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Fact Sheet: Implementing Waste Designation

Summary: The Ramsey/Washington Recycling & Energy Board (R&E Board) is a joint powers board composed of Ramsey and Washington counties. Following an extensive evaluation and public engagement process that began in 2013, the R&E Board purchased the Recycling & Energy Center (R&E Center) in Newport in late 2015. Both counties are now working to implement waste designation.

Waste designation is the term used in Minnesota law that allows counties to enact an ordinance (a regulatory tool) that requires all or a portion of solid waste to be delivered to a designated waste management facility. Sometimes called “flow control,” waste designation can be put into place after a thorough planning process that is approved by the Minnesota Pollution Control Agency (MPCA). Designation relates to what happens to waste *after* it is collected – it does not affect who collects trash, or when it is collected. Designation will apply to “acceptable waste,” which is mixed municipal waste that the R&E Center is capable of receiving and processing. *Designation does not apply to materials separated for recycling.*

Ramsey and Washington counties submitted amendments to their respective solid waste master plans and a joint waste designation plan to the MPCA for approval. These plans have been reviewed and approved by the MPCA.

In implementing designation, the counties are planning a system design for delivery of acceptable waste to the R&E Center, that involves using 1) voluntary hauler waste delivery agreements, 2) maintaining a network of transfer stations to help manage the flow of acceptable waste to the R&E Center, and 3) implementation of waste designation ordinances by Ramsey and Washington counties for waste haulers and self-haulers without waste delivery agreements. This system design recognizes the complexity of the existing waste collection market, seeks to minimize disruption of the existing collection system, and favors voluntary delivery of Ramsey and Washington County acceptable waste to the R&E Center, with changes implemented over a five year period.

Milestones:

- The counties will conduct a public hearing on implementation of the waste designation the plan, and proceed with implementing the plan.
- The R&E Board will develop hauler waste delivery agreements with waste haulers, for the voluntary delivery of all acceptable waste generated in the two counties. Seeking hauler waste delivery agreements is a process required by Minnesota’s designation statutes, and such agreements are preferred way to achieve more certain deliveries to the R&E Center, and have been a successful tool in Ramsey, Washington and other

counties in Minnesota. The counties will also work to contract with certain transfer stations to minimize disruption in hauler operations.

- Develop and adopt amendments to existing waste designation requirements in each of the county solid waste ordinances; this will require, by law, acceptable waste that is not subject to a waste delivery agreement be delivered to the R&E Center.
- The proposed master plan amendments, ordinances and hauler waste delivery agreements have to be reviewed by the MPCA, and, following adoption of the ordinances by the county boards, there is a waiting period before they can go into effect.

Waste Delivery under Designation: Upon the implementation of the joint waste designation plan by Ramsey and Washington counties, waste delivery from the two counties to the R&E Center will occur through two legal mechanisms: hauler waste delivery agreements with the R&E Board, and, for licensed haulers and self-haulers without waste delivery agreements, via the county ordinances. Waste will be delivered to the R&E Center directly, and also through a network of transfer stations that will operate under contract to the R&E Board. Haulers that enter into waste delivery agreements will be allowed to use the transfer station network, and would be eligible to receive hauler rebates. Haulers that do not enter into waste delivery agreements will not receive rebates and will be required via the ordinances to deliver directly to the R&E Center in Newport.

Specifically, the R&E Board has approved the following approach for designation:

- **Transfer Stations:** Transload agreements for acceptance, handling and delivery of waste from Ramsey and Washington counties to the R&E Center will be offered any transfer station that will accept the terms of the agreement and will be receiving a minimum tonnage of acceptable waste from Ramsey and Washington Counties. Agreements can be entered into at any time, but all agreements will terminate on December 31, 2022.

The network of transfer stations is designed to:

- a) minimize disruption of the existing collection system;
- b) encourage licensed haulers to voluntarily deliver all waste from Ramsey and Washington counties through waste delivery contracts;
- c) assure a “level playing field” for waste haulers;
- d) offer predictable waste delivery for management and budgeting purposes; and
- e) provide flexibility for R&E Center operations by being able to manage waste flow to the R&E Center, and to direct waste to other processing facilities (pursuant to Minn. Stat. §473.848 when necessary). The continued availability of transfer stations during designation has been a key element emphasized by haulers in conversations in 2015-2016.

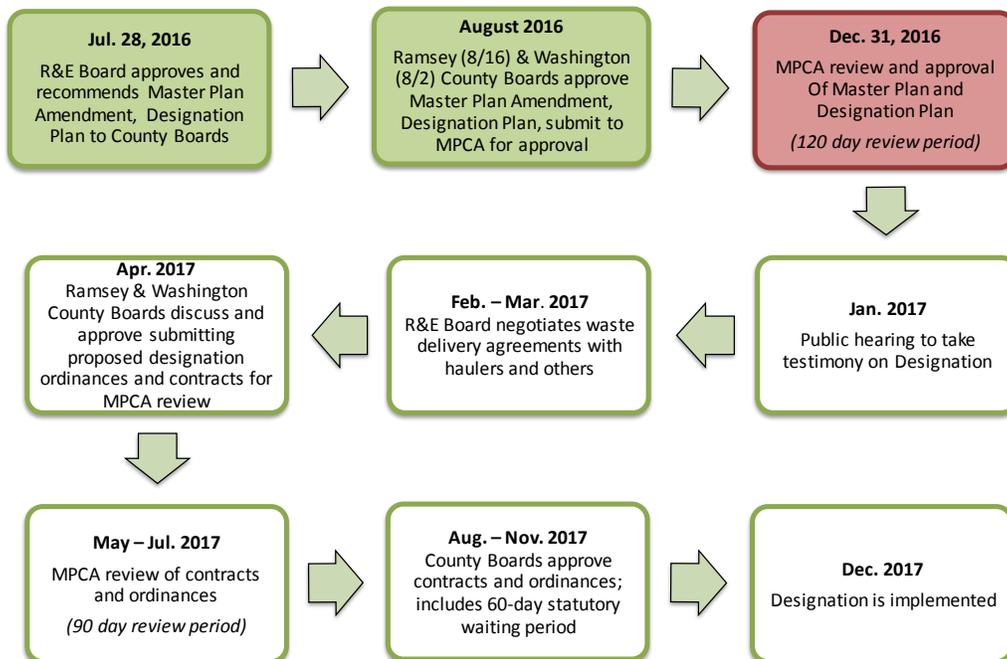
- **Waste delivery agreements** will be offered to all licensed haulers that collect mixed municipal solid waste in the two counties and to licensed self-haulers. A waste delivery agreement will allow the hauler to deliver all acceptable waste from Ramsey

and/or Washington counties to the R&E Center or to transfer stations that have entered into waste delivery agreements with the R&E Board, and during at least the first four years of the waste delivery agreement (2018, 2019, 2020 and 2021), the R&E Board will provide a rebate to haulers that enter into a waste delivery agreement with the R&E Board. The amount of the rebate will be set each year, and will begin at the current level of \$12.00 per ton for each ton of waste delivered from Ramsey and/or Washington counties.

Therefore, there are two incentives for waste haulers to enter into a waste delivery agreement: access to the network of transfer stations, and access to hauler rebates.

- **Designation Ordinance:** Each County will adopt a waste designation ordinance that will require mixed municipal solid waste collected in the county to be delivered to the R&E Center. The ordinance will apply to licensed haulers and self-haulers that do not enter into waste delivery agreements.

Timeline



Terms Approved by the Recycling & Energy Board for Transfer Station and Hauler Waste Delivery Agreements

Hauler Waste Delivery Agreements

- a. Eligibility
 - i. Any licensed hauler or self-hauler may enter into an agreement with the R&E Board to deliver all acceptable waste collected by the hauler from Ramsey and Washington counties to the R&E Center or to a network of transfer stations.
 - ii. Waste Delivery Agreements are only for Ramsey/Washington County waste.
- b. Term – Five years, 1/1/2018 – 12/31/2022.
- c. Tipping Fees
 - i. The R&E Board shall collect tipping fees from waste haulers, pursuant to the waste delivery agreements, using data provided by the Transfer Stations and the R&E Center.
 - ii. Tipping fees will be set to cover the full cost of R&E Center operations.
 - iii. There will be no “add on” fee for depositing waste at a transfer station – the tipping fee charged at a transfer station by the R&E Board will be the same fee as that charged at the R&E Center.
 - iv. All haulers shall be charged the same tipping fee.
 - v. Tipping fees will be established annually by the R&E Board. The R&E Board will provide at least 90-days’ notice of changes in the tipping fee.
- d. Rebates
 - i. During the first four years of the waste delivery agreement (2018, 2019, 2020, 2021) the R&E Board will provide a rebate to haulers that have entered into a waste delivery agreement with the R&E Board.
 - ii. The amount of the rebate will be set each year, and will begin at the current level of \$12.00 per ton for each ton of Ramsey and Washington County waste delivered. In concept, the rebate could remain at \$12.00 per ton for four years, or could be reduced over time (with adequate notice to haulers). The reductions and timing will depend on the rate at which the tipping fee at the R&E Center may increase.
- e. Access for haulers – Any licensed hauler under contract to the R&E Board shall have access to any transfer station under contract with the R&E Board during the transfer station’s operating hours.
- f. Data, software, verification
 - i. Haulers must keep records of data as specified by the R&E Board.
 - ii. Language will be included that allows the R&E Board access to records, in a manner similar to authority allowed under §473.812 and §115A.882.

Transfer Station agreements

- a. Eligibility – Transfer stations that sign an agreement under contract to the R&E Board will allow access to any licensed hauler (including licensed self-haulers) that enters into a waste delivery agreement with the R&E Board.
- b. Term – Five years, 1/1/2018 – 12/31/2022.

- c. Accept waste
 - i. Contract waste: The transfer station shall accept waste from any licensed hauler under contract to the R&E Board for delivery of acceptable waste from Ramsey and Washington counties to the R&E Center.
 - ii. Self-hauler waste: for acceptable waste from Ramsey and/or Washington counties delivered by self-haulers that are not licensed (e.g. public drop off, etc.), the Transfer Station shall deliver the waste, and will be billed by the R&E Board for those tons. The Transfer Station shall charge the self-hauler at the same rate charged for self-haulers at the R&E Center.
- d. Access for haulers
 - i. Any licensed hauler under contract to the R&E Board shall have access to the transfer station during the transfer station's operating hours.
 - ii. Any licensed hauler not under contract to the R&E Board shall be denied access for delivery of waste from Ramsey and/or Washington counties; as such haulers must deliver directly to the R&E Center.
- e. Tipping Fees
 - i. The R&E Board shall collect tipping fees from licensed waste haulers, pursuant to the waste delivery agreements, using data provided by the Transfer Stations.
 - ii. There will be no "add on" fee for depositing waste at a transfer station – the tipping fee charged at a transfer station by the R&E Board will be the same fee as that charged at the R&E Center.
 - iii. The Transfer Station shall collect tipping fees from self-haulers, at the same rate charged self-haulers at the R&E Center.
- f. Payment
 - i. The R&E Board will pay a transload fee to the transfer station owner/operator on a per ton basis for each ton of Ramsey/Washington County waste delivered to and transferred from the Transfer Station.
 - ii. Transload fees will be the same for all transfer stations under contract.
- g. Transportation (two options)
 - i. The R&E Board will procure trucking companies that will collect waste at the transfer stations and deliver it to the R&E Center; or
 - ii. The Transfer Station, if it has its own trucking capability, may respond to the solicitation for trucking companies, and is eligible to compete for a waste transportation agreement.
- h. Data, software, verification
 - i. The transfer station shall provide data in a form required by the R&E
 - ii. Language will be included that allows the R&E Board access to records, in a manner similar to authority allowed under §473.812 and §115A.882.