



959 Paris Avenue Circle North, Minnesota 55082
651/436-4773 · <http://www.westlakeland.govoffice2.com>

April 26, 2021

Virtual Meeting

Present: Chairman Dan Kylo, Supervisor Dave Schultz, Supervisor Marian Appelt, Carrie Seifert, Clerk; Ryan Stempski, Engineer; Viet Hanh Winchell, attorney

Call to order

Chairman Kylo called to order the special meeting at 7:00 PM on April 26, 2021 regarding the 3M settlement proposal. The meeting was held virtually under the authority of MN Statute 1302.1. Ms. Carrie Seifert, clerk, called the roll, recognizing the presence of Chairman Dan Kylo, Supervisor Dave Schultz, and Supervisor Marian Appelt.

Ongoing Actions

Supervisor Appelt presented the status of current activities. Working group meetings are cancelled for the month of April and the township is working on a survey to send to residents. After the last meeting, Ehler's was asked to revisit the assumptions behind the cost analysis and modelling. The Minnesota Department of Health will also provide an update on the status of testing and ongoing activities in the township.

Minnesota Department of Health

Mr. Jim Kelly and Ms. Virginia Yingling from the Minnesota Department of Health presented on the history and impacts of PFAS. The presentation is available on the township website. Mr. Jim Kelly presented the background of PFAS chemicals and the associated health risks.

Ms. Virginia Yingling explained how PFAS chemicals ended up in West Lakeland. The 3M disposal site in Oakdale and Washington County landfill are the primary sources of PFAS contamination in West Lakeland. The contamination has impacted most of the water aquifers used for drinking water. Water flow is impacted by the naturally occurring surface water system and buried bedrock valley tributaries that allow ground water to cross the divide. Valley Branch Watershed District 1007 project to control flooding created an enhanced storm water pathway that allowed the PFAS contamination to spread more readily. In West Lakeland, the top of the bedrock is very shallow which has allowed rapid infiltration into the aquifers. To date over 1,000 private wells in West Lakeland Township have been sampled. 636 well advisories have been issued. 532 of these homes have a GAC system installed. The highest concentrations are east of Horseshoe Lake. Moving forward, the Department of Health will continue to do well monitoring along the plume.

Sealing of the wells is recommended to limit PFAS exposure to the ground water, and because the PFAS has such a long half live, watering the lawn and other uses of water can continue to expose PFAS to the ground water and aquifer. In addition, wells that are not for drinking water that are still in commission are problematic to identify and maintain.

Supervisor Schultz asked about the effectiveness of the GAC filters on chemicals not currently identified. Mr. Kelly noted that the active carbon filters are very effective in capturing this class of chemical.

Chairman Kylo asked how long it would take for bacteria or biofilm to build up in the carbon filter if the water is not flowing. Ms. Yingling recommended that if the system is left idle for an extended period, that the system be given a good flushing.



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Public Comment

Chairman Kylo opened the meeting for public comment and questions concerning the presentation from the Department of Health.

Katherine Kennedy, 2156 Paris Avenue, asked about what would be different or better about the filtering system offered through the municipal system compared to the current point of entry GAC filters? Ms. Yingling responded that it depends on the final design of the system if it is installed. Oakdale, Cottage Grove and St Paul Park have gone with granular activated carbon systems. There will be some pilot testing of ion exchange resins, currently used in Australia, but not yet approved by the health department. That type of filtration is more effective than activated carbon. This technology is on the table. Ms. Kennedy asked about who makes the decision, and what impact do the comments of residents have in making that decision? Supervisor Appelt noted the township will be doing a survey to collect input from the residents.

Mr. Steve Norenberg, 795 Midwest Trail, asked to reconfirm the GAC filter system put in current city systems is the same filter used in the point of entry GAC systems installed. That is correct. The city system is larger and is maintained by a professional city water manager. What is the recommended timeframe to change out GAC filters? Ms. Yingling indicated that the filters are being changed out on an annual basis. In some cases, it is more frequently than necessary. It is a function of the concentration of the contaminants and the volume of water use. Annual change outs are based on the most contaminated wells. There has not been a decision to require filtered water for outdoor use such as watering lawns, but it has been an issue for discussion around the concerns about perpetuating spread of the contaminants.

Ray Stevens, 1660 Park Ave N, was put off by the comment about sealing the wells. With the GAC system currently installed, the outside water is not treated. Ms. Yingling indicated that is correct. Most systems do not treat outside water. If the GAC system is retained, would it be modified so that outside water would be treated. Ms. Yingling indicated that is part of the discussion. No decisions have been made. Mr. Stempski noted that the township has been in discussion with the co-trustees who are the decision makers, have been asked that same question. At this point the answer is those numbers are not included in the analysis. Mr. Stevens asked about if a municipal system is implemented, what thought has been given to security for those systems?

Jim Reinsberg, 14630 28th St, noted that he currently has the filter system and from the map it does not appear they will be offered a city water option. If not, will the filter system be paid for and maintained by the state or township? Supervisor Appelt noted there were a few areas that were not slated for the proposed municipal water system and in that case, the system will be supported by the settlement funds. Supervisor Schultz noted that 28th Street has filters due to the TCE plume and does not exceed the PFAS levels at this time. Ms. Yingling noted that if the filters were installed because of TCE, they would continue to be supported.

Jen B, St Croix Trail, asked about the cost of city water. Mr. Stempski noted that Ehler's will be presenting an updated cost model later in the meeting.

Ms. Jelen-Freeman, 14240 10th St N. asked if the first year of water bills could be paid, as was negotiated with 3M for Lake Elmo. Those agreements are gone. That question of co-trustees, and the answer was no, water bills would not be covered.



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Tamara Morrissey asked if meeting capacity was exceeded. It was most likely a technical issue. Ms. Winchell noted the meeting is being recorded.

Keith Weber, the servicing company said that the GAC filter would need to be exchanged every three to five years.

Chad Ewalt asked if multiple POET systems do a better job of containing the contaminants than a single municipal water system. Ms. Yingling noted the point of the treatment is not to remediate the contaminants in the aquifers. Neither the municipal system nor the individual POET systems are intended to clean up the water. The treatment of drinking water is done to protect public health.

Larry Klein, 13145 4th St N, with the GAC filter in the home he asked how he could know the concentration of the contaminants of his well, is it then a straightforward calculation to determine how often the filter should be changed? Ms. Yingling said yes there are calculations that can be used to determine when breakthrough might occur. Multiple chemicals make the calculation more complicated.

Greg Schaefer, asked if the concern was drinking, not swimming or bathing. Mr. Kelly responded that drinking water was the pathway with the greatest risk of exposure. Treatment at point of use would reduce exposure, but would not address other concerns to capture contaminants, and containing the spread. From a health perspective, the primary route of exposure is drinking, but the department of health also considers the impact of fish exposure, as another route of exposure to the chemicals. It is more than just drinking water.

Mr. Steve Norenberg asked about the survey, and if he could see the finished product before it goes out. Mr. Stempski said he was able to give input, but there is not sufficient time in the timeline to allow residents to review after completion and still meet the publication date. A follow up is possible as the questions are formulated.

Jen B, St Croix Trail, commented that she feels it is unfair that homeowners be responsible for any costs when they did not contaminate the water.

Lloyd and Jody asked if GAC system for PFAS two tank systems, does not believe the large safety factor is needed. Ms. Yingling noted the second tank is there to capture any additional chemicals in the event of breakthrough.

Allison Holbrook, 1323 Orwell Ave N. if the decision if outdoor water will be required to treated if remaining on the current well system has been made, and if that decision will be made prior to having to select the option to move to a municipal water system. Ms. Yingling said this is just at a discussion phase at this point. Mr. Stempski noted this has been asked of the co trustees and filtering irrigation water for POETS is not in the calculation at this time. The GAC filters installed on individual wells will not be required to treat water used for irrigation at this point.

John Gozem asked about closing of 1007 project pipeline. Ms. Yingling noted the Pollution Control Agency is considering alternatives. This is part of a natural water flow and cannot just be turned off.

Suzanne Devlin, 12141 22nd St N, asked who will receive the survey. Supervisor Appelt responded that all residents should receive the survey. The data will be able to be separated based on who is in the current area designated for potential connection to a municipal water system and who would not.

Ehlers and Associates Water Rate Study



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Chairman Kylo introduced Jessica Cook from Ehlers to present a revision to the water cost modelling after considering resident feedback from the last special meeting. The presentation by Ms. Cook is posted on the township website or available from the town clerk.

If there is a municipal water system installed, and the 3M settlement funds pay for the capital costs for construction and connection charges, the operating costs of the system will need to be passed on by the township to the users of the system. Ehlers was tasked with estimating the water rates that could be anticipated.

The modifications to the assumptions reduced the anticipated the number of homes that would connect to the system and raised the water rate usage for irrigation and household use. As an additional comparison point, Ehlers considered usage from the City of Otsego. The water connection rate was held constant throughout the 5-year implementation time. After revised modelling, the fixed charge remained at \$8.00 per month. For seasonal rates, the winter rate went from \$1.56 to \$1.40 per 1,000 gallons. The summer rate went from \$2.03 to \$1.82 per 1,000 gallons. Rate increases were delayed until 2028. The connection fee estimate, reimbursable by the 3M Settlement funds, with less people hooking up more slowly, went from \$1,000 to \$1,800.

An estimate of usage for the first sample user with average water usage in the winter would be \$15.00 per month through 2027. The same user for the summer has an estimated monthly bill of \$35.35. The second sample user is a high user. The sample bill for winter use of \$30.40 per month and summer bill would be \$190.00 per month during the irrigation season. Ms. Cook noted that the adoption of the modeling is not necessarily accepting the rates but accepting the assumptions behind the modelling.

John Gozem asked how the estimate of the number of properties with in-ground irrigation was done. Mr. Stempski worked with Supervisor Schultz to generate a map based on his experience as road supervisor of potential irrigators, considering age of photos, age of the development, etc. The lots were then assigned an irrigation estimate based on the size and how much of the lot was lawn.

Lisa Ranum, 13565 4th St N. asked how often communities go to property taxes rather than utility bills. Ms. Cook noted there have been communities that used bonds to finance improvements and then rates were increased to cover the repayment of the bonds. Ms. Ranum asked if the board had any intent to use property tax to cover the cost of the water system. Chairman Kylo replied that the intent is to use water rates to cover improvements.

Pamela Carlson, 1266 Paris Trail N, suggested that the connection rate should be considered at 25% or 50% of the township. She considers 75% still too high. Ms. Cook responded that if the survey comes back at a lower rate, the modeling can be recalculated. Ms. Cook confirmed that the township's share of operating costs is financed through these water rates.

Tamera Morrissey, 2465 Periwinkle Trail N, asked about the length of time for high use irrigation to determine the water rates. Ms. Cook replied the assumption was three months of high water use for irrigation.

Chuck Newman, 13434 Greenwood Trail N, asked if the fees will be collected and then reimbursed. Mr. Stempski noted there a couple of options to cover the hookup fee. The residents can hire their own contractor and be reimbursed, or the township can hire a contractor for all property hookups and then request reimbursement from the state. It is reimbursable at the time of connection. Part of the estimated \$1800 connection fee pays for the contract, and part stays to fund the water



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system moving forward. Mr. Newman noted that it seems like 2022 to start hookups to a water system is a tight timeline for completion of the necessary capital improvements. The timeline will need to be reviewed as a decision is made.

Steve Norenberg asked why the rate for Lake Elmo is so much higher than the estimated rate for West Lakeland Township. Ms. Cook noted that Lake Elmo has a tiered rate system, not a seasonal rate system. The \$4.40 rate mentioned is the highest tier. This is to promote water conservation. Lake Elmo also has an existing system and the water system had to provide for the upfront capital costs of the expansion.

Karen Klinzing, 13039 22nd Ave N, asked for clarification of source of the assumed monthly usage. That is based on sampling of other clients and industry standards.

Suzanne Devlin, 12141 22nd St N, noted that homes not impacted by the water contamination will be included in the survey. The survey is asking all residents of West Lakeland because they are not sure where PFAS may be impacted in the future. The data will be able to be separated between homes that are immediately impacted and those that are not.

Supervisor Appelt noted the survey will be out in the next couple of weeks. The timeline for the co-trustees to decide will be in the June timeframe, and are willing to wait for the survey results to be returned and evaluated.

John Gozem asked about the accuracy of the rate studies. Ms. Cook noted this is a unique project because of the unique circumstances. For those clients that regularly update rate studies, the estimates have been highly accurate with changes only with unexpected changes to the assumptions.

Lisa Ranum, 13565 4th St N, asked about how reimbursement for hook up charges would be done. This mechanism would need to be determined by the cotrustees. Mr. Stempski noted the funds would process through the municipality. Ms. Cook clarified that the 1800 water connection fee is not the same as the actual cost of connection, but an additional reimbursable fee. Mr. Stempski noted the estimated construction cost of the hookup is \$8500. The township will work to ensure the financial burden is managed.

Karen Klinzing, 13039 22nd Ave N, asked if all residents can opt to hook to the water system? Mr. Stempski noted the state's analysis based on well sampling results noted that there are about 1200 homes impacted. This is about 75% of the township.

Tamera Morrissey, 2465 Periwinkle Trail N, asked for clarification between the cost to connect versus the water connection fee. Ms. Cook noted that the connection fee is different from the infrastructure and cost to connect to the water main.

Supervisor Schultz noted the comparison to Lake Elmo, asked how the lower rates compared to the estimated rate for West Lakeland. \$2.14 is the lower end of the tiered rate structure.

Board Discussion of Rate Study Estimates

Supervisor Appelt feels comfortable with the assumptions as revised, and the rates being proposed as a point to move forward for the survey and ongoing analysis. Chairman Kylo noted this is not an approval of the rates, but an approval of the report, the model and the assumptions going forward. Supervisor Schultz asked how long it would take to revise the model with the 25% response rate. Ms. Cook noted that would take about a week. Mr. Stempski noted the reasons to not go that



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low yet is to see the results of the survey and if the numbers are that low of a connection rate, he does not think the cotrustees will continue with the municipal water system.

Supervisor Appelt moved to accept the water rate study by Ehlers and Associates and use that to move forward with community survey. Supervisor Schultz seconded the Motion. The motion carried by unanimous vote (3-0).

Adjourn

Having no further business, Supervisor Schultz moved to adjourn the meeting. Seconded by Supervisor Appelt, the motion carried by unanimous vote (3-0). Chairman Kylo adjourned the meeting at 10:30 PM.

Respectfully Submitted,

Elizabeth A. Vance
Secretary