Dakota County

Physical Development Committee of the Whole

Minutes

Tuesday, September 16, 2025	9:00 AM	Conference Room 3A, Administration Center, Hastings

(or following budget workshop)

1. Call to Order and Roll Call

The meeting was called to order at 9:40 a.m. by Commissioner Holberg.

Present	Commissioner Mike Slavik Commissioner Joe Atkins Commissioner Laurie Halverson Commissioner William Droste Chairperson Mary Liz Holberg
Absent	Commissioner Liz Workman Commissioner Mary Hamann-Roland

Also in attendance were Heidi Welsch, County Manager; Tom Donely, First Assistant County Attorney; Georg Fischer, Physical Development Division Director; Liz Hansen, Administrative Coordinator.

The audio recording of this meeting is available upon request.

2. Audience

Commissioner Holberg asked if there was anyone in the audience that wished to address the Physical Development Committee of the Whole on an item not on the agenda or an item on the consent agenda. No one came forward and no comments were submitted to CountyAdmin@co.dakota.mn.us.

3. Approval of Agenda (Additions/Corrections/Deletions)

3.1 Approval of Agenda (Additions/Corrections/Deletions)

Motion: Mike Slavik — Second: Joe Atkins

Ayes: 5

4. Consent Agenda

4.1 Approval Of Minutes Of Meeting Held On July 22, 2025

Motion: Joe Atkins — Second: Laurie Halverson

Ayes: 5

5. Regular Agenda

5.1 Authorization To Adopt 2024-2044 Dakota County Solid Waste Management Plan

Motion: Joe Atkins   Second: William Droste

Renee Burman, Environmental Initiatives Supervisor, presented this topic and responded to questions.

Staff and committee members discussed budget constraints and the use of Environmental Legacy Funds (ELF) for waste management. The plan aims to reduce reliance on county funds by pursuing external grants, focusing on strategies like organic curbside collection to divert waste efficiently and cost-effectively. A key part of this strategy is to explore available external funding sources. Mr. Fischer emphasized the need to secure additional funding from the state solid waste management tax (SCORE funding) for essential county solid waste management activities.

WHEREAS, Minnesota counties are responsible for developing projects and programs to achieve state goals for waste management; and

WHEREAS, the Minnesota Pollution Control Agency (MPCA) adopted the 2022-2042 Metropolitan Solid Waste Management Policy Plan (Policy Plan) on January 30, 2024; and

WHEREAS, Minn. Stat. § 473.803 requires each metropolitan county to revise its current solid waste management plan to implement the revised Policy Plan; and

WHEREAS, the Policy Plan prescribes strategies that must be incorporated into county-specific plans, including required strategies and optional strategies that must meet a minimum point threshold; and

WHEREAS, stakeholder engagement was conducted and comments were gathered on waste management barriers and opportunities, timing, and needs for a preliminary set of required and optional strategies from the MPCA Policy Plan; and

WHEREAS, by Resolution No. 24-368 (July 30, 2024), the County Board authorized release of the draft 2024-2042 Dakota County Solid Waste Management Plan (2024-2024 Management Plan) for a 30-day public review and comment period; and

WHEREAS, the 2024-2044 Management Plan incorporates input from stakeholder engagement, public review, the Dakota County Planning Commission, and the County Board; and

WHEREAS, the 2024-2024 Management Plan was developed in accordance with Minn. Stats. §§ 473.803 and 115A; and

WHEREAS, the 2024-2024 Management Plan communicates Dakota County's vision, policies, strategies, and tactics for solid waste management over the next 20 years; and

WHEREAS, the 2024-2024 Management Plan includes Policy Plan required strategies and optional strategies that meet the minimum point value; and

WHEREAS, tactics and timelines have been included as required by Minn. Stat. § 115A.46; and

WHEREAS, revised Metropolitan county master plans must be submitted to the MPCA Commissioner for review and approval; and

WHEREAS, by Resolution No. 24-514 (October 29, 2024), the County Board authorized submittal of the draft 2024-2044 Management Plan, dated October 2024, to the MPCA for review and approval; and

WHEREAS, the MPCA Commissioner approved the 2024-2044 Management Plan on August 22, 2025; and

WHEREAS, staff recommends adoption of the 2024-2044 Management Plan; and

WHEREAS, implementation and costs will be determined annually as part of the County Board of Commissioners' work plan priorities and approval of the Environmental Resources Department budget.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby adopts the 2024-2044 Solid Waste Management Plan.

This item was approved and recommended for action by the Board of Commissioners on 9/23/2025.

Ayes: 4
Commissioner Slavik, Commissioner Atkins, Commissioner Halverson, and Commissioner Droste

Nay: 1
Chairperson Holberg

5.2 Authorization To Execute Contract With McKinstry Essention, LLC, For Energy Improvements Project Phase Two Investment Grade Audit

Motion: Mike Slavik   Second: Laurie Halverson

Mike Lexvold, Facilities Management Director, presented this item and responded to questions.

Staff and commissioners discussed a $155,500 contract for an audit to validate potential energy projects expected to generate positive cash flow, with savings from reduced electrical bills covering the debt service. Phase one of energy improvements, completed in early 2025, is projected to yield about $304,000 in annual energy savings. A potential second phase could include additional solar installations on up to five additional facilities, as well as other energy improvements county-wide. This contract will help determine the feasibility of those projects. If the project is determined to be feasible, staff will return with a request to move forward with the identified projects and seek $4 million in capital through either nonprofit loans backed by energy savings or other financing options. Commissioners acknowledged the risks of solar projects but noted current incentives and potential cost savings.

WHEREAS, Dakota County operates over 1.6 million square feet of buildings, consuming $2,300,000 in annual energy expenses in 2023; and

WHEREAS, the Phase 1 Energy Improvements project converted over 14,000 lights to LED, added approximately one megawatt of solar across four sites, and completed HVAC retrocommissioning work at the Northern and Western Service Centers; and

WHEREAS, the lighting and HVAC work was completed over the course of 2024, with the solar coming online in February and March 2025; and

WHEREAS, countywide facilities' energy data from 2023 to 2024 showed a decrease in consumption of 7.7 percent and a cost reduction of 18 percent; and

WHEREAS, building on the success of Phase 1, staff have continued the partnership with McKinstry to explore options to maximize the County's return on investment in additional energy projects; and

WHEREAS, McKinstry reassessed all County facilities and another set of projects estimated to save an additional 10 to 15 percent on top of Phase 1 savings; and

WHEREAS, these include solar at five sites, mechanical upgrades at eight to 10 buildings, HVAC retrocommissioning at more than 15 buildings, and building envelope sealing at 15 to 20 buildings; and

WHEREAS, this scope is estimated to cost between $4,000,000 to $4,500,000 and represents the best value to the County for the work to be performed; and

WHEREAS, the next step in the process is to sign a contract for an Investment Grade Audit with McKinstry Essention, LLC to position the project to seek utility rebates and state and federal funding sources, which will shorten the project return on investment and increase the net present value.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby authorizes the Facilities Management Director to execute a contract in an amount not to exceed $155,500 with McKinstry Essention, LLC, to perform an Investment Grade Audit for Phase 2, subject to approval by the County Attorney's Office as to form.

This item was approved and recommended for action by the Board of Commissioners on 9/23/2025.

Ayes: 5

5.3 Approval Of 2026 Proposed Eligible Projects List To Be Released For County Transportation Sales And Use Tax Funds Public Hearing

Motion: Mike Slavik Second: Joe Atkins

Jake Chapek, Assistant County Engineer, presented this item and responded to questions.

Staff and commissioners reviewed the proposed project list for eligible Transportation Sales and Use Tax proceeds. The list includes transportation maintenance facilities, county highway projects, trunk highway projects that impact county roads, transit service expansion, and regional trail projects. Current cost estimates were also provided. Based on the current draft Capital Improvement Program and the eligible list, staff estimate that the balance of Sales and Use funds will drop to roughly $500,000 in 2030 before rebounding to around $17.5M by the end of the ten-year project list. The draft project list maintains a Sales and Use Tax balance well above the County Board's established threshold (-$100,000,000) to trigger further discussion on potentially increasing the Sales and Use Tax.

WHEREAS, Minn. Stat. § 297A.993 (the Act) authorizes the Dakota County Board to levy up to one-half of one percent sales and use tax and an excise tax of $20 per motor vehicle to fund statutorily defined transportation and transit projects; and

WHEREAS, by Resolution No. 17-364 (June 20, 2017), the Dakota County Board enacted a quarter-cent sales tax and $20 excise tax on new vehicle sales starting October 1, 2017, to fund identified transitway, transit expansion, regional County highway, trail, and trunk highway transportation projects; and

WHEREAS, staff has identified a proposed updated list of transportation projects eligible for Transportation Sales and Use Tax funds based on the needs identified in the Draft 2040 Transportation Plan and through the development of the 2026-2030 Draft Capital Improvement Program; and

WHEREAS, Board approval of the proposed eligible list for utilization of the Transportation Sales and Use Tax will allow for a public hearing to be scheduled; and

WHEREAS, the Act allows the County Board to dedicate the proceeds of the Transportation Sales and Use Tax to a new enumerated project or projects by resolution after a public hearing; and

WHEREAS, staff recommends approval of the proposed eligible project list to be released for Dakota County's Transportation Sales and Use Tax Funds public hearing; and

WHEREAS, the Transportation Sales and Use Tax Funds public hearing will be held on December 2, 2025.

NOW, THEREFORE, BE IT RESOLVED, That the Dakota County Board of Commissioners hereby approves the proposed eligible project list to be released for the Dakota County's Transportation Sales and Use Tax Funds public hearing.

This item was approved and recommended for action by the Board of Commissioners on 9/23/2025.

Ayes: 5

6. Physical Development Director's Report

Mr. Fischer noted two key items from the Division Director's report: the accessible kayak launch at Miesville Ravine Park Reserve is no longer feasible due to budget issues, and there was a detailed discussion on regional park destinations managed by the Metropolitan Council, focusing on size limitations and potential exceptions. These points relate to the Capital Improvement Program (CIP) and regional park planning.

7. Future Agenda Items

Chair, Commissioner Mary Liz Holberg, asked the Committee if anyone had a topic they would like to hear more about at an upcoming Physical Development Committee of the Whole. No Commissioners requested topics for future meetings at this time.

8. Adjournment

8.1 Adjournment

Motion: William Droste | Second: Mike Slavik

On a motion by Commissioner William Droste, seconded by Commissioner Mike Slavik, the meeting was adjourned at 10:15 a.m.

Ayes: 5

Respectfully submitted,
Liz Hansen
Administrative Coordinator