

**RAMSEY/WASHINGTON COUNTY  
RESOURCE RECOVERY PROJECT BOARD  
OCTOBER 31, 2013  
MINUTES**

A meeting of the Ramsey/Washington County Resource Recovery Project was held at 9:00 a.m., October 31, 2013 at the Minnesota Insurance Trust Company in Saint Paul, Minnesota.

**MEMBERS PRESENT**

Commissioners Toni Carter, Blake Huffman, Rafael Ortega, Victoria Reinhardt, Janice Rettman – Ramsey County

Commissioners Ted Bearth, Gary Kriesel, Autumn Lehrke, Fran Miron, Lisa Weik (Alternate) – Washington County

**ALSO ATTENDING**

Joel Andersen, Andy Barnaal, Kate Bartelt, Mary Elizabeth Berglund, Gary Bruns, Barry Fick, Chris Gondeck, Lloyd Grooms, Zack Hansen, Darrell Hoekstra, Judy Hunter, Lowell Johnson, Kevin Johnson, Anna Kerr, Sue Kuss, Harry McPeak, Peder Sandhei, Norm Schiferl, Katie Shaw, Warren Shuros, Kevin Tritz, Ryan Tritz

**APPROVAL OF AGENDA**

Commissioner Carter moved, seconded by Commissioner Bearth, to approve agenda.

Roll Call:        Ayes – 8        Nays – 0        Motion Carried.

**APPROVAL OF THE JULY 25, 2013 MINUTES**

Commissioner Carter moved, seconded by Commissioner Miron, to approve the minutes.

Roll Call:        Ayes – 8        Nays – 0        Motion Carried.

Introductions were made.

**PROGRAM MANAGEMENT**

**2013 YTD Report on Budget Activity**

Sue Kuss summarized the budget activity report.

Commissioner Rafael Ortega arrived.

**POLICY EVALUATION – FUTURE OF WASTE PROCESSING**

**Revised 2013 -2014 Process & Timeline Documents**

Zack Hansen said at its July meeting, the Project Board discussed the process for evaluating the future of waste processing and requested staff to revise the documents. The Project Board also asked for the process to be presented as a timeline in addition to a flow chart. This is an 18 -month discussion leading up to some decision point sometime in 2015 about the future of processing.

The Counties policy is to include processing as part of the waste management system. The current policy and the policy in the previous plan talked about trying to reach a merchant approach. At the present time, a

merchant approach is not viable. The master plan then says if that is not possible, then we need to look at alternatives.

The following is part of the policy evaluation:

- What should be the future of waste processing in the East Metro area?
  - Technology/Systems: How should processing be integrated into the solid waste system?
    - Gather basic information related to technology
      - Waste system descriptions & predictions
      - Technical status of RRT and Xcel Facilities
      - Processing technology alternatives
    - Report to Board on technology operations & analysis
  - Level of Intervention: What should be the role of the Counties to assure that processing is part of the system?
    - Research & evaluation in policy-related topics
      - Waste Assurance
      - Ownership
      - Governance
      - Planning
      - Financial Considerations
      - Operational Considerations
      - Option Purchase Price
      - Status of the solid waste market
    - Report to Board
      - Policy topics & analysis
      - Option purchase price

There are two key questions that will come in early 2014:

1. What specific processing alternatives should the Counties further research?
2. What waste assurance ownership & governance alternatives should be further evaluated?

Commissioner Kriesel questioned where in this process is the MPCA requirements? Is this regional? Are we looking at expanding partnerships beyond Ramsey & Washington Counties?

Mr. Hansen responded in Statute 473, the Pollution Control Agency adopts the Regional Policy Plan. Each metropolitan county has to prepare a Solid Waste Master Plan that implements the directives from the Regional Policy Plan which has to be approved by the Commissioner of the Pollution Control Agency. The Counties are required to follow the Master Plans. The MPCA has been working on enforcing the mandatory processing chapter which is currently being challenged through an administrative law process. They are working through that process to see exactly what their authority is. Their intent is to move forward and to enforce the mandatory processing.

Both Counties are jointly carrying out what they said they would do to help meet the regional goals.

The partnerships question will be discussed under the governance chapter. We could also have discussions with other metro counties about what the future of waste processing will be.

Commissioner Kriesel questioned if the Resource Recovery Facility went away, would other counties meet their goals.

Mr. Hansen said the whole region would not meet their goals.

### **Solid Waste System of Facilities Report**

Judy Hunter reviewed data on past solid waste management results along with projections for the future. Forecasts have been developed in 5-year increments for 2015-2035 for management of solid waste for Ramsey and Washington Counties combined. Three scenarios have been developed. Each incorporates at least the minimum regional solid waste policy/county solid waste master plan percentages for recycling and organics recovery.

- Scenario A: Gradually more aggressive recycling & organics recovery:
  - The status quo percentage of the waste stream that is recycled in the two counties combined is 43% recycling and 7% organics in 2012. Combined recycling and organics rates increase from 50% in 2012, to 54% in 2020, & to 63% in 2030. This scenario relies on relatively stable MSW tonnages available for processing over time in the 330,000 – 380,000 tons per year range.
- Scenario B: More aggressive recycling & organics recovery:
  - Maintaining the current percentages of the waste stream that is recycled in the two counties combined 43% recycling and 7% organics in 2012. This means increasing recycling to 45% by 2015, and to 60% by 2030 and increasing organics diversion and recovery to 8% of total waste by 2020 and to 15% by 2030. The above combined will gradually reduce the amount of MSW available for processing over time to less than 300,000 tons per year by 2025.
- Scenario C: More aggressive recycling & much more aggressive organics recovery:
  - The status quo percentage of the waste stream that is recycled in the two counties combined 43% recycling and 7% organics in 2012. This means increasing recycling rates to 45% by 2015 and to 60% by 2030 and increasing organic waste diversion to 15% by 2020.

### **Technical Status of Facilities Report**

Warren Shuros, Foth Infrastructure & Environment, stated this report provides the Project Board with a preliminary current technical status of the Xcel combustion plants located in Red Wing, Mankato and the Newport Resource Recovery Facility. The report also includes a review of the general status, future plans, historical maintenance, physical conditions, and regulatory status of the Xcel facilities. The report provides value for the understanding facilities' potential roles in future processing and information for the Newport Facility option to purchase.

#### **Key Features:**

- 129,000 square foot building on 14 acres
- Permitted to process up to 500,000 tpy
- Receives 400,000 tpy +/- of MSW
- Produces 325,000 tpy +/- of RDF

#### **Newport Facility General Status:**

- Equipment improved over time
- Maintenance is an on-going process
- Maintenance both scheduled and as needed

- Daily maintenance shift
- Spare parts maintained on site

#### Permits & Regulatory Requirements

- All permits are current
- Reports submitted as required
- Annual fees paid as required
- No enforcement activities or penalties noted

#### Plant Failures/Risk – Major failures could be:

- Major extended power loss
- Hammer mill explosion causing major damage
- Building collapse from storm
- Flood
- None of the above have happened in the 26 years

#### Minor Plant Failures – Lost or reduced processing for a day or less

- Risk is mitigated by:
  - Two processing lines (if one line is down, the other one continues)
  - Equipment modifications over time
  - On-going daily maintenance
  - Keeping spare parts

#### Site Easement/License Agreement

- Easement agreement for site access is transferrable
- License agreement for a small portion of parking lot is not transferrable
- Limit future construction

#### RRT Conclusions

- Operated successfully for 26 years
- Equipment improved over time
- Adequate maintenance as needed
- Permits in good standing
- Performance producing RDF has been maintained
- Extensive operating experience of existing staff is significant success factor
- Easement and license agreements may limit future uses

#### Xcel Combustion Facilities

- Red Wing & Wilmarth constructed 1947/48, converted to RDF in 1987/88
- Each has 2 boiler/turbine generator power generation units
- Part of Midwest Independent System Operator group
- Considered must run facilities
- Must run at optimal capacity at all times
- No need to compete to sell power

**Common Characteristics**

- Burning capacity 200,000 tpy
- Have storage barns for RDF surges
- Routine scheduled down time for maintenance and some unscheduled down time
- Air pollution control upgrades in 1999/2000
- Over sized baghouses result in very low emissions

**Future Xcel Plans**

- Life Extension Study Red Wing and Wilmarth stations evaluated operation to either 2017 or 2027
- Take or Pay RDF requirements
- Developed capital improvement plans with \$67 million
- No reason plants can't last until 2027

**Regulatory Status**

- Both facilities use river water for cooling water
- Affected by Section 316 (b) of Clean Water Act
- Upgrades to resolve included in Capital Improvement Projects
- No reported air permit issues since 2004

Commissioner Kriesel would like a report of any complaints on regulatory issues.

**Amendment to Agreement with Stoel Rives**

Zack Hansen stated that the Project has retained the firm of Stoel Rives LLC for consulting services on policy and legal matters. The cost to the Project of establishing an option purchase price was estimated over a year ago with when the 2013 budget was prepared. At that time, it was not known if , whether arbitration would be needed, and, if so how, how extensive the arbitration would be. Certain factors have resulted in higher costs than budgeted. In order to complete the arbitration process, additional funding is needed.

Commissioner Huffman approved, seconded by Commissioner Miron, that the Ramsey/Washington County Resource Recovery Project Board hereby authorizes the Chair of the Project Board to approve and execute an amendment to the Agreement with Stoel Rives LLP, upon approval as to form by the County Attorney, to increase the contract maximum for the period January 1, 2013, to December 31, 2013, to \$274,000. The Project Board authorizes an adjustment to the 2013 Project Board budget as follows:

		From	To	Difference
<b>Decrease Appropriations</b>				
425102	Organic Waste Management	\$580,000	\$495,000	(\$85,000)
<b>Increase Appropriations</b>				
421201	Legal Services	\$189,000	\$274,000	\$85,000

Roll Call:        Ayes – 9        Nays – 0        Motion Carried.

**ORGANIC WASTE MANAGEMENT**

**East Metro Organics & Recycling – 2013 Status Report**

Zack Hansen said the East Metro Organics & Recycling goal is to promote job growth and protect the environment by helping schools, healthcare facilities and local business and institutions to recycle more.

There is a four-pronged approach:

1. Create a website to serve as an anchor for resources
2. Provide no cost consulting and technical assistance services tailored to generators types
3. Market the website and services
4. Implement ways to assist the industry and businesses with financial barriers

The website at lesstrash.com can be used to raise awareness, tools for self help, access to free consultation and business-to-business assistance.

Minnesota Waste Wise, JL Taitt & Associates and MnTAP continue to provide high-quality targeted service to non-residential waste generators.

**Recycling & Organic Waste Grants for Businesses**

Commissioner Huffman moved, seconded by Bearth, that the Project Board hereby approves the financial interventions program described by staff, including starter grants, container grants and a rewards program. The Project Board hereby authorizes the Joint Staff Committee, working with the County Attorneys, to design and implement administrative procedures and agreements to implement the program. The Project Board hereby authorizes the Lead Staff Person for the Project to execute grant agreements associated with the financial intervention program in amounts up to \$10,000.

Roll Call:        Ayes – 9        Nays – 0        Motion Carried.

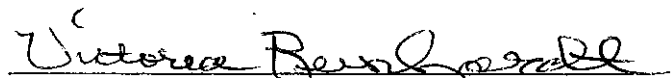
**UPDATES**

There will be two ½ day workshops in early 2014.

**ADJOURNMENT**

Chair Reinhardt adjourned the meeting.

Approved:



Commissioner Victoria Reinhardt, Chair