



TO: Ways & Means Committee/Board of Commissioners

FROM: Mary Catherine Hannah, Alpena County Administrator

DATE: March 21, 2022

RE: MRF Match Request and Congressionally Directed Funding Request

At the March 8th Ways & Means/Committee of Whole, the Board of Commissioner approved the County of Alpena as a co-applicant on an EDA grant request for \$4.6 million to complete the \$6 million MRF (multi-stream recycling facility) project. The drafted grant request mentioned an ask to the County of a commitment of funds. In order for those dollars to be counted as part of the necessary match – the county would need to formally commit the funding and submit a letter to that effect with the grant application. As noted by RRS, a commitment by Alpena County Board of Commissioners of \$500,000 or more, at this time, would support the County in securing \$4.7M in capital funding for the proposed MRF. Securing a grant of \$4.7M as opposed to securing low interest loans for this portion of the project is projected to reduce annual debt payment by approximately \$200,000 per year when compared to the current financial model for the facility. This would improve the financial profile of the facility, allow for a longer timeline to ramp up material throughput if needed, and potentially could free up funding for other recycling and waste related needs. Additionally, it reduces reliance on the proposed MOA landfill surcharge (with estimated annual revenue of \$147,087), provided greater autonomy to Alpena County if desired. The water and electricity line items in the budget for the proposed Alpena County MRF, totaling more than \$750,00 ensure that water and electricity are connected from the airport road to the proposed MRF site at parcel 7, 8, 9, and 20. Extending utilities to the proposed MRF site will ultimately reduce costs to the County that would be required to develop surrounding land parcels as it reduces the distance required to extend utilities from the road to adjacent parcels.

Additionally, another opportunity for funding of the project has been identified – Congressionally Directed Funding through our US Senator. There is an opportunity to apply through Senator Peter’s office for a Community Facilities grant through the Rural Development Agency. An initial discussion with staff from Senator Peters office has indicated that the project could qualify and as a regional project with environmental impact and economic development included could be very attractive for funding.

The Alpena Resource Recovery Board would like the Alpena County Commissioners to consider:

1. A commitment of \$500,000 in matching funds towards infrastructure development as part of the regional MRF project; and
2. To allow the ARRB to work with the County Administrator to submit for Congressionally Directed Funding for the MRF project.