

CALL TO ORDER AND INTRODUCTIONS

Pursuant to due call and notice given in the manner prescribed by Section 3.01 of the City Charter, the Tri-City Council meeting convened at 6:31 p.m. on Thursday, January 9, 2014 in the Council Chambers at the City of Golden Valley City Hall, 7800 Golden Valley, Minnesota. Golden Valley Mayor Shep Harris called the meeting to order and opened with introductions.

ATTENDANCE

Golden Valley Recording Secretary Pat Schutrop recorded the attendance as follows:

CRYSTAL COUNCIL:	Jim Adams, Mayor Laura Libby, Council Member Julie Deshler, Council Member (<i>absent</i>) Joe Selton, Council Member Mark Hoffmann, Council Member John Budziszewski, Council Member Casey Peak, Council Member
CRYSTAL STAFF:	Anne Norris, City Manager Tom Mathisen, Director of Public Works Charlie Hanson, Finance Director Randy Kloepper, Water Superintendent
NEW HOPE COUNCIL:	Kathi Hemken, Mayor John Elder, Council Member Eric Lammle, Council Member Dan Stauner, Council Member Andy Hoffe, Council Member
NEW HOPE STAFF:	Kirk McDonald, City Manager Bob Paschke, Director of Public Works Chris Long, City Engineer, Stantec Bernie Weber, Utilities Supervisor
GOLDEN VALLEY COUNCIL:	Shep Harris, Mayor Steve Schmidgall, Council Member Joanie Clausen, Council Member Larry Fonnest, Council Member Andy Snope, Council Member
GOLDEN VALLEY STAFF:	Tom Burt, City Manager Jeannine Clancy, Director of Public Works Sue Virnig, Finance Director Bert Tracy, Public Works Maintenance Manager Kelley Janes, Utilities Supervisor Mitch Hoeft, Utilities Engineer Pat Schutrop, Recording Secretary
OTHERS:	Bonnie Morey, SEH, Inc. Steve Nelson, Bolton & Menk, Inc. Glen Gerads, Director, Water Treatment & Distribution Services, Minneapolis David MacGillivray, Springsted, Inc.

EMERGENCY WATER SUPPLY PLAN

Meeting facilitator, Bonnie Morey, discussed that the purpose of the work session is to provide historical information, technical information, the financing plan for the emergency water supply, and provide direction to staff.

Review of Past Studies and Actions

Golden Valley City Manager Tom Burt reviewed past studies and actions taken. The JWC cities have been discussing an emergency water supply for a number of years and is now at a point to make a decision whether to move forward with construction of the wells. Water is now purchased from the City of Minneapolis. Risks to the Minneapolis water supply include drought, flooding, tornados, loss of power, spill in the river, supply main failure, etc. In the event the water supply coming from Minneapolis is compromised, the JWC would not have a backup water supply.

The treated water supply currently in storage would last about 3 to 4 days. The proposed emergency water supply would not be softened, filtered or fluorinated water, but treated for essential use. Through studies conducted, it was determined the New Hope well would be a good emergency source, but would not produce enough water for the three cities. Along with the New Hope well, the JWC is proposing to drill three new wells. The locations are yet to be determined.

The purposes for the proposed emergency water supply is to ensure water to JWC residents under emergency conditions should the Minneapolis supply would be interrupted; provide fire protection, secure residential water supply and sustain business operations during an emergency situation; and is an identified action item in the JWC comprehensive plan.

Final Design Presentation

Steve Nelson, Bolton & Menk, Inc., presented the update on the final design of the emergency water supply. Three critical factors are necessary for a successful emergency supply: reliability, maintainability, and operator friendly.

Two options for the location of three wells was evaluated. Option A is two wells in Crystal and one located in Golden Valley. Option B is two wells in Golden Valley and one well in Crystal. Both options have one of the proposed wells located near either Crystal or Golden Valley reservoir. Water quality, easements, etc. still need to be determined before selection of well locations. The New Hope wellhouse will also need some renovation and upgrading as part of this project. Each well will need a closet for a chlorine feed system. The wells will not have generators, but will have the ability to connect to one. The estimated cost is \$3,979,000 for the wells and New Hope wellhouse improvements.

The tentative schedule is to adopt resolutions ordering construction of the wells by March 2014, advertise for bids in April 2014, and complete construction by December 31, 2015.

Discussion followed. Council Member Libby asked about time constraints and risk of drawdown of local lakes. Nelson said there will not be much drawdown (less than ½ mile) from the wells. There would be no health impacts because the water will have chlorine added. Once the wells are operational, the water will be tested for a wide range of pollutants before it is useable.

The JWC has a water agreement with the City of Minneapolis where water is purchased through them. The JWC is not looking at the wells as a permanent supply, but an emergency supply only and would be used only if Minneapolis water supply had to go offline for emergency reasons. Golden Valley Public Works Director Jeannine Clancy does not recall any time when Minneapolis was not able to provide water since the Water Agreement was established in 1961.

It has been confirmed that based on average water use per day for JWC cities, four wells are needed for an emergency water supply, the wells will need to be regularly exercised, and chlorine will be added to the underground storage tanks made of reinforced concrete.

Financing Plan Presentation

David MacGillivray, Springsted, Inc., discussed the financing plan for the emergency water supply. Golden Valley is in a position to issue the water revenue bond. Contracts will be developed for each city stating language for repayment. The bond amount would be between \$4 million and \$4.5 million paid over 20 years. The general annual debt service would be \$350,000 for all cities. Based on the consumption plan, the cost breakdown would be 30/30/40 (Crystal/New Hope/Golden Valley), which is the same percentage appropriated with Minneapolis for the purchase of water. The average homeowner will pay 17 cents/1,000 gallons. Average use per property per quarter is about 15,000 gallons.

Golden Valley Council Member Andy Snope asked if consideration was given to applying for federal funding. Mathisen reported it was looked at last year, but found there was a lot of competition for this type of funding and the JWC's request would not be viewed as a priority.

At this point, Morey asked the city councils to take a 15-minute caucus to decide if they want to move forward.

Resolution Ordering Construction of Emergency Water Supply

After the meeting reconvened, each city council reported the following decisions:

- New Hope – in favor of ordering construction of the emergency water supply wells and will consider the resolution at its next council meeting. Recommended discussing adding the 17 to 20 cent increase to water bills now to start accumulating funds for the payments.
- Crystal – in favor of ordering construction of the emergency water supply wells and will consider the resolution at its next council meeting.
- Golden Valley – in favor of ordering construction of the emergency water supply wells and will consider the resolution at its next council meeting.

The three city councils are requested to take action within 30 days on the resolution ordering construction of an emergency water supply and also adopt a resolution agreeing to financing of the project.

CRYSTAL PUMP STATION EMERGENCY GENERATOR UPDATE

On June 23, 2013, a 36-inch pipe failed at 42nd Avenue, east of Highway 81. The pipe was installed in 1963. The reason for the failure is not conclusive, but Mathisen speculates it was installation failure. In response to the pipe failure and as a precautionary measure, the JWC contracted with Pure-Tech and did some pipe integrity testing of its system using Smartball technology. The results were that no leaks were found; however, this testing did not check the outside of pipes for structural damage.

The upcoming construction of the County Road 9 project with Hennepin County includes replacing a portion of the pipe in the construction area. Crystal's reservoir will need to be offline until the pipe is installed. To avoid shutting down the reservoir, the JWC recommended an emergency generator be purchased and installed. The Golden Valley reservoir has a generator that was installed in 1999 when the Golden Valley reservoir was constructed. The cost will be about \$500,000 with the usual cost split of 30/30/40 (Crystal/New Hope/Golden Valley).

AMENDED 2014-2018 CAPITAL IMPROVEMENT PLAN

Golden Valley City Manager Tom Burt asked for comments on the amended 2014-2018 Capital Improvement Plan. He pointed out that some years will have high expenditures because of large projects (i.e., Douglas Drive watermain, etc.). The emergency water supply wells were originally included in the CIP at \$450,000 and that cost will be reduced to \$350,000.

OTHER BUSINESS

New Hope Council Member John Elder invited the city councils to attend the first annual Bird Bash fund raiser supporting Robbinsdale area schools on February 8, 2014.

ADJOURNMENT

Mayor Harris thanked the city councils for their ongoing partnership and the quick response in working to keep the water supply online. The meeting adjourned at 7:50 p.m.

Respectfully submitted:



Pat Schutrop, Recording Secretary