RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

MEETING NOTICE
RAMSEY/WASHINGTON RECYCLING & ENERGY BOARD
FACILITY AND FINANCE COMMITTEE

Date: Thursday, May 20, 2021
Time: 10:00 am to 12:00 pm
Virtual meeting: https://zoom.us/j/97576792745?pwd=UTlaeWdvcnBveFJpaXpkNVpwNk5oUT09
Phone: 651-372-8299 | Meeting ID: 975 7679 2745 | Passcode: 391061

The Chair of the Ramsey/Washington Recycling and Energy Board has determined that an in-person meeting is not practical or prudent because of the COVID-19 pandemic and the declared state and local emergencies. Commissioners will participate by telephone or other electronic means and the Board meeting will be conducted pursuant to and in compliance with Minnesota Statute 13D.021 and 13D.04 Subd. 3. Members of the public will be able to watch the public meeting live online.

AGENDA

I.	**Call to Order, Introductions, Commissioner Roll Call**		
II.	**Approval of Agenda**	Action	Page 1
III.	**Approval of Minutes**		
	a. April 15, 2021	Action	Page 2
	b. April 29, 2021	Action	Page 6
IV.	**Business**		
	a. 2022-2023 Budget Preparation		
	i. Joint Activities	Action	Page 8
	ii. Facility	Action	Page 26
	iii. Equipment Maintenance & Replacement	Action	Page 45
	b. Recyclables Recovery System Vendor Selection	Action	Page 54
V.	**Updates and Reports**		
	a. R&E Center Updates	Information	Page 63
	b. Facility & Finance Committee Meeting Schedule	Action	Page 64
VI.	**Adjourn**		

NEXT MEETING:
Thursday, June 17, 2021 | 10:00 am – 12:00 pm | Zoom

RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

THURSDAY, APRIL 15, 2021
RECYCLING & ENERGY BOARD
FACILITY & FINANCE COMMITTEE MEETING

A meeting of the Ramsey/Washington Recycling & Energy Facility & Finance (F&F) Committee was held at 10:00 a.m. on Thursday, April 15, 2021 as a virtual meeting. Essential staff participants met at the Ramsey County Environmental Health Office, 2785 White Bear Avenue North, Suite 350, Maplewood, Minnesota. Other participants joined through Zoom.

The Chair of the Ramsey/Washington Recycling and Energy Board has determined that an in-person meeting is not practical or prudent because of the COVID-19 pandemic and the declared state and local emergencies. Commissioners will participate by telephone or other electronic means and the board meeting will be conducted pursuant to and in compliance with Minnesota Statute 13D.021 and 13D.04 Subd.3. Members of the public will be able to watch the public meeting live online.

MEMBERS PRESENT
Commissioner Wayne Johnson – Washington County
Commissioners Nicole Frethem, Trista MatasCastillo – Ramsey County

ATTENDING AT RAMSEY ENVIRONMENTAL HEALTH, MAPLEWOOD
Leigh Behrens, Zack Hansen, Sam Holl, John Ristad, Nikki Stewart, Jody Tharp, Jordan Thone, Kris Wehlage

ATTENDING REMOTELY
Shannon Conk, Sheena Denny, Rae Eden Frank, Kelli Hall, Sam Hanson, Fatima Janati, Kevin Johnson, Jennefer Klennert, Nate Klett, Sandy Koger, Commissioner Gary Kriesel (Washington County), Kevin Magnusen, Andrea McKennan, Michael Reed, Renee Vought, Susan Young

CALL TO ORDER/APPROVAL OF THE AGENDA
Chair Johnson called the meeting to order at 10:00 a.m. The statement regarding conduct of a remote meeting was read. A roll call of commissioners was conducted. Introductions of participants present at Maplewood were made.

Commissioner MatasCastillo moved, seconded by Frethem, to approve the agenda as presented.

Motion carried with a 3-0 roll call vote.
Ayes: Frethem, Johnson, MatasCastillo
Nays: None

APPROVAL OF THE MARCH 8, 2021 MINUTES
Commissioner MatasCastillo moved, seconded by Frethem, to approve the March 8, 2021 Facility & Finance Committee minutes.

Motion carried with a 3-0 roll call vote.
Ayes: Frethem, Johnson, MatasCastillo
Nays: None

BUSINESS

2022-2023 Budget Preparation

Nikki Stewart, Joint Leadership Team, presented an overview of the three proposed budgets, including timeline, overall budget challenges and opportunities.

- Challenges include uncertainty coming out of the pandemic, risk management and insurance costs, and meeting R&E and county needs and priorities.
- Opportunities include processing enhancements leading to food scrap recycling in both counties, partnerships on food waste reduction/food security arising out of 2020 and 2021, BizRecycling relief grants having engaged new businesses, signs of economic resurgence, policy plan and master plan revisions in 2022 and 2023, and surplus funds available to mitigate unexpected costs.

Joint Activities Budget

Nikki Stewart introduced the Joint Activities budget, known as the General Fund or Governmental Fund.

Kris Wehlage, R&E accounting manager, reviewed the makeup and purpose of the Joint Activities Budget, highlighting changes to the following areas:

- Project Management: Funds overall management of R&E
- Non-Residential Recycling: Waste reduction and recycling activities focused primarily on the commercial sector
- Community Waste Solutions: Addresses county solid waste master plan strategies through collaborative community approaches
- Food Scrap Recycling: Funding for operational expenses associated with the new food scrap collection program
- General Outreach: Ensures awareness and participation in programs and assists counties in coordinated messaging and engaging communities
- Policy Evaluation: Legal, general engineering and technical services to meet counties' and R&E's vision
- Revenue: Contributions from counties

Commissioner Frethem inquired why a 0% cost of living adjustment (COLA) is indicated. Zack Hansen responded that with labor negotiations set to begin and not knowing what the COLA will be, it is set as 0% in the budget at this time.

Commissioner MatasCastillo inquired what the two additional full time employees will be supporting. Wehlage provided additional information.

- Program coordinator: Primarily working on the food scrap program, focusing on contract management for durable compostable bag program, customer service contracts, and communication efforts.
- Administrative assistant: With readjustment of the human resources (HR) manager position to assistant facility manager/HR manager, an administrative assistant is needed to provide backup to HR and R&E programs.

Facility Budget

Zack Hansen, JLT, gave an overview of the Facility Budget, which is known as the Enterprise Fund and funded primarily by tipping fees. Hansen reviewed major changes to the Facility Budget:

- Two factors affecting expenses: Property insurance costs and earlier start dates for processing enhancements

- Revenue: Use of one-time funding to reduce effect on 2022 tipping fee
- Tipping fees: Aligned with pro forma (2022 - $87/ton; 2023 - $99/ton)

Kris Wehlage reviewed specifics of the budget. Total proposed budget increase 10% from 2021 to 2022, and 7.5% from 2022 to 2023. Wehlage discussed the following areas within the budget:

- Personnel costs
- Fuel supply, landfill, transportation, transload - similar to 2021 budget
- Waste processing
- Facility operations
- Contingency
- Enterprise Reserve Fund (ERF)
- Debt services
- Revenue (tipping fees for 2021, 2022 and 2023)
- One-time funding in 2022 used to reduce tipping fees

Equipment Maintenance & Repair (EM&R) Budget

Kris Wehlage stated that the purposes of the EM&R Fund are to ensure that maintenance is not deferred and to protect the R&E's investment in the R&E Center. Highlights of the EM&R budget include:

- Five-year capital improvement plan funded primarily from recycling revenue
- Equipment replacement, such as trailers, front end loader, yard tractor
- Major maintenance for the R&E Center, such as conveyor rebuilds, tipping floor maintenance, secondary disc screen rebuild
- Cumulative reserves ensuring future funding of projects and no deferral of maintenance at the R&E Center
- Reduction in recycling revenue in 2022 is a conservative projection
- Increased recycling revenue in 2023 is due to enhancement project recycling revenue

Commissioner Johnson noted significant decreases in the reserve fund in 2024 and 2025; he inquired whether it is anticipated to begin increasing in 2026. Wehlage said that the reserve fund balance fluctuates based on projects that are planned. Few projects are currently planned for 2026. Zack Hansen said this is a spending estimate rather than plan, as some projects beyond five years have not been identified. As the 2024-2025 budget is considered, adjustments can be made to the fund.

Commissioner Frethem inquired about certainty of the expense estimates for 2024 and 2025. Hansen responded that staff with experience with maintenance requirements identified the needs and are confident in the numbers in this budget. Nikki Stewart added that the EM&R portion of the budget is reviewed with the committee every year, allowing for adjustments as needed.

UPDATES AND REPORTS

Facility Updates

Sam Holl, R&E Center manager, provided an update on processing enhancements projects.

- DCB equipment line: Vendor was accepted at the March R&E board meeting.
- DCB building and trades work: Contracts were approved at the March R&E board meeting.
- Resource recovery system (RRS) line: Vendor proposals are currently under evaluation and recommendation will be brought to the board at the May 27 meeting.
- Dust collection line: Solicitation will happen after RRS line is finalized.

Construction timeline:

- Groundbreaking event will be held on April 21.
- Construction and trades work scheduled to begin week of April 19. Major construction is slated for completion in fourth quarter 2021.
- DCB equipment line installation will begin fourth quarter 2021 and completed late first quarter 2022.
- RRS line preconstruction is planned for 2022. The project timeline will be refined after vendor selection.
- Dust collection line will be scheduled for summer 2022 and coordinated with RRS line installation.
- Processing enhancements projects currently fall within the preconstruction schedule.

Construction budget:

- DCB equipment vendor and building trades contract values are within preconstruction estimates.
- The RRS and dust collection values will be finalized when vendors are selected.
- All are currently on schedule and under budget.

ADJOURN

Chair Johnson adjourned the meeting at 10:54 a.m.

ATTESTED TO:

Approved: _____
Wayne Johnson, Chair
May 20, 2021

Approved: _____
May 20, 2021

RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

THURSDAY, APRIL 29, 2021
RECYCLING & ENERGY BOARD
FACILITY & FINANCE COMMITTEE MEETING

A meeting of the Ramsey/Washington Recycling & Energy Board Facility & Finance Committee (Facility & Finance Committee) was held as a virtual Zoom meeting at 10:00 a.m. on Thursday, April 29, 2021. Essential staff participants met at the Ramsey County Environmental Health Office, 2785 White Bear Avenue North, Suite 350, Maplewood, Minnesota. Other participants joined through Zoom.

The chair of the Ramsey/Washington Recycling and Energy Board has determined that an in-person meeting is not practical or prudent because of the COVID-19 pandemic and the declared state and local emergencies. Commissioners will participate by telephone or other electronic means and the board meeting will be conducted pursuant to and in compliance with Minnesota Statute 13D.021 and 13D.04 Subd. 3. Members of the public will be able to watch the public meeting live online. A written roll of members and all other persons present at the closed portion of the meeting will be made available to the public after the closed meeting.

MEMBERS PRESENT
Commissioners Nicole Frethem, Trista MatasCastillo – Ramsey County
Commissioner Wayne Johnson – Washington County

IN ATTENDANCE AT RAMSEY COUNTY ENVIRONMENTAL HEALTH
Leigh Behrens, Kelli Hall, Zack Hansen, Sam Holl, John Ristad, Nikki Stewart, Jody Tharp

ATTENDING REMOTELY
Kevin Magnuson

CALL TO ORDER, INTRODUCTIONS, COMMISSIONER ROLL CALL
Chair Johnson called the meeting to order at 10:04 a.m. The statement of remote meeting conduct was read. A roll call of commissioners was conducted. Introductions of participants in Maplewood were made.

APPROVAL OF AGENDA
Commissioner MatasCastillo moved, seconded by Frethem, to approve the agenda as presented.

Motion carried with a 3-0 roll call vote.
Ayes: Frethem, MatasCastillo, Johnson
Nays: None

MOTION TO CLOSE MEETING
Commissioner MatasCastillo moved, seconded by Frethem, to close the meeting as permitted by Minn. Stat. section 13D.03, subd. 1, to discuss general labor negotiation strategies related to negotiations with IBEW Local 23.

Motion carried with a 3-0 roll call vote.
Ayes: Frethem, MatasCastillo, Johnson
Nays: None

CLOSED SESSION
The closed meeting began at 10:12 am. A roll call of commissioners was conducted. Introductions of participants in Maplewood and remote participants were made.

Members Present
Commissioners Nicole Frethem, Trista MatasCastillo – Ramsey County
Commissioner Wayne Johnson – Washington County

In Attendance at Ramsey County Environmental Health
Leigh Behrens, Kelli Hall, Zack Hansen, Sam Holl, John Ristad, Nikki Stewart, Jody Tharp

Attending Remotely
Kevin Magnuson

2021 Labor Negotiation Strategy Discussion
Commissioner Frethem moved, seconded by MatasCastillo, to approve Resolution R&EB-FFC-2021-03. The Facility & Finance Committee directs the Joint Leadership Team and R&E Staff to proceed as discussed in closed session.

Motion carried with a 3-0 roll call vote.
Ayes: Frethem, MatasCastillo, Johnson
Nays: None

ADJOURN
Chair Johnson declared the meeting adjourned at 10:44 a.m.

NEXT MEETING
Thursday, May 20, 2021 | 10:00 am – 12:00 pm | Zoom | Regularly Scheduled Business Meeting

ATTESTED TO:

Approved: _____
Wayne Johnson, Committee Chair
May 20, 2021

RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

R&E BOARD FACILITY & FINANCE COMMITTEE MEETING DATE:		May 20, 2021		**AGENDA ITEM:**		IV.a.i
SUBJECT:	2022-2023 Proposed Joint Activities Budget					
TYPE OF ITEM:	☐	INFORMATION	☐	POLICY DISCUSSION	☒	ACTION
SUBMITTED BY:	Joint Leadership Team (JLT)					

BUDGET COMMITTEE ACTION REQUESTED:

Approve the 2022-2023 Joint Activities Budget and recommend that the R&E Board approve the Joint Activities Budget and forward the budget to the Ramsey County and Washington County Boards for approval.

EXECUTIVE SUMMARY:

Three proposed 2022-2023 budgets for Ramsey/Washington Recycling & Energy were presented for initial review by the Facility & Finance Committee at its April 15, 2021 meeting. The Joint Activities Budget documents included here have not been revised since presented to the Facility & Finance Committee on April 15 and are included for reference.

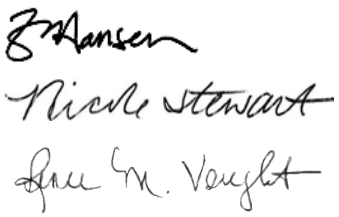
ATTACHMENTS:

1. Resolution
2. JLT Memo
3. 2022-2023 proposed Joint Activities Budget

FINANCIAL IMPLICATIONS:

Upon final approval the financial implications will be explicit in the approved budgets.

SUBJECT: *2022-2023 Proposed Joint Activities Budget*

AUTHORIZED SIGNATURES		DATE
JOINT LEADERSHIP TEAM		5/12/21
RAMSEY COUNTY ATTORNEY		5/12/21
WASHINGTON COUNTY ATTORNEY		5/12/21

RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

RESOLUTION R&EB-FFC-2021-04

WHEREAS, The Ramsey/Washington Recycling & Energy Board (the "R&E Board") is governed by the amended and restated joint powers agreement by and between Ramsey County and Washington County dated September 22, 2015, ("Joint Powers Agreement"); and

WHEREAS, The Joint Powers Agreement provides that the R&E Board shall establish a Facility Budget and a Joint Activities Budget; and

WHEREAS, The Joint Leadership Team, R&E staff, attorneys and consultants prepared a 2022-2023 Joint Activities Budget for consideration by the R&E Board's Facility & Finance Committee; and

WHEREAS, The Facility & Finance Committee has reviewed the 2022-2023 Joint Activities Budget at its meetings on April 15, 2021 and May 20, 2021. NOW, THEREFORE, BE IT

RESOLVED, The Ramsey/Washington Recycling & Energy Board Facility & Finance Committee hereby approves the 2022-2023 R&E Joint Activities Budget and recommends that the R&E Board approve the Joint Activities Budget and forward the budget to the Ramsey and Washington county boards for approval. BE IT FURTHER

RESOLVED, The Facility & Finance Committee hereby recommends that the R&E Board approve the addition of 1.0 FTE program coordinator and 1.0 administrative assistant to the Joint Activities Budget in 2021 and authorize the Joint Leadership Team to make necessary budget adjustments.

_____
Wayne Johnson, Committee Chair
May 20, 2021

_____
Attest
May 20, 2021

RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

May 20, 2021

To: **Ramsey/Washington Recycling & Energy (R&E) Facility & Finance Committee**
From: **Joint Leadership Team (JLT)**
RE: **Proposed 2022-2023 Joint Activities Budget**

Introduction

The R&E Facility & Finance Committee is responsible for preparing and proposing budgets to the R&E Board. At the April 15, 2021 committee meeting, the JLT introduced a proposed 2022-2023 Joint Activities Budget to initiate the committee's work on that budget. The committee discussed the proposed budget, and no changes were requested to the proposed budget.

Review of Budget Structure

The Joint Activities Budget includes non-facility related activities and is funded by contributions from the counties – 73% from Ramsey County and 27% from Washington County. In accounting terms, this is a "governmental fund" or "general fund" covering the non-facility activities of Ramsey/Washington Recycling & Energy.

There are six program areas included in the Joint Activities budget:

- Project Management – includes expenses associated with overall management of R&E
- Non-Residential Recycling – includes costs associated with waste reduction and recycling activities focused primarily on the commercial sector
- Community Waste Solutions – addresses county solid waste master plan strategies through collaboration with communities and is a new category that includes items found in previous budgets
- Food Scrap Recycling – includes funding for operational expenses associated with the new food scrap collection program using durable compostable bags, scheduled to be available to every resident in both counties with a phased roll-out beginning in 2022
- General Outreach – covers outreach, education, communication and community engagement work of R&E, including for R&E Joint Activities and the R&E Center, as well as coordinated strategies with both counties
- Policy Evaluation – covers legal, general engineering and technical services associated with evaluation and policy development of system changes to meet the counties and R&E's vision

The memo presented at the April 15 committee meeting that provided details about the Joint Activities Budget is attached for reference. A summary of the Joint Activities budget totals since 2018 is shown below.

	2018	2019	2020	2021	2022	2023
Total Joint Activities Budget	$10,725,643	$9,780,831	$9,053,290	$9,083,369	$10,707,727	$11,609,454
Washington County (27%)	$2,895,924	$2,640,824	$1,194,290	$1,922.230	$2,891,086	$3,134,553
Ramsey County (73%)	$7,829,729	$7,140,007	$5,175,674	$5,197,139	$7,016,641	$8,474,901
Ramsey-Only Funds	N/A	N/A	$1,964,000	$1,964,000	$800,000*	
***Anticipated carryover Ramsey-only funds from 2021**						

Timing of Staffing Request

The proposed 2022-2023 Joint Activities Budget includes the addition of 1.0 FTE program coordinator position and 1.0 FTE administrative assistant position. Both are needed to work on services included in the proposed budget:

- The program coordinator will work exclusively on the design, development and implementation of key elements of the new food scrap collection system using durable compostable bags (DCBs), including working with contractors on website development, customer service and order fulfillment.
- The administrative assistant will work as support for the R&E human resources, finance and contract management programs. Sufficient administrative work is being performed by management staff in these R&E departments to justify this position, freeing up management staff time to focus on non-administrative tasks.

If the Facility & Finance Committee supports this request, then the JLT recommends that these positions be created in 2021. There is a need for both positions to begin work in 2021, and funds are available in the Joint Activities Budget, due to reduced demand for some services in 2021 related to the COVID-19 pandemic.

Start-up and testing for the food scrap collection program is projected to start earlier than originally projected. As proposals were received and approved for the construction and equipment contracts for the R&E Center enhancements, schedules presented by the vendors provide for beginning in the second quarter of 2022, with services available to residents in the second half of 2022. Having the program coordinator work on the array of work for this program in 2021 is important to be able to meet this timeline and for a quality service to be available when the facility is ready.

An administrative assistant is needed to take on basic HR functions, provide support for contract management and assist in accounting functions currently performed by management staff. Moving these activities to an administrative assistant position will allow management staff to work on higher priority issues, such as facility safety during construction and solicitation of major contracts related to the R&C Center processing improvements.

SUBJECT: *Proposed 2022-2023 Joint Activities Budget*

Action Requested

The Facility & Finance Committee is requested to:

1. Approve the 2022-2023 Joint Activities Budget and recommend that the R&E Board approve that budget.
2. Recommend that the R&E Board approve the addition of 1.0 FTE program coordinator and 1.0 administrative assistant to the Joint Activities Budget in 2021 and authorize the Joint Leadership Team to make necessary budget adjustments.

Ramsey/Washington Recycling & Energy Board

JOINT ACTIVITIES	2021 Approved Budget	2022 Proposed Budget	2023 Proposed Budget
APPROPRIATIONS:			
Project Management	1,453,369	2,729,727	2,519,454
Non-Residential Recycling	3,721,000	4,090,000	4,090,000
Community Waste Solution	-	795,000	795,000
Food Scrap Recycling	-	1,468,000	2,500,000
General Outreach	925,000	605,000	605,000
Policy Evaluation	1,020,000	1,020,000	1,100,000
Ramsey County Additional Programs	1,964,000	-	-
Total Appropriations	9,083,369	10,707,727	11,609,454
REVENUE:			
Washington County	1,922,230	2,891,086	3,134,553
Ramsey County	5,197,139	7,016,641	8,474,901
Anticipated Carryover Funds RC Addition Program from 2021		800,000	
Ramsey County Additional Programs	1,964,000	-	-
Total Revenue	9,083,369	10,707,727	11,609,454

TOTAL	2021 Approved Budget	2022 Proposed Budget	2023 Proposed Budget
Appropriations	9,083,369	10,707,727	11,609,454
Revenue	9,083,369	10,707,727	11,609,454
Surplus/(Deficit)	-	-	-

Ramsey/Washington Recycling & Energy Board
Joint Activities

Account	Description	2021 Approved	2022 Proposed	2023 Proposed
APPROPRIATIONS:				
PROJECT MANAGEMENT				
411101	Salaries Permanent	670,652	1,016,647	1,038,685
411103	Salaries Temporary	15,000	15,000	15,000
411201	PERA	39,240	76,249	77,901
411202	Fica - OASDI	31,791	61,899	63,221
411203	FICA - HI	7,680	15,007	15,328
411301	Health & Dental Ins	122,658	250,809	275,890
411306	Life Ins	729	1,405	1,546
411307	Long Term Disability Ins	352	1,716	1,888
411410	Cell Phone Reimbursement	3,817	7,920	7,920
421101	Accounting & Auditing Services	110,000	110,000	110,000
421102	Auditor	20,000	26,000	26,000
421110	Fiscal agent Fees	50,000	30,000	30,000
421208	County Attorney	50,000	85,000	85,000
421401	Computer Maintenance and Other	6,500	656,100	395,100
421501	Consulting	115,000	225,000	225,000
421511	Partnership on Waste and Energy Contribution	-	83,250	83,250
421525	Recruitment Services	1,000	1,000	1,000
421603	Printing	4,500	4,500	4,500
421701	Postage	2,000	2,000	2,000
422402	Buildings & Office Space	25,000	-	-
423107	Other Education	100,000	-	-
423111	Employee Development	4,000	4,000	4,000
423309	Records Storage	250	275	275
424302	Membership & Dues	8,050	8,600	8,600
424303	Conference & Seminar	20,000	20,000	20,000
424304	Other Travel	40,000	20,000	20,000
424305	Meeting Expense	2,000	2,000	2,000
424501	Mileage	2,300	4,500	4,500
424507	Messenger Service	350	350	350
431101	Office Supplies	500	500	500
	Total Project Management	1,453,369	2,729,727	2,519,454

NON-RESIDENTIAL RECYCLING				
421522	Other Professional Srvs	1,921,000	-	-
421602	Promotional Activities	200,000	-	-
425102	Grants	1,500,000	-	-
423107	Other Education	100,000	-	-
421542	BizRecycling	-	2,050,000	2,050,000
421543	Multi-Unit Recycling	-	1,250,000	1,250,000
421544	Business Pollution Prevention	-	450,000	450,000
421545	Food Waste Prevention	-	300,000	300,000
421546	Compost Market Development	-	40,000	40,000
	Total Non-Residential Recycling	3,721,000	4,090,000	4,090,000
COMMUNITY WASTE SOLUTIONS				
421538	Community Resource Hubs	-	220,000	220,000
421539	Bulky Waste Solutions	-	475,000	475,000
421540	Reuse & Repair	-	100,000	100,000
	Total Community Waste Solutions	-	795,000	795,000
FOOD SCRAP RECYCLING				
421541	Program Resources	-	320,000	760,000
421522	Other Professional Services	-	658,000	1,280,000
421602	Promotional Activities	-	490,000	460,000
	Total Food Scrap Recycling	-	1,468,000	2,500,000
GENERAL OUTREACH				
421509	Communications, Design, & Educational Services	825,000	455,000	455,000
421522	Other Professional Services	100,000	150,000	150,000
	Total General Outreach	925,000	605,000	605,000
POLICY EVALUATION				
421201	Legal Services	450,000	490,000	490,000
421502	Engineering Services	400,000	530,000	610,000
424601	Other Services	170,000	-	-
	Total Policy Evaluation	1,020,000	1,020,000	1,100,000
RAMSEY COUNTY ADDITIONAL PROGRAMS				
411xxx	1 FTE Program Coordinator	114,000	-	-
421522	Other Professional Services	1,075,000	-	-
421602	Promotional Activities	150,000	-	-
425102	Grants	625,000	-	-
	Total Ramsey County Additional Programs	**1,964,000**	**-**	**-**
	Total Appropriations	9,083,369	10,707,727	11,609,454

REVENUE:				
314103	Washington County	1,922,230	2,891,086	3,134,553
319110	Ramsey County	5,197,139	7,016,641	8,474,901
	Anticipated Carryover Funds RC Addition Program from 2021		800,000	
319110	Ramsey County Additional Programs	1,964,000	-	-
	Total Revenue	9,083,369	10,707,727	11,609,454

Ramsey/Washington Recycling & Energy Board
Joint Activities

LINE ITEM EXPLANATIONS

APPROPRIATIONS EXPLANATIONS

Project Management (51808)

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411101	Salaries Permanent	670,652	1,016,647	1,038,685

EXPLANATION: Compensation for permanent full-time and permanent part-time employees.

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411103	Salaries Temporary	15,000	15,000	15,000

EXPLANATION: Compensation for temporary full-time and temporary part-time employees.

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411201	PERA	39,240	76,249	77,901

EXPLANATION: PERA rate calculation at 7.5% of Salaries Permanent

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411202	Fica - OASDI	31,791	61,899	63,221

EXPLANATION: Fica - OASDI is calculated at 6.2% of Salary Permanent and Salaries Temporary

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411203	FICA - HI	7,680	15,007	15,328

EXPLANATION: Fica - HI is calculated at 1.452% of Salaries Permanent and Salaries Temporary

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411301	Health & Dental Ins	122,658	250,809	275,890

EXPLANATION: Health & Dental Insurance for Staff

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411306	Life Ins	729	1,405	1,546

EXPLANATION: Life Insurance is paid up to a maximum of $50,000 or 1 times an employee's salary for Staff

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411307	Long Term Disability Ins	352	1,716	1,888

EXPLANATION: Long Term Disability Insurance for Staff

Ramsey/Washington Recycling & Energy Board
Joint Activities

LINE ITEM EXPLANATIONS

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411410	Cell Phone Reimbursement	3,817	7,920	7,920

EXPLANATION: Cell phone reimbursement for staff, $55 per month per employee

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421101	Accounting & Auditing Services	110,000	110,000	110,000

EXPLANATION: Olson-Thielen - Hauler audit for compliance with the County Environmental Charge in both counties

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421102	Auditor	20,000	26,000	26,000

EXPLANATION: Expenses associated with the required annual audit of the R&E Board

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421110	Fiscal agent Fees	50,000	30,000	30,000

EXPLANATION: Annual Expenses paid to Ramsey County Finance for the cost of managing the R&E Board's finances

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421208	County Attorney	50,000	85,000	85,000

EXPLANATION: Reimbursement expenses to the Ramsey and Washington County Attorney's office for legal services
Ramsey County - $45,000/yr
Washington County - $40,000/yr

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421401	Computer Maintenance and Other	6,500	656,100	395,100

EXPLANATION: Computer system maintenance and other IT costs - Salesforce $29,000; Spring CM $25,000; EMERGE database $100,000; CBIZ payroll system, projects based on IT consultant study - communication and collaboration, IT infrastructure and security, and business applications
Computer system maintenance and other IT costs previously paid out of the Facility operating budget - IS service agreement - $55,360 misc support, service maintenance, anti-virus; WebEx $2,000; RingCentral $7,200; Allstream internet $14,640; Accounting system $30,000, per year for 2022 and 2023

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421501	Consulting	115,000	225,000	225,000

EXPLANATION: Ramsey County Human Resources - $5,000/yr, IT consultant - $215,000/yr

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421511	Partnership on Waste and Energy Contribution	-	83,250	83,250

EXPLANATION: Recycling and Energy's contribution to Partnership on Waste and Energy.

		2021	2022	2023

Ramsey/Washington Recycling & Energy Board
Joint Activities

LINE ITEM EXPLANATIONS

Account Code	Account Name	Approved	Proposed	Proposed
421525	Recruitment Services	1,000	1,000	1,000

EXPLANATION: Costs relating to hiring Recycling and Energy staff

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421603	Printing	4,500	4,500	4,500

EXPLANATION: Printing services

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421701	Postage	2,000	2,000	2,000

EXPLANATION: Postage

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422402	Buildings & Office Space	25,000	-	-

EXPLANATION: Expenses paid to Ramsey County for providing office space to R&E Board employees that are not located at the R&E Center

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
423107	Other Education	100,000	-	-

EXPLANATION: Grant Management/Data Tool - EMERGE coordinated database now part of account 421401

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
423111	Employee Development	4,000	4,000	4,000

EXPLANATION: Staff training

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
423309	Records Storage	250	275	275

EXPLANATION: Fee paid for storing records

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424302	Membership & Dues	8,050	8,600	8,600

EXPLANATION: Minnesota Resource Recovery Association- $5,250/yr
American Biogas Council - $850/yr
Great Plains Institute - Bio-economy coalition - $2,500/yr

Ramsey/Washington Recycling & Energy Board
Joint Activities

LINE ITEM EXPLANATIONS

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424303	Conference & Seminar	20,000	20,000	20,000

EXPLANATION: Conference & Seminars for R&E Board and staff

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424304	Other Travel	40,000	20,000	20,000

EXPLANATION: Site visits and other educational opportunities

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424305	Meeting Expense	2,000	2,000	2,000

EXPLANATION: Expenses related to R&E Board staff meetings

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424501	Mileage	2,300	4,500	4,500

EXPLANATION: Parking/Mileage paid to employees based on IRS reimbursement rate

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424507	Messenger Service	350	350	350

EXPLANATION: Courier services

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
431101	Office Supplies	500	500	500

EXPLANATION: General office supplies

	Total Project Management	1,453,369	2,729,727	2,519,454

Non-Residential Recycling (51809)

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421522	Other Professional Srvs	1,921,000	-	-

EXPLANATION: Cost code reclassified for 2022 and 2023

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421602	Promotional Activities	200,000	-	-

EXPLANATION: Cost code reclassified for 2022 and 2023

Ramsey/Washington Recycling & Energy Board
Joint Activities

LINE ITEM EXPLANATIONS

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
425102	Grants	1,500,000	-	-

EXPLANATION: Cost code reclassified for 2022 and 2023

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
423107	Other Education	100,000	-	-

EXPLANATION: Cost code reclassified for 2022 and 2023

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421542	BizRecycling	-	2,050,000	2,050,000

EXPLANATION:
1) BizRecycling consulting services - $600,000/yr (MN Waste Wise -$500,000/yr; EcoConsilium - $100,000/yr)
2) BizRecycling partners (business organizations such as chambers of commerce) - $225,000/yr
3) BizRecycling sponsorships (promotional relationships) - $225,000/yr (St. Paul Saints $50,000/yr, MN United $55,125/yr, Ordway $20,000/yr)
4) BizRecycling grants and incentives (starter, reward, container, sustaining, and label grants) - $1,000,000/yr

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421543	Multi-Unit Recycling	-	1,250,000	1,250,000

EXPLANATION:
1) Multi-Unit Recycling consulting services (MN Waste Wise - $500,000/yr)
2) Multi-Unit Recycling Program grants and incentives (starter, reward, container, label grants, and apartment recycling specialist stipends) - $750,000/yr

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421544	Business Pollution Prevention	-	450,000	450,000

EXPLANATION:
1) Business Pollution Prevention consulting services - $125,000/yr (Environmental Initiative/Clean Air Minnesota $125,000/yr)
2) Business Pollution Prevention grants and incentives - $325,000/yr

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421545	Food Waste Prevention	-	300,000	300,000

EXPLANATION: Resources for preventing food waste and increasing food recovery efforts - $300,000/yr (Second Harvest Heartland $40,000/yr; The Good Acre $40,000/yr)

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421546	Compost Market Development	-	40,000	40,000

EXPLANATION: Resources to aid the growth of end markets for finished compost - $40,000/yr

	Total Non-Residential Recycling	3,721,000	4,090,000	4,090,000

Ramsey/Washington Recycling & Energy Board
Joint Activities

LINE ITEM EXPLANATIONS

Community Waste Solutions (51817)

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421538	Community Resource Hubs	-	220,000	220,000

EXPLANATION: 1) Community Resource Hub hard costs (rent, equipment, materials, etc.)- $120,000/yr
2) Community Resource Hub staffing, contractors, and partnerships - $100,000/yr

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421539	Bulky Waste Solutions	-	475,000	475,000

EXPLANATION: 1) Mattress recycling strategies - $350,000/yr
2) Research, planning, and pilot testing for other bulky items - $50,000/yr
3) Construction and Demolition (C&D) and deconstruction training, resources, and partnerships - $75,000/yr

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421540	Reuse & Repair	-	100,000	100,000

EXPLANATION: Education, resources, and shared county disposal directory - $100,000/yr

	Total Community Waste Solutions	-	795,000	795,000

Food Scrap Recycling (51818)

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421541	Program Resources	-	320,000	760,000

EXPLANATION: Durable Compostable Bags (DCB's) - $320,000/yr for 2022 and $760,000/yr for 2023

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421522	Other Professional Services	-	658,000	1,280,000

EXPLANATION: 1) Distribution of DCB's - Warehouse, fulfillment, and delivery of DCB's - $484,000/yr for 2022 and $1,025,000/yr for 2023
2) Administration of DCB's - Customer service, program development and maintenance, and license - $174,000/yr for 2022 and $255,000/yr for 2023

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421602	Promotional Activities	-	490,000	460,000

EXPLANATION: 1) Website - Hosting fees, maintenance, and support - $165,000/yr for 2022 and $135,000/yr for 2023
2) Videography - Educational and promotional videos - $25,000/yr for 2022 and 2023
3) Media campaign - Promotional campaigns - $200,000/yr for 2022 and 203
4) Contracted services - Agency fees and staff time for Metre LLC. - $100,000/yr for 2022 and 2023

	Total Food Scrap Recycling	-	1,468,000	2,500,000

Ramsey/Washington Recycling & Energy Board
Joint Activities

LINE ITEM EXPLANATIONS

General Outreach (51810)

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421509	Communications, Design, & Educational Services	825,000	455,000	455,000

EXPLANATION:
1) Contracted graphic design services for the annual county Green Guides, the R&E annual report, and other materials - $50,000/yr
2) Recycling & Energy and BizRecycling websites - $55,000/yr
3) Videography to support programs, activities, and R&E Center - $50,000/yr
4) Outreach, engagement, promotion, marketing, and educational activities to support programs and R&E Center - $300,000/yr

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421522	Other Professional Services	100,000	150,000	150,000

EXPLANATION:
1) Communication services - contractors to assist with specialized communications needs - $50,000/yr
2) Cultural consultants - contracting with New Publica and other specialists to better engage with specific cultural communities - $100,000/yr

	Total General Outreach	925,000	605,000	605,000

Policy Evaluation (51811)

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421201	Legal Services	450,000	490,000	490,000

EXPLANATION: Legal services contract with Stoel-Rives for legal services related to the R&E Board

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421502	Engineering Services	400,000	530,000	610,000

EXPLANATION: General engineering and technical services contracted with Foth Infrastructure & Environmental, LLC - $630,000 ($100,000 paid out of Enhancement Project budget) for 2022 and $610,000 for 2023

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424601	Other Services	170,000	-	-

EXPLANATION: Services provided by each County starting in 2022

	Total Policy Evaluation	1,020,000	1,020,000	1,100,000

Ramsey/Washington Recycling & Energy Board
Joint Activities

LINE ITEM EXPLANATIONS

Ramsey County Additional Programs

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411xxx	1 FTE Program Coordinator	114,000	-	-

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421522	Other Professional Services	1,075,000	-	-

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421602	Promotional Activities	150,000	-	-

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
425102	Grants	625,000	-	-
	Total Ramsey County Additional Programs	1,964,000	-	-
	Total Appropriations	9,083,369	10,707,727	11,609,454

REVENUE EXPLANATIONS

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
314103	Washington County	1,922,230	2,891,086	3,134,553
EXPLANATION:	Washington County 27% of Joint Activities Budget			

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
319110	Ramsey County	5,197,139	7,016,641	8,474,901
	Anticipated Carryover Funds RC Addition Program from 2021		800,000	
EXPLANATION:	Ramsey County 73% of Joint Activities Budget			

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
319110	Ramsey County Additional Programs	1,964,000	-	-
EXPLANATION:	Additional Ramsey County funding to provide Recycling & Energy activities conducted only in Ramsey County			
	Total Revenue	9,083,369	10,707,727	11,609,454

RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

R&E BOARD FACILITY & FINANCE COMMITTEE MEETING DATE:		May 20, 2021		**AGENDA ITEM:**		IV.a.ii
SUBJECT:	2022-2023 Proposed Facility Budget					
TYPE OF ITEM:	☐	INFORMATION	☐	POLICY DISCUSSION	☒	ACTION
SUBMITTED BY:	Joint Leadership Team (JLT)					

BUDGET COMMITTEE ACTION REQUESTED:

1. Approve the 2022-2023 Facility Budget and recommend that the R&E Board approve the 2022-2023 Facility Budget.
2. Recommend that the R&E Board establish the tipping fee for waste delivered from Ramsey and Washington counties to the R&E Center be set at $87.00 per ton in 2022 and $99.00 per ton in 2023.

EXECUTIVE SUMMARY:

The proposed 2022-2023 Facility Budget was presented for initial review by the Facility & Finance Committee at its April 15, 2021 meeting, and was discussed by committee members. No changes were proposed by the committee at that time. Therefore, the Facility Budget documents included here have not been revised since presented to the Facility & Finance Committee on April 15 and are included for reference.

ATTACHMENTS:

1. Resolution
2. JLT April 15, 2021 Memo
3. 2022-2023 Proposed Facility Budget

FINANCIAL IMPLICATIONS:

Upon final approval the financial implications will be explicit in the approved budgets.

SUBJECT: *2022-2023 Proposed Facility Budget*

AUTHORIZED SIGNATURES		DATE
JOINT LEADERSHIP TEAM		5/12/21
RAMSEY COUNTY ATTORNEY		5/12/21
WASHINGTON COUNTY ATTORNEY		

RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

RESOLUTION R&EB-FFC-2021-05

WHEREAS, The Ramsey/Washington Recycling and Energy Board (the "R&E Board") is governed by the amended and restated joint powers agreement by and between Ramsey County and Washington County dated September 22, 2015, ("Joint Powers Agreement"); and

WHEREAS, The Joint Powers Agreement provides that the R&E Board shall establish a Facility Budget and a Joint Activities Budget; and

WHEREAS, The Joint Leadership Team, R&E Board staff, attorneys and consultants prepared a 2022-2023 Facility Budget for consideration by the R&E Board's Facility & Finance Committee; and

WHEREAS, The Joint Powers Agreement requires that the Facility Budget shall include revenue to pay for expenses and operate as an enterprise fund, and, in order to ensure sufficient revenue for the Facility Budget, the R&E Board needs to set the level of the tipping fee charged to haulers for delivering waste to the R&E Center; and

WHEREAS, The Facility & Finance Committee has reviewed the 2022-2023 Facility Budget at its meetings on April 15, 2021 and May 20, 2021. NOW, THEREFORE, BE IT

RESOLVED, The Ramsey/Washington Recycling & Energy Board Facility & Finance Committee hereby approves the 2022-2023 R&E Board Facility Budget and recommends that the R&E Board approve the 2022-2023 Facility Budget. BE IT FURTHER

RESOLVED, The Facility & Finance Committee hereby recommends that the R&E Board establish the tipping fee for waste delivered from Ramsey and Washington counties to the R&E Center:

2022: $87.00 per ton
2023: $99.00 per ton

_____
Wayne Johnson, Committee Chair
May 20, 2021

_____
Attest
May 20, 2021

RAMSEY/WASHINGTON RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

April 15, 2021

To: **R&E Facility & Finance Committee**
From: **Joint Leadership Team (JLT)**
RE: **Proposed 2022-2023 Facility Budget**

Introduction
The R&E Facility & Finance Committee is responsible for preparing and proposing budgets to the R&E Board. This document introduces a proposed 2022-2023 Facility Budget to initiate the committee's work on this budget. The proposed budget has been designed with operations of the R&E Center enhancements, which include the addition of the durable compostable bag (DCB) processing line starting second quarter 2022 for food scrap collection from residents, and the additional recyclables recovery line starting fourth quarter 2022.

Review of Budget Structure
Facility Budget
The Facility Budget operates as an enterprise fund. The Facility Budget is approved annually by the Ramsey/Washington Recycling & Energy Board (R&E Board) and is funded primarily from tipping fees.

The proposed 2022-2023 Facility Budget has line items adjusted due to classifying expenses differently than previous budgets. For that reason, there will be some line items with larger disparities (positive and negative) when comparing the 2022-2023 figures with 2021.

The entire facility budget is proposed to increase 10% from 2021 to 2022, and 7.5% from 2022 to 2023. These costs can be attributed almost entirely to two areas with major impacts on the 2022-2023 proposed facility budget:

- The processing enhancements, comprised of the new durable compostable bag (DCB) processing line and tipping floor area, as well as the recyclables recovery system (RRS), will be coming online in 2022. The proposals received, and progressing toward contracts, show start dates occurring earlier in 2022 than originally thought, which impacts some expenses including personnel and operating costs in the budget.
- As occurred in 2019, the cost of property damage insurance for the solid waste and recycling industry has skyrocketed, and far exceeds expenses in 2019. This increase itself is over $1.3 million.

In developing the proposed budget, the JLT sought to maintain a tipping fee increase for 2022 as low as possible despite these increases. The 2021 tipping fee is $84 per ton. The proposed tipping fee for 2022 is $87 per ton, a $3.00 per ton increase, and for 2023 is $99 per ton. The 2022 proposed tipping fee is $1 per ton higher than previously projected, for the reasons cited above. The 2023 proposed tipping fee of $99 per ton is $1 per ton higher than that identified in the pro forma presented to the R&E Board in 2021 as the decision was made to proceed with the new enhancements, which predicted $98 per ton in 2023.

Highlights of the proposed 2022-2023 Facility Budget when compared to the approved 2021 budget are:

Expenses

- **Personnel Costs:**
  - As planned for in the development of the processing enhancements, 24 new union FTE and 1 non-union supervisor FTE are included with positions being filled starting in 2022. The positions will be added at different times throughout 2022 as the DCB processing and RRS enhancements come online.
  - 0% cost of living adjustment for staff. The current Labor Agreement with IBEW Local 23 expires at the end of 2021 and will be renegotiated in 2021.
  - In 2022, a vacancy factor is included accounting for vacant positions throughout the year as the additional new FTEs will be hired and filled in throughout 2022.
- **Agreements for Fuel Supply, Landfill, Transportation and Transload:** These costs are similar to the approved 2021 budget.
- **Waste Processing:** Costs associated to disposing tires, appliances and batteries delivered to the facility. Costs are reduced based on actual costs from prior years.
- **Facility Operations:** Costs associated with operating the R&E Center. This item has increased by 35% from 2021 to 2022 and 12% from 2022 to 2023, based on estimated operating costs for the new enhanced processing systems. These costs were based on the preliminary design and subsequent engineering work, and are in line with previous financial projections.
- **Contingency:** Line item used for unanticipated costs at the R&E Center. Together with funds for the enterprise reserve fund (ERF), based on 6% percentage of the total budget.
- **Enterprise Reserve fund (ERF):** Agreed level of funding resulting from the enhancements financing plans and resulting amendments to the joint powers agreement and bylaws. Funds will increase over time to address unfunded/uninsured liabilities. At the same time, the counties' obligations to hold operating reserve funds will decrease.
- **Debt Service:** Costs associated with debt include:
  - Loan agreements associated with purchasing the R&E Center
  - Loans from the counties for the completed bulky waste residue load out project
  - Loans from the counties for renovation of the administration building and construction of the load-out enclosure
  - Principal and interest expenses for the loans from the counties for the R&E Center enhancements are budgeted with payments starting in 2023

Revenue

The facility budget revenue is primarily from the tipping fee charged to contract haulers, along with fees charged for residential drop-off and non-contract haulers.

In 2022 the JLT proposes to use one-time funding to reduce the effect on the tipping fee. Included in this revenue is the 2020 facility budget surplus ($605,784), the 2020 Joint Activities Fund Balance over 35% transfer ($556,000), plus the transfer of funds deposited in the Joint Activities Budget that are reimbursements for enhancements work funded by the county loans ($1,074,673). Together, these funds reduce the tipping fee by close to $5.00 per ton.

While the current Joint Activities Fund Balance Policy directs surplus joint activities funds to the EM&R cumulative reserve, JLT recommends that a one-time exception be approved by the R&E Board to use the surplus Joint Activities funds from 2020 in the 2022 budget, helping maintain a lower tipping fee. This use of surplus funds will not negatively affect the EM&R budget. The Joint Activities Fund Balance Policy is attached.

The tipping fees proposed are:

- 2022 - $87.00 per ton
- 2023 - $99.00 per ton

Ramsey/Washington Recycling & Energy Board

R&E CENTER	2021 Approved Budget	2022 Proposed Budget	2023 Proposed Budget
APPROPRIATIONS:			
Personnel Costs	8,127,905	9,727,302	10,326,866
Fuel Supply Agreements	6,511,520	6,642,039	6,584,768
Landfill	4,645,295	4,943,653	5,196,283
Waste Processing	260,000	28,500	29,070
Transportation	7,265,506	7,007,329	6,886,099
Transload	2,306,960	2,854,370	2,442,387
Facility Operations	5,412,508	7,033,322	8,196,568
Contingency	480,073	690,767	589,053
Enterprise Reserve Fund	1,500,000	1,500,000	1,500,000
Debt Services	1,695,748	1,693,855	3,533,586
Transfer to Equipment/Maintenance Fund:			
Additional Transfer -Approved/Proposed	300,000	300,000	300,000
Total Appropriations	38,505,515	42,421,137	45,584,680
REVENUE:			
Operations Revenue	38,505,515	40,184,680	45,584,680
Enhancement Project Reimbursable Revenue	-	1,074,673	-
2020 Joint Activites Fund Balance Transfer	-	556,000	-
2020 Facility Surplus	-	605,784	-
Total Revenue	38,505,515	42,421,137	45,584,680

TOTAL	2021 Approved Budget	2022 Proposed Budget	2023 Proposed Budget
Appropriations	38,505,515	42,421,137	45,584,680
Revenue	38,505,515	42,421,137	45,584,680
Surplus/(Deficit)	-	-	-

Notes:
2021 Approved Tipping Fee is $84/ton
** 2022 Proposed Tipping Fee is $87/ton
2023 Proposed Tipping Fee is $99/ton

Ramsey/Washington Recycling & Energy Board
Recycling & Energy Center - Facility

	Tons Budget	450,000	450,000	450,000
Account	**Description**	**2021 Approved**	**2022 Proposed**	**2023 Proposed**
APPROPRIATIONS:				
PERSONNEL COSTS				
411101	Staff Non Union- Salary	1,560,390	1,633,394	1,646,828
411103	Temporary Staff	50,000	50,000	50,000
411201	PERA - Non Union Staff	120,429	115,005	116,012
411202	Fica - OASDI	78,542	421,595	456,826
411203	FICA - HI	18,903	104,632	113,433
411301	Health & Dental Ins	260,882	318,240	350,064
411306	Life Ins	2,376	1,626	1,789
411307	Long Term Disability Ins	1,508	1,571	1,728
411115	Staff Union - Salary	4,026,032	5,552,097	6,115,379
411412	Staff - Union Fringe	1,692,929	1,745,744	1,920,318
411201	PERA - Union Staff	315,914	408,157	451,153
411111	Vacancy Factor	-	(624,759)	(896,665)
	Total Personnel Costs	8,127,905	9,727,302	10,326,865
FUEL SUPPLY				
424515	NSP Fuel Supply Agreement	6,511,520	6,642,039	6,584,768
	Total Fuel Supply	6,511,520	6,642,039	6,584,768
LANDFILL				
424517	Landfill	4,645,295	4,943,653	5,196,283
	Total Landfill	4,645,295	4,943,653	5,196,283
Waste Processing				
422304	Waste Processing	260,000	28,500	29,070
	Total Waste Processing	260,000	28,500	29,070
TRANSPORTATION				
424513	Transportation	7,265,506	7,007,329	6,886,099
	Total Transportation	7,265,506	7,007,329	6,886,099
TRANSLOAD				
424514	Transload Fee	2,306,960	2,854,370	2,442,387
	Total Transload	2,306,960	2,854,370	2,442,387
FACILITY OPERATIONS				
421112	Credit Card Fees	500	500	500
421401	Computer Support Contracts	98,350	-	-
421301	Medical Services	-	3,500	3,500
421402	Telecommunication	35,543	37,200	37,200
421405	Computer Software License	37,219	46,225	46,225
421501	Consulting Services	115,000	116,500	116,500
421519	Contracted Services	50,281	76,712	76,712
421522	Other Professional Srvs	142,572	463,296	472,562

421525	Recruitment Services	500	750	750
421603	Printing	4,942	4,500	4,500
421701	Postage	250	250	250
422101	Building & Structures Repair	133,258	128,706	133,258
422109	Fire Systems Inspection	36,762	69,743	71,138
422203	Janitorial Service	-	57,431	58,580
422301	Gas	46,441	48,652	53,517
422302	Electricity	967,446	970,000	1,200,000
422303	Water Sewer	29,541	40,009	44,010
422601	Equipment & Machinery Repairs	670,724	650,000	649,999
422602	Data Proc Equip Main	4,695	4,800	4,800
422705	Trailer Repairs	423,300	430,000	430,000
422801	Grounds-Repairs	67,726	83,828	85,504
422802	Snow Removal	50,225	51,230	52,254
422811	Pest & Rodent Control	9,225	9,762	9,958
422813	Security Services	308,993	337,977	344,737
423110	On the Job Training Services	8,194	8,194	8,194
423111	Employee Development	48,296	48,296	48,296
424101	Automobile Truck Ins	37,500	47,570	47,570
424103	Workers Compensation Ins	202,000	153,419	153,419
424107	Liability &Property Damage	303,259	1,650,000	1,650,000
424110	Public Liability Ins	17,723	16,500	16,500
424112	Multi Cover Ins	169,888	225,380	165,380
424201	Payment in Lieu of Taxes	195,431	179,272	179,272
424302	Membership Dues	2,000	2,000	2,000
424303	Conference Seminar	12,300	12,300	12,300
424305	Meeting Exp	2,300	2,500	2,500
424501	Mileage	4,697	4,700	4,700
424507	Messenger Service	250	250	250
424602	Special Programs/Awards	12,000	5,000	5,000
424607	Licensing Fee	9,800	12,500	12,500
471101	Contingency/Appropriations	1,980,073	2,190,767	2,089,053
431101	Office Supplies	10,080	3,500	3,500
431104	Oils Lubricants Etc.	83,422	98,350	100,318
431105	Uniforms and Clothing	68,148	92,158	94,001
431205	First Aid Supplies	37,349	38,000	39,000
431508	Equipment Parts & Supplies	566,926	400,000	1,352,095
431604	Diesel Fuel	142,119	160,000	160,000
431702	Small Tools and Safety Equip	20,099	23,890	24,368
431902	Shop Materials & Supplies	76,234	48,972	49,951
443301	Computer Equipment	12,000	32,000	32,000
541101	Remittance To State	100,000	100,000	100,000
541106	County CEC	37,000	37,000	37,000
	Total Facility Operations	7,392,581	9,224,089	10,285,621
DEBT SERVICES				
501101	Principal Payment	1,076,185	1,093,618	2,016,388
502101	Interest Payment	619,563	600,237	1,517,198
	Total Debt Services	1,695,748	1,693,855	3,533,586
TRANSFER TO EQUIPMENT/MAINTENANCE FUND				
481110	Additional Transfer -Approved/Proposed	300,000	300,000	300,000
	Total Transfer To Equipment/Maintenance Fund	300,000	300,000	300,000
	Total Appropriations	38,505,515	42,421,137	45,584,680

REVENUE:				
311766	Tipping Fee	37,800,000	39,150,000	44,550,000
311767	Tipping Fee Special	280,015	443,015	443,015
311768	Tipping Fee Private	200,500	381,665	381,665
319103	Recovery- Current Yr Exp	15,000	15,000	15,000
353152	Solid Waste Management Tax	100,000	100,000	100,000
318102	Interest	110,000	95,000	95,000
319102	Enhancement Project Reimbursable Revenue	-	1,074,673	-
	2020 Joint Activites Fund Balance Transfer	-	556,000	-
	2020 Facility Surplus	-	605,784	-
	Total Revenue	38,505,515	42,421,137	45,584,680
	Surplus/(Deficit)	-	-	-

Ramsey/Washington Recycling & Energy Board
Recycling & Energy Center - Facility

LINE ITEM EXPLANATIONS

APPROPRIATIONS EXPLANATIONS

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411101	Staff Non Union- Salary	1,560,390	1,633,394	1,646,828

EXPLANATION: Compensation for permanent full-time and permanent part-time Non Union employees.

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411103	Temporary Staff	50,000	50,000	50,000

EXPLANATION: Compensation for temporary full-time and temporary part-time Union employees.

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411201	PERA - Non Union Staff	120,429	115,005	116,012

EXPLANATION: PERA rate calculation at 7.5% of Staff Non Union Salary

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411202	Fica - OASDI	78,542	421,595	456,826

EXPLANATION: Fica - OASDI is calculated at 6.2% of Staff Non Union Salary

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411203	FICA - HI	18,903	104,632	113,433

EXPLANATION: Fica - HI is calculated at 1.45% of Staff Non Union Salary

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411301	Health & Dental Ins	260,882	318,240	350,064

EXPLANATION: Health & Dental Insurance is paid for Staff Non Union

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411306	Life Ins	2,376	1,626	1,789

EXPLANATION: Life Insurance is paid up to a maximum of $50,000 or 1 times an employee's salary for Staff Non Union

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411307	Long Term Disability Ins	1,508	1,571	1,728

EXPLANATION: Long Term Disability Insurance for Staff Non Union

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411115	Staff Union - Salary	4,026,032	5,552,097	6,115,379

EXPLANATION: Compensation for permanent full-time and permanent part-time Union employees

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411111	Vacancy Factor	-	(624,759)	(896,665)

EXPLANATION: Accounts for vacant positions

Ramsey/Washington Recycling & Energy Board
Recycling & Energy Center - Facility

LINE ITEM EXPLANATIONS

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411412	Staff - Union Fringe	1,692,929	1,745,744	1,920,318

EXPLANATION: Fringes for permanent full-time and permanent part-time Union employees

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
411201	PERA - Union Staff	315,914	408,157	451,153

EXPLANATION: PERA rate calculation at 7.5% of Staff Union Salary

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421112	Credit Card Fees	500	500	500

EXPLANATION: Monthly bank fees and credit card fees

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421301	Medical Services	-	3,500	3,500

EXPLANATION: Medical Services

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421401	Computer Support Contracts	98,350	-	-

EXPLANATION: These costs are part of Joint Activities budget starting in 2022

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421402	Telecommunication	35,543	37,200	37,200

EXPLANATION: Verizon, Ramsey County IS (Comcast), Comcast (Fire Rover)

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421405	Computer Software License	37,219	46,225	46,225

EXPLANATION: Control room computer software, MP2, Paradigm, digital signage, and fleet management

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421501	Consulting Services	115,000	116,500	116,500
EXPLANATION:	Consulting Services Labor Relations	100,000	100,000	100,000
	Consultant - Risk Management	15,000	16,500	16,500

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421519	Contracted Services	50,281	76,712	76,712

EXPLANATION: 2 laborer's 6 weeks out of the year for dust collection cleaning. Plus spring cleaning

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421522	Other Professional Srvs	142,572	463,296	472,562

EXPLANATION: 2 IW's 8 month/year, plus IW's for outage and flail mill rotor change outage single source contract with Corval, electricians for incidental coverage.

Ramsey/Washington Recycling & Energy Board
Recycling & Energy Center - Facility

LINE ITEM EXPLANATIONS

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421525	Recruitment Services	500	750	750

EXPLANATION: Costs relating to hiring staff at the Recycling and Energy Center.

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421603	Printing	4,942	4,500	4,500

EXPLANATION: Printing services

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
421701	Postage	250	250	250

EXPLANATION: Postage

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422101	Building & Structures Repair	133,258	128,706	133,258

EXPLANATION: Repairs to walls , repair divots, Roof Repairs, HVAC, building repairs

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422109	Fire Systems Inspection	36,762	69,743	71,138

EXPLANATION: Annual fire system inspection and Fire Rover

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422203	Janitorial Service	-	57,431	58,580

EXPLANATION: Janitorial / Housekeeping

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422301	Gas	46,441	48,652	53,517

EXPLANATION: Utilities - Gas

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422302	Electricity	967,446	970,000	1,200,000

EXPLANATION: Utilities - Electricity

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422303	Water Sewer	29,541	40,009	44,010

EXPLANATION: Utilities - water/sewer

Ramsey/Washington Recycling & Energy Board
Recycling & Energy Center - Facility

LINE ITEM EXPLANATIONS

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422601	Equipment & Machinery Repairs	670,724	650,000	649,999

EXPLANATION: Repairs to Work Platforms, Forklifts, Front End Loaders, Backhoes, Yard Tractors, Skid Steers, Scale Maintenance, Air Compressors, Air Knife, Compactors, Belt Conveyors, Apron Conveyors, Disc Screens, Flail Mills, Grapple Cranes, Secondary Shredders, Magnetic Separators, Dust Control, Conveyor Belts, Spin Roller Replacement

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422602	Data Proc Equip Main	4,695	4,800	4,800

EXPLANATION: Copiers

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422705	Trailer Repairs	423,300	430,000	430,000

EXPLANATION: Repairs to trailers

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422801	Grounds-Repairs	67,726	83,828	85,504

EXPLANATION: Lawn care, street sweeping, paving - patch work and sealing cracks

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422802	Snow Removal	50,225	51,230	52,254

EXPLANATION: Snow removal

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422811	Pest & Rodent Control	9,225	9,762	9,958

EXPLANATION: Pest & rodent control

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422813	Security Services	308,993	337,977	344,737

EXPLANATION: Security contract for R&E Center that provides security services and scale house operations on overnights and weekends

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
423110	On the Job Training Services	8,194	8,194	8,194

EXPLANATION: New employee screening/physicals, misc. purchases for facility.

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
423111	Employee Development	48,296	48,296	48,296

EXPLANATION: 3 classes, RDF II $12,480, Welding Certification Class $9,600, Heavy Equipment Training $13,250. All of these classes are required as part of the MN Apprentice Program, CompuWeigh Training 3 employees $600, supervisors computer training, AED Renewal $120, 10 employees re-certification $780, Fire Protection Training, RJF Monthly Fee/Annual Hazardous Waste Training, Safety & Health Conf in May each year $1500

Ramsey/Washington Recycling & Energy Board
Recycling & Energy Center - Facility

LINE ITEM EXPLANATIONS

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424101	Automobile Truck Ins	37,500	47,570	47,570

EXPLANATION: This insurance policy covers vehicles owned by the R&E Center. The amount determined by Risk Management Consultant

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424103	Workers Compensation Ins	202,000	153,419	153,419

EXPLANATION: This insurance policy covers losses due to employee injury. The amount determined by Risk Management Consultant

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424107	Liability &Property Damage	303,259	1,650,000	1,650,000

EXPLANATION: This insurance policy covers losses to property damage at the R&E Center. The amount determined by Risk Management Consultant

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424110	Public Liability Ins	17,723	16,500	16,500

EXPLANATION: This insurance policy covers elected officials associated with the R&E Center. The amount determined by Risk Management Consultant

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424112	Multi Cover Ins	169,888	225,380	165,380

EXPLANATION: This insurance policy covers the R&E Center. The amount is determined by Risk Management Consultant

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424201	Payment in Lieu of Taxes	195,431	179,272	179,272

EXPLANATION: List of entities due Payment in Lieu of Taxes. 2022 and 2023 are estimates because the tax rates are not known until Washington County approves their budgets in December:

Washington County General	38,572	37,889	37,889
Washington County Regional Rail Authority	309	191	191
City of Newport	76,392	65,726	65,726
ISD 833 South Washington	53,332	43,852	43,852
School District other Levies	20,204	26,237	26,237
Non-School Voter Approved Referenda Levies	363	292	292
Metropolitan Council	1,086	764	764
Metropolitan Council Transit	1,657	1,387	1,387
Metropolitan Mosquito Control	585	462	462
South Washington Watershed	1,063	903	903
County CDA	1,868	1,569	1,569
Total	195,431	179,272	179,272

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424302	Membership Dues	2,000	2,000	2,000

EXPLANATION: Newspaper, Minnesota Safety Council membership

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424303	Conference Seminar	12,300	12,300	12,300

EXPLANATION: CW Training 3 employees, Travel conventions airfare and hotel.

Ramsey/Washington Recycling & Energy Board
Recycling & Energy Center - Facility

LINE ITEM EXPLANATIONS

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424305	Meeting Exp	2,300	2,500	2,500

EXPLANATION: Expenses related to R&E Center meetings

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424501	Mileage	4,697	4,700	4,700

EXPLANATION: Parking/Mileage paid to employees based on IRS reimbursement rate

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424507	Messenger Service	250	250	250

EXPLANATION: Courier services

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424513	Transportation	7,265,506	7,007,329	6,886,099

EXPLANATION: Contracted costs for trucking firms to transport material to various destinations, such as metal markets, Xcel energy facilities, and landfills.

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424514	Transload Fee	2,306,960	2,854,370	2,442,387

EXPLANATION: Fees paid to transfer station operators to receive, weigh, and manage MSW delivered to their facilities by licensed haulers with a waste delivery agreement with the R&E Board as well as self-haulers delivering acceptable waste generated in Ramsey County or Washington County

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424515	NSP Fuel Supply Agreement	6,511,520	6,642,039	6,584,768

EXPLANATION: Expenses associated with marketing of refuse derived fuel (RDF) to Xcel Energy, pursuant to a Fuel Supply Agreement.

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424517	Landfill	4,645,295	4,943,653	5,196,283

EXPLANATION: Contracted costs to deposit residue, bulky waste and excess waste at landfills.

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
422304	Waste Processing	260,000	28,500	29,070

EXPLANATION: Costs associated with disposing tires, and appliances

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424602	Special Programs/Awards	12,000	5,000	5,000

EXPLANATION: Annual hauler appreciation event

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
424607	Licensing Fee	9,800	12,500	12,500

EXPLANATION: Licensing and Permit fees.

Ramsey/Washington Recycling & Energy Board
Recycling & Energy Center - Facility

LINE ITEM EXPLANATIONS

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
431101	Office Supplies	10,080	3,500	3,500

EXPLANATION: This account includes all basic office supplies for staff. Most office supply items are consumable and must be replenished.

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
431104	Oils Lubricants Etc.	83,422	98,350	100,318

EXPLANATION: Oil lubricant supplies

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
431105	Uniforms and Clothing	68,148	92,158	94,001

EXPLANATION: Staff uniforms and clothing. Costs include boots, winter clothing, hard hats, gloves, and glasses

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
431205	First Aid Supplies	37,349	38,000	39,000

EXPLANATION: Safety supplies

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
431508	Equipment Parts & Supplies	566,926	400,000	1,352,095

EXPLANATION: Tires and other equipment parts, Welding, Bolts, Fasteners, Hoses, Chisels, Radio Equipment, annual electrical/ARC Flash maintenance

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
431604	Diesel Fuel	142,119	160,000	160,000

EXPLANATION: Fuel costs for running equipment at the R&E Center

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
431702	Small Tools and Safety Equip	20,099	23,890	24,368

EXPLANATION: Replacing worn out tools

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
431902	Shop Materials & Supplies	76,234	48,972	49,951

EXPLANATION: Safety mats, towels, misc shop materials and supplies

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
443301	Computer Equipment	12,000	32,000	32,000

EXPLANATION: Computer and monitor replacements

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
471101	Contingency/Appropriations	1,980,073	2,190,767	2,089,053
EXPLANATION:	Contingency due to uncertainty of operations	480,073	690,767	589,053
	Enterprise Reserve Fund (ERF)	1,500,000	1,500,000	1,500,000

Ramsey/Washington Recycling & Energy Board
Recycling & Energy Center - Facility

LINE ITEM EXPLANATIONS

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
481110	Transfers to Other Funds	300,000	300,000	300,000

EXPLANATION: Additional Transfer to EM&R Budget

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
501101	Principal Payment	1,076,185	1,093,618	2,016,388

EXPLANATION: Debt principal payments made to Ramsey County and Washington County.
Includes $307,010 payments to Counties for BWRLO loan in 2022 and 2023

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
502101	Interest Payment	619,563	600,237	1,517,198

EXPLANATION: Debt interest payments made to Ramsey County and Washington County.

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
541101	Remittance To State	100,000	100,000	100,000

EXPLANATION: Payments to MN Department of Revenue for SWM Tax.

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
541106	County CEC	37,000	37,000	37,000

EXPLANATION: County CEC tax collected from non-license haulers and citizens.

Ramsey/Washington Recycling & Energy Board
Recycling & Energy Center - Facility

LINE ITEM EXPLANATIONS

REVENUE EXPLANATIONS

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
311766	Tipping Fee	37,800,000	39,150,000	44,550,000

EXPLANATION: Fee charging haulers. 2021 fee is $84/ton, 2022 fee is $89/ton, 2023 fee is $99/ton

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
311767	Tipping Fee Special	280,015	443,015	443,015

EXPLANATION: The fees approved for 2022 and 2023 are unchanged from the 2021 Board approved fees.
Rates are Tires - $8.00 per item, Auto or Truck tire and rim - $10.00 per item,
Mattresses - $20.00 plus tax per item, Appliance Non Freon - $16.00 per item, Appliance Freon - $20.00 per item, Electronics - $30.00 per item, Large bulky furniture such as couch or love seat - $20.00 plus tax per item.

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
311768	Tipping Fee Private	200,500	381,665	381,665

EXPLANATION: Special fees charged to citizens and unlicensed self haulers

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
319102	Enhancement Project Reimbursable Revenue	-	1,074,673	-

EXPLANATION: Enhancement Project reimbursable revenue transferred from Enhancement Project

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
319103	Recovery- Current Yr Exp	15,000	15,000	15,000

EXPLANATION: Recovery of current year expense

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
353152	Solid Waste Management Tax	100,000	100,000	100,000

EXPLANATION: R&E Center must collect the Solid Waste Management Tax (SWMT) from self-haulers who have a waste delivery agreement but not filed an SWMT exemption certificate with the R&E Center

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
318102	Interest	110,000	95,000	95,000

EXPLANATION: Interest revenue

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
	2020 Joint Activites Fund Balance Transfer	-	556,000	-

EXPLANATION: Transfer from 2020 Joint Activities fund balance over 35%

Account Code	Account Name	2021 Approved	2022 Proposed	2023 Proposed
	2020 Facility Surplus	-	605,784	-

EXPLANATION: Surplus from 2020 Facility budget

RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

R&E BOARD FACILITY & FINANCE COMMITTEE MEETING DATE:		May 20, 2021		**AGENDA ITEM:**		IV.a.iii
SUBJECT:	2022-2023 Proposed Equipment Maintenance & Replacement Budget					
TYPE OF ITEM:	☐	INFORMATION	☐	POLICY DISCUSSION	☒	ACTION
SUBMITTED BY:	Joint Leadership Team (JLT)					

BUDGET COMMITTEE ACTION REQUESTED:

Approve the 2022-2023 Equipment Maintenance & Replacement (EM&R) Budget and recommend that the R&E Board approve that budget.

EXECUTIVE SUMMARY:

The proposed 2022-2023 Equipment Maintenance & Replacement budget was presented for initial review by the Facility & Finance Committee at its April 15, 2021 meeting and was discussed at that time, with no changes made. The EM&R budget is presented without change.

The purpose of the Equipment Maintenance & Replacement Fund is to make sure that maintenance is not deferred and to protect R&E's investment in the R&E Center.

The R&E Board approved the Equipment Maintenance & Replacement Fund Policy and Procedures (R&EB-2017-3) to outline the specific use of this fund. In addition, the Joint Activities Fund Balance Policy (R&EB-2018-12) provides that surplus Joint Activities funds above a certain level be deposited in the EM&R Fund. Both policies are attached.

A feature of the EM&R Budget is a rolling five-year replacement and maintenance schedule for major items not budgeted in the annual Facility Budget. A cumulative reserve is maintained to assure sufficient funds for major projects. If, during a year, an unanticipated need for a major capital expense occurs, the R&E Board could authorize use of cumulative reserve for that expense. In response to a question at the April 15, 2021 committee meeting, the EM&R budget will include maintenance costs for the processing enhancements, with some maintenance, especially in the first year, covered by equipment vendors.

Highlights of the proposed 2022-2023 EM&R Budget are rebuilding of several conveyors and processing line components, remodeling the scale house (original dates back to 1987), patching of the tipping floor, replacing six trailers and rebuilding a front-end-loader. The budgeted amount for 2022 is $1,435,000, and for 2023 is $2,057,000. Sufficient funds are in the cumulative reserve to cover these expenses. Expenses for

2022 and 2023 are shown in the five-year outlook, which is included in the proposed 2022-2023 EM&R Budget document.

Revenues are from sales of recyclables. Estimates are based on current market trends for 2022 and increases with the recyclable recovery line operating for 2023. An annual contribution of $300,000 from the Facility Budget is included, as are 2020 Joint Activities surplus funds.

ATTACHMENTS:

1. Draft resolution
2. Proposed 2022-2023 EM&R Budget
3. EM&R Fund Policy & Procedures

FINANCIAL IMPLICATIONS:

Upon final approval the financial implications will be explicit in the approved budgets.

AUTHORIZED SIGNATURES		**DATE**
JOINT LEADERSHIP TEAM		5/12/21
RAMSEY COUNTY ATTORNEY		5/12/21
WASHINGTON COUNTY ATTORNEY		

RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

RESOLUTION R&EB-FFC-2021-06

WHEREAS, The Ramsey/Washington Recycling and Energy Board (the "R&E Board") is governed by the amended and restated joint powers agreement by and between Ramsey County and Washington County dated September 22, 2015, ("Joint Powers Agreement"); and

WHEREAS, The Joint Powers Agreement provides that the R&E Board shall establish a Facility Budget and a Joint Activities Budget; and

WHEREAS, The bylaws require that an Equipment Maintenance & Replacement Fund be established and incorporated into the Facility Budget, to assure sufficient resources for major maintenance projects as well as major equipment replacement; and

WHEREAS, The R&E Board approved an Equipment Maintenance & Replacement Policy on March 22, 2017 (Resolution R&EB-2017-3), which identifies the size, scope and schedule for establishing this fund; and

WHEREAS, The Joint Leadership Team, R&E staff, attorneys and consultants prepared a 2022-2023 Equipment Maintenance & Replacement Budget for consideration by the R&E Board's Facility & Finance Committee, as part of the Facility Budget; and

WHEREAS, The Facility & Finance Committee has reviewed the 2022-2023 Equipment Maintenance & Replacement Budget at its meetings on April 15, 2021 and May 20, 2021. NOW, THEREFORE, BE IT

RESOLVED, The Ramsey/Washington Recycling & Energy Board Facility & Finance Committee hereby approves the 2022-2023 R&E Board Equipment Maintenance & Replacement Budget and recommends that the R&E Board approve the budget.

_____
Wayne Johnson, Committee Chair
May 20, 2021

_____
Attest
May 20, 2021

Ramsey/Washington Recycling & Energy Board

EQUIPMENT/MAINTENANCE	2021 Approved Budget	2022 Proposed Budget	2023 Proposed Budget
APPROPRIATIONS:			
Equipment	505,000	20,000	1,207,000
Maintenance	685,000	1,415,000	850,000
Total Appropriations	1,190,000	1,435,000	2,057,000
REVENUE:			
Sale of Recyclable Materials	1,552,500	830,000	1,174,165
Additional Transfer - Proposed	300,000	300,000	300,000
Total Revenue	1,852,500	1,130,000	1,474,165

TOTAL	2021 Approved Budget	2022 Proposed Budget	2023 Proposed Budget
Appropriations	1,190,000	1,435,000	2,057,000
Revenue/Fund Balance Transfer	1,852,500	1,130,000	1,474,165
Reserve for Future Years	662,500	(305,000)	(582,835)
Cumulative Reserve	2,611,894	2,306,894	1,724,059

Ramsey/Washington Recycling & Energy Board
Recycling and Energy Center - Equipment Maintenance Fund

Account	Description	2021 Approved Budget	2022 Proposed Budget	2023 Proposed Budget
APPROPRIATIONS:				
441207	Equipment	505,000	20,000	1,207,000
443101	Maintenance	685,000	1,415,000	850,000
	Total Appropriations	1,190,000	1,435,000	2,057,000
REVENUE:				
317321	Sale of Recyclable Materials	1,552,500	830,000	1,174,165
341208	Additional Transfer - Proposed	300,000	300,000	300,000
	Total Revenue	1,852,500	1,130,000	1,474,165
Total Appropriations EM&R		1,190,000	1,435,000	2,057,000
Total Revenue EM&R		1,852,500	1,130,000	1,474,165
Reserve for Future Years		662,500	(305,000)	(582,835)
Cumulative Reserve		2,611,894	2,306,894	1,724,059

Ramsey/Washington Recycling & Energy Board
Recycling & Energy Center - Equipment & Maintenance Fund

LINE ITEM EXPLANATIONS

APPROPRIATIONS EXPLANATIONS

Account Code	Account Name	2021 Approved Budget	2022 Proposed Budget	2023 Proposed Budget
441207	Equipment	505,000	20,000	1,207,000

EXPLANATION: 2022 - Camera system upgrade - $20,000
2023 - Replace 6 trailers - $660,000, Replace front end loader - $397,000, Yard tractor - $150,000

Account Code	Account Name	2021 Approved Budget	2022 Proposed Budget	2023 Proposed Budget
443101	Maintenance	685,000	1,415,000	850,000

EXPLANATION: 2022 - MO22A conveyer rebuild - $340,000, MO22B conveyer rebuild - $340,000, OBW rotors and pumps rebuild - $100,000, Flail roof area replacement - $100,000, Oil and water separator - $10,000, MO20B conveyer rebuild - $175,000, Tipping floor maintenance - $50,000, Parking lot resurface - $225,000, Scale house remodel - $75,000
2023 - Bailer relining - $30,000, Secondary disc screen rebuild - $110,000, Cyclones/Dust collection rebuild - $400,000, Tipping floor maintenance - $50,000, MO20A conveyer rebuild - $260,000

REVENUE EXPLANATIONS

Account Code	Account Name	2021 Approved Budget	2022 Proposed Budget	2023 Proposed Budget
317321	Sale of Recyclable Materials	1,552,500	830,000	1,174,165

EXPLANATION: Board Resolution R&EB-2017-3 approvals the use of revenue from the sale of recyclable material to support the Equipment & Maintenance Fund

Account Code	Account Name	2021 Approved Budget	2022 Proposed Budget	2023 Proposed Budget
341208	Additional Transfer - Proposed	300,000	300,000	300,000

EXPLANATION: Additional Board Proposed Transfer

Capital Expense and Repair/Maintenance Expense Estimates - 6 years - 2021 thru 2026							
Capital Improvements -Equipment/Maintenance Fund	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**Comments**
MO22A- (Horizontal In feed Conveyer)- Complete rebuild every 3 years.		$ 340,000			$ 400,000		Complete rebuild every three years
MO22B- (Horizontal In feed Conveyer)- Complete rebuild every 3 years.		$ 340,000			$ 400,000		Complete rebuild every three years
Parking Lot Resurfacing	$ -	$ 225,000	$ -	$ 250,000	$ -	$ 50,000	$225k to pave the entire incoming lane to the facility, 2024 Estimate to pave west side of property
MO20B-(Flat in feed conveyer before MO22A, MSW is loaded on this conveyer from tipping floor)- Complete rebuild every 5 years.	$ -	$ 175,000	$ -	$ -	$ -		Outage every 5 years
Flail Roof Area/Replacement	$ -	$ 100,000	$ -	$ 250,000	$ -	$ 50,000	Explosion repairs every 6-7 years - replace the floor grading and I beams
OBW Rotors and Pumps		$ 100,000		$ 100,000	$ -	$ 120,000	Every 4 to 5 years these need to be rebuilt
Scale house remodel	$ -	$ 75,000					
Tipping Floor	$ -	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	added $50k to 2023, 2024 and 2025 - patching only, complete tipping floor was done in 2018
Camera system PLC upgrade	$ -	$ 20,000					
Oil and Water Separator	$ 20,000	$ 10,000	$ -	$ -	$ -		
Replace Mobile Equipment - Aluminum Walking Floor RDF Trailers	$ -	$ -	$ 660,000	$ 660,000	$ -		6 trailers per year starting in 2018 ($110,000/trailer includes signage)
Cyclones/Dust Collection	$ 100,000	$ -	$ 400,000	$ -	$ -		100k Replace tunnels/Cyclones 25 years old / rust buildup / outside skin on dust collection repair
Front End Loader (rebuild)- Includes 1 set of tires at $45k	$ 355,000	$ -	$ 397,000	$ -	$ 400,000	$ 400,000	Loader #13 2018, Loader #14 2020, Loader #16 2021, Loader #15 2023, rebuild in 2025 and 2026
MO20A- (Flat in feed conveyer before MO22A, MSW is loaded on this conveyer from tipping floor)- Complete rebuild every 5 years.	$ -	$ -	$ 260,000	$ -	$ -		Outage every 5 years
Yard Tractor	$ -	$ -	$ 150,000	$ -	$ 150,000		Purchase new yard tractor
Secondary Disc Screen Rebuild- Every other year rebuild. Based off of last 2 purchases they have increased 5-6K per set.	$ 105,000	$ -	$ 110,000	$ -	$ 120,000		
Bailer Relining	$ -	$ -	$ 30,000	$ -	$ -	$ 10,000	Inside the bailer lining
Primary Disc Screen Rebuild	$ 300,000	$ -	$ -	$ 350,000	$ -	$ 40,000	Rebuild every three years
Backhoe	$ 130,000	$ -	$ -	$ -	$ -		
C9's Retro	$ 60,000	$ -	$ -	$ -	$ -		replace the conveyor decks with slider decks and new drives
Dust Control System Turn Trailer	$ 50,000	$ -	$ -	$ -	$ -		
2nd floor HVAC	$ 50,000	$ -	$ -	$ -	$ -		
Replace Parts Truck	$ 20,000	$ -	$ -	$ -	$ -		
DC Drives for Primary Disk Screens	$ -	$ -	$ -	$ 150,000	$ -		replace old hyd units with direct drive motors/VFDs
Control Room Computers and Upgrade Software - needs to be done every 3 to 4 years.	$ -	$ -	$ -	$ 100,000	$ -		TKDA recommends 3-5 years
Skid Loader	$ -	$ -	$ -	$ 55,000	$ -		
Dust Control Replacement	$ -	$ -	$ -	$ -	$ 2,000,000		Estimate
Tipping floor wall repair				$ 50,000	$ 50,000	$ 50,000	
Total	$ 1,190,000	$ 1,435,000	$ 2,057,000	$ 2,015,000	$ 1,570,000	$ 770,000	

Beginning Cumulative Reserve	$ 1,949,394	$ 2,611,894	$ 2,306,894	$ 1,724,059	1,183,224	1,087,389
Revenue from Recyclables	$ 1,552,500	$ 830,000	$ 1,174,165	$ 1,174,165	$ 1,174,165	$ 1,174,165
Additional Board Approved Transfer	$ 300,000	$ 300,000	$ 300,000	$ 300,000	300,000	300,000
Ending Cumulative Reserve	$ 2,611,894	$ 2,306,894	$ 1,724,059	$ 1,183,224	$ 1,087,389	$ 1,791,554

Ramsey/Washington
RECYCLING & ENERGY BOARD

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Equipment Maintenance and Replacement Fund
Policy & Procedures

PURPOSE

The Bylaws for the Recycling & Energy Board (R&E Board) establish an Equipment Maintenance and Replacement (EM&R) Fund, incorporated into the Facility Budget. The purpose of this fund is to provide sufficient resources for major maintenance projects and major equipment replacement.

DEFINITIONS

Major Maintenance Projects: Maintenance projects are efforts that are necessary to preserve the value of an asset but do not significantly extend its useful life or increase its value. Major Maintenance Projects are infrequent or are scheduled on a non-routine basis. They typically require that funds be set aside over a period of time to provide adequate funding. Maintenance projects that are not of this type are funded as part of routine operations in the annual Facility Budget.

Major Equipment: Any R&E Board owned equipment that is included in the Capital Asset Inventory.

Capital Asset Inventory: The R&E Board, through its fiscal agent, Ramsey County Finance, maintains a capital asset inventory and the associated schedules of depreciation within the Ramsey County financial system. For the R&E Board's purposes, capital assets are defined as machinery and equipment with a cost of $15,000 or more and a useful life of more than two years, and facility and infrastructure improvement with a cost of $100,000 or more.

POLICY

It is the expectation of the R&E Board that funds for the operation and maintenance of the facility will be derived from revenue collected in the normal course of operations of the R&E Center. This policy provides a systematic method of assuring that funds are available for replacing Major Equipment and implementing Major Maintenance Projects at the R&E Center, by requiring that certain revenues by set aside for those purposes. This policy does not eliminate the need to budget for routine maintenance and replacement within the annual Facility Budget, nor is it intended to accumulate sufficient funds to significantly improve or expand operations at the R&E Center, which would be funded with other capital sources, such as bonding.

PROCEDURE

A separate account will be maintained within the financial accounts of the R&E Board for the EM&R fund.

FUNDING

The following types of revenue will be deposited into the EM&R account:

- Sale of recyclables: Revenue from the sale of recovered ferrous and non-ferrous metals and any other processing residuals having economic value will be assigned to the EM&R fund.
- Sale of Surplus Equipment: Revenue, net of fees, derived from the sale of surplus equipment will be assigned to the EM&R fund.

- Miscellaneous Recoveries: Amounts received that are usually characterized as a recovery of operating expense, e.g. rebates, will be assigned to the EM&R fund.
- Budgeted Amounts: Funds included in the Facility Budget intended to be placed in the EM&R fund.
- Year-end surpluses as directed by the R&E Board to be placed in the EM&R fund.

SPENDING

Each year, during the annual budget process, the Joint Leadership Team, in consultation with the Facility Manager and the R&E engineering consultant will amend and adjust a rolling five-year replacement and maintenance schedule. The non-routine repairs, Major Maintenance Projects and Major Equipment replacements on this schedule that will occur in the next budget year will be identified and proposed for funding from the EM&R fund. If approved by the R&E Board, the JLT will then direct the fiscal agent to make appropriate adjustments to the R&E Budget.

Should the need for unanticipated major maintenance or replacement arise during the year, the JLT will request the use of EM&R funds from the R&E Board through its regular administrative processes.

OTHER

The current status of the EM&R fund will be reported to the Budget Committee on a quarterly basis, with reports to the R&E Board as directed by the Budget Committee.

ADDITIONAL INFORMATION

SOURCES:

Amended and Restated Ramsey/Washington Recycling & Energy Board Joint Powers Agreement	Scope and Authority
Bylaws of the Ramsey/Washington Recycling & Energy Board	Requirement for Equipment Maintenance and Replacement fund
Fiscal Agent Agreement between Ramsey County and Ramsey/Washington Recycling & Energy Board	Accounting for the fund

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RECYCLING & ENERGY
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R&E BOARD FACILITY & FINANCE COMMITTEE MEETING DATE:				May 20, 2021		**AGENDA ITEM:**	IV.b	
SUBJECT:	Recyclables Recovery System Vendor Selection							
TYPE OF ITEM:	☐	INFORMATION	☐	POLICY DISCUSSION	☒	ACTION	☐	CONSENT
SUBMITTED BY:	Joint Leadership Team							

FACILITY & FINANCE COMMITTEE ACTION REQUESTED:

The R&E Board Facility & Finance Committee is requested to recommend to the R&E Board that it:

1. Approve Bulk Handling System (BHS) as the selected proposer recommended by R&E's design team partner, SCS Engineers, for the recyclables recovery system to recover plastics, cardboard, metals and organic rich material and authorize the Joint Leadership Team (JLT) to negotiate an agreement with BHS.
2. Authorize JLT to execute the agreement with BHS, and any amendments or change orders thereto, for the processing equipment to recover plastics, cardboard, metals and organic rich material, within a project budget that shall not exceed $19,433,104, upon approval as to form by the county attorney.

EXECUTIVE SUMMARY:

In August 2019, the R&E Board approved a financing plan and procurement plan for the processing enhancements projects at the Recycling & Energy Center (R&E Center) to recover source-separated organic waste in durable compostable bags and add equipment for recovery of recyclables. In December 2019, the Executive Committee approved the selection of Adolfson & Peterson Construction (A&P) as the construction manager acting as agent for R&E, and KOMA Architects and SCS Engineers leading the design team. In January 2020, the preconstruction services for the processing enhancements project started. During 2020, those firms worked through several steps to prepare documents needed for procurement of construction and equipment.

In October 2020, the R&E Board authorized JLT to issue a request for proposals for processing equipment to recover plastics, cardboard, metals and organic rich material, and return to the R&E Board with a recommended vendor to provide that equipment.

The following schedule was used for the solicitation process:

SUBJECT: *Recyclables Recovery System (RRS) Vendor Selection*

Event	Date
Request for proposals released	Monday, January 12, 2021
Pre-proposal conference (WebEx)	Wednesday, January 20, 2021 @ 2:00pm CST
R&E Center visit by potential proposers	Thursday, January 21, 2021 or times to be scheduled
Deadline for questions from vendors	Thursday, February 11, 2021 @ 4:00pm CST
Deadline for proposal submissions	Friday, March 12, 2021 no later than 2:00pm CST
Contract negotiations and final award	Anticipated May 2021

The following people were part of the review team:

Zack Hansen	R&E Joint Leadership Team
Nikki Stewart	R&E Joint Leadership Team
Sam Holl	R&E Facility Manager
Kelli Hall	R&E Assistant Facility Manager
Joe Heinz	R&E Maintenance Manager
Jennefer Klennert	FOTH, R&E's engineering representative
Nathan Klett	FOTH, R&E's engineering representative
John Huyett	A&P, project executive
Carey Ottman Everson	A&P, senior project manager
Steve Iaria	KOMA Architects, project design team
Betsy Powers	SCS Engineers, project design team
Mark Huber	SCS Engineers, project design team

R&E received two proposals, from Bulk Handling Systems (BHS) and Machinex. The proposals were evaluated by the review team using the criteria identified in the RFP and included interviews conducted with the proposers. SCS Engineers has provided a letter summarizing the results of the evaluation and recommending that BHS be selected as the vendor for negotiation of a contract to manufacture and install a recyclables recovery system to recover plastics, cardboard, metals and organic rich material from mixed municipal solid waste (MSW) at the R&E Center.

The processing equipment consists of structural support, conveyors, robotic equipment, reducing shredder, debris roll screens, material separators and control systems for the handling of MSW and removal of plastics, cardboard, metals and organic rich material. The construction budget, which resulted from the steps performed in 2020 to develop preliminary construction documents, includes this equipment. The construction budget was included in the financing documents related to the loans to R&E from Ramsey and Washington counties and the recent bond issuance. BHS proposed a system at $16,898,351 and a 15% contingency for change orders throughout the final design creates a total project budget of $19,433,104.

SUBJECT: *Recyclables Recovery System (RRS) Vendor Selection*

ATTACHMENTS:

1. Draft resolution
2. Memorandum – SCS Engineers Vendor Recommendation

FINANCIAL IMPLICATIONS:

Final project budget for the recyclables recovery system of $19,433,104 is available through loan proceeds from Ramsey and Washington counties and a MPCA CAP grant. The final project amount will be within the preconstruction estimated budget and will provide for an appropriate contingency for any needed change orders.

AUTHORIZED SIGNATURES		DATE
JOINT LEADERSHIP TEAM		5/12/21
RAMSEY COUNTY ATTORNEY		5/12/21
WASHINGTON COUNTY ATTORNEY		5/12/21

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RESOLUTION R&EB-2021-07

WHEREAS, it is the stated policy of the State of Minnesota, under the Waste Management Act, to manage solid waste in an environmentally sound manner; and

WHEREAS, Ramsey and Washington Counties (the "Counties") have committed to continue to protect and ensure the public health, safety, welfare and environment of each County's residents and businesses through sound management of solid and hazardous waste generated in each County; and

WHEREAS, Ramsey and Washington Counties have in place County Solid Waste Management Master Plans ("Master Plans") approved by the Commissioner of the Minnesota Pollution Control Agency, which state the policy goal of maintaining and improving an integrated system of solid waste management that supports Minnesota's hierarchy of solid waste management, with an emphasis on waste reduction, reuse, recycling and composting before the remaining solid waste is managed through resource recovery; and

WHEREAS, the Master Plans also include policies that affirm the processing of waste, for recovering energy and recyclables, and other beneficially usable materials, as the preferred method to manage solid waste that is not reduced, reused or recycled; and

WHEREAS, the Ramsey/Washington Recycling & Energy Board ("R&E Board") is governed by the amended and restated joint powers agreement by and between Ramsey County and Washington County dated September 22, 2015 ("Joint Powers Agreement"); and

WHEREAS, the R&E Board, and its predecessor the Ramsey/Washington County Resource Recovery Project Board ("Project Board"), invested considerable time and effort into evaluating the future of the solid waste system in the East Metro area; and

WHEREAS, as part of that evaluation, the Project Board and R&E Board investigated and evaluated different waste management technologies, including source separation of organics and processing of mixed municipal solid waste (MSW) to remove recyclables; and

WHEREAS, with waste designation in effect, the R&E Center receives a predictable and reliable waste stream for the processing of MSW, allowing the R&E Board to work to develop alternate methods of recovering organic waste and recyclables; and

WHEREAS, a peer-reviewed preliminary engineering design has been completed for enhancements to the R&E Center that would recover source-separated organic waste in durable compostable bags and add equipment for recovery of recyclables; and

WHEREAS, the R&E Board approved the R&E Center's Processing Enhancements Procurement and Financing Plans on August 21, 2019 (Resolutions R&EB-2019-16 and R&EB-2019-17); and

WHEREAS, the R&E Board, on October 22, 2020, authorized the Joint Leadership team (JLT) to issue a request for proposals for materials and equipment needed for recyclables recovery from mixed municipal solid waste project and to return to the R&E Board recommending the proposer with which to execute agreements (Resolution R&EB2020-15); and

WHEREAS, SCS Engineers and R&E's design team engineer completed the proposal review process with the R&E processing enhancements design team for recyclables recovery system to recover plastics, cardboard, metals and organic rich material. NOW, THEREFORE, BE IT

RESOLVED, the R&E Board Facility & Finance Committee recommends the R&E Board approve Bulk Handling System (BHS) as the selected proposer recommended by R&E's design team partner, SCS Engineers, for the recyclables recovery system to recover plastics, cardboard, metal organic rich material and authorizes the JLT to negotiate an agreement with BHS. BE IT FURTHER

RESOLVED, the R&E Board Facility & Finance Committee recommends the R&E Board authorize JLT to execute the agreement with BHS, and any amendments or change orders thereto, for recyclables recovery system to recover plastics, cardboard, metal and organic rich material, within a project budget that shall not exceed $19,433,104, upon approval as to form by the county attorney.

_____
Wayne Johnson, Committee Chair
May 20, 2021

_____
Attest
May 20, 2021

May 3, 2021
File No. 25219228.00

MEMORANDUM

TO: Zack Hansen and Nikki Stewart
Ramsey/Washington Recycling & Energy Joint Leadership Team

FROM: Betsy Powers and Mark Huber

SUBJECT: Recyclables Recovery System (RRS) Processing System Equipment Contractor Recommendation

This memo provides the recommended equipment contractor for the recyclables recovery system (RRS) processing equipment at the Ramsey/Washington Recycling & Energy Center (R&E Center). Two proposals were received:

- Bulk Handling Systems (BHS) - $16,898,351 (this pricing reflects equipment layout Option 2 provided by BHS, which moves the shredder after the decline screen, eliminates a 90 degree turn at the front of the system and a high drop from the decline screen, and includes the pre-sort conveyor and the shredder gantry crane).

- Machinex - $19,334,419.09 (this reflects pricing adjustments provided by Machinex to add the pre-sort conveyor and change the baler infeed belt to rubber).

Each of the proposals is within the budget estimate range for the equipment, although the Machinex proposal exceeded the project construction manager's estimate. Budget estimate ranges are:

- Estimate from Preliminary Design for Processing Enhancements at the R&E Center Report (Foth Infrastructure & Environment, LLC, March 2019): $15,100,000 to $20,500,000.

- Adolph & Peterson Construction (Construction Manager) Estimate: $18,000,000.

Based on review of the proposals and follow-up interviews with BHS and Machinex, we recommend selecting BHS. Further information on the review team, review process, and BHS services and system are provided in the following sections.

Review Team

The proposal review team included:

- Betsy Powers and Mark Huber, SCS Engineers (design engineer for processing equipment)

- Nathan Klett and Jennefer Klennert, Foth Infrastructure & Environment, LLC (owner's representative)
- John Huyett and Carey Ottman Everson, Adolph & Peterson Construction (Construction Manager)
- Sam Holl, Kelli Hall, and Joe Heinz, R&E Center
- Zack Hansen and Nikki Stewart, Joint Leadership Team

Steve Iaria, KOMA (architect for the RRS building modifications), also provided feedback on items related to the building and electrical.

Review Process

The review process included the following:

- The proposals were reviewed for adherence with required proposal submittal items.
  - The proposers generally submitted the required information with their proposals.
- The review team performed a full review of the proposals for:
  - Qualifications: Overall qualifications, project experience, and proposed project team personnel;
  - Technical Aspects: Conformance with the RFP, system integration, proposed equipment and operations and maintenance plans, and value-added items;
  - Schedule; and
  - Price.
- The review team met to discuss the proposals and the results of the above evaluations.
  - The review team agreed that both proposers are qualified to perform the work. We appreciated the time and thought put into the proposals.
  - We developed a list of interview questions for both companies based on this review and sent the list of questions to discuss during a scheduled interview.
- On April 6 and April 7, the review team interviewed Machinex and BHS, respectively.
- The review team met following the last interview on April 7. We provided some additional follow-up questions to both proposers on April 7 and April 8, and we received the requested information by April 10. Joe Heinz, Nathan Klett, Mark Huber, and Betsy Powers met on April 13 to discuss the additional information received.
- On April 14, the review team met to discuss the written responses to the interview questions and the additional information received from the follow-up questions and to make a final recommendation. Ultimately, the following led us to our final recommendation to award the project to BHS:

- We liked the BHS layout alternative (Option 2) that includes the shredder after the first decline screen. This layout puts the gantry crane in a location that can potentially be used to service both the shredder and the decline screen. It also puts less wear on the shredder. This equipment layout sends all material through the RRS system to optimize recovery, with less being sent back to the A&B line to be processed into RDF.

- The Machinex layout includes several trommel screens. R&E staff have experience using trommel screens and were concerned with the maintenance required.

- Machinex's project schedule did not align with the current project schedule.

- BHS's proposal cost is over $2.4 million less than Machinex's.

- R&E and Foth were impressed with BHS equipment they had seen at other facilities.

- Although the feedback from some BHS references included concerns with project teams being juggled and post-installation support, SCS has had some positive project experience working with BHS staff committed to the project. BHS has also indicated that they are striving to provide better post-installation support for their customers.

BHS Services and System

BHS will provide final design; shop drawings and engineering; procurement and manufacturing; shipping; installation, start-up, and commissioning; performance testing; and training for the RRS processing equipment.

- The RRS processing line will collect polyethylene terephthalate (#1 PET), high density polyethylene (#2 HDPE), ferrous, non-ferrous, and old corrugated cardboard (OCC) with an infeed mirroring existing infeeds at the facility. The incoming material will be fed into the infeed pit by R&E Center loaders.

- The system is designed to rely on automated sorting of materials so that manual sorting is not required. A grapple crane (directly purchased by R&E) will be located at the infeed to provide a means to remove large items from the waste stream prior to entering the RRS. A pre-sort conveyor has been included at the beginning of the system, after the infeed. If needed in the future, manual picking stations can be added to remove large, bulky, or stringy items.

- The RRS system includes the following and largely follows the layout outlined in the Preliminary Design for Processing Enhancements at the Recycling & Energy Center Report:

  - A shredder to reduce larger items and open bags.

  - A bag breaker to open bags and further liberate materials.

  - A series of screens to separate the material by size.

  - Three magnets located throughout the system to recover ferrous material.
  - Two air density separators to separate material by density.
  - Two screens designed to separate 2-dimensional (2D) material from 3-dimensional (3D) material (referred to as a 2D/3D screen).
  - Three optical sorters to capture #1 PET, #2 HDPE, and OCC in the 3D stream.
  - An eddy current separator to capture non-ferrous in the 3D stream.
  - Four robots to perform quality control on the #1 PET, #2 HDPE, OCC, and non-ferrous materials removed by the optical sorters and eddy current separator.

- Materials recovered from the RRS processing system will be used as follows:
  - #1 PET, #2 HDPE, and OCC commodities will be marketed (non-ferrous collected from the RRS will be combined with material collected from the used beverage container (UBC) system currently being installed).
  - Ferrous and non-ferrous material will be combined with ferrous removed from the existing A&B lines and be sold to market.
  - Fiber will be combined with the existing A&B line to be processed into RDF.
  - Fines will be sent to an organics loadout conveyor. The current End-Use Markets for Byproducts from the R&E Center RFP is exploring opportunities to produce alternative products from this material through modern conversion technologies.
  - Residual material will be conveyed to a residue loadout conveyor and be landfilled.
- The proposed BHS supplied equipment is proven technology and has been used in similar applications.
- The controls system will allow R&E to monitor the system from the existing control room.
- The proposal includes lifetime software upgrades at no additional cost.

BLP/AJR_jsn/MRH

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RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

R&E FACILITY & FINANCE COMMITTEE MEETING DATE:		May 20, 2021		**AGENDA ITEM:**	V.a	
SUBJECT:	Updates and Reports					
TYPE OF ITEM:	☒	INFORMATION	☐	POLICY DISCUSSION	☐	ACTION
SUBMITTED BY:	Joint Leadership Team					

FACILITY & FINANCE COMMITTEE ACTION REQUESTED:

None.

EXECUTIVE SUMMARY:

Staff will provide updates on R&E projects and operations.

ATTACHMENTS:

None.

FINANCIAL IMPLICATIONS:

None.

AUTHORIZED SIGNATURES		**DATE**
JOINT LEADERSHIP TEAM	Jack Hansen Nicole Stewart	5/13/21

RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

R&E BOARD FACILITY & FINANCE COMMITTEE MEETING DATE:			May 20, 2021	**AGENDA ITEM:**		V.b	
SUBJECT:	Facility & Finance Meeting Schedule						
TYPE OF ITEM:	☐	INFORMATION	☐	POLICY DISCUSSION	☒	ACTION	☐ CONSENT
SUBMITTED BY:	Joint Leadership Team (JLT)						

R&E BOARD ACTION REQUESTED:

RESOLVED: The Facility & Finance Committee hereby sets a meeting for Thursday, September 16, 2021 at 10:00 a.m.

EXECUTIVE SUMMARY:

Recycling & Energy is in the process of soliciting proposals from end markets for use of products from the R&E Center. At its meeting on April 25, the R&E Board authorized release of a phase 2 request for proposals (RFP) to eight qualified firms. That RFP is being released, and will be returned and evaluated over the summer. JLT expects to have recommendations on vendor selection in September, and would like to schedule a Facility & Finance Committee meeting prior to the R&E Board meeting on September 23.

ATTACHMENTS:

None.

FINANCIAL IMPLICATIONS:

None.

AUTHORIZED SIGNATURES		**DATE**
JOINT LEADERSHIP TEAM		5/13/21
RAMSEY COUNTY ATTORNEY		5/13/21
WASHINGTON COUNTY ATTORNEY		5/13/21