RAMSEY/WASHINGTON RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

MEETING NOTICE
RAMSEY/WASHINGTON RECYCLING & ENERGY BOARD

Date: Thursday, July 30, 2026
Time: 10 a.m. – noon
Location: Ramsey/Washington Recycling & Energy Center | 100 Red Rock Road | Newport, MN | 55055 | Tours Building, Mississippi Conference Room | Map
Public: Members of the public are encouraged to participate remotely or may attend at the Newport address. Microsoft Teams | Phone Conference ID: 709 049 391# | Call in (audio only) 1-323-792-6297

Pursuant to Minn. Stat. 13D.02, one or more members of the Ramsey/Washington Recycling & Energy Board may participate in the meeting by interactive technology.

AGENDA:

I.	**Call to Order, Introductions**		
II.	**Approval of Agenda**	Action	Page 1
III.	**Approval of Minutes** – May 28, 2026	Action	Page 2
IV.	**Consent Agenda**	Action	Page 7
	a. BHS Settlement Agreement		
	b. Robotics Contract		
V.	**Governance** – No items.		
VI.	**Management and Administration**		
	a. 2024 Audit Report	Information	Page 47
	b. 2026 Budget Status	Information	Page 55
VII.	**Policy**		
	a. Fraud Prevention and Conflict-of-Interest Policies	Action	Page 59
VIII.	**Updates and Reports**	Information	Page 76
	a. Commissioner Updates		
	b. Executive Director Update		
	c. Strategic Partnerships Update		
	d. Programs Update		
	e. Facility Update		
	f. Procurement Report		Page 79
IX.	**Other**		
	a. Invitation for Comments from Ex Officio R&E Board Members: MPCA and City of Newport	Information	
X.	**Adjourn**		

NEXT MEETING:
R&E Board | Thursday, August 27, 2026 | 10 a.m. – noon | Ramsey/Washington Recycling & Energy Center, Newport

RAMSEY/WASHINGTON RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

THURSDAY, MAY 28, 2026
RAMSEY/WASHINGTON RECYCLING & ENERGY BOARD MEETING MINUTES

A meeting of the Ramsey/Washington Recycling & Energy Board (R&E Board) was held at 10 a.m. at the Ramsey/Washington Recycling & Energy Center (R&E Center), 100 Red Rock Road, Newport, Minnesota. Members of the public attended remotely or in person at the Newport address.

MEMBERS PRESENT
Commissioners Karla Bigham and Fran Miron – Washington County
Commissioners Mary Jo McGuire, Kelly Miller and Rafael Ortega (joined at 10:14 a.m.) – Ramsey County

EX-OFFICIO MEMBERS PRESENT
None.

ATTENDING AT THE R&E CENTER, NEWPORT
Steve Dehler, Melissa Finnegan, Sophia Fiswick, Annalee Garletz, Sam Hanson, Abigail Hindson, Caroline Hofmeister, Sam Holl, Jennefer Klennert, Nathan Klett, Peter Lesiak, Trista Martinson, Andrea McKennan, Deb Orth, Jessica Paquin, Matt Phillips, Lasse Radke, Jim Redmond, John Ristad, Daniel Schmidt, Alaina Steinmetz, Bill Sumner

ATTENDING REMOTELY
Leigh Behrens, Alisha Black, Dave Brummel, Gary Bruns, Mikaela Campbell, Amy Caron, Shannon Conk, Hannah Coyle, Max Dalton, Amanda Erickson, Tutu Fatukasi, Sam Ferguson, Ibraham Filson, Rae Frank, Rob Friend, Jamie Giesen, Lianna Goldstein-Rancich, Susan Jamison, Kevin Johnson, Hannah Keller, Jon Klapperich, Peter Lesiak, Alissa Lopez, Kathleen Murphy, Rob Murray, Gabi Rosenthal, Ryan Tritz, Gina Williams, Sherilyn Young

CALL TO ORDER
Chair McGuire called the meeting to order at 10:04 a.m. Introductions were made.

AGENDA OF MAY 28, 2026 PRESENTED FOR APPROVAL
Motion by Miron, seconded by Miller, to approve the agenda. Motion passed.

Ayes: Bigham, McGuire, Miller and Miron.
Nays: None.

MINUTES FROM APRIL 30, 2026 PRESENTED FOR APPROVAL
Motion by Bigham, seconded by Miron, to approve the minutes of April 30, 2026. Motion passed.

Ayes: Bigham, McGuire, Miller and Miron.
Nays: None.

MANAGEMENT AND ADMINISTRATION

Facility & Finance Committee Report
Presented by: Karla Bigham, Committee Chair

The Facility & Finance Committee met briefly on Thursday, May 14, 2026. There were no changes to the proposed budgets. The committee recommended the proposed budgets for board approval. Action will be taken by the Ramsey and Washington County Boards in August 2026.

The proposed tipping fee for 2027 is $159 per ton. The current fee is $142 per ton. The 2025 fee was $130 per ton. The tipping fee per household is approximately $1.

Motion by Bigham, seconded by Miller, to approve Resolution R&EB-2026-09 Approval of 2027 Budgets. Motion passed.

Ayes: Bigham, McGuire, Miller, Miron and Ortega.
Nays: None.

Minnesota GreenCorps Agreement
Presented by: Trista Martinson, R&E Executive Director

R&E has been tentatively approved, pending federal funding, for a GreenCorps intern through a Minnesota Pollution Control Agency (MPCA) program. The MPCA recruits and places interns. The intern will be with R&E for a period of one year. They will be working on food scraps, food waste reduction and food rescue.

Motion by Miller, seconded by Miron to approve Resolution R&EB-2026-10 Minnesota GreenCorps Agreement. Motion passed.

Ayes: Bigham, McGuire, Miller, Miron and Ortega.
Nays: None.

Control Systems Maintenance and Engineering Contract
Presented by: Jim Redmond, Contract Manager

Toltz, King, Duvall, Anderson & Associates, Incorporated (TKDA) has been providing facility control systems services to R&E since 2018. Work has been completed that goes above the executive director’s $175,000 delegated authority spending threshold. The amount falls within the approved budget. The agreement will run through December 31, 2026, with an anticipated renewal in January 2027. The current engineer has been completing the work at the R&E Center for many years. Continuity plans are in place for training a replacement.

Motion by Ortega, seconded by Bigham, to approve Resolution R&EB-2026-11 Control Systems Maintenance and Engineering contract. Motion passed.

Ayes: Bigham, McGuire, Miller, Miron and Ortega.
Nays: None.

UPDATES AND REPORTS

Commissioner Updates

No updates.

Executive Director Update
Presented by: Trista Martinson, R&E Executive Director

Facility Director Sam Holl has been appointed to the MPCA's packaging extended producer responsibility advisory board. Former R&E Board member Victoria Reinhardt is also a member of, and currently chairs, this advisory board.

The first episodes of the "Trash Talk with Trista" podcast were recorded on Tuesday, May 26, 2026. The guests for the inaugural recording were Washington County Commissioner Karla Bigham, Minnesota Representative Wayne Johnson, Jennefer Klennert of HDR, and R&E interns Sophia Fiswick and Lasse Radke.

Executive Director Trista Martinson and Holl have been invited to participate in an invitation-only meeting on sustainable aviation fuel. Martinson will be speaking at this meeting.

Strategic Partnerships Update
Presented by: Melissa Finnegan, R&E Strategic Partnerships Manager

There have been no changes in grant status from the April 30, 2026, R&E Board meeting. There are additional steps required in conjunction with the earmarked funds.

The 2026 legislative session ended at midnight on May 17. Funding for the anaerobic digestor was in line with 2025 funding. The legislature did not come to an agreement to spend earmarked funds. The money will remain available, with an additional $30 million, come the 2027 session. There will also likely be a new House Energy Committee chair in 2027.

Regional integration legislation was introduced. There were excellent conversations, with some pushback. This type of complex legislation usually takes three to five years to come to fruition.

The legislation on infectious waste was narrowed down. Language that incorporates a study was added to legislation and passed through the cash bonding bill. The MPCA will generate a report on how infectious waste is being managed by facilities. The report is due to the legislature by January 17, 2027.

R&E applied for capital assistance funding through the MPCA in June of 2025 for the flail mill project. R&E received the requested funds. The Association of Minnesota Counties, along with the Minnesota Inter County Association (MICA), were instrumental in this process.

The battery bill did not come to a vote but is well positioned for the 2027 legislative session. Cities are no longer accepting batteries, though the Ramsey County Environmental Center continues to accept them. Batteries remain a fire hazard.

The MPCA has issued a report on resource management. There are concerns regarding conflicts with the current pre-sortation plan, with public comments due by July 7, 2026. R&E plans to submit comments as does the Partnership on Waste and Energy (the Partnership). Additionally, a report was issued on packaging waste and cost reduction act rulemaking. Public comments are due by July 24, 2026. The Partnership plans to submit comments.

Martinson recognized Strategic Partnerships Manager Melissa Finnegan's tireless efforts to forward R&E's legislative priorities. The R&E Board expressed appreciation for her dedication.

Programs Update
Presented by: Sam Hanson, R&E Programs Director

Programs Director Sam Hanson indicated the next Food Scraps Pickup Program roll out is scheduled for July 6, 2026. This will include 15 new municipalities. There will be a full presentation at the July 30, 2026, R&E Board meeting.

Andrea McKennan, R&E program supervisor of education, communication and outreach, presented a brand refresh and logo update. R&E adopted the new tagline, "Reuse. Recover. Reimagine." The color palette is also being expanded. The rebranding will be incorporated as new items are obtained. Branding on current items will not be replaced at this time.

Program Specialist Abigail Hindson presented an update on the R&E Food Waste Prevention Program. The program falls under Strategic Goal 2B: Effective organics programming (prevention, recovery, recycling) that meets the needs of communities and minimizes landfilled food, and Strategic Initiative i: Develop food rescue programming with community, businesses and partners. It is also in line with the Solid Waste Management Plans at Ramsey and Washington Counties.

There are two buckets of work in this programming: outreach, and funding and resources. There are promotional campaigns on preventing food waste, and an R&E webpage dedicated to food waste prevention. Food waste prevention and recovery grants totaling $500,000 were issued to 22 organizations in 2025.

Meetings with Food Recovery Partners are scheduled for 2026. R&E staff will also be making site visits to grantees. There will be promotions and events during food waste prevention week, which begins on September 28, 2026. Another round of grants will be awarded in the fall of 2026.

Facility Update
Presented by: Sam Holl, R&E Facility Director

The 2025 R&E odor report was presented by Foth Environmental Scientist Alaina Steinmetz. Odor monitoring at the R&E Center began in 2016, with continual expansion of monitoring sites. In 2025, there were six monitoring sites, which are monitored once weekly October through March, and twice weekly April through September. In 2026, two additional sites were located at new housing development properties. There is monthly weekend monitoring, and additional monitoring is done upon request. The R&E Center is in compliance with the City of Newport odor ordinance. Other waste facilities have learned from this process and are using similar procedures for odor monitoring. It was requested that future reports include historical numbers.

The meeting recessed at 11:40 a.m. for an R&E Board photo and resumed at 11:42 a.m.

Procurement Report
Presented by: Jim Redmond, R&E Contract Manager

Contract Manager Jim Redmond presented the report for April 2026. There were eight contracts issued: five related to the facility and three related to programs. Grants totaling $62,000 were issued during that period relating to food recovery infrastructure and waste reduction.

OTHER BUSINESS

Invitation for Comments from Ex Officio R&E Board Members

Newport City Council Member Bill Sumner was present at the meeting and expressed gratitude to the board, both as a citizen and member of the Newport City Council.

Next Meeting
The next meeting of the R&E Board will be held on July 30, 2026, at 10 a.m. at the R&E Center in Newport.

ADJOURNMENT

Chair McGuire adjourned the business meeting at 11:48 a.m.

ATTEST:

____
Commissioner Mary Jo McGuire, Chair
July 30, 2026

____
July 30, 2026

RAMSEY/WASHINGTON RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

R&E BOARD MEETING DATE:	July 30, 2026	AGENDA ITEM:	IV.
SUBJECT:	Consent Agenda		
TYPE OF ITEM:	☐ INFORMATION ☐ POLICY DISCUSSION	☐ ACTION	☒ CONSENT
SUBMITTED BY:	Trista Martinson, R&E Executive Director		

R&E BOARD ACTION REQUESTED:

Approval of Consent Agenda.

EXECUTIVE SUMMARY:

Consent agenda items:

- Approve a settlement agreement between Ramsey/Washington Recycling & Energy and Emerging Acquisitions, LLC, operating as Bulk Handling Systems (BHS), effective July 30, 2026, including sign off on performance requirements and release of performance bond under contract RESFA-1392.

- Approve the purchase of a robotic sorting system, up to $500,000, from Waste Robotics, Inc., for a term of upon execution through successful final client commissioning acceptance.

ALIGNMENT WITH STRATEGIC PLAN:

- Strategic Goal 2B: Effective organics programming (prevention, recovery, recycling) that meets the needs of community and minimizes landfilled food
- Strategic Goal 3A: Prioritized waste reduction and diversion

ATTACHMENTS:

1. Draft resolution (R&EB-2026-12)
2. Settlement agreement between R&E and BHS.
3. Agreement between R&E and Waste Robotics, Inc.
4. Exhibit A: Waste Robotics Proposal

FINANCIAL IMPLICATIONS:

- The settlement agreement between R&E and BHS will not have budget impact and will result in reimbursement for services as outlined in the agreement.
- The agreement between R&E and Waste Robotics, Inc, has an estimated financial impact of $500,000 and is available in the approved processing enhancements project budget.

SUBJECT: *Consent Agenda*

AUTHORIZED SIGNATURES		DATE
R&E EXECUTIVE DIRECTOR		7/23/26
WASHINGTON COUNTY ATTORNEY		7/23/26

RAMSEY/WASHINGTON RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

RESOLUTION R&EB-2026-12
Consent Agenda

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 12, 2024 (Joint Powers Agreement); and

WHEREAS, The R&E Board adopted Procurement Guidelines on January 23, 2025 (Resolution R&EB–2025-01), which specify the procurement methods for contracts and purchases; and

WHEREAS, The R&E Board approved the 2026-2027 Joint Activities, Facility and Equipment Maintenance & Replacement (EM&R) budgets on July 24, 2025, in accordance with Section V.B.8 of the Joint Powers Agreement. NOW, THEREFORE, BE IT

RESOLVED, The R&E Board hereby approves entering into the following agreements, and any amendments thereto, and delegates authority to the executive director to execute the agreement and potential amendments, upon approval as to form by Ramsey/Washington Recycling & Energy's (R&E) attorney and provided that funding is available in the approved budgets:

- Approve a settlement agreement between Ramsey/Washington Recycling & Energy and Emerging Acquisitions, LLC, operating as Bulk Handling Systems (BHS), effective July 30, 2026, including sign off on performance requirements and release of performance bond under contract RESFA-1392.

- Approve the purchase of a robotic sorting system, up to $500,000, from Waste Robotics, Inc., for a term of upon execution through successful final client commissioning acceptance.

____
Mary Jo McGuire, Board Chair
July 30, 2026

____
Attest
July 30, 2026

SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF CLAIMS

This SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF CLAIMS ("Agreement") is entered into on the _____ day of July, 2026 ("Effective Date"), by and between the "Parties":

EMERGING ACQUISITIONS, LLC, dba operating as BULK HANDLING SYSTEMS ("BHS"),

AND

RAMSEY/WASHINGTON RECYCLING & ENERGY ("RWRE") (together the "Parties").

RECITALS:

A. BHS and RWRE entered into Contract Number RESFA-1392 for a DCB Equipment Line on May 12, 2021 (the "Contract").

B. A dispute arose between BHS and RWRE relating to the Contract (the "Dispute").

a. The Dispute is as further defined:

i. Installation and initial calibration of DCB equipment was performed on March 27, 2023 through April 21, 2023.

ii. Despite continuous efforts by both Parties to complete commissioning, the Parties disagree as to whether performance requirements in the Contract have been achieved.

C. The Parties have agreed to settle the Dispute pursuant to the terms below.

Now, therefore, for valuable consideration acknowledged and accepted by the Parties, the Parties agree as follows:

AGREEMENT:

Section 1. INCORPORATION OF RECITALS. The recitals are contractual in nature and are incorporated herein by reference.

Section 2. NO ADMISSIONS. The Parties expressly deny any and all liability and all other allegations made prior to and during the course of the Dispute or the settlement discussions. Nothing in this Agreement shall be interpreted as an admission of wrongdoing by any Party.

Section 3. BHS SETTLEMENT TERMS.

3.1. Reimburse R&E to complete HVAC repairs & upgrade to meet all seasonal heating and cooling needs to maintain temperatures in the sorting cabin between 45F and 80F with an NTE limit of $60k.

3.2. Provide updated & complete "as built" drawings of all BHS supplied equipment including:
1) Electrical
2) Mechanical

3.3. Provide mutually agreed upon SLA's:
1) Service requests (response required within 72 hours) business hours; response required within 24 hours; expedited services available.
2) Parts ordering – order processed within 7 days; expedited services available. Fabricated parts will take longer.

3.4. Provide parts and preventative maintenance credit of $300k that shall be allocated at $100k per year for the next three years. Credit not used within 3 years is forfeited.

3.5. Provide quarterly neural network & hardware/configuration updates at no cost for a minimum of 5 years from execution of this agreement at no additional cost. Documentation shall be provided to R&E after each update with a summary of work performed and neural network performance results.

3.6. Provide the following controls information to R&E:

1) All software configurations, unlocked, for any hardware provided on the project. Including, but not limited to:
   a) VFD Drives
   b) Ethernet Switches
   c) PLC Hardware
   d) Other configurable/programmable devices
2) System process flow defining the operation the system was programmed to.
3) List of all Ethernet IP addresses and devices they are assigned to.
4) A list of all the software configuration software including the version used.
5) A list of the operating system(s) used to utilize above mentioned software.
6) A list of the parameters and settings for each of the VFD drives.
7) Complete and current set of elementary electrical drawings.
8) Complete current Bill Of Materials (BOM) showing the make and model for the system components used including but not limited to:
   a) Ethernet switches
   b) PLC CPU
   c) PLC Rack
   d) Auxiliary PLC Cards
   e) Remote I/O Components

f) Power Supplies
g) Line Filters
h) Motors
i) Air Conditioning Units
j) Heaters
k) Transformers
l) UPS equipment
m) Batteries
n) Fuse Blocks
o) Fuses
p) Terminal blocks
q) E-STOP Monitor Relay
r) VFD Equipment (Including Rev Info)
s) Motor Disconnects
t) Relays
u) Temperature Controls
v) Circuit Breakers
w) Manufactured Cables (Other than Ethernet)
x) Safety Control Relays
y) Other Utilized Electrical/Electronic Components Not Listed

Section 4. RWRE SETTLEMENT TERMS.

4.1. RWRE shall

4.1.1. Close out BHS responsibilities on 2245/2246 commissioning requirements

- Including non-ferrous recovery requirements for 2246
- Including OCC recovery for 2246

4.1.2. Bond. RWRE shall, upon the Effective Date of this Agreement, withdraw its Notice to the Surety and within 10 calendar days of the completion of items 3.1, 3.2, and 3.6, release the Bond on the Contract.

4.2. Contract Closure. Upon successful completion of settlement terms, RWRE agrees that BHS has no further responsibilities under the Contract. In particular it agrees that the contractual warranty period under the Contract has expired.

Section 5. MUTUAL RELEASE FROM FURTHER CONTRACTUAL OBLIGATIONS.

5.1. BHS' Release of RWRE. As of the Effective Date, and in consideration of the promises stated herein, BHS, and BHS's members, owners, managers, officers, directors, employees, affiliates, related entities, agents, successors and assigns, individually and collectively (collectively the "BHS Releasing Parties") hereby irrevocably and unconditionally release, acquit, and forever discharge RWRE from any further obligations pursuant to the Contract, including, without limitation, any payment obligations under the Contract.

5.2. RWRE's Release of BHS. As of the Effective Date, and in consideration of the promises stated herein, RWRE, and RWRE's members, owners, managers, officers, directors, employees, affiliates, related entities, agents, successors and assigns, individually and collectively (collectively the "RWRE Releasing Parties") hereby irrevocably and unconditionally release, acquit, and forever discharge BHS from any further obligations pursuant to the Contract including, without limitation, any training, warranty, repair and damage payment obligations.

Section 6. MUTUAL RELEASES FROM LIABILITY AND COVENANTS NOT TO SUE.

6.1. BHS's Release of RWRE. As of the Effective Date, and in consideration of the promises stated herein, BHS and the BHS Releasing Parties hereby irrevocably and unconditionally release, acquit, and forever discharge, and covenant not to initiate any judicial or administrative proceeding or any other similar action against RWRE and/or the RWRE Releasing Parties from any and all causes of action, claims, liabilities, compensation, debts, obligations, promises, agreements, injuries, damages, demands, expenses, including a claim for attorney fees, which BHS and/or the BHS Releasing Parties ever had, now has, or later may have or claim to have, both in law and in equity, known or unknown, fixed or contingent, against RWRE and/or the RWRE Releasing Parties, and arising out of or in any way concerning or related in any way to the Contract (the "Released Matter").

6.2. RWRE's Release of BHS. As of the Effective Date, and in consideration of the promises stated herein, RWRE and the RWRE Releasing Parties hereby irrevocably and unconditionally release, acquit, and forever discharge, and covenant not to initiate any judicial, arbitration, or administrative proceeding or any other similar action against, BHS and/or the BHS Releasing Parties from any and all causes of action, claims, liabilities, compensation, debts, obligations, promises, agreements, injuries, damages, demands, expenses, including a claim for attorney fees, which RWRE and/or the RWRE Releasing Parties ever had, now has, or later may have or claim to have, both in law and in equity, known or unknown, fixed or contingent, against BHS and/or the BHS Releasing Parties, and arising out of or in any way concerning or related to the Released Matter.

6.3. Scope of Release. The Parties expressly intend the releases described in **Sections 6.1** and **6.2** above (the "Releases") to reach the maximum extent permitted by law. In connection with the foregoing Releases, the Parties hereby acknowledge and understand that they, and/or their attorneys or agents, may hereafter discover claims, facts or evidence in addition to or different from those which they now know or believe to exist with respect to the Parties, the Released Matter, and the subject matter of this Agreement generally. The Parties acknowledge and intend that the Releases shall release all matters known or unknown, suspected or unsuspected, which now exist, may later exist, or have previously existed between the Parties by reason of any facts, acts, circumstances or transactions occurring on or before the Effective Date and arising out of or in connection with or in any way relating to the Released Matter. In furtherance of such intention, the Releases shall be and will remain in effect as a full and complete general release to all such claims, notwithstanding the discovery or existence of any additional or different facts or evidence, and each Party expressly assumes the risk of any mistake of fact proven to be other than or different from the facts now known or assumed by any of the Parties, or believed by any of them to exist. Notwithstanding the above, the Parties agree that the Releases do not apply to any claim either

Party may have for enforcement of this Agreement, which the Parties agree to resolve as provided for in **Section 8.3** below.

6.4 Attorney Fees and Costs. For the avoidance of doubt, each Party hereby agrees to be responsible for their own attorney fees and costs related to the Released Matter.

Section 7. NON-DISPARAGEMENT. Each Party agrees that, if asked about the Released Matters, each Party will limit their response (written or oral) to "The Project is completed" or a substantially similar statement.

Section 8. GENERAL TERMS

8.1. Representation. The Parties acknowledge and agree that they have been, or have had the opportunity to be, represented and advised by independent legal counsel of their own choice throughout all negotiations that preceded the execution of this Agreement, and with respect to execution of this Agreement.

8.2. Governing Law. This Agreement will be interpreted and enforced in accordance with the laws of the State of Minnesota in effect at the time of signing this Agreement.

8.3. Dispute Resolution.

8.3.1. Informal Dispute Resolution and Mediation. The Parties agree to attempt to resolve any dispute regarding this Agreement by giving reasonable written notice of such dispute to the other Party and following up with communication either on their own or through their attorneys. If such communication does not resolve the dispute, the Parties agree to mediate the dispute.

8.3.2. Litigation of Disputes. All litigation regarding this Agreement shall be venued in the appropriate State or Federal District Court in Ramsey County, Minnesota.

8.3.3. Jury Trial Waiver. The Parties expressly agree to waive their right to a trial by jury concerning this Agreement and acknowledge that they have had the opportunity to consult with their legal counsel regarding such waiver prior to signing this Agreement.

8.4. Assignment. This Agreement is binding upon and inures to the benefit of the Parties and their respective successors, representatives and assigns, and is not intended to confer upon any other individual or entity the rights or remedies hereunder. This Agreement and all rights and obligations provided for hereunder may not be assigned by any Party except in a writing signed by all of the Parties.

8.5. Modification. This Agreement may be modified only by a writing signed by all Parties.

8.6. No Waiver. A waiver by a Party of a breach of any of the covenants or obligations under this Agreement to be performed by another Party shall not be construed as a waiver of any succeeding breach of the same or other covenants or obligations of this Agreement.

8.7. Time of Essence. Time is expressly made of the essence with respect to the performance by the Parties of each and every obligation and condition of this Agreement.

8.8. Notices. Any notice permitted or required under this Agreement shall be made in writing and sent via certified mail, return receipt requested, to the Parties' addresses and sent via electronic mail to the email addresses noted below. Either Party may change their address for receiving notice in the same manner as providing notice, as described above.

EMERGING ACQUISITIONS, LLC D/B/A BULK HANDLING SYSTEMS	**RAMSEY/WASHINGTON RECYCLING & ENERGY**
Attention Legal Department 3592 West 5th Avenue Eugene, Oregon 97402 Legal_Notices@bhsequip.com	Attention Executive Director 100 Red Rock Road Newport, MN 55055

8.9. Severability. If any provision of this Agreement is determined to be invalid, illegal, or unenforceable, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement. The provision at issue shall be modified to the minimum extent possible to be enforced, and such provision, as modified, and the remainder of this Agreement, shall remain in full force and effect.

8.10. Further Assurances. The Parties agree to take any and all actions and to execute and deliver, from time to time and at any time, such further documents as may reasonably be requested by any other Party in order to carry out and effectuate completely the purposes and intent of this Agreement.

8.11. Entire Agreement. This Agreement contains the entire understanding and agreement of the Parties with respect to the matters contained herein and is intended to fully integrate the Parties' agreement. No prior negotiations, discussions, understandings or agreements which are not set forth in this Agreement will be binding upon or enforceable against the Parties.

8.12. Neutral Interpretation. This Agreement constitutes the product of negotiations of the Parties and will be interpreted in a neutral manner and not more strongly for or against any party based upon the source of the draftsmanship.

8.13. Signatures and Counterparts. A faxed or emailed copy of a signature, or a digital signature using digital signature software that electronically captures or otherwise allows a signatory to adopt an identifying mark as such person's signature (e.g., DocuSign®), shall be effective as an original signature. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which taken together will constitute one and the same document.

8.14. Authority and Authorization. The undersigned on behalf of each Party has the full power and authority to sign and deliver this Agreement on behalf of such Party. Each Party warrants that all actions necessary to be taken by the Party in connection with this Agreement have been duly and validly taken, and this Agreement has been duly and validly authorized, executed, and delivered by the Party, and constitutes the legal, valid, and binding obligation of the Party, enforceable against the Party.

EMERGING ACQUISITIONS, LLC D/B/A BULK HANDLING SYSTEMS

Signed by:
Eric Herbert
FFCD67AAFA2C41A...

By: Eric Herbert
Its: President

Date: July 15, 2026

RAMSEY WASHINGTON RECYCLING AND ENERGY

____

By: _______________________________
Its: _______________________________

Date: _______________________________

Approved to as form:

____
Its: County Attorney

Date: _______________________________

Contract ID: RESFA-2323

RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

Agreement Between Ramsey/Washington Recycling & Energy Board and Waste Robotics, Inc.

THIS AGREEMENT made and entered into by and between the Ramsey/Washington Recycling & Energy Board, hereinafter referred to as the "R&E Board", and Waste Robotics, Inc. with its principal place of business at 11410 Boul Louis-Loranger, Trois-Rivières, QC, Canada, G9B 0T8 hereinafter referred to as the "Contractor" or "Vendor".

1. **Term**
   The term of the Agreement shall be upon execution through final client commissioning acceptance which is expected to be completed 40 weeks after execution.

2. **Cost/Payment**
   a) The R&E Board shall pay the Contractor up to $500,000 for 1 robot sorting system, with a breakdown as follows:
      - Robotic sorting equipment and controls for $405,000
      - 5 year service and support services for $11,000 per year
      - Tariffs from goods imported from Canada estimated at $40,000
   b) Pricing includes the cost of all design, supplies, equipment, material, labor, warranty, training, and delivery for the robotic sorting equipment described in Exhibit A, "Proposal Bag Sorting Port-Sort Solution" attached hereto and incorporated herein. Shipping costs shall be incorporated into the costs. The contractor shall not bill separately for travel and related expenses. Travel time is not reimbursable.
   c) Contract renewals and changes to pricing shall be made by written agreement.
   d) Invoices shall show applicable sales tax separately.
   e) No payment will be made until the invoice has been approved by the R&E Board.
   f) The R&E Board shall make payment to the Contractor within thirty (30) days of the date on which the invoice is received. If the invoice is incorrect, defective or otherwise improper, the R&E Board will notify the Contractor within ten (10) days of receiving the incorrect invoice. Upon receiving the corrected invoice, the R&E Board will make payment within thirty (30) days of the corrected invoice.
   g) Payment of interest and disputes regarding payment shall be governed by the provisions of Minnesota Statutes §471.425.
   h) The Contractor shall email invoices to invoices@recyclingandenergy.org.

3. **Scope of Services**
   Contractor shall:

a) Furnish supplies and services for the R&E Board per the specifications in Exhibit A, "Proposal Bag Sorting Port-Sort Solution" attached hereto and incorporated herein.
b) Delivery to the Recycling &Energy Center at the following address: 100 Red Rock Road, Newport, MN 55055.
c) The supplies and services furnished under this Agreement is guaranteed against any defect due to faulty material or workmanship. Such defects will be replaced by the Contractor with no additional cost to the R&E Board.

4. Audits, Reports, Records and Monitoring Procedures

The Contractor shall:

a) Maintain records which reflect all revenues, costs incurred and services provided in the performance of the Agreement.

b) Agree that the R&E Board, the State Auditor or legislative authority, or any of their duly authorized representatives at any time during normal business hours, and as often as they may deem reasonable and necessary for a minimum of six years from the end of this contract pursuant to Minn. Stat. § 16C.05, shall have access to and the right to examine, audit, excerpt, and transcribe any books, documents, papers, records, and accounting procedures and practices of the Vendor which are relevant to the Vendor's performance and determination of the agreed upon discounted payment rate under this Agreement.

5. Data Privacy

All data collected, created, received, maintained or disseminated for any purpose by the activities of the contractor because of this agreement shall be governed by the Minnesota Government Data Practices Act (Act), Minn. Stat. Ch. 13, as amended and Rules implementing the Act. The contractor is subject to the requirements of the Act and Rules and must comply as if it is a governmental entity subject to the Act and Rules. The remedies contained in section 13.08 of the Act shall apply to the contractor.

6. Nondiscrimination

Pursuant to Minn. Stat. Ch. 364 and Minn. Stat. § 181.59 and General R&E Board policy, every contract shall contain provisions by which the contractor agrees to freedom from discrimination in employment.

7. Indemnity and Insurance

a) Indemnity - The Vendor does hereby agree that it will defend, indemnify, and hold harmless the R&E Board, its agents, officers and employees against any and all liability, loss, damages, costs and expenses which the R&E Board may hereafter sustain, incur or be required to pay by reason of any negligent act or omission or intentional act of the Vendor, its agents, officers or employees during the performance of this Agreement.

b) Insurance - The Vendor does further agree that in order to protect itself, as well as the R&E Board, it will at all times during the term of the Agreement have and keep in force:

i. Commercial General Liability of no less than $1,000,000 per occurrence, $2,000,000 general aggregate, $2,000,000 products/completed operations total limit, $1,000,000 personal injury and advertising liability. The R&E Board, its agents, officers, and employees shall be added to the policy as additional insured on a primary and non-contributory basis with respect to the ongoing and completed operations of the proposer providing coverage at least as broad as ISO forms CG 2010 and CG 2037, and solely as respects liability arising out of WTW's operations or work being performed in connection with this agreement. Waiver of subrogation is required.

ii. If the Contractor is driving on behalf of R&E as part of the Contractor's services under the Agreement, a minimum of $1,000,000 combined single limit Auto Liability, including hired, and non-owned vehicles. R&E Board shall be added to the policy as additional insured on a primary and non-contributory basis. Waiver of subrogation is required.

iii. Workers' Compensation in statutory amount (if applicable).

Evidence of Insurance shall be provided before this Agreement is effective. All Certificates of Insurance must indicate that policies may not be non-renewed or cancelled unless best endeavors are used to provide Thirty (30) days advance written notice to R&E Board. Best endeavors will be used to provide Thirty (30) days notice for non-payment of premium.

In the event that claims or lawsuits shall arise jointly against the Vendor and the R&E Board, and the R&E Board elects to present its own defense, using its own counsel, in addition to or as opposed to legal representation available by the insurance carriers providing the coverage as stated above, then such legal expense shall be borne by the R&E Board.

8. Independent Contractor

It is agreed that nothing herein contained is intended or should be construed in any manner as creating or establishing the relationship of co-partners between the parties hereto or as constituting the Vendor as the agent, representative, or employee of the R&E Board for any purpose or in any manner whatsoever. The Vendor is to be and shall remain an independent contractor with respect to all services performed under this Agreement.

The Vendor represents that it has, or will secure at its own expense, all personnel required in performing services under this Agreement. Any and all personnel of the Contractor or other persons, while engaged in the performance of any work or services required by the Contractor under this Agreement, shall have no contractual relationship with the R&E Board and shall not be considered employees of the R&E Board.

Neither the Vendor nor its employees will at any time be construed to be employees of the R&E Board. The Vendor is responsible for its employees' compensation, fringe benefits and all insurance coverage.

9. Subcontracting and Assignment

The Vendor shall not enter into any subcontract for performance of any services contemplated under this agreement; nor novate or assign any interest in the agreement without the prior written approval of the R&E Board. Any assignment or novation may be made subject to such conditions and provisions as the R&E Board may impose. If the contractor subcontracts the obligations under this agreement, the contractor shall be responsible for the performance of all obligations by the subcontractors.

10. Modifications
Any material alteration, modification or variation shall be reduced to writing as an amendment and signed by the parties. Any alteration, modification, or variation deemed not to be material by agreement of the R&E Board and the Contractor shall not require written approval.

11. Merger
It is understood and agreed that the entire agreement of the parties is contained herein and this Agreement supersedes all oral agreements and negotiations between the parties relating to this subject matter. All items referred to in this Agreement are incorporated or attached and deemed to be a part of the Agreement.

12. Contractor Debarment, Suspension, and Responsibility
Federal Regulation 45 CFR 92.35 prohibits the R&E Board from purchasing goods or services with federal money from vendors who have been suspended or debarred by the federal government. Similarly, Minn. Stat. § 16C.03, subd. 2, provides the Commissioner of Administration with the authority to debar and suspend vendors who seek to contract with the R&E Board. Vendors may be suspended or debarred when it is determined through a duly authorized hearing process, that they have abused the public trust in a serious manner.

13. Termination
The R&E Board may immediately terminate this Agreement if any proceeding or other action is filed by or against the Contractor seeking reorganization, liquidation, dissolution, or insolvency of the Contractor under any law relating to bankruptcy, insolvency or relief of debtors. The Contractor shall notify the County upon the commencement of such proceedings or other action.

If the Contractor violates any material terms or conditions of this Agreement the R&E Board may, without prejudice to any right or remedy, give the Contractor, and its surety, if any, seven (7) calendar days written notice of its intent to terminate this Agreement, specifying the asserted breach. If the Contractor fails to cure the deficiency within the seven (7) day cure period, this Agreement shall terminate upon expiration of the cure period.

The R&E Board may terminate this Agreement without cause upon giving at least thirty (30) calendar day's written notice thereof to the Contractor. In such event, the Contractor shall be entitled to receive compensation for services provided in compliance with the provisions of this Agreement, up to and including the effective date of termination.

14. Interpretation of Agreement; Venue
The Agreement shall be interpreted and construed according to the laws of the State of Minnesota. All litigation regarding this Agreement shall be venued in the appropriate State or Federal District Court in Ramsey County, Minnesota.

The provisions of this Agreement are severable. If any part of this Agreement is rendered void, invalid or unenforceable, such rendering shall not affect the validity and enforceability of the remainder of this Agreement.

15. Warranty

Seller warrants products manufactured by it and supplied hereunder to be free from defects in materials and workmanship under normal use and proper maintenance for a period of twelve (12) months from date of shipment. If within such period any such products shall be proved to Seller's reasonable satisfaction to be defective, such products shall be repaired or replaced at Seller's option. Seller's obligation and Buyer's exclusive remedy hereunder shall be limited to such repair and replacement and shall be conditioned upon Seller's receiving written notice of any alleged defect no later than ten (10) days after its discovery within the warranty period and, at Seller's option, the return of such products to Seller, f.o.b. its factory, when such return is feasible. Seller reserves the right to satisfy its warranty obligation in full by reimbursing Buyer for all payments it makes hereunder, and Buyer shall thereupon return the products to Seller. Seller shall have the right to remedy such defects. Seller makes no warranty with respect to wear or use items such as belts, chains, sprockets, discs and coils all which are sold strictly AS IS, and controls, accessories, or components not manufactured by Seller, which are warranted only to the extent, if any, of the manufacturer's warranty for such controls, accessories, or components.

THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER EXPRESS AND IMPLIED WARRANTIES (EXCEPT OF TITLE) INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, PERFORMANCE, OR OTHERWISE, and in no event shall Seller be liable for claims (based upon breach of express or implied warranty, negligence, product liability, or otherwise) for any other damages, whether direct, immediate, incidental, foreseeable, consequential, or special.

IN WITNESS WHEREOF the parties have executed this Agreement as of the dates below.

Waste Robotics, Inc.

By: ______________________________

Date: ___________________________

Title:______________________________

RAMSEY/WASHINGTON RECYCLING & ENERGY BOARD:

By: _____________________________

Trista L. Martinson, Executive Director

Date: ___________________________

Approved As To Form:

By: _____________________________

County Attorney

Date: ___________________________

Reviewed by:_____________________

Reviewed by:_____________________

Reviewed by:_____________________

EXHIBIT A

SUBJECT: *Consent Agenda*

WASTE ROBOTICS

DATE

July 22st, 2026

PROPOSAL

BAG SORTING

POST-SORT SOLUTION

PRESENTED TO

Ramsey/Washington Recycling & Energy

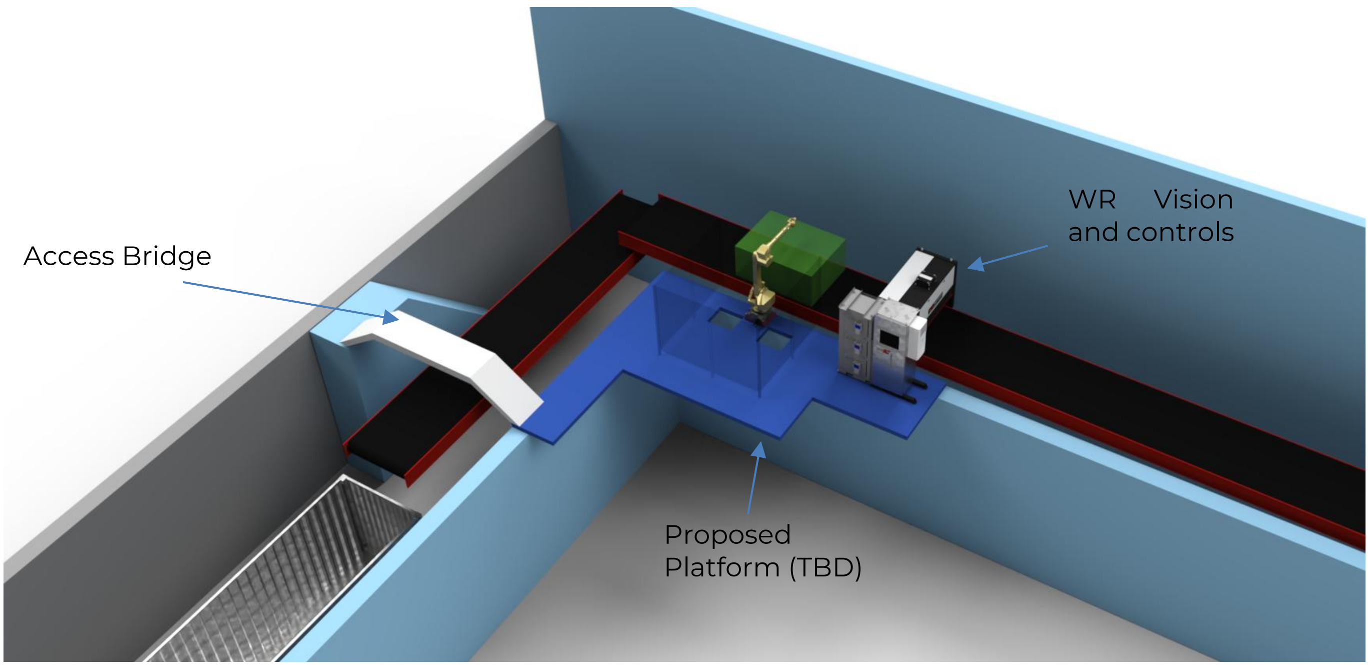
CONTACT

Sam Holl

THE PROJECT

WASTE ROBOTICS is providing a robotic sorting solution to Ramsey/Washington Recycling and Energy, to be integrated in existing system in St-Paul, MN.

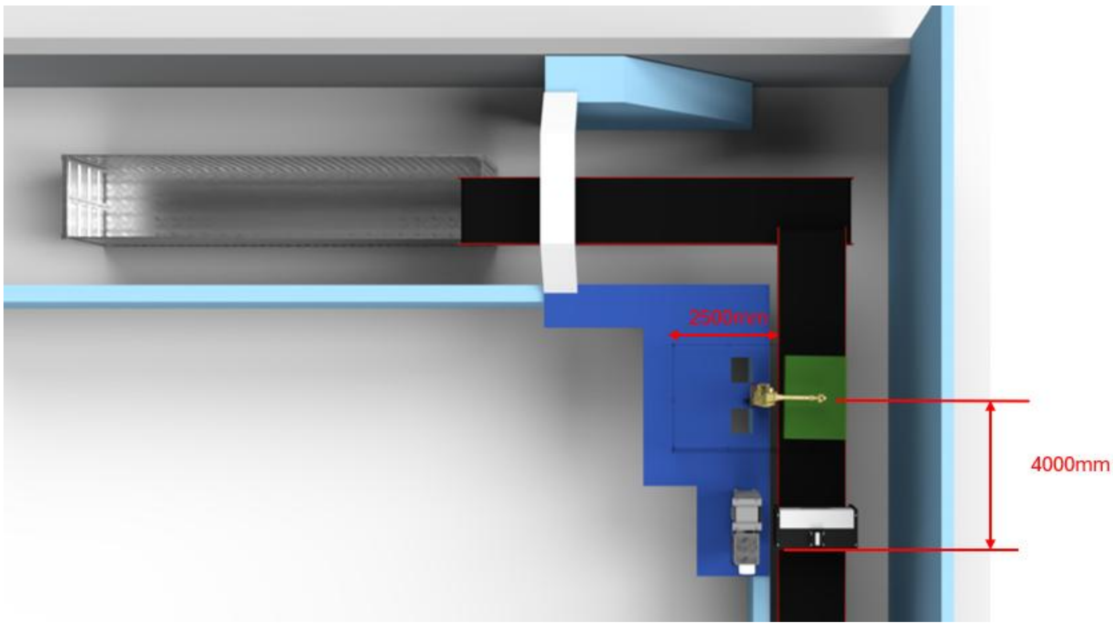
THE PROJECT IS TO PROVIDE 1 SYSTEMS OF 1 ROBOT, DEDICATED TO CONTROL THE QUALITY OF BAGS OF SOURCE SEPARATED ORGANICS (SSO) AFTER THE FIRST SORTING OPERATION. THE SYSTEM WILL IN PRIORITY POSITIVELY PICK THE BAGS OR AS AN ALTERNATIVE NEGATIVELY PICK THE CONTAMINANTS. THE BAGS IDENTIFIED BY THE SYSTEM WILL HAVE A SPECIFIC COLOR AND VOLUME. THIS SHOWN CONFIGURATION IS OPTIMIZE FOR THE PICKED FRACTION TO BE DROPPED IN THE SIDE CHUTES NEXT TO THE ROBOTS.



Preliminary proposed integration (to be confirmed in detailed engineering)

1.1 ROBOTIC SORTING SOLUTION

Conveyor: 72 inches wide, flat ''slider bed'' type (provided by R&E)
Fraction to extract: SSO green colored bags (primary function)/ Or Contaminants (Alternative)
Belt Speed: Variable, to be confirmed in detailed engineering
Chutes configuration: to be determined in detailed engineering
Systems Configuration: 1 system of 1 robot, installed on the existing transfer conveyors of Food Scrap Bags (FSBs)



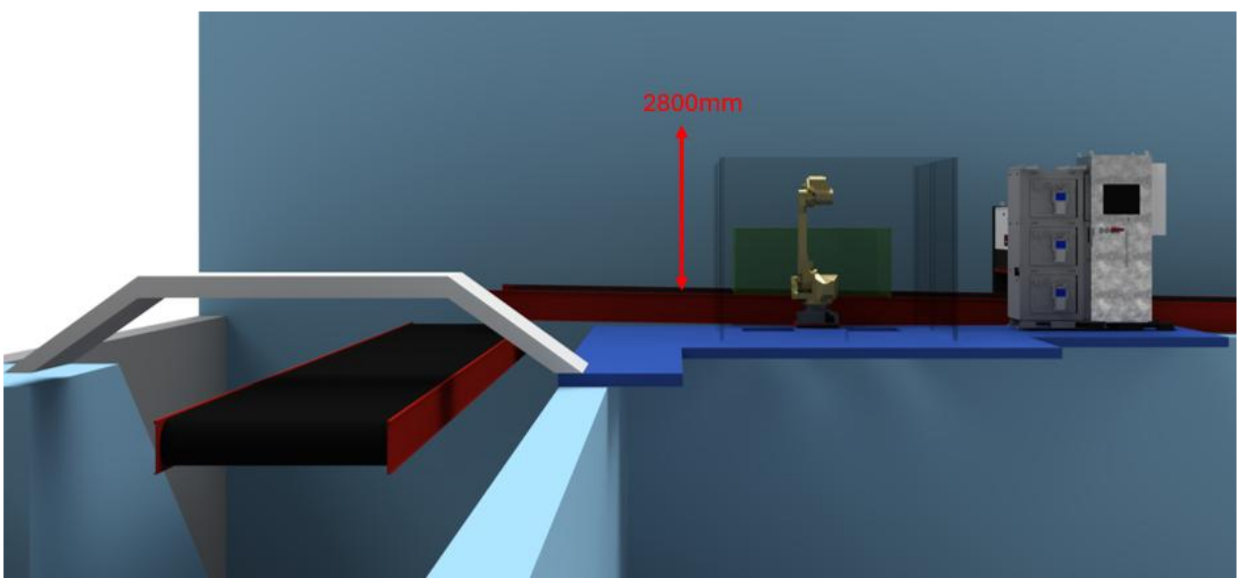


Figure 2 and 3: Proposed layout of robotic line for system of 1 robot

1.2 Description of materials to be sorted

DESCRIPTION OF MATERIALS TO BE SORTED (in positive configuration)

Fractions to be sorted: 6- and 13-gallon green bags containing source separated organic waste

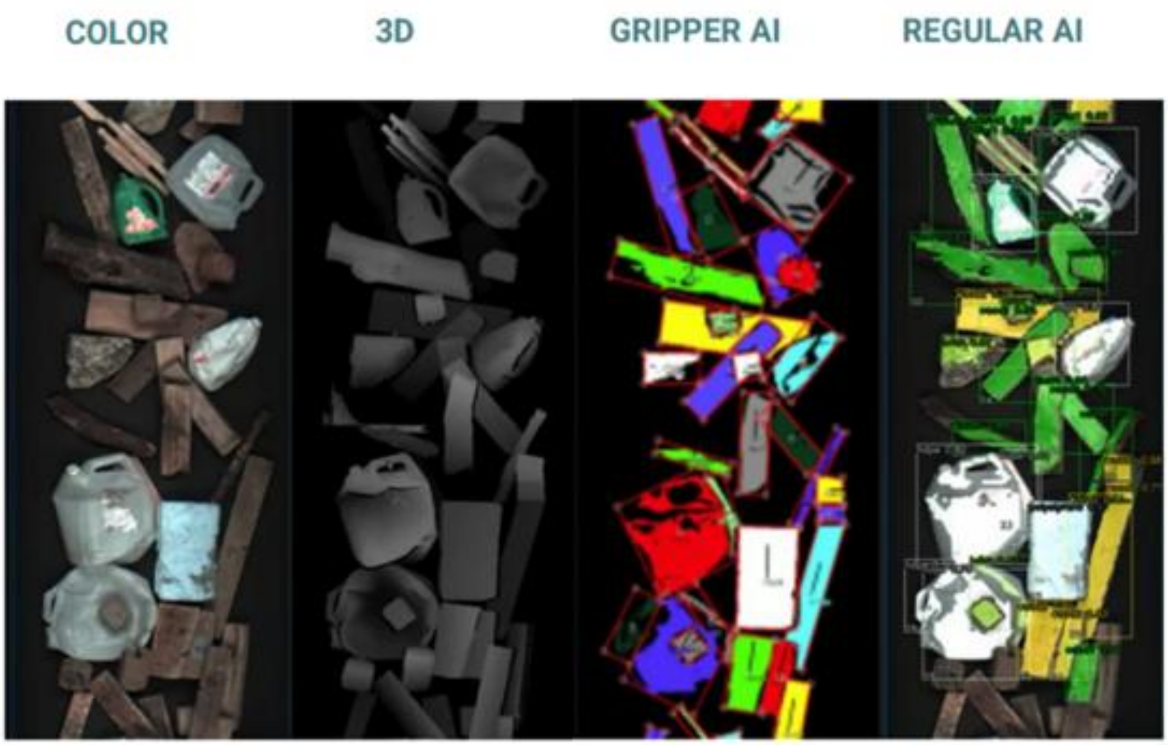
Fractions to leave on the conveyor: Any other waste or contaminant

1.3 Specifications

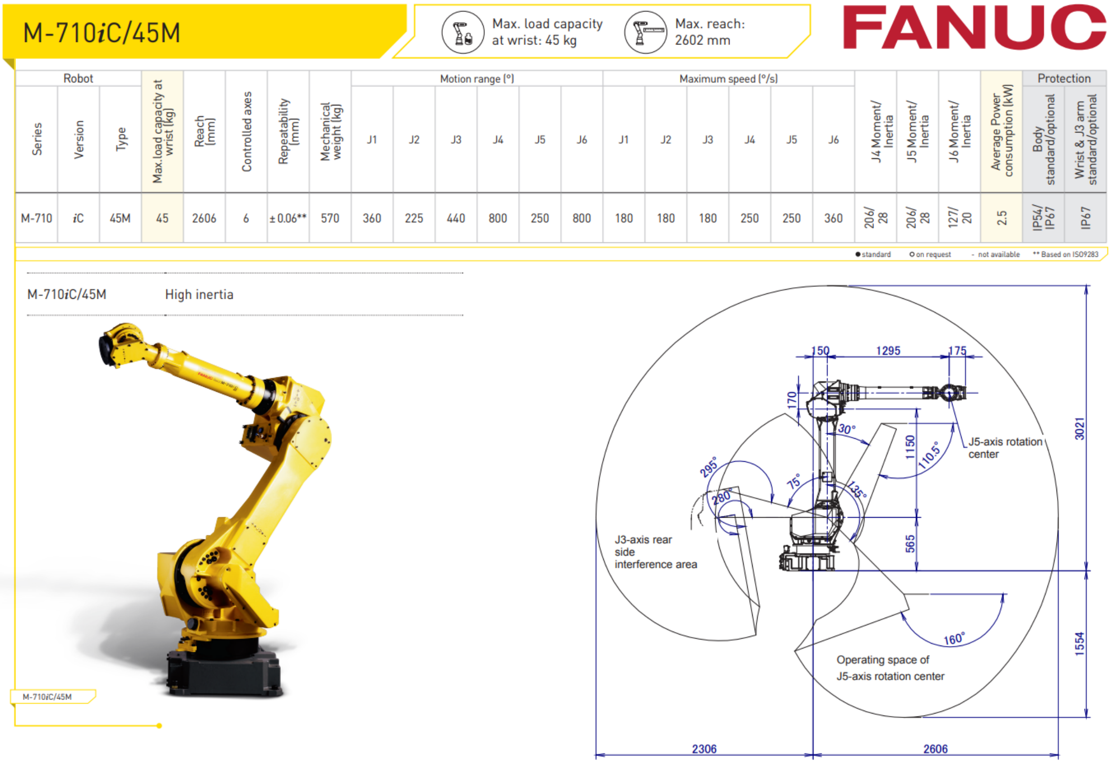
MAIN COMPONENT SPECIFICATIONS	
Vision system	1 vision systems including a color camera (RGB) and a 3D camera, combined with artificial intelligence.
Clearance between top of conveyor and vision enclosure:	700 mm – Client responsibility to meter the flow to protect the equipment
Robotic arms	Fanuc M710C-45M robotic arms
Gripper Type:	"BagR" type grippers with a maximum opening of 260 mm
Maximum lifting capacity	Up to 15 KG
Min/Max object size	See bag description
Robot Bases	Custom Steel Bases
Security perimeter	Wire mesh security perimeter with secure access doors

Notes:
1) Protection: A dry shelter is required
2) Air temperature range: 5-45 degree C
3) Interlock with current system include
4) All safety guarding included

Deepvision robot vision system and control panel equipped with HMI



Sensor Fusion vision technology



M-710*i*C/45M

Max. load capacity at wrist: 45 kg

Max. reach: 2602 mm

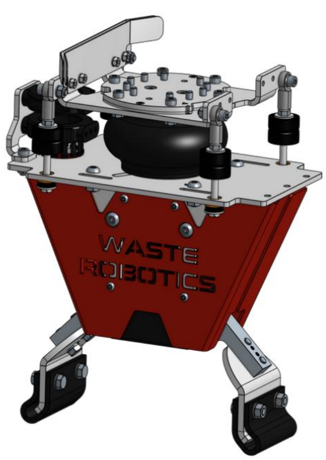
FANUC

Robot								Motion range (°)						Maximum speed (°/s)										Protection	
Series	Version	Type	Max.load capacity at wrist (kg)	Reach (mm)	Controlled axes	Repeatability (mm)	Mechanical weight (kg)	J1	J2	J3	J4	J5	J6	J1	J2	J3	J4	J5	J6	J4 Moment/ Inertia	J5 Moment/ Inertia	J6 Moment/ Inertia	Average Power consumption (kW)	Body standard/optional	Wrist & J3 arm standard/optional
M-710	*i*C	45M	45	2606	6	± 0.06**	570	360	225	440	800	250	800	180	180	180	250	250	360	206/ 28	206/ 28	127/ 20	2.5	IP54/ IP67	IP67

● standard ○ on request - not available ** Based on ISO9283

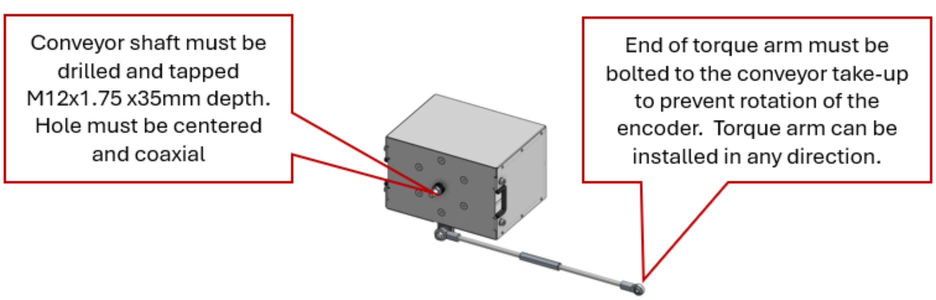
M-710*i*C/45M High inertia

Proposed robot arm spec sheet



Proposed gripper (BagR)

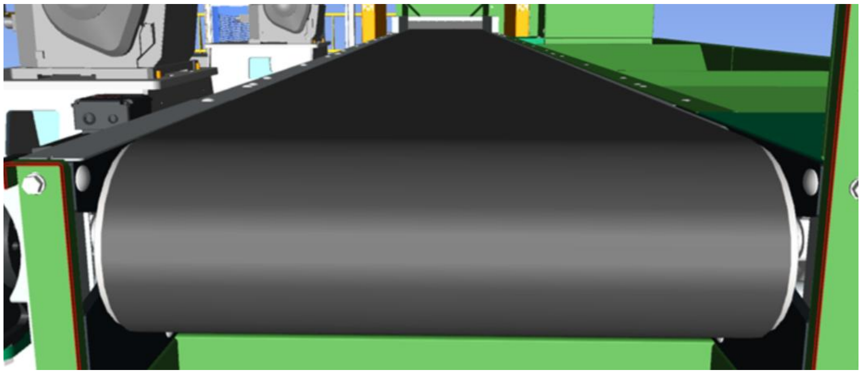
Safety fences equipped with interlock devices and light indicators

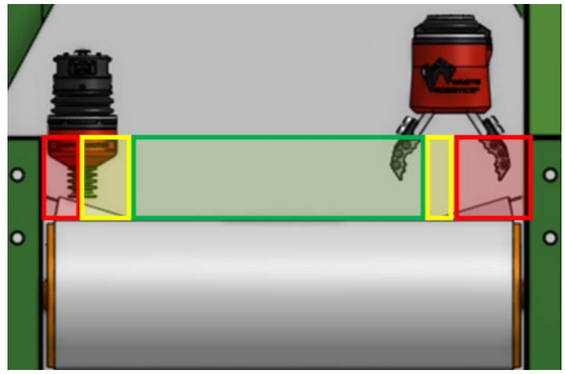


Installation of the encoder by Waste Robotics

1.4 Recommended conveyor specifications

Waste Robotics recommends a straight, level, flat-bottomed belt conveyor ("Slider bed") with a painted welded steel frame:

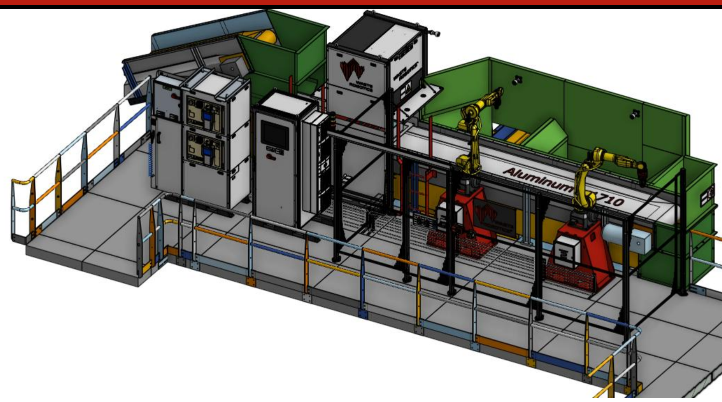
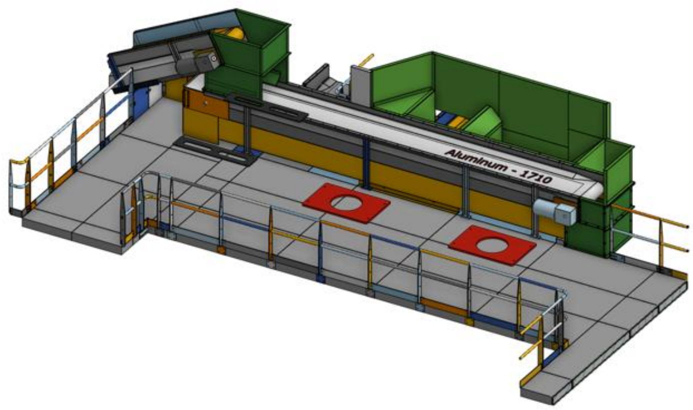
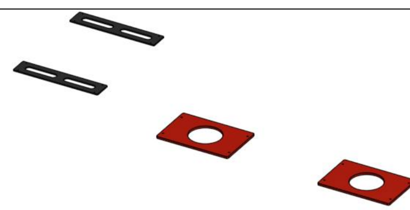




Conveyor must be without sidewalls or a troughed belt. The sidewalls and troughed belt restrict the picking area. The image below shows a non-picking zone in red due to a collision between the tool and the sidewalls. The yellow area shows limited picking performance due to the angular profile of the belt.

1.5 Mounting bases for robots and vision systems

To facilitate installation and ensure that the robotic system is properly secured to the platform, we strongly recommend that the customer/integrator provide steel mounting plates to be placed under the robots and the vision system’s feet. The exact locations and manufacturing specifications for these mounting plates will be provided during the detailed engineering phase.

Exemples de dessins	Photos des composants
Complete robotic system installed on the customer's platform	
Example of welded soles on the customer's platform	
Examples of bases to be provided by the customer/integrator	

1.6 PROJECT STEPS

PROJECT STEPS	RESPONSABILITY
1. Order and 1st payment	Client
2. Preliminary engineering	Waste Robotics and client
3. On-site visit	Waste Robotics
4. Detailed engineering and integration	Waste Robotics and client
5.Purchasing	Waste Robotics
6.Production and assembly (2nd payment)	Waste Robotics
7.Internal fabrication control	Waste Robotics
8. Preparation for shipment (3rd payment)	Waste Robotics and client
9.Shipment to customer site	Waste Robotics and client
10.On-site installation	Waste Robotics and client
11.Site acceptance test (SAT) (4th payment)	Waste Robotics and client
12.Employee training	Waste Robotics and client
13. Performance ramp-up	Waste Robotics and client
14. Final acceptance (CFA) (5^{th} payment)	Waste Robotics and client

ENGINEERING SUPPORT INTEGRATION (Steps 2 to 4)	
Preliminary 3D layout	Waste Robotics, in collaboration with client chosen integrator, will supply and integrate into its design the robotic systems and the dimensioning of the conveyors and chutes proposed for the project.
Detailed engineering	After approval by all project stakeholders, Waste Robotics, in collaboration with client chosen integrator, will proceed with the detailed engineering of the robotic systems.
Site visit engineering department	As the integrator's installation work progresses, Waste Robotics will carry out a site visit to validate that the engineering plans conform to the 'as-built' on site to ensure the installation of the robotic systems as planned in detailed engineering. (If needed)

TECHNICAL SUPPORT FROM INSTALLATION (Steps 10 to 14)	
Supervision of mechanical and electrical installation of robotic systems	During the mechanical and electrical installation of the robotic systems (carried out by the project integrator or other subcontractor), the Waste Robotics installation team will be present on site to ensure that everything conforms to the project's detailed engineering.
Installation and start-up of robotic systems	Waste Robotics assembles the various modules for equipment calibration and start-up.
Site Acceptance Test (SAT)	Once the system has been successfully started up, various tests and demonstrations will be carried out in the presence of the customer, and the customer's acceptance confirms that the installation conforms to the system sold. Start of warranty period
Start of ramp-up week 1	Once the SAT has been completed, the Waste Robotics team will gradually put the robotic systems into production. Technical training in system operation and maintenance will be given to the customer's technical teams. Typically, at commissioning, the system's detection performance will fall short of the advertised performance.
Ramp-up period (remote support by WR)	Start of a period of mechanical adjustment and material flow to the upstream robots and learning of the AI model to achieve performance according to the characterizations initially provided by the customer. The AI system takes several weeks to achieve the announced performance levels and requires the close involvement and collaboration of the customer's

	representatives. The customer is involved in the upstream process adjustments needed to ensure uniform, non-overlapping spreading of the material for proper presentation to the system. Throughout the learning period, Waste Robotics' support will be constant and sustained. See In the context of the project covered by this proposal, Waste Robotics will provide ramp-up support over a 12-to-24-week period, for the AI learning required for the detection and prehension of contract classes.
Final customer acceptance (CFA)	Final approval by the customer according to agreed performance criteria, who completes the project cycle and hands over to Customer Support.
Customer support and performance	Customer support and performance Support for any problems encountered on the robotic system, purchase of parts, proactive watch by the WR team to warn the customer of system degradation.

1.7 PERFORMANCE

PERFORMANCE*	
NOMINAL PICKS PER MINUTE	15 per robot
MAXIMUM PICKS PER MINUTE	Up to 25 picks per minute per robot, under optimal conditions
PICKED BAGS PURITY RATE	≥92%

*Performances figures are based on the assumption that the stream will consist of a single layered material presentation, at a maximum rate of 15 pickable bags per minute per robot.

1.7 PRICING, DELIVERY SCHEDULE AND PAYMENT TERMS

PRICE*		
Quantity	**Description**	**Cost**
1	Robotic sorting system of 1 robot	$ 405,000 USD
1	Service plan (list chosen option)	-
	TOTAL	$

*Delivery is under Incoterm DAP to the customer's designated site in St-Paul, Minnesota. Customs clearance according to the on-going US tariff regime is the customer's responsibility. Price valid for 60 days.

DELIVERY SCHEDULE	
Detailed Engineering	4 weeks*
Procurement and assembly	20 weeks
Transportation to site	2 weeks
Supervision of installation, SAT Commissioning and training	2 weeks
Ramp - up	12 weeks

PAYMENT TERMS*	
Upon receipt of the order	35% on invoice
At the start of assembly	30% Net 30 days
Before shipping	25% on invoice
At industrial commissioning (SAT)	5% Net 30 days
At Client Final Acceptance (CFA)	5% Net 30 days

The project launch date is determined by receipt of the first payment.

The schedule is conditional on Waste Robotics' order book at the time of the order.

*Detailed engineering duration will start when the integration engineering is ready for robotic layout implementation.

1.8 INCLUSIONS/EXCLUSIONS

This proposal includes (for 1 robot-system):

- 1 robots Fanuc M-710iC-45M
- 1 robot bases
- 1 grippers ''BagR''
- 1 Robot Vision Systems (RGB and 3D cameras)
- 1 Security perimeters around the robots
- 1 AI custom training
- Client employees training and support
- Packaging and transport of equipment to the customer's facilities
- Mechanical and electrical installation supervision
- Supervision of automation integration with customer installations
- Commissioning
- Detection and gripping optimization (Ramp-up)
- 1 year warranty or 4000 hours of operation from site acceptance test (SAT)

This proposal excludes (for 1-robot system):

- Mechanical and electrical installation in customer facilities
- Electrical connection and service (approx. 21 kVa)
- Internet connection and service (recommended up/down 100 Mbits/sec)
- Compressed air connection 6 bars, dry, filtered 5 microns (approx. 8 SCFM)
- Conveyor, chutes, platforms and all other modifications required for system installation
- Taxes and/or customs duties, tariffs (incoterms DAP)

1.9 SERVICE PLANS OPTIONS

Service Agreement

	No plan	BRONZE	SILVER	GOLD
		11000 $ / year	12000 $ / year	23000 $ / year
Remote technical support schedule	8:00-17:00 EST	8:00-17:00 EST	8:00-17:00 EST	24 hours / 7 days
Parts order processing time	21 days	7 days	7 days	48 hours
Discount on spare parts		15%	15%	30%
On-site inspection and maintenance [1,2]		1 visit / year	1 visit / year	2 visits / year
Discount on additional visits [2]		25%	25%	50%
Discount on new sorting recipe	1,500$*		25%	50%
Discount on new AI object training	3,500$*		25%	50%
Online Operator Training			1 / year	4 / year
Software Upgrade	4,500$*		✓	✓

1. Up to 3 days on site
2. Excludes travel fees

1.10 Spare parts list

R&E - Spare parts price list

Project :	R&E
Prepared By :	Nathan Généreux
Date:	2026-07-21
Currency :	USD

WASTE ROBOTICS

CRITICAL PARTS

Part Number	Description	Price	MTBF (years)*
CFMD-DV-AIS-11751	CFMD (Conveyor's Feed Monitoring Device for DV systems)	$5,552.74	5
CFMD-DV-WRI-ZP-11758	CFMD Axle	$720.68	3
ELEC-OMR-10786	Power Supply 24V	$256.73	10
HDW-10208	CFMD Encoder Shaft coupling	$48.99	5
PNEU-PNX-10070	1/2" soft starter, Size 3	$80.51	10
PNEU-PNX-10071	Filter regulator 1/2", 20m, Size 3, Manual drain, Pressure switch	$346.19	10
PNEU-PNX-10077	1/4" filter, 5m, Size 1, Automatic drain	$93.72	10
PNEU-PNX-10078	Coalescing filter 1/4", Size 1, Automatic drain	$163.70	10
PNEU-PNX-10087	1/2" cut-off valve, Size 3	$88.41	10
PNEU-PNX-10115	Electric cut-off valve 1/2", Size 3, Without coil	$135.86	10
VRS-1600-DV-SIL-10044	DeepVision - LED Linear Light 69" - 1600-1800mm conveyor	$8,093.73	10
VRS-1800-WRI-CUT-12621	Glass Window, 1800mm Lower Cartridge	$0.00	10
VRS-CAM-LMI-10022	3D Camera - 1200-1800mm conveyor	$18,661.99	10
VRS-WRI-10147	Mirror, 1200/1600/1800mm Lower Cartridge	$331.90	10
VRS-WRI-10464	Mirror, 1600/1800mm Upper Cartridge	$796.55	10
VRSPNL-12098	HMI Touchscreen	$2,090.84	5
VRSPNL-ADV-PTS-10036	Industrial Router	$1,907.25	5
VRSPNL-DEL-PTS-13020	Vision PC (Waste Robotics Configuration) new	$15,518.52	5
VRSPNL-LNV-PTS-10003	HMI PC (Waste Robotics Configuration)	$2,518.70	5
VRSPNL-NET-PTS-13155	24 port Gigabit Ethernet Switch (724)	$506.49	0
VRSPNL-TPL-PTS-10013	PDU, Single Phase, 100-240V	$478.99	10
VRSPNL-TPL-PTS-10322	UPS 208/230V 1500VA 1350W (2023+)	$1,918.27	5

TOOLING PARTS

Part Number	Description	Price	MTBF (hours)*
BagR-ENF-10064	Cylinder Positioning System	$2,513.80	3000
BagR-WRI-CUT-10509	Plate Finger (2 per gripper)	$58.03	1500
BagR-WRI-P-10965	Guard BAGR V2 (2 per gripper)	$52.34	10000
GRIPR-CON-10098	Balloon actuator	$205.81	10000
GRIPR-M710-AIS-11534	BAGR v2.3	$21,266.04	-
GRIPR-WRI-10961	Bumper Strike Plate (4 per gripper)	$2.88	3000
GRIPR-WRI-3D-12519	Bushing Cover (4 per gripper)	$15.43	3000
GRIPR-WRI-LDT-12520	BagR lower suspension plate	$103.16	3000
GRIPR-WRI-LDTP-12518	Base Plate MonstR-BagR	$91.73	1500
GRIPR-WRI-P-11108	RHS sacrificial part (2 per gripper)	$26.75	250
GRIPR-WRI-P-11109	LHS sacrificial part (2 per gripper)	$26.75	250
GRIPR-ZIM-10099	Two Jaw Angular Gripper	$3,834.29	TBD
HDW-10164	Hex Nut M8 x 1.25 (4 per gripper)	$0.14	-
HDW-10166	Lock Washer M6 (4 per gripper)	$0.06	-
HDW-10167	Flat Washer 8mm (4 per gripper)	$0.08	-
HDW-10221	Lock Washer M8 (4 per gripper)	$0.15	-
HDW-10223	Nylon insert lock nut M10 x 1.5 (4 per gripper)	$0.29	-
HDW-10224	Wide flat washer 10mm (8 per gripper)	$0.52	-
HDW-10253	Wide flat washer 8mm (8 per gripper)	$0.13	-
HDW-10497	Ball joint, threaded M8x1.25 (4 per gripper)	$28.39	3000
HDW-10498	Flanged Sleeve Bearing (4 per gripper)	$4.09	3000
HDW-10499	Polyurethane flat disc spring - 8mm (8 per gripper)	$4.93	3000
HDW-10500	Rubber bumper (8 per gripper)	$0.72	3000
HDW-10501	Hex Bolt M8 x 1.25 x 100 mm (4 per gripper)	$0.98	-
HDW-10955	Hex Bolt M10 x 1.5 x 35mm (4 per gripper)	$0.61	-
HDW-CUT-10510	Rubberized Gripping Pad (2 per gripper)	$26.13	250
HDW-D-10491	Rubber flap	$92.77	3000

MAINTENANCE PARTS

Part Number	Description	Price	MTBF (hours)*
PNEU-PNX-11990	20-micron filter element for EP 173 Filter Regulator	$5.62	3000
PNEU-PNX-11992	5-micron filter element for Filter F 171	$2.08	3000
PNEU-PNX-11993	0.01 micron filter element for DA 171 Coalescing Filter	$53.78	3000
VRSPNL-12766	89096883SP Air Filter for G280626G050 HVAC	$244.42	3000
VRSPNL-TPL-PTS-12203	UPS battery (2023+)	$325.80	10000

Prices are for reference purposes and are subject to change without notice. Prices are for ONE item or unit per line.

**Estimated Mean Time Between Failures requiring repair, overhaul, or replacement. Based on manufacturer standards, normal usage, and regular maintenance. Exposure to extreme environmental conditions such as excessive dust, humidity, temperature fluctuations, or other harsh factors may negatively impact the MTBF estimate.*

1.11 INTELLECTUAL PROPERTY

<u>Data</u>

The document " *WASTE ROBOTICS DATA MANAGEMENT POLICY*" will be provided upon request in addition to this proposal for details of data ownership.

<u>Software Use License</u>

The document " *END USER LICENCE AGREEMENT*" will be provided upon request in addition to this proposal for details on the software usage license.

1.12 GUARANTEES

1. Purpose of the warranty The Seller guarantees to the Customer that the product is free from manufacturing defects and complies with the agreed specifications. The warranty covers exclusively the elements specified below, subject to compliance with the normal conditions of use of the product by the Customer.

2. Items covered by the warranty

2.1 **Non-accidental breakage of parts or improper handling by the Customer** The warranty covers the replacement or repair of parts damaged due to manufacturing defects. However, it expressly excludes damage resulting from improper handling, inappropriate use, normal wear and tear or an accident attributable to the Customer.

2.2 **Abnormal wear** The warranty applies in the event of abnormal wear of the product components, i.e. when the premature deterioration of the product results from a manufacturing defect, beyond the normal wear expected in the context of use in accordance with the Seller's instructions.

3. Terms of repair

3.1 **Direct Labor (DOL) Repair** If repairs are required during the warranty period, these will be carried out at no additional cost to the Customer, provided that the product has a defect covered by the warranty. Any repairs will be carried out by the Seller or a service provider approved by the latter.

Ramp -up period After the initial commissioning period of the product or service (Ramp -up), the Seller undertakes to provide technical performance support to ensure that the system continues to meet the expected performance criteria, in accordance with the specifications defined in the contract and recommended maintenance schedule.

5. Warranty Exclusions The warranty does not cover:

- Damage resulting from use not in accordance with the manufacturer's or Seller's instructions;
- Modifications or repairs carried out by unauthorized third parties;
- Normal wear and tear of parts in the context of proper use of the product;
- Damage caused by inappropriate environmental conditions (excessive humidity, extreme temperatures, etc.).

6. Implementation of the warranty To benefit from the warranty, the Customer must notify the Seller of any defect found within a reasonable time of its discovery. The Seller reserves the right to examine the product to verify the applicability of the warranty before any repair or replacement.

7. Warranty duration The warranty is valid for a period of 1 year or 4000 hours of operation (first of the 2 conditions reached) from the date the system is put into service (step #11).

1.13 TERMS AND CONDITIONS OF SALE

TERMS AND CONDITIONS

All products supplied by Waste Robotics and accepted by the buyer (CUSTOMER) are in accordance with the following general conditions of sale:

PRICE

Our prices for technical equipment are valid for 30 days. Prices are subject to change after this period.

Written errors are subject to correction.

NOTE

Waste Robotics shall remain the owner of all equipment supplied (or portion thereof) until final and complete payment. The purchaser shall maintain and respect this right granted to Waste Robotics .

In the event that the buyer fails to comply with the payment terms and Waste Robotics has to take back its equipment, under this clause, the buyer acknowledges that Waste Robotics will retain as liquidated damages any amount that has already been paid by the buyer.

INFORMATION

It is the customer's responsibility to inform Waste Robotics, without delay, of any circumstances which may affect the progress of the work determined in this contract.

GUARANTEE

The equipment is covered by an extended warranty of one (1) year or 4,000 hours, whichever comes first, against any manufacturing defect (material and workmanship) under normal use.

The warranty becomes valid from the date the equipment is put into service.

The warranty will cease to be in effect if the equipment is repaired or modified by personnel not authorized by Waste Robotics to perform operations or if the system's operating and maintenance instructions have not been followed or approved.

Waste Robotics shall not be liable at any time for any loss or damage of any kind, or for any other reason to any person or property, or for any loss of income or profit or for any other consequential damage.

The purchaser shall notify Waste Robotics in writing within ten (10) days of discovery and during the warranty period of any alleged defect and allow Waste Robotics or its representatives to perform any appropriate inspection or testing. The purchaser may, with Waste Robotics ' approval, return the allegedly defective product to Waste Robotics ' factory for inspection. After inspection, Waste Robotics will determine whether the product will be repaired or replaced (FOB Trois-Rivières) or issue a credit note equal to the amount invoiced for such product.

Any action for breach of warranty or any other action brought pursuant to this Agreement must commence one (1) year after the cause of action arose.

THIS LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS.

INSURANCE

The owner (purchaser) is responsible for obtaining and maintaining insurance on the equipment upon delivery to the site, including unloading of trucks or containers. All other insurance for the installation period will be the responsibility of the customer.

The Owner shall obtain and maintain "builder's and/or installation risk" insurance on an "all risks" basis, including labor and all materials related to the entire project, for replacement costs including the added value of taxes at the time of loss. This insurance shall include as named insureds: the Owner, the Seller and the Subcontractors. The policy shall cover direct loss risks of physical loss or damage including floods or other water damage, earthquakes, acts of terrorism, goods in transit, goods stored off-premises, insurance against machinery breakdown, defects in the execution of work and defects in materials. The coverage shall be continuous and maintained for a minimum period of 10 (ten) days following the date of acceptance and/or final payment to the Seller. In the event of a loss or catastrophe, the buyer (owner) is responsible for the "deductible" portion. The maximum deductible amount per claim is $10,000, with the exception of losses caused by flooding or earthquakes, which will be $25,000 and $100,000 respectively.

A certificate of insurance must be presented to Waste Robotics before work begins on site. In addition, the insurance policy must contain a clause stating that the insurer will give Waste Robotics 30 days' written notice of any changes or cancellations to the policy.

DELIVERY

Deliveries are scheduled upon order placement, with deposit, clarification of required technical information, and customer approval of drawings if required. Delivery dates are based on current conditions at the time of proposal/bid, but are not guaranteed.

Waste Robotics shall not be liable for delivery delays or failures to manufacture due to acts of God or causes beyond its control such as "Force Majeure", act of omission on the part of the purchaser, acts or omissions of military or civil authority, fire, strikes, floods, epidemics, quarantines, restrictions, riots, war, acts of terrorism, delays in transportation and inability to fulfill the mandate due to lack of necessary labor or materials. In the event of such delay, the delivery date shall be extended by a period equal to the time lost due to such delay.

FACILITY

Mechanical and electrical installation supervision is included in our prices

COMMISSIONING

Following supervision of the electrical and mechanical installation, the system will be started up, calibrated and initial tests will be carried out to ensure everything is functional. Waste Robotics will then be called upon to carry out the industrial commissioning (MSI).

Any delays incurred during commissioning and beyond the control of Waste Robotics will be billed to the customer at a rate of $1,000 per day.

TRANSPORTATION

Responsibility for transportation costs varies depending on the INCOTERMs named in the submission.

CANCELATION

No order may be cancelled by the buyer except upon written confirmation to Waste Robotics accompanied by payment for all charges incurred in connection therewith or in connection with the order, determined in advance and based on sound accounting principles. Waste Robotics shall have the right to cancel any order or to refuse to deliver or delay delivery in the event that the customer fails to submit payment when due or to fulfill its obligations as buyer.

COMPUTER EQUIPMENT LAW

Waste Robotics reserves the exclusive right to perform computer maintenance (hardware and software) on the equipment on site or via remote access. Waste Robotics will notify the customer 24 hours in advance of any maintenance that may cause constraints on the customer's operations. The data collected by the equipment is the exclusive property of Waste Robotics . Any violation by the customer of this instruction voids all warranties provided by Waste Robotics .

SPECIAL CLAUSE

Waste Robotics reserves the right to make changes or adjustments to the general layout or equipment drawings provided. While the layout remains unchanged, Waste Robotics may make any changes it deems beneficial.

CHANGES

No waiver or modification to these General Terms and Conditions of Sale shall be valid unless made in writing and signed by both parties. Waste Robotics ' failure to exercise its right under these Terms and Conditions shall not constitute a waiver or establish a custom. In the event that any terms and conditions submitted by the Customer conflict with these Terms and Conditions, the General Terms and Conditions of Sale set forth above shall prevail.

SHOWCASE AND ADVERTISING RIGHTS

Waste Robotics will have access to the facilities for tours only with the consent of the client, at its discretion, after providing the contacts of the persons interested in visiting by Waste Robotics . Waste Robotics will have the right to produce and publish advertising content (videos, photos, etc.) with the consent of the client.

APPLICABLE LEGAL LAWS

This Agreement and any dispute that may arise hereunder or in connection with this Agreement shall be governed by the laws of the Province of Quebec, Canada.

ACCEPTANCE

The undersigned accept the terms and conditions of this proposal

CLIENT: RAMSEY/WASHINGTON RECYCLING & ENERGY

SIGNED AT:

____

DATE :

WASTE ROBOTICS

SIGNED AT: Trois-Rivières, Quebec, Canada

____

Eric Camirand
CEO

DATE: July 21st , 2026

WASTE ROBOTICS INC.

11410 Boulevard Louis- Loranger
Three Rivers (Quebec)
G9B 0T8

WASTEROBOTIC.COM

APPENDIX A - Installation and start-up of robotic systems (estimated 8 days)

- Cell assembly (estimated 4 days)
- Mechanical assembly : Robot bases, Robots, Vision arches, Vision panel, Robot controller panel, Distribution panel, Safety enclosure.
- Electrical connections.
- Pneumatic connections.
- Internet connections.
- Power-Up (estimated 2 days)
- Network configuration.
- Calibration: Camera, Encoder, Robot, Drop point
- First test pick
- Preliminary production setup (estimated 1 day)
- Adjustments
- Low speed test
- Fall test
- Validation of robot acceleration
- Production under observation and validation of tests in preparation for testing (estimated 1 day)
- On-site Acceptance Testing (SAT)

APPENDIX B - Start of ramp-up week 1 (estimated 5 days)

- Deployment of updates: Software, robot, AI model
- Automatic Stop/Start validation with other customer equipment
- Customer sample collection for AI model scanning session
- Validation of the process and distribution of material in production
- Quality check on system performance
- Theoretical and practical training of customer operator/maintenance teams
- Handover of equipment management to the customer

APPENDIX C - Ramp -up period (remote support by WR)

<u>Repeating 3-week loops until the end of the ramp-up:</u>

- Characterization
- Data acquisition
- Tagging objects
- Deploying a new AI model and configuring the system

RAMSEY/WASHINGTON RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

R&E BOARD MEETING DATE:	July 30, 2026	AGENDA ITEM:	VI.a

SUBJECT:	2024 Audit Report							
TYPE OF ITEM:	☒	INFORMATION	☐	POLICY DISCUSSION	☐	ACTION	☐	CONSENT
SUBMITTED BY:	Trista Martinson, R&E Executive Director							

R&E BOARD ACTION REQUESTED:

For information only.

EXECUTIVE SUMMARY:

Staff will review the 2024 audit.

ALIGNMENT WITH STRATEGIC PLAN:

Strategic Initiative 4A.ii: Develop in-house systems, services and budget structures that reduce reliance on county resources.

ATTACHMENTS:

1. 2024 Management and Compliance Report

FINANCIAL IMPLICATIONS:

None.

AUTHORIZED SIGNATURES		DATE
R&E EXECUTIVE DIRECTOR		7/16/26

State of Minnesota

Office of the State Auditor

Julie Blaha
State Auditor

Audit Practice Division

Ramsey/Washington Recycling and Energy Board Newport, Minnesota

Management and Compliance Report

Year Ended December 31, 2024

Ramsey/Washington Recycling and Energy Board
Newport, Minnesota

Table of Contents

STATE OF MINNESOTA

Julie Blaha
State Auditor

Office of the State Auditor

Suite 500
525 Park Street
Saint Paul, MN 55103

Communication of Significant Deficiencies and/or Material Weaknesses in Internal Control Over Financial Reporting and Other Matters

Ramsey/Washington Recycling and Energy Board
Newport, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ramsey/Washington Recycling and Energy Board as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Ramsey/Washington Recycling and Energy Board's basic financial statements, and have issued our report thereon dated May 6, 2026.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Ramsey/Washington Recycling and Energy Board's internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Ramsey/Washington Recycling and Energy Board's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Ramsey/Washington Recycling and Energy Board's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Recommendations, we did identify a deficiency in internal control over financial reporting that we consider to be a material weakness.

A *deficiency in internal control over financial reporting* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying Schedule of Findings and Recommendations as item 2024-001 to be a material weakness.

The Ramsey/Washington Recycling and Energy Board's response to the internal control finding identified in our audit is described in the Schedule of Findings and Recommendations, included in item 2024-001. The

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Ramsey/Washington Recycling and Energy Board's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This communication is intended solely for the information and use of the Ramsey/Washington Recycling and Energy Board, management, and others within the Ramsey/Washington Recycling and Energy Board, and is not intended to be, and should not be, used by anyone other than these specified parties.

/s/Julie Blaha

Julie Blaha
State Auditor

/s/Lisa Young

Lisa Young, CPA
Deputy State Auditor

May 6, 2026

STATE OF MINNESOTA

Office of the State Auditor

Julie Blaha
State Auditor

Suite 500
525 Park Street
Saint Paul, MN 55103

Independent Auditor's Report on Minnesota Legal Compliance

Ramsey/Washington Recycling and Energy Board
Newport, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Ramsey/Washington Recycling and Energy Board as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Ramsey/Washington Recycling and Energy Board's basic financial statements, and have issued our report thereon dated May 6, 2026.

In connection with our audit, nothing came to our attention that caused us to believe that the Ramsey/Washington Recycling and Energy Board failed to comply with the provisions of the contracting – bid laws, depositories of public funds and public investments, conflicts of interest, claims and disbursements, and miscellaneous provisions sections of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Ramsey/Washington Recycling and Energy Board's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Ramsey/Washington Recycling and Energy Board and management of the Ramsey/Washington Recycling and Energy Board and the State Auditor, and is not intended to be, and should not be, used by anyone other than these specified parties.

/s/Julie Blaha

Julie Blaha
State Auditor

/s/Lisa Young

Lisa Young, CPA
Deputy State Auditor

May 6, 2026

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Ramsey/Washington Recycling and Energy Board
Newport, Minnesota

Schedule of Findings and Recommendations
For the Year Ended December 31, 2024

Financial Statement Findings

2024-001 **Audit Adjustments**
Prior Year Finding Number: N/A
Year of Finding Origination: 2024
Type of Finding: Internal Control Over Financial Reporting
Severity of Deficiency: Material Weakness

Criteria: A deficiency in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements of the financial statements on a timely basis. Auditing standards define a material weakness as a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Condition: Audit adjustments were identified that in combination were material and resulted in significant changes to the Ramsey/Washington Recycling and Energy Board's financial statements.

Context: The inability to detect material misstatements in the financial statements increases the likelihood that the financial statements would not be fairly presented. The adjustments were found in the audit; however, independent external auditors cannot be considered part of the Ramsey/Washington Recycling and Energy Board's internal control.

Effect: The following audit adjustments were reviewed and approved by management and are reflected in the financial statements:

- General Fund expenditures and due to other funds were increased by $325,160 to record amounts due to the Enterprise Fund for payroll expenditures;
- General Fund transfers out and due to other funds were increased by $300,000 to remove balances from the prior year;
- Enterprise Fund accounts receivable and unearned revenue were increased by $3,433,696 to record unearned revenue and correct year-end accounts receivable; and
- Enterprise Fund due from other funds and net position were increased by $3,224,632 to record beginning balances from the prior year.

In addition to the material audit adjustments, there were numerous significant audit adjustments made to the financial statements related to the 2023 financial statements not being recorded in the general ledger, reversing entries related to the 2023 financial statements were either not made or made incorrectly, and entries necessary to correctly record pension-related transactions.

Cause: The General Fund was the result of a recording error when recording the payroll expenditures for the payroll period ended December 20, 2024. The Enterprise Fund was a result of the underlying receivable records recording a negative receivable for vendors that had submitted payments to the Ramsey/Washington Recycling and Energy Board prior to services being rendered. The interfund transaction adjustments were the result of journal entries from the prior audit not being recorded in the general ledger.

Recommendation: We recommend the Ramsey/Washington Recycling and Energy Board implement additional procedures over financial reporting that include a comprehensive review of balances, disclosures, and supporting documentation by a qualified individual to ensure the Ramsey/Washington Recycling and Energy Board's financial statements are complete, accurate, and fairly presented in accordance with generally accepted accounting principles in the United States of America.

Client Response: *The R&E Board will work with Ramsey County Finance to ensure year-end entries are tied to the financial statements. The R&E Board's Budget Analyst will assist with the financial statements and will provide another set of eyes on day-to-day financial entries.*

RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

R&E BOARD MEETING DATE:	July 30, 2026	AGENDA ITEM:	VI.b
SUBJECT:	2026 Budget Status		
TYPE OF ITEM:	☒ INFORMATION ☐ POLICY DISCUSSION ☐ ACTION ☐ CONSENT		
SUBMITTED BY:	Trista Martinson, R&E Executive Director		

R&E BOARD ACTION REQUESTED:

For information only.

EXECUTIVE SUMMARY:

Staff will provide an update on the 2026 budget status, including year-end projections. These projections are based on revenue and expenses through June 5, 2026.

ALIGNMENT WITH STRATEGIC PLAN:

Strategic Initiative 4A.ii: Develop in-house systems, services and budget structures that reduce reliance on county resources.

ATTACHMENTS:

1. 2026 R&E Programs Projection
2. 2026 Facility Projection
3. 2026 Equipment Maintenance & Replacement Projection

FINANCIAL IMPLICATIONS:

Financial implications will be discussed.

AUTHORIZED SIGNATURES		DATE
R&E EXECUTIVE DIRECTOR		7/16/26

Ramsey/Washington R&E Programs

SURPLUS/DEFICIT YEAR-END PROJECTION REPORT
As of June 5, 2026

Program Operations	2026 Approved Budget	Current 2026 Projection	Variance
Project Management	5,255,357	5,118,736	136,621
Commercial & Residential Recycling	3,750,000	3,189,416	560,584
Community Waste Solution	840,000	641,399	198,601
Food Scrap Recycling	3,004,000	2,737,898	266,102
Education, Communication, and Outreach	2,326,000	2,358,180	(32,180)
Policy Evaluation	1,204,700	1,095,731	108,969
	16,380,057	15,141,360	1,238,697
Revenue	16,380,057	16,433,924	53,867
Surplus/(Deficit)	-	1,292,563	1,292,563

Ramsey/Washington Recycling & Energy Board

SURPLUS/(DEFICIT) YEAR-END PROJECTION REPORT
As of June 5, 2026

FACILITY	2026 Approved Budget	Current 2026 Projection	Current Variance
Personnel Costs	13,351,834	11,380,247	1,971,587
Fuel Supply Agreements:			
RDF	7,144,760	7,026,048	118,712
Organics	861,771	160,630	701,141
Landfill	7,180,752	5,901,194	1,279,558
Sortation	5,434,724	2,000,000	3,434,724
Transportation	9,734,296	9,530,733	203,563
Transload	3,126,359	2,898,783	227,576
Facility Operations	11,264,946	11,273,353	(8,407)
Contingency	878,164	878,164	-
Enterprise Reserve Fund (ERF)	1,500,000	1,500,000	-
Transfer to Equipment Maintenance Fund	300,000	300,000	-
Debt Services	4,870,695	4,870,695	-
	65,648,301	57,719,847	7,928,454
Revenue	65,648,301	63,791,308	(1,856,993)
Surplus/(Deficit)	-	6,071,461	6,071,461

Equipment Maintenance & Replacement Fund

SURPLUS/DEFICIT YEAR-END PROJECTION REPORT
As of June 5, 2026

FACILITY	2026 Approved Budget	Current 2026 Projection	Variance
Equipment	1,478,810	1,491,600	(12,790)
Maintenance	1,000,000	1,000,000	-
	2,478,810	2,491,600	(12,790)
Sale of Recyclable Material	1,650,000	2,087,824	(437,824)
Additional Transfer - Proposed	300,000	300,000	-
Revenue	1,950,000	2,387,824	437,824
Surplus/(Deficit)	(528,810)	(103,776)	425,034

RAMSEY/WASHINGTON RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

R&E BOARD MEETING DATE:	July 30, 2026				**AGENDA ITEM:**	VII.a	
SUBJECT:	Fraud Prevention and Conflict-of-Interest Policies						
TYPE OF ITEM:	☐	INFORMATION	☐	POLICY DISCUSSION	☒	ACTION	☐ CONSENT
SUBMITTED BY:	Trista Martinson, R&E Executive Director						

R&E BOARD ACTION REQUESTED:

1. Approve the Fraud Prevention Policy
2. Approve the Non-Federal Conflict of Interest Policy
3. Approve the Conflict of Interest – Federal Funding Policy

EXECUTIVE SUMMARY:

Historically, Ramsey/Washington Recycling & Energy (R&E) has closely mirrored many of Ramsey and Washington Counties' finance and procurement policies and procedures. Staff are in the process of creating R&E-specific policies to codify the processes and procedures for the organization. Policies being presented for approval address fraud prevention and conflicts of interest.

A fraud prevention policy is necessary to ensure employees have a clear understanding of what fraud, waste and abuse are and know how to report concerns when they suspect it is happening. Having a fraud prevention policy in place will help to ensure the safeguarding of public funds through prevention and timely remediation, and it will help ensure R&E remains in compliance with laws and regulations.

A conflict-of-interest policy establishes clear standards to ensure impartial and fair decisions and prevent the abuse of power in procurement processes. It protects R&E, its employees and board members as well as the public. Two conflict-of-interest policies are being presented for R&E Board approval. One is the standard conflict-of-interest policy which applies to most R&E procurement processes. It is straightforward and easy to digest for those involved in the procurement process. A second conflict-of-interest policy was created specifically for use when R&E has a procurement involving federal funding. Federal funding use has more stringent conflict-of-interest requirements and is necessary when applying for federal funding.

Fraud and conflict-of-interest policies demonstrate R&E's commitment to integrity, transparency and good governance.

ALIGNMENT WITH STRATEGIC PLAN:

Strategic Goal 1A: Public awareness & trust through brand management, transparency and engagement

Strategic Goal 4A: Strengthened governance that maximizes nimbleness

SUBJECT: *Fraud Prevention and Conflict-of-Interest Policies*

ATTACHMENTS:

1. Draft Resolution (R&EB-2026-13)
2. Fraud Prevention Policy
3. Non-Federal Conflict of Interest Policy
4. Conflict of Interest – Federal Funding Policy

FINANCIAL IMPLICATIONS:

None.

AUTHORIZED SIGNATURES		DATE
R&E EXECUTIVE DIRECTOR		7/16/26
WASHINGTON COUNTY ATTORNEY		7/16/26

RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

RESOLUTION R&EB-2026-13
Fraud Prevention and Conflict-of-Interest Policies

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 12, 2024 (Joint Powers Agreement); and

WHEREAS, Ramsey/Washington Recycling & Energy (R&E) is committed to integrity, transparency and good governance; and

WHEREAS, R&E has informally followed Ramsey and Washington County policies and procedures for fraud prevention and conflict of interest in procurement processes; and

WHEREAS, R&E is codifying processes and procedures for the organization through the implementation of R&E-specific fraud prevention and conflict-of-interest policies. NOW, THEREFORE, BE IT RESOLVED, The R&E Board approves:

1. Fraud Prevention Policy
2. Non-Federal Conflict of Interest Policy
3. Conflict of Interest – Federal Funding Policy

____
Mary Jo McGuire, Board Chair
July 30, 2026

____
Attest
July 30, 2026

RAMSEY/WASHINGTON
RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

Fraud Prevention Policy

Purpose
Ramsey/Washington Recycling & Energy (R&E) is committed to the deterrence, detection and correction of misconduct and dishonesty to prevent fraud, waste and abuse. The purpose of this policy is to set forth R&E's expectations regarding deterrence and investigation of suspected misconduct and dishonesty by employees and others and to provide specific instructions regarding appropriate actions in the event there are suspected violations.

Scope
This policy applies to any fraud, waste or abuse involving R&E employees, officials, and agents.

Policy
R&E employees, officials and all others who are subject to this policy have a duty to report violations of this policy and to cooperate in investigations and inquiries conducted by R&E.

R&E's Executive Director and Department Directors are responsible for the detection and prevention of fraud and other inappropriate conduct within their respective areas of responsibility. Each Director must be familiar with the types of improprieties that could occur within his or her area of responsibility and be alert for any indication of fraud, waste or abuse.

Actions Constituting Fraud, Waste, and Abuse

Improprieties refers to but is not limited to any dishonest or fraudulent act; forgery or alteration of any document of account; accepting or seeking anything of material value from vendor(s) or person(s) providing services or materials to R&E; destruction or disappearance of records or fixed assets; or any similar or related irregularity. Below are some examples of potential fraud, waste and abuse:

Examples of Fraud – Fraud encompasses an array of irregularities and illegal acts characterized by internal or external deception. It can be perpetrated for the benefit of, or to the detriment of, R&E, and by people outside as well as inside R&E. Examples of fraud include, but are not limited to the following:

- Stealing, misappropriation of funds, supplies, etc.
- Override of internal controls
- Forgery or unauthorized alteration of any document
- Intentional misrepresentation by R&E personnel regarding payroll records or the payroll records of others

- Knowingly making a false entry in, or false alteration of a governmental record
- Making, presenting, or using any record, document, or thing with the knowledge that it is false and done with the intent to defraud another
- Incorrect reporting of work hours
- Using or claiming to hold an educational degree that is fraudulent, fictitious, or has been revoked, with the intent to obtain employment, promotion, or other benefit
- Credit card abuse or falsification of a transaction
- Making a false statement to obtain money, property, credit, or services
- Securing execution of a document by deception
- Fraudulent destruction, removal, or concealment of a document
- Stealing an unsigned check or receiving an unsigned check with the intent to use it or sell it

R&E employees and officials are prohibited from performing any fraudulent activity. If there is any question as to whether an action constitutes fraud, contact the County Attorney for guidance.

Examples of Waste – Waste is defined as intentional, negligent, harmful, or destructive use of property under one's control. Waste may result from mismanagement, inappropriate actions, and/or inadequate oversight. Examples of waste include, but are not limited to the following:

- Damaging, destroying, or ruining materials or equipment
- Improper maintenance or intentional mistreatment of equipment
- Purchase of unneeded supplies or equipment
- Purchase of goods at inflated prices
- Failure to reuse or recycle major resources or reduce waste generation
- Failure to follow bidding processes resulting in higher costs

Examples of Abuse – Abuse refers to violations and circumventions of R&E regulations which impair the effective and efficient execution of operations. Some examples of abuse are as follows:

- Unauthorized use of R&E equipment or supplies for non-R&E purposes, including but not limited to, computers, vehicles, software, databases, etc.
- Improper handling or reporting of money or a financial transaction
- Destruction or intentional disappearance of records, furniture, fixtures or equipment
- Accepting or seeking anything of material value from vendors or people providing services or material to R&E for personal benefit
- Use of information gained as an R&E employee for personal gain, such as an employee using non-public taxpayer information to get new customers for his/her outside business
- Misuse of delegated purchasing authority.

Reporting Fraud
If a director or the R&E Executive Director suspects or becomes aware of suspected fraud being committed within R&E, it must be reported immediately to the County Attorney and the R&E Board. As required under Minnesota Statute section 609.456, subd.1 and with the council of the County Attorney, R&E shall report the incident to the Washington County Sheriff's Office and to the Minnesota Office of the State Auditor.

Under Minnesota Statute section 6.67, if R&E's Accounting Manager discovers evidence of nonfeasance, misfeasance, or malfeasance, on the part of an officer or employee in the conduct of duties and affairs, the Accounting Manager shall promptly make a report of such discovery to the Minnesota Office of the State Auditor and the County Attorney.

Other R&E employees may report fraud concerns to their director or the Executive Director. If the employee suspects the Director and/or Executive Director are involved in financial impropriety, they may contact any member of the R&E Board, the County Attorney, the Office of the State Auditor, and/or the Washington County Sheriff's Office.

Retaliation
Employees who make good faith reports of violations are protected from retaliation. An employee who believes that he or she has experienced retaliation for making a report or assisting in an investigation shall report this as soon as possible to Human Resources.

However, a person making false reports shall be subject to disciplinary action if he or she reports information which he or she knows to be false or which he or she discloses with reckless disregard for its truth.

No Coercion
No R&E official or employee shall directly or indirectly use or threaten to use any official authority or any influence in any manner whatsoever, which tends to discourage, restrain, deter, prevent, interfere with, coerce, or discriminate against any person who in good faith reports, discloses, divulges, or provides any facts or information relative to an actual or suspected violation of this policy or other state, federal, or local laws.

Consequences
If the R&E Executive Director is found to have violated this policy, he or she will be subject to discipline by the R&E Board up to and including termination. Other R&E employees found to have violated this policy will be subject to discipline by their department director or Executive Director regarding violations of this policy, up to and including termination in accordance with the procedures under which the employee may be disciplined. Parties

doing business with R&E, including vendors, consultants, contractors or their principals and employees, found to have violated this policy may be subject to the termination of any business relationship with R&E and exclusion from further business opportunities with R&E. Nothing in this policy prevents R&E from referring its findings to the appropriate law enforcement authority.

RAMSEY/WASHINGTON RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

Non-Federal Conflict of Interest Policy

Purpose

This purpose of this policy is to establish written standards of conduct governing conflicts of interest and ethical behavior in the selection, award, and administration of contracts.

Application of Policy

This policy applies to all employees, officials, and agents involved with Ramsey/Washington Recycling & Energy (R&E) procurements.

Procedures

R&E's Contract Manager will maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their agreements and contracts.

R&E will maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of agreements and contracts. No employee, officer or agent may participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the indicated parties, has a financial or other interest in or a tangible personal benefit from a firm considered for an agreement or contract.

Employees, officials and agents shall avoid any activity that would create a conflict between their personal interests and the interests of R&E. Conflicts of interest include an employee participating directly or indirectly in any procurement in which:

- the employee or any member of the employee's family has a financial interest in the results of the R&E procurement process;
- a business or organization in which the employee, or any member of the employee's family, has a financial interest in the results of the R&E procurement process; or
- any other person, business, or organization with whom the employee or a member of the employee's family is negotiating for or has an arrangement concerning prospective employment.

R&E does not have a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, therefore, R&E does not need to maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means

that because of relationships with a parent company, affiliate, or subsidiary organization, R&E is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.
The employees, officers, and agents of R&E may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. R&E has set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value.

Employees, officials and agents shall not:

- Solicit, demand, accept, or agree to accept from another person, a gratuity, offer of employment or kickback in connection with any part of a procurement request, influencing the content of any specification, scope of service, procurement standard, rendering of advice, decision, approval, disapproval, recommendation, investigation, auditing or in any other advisory capacity.
- Secure an R&E procurement upon an agreement or an understanding that they will receive from the contractor a commission, percentage, brokerage, or contingent fee.
- Accept gifts, entertainment, meals or travel that might directly or indirectly influence business judgments or decisions, or that might give the appearance of impropriety.
- Accept any sum from any contractor attempting to "reward" the employees, officials or agents for the decision to do business with the contractor.

Any promotional benefits that result from a business transaction shall be provided to R&E and not to an individual employee, official or agent.

Employees, officials and agents who are uncertain about whether or not to accept any offer from a contractor are advised to not accept the offer if there are any doubts.
Directors, managers and supervisors should be made aware of all offers made to employees, officials and agents and should contact R&E's Contract Manager to discuss any questionable offers and any known violations of this policy.

Employees, officials and agents shall keep the proprietary information of contractor(s) confidential and shall not knowingly use confidential proprietary information for actual or anticipated personal gain.

R&E's Contract Manager is the sole point of communication for any questions from contractors that arise during the solicitation process. All questions and requests for information should be referred to the Contract Manager. Employees, officials and agents shall not speak with contractors during the solicitation process with the exception of approved pre-solicitation conferences, interviews/demos and/or site visits. If proprietary information of any contractor is compromised or unauthorized R&E employees, officials or agents speak directly with a contractor who has submitted a solicitation response during the procurement process, all solicitation responses may be rejected and the solicitation cancelled.

Upon discovery of an actual or potential conflict of interest, an employee, official or agent shall promptly file a written statement of disqualification withdrawing from further participation in the procurement involved and send the written statement to the Contract Manager.

For Professional and Client Services (PCS) and Design-Build

The sponsoring employee shall:

1. Read the applicable solicitation, contract and ethics policies.
2. Select an evaluation team and a negotiations team (as applicable).
3. Review all applicable solicitation, contract, ethics and conflict of interest policies with the evaluation and negotiations teams.
4. Determine funding.
5. Have all team participants read and complete the Procurement Conflict of Interest Certification.
6. Release solicitation responses to the evaluation and negotiations team members after receipt of the appropriate signed certifications from each employee, official and/or agent.
7. Send all originally signed certifications to the Contract Manager.
8. Not discuss contractor solicitation responses with anyone outside of the employees selected to evaluate or negotiate, with the exception of the Contract Manager.

RAMSEY/WASHINGTON RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

Conflict of Interest – Federal Funding Policy

Purpose

This purpose of this policy is to establish written standards of conduct governing conflicts of interest and ethical behavior in the selection, award, and administration of contracts funded in whole or in part with federal funds, in accordance with 2 C.F.R. § 200.318(c).

Application of Policy
This policy applies to all employees, Officials, and agents who work with Ramsey/Washington Recycling & Energy procurements. This policy shall apply when R&E:

a. Enters into a Contract to be funded, in part or in whole, by Federal Financial Assistance to which 2 C.F.R. § 200.318(c) applies, or
b. Makes any Subaward to be funded by Federal Financial Assistance to which 2 C.F.R. § 200.318(c) applies. If a federal statute, regulation, or the terms of a financial assistance agreement applicable to a particular form of Federal Financial Assistance conflicts with any provision of this Policy, such federal statute, regulation, or terms of the financial assistance agreement shall govern.

Definitions
Capitalized terms used in this Policy shall have the meanings ascribed thereto in this section: Any capitalized term used in this Policy but not defined in this section shall have the meaning set forth in 2 C.F.R. § 200.318(c).

a. “Contract” means, for the purpose of Federal Financial Assistance, a legal instrument by which R&E purchases or leases property, equipment, or services needed to carry out a program or project under a federal award.
b. “Contract Manager” is the R&E employee with primary responsibility for managing the disclosure and resolution of potential or actual conflicts of interest arising under this Policy.
c. “Contractor” means an entity or individual that receives a Contract from R&E.
d. “Covered Individual” means an Official, employee, or agent of R&E.
e. “Direct Benefit” means, with respect to an Official or employee of R&E, or the spouse of any such Official or employee, (i) having a ten percent (10%) ownership interest or other interest in a Contract or Subaward; (ii) deriving any income or commission directly from a Contract or Subaward; or (iii) acquiring property under a Contract or Subaward.
f. “Federal Financial Assistance” means federal financial assistance that R&E receives or administers in the form of grants, cooperative agreements, non-cash contributions or

donations of property (including donated surplus property), direct appropriations, and other federal financial assistance (except that the term does not include loans, loan guarantees, interest subsidies, or insurance).

g. "R&E" means Ramsey/Washington Recycling & Energy.
h. "R&E Board" means the Ramsey/Washington Recycling & Energy Board.
i. "Immediate Family Member" means, with respect to any Covered Individual, (i) a spouse, and parents thereof, (ii) a child, and parent thereof, (iii) a parent, and spouse thereof, (iv) a sibling, and spouse thereof, (v) a grandparent and grandchild, and spouses thereof, (vi) domestic partners and parents thereof, including domestic partners of any individual in (ii) through (v) of this definition; and (vii) any individual related by blood or affinity whose close association with the Covered Individual is the equivalent of a family relationship.
j. "Involved in Making or Administering" means (i) with respect to an Official or employee, (a) overseeing the performance of a Contract or Subaward or having authority to make decisions regarding a Contract or Subaward or to interpret a Contract or Subaward, or (b) participating in the development of specifications or terms or in the preparation or award of a Contract or Subaward, (ii) only with respect to an Official, being a member of a board, commission, or other body of which the Official is a member, taking action on the Contract or Subaward, whether or not the Official actually participates in that action.
k. "Pass-Through Entity" means a non-federal entity that provides a Subaward to a Subrecipient to carry out part of a federal program.
l. "Official" means an individual who is a member of the R&E Board.
m. "Recipient" means an entity, usually but not limited to non-federal entities, that receives a federal award directly from a federal awarding agency. The term does not include Subrecipients or individuals that are beneficiaries of the award.
n. "Related Party" means (i) an Immediate Family Member of a Covered Individual, (ii) a partner of a Covered Individual, or (iii) a current or potential employer (other than R&E) of a Covered Individual, of a partner of a Covered Individual, or of an Immediate Family Member of a Covered Individual.
o. "Subaward" means an award provided by a Pass-Through Entity to carry out part of a federal award received by the Pass-Through Entity. It does not include payments to a contractor or payments to a contractor or payments to an individual that is a beneficiary of a federal program.
p. "Subcontract" means mean any agreement entered into by a Subcontractor to furnish supplies or services for the performance of a Contract or a Subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.
q. "Subcontractor" means an entity that receives a Subcontract.
r. "Subrecipient" means an entity, usually but not limited to non-Federal entities, that receives a subaward from a Pass-Through Entity to carry out part of a federal award; but

does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other Federal awards directly from a federal awarding agency.

Conflict of Interest Standards in Contracts and Subawards

a. R&E employees, Officials and agents shall not:

   i. Solicit, demand, accept, or agree to accept from another person, a gratuity, offer of employment or kickback in connection with any part of a procurement request, influencing the content of any specification, scope of service, procurement standard, rendering of advice, decision, approval, disapproval, recommendation, investigation, auditing or in any other advisory capacity
   ii. Secure an R&E procurement upon an agreement or an understanding that they will receive from the contractor a commission, percentage, brokerage, or contingent fee.
   iii. Accept any sum from any contractor attempting to "reward" the employees, Officials or agents for the decision to do business with the contractor.

b. Federal Standards.

   i. Prohibited Conflicts of Interest in Contracting.
   A Covered Individual may not participate in the selection, award, or administration of a Contract or Subaward if such Covered Individual has a real or apparent conflict of interest.

      1. Real Conflict of Interest.
      A real conflict of interest shall exist when the Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a Contract or Subaward. Exhibit A attached hereto provides a non-exhaustive list of examples of financial or other interests in a firm considered for a Contract or Subaward, and tangible personal benefits from a firm considered for a Contract or Subaward.

      2. Apparent Conflict of Interest.
      An apparent conflict of interest shall exist where a real conflict of interest may not exist, but where a reasonable person with knowledge of the relevant facts would find that an existing situation or relationship creates the appearance that a Covered Individual or any Related Party has a financial or other interest in or a tangible personal benefit from a firm considered for a Contract or Subaward.

ii. Identification and Management of Conflicts of Interest.

1. Duty to Disclose.
   Upon discovery of an actual or potential conflict of interest, each Covered Individual expected to be or actually involved in the selection, award, or administration of a Contract or Subaward shall promptly file a written statement to the Contract Manager.

2. Notice of Disclosure.
   Upon the Contract Manager's receipt of notice of a potential conflict of interest, the Contract Manager shall consult with the county attorney to determine the appropriate action to be taken to address it and report such proposed action to the R&E Board.

Oversight of Subrecipient's Conflict of Interest Standards

a. Subrecipients R&E Must Adopt Conflict of Interest Policy.
   Prior to R&E's execution of any Subaward for which R&E serves as a Pass-Through Entity, the Contract Manager shall ensure that the proposed Subrecipient of Federal Financial Assistance has adopted a conflict of interest policy that satisfies the requirements of 2 C.F.R. § 200.318(c)(1), 2 C.F.R. § 200.318(c)(2), and all other applicable federal regulations.

b. Obligation to Disclose Subrecipient Conflicts of Interest.
   The Contract Manager shall ensure that the legal agreement under which R&E makes a Subaward to a Subrecipient shall require such Subrecipient to disclose to the Contract Manager designated in the agreement any potential real or apparent conflicts of interest that the Subrecipient identifies. Upon receipt of such disclosure, the Contract Manager shall disclose such information to the federal awarding agency that funded the Subaward in accordance with that agency's disclosure policy.

Gift Standards

a. Federal Standard.
   Subject to the exceptions set forth in this policy, a Covered Individual may not solicit or accept gratuities, favors, or anything of monetary value from a Contractor or a Subcontractor.

b. The limited exceptions to the prohibition on the acceptance of gifts are gifts of "nominal value." Some examples of gifts of "nominal value" include, but are not limited to:

   i. Pens, cups, totes, flash drives or other trinkets bearing a company's name/logo that do not have a marketable value.
   ii. Snacks or light refreshments provided at a meeting, conference or other event as a normal courtesy and offered to all attendees.

c. Internal Reporting.
   A Covered Individual shall report any gift accepted to the Contract Manager. If required by regulation of a federal awarding agency, the Contract Manager shall report such gifts to the federal awarding agency or a Pass Through Entity for which R&E is a Subrecipient.

Interpretation of this Statement of Policy

The areas of conflict listed in Exhibit A and the relations of those areas listed in the Policy are not exhaustive. Conflicts may arise in other areas or through other relationships. It is assumed that the R&E employees, Officials and agents will recognize such areas and disclose accordingly.

The fact that one of the interests listed in Exhibit A exists may not mean that a conflict exits, or that the conflict, if it exists, is material enough to be of practical important, or if material that upon full disclosure of all relevant facts and circumstances it is necessarily adverse to the interests of R&E. However, it is the policy of R&E that existence of any of the interests described in Exhibit A shall be fully disclosed before any transaction is consummated. It will be the continuing responsibility of the R&E employees, Officials, and agents to scrutinize their transactions, outside business interests and relationships for potential conflicts and to immediately make such disclosures.

Violations of Policy

a. Disciplinary Actions for Covered Individuals.
   Any Covered Individual that fails to disclose a real, apparent, or potential real or apparent conflict of interest arising with respect to the Covered Individual or Related Party may be subject to disciplinary action, including, but not limited to, an employee's termination or suspension of employment with or without pay, the consideration or adoption of a resolution of censure of an Official by the R&E Board, or termination of an agent's contract with R&E.

b. Disciplinary Actions for Contractors and Subcontractors.
   R&E may terminate any Contract with a Contractor or Subcontractor that violates any provision of this Policy.

c. Protections for Whistleblowers.
   In accordance with 41 U.S.C. § 4712, R&E shall not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant:
   i. a member of Congress or a representative of a committee of Congress;
   ii. an Inspector General;
   iii. the Government Accountability Office;
   iv. a Treasury or other federal agency employee responsible for grant oversight or management;
   v. an authorized official of the Department of Justice or other law enforcement agency;
   vi. a court or grand jury;
   vii. a management official or other employee of R&E, a Contractor, or Subcontractor who has the responsibility to investigate, discover, or address misconduct.

EXHIBIT A

Examples of potential conflicts of interest include an R&E employee, Official, or agent participating directly or indirectly in any procurement in which they or a Related Party:

a. Own stock or hold debt or other proprietary interests with contractors, vendors or other third parties identified in this Policy.
b. Hold office, serve on the board, participating in the management, or being otherwise employed or formerly employed, even if uncompensated, with any third party dealing with R&E.
c. Have an opportunity to be employed by the third party, or any party with a relationship with the third party, being considered for a Contract with R&E.
d. Receive renumeration for services regarding transactions involving R&E.
e. Use R&E’s time, personnel, equipment, supplies or goodwill for purposes other than R&E’s approved activities, programs and purposes.
f. Receive personal gifts or loans from third parties dealing with or competing with R&E.
g. Have or receive a referral of business from a firm considered for a Contract or Subaward.

RAMSEY/WASHINGTON RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

R&E BOARD MEETING DATE:	July 30, 2026				**AGENDA ITEM:**	VIII.	
SUBJECT:	Updates and Reports						
TYPE OF ITEM:	☒	INFORMATION	☐	POLICY DISCUSSION	☐ ACTION	☐	CONSENT
SUBMITTED BY:	Trista Martinson, R&E Executive Director						

R&E BOARD ACTION REQUESTED:

For information only.

EXECUTIVE SUMMARY:

a. **Commissioner Updates**
R&E Board members will provide updates on waste-related ad hoc committees.

b. **Executive Director Update**
The R&E Executive Director will provide a report to the board.

c. **Strategic Partnerships Update**
Staff will provide a report to the board.

d. **Programs Update**
Staff will provide updates on programmatic efforts.

e. **Facility Update**
Staff will provide updates on R&E Center projects and operations.

f. **Procurement Report**
Staff will provide a written report of new contracts and amendments executed under the authority of R&E's procurement guidelines during the period of May 1 – June 30, 2026. Funding for the contracts is available in the approved Joint Activities, Facility and Equipment Maintenance & Replacement (EM&R) budgets, following approval as to form by the Ramsey County or Washington County attorney's office.

ALIGNMENT WITH STRATEGIC PLAN:

a. Strategic Goal 1A: Public awareness & trust through brand management, transparency and engagement.
b. Strategic Goal 1B: R&E led regional coordination on policy and plans for greater regional impact.
c. Strategic Initiative 4Ai: Implement and sustain a streamlined and consistent portfolio of upstream programs (waste reduction, reuse, recycling), informed by data and community engagement.
d. Strategic Initiative 3Aii: Continue to operate an industry-leading waste processing facility and innovate for increased landfill diversion.
e. Strategic Goal 4C: Robust obligation tracking and reporting.

SUBJECT: *Updates and Reports*

ATTACHMENTS:

1. R&E Center Tours Report
2. Procurement Report

FINANCIAL IMPLICATIONS:

None.

AUTHORIZED SIGNATURES		**DATE**
R&E EXECUTIVE DIRECTOR		7/16/26

RAMSEY/WASHINGTON RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

R&E Center Tours
Completed May - June 2026

Group	Group Type	Date	# of visitors
3M	Industry	5/1/2026	14
Senator Mark Koran (Rescheduled)	Governmental	5/1/2026	1
Oakdale Area Chamber of Commerce	Business	5/4/2026	10
Century College Class	Educational	5/4/2026	13
Cottage Grove Elem SpEd 3rd - 5th	Educational	5/6/2026	20
Metro Wastewater Staff	Governmental	5/6/2026	12
White Bear Lake United Methodist Church Green Team	Community	5/7/2026	12
Eastside Area Business Association (ESABA)	Business	5/7/2026	6
Minnesota Multifamily Recycling Network	Educational	5/13/2026	11
Cottage Grove HS / Career exploration	Educational	5/13/2026	12
Homeschool Group	Educational	5/18/2026	16
Heart Learning Collective	Educational	5/19/2026	13
City of White Bear Lake Mayor/Council/Staff	Governmental	5/27/2026	10
Energy Education for Educators	Educational	5/28/2026	15
Heritage at Lyngblomsten Retirement Community	Community	6/2/2026	10
Augsburg Fairview Academy	Educational	6/2/2026	7
Presbyterian Homes & Services	Community	6/5/2026	10
Circular Action Alliance	Industry	6/16/2026	1
MET Council	Governmental	6/17/2026	6
Riverside Routers (Denmark) 4-H club (K-5)	Educational	6/17/2026	25
Twin Cities North Chamber of Commerce	Business	6/23/2026	20
WC Planning and Performance Management Team	Governmental	6/24/2026	8
Gloria Dei Lutheran Church	Community	6/26/2026	10
RC/WC Summer interns	Internal	6/30/2026	8

Total Number of Tours Completed: 24
Total Number of Tour Attendees: 270

RAMSEY/WASHINGTON RECYCLING & ENERGY
CONNECTING VALUE TO WASTE

Report of all professional service and supplies, equipment, material and labor (SEML) contracts, amendments and solicitations issued and executed under authority of Ramsey/Washington Recycling & Energy's procurement guidelines (Resolution R&EB 2025-01) between May 1, 2026 – June 30, 2026.

Vendor	Effective Date	Description	NTE/Budgeted Amount	Procurement Type
Toltz King Duvall Anderson & Associates Inc	6/1/26	Facility – Control systems maintenance & engineering.	Rate Setting	Professional Services
MN Chamber Env Sustainability Foundation	7/1/26	Programs – grant program administration, outreach, and/or technical assistance services.	$525,000 per year	Professional Services
Emerge Enterprises DBA Second Chance Recycling	3/1/26	Programs – Mattress recycling services.	Approximately $300,000 per year	Professional Services
EcoConsilium Inc	7/1/26	Programs – Waste management technical assistance services.	$210,000 per year	Professional Services
Twin City Garage Door	6/1/26	Facility – Garage door maintenance.	$23,000 per year	SEML
North American Trailer	5/1/26	Facility – Purchase of trailers.	$706,967.50	SEML
MN Chamber Env Sustainability Foundation	7/1/26	Programs – Program administration.	Approximately $200,000 per year	Professional Services
Basic Needs Inc. of South Washington County	4/1/26	Programs – Food recovery services.	$25,500 per year	Professional Services
Christian Cupboard Emergency Food Shelf DBA Open Cupboard	4/1/26	Programs – Food recovery services.	$40,000 per year	Professional Services
The Good Acre	4/1/26	Programs – Food recovery services.	$50,000 per year	Professional Services
White Bear Area Food Shelf	4/1/26	Programs – Food recovery services.	$35,000 per year	Professional Services
St. Paul Growers Association DBA St Paul Farmers Market	4/1/26	Programs – Food recovery services.	$50,000 per year	Professional Services

The procurement team also processed 21 grants or amendments for deconstruction, food recovery, BizRecycling and multi-unit recycling programs in the amount of $175,865.91. These grants were distributed throughout Ramsey and Washington Counties to assist in waste reduction and recycling efforts. Grant funds helped each recipient by providing materials and infrastructure needed to better support waste reduction and recycling efforts, as well as expand waste reduction and recycling education for their residents, employees and visitors.