



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

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

**Date:** Tuesday, May 14, 2024

**Time:** 3:30 – 4:30 p.m.

**Commissioners, Key staff, Presenters:**

Ramsey County Environmental Health | 2785 White Bear Ave N. | 2<sup>nd</sup> Floor Conference Room  
Maplewood, MN | 55109 | [Map](#)

**Public:** Members of the public are encouraged to participate remotely or may attend at the Maplewood address.  
[Microsoft TEAMS](#) | Phone Conference ID: 318 417 010# | Call in (audio only): 1-323-792-6297

The May 14, 2024 committee meeting is 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. A written roll of members and all other persons present at the closed portion of the meeting will be made available to the public after the closed meeting.

**AGENDA**

**I. Call to Order, Introductions**

<b>II. Approval of Agenda</b>	Action	Page 1
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<b>III. Approval of Minutes – April 11, 2024</b>	Action	Page 2
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<b>IV. Business</b>		
a. 2024 Budget Projections as of 4/18/24	Information	Page 5
b. 2025 Budget Recommendation for Board Approval	Action	Page 8

<b>V. Updates and Reports</b>	Information	Page 16
a. R&E Center Updates		

<b>VI. Motion to Close Meeting</b>	Action
Upon majority vote, this meeting may be closed as permitted by Minn. Stat. section 13D.03, to discuss general labor negotiation strategies related to negotiations with IBEW Local 23.	

**VII. Adjourn**

**NEXT MEETING:**

Thursday, June 13, 2024 | 10 – 11:30 a.m. | Ramsey County Environmental Health, Maplewood



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

**THURSDAY, APRIL 11, 2024  
RAMSEY/WASHINGTON RECYCLING & ENERGY BOARD  
FACILITY & FINANCE COMMITTEE MINUTES**

A meeting of the Ramsey/Washington Recycling & Energy Facility & Finance Committee was held at 10 a.m. on Thursday, April 11, 2024, at the Ramsey County Environmental Health Office, 2785 White Bear Avenue North, Suite 350, Maplewood, Minnesota. Members of the public attended remotely or in person at the Maplewood address.

**MEMBERS PRESENT**

Commissioners Trista Martinson, Victoria Reinhardt – Ramsey County  
Commissioner Karla Bigham – Washington County

**ATTENDING AT RAMSEY ENVIRONMENTAL HEALTH, MAPLEWOOD**

Dave Brummel, Sam Hanson, Sam Holl, Nate Klett, Cassie Lefeber, Marcelo Neblett, Matt Phillips, Michael Reed, John Ristad, Jody Tharp

**ATTENDING REMOTELY**

Kate Bartelt, Leigh Behrens, Alisha Black, Alison Cameron, Tammy Christopherson, Amanda Erickson, Annalee Garletz, Kelli Hall, Fatima Janati, Kevin Johnson, Nick Kluge, Leslie Duling McCollam, Margaret Vesel, Caleb Werth

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

Chair Bigham called the meeting to order at 10:03 a.m. Commissioner Reinhardt moved, seconded by Martinson, to approve the agenda as presented.  
Ayes: 3 Nays: 0 Motion carried.

**APPROVAL OF MINUTES**

Commissioner Martinson moved, seconded by Reinhardt, to approve the minutes of March 14, 2024.  
Ayes: 3 Nays: 0 Motion carried.

Introductions of those present in Maplewood were made.

**BUSINESS**

**2023 Year-End Budget**

Matt Phillips, R&E accounting manager, provided an overview of the 2023 budget.

- The Facility Budget is facing a \$1.58 million deficit. The last payment for the bulky waste loadout loan was added to the 2023 financials, increasing the budget deficit.
- The Joint Activities (JA) Budget has a surplus, with no changes since the last committee meeting.
- The Equipment, Maintenance & Replacement Fund (EM&R) has benefited from higher recycling revenue than anticipated.

Phillips reviewed staff recommendations for 2023 year-end budget actions.

Commissioner Reinhardt moved, seconded by Martinson, to approve Resolution R&EB-FFC-2024-01, 2023 Year-End Budget. The Facility & Finance Committee:

- Approves directing \$1,588,004 from the Equipment Maintenance & Replacement Fund balance to offset the Facility Budget deficit, bringing the Equipment Maintenance & Replacement Fund balance to \$3,500,000, and will recommend to the R&E Board for approval.

Ayes: 3 Nays: 0 Motion carried.

### **2025 Budget Preparation**

Phillips provided an overview of budget preparation for 2025, reviewing the budget preparation timeline and R&E budget structure.

#### *JA Budget*

The JA Budget is known as the General Fund or the Governmental Fund and is funded by county contributions (Ramsey County 73%, Washington County 27%). JA programs align with both county's solid waste management plans. The budget is driven by R&E's vision and mission and joint work to meet state and county waste goals, e.g., the 75% recycling goal by 2030. R&E Bylaws provide that the Facility & Finance Committee prepare a two-year budget for JA for board approval each year on or prior to August 1. The R&E Board submits the JA Budget for approval from the respective counties for their contributions on or prior to October 1 each year. Phillips reviewed the JA Budget structure.

#### *Facility Budget*

Also known as the Enterprise Fund, the Facility Budget is funded primarily by tipping fees paid by haulers. R&E Bylaws provide that the Facility & Finance Committee prepare the annual Facility Budget for Board approval each year on or prior to August 1. The 2024-2025 Facility Budget was approved by the R&E Board on July 27, 2023, setting the 2024 tipping fee at \$121/ton and the 2025 tipping fee at \$130/ton. Phillips reviewed the Facility Budget structure.

#### *EM&R Fund*

The EM&R Fund is a five-year capital improvement plan funded primarily from recycling revenue. This fund provides for R&E Center equipment replacement (e.g., trailers, front-end loader, yard tractor) and major maintenance work for the R&E Center (e.g., conveyor rebuilds, tipping floor maintenance). Cumulative reserves ensure future funding of projects and no deferral of R&E Center maintenance. The fund structure was reviewed. There are no recommended changes to the 2025 EM&R Fund previously approved on July 27, 2023.

### **UPDATES AND REPORTS**

#### **Facility Update**

Sam Holl, R&E Center manager, reviewed the tipping fee forecast for 2024-2028.

- 2024 - \$121/ton
- 2025 - \$130/ton
  - Walter's food scrap bag sortation agreement, when implemented, will add \$5.11/ton.
  - A central region sortation agreement will increase the tipping fee by a presently unknown amount per ton.
  - With these two sortation agreements in place, all residents in both counties will have access to participate in the Food Scraps Pickup Program.
- 2027 - Anaerobic digestion will add \$13.00/ton.

- 2028 – A new refuse-derived fuel (RDF) agreement will increase the tipping fee by a presently unknown amount per ton.

Michael Reed, Ramsey County and R&E Joint Leadership Team, said it is anticipated that R&E will see reduced landfilling and reduced RDF production in 2028.

Commissioner Reinhardt inquired whether solar installation can be done on the R&E Center property and whether tax credits are available. Holl indicated it is questionable whether the facility's roof can support a solar array. Commissioner Martinson mentioned small-scale wind turbines as an alternative.

**ADJOURN**

Chair Bigham declared the meeting adjourned at 11:01 a.m.

ATTESTED TO:

ATTEST: \_\_\_\_\_  
April 30, 2024

ATTEST: \_\_\_\_\_  
April 30, 2024



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

<b>R&amp;E BOARD FACILITY &amp; FINANCE COMMITTEE MEETING DATE:</b>	May 14, 2024	<b>AGENDA ITEM:</b>	IV.a
<b>SUBJECT:</b>	2024 Budget Projections as of 4/18/24		
<b>TYPE OF ITEM:</b>	<input checked="" type="checkbox"/> INFORMATION	<input type="checkbox"/> POLICY DISCUSSION	<input type="checkbox"/> ACTION
<b>SUBMITTED BY:</b>	Joint Leadership Team (JLT)		

**FACILITY & FINANCE COMMITTEE ACTION REQUESTED:**

For information.

**EXECUTIVE SUMMARY:**

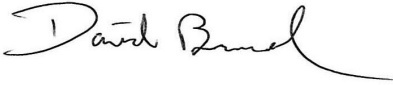

Staff will provide year-end budget projections for the 2024 Ramsey/Washington Recycling & Energy budgets as of 4/18/24 (Joint Activities and Facility Budgets, along with the Equipment Maintenance & Replacement Fund).

**ATTACHMENTS:**

1. 2024 Joint Activities Year-End Budget Projection as of 4/18/24
2. 2024 Facility Year-End Budget Projection as of 4/18/24
3. 2024 Equipment Maintenance & Replacement Fund Projection as of 4/18/24

**FINANCIAL IMPLICATIONS:**

None.

<b>AUTHORIZED SIGNATURES</b>	<b>DATE</b>
JOINT LEADERSHIP TEAM  	5/7/24

**Ramsey/Washington Joint Activities**  
**SURPLUS/DEFICIT YEAR-END PROJECTION REPORT**  
**As of April 18th, 2024**

<b>JOINT ACTIVITIES</b>	<b>2024 Approved Budget</b>	<b>Current 2024 Projection</b>	<b>Variance</b>
Project Management	3,506,000	3,433,921	72,079
Commercial & Residential Recycling	4,425,000	4,146,254	278,746
Community Waste Solution	830,000	92,804	737,196
Food Scrap Recycling	1,105,000	1,171,608	(66,608)
General Outreach	925,000	922,492	2,508
Policy Evaluation	1,190,000	1,143,599	46,401
	<u>11,981,000</u>	<u>10,910,678</u>	<u>1,070,322</u>
Revenue	<u>11,981,000</u>	<u>11,981,000</u>	<u>0</u>
Surplus/(Deficit)	-	1,070,322	1,070,322

**Ramsey/Washington Recycling & Energy Board**  
**SURPLUS/(DEFICIT) YEAR-END PROJECTION REPORT**  
**As of April 18th, 2024**

<b>FACILITY</b>	<b>2024 Approved Budget</b>	<b>Current 2024 Projection</b>	<b>Current Variance</b>
Personnel Costs	12,102,800	9,177,275	2,925,525
Fuel Supply	6,385,535	5,673,065	712,470
Landfill	7,700,699	6,751,402	949,297
Compost	240,700	39,660	201,040
Transportation	9,136,776	8,151,318	985,458
Transload	2,862,300	2,776,561	85,739
Facility Operations	10,512,200	11,196,413	(684,213)
Contingency	710,090	710,090	-
Enterprise Reserve Fund (ERF)	1,500,000	1,500,000	-
Transfer to Equipment Maintenance Fund	300,000	300,000	-
Debt Services	3,873,600	3,873,600	-
	<u>55,324,700</u>	<u>50,149,384</u>	<u>5,175,316</u>
Revenue	<u>55,324,700</u>	<u>55,655,406</u>	<u>330,706</u>
Surplus/(Deficit)	-	5,506,022	5,506,022

**Equipment Maintenance & Replacement Fund**  
**SURPLUS/DEFICIT YEAR-END PROJECTION REPORT**  
**As of April 18, 2024**

<b>EQUIPMENT/MAINTENANCE</b>	<b>2024 Approved Budget</b>	<b>Current 2024 Projection</b>	<b>Variance</b>
Equipment	795,000	795,000	-
Maintenance	1,300,000	1,300,000	-
Expenses	2,095,000	2,095,000	-
Sale of Recyclable Material Additional	1,795,000	1,597,270	197,730
Transfer - Proposed Revenue	300,000	300,000	-
Surplus/(Deficit)	2,095,000	1,897,270	197,730
	-	197,730	(197,730)



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

<b>R&amp;E BOARD FACILITY &amp; FINANCE COMMITTEE MEETING DATE:</b>		May 14, 2024		<b>AGENDA ITEM:</b>		IV.b	
<b>SUBJECT:</b>	2025 Budget Recommendation for Board Approval						
<b>TYPE OF ITEM:</b>	<input type="checkbox"/>	INFORMATION	<input type="checkbox"/>	POLICY DISCUSSION	<input checked="" type="checkbox"/>	ACTION	
<b>SUBMITTED BY:</b>	Joint Leadership Team (JLT)						

**FACILITY & FINANCE COMMITTEE ACTION REQUESTED:**

Approve, and recommend Ramsey/Washington Recycling & Energy (R&E) Board approval for the 2025 Facility Budget, the 2025 Equipment Maintenance & Replacement (EM&R) Fund, and the 2025 Joint Activities Budget.

**EXECUTIVE SUMMARY:**

Two proposed 2025 budgets and the proposed 2025 Equipment Maintenance & Replacement Fund for R&E were presented for initial review by the Facility & Finance Committee at its April 11, 2024, meeting. The budgets and the fund have been updated based on discussions from that meeting.

**Joint Activities Budget**

Recommended change to the 2025 Joint Activities Budget was renaming the cost category Non-Residential Recycling to Commercial and Residential Recycling. No other changes to the 2025 Joint Activities Budget were made.

**Facility Budget**

The 2025 Facility Budget is unchanged from the April 11 meeting, with the tipping fee set at \$130/ton.

Landfill – Costs associated with MSW delivered to landfills.

- 2025 landfill costs are unchanged from the April 11 Facility and Finance Committee meeting.

Transportation – Contracted costs for trucking firms to transport material to various destinations, such as metal markets, Xcel Energy facilities and landfills.

- 2025 transportation costs are unchanged from the April 11 Facility and Finance Committee meeting.

Fuel Supply – Costs associated with Xcel Energy for refuse derived fuel (RDF).

- 2025 fuel supply costs are unchanged from the April 11 Facility and Finance Committee meeting.

Contingency – This fund provides contingency due to uncertainty of operations.



**SUBJECT:** 2025 Budget Recommendation for Board Approval

- The 2024 contingency fund increased by roughly \$200,000 to offset known transportation and fuel supply increases.
- 2025 contingency budget is unchanged from the April 11 Facility and Finance Committee meeting.

**Equipment Maintenance & Replacement Fund**

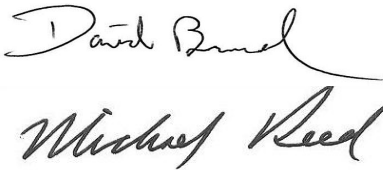
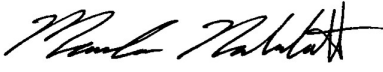

No recommended changes made to the 2025 EM&R Fund.

**ATTACHMENTS:**

1. Draft Resolution
2. R&E Budget Structure
3. 2024-2025 Budget Timeline
4. 2024-2025 Facility Budget
5. 2024-2025 Equipment Maintenance & Replacement Fund
6. 2024-2025 Joint Activities Budget

**FINANCIAL IMPLICATIONS:**

None.

AUTHORIZED SIGNATURES	DATE
JOINT LEADERSHIP TEAM	5/7/24
	
RAMSEY COUNTY ATTORNEY	5/6/24
	
WASHINGTON COUNTY ATTORNEY	5/6/24
	



**RESOLUTION R&EB-FFC-2024-02**

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 July 18, 2023, (“Joint Powers Agreement”); and

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

WHEREAS, The Facility & Finance Committee has reviewed the 2025 Joint Activities Budget at its meeting on April 11, 2024; and

WHEREAS, The Facility & Finance Committee has reviewed the 2025 Facility Budget at its meeting on April 11, 2024; and

WHEREAS, The Facility & Finance Committee has reviewed the 2025 Equipment Maintenance & Replacement Fund at its meeting on April 11, 2024. NOW, THEREFORE, BE IT

RESOLVED, The Ramsey/Washington Recycling & Energy Board Facility & Finance Committee hereby approves the 2025 R&E Joint Activities Budget and recommends that the R&E Board approve the Joint Activities Budget and forward the budget to the Ramsey and Washington county boards for approval. BE IT FURTHER

RESOLVED, The Ramsey/Washington Recycling & Energy Board Facility & Finance Committee hereby approves the 2025 Facility Budget and sets the 2025 tipping fee at the rate, previously approved on July 27, 2023, of \$130.00 per ton. BE IT FURTHER

RESOLVED, The Ramsey/Washington Recycling & Energy Board Facility & Finance Committee hereby approves the 2025 Equipment Maintenance & Replacement Fund.

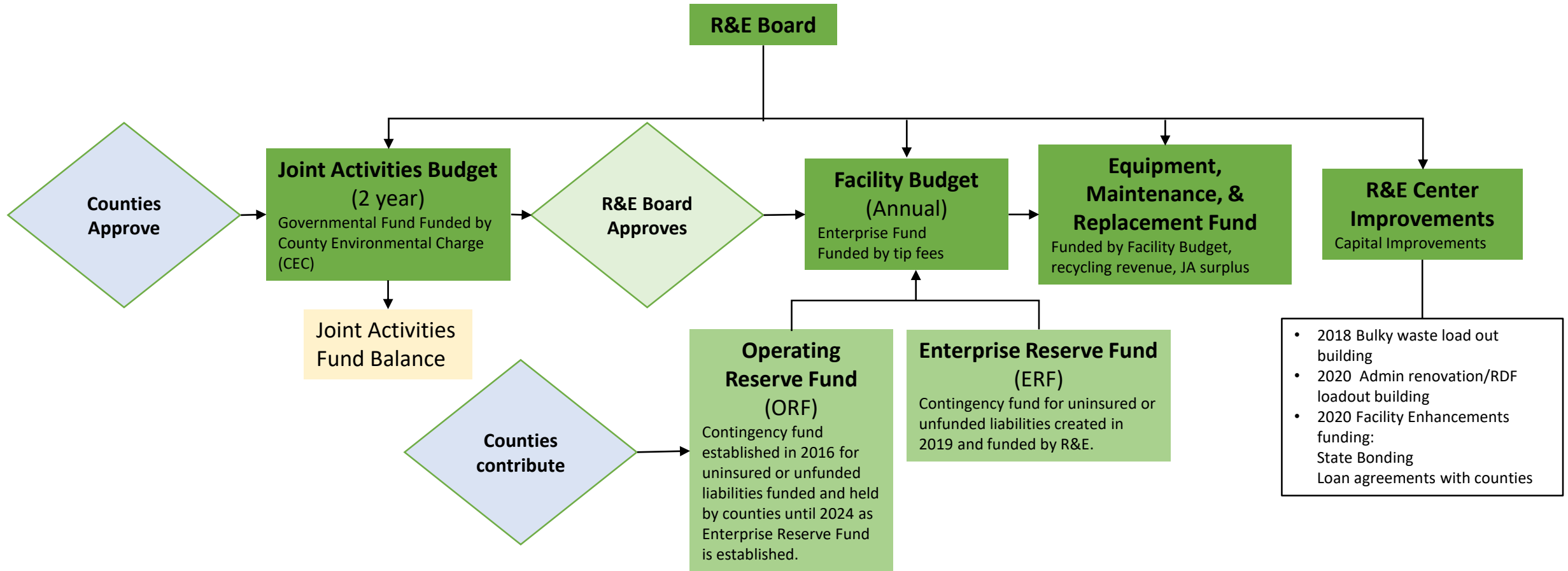
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Karla Bigham, Committee Chair  
May 14, 2024

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Attest  
May 14, 2024

# R&E Board Budget Structure





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

**2025 Budget Planning Timeline**

**Joint Activities Budget**

March 14, 2024	Facility & Finance Committee reviews budget process and timeline.
April 11	Facility & Finance Committee discusses Joint Leadership Team (JLT) proposal for amending 2025 budget, provides direction on changes.
April 25	R&E Board reviews budget objectives and impacts.
May 14	Facility & Finance Committee reviews revised draft budget, approves resolution to recommend budgets be approved by the R&E Board.
May/June	County Board workshops (as needed).
June 27	Facility & Finance Committee presents proposed Joint Activities Budget for R&E Board discussion.
July 25	R&E Board adopts 2025 Joint Activities Budget and recommends approval of Joint Activities Budget by County Boards.
August – September	County Boards approve 2025 Joint Activities Budget.

**Facility Budget and Equipment Maintenance & Replacement (EM&R) Fund**

March 14	Facility & Finance Committee reviews budget process and timeline.
April 11	Facility & Finance Committee discusses JLT proposal, for amending 2025 Facility Budget and EM&R Fund, provides direction on changes.
April 25	R&E Board reviews budget objectives and impacts.
May 14	Facility & Finance Committee reviews revised budgets, approves resolution to recommend budgets be approved by the R&E Board.
May/June	County Board workshops (as needed).
June 27	Facility & Finance committee presents proposed 2025 budgets for R&E Board discussion.
July 25	R&E Board adopts 2025 budgets and establishes tipping fee for 2025.

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

<b>R&amp;E CENTER</b>	<b>2023 Unaudited</b>	<b>2024 Approved Budget</b>	<b>2025 Approved Budget</b>
<b>APPROPRIATIONS:</b>			
Personnel Costs	8,357,874	12,102,800	12,849,900
Fuel Supply Agreements	6,415,362	6,385,535	6,626,800
Landfill	7,322,997	7,700,699	7,845,403
Compost	-	240,700	730,600
Transportation	8,857,103	9,136,776	9,862,200
Transload	2,709,278	2,862,300	3,035,300
Facility Operations	10,174,802	10,512,200	10,946,800
Contingency	-	710,090	808,897
Enterprise Reserve Fund	1,500,000	1,500,000	1,500,000
Debt Services	3,533,586	3,873,600	4,868,800
Transfer to Equipment/Maintenance Fund:			
Additional Transfer -Approved/Proposed	300,000	300,000	300,000
<b>Total Appropriations</b>	<b>49,171,001</b>	<b>55,324,700</b>	<b>59,374,700</b>
<b>REVENUE:</b>			
Operations Revenue	47,582,998	55,324,700	59,374,700
<b>Total Revenue</b>	<b>47,582,998</b>	<b>55,324,700</b>	<b>59,374,700</b>
<b>TOTAL</b>	<b>2023 Unaudited</b>	<b>2024 Approved Budget</b>	<b>2025 Approved Budget</b>
Appropriations	49,171,001	55,324,700	59,374,700
Revenue	47,582,998	55,324,700	59,374,700
<b>Surplus/(Deficit)</b>	<b>(1,588,004)</b>	<b>-</b>	<b>-</b>

Notes:

2023 Approved Tipping Fee is \$103/ton

\*\* 2024 Proposed Tipping Fee is \$121/ton

\*\*\* 2025 Proposed Tipping Fee is \$130/ton

SUBJECT: 2025 Budget Recommendation for Board Approval

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

<b>EQUIPMENT/MAINTENANCE</b>	<b>2023 Unaudited</b>	<b>2024 Approved Budget</b>	<b>2025 Proposed Budget</b>
<b>APPROPRIATIONS:</b>			
Equipment	505,000	795,000	1,270,000
Maintenance	752,784	1,300,000	1,120,000
Total Appropriations	<u>1,257,784</u>	<u>2,095,000</u>	<u>2,390,000</u>
<b>REVENUE:</b>			
Sale of Recyclable Materials	1,736,762	1,780,000	1,780,000
Additional Transfer - Proposed	300,000	300,000	300,000
Total Revenue	<u>2,036,762</u>	<u>2,080,000</u>	<u>2,080,000</u>
<b>TOTAL</b>			
Appropriations	1,257,784	2,095,000	2,390,000
Revenue/Fund Balance Transfer	2,036,762	2,080,000	2,080,000
Reserve for Future Years	<u>778,978</u>	<u>(15,000)</u>	<u>(310,000)</u>

## Ramsey/Washington Recycling & Energy Board Joint Activities

<b>JOINT ACTIVITIES</b>	<b>2023</b>	<b>Unaudited</b>	<b>2024 Approved Budget</b>	<b>2025 Proposed Budget</b>
<b>APPROPRIATIONS:</b>				
Project Management	2,970,130		3,506,000	3,559,000
Commercial & Residential Recycling	3,685,868		4,425,000	4,425,000
Community Waste Solution	247,753		830,000	786,000
Food Scrap Recycling	1,049,888		1,105,000	1,455,000
General Outreach	673,995		925,000	925,000
Policy Evaluation	1,135,613		1,190,000	1,190,000
<b>Total Appropriations</b>	<b>9,763,247</b>		<b>11,981,000</b>	<b>12,340,000</b>
<b>REVENUE:</b>				
Washington County	3,134,553		3,234,870	3,331,800
Ramsey County	8,474,901		8,746,130	9,008,200
<b>Total Revenue</b>	<b>11,609,454</b>		<b>11,981,000</b>	<b>12,340,000</b>
<b>TOTAL</b>				
Appropriations	9,763,247		11,981,000	12,340,000
Revenue	11,879,977		11,981,000	12,340,000
Surplus/(Deficit)	2,116,730		-	-



**RAMSEY/WASHINGTON  
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<b>R&amp;E BOARD FACILITY &amp; FINANCE COMMITTEE MEETING DATE:</b>		May 14, 2024		<b>AGENDA ITEM:</b>		V
<b>SUBJECT:</b>	Updates and Reports					
<b>TYPE OF ITEM:</b>	<input checked="" type="checkbox"/>	INFORMATION	<input type="checkbox"/>	POLICY DISCUSSION	<input type="checkbox"/>	ACTION
<b>SUBMITTED BY:</b>	Joint Leadership Team (JLT)					

**FACILITY & FINANCE COMMITTEE ACTION REQUESTED:**

For information only.

**EXECUTIVE SUMMARY:**

Staff will provide updates on R&E efforts and operations, including:


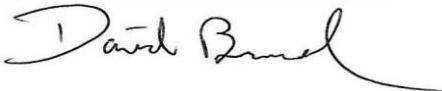
- a. R&E Center Updates

**ATTACHMENTS:**

None.

**FINANCIAL IMPLICATIONS:**

None.

AUTHORIZED SIGNATURES	DATE
JOINT LEADERSHIP TEAM  <div style="text-align: center;">    </div>	5/6/24