



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

Date: Thursday, April 14, 2022
Time: 10:30 am to 12:00 pm
Location: Ramsey County Environmental Health | 2785 White Bear Ave. N. | 2nd Floor Conference Room
Maplewood, MN | 55109 | [Map](#)
Public Zoom: <https://zoom.us/j/91437342704?pwd=aStqZGo2U2ZBVXU4ekJFMzdUMyt5UT09>
Phone: 651-372-8299 | Meeting ID: 914 3734 2704 | Passcode: 598524

The Recycling & Energy Board Chair has approved, starting with the March 24, 2022 R&E Board meeting, hosting with commissioner members all in person at Ramsey County Environmental Health Offices in Maplewood along with key staff and presenters. Members of the public are encouraged to participate remotely via Zoom or may attend at the Maplewood address.

AGENDA

- I. Call to Order, Introductions, Commissioner Roll Call**
- II. Approval of Agenda** Action Page 1
- III. Approval of Minutes – March 10, 2022** Action Page 2
- IV. Business**
 - a. 2023 Budget Preparation
 - i. Joint Activities Policy Discussion Page 8
 - ii. Facility Policy Discussion Page 27
 - iii. Equipment Maintenance & Replacement Policy Discussion Page 45
 - b. Personnel Complement Increase Action Page 51
 - c. End-Use Markets Request for Proposals (RFP) Phase II Recommendations Action Page 56
- V. Updates and Reports** Information Page 61
 - a. Labor Agreement Update
 - b. R&E Center Updates
- VI. Adjourn**

NEXT MEETING:

Thursday, May 19, 2022 | 10:30 am – 12:00 pm | Ramsey County Environmental Health (or Zoom)



THURSDAY, MARCH 10, 2022
RAMSEY/WASHINGTON RECYCLING & ENERGY BOARD
FACILITY & FINANCE COMMITTEE MINUTES

A meeting of the Ramsey/Washington Recycling & Energy Board Facility & Finance Committee was held at 10:30 a.m. on Thursday, March 10, 2022, as a virtual meeting. 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 March 10 committee meeting was a regularly scheduled business meeting and a closed session, as permitted by Minn. Stat. section 13D.03, to discuss general labor negotiation strategies related to negotiations with IBEW Local 23.

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. 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. Members of the public will be able to watch the public meeting live online.

MEMBERS PRESENT

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

PARTICIPANTS ATTENDING AT RAMSEY ENVIRONMENTAL HEALTH, MAPLEWOOD

Leigh Behrens, Kelli Hall, Sam Holl, Leslie McCollam, Michael Reed, John Ristad, Nikki Stewart, Jody Tharp, Jordan Thone, Kris Wehlage

ATTENDING REMOTELY

Alison Cameron, A. Christensen, Shannon Conk, Sheena Denny, Jamie Giesen, Rae Eden Frank, Sam Hanson, Kevin Johnson, Jennefer Klennert, Nate Klett, Nick Kluge, Juna Ly, Kevin Magnuson, Andrea McKennan, Ryan O'Gara, Jim Redmond, Ryan Tritz, Renee Vought

CALL TO ORDER/APPROVAL OF THE AGENDA

Chair Johnson called the meeting to order at 10:34 a.m. Introductions were made. A roll call of commissioners was conducted.

Chair Johnson noted that Agenda Item VI is amended. A resolution to be presented in closed session will be voted on in the public meeting upon return from closed session.

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

Motion carried 3-0 by Roll Call vote:

Ayes: Frethem, Johnson, MatasCastillo

Nays: None

APPROVAL OF MINUTES

Commissioner Frethem moved, seconded by MatasCastillo, to approve the January 6, 2022, minutes.

Motion carried 3-0 by Roll Call vote:

Ayes: Frethem, Johnson, MatasCastillo Nays: None

BUSINESS

Kris Wehlage, R&E accounting manager, presented reports on three budget items.

2021 Year-End Budget Report

Facility Budget

Also known as the Enterprise Fund, this budget provides funding for the R&E Center in Newport, primarily through tipping fees. There were 446,000 tons of MSW managed at the facility in 2021, with a budgeted amount of 450,000 tons. The budget is on track with a slight surplus.

Joint Activities Budget

Also known as the General Fund or Governmental Fund, this budget is funded by county contributions and pays for programs aligned with counties' waste management plans. It is the only budget requiring both approval of county boards and the R&E board. The budget had surpluses for both regular Joint Activities and Ramsey County Additional Programs. The Joint Activities Fund Balance policy directs surplus funds over 35% to the Equipment Maintenance & Replacement Budget. The exact amount will be known when financial statements are completed. Ramsey County Additional Programs surplus will be applied to 2022 Ramsey County contributions.

Equipment Maintenance & Replacement (EM&R)

This budget pays for major equipment and maintenance at the R&E Center. The budget is primarily funded from recycling revenue and has a slight surplus due to increased recycling rates, as well as a new recycling contract that started mid-2021.

2022-2023 Budget Planning

2023 Budget Timeline

Valuable steps were added to the process as an outcome of the January R&E Board Workshop to provide more transparency and better response time in the budget process. The 2022 development timeline is as follows:

March 10	F&F Committee reviews the budget development.
April 14	F&F Committee reviews the first budget draft and recommends changes. The need for county board workshops is discussed.
April 21	R&E Board reviews budget objectives.
May 19	F&F Committee approves budgets and makes recommendation for R&E Board approval.
May/June	County board workshops are held, as needed.
June 23	F&F Committee presents budgets to R&E Board for discussion.
July 21	R&E Board adopts budgets.
August-September	County boards approve the Joint Activities Budget.

2022-2023 Budget

R&E bylaws provide that the Facility & Finance Committee prepare a two-year budget for Joint Activities for the R&E Board to approve and recommend for approval by the counties. The bylaws also call for an annual Facility Budget, which includes tipping fees at the R&E Center.

The 2022-2023 budgets were approved by the R&E Board on July 22, 2021. Changes to the 2023 budget can be made during the budget process this year. 2023 budget concerns include finalizing a three-year labor agreement, facility insurance renewals due in April and new contracts needed for transload fee agreements and transportation contracts expiring at the end of 2022.

Commissioner Johnson asked about whether the transportation contract locks in prices, or whether it is affected by fuel cost increases. Sam Holl, R&E facility manager, indicated that the contract included a fuel pricing index. 2023 concerns for transportation costs are primarily focused on labor costs.

2021 Financial Statements

Timeline for preparation:

- The entrance meeting with the Office of the State Auditor (OSA) was held in January.
- Prior year closeout work was completed in February.
- The first draft of 2021 financial statements will be sent to the OSA by the end of March for review.
- The fully audited financial statements will be available the second week in April and sent to the counties.
- An exit meeting with OSA is scheduled for May, for presentation to the R&E Board in June.

UPDATES AND REPORTS

R&E Center Updates

Sam Holl, R&E Center manager, provided a processing enhancements construction update. Contracts were awarded in March 2021, and construction began on Earth Day 2021. Construction for the food scraps bags receiving building is nearly completed. Processing line equipment delivery and installation is scheduled to begin the week of March 21. Installation and commissioning should be complete in early third quarter 2022.

The recyclable recovery system (RRS) line will help separate ferrous and non-ferrous metals, #1 and #2 plastics and corrugated cardboard, while integrating with the current line for making refuse-derived fuel. Construction is estimated to begin in July 2022. Installation and commissioning should be complete end of first quarter 2023.

Construction and equipment schedules are on track with the overall enhancements schedule. 73% of the \$3.7 million contingency budget remains available and the anticipated need for contingency funds use is low.

Commissioner MatasCastillo inquired whether there have been supply chain issues for parts. Holl stated that the contracts were awarded prior to the pandemic supply issues, and no setbacks have been experienced.

Commissioner MatasCastillo asked whether contractors are required to honor project labor agreements and pay prevailing wages for the installation. Holl stated absolutely, that project contractor, Adolphson and Peterson, reports this on a frequent basis to the MPCA as part of R&E's grant requirements.

Commissioner Johnson inquired how many more contracts will be needed for overall completion of the projects. Holl indicated all contracts have been executed for construction and installation. Any remaining contracts to be executed are for the food scraps pickup program.

Food Scraps Pickup Program Update

Michael Reed, JLT and Ramsey County Environmental Health, provided an update on the food scraps pickup program. R&E and county staff are making significant progress on the program, and the project continues to be on schedule to launch in late 2022 into 2023.

Timeline:

- Focus group – Conducting in March 2022
- Pilot – Limited “test” in summer/fall 2022
- Phase I launch – Roll-out to select number of cities initially in late 2022 into 2023
- Phase II launch – Roll-out to all residents of both counties over several months in 2023

Community Engagement:

The purpose of the focus group trial currently underway is to understand the in-home experience; effectiveness of program messaging such as instructions, motivation and marketing; and barriers to participation, which will help shape the program upon launch.

Request for focus group participation received roughly 2,600 responses, 65% from Ramsey County and 35% from Washington County. The focus group allows for 40 people with and without experience collecting food scraps and representing a number of demographics (e.g., age, race, family sizes and housing type). Orientation for participants begins in late March. Participants will use the food scrap bags over a two-week period and provide feedback using a written journal, photos, videos and a closeout focus group session. Final report and findings will be available in mid-May.

Website:

Work began immediately following R&E Board approval of the vendor, Compoze Labs, in December 2021 and is currently in the initial development phase.

Bag Design:

There will be two bag sizes (6-gal. & 13-gal.). The bags will be light green with dark green ink, consistent with industry standards. Graphics specific to the food scrap pickup program and instructions will be printed on the bags.

MOTION TO CLOSE MEETING

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

Motion carried 3-0 by Roll Call vote.

Ayes: Frethem, Johnson, MatasCastillo Nays: None

MEMBERS PRESENT FOR CLOSED SESSION

Commissioners Wayne Johnson – Washington County

Commissioners Nicole Frethem, Trista MatasCastillo – Ramsey County

ATTENDING CLOSED SESSION AT RAMSEY ENVIRONMENTAL HEALTH, MAPLEWOOD

Kelli Hall, Sam Holl, Michael Reed, John Ristad, Nikki Stewart, Jody Tharp, Jordan Thone

ATTENDING CLOSED SESSION REMOTELY

Kevin Magnuson

CALL TO ORDER

Chair Johnson called the closed meeting to order at 11:20 a.m. Introductions were made. A roll call of commissioners was conducted.

UPDATE ON LABOR NEGOTIATIONS

Kelli Hall, R&E assistant facility manager/human resources manager, provided an update on contract negotiations with the International Brotherhood of Electrical Workers Union Local 23. A resolution presented in closed session will be voted on upon return to public meeting.

Closed session ended at 11:35 a.m. Open meeting resumed at 11:37 a.m.

MEMBERS PRESENT

Commissioners Wayne Johnson – Washington County

Commissioners Nicole Frethem, Trista MatasCastillo – Ramsey County

PARTICIPANTS ATTENDING AT RAMSEY ENVIRONMENTAL HEALTH, MAPLEWOOD

Kelli Hall, Sam Holl, Michael Reed, John Ristad, Nikki Stewart, Jody Tharp, Jordan Thone, Kris Wehlage

ATTENDING REMOTELY

Kevin Magnuson

CALL TO ORDER

Chair Johnson called the public meeting to order at 11:37 a.m. Introductions were made. A roll call of commissioners was conducted.

LABOR NEGOTIATIONS UPDATE

Commissioner MatasCastillo moved, seconded by Frethem, to approve Resolution R&EB-FFC-2022-01, Tentative Labor Agreement Approval. The Facility & Finance Committee:

- Approves the tentative agreement between R&E and International Brotherhood of Electrical Workers Union Local 23.
- Will recommend approval to the R&E Board on April 21, 2022, if the agreement is ratified by International Brotherhood of Electrical Workers Union Local 23.

Motion carried 3-0 by Roll Call vote.

Ayes: Frethem, Johnson, MatasCastillo Nays: None

ADJOURN

Commissioner MatasCastillo moved, seconded by Frethem, to adjourn.

Motion carried 3-0 by Roll Call vote.

Ayes: Frethem, Johnson, MatasCastillo Nays: None

Meeting adjourned at 11:43 a.m.

NEXT MEETING:

Thursday, April 14, 2022 | 10:30 am – 12:00 pm | Ramsey County Environmental Health

ATTESTED TO:

Approved: _____
April 14, 2022

Approved: _____
April 14, 2022



**RAMSEY/WASHINGTON
RECYCLING & ENERGY**
CONNECTING VALUE TO WASTE

R&E BOARD FACILITY & FINANCE COMMITTEE MEETING DATE:		April 14, 2022		AGENDA ITEM:		IV.a.i	
SUBJECT:		2023 Budget Preparation: Joint Activities Budget					
TYPE OF ITEM:		<input type="checkbox"/>	INFORMATION	<input checked="" type="checkbox"/>	POLICY DISCUSSION	<input type="checkbox"/>	ACTION
SUBMITTED BY:		Kris Wehlage, Accounting Manager					

BUDGET COMMITTEE ACTION REQUESTED:

The 2023 Joint Activities Budget is presented for committee discussion; changes requested by the committee will be brought back for action by the committee at its May meeting.

EXECUTIVE SUMMARY:

During 2022, the Facility & Finance Committee will review and recommend any changes to the previously approved 2023 budgets for Ramsey/Washington Recycling & Energy (R&E). The R&E Board's bylaws provide that the Facility & Finance Committee will prepare a two-year budget for Joint Activities for R&E Board approval on or prior to August 1 of the year prior. The R&E Board then submits the Joint Activities Budget to the counties annually for approval of their respective contributions.

Recommended changes to the 2023 Joint Activities Budget include adding two full-time equivalent (FTE) positions to the complement. These positions are funding neutral as a result of savings from various categories. The recommended positions are a planning specialist and a program assistant.

A planning specialist is needed to support planning and project management for R&E, specifically Joint Activities, to support R&E staff in the implementation of new efforts in the current 2022-2023 budget and into the future. Additional capacity is needed for the coordination of the 13 programs and efforts across the three entities (R&E, Ramsey County and Washington County) that are overseen by Joint Activities staff. For example, there are 27 county and R&E staff that make up 12 workgroups established to develop and implement the food scraps pickup program. This position is also needed to address alternative management for bulky wastes, provide project management of R&E Center standard operating procedures development and updates, and coordinate critical updates to facility incident plans. The planning specialist position is needed to facilitate planning, project initiations, timelines and budget development, staff resource planning, project tracking and evaluation across R&E.

A program assistant for Joint Activities is needed to support current R&E programming. The current top priority program for Joint Activities for program development is the food scraps pickup program. The food

SUBJECT: 2023 Joint Activities Budget Discussion

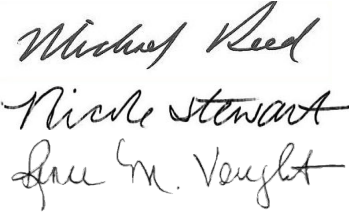

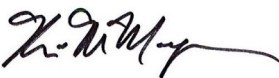
scraps pickup program will begin phased launch to residents in 2023. Currently, R&E is developing the website for bag ordering, a customer service phone line, warehousing arrangements, as well as communication, education and outreach to ensure residents have the knowledge, tools and support to participate successfully. A program assistant is needed to support current R&E staff in Joint Activities grants management and outreach support (there are 12 other Joint Activities efforts) as well as added support on the development of the food scraps pickup program. In 2022, R&E has seven different grant or financial incentive offerings through the Joint Activities budget requiring program assistance and outreach support.

ATTACHMENTS:

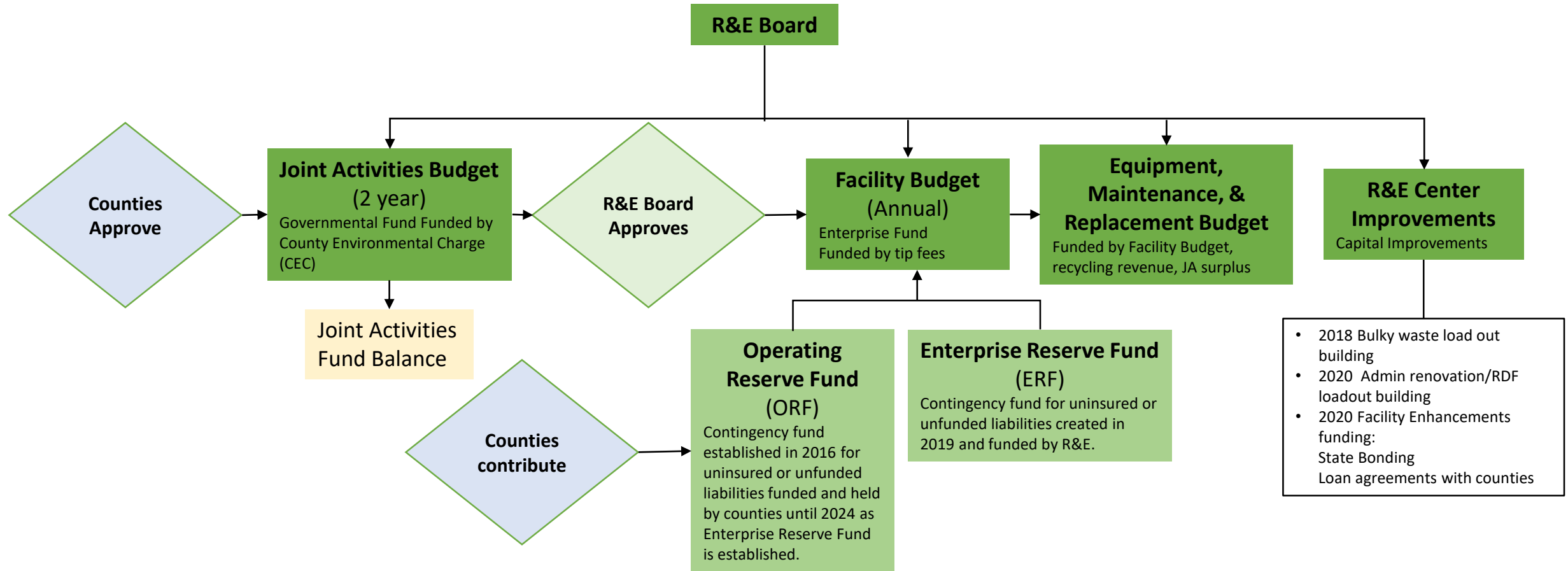
1. R&E Budget Structure
2. 2023 Budget Timeline
3. 2023 Joint Activities Budget

FINANCIAL IMPLICATIONS:

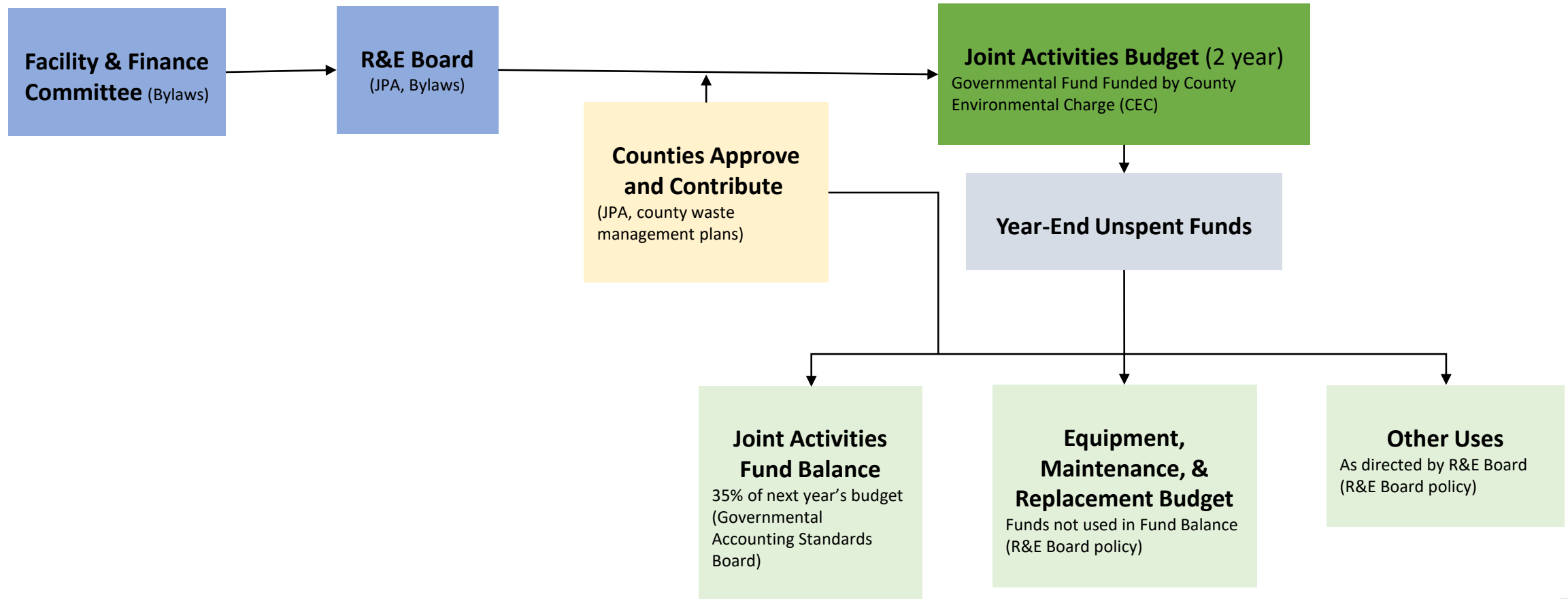
None.

AUTHORIZED SIGNATURES	DATE
JOINT LEADERSHIP TEAM	4/4/22
	
RAMSEY COUNTY ATTORNEY	4/4/22
	
WASHINGTON COUNTY ATTORNEY	4/4/22
	

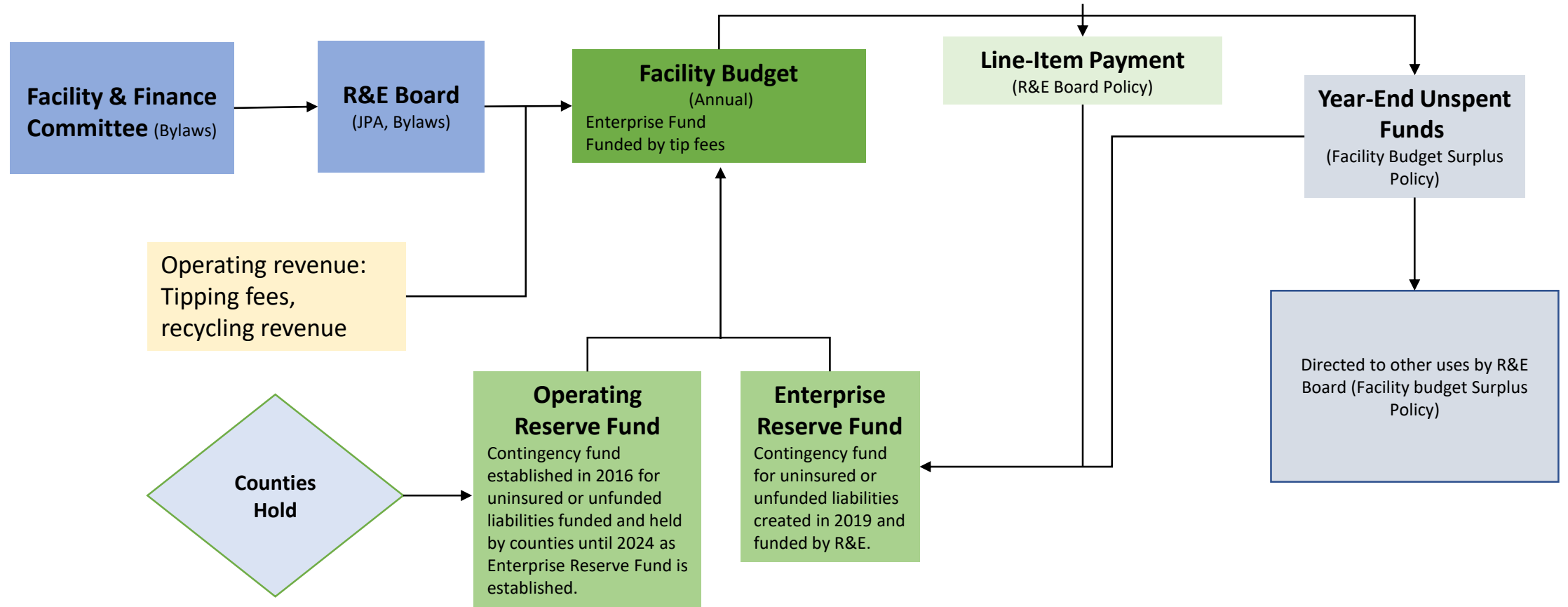
R&E Board Budget Structure



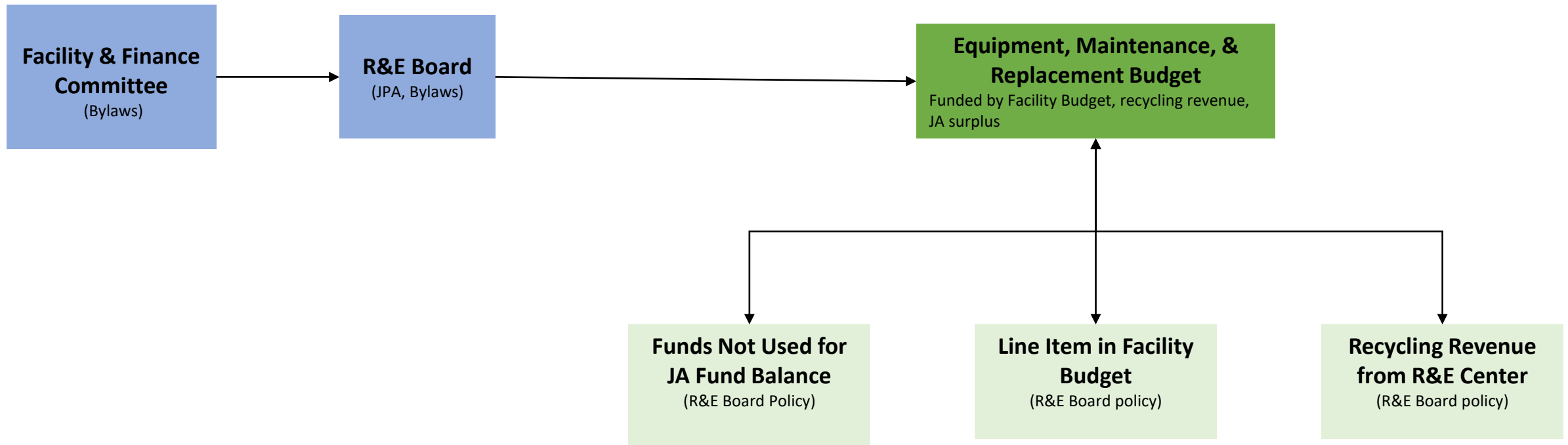
R&E Board Budget Structure – Joint Activities



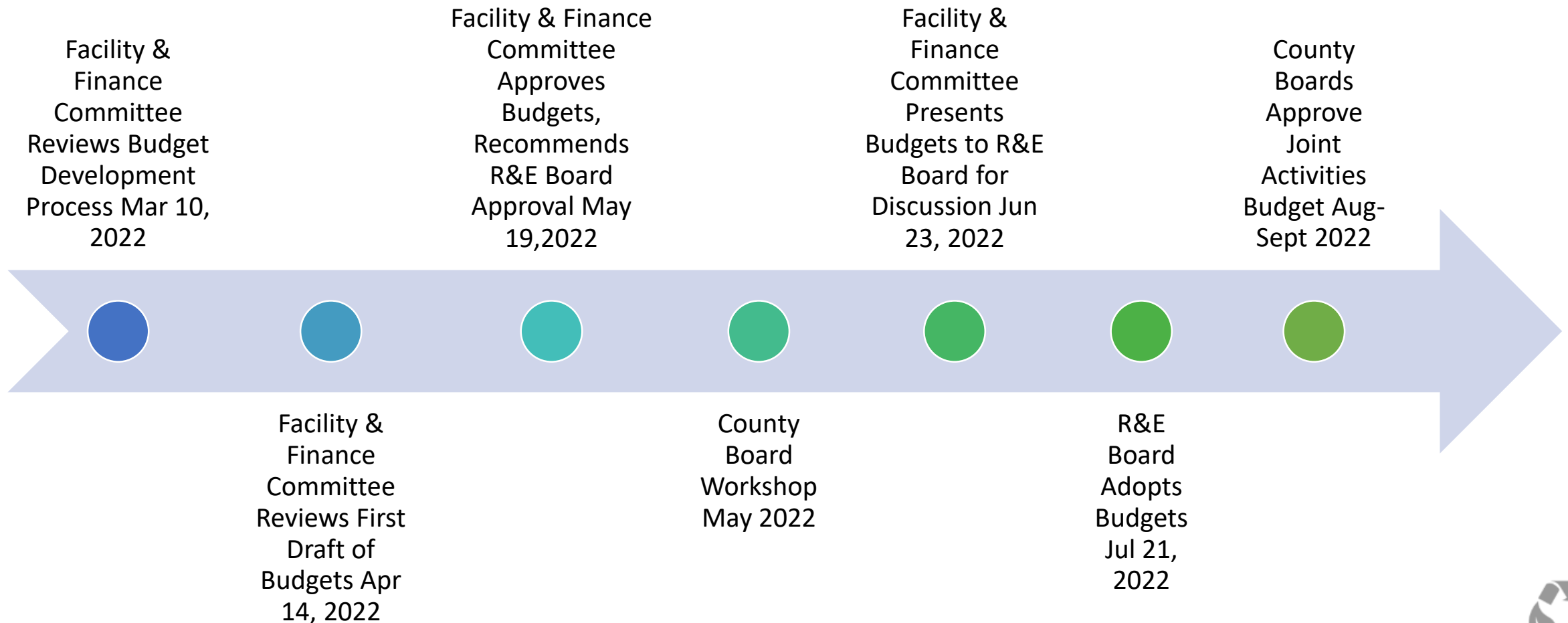
R&E Board Budget Structure – Facility Budget



R&E Board Budget Structure – Equipment, Maintenance, & Replacement



2023 Budget Timeline



Ramsey/Washington Recycling & Energy Board

JOINT ACTIVITIES	2021 Approved Budget	2022 Approved Budget	2023 Proposed Budget
APPROPRIATIONS:			
Project Management	1,453,369	2,729,727	2,729,454
Non-Residential Recycling	3,721,000	4,090,000	4,050,000
Community Waste Solution	-	795,000	625,000
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	<u>9,083,369</u>	<u>10,707,727</u>	<u>11,609,454</u>
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	<u>9,083,369</u>	<u>10,707,727</u>	<u>11,609,454</u>
TOTAL	2021 Approved Budget	2022 Approved 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)	<u>-</u>	<u>-</u>	<u>-</u>

Ramsey/Washington Recycling & Energy Board

Joint Activities

Account	Description	2021 Approved	2022 Approved	2023 Proposed
APPROPRIATIONS:				
PROJECT MANAGEMENT				
411101	Salaries Permanent	670,652	1,016,647	1,180,685
411103	Salaries Temporary	15,000	15,000	15,000
411201	PERA	39,240	76,249	88,401
411202	Fica - OASDI	31,791	61,899	71,721
411203	FICA - HI	7,680	15,007	17,328
411301	Health & Dental Ins	122,658	250,809	321,390
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	9,420
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	2,729,454

NON-RESIDENTIAL RECYCLING

421522 Other Professional Svcs	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	410,000
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	4,050,000

COMMUNITY WASTE SOLUTIONS

421538 Community Resource Hubs	-	220,000	110,000
421539 Bulky Waste Solutions	-	475,000	435,000
421540 Reuse & Repair	-	100,000	80,000
Total Community Waste Solutions	-	795,000	625,000

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 Approved	2023 Proposed
411101	Salaries Permanent	670,652	1,016,647	1,180,685

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

Account Code	Account Name	2021 Approved	2022 Approved	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 Approved	2023 Proposed
411201	PERA	39,240	76,249	88,401

EXPLANATION: PERA rate calculation at 7.5% of Salaries Permanent

Account Code	Account Name	2021 Approved	2022 Approved	2023 Proposed
411202	Fica - OASDI	31,791	61,899	71,721

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

Account Code	Account Name	2021 Approved	2022 Approved	2023 Proposed
411203	FICA - HI	7,680	15,007	17,328

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

Account Code	Account Name	2021 Approved	2022 Approved	2023 Proposed
411301	Health & Dental Ins	122,658	250,809	321,390

EXPLANATION: Health & Dental Insurance for Staff

Account Code	Account Name	2021 Approved	2022 Approved	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 Approved	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 Approved	2023 Proposed
411410	Cell Phone Reimbursement	3,817	7,920	9,420

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

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

EXPLANATION: Ramsey County Human Resources - \$5,000/yr, IT consultant - \$220,000/yr

Account Code	Account Name	2021 Approved	2022 Approved	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.

Ramsey/Washington Recycling & Energy Board

Joint Activities

LINE ITEM EXPLANATIONS

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

EXPLANATION: Printing services

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

EXPLANATION: Postage

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

EXPLANATION: Staff training

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

EXPLANATION: Fee paid for storing records

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

EXPLANATION: Courier services

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

EXPLANATION: General office supplies

Total Project Management		1,453,369	2,729,727	2,729,454
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Non-Residential Recycling (51809)

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

EXPLANATION: Cost code reclassified for 2022 and 2023

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

EXPLANATION: Cost code reclassified for 2022 and 2023

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

EXPLANATION: Cost code reclassified for 2022 and 2023

Account Code	Account Name	2021 Approved	2022 Approved	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 Approved	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 Approved	2023 Proposed
421544	Business Pollution Prevention	-	450,000	410,000

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 in 2022, \$285,000 in 2023

Account Code	Account Name	2021 Approved	2022 Approved	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 Approved	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	4,050,000
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Ramsey/Washington Recycling & Energy Board

Joint Activities

LINE ITEM EXPLANATIONS

Community Waste Solutions (51817)

Account Code	Account Name	2021 Approved	2022 Approved	2023 Proposed
421538	Community Resource Hubs	-	220,000	110,000
EXPLANATION:	1) Community Resource Hub hard costs (rent, equipment, materials, etc.)- \$120,000 in 2022, \$65,000 in 2023 2) Community Resource Hub staffing, contractors, and partnerships - \$100,000 in 2022, \$45,000 in 2023			
Account Code	Account Name	2021 Approved	2022 Approved	2023 Proposed
421539	Bulky Waste Solutions	-	475,000	435,000
EXPLANATION:	1) Mattress recycling strategies - \$350,000 in 2022, \$310,000 in 2023 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 Approved	2023 Proposed
421540	Reuse & Repair	-	100,000	80,000
EXPLANATION:	Education, resources, and shared county disposal directory - \$100,000 in 2022, \$80,000 in 2023			
Total Community Waste Solutions		-	795,000	625,000

Food Scrap Recycling (51818)

Account Code	Account Name	2021 Approved	2022 Approved	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 Approved	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 Approved	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 2023 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 Approved	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 Approved	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
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Policy Evaluation (51811)

Account Code	Account Name	2021 Approved	2022 Approved	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 Approved	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 Approved	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
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Ramsey/Washington Recycling & Energy Board

Joint Activities

LINE ITEM EXPLANATIONS

Ramsey County Additional Programs

Account Code	Account Name	2021 Approved	2022 Approved	2023 Proposed
411xxx	1 FTE Program Coordinator	114,000	-	-
Account Code	Account Name	2021 Approved	2022 Approved	2023 Proposed
421522	Other Professional Services	1,075,000	-	-
Account Code	Account Name	2021 Approved	2022 Approved	2023 Proposed
421602	Promotional Activities	150,000	-	-
Account Code	Account Name	2021 Approved	2022 Approved	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 Approved	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 Approved	2023 Proposed
319110	Ramsey County Anticipated Carryover Funds RC Addition Program from 2021	5,197,139	7,016,641 800,000	8,474,901
EXPLANATION:	Ramsey County 73% of Joint Activities Budget			
Account Code	Account Name	2021 Approved	2022 Approved	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:		April 14, 2022		AGENDA ITEM:		IV.a.ii	
SUBJECT:		2023 Budget Preparation: Facility Budget					
TYPE OF ITEM:		<input type="checkbox"/>	INFORMATION	<input checked="" type="checkbox"/>	POLICY DISCUSSION	<input type="checkbox"/>	ACTION
SUBMITTED BY:		Kris Wehlage, Accounting Manager					

BUDGET COMMITTEE ACTION REQUESTED:

The 2023 Facility Budget is presented for committee discussion; changes requested by the committee will be brought back for action by the committee at its May meeting.

EXECUTIVE SUMMARY:

During 2022, the Facility & Finance Committee will review and recommend any changes to the previously approved 2023 budgets for Ramsey/Washington Recycling & Energy (R&E). The bylaws state that the Facility & Finance Committee will prepare the annual Facility Budget for approval by the R&E Board each year on or prior to August 1 of the year prior.

Recommended changes include increasing the transportation and transload fee budgets for 2023 and using 2021 joint activities fund balance transfer and the 2023 contingency to offset the increases. Transportation and transload fee agreements expire at the end of 2022, and new agreements will be needed in 2023.

Transportation – Contracted costs for trucking firms to transport material to various destinations, such as metal markets, Xcel Energy facilities and landfills. The 2023 increase is \$1,655,110 and is primarily due to rising fuel costs and inflation.

Transload Fee – Fees paid to transfer station operators to receive, weigh and manage MSW delivered to their facilities by licensed haulers with waste delivery agreements with the R&E Board. The 2023 increase is \$113,000 and is primarily due to inflation.

2021 Joint Activities Fund Balance Transfer – The Joint Activity Fund Balance Policy states that if the year-end unrestricted fund balance exceeds 35% of the subsequent year's budget, the excess amount shall be transferred to the R&E Equipment & Maintenance Fund, which is part of the Facility Budget. The Joint Leadership Team is recommending that the funds be transferred to the 2023 Facility Budget as a solution to keep tipping fees at \$99/ton. The 2021 Joint Activities Fund Balance Transfer is \$1,500,000.

SUBJECT: 2023 Facility Budget Discussion

Contingency – This fund provides contingency due to uncertainty of operations. The 2023 contingency fund is reduced by \$268,110 to offset transportation and transload fee increases.

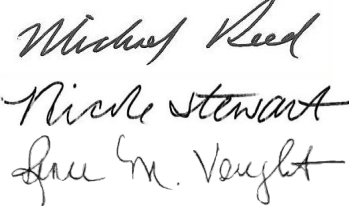


It is recommended that the tipping fee be set as previously approved, at \$99.00 per ton.

ATTACHMENTS:

1. 2023 Facility Budget
2. Joint Activities Fund Balance Policy

FINANCIAL IMPLICATIONS:

None.

AUTHORIZED SIGNATURES	DATE
JOINT LEADERSHIP TEAM	4/4/22
	
RAMSEY COUNTY ATTORNEY	4/4/22
	
WASHINGTON COUNTY ATTORNEY	4/4/22
	

Ramsey/Washington Recycling & Energy Board

R&E CENTER	2021 Approved Budget	2022 Approved 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	8,541,209
Transload	2,306,960	2,854,370	2,555,387
Facility Operations	5,412,508	7,033,322	8,196,568
Contingency	480,073	690,767	320,943
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	47,084,680
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	-
2021 Joint Activites Fund Balance Transfer	-	-	1,500,000
Total Revenue	38,505,515	42,421,137	47,084,680

TOTAL	2021 Approved Budget	2022 Approved Budget	2023 Proposed Budget
Appropriations	38,505,515	42,421,137	47,084,680
Revenue	38,505,515	42,421,137	47,084,680
Surplus/(Deficit)	-	-	-

Notes:

2021 Approved Tipping Fee is \$84/ton

** 2022 Approved 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 Approved	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	8,541,209
Total Transportation		7,265,506	7,007,329	8,541,209
TRANSLOAD				
424514	Transload Fee	2,306,960	2,854,370	2,555,387
Total Transload		2,306,960	2,854,370	2,555,387
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 Svcs	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	1,820,943
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	10,017,511
<u>DEBT SERVICES</u>			
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
<u>TRANSFER TO EQUIPMENT/MAINTENANCE FUND</u>			
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	47,084,680

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	-
2021 Joint Activites Fund Balance Transfer	-	-	1,500,000
Total Revenue	38,505,515	42,421,137	47,084,680
Surplus/(Deficit)	-	-	-

Ramsey/Washington Recycling & Energy Board

Recycling & Energy Center - Facility

LINE ITEM EXPLANATIONS

APPROPRIATIONS EXPLANATIONS

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

EXPLANATION: Monthly bank fees and credit card fees

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

EXPLANATION: Medical Services

Account Code	Account Name	2021 Approved	2022 Approved	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 Approved	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 Approved	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 Approved	2023 Proposed
421501	Consulting Services	115,000	116,500	116,500

EXPLANATION: Consulting Services Labor Relations
Consultant - Risk Management

100,000	100,000	100,000
15,000	16,500	16,500

Account Code	Account Name	2021 Approved	2022 Approved	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 Approved	2023 Proposed
421522	Other Professional Svcs	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 Approved	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 Approved	2023 Proposed
421603	Printing	4,942	4,500	4,500

EXPLANATION: Printing services

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

EXPLANATION: Postage

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

EXPLANATION: Janitorial / Housekeeping

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

EXPLANATION: Utilities - Gas

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

EXPLANATION: Utilities - Electricity

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

EXPLANATION: Copiers

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

EXPLANATION: Repairs to trailers

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

EXPLANATION: Snow removal

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

EXPLANATION: Pest & rodent control

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

EXPLANATION: Newspaper, Minnesota Safety Council membership

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

EXPLANATION: Courier services

Account Code	Account Name	2021 Approved	2022 Approved	2023 Proposed
424513	Transportation	7,265,506	7,007,329	8,541,209

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 Approved	2023 Proposed
424514	Transload Fee	2,306,960	2,854,370	2,555,387

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 Approved	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 Approved	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 Approved	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 Approved	2023 Proposed
424602	Special Programs/Awards	12,000	5,000	5,000

EXPLANATION: Annual hauler appreciation event

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

EXPLANATION: Oil lubricant supplies

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

EXPLANATION: Safety supplies

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

EXPLANATION: Computer and monitor replacements

Account Code	Account Name	2021 Approved	2022 Approved	2023 Proposed
471101	Contingency/Appropriations	1,980,073	2,190,767	1,820,943

EXPLANATION: Contingency due to uncertainty of operations
Enterprise Reserve Fund (ERF)

Ramsey/Washington Recycling & Energy Board

Recycling & Energy Center - Facility

LINE ITEM EXPLANATIONS

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

EXPLANATION: Interest revenue

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

EXPLANATION: Surplus from 2020 Facility budget

Account Code	Account Name	2021 Approved	2022 Approved	2023 Proposed
	2021 Joint Activites Fund Balance Transfer	-	-	1,500,000

EXPLANATION: Transfer from 2021 Joint Activities fund balance over 35%



R&E Board Policy: Joint Activities Fund Balance

Date Approved: 6/28/2018

Resolution: R&EB-2018-12

Purpose

Prudent financial management practices require that sufficient funds be available to provide a stable financial base. Resources must be available to fund cash flow needs and to provide resources for unanticipated revenue shortfalls or unforeseen revenue fluctuations. This policy establishes goals and provides guidance on the desired level of fund balance to be maintained by the Recycling & Energy (R&E) in its General Fund.

Scope

This policy applies to the General Fund (Joint Activities Fund) of the R&E Board.

Definitions

Fund Balance is the difference between Assets and Liabilities, also referred to as net resources, net assets, or net position.

Fund Balance is classified as non-spendable, restricted, committed, assigned or unassigned.

- Non-spendable fund balance consists of amounts that are not in a spendable form (e.g. inventory) or are either legally or contractually required to remain intact.
- Restricted fund balance contains amounts that may only be used for specific purposes as stipulated by an organization's bylaws or charter, external resource providers (e.g. bond covenants) or enabling legislation.
- Committed fund balance is composed of amounts to be used for specific uses as specified by formal action at the highest decision-making level within the entity. This commitment may only be changed by formal action at the same decision-making level.
- Assigned fund balance consists of amounts intended to be used for a specific purpose but that do not meet the committed criterion.
- Unassigned fund balance is the residual classification.
- Unrestricted fund balance is the sum of the committed, assigned and unassigned fund balances.

Policy

The unrestricted (committed + assigned+ unassigned) fund balance of the Joint Activities Fund shall be maintained at between 20% and 35% of the subsequent year's Joint Activities budget.

In addition, the minimum unassigned fund balance shall be no less than 20% of the subsequent year's operating budget.

Should either the unrestricted or the unassigned fund balance fall below the 20% minimum threshold, the Joint Leadership Team (JLT) will prepare and present a written plan to the Board, as soon as practicable, with recommendations on restoring the fund balance amounts to the minimum standards.

If the year-end unrestricted fund balance exceeds 35% of the subsequent year's budget, the excess amounts shall be transferred to the R&E Equipment & Maintenance Fund.

The JLT is authorized to direct the R&E Board's fiscal agent to transfer amounts between the Joint Activities Fund and the Facility Enterprise Fund to alleviate short-term cash shortages within one of the

funds and to be accounted for as advances to and from other funds and to be liquidated within the calendar year.

Responsibility

The R&E Accounting Manager is responsible for determining the year-end fund balance, and the appropriate classifications thereof, during the preparation of the R&E annual financial statements. The JLT is responsible for providing direction to the Fiscal Agent on the amounts and timing of any transfers under this policy and to notify the R&E Board of a transfer.

Procedures

Upon completion of the R&E General Fund (Joint Activities Fund) financial statements for a given year, the Accounting Manager will compare the financial statement ending unrestricted fund balance to the subsequent year's Joint Activities budget. If the amount of unreserved fund balance is greater than 35% of the subsequent year's budget, and if the amount of unassigned fund balance is greater than 20% of the subsequent year's budget, the Accounting Manager will inform the JLT that the amount in excess of 35% of the subsequent year's budget shall be transferred to the R&E Equipment & Maintenance fund. The JLT shall, in turn, direct the Fiscal Agent to make the appropriate transfer. The JLT shall notify the Board Secretary/Treasurer when the transfer is complete. The transfer shall be recorded in the current year.

Sources

Bylaws of the Recycling & Energy Board	Establishing additional financial policies (VII.17)
MN Statute 471.59	Cooperative exercise of common powers
MN Office of the State Auditor	Statement of Position 2007-1022
MN Office of the State Auditor	Statement of Position 2010-1003
R&E Resolution 2015-25	Policy in this resolution is replaced
Ramsey County Fund Balance Policy	Policy # 2.7.4
Washington County Fund Balance Policy	Policy # 2801

APPROVED: Ramsey/Washington Recycling & Energy Board

By: 
R&E Board Chair

Date: 6/28/18

Recommended: R&E Joint Leadership Team

By: 
Zack Hansen, Ramsey County

Date: 5/14/18

By: 
Nikki Stewart, Washington County

Date: 5/14/18

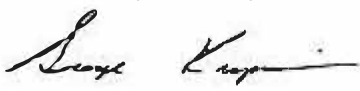
By: 
Dushani Dye, Ramsey County Finance

Date: 5/14/18

Approved as to form:

By: 
Assistant County Attorney

Date: 5/14/18

By: 
Assistant County Attorney

Date: 5/14/18



**RAMSEY/WASHINGTON
RECYCLING & ENERGY**
CONNECTING VALUE TO WASTE

R&E BOARD FACILITY & FINANCE COMMITTEE MEETING DATE:		April 14, 2022		AGENDA ITEM:		IV.a.iii	
SUBJECT:		2023 Budget Preparation: Equipment Maintenance & Replacement					
TYPE OF ITEM:		<input type="checkbox"/>	INFORMATION	<input checked="" type="checkbox"/>	POLICY DISCUSSION	<input type="checkbox"/>	ACTION
SUBMITTED BY:		Kris Wehlage, Accounting Manager					

BUDGET COMMITTEE ACTION REQUESTED:

The 2023 Equipment Maintenance & Replacement (EM&R) Budget is presented for committee discussion; changes requested by the committee will be brought back for action by the committee at its May meeting.

EXECUTIVE SUMMARY:

During 2022, the Facility & Finance Committee will review and recommend any changes to the previously approved 2023 budgets for Ramsey/Washington Recycling & Energy (R&E). While not called for in the bylaws, the Joint Leadership Team (JLT) is recommending that an Equipment Maintenance & Replacement Budget also be prepared for consideration by the R&E Board.

2023 Equipment/Maintenance Budget:

No recommended changes to the 2023 Equipment Maintenance & Replacement Budget.

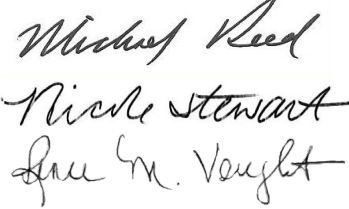


ATTACHMENTS:

1. 2023 Equipment Maintenance & Replacement Budget

FINANCIAL IMPLICATIONS:

None.

SUBJECT: 2023 Equipment Maintenance & Repair Budget Discussion

AUTHORIZED SIGNATURES	DATE
JOINT LEADERSHIP TEAM	4/4/22
	
RAMSEY COUNTY ATTORNEY	4/4/22
	
WASHINGTON COUNTY ATTORNEY	4/4/22
	

Ramsey/Washington Recycling & Energy Board

EQUIPMENT/MAINTENANCE	2021 Approved Budget	2022 Approved Budget	2023 Approved Budget
APPROPRIATIONS:			
Equipment	505,000	20,000	1,207,000
Maintenance	685,000	1,415,000	850,000
Total Appropriations	<u>1,190,000</u>	<u>1,435,000</u>	<u>2,057,000</u>
REVENUE:			
Sale of Recyclable Materials	1,552,500	830,000	1,174,165
Additional Transfer - Proposed	300,000	300,000	300,000
Total Revenue	<u>1,852,500</u>	<u>1,130,000</u>	<u>1,474,165</u>
TOTAL	2021 Approved Budget	2022 Approved Budget	2023 Approved 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	<u>662,500</u>	<u>(305,000)</u>	<u>(582,835)</u>
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 Approved Budget	2023 Approved 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 Approved Budget	2023 Approved 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 Approved Budget	2023 Approved 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 Approved Budget	2023 Approved 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 Approved Budget	2023 Approved 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 Conveyor)- Complete rebuild every 3 years.		\$ 340,000			\$ 400,000		Complete rebuild every three years
MO22B- (Horizontal In feed Conveyor)- 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**
CONNECTING VALUE TO WASTE

R&E BOARD FACILITY & FINANCE COMMITTEE MEETING DATE:				April 14, 2022		AGENDA ITEM:		IV.b		
SUBJECT:		Personnel Complement Increase								
TYPE OF ITEM:		<input type="checkbox"/>	INFORMATION		<input type="checkbox"/>	POLICY DISCUSSION		<input checked="" type="checkbox"/>	ACTION	
SUBMITTED BY:		Joint Leadership Team								

FACILITY & FINANCE COMMITTEE ACTION REQUESTED:

Recommend that the R&E Board approve the addition of 1.0 FTE planning specialist and 1.0 FTE program assistant to the Joint Activities Budget in 2022 and authorize the Joint Leadership Team to make necessary budget adjustments.

EXECUTIVE SUMMARY:

The amended and restated joint powers agreement provides for employment of staff by R&E. The board's bylaws provide specific direction on employees, including direction to the Joint Leadership Team (JLT) to hire and supervise staff, and to develop employee policies for R&E staff.

Recommended action creates 2.0 full-time (FTE) positions in 2022 which include a 1.0 FTE planning specialist and a 1.0 FTE program assistant. Both positions will be added to the Joint Activities complement. Budget savings from various categories in the 2022 Joint Activities budget provides funding for these positions.

- The planning specialist is needed to support planning and project management for R&E. This position will support R&E staff implementing the new efforts in the current 2022-2023 budget and into the future.
- The program assistant is needed for program development for the food scraps pickup program.

ATTACHMENTS:

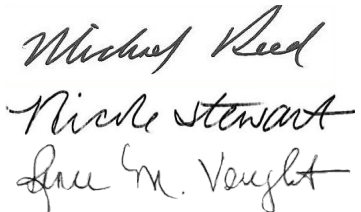


1. Draft Resolution
2. Joint Leadership Team Memo

FINANCIAL IMPLICATIONS

The 2.0 FTE in 2022 is estimated at about \$110,000 for salary and benefits, assuming the positions are filled at the beginning of July. Funds are available in the Joint Activities Budget for this expense due to

SUBJECT: *Personnel Complement Increase*

the ongoing reduced ability to provide some services during the COVID-19 pandemic as well as shifting current R&E staff resources to support the food scraps pickup program. Funding is included in the 2022 Joint Activities Budget.

AUTHORIZED SIGNATURES	DATE
JOINT LEADERSHIP TEAM 	4/6/22
RAMSEY COUNTY ATTORNEY 	4/6/22
WASHINGTON COUNTY ATTORNEY 	4/6/22



RESOLUTION R&EB-FFC-2022-02

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 November 19, 2019, (“Joint Powers Agreement”); and

WHEREAS, The Joint Powers Agreement provides for employment of staff by R&E; and

WHEREAS, The R&E Board Bylaws provide specific direction on employees, including direction to the Joint Leadership Team to hire and supervise staff, and to develop employee policies for R&E staff.
NOW, THEREFORE, BE IT

RESOLVED, The Facility & Finance Committee hereby recommends that the R&E Board approve the addition of 1.0 FTE planning specialist and 1.0 FTE program assistant to the Joint Activities Budget in 2022 and authorize the Joint Leadership Team to make necessary budget adjustments.

Wayne Johnson, Committee Chair
April 14, 2022

Attest
April 14, 2022



**RAMSEY/WASHINGTON
RECYCLING & ENERGY**
CONNECTING VALUE TO WASTE

April 7, 2022

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

Introduction

The R&E Facility & Finance Committee is responsible for preparing and proposing budgets to the R&E Board. During 2022, the committee will review and recommend any changes to the previously approved 2023 budgets for the Ramsey/Washington Recycling & Energy (R&E). The R&E Board's bylaws provide that the Facility & Finance Committee will prepare a two-year budget for Joint Activities for R&E Board approval on or prior to August 1 of the year prior. The R&E Board then submits the Joint Activities Budget to the counties annually for approval of their respective contributions.

Joint Activities Budget

The Joint Activities Budget includes non-R&E Center related expenses funded by contributions from the counties – 73% from Ramsey County and 27% from Washington County. Following R&E Board approval, this budget requires approval by both county boards. In accounting terms, this is a “governmental fund” or “general fund” covering the non-facility activities of Ramsey/Washington Recycling & Energy. Proposed changes recommended to the 2023 Joint Activities Budget are described below.

The proposed 2023 Joint Activities Budget includes the addition of a 1.0 FTE planning specialist position and a 1.0 FTE program assistant position. Both are needed to work on services included in the proposed budget.

Timing of Staffing Request

If the Facility & Finance Committee supports this request, then the JLT recommends that these positions be created in 2022. There is a need for both positions to begin work in 2022. Funds are available in the 2022 Joint Activities Budget due to anticipated ongoing reduced demand for some services related to the COVID-19 pandemic as well as shifting current R&E staff resources to support the food scraps pickup program.

A planning specialist is needed to support planning and project management for R&E, specifically Joint Activities, to support R&E staff in the implementation of new efforts in the current 2022-2023 budget and into the future. Additional capacity is needed for the coordination of the 13 programs and efforts across the three entities (R&E, Ramsey County, and Washington County) overseen by Joint Activities staff. For example, there are 27 county and R&E staff that make up 12 workgroups established to develop and implement the food scraps pickup program. This position is also needed to address alternative management for bulky waste arriving at the R&E Center, provide project management of development of R&E Center standard operating procedures and updates and coordinate critical updates to facility incident plans. The planning specialist position is needed to facilitate planning, project initiation, timeline and budget development, staff resource planning, project tracking and evaluation across R&E.

SUBJECT: *Personnel Complement Increase*

A program assistant is needed to support current R&E Joint Activities programming. The current top priority for Joint Activities for program assistance is for development of the food scraps pickup program. The food scraps pickup program will begin phased launch to residents around the end of 2022 into 2023. Currently, R&E is developing the website for bag ordering, a customer support services, warehousing and fulfillment arrangements, as well as communication, education and outreach to ensure residents have the knowledge, tools and support to participate successfully. In 2022, R&E has seven different grant or financial incentive offerings through the Joint Activities budget requiring program assistance and outreach support. A program assistant is needed to support current R&E staff in Joint Activities grants management and outreach support for the 13 current Joint Activities efforts, including added support on the development of the food scraps pickup program.



**RAMSEY/WASHINGTON
RECYCLING & ENERGY**
CONNECTING VALUE TO WASTE

R&E BOARD FACILITY & FINANCE COMMITTEE MEETING DATE:				April 14, 2022		AGENDA ITEM:		IV.c		
SUBJECT:		End-Use Markets Request for Proposals (RFP) Phase II Recommendations								
TYPE OF ITEM:		<input type="checkbox"/>	INFORMATION		<input type="checkbox"/>	POLICY DISCUSSION		<input checked="" type="checkbox"/>	ACTION	
SUBMITTED BY:		Joint Leadership Team (JLT)								

FACILITY & FINANCE COMMITTEE ACTION REQUESTED:

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

1. Authorize JLT to close the RFP for end-use markets for byproducts from the Recycling & Energy Center.
2. Authorize JLT to enter into direct negotiations with vendors for end-use markets for byproducts from the Recycling & Energy Center, pursuant to the authority granted under Minn. Stat. § 473.811, subd. 4b. and requests the JLT to return to the R&E Board with the resulting contract(s) for approval.

EXECUTIVE SUMMARY:

Ramsey and Washington counties have been evaluating alternative, next-generation technologies to manage waste for nearly two decades. The R&E Board has continued this work to achieve environmental, economic and community benefits for the East Metro. Enhancements at the Recycling & Energy Center (R&E Center) — currently nearing completion — will facilitate source-separated food scraps recycling and enable the recovery of high-value materials from trash. Plans for these materials and the remaining waste, currently used to produce refuse-derived fuel, have taken shape through extensive research, facility site visits and engagement with technology providers.

There are three types of materials processed at the R&E Center that are being targeted for alternative management by new end markets:

- Source-separated food scraps in food scrap bags
- Organic-rich material (ORM) from the recyclables recovery system
- Components of refuse-derived fuel (RDF)

The term “end markets,” as it relates to this effort, refers to the potential receivers of materials processed at the R&E Center that convert those materials into value-added products to be sold and used. For example, an end market for recycled glass might be a manufacturer that turns the glass into new beverage bottles. Potential end market opportunities for materials processed at the R&E Center include anaerobic digestion, gasification or chemical recycling, among others.

SUBJECT: *End-Use Markets Request for Proposals (RFP) Phase II Recommendations*

To solicit new end markets, a team of staff and consultants developed a two-phased approach for a competitive solicitation to find qualified vendors to manage R&E Center materials once facility enhancements are completed. The R&E Facility & Finance Committee reviewed this solicitation approach at its June 18, 2020, meeting, and it was approved by the full R&E Board on August 20, 2020.

R&E began phase I of the solicitation on August 24, 2020, with an RFP for vendors capable of meeting the R&E Board's need for processing technologies and end-use markets for by-products of the R&E Center. Vendors could propose technologies for management of one, two or all three of the materials. Proposals were received on December 4, 2020, and based on extensive staff and consultant evaluation, JLT recommended that nine proposers, having provided credible and complete responses to the phase I RFP, be invited to proceed to the next stage of the procurement process. The Facility & Finance Committee reviewed and recommended authorization of the phase II RFP at its March 3, 2021, meeting, which was approved by the R&E Board on March 25, 2021.

The phase II RFP requested more detailed design, operations and financial information. It was issued to select proposers on May 14, 2021. The proposal submission deadline was initially set for July 14, 2021; however, multiple vendors requested an extension to further develop and solidify their proposals. In response, R&E issued an addendum to extend the submission deadline to August 25, 2021.

A comprehensive evaluation team of staff and multiple consultant firms have assessed the phase II proposals from multiple perspectives, using the criteria in the RFP and multiple dimensions of analysis. In January 2022, the evaluation team conducted interviews with seven proposal teams. Interviews addressed details of the vendors' proposed technology, timelines, financial structure, feedstock requirements and end-uses of materials, among other topics. The evaluation team also conducted a risk assessment, material flow scenario analysis and proforma financial analysis. From these analyses, multiple proposals have been identified as top solutions to meet R&E's needs, particularly for the management of organic feedstocks such as food scraps and ORM using anaerobic digestion.

At this time, JLT recommends that the R&E Board formally close the end-use markets for byproducts from the Recycling & Energy Center RFP process. After closing the RFP, the Joint Leadership Team further recommends authorizing JLT to pursue and negotiate contracts with select end-use market vendors who submitted proposals as part of the Phase II process using the direct purchase authority as outlined in Minn. Stat. § 473.811, subd. 4b. Further, JLT will utilize key staff and consultants to pursue any potential end-market solutions not addressed in this round of negotiations via additional procurement process.

JLT requests that the Facility & Finance Committee recommend this approach to the full R&E Board at its April 21, 2022, meeting.

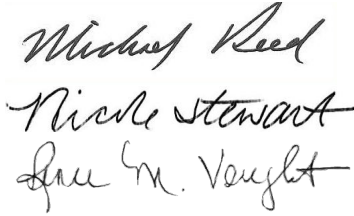


ATTACHMENTS:

1. Draft Resolution

FINANCIAL IMPLICATIONS:

Financial implications will be determined as part of contract negotiations.

SUBJECT: *End-Use Markets Request for Proposals (RFP) Phase II Recommendations*

AUTHORIZED SIGNATURES	DATE
<div>JOINT LEADERSHIP TEAM</div> <div></div>	4/6/22
<div>RAMSEY COUNTY ATTORNEY</div> <div></div>	4/6/22
<div>WASHINGTON COUNTY ATTORNEY</div> <div></div>	4/6/22



RESOLUTION R&EB-FFC-2022-03

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 (“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 November 19, 2019 (“Joint Powers Agreement”); and

WHEREAS, the R&E Board, and its predecessor the Ramsey/Washington County Resource Recovery Project Board (“Project Board”), have conducted extensive evaluation and analysis of methods to enhance recovery of value from the waste stream, and have designed system changes to assist in meeting state recycling goals; and

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

WHEREAS, the Scope for Resource Management, which outlines the strategic direction for solid waste management, includes management of byproducts from the Recycling & Energy Center (“R&E Center”) via end-use market technologies such as anaerobic digestion, gasification and others; and

WHEREAS, with designation in effect, the R&E Center receives a predictable and reliable waste stream, allowing the R&E Board to work to develop end-use markets for R&E Center byproducts, including source-separated organics, organic-rich material and refuse-derived fuel; and

WHEREAS, at its meeting on August 20, 2020, the R&E Board approved the two-phase solicitation process for end-use markets for byproducts from the Recycling & Energy Center and authorized the Joint Leadership Team (JLT) to issue the phase I request for proposals (RFP); and

WHEREAS, the JLT issued the Phase I RFP for End-Use Markets of Byproducts from the R&E Center on August 24, 2020 and received ten proposals; and

WHEREAS, following evaluation, the proposal review committee recommended the selection of proposers Anaergia, BioEnergy DevCo, Dem-Con Companies, FullCycle Management, LLC., Generate Capital Inc., Minnesota Municipal Power Agency, Mura Technology Limited, North Star Organics Management Partners and O.W.S., Inc. to be invited to respond to the second phase of the End-Use Markets RFP; and

WHEREAS, at its meeting on March 25, 2021, the R&E Board approved the selection of those vendors to be invited to submit proposals for the second phase of the End-Use Markets RFP, and for JLT to return to the R&E Board with a recommendation regarding contract negotiations; and

WHEREAS, JLT convened an evaluation team of staff and multiple consultant firms to assess the proposals from multiple perspectives, using the criteria in the RFP and multiple dimensions of analysis, and multiple proposals have been identified as the top solutions to meet R&E's needs for the management of organic feedstocks using anaerobic digestion; and

WHEREAS, the evaluation team has identified a strategy for working with the top proposers to ensure that the best solution is available to R&E, and the laws governing procurement through an RFP process are too restrictive to enable that process to move forward; and

WHEREAS, the R&E Board has the authority to negotiate with vendors and make purchases directly under Minn. Stat. § 473.811, subd. 4b., and direct negotiations will enable the R&E Board to employ the identified strategy for working with finalists to ensure the best solution for R&E's needs is available, and

WHEREAS, JLT recommends this approach regarding contract negotiations. NOW, THEREFORE, BE IT

RESOLVED, the R&E Board Facility & Finance Committee recommends that the R&E Board authorize JLT to close the RFP for End-Use Markets for Byproducts from the Recycling & Energy Center. BE IT FURTHER

RESOLVED, the R&E Board Facility & Finance Committee recommends that the R&E Board authorize JLT to enter into direct negotiations with vendors for end-use markets for byproducts from the Recycling & Energy Center, pursuant to the authority granted under Minn. Stat. § 473.811, subd. 4b. And requests the JLT to return to the R&E Board with resulting contract(s) for approval.

Wayne Johnson, Committee Chair
April 14, 2022

Attest
April 14, 2022



**RAMSEY/WASHINGTON
RECYCLING & ENERGY**
CONNECTING VALUE TO WASTE

R&E FACILITY & FINANCE COMMITTEE MEETING DATE:	April 14, 2022	AGENDA ITEM:	V
SUBJECT:	Updates and Reports		
TYPE OF ITEM:	<input checked="" type="checkbox"/> INFORMATION	<input type="checkbox"/> POLICY DISCUSSION	<input type="checkbox"/> ACTION
SUBMITTED BY:	Joint Leadership Team		

FACILITY & FINANCE COMMITTEE ACTION REQUESTED:

None.

EXECUTIVE SUMMARY:

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



- a. Labor Agreement Updates
- b. R&E Center Updates

ATTACHMENTS:

None.

FINANCIAL IMPLICATIONS:

None.

AUTHORIZED SIGNATURES	DATE
JOINT LEADERSHIP TEAM  	4/5/22