



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

April 15, 2021

To: R&E Facility & Finance Committee
From: Joint Leadership Team (JLT)
RE: Proposed 2022-2023 Joint Activities Budget

Introduction

The R&E Facility & Finance Committee is responsible for preparing and proposing budgets to the R&E Board. This document introduces a proposed 2022-2023 Joint Activities Budget to initiate the committee's work on this budget. The proposed budget has been designed to correlate with the remaining two years of the counties' Solid Waste Management Master Plans, introduce the curbside food scrap collection program scheduled to begin in 2022, provide adequate funding for R&E administration, address future R&E projects, and discontinue separate funding for Ramsey County only programs.

Review of Budget Structure

The Joint Activities Budget includes non-R&E Center related expenses funded by contributions from the counties – 73% from Ramsey County and 27% from Washington County. Following R&E Board approval, this budget requires approval by both county boards. In accounting terms, this is a "governmental fund," covering the non-business activities of Ramsey/Washington Recycling & Energy (R&E). Major changes to the proposed 2022-2023 Joint Activities Budget from the 2021 budget are described below.

- **Project Management:**

This program area includes expenses associated with overall management of R&E. Changes proposed include:

- A 0% cost of living adjustment for staff.
- Addition of 1 FTE program coordinator position and one administrative assistant position both needed to work on services included in the proposed budget.
 - The program coordinator will work exclusively on the design, development and implementation of key elements of the new food scrap collection system using durable compostable bags (DCBs). This includes work with contractors on the website to accept and manage orders for DCBs, manufacture DCBs, fulfill orders through delivery and provide customer service.
 - The administrative assistant will work as support for the R&E human resources, finance, and contract management programs. Sufficient administrative work is being performed by management staff to justify this position. Examples include basic HR functions such as timekeeping and payroll, posting position openings, interview setup, coordinating orientation, preparing various reports (ACA, FMLA, EEO and overtime), coordinating open enrollment, providing support for contract management of over 300 contracts per year and assisting with accounts receivable.
- Inclusion of 1 FTE program coordinator previously funded by Ramsey County Additional Programs in 2020 and 2021 to work across both counties in 2022 and 2023, no longer for work only in Ramsey County.

- Funding for information technology (IT) services needed to ensure R&E's IT infrastructure and functions are secure and properly managed, including business applications, projects for improved communication and collaboration, enhanced security systems and contracted IT staff.
- Contributions to Partnership on Waste and Energy (PWE) at the same level as previous PWE budgets.
- **Non-Residential Recycling:**
This program area includes costs associated with R&E waste reduction and recycling activities focused primarily on the commercial sector. This includes all aspects of BizRecycling, including grants/technical assistance to businesses, partnerships/sponsorships and educational resources. Non-Residential Recycling also contains resources for addressing waste and recycling at multi-unit residential properties as well as resources focused on preventing food waste and increasing food recovery.

Continued funding for the following based on policy direction in the counties' solid waste management master plans, making progress towards state's 75% recycling goal and meeting existing demand for current programming includes:

- BizRecycling – Funding levels comparable to the 2020-21 budget to support ongoing business recycling needs while developing new strategies to assist businesses based on 2021 BizRecycling strategic planning.
- Multi-Unit Recycling Program – Increased funding for grants and technical assistance to meet the growing demand for resources.
- Food Waste Prevention – Increased funding to reduce the amount of food being wasted while recovering more edible food that can be used to address food insecurity in both counties.

Refined funding for the following based on remaining solid waste management master plans strategies for both counties and previously developed and tested in Ramsey County, using additional Ramsey County funding includes:

- Business Pollution Prevention – A program providing technical assistance and financial incentives to help businesses reduce the use of chemicals harmful to health and the environment, while also reducing hazardous waste.
- Compost Market Development – In anticipation of a county-wide food scraps collection program, grow the demand for finished compost derived from food scraps. These efforts include technical and educational resources, financial incentives and policy-based solutions focused on increasing market demand for compost.

- **Community Waste Solutions:**
This new program area is a combination of previous items that address county solid waste master plan strategies through collaborative community approaches to address the unique needs of the communities in both counties. Several opportunities have been identified for waste reduction and recycling outside of the non-residential recycling budget area including:
 - Community Resource Hubs – Based on examples seen by commissioners and staff in Toronto, this concept began as a pilot project for the Rice-Larpenteur neighborhood in Ramsey County as a way to meet specific community needs related to waste reduction and recycling. Working with the multi-jurisdictional Rice-Larpenteur Alliance, and

through community engagement efforts, a variety of options were identified, and now county and R&E staff are working to identify a physical space in the community to serve as a resource hub. In this proposed budget, this concept will be replicated or adapted in other priority communities in both counties to identify needs and then work provide solutions.

- Bulky Waste Solutions – Bulky items like mattresses, furniture and construction and demolition (C&D) materials are generally non-processable at the R&E Center, but continue to be delivered there. Building on pilot testing in Ramsey County in 2021, this budget item will provide resources to support mattress recycling efforts in both counties, while also providing new resources to support the reuse and recycling of C&D materials.
- Reuse & Repair – Building on individual county efforts, funds will be used to coordinate the reuse and repair resources across both counties. This will include consistent educational and promotional efforts while also building out new resources like a shared disposal directory to be used and promoted by both counties for its residents.

- **Food Scrap Recycling:**

This program area includes funding for operational expenses associated with the new food scrap collection program, using durable compostable bags, scheduled to be available to every resident in both counties with a phased roll-out beginning in 2022.

The food scrap collection program will utilize durable compostable bags for collecting food scraps from households. Residents will place the bags in existing trash carts for collection by haulers. Bags of food scraps will be sorted at the R&E Center and sent to a local composting facility.

This proposed budget is the first time that operational costs will be included in the budget. The costs identified below for the food scrap collection program will continue to increase over time as participation from communities increases. For example, first year participation is estimated to be 5%, and after 5 years up to 40%. Operational costs will fit into the following categories:

- Program Resources – This includes materials provided to households to ensure successful participation, primarily the durable compostable bags.
- Other Professional Services – This includes contracted services for implementation and operation of the program: warehousing, order fulfillment, delivery of the durable compostable bags and administrative components like customer service, licensing and program maintenance.
- Promotional Activities – This includes public-facing components for increasing awareness of and participation in the program and includes program website, promotional videos and educational media campaigns.

- **General Outreach:**

Continued funding in the General Outreach program area covers outreach, education, communication and community engagement work of R&E including for R&E Joint Activities and the R&E Center, as well as coordinated strategies with both counties. General outreach ensures awareness and participation in programs as well as assisting the counties in and coordinated messaging and engaging communities. Some examples of this include:

- Communications, Design, Education & Promotion – These are targeted campaigns about timely issues like problem waste materials, food waste reduction and implementation of

the food scrap recycling program. It also includes promotion increase awareness and participation county programs and services in using paid media campaigns, content development, community engagement, website maintenance, social media and videos.

- **Policy Evaluation:**

Continued funding covers legal, general engineering, and technical services associated with evaluation and policy development of system changes to meet the counties and R&E's vision. Examples related to the R&E Center include continued work on source separated organics and processing to recover recyclables. Identifying alternate markets for RDF is a major issue, as is continued examination of emerging technologies. Also included is planning and implementing key policy issues (such as waste designation and odor mitigation) and engaging on state and regional policy issues such as the restriction-on-disposal, development of anaerobic digestion policy and state energy policy.



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

May 20, 2021

To: Ramsey/Washington Recycling & Energy (R&E) Facility & Finance Committee
From: Joint Leadership Team (JLT)
RE: Proposed 2022-2023 Joint Activities Budget

Introduction

The R&E Facility & Finance Committee is responsible for preparing and proposing budgets to the R&E Board. At the April 15, 2021 committee meeting, the JLT introduced a proposed 2022-2023 Joint Activities Budget to initiate the committee's work on that budget. The committee discussed the proposed budget, and no changes were requested to the proposed budget.

Review of Budget Structure

The Joint Activities Budget includes non-facility related activities and is funded by contributions from the counties – 73% from Ramsey County and 27% from Washington County. In accounting terms, this is a “governmental fund” or “general fund” covering the non-facility activities of Ramsey/Washington Recycling & Energy.

There are six program areas included in the Joint Activities budget:

- Project Management – includes expenses associated with overall management of R&E
- Non-Residential Recycling – includes costs associated with waste reduction and recycling activities focused primarily on the commercial sector
- Community Waste Solutions – addresses county solid waste master plan strategies through collaboration with communities and is a new category that includes items found in previous budgets
- Food Scrap Recycling – includes funding for operational expenses associated with the new food scrap collection program using durable compostable bags, scheduled to be available to every resident in both counties with a phased roll-out beginning in 2022
- General Outreach – covers outreach, education, communication and community engagement work of R&E, including for R&E Joint Activities and the R&E Center, as well as coordinated strategies with both counties
- Policy Evaluation – covers legal, general engineering and technical services associated with evaluation and policy development of system changes to meet the counties and R&E's vision

The memo presented at the April 15 committee meeting that provided details about the Joint Activities Budget is attached for reference. A summary of the Joint Activities budget totals since 2018 is shown below.

	2018	2019	2020	2021	2022	2023
Total Joint Activities Budget	\$10,725,643	\$9,780,831	\$9,053,290	\$9,083,369	\$10,707,727	\$11,609,454
Washington County (27%)	\$2,895,924	\$2,640,824	\$1,194,290	\$1,922,230	\$2,891,086	\$3,134,553
Ramsey County (73%)	\$7,829,729	\$7,140,007	\$5,175,674	\$5,197,139	\$7,016,641	\$8,474,901
Ramsey-Only Funds	N/A	N/A	\$1,964,000	\$1,964,000	\$800,000*	
*Anticipated carryover Ramsey-only funds from 2021						

Timing of Staffing Request

The proposed 2022-2023 Joint Activities Budget includes the addition of 1.0 FTE program coordinator position and 1.0 FTE administrative assistant position. Both are needed to work on services included in the proposed budget:

- The program coordinator will work exclusively on the design, development and implementation of key elements of the new food scrap collection system using durable compostable bags (DCBs), including working with contractors on website development, customer service and order fulfillment.
- The administrative assistant will work as support for the R&E human resources, finance and contract management programs. Sufficient administrative work is being performed by management staff in these R&E departments to justify this position, freeing up management staff time to focus on non-administrative tasks.

If the Facility & Finance Committee supports this request, then the JLT recommends that these positions be created in 2021. There is a need for both positions to begin work in 2021, and funds are available in the Joint Activities Budget, due to reduced demand for some services in 2021 related to the COVID-19 pandemic.

Start-up and testing for the food scrap collection program is projected to start earlier than originally projected. As proposals were received and approved for the construction and equipment contracts for the R&E Center enhancements, schedules presented by the vendors provide for beginning in the second quarter of 2022, with services available to residents in the second half of 2022. Having the program coordinator work on the array of work for this program in 2021 is important to be able to meet this timeline and for a quality service to be available when the facility is ready.

An administrative assistant is needed to take on basic HR functions, provide support for contract management and assist in accounting functions currently performed by management staff. Moving these activities to an administrative assistant position will allow management staff to work on higher priority issues, such as facility safety during construction and solicitation of major contracts related to the R&C Center processing improvements.

Action Requested

The Facility & Finance Committee is requested to:

1. Approve the 2022-2023 Joint Activities Budget and recommend that the R&E Board approve that budget.

2. Recommend that the R&E Board approve the addition of 1.0 FTE program coordinator and 1.0 administrative assistant to the Joint Activities Budget in 2021 and authorize the Joint Leadership Team to make necessary budget adjustments.