.

Mr. Freihammer also presented information on Roseville's water main system as well as on water main breaks.

Mr. Culver noted that in 2014, there were quite a few water main breaks, as the frost line was so deep. The breaks typically happen in the early spring, as the ground starts moving. Currently, 6 to 7 miles per year of sewer mains are being lined, so in 10 to 12 years, virtually all of the sewer mains will be like new. The hope is that someday soon that same new technology will be applied to water lines. Currently, there are approximately 30 water main breaks a year. On average, those cost \$5,000 to \$10,000. To replace a water main proactively is very expensive, and so it does not make a lot of sense to replace the pipe until there are issues with it.

Member Kruse asked if the City owns 100% of the water infrastructure once it enters the City.

Mr. Culver explained there is a small section of pipe that feeds the booster station that is owned by St. Paul. The City of St. Paul also owns the piping from its treatment facility to that reservoir. But otherwise, it is all owned by Roseville.

Member Joyce asked about fire hydrants.

Mr. Freihammer explained that every time a road project is done, all the hydrant valves are replaced.

Mr. Culver asked for Commission feedback and discussion on whether to adjust utility rates.

Chair Cihacek stated for the benefit of the new Commissioners that the PWET's prior recommendation was to maintain the current rate structure. He summarized that there is a base rate, which covers operation and maintenance of the system, and a consumption rate at different tier levels. There has been discussion about raising all rates or raising one of the rates. Different members have expressed different opinions.

Member Kruse asked how the current rate structure determined and also asked about non-residential rates.

Mr. Culver responded he does not know how or why the 30,000-gallon tier was established. Many discussions were had in the mid-2000s about this. In the late 2000s, the base rate was ramped up.

Member Misra noted that Commissioner Wozniak's previous comments were important regarding consumption. She has looked at water usage, particularly in the summer, and calculated that from 25,000 gallons up, about 50% of the water usage comes from 25% of the users. That sort of information is important because that speaks to a tiered pricing system. There are two points to the rates, to fund the system and to encourage conservation, and both are important. She would like to look at the tiers.

Mr. Culver noted that the current and prior City Councils do not want to punish larger households, where the per capita use of water is not egregious. Rather, the household has six or more people in the home.

Chair Cihacek clarified that the purpose of tonight's agenda item is to provide information to the new Commissioners.

Member Trainor commented on the high summer water usage, suggesting it would be prudent for the City to pay individual attention to those home, even more so than adding tiers.

## **8. Public Works Overview**

Mr. Culver provided a brief overview of the Public Works department, by starting with various statistics about the City itself, the Public Works budget, and the Public Works staff. The \$900,000 Administration/Engineering operating budget is supported by the general fund. The Civil Engineering position is almost fully funded by fees from Falcon Heights. The right-of-way position is almost fully funded by fees. The Streets division includes 10 full-time employees and most are union staff. The \$1.2 million 2018 operating budget is general fund supported, with an additional \$2.2 million in PMP/MSA CIP.

Mr. Culver continued that the Storm Sewer division has 12 full-time employees (shared staff with Streets and Administration), and the \$2.2 million 2018 budget is fee supported. The Sanitary Sewer division has 13 full-time employees (staff is shared with Water), and the \$6 million is fee supported. Central Garage has 2 full-time employees and a 2018 budget of \$183,000. The Facilities division has no full-time staff but is managed by the Utilities Superintendent. Recycling has a .25 employee (shared with Stormwater) with a \$550,000 annual budget (which is utility fee supported). He also highlighted the new asset management system, which ties

requests and events to particular divisions, e.g., when trees are down or residents call in with various requests and complaints.

## **9. May Agenda**

Discussion ensued regarding the May PWETC agenda:

- MS4 Annual Meeting
- Ramsey Washington Metro Watershed District: Bennett Lake TMDL Public Hearing

Mr. Culver also distributed a variety of maps for the water main system, sanitary sewer system, and storm sewer system.

He also wanted to follow up on the solar project. He will go to the Council in May and request that the Council approve entering into a community solar garden agreement with IPS Solar for up to 2 million megawatts of capacity. That will be a year-long commitment. After a year, the City can go find a different developer for any remaining capacity.

Mr. Culver indicated that a joint meeting with the Council is tentatively scheduled for July 9<sup>th</sup>.

Chair Cihacek explained the agenda and minutes process for the new Commissioners.

## **10. Adjourn**

### **Motion**

**Member Trainor moved, Member Misra seconded, adjournment of the meeting at approximately 8:34 p.m.**

**Ayes: 7**

**Nays: 0**

**Motion carried.**