



Utilities Department

Recycling Collection Program Update

December 19, 2017



Presentation Overview

- Background
- Recycling Market
- Options
- Next Steps



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Background

- BCC adopted an ordinance in June 1990 requiring recycling in Orange County
- Materials Recovery Facility (MRF) began operations August 1, 1990



Background

- Residential recycling collection program
 - Dual-stream manual collection (1990 – 2015)
 - Average 2,220 tons/month in 2015
 - Contamination less than 15%





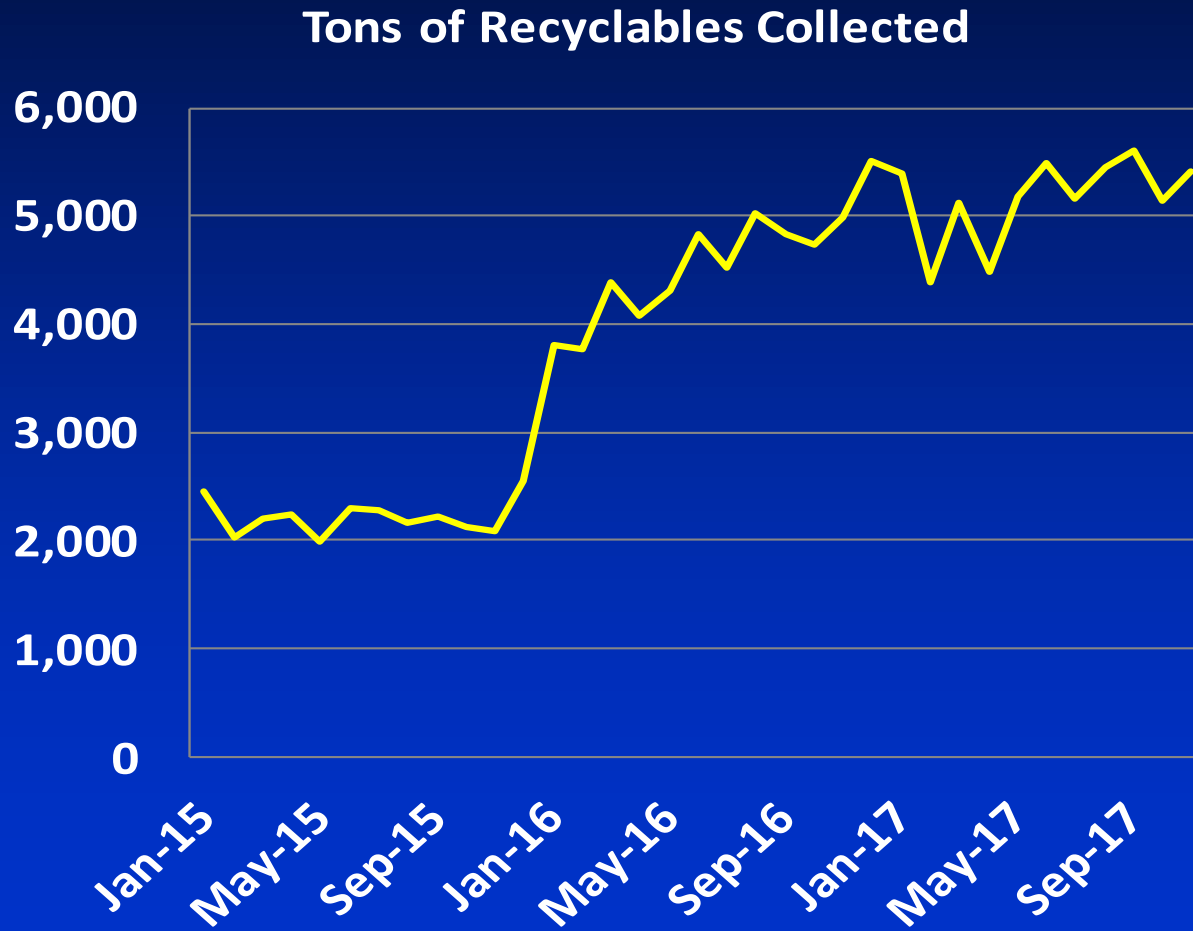
Background

- **Residential recycling collection program**
 - Automated single-stream collection program (2016 – Present)
 - Collecting over 5,000 tons/month
 - Contamination in most collection zones higher than 15%





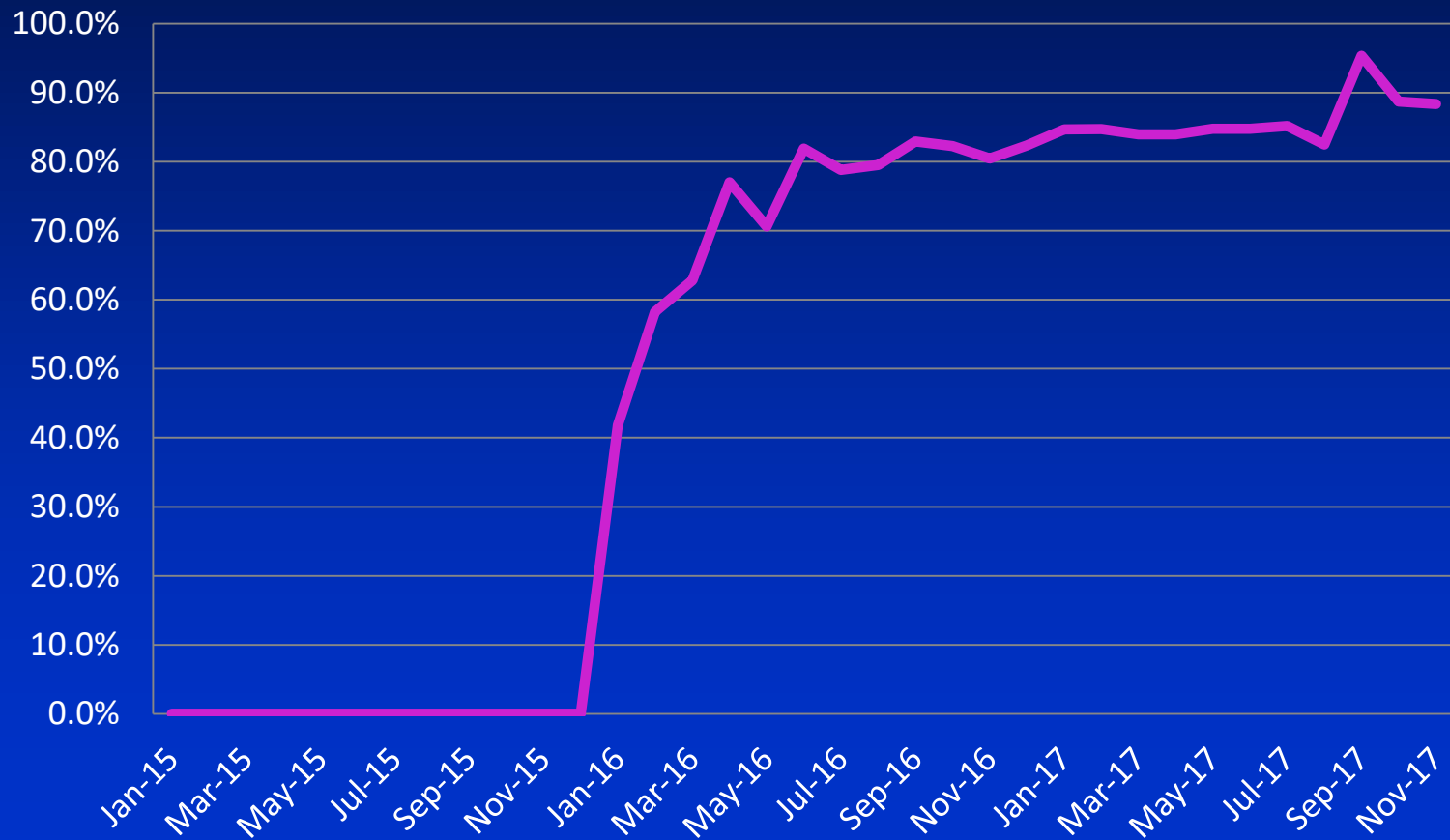
Background





Background

Rejected Loads





Background

- **Most recent MRF contract expired June 30, 2017**
 - Extension approved by BCC on June 20, 2017
- **Negotiated extension to existing contract**
 - 6-month extension effective July 1, 2017, with one additional 6-month renewal expiring June 30, 2018
- **Evaluated new contract options**

Background

- **New contract considerations**
 - Replacement of MRF needed
 - Financial limitations to build new facility
 - Recyclables market at an all-time low
 - Significant contamination in Orange County's program
 - Florida statewide contamination level 30%





Background

- **Results of new contract evaluation**
 - Delay building new MRF
 - Pursue a contract to load, transport, and process recyclables at an off-site MRF
 - Invitation for Bid (IFB) for off-site recyclables processing issued May 2017
 - No bids received
 - Second IFB issued November 2017
 - Three bids received



Background

■ Comparison of bids received

COMPANY	LANDFILL RTS	McCORMICK RTS
Waste Management (2 sites)	\$132.50/ton	\$132.52/ton
Waste Pro (1 site)	\$500/ton	\$94.66/ton
Republic (1 site)	\$160/ton	\$155/ton

■ Based on December average market value of \$36.06/ton net cost of bids:

- McCormick RTS – \$94.66 - \$36.06 = \$58.60/ton
- Landfill RTS – \$132.50 - \$36.06 = \$96.44/ton



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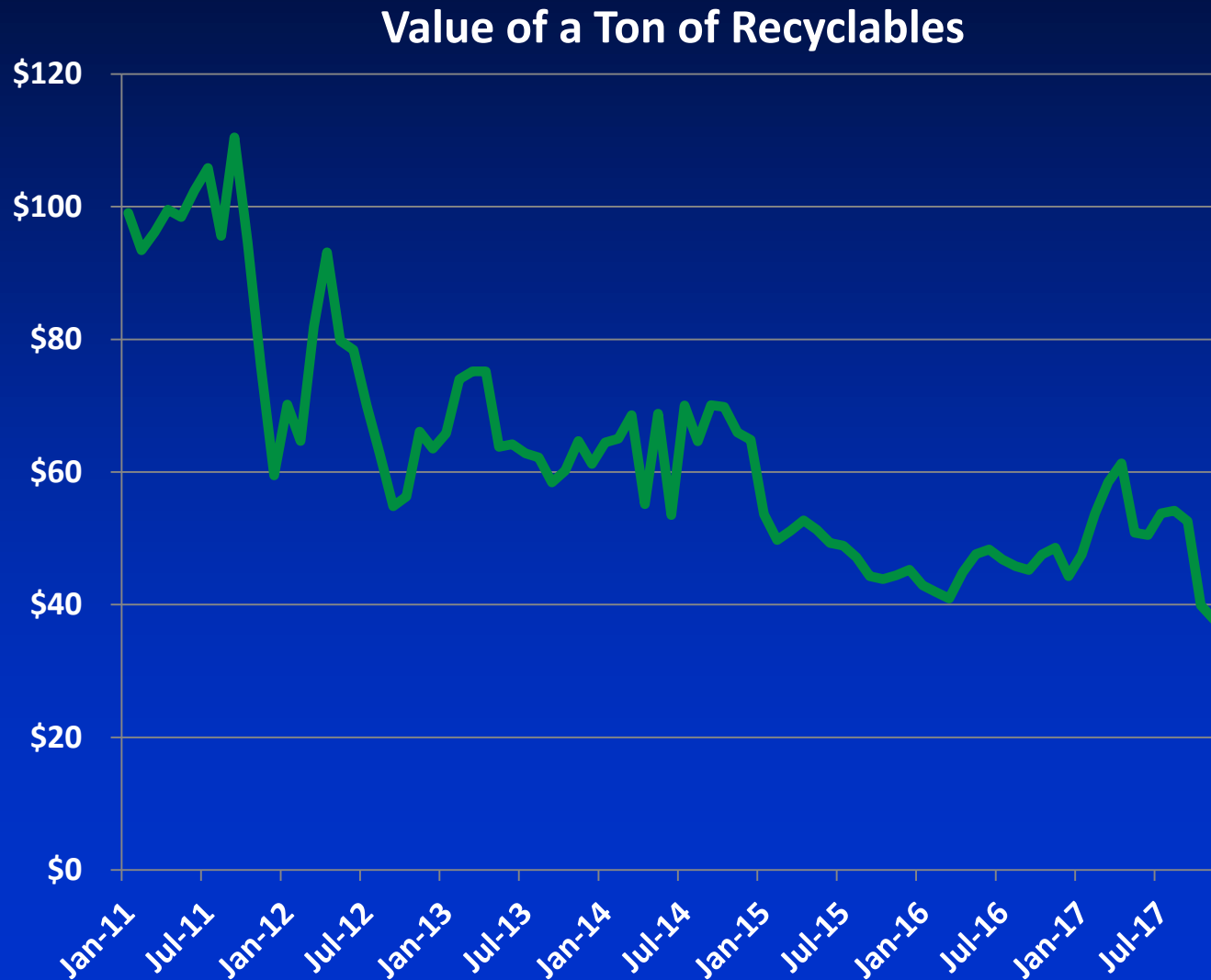


Recycling Market

- Low value of recycled commodities
- Single-stream contamination rate statewide – 30%
- Glass has a negative market value
- U.S. processed recyclables are shipped to China
 - “China National Sword 2017”
 - Outright ban on certain imports
 - Other imports have strict contamination limits (e.g., 0.3%)



Recycling Market





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Options

■ Immediate

—Option 1 – Accept lowest bids

- Would require MSBU increase in 2019 from \$220 to \$245

—Option 2 – Reject all bids

- Continue with 6-month extension expiring June 30, 2018
- Meet with bidders to determine cost drivers
- Evaluate short-term and long-term options

Options

■ Short-Term

- Negotiate interim contract for processing recyclables
- Direct recyclables to a waste-to-energy facility
- Send recyclables to landfill
- Evaluate impact on MSBU





Options

▪ Long-Term

- Develop and implement a recycling quality improvement plan
 - Implement an aggressive education program
 - Evaluate enforcement actions
 - Monitor improvement in contamination rate of inbound loads
- Evaluate a long-term regional recycling plan
 - Engage the cities in potential regional options
- Keep BCC apprised of recycling developments



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Next Steps

- **Reject bids**
- **Evaluate short-term options**
- **Update BCC on short-term and long-term recycling options in early 2018**



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