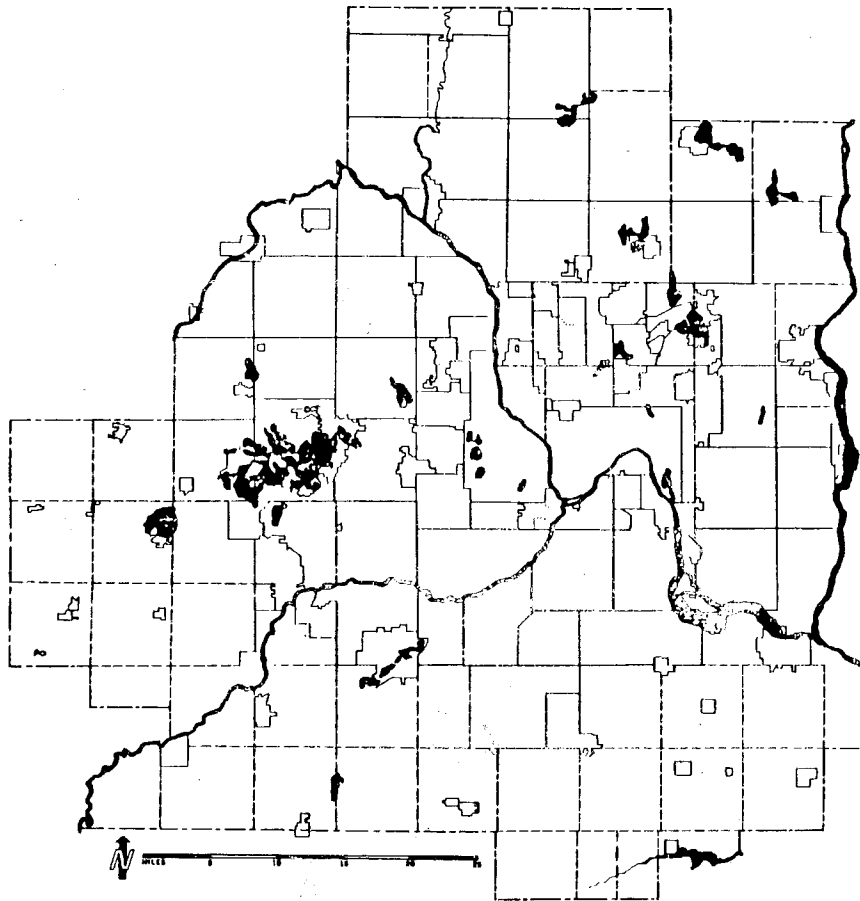


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# ABATEMENT FUND EXPENDITURE REPORT

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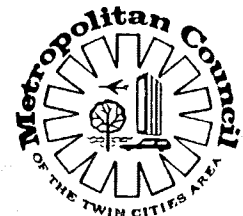


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## Report of the Metropolitan Council to the Minnesota Legislative Commission on Waste Management

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Printed February 15, 1987



METROPOLITAN LANDFILL ABATEMENT FUND  
Revenue and Expenditures

Report of the Metropolitan Council to  
the Minnesota Legislative Commission  
on Waste Management

Metropolitan Council of the Twin Cities Area  
300 Metro Square Building, 7th and Robert Streets  
St. Paul, Minnesota 55101 Tel. 612 291-6359

February 15, 1987

Publication No. 522-87-024

## COUNCIL MEMBERS

Chair - Steve Keefe

### Council District

1	Mary (Liz) Anderson
2	Michael McLaughlin
3	Charles Wiger
4	Carol Flynn
5	Leon F. Cook
6	Joan Campbell
7	Mary Hauser
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9	Josephine Nunn
10	John R. Evans
11	Dorothy Rietow
12	Gertrude Ulrich
13	Dirk deVries
14	Marcy Waritz
15	Mary K. Martin
16	Patrick Scully

The Metropolitan Council coordinates the planning and development of the seven-county Metropolitan Area. The Council is authorized by state and federal laws to plan for highways and transit, sewers, parks and open space, airports, land use, air and water quality, health, housing, aging and arts.

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## BACKGROUND

The Waste Management Act requires that the Metropolitan Council report annually on expenditures from the Metropolitan Landfill Abatement Fund.

473.848, Subd. 3. The Council shall report to the legislature by February 15 of each year on expenditures from the fund.

## REVENUES

Beginning January 1, 1985, the operators of mixed municipal solid waste facilities in the Metropolitan Area have paid a fee of 50 cents per cubic yard of solid waste accepted and disposed of at the facilities. This fee is paid to the Department of Revenue on a monthly basis and is then transferred to the Minnesota Pollution Control Agency. One-half of the fee (25 cents per cubic yard of solid waste) is transferred to the Metropolitan Landfill Abatement Fund administered by the Metropolitan Council.

Funds collected during the first six months of 1985 were transferred by the Minnesota Pollution Control Agency to the Metropolitan Council in September 1985 following the approval of the Council's Landfill Abatement fund work program by the Legislative Commission on Waste Management. In accordance with the Waste Management Act, and prior to the fund transfer, the Minnesota Pollution Control Agency reimbursed the General Fund from the Metropolitan Landfill Abatement Fund for funds spent for the Organized Collection Study (\$50,000) and for one-half of the Department of Revenue's expenses to administer the surcharge (\$16,790.22). The Minnesota Pollution Control Agency continues to transfer funds to the Council on a monthly basis until the total FY86-87 biennial appropriation of \$3,218,000 is transferred for expenditure.

Table 1 provides a monthly accounting of the surcharge transfers received from the Minnesota Pollution Control Agency, as well as the monthly investment earnings on the Metropolitan Landfill Abatement Fund, for the period of January 1, 1985, to December 15, 1986.

Table 1

METROPOLITAN LANDFILL ABATEMENT FUND  
 Surcharge Receipts and Interest  
 January 1, 1985 - December 15, 1986

<u>Date</u>	<u>Surcharge Receipts</u>	<u>Interest Earnings</u>
Sept. 1985	\$ 852,948.93	\$ 0
Oct. 1985	272,009.81	7,069.67
Nov. 1985	0	5,339.37
Dec. 1985	276,912.66	6,029.66
Jan. 1986	0	1,668.47
Feb. 1986	118,296.61	2,426.55
March 1986	111,031.33	2,553.82
April 1986	100,946.24	6,162.06
May 1986	142,221.74	41,758.63
June 1986	154,412.92	12,836.45
July 1986	320,286.50	4,468.36
Aug. 1986	0	2,320.64
Sept. 1986	146,882.47	16,141.54
Oct. 1986	263,285.84	5,193.08
Nov. 1986	0	8,911.43
Dec. 1986	<u>165,689.53</u>	<u>11,974.48</u>
 TOTAL	 \$2,924,924.58	 \$ 134,854.21

## EXPENDITURES.

The Metropolitan Council administers a variety of financial assistance programs to reduce, to the greatest extent feasible, the dependence on land disposal of mixed municipal solid wastes.

The following sections of this report briefly summarize these programs and the expenditures/encumbrances from the fund. Additional details on specific programs and expenditures for the period of July 1, 1985, through June 30, 1986, are contained in a separate report, Metropolitan Landfill Abatement Fund Expenditures and Activities Report (Publication No. 522-86-111) which was submitted on November 1, 1986, to the Legislative Commission on Waste Management, the House Appropriations Committee and the Senate Finance Committee.

### COST RECOVERY PROGRAMS

#### Household Rebate Program

The Metropolitan Council administers the Household Rebate Program to provide payments, at a rate of 50 cents per household, to cities and towns as reimbursement for landfill abatement expenses incurred during the previous calendar year.

In January 1986, forty-two cities and towns were reimbursed a total of \$251,459.26 for 1985 abatement expenses through the Household Rebate program. In January 1987, sixty-two cities and towns have been reimbursed \$310,154.26 for their 1986 expenses. Payments made to individual cities and towns can be found in the Appendix to this report.

#### Tonnage Payments Program

The Tonnage Payments program provides \$4 per ton to cities and towns for documented recyclable materials collected and recycled from residential sources.

The initial round of Tonnage Payments were made in April 1986 for materials collected and recycled between January and March 1986. A total of \$10,562.80 was expended from the fund for Tonnage Payments to 20 cities and towns. The second round of payments, for materials collected and recycled between April and September, totaled \$43,894.74 for claims from 37 cities and towns.

Between January 1 and September 30, 1986, cities and towns have provided the Metropolitan Council with documentation supporting the collection and recycling of 13,613.91 tons of residential materials. Tonnage payments will again be made in April 1987. Tonnage Payment details for each city and town can be found in the Appendix.



## GRANT AND LOAN PROGRAMS

Section 473.844 of the Waste Management Act authorizes the Metropolitan Council to administer landfill abatement grant and loan programs. The Council has established eight programs to accomplish solid waste management planning assistance, resource recovery projects and related public education and market development. A total of \$2,098,000 was appropriated for the grant and loan programs during FY86-87.

The Council and Legislative Commission have approved grant and loan programs during the biennium:

- o Special Project Grant
- o Management Assistance Grants
- o Incentive Grants
- o Demonstration Project Grants
- o Research and Development Grants
- o Public Education and Information Grants
- o Planning Assistance Grants
- o Solid Waste Abatement Participation Loans

As of January 28, 1987, the Council has awarded 44 grants and expended a total of \$508,885.00 from the Metropolitan Landfill Abatement Fund in payments for grants.

Grants recipients generally receive 50 percent of the grant award at the time the grant agreement is executed. Approximately halfway through the grant period, after the initial portion of the grant funds have been spent, a project progress report and an expenditure report are submitted to the Council. After approval of the reports, an interim payment of 40 percent of the grant award is released. The final 10 percent of grant funds are paid only after a final progress report, expenditure report, narrative report and an evaluation report have been submitted and approved by the Council.

This process for grant payments assures that adequate documentation for the expenditure of grant funds, as well as any local matching funds that have been pledged to the project, and written reports on progress will be completed.

These reports are provided to interested parties throughout the region and state. On-site visits and periodic meetings with grantees allow the Council to maintain sufficient contact with project staff and to provide technical assistance on an on-going basis.

Expenditures and encumbrances for the Research and Development, Public Information and Education, and Planning Assistance grant programs and the Solid Waste Abatement Loan program will be made from the Metropolitan Landfill Abatement Fund during the period of February through June 1987 and will be detailed in later reports to the legislature.

Table 2  
 METROPOLITAN LANDFILL ABATEMENT FUND  
 Financial Assistance Programs  
 Expenditures and Encumbrances  
 July 1, 1985 - Jan. 30, 1987

	<u>Expenditures</u>	<u>Encumbrances</u>
Household Rebate Payments		
1985 Expenses	\$ 251,459.26	\$ 0
1986 Expenses	310,154.26	0
Tonnage Payments		
01/01/86 - 03/31/86	10,562.80	0
04/01/86 - 09/30/86	43,894.74	0
Business Program Management		
Assistance Grants	184,675.00	0
Incentive Grants	73,790.00	57,924.00
Demonstration Project Grants	200,420.00	434,720.00
Special Project Grant		
Univ. of Minnesota		
Co-compost Research	<u>50,000.00</u>	<u>50,000.00</u>
	\$1,124,956.06	\$542,644.00

### Special Project Grant

The Metropolitan Council has awarded \$100,000 in grant funds to the University of Minnesota, Department of Soil Science as a matching grant for a co-compost research project jointly funded by the Legislative Commission on Minnesota Resources. The project is intended to collect characterization data for solid waste compost products, perform and evaluate plant growth, review literature and conduct surveys of the agricultural and horticultural industries to identify potential markets and uses for municipal solid waste co-compost. As of January 28, 1987, \$50,000 has been expended and \$50,000 has been encumbered from the Metropolitan Landfill Abatement Fund for this project.

### Management Assistance Grants

In November 1985, the Metropolitan Council initiated the Management Assistance grant program to provide businesses and public or non-profit programs involved in curbside recycling with the opportunity for consultant assistance to address critical management problems. The grants were limited to existing and recently operating (within the past two years) curbside recycling operations. Grant funds were used during the first two phases for management consultation on actual day-to-day recycling operations, instituting new or revised management practices, preparing or negotiating proposals for curbside recycling services, preparing long-range plans for revised curbside recycling operations, and developing management plans detailing staff/employee roles and responsibilities. The third and final phase of the program provided funds for the actual implementation of the management consultant's recommendations made during the second or hands-on management assistance phase.

The Council selected eight recipients for these 100 percent grants in December 1985. Grants for phases two and three were awarded in February and May 1986. Table 3 provides details on the \$184,625 expended through this program.

Table 3  
Business/Program Management Assistance Grants

	<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>	<u>Total Grants</u>
Center for Community Action/MERC	\$2,500	\$ 22,500	\$ 9,975	\$ 34,975
Beermann Services	2,500	22,500	10,000	35,000
Frank's Recycling, Hauling & Salvage	2,500	22,500	9,650	34,650
Ramsey County	1,500	23,500		25,000
City of St. Paul	1,000	24,000		25,000
Recycling Unlimited	2,500	22,500		25,000
Mpls. Recycling Program	2,500			2,500
U.S. Recyco, Inc.	2,500			2,500
TOTAL	\$17,500	\$137,500	\$29,625	\$184,625

## Incentive Grants

In June 1986, the Council awarded 16 grants through the Incentive Grant program for new and expanding abatement programs and activities. To date, a total of \$73,790.00 has been expended and \$57,924.00 has been encumbered through this program.

Incentive grants (which were limited to no more than 25 percent of the total project cost and grants could not exceed \$10,000) were targeted to public, private and non-profit abatement activities based on: the anticipated measurable results of the project; the project sponsor's experience and ability to successfully complete the project; the amounts and types of solid waste to be abated; the number and location of generators to be served; and plans for securing the remaining funds necessary for completing project.

The 16 Incentive grant projects funded through the Metropolitan Landfill Abatement Fund are expected to result in the following:

- o Abatement of 35,000 tons of residential and commercial/industrial solid wastes;
- o New or expanded abatement opportunities for almost one million generators in the region;
- o \$977,864 in additional local matching funds for abatement activities.

Table 4 provides details on the \$131,714 awarded through the Incentive grant program.

Table 4  
Incentive Grants

	<u>Activity</u>	<u>Grant Award</u>	<u>Local Match</u>	<u>Estimated Annual Tonnage</u>
Goodwill Ind.	Drop-off expan.	\$ 10,000	\$ 59,909	9,226
St. Paul NEC	New curbside	10,000	61,275	5,060
Dis. 14, St. Paul	Curbside expan.	10,000	47,790	630
Univ. of Minn.	Office paper	10,000	39,200	120
Univ. of Minn.	New yard waste	10,000	35,000	1,348.5
Columbia Heights	Drop-off expan.	10,000	49,478	516
Edina	Curbside expan.	7,800	24,594	127.5
Spring Lake Park	New curbside	4,931	12,773	172
St. Anthony	Drop-off expan.	2,483	8,142	1,152
Young America	Drop-off expan.	4,000	12,000	2.5
Medina	New drop-off	2,500	7,500	75
Spec. Bedding Co.	New end-market	10,000	347,780	15,000
Minn. Soft Drink	Redemption Ctr.	10,000	33,328	705
Beermann Recycling	New white goods	10,000	129,673	320
Poor Richard's	Drop-off expan.	10,000	60,000	840
Northland Recycling	New commercial	10,000	42,000	1,176
T O T A L		<u>\$131,714</u>	<u>\$970,442</u>	<u>36,470.5 tons</u>

## Demonstration Project Grants

In August 1986, the Metropolitan Council selected 10 proposals for funding through the Demonstration Project grant program. To date, a total of \$200,420.00 has been expended and \$200,420.00 has been encumbered for the first year of these projects. In May 1987, the Council will consider second-year proposals for continuation of project activities. Two hundred thirty-four thousand, three hundred dollars (\$234,300) has been encumbered for second-year Demonstration Project grant awards.

The Council used a request for proposals approach to encourage the development and implementation of six innovative abatement approaches which have a strong potential for greatly reducing the region's dependence on land disposal of mixed municipal solid waste.

The six project categories are:

- o Recovery of corrugated cardboard from retail shopping complexes;
- o Recovery of high-grade office paper from multi-tenant office buildings;
- o Recycling of aluminum, glass and clean newspaper in multi-unit housing (apartments, condominiums, etc.);
- o Co-operative marketing of recyclables collected through drop-off centers;
- o Intermediate Processing Facilities (IPFs) for processing and marketing of large volumes of recyclable materials;
- o Large-scale, multi-city and multi-county yard waste composting projects..

Demonstration Project grants were available for planning, implementation, public education and promotion activities. First year grant funds were limited to 75 percent of the total project cost and grant requests could not exceed \$50,000. During the second-year, the Metropolitan Landfill Abatement Fund will be used to provide grants of up to 50 percent of the total project cost with grant requests limited to no more than \$30,000.

The 10 first-year Demonstration Projects are expected to result in the following:

- o Abatement of 11,069 tons of residential and commercial/industrial solid wastes;
- o Increased marketing opportunities for recyclable materials collected through both drop-off and curbside operations;
- o Recycling services to residents in apartment buildings, condominiums and curbside yard waste collection opportunities for single-family homeowners;
- o Practical solutions to the storage and collection problems that have prevented greater commercial/industrial abatement activities;
- o \$724,974 in additional local matching funds from public, private and non-profit sources for innovative abatement projects.

Table 5 provides details on the Demonstration Project grants awarded from the Metropolitan Landfill Abatement Fund.

Table 5  
Demonstration Project Grants

<u>First Year Grant Awards</u>	<u>Activity</u>	<u>Grant Award</u>	<u>Local Match</u>	<u>Estimated Annual Tonnage</u>
Super Cycle, Inc.	Corrugated	\$ 50,000	\$ 25,000	300 tons
Recycling Svcs.	Office paper	35,000	34,180	250
Columbia Heights	Multi-unit	50,000	20,744	10.4
Ctr./Comm. Action	Multi-unit	9,800	5,500	245
St. Paul NEC	Multi-unit	25,960	73,180	127.4
Goodwill Ind.	Co-op Mktg.	50,000	28,946	188
Ramsey/Wash./NSP	IPF	50,000	46,374	feasibility
Super Cycle, Inc.	IPF	50,000	451,800	8,400
Carver County	Compost	30,080	12,130	500
Compost Concepts	Compost	<u>50,000</u>	<u>26,620</u>	<u>1,049</u>
	TOTAL	\$400,840	\$724,974	11,069.8 tons
	Encumbered for 2nd Year	<u>\$234,300</u>		



Table 6  
 METROPOLITAN LANDFILL ABATEMENT FUND  
 Administrative Expenses  
 July 1, 1985 - Nov. 30, 1986

<u>Items</u>	<u>Expenses</u>
Salaries/Fringe	\$96,786.43
Indirect Labor	50,659.35
Rent & Utilities	5,939.43
Travel Expenses	291.67
Phone	1,700.44
Postage	2,273.39
Printing	5,532.82
Computer Use	5,640.40
Miscellaneous	254.45
Other Indirect	30,583.58
	<hr/>
T O T A L	\$199,661.96

A total of \$170,000 was appropriated for FY86-87 for administrative expenses incurred for the Metropolitan Landfill Abatement Fund programs. The balance of expenses were paid by the Metropolitan Council.

Table 7  
 METROPOLITAN LANDFILL ABATEMENT FUND  
 Fund Balance  
 July 1, 1985 - Nov. 30, 1986

Surcharge Receipts	\$2,759,235.05	
Interest	122,879.73	
 Total Revenues		<u>\$2,882,114.78</u>
 Expenditures		
Household Rebates (1985 only)	\$ 251,459.26	
Tonnage Payments	54,457.54	
Grants	324,586.00	
Administration	170,000.00	
 Total Expenditures		<u>\$ 800,502.80</u>
 Fund Balance, Nov. 30, 1986		<u>\$2,081,611.98</u>

## APPENDIX

## COST RECOVERY PROGRAM EXPENDITURES

<u>City/Town</u>	<u>1985 Rebate</u>	<u>1986 Rebate</u>	<u>Tonnage Payment 1/1/86-3/31/86</u>	<u>Tonnage Payment 4/1/86-9/30/86</u>	<u>Total Cost Recovery</u>
Anoka	1,020.16	1,164.10	\$ 39.56	\$ 119.28	\$ 2,343.10
Apple Valley	4,166.00	4,478.00	29.28	33.16	8,706.44
Bayport		366.00			366.00
Benton Twp.			12.16		12.16
Bloomington		16,043.00		3,004.40	19,047.40
Brooklyn Center		5,645.50			5,645.50
Brooklyn Park		9,450.50			9,450.50
Burnsville	7,133.00	7,728.00		960.04	15,821.04
Carver		124.50			124.50
Champlin	1,699.00	1,831.00	91.60	317.44	3,939.04
Chanhassen		1,393.00			1,393.00
Chaska	1,688.00	1,755.00		1,043.56	4,486.56
Circle Pines	651.00	701.00	99.36	168.92	1,620.28
Columbia Heights	3,869.00	3,873.00	121.40	554.84	8,418.24
Coon Rapids	6,608.00	6,965.00			13,573.00
Corcoran	695.00				695.00
Cottage Grove		2,847.50		359.16	3,206.66
Crystal		4,577.00			4,577.00
Dayton	604.50	612.50			1,217.00
Eagan	5,264.00	6,272.50		795.80	12,332.30
East Bethel	1,104.50	1,108.00		210.76	2,423.26
Eden Prairie	4,530.00				4,530.00
Edina	9,442.00	9,671.50	924.28	1,936.28	21,974.06
Excelsior	634.00	643.00		173.24	1,450.24
Forest Lake Twp.	853.50	878.00			1,731.50
Fridley	5,308.00	5,351.50	421.80	700.80	11,782.10
Golden Valley		4,059.50	287.12	683.60	5,030.22
Hastings				767.76	767.76
Hopkins	1,500.00				1,500.00
Hugo	294.45	594.50			888.95
Independence			26.48	37.52	64.00
Lakeville	2,689.50	2,861.50		21.24	5,572.24
Long Lake		376.50			376.50
Loretto		71.50			71.50
Maple Plain		283.00			283.00
Maplewood	2,938.17	5,227.00			8,165.17
Marine on St. Croix	105.50	106.50			212.00
Medina		442.50		425.92	868.42
Minneapolis	81,651.50	81,841.00	6,003.36	14,197.72	183,693.58
Minnetonka			90.16		90.16
Minnetonka Beach		104.00			104.00
Mound	1,799.00	1,810.00		385.22	3,994.22
Mounds View	2,272.00	2,291.50		307.12	4,870.62
North St. Paul	2,128.65	2,153.50		1,091.76	5,373.91
New Brighton	1,007.75				1,007.75
Newport		646.50			646.50
New Scandia Twp.	406.50	476.50		361.68	1,244.68
North Oaks		485.00		332.40	817.40
Oakdale		2,472.50			2,472.50
Oak Park Heights		575.00			575.00

(page 2, Cost Recovery Program Expenditures)

<u>City/Town</u>	<u>1985 Rebate</u>	<u>1986 Rebate</u>	<u>Tonnage Payment 1/1/86-3/31/86</u>	<u>Tonnage Payment 4/1/86-9/30/86</u>	<u>Total Cost Recovery</u>
Orono		1,270.00			1,270.00
Plymouth	6,835.22	7,447.50		1,632.56	15,915.28
Ramsey		412.91			412.91
Richfield	7,755.00	7,767.50	673.92	1,823.68	18,020.10
Robbinsdale	2,905.50	2,931.00		802.88	6,639.38
Rockford		66.50	58.28		124.78
Rosemount	981.00	1,000.00		8.04	1,989.04
Roseville	6,560.50	6,571.00			13,131.50
Shakopee	1,846.86	1,891.00	152.04	474.32	4,364.22
Shoreview	400.00	4,122.00			4,522.00
Shorewood			113.76	278.64	392.40
Spring Lake Park	1,129.00	1,126.00		42.56	2,297.56
St. Anthony			102.40	416.96	519.36
St. Louis Park	9,435.50	9,530.00	889.64	3,956.68	23,811.82
St. Paul	54,480.50	54,352.00		1,719.80	110,552.30
St. Paul Park		784.50			784.50
Stillwater		2,248.50			2,248.50
West St. Paul			336.00	3,475.56	3,811.56
Waconia			90.20	273.44	363.64
Watertown	110.00	400.00			510.00
White Bear Lake	3,797.00	3,850.00			7,647.00
White Bear Twp.	1,151.40	1,272.00			2,423.40
Woodbury	2,009.10	2,528.25			4,537.35
Young America		226.50			226.50
TOTALS	<u>\$251,459.26</u>	<u>\$310,154.26</u>	<u>\$10,562.80</u>	<u>\$43,894.74</u>	<u>\$616,071.06</u>

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