



Authorization to submit second Solid Waste Capital Assistance Program (CAP) Application for the Recycling Zone Plus (RZP)

Nikki Stewart, Environmental Resources Director
Physical Development Division

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Overview



- Project summary
- Project budget
- JPA amendments
- Status of external funding
- Program planning
- Next steps
- Request for board action

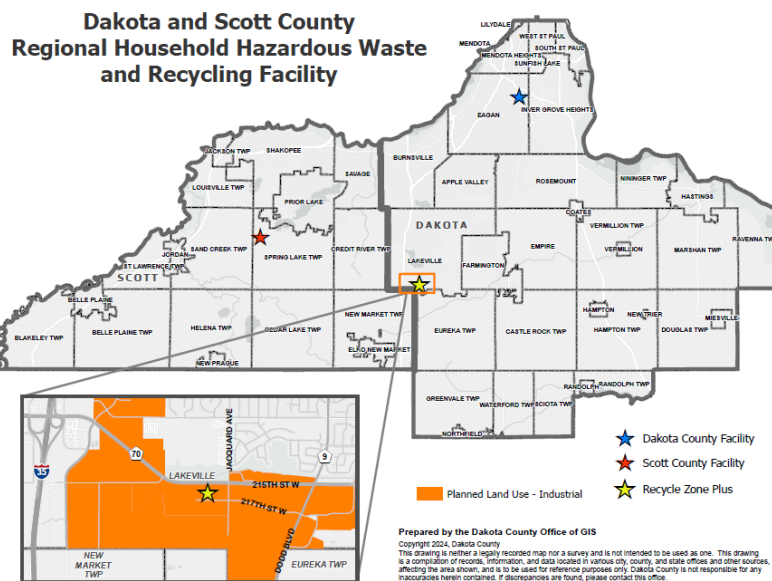
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Recycling Zone Plus Project Summary *Dakota* COUNTY

- Planned with Scott County for household hazardous waste, problem materials, and recyclables.
- Board approved facility design concept in Nov 2023.
- Property purchased in Lakeville in Feb 2024.
 - 2020 \$2M MPCA Capital Assistance Grant (CAP)
 - County funding for remainder.
- Current JPA approved by both counties Feb 2024.
- Received 2025 legislative award of \$6M MPCA CAP.
- Continue to consult with staff at Scott County and City of Lakeville.

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Project summary *Dakota* COUNTY



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Project Budget



<u>Source</u>	<u>Budget</u>	<u>Anticipated</u>	<u>Difference</u>
County	\$12.0M	\$11.84M	(\$160K)
State	\$10M	\$8M	(\$2M)
Scott	<u>\$2M</u>	<u>\$4.16M</u>	<u>\$2.16M</u>
Total	<u>\$24M</u>	<u>\$24M</u>	<u>\$0</u>

- State MPCA CAP
 - \$2 million in 2020 for Phase I land purchase and design
 - \$6 million in 2025 for Phase II construction
- \$16 million counties' expected contribution
 - Dakota County at 74%: \$11.84 million
 - Scott County at 26%: \$4.16 million

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JPA Amendments



- Update state funding amounts and county contributions.
- Address changes to project costs after bidding.
- Update annual capital replacement and maintenance amount from Scott County.

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Status of External Funding



- Previously Requested Federal Funding:
 - Fiscal year 2026 congressionally directed funding
 - \$0.5 million included – Congresswoman Craig
 - \$14 million included – Senators Klobuchar and Smith
 - \$5M Environmental Protection Agency (EPA) Solid Waste Infrastructure for Recycling (SWIFR) grant
 - 10% project increase with any federal funds and possible project construction delay
- Potential \$2M 2026 state legislative request for remaining eligible MPCA CAP

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Program Planning



Updated hours of operation

- Consistency across both counties existing and new facilities
- Based on Dakota County OPA study and public survey:
 - Wednesday – Saturday 9:00 a.m. to 6:00 p.m.

Additional materials accepted based on Scott County priorities and public survey:

- Mattresses
- Appliances
- Food waste

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Program Planning



- RZP staffing and operations budgets
 - Developed participation estimates and conducted Request for Information (RFI) for contractor staff.
 - Use a mix of county employees and contractor staff.
 - May have FTE requests in 2026 based on project timeline.
- Operational budget full year estimation
 - \$835,000 increase to total program budget (not including inflation or participation growth)
- Preparing a Reciprocal Use Agreement for shared operations with Scott County
 - 2027 estimated at \$182,000

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Program Planning



New 2026 fees will cover recycling and staffing costs for proposed new services

- Appliances
 - \$15 each unit
 - Estimated total revenue \$80,000
- Mattresses
 - \$40 each
 - Estimated total revenue \$121,000

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Next Steps



- Environmental Resources will:
 - Submit MPCA CAP grant application and finalize contract, if approved.
 - Coordinate amendment to JPA for approval by county boards.
 - Facilitate new reciprocal use agreement with Scott County.
- Capital Project Management will:
 - Complete bidding documents (4 weeks)
 - Conduct bidding and return to board for general contractor award (8 weeks) and budget amendments, as needed
 - Execute general contractor contract (4 weeks)
 - Construction spring 2026 - spring 2027 (12-14 months)

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Board Action Requested



Request county board approval to sign grant application and grant agreement to receive \$6 million CAP award.



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