



Department of Public Works | 860.584.6125

DATE: January 7, 2020

TO: Mayor Ellen Zoppo-Sassu
Board of Public Works

FROM: Raymond A. Rogozinski, P.E., Director of Public Works

RE: Recyclables Processing Cost

As indicated at a previous meeting, the cost to process City collected recycling increased dramatically from a \$9/ton credit in FY 2018-19 to a current market cost of approximately \$87/ton in FY 2019-20. The City’s disposal contract is through a regional BRFFOC bid and as typical of most current recycling processing contracts, the cost is based in part on the commodity price of the recyclable components within the recycling stream.

In accordance with the contract there is an \$80/ton base fee that is adjusted based on the market price of individual components indicated below:

Commodity	Recyclable Stream % (per contract)	June-Nov Ave Unit Cost (\$/tons)	June – Nov Ave Cost Adjustment (\$/tons)
OCC (cardboard)	13.40	29.0	3.88
Mixed Paper	50.00	-5.0	-2.50
Glass	18.00	-70.0	-12.60
Steel Cans	2.00	122.4	2.16
Aluminum	0.25	1017.0	2.54
Natural HDPE	0.60	640.0	3.84
Colored HDPE	0.75	228.0	1.71
PET	2.00	220.0	4.14
Residue (Rubbish)	12.00	-85.0	-10.20

Average Monthly Adjustment (June – November) is -\$7.03, therefore Bristol’s Recyclable Processing fee is \$87.05/ton

The cost to dispose of glass and residual (rubbish) is fixed. The commodity with the highest value is aluminum at \$1,000/ton, however due to the small volume by weight it does not generate the highest revenue. The highest revenue generating commodity is from PET (polyethylene terephthalate), plastic packaging – bottles at \$280/ton or natural HDPE at \$400/ton.

The commodities that represent the largest components of the City recyclable stream are mixed paper (50%) and glass (18%). Both commodities decrease the value of the recyclable stream (mixed paper -\$2.50/ton) and Glass -\$12.60/ton). State law designates the items that the City is required to recycle. BRFFOC has

advocated revisions to state law that would remove glass from the recycling stream. There is no indication at this time that a revision to the state eliminating glass as a recyclable will be approved. If it was approved it would reduce City processing cost by approximately \$80,000. One of the major issues with glass in the recycling stream is that it breaks during single stream collection and contaminates the recycling stream, in particular mixed paper.

The value of the recycling components do fluctuate. The price of natural HDPE (type of plastic) increased from \$400/ton in July to \$1,080 in November. The increase in value reduced City processing cost by approximately \$4.00/ton (estimated annual saving of \$21,000).

The City's total recycling cost is a function of both the total weight of recycled material processed and the unit cost (currently \$87/ton). A comparison of recyclables process weights reveals that although the processing tonnage has varied from month to month, a year to year comparison indicates no change in recyclable collection tonnage. The total amount of collected recyclables from June to November FY2018-19 and FY2019-20 was 1,816.85 ton and 1,815.93 respectively. The City's recycling rate has stayed the same, approximately 180 pounds per year per resident.

The current budget is based on \$70/ton recycling processing rate. The current cost of \$87/ton creates a budget deficit of approximately \$86,600. The DPW will continue to monitor this budget items but anticipates that's the deficit can be addressed through internal transfer within the department.

Please feel free to contact me with any questions / concerns at 860-584-6113.