



RAMSEY/WASHINGTON COUNTY  
**RESOURCE RECOVERY PROJECT**

2785 White Bear Avenue N. • Suite 350 • Maplewood, Minnesota 55109 • 651.266.1195 • Fax: 651.266.1177

**MEETING NOTICE**  
**RAMSEY/WASHINGTON COUNTY**  
**RESOURCE RECOVERY PROJECT EXECUTIVE COMMITTEE MEETING**

**DATE:** February 28, 2013

**TIME:** 9:00 am

**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 – December 12, 2012**

**IV. BUSINESS**

**A. Agreement for Financial Adviser Services** **Approval**

**V. OTHER BUSINESS**

- A. Project updates**
- B. Legislative updates**

**Executive Committee Members:**

Chair: Commissioner Victoria Reinhardt

Vice-Chair: Commissioner Autumn Lehrke

Member: Commissioner Gary Kriesel



**RAMSEY/WASHINGTON COUNTY  
RESOURCE RECOVERY PROJECT EXECUTIVE COMMITTEE  
WEDNESDAY, DECEMBER 12, 2012  
MINUTES**

A meeting of the Executive Committee of the Ramsey/Washington County Resource Recovery Project was held at 1:30 pm December 12, 2012 at the Ramsey County Environmental Health Office, 2785 White Bear Avenue, Maplewood, Minnesota.

**MEMBERS PRESENT:**

Commissioner Dennis Hegberg – Washington County  
Commissioner Jan Parker– Ramsey County  
Commissioner Victoria Reinhardt – Ramsey County

**ALSO ATTENDING:**

Mary Elizabeth Berglund, Zack Hansen, Judy Hunter, Sue Kuss, Beth Leindecker, Harry McPeak, Katie Shaw

**CALL TO ORDER/APPROVAL OF THE AGENDA:**

Chair Hegberg called the meeting to order. Commissioner Hegberg moved, seconded by Commissioner Parker, to approve the agenda.

Roll Call:        Ayes: - 2        Nays: 0        Motion Carried.

**APPROVAL OF THE JUNE 28, 2012 MINUTES:**

Commissioner Hegberg moved, seconded by Commissioner Parker, to approve the minutes.

Roll Call:        Ayes: - 2        Nays: 0        Motion Carried.

Commissioner Reinhardt arrived.

**AMENDMENT TO AGREEMENT FOR ENGINEERING SERVICES WITH FOTH INFRASTRUCTURE & ENVIRONMENT, LLC (Foth):**

Commissioner Reinhardt moved, seconded by Commissioner Parker that the Executive Committee for the Project hereby approves the amendment to the Agreement with Foth Infrastructure & Environment, LLC, with a term from January 1, 2013 to December 31, 2013 and in an amount not to exceed \$325,000, and authorizes the Chair of the Executive Committee to execute the amendment to the Agreement upon approval as to form by the County Attorney.

Roll Call:        Ayes: 3        Nays: 0        Motion Carried.

**AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES WITH STOEL RIVES, LLP:**

Commissioner Parker moved, seconded by Commissioner Reinhardt that the Executive Committee for the Project hereby approves the amendment to the Agreement with Stoel Rives, LLP, with a term from January 1, 2013 through December 31, 2013 and in an amount not to exceed \$189,000, and authorizes the Chair of the Executive Committee to execute the amendment to the Agreement upon approval as to form by the County Attorney.

Roll Call:           Ayes:   3           Nays:   0           Motion Carried.

**AMENDMENT TO AGREEMENT FOR COMPUTER CONSULTING SERVICES WITH SUPERIOR CONSULTING SERVICES:**

Commissioner Reinhardt moved, seconded by Commissioner Parker that the Executive Committee for the Project hereby approves the amendment to the Agreement with Superior Consulting Services, for the period January 1, 2013 through December 31, 2013 and in an amount not to exceed \$1,500 for 2013, and authorizes the Chair of the Executive Committee to execute the amendment to the Agreement upon approval as to form by the County Attorney.

Roll Call:           Ayes:   3           Nays:   0           Motion Carried.

**AMENDMENT TO AGREEMENT FRO PROFESSIONAL SERVICES WITH J.L. TAITT & ASSOCITATES**

Commissioner Parker moved, seconded by Commissioner Reinhardt that the Executive Committee for the Project hereby approves the amendments to the Agreement with J.L. Taitt & Associates, in an amount not to exceed \$80,000 with a term from January 1, 2013 through December 31, 2013 and authorizes the Chair of the Executive Committee to execute the amendment to the Agreement upon approval as to form by the County Attorney.

Roll Call:           Ayes:   3           Nays:   0           Motion Carried.

**AGREEMENT WITH MINNESOTA WASTE WISE**

Commissioner Parker moved, seconded by Commissioner Reinhardt that the Executive Committee for the Project hereby approves the Agreement with Minnesota Waste Wise in an amount not to exceed \$90,000 with a term from January 1, 2013 through December 31, 2013 and authorizes the Chair of the Executive Committee to execute the Agreement upon approval as to form by the County Attorney.

Roll Call:           Ayes:   3           Nays:   0           Motion Carried.

**AGREEMENT WITH THE MINNESOTA TECHNICAL ASSISTANCE PROGRAM (MNTAP):**

Commissioner Parker moved, seconded by Commissioner Reinhardt that the Executive Committee for the Project hereby approves the Agreement with Minnesota Technical Assistance Program (MnTAP) in an amount not to exceed \$80,000 with a term from January 1, 2013 through December 31, 2013 and authorizes the Chair of the Executive Committee to execute the Agreement upon approval as to form by the County Attorney.

Roll Call:           Ayes:   3           Nays:   0           Motion Carried.

**AMENDMENT TO AGREEMENT WITH RISDALL MARKETING GROUP:**

Commissioner Parker moved, seconded by Commissioner Reinhardt that the Executive Committee authorizes the Chair of the Project Board to execute an amendment to the Agreement with Risdall Marketing Group with a term of January 1, 2013 through December 31, 2013, at a cost not to exceed \$60,000.

Roll Call:           Ayes:    3           Nays:    0           Motion Carried.

**AGREEMENT WITH LURE DESIGN, LLC:**

Commissioner Parker moved, seconded by Commissioner Reinhardt that the Executive Committee authorizes the Chair of the Project Board to execute an Agreement with Lure Design, LLC with a term of January 1, 2013 through December 31, 2013, at a cost not to exceed \$20,000.

Roll Call:           Ayes:    3           Nays:    0           Motion Carried.

**AMENDMENT TO AGREEMENT WITH SECOND HARVEST HEARTLAND AND FOOD RESCUE:**

Commissioner Reinhardt moved, seconded by Commissioner Parker that the Executive Committee hereby approves the Service Agreement with Second Harvest Heartland for food rescue services, with a term of January 1, 2013 through December 31, 2013, at a cost not to exceed \$40,000, and authorize the Chair to execute the agreement upon approval as to form by the County Attorney.

Roll Call:           Ayes:    3           Nays:    0           Motion Carried.

**OTHER BUSINESS:**

**Tentative Project Board and Committee Meeting Schedule 2013**

Zack Hansen briefly went over the tentative Project Board and Committee Meeting schedule for 2013.

Commissioner Reinhardt moved, seconded by Commissioner Parker to approve the Tentative Project Board and Committee Meeting Schedule 2013.

Roll Call:           Ayes:    3           Nays:    0           Motion Carried.

Zack Hansen thanked Commissioners Hegberg and Parker for their service on the Resource Recovery Project Board and presented them a water bottle as a departure gift.

**ADJOURNMENT:**

Chair Hegberg adjourned the meeting.

Approved: \_\_\_\_\_  
                  Commissioner Victoria Reinhardt, Chair





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

**Project Board Meeting Date:**  
**2/28/2013**

**AGENDA ITEM:**

**SUBJECT: Agreement with Financial Adviser**

**TYPE OF ITEM:**  Information  Policy Discussion  Action

**Submitted By: Joint Staff Committee**

**PROJECT BOARD ACTION REQUESTED:**

Approve an agreement for financial adviser services with Springsted Incorporated, in an amount not to exceed \$40,000 for the period of March 8, 2013 through December 31, 2013, with up to three one-year renewals.

**EXECUTIVE SUMMARY:**

The Ramsey/Washington County Resource Recovery Project issued a Request for Qualifications (RFQ) for a Financial Advisor to assist with a policy evaluation of the future of waste processing in the Counties, as well as assistance in consideration of potential purchase of a solid waste processing facility. Two firms responded to the RFQ; The PFM Group and Springsted, Inc. A review team of staff from the Counties selected Springsted Inc., and recommends that the Executive Committee approve and an agreement with Springsted for the term March 8, 2013 through December 31, 2013, at a cost not to exceed \$40,000, with up to three one-year renewals.

The attached memo provides additional information.

**SUBJECT: Agreement with Financial Adviser**


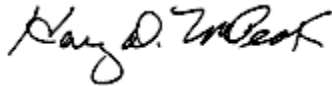
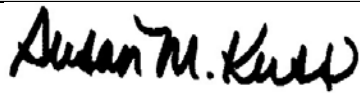
**FINANCIAL IMPLICATIONS:**

This agreement is for an amount up to \$40,000. Funding is available in the approved 2013 Resource Recovery Project Budget for this Agreement in that amount.

**ATTACHMENTS:**

- 1. Memo to Executive Committee
- 2. Draft Resolution

**AUTHORIZED SIGNATURES**

<b>Joint Staff Committee</b>	<b>Date</b>
	<b>2.25.13</b>
<b>Ramsey County Attorney</b>	<b>Date</b>
	<b>2.25.13</b>
<b>Washington County Attorney</b>	<b>Date</b>
<b>Ramsey County Department of Finance</b>	<b>Date</b>
	<b>2.21.13</b>
<b>Other</b>	<b>Date</b>





RAMSEY/WASHINGTON COUNTY

**RESOURCE RECOVERY PROJECT**

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

February 21, 2013

To: Resource Recovery Project Executive Committee

From: Joint Staff Committee

Re: Agreement for Financial Adviser Services

**Background**

During 2013 – 2014, the Resource Recovery Project will be carrying out two policy evaluations. Both evaluations follow from the development and approval of the 2013 – 2015 Solid Waste Processing Agreement between Ramsey and Washington Counties and Resource Recovery Technologies, LLC (RRT), and contribute to the analysis of how the Counties should continue processing waste after 2015. The first is an analysis of waste processing technologies other than production of refuse-derived-fuel (RDF). The second is evaluation of the potential purchase of the Facility in Newport, MN. A substantial amount of the work for the policy analysis is being conducted by Project Consultants, including Foth Environment and Infrastructure, Stoel Rives and its subcontractor American Appraisal, and a financial adviser.

To retain the services of a financial adviser the Project issued a Request for Qualifications (RFQ) seeking to assist with a policy evaluation of the future of waste processing in the Counties, as well as assistance in consideration of potential purchase of a solid waste processing facility. The Project expects to enter into an agreement with a Financial Advisor for a contract for the term March 8, 2013 through December 31, 2013, with up to three one-year renewals. The total cost of the agreement in 2013 is not to exceed \$40,000 (including expenses). Funds are identified in the approved 2013 budget for this agreement.

The timeline for this procurement was designed to get a financial adviser under contract by March 1, 2013:

- |                                      |  |
|--------------------------------------|--|
| 1) February 4, 2013                  | Release RFQ  |
| 2) February 13, 2013 at 400 p.m. CST | Completed submissions due                              |
| 3) February 28, 2013                 | Project Board Exec. Comm.<br>Authorization of contract |
| 4) March 8, 2013                     | Contract term begins                                   |

The RFQ identified the following Scope of Services:

- A. Provide advice and analysis on the financial aspects of a technology review completed by Foth Infrastructure & Environment, LLC.
- B. Work with Project staff and consultants to establish a purchase price for the facility, including preparation for and participation in good faith negotiations with the Facility owner and arbitration, if necessary.
- C. Provide advice and analysis on resource recovery facility costs.
- D. Provide advice and consultation on elements of the policy analysis related to purchase of the Facility, including issues related to governance, waste assurance, and a risk analysis.
- E. Lead the development of a written report that outlines financial issues associated with the option to purchase, including but not limited to: options for financing facility purchase, with analysis of the pros/cons; implementation steps and a timeline for financial issues; operating cost projections; options to finance operating costs; and capital analysis and facility maintenance/improvement costs.
- F. Provide advice and consultation on financial issues as the need arises during the policy evaluation process.

The RFQ was sent to four firms identified as providing public sector financial advisory services:

Ehlers and Associates, Roseville, MN  
Northland Securities, Minneapolis, MN  
Public Financial Management, Inc. (Minneapolis, MN)  
Springsted, Incorporated (Saint Paul, MN)

### **Evaluation of Responses**

Responses were received from two firms: Public Financial Management, Inc. and Springsted, Incorporated. A response review team was created, including the Joint Staff Committee (Judy Hunter, Washington County; Zack Hansen, Ramsey County; Sue Kuss, Ramsey County Finance Department), Beth Leindecker (Ramsey County Public Health Contract Manager) and Norm Schiferl (Ramsey County Public Health Program Analyst) The team evaluated the responses according to the criteria identified in the RFQ.

Both firms are well qualified to do the work, with personnel experienced in public finance and utilities. PFM's personnel have national solid waste experience, and understand procurement, finance and legal issues. PFM's staff with direct waste management experience are located outside of Minnesota. Springsted's staff have a strong understanding of counties and county finance issues, as well as non-quantitative policy issues, and have been involved in waste management projects in Minnesota. Springsted demonstrated a strong understanding of the Project's work plan, and emphasized the importance of integrating the financial and policy issues.

The major difference between proposals was the cost allocation. PFM provided hourly fee rates of \$325/hour for Senior Advisors, and \$200-\$275/hour for Advisors. PFM did not provide a "general allocation [of costs] to the Scope of Services" as requested in the RFQ, so it is not possible to determine how they expected to allocate the work. Springsted's hourly rates were considerably lower, ranging from \$145/hour for an Associate to \$220/hour for the Principal and Senior Officer. Springsted did allocate costs to the Scope of Services, and the allocation reflects a clear understanding of the work load in the Scope. Further, Springsted proposed that it "will put in all the required hours to complete the

project with no concern about exceeding a specific hours available budget.” Further, Springsted said “Our fee would be the lesser of actual costs...and reimbursable expenses or \$40,000.”

**Recommendation**

While both firms are qualified to do the work, the Springsted response was rated higher in each of the criteria, and also provides the best financial value to the Project. Based on the evaluation, the team recommends that the Project Board contract with Springsted, Inc.

**Action Requested**

The Executive Committee is requested to approve an agreement for financial adviser services with Springsted, Incorporated, in an amount not to exceed \$40,000 for the period of March 8, 2013 through December 31, 2013, with up to three one-year renewals.

WHEREAS, Ramsey and Washington (the "Counties") desire to continue to benefit, protect and ensure the public health, safety, welfare and environment of the Counties' residents and businesses through sound management of solid waste generated in the Counties; and

WHEREAS, the Counties have entered into a Joint Powers Agreement that creates the Ramsey/Washington County Resource Recovery Project (the Project) for the purpose of administering the Counties rights and obligations under the Processing Agreement with RRT and overseeing other joint solid waste activities; and

WHEREAS, the Project budget and work plan for 2013 includes work on policy evaluation related to the future of waste processing; and

WHEREAS, the Project issued a request for qualifications (RFQ) for financial adviser services on February 4, 2013, received responses to the RFQ, and evaluated those responses; and

WHEREAS, a team of staff from the Counties evaluate the responses according to the criteria in the RFQ, and recommend that the Project enter into an agreement with Springsted, Incorporated for financial adviser services; and

WHEREAS, the Executive Committee of the Project is authorized to execute contracts approved in the Project budget in accordance with Section 1V.B of the Joint Powers Agreement for the Resource Recovery Project; and

WHEREAS, the approved 2013 Resource Recovery Project Budget includes \$40,000 for financial adviser services.

NOW, THEREFORE, BE IT RESOLVED the Executive Committee for the Project hereby approves an Agreement with Springsted, Incorporated with a term from March 8, 2013 to December 31, 2013 with up to three one-year renewals, in an amount not to exceed \$40,000 for that term, and authorizes the Chair of the Executive Committee to execute the amendment to the Agreement upon approval as to form by the County Attorney.

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Commissioner Victoria Reinhardt, Chair

February 28, 2013