

# Recycling Challenges

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A Federal, State and County Issue

# General Overview

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- Recycling is a federal, state and county issue. Federal and state governments are passing the costs to county governments.
- Declining market values.
- Contamination levels
- Reduced end markets
- Increased cost to process recycling.



# Recycle Tonnages

Recycling Source	2016-17	2017-18	2018-19	Average Growth (Tons per year)
Convenience centers	1006.04	1131.13	1271.90	132.93
Town of Forest City	248.97	248.98	371.11	61.07
Town of Spindale	111.45	197.12	217.96	53.255
Town of Rutherfordton	296.12	321.42	332.01	17.945
Town of Lake Lure/Chimney Rock	36.36	39.53	41.88	2.76
Town of Ruth	10.70	4.80	8.11	-1.295
Town of Bostic	7.70	10.72	12.95	2.625
Town of Ellenboro	6.80	6.96	11.64	2.42

# Recycle Tonnages Continued

Recycling Source	2016-17	2017-18	2018-19	Average Growth (Tons per year)
Schools	121.41	127.67	99.85	-10.78
Business and public	199.40	436.26	425.71	113.155
Out of County	310.13	490.30	1977.60	833.735 (Already charge fee of \$130.00)
Total tonnages	2355.08	3014.89	4770.72	1207.82
In County Total	2044.95	2524.59	2793.12	374.085

# County Comparisons

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- Staff has contacted the following counties for information on recycling:

Henderson

McDowell

Hoke

Cleveland

Moore

Pasquotank

Lincoln

Vance

Granville

Polk

Rockingham

Yadkin

Burke

Halifax



# Comparison Results

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- Counties and municipalities have seen large increases in the cost of recycling.
- Counties are mandated to recycle because some items such as aluminum cans and plastic bottles are banned from landfills. Failure to comply could result in a Notice of Violation (NOV) and we would face fines and possible loss of future grants such as scrap tire grants, white good grants and e-waste.
- Some counties are going from single stream back to source separated.
- Some counties are changing their recycling stream to exclude glass or just recycle the items that are banned by the state.

# Comparison Results Continued

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- Counties are spending money on campaigns to lower contamination rates. NCDENR launched RecycleRightNC recently.
- Counties will continue to recycle in the future.
- All counties are dealing with the issue of how to cover the increased cost for recycling.
- Counties are having to pass the costs to citizens due to enterprise budgets not being able to absorb the costs.

# How Counties are Covering Increased Costs of Recycling

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- Some counties are absorbing the price increase with tipping fees on MSW.
- Some counties are increasing the user and availability fees.
- Some counties have set up a separate tipping fee for recycling.
- Some counties have a recycling fee for residents.
- Some counties are using general fund money.



# Request for Proposals

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- The county recently received two proposals from possible MRF's to process and haul our recycling.
- The lowest price came in at \$103.12 per ton for processing and hauling. The county is guaranteed a minimum of \$15.00 dollar return per ton as profit-sharing. Cost becomes \$88.12 for just processing and hauling. The county receives 85% of shared revenue based on the average material value of the stream after hauling, processing and residue has been disposed of.
- The other proposal was \$155.00 per ton for processing and hauling. The county is not guaranteed a minimum amount. The county receives 80% of shared revenue based on the average material value of the stream after hauling, processing and residue has been disposed of.
- Extremely hard to predict the average material value due to lower end markets and the uncertainty of the commodity market.

# Recycling Expense

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- The landfill staff is forced with finding a way to pay for recycling. Last year the county received 2793.12 tons of recycling. After receiving the RFP's the counties cost would be \$246,157.67 and this does not account for growth in the recycling stream which is roughly 375 tons per year.
- This is extremely alarming since the federal and state governments are passing the burden to county governments. Staff is forced to find a way to recycle while minimizing the impact on our citizens.



# Option 1

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- **Absorb all the costs within the current Enterprise Fund**
- Enterprise fund does not have the money to cover these costs.
- Will have to significantly cut other services that we offer.
- Would have to rely on general fund for help which means we would not operate as a Enterprise Fund.



# Option 2

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- **Change the recycling stream to source separated.**
- County will have to market their own recyclables.
- Large amount of costs for more employee's, trucks, containers, bailers
- Would require more building space.
- Very labor intensive and time consuming.
- Expensive on the front end

# Option 3

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- **Recycle only what the state has banned from the landfills.**
  - Aluminum cans and plastic bottles.
- This is not good for the environment.
- Would increase the cost of MSW tonnage waste.
- Fill up landfills quicker.
- Impossible to get weights for shipping on recycling trailers.
- Confusion for citizens.

# Option 4

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- **Set up tipping fee and raise the availability fee**

**Availability fee would increase by \$15.00 per year and the tipping fee would be around \$115.00 per ton for municipalities.**

- Tipping fee would be extremely higher than MSW rate.
- Availability fee would increase significantly.
- Would have to adjust fee each year.
- Participation will reduce.
- Material stream could change.



# Option 5

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- Charge all improved properties a recycling fee.
- The recycling fee would be \$7.00 per year.
- Roughly 58 cents per month to recycle and save our natural resources.
- Smallest impact on citizens.
- Still promotes recycling.
- Operations would stay the same.
- No reductions in the type of items recycled.
- Would continue to take recycling free from in county municipalities.

# Option 6

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- Any other option that the county manager or commissioners may have.

# Staff Recommendation

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- **Approve option #5.**
- Has the least impact on citizens. Charged to all improved properties.
- Only \$7.00 per year or roughly 58 cents per month.
- Operations and recycling stream will remain the same.
- County and citizens are helping to save natural resources and the environment.
- In county recycling would not have a tipping fee charge.



# Questions

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