



City of Milwaukee Third Drop Off Center Exploratory Report

Department of Public Works - Sanitation

Background

The City of Milwaukee currently operates two Drop Off Centers (DOCs). The North Drop Off Center is located at 6660 N Industrial Road and the South Drop Off Center is located at 3879 Lincoln Avenue. The Drop Off Centers allow residents to recycle, compost, or safely dispose of over 20 material categories. 30 percent of the material managed through Drop Off Centers was diverted from landfills in 2020. The MMSD hazardous materials program continues to be available for Milwaukee County residents only at the South Drop Off Center.

Recycled <ul style="list-style-type: none"> • Antifreeze • Car batteries • Motor oil and filters • Tires (5 passenger tires per trip) • Appliances • Scrap Metal • Asphalt Shingles • Concrete • Electronics (3 TVs per trip) • Cooking oil • Shoes • Curbside recyclables • Large corrugated cardboard 	Composted <ul style="list-style-type: none"> • Brush and branches • Grass clippings • Garden debris • Leaves • Logs
	Landfilled <ul style="list-style-type: none"> • Construction and remodeling debris* • Old furniture and mattresses • Garbage <p><small>*This material stream is routinely sent to a private construction & demolition debris processing facility for recovery of a large portion and landfill disposal of rest.</small></p>

Annual visits to the Drop Off Centers increased by 12% in 2020 to 278,172 visits, translating to almost 1000 visitors per day between each of the two locations.

The Department of Public Works has identified a potential site for a third, centrally-located Drop Off Center, located at 3940 N. 35th Street. The parcel is currently owned by RACM and lies within the Century City business park. Three development options for a Third Drop Off Center are included below. All options outlined include environmental remediation for the entire Century City site, preparing the parcel for future City development.

Drop Off Center Development Options

	Option 1	Option 2	Option 3
Building & Site	\$ 21,208,013.00	\$ 18,990,155.00	\$ 10,847,839.00
Operations	\$ 1,420,772.00	\$ 1,420,772.00	\$ 1,756,707.00*
	\$ 22,628,785.00	\$ 20,410,927.00	\$ 12,604,546.00



Option 1: Drop Off Center, Transfer Station, and Plow and Salt Storage - Option 1 includes the construction of a Drop Off Center, transfer station, and plow and salt storage. Efficiencies gained by including salt and plow storage on this site are outlined in the “Benefits to the City” section below. Costs to treat the site, construct the facilities, and operate for the first 12 months would cost approximately \$22,628,785.

Option 2: Drop Off Center and Transfer Station - Option 2 includes a Drop Off Center and transfer station and looks most similar to the current operations at the North and South Drop Off Centers. Costs to treat the site, construct the facilities, and operate for the first 12 months would cost approximately \$20,410,927.

Option 3: Drop Off Center only - Option 3 is a Drop Off Center only, without an associated transfer station. Costs to treat the site, construct the facilities, and operate for the first 12 months would cost approximately \$12,604,546.00.

*While building and site costs are lower in Option 3, the costs of operating a Drop Off Center without an associated transfer station increases annual operational costs. Additional equipment and wage costs will be incurred for the transportation of material to off-site transfer stations. The payback period on construction of the transfer station is 19 years, at which time the transfer station would lead to cost savings for the remainder of the facilities’ lifetime.

Benefits to the City

The creation of a third, centralized Drop Off Center in Century City has several benefits. Treating the entire site at 3940 N. 35th Street, currently owned by RACM, prepares the area for future City development. Inclusion of salt and plow storage (included in option 1) will allow for more expedient emergency response to snow events. Additional salt storage will allow DPW more flexibility in how it structures its bid specifications and resulting commodity contracts for rock salt. This may allow for additional competitive bids with better pricing representing an opportunity to save significant dollars on salt, our most critical winter operating supply.

A solid waste transfer station (included in options 1 and 2) adds efficiency for DPW solid waste hauling, reducing travel time to tip location and affording more capacity between the network of transfer stations. The capacity of the City’s transfer station assets will increase in value over time as regional landfills reach capacity and inevitably newer landfill capacity is developed further from the metro region. This will position the City for increased revenues from third party demand and use of our transfer stations. The DOC fee structure currently provides additional revenue with which to offset operational costs.

Providing increased access to Drop Off Centers allows for greater recovery and diversion of materials from landfill, lowering landfill fees and allowing some revenue from recyclable materials. Around 1/3 of materials managed through the DOCs are diverted from landfill each year. By providing increased access to Drop Off Centers, the potential reduction in illegal dumping would reduce DPW and DNS costs. Reduction in illegal dumping allows for City staff and equipment to better serve in proactive City services.



Benefits to Residents

The two existing Drop Off Centers located on N Industrial Rd and W Lincoln Ave provide a valuable service to the community. While their north and south locations effectively provide some level of convenience for all of Milwaukee, the furthest travel to either of these sites is from Milwaukee's central city, near north, and east sides. The creation of a third Drop Off Center in the inner-city is anticipated to have immediate impacts on the community. The central Drop Off Center would ensure that residents and property owners within the inner-City have equitable access to the same material disposal and diversion opportunities currently in place at the North and South Drop Off Centers, including composting of yard waste, collection of tires, and recycling of materials such as scrap metal, concrete, electronics, and appliances. This centrally-located DOC will reduce travel times for residents who may find travel time to current Drop Off Centers prohibitive.

In 2020, the current DOCs saw close to 1000 visitors per day between each of the two locations. A third DOC would likely help reduce traffic and wait times at existing DOCs and allow for safer operations at all sites. A Central DOC would not only offer increased access for residents, but opportunity for positive economic impact to small businesses and contractors by providing accessible disposal, recycling, and composting options at competitive pricing compared to regional landfills, supporting local economic development. The DOC will create additional employment opportunities in its construction and on-going operation. The central Drop Off Center will bring a small number of City employment opportunities to the Century City Business Park once operational with opportunity for future City development.

The central Drop Off Center would be located within an area of the City that sees higher incidents of illegal dumping. Providing access to convenient, affordable disposal services may reduce occurrences of illegal dumping and the disproportionate effects felt by residents within the inner-City. This will lead to less reliance on landfill disposal and cleaner communities.

Conclusion

A centrally-located, third drop off site would bring many benefits to the City such as more efficient operations, proactive use of employee time and equipment, more competitive pricing in bids, and the positioning for greater benefits within the solid waste industry in the future. In addition, City residents and property owners, particularly those residing in the inner-City, would see immediate benefits to their community including greater access to convenient, affordable disposal; recycling; and composting services; safer operations at all Drop Off Centers, increased job opportunity and business development, and cleaner communities for all. The investment in a drop off center with a transfer station would provide the best long-term value to the City.