RAMSEY/WASHINGTON COUNTY RESOURCE RECOVERY PROJECT BOARD JULY 25, 2013 MINUTES

A meeting of the Ramsey/Washington County Resource Recovery Project was held at 9:00 a.m., July 25, 2013 at the Saint Paul - Ramsey County Public Health, Environmental Health Section, in Maplewood, Minnesota.

MEMBERS PRESENT

Commissioners Toni Carter, Blake Huffman, Rafael Ortega, Victoria Reinhardt – Ramsey County Commissioners Ted Bearth, Gary Kriesel, Autumn Lehrke, Fran Miron, Lisa Weik (Alternate) – Washington County

MEMBERS ABSENT

Commissioner Janice Rettman - Ramsey County

ALSO ATTENDING

Pete Barthold, Mary Elizabeth Berglund, Gary Bruns, Jill Curran, Barry Fick, Rob Friend, Chris Gondeck, Zack Hansen, Sam Hanson, Curt Hartog, Judy Hunter, Julie Ketchum, Curtis Johnson, Kevin Johnson, Roel Ronken, Randy Kiser, Dan Krivit, Sue Kuss, Peder Sandhei, Norm Schiferl, Katie Shaw, Warren Shuros, Ryan Tritz

APPROVAL OF AGENDA

Commissioner Huffman moved, seconded by Commissioner Miron, to approve agenda.

Roll Call:

Ayes - 6

Navs - 0

Motion Carried.

APPROVAL OF THE JANUARY 24, 2013 MINUTES

Commissioner Huffman moved, seconded by Commissioner Lehrke, to approve the minutes.

Roll Call:

Ayes -6

Nays - 0

Motion Carried.

Introductions were made.

PROGRAM MANAGEMENT

2013 YTD Report on Budget Activity

Sue Kuss summarized the budget activity report. There were no questions.

Commissioner Carter arrived.

2014 – 2015 Project Budget

Commissioner Huffman approved, seconded by Commissioner Lehrke, that the Ramsey/Washington County Resource Recovery Project Board hereby approves and recommends that the Ramsey and Washington County Boards approve the 2014 – 2015 Resource Recovery Project Budget as recommended by the Resource Recovery Project Board Budget Committee as follows:

Expenses	2014	2015	
Project Management	\$492,546	\$495,774	
Organic Waste Management	\$1,030,000	\$1,030,000	
General Outreach	\$306,500	\$306,500	
Policy Evaluation	\$805,000	\$0	
Resource Recovery	\$8,400,000	\$8,400,000	
	\$11,034,046	\$10,232,274	
Revenues	2014	2015	
Revenues Washington County Participation	2014 \$2,783,492	2015 \$2,784,229	
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Washington County Participation	\$2,783,492	\$2,784,229	
Washington County Participation Ramsey County Participation	\$2,783,492 \$7,440,554	\$2,784,229 \$7,442,545	

Roll Call:

Ayes - 7

Nays - 0

Motion Carried.

Commissioner Ortega arrived.

POLICY EVALUATION - FUTURE OF WASTE PROCESSING

Review of 2013 Process & timeline

Zack Hansen said this is significant policy work for the two counties. It is important to note that there is six key points.

- 1. Waste is complex. There are many types of waste and how it is handled has environmental and public health consequences.
- 2. Waste is inefficiency: reducing waste in our communities and recovering resources can help the East Metro area be more competitive and resilient.
- 3. The system is accountable, primarily through solid waste master plans.
- 4. An effective and integrated waste management system is working in the East Metro area.
- 5. Reducing risk to health and the environment is a key element of the system.
- 6. The system is operated by a combination of private sector and public sector participants.

The policy evaluation is a two phased process leading to two decision points related to acquiring the facility. Phase 1 (2013) - Staff are gathering information at a general level which will lead to a decision point in late 2013 or early 2014 addressing this question: should the Counties proceed after 2014 to further evaluate the purchase of the facility and conduct analysis sufficient to make a final decision?

In 2014, if the decision is to proceed to evaluate, there are four options that could be decided on.

- 1. Purchase of the facility
- 2. Continue status quo

- 3. Develop new technology at a new site
- 4. Stop the support for processing; allow the RRT agreement to expire; and move forward and look at solid waste management in another prospective

The work being done in 2013 is an analysis of waste processing technologies beyond refuse derived fuel. There are three parts to this analysis:

- 1. Scan of technologies
- 2. Detailed analysis
- 3. Comparative analysis

Foth Environmental & Infrastructure will produce a report that documents the current status and condition of the Newport Facility and the two Xcel power plants. The Newport Facility review will include a review of permits and regulatory requirements, general status of processing equipment, buildings and facilities, mobile equipment and performance metrics.

The following are focused on the potential purchase of the facility:

- ownership
 - o risks associated with public-private ownership
- governance
 - should the Counties decide to proceed to purchase, what governance structure would be most appropriate
- planning requirements
 - o designation planning
 - o waste flow
 - o permitting
 - o zoning
- waste assurance
 - o flow control
- finance
 - o options for financing facility purchase
- operational issues
 - o scope of operations
 - o labor

Mr. Hansen asked for feedback from the Project Board.

Commissioner Kriesel said he wants to ensure the framework reflects the following options:

- 1. purchase of the facility
- 2. continue to contract with private facility operators
- 3. pursue other processing alternatives

Commissioner Ortega questioned asked staff to put the timeline and key decisions in more of a work flow format.

Status of Establishing a Purchase Price

Kevin Johnson, Stoel Rives LLC, updated the Project Board regarding the status of establishing a purchase price of the facility. The purpose of establishing a purchase price up front is so the Counties will know their costs before any decisions are made about the purchase of the facility. He went through the provisions in Article 9 - Option to Purchase of the Solid Waste Processing Agreement between the Counties and RRT.

Mr. Johnson said that in Section 9.03 B – Should RRT and the Counties not arrive at a negotiated Option Purchase Price by March 31, 2013, the parties shall initiate binding arbitration to establish the Option Purchase Price by December 31, 2013. He said that they did have negotiations and an agreement was not reached. So now the Counties and RRT are in the arbitration process.

Discussion took place regarding Minn. Stat. Section 473.848. Commissioner Kriesel stated that he would like to know the MPCA's specific strategies and timeline for enforcement and ramifications for non-compliance and that the board should consider action for this.

Commissioner Kriesel approved, seconded by Commissioner Huffman that the Ramsey/Washington County Resource Recovery Project Board directed the Chair to inquire about the Minnesota Pollution Control Agency's (MPCA's) process and progress in obtaining compliance with Minn. Stat. Section 473.848.

Roll Call:

Ayes – 8

Nays – 0

Motion Carried.

Alternative Technologies for MSW

Warren Shuros, Foth Infrastructure & Environment, LLC, presented to the Board the Alternative Technologies for MSW. In September 2013, Foth will be doing a preliminary technical review of the Newport and Xcel combustion facilities.

The alternative technologies covers:

- Gasification thermal process converts MSW to synthetic gas.
 - o Pros
 - Fuels production may be economically superior to electrical production
 - Recycling enhanced by up-front sorting
 - Efficient energy production
 - o Cons
 - Unproven commercial scale for MSW in US
 - Requires MSW pre-processing
 - Permitting no clear path
- Pyrolysis this technology has not advanced in the US over the years. Not viable to consider further
 at this time.
- Plasma Arc very high temperatures breaks down solid waste into basic elemental compounds.
 - o Pros
 - Superior thermal destruction
 - Limited pollution
 - Potential to expand to include other non-MSW streams such as hazardous materials
 - o Cons
 - Not proven for MSW in US
 - High initial capital cost

- Requires extensive pre-processing
- High power requirements
- Mass Burn process that burns MSW in a combustion chamber, without pre-processing and recovers heat energy.
 - o Pros
 - Proven technology
 - Proven capital & operating costs
 - Capable of processing Ramsey/Washington Counties waste not reduced, reused, recycled or otherwise handled
 - Financially stable vendors
 - Compliant air emissions
 - o Cons
 - Public opposition makes siting & permitting a new facility difficult
 - Some concern to size & long-term commitment to single facility approach
- Anaerobic Digestion process that decomposes organic portion of MSW in absence of oxygen producing methane and digestate.
 - o Pros
 - Well understood process in sewage/manure
 - Can be combined with other technologies
 - Marketable end product
 - Contributes to GHG reduction
 - o Cons
 - Not widely proven for MSW in US, but facilities being developed
 - Requires either source separation/collection or processing MSW to remove organics
 - Anaerobic Digestion bacteria have specific requirements and may need a consistent feedstock
 - Odor control required
- Mixed Waste Processing purpose is to separate and remove recyclables such as paper, metals, plastics, wood, & organics from MSW. Can be combined with RDF, Anaerobic Digestion & plastics to fuel facilities.
 - o Pros
 - Can be added to the front end of other technologies
 - Can be flexible to adapt to material market changes
 - Can focus on specific waste streams to achieve higher recovery
 - May reduce need for separate collection for targeted generators
 - o Cons
 - Not appropriate for entire waste stream or as a stand-alone facility for Ramsey & Washington Counties
 - Quality of recyclables may be lower than source-separated programs
- Plastics to Fuel- process using heat and distillation to convert various plastics into oil or more refined fuels.

The next steps will be an in-depth review of mixed waste processing, mass burn, RDF, anaerobic digestion, plastics to fuel and gasification. Foth is looking at how this can be applied to the Ramsey & Washington County waste stream.

Commissioner Kriesel questioned if there was a Plan B if something happened to the Red Wing or Wilmarth facilities.

Mr. Shuros stated that Foth is looking at the status and the condition of the Red Wing and Wilmarth plants. He will report back to the Project Board in September on what their status is and long-term plans are.

ORGANIC WASTE MANAGEMENT

2013 Progress Report

Judy Hunter said that another major effort that the Counties have been working on jointly is organics focusing on businesses. The work in 2013 has expanded to recycling. Staff have been marketing this with the BizRecycling website. The url is lesstrash.com. Tools such as calculators, video and mapping features have been included in the website. Staff have also set up a Twitter account as a social media strategy. The website design has also been changed to fit with mobile applications.

Because the website is relatively new, and promotional efforts are just rolling out, the evaluation of metrics are not significant. So far in 2013:

- 412 people have visited the site 827 times
- 50% were new users
- Average time spent on the site was almost 9 minutes
- Each visitor looked at an average of ten pages
- 79% of visitors directly entered the site by typing in lesstrash.com; 10% resulted from a search such as Google; and 11% were referred, linking from another site.

Strategy for Transportation Efficiency and Starter Grants Concept

Judy Hunter stated that the Counties have been trying to address a variety of financial interventions to increase the recovery of organic waste. During 2013, the Project became aware of other options, and began to float these concepts with the industry, to determine if there were alternatives to providing transfer capacity to address route density issues.

Staff and consultants believe the Project should rule out subsidized transfer capacity as well as on-going rebates directly to waste generators. Two concepts deserve further development: one would be rebates for organic waste collectors, similar to the rebates currently provided to waste haulers that deliver waste at the Newport Facility. The second is a form of a start-up grant, which would provide one-time funding directly for businesses that begin organic waste recycling to cover the first three months of service.

Staff would like to develop one or both of these alternatives and bring back to the Board an implementation plan for consideration at the September meeting.

Commissioner Bearth approved, seconded by Commissioner Huffman, that the Project Board hereby directs staff to prepare implementation plans and materials to address organic waste collection and transportation efficiency, either through hauler rebates or generator incentive grants, and also for targeted grants to non-residential waste generators, and to bring those plans back to the Project Board for consideration at the September 2013 meeting of the Project Board.

Roll Call:

Ayes – 8

Nays – 0

Motion Carried.

UPDATES

The next Project Board meeting is scheduled for September 26, 2013.

ADJOURNMENT

Chair Reinhardt adjourned the meeting.

Approved:

Commissioner Victoria Reinhardt, Chair

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