



Authorization to Execute Host Fee Agreements

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Director
Physical Development Division
November 29, 2022

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Agenda



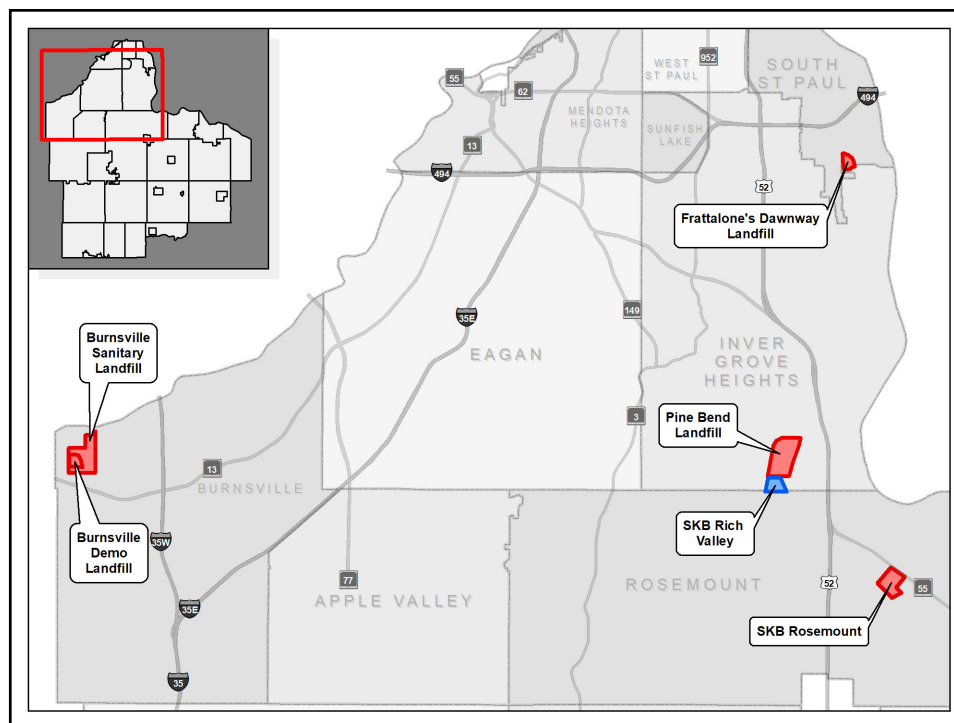
- History of Host Fees
- Uses of Host Fee Revenues
- Proposed Agreements
- Requested Action

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History of Host Fees in Dakota County

- First negotiated agreements in 1998
- Applies to:
 - Mixed Municipal Solid Waste (MMSW) (2 landfills)
 - Construction/Demolition Debris (4 landfills)
 - Industrial Waste (1 landfill)
- Host fees in lieu of Surcharge
 - Construction and Demolition Wastes: \$2/ton
 - In-County MMSW: \$19.13/ton
 - Out of County MMSW: \$23.91/ton
- Five current agreements-all expire December 31, 2022

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Use of Host Fee Revenues



“The County may use the host fees for any public purpose. The County is not restricted to those uses for landfill surcharge fees enumerated in Minn Stat 115A.919” –Language within each Host Fee Agreement

Revenues deposited in the Dakota County Environmental Legacy Fund (ELF):

“NOW, THEREFORE , BE IT RESOLVED, That the Dakota County Board of Commissioners, in accordance with and pursuant to the Fund Balance Policy No. 203, hereby commits the entire fund balance of the Environmental Legacy Fund for the purposes of protection, preservation or enhancement of the environment as of December 31, 2015.” (CB Resolution 15-663)

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Proposed Agreements



- 5 year Term: January 1, 2023 - December 31, 2027
- Minimum Payments:
 - Burnsville Sanitary Landfill: \$1,200,000
 - Pine Bend Sanitary Landfill: \$1,200,000
 - SKB Industrial Waste and Demolition Landfill: \$1,700,000
- One-time Credit for organics processing capacity:
 - \$3.00/ton for each ton of new organics processing capacity created in Dakota County
 - Maximum of 100,000 tons per partner
- Out-of-County fees established for process residuals
- Fee for process residuals from a recycling facility added

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Fees



Waste Type	Existing 2022 Fees	2023	2024	2025	2026	2027
Industrial Waste Non-Soil (per ton)	\$5.00	\$5.50	\$5.50	\$ 5.50	\$5.50	\$5.50
Industrial Waste Soil (per ton)	\$0.44	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
MSW Combustor Ash (per ton)	\$3.85	\$3.85	\$3.85	\$3.85	\$5.50	\$5.67
Construction and Demo (per ton)	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Construction Process Residuals (per ton)	\$0.18	\$0.19	\$0.20	\$0.20	\$0.21	\$0.21
Process residual from recycling facility (New related to SKB)	NA	\$3.24	\$3.34	\$3.44	\$3.55	\$3.65
In-County MSW (per ton) (Type 1 Waste)	\$11.04	\$11.37	\$11.37	\$11.37	\$11.37	\$11.37
Out-of-County MSW (per ton) (Type 1 Waste)	\$11.59	\$12.30	\$13.00	\$13.71	\$14.41	\$15.12
Non-Processible MSW (Type 2 Waste)	\$7.06	\$ 7.27	\$7.49	\$7.71	\$7.95	\$8.18
Process Residuals In-County (per ton) (Type 3 Waste)	\$3.15	\$3.24	\$3.34	\$3.44	\$3.55	\$3.65
Process Residuals Out-of-County (per ton) (Type 3 Waste)	\$3.15	\$4.06	\$4.18	\$4.30	\$4.43	\$4.56

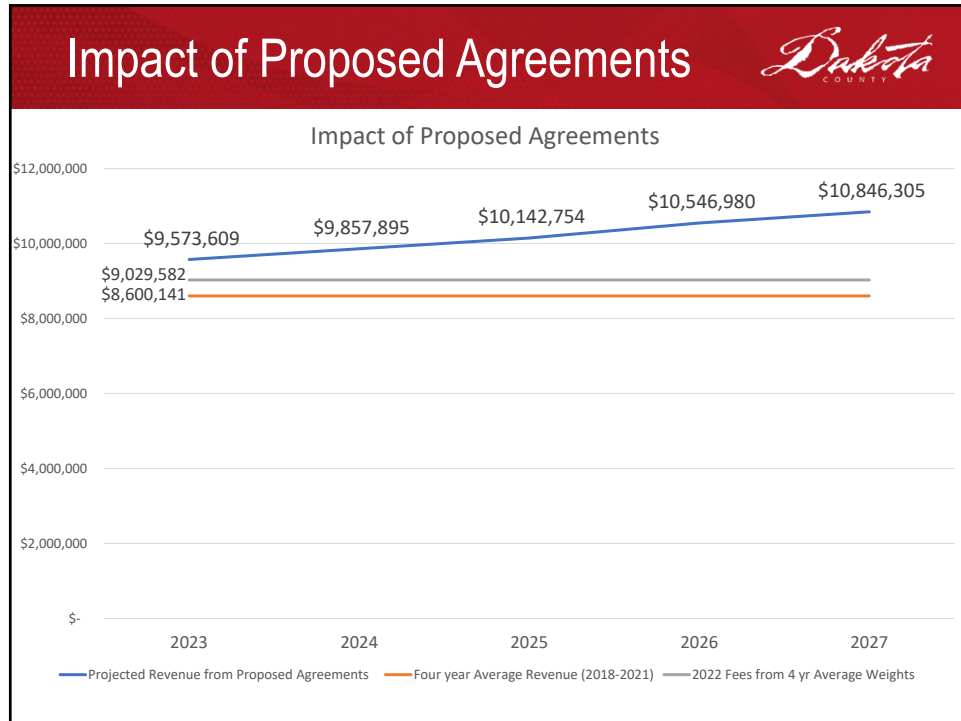
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Annual Change in Fees

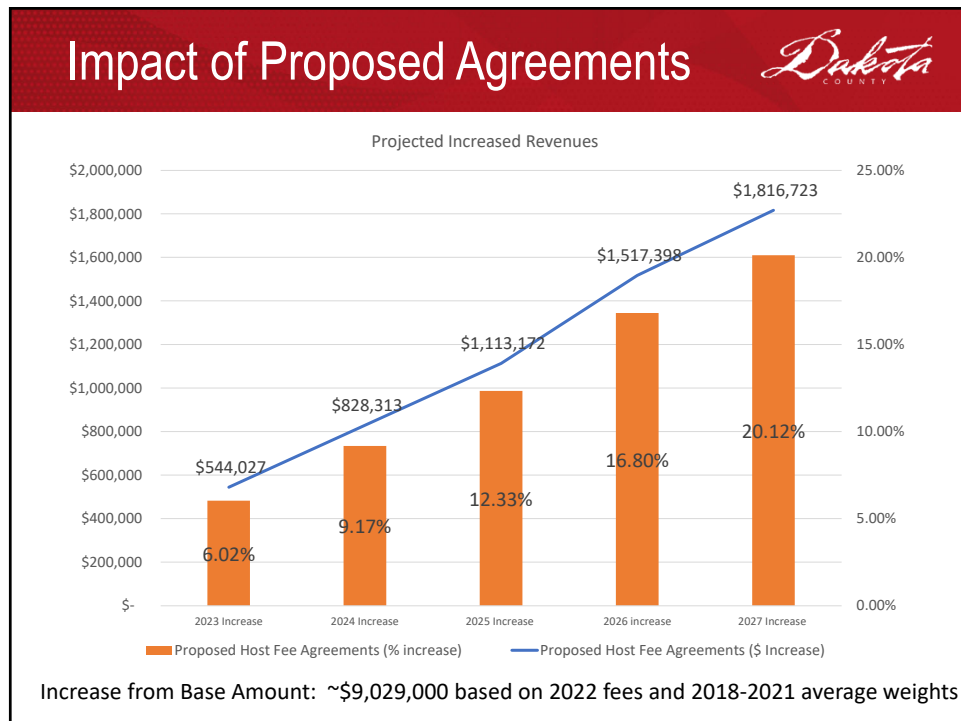


Waste Stream	2023	2024	2025	2026	2027	Total Increase
Industrial Waste Non-Soil	10.0% (\$0.50)	0.0%	0.0%	0.0%	0.0%	\$0.50
Industrial Waste Soil	13.6% (\$0.06)	0.0%	0.0%	0.0%	0.0%	\$0.06
MSW Combustor Ash	0.0%	0.0%	0.0%	42.9% (\$1.65)	3.0% (\$0.17)	\$1.82
Construction and Demo	0.0%	0.0%	0.0%	0.0%	0.0%	\$0.00
Construction Process Residuals	5.6% (\$0.01)	3.0% (\$0.01)	3.0% (NA)	3.0% (0.01)	3.0% (NA)	\$0.03
Process residual from recycling facility (New)	N/A	3.0% (\$0.10)	3.0% (\$0.10)	3.0% (\$0.11)	3.0% (\$0.10)	\$0.41
In-County MSW (Type 1 Waste)	3.0% (\$0.33)	0.0%	0.0%	0.0%	0.0%	\$0.33
Out-of-County MSW (Type 1 Waste)	6.1% (\$0.71)	5.7% (\$0.70)	5.4% (\$0.71)	5.2% (\$0.71)	4.9% (\$0.71)	\$3.53
Non-Processible MSW (Type 2 Waste)	3.0% (\$0.21)	3.0% (\$0.22)	3.0% (\$0.23)	3.0% (\$0.23)	3.0% (0.24)	\$1.12
Process Residuals In-County (Type 3 Waste)	3.0% (\$0.09)	3.0% (\$0.10)	3.0% (\$0.10)	3.0% (\$0.11)	3.0% (\$0.10)	\$0.50
Process Residuals Out-of-County (Type 3 Waste)	28.8% (\$0.91)	3.0% (\$0.12)	3.0% (\$0.12)	3.0% (\$0.13)	3.0% (\$0.13)	\$1.41

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Requested Action



- Authorize the Physical Development Division Director to execute Host Fee Agreements for waste disposed of in the Burnsville Sanitary Landfill, Burnsville Dem/Con Landfill, Pine Bend Sanitary Landfill, Dawnway Demolition Landfill, SKB Rosemount Industrial Waste and Demolition Landfill, and the SKB Rich Valley Demolition Landfill

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Questions/Comments?



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