



CITY OF BAYPORT

294 NORTH 3RD STREET
BAYPORT, MN 55003

NOTICE OF CITY COUNCIL WORKSHOP MEETING

NOTICE IS HEREBY GIVEN that the City Council will hold a workshop at 4:30 p.m. on Monday, April 16, 2012 at Bayport City Hall. The following topics will be discussed:

- Overview of City's Water Department
- Overview of City's Air Stripper
- Consumer Confidence Report
- Clean Water Fund Source Water Protection Matching Grant Application
- Well #3 Capital Improvements
- Water and Sewer Rate Study
- Update on Improvements to Abandoned Well #1
- City of Oak Park Heights to Study Extending Water to Stillwater Prison

It should be noted that a portion of the workshop may include a mobile tour of the city's buildings and infrastructure. Please contact City Hall at (651) 275-4404 if you have any questions or need further information.

Mitch Berg, City Administrator

This notice was posted on April 11, 2012.



CITY OF BAYPORT
294 NORTH THIRD STREET
BAYPORT, MINNESOTA 55003
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Date: April 10, 2012
To: Mayor and City Council
From: Mitchell Berg, City Administrator
Re: Discussion Items for April 16, 2012 Special City Council Workshop Meeting

Overview of the City's Water Department

According to the Annual Report of Water Use submitted to the Department of Natural Resources (DNR), the city's three wells pumped approximately 68 million gallons of water in 2011. The city has approximately 850 commercial, industrial and residential accounts.

The city draws its water from three separate municipal wells. In addition to the three municipal wells, the city's water department maintains and operates:

- 12.8 miles of 4" to 12" water mains in the city and 5 miles of 6" to 12" water mains in Baytown Township
- A 750,000 gallon reservoir located in Baytown Township
- A 300,000 gallon storage tank located near the air stripper
- An air stripper to remove trichloroethylene (TCE) from Well #2
- A booster station to increase the water pressure to the Inspiration development, Baytown residents and the St. Croix Preparatory Academy School

Recommendation

No action is being asked at this time.

Overview of the City's Air Stripper

The air stripper began operating in April 2007 to remove the TCE from Well #2. The air stripper was located at this well because among the three municipal wells, the highest concentration of TCE was at Well #2. As a result, the city draws more water from Well #2 than the other two wells, in the hope of preventing the TCE plume from infiltrating the two other municipal wells. Since the air stripper went into operation, the Minnesota Department of Health (MDH) has reported **no** detectable trace of TCE in the city's treated water.

Recommendation

No action is being asked at this time.

Consumer Confidence Report (CCR)

Each year, the MDH mandates each municipal water supply system in the state to publish a Consumer Confidence Report. The following excerpt from the report indicates:

No contaminants were detected at levels that violated federal drinking water standards. However, some contaminants were detected in trace amounts that were below legal limits. The table that follows shows the contaminants that were detected in trace amounts last year. (Some contaminants are sampled less frequently than once a year; as a result, not all contaminants were sampled for in 2011. If any of these contaminants were detected the last time they were sampled for, they are included in the table along with the date that the detection occurred.)

Contaminant (units)	MCLG	MCL	Level Found		Typical Source of Contaminant
			Range (2011)	Average/Result*	
Arsenic (ppb) (02/03/2009)	0	10	N/A	1.9	Erosion of natural deposits; Runoff from orchards; Runoff from glass and electronics production wastes.
Barium (ppm) (02/03/2009)	2	2	N/A	.03	Discharge of drilling wastes; Discharge from metal refineries; Erosion of natural deposits.
Fluoride (ppm)	4	4	.67-1.2	1.11	State of Minnesota requires all municipal water systems to add fluoride to the drinking water to promote strong teeth; Erosion of natural deposits; Discharge from fertilizer and aluminum factories.
Haloacetic Acids (HAA5) (ppb) (08/26/2010)	0	60	N/A	3.3	By-product of drinking water disinfection.
Nitrate (as Nitrogen) (ppm)	10.4	10.4	nd-1.3	1.3	Runoff from fertilizer use; Leaching from septic tanks, sewage; Erosion of natural deposits.
TTHM (Total trihalomethanes) (ppb) (08/26/2010)	0	80	N/A	14.01	By-product of drinking water disinfection.
Trichloroethylene (ppb)	0	5	nd-3	2.48	Discharge from metal degreasing sites and other factories.

**This is the value used to determine compliance with federal standards. It sometimes is the highest value detected and sometimes is an average of all the detected values. If it is an average, it may contain sampling results from the previous year.*

Even though MDH testing did not report any contaminants that violated the federal drinking water standards, the city has observed a rise in TCE levels over the course of the past few years within Well #3 and Well #2. At this point, the MDH is not indicating any cause for concern because the levels are still well below the maximum legal limits and there has been **no** detectable TCE levels yet found in to the city's treated water.

Recommendation

No action is being asked at this time. The full Consumer Confidence Report will be published in the Stillwater Gazette within the next month and posted on the city website.

MDH Clean Water Fund: Source Water Protection Matching Grant Application

Nevertheless, staff is concerned about the rise in the TCE levels. As a result, I have asked the MDH for assistance to update the existing TCE model. This updated model should help the city

determine if the existing TCE levels will continue to rise or level off, and if any future action is warranted to aid in the protection of the city's water supply system.

With the assistance of our city engineer, I have submitted a Source Water Protection Grant application for up to \$10,000.00 in matching funds to update the existing TCE model and provide a plan for action, should it be required.

Recommendation

At the May City Council meeting, I will ask the City Council to adopt a motion, based on staff's recommendation, to accept the grant and to contribute a match of not more than \$10,000.00, should the city be successful in obtaining the grant.

Well #3 Capital Improvements

In 2011, the city secured a grant from the MDH to begin a fluoridation update to Well #3. The well was built in 1952, and it has been nearly 18 years since the last major update. The city has identified the following issues with the well:

- The well pump is aging and inefficient.
- The backup engine that was installed to provide backup power has not been operable for several years.
- There are a number of items in the system that no longer meet code requirements.
- There is lead-based paint within the well, which needs to be removed.

In October of 2010, the city engineer estimated the cost to rehab the well at approximately \$100,000.00, and I have allocated that amount in the 2012 Capital Improvement Budget.

Recommendation

Based on the rise in TCE levels, staff is recommending deferring improvements to this well until the TCE study is completed. The study should provide information to help determine if any further improvements to the well will be warranted.

Water and Sewer Rate Study

The city last conducted a utility rate study in 2009, which resulted in the city raising both water and sewer rates to commercial and residential properties. Prior to the adoption of the 2009 rate study and subsequent increase, utility rates had increased only once in the past decade, for commercial and industrial customers only.

Staff is exploring a rate study at this time as follow-up to City Council action in December 2009, when the City Council directed that another rate study be conducted after the third year of the rate increase. At that time, the City Council felt it was important to conduct another study to evaluate whether rates should be adjusted in light of an improving, or worsening, economy. Additionally, the average number of gallons has declined from 88 million gallons in 2007 to 65 million gallons in 2011, resulting in a significant decrease in revenue, in light of increasing federal and state mandates.

The study will help determine if the current rates are truly aligned with the expenditures of the water and sewer departments. In addition, a companion analysis will examine ways to cut unnecessary expenditures within both departments.

Recommendation

The city is in the process of soliciting a request for proposal (RFP) to determine the cost of a rate study. The RFP deadline is April 16, 2012, at 4:30 p.m., and staff will be presenting a recommendation at the May 7, 2012 City Council meeting.

Update on Improvements to Abandoned Well #1

The city has received notification from the MDH that they will be extending the monitoring pipe to the abandoned Well #1 in Lakeside Park. Other improvements include painting the pipe green and planting trees to make the pipe less conspicuous.

Recommendation

No action is being asked at this time.

City of Oak Park Heights to Study Extending Water to Stillwater Prison

In 2006, the City of Bayport approached Stillwater Prison to discuss providing municipal water to the prison. These discussions did not progress due to the estimated cost to the prison to hook up to the city's water supply, as well as the city's costs to extend a pipe and remove certain contaminants, if a cross connection was to occur. Currently, the prison pumps water from private wells and has its own treatment facility and water storage tank. The prison utilizes the City of Bayport sanitary sewer system.

The City of Oak Park Heights recently began discussions with the Minnesota Department of Corrections about the Stillwater Prison water supply, upon notification that the prison is seeking a \$3,000,000.00 bonding request for a replacement well, piping, and renovation of their treatment plant. At a March 27, 2012 Oak Park Heights City Council workshop and regular meeting, the Oak Park Heights City Council passed a motion to direct their city engineer to conduct a feasibility study on servicing the Stillwater Prison with city water.

Recommendation

No action is being asked at this time.