

**E Environmental Services Committee
Meeting date: January 12, 2010**

ADVISORY INFORMATION

Date:	December 31, 2010
Subject:	2010 Unified Operating Budget Amendment
District(s), Member(s):	All
Policy/Legal Reference:	MN Statutes section 473.13, sub. 1 -- Council Budget Requirements and 473.517, sub. 1 re wastewater reserve or contingency fund; and Council Policies 3-1a re Financial Planning and Budget, 3-8 re Target (reserve) Fund Balances
Staff Prepared/Presented:	Kay Dawson, 651/602-1020; Mary Gail Scott, 651/602-1073
Division/Department:	MCES c/o William G. Moore 651/602-1162

Proposed Action

That the Metropolitan Council amend the 2010 Unified Operating Budget to increase Environmental Services' authorized annual expenses by \$150,000 to \$212,790,941 and to fund the additional expense by a transfer from the wastewater Contingency/Reserve fund.

Background

The United States Environmental Protective Agency (EPA) is requiring immediate air quality testing for sludge incinerating plants-Metro and Seneca.

The Clean Air Act (CAA) directs the EPA to develop emissions standards for waste incineration, and a 2007 court ruling determined that SSI (Sewage Sludge Incineration) unit standards also must be developed under the CAA. The CAA allows the EPA to require owners to make reports, install monitoring equipment, and make periodic emissions tests. EPA is requiring completion by February 17, 2010. The purpose of testing is to assist EPA in developing standards for SSI units.

Rationale

Procurement of testing services needs to proceed quickly. Estimated cost of \$150,000 is sizable. This testing was not required in the past, and came late in 2009, so it was not budgeted.

Funding

\$150,000 for testing will be funded by the wastewater General Operating – Reserve / Contingency Fund 612, valued at \$21,468,493 November 30, 2009. This fund balance is 18.0% of the 2010 annual budgeted operating expenses for ES.

Known Support / Opposition

None.