



# RAMSEY COUNTY

## **Ramsey County Board Workshop**

### **Recycling & Energy Financing**

June 11, 2019

Start time: 1:30 p.m.

220 Courthouse, Large Conference Room

### **Agenda**

1. Introduction            Paul Allwood, Deputy County Manager
2. Presentation            Zack Hansen, Public Health
3. Discussion and next steps

# Workshop: Recycling & Energy Financing

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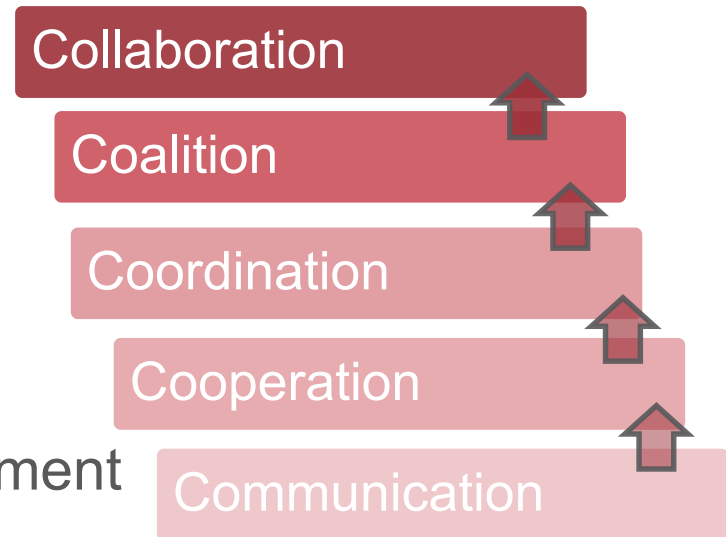
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## Workshop Goals

- Strategic direction on Recycling & Energy (R&E) Joint Activities Budget
- Foundation for action on the County Environmental Charge (CEC)
- Review of R&E Center enhancements

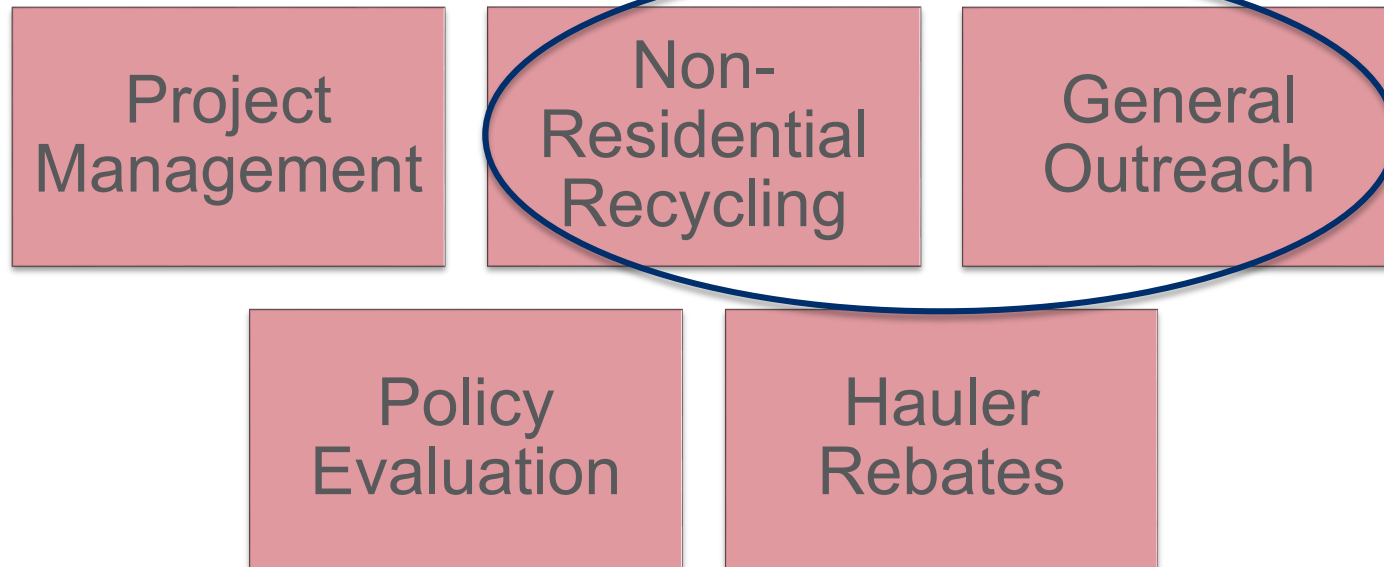
## Recycling & Energy

- Two principal functions
  - Own/operate/improve the R&E Center
  - Manage Joint Activities
- There is clear policy direction for the partnership and its work on Joint Activities
  - Alignment of master plans
  - Extensive planning since 2013
- Budgets
  - *Joint Activities*
  - Facility
  - Equipment Maintenance & Replacement



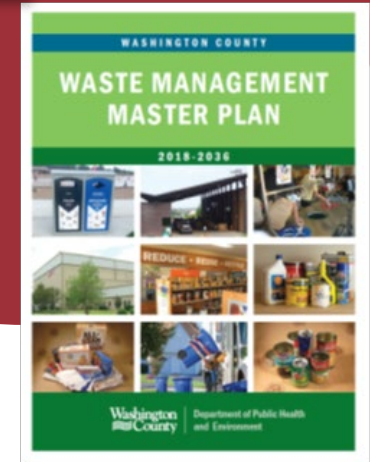
## Issue: *Extent of joint activities and the budget*

- Hauler Rebates – Decision to discontinue = \$4.4 million per year
- History of proposed expansion of joint activities
- Discussion centers on two of the five program areas



# Drivers for Joint Activities Budget

- State and county goals
- Move to use of DCBs to organics
- Increased demand for BizRecycling
- Multi-unit recycling program
- Working with schools
- Food waste reduction
- Ongoing outreach, education, and engagement
- Strengthen the partnership with new projects that address shared strategies



# Joint Activities Budget Policy Issue: Bridging the Budget Gap

- With the elimination of rebates, the JA budget will be reduced by **\$4.4 million**.
- Washington County wants to reduce its contribution to R&E, and supports no more than \$1,100,000 (25% of former rebate amount) for joint activities.

Scenario	Joint Activities	Washington County	Ramsey County
100% Hauler Rebate Reallocation	\$4,400,000	\$0	\$0
75% Hauler Rebate Reallocation	\$3,300,000	\$297,000	\$803,000
50% Hauler Rebate Reallocation	\$2,200,000	\$594,000	\$1,606,000
25% Hauler Rebate Reallocation	\$1,100,000	\$891,000	\$2,409,000
0% Hauler Rebate Reallocation	\$0	\$1,188,000	\$3,212,000



- 2019 JA Budget = \$9,780,031
- 2020 + 25% = \$6,764,964
- Difference = \$3,015,067
  - Ramsey \$2,201,000
  - Washington \$ 814,067

## Revised Approach to the Budget

- Revised:
  - Base now includes addition of 25% of funds previously used for rebates,
  - Priority list of additional joint activities developed
- Addressing unfunded priority items
  - Ramsey County can fund R&E, and/or
  - Ramsey County can implement directly
- Concern: items critical to future work, such as providing durable compostable bags (DCBs)



# Priority of Additional Joint Activities

Priority	Program/Activity	Priority	Program/Activity
1	Durable Compostable Bags	10	Business Pollution Prevention
2	BizRecycling Grants	11	BizRecycling - Sustaining Recycling in Businesses
3	BizRecycling Consultants	12	Mattress Recycling Program
4	Multi-unit Housing Recycling Grants	13	1.0 FTE Program Coordinator
5	Multi-unit Housing Consultants	14	School Recycling Consultant
6	Food Waste Reduction	15	Recycling Ambassadors
7	BizRecycling Partners	16	Fix-It-Clinics
8	Education & Outreach - Cultural consultants	17	BizRecycling Sponsorships & Promotion
9	Education & Outreach - Promotional Materials	18	1.0 FTE Program Coordinator

<b>Total 2020/2021 Additional Amounts</b>	<b>\$2,484,000</b>	<b>\$2,988,000</b>
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## County Environmental Charge

- Provides funding for activities identified in Solid Waste Management Master Plan
  - 28% Residential
  - 53% Non-Residential
- As a result of designation and phasing out of rebates, total hauler billings and CEC revenues have risen
- Elimination of rebates: Alternatives for use of funds:
  - R&E or County future activities (e.g. DCBs and associated costs)
  - Reduce the CEC rate

## Reducing CEC Rates

- Reduce CEC by an amount equal to Ramsey County's share (73%) of the overall Joint Activities Budget reduction
- Percentage will be determined based on past performance and future projections
- Ordinance amendment required

## R&E Center Enhancements

- State financing applications
  - MPCA's CAP grant
  - MMB grant
- Financing Plan (6/27)
  - Administration Building, Enclosure – separate funding
  - Preconstruction design – R&E funding
  - DCB project and recyclables recovery projects
    - County bonding, loan to R&E