

LICENSE HEARING MINUTES
Strategic Materials, 195 Minnehaha Avenue East
Thursday, October 7, 2010, 10:00 a.m.
330 City Hall, 15 Kellogg Boulevard West
Nhia Vang, Deputy Legislative Hearing Officer

The hearing was called to order at 10:05 a.m.

Staff Present: Larry Zangs, Department of Safety and Inspections (DSI); and Jean Birkholz, Council Research

Others Present: Jeffrey Lutz, Senior Project Manager, Applicant; David Miller, The Jackson Street Roundhouse and Museum; Bruce Wuollet, Waste Management

Strategic Materials: Recycling (glass) Processing Center license

Ms. Vang stated that this is an informal legislative hearing for a license application. This particular license requires a Class N notification which means the neighborhood was notified and people had the chance to voice their concerns. Other Class N Licenses include: tattoo parlors, auto repair, auto sales, etc.—things that have an immediate impact on the neighborhood. In this case, the City received one (1) letter of concern to this license.

There are three (3) possible results from this hearing: 1) Ms. Vang may recommend that the City Council issue this license without any conditions; 2) she may recommend that the City Council issue this license with agreed upon conditions; or 3) she may recommend that the City Council not issue this license but refer it to the city attorney's to take an adverse action on the application, which could involve review by an administrative law judge. The applicants will be required to sign a Conditions' Affidavit demonstrating that they understand the conditions.

The hearing will begin with a staff report from the Department of Safety and Inspections (DSI). Staff will explain their review of the application and state their recommendation. Next, Ms. Vang will ask the applicant to talk about the business plan. Then, she will hear from people who are here in support of the issuance of the license and those with concerns about the issuance of the license. At the end of the hearing, she will make a recommendation for the City Council to consider. Her recommendation will be on the Consent Agenda. The City Council is the final authority on whether the license is approved or denied.

Mr. Zangs stated that DSI was recommending approval of the license with the following conditions:

1. All processing activities shall be conducted within a wholly enclosed building.
2. Outdoor storage shall be within covered containers (e.g. dumpsters/roll-offs) or in three-sided containment bunkers. The walls of the bunker must be of sufficient height to provide visual screening of the piles.
3. Waste by-product of the recycling process or other materials, such as wind-blown paper or putrescible items, must be secured in covered refuse containers to prevent littering and minimize vermin and odor problems.
4. Licensee will employ a pest control service to control rats and other vermin.
5. No oils, greases, petroleum products or any harmful, hazardous or noxious liquid will be stored outside the plant.

6. Diesel fuel and/or propane must be stored and dispensed in accordance with the Minnesota State Fire Code.
7. The licensee shall follow conditions of Minnesota PCA Industrial Permit for storm and sanitary discharges.
8. The licensee's business operation shall comply with the City's Noise Regulations (Leg. Code Chapter 293).
9. Exterior storage, loading, unloading and other traffic operations shall be in accordance with the approved site plan on file with DSI.

Mr. Zangs explained that DSI would not issue the license until the site plan is approved and a certificate of occupancy is issued.

Ms. Vang asked whether there were any pictures of the building. Mr. Zangs responded that there were not; however, he had been in the building and described it as being a large, open area for the tipping of waste-hauled materials to be sorted. The current waste hauling business was relocating and the glass processing business was taking over its operations at this location.

Ms. Vang asked the owner, Mr. Lutz, whether he understood or had any objections to the license conditions. Mr. Lutz responded that he had been working with Mr. Zangs, understood the conditions and had no objections. He explained the modifications that were going to be done to the building in order to accommodate the operation of the glass recycling business. He was also working with the city's structural engineer regarding the layout design of the building to accommodate BNSF railroad cars that would be hauling materials to and from the center.

Ms. Vang asked about the level of noise that will be generated from the grinding of glass. Mr. Lutz responded that the grinding operation was basically glass-on-glass breaking and was a fairly quiet operation. The noise generated would mostly be from the front-end loader's back-up alarm. He believed that the concern was the hours of operation as at the beginning, there would be two shifts that would likely increase to three, depending upon the volume of material they receive. They would be restricted from using the front-end loader from 10 pm to 7 am every day; however, most of the operation would be contained inside the building and there would be no truck traffic after 5 pm. He then explained the details, point by point, of the glass recycling operation.

Ms. Vang asked how close the nearest residence was located to the business. Mr. Zangs responded that to the north, the nearest residence was approximately 180 feet; however, many of the residences were on a higher elevation which varied the distance requirement. To the west and east, the properties were mostly industrial and the closets residence was approximately 600 to 800 feet. To the south, there were again industrial properties and he believed the residential impact overall would be minimal.

Ms. Vang asked whether there were any similar businesses of this nature in the area. Mr. Zangs responded that there was a hazardous waste recycling business, Bay West, which was located on the other side of Jackson Street, and was basically a low-traffic operation.

Mr. Miller, representing Minnesota Transportation Museum Jackson Street Roundhouse, expressed concerns as outlined in his letter which he submitted for the record. Their operation was an indoor and outdoor museum which operated on Wednesday and Saturday from 10 am to 4 pm. Noise was the biggest concern with the back-up alarms on the trucks and outdoor storage was also a major concern.

He referred to his letter, which contained a photo of the back of the property, showing the current outdoor storage that could be seen from the second floor of his building.

Mr. Lutz further stated that it was his intention to only have “silos” for storage on the exterior of the property as most all of the operation would be restricted to the interior of the building. He said he did not anticipate deliveries to begin until the very end of April 2011 so there was time to make any necessary modifications to the building plan.

Mr. Wuollet, manager of Waste Management, stated that he had been working with Strategic Materials as Waste Management planned to relocate their business to Minneapolis prior to Strategic Materials taking over the building.

Ms. Vang stated that since all concerns had been addressed, she will recommend to the City Council that they approve the license application with conditions. She noted that the Conditions Affidavit was previously signed by Mr. Lutz on August 16, 2010.

The hearing adjourned at 10:45 a.m.

Submitted by: Vicki Sheffer