

**PROPOSED PLAN TO CREATE A RESIDENTIAL CURBSIDE RECYCLING PROGRAM**

**January 16, 2013**

WHEREAS, the Natural Resources Advisory Board (NRAB) has studied the creation of a residential curbside recycling program in order to reduce the amount of waste disposed of in Kansas landfills; and

WHEREAS, NRAB presented its report to the City Commission at the March 25, 2012 study session; and

WHEREAS, NRAB demonstrated that current trash diversion rate is seven percent (7%), with residential trash being diverted at a two percent (2%) rate; and

WHEREAS, NRAB demonstrated that trash collection, hauling and disposal costs are rising while landfill availability is decreasing nationally

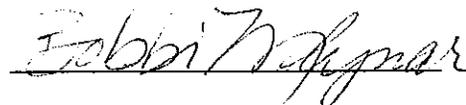
WHEREAS, NRAB demonstrated that creation of a residential curbside recycling program would be viewed as making Emporia a progressive community that is more appealing to residents and create more convenience and benefit to current recyclers in Emporia; and

WHEREAS, the City Commission reviewed the NRAB proposal to create a residential curbside recycling program at the July 11, 2012 study session and directed staff to begin the process to create a residential curbside recycling program in accordance with State statute; and

WHEREAS, the City Commission adopted Resolution 3515, a Resolution of Intent to Create a curbside recycling program, on September 19, 2012; and

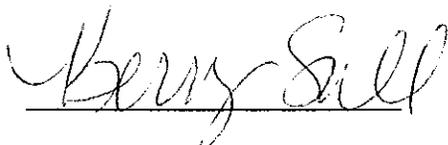
WHEREAS, the City Commission reviewed a proposed plan to create a residential curbside recycling program at the January 9, 2013 study session and directed that the program be forwarded for consideration of preliminary approval;

THEREFORE, the attached residential curbside recycling program attached hereto is preliminarily approved this 16<sup>th</sup> day of January, 2013.



Bobbi Mlynar, Mayor

ATTEST:



Kerry Sull, City Clerk

The City of Emporia, Kansas hereby is considering creating a residential curbside recycling program as follows:

**A. START UP**

1. The existing commercial recycling program shall not be changed.
2. High density residential accounts, which are considered by the City to be commercial accounts, shall be exempted from this program, although property owners may contract with the City or private companies to collect recyclables as set forth in this program.
3. The City of Emporia shall solely provide all low-density residential accounts, defined as single family houses and low density multi-family buildings that receive polycart service, with curbside recycling services.
4. The City will purchase 1 automated collection vehicle, typically (but not necessarily) a side load vehicle with a mechanical arm.
5. The City will purchase and distribute a 95 gallon polycart to all low-density residential accounts. The polycart will be provided to property owners free of charge.
6. The cost of the collection vehicle and polycarts will be amortized over a 4 year period.
7. The program will not start until a minimum of eighteen (18) months after final approval of the residential curbside recycling program.
8. The City will hire one driver to operate the collection vehicle.
9. Property owners may voluntarily choose to participate in the residential curbside recycling program. However, the approved charge shall be added to customers utility bills and all utility service shall be shut off for failure to pay any or all of the utility bill, in accordance with City policy.

**B. EDUCATION**

1. The City will distribute education flyers about the program, including collection days, type of material accepted, and the cost of the program.
2. The City will provide the same information on its website, Facebook page and Twitter account.
3. The City will provide Public Service Announcements (PSA's) about the start of the program a minimum of six (6) months prior to the start of the collection program. PSA's will include the official newspaper and local radio stations.
4. A notice will be included on the City's utility bills a minimum of three (3) months prior to the start of the collection program, unless other messages are deemed to be more urgent.
5. The City will partner with the School District, subject to the School District's approval as to time and content, to educate children about the program.
6. The City will hold a minimum of three (3) public presentations about the program starting at least six (6) months prior to the start of the collection program. The presentations will explain the program and answer the public's questions.

**C. IMPLEMENTATION**

1. Recycling materials will be collected a minimum of bi-weekly. The City may expand the program to weekly collection depending on volume of materials, customer demand and cost considerations.
2. The program shall initially collect the following materials:
  - a. Cardboard
  - b. Paperboard
  - c. Magazines
  - d. Newspaper
  - e. Office paper
  - f. Junk mail
  - g. Shredded paper
  - h. Tin
  - i. Aluminum
  - j. Steel
  - k. 1-7 plastics
  - l. Glass
3. The City may subsequently add or subtract materials based on cost of collection, hauling costs, and availability of markets.
4. The City will transport the recyclables to the existing recycling center at the City transfer station. Recyclables will be processed for transportation to the Materials Recovery Facility (MRF) currently operated by Waste Management in Topeka, Kansas.
5. The City will contract with Waste Management to haul the recyclables to the MRF. The cost of hauling will be deducted from the value of the recyclables upon their sale by Waste Management. The parties will negotiate the terms of a contract regarding splitting the proceeds from the sale of the recycling materials.

#### **D. GOALS**

1. The City goals are to increase the diversion rate of solid waste, thereby reducing the amount of solid waste being landfilled, and improve the quality of life by adding an additional service for residents.
2. The City anticipates that approximately 7,600 homes will be served. Each home is anticipated to provide an average of fifteen pounds (15 lbs.) per week.
3. The City anticipates that approximately fifty percent (50%) of the homes will initially participate in the program. The City is projecting that the participation rate will increase by five percent (5%) per year.
4. The City is expecting to receive 1,482 tons of residential recyclables in the first year. This is expected to increase the diversion rate from seven percent (7%) of the total solid waste collected in 2011 to eleven percent (11%) of the total solid waste anticipated to be collected in 2015, based on 2012 volume of solid waste. This assumes no change in the amount of commercial recyclables collected.
5. The City is anticipated to decrease its solid waste hauling and landfilling costs by \$47,320 in the first year.

6. The City is not budgeting to receive any revenue above the cost of hauling recyclables to the MRF. The City anticipates there may be some additional revenues.
7. Therefore, the City finds that this program will accomplish its goals.

**E. COSTS**

1. The program includes capital costs of \$160,000 in the first year and \$165,232 in the subsequent three (3) years. The program includes projected operating costs ranging from \$159,954 in the first year to \$107,969 in the future three (3) years. The City is projecting it will reduce revenues from the sale of residential recyclables by \$64,400 per year, but reduce solid waste hauling and landfilling costs by \$47,320 in the first year to \$54,728 in the fourth year.
2. The costs are based on amortizing the start-up costs for a new collection vehicle and polycarts.
3. The City is projecting that the annual cost in the first year will be \$3.696 per month per home.
4. The City is projecting that the cost will decrease approximately \$0.60 per home per month in the three (3) following years as recycling volumes increase and solid waste volumes decrease.
5. A copy of the program budget is attached hereto as Exhibit A.

**F. MINIMIZING DISPLACEMENT AND ECONOMIC IMPACT TO CURRENT SOLID WASTE COLLECTORS**

1. The City currently has one (1) unlicensed solid waste provider, which provides residential recycling collection services to a minority of the community.
2. The program includes money to minimize displacement and economic impact to current solid waste providers.
3. The City may minimize the impact by billing their current customers the amount charged by the City and pay the current provider the current rate for a period not to exceed eighteen (18) months; reserve certain solid waste services to the private sector; acquire the assets of the current service provider; or provide the displaced providers preference for employment with the City if they meet the position's qualifications.
4. The City will determine the appropriate minimization in consultation with the current service provider.

**SINGLE STREAM RECYCLING PROGRAM (BI-WEEKLY COLLECTION)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Capital Costs</u>				
7,600 95-gallon bins	\$100,000	\$100,000	\$100,000	\$100,000
replacement bins	\$0	\$5,232	\$5,232	\$5,232
1 automated coll. vehicle	\$60,000	\$60,000	\$60,000	\$60,000
Subtotal Capital Expenses:	\$160,000	\$165,232	\$165,232	\$165,232
<u>Operating Costs</u>				
1 driver	\$25,480	\$26,125	\$26,770	\$27,435
overtime 2 hours OT per week	\$1,911	\$1,959	\$2,008	\$2,058
employer taxes FICA, KPERS, FUTA, WC	\$6,297	\$6,457	\$6,616	\$6,780
health insurance single coverage \$285/mo.	\$3,420	\$3,591	\$3,771	\$3,959
1 laborer	\$22,256	\$22,818	\$23,379	\$23,962
overtime 2 hours OT per week	\$1,669	\$1,711	\$1,753	\$1,797
employer taxes FICA, KPERS, FUTA, WC	\$5,500	\$5,639	\$5,778	\$5,922
health insurance single coverage \$285/mo.	\$3,420	\$3,591	\$3,771	\$3,959
cross-charge for mechanic	\$3,120	\$3,198	\$3,278	\$3,360
vehicle parts costs	\$10,400	\$10,400	\$10,400	\$10,400
diesel fuel costs	\$21,480	\$21,480	\$21,480	\$21,480
educational/marketing materials	\$10,000	\$1,000	\$1,000	\$1,000
business displacement costs	\$45,000	\$0	\$0	\$0
Subtotal Operating Costs:	\$159,954	\$107,969	\$110,003	\$112,112
<u>Materials Revenues/Costs</u>				
sale of materials	\$0	\$0	\$0	\$0
reduced revenue from sale of current residential materials	(\$64,400)	(\$64,400)	(\$64,400)	(\$64,400)
hauling costs by W/M	\$0	\$0	\$0	\$0
avoided hauling costs to landfill	\$47,320	\$49,683	\$52,142	\$54,728
Subtotal Offset Costs:	(\$17,080)	(\$14,717)	(\$12,258)	(\$9,672)
Cost per Month without capital	\$1,941	\$1,345	\$1,341	\$1,335
Cost per Month with capital	\$3,696	\$3,157	\$3,152	\$3,147

\$0 assumes City will not receive any rebates from sale  
 (\$64,400) 29% of current revenue from sale of recyclables  
 \$0 assumes revenues will offset hauling costs  
 \$54,728 assumes 50% participation rate at 15 lbs./week  
 (\$9,672)

EXHIBIT A