

Best Practices The Science of Waste & Recycling Programs



Let's Start with a little survey

How many of you are directly involved in your communities recycling program?

What other services are offered in your program?

Recycle Only, Trash, Yard Waste, Food Waste, etc.

How does the resident pay the bill?

DPW, Hauler, Authority, Millage, General Fund, etc.

What Equipment is used?

Drop-Off, 64g or 96 g Carts or 18g-Bins/Totes

Why was that program type selected?



Gov't Officials Residents Hauler(s) MRF Leadership
Other Trusted Sources

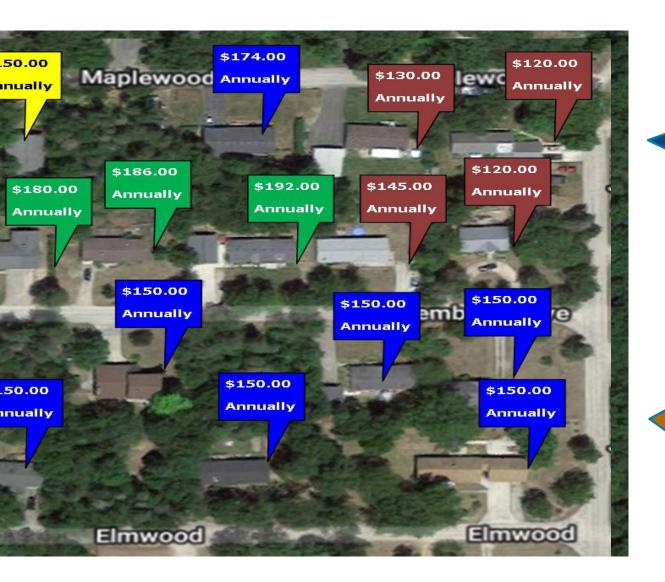


Recruiting the experts to your committee







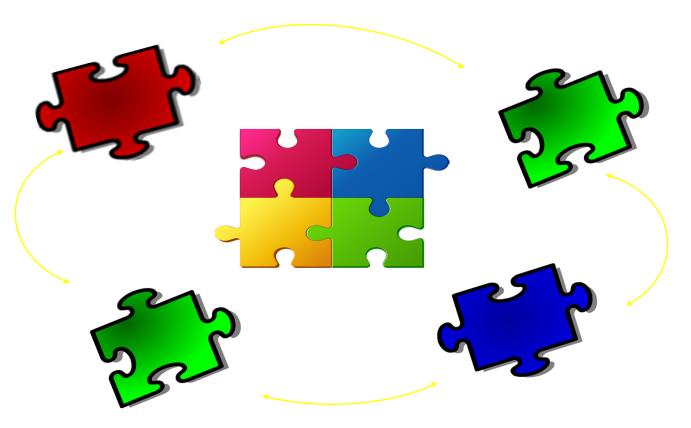


Open Market aka Subscription Services will allow all haulers to market selective services at unregulated price points which fluctuate over time.

Franchise programs establish defined services to be offered within the controls of a contracted agreement between a *Municipality, Hauler & MRF.*Typically pricing is uniform between all homes and/or can be set up through a *pay as you throw* system.



Bundling of Services



Making the Pieces Fit

- Trash
- Recycling
- Yard Waste
- Downtown Areas
- Festivals
- > HHW
- > S-Waste Events
- Education
- Outreach



Designing The Platform = The Participation









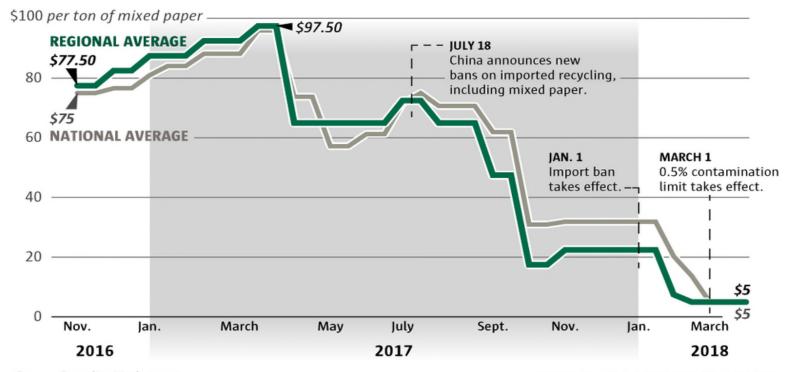




Market Impacts of China Sword

China closes the door, prices crash

The average price paid to recyclers for a ton of mixed paper in the Pacific Northwest and across North America has plummeted in the last year.



Source: RecyclingMarkets.net

EMILY M. ENG / THE SEATTLE TIMES

New Recycling Business Model

The Cost of Recycling

Collection

- Cost to provide truck, driver, container and scheduled collection service on contracted basis
- Collected material transported to processing facility

Monthly Collection Charge

Processing

- Capital & labor intensive process
- Comingled material sorted into separate products, removing contamination
- Clean products baled and prepared to ship

Residual

- Contaminated or nonrecyclable material
- No marketability
- Must be transported and disposed at landfill for a cost

Commodity Sales

- Processed material transported and sold to end markets
- Subject to quality standards
- Product mix and quality drives value
- Some material may have negative value

Net Processing Fee (Commodity sales – processing costs – residual cost)

The cost of a recycling collection program is the sum of the *Collection Charge* and the *Net Processing Fee*

CHAPTER 50: SOLID WASTE ORDINANCE

Section 50.01 Short title 50.02 Authority 50.03 Purpose and intent 50.04 Interpretation and conflict 50.05 Definitions 50.06 Administration 50.07 Accumulation of solid waste, litt 50.08 Solid waste, litter and construction

50.09 Solid waste containers 50.10 Damage to solid waste container

Republic Services Confidential

The Right Documents

REQUEST FOR PROPOSAL

CONSULTANCY SERVICES FOR IMPLEMENTATION OF PROPERTY BASED DATABASE SYSTEM USING GEOGRAPHICAL INFORMATION SYSTEM TECHNOLOGY FOR MUNICIPAL CORPORATION OF **JALANDHAR**

Second Amendment

GARBAGE AND REFUSE FRANCHISE AGREEMENT

THIS AMENDMENT, hereinafter referred to as "Second Amendment," is made and entered into this __ day of June 2012, by and between the CITY OF LIVINGSTON, a MUNICIPAL CORPORATION (hereinafter referred to as "City"), and GILTON SOLID WASTE MANAGEMENT, INC., a CALIFORNIA CORPORATION (hereinafter referred to as "Gilton").

RECITALS

WHEREAS, City and Gilton entered into a Garbage and Refuse Franchise Agreement (attached hereto as Exhibit A) hereinafter referred to as "Agreement," for the collection and disposal of garbage, refuse, and waste, dated March 4, 1986 wherein Gilton agreed to provide garbage collection and disposal services for the City; and

WHEREAS, on April 1, 1997, the City and Gilton made minor amendments to the Agreement related to the term and renewal provisions ("First Amendment"); and

WHEREAS, the Agreement is set to terminate on June 30, 2012, however, the City and Gilton have agreed to extend the Agreement for a period of six (6) months. This Second Amendment and the Agreement will expire on December 31, 2012; and

WHEREAS, Gilton will continue to provide the City with services in the same manner, and at the same cost as currently provided under the Agreement, until

NOW, THEREFORE, the City and Gilton agree as follows:

AGREEMENT

TERM AND TERMINATION DATE

The Garbage and Refuse Franchise Agreement between the City and Gilton

50.11 Toxic, corrosive, ignitable, flamr 50.12 Construction sites and transportat 50.13 Scavenging prohibited 50.14 Regulations adopted 50.15 Solid waste disposition fee 50.16 Responsibility for fee 50.17 Powers of the county 50.18 Solid waste collection authorizati 50.19 Solid waste pre-collection practic 50.20 Ownership of solid waste TENDER NUMBER: 50.21 Storage of solid waste for comm 50.22 Solid waste collection practices 50.23 Service fees 50.24 Injunctive relief 50.25 Conflict MUNICIPAL CORPORA 50.26 Construction and Demolition Del 50.27 Disposal of solid waste -1-

Contract Terms for Recycling

Rates. The rates for all Services shall be as shown on Exhibit X, subject to the rate adjustments and additional fees and costs as set forth herein.

Annual Rate Adjustments. Republic shall increase the rates for all Services effective on each anniversary of the Effective Date of this Agreement in an amount equal to the greater of (a) three (3) percent or (b) the percentage increase in the Consumer Price Index for All Urban Consumers (Water, Sewer and Trash Collection Services) U.S. City Average, as published by United States Department of Labor, Bureau of Statistics (the "CPI"). For the CPI calculation, rates will be adjusted using the most recently available trailing twelve (12) months average CPI compared to the twelve (12) months preceding.

Additional Terms for Recycling Services.

(a) <u>Rates</u>. The rates for Recycling Services shall consist of a Monthly Collection Charge, as set forth on <u>Exhibit X</u>, plus the Recycling Processing Charge. The "Recycling Processing Charge" is derived by subtracting Republic's Processing Rate and Residual Costs from its Commodity Sales, which are also set forth on <u>Exhibit X</u>.

Monthly Collection Charge + Recycling Processing Charge (Commodity Sales - Processing Rate - Residual Costs)

"Commodity Sales" means the average amount Republic receives per 12-month period on the sale of Recyclable Materials processed at the facility receiving the City's Recyclable Material. "Processing Rate" means the current rate Republic charges to process Recyclable Materials. "Residual Cost" means the average amount it costs Republic per 12-month period to transport and dispose of the non-recyclable, residual material pulled out of the collected stream of Recyclable Materials received at Republic's processing facility.

- (b) Annual Recycling Adjustment. In addition to the Annual Rate Adjustment, on each anniversary of the Effective Date of this Agreement, Republic shall evaluate, and adjust if needed, the Recycling Processing Charge based on any changes in Commodity Sales, Processing Rates and/or Residual Costs. The Recycling Processing Charge over the most recent twelve month period shall be compared to the last identified Recycling Processing Charge to determine any change. A reduction in Recycling Processing Charge shall result in a decreased price for the Recycling Services for the twelve months after the effective date of the Annual Recycling Adjustment. An increase in Recycling Processing Charge shall result in an increased price for the Recycling Services for the twelve months after the effective date of the Annual Recycling Adjustment. Should unforeseen circumstances cause at least a 20% change in Republic's Recycling Processing Charge, both parties agree to implement a mid-year adjustment to the Recycling Processing Charge. In the event of any Recycling Adjustment, the City shall have sole discretion to make a lump sum payment to Republic (or receive a lump sum credit) or to pass the Recycling Adjustment through to the rate payers in the City.
- (c) Specifications for all Recyclable Materials. Recyclable Materials shall comply with any and all specifications provided by Republic in order to meet quality thresholds for commodity markets and be free of contamination. To the extent any type of Recyclable Material received within the City limits is rejected by the recycling facility or is not of the intended quality or grade, Republic will notify the City and the City shall pay any damages, costs, and penalties incurred by Republic due to such rejection or lesser quality or grade, to include transportation and disposal costs for the residual material. If market conditions develop that limit or inhibit Republic from selling some or all of the Recyclable Materials, Republic may (i) suspend or discontinue any or all Recycling services, or (ii) dispose of the Recyclable Materials in a landfill and update the City's rates accordingly.

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Zero Commodity Risk – Based on Kent County MI

Net Processing Value/Charge - Model for Annual Rate Review

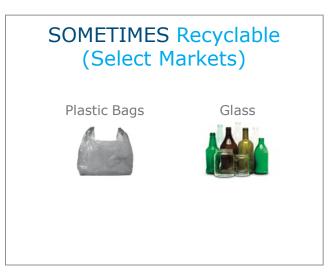
Number of Homes		2,578
Pickups per Month		4.33
Pounds per set out		12
Tons per Month		67.0
Recycle Processing Rate per Ton (from local MRF)	\$	40.00
Commodity Value (Average of Processed Commodities and Residual)	\$	(5.40) Assumes zero commodity market
% Tons Rate]	
Tons sold <u>88%</u> 58.94 -		
Residual tons 12% 8.04 \$ (45.00)		
		(45.40)
Net Processing Position	\$	(45.40)
Share with City (if commodity value exceeds processing costs)		50%
City Rebate (per Ton)	\$	-
Monthly net processing value	\$	(3,041)
Rate Adjustment to Reconcile Commodity Market Value	\$	1.18

Long Term - Public Education

Public Education - WHAT to Recycle







Public Education – HOW to Recycle

Empty. Remove any remaining food or liquid contents from your recyclable item before placing it in a recycling container;

Clean. Lightly rinse the recyclable item to remove any remaining residue; and

Dry. Gently shake out excess water or let the recyclable item air dry before placing it in a recycling container.







ELEMENTS OF A BEST-IN-CLASS RECYCLING PROGRAM

The Michigan Recycling Coalition (MRC) urges the State of Michigan to adopt a comprehensive approach to recycling. This includes making the investment necessary for Michigan to accomplish adopted State goals and providing the leadership necessary to realize the economic and environmental benefits of achieving those goals. In the report "2011 State of Recycling in Michigan: A Way Forward", the MRC documents the significant return on investment offered by addressing the funding needs associated with the components of a comprehensive, and successful statewide recycling program.

Learn About The Six Steps:

Measurement and Data Collection
Community Services and Infrastructure
County Planning
Administration

Education and Technical Assistance Market and Economic Development State Solid Waste Policy

http://www.michiganrecycles.org/images/pdf/recycling%20elements%20fact%20sheet.pdf

Questions – Comments – Discussion





Presented by:

Matt Biolette / Republic Services 616-212-9348





USER GUIDE

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- 2. Page numbers are in black and aligned in the bottom right corner.
- 3. If adjusting placement, align everything to the left under the header.
- 4. Use a takeaway box at the bottom of the page for brief and impactful messaging as appropriate.

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- 2. Select Layout to choose a specific theme for your slide.
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Last Updated: 02/2018