



THE SOUTHEAST MINNESOTA RECYCLERS' EXCHANGE

cooperative marketing * market development * materials exchange

SEMREX JOINT POWERS BOARD (JPB) MEETING

Friday, December 6, 2019

Conference Room B

Government Services Building (not the courthouse)

721 Main Street North (on the west side of Highway 57)

Mantorville, MN

9:30 A.M.

AGENDA

- 9:00 Coffee and Rolls
- 9:30 Call Meeting to Order – Roll Call and Introductions
- 9:35 Approve June 2019 Minutes
- 9:40 Director's Update – Sharon Schriever, SEMREX
 - Discuss Potential Tri-County Membership – All
- 10:10 Market Report – MPCA Staff
- 10:30 Review/Approve Professional Services Agreement
- 10:40 Review/Approve Fiscal Agent Agreement
- 10:45 Review/Approve 2020 Budget
- 11:00 MPCA and Legislative Update
- 11:15 Member Update Report Questions/Discussion-All
- 11:30 Set Next Meeting
- 11:35 Adjourn

**SEMREX Joint Powers Board Meeting
Dodge County Government Services Building
June 7, 2019 - 9:30 a.m.**

Present: Jake Gillan, Rice County Commissioner; Ben Crowell, MPCA; Sharon Schriever, SEMREX; Mike Lee, Freeborn County Commissioner; Rita Cole, Dodge County; John Allen, Dodge County Commissioner; Dave Kenworthy, Dodge County Commissioner; Ken Brown, Olmsted County Commissioner; Jeff Schneider, City of Red Wing; Dean Hove, Red Wing City Council; Molly Kjellesvig, Blue Earth County; Mark Piepho, Blue Earth County Commissioner; Paul Pieper, Rice County; John Glynn, Steele County Commissioner.

Call Meeting to Order & Approve Minutes: Jake Gillan, chairperson, called the meeting to order at 9:34 a.m.

Roll Call.

Motion to approve minutes by John Allen and 2nd by Ken Brown. Motion passed.

Director's Update:

Tons and prices are down. Waseca is still working on their building after their fire and that has been part of the lower tonnage. OCC is down another \$5/ton for June. Amazon is said to be looking at alternative packaging to OCC.

Chinese company Nine Dragons bought a mill in WI that will open soon. There will also be one in Ohio to open.

Sharon is on the Recycling Education Committee that is working for a more uniform statewide educational message on recycling. We need to go back to basics.

Budget Discussion: Currently showing a loss. Expenses are in line but revenues are down.

SEMREX has \$114,000 in cash reserve but budgeted to use \$11,000 of those in 2019.

Audit - We will need an audit this year. Baker Tilly was asked for a quote. Finance recommends going back to accrual basis instead of cash basis. Below is the breakdown of cost for audit per situation: \$5200 cash basis 2018

\$6400 accrual basis 2018

\$8100 accrual basis audit 2017 and 2018.

SEMREX has \$5,000 budgeted for the audit. If we change to accrual basis – there is a possibility of not having to do an audit for up to 5 years. This depends on the current income threshold of less than \$225,000/yr. Sharon stated we will not make that this year or probably next. This figure is an inflationary amount for the income threshold so it changes every year. Motion by John Glynn seconded by Ken Brown to choose the \$6400 GAAP (accrual) basis unless we have to go back and audit 2017.

Motion carried.

Regional Planning Update:

Brought the Waste Wizard software before the board. Olmsted currently has the software but would like to now include all 9 entities in the program. Total cost at \$5,691 annually. This will cost approximately \$635 to each entity per year.

Waste Wizard would be on each website and you would pick which community you live in for where your items would go. Each county/city will have to fill out their own spreadsheet and then can be implemented after that. ReCollect would like a 3 year contract.

Motion was made for a 2-year contract with an optional 3 year, pending agreement on contract language with the Olmsted County attorney.
Motion by John Allen with Mark Piepho 2nd. Motion carried

Further Budget Discussion -

Sharon asked if change was needed for the increased audit dollars needed – commissioners said that we do not need to make the change on the budget. Line items 6259 and 6300 - \$45,000 move from one acct to the other – no change needed. It was proposed to add in the Waste Wizard fee to the top for each entity and then add to expenses.
Motion by John Glynn to accept the changes. John Allen 2nd.
Motion Carried.

MPCA Update – Ben Crowell.

Anna Kerr has taken a new position in the rules unit. This brings PCA staff in the Greater MN to 2 – positions to be posted.
Greater MN and EA grants have been fully funded again this year – not sure of the priorities they will include or the timeline.
SCORE funding increased an inflationary 3% for the biennium. Ben is hoping for more meaningful increases in the future.

Member Updates –

Dodge County - Discussed the success of the SSWD with now 66 participants.
Freeborn County – Had a successful E-waste collection last Friday and will have upcoming HHW events this summer.
City of Red Wing – City is working on a designation plan. Also working on getting the Bench Street Landfill into the PCA Closed Landfill project. Have had a city council person pass so they are down to 4 – hoping for a replacement soon. They will be going single sort for recycling and are requesting quotes from MRFs. Their waste processing facility is under construction. They will have the capacity for 90,000 tons/year of RDF.
Rice County- still getting in brush and debris from storms last September.

Next Meeting is set for Friday December 6, 2019 at the Dodge County Government Services Building.

John Glynn motioned and John Allen 2nd.
Adjourned meeting at 10:35 a.m.

Minutes submitted by Rita Cole.

MEMBER UPDATES

December 2019

Blue Earth County

Blue Earth County launched their Waste Wizard tool in October—it has averaged 20 users a day and over 100 users on the weekend. It has reduced the amount of calls received in the office and is a great education tool. With the recycling markets down, we have ramped up our education efforts this year through many different community outings with the Recycling Education Committee, social media campaigns, newsletter articles, radio ads, and television segments. As well as partnering up with other community environmental organizations to promote zero waste and increased recycling. At the Recycling Center, we were able to host one last shredding event for our residents that was well attended and were able to recycle 1 ton of shredded paper. The last recycling initiative for the year will be our annual Recycling Around the Holidays campaign—including each city hosting a collection for used lights to be recycled.

The Household Hazardous Waste Facility closed for the season on October 29th. Our region program (Blue Earth, Le Sueur, & Nicollet) brought in around 4,200 participants this year. This year, we will again offer winter appointments from December – March on Tuesday afternoons for residents.

The landfill has had a large amount of changes over the summer. One of the operators Bruce Kopischke became landfill manager in July. A new 5-acre cell was built in the saddle of the old cells and was completed November 4th, a new leachate loadout pad, new gas wells, and a leachate recirculation system was also installed. Approval was received from the State to begin leachate recirculation come Spring 2020. A new compactor and GPS units for our equipment were purchased to improve impaction rates and save air space. The new free shredding service (up to 5 bankers' boxes per trip) has been highly used and we have been shredding documents about once a week. Lastly, the e-waste subsidy implemented in February has been well-received and we have received 1533 units or 66,462 pounds since the program has been implemented.

MFS Farms Compost Facility Update: At the end of June, Midwest Recycling Solutions and Operator Mike Higgins stopped accepting organic material at the compost facility and Mike Higgins stepped down from operating the facility. Leaving the owners—Fitzsimmons—to the repercussions and cleaning up the facility. They are still allowed to operate under their old permit if they so choose, as long as another permit is written. The Fitzsimmons still continue to clean up the site and hope to find a new owner/operator to take the facility over.

Molly Kjellesvig
Blue Earth County

Dodge County

Recycling Special Assessment increased from \$26 to \$28 per household per year

Tipping Fee paid by Dodge County to Olmsted County will increase in 2020 from \$118 to \$125 for a 3-year period. Therefore, the Waste to Energy Service Fee that Haulers must collect on all MSW related charges and remit to the county will increase from 22% to 24% effective with March 2020 billings.

This has been a busy year for waste and demolition with floods and hail damage from storms at end of June/first of July. We are transferring most incoming C&D now to lined SKB Lansing Landfill with less going in unlined Dodge C & D Landfill.

Purchased a used semi-truck and trailer to help with transfer of the C & D.

Self -Serve Waste Depot is up to 75 participants.

Implemented Waste Wizard on Dodge County Website in September 2019. According to the ReCollect summary page from then until November 18, 2019 – it shows for Dodge County 573 material views, 232 user sessions, and 663 first time users.

Rita Cole
Dodge County

Freeborn County

Resolution approved to build or purchase building for a HHW facility and special assessment is being collected. The Board is split on where the facility should be built.

Recycling contract with WM is up November 2020.

Mark Goskeson
Freeborn County

Mower County

Marketing of recyclables has been difficult this last 6 months or so as the price for the material is as low as I have seen in my 30 years of recycling. I have even had problems moving my Sorted White Ledger (white office paper). In fact, all materials are at their lowest price for the last 30 years, except clear glass (to Anchor Glass Co. in Shakopee) which has been \$70/ton for at least 15 years.

Mower County has been licensing haulers for many years asking for garbage rates, requiring a bond, proof of insurance and a \$100 license fee. This year we have made a few changes to also require the haulers to give us the specs on their garbage trucks with vehicle inspection reports, total amount of garbage, demo and recycling and where the material is hauled. This is quite a change, but will help with the SCORE report as the State is asking these questions of the Counties if the haulers are not reporting to them.

As always, the month of October was the busiest month for our Household Hazardous Waste Facility. We are on track to service 1,000 customers for 2019, which is about the same as the last couple years. Since Mower County is the sponsoring County, the HHW from Freeborn

County is brought to our facility for storage and shipping. Together we have shipped two full loads to Veolia this year. Mower County had two HHW collections in two of the smaller communities for 2019; they were in Grand Meadow on June 4th (18 customers). The second collection was in Adams on August 22nd (16 customers). The collections were open from 11-2 PM. Freeborn County brought their HHW trailer over for us and their staff helped with the collections.

Jeff Weaver
Mower County.

Olmsted County

The Waste-to-Energy facility continues to be at capacity and will burn about 118,000 tons in 2019. Solid Waste staff are continuing the process of obtaining information for a feasibility study of a Material Recovery Facility (MRF) to be co-located with our Waste-to-Energy facility. We expect this to be a major initiative for 2020, as we are seeking state bonds to help with a "Design Phase" for this project. In 2020, we will also be reviewing our tip fee charges as part of an overall review of solid waste fees system wide.

The Recycling Center Plus will serve an estimated 125,000 customers in 2019. This facility will recycle about 2,400 tons of material in 2019. The recycling market prices started low this year and significantly worsened in the second half of the year. Despite preventing as much contamination as possible and a statewide effort to educate our citizens and increase markets for materials, we are having an especially tough time marketing lower grade paper, while the magazine market collapsed on us.

We will also manage over 6,000 tons/year of self-hauled garbage and a variety of special wastes. This part of the business has been increasing each year. We expect a 5% increase over 2019 totals.

In 2019, there has been another push for a new Product Stewardship (PS) legislation for electronics management.

Finally, a new Transfer/Recycling facility for self-haul customers is also included in the feasibility of the MRF project described above.

The Hazardous Waste program is expected to serve about 20,000 customers in 2019. There were 23 mobile collections in the region (Dodge, Goodhue, Olmsted and Wabasha) this year. Total hazardous waste managed will be about 260 tons for the year.

Lithium battery management continues to be a major waste management concern, although special shipping containers have been implemented to help manage these batteries in transportation. The problem is that Lithium is water reactive and produces a flammable gas that can easily catch on fire and which then burns very hot (2,000+ degrees). With the increasing prevalence of lithium-based batteries, all solid waste facilities and transportation

vehicles are at increased risk of catching on fire. There have already been several fires associated with transportation vehicles, transfer facilities and recycling centers.

We continue to extract ferrous metals out of our Waste-to-Energy ash and non-processible garbage through our mining process. We expect to recycle about 2,100 tons in 2019. Ferrous market prices have decreased along with most other commodity markets.

We also completed a feasibility study to explore the of mining of non-ferrous metals out of the ash. It was decided not to move forward at this time because cost to benefit and operational constraints.

The Compost program continues to offer self-haul drop-off services for mostly leaves and grass. Customers can also pick up finished (but not screened) compost.

The food organics composting grant that Winona County obtained through the MPCA is progressing slowly with a company from the Netherlands interested in an in-vessel composting system.

Scott Martin
Olmsted County

Rice County

The Rice County Landfill, Recycling Center, and Household Hazardous Waste Facilities have been busy since June.

Landfill: We have been busy this second half of the year at the Landfill. Final coverage work on parts of cells 6, 7, and 8 are complete along with work on the roads, drainage, and leachate ponds. MSW continues to come in at a steady rate.

Recycling: The new "Recycling Transfer Building" opened up in October. We are utilizing it now for load out of the mixed recycling to Recycling MN.

In July we replaced one of the forklifts. The new forklift is a Doosan G25N-7. The new Forklift comes with a scale system, which comes in very handy for a number of operations at the facilities.

Mixed Recycling volumes have remained about the same as last year's volumes. We are starting to see an increase in volume earlier than normal this year. Usually recycling picks up after Thanksgiving and continue until around January 15th or so. With Holiday sales starting early this year we are seeing this increase about a month earlier!

Household Hazardous Waste continues to coming in with participation numbers right about average. We have been seeing a large increase in pesticides this fall. Both household and farm pesticides have been coming in large volumes. The PaintCare program continues along with no big issues on our end. Reuse program continues to be a very popular program. The amount of waste place for reuse is about the same as past years, but it does not stay on the

shelves for too long any more

Paul Pieper
Rice County

Steele County

The landfill has noticed an increase of mattresses and tires.

Looking to increase fees for 2020.

The landfill in general has been busier this past month.

Annual Solid Waste Hauler's license renewals were mailed last week.

Waste Wizard is in the works, gather local facilities for county residents to dispose of their unwanted items.

The Steele County Board recently approved a contract with Recollect, which will replace the annual paper mailing with an electronic calendar for recycling pick-up dates. Residents can view via the Steele County website. Residents will have the option to set reminders and notifications for their recycling pick-up dates as well.

New Rubbermaid receptacles were purchased for the new Highway facility and the Community Corrections site. Bins have three slots; garbage, mixed paper and mixed recycling. Ongoing educational flyers are made and distributed to each county building. Educational material includes local resources along with ways to reduce contamination.

Attended the SWAA & RAM annual conferences. Both had great presenters and vendors. A lot of useful knowledge was gained. Happy to be a member of both parties.

Katie Barden
Steele County

City of Red Wing

City of Red Wing has been working on completion of the new redesigned Refuse Derived Fuel facility. This facility will be capable of processing up to 60,0000 tons of RDF annually. The project will be completed by the end of 2019. Red Wing received approximately \$5,000,000 in grant money from Xcel Energy and state appropriations to fund this project and bonded for an additional \$6,500,000.

This project is heavily dependent upon the State's enforcement of Restriction on Disposal, Goodhue County's passage of Waste Designation and or Public Entity requirements for waste processing. The City and County have gone through an orderly and deliberate process to negotiate with haulers and gather public input throughout the last 10 years to get to the point we are at right now and we feel very positive that Designation will be passed in 2020 as it will be the primary means of waste assurance to reach operating capacity.

The City of Red Wing also recently purchased new recycling carts and an automated recycling collection trucks for the newly implemented Single Sort Recycling operations that began in September of 2019. The City was again able to receive grant funding for the implementation of this program from the Minnesota Pollution Control Agency and the Recycling Partnership totaling over \$300,000. This project has been very well received to date and the City expects both recycling volumes and participation to increase significantly. This program includes the requirement to measure these parameters so we will have this information in early 2020.

Jeff Schneider
City of Red Wing

Waseca County

Waseca County has multiple projects in process.

- Our rebuild is now scheduled to begin after the first of the year.
- New dry storage building has been completed.
- Enclosure on the tipping area of the transfer station has been completed.
- The new equipment, (materials baler & MSW auger system) is done and ready for delivery and installation.

Recycling, demo and MSW seem to be busy and steady.

We are on board with Strategic Materials for our glass recycling. This is making our residents very happy and keeping this material out of waste stream.

Solar garden is still in process, just a few setbacks because of the unpredictable weather.

Signed a 3-year contract with Thompson Sanitation for refuse hauling. Did a trial run in 2019 with them, all worked very well, and service was great, so we decided to stay with them.

Georgette Hanson
Waseca County