



Environment and Natural Resources Trust Fund

M.L. 2026 Approved Work Plan

General Information

ID Number: 2026-210

Staff Lead: Tom Dietrich

Date this document submitted to LCCMR: May 27, 2026

Project Title: Ash Recovery and Recycling Center

Project Budget: \$1,177,000

Project Manager Information

Name: Chris McConn

Organization: Otter Tail County

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Email: cmcconn@ottertailcounty.gov

Web Address: <https://ottertailcountymn.us/>

Project Reporting

Date Work Plan Approved by LCCMR: June 17, 2026

Reporting Schedule: April 1 / October 1 of each year.

Project Completion: June 30, 2029

Final Report Due Date: August 14, 2029

Legal Information

Legal Citation: M.L. 2026, Chp. 104, Sec. 2, Subd. 04j

Appropriation Language: \$1,177,000 the second year is from the trust fund to the commissioner of natural resources for an agreement with Otter Tail County to construct and equip a facility to store and recycle resource-recovery-generated ash as an alternative to landfilling.

Appropriation End Date: June 30, 2029

Narrative

Project Summary: Construct a fabric covered ash storage building. Processed ash stored in the building will be used beneficially as a road construction material instead of being landfilled.

Describe the opportunity or problem your proposal seeks to address. Include any relevant background information.

Landfills can be harmful to water resources. If not properly managed, landfills can impact groundwater, lakes, and rivers, posing risks to human health and the environment. Minnesota has spent approximately \$500 million on closed landfill cleanup. Projected future closed landfill costs exceed \$400 million – not including treatment of groundwater contamination from Per and Polyfluoroalkyl substances (PFAs). Prairie Lakes Municipal Solid Waste Authority (PLMSWA) processes approximately 54,000 tons per year of municipal solid waste (MSW) from its five member counties (Becker, Clay, Otter Tail, Todd and Wadena) through resource recovery. The MPCA recommends resource recovery as an alternative that is safer than landfilling (including its effective destruction of PFAs). However, the process produces about 10,000 tons ash/year that is still being landfilled at an Otter Tail County-owned facility (NEOT Landfill) near New York Mills, Minnesota – an area rich in water resources. The ash contains ferrous and non-ferrous metals, and oversized objects like slag and glass. Otter Tail County and PLMSWA desire to protect its water resources by finding a more sustainable solution for managing ash. They desire to reduce or eliminate their dependency on landfilling.

What is your proposed solution to the problem or opportunity discussed above? Introduce us to the work you are seeking funding to do. You will be asked to expand on this proposed solution in Activities & Milestones.

Solution is to recycle ash and significantly reduce landfilling. Landfill diversion protects air, soil and water from contamination. Recycling lowers greenhouse gas emissions and reduces mining of virgin materials. Ash cleaned (processed) by removing the ferrous metals and oversized objects can be used in road construction projects – most commonly full depth reclamation. Ash has been used in road construction for over 30 years. The MPCA determined PLMSWA ash is suitable for road construction with a case specific beneficial use determination (CSBUD – see attached) . Currently, ash is processed and stored inside the landfill with pilot scale projects. To create a safe, systematic full scale operation with improved stormwater and air quality protection, the solution is a fabric-covered building and conveyor system to store the ash at NEOT Landfill. A recently purchased 10-acre parcel facilitates this. In the future, PLMSWA may pursue additional improvements like relocating processing with non-ferrous recovery in a second building. These future improvements are speculative. They may never occur and are not needed to utilize the improvements realized in this project. This project will allow ash to be stored and used as a road construction material without any of these "future" features.

What are the specific project outcomes as they relate to the public purpose of protection, conservation, preservation, and enhancement of the state’s natural resources?

This project aligns with LCCMR’s strategic priorities by protecting Minnesota’s water resources from landfill contamination and conserving valuable materials through metal recycling. There are two specific outcomes for this project:

1. Allow PLMSWA to stop (or drastically reduce) landfilling ash as a primary management method, reducing landfilling by approximately 10,000 tons per year.
2. Prevent soil, water and air contamination related to ash management (by covering the storage pile with building) - ultimately protecting our groundwater, lakes, rivers, and wells from contamination.

Project Location

What is the best scale for describing where your work will take place?

Region(s): Central, NW,

What is the best scale to describe the area impacted by your work?

Region(s): Central, NW,

When will the work impact occur?

During the Project and In the Future

Activities and Milestones

Activity 1: Construction

Activity Budget: \$1,176,999

Activity Description:

Project will include

- i. site clearing and demolition
- ii. earthwork
- iii. relocate existing features as necessary. this may include underground utilities, a leachate tank and leachate loadout.
- iii. construction of an ash storage building (fabric covered steel structure, with pre-cast T-Panel sidewalls and concrete floor)
- iii. Conveyors to bring ash into and fill the building. Plan to hang screw or drag conveyor from building trusses to fill the building without mobile machinery (wheel loaders, etc.)

Some work has state contracts available (fabric building). Other work will be advertised for bidding and awarded to the lowest responsive, responsible bidder. Have not decided if all the work will be contracted to a single general contractor, or to multiple contractors and/or purchase of building under state contract.

When the project is finished, Otter Tail/PLMSWA will continue to process ash in the landfill. During the ash cleaning process, ash will be conveyed into the storage building. When needed for road construction, the processed ash will be removed from the building with mobile equipment, probably by road construction project general contractor (hired by Highway Department or other purchaser of ash). Outcome includes shelter ash from wind and rain.

Activity Milestones:

Description	Approximate Completion Date
Complete Design and Bidding (professional services, non-ENRTF)	February 28, 2027
Commence Earthwork Construction	May 31, 2027
Substantially Complete Earthwork and Ash Storage Building Construction	September 30, 2027
Certificate of Occupancy or Equivalent Obtained	June 30, 2028
Final Payment to Contractors	July 31, 2028
Sign with Logo and Language per ENRTF Acknowledgement Guidelines	August 31, 2028
Complete CQA and Materials Testing (Professional Services, Non-ENRTF)	August 31, 2028
Notice of Funding Restriction Recorded	August 31, 2028
Open for Intended Use	September 30, 2028

Activity 2: Pre-Construction Environmental, Historic and Administrative Project Requirements

Activity Budget: \$1

Activity Description:

These activities will be paid with local (non-ENRTF) dollars. They generally include compliance with mandatory Activities and Milestones described by the ENRTF Capital Construction Project Questionnaire (CCPQ). Based on our initial review, some may not be required. We will confirm this.

- i. Environmental Assessment

This is a minimum requirement according to CCPQ to ensure there are no prior known environmental impacts that may delay the project.

ii. B3 guidelines

This is a minimum requirement according to CCPQ. It is an energy efficiency requirement that only applies to conditioned spaces, like offices. We will not have conditioned spaced. We will consult B3 program and will demonstrate compliance or proof that it is "not applicable".

iii. SHPO Opinion

This is a minimum requirement according to CCPQ. We will contact SHPO to avoid impact to historic or archeological properties and the project schedule.

iv. All Construction Funds Legally Secured

This is a minimum requirement according to CCPQ

v. Evaluation - this would be reviewing the operation of the constructed building to see that it operates as intended, including but not limited to processing ash and conveying it into the building for storage.

Activity Milestones:

Description	Approximate Completion Date
Complete Environmental Site Assessment (non-ENRTF)	September 30, 2026
Obtain SHPE opinion on project (non-ENRTF)	September 30, 2026
Complete B3 Guidelines Compliance (non-ENRTF)	February 28, 2027
All Construction Funds Legally Secured (non-ENRTF)	March 31, 2027
Evaluation (non-ENRTF)	October 31, 2028

Project Partners and Collaborators

Name	Organization	Role	Receiving Funds
Brian Schmidt	Prairie Lakes Municipal Solid Waste Authority (PLMSWA)	Facility Manager	No

Dissemination

Describe your plans for dissemination, presentation, documentation, or sharing of data, results, samples, physical collections, and other products and how they will follow ENRTF Acknowledgement Requirements and Guidelines.

We will share the success of the LCCMR-funded ash reutilization project through a multi-channel communications strategy, ensuring both technical audiences and the general public are reached. Environment and Natural Resources Trust Fund will be acknowledged through use of the trust fund logo or attribution language on project print and electronic media, publications, signage, and other communications per the ENRTF Acknowledgment Guidelines.

Long-Term Implementation and Funding

Describe how the results will be implemented and how any ongoing effort will be funded. If not already addressed as part of the project, how will findings, results, and products developed be implemented after project completion? If additional work is needed, how will this work be funded?

County has already purchased (attached) 10 acres of contiguous land to accommodate this project. County plans to move other activities (transfer station) to the newly acquired property to make space for project. Revenue generated from sale of recovered metals, reduced landfilling costs, and tipping fees are funding sources for operations. Currently, ash is processed by County's third-party operator and their equipment. "Processing" is removal of oversized objects and ferrous metals. Upon completion of this project, county will still use third-party operator and their equipment. Processing is not part of the project and is a non-ENRTF funded activity.

Other ENRTF Appropriations Awarded in the Last Six Years

Name	Appropriation	Amount Awarded
Perham to Pelican Rapids Regional Trail (McDonald Segment)	M.L. 2021, First Special Session, Chp. 6, Art. 6, Sec. 2, Subd. 09a	\$2,245,000
Perham to Pelican Rapids Regional Trail (West Segment)	M.L. 2021, First Special Session, Chp. 6, Art. 5, Sec. 2, Subd. 09n	\$2,600,000
Phelps Mill Wetland and Prairie Restoration	M.L. 2023, , Chp. 60, Art. 2, Sec. 2, Subd. 08r	\$974,000
Dent and Vergas Spur Trails	M.L. 2024, , Chp. 83, Art. , Sec. 2, Subd. 09j	\$934,000

Budget Summary

Category / Name	Subcategory or Type	Description	Purpose	Gen. Ineligible	% Benefits	# FTE	Classified Staff?	\$ Amount
Personnel								
							Sub Total	-
Contracts and Services								
TBD by Competitive Bid	Service Contract	Contracted work will include earthwork and site preparation, construction of a 72'x255' ash receiving facility, 8' tall building bunker panels, electrical and mechanical, and acquisition and installation of ash handling conveyor system (from landfill into and through building) for the storage of clean ash. This also includes a 5% contingency.		X		0		\$1,177,000
							Sub Total	\$1,177,000
Equipment, Tools, and Supplies								
							Sub Total	-
Capital Equipment								
							Sub Total	-
Acquisitions and Stewardship								
							Sub Total	-
Travel In Minnesota								
							Sub Total	-
Travel Outside Minnesota								
							Sub Total	-

Printing and Publication								
							Sub Total	-
Other Expenses								
							Sub Total	-
							Grand Total	\$1,177,000

Classified Staff or Generally Ineligible Expenses

Category/Name	Subcategory or Type	Description	Justification Ineligible Expense or Classified Staff Request
Contracts and Services - TBD by Competitive Bid	Service Contract	Contracted work will include earthwork and site preparation, construction of a 72'x255' ash receiving facility, 8' tall building bunker panels, electrical and mechanical, and acquisition and installation of ash handling conveyor system (from landfill into and through building) for the storage of clean ash. This also includes a 5% contingency.	The facility and affixed mechanical equipment for handling ash are permanent structures, unable to be moved. If funded, these capital items will continue to be used for the same program through their useful life. Additionally, Otter Tail County understands and acknowledges the requirement to pay back the Environment and Natural Resources Trust Fund an amount equal to either the cash value received or a residual value approved by the LCCMR director if it is sold. .

Non ENRTF Funds

Category	Specific Source	Use	Status	\$ Amount
State				
			State Sub Total	-
Non-State				
In-Kind	Land Acquisition	County purchased 10 acres of land for building and processing.	Secured	\$140,000
Cash	Otter Tail County	Surveyors and Engineers - Develop drawings and technical specifications for the project	Secured	\$159,000
Cash	Otter Tail County Match for Earthwork and Site Readiness	To achieve 25% minimum project match from grantee and pay for remaining costs in excess of grant amount. This money will be applied to construction costs including earthwork and storage building.	Secured	\$414,000
			Non State Sub Total	\$713,000
			Funds Total	\$713,000

Total Project Cost: \$1,890,000

This amount accurately reflects total project cost?

Yes

Attachments

Required Attachments

Visual Component

File: [33390598-bbd.pdf](#)

Alternate Text for Visual Component

Attached is a visual depiction of the ash storage building that will be constructed for receiving cleaned ash for use in transportation projects. Also included are several maps showing the whole facility and recently acquired property to accommodate relocation of other existing activities to make room for this project....

Financial Capacity

Title	File
Otter Tail County Audit	ccc8421a-152.pdf
Current financial statements	2c86af16-206.pdf

Board Resolution or Letter

Title	File
Board Resolution	dbd3a001-812.pdf

Supplemental Attachments

Capital Project Questionnaire, Budget Supplements, Support Letter, Photos, Media, Other

Title	File
Capital Project Questionnaire	954af337-931.pdf
Letter of Support	d5c54470-2fe.pdf
LCCMR Capital Construction Project - Budget Addendum	f81d7cdb-6d0.xlsx
Supplemental- more detailed cost estimate and schedule	be086ed2-e94.xlsx
10 Acre Parcel Purchase Agreement, Deed and Survey	b77ace2d-698.pdf
CSBUD (MPCA Permit to Recycle Ash)	ef22c8a7-908.pdf

Difference between Proposal and Work Plan

Describe changes from Proposal to Work Plan Stage

I added more detail and changed some of the completion dates. The nature and type of work has not changed. Revised Tab 4 and 6 per correspondence with LCCMR on 11/20/2025.

Additional Acknowledgements and Conditions:

The following are acknowledgements and conditions beyond those already included in the above workplan:

Do you understand and acknowledge the ENRTF repayment requirements if the use of capital equipment changes?

N/A

Do you understand that travel expenses are only approved if they follow the "Commissioner's Plan" promulgated by the Commissioner of Management of Budget or, for University of Minnesota projects, the University of Minnesota plan?

N/A

Does your project have potential for royalties, copyrights, patents, sale of products and assets, or revenue generation?

No

Do you understand and acknowledge IP and revenue-return and sharing requirements in 116P.10?

N/A

Do you wish to request reinvestment of any revenues into your project instead of returning revenue to the ENRTF?

N/A

Does your project include original, hypothesis-driven research?

No

Does the organization have a fiscal agent for this project?

No

Does your project include the pre-design, design, construction, or renovation of a building, trail, campground, or other fixed capital asset costing \$10,000 or more or large-scale stream or wetland restoration?

Yes

Do you propose using an appropriation from the Environment and Natural Resources Trust Fund to conduct a project that provides children's services (as defined in Minnesota Statutes section 299C.61 Subd.7 as "the provision of care, treatment, education, training, instruction, or recreation to children")?

No

Provide the name(s) and organization(s) of additional individuals assisting in the completion of this project:

Nicholas Leonard, Otter Tail County and Chris McConn, Otter Tail County

Do you understand that a named service contract does not constitute a funder-designated subrecipient or approval of a sole-source contract? In other words, a service contract entity is only approved if it has been selected according to the contracting rules identified in state law and policy for organizations that receive ENRTF funds through direct appropriations, or in the DNR's reimbursement manual for non-state organizations. These rules may include competitive bidding and prevailing wage requirements

Yes, I understand