

**Red Wing Sustainability Commission
Regular Meeting
City Hall Council Chambers
March 22, 2016**

Commissioners Present: Chair Evan Brown; Commissioners Richard Huelskamp, Randy McLaughlin, Laura Wildenborg

Commissioners Absent: Commissioner Tom Peschges was absent.

Others Present: Dan Munson, Council Liaison; Tina Folch, Contracts Administrator, Public Works / Staff Liaison; Rick Moskwa, Public Works Director; Jay McCleary, Volunteer

1. Call to Order

Chair Brown called the meeting to order at 5:30 p.m.

2. Roll Call and Excusal of Members

The absence of Commissioner Tom Peschges was excused.

3. Approval of Agenda

Chair Brown requested the addition of a solar project update under New Business. A motion was made by Commissioner McLaughlin, seconded by Commissioner Wildenborg and unanimously carried, to approve the amended agenda.

4. Approval of Minutes of Preceding Meeting(s):

A. January 26, 2016, Regular Meeting Minutes.

B. February 23, 2016, Workshop / Special Meeting Minutes.

Revisions to the meeting minutes were discussed. A motion was made by Commissioner Wildenborg, seconded by Commissioner Huelskamp and unanimously carried, to approve the meeting minutes.

5. Public Comment.

There was no public comment regarding matters not listed on the agenda.

6. Old Business:

A. Commission Recruitment.

Staff Liaison Folch reported that the appointment of Gary Stone to the Sustainability Commission was approved by the City Council.

B. Presentation on Proposed Material Processing Facility – Processing of Landfill Ash to Recover and Recycle Metals.

Chair Brown stated that Public Works Director Moskwa will be providing information to the Sustainability Commission, with no action requested during this meeting, on a proposed material processing facility for the processing of landfill ash to recover and recycle metals.

Director Moskwa stated that he will provide background information regarding the proposal, review information provided by the Planning Director, and answer questions. He added that, if desired, a joint meeting of the Sustainability Commission and the Planning Commission can be scheduled for further discussion of the proposal.

He reported that City staff along with Lab USA representatives have applied for a Conditional Use Permit through the Advisory Planning Commission for a materials processing facility to process landfill ash and to recover and recycle metals from the City's ash landfill and from Xcel Energy's ash landfill. The proposed site was pointed out on a map of the area. During the Planning Commission meeting on March 15 Mayor Bender recommended that the Sustainability Commission provide a recommendation with regard to the proposal. The Planning Commission tabled the matter until the next Planning Commission meeting, requesting additional information. It was clarified that the Sustainability Commission is asked to review the project in terms of environmental and sustainability principles.

Director Moskwa provided background information with regard to the Public Works Department request for a Conditional Use Permit to operate a materials processing facility on Lot 2, Block 1, of Tyler Hills Fourth Addition that will cover approximately 3.39 acres. The proposed project includes a 22,100 square foot building with an office trailer that will be built and operated by Lab USA as a sub-lease with Xcel Energy. Director Moskwa referenced the proposed Public Works Department storage area on Lot 1, Block 1, stating that discussion during this meeting will focus on the CUP request for the Lab USA proposal.

Director Moskwa described Lab USA's state-of-the-art, additive-free process for the reclamation of both ferrous and non-ferrous metals previously lost through traditional methods of resource recovery. He referenced regulatory requirements through the Minnesota Pollution Control Agency, stating that Lab USA is working with the MPCA to meet these requirements.

Information was provided with regard to the building and processing facility. He stated that all materials on site will be covered and contained. He added that stormwater will not contact materials during off-loading, loading, or processing, and that water from the materials themselves will be contained within the building. Waste water and stormwater management were discussed.

Director Moskwa stated that dust will be contained to the building area, water will be used if necessary to control dust during loading and off-loading, and best management practices will be used to control dust during operations.

Director Moskwa reported that, because the proposed process will be enclosed, only a minimum of unobstructed noise would be expected to emanate from the

building. He added that internal noise levels will be manageable, being measured at approximately 85 decibels in similar facilities, and are anticipated to be barely discernible by neighboring residents.

At this point Chair Brown opened the meeting for public comment. He added that this is the first review of the proposal by the Sustainability Commission.

Meg Walch, 1901 Red Fox Drive, Red Wing, stated that at first glance a proposal to recycle ash sounds very beneficial. She stated her understanding that there would only be an approximately 3% reduction in ash material following processing. She expressed concerns related to the ash material and the types of metals contained within the ash. She suggested further research with regard to environmental impacts of the proposal. She discussed concerns related to both bottom ash and fly ash. She recommended consideration of the health impacts of dust and ash that becomes airborne, such as during transport of the ash material. She discussed other lifestyle impacts to the neighborhood, such as agricultural concerns related to ash deposits on vegetation. She commented regarding environmental impacts, even when best practices are utilized. She added that homes in this neighborhood have private well and septic systems.

Bernie Walch, 1904 Red Fox Drive, Red Wing, discussed a similar processing plant set to begin operations near Roosevelt, Washington. He stated that the facility is located in a sparsely populated area on an approximately 4,500-acre parcel. He commented that leachate may contain significantly elevated concentrations of undesirable materials. He stated that he is unclear with regard to the agreement between Lab USA and the City. He commented with regard to concerns related to water, dust, and increased truck traffic. He commented with regard to the processing of materials that have originated outside the City. He suggested consideration of locating this facility in a less populated area.

Theresa Walsworth stated that she and her husband purchased a lot at the end of Cougar Court about a year and a half ago, with a plan to begin home construction this summer. She commented that they are now re-evaluating this decision. She referenced the comments she made during the Planning Commission meeting. She recommended consideration with regard to where similar facilities are located in other areas of the United States, such as the facility in Washington State as well as the proposed facility in the Pope-Douglas County area, stating that these facilities are not located close to residential areas. She reiterated a conversation that she had with a manager at Ecomaine near Portland, Maine, stating that this facility has been processing ash landfill material for approximately five years. This facility is located in a primarily commercial and industrial zone.

Becky Turner, 3350 Wild Turkey Lane, Red Wing, commented with regard to wildlife in this area. She inquired regarding financial impacts. She cautioned against being too hasty in making decisions about the relocation of operations

from the Levee Road and Bay Point Park area, suggesting that other potential locations be considered. She recommended that the City require an environmental impact study, even if this is not mandated by the State. She commented with regard to the working conditions for employees of the proposed facility. She commented with regard to potential economic impacts to the City in terms of attracting new residents and businesses.

Dan Bender, 1729 Red Fox Drive, Red Wing, stated that he was providing input as a resident of the neighborhood. He commented regarding the benefits of metals reclamation but spoke in opposition to the proposed location for this facility. He cited concerns related to noise and dust, especially during transport of the ash.

Chair Brown cited procedural concerns, stating that the proposal should have been forwarded to the Sustainability Commission for review and discussion much earlier in the process. He described the role of the Sustainability Commission and discussed the importance of utilizing the expertise of its members.

Commissioner Huelskamp inquired, from a scientific standpoint and the capacity that would be covered in an Environmental Impact Statement, with regard to the content of the ash. He recommended that this material be tested. He expressed concerns related to the economics of only recovering and recycling approximately 3% of the material from the ash. He commented regarding final cleanup of the site.

Commissioner Wildenborg inquired with regard to the benefits of the proposal. Director Moskwa stated that the ash landfill was never compacted per industry standards. He commented regarding the goal for the City's ash landfill to enter the Minnesota Closed Landfill program along with the County's ash landfill, at a cost of approximately \$750,000 to the City. He added that revenue from the metal recovery process would help offset this cost, and the City would also benefit from greater compaction of the ash material. Director Moskwa clarified that the proposal includes processing of material from the City's ash landfill and Xcel Energy's ash landfill.

Commissioner Wildenborg inquired with regard to the time frame for this process. Director Moskwa commented that, per State statute, the City's landfill would have to be closed by January 1, 2019. Once operations commence, it would take approximately one year to process the City's ash. Based on estimates from Xcel Energy, it would take approximately 10 to 11 years to process its buried ash along with newly generated ash from operations. Director Moskwa reported that local elected officials lobbied State representatives to get the City's landfill included in the Closed Landfill Program. Landfill cleanup costs would then be covered by the Minnesota Environment and Natural Resources Trust Fund. He added that participation in the Closed Landfill Program would save the City and its taxpayers as much as \$10 million in potential landfill cleanup costs. He

clarified that the City would not be required to process the ash in order to qualify for the Closed Landfill Program. Commissioner Wildenborg summarized benefits of processing the ash as decreasing the amount of material, getting the metals out, and deriving some financial benefit.

Chair Brown inquired regarding the benefits of compaction. Director Moskwa stated that compaction would lower the City's cost in terms of the square footage and how much cover would be needed in order to close the landfill. He added that the State has a formula for determining the cost of closure, based on the footprint of the landfill. Director Moskwa and Council Liaison Munson clarified expenses related to landfill closure and potential landfill cleanup costs. Director Moskwa added that both the City's landfill and Xcel Energy's landfill are lined, whereas the former Goodhue County landfill is not lined. He reiterated that the landfill could be closed without reclamation. Council Liaison Munson commented regarding the primary goal of closing the landfill, adding that the reclamation revenue would help cover the closure costs. Director Moskwa added that the Xcel Energy landfill ash is the primary reason for the Lab USA's interest in submitting a proposal.

Commissioner Wildenborg asked how much the footprint would be decreased. Director Moskwa indicated that he is not able to determine this information. He clarified that the estimated 3% metals reclamation relates to high-value metals, as opposed to scrap metal.

Commissioner McLaughlin inquired regarding the City's ability to compact the ash without it undergoing the reclamation process. Director Moskwa reported that this would not be cost effective. Commissioner McLaughlin commented with regard to the opportunity to extract the metals before the landfill is closed and capped. Director Moskwa commented that the proposal was submitted within the last six months, after legislation had been passed to allow the City's landfill to enter the Closed Landfill Program.

Commissioner Wildenborg asked whether the ash material would be considered hazardous waste. Director Moskwa reported that ash material is regulated by the MPCA and that appropriate procedures would be followed, according to the Solid Waste Rules. He added that the MPCA is working with Lab USA and has expressed support for the proposal.

Commissioner Huelskamp inquired what would happen if something goes wrong with the Lab USA proposal. Director Moskwa commented further with regard to the process that will be required in order for the City's landfill to enter the Closed Landfill Program.

Chair Brown inquired regarding the location of Outlot A in terms of proximity to residential areas, asking whether the processing facility could be relocated to

help mitigate resident concerns. Director Moskwa provided additional information and rationale for locating the facility on the proposed site.

Commissioner Huelskamp inquired regarding truck traffic, and Director Moskwa provided additional information and pointed out the areas under discussion on an aerial photograph. It was clarified that the ash would come from only the City's landfill and Xcel Energy's landfill. Landfill liners were clarified. Commissioner Wildenborg asked about lining the former Goodhue County landfill. Director Moskwa stated his understanding that this is not planned at this point. He commented with regard to the cost to the County of closing this landfill, estimated at \$1.2 million.

Commissioner Wildenborg inquired with regard to topography of this area and whether trees were planted to provide a buffer zone. Director Moskwa indicated that these were existing trees and commented with regard to proposed tree removal and replacement. Commissioner Wildenborg inquired regarding the elevation of these areas relative to each other, and Director Moskwa stated that there is an approximately 250-foot drop from Cougar Court down to the proposed site. He added that there is in excess of 800 feet to the nearest property line and more than 1,000 feet to the nearest house.

Current truck traffic and the estimated increase in truck traffic were discussed. Director Moskwa stated that he will research this question further. Heavy equipment was also discussed.

Commissioner Wildenborg asked whether water is utilized in the compaction process. Director Moskwa stated that the ash from the City's landfill is generally wet, with a typical moisture content of about 20%. He added that the Xcel Energy ash will be a blend of buried ash and new ash. Commissioner Wildenborg asked where the ash will go after processing. Director Moskwa commented that the ash will be brought back to the respective landfills.

Chair Brown commented regard toxicity concerns related to fly and bottom ash and asked about processing new ash as opposed to disturbing old ash. Director Moskwa stated his understanding that approximately half of the Xcel Energy ash would come from the landfill and the other half from operations. Council Liaison Munson and Director Moskwa provided additional information related to refuse brought in from outside of Red Wing and MPCA monitoring. Director Moskwa stated that he will provide additional information related to truck traffic. Commissioner Huelskamp inquired regarding the time frame for the operation, and Director Moskwa provided additional information related to processing of ash from Xcel Energy.

Chair Brown inquired with regard to impacts on local recycling efforts. Director Moskwa stated that the proposal pertains only to ash landfill materials. Commissioner Huelskamp inquired with regard to the desired end results.

Director Moskwa provided further comment, stating that much of the process is not within the control of the City.

Commissioner Wildenborg commented that there would be times when the ash is dry, asking whether it would be possible to not transport ash during these periods. Director Moskwa commented regarding discussions related to utilization of dust suppression measures and best management practices. He also discussed leachate systems and processes.

Commissioner Huelskamp inquired regarding well testing. Jess Brehmer, 2985 Cougar Court, Red Wing, stated that his family, which includes three young children, moved into the neighborhood about three years ago. He reported that his well was tested for ash. He expressed concerns related to prevailing north winds and dust in terms of health considerations and vegetation. He also commented with regard to the proposed Public Works concrete crushing operation. He commented with regard to increased truck traffic and the level of uncertainty about environmental impacts.

Commissioner Huelskamp inquired with regard to plans for monitoring of wells. Director Moskwa commented regarding well testing and ground water reporting, as required by the MPCA. Commissioner Huelskamp inquired with regard to air monitoring. Director Moskwa stated that air monitoring measures are under discussion, adding that the Lab USA processing facility will be enclosed within a building. Commissioner Huelskamp asked about baselines for the neighborhood in terms of air and water quality. Director Moskwa stated that private wells are not monitored.

Commissioner McLaughlin commented regarding the need to understand the overall holistic impacts of the project, including disturbance of landfill materials. Council Liaison Munson asked whether these landfills are covered or uncovered, and Director Moskwa provided additional information in this regard. Chair Brown agreed with Commissioner McLaughlin's comments related to the huge increase in activity at the site. Director Moskwa commented regarding activity and truck traffic at the site. He added that an initial condition of approval of the CUP for the Xcel Energy ash landfill was to try to find ways to reuse this ash. He commented with regard to this opportunity to recover the metal as well as potential opportunities to reuse the ash as an aggregate. Commissioner Wildenborg requested clarification of the anticipated increase in truck traffic. Director Moskwa provided additional comment, stating that this will be further clarified.

Commissioner Wildenborg inquired with regard to providing financial information. Director Moskwa indicated that the agreement with Lab USA is being negotiated. The proposed land lease agreement with Xcel Energy for Lots 1 and 2 will be reviewed and discussed by the City Council, along with the Conditional Use Permit request that was approved by the Planning Commission for relocation of

the Public Works operation from Levee Road. Expenses related to relocation of this operation and expenses related to closure of the landfill were discussed.

Chair Brown inquired with regard to the possibility of completing an Environmental Assessment Worksheet. Director Moskwa recommended that Xcel Energy representatives, Lab USA representatives, and other experts help address these questions. He reviewed issues that will be discussed in more detail by the Planning Commission.

The recommendation for a joint meeting of the Planning Commission and the Sustainability Commission was discussed, followed by separate action from each body. Commissioners agreed with this recommendation. Scheduling of the joint meeting was discussed. The meeting was tentatively scheduled for April 19.

Becky Turner, 3350 Wild Turkey Lane, Red Wing, recommended thorough consideration of all of the issues prior to taking action. She also encouraged Commissioners to visit the residential area in order to gain a visual perspective. Project timelines were discussed.

7. New Business:

A. PACE Update.

Staff Liaison Folch provided an update, stating that the PACE agreement was approved by the City Council on March 14. Interim Port Authority Director Shari Chorney will be working with the St. Paul Port Authority with regard to outreach and program implementation.

B. Earth Week Planning.

Staff Liaison Folch reported that the PACE program and other sustainability topics will be discussed during an upcoming Chamber of Commerce Lunch & Learn meeting. Earth Day student activities were reviewed, and Jay McCleary provided additional information. Staff Liaison Folch discussed an opportunity to host an educational forum on the topic of solar energy. Commissioner Huelskamp commented further with regard to educational opportunities related to solar energy and community solar gardens.

Sponsorship of the lunch meeting and student activities was discussed. A motion was made by Commissioner Huelskamp, seconded by Commissioner Wildenborg and unanimously carried, to approve \$250 toward Earth Day student activities and \$50 toward the Chamber of Commerce luncheon.

Chair Brown inquired with regard to funding allocated through the Partners in Energy program, and Staff Liaison Folch provided additional information. The Sustainability Commission budget was discussed, and Jay McCleary provided additional input in this regard.

C. Fire Station Sustainability Recommendations.

Chair Brown reported with regard to City Council discussion of Sustainability Commission recommendations for the new fire station. He stated that the Council agreed with recommendations related to increased insulation and incorporation of a solar wall into the design. He added that the Council would like more information related to parking lot lighting and the generator system. Chair Brown commented that the Council was open to discussion of energy savings and clean energy options. Commissioner Huelskamp added that the building roof and systems will be solar ready, and there is an expectation that the building will be powered from a community solar garden source. Chair Brown commented that Sustainability Commission involvement in this project led to a better design for this facility and helped to set a standard for future projects. Council Liaison Munson commented with regard to the goal of boards and commissions to make recommendations to the City Council. Commissioner Huelskamp and Chair Brown discussed financial impacts related to these changes.

D. Rules of Order – Request to Modify.

Council Liaison Munson discussed this information during his report.

E. Solar Project Update.

Following discussion of Item #8, Chair Brown requested an update with regard to the lease agreement related to the community solar garden along with the IPS solar subscription program. Staff Liaison Folch provided an update, reporting that the process is moving forward for both projects.

Staff Liaison Folch reported that Innovative Power Systems plans to have some systems operational by the end of 2016 and the rest operational during 2017. She discussed Xcel Energy involvement in the process. She reported that City staff is in the process of developing a solar subscription agreement for Council review. She added that revised information has been received from Xcel Energy related to the City's energy consumption.

Staff Liaison Folch reported that the terms and conditions of the lease agreement with regard to the community solar garden project are still in the process of being negotiated.

Council Liaison Munson reported that the City Council approved a Conditional Use Permit for a solar garden within the City limits on private land south of Mill Road and east of Highway 19.

Jay McCleary reported with regard to a new solar array project at Sargent's Nursery.

Commissioner Huelskamp commented with regard to a proposed community solar project in Wacouta Township.

8. Council Liaison Update

Following discussion of Item 7C, Council Liaison Munson congratulated the Sustainability Commission with regard to approval of the PACE agreement and discussion of the recommendations related to the fire station.

He reported that a meeting will be scheduled with Chair Brown, Council President Hove, Staff Liaison Folch, Planning Director Peterson, Council Administrator Kuhlmann, and Council Liaison Munson for a broad discussion in order to better define the role of the Sustainability Commission and how recommendations from this body fit into the process.

With regard to the request to modify the Rules of Order, Council Liaison Munson reported that it has been recommended to schedule a Council workshop for review and discussion of board and commission policies.

9. Commissioner Concerns & Information

Commissioner Huelskamp reported regarding the Made in Minnesota solar energy incentive program, funded by Xcel Energy.

10. Adjournment

Chair Brown adjourned the meeting at 7:46 p.m.