

**TOWN OF BATESBURG-LEESVILLE  
AGENDA  
COUNCIL WORK SESSION  
September 24, 2018 @ 6:00pm  
TOWN HALL COMPLEX  
120 West Church Street (Bldg. B)**

- I CALL TO ORDER**
- II INVOCATION**
- III PLEDGE OF ALLEGIANCE**
- IV APPROVAL OF AGENDA**
- V DISCUSSION TOPICS**
  - A. Advanced Disposal Recycling Costs and Options**
- VI ADJOURNMENT**



August 17, 2018

We appreciate your business over the last number of years and we look forward to many more years in our partnership. Over the last five years, and most recently this year, the recycling industry and recycling markets have changed. For example, we've seen significant reduction in market prices, and we are also experiencing unprecedented changes in the end markets for certain plastics and fiber. In addition, our end markets for glass have been narrowed down to one processor in the North and South Carolina region, resulting in a charge back to Sonoco to process the material. These changes have caused us to re-evaluate our overall business model in the Columbia market, resulting in changes to our customers that provide us with single stream material, which are detailed below.

Effective September 1, 2018 we will offer the following rate program:

\*\*\* For material delivered directly to our Hartsville location we will apply a \$50.00 per ton base charge to the program below.

Weighted Average Price	Recycled Materials Pricing
WAP Less than \$100/ton	Charge the difference between \$100 and the WAP
WAP \$100/ton - \$140/ton	No Rebate/No Charge
WAP Greater than \$140/ton	Rebate of \$10 plus 50% of the difference between the WAP and \$140

WAP: Weighted Average Price for all commodities. Composition will be updated annually, based on Sonoco Recycling Columbia's MRF's outbound percentages across all materials.

Again, we want to thank you for your continued support and we understand these changes may be difficult in some cases, but we feel we have an alternative solution that will be accommodating for all parties involved. Please let me know if you would like more detail or if you have any questions regarding the Single Stream WAP (Weighted Average Price). I would be happy to schedule an appointment to answer your questions.

Sincerely,

Carol James-Gilchrist  
Account Representative  
Sonoco Recycling

# Recycling Challenge

# Erik Sankey, General Manager

- ▶ How we got here
  - ▶ China
  - ▶ Sonoco
  - ▶ Future of Recycling

# Our Recycling Problem

- ▶ Current Contract
  - ▶ Renewed July 1, 2018
  - ▶ Rates increased to \$12.10 for weekly trash and bi-weekly recycling
  - ▶ Recycle Processing increased to \$25/ton anticipating increases
- ▶ Recycling Notification
  - ▶ Town notified late August of that Recycle Processing increased to \$53.13 per ton
  - ▶ July recycling = 13.69 tons. That calculates to \$28.13  $(53.13 - 25) \times 13.69 = 385.10$
- ▶ Annualized the Town is facing potentially \$5,000 in additional costs
- ▶ Recycling prices are not likely to decrease in the near future (2-3 years)

# Potential Solutions

## Opt. 1 Absorb Extra Cost

No change to monthly rate structure and absorb all costs with other dollars.

### ▶ Pros

- ▶ Price stability for residents and businesses
- ▶ Maintains curbside service

### ▶ Cons

- ▶ Adds \$5,000+ to expenses without offsetting revenue
- ▶ Costs could continue to go up
- ▶ Tax dollars begin subsidizing trash collection

## Opt. 2 Pass Along Extra Cost

Increase monthly trash rates to anticipate higher recycling fees.

### ▶ Pros

- ▶ Users fully pay for service
- ▶ Maintains curbside service

### ▶ Cons

- ▶ Increase \$0.25 per month to cover costs
- ▶ May need to increase again if prices continue to climb
- ▶ Another increase after just increasing in July

# Potential Solutions

## Opt. 3 Limit Recycling

Eliminate glass from recyclable materials to save money.

- ▶ Pros
  - ▶ Reduces weight
  - ▶ Continues curbside recycling efforts
- ▶ Cons
  - ▶ Policing recycle bins to cut weight
  - ▶ Rates may continue to increase negating savings
  - ▶ Town must still address increased costs issues

## Opt. 4 End Recycling

Terminate recycling as a curbside service by Advanced Disposal

- ▶ Pros
  - ▶ Reduces trash fee to **\$9.97/month**
  - ▶ Eliminates recycling cost increase issues
- ▶ Cons
  - ▶ Residents are forced to take recyclable materials to County facilities
  - ▶ Town image

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. These shapes are primarily located on the left and right sides of the frame, leaving a large white central area. The shapes are composed of triangles and polygons, some of which are semi-transparent, creating a layered effect.

QUESTIONS