



**RAMSEY/WASHINGTON COUNTY
RESOURCE RECOVERY PROJECT**

2785 White Bear Avenue • Suite 350 • Maplewood, Minnesota 55109 • 651.266.1194 • 651.266.1177

MEETING NOTICE

**RAMSEY/WASHINGTON COUNTY
RESOURCE RECOVERY PROJECT BOARD MEETING**

DATE: June 23, 2011

TIME: 9:00 a.m.

PLACE: Resource Recovery Project/Ramsey County Environmental Health Offices
2785 White Bear Avenue, Suite 350
Maplewood, MN 55109

AGENDA:

- I. CALL TO ORDER**
- II. APPROVAL OF AGENDA**
- III. APPROVAL OF MINUTES – April 28, 2011**
- IV. BUSINESS**
 - A. Administration
 - 1. Report of Budget Activity Information
 - B. Policy
 - 1. 2012 Resource Recovery Budget Action
 - 2. Joint County Approach for Organic Management Continued Discussion
 - 3. Updates Information
 - a. RRT
 - b. Regional/Master Plan Update
 - c. September Project Board Meeting date
- V. OTHER BUSINESS**

**RAMSEY/WASHINGTON COUNTY
RESOURCE RECOVERY PROJECT BOARD
APRIL 28, 2011
MINUTES**

A meeting of the Ramsey/Washington County Resource Recovery Project was held at 9:00 a.m., April 28, 2011 at the Saint Paul - Ramsey County Public Health, Environmental Health Section, in Maplewood, Minnesota.

MEMBERS PRESENT

Commissioners Toni Carter, Rafael Ortega, Victoria Reinhardt, Janice Rettman – Ramsey County
Commissioners Dennis Hegberg, Gary Kriesel, Bill Pulkrabek, Lisa Weik – Washington County

MEMBERS ABSENT

Commissioner Jan Parker – Ramsey County

ALSO ATTENDING

Peter Barthold, Ginny Black, Tim Brownell, Gary Bruns, Larry Carlson, Deborah Carter McCoy, Zack Hansen, Joe Heinz, Mike Hoppe, Judy Hunter, John Jaimez, Curtis Johnson, Lowell Johnson, Julie Ketchum, Dan Krivit, Susan Kuss, Rebecca McCarty, Tim Patton, Norm Schiferl, Katie Shaw, John Springman, Warren Shuros, Dale Stoerzinger, Jodi Taitt, Kevin Tritz, Jim Wollschlager

APPROVAL OF AGENDA

Commissioner Weik moved, seconded by Commissioner Kriesel, to approve agenda.

Roll Call: Ayes – 5 Nays – 0 Motion Carried.

APPROVAL OF THE JANUARY 27, 2011 MINUTES

Commissioner Weik moved, seconded by Commissioner Rettman, to approve the minutes with the addition of “of the waste stream” be added under Organic Waste Management, Policy Discussion, second paragraph, second sentence.

Roll Call: Ayes – 5 Nays – 0 Motion Carried.

Commissioner Victoria Reinhardt arrived.

SECTION A: ADMINISTRATION

Monthly Report of Budget Activity

Susan Kuss said the monthly disbursements are routine. There were no questions.

Commissioner Toni Carter arrived.

SECTION B: POLICY

Continued County Organic Waste Discussion

Judy Hunter stated that this is a continuation of the policy discussion about joint work on commercial organic waste management from the January 27 Project Board meeting. She reviewed the joint approach, policy development criteria and range of alternatives. Source separated organic waste includes food waste, soiled and non-recyclable paper and other organic materials.

Commissioner Rafael Ortega arrived.

Warren Shuros, Foth Infrastructure & Environment, summarized the greenhouse gas benefits associated with different types of organic waste management. Models have been developed by the US EPA and in Canada to estimate GHG emission differences between options. Both models were applied to Ramsey/Washington County organic wastes, comparing current methods versus more composting or anaerobic digestion. The results are that there are reductions in greenhouse gas emissions that are greater when organic waste is managed by composting or anaerobic digestion, than through GHG waste-to-energy or landfilling.

Dan Krivit, Foth, did on-site interviews at restaurants, food stores, and food distributors. All food establishments are aware of food waste and very sensitive to customer and government perceptions. All establishments interviewed have cardboard and fats, oils & grease recycling bins. Most restaurants and grocery stores are not recovering food and other organics. Half of the restaurants were aware of the CEC. Almost all rely on their waste haulers to keep them informed about programs and rules.

Mr. Shuros also summarized work that had been done on collection efficiencies. The Foth reports are available on the Project's website.

Zack Hansen reviewed the possible commercial organic waste intervention strategies and scenarios. These approaches were developed following the Project Board discussion in January, 2011. The strategies are divided into three categories: education and outreach, financial and regulation. The scenarios are strategies bundled into four levels.

- Scenario 1 the low level which is the reduction from the current county level of effort. Provide existing educational resources on an as needed basis and collect data required for annual reporting.
- Scenario 2 the current level which is active efforts to explore options to increase organics recovery. Continue education on management options, monitoring of existing programs and targeted assistance to schools, managed care and other businesses.
- Scenario 3 the moderate level which is more aggressive interventions that are focused on active involvement and expansion of organics program.
- Scenario 4 the significant level which is an active engagement by the counties in the development and implementation of existing and new organics recovery programs.

Following a brief break, introductions were made, and Judy Hunter introduced a panel of private sector firms involved in organic waste management.

Panel: Industry Perspectives on Commercial Organic Waste Management

Panelist 1: Organic waste composting facility, Specialized Environmental Technologies (SET), Kevin Tritz

Kevin Tritz stated that he manages the Empire Facility for organics. This facility was opened for organics recycling in 1997. In 2008 and 2009 SET received around 8,000 – 9,000 tons/year. Currently, they expect to receive 15,000 tons per year.

A barrier is the separation and collection. You need a separate truck to pick up the material and route density is an issue..

Plastics contamination is a big issue. If the material is not clean, the finished product will not have a high value. The compostable bags have been very helpful to their process.

Areas where the Counties could have a role include education and procurement of end product as soil additive and/or erosion control.

Panelist 2: A waste hauler that has expressed interest in organic waste management, Waste Management, Julie Ketchum

Julie Ketchum stated that she is the Director of Manager Affairs of Waste Management. They realized that their company had to change. Their waste volumes have decreased due to the economy. They are looking at ways to invest in different technologies. Instead of just composting organics, they are taking it to the next level to where you are extracting

chemicals. They are investing in new companies in alternative energy, synthetic gas, and chemical extraction. They are moving towards green chemistry.

They want to ensure that regulations are protective of human health and the environment. They are looking at designing trucks to handle this type of material. They are looking at how to transport the material safely.

They are looking at the demand for organics. The larger companies such as Walmart and Costco have been requesting organics recycling and want to put that in their corporate policy. They are looking at zero waste policies.

Suggested County roles include education. Companies don't want to train staff and purchase containers for organics recovery. Counties should work together on a solution to organics recovery.

Panelist 3: Independent waste hauler that collects organics, Randy's Sanitation, Jim Wollschlager

Jim Wollschlager is with Randy's Sanitation in Delano. They started residential collection of source separated organics in the City of Wayzata six years ago. The organics were looked at as another recyclable. There were neighborhood coordinators who educated their neighbors on what they were removing from their garbage and why they were doing it. There was a method to the program that created sustainability to the program long-term. By pulling out the organics, they saw an increase in recyclables of up to 15%. There have been several pilot projects since then, but that was the most successful one.

They have 11 municipal contracts for picking up organics residentially. They collect organics in 18 schools and 48 commercial stops.

Major issue in growing organics recovery is lack of facilities to manage collected organics. Education is the key component. To be successful in this program, you have to involve the senior management of the company. Keeping them updated with monthly progress reports is very important.

The reduced \$15 tip fee at the Hennepin County Transfer Station is a big deal. He would like the MPCA to take the role of administering the tip fee.

Suggested County roles include education (internal champions are not always aware or communicate requirements to upper management) and training of staff.

Panelist 4: Waste Recycler that has expressed interest in commercial organic waste management, Eureka Recycling, Tim Brownell

Tim Brownell is the President of Eureka Recycling. They are providing commercial composting collection services. Their current collection programs are in Hennepin County. They have been piloting residential organics recycling in St. Paul since 2001.

Education is imperative. He stated a few of the barriers they face is a shortage of processing capacity, and transportation to distant processors is difficult. He encouraged a system similar to Hennepin County's, in which the reduced \$15 tipping fee is convenient for collectors.

He said that residential and commercial organics waste management to many people equates to composting. He said that organics management should be developed in a manner consistent with community values, such as a preference for local foods.

Panelist 5: Second Harvest Farms, Curt Johnson

Curt Johnson, from Second Harvest Farms said the farm has been in the family since the 1960s. He said the County Environmental Charge (CEC) has worked to provide businesses with an incentive to manage organics. Education is needed for organics recycling.

RAMSEY/WASHINGTON COUNTY
RESOURCE RECOVERY PROJECT BOARD MINUTES
APRIL 28, 2011

Chair Hegberg thanked the panelists.

Commissioner Reinhardt questioned Ginny Black, MPCA, on how close the MPCA is to having compost rules completed. Ms. Black responded that there was a public meeting last fall on the issues of the rules and opportunity to provide for public comment. They took public comment in November and December 2010. She said she has started a draft on the rule and is hoping to have something for public comment in September 2011.

Commissioner Reinhardt stated that when rules and regulations are unknown, that can have a real impact in what is developed by the private and public sector.

After much discussion, Zack Hansen stated that staff could come back with some recommendations around education, technical assistance, consultations and financial assistance. He said that staff will get something together by the next Project Board meeting in June.

Staff Updates

The Budget Committee meeting has been scheduled for Thursday, May 26th at 1:00 pm.

The next Project Board meeting will be Thursday, June 23rd at 9:00 am.

Commissioner Reinhardt requested an update on the proposal of the organics be part of the recyclables materials definition.

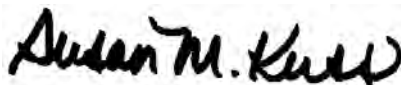
ADJOURNMENT

Chair Hegberg adjourned the meeting.

Approved:

Commissioner Dennis Hegberg, Chair

**RAMSEY/WASHINGTON COUNTY RESOURCE RECOVERY PROJECT
REQUEST FOR BOARD ACTION**

BOARD MEETING DATE: <u>June 23, 2011</u>		DATE SUBMITTED: <u>June 14, 2011</u>	
FROM: <u>Joint Staff Committee</u>			
<u>DOCUMENT DESCRIPTION:</u>		Report of Budget Activity 1) Budget Condition Report	
<u>BACKGROUND:</u> The Resource Recovery Project Board requires that all invoice payments and Budget Adjustments be submitted for review.			
<u>PROJECT BOARD ACTION REQUESTED:</u> For information only.			
<u>FINANCIAL IMPLICATIONS OF ACTION:</u>			
<u>ADMINISTRATIVE COMMENTS:</u>			
<u>REVIEWED BY:</u>			
Ramsey County Attorney	_____	Date	
Washington County Attorney	_____	Date	
			 _____ Budgeting & Accounting
			6.14.11 Date

Report ID: GLS8020
 Bus. Unit: RC--Ramsey County
 Ledger Grp: ORG
 Currency : USD
 Chartfields Criteria
 Fund: 35101
 Project: All values

R-A-M-S-E-Y C-O-U-N-T-Y A-S-P-E-N
 BUDGET STATUS REPORT

Page No. 1
 Run Date 06/14/2011
 Run Time 08:26:40

ORGANIZATION BUDGET LEDGER

Dept: All values
 Budget Period: All values

Program: All values

Bud Ref: 2011

Account: All values

<u>Fund</u>	<u>Dept</u>	<u>Program</u>	<u>Bud Ref</u>	<u>Account</u>	<u>Budget</u>	<u>Assoc Revenue</u>	<u>PreEncumbrance</u>	<u>Encumbrance</u>	<u>Expense</u>	<u>PctExpd</u>	<u>Remaining</u>
<u>Project</u>		<u>Budget Period</u>									
Ramsey/Was - State Auditor											
35101	140101	00000	2011	421102							
		BY2011			5,520.00	0.00	0.00	0.00	0.00	0.00%	5,520.00
Ramsey/Was - Legal Services											
35101	140101	00000	2011	421201							
		BY2011			40,000.00	0.00	0.00	36,025.00	3,975.00	9.94%	0.00
Ramsey/Was - County Attorney Services											
35101	140101	00000	2011	421208							
		BY2011			13,946.00	0.00	0.00	0.00	726.75	5.21%	13,219.25
Ramsey/Was - Consulting Services											
35101	140101	00000	2011	421501							
		BY2011			1,500.00	0.00	0.00	1,125.00	375.00	25.00%	0.00
Ramsey/Was - Engineering Service											
35101	140101	00000	2011	421502							
		BY2011			95,000.00	0.00	0.00	50,648.63	44,351.37	46.69%	0.00
Ramsey/Was - Co Project Management Srvs											
35101	140101	00000	2011	421511							
		BY2011			273,037.00	0.00	0.00	0.00	8,862.20	3.25%	264,174.80
Ramsey/Was - Other Professional Services											
35101	140101	00000	2011	421522							
		BY2011			0.00	0.00	0.00	0.00	0.00	0.00%	0.00

Report ID: GLS8020
 Bus. Unit: RC--Ramsey County
 Ledger Grp: ORG
 Currency : USD
 Chartfields Criteria
 Fund: 35101
 Project: All values

R-A-M-S-E-Y C-O-U-N-T-Y A-S-P-E-N
 BUDGET STATUS REPORT

Page No. 2
 Run Date 06/14/2011
 Run Time 08:26:40

ORGANIZATION BUDGET LEDGER

Dept: All values
 Budget Period: All values

Program: All values

Bud Ref: 2011

Account: All values

<u>Fund</u>	<u>Dept</u>	<u>Program</u>	<u>Bud Ref</u>	<u>Account</u>	<u>Budget</u>	<u>Assoc Revenue</u>	<u>PreEncumbrance</u>	<u>Encumbrance</u>	<u>Expense</u>	<u>PctExpd</u>	<u>Remaining</u>
<u>Project</u>		<u>Budget Period</u>									
Ramsey/Was - Advertising & Promotion											
35101	140101	00000	2011	421602							
		BY2011			302,000.00	0.00	0.00	829.33	181,958.86	60.25%	119,211.81
Ramsey/Was - Equipment & Machinery Repairs											
35101	140101	00000	2011	422601							
		BY2011			0.00	0.00	0.00	0.00	0.00	0.00%	0.00
Ramsey/Was - Records Storage/Retriev Fees											
35101	140101	00000	2011	423309							
		BY2011			500.00	0.00	0.00	104.30	74.50	14.90%	321.20
Ramsey/Was - Liability & Property Damage											
35101	140101	00000	2011	424107							
		BY2011			25,664.00	0.00	0.00	0.00	18,128.00	70.64%	7,536.00
Ramsey/Was - Membership & Dues											
35101	140101	00000	2011	424302							
		BY2011			750.00	0.00	0.00	0.00	750.00	100.00%	0.00
Ramsey/Was - Other Travel											
35101	140101	00000	2011	424304							
		BY2011			3,000.00	0.00	0.00	0.00	0.00	0.00%	3,000.00
Ramsey/Was - County Manager Meeting Expense											
35101	140101	00000	2011	424306							
		BY2011			300.00	0.00	0.00	0.00	17.08	5.69%	282.92

Report ID: GLS8020
 Bus. Unit: RC--Ramsey County
 Ledger Grp: ORG
 Currency : USD
 Chartfields Criteria
 Fund: 35101
 Project: All values

R-A-M-S-E-Y C-O-U-N-T-Y A-S-P-E-N
 BUDGET STATUS REPORT

Page No. 3
 Run Date 06/14/2011
 Run Time 08:26:40

ORGANIZATION BUDGET LEDGER

Dept: All values
 Budget Period: All values

Program: All values

Bud Ref: 2011

Account: All values

<u>Fund</u>	<u>Dept</u>	<u>Program</u>	<u>Bud Ref</u>	<u>Account</u>	<u>Budget</u>	<u>Assoc Revenue</u>	<u>PreEncumbrance</u>	<u>Encumbrance</u>	<u>Expense</u>	<u>PctExpd</u>	<u>Remaining</u>
<u>Project</u>		<u>Budget Period</u>									
Ramsey/Was - Other Services											
35101	140101	00000	2011	424601							
		BY2011			100,000.00	0.00	0.00	25,377.70	34,622.30	34.62%	40,000.00
Ramsey/Was - Per Diem Fee											
35101	140101	00000	2011	424608							
		BY2011			0.00	0.00	0.00	0.00	0.00	0.00%	0.00
Ramsey/Was - Books Periodicals & Subscriptn											
35101	140101	00000	2011	424620							
		BY2011			0.00	0.00	0.00	0.00	0.00	0.00%	0.00
Ramsey/Was - Resource Recovery Service Fee											
35101	140102	00000	2011	422306							
		BY2011			5,250,000.00	0.00	0.00	0.00	1,747,715.70	33.29%	3,502,284.30
Ramsey/Was - Rebates-Res Rec Tipping Fees											
35101	140102	00000	2011	424623							
		BY2011			4,900,000.00	0.00	0.00	0.00	1,470,395.24	30.01%	3,429,604.76
Ramsey/Was - Subsidies to Other Entities											
35101	140102	00000	2011	425102							
		BY2011			650,000.00	0.00	0.00	0.00	0.00	0.00%	650,000.00
Subtotal for Fund 35101 :					11,661,217.00	0.00	0.00	114,109.96	3,511,952.00	30.12%	8,035,155.04

Report ID: GLS8020
 Bus. Unit: RC--Ramsey County
 Ledger Grp: ORG
 Currency : USD
 Chartfields Criteria
 Fund: 35101
 Project: All values

R-A-M-S-E-Y C-O-U-N-T-Y A-S-P-E-N
 BUDGET STATUS REPORT

Page No. 4
 Run Date 06/14/2011
 Run Time 08:27:53

ORGANIZATION BUDGET LEDGER

Dept: All values
 Budget Period: All values

Program: All values

Bud Ref: 2011

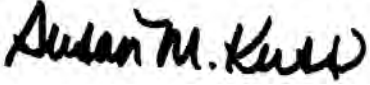
Account: All values

<u>Fund</u>	<u>Dept</u>	<u>Program</u>	<u>Bud Ref</u>	<u>Account</u>	<u>Budget</u>	<u>Assoc Revenue</u>	<u>PreEncumbrance</u>	<u>Encumbrance</u>	<u>Expense</u>	<u>PctExpd</u>	<u>Remaining</u>
<u>Project</u>		<u>Budget Period</u>									
		Budget Period			11,661,217.00	0.00	0.00	114,109.96	3,511,952.00	30.12%	8,035,155.04

End of Report

AGENDA ITEM B-1

RAMSEY/WASHINGTON COUNTY RESOURCE RECOVERY PROJECT
REQUEST FOR PROJECT BOARD ACTION

BOARD MEETING DATE: <u>June 23, 2011</u> DATE SUBMITTED: <u>June 16, 2011</u>	
FROM: <u>Joint Staff Committee</u>	
<u>DOCUMENT DESCRIPTION:</u>	2012 Project Budget 1) 6/16/2011 Memorandum from Budget Committee 3) Proposed 2012 Budget 4) Resolution
<u>BACKGROUND:</u> The Joint Powers Agreement creating the Resource Recovery Project Board provides that the Counties retain the authority to approve annual budgets and establish the tipping fee at the Facility. On May 26, 2011 the Ramsey/Washington County Resource Recovery Project Board Budget Committee recommended that the Project Board approve and Recommend County Board approval of a 2012 budget. Included in this item are the following document: Memorandum from the Budget Committee to the Project Board, the 2012 Project Budget as recommended by the Committee; and a draft resolution.	
<u>PROJECT BOARD ACTION REQUESTED:</u> Approve and recommend that the Ramsey and Washington County Boards approve the 2012 Resource Recovery Project Budget as recommended by the Resource Recovery Project Board Budget Committee.	
<u>FINANCIAL IMPLICATIONS OF ACTION:</u> As explained in the attached documents.	
<u>ADMINISTRATIVE COMMENTS:</u>	
<u>REVIEWED BY:</u>	
Ramsey County Attorney _____	Date _____
Washington County Attorney _____	Date _____
	 Budgeting & Accounting _____ 6.15.11 Date



RAMSEY/WASHINGTON COUNTY
RESOURCE RECOVERY PROJECT

2785 White Bear Avenue • Suite 350 • Maplewood, Minnesota 55109 • 651.266.1194 • 651.266.1177

June 16, 2011

To: Resource Recovery Project Board

From: Resource Recovery Project Budget Committee:
Commissioner Toni Carter
Commissioner Janice Rettman
Commissioner Lisa Weik

RE: 2012 Project Budget

Introduction

On May 26, 2012 the Ramsey and Washington County Resource Recovery Project Budget Committee met to review and discuss the 2012 Project Budget proposed by staff. At that meeting the Committee made a recommendation to the Project Board to approve the budget and forward it to the County Boards for approval. The recommended 2012 Project budget is attached for the Board’s consideration.

While the previous three Project budgets have been two-year budgets, this one is presented as a one-year budget, since both the Joint Powers Agreement and RRT Processing Agreement expire at the end of 2012.

The process for consideration of the budget is as follows:

Project Board Action	June 23, 2011
Budget submitted to County Boards for approval	August - September

OVERALL BUDGET

<u>2010 Actual</u>	<u>2011Approved</u>	<u>2012 Proposed</u>	<u>Change</u>
\$10,237,086	\$11,661,217	\$10,196,787	(\$1,464,430)

There are two parts to the Project Budget: Administration and Processing. The overall budget is 12.6% less in 2012 than 2011. The overall budget is reduced in 2012 largely due to reduced processing costs associated with the Processing Agreement with RRT. Also, the expenses for Project Administration are reduced by 7.5% for 2012. The Budget is as follows:

ADMINISTRATION EXPENSES

<u>2010 Actual</u>	<u>2011 Approved</u>	<u>2012 Proposed</u>
\$626,354	\$861,217	\$796,787

Administration expenses include internal Resource Recovery Project operations costs such as: project management costs, consultant costs, legal fees, etc. The proposed 2012 total for Administrative Expenses are shown below. The 2012 proposal is a 7.5% decrease from the 2011 approved budget. 2010 Actual Expenses were below budget because mainly because budgeted funds were not spent in several areas, including Legal Services (421201), Computer Consulting (421501), and Advertising and Promotion (421602).

Major changes affecting the proposed Administration expenses are highlighted below.

LEGAL SERVICES

<u>2010 Actual</u>	<u>2011 Approved</u>	<u>2012 Proposed</u>
\$6,700	\$40,000	\$30,000

While there will likely be a need for outside legal counsel in 2010 and 2011, staff believe that the budgeted amount can cover those expenses.

ENGINEERING SERVICES

<u>2010 Actual</u>	<u>2011 Approved</u>	<u>2012 Proposed</u>
\$94,624	\$95,000	\$95,000

The scope of engineering services provided by the firm Foth Infrastructure and Environment for 2012 is held level. The work contemplated for Foth is expected to include:

- Evaluate the solid waste market to assist the Project in determining if the merchant approach is working;
- Assist the Counties in developing any post-2012 agreements;
- Monitor waste deliveries pursuant to RRT's waste delivery agreements;
- Assist in Hauler Rebate compliance;
- Assist in monitoring the Processing Agreement and RRT's performance;
- Conduct a Newport Facility site inspection and spot checks for waste origin;
- Conduct site visits to the Xcel combustion facilities;
- Serve as a liaison with waste haulers for the Project;
- Provide recommendations on the management of certain waste streams including construction, demolition and industrial waste;
- Monitor the Counties' progress in meeting processing goals;
- Assisting on regional waste processing and planning for implementation of regional and county master plan issues;
- Assist the Counties in work on evaluation of new technologies; and
- Continued work on organic waste management.

COUNTY PROJECT MANAGEMENT SERVICES

<u>2010 Actual</u>	<u>2011 Approved</u>	<u>2012 Proposed</u>
\$257,944	\$273,037	\$243,153

The Project reimburses Ramsey County for the Project related staffing and administrative work and a portion of Washington County staff

The costs in this line item is more that personnel costs and includes items such as rent, data processing postage, telephone, mileage, etc. The decrease in 2012 is 11%.

ADVERTISING AND PROMOTION

<u>2010 Actual</u>	<u>2011 Approved</u>	<u>2012 Proposed</u>
\$174,130	\$302,000	\$302,000

In 2011 the Project greatly changed the joint solid waste outreach work on behalf of the Counties. While the *Trash Today* newsletter served the Project well for over a decade, using one means to communicate was not considered very effective. The Project has moved to a combination of direct mail to specific audiences, combined with the use of electronic social media. In 2010 and 2011 every household in the two Counties will receive an updated version of the “green guide,” with specific information that allows them to take action to manage waste appropriately. The guides have been very well received in both counties in 2010 and 2011. To complement that, postcards were mailed on specific topics, again with a call to action and useful information, to either residential or commercial audiences. Social media, primarily in the form of banner ads on local media web sites, were used to target specific actions.

This new approach is more cost effective and appears to have better results than use of the single newsletter. The Project work is designed to complement the individual Counties’ work, as well as that of the Solid Waste Management Coordinating Board. The proposed expenses reflect this cooperative work in solid and hazardous waste contemplated in the JPA, including communications.

This budget item also continues funding for busing costs associated with school tours of the Facility in Newport, as well as expenses associate with the “trash trunks.”

OTHER SERVICES

<u>2010 Actual</u>	<u>2011 Approved</u>	<u>2012 Proposed</u>
\$60,000	\$100,000	\$80,000

This line item includes continued work on the separate management of organic waste, particularly food waste, primarily at institutions, through a contract with J.L. Taitt and associates. The contract with J.L. Taitt and Associates is to conduct direct outreach to specific generators of food waste, primarily schools and institutions, to encourage separate management. The proposed amount in 2012 is \$80,000, which reflects the increased need for technical assistance in that sector in both counties. It should be noted that, since the Project Board is discussing how to increase commercial organic waste management and has not yet made decisions, there will likely be other expenses related to organic waste management, which are not included in this line item, but appear below.

PROCESSING EXPENSES

PROCESSING AGREEMENT RELATED EXPENSES

The Processing Agreement with RRT provides for predictability in processing expenses. The Agreement includes established per ton fees, capped at established tonnages, plus a hauler rebate. Note that the hauler rebate remains at \$14 per ton in 2012, per the Processing Agreement with RRT.

<u>Year</u>	<u>Tons</u>	<u>Processing Payment</u>	<u>Hauler Rebate</u>
2008	350,000	\$14,000,000	\$4,200,000
2009	350,000	\$11,500,000	\$4,200,000
2010	350,000	\$ 7,000,000	\$4,200,000
2011	350,000	\$ 5,250,000	\$4,900,000
2012	350,000	\$ 3,500,000	\$4,900,000

The following two line items are the source of funding for waste processing services.

Resource Recovery Processing Payment

<u>2010 Actual</u>	<u>2011 Approved</u>	<u>2012 Proposed</u>
\$6,054,058	\$5,250,000	\$3,500,000

Rebates – Resource Recovery Tipping fees

<u>2010 Actual</u>	<u>2011 Approved</u>	<u>2012 Proposed</u>
\$3,521,145	\$4,900,000	\$4,900,000

ORGANIC WASTE PROCESSING RELATED EXPENSES

<u>2010 Actual</u>	<u>2011 Approved</u>	<u>2012 Proposed</u>
\$35,479	\$650,000	\$1,000,000

The line item in the area for processing expenses, called “Subsidies to other entities – organic waste” was new in 2009. This line item has two parts, described below.

1. *Food Rescue through Second Harvest Heartland.* Since 2008 the Project has funded a program with Second Harvest Heartland for a food rescue project. Expenses have been lower than expected, and SHH has grown its food rescue efforts considerably. During 2012 the Project will meet with SHH to determine what level, if any, continued funding is needed. This line item includes \$30,000 in funds as a placeholder.
2. *Funds for separate management of organic waste.* Funds were previously included in the budget for processing organic waste in an anaerobic digester, in relation to the Saint Paul Port Authority’s Rock Tenn work. That effort is stalled, but the Project has been evaluating food waste/organic waste recovery during 2012 which will lead to policy and strategy changes beginning in 2012. This funding could be used for a variety of areas including: additional technical assistance, purchase of containers for businesses, grants to organic waste collectors, provision of transfer capacity, or other options under consideration. While specific actions have not been defined, staff recommends that the 2012 Budget identify funds to be used for organic waste management during 2012.

REVENUE

Revenue for the Project comes from two primary sources: Contributions from Ramsey and Washington Counties (which collect the funds in manner each chooses); and interest income.

COUNTY CONTRIBUTIONS:

Based on this budget, the contributions from Ramsey and Washington Counties would be as follows:

	<u>2010 Actual</u>	<u>2011 Approved</u>	<u>2012 Proposed</u>	<u>Change</u>
Ramsey Co.	\$7,447,121	\$8,473,853	\$7,432,705	(-\$1,041,148)
Wash. Co.	\$2,754,415	\$3,134,165	\$2,749,082	(-\$385,083)

Each County needs to individually decide whether to fund it's portion fully with service charge funds or to use any solid waste fund balance it may have.

FUND BALANCE

At the end of 2010 the Resource Recovery Project Fund Balance is \$5,668,621. The Budget Committee suggested that the Project Board have a discussion to establish priorities for use of fund balance and identify possible one-time uses for funds not needed for Project cash-flow.

ACTION REQUESTED

The Project Board is requested to approve the 2012 Resource Recovery Project Budget, and forward to the Ramsey and Washington County Boards for Approval.

RESOURCE RECOVERY PROJECT

2012 BUDGET COMMITTEE RECOMMENDATION

ADMINISTRATION EXPENSES

<u>TITLE OF ACCOUNT AND EXPLANATION</u>	2010 Project Board <u>Actual Expenses</u>	2011 Project Board <u>APPROVED</u>	2012 Budget Committee <u>RECOMMENDATION</u>
421102 STATE AUDITOR	4,475	5,520	4,920
The Project Board is required to have the State of Minnesota audit Project records. Estimate is from Ramsey County Budgeting & Accounting.			
421201 LEGAL SERVICES	6,700	40,000	30,000
During 2006 the Counties made significant changes in the structure of waste processing, including termination of the Service Agreement and implementation of a new Processing Agreement and Joint Powers Agreement. In 2012 the Project's attention will focus on the direction provided in the regional and county master plans and policy development, as well as further evaluation of the merchant approach to processing, and examining any system changes necessary to meet State and regional goals. Outside legal assistance may be needed for review of Agreements and financial documents as this transition occurs. In addition, there may be legal review of issues related to the various court decisions on waste management, as well as an evaluation of the Counties' rights under the Processing Agreement.			
421208 COUNTY ATTORNEY SERVICES	3,761	13,946	10,000
The Project Board continues to receive services from Ramsey and Washington County Attorney's Office. As the Processing Agreement and Joint Powers Agreements are revised or modified, there is a continuing need for County Attorney services to work on issues related to those agreements, as well as regional work and work on other planning and policy matters. In addition, there is the need for coordinated legal discussions dealing with ordinance and contract issues, such as the hauler rebate, waste deliveries, etc.			
421501 CONSULTING SERVICES	188	1,500	1,500
Computer Consultant: The Project currently contracts with an information systems consultant to assist the Project in programming services used to process invoices from RRT, and to manage the Hauler Rebate Program. The contract expires at the end of 2012.			

<u>TITLE OF ACCOUNT AND EXPLANATION</u>	2010 Project Board Actual Expenses	2011 Project Board APPROVED	2012 Budget Committee RECOMMENDATION
421502 ENGINEERING SERVICES	94,624	95,000	95,000
Engineering Consultant:			
<p>Foth is the Project Board's selected engineering firm. The scope of engineering services for 2012 will include monitoring of waste deliveries pursuant to RRT's waste delivery agreements; assisting in Hauler Rebate compliance; assisting the counties in developing any post-2012 agreements; assisting in monitoring the Processing Agreement with RRT; conducting a Newport Facility site inspection and spot checks for waste origin; conducting site visits to the Xcel combustion facilities; serving as a liaison with waste haulers for the Project; providing recommendations on the management of certain waste streams including Construction and Demolition and Industrial waste and organic waste, continuing to evaluate market issues related to the merchant approach; monitoring progress in meeting processing goals; assisting on regional and county planning issues; assisting the Counties in work on evaluation of new technologies, and continued work on organic waste management.</p>			

421511 COUNTY PROJECT MANAGEMENT SERVICES	257,944	273,037	243,153
<p>The Joint Powers Agreement provides that the Project no longer has its own staff, but that staff are provided by Ramsey County, and that the Project will pay for staffing costs. In addition, other Ramsey and Washington County staff costs associated with Public Health, Budgeting and Accounting, Information Services and Contract Services are to be paid for services provided. This line item includes costs for support staff to the Project and Project Management costs, as well as rent and other overhead costs.</p> <p>Line Items that had previously been included separately in the Project Budget, but are now included in this single line item include: Personnel Costs; Budgeting and Accounting Services (421511); Data Processing Services - Other (421401); Data Processing Services - Mtce (421402); Purchasing (421512); Microfilm/Microfiche Processing (421520); Printing/Stationary (421603); Postage (421701); Telephone - Local Service (421707); Buildings and Office Space (422402); Employee Development (423111); Workers Compensation Insurance (424103); Conference and Seminar Expenses (424303); Mileage/Parking (424501); Messenger Service (424507); Office Supplies (431101); Software (432202); Data Processing Equipment (441211)</p>			

<u>TITLE OF ACCOUNT AND EXPLANATION</u>	2010 Project Board <u>Actual Expenses</u>	2011 Project Board <u>APPROVED</u>	2012 Joint Staff <u>RECOMMENDATION</u>
421602 ADVERTISING AND PROMOTION	174,130	302,000	302,000
<p>The 2012 budget contains a level of funding to maintain communication with the public on solid waste issues. The 2012 amount is the same level of funding as 2011.</p> <p>The Project has implemented a communication plan that uses a variety of outreach tools to reach different audiences. Information provided is action oriented, focusing less on "explaining" and more on doing. Follow up research has shown that the residential and business generators appreciate this type of service. General outreach messages in 2012 will include information about recycling, household hazardous waste, yard waste, waste-to-energy, and other ways to manage waste.</p> <p>These messages will be conveyed using a variety of tools, including annual production of a "green guide" for each County, targeted postcard mailings, and use of appropriate social media including banner ads, the Project Web site, Facebook and Twitter. The Project will continue to assist schools and other groups with tours of the Facility; partner with schools in a strategic approach on food waste management opportunities; continue to use Trash Trunks; and joint outreach on household hazardous waste.</p>			
423309 RECORDS STORAGE/RETRIEVAL FEES	428	500	500
<p>The Project processes and disseminates large amounts of electronic data which is backed up by Business Data Records for protection of historical backup tapes and disks.</p>			
424107 LIABILITY & PROPERTY DAMAGE	23,218	25,664	25,664
<p>On May 28, 1998, the Project Board approved the purchase of tort liability insurance from the Minnesota Counties Insurance Trust in addition to its self insurance fund accumulation of \$600,000.</p>			

<u>TITLE OF ACCOUNT AND EXPLANATION</u>	<u>2010 Project Board Actual Expenses</u>	<u>2011 Project Board APPROVED</u>	<u>2012 Budget Committee RECOMMENDATION</u>
424302 MEMBERSHIP & DUES	750	750	750
Minnesota Resource Recovery Association: \$750			
424304 OTHER TRAVEL	0	3,000	3,000
Funds may be used by Commissioners and Joint Staff for travel to resource recovery facilities to examine alternate technologies or methods.			
424306 MEETING EXPENSES ACCOUNT	136	300	300
This line item is used for meeting expenses for the Project Board and Executive Committee, as well as other meetings called by the Joint Staff Committee.			
424601 OTHER SERVICES	60,000	100,000	80,000
This work is focused on the separate management of food waste, working with institutions, including schools. The Project works with J.L. Taitt and Associates to conduct direct outreach to specific institutional generators of food waste to encourage separate management, with success. It is recommended that the Project continue to contract with J.L. Taitt and Associates in 2012 at \$80,000.			
TOTAL ADMINISTRATION EXPENSES	<u>2010</u> <u>\$626,354</u>	<u>2011</u> <u>\$861,217</u>	<u>2012</u> <u>\$796,787</u>

PROCESSING EXPENSES

<u>TITLE OF ACCOUNT AND EXPLANATION</u>	<u>2010 Project Board Actual Expenses</u>	<u>2011 Project Board APPROVED</u>	<u>2012 Budget Committee RECOMMENDATION</u>
422306 RESOURCE RECOVERY FACILITY SERVICE FEE	6,054,058	5,250,000	3,500,000
Under the Processing Agreement the costs for waste processing owed to RRT are predictable. The following expenses reflect the negotiated processing payment of \$10/ton in 2012.			
424623 REBATES - RESOURCE RECOVERY TIPPING FEES	3,521,145	4,900,000	4,900,000
The Processing Agreement provides that the Counties will pay a hauler rebate for each ton of waste delivered for processing, at the rate of \$12 per ton in 2010, and increasing to \$14 per ton in 2011. This amount is based on 350,000 tons delivered.			
425102 Subsidies to Other Entities - Organic Waste Management	35,479	650,000	1,000,000
This line item was amended in 2008 to include funding for a pilot program for Second Harvest Heartland to provide food rescue services at major grocery stores for perishable food, distributing that food to agencies that feed people. This budget includes funding in the amount of \$40,000 to continue that work by Second Harvest Heartland.			
Also included in this line item are funds allocated for the separate management of source separated organic material. During 2012 the Project Board is evaluating options to increase the separate management of organic waste. This line item is a placeholder for the funding of any activities related to organic waste management. Funding may be needed for outreach and education of commercial organic waste generators; targeted technical assistance; grants or other funding to stimulate more recovery of organic waste.			
TOTAL PROCESSING EXPENSES	<u>\$9,610,682</u>	<u>\$10,800,000</u>	<u>\$9,400,000</u>

Expense Summary

<u>TITLE OF ACCOUNT AND EXPLANATION</u>	2010 Project Board <u>Actual Expenses</u>	2011 Project Board <u>APPROVED</u>	2012 Budget Committee <u>RECOMMENDATION</u>
<u>140101</u> ADMINISTRATION	626,354	861,217	796,787
<u>140102</u> SERVICE FEE	6,054,058	5,250,000	3,500,000
Hauler Rebate	3,521,145	4,900,000	4,900,000
Organics Management	35,479	650,000	1,000,000
<u>140103</u> 541301 Refunds & Reimbursement Clearing	0	0	
TOTAL PROJECT BOARD BUDGET:	10,237,036	11,661,217	10,196,787

REVENUE

<u>INTERGOVERNMENTAL REVENUE</u>	2010 Project Board <u>Actual Expenses</u>	2011 Project Board <u>APPROVED</u>	2012 Budget Committee <u>RECOMMENDATION</u>
314103 Other Participation (Washington County)	2,754,415	3,134,165	2,749,082
PERA Rate Increase Aid	0	0	
319110 Ramsey County Participation	7,447,121	8,473,853	7,432,705
REVENUE FROM USE OF MONEY & PROPERTY	0	0	
318102 Interest on Investments	35,500	53,200	15000
OTHER REVENUES			
319102 Recovery Prior Years Expenses	0	0	0
319103 Recoveries of Expenses			
319105 Insurance Dividends			
Resource Recovery Project Board Fund Balance	0	0	0
TOTAL REVENUE:	10,237,036	11,661,218	10,196,787

RESOLUTION 2011-RR- 1

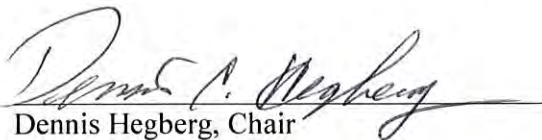
WHEREAS, The Joint Powers Agreement for the Resource Recovery Project provides that authority for approval of Resource Recovery Project budgets remains with the respective County Boards; and

WHEREAS, The Ramsey/Washington County Resource Recovery Project Board Budget Committee has prepared and recommended a Project budget for 2012. NOW, THEREFORE BE IT

RESOLVED, The Ramsey/Washington County Resource Recovery Project Board hereby approves and recommends that the Ramsey and Washington County Boards approve the 2012 Resource Recovery Project Budget as recommended by the Resource Recovery Project Board Budget Committee as follows:

Appropriations	2012
Administration	\$ 796,787
Service Fee	3,500,000
Hauler Rebate	4,900,000
Organic Waste	1,000,000
	<hr/>
	\$ 10,196,787

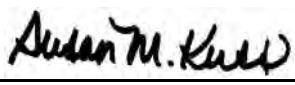
Financing Sources	2010
Washington County Participation	\$ 2,749,082
Ramsey County Participation	7,432,705
Interest Income	15,000
	<hr/>
	\$ 10,196,787


Dennis Hegberg, Chair

Ramsey/Washington County Resource Recovery Project Board

6-23-2011
Date

RAMSEY/WASHINGTON COUNTY RESOURCE RECOVERY PROJECT
REQUEST FOR BOARD ACTION

BOARD MEETING DATE: <u>June 23, 2011</u>		DATE SUBMITTED: <u>June 17, 2011</u>	
FROM: <u>Joint Staff Committee</u>			
<u>DOCUMENT DESCRIPTION:</u>		Continued Joint County Organic Waste Discussion	
		1) Memo	
		2) Draft resolution	
<u>BACKGROUND:</u>			
<p>At its January 2011 meeting, the Project Board began a policy discussion about continued joint work on organic waste management. The Project Board continued that discussion at its April meeting, and provided additional direction to staff. The discussion will continue at the June meeting. Please note that the current work focuses on organic waste generated by commercial entities; work on residential organics will proceed in joint discussions with the counties and SWMCB.</p>			
<u>PROJECT BOARD ACTION REQUESTED:</u>			
<p>Continued discussion on organic waste management. Action is recommended to forward a vision and milestones for organic waste management, and to prepare work plans and begin to implement some activities.</p>			
<u>FINANCIAL IMPLICATIONS OF ACTION:</u>			
<u>ADMINISTRATIVE COMMENTS:</u>			
<u>REVIEWED BY:</u>			
_____ Ramsey County Attorney		_____ Date	
_____ Washington County Attorney		_____ Date	
		 Audan M. Kull	
		Budgeting & Accounting	
		6.20.11 Date	

June 17, 2011

To: Ramsey/Washington County Resource Recovery Project Board
From: Joint Staff Committee
Re: Joint Ramsey and Washington County Organic Waste Vision and Strategies

Background

At the January Project Board meeting staff framed policy issues around organic waste to facilitate the Board's policy discussion. A flow chart and matrix presented at that time suggested a progression of decisions for the Project Board to consider. As a result of that discussion, the Project Board indicated its interest in having the two counties work jointly on commercial organic waste management. Staff was asked to design alternatives for organic waste policy options for the Board to discuss at its in April, and to help in framing that work the Board arrived at some consensus on criteria to consider as it proceeds with its policy discussions. A summary of the criteria that emerged from the Board discussion is provided below.

Summary of Criteria

- Decisions should be consistent with the newly adopted Regional Policy Plan, and the Master Plans under development
- Make decisions to assure protection of health and safety
- Consider the current organic waste recovery system, so that system changes increase recovery of organic waste
- Environmental protection: Use EPA's food waste management hierarchy as an indicator of environmental protection
- Expect private sector participation in meeting environmental goals, with public engagement only when necessary

At its April, 2011 meeting the Project Board reviewed a range of programs and strategies the counties could use to increase the amount of commercial organic waste managed. The programs and strategies were divided into these intervention categories:

- Education/Outreach,
- Financial, and
- Regulatory.

Staff prepared four scenarios using these strategies, based on the level of county effort: Current level of effort, low, moderate and significant. A panel of industry representatives provided additional information on current commercial organic waste management issues, and answered questions.

As a result of the Project Board discussion, staff was directed to develop possible joint county strategies for commercial organic waste management, focusing on education/outreach and financial interventions, with a moderate level of county involvement. No additional focus on regulatory interventions was suggested at this time.

Vision and Milestones

The Project Board provided substantial policy direction for staff to work with. Building on the work of the Project Board, staff and consultants “began with the end in mind,” developing a vision of what the organic waste management systems could look like by 2020, along with milestones that would likely need to be in place to reach the vision.

The vision is as follows:

Vision for Organic Waste Management

By 2020, the Waste Management system will value and manage organic waste as a resource, and incentives will be in place to manage organic waste higher on the hierarchy. Comprehensive organic waste management services will be readily available and be offered by the private sector. Architects and developers will design and build for multiple stream collection. Generators and haulers will work together to tailor organics collection services, and pricing will be an incentive for separate management of organic waste. There will be multiple opportunities for organic waste, and end markets for products derived from organic waste will be thriving.

A number of milestones were developed, based again on the Project Board’s direction to focus on education/outreach (including consultation and technical assistance), as well as financial incentives. The approach taken was to begin with a greater level of County involvement in the system, with that effort declining over time. The milestones are as follows:

2012-2013

- Ramsey and Washington Counties develop and implement programs for outreach, education, technical assistance and incentives to stimulate separate management of organic waste.
- High volume generators of organic waste have knowledge of organics management programs, contract for organic collection services, and separately manage organic waste.
- Small and medium volume generators of organic waste have awareness of organics management options, and some participate in separate organic waste management.

2014-2018

- Ramsey and Washington Counties continue to provide programs to stimulate separate management of organic waste, but during this time period begin to phase out the financial role of government in the organic waste management market.
- High volume and medium volume generators have knowledge of organics management programs, contract for organic collection services, and separately manage organic waste.
- Small volume generators of organic waste have awareness of organics management options, and some participate in separate organic management.
- The economics of the waste disposal market favors separate management of organic waste.

2019-2020

- Ramsey and Washington Counties continues to provide education to promote awareness of separate organic waste management.
- Recyclers, end markets and waste haulers lead efforts to provide technical assistance and support, and offer separate collection service for organic waste to all customers.
- Small, medium and high volume generators separately manage organic waste.
- The economics of the waste disposal market favors separate management of organic waste.

Interviews with Private Sector Panelists

At the April meeting the Project Board asked staff to follow up with the panelists for further information and opinions about the counties' work on commercial organic waste. We asked Dan Krivit of Foth to interview each of the panelists from the April meeting, as well as several other private sector entities. A report describing the results of the interview will be separately provided to Board members, but a summary of the findings of the interviews with the five panelists is as follows:

With regard to some of the specific ideas from the April meeting:

- Most agree that the Counties have a strong role in education.
- Most agree that there needs to be high performance standards for the organics recovery system.
- Two would like to see the Counties more involved in the end market development, from use of the end product to payment of market as last resort.
- All of them recognized the need for transfer station capacity and most of them are supportive of the counties involvement (within limits) to develop or arrange for the transfer station capacity for organic waste.
- There was no real consensus on the use of grants, although there was some general concept level consensus on use of grants for public education. There was a variety of opinions on additional areas grant funds could be used.
- With regard to use of public funding, once we move away from the general concept of grants for education into other types of specific funding, the consensus evaporates. There

were differing opinions on “old” versus “new” tons, providing items such as bins, barrels or other containers, or posters, stickers, or standardized symbols.

Some newer ideas or concepts emerged during the interviews, including

- Rebate , if used, should get to the commercial generators
- Organic waste technical assistance/consulting should be part of a larger package of integrated services (traditional recycling, waste hauling, purchasing, waste reduction)
- A willingness to work on a pilot demonstration of organic waste transfer
- Integrate yard waste contracts with new organic waste contracts to help assure supply of bulking agents

Strategies

Strategies are intended to be the tools used to achieve the vision. The staff developed strategies in these areas:

1. Education and Technical Assistance areas
 - a. Broad-based awareness, and
 - b. Consultation and technical assistance
2. Financial Interventions
 - a. County Environmental Charge (CEC),
 - b. Targeted grants program,
 - c. Rebates, and
 - d. Securing capacity

The strategies for education and technical assistance are more fully developed because the need for and approach to these interventions is more clear, and appears to have greater support in the community. As noted in above in the results of the interviews, there needs to be more work to more fully understand some of the financial approaches and impacts; these strategies are a work in progress, and need more development.

1. Education and Technical Assistance Interventions

a. Broad Based Awareness Plan

Concept: Develop and implement a new awareness and education campaign to all businesses that generate food and/or organic waste

Goal: Increase the awareness of all commercial generators in the two counties about the availability and benefits to reducing or recycling organic waste.

Targeted Audiences

High volume generators – such as

- Food manufacturers (e.g. Northwestern Foods)
- Food processors (e.g. Captain Ken’s Foods)
- Wholesale produce companies (e.g. J&J Distributing)
- Retail groceries: supermarkets
- Hospitals

- Correctional facilities, state prisons and shelters
- K-12 public school districts and private schools
- Colleges and technical institutions
- Hotels and event centers
- Long-term care and senior housing
- Restaurants with significant food preparation: buffet style

Medium volume generators – such as

- Restaurants: full service with liquor (e.g. Champs, Olive Garden)
- Restaurants: full service without liquor (e.g. Perkins, Denny's)
- Caterers and foodservice vendors
- Corporate and commissary kitchens
- Hunger relief organizations (food banks, food shelves)
- Retail groceries and bakeries: (e.g. County Markets, Food Co-ops, ethnic stores)

Small volume generators – such as

- Convenience stores
- Church kitchens
- Correctional facilities: juvenile detention centers, detox centers
- Daycare facilities
- Emergency shelters
- Small grocery stores
- Restaurants: delicatessens, fast food, bars
- Special events

Outreach and Education Strategies

2012 – 2013: Short-term

- Coordinate messages among organic waste entities. Convene service providers, end markets and government agencies to craft shared messages to raise awareness about organics collection, with agreement on joint messaging and approaches.
- Create a broad outreach campaign to raise awareness among all potential generators about organic waste management, target high volume generators for additional specific messages and availability of technical assistance.
 - Use a variety of media, including business specific social media and traditional media.
 - Contact commercial generators likely to have organic waste in Ramsey and Washington Counties twice each year in 2012 and 2013 using direct mail, with key messages
 - Use business specific social media and promote key messages at least twice each year in 2012 and 2012
 - Key messages:

- What is organic waste?
 - Organic waste is the next wave of recycling
 - Why it is important to business: Safe, clean, saves money
 - Where to get further information
- Create a targeted campaign aimed at high volume generators, with that audience further broken down into subcategories
 - Retain a marketing specialist to assist in devising methods to directly reach the key audiences
 - Use a variety of media and marketing tools
 - Key messages:
 - Separate management of organic waste is safe, clean, and saves money
 - Free assistance is available
 - Where to get further information
 - Seek opportunities to present to trade groups (Hospitality MN, school food folks, MN Grocery Assn, Nursing Home, etc) and write articles for their newsletters/magazines
- Evaluate level of awareness among generators using survey tools and focus groups.

2014– 2018: Longer-term

- Continue the broad outreach campaign to raise awareness among all potential generators about organic waste management, and to prepare the targeted audiences of medium and smaller volume generators for additional specific messages and availability of technical assistance.
- Create a targeted campaign aimed at medium and small volume generators
- Continue to strive to create meaningful partnerships with service providers and end-markets to develop and deliver consistent shared messages to generators.
- Ethnic outreach, development of multiple language support, education, technical assistance.

b. Consultation and Technical Assistance

Definitions: *Consultation* is providing information, resources and tools, with the activity carried out by the generator.

Technical Assistance begins with consulting, with the added step of assisting the generator with implementation of specific business activities and carrying out some of the activity.

Concept: Provide consultation and technical assistance to commercial organic waste generators. Vary the service based on the generators categories of high, medium and low volume of food and organic waste disposed of.

Goal: Provide consultation and technical assistance to commercial organic waste generators to help them increase the amount of food and organic waste managed separately and save money.

Consultation and Technical Assistance Strategies

2012– 2013: Short-term:

- The Project will develop and maintain a collection of educational resources/case studies focused on organic waste using a consistent format and made available on the Project web site
- The Project will develop and maintain on a regular basis a comprehensive list of organic waste service providers, service areas, minimum collection quantities, contact information and acceptable management practices.
- Working with consultants, county staff will
 - Develop procedures and materials to assist businesses in performing initial surveying and measurement of organic waste potential diversion amounts and potential savings.
 - Develop of organic waste program recommendations, implementation guidelines and training materials.
 - Measure, monitor, report, and follow-up procedures.
- The Project will retain a consultant to expand its consultation and technical assistance on organic waste management to the institutional generators such as:
 - Hospitals
 - Correctional facilities and shelters
 - School districts and private schools
 - Colleges and technical institutions
 - Publicly owned event centers
 - Long-term care and senior housing
- The Project will retain a consultant to assist with consultation and technical assistance on organic waste management to retail locations such as:
 - Caterers and foodservice vendors
 - Corporate and culinary kitchens
 - Large restaurants
 - Restaurants with significant food preparation
 - Food manufacturers
 - Food processors
 - Wholesale produce companies
 - Retail grocers
- Both consultants will be expected to be actively involving in targeted recruitment of new candidate establishments for organic waste management programs.
- The level of technical assistance available will include in-depth measurement and monitoring of entire waste stream and potential organics recovery, calculation of equipment and service costs and savings potential, right sizing service levels, financial audits of hauler invoices and service agreements, monitoring of organics recovery program operations, consultant services for restaurant design/flow, consultant services for

ELL training and educational materials, assistance with waste management service contracting, problem solving, and tracking of waste volumes.

- Evaluate progress in behavior change among generators, using survey tools and focus groups.

2014 – 2018: Longer-term

- The Project will maintain the collection of educational resources/case studies focused on organic waste management using a consistent format and made available on the Project web site
- The Project will maintain on a regular basis a comprehensive list of organic waste management service providers, end markets, material supply specifications, service areas, minimum collection quantities, contact information and acceptable management practices.
- The project will retain one or more consultants to provide consultation and technical assistance to assist medium and small-volume generators.
- Evaluate progress in behavior change among generators, using survey tools and focus groups.

2. Financial Interventions

a. Continue County Environmental Charge (CEC)

Concept: Retain the CEC as a funding tool for county solid waste programs, which creates an incentive for recycling and organic waste management. The CEC is a tool that encourages the management of waste according to the solid waste management hierarchy. The CEC is directly related to the volume of waste disposed of by businesses. The CEC is not charge on waste which is recycled, reused, composted, etc. Waste sort composition studies have shown that much of what is now managed as MSW could be managed by recycling, reuse, and fed to livestock or composted.

b. Targeted Grants Program

Concept: Provide grants to public and private entities to offset costs associated with development, implementation, or expansion of SSOM programs. In general grants would be used for capital expenditures and other non operating costs. Grant funds could not be used to pay for SSOM service.

Possible Grant Opportunities

- Assist in targeting funding to strategic points where SSOM programs are being bottlenecked.
- Fund initial start-up or one-time SSO program costs including the purchase of bins or capital equipment necessary for the implementation of an SSO program.
- Funds for generators for bins, barrels, containers or other equipment.
- Fund education or awareness of SSO program
- Funds for haulers/recyclers to train sales staff

- Develop a model based on Community POWER grants for businesses that tests solutions to infrastructure, procurement, and design barriers to the advancement of organics

c. Rebate Program

Concept: A per ton rebate provided to collectors or service providers for verified tons of SSO diverted from the MSW stream. This is similar to the existing Hauler Rebate provided to haulers for waste delivered for processing. A rebate for materials delivered to an organics recovery facility would provide a clear financial incentive. Rebates are performance based rewards for specific and verified results, and provide a significant degree of assurance that proper SSOM is happening. Finally, rebates can be an incentive for the separate management of organics by haulers who currently profit from disposal of potential SSO in MSW.

d. Securing Capacity

Concept: Providing source separated organics management capacity means establishing a location with the specific purpose of being available for SSOM to be delivered from the Counties. This could be either processing capacity or transfer capacity. At this time it appears that transfer capacity is the most needed, so the focus should be on that. Providing transfer capacity addresses some of the route-density issues that have plagued organic collection. It could potentially increase the number of collection service providers.

Recommendations

Staff recommends that the Project Board:

1. Forward the vision and milestones for organic waste management to the Counties for consideration in preparing solid waste master plans;
2. Direct that the Project move forward to further plan and implement a general awareness plan for 2011 and 2012, aimed at raising the awareness of commercial generators in the two counties about separate organic waste management. This work would be in addition to the other outreach and communications carried out by the Project. Staff recommends that the Project direct that up to \$75,000 in 2011 and \$150,000 in 2012, be used for this general awareness plan, from the funds already budgeted for organic waste management;
3. Direct staff to prepare a specific work plan and budget for consultation and technical assistance, as outlined in this memo, for consideration at a Project Board meeting later in 2011.
4. Recognize that the County Environmental Charge is an important financial tool to support recycling and organic waste management, and encourage the Counties to continue to use that as a funding tool.
5. Direct staff to further develop and explore the financial intervention strategies, of Targeted Grants Program, Rebate Program and Securing Capacity taking into account
 - a. The information provided by those firms interviewed,
 - b. The information developed by SWMCB in its regional work on organic waste,

- c. Information gathered by the Counties in their work on master plan revision,
- d. The work on regional solid waste planning that is taking place at the SWMCB,
and
- e. Report back to the Project Board on progress at the next meeting of the Board.

Resolution 2011-RR-2

Whereas, The Joint Powers Agreement creating the Ramsey/Washington County Resource Recovery Project provides that the Project Board shall administer joint solid waste management activities proposed by the Joint Staff Committee, which includes "food waste and organic waste reduction and recycling; and

Whereas, The Resource Recovery Project Board has administered food waste and organic waste outreach, communication and technical assistance for six years; and

Whereas, The Project Board has engaged in information gathering and policy discussion during 2011 to help the Counties define their work on organic waste management as they prepared revisions to their solid waste master plans. Now, Therefore, Be It

Resolved, The Ramsey/Washington County Resource Recovery Project Board hereby forwards the vision and milestones for organic waste management developed by the Project Board to the Counties for consideration in preparing the regional and County solid waste master plans. Be It Further


Resolved, The Project Board hereby directs that the Project move forward to further plan and implement a general awareness plan for 2011 and 2012, aimed at raising the awareness of commercial generators in the two counties about separate organic waste management and in addition to the other outreach and communications carried out by the Project. Be It Further

Resolved the Project Board directs that up to \$75,000 of funds budgeted for Organic Waste Management in 2011 be made available for outreach and communication. Be It Further

Resolved, The Project Board directs staff to prepare a specific work plan and budget for consultation and technical assistance, for consideration at a Project Board meeting later in 2011. Be It Further

Resolved, The Project Board recognizes that the County Environmental Charge is an important financial tool to support recycling and organic waste management, and encourages the Counties to continue to use that as a funding tool. Be It Further

Resolved, the Project Board directs staff to further develop and explore the financial intervention strategies, of Targeted Grants Program, Rebate Program and Securing Capacity taking into account information provided by those firms previously interviewed, information developed by SWMCB in its regional work on organic waste, information gathered by the Counties in their work on master plan revision, the work on regional solid waste planning that is taking place at the SWMCB, and report back to the Project Board on progress at the next meeting of the Board.


Commissioner Dennis Hegberg, Chair

June 23, 2011