

- UNAPPROVED -

**MINUTES
PUBLIC IMPROVEMENT/TRANSPORTATION COMMITTEE MEETING
MARCH 10, 2026
4:30 PM**

MEMBERS PRESENT: Craig Schafer, James Lozinski

MEMBERS ABSENT: John Alcorn

STAFF PRESENT: Jason Anderson, Director of Public Works/City Engineer; Eric Hanson, Asst. City Engineer; Sharon Hanson, City Administrator; Scott Przybilla, Wastewater Superintendent

OTHERS PRESENT: None

Call to Order

Schafer called the meeting to order at 4:35 pm.

1. Approval of Minutes

MOTION MADE BY LOZINSKI to approve the minutes of the February 10, 2026, meeting as presented, SECOND BY SCHAFFER. ALL VOTED IN FAVOR. THE MOTION PASSED 2:0.

2. Wastewater Facility Plan

The City has received a quote from Bolton & Menk in a not to exceed amount of \$195,000 to complete the Wastewater Facility Plan. We have \$200,000 identified in the 2026 CIP to cover this. The proposal from Bolton & Menk is a not-to-exceed contract in the amount of \$195,000 for Facility Plan services.

On March 1, 2024, the City was issued a new National Pollutant Discharge Elimination System (NPDES) permit for wastewater effluent discharged into the Redwood River. During this permit renewal process, the Wastewater Facility accepted a schedule of compliance (SOC) for phosphorus and sulfate reductions. To begin the process of compliance by March 1, 2034, it is necessary to complete a "Facility Plan" to determine the best options for future compliance. In addition to compliance with phosphorous and sulfate limits, forthcoming nitrogen regulations will be examined as the route taken for nitrogen reductions will impact how phosphorus reductions will be attained to most effectively plan capital investment at the wastewater facility.

Alternatives, ranging from nutrient trading to conventional capital investment will also be examined to determine the most cost-effective solution to be utilized in the interim period until treatment plant process changes will be required for nitrogen reduction. Because the phosphorus limit is a new lower limit, the Facility would be eligible for a Point Source Implementation Grant (PSIG). The resulting recommendation(s) of the Facility Plan would allow for future Wastewater Treatment Facility (WWTF) capital improvement projects to be placed on the MPCA's Project Priority List (PPL) to access grant money as well as low interest loans. In addition to a Facility Plan that would be submitted to the MPCA detailing our plan for meeting the SOC for phosphorus, a Technical Memo will be created that details what would be needed to increase flow, Carbonaceous Biochemical Oxygen Demand (CBOD), and Total Suspended Solids (TSS) capacity at the WWTF. This Technical Memo would also provide a determination of the impacts of any treatment process changes, specifically the capital cost and the operation and maintenance costs of a nitrogen reduction facility. This information will be helpful in future conversations with the MPCA regarding impacts of new limits, as well as assisting the City in determining how to make provisions for future operational costs. Bolton and Menk has many decades of experience with our system to complete the project in a timely and efficient manner.

Anderson and Wastewater Superintendent Scott Przybilla presented the item and discussion was held on the item. Przybilla stated in order to get grant money, we have to get a facility plan done to get that submitted so we can get on the MPCA Project Priority List. Schafer inquired what is the anticipated final solution-chemical treating, precipitate and add to our sludge, etc. Anderson and Przybilla indicated that is where the complication comes in as in the future, we're going to be facing a nitrogen limit. The question is, what can be done now to meet a lower phosphorous limit by 2034 without spending too much capital and O&M costs now to get to that phosphorus level.

It is understood that nitrogen will necessitate treatment change that is very expensive. Schafer inquired on conversations with PCA. Przybilla indicated that this was discussed prior to the permit being finalized, and there are steps required in the permit that we have to take, progress reports, etc. to get to meeting the lower phosphorus limit by 2034.

Anderson stated the real issue now is the effluent filters and the phosphorus reductions and making sure we can meet that limit, as well as the understanding regarding the expense of treating nitrogen, stating that if we have to treat for that, it could be a \$50-\$70 million project. Schafer inquired if these are all based on watershed targets of Redwood and Minnesota Rivers for the phosphorus waste load allocation that we've received. Przybilla replied that yes, they are.

Schafer inquired on ADM permit. Przybilla indicated they haven't gotten a new permit for 10+ years. Schafer expressed his concerns of ADM permit and variability of treatment. Explanation of 7Q10 is a hydrologic statistic representing the lowest streamflow averaged over 7 consecutive days that occurs on average once every 10 years. Anderson indicated we're getting to the point where cost compared to benefit is not feasible and must be taken into consideration.

Schafer commented the City does not have a ton of wet industry. Anderson replied that our industry does affect us because they do give us a lot of flow by proportion. Lozinski inquired where do nitrates come from. Przybilla replied 50 to 60% of it comes from industries and the citizens and is just part of the natural biological degradation process from our homes and toilets.

Anderson stated that Wastewater has, within the last year, hosted PCA in our region, and we talked about our successes with chlorides, but make it a point to talk about what that costs totaling over a million dollars in extra operating costs. Even with the State construction grant, Wastewater also gave \$2 million in cash for capital.

Przybilla indicated this facility plan that's going to be written and submitted to the PCA, will address phosphorus. There will also be a technical memo that will be written. The technical memo will allow us to research and look into different nitrogen treatment processes and what that will need for capital costs and O&M. The plan will give insight regarding the correct direction for phosphorus. The last permit cycle was discussed. Schafer commented they understand the nonpoint factor, and it's impossible to regulate, but it is okay to partner and do nutrient trading like wetland restorations or sharing in repairing, and even if it moves our number 20% and shaves some of the chemical costs, the treatment operations, the additional biosolids, etc. and to make sure that we have our equity in the process.

MOTION MADE BY LOZINSKI, SECOND BY SCHAFFER to recommend City Council acceptance of the proposal from Bolton & Menk, Inc. of Mankato, Minnesota, in a not-to-exceed amount of \$195,000 to complete the Wastewater Treatment Facility Plan. ALL VOTED IN FAVOR. THE MOTION PASSED 2:0.

Other Business

MERIT Center drainage update. Mr. Bossuyt was in about a month ago wanting City to look at putting a bigger culvert in crossing US 59 to the north. Anderson has had continued discussions with the State. State did indicate that 60-inch round pipe should be at least a 10-foot wide box culvert. City is interested in making improvement, and Anderson feels we could work with our attorney and our administration to justify our involvement in it. Last discussion was to do a little tile work on the field and then Bossuyt discussion pivoted to culvert. Lozinski inquired if City has an easement. Anderson said we need Mr. Bossuyt to sign easement before anything can proceed.

Adjourn

Being no further business, MOTION MADE BY SCHAFFER to adjourn the meeting, SECOND BY LOZINSKI. ALL VOTED IN FAVOR. THE MOTION PASSED 2:0. Meeting adjourned at 4:56 pm.

Respectfully submitted,
Lona Rae Konold, Administrative Assistant