

**INVER GROVE HEIGHTS
ENVIRONMENTAL ADVISORY COMMISSION MEETING MINUTES
Thursday, November 21, 2019
8150 Barbara Avenue
7:00 P.M.**

1. CALL TO ORDER

The Environmental Advisory Commission of Inver Grove Heights met in regular session on Thursday, November 21, 2019, in the City Council Chambers. Chair Trenzeluk called the meeting to order at 7:00 p.m.

2. ROLL CALL

Present: Chair Ted Trenzeluk, Commissioners; Sarah Brass, Katherine Teiken, Aditya Jayam, Matt Mills, Robert Heidenreich and Nichole Boehmke
Absent: Patricia Todd (Excused), Lauren DeGidio
Others Present: Ally Sutherland, Environmental Specialist; Jake Moser, Civil Engineer; Heather Rand, Community Development Director

3. PRESENTATIONS

4. ANNOUNCEMENTS

A. Next meeting – Thursday, December 19, 2019, Regular Meeting 7:00pm

B. Xcel Energy's Partners in Energy Program Update

The Community Development Department will be applying to the Xcel Energy Partners in Energy Program in January 2020.

C. MSP Airport Noise Joint Meeting with City Council and Environmental Commission 1st Quarter 2020

A joint City Council and Environmental Commission meeting will be held first quarter of 2020 to discuss Airport Noise in Inver Grove Heights. Meeting time and location of the joint meeting is to be determined.

5. CONSENT AGENDA

A. Minutes of Thursday, October 24, 2019 Environmental Commission Meeting

Motion by Commissioner Teiken, seconded by Commissioner Brass to approve the minutes from Thursday, October 24, 2019 as submitted.

Ayes: 7

Nays: 0 Motion carried.

6. PUBLIC COMMENT

7. REGULAR AGENDA

A. Consider a request for a Land Alteration Permit (LAP) for excavating and grading of material in the amount of 21,194 cubic yards for Flint Hills Resources Pine Bend, LLC (FHR).

Mr. Jake Moser, Civil Engineer, presented the Land Alteration Permit (LAP) request. He stated that the city requires a LAP for any land disturbing activity that alters more than 1,000 square feet or 50 cubic yards of soil. City Council approval is required for permits allowing more than 10,000 cubic yards of dirt to be moved. This request is for moving 21,194 cubic yards of material. This permit is a tool used by the city to review plans and inspect land disturbing project to protect residents, neighbors of the project, city infrastructure and environment. Engineering division reviews grading, stormwater management and erosion control plans to verify compliance with all city engineering requirements. The Engineering division also verifies requirements of other city departments are addressed and that external agency permits are secured by the applicant.

Mr. Moser noted Wenck consultants were hired for the project to guide city staff on mandatory environmental review requirements for pipeline projects. City engineering staff have reviewed all submitted plans including pipeline alignment and erosion control plans and verified that all material excavated will be backfilled and restored to pre-project grades and drainage patterns. Based on the reviews completed by the City and Wenck, the Engineering division recommends approval of the Land Alteration Permit.

Mr. Eric Dominiack, Flint Hills Resources (FHR) Environmental Engineer, presented an overview of the proposed Land Alteration project. FHR operates Pine Bend refinery in Rosemount, MN. The proposed pipeline will start at the Pine Bend refinery and will end at the FHR Wescott Terminal located off of Highway 3 in Inver Grove Heights. The proposed pipeline is 4.5-miles with a 4-inch diameter and would transfer Liquified Petroleum Gas (LPG).

Chair Trenzeluk asked if the pipeline is replacing an existing pipeline. Mr. Dominiack responded in the negative noting it is new construction.

Mr. Dominiack noted 57% of the land is owned by FHR and 43% is municipal land or commercial owned land. Land only needs to be acquired from the city of Inver Grove Heights, NSP and Bituminous Roadways. No residential property needs to be acquired. The project will help manage FHR's LPG supply and storage capability. Demand varies seasonally, with higher demand in winter months. The pipeline will provide more flexibility between the FHR Pine Bend refinery and the Wescott facility. The construction process will consist of 80% open trenching and 20% horizontal drilling. Prior to construction several environmental requirements would first be implemented to meet all state and local permit requirements. HDD is the preferred method of drilling as it minimizes impacts in areas above the drilling. There are 11 HDDs currently planned; 9 are located in Inver Grove Heights and 2 in Rosemount. Two locations will cross under existing wetlands.

Mr. Dominiack stated the permit's proposed land alteration volume is 21,194 cubic yards and total disturbance of 18.5 acres. FHR has submitted a Stormwater Pollution Prevention Plan (SWPPP), including erosion control prevention methods proposed for this project. Disturbed areas will be restored to existing grades with no permanent drainage or stormwater impacts. The project was reviewed by the Minnesota Public Utilities Commission (PUC) on September 5, 2019. It was determined that a Routing Permit is not required for the project because the pipeline diameter is less than 6 inches. FHR was required by state statute to assemble an information book which was approved by the PUC on September 5. This was distributed to easement holders thereafter. The 30-day wait period is now completed and negotiations with landowners of those easement will now begin.

Mr. Dominiack reviewed all reviews and approvals received by other government agencies including the PUC, Army Corp of Engineers, Dakota County Soil and Water Conservation District, City of

Inver Grove Heights, Minnesota Department of Natural Resources, Minnesota Pollution Control Agency, City of Rosemount and Dakota County. Permitting is estimated to last from October – December 2019. Construction is estimated to start late 2019/early 2020 and be completed Spring/Summer 2020.

Mr. Jeff Madejczyk, Wenck, presented an overview of the environmental review of the FHR application completed by Wenck. Wenck reviewed the application to determine if a mandatory environmental review for the project would be required. Wenck compared the application against environmental review thresholds established in state statute rules created by the Environmental Quality Board (EQB) and the PUC. Once a pipeline has a diameter of 6 inches or greater, the threshold for pipeline environmental review is triggered. Because the pipeline proposed by FHR is below the 6-inch diameter, no stipulations noted in the pipeline rules apply for this project. Wenck noted that the EQB confirmed that there is no need for an additional environmental review. Wenck found no other items of significance to raise. A memo of Wenck's findings was provided to the city.

Chair Trenzeluk asked if the staff recommendation to approve the LAP would change if Dakota County Soil and Water Conservation District determined there was an impact to wetlands. Mr. Moser responded that the city would require that FHR present plans of wetland mitigation before proceeding.

Commissioner Heidenreich stated he lives in the neighborhood near the proposed the pipeline and that his neighborhood has worked with the City and the County to connect County Road 32/Cliff Road to 117th Street. The Plan D transportation plan is to move traffic from Farmington and Rosemount to Highway 52. Cliff Road would be moved south to intersect with 117th. Akron Avenue in the Rosemount area would be diverted behind where the pipeline would be located. He noted there was no mention of the transportation plan in FHR application material. He asked how the pipeline would affect the road plan given the pipeline would only be 5-feet deep and road construction requires excavation. He noted the road is planned to cut through the same area as the currently proposed pipeline alignment. Mr. Chris Brown, FHR Project Manager, responded that FHR owns the land Commissioner Heidenreich is referring to. He noted that he is not aware of the transportation project.

Commissioner Heidenreich stated that the Dakota County meetings on the topic are on public records and FHR staff were present during the transportation discussions. Mr. Brown responded that he would review the transportation project with other FHR departments who are aware of the transportation project. Mrs. Holli VanOverbeke also replied that FHR has had ongoing discussions with Dakota County throughout the process of developing a construction plan. She stated that she will bring the conversation back to staff.

Commissioner Teiken asked if the city has further oversight as the project moves forward with the construction period. Mr. Moser responded that the city would have a construction bond and escrow to inspection erosion control and restoration. Other conditions in the permit place requirements on the condition of the work site.

Commissioner Teiken asked how frequently the city inspections occur. Mr. Moser stated city inspections occur once per month or after any half-inch rain fall. FHR is also required to have a state trained inspector inspect their site once per week and provide the city those reports.

Commissioner Brass asked how the different drilling methods were determined for each wetland. Mr. Dominiack explained that the wetland that they will HDD under is a large. Based on the characteristics of the wetland HDD was determined to be the most suitable form of drilling. The other wetland is a freshwater wet meadow and is smaller. Impacts of open trench drilling would be minimal and restoration would be more simplistic than the other wetland would require.

Commissioner Brass asked if the open trench drilling will go through the smaller wetland. Mr. Dominiack explained that the open trench will go through the wetland and will cause 0.09 acres of temporary wetland disturbance. Topsoil would be removed, stockpiled and replaced after the pipeline is placed. Wetland seed mix would be planted so growth would occur in Spring 2020. The wetland would be restored to original conditions.

Commissioner Teiken asked how common these projects are for FHR and when the last project occurred. Mr. Dominiack stated the last pipeline was constructed by FHR in 2008. This pipeline was placed from Clearbrook, MN to Pine Bend Refinery.

Commissioner Heidenreich asked why FHR does not plan to install the pipeline in the same area as the existing jet fuel pipeline along Akron Avenue. Mr. Brown explained that FHR does not like to bury assets next to each other for maintenance purposes. There are several assets in that area owned by FHR and third parties. The proposed route is based on asset protection.

Chair Trenzeluk asked if any complaints have been submitted to staff by the community. Mr. Moser and Mrs. Sutherland responded in the negative.

Commissioner Brass asked if a formal notification has been sent. Mr. Moser responded that a formal notification has not been sent to the City Council regarding the recent application but that the City Council approved the lot split located at the FHR terminal. His understanding is that the City Council is aware.

Commissioner Brass asked if neighbors have been notified. Commissioner Heidenreich responded that him and his neighbors have not received a notification. Mrs. Sutherland noted that the Planning Division has stated that pipelines are designated as an essential service, therefore no zoning changes are required. For that reason, the project does not need to go through public hearing process or be heard by the Planning Commission, and therefore no formal neighbor notifications have been sent by the City.

Commissioner Heidenreich stated that line 16 of the Land Alteration Permit application notes that the applicant must mail a written notice to all adjacent property owners. Mr. Moser responded that the condition is only required once the permit is approved.

Commissioner Boehmke stated that she previously served on the Community Advisory Council (CAC) for FHR Refinery. She asked if this project was reviewed by the CAC if any concerns were raised. Ms. VanOverbeke responded that the idea has been discussed with the CAC about a year ago. They were no large concerns raised by the CAC.

Commissioner Heidenreich stated that he reviewed the CAC minutes and did not see any reference to this project. Ms. VanOverbeke explained that it was reviewed by the CAC as she has personally had conversations with members about the topic that stemmed from the meeting.

Commissioner Teiken asked if there were issues that prompted this project or concerns if the project does not move forward. Mr. Brown stated historically LPG from Pine Bend Refinery was transported to the Wescott terminal by a third party which can be a cumbersome process. This project allows FHR to be able to freely move their product without third-party involvement.

Commissioner Jayam asked what occurs at the Wescott terminal. Mr. Brown stated that it is strictly for storage of LBP because there is a lack of storage at the refinery.

Motion by Chair Trenzeluk, seconded by Commissioner Jayam to recommended approve of Flint Hills Resources (FHR) Land Alteration Permit as submitted.

Ayes: 4

Nays: 3 Motion carried.

B. Consider a resolution regarding Empire Builder Investments' recent request to annually pump and ship 500 million gallons of groundwater from Dakota County to southwestern states

Chair Trenzeluk noted that Empire Builder Investment has proposed shipping 500 million gallons of groundwater from Dakota County to Arizona. Dakota County and the DNR have recently passed a resolution denying the request. He noted that County Commission Joe Atkin's e-newsletter correspondence noted if the firm submits another request through a different approach it is possible the DNR could change their position in the future. He noted that if this request could come back in the future, he suggested the City may want to consider stating on record they would deny any related future request.

Commissioner Heidenreich stated that the City has approved construction of a large well, constructed by Bituminous Roadways, that connects to the tri-city aquifer to wash gravel with. He believes they pump 600,000 gallons of water per hour, similar to FHR' aquifer pumps. He believes there are a lot of sources closer to Empire Builder's destination and does not see this as being a legitimate issue for Inver Grove Heights in the future.

Commissioner Teiken noted that based on the comments made by Dakota County and the DNR it appears the project would not receive approval as it currently stands. She does not think it is necessary to make a statement at this time but that the city should continue to monitor the topic.

Commissioner Jayam noted that making a statement would set a good a precedence for how these requests would be received by the City in the future.

Chair Trenzeluk suggested the Commission does not make a motion at this time but continues to monitor the topic.

8. ADMINISTRATIVE PRESENTATIONS

Mrs. Rand requested that, in the future, if Commissioner's intended to vote for denial of a particular request that they participate in the item's deliberation prior to voting to go on record with their reasons for denial. This helps to educate the audience and inform staff and City Council of what the Commission's considerations were.

9. COMMISSION COMMENTS

10. ADJOURN

Motion by Commissioner Jayam, seconded by Commissioner Heidenreich to adjourn at 7:58pm.

Ayes: 7

Nays: 0 Motion carried.