



# City of Milwaukee

200 E. Wells Street  
Milwaukee, Wisconsin  
53202

## Meeting Minutes RECYCLING TASK FORCE

**PRESTON COLE, CHAIR**

*Ald. Joe Dudzik, Michael J. Daun, Lisa Schaal, and Erick Shambarger*

*Staff Assistant, Terry MacDonald*

*Phone: (414)-286-2233; Fax: (414) 286-3456, E-mail: tmacdo@milwaukee.gov*

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Monday, October 26, 2009

1:30 PM

Room 301-A, City Hall

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Meeting convened: 1:34 P.M.

### 1. Roll call

**Present** 4 - Cole, Daun, Dudzik and Schaal

**Excused** 1 - Shambarger

*Also present: James Carroll, Legislative Reference Bureau, Jim Michalski, Comptroller's Auditing Division, Wanda Booker, Dept. of Public Works and Rick Meyers, Dept. of Public Works*

### 2. Approval of the minutes of the September 14, 2009 meeting

*Ald. Dudzik moved approval of the minutes, Ms. Schaal seconded. There were no objections.*

Roll call taken at 2:08 P.M.

**Present** 4 - Cole, Dudzik, Shambarger and Schaal

**Excused** 1 - Daun

### 3. Discussion and crafting of the recommendations of the Task Force

*Mr. Cole said today's discussion will revolve around the fine-tuning of the recommendations that the consultant Earth Tech/AECOM is recommending as a result of its study. He said he will then convene one more task force meeting, within the next two weeks, to review and vote on the final recommendations.*

*Mr. Donald F. Pirrung, PE and Mr. Paul Matz with Earth Tech/AECOM and Mr. Meyers, City's Recycling Specialist appeared to give an update on the study titled "Recycling Facility Alternatives Study."*

*Mr. Meyers said the report is not final yet. He said the consultants and City staff have been working together to revisit some of the assumptions to make the numbers more realistic.*

*Mr. Pirrung gave an update on the Recycling Facility Alternatives Study, by PowerPoint presentation (Exhibit 1).*

*Ald. Dudzik said that he thought the ordinance directed this task force to consider a bi-weekly pick-up.*

*Mr. Meyers replied that bi-weekly pick-up was considered in the study.*

*Ms. Schaal asked what are the reasons that make Alternative D the lowest risk?*

*Mr. Pirrung replied that Alternate D requires the least amount of capital investment, it can be implemented relatively easily by using the existing facility, parking lot and scale; and the City would only be required to obtain a compactor and it would be ready to go.*

*Mr. Daun asked if the alternatives that dealt with purchasing a new facility include the cost of the land?*

*Mr. Pirrung replied that the land improvement costs were included, but not the cost of the land itself. He said in the alternatives that dealt with purchasing a new facility the City and Wauwatosa already own the land on which the facility would be located.*

*Mr. Daun asked if there is any certainty on what the level of cost the City will be facing when it's time to enter into it new recycling agreements?*

*Mr. Cole replied that he feels that there will not be any more long-term recycling agreements in the future. He said future agreements will probably be no more than 3-5 years in length.*

*Ald. Dudzik asked when looking at the cost effectiveness in using a transfer station does the cost include the fuel?*

*Mr. Pirrung replied in the affirmative.*

*Ald. Dudzik referred to Alternative C where it refers to "Potential solution in future to have the recyclables compacting done during a second shift at a transfer station" and asked if this is saying this will be done at only one of the transfer station?*

*Mr. Pirrung replied that there would be two transfer stations, there is one on the southside already and the other the location needs to be determined and there would*

*be a second shift at both locations.*

*Mr. Michalski said the cost noted in the study for switching from a monthly pickup to every three weeks is inaccurate.*

*Mr. Meyers replied that the study used 34 routes when figuring the cost for a three week pickup. He said due to budget cuts, etc., those numbers will need to be revisited. He asked Mr. Cole if the study should use 31 routes for the basis to figure the cost?*

*Mr. Cole replied in the affirmative.*

*Ald. Kovac appeared to question the task force on its finding relating to a three week recycling pick-up cycle, because he would like to offer a couple of amendments to the Mayor's 2010 proposed budget.*

*Mr. Cole advised Ald. Kovac to work with budget office staff and Dept. of Public Works recycling staff to come up with a more accurate cost for the number of routes that would be needed for a three week pick-up cycle.*

*Ald. Dudzik asked if the tipping fee is applied to recyclables or just garbage?*

*Mr. Cole replied that the tipping fee is applied to just garbage, but it is considered a part of the savings for recyclables.*

*Mr. Carroll said that he has been working with the Budget Office in creating the amendment for the three week recycling pick-up cycle for Ald. Kovac and there are also additional costs for HMO and pension benefits for each additional full-time employee (FTE) needed for the additional routes.*

*Mr. Pirrung continued his presentation by explaining the collection alternatives.*

*Mr. Meyers said that newer recycling collection equipment can be used for certain routes and would allow for more frequent collection with fewer resources in the future.*

*Mr. Pirrung said that alternative D, using one transfer station at the existing facility, would be the most cost effective.*

*Mr. Pirrung said some of the other recycling issues the study considered were: Public education, recycling collection frequency and Pay-As-You-Throw program.*

*Lastly, Mr. Pirrung gave a summary of his study's findings.*

*Mr. Shambarger asked Mr. Pirrung if he can provide a spreadsheet with all the scenarios so that the City can review and use when negotiating contracts.*

*Mr. Pirrung replied in the affirmative. He said that the tables with all the scenarios will be included in the final copy of the study.*

*Ald. Dudzik asked if this task force is charged with the developing recycling enforcement policy?*

*Mr. Cole replied in the negative. He said the legislation directs the Dept. of Public Works to develop and implement a recycling enforcement policy.*

**4. Next meeting date, time and agenda**

*Mr. Cole recommended that the next Recycling Task Force meeting take place on November 16, 2009 at 1:30 P.M. There were no objections.*

*Mr. Cole said that at the next meeting the task force will discussion and approve the final recommendations.*

**Meeting adjourned: 2:50 P.M.**

**Terry J. MacDonald**  
**Staff Assistant**



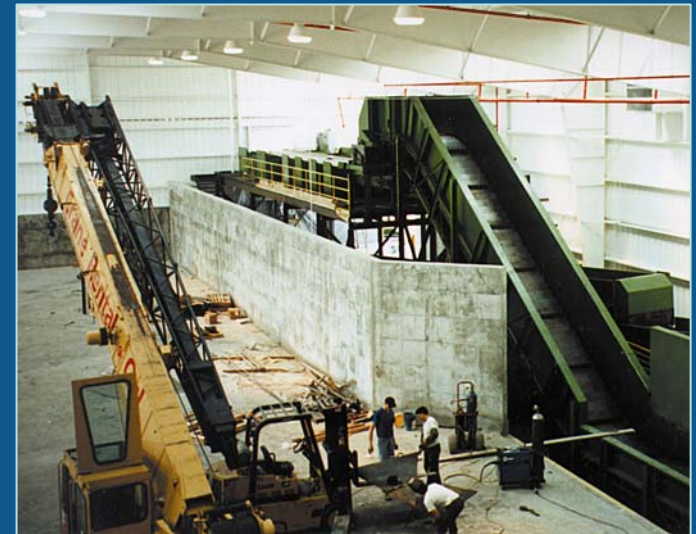
Recycling Facility Alternatives Study  
City of Milwaukee  
October 26, 2009

Prepared by:  
**Don Pirrung, PE**  
**Paul Matz**  
**AECOM**

**EXHIBIT 1**

# Project Background

- City owns recycling facilities
- Under contract with Recycle America (Waste Management)
- City shares in recycling revenue, 50:50 split
- Contract period
  - ❖ July 2004 through June 30, 2009
  - ❖ City has sole option to extend contract for up to five one-year periods



# Existing and Proposed Regional Recycling Facilities

- City's facility: South 13<sup>th</sup> Street and Mount Vernon
- Waste Management (Recycle America)
  - ❖ New facility in Germantown
- Proposed facility in Wauwatosa
  - ❖ Would serve Waukesha County, City of Wauwatosa, and City of Milwaukee



# Executive Summary

## Processing Alternatives

- A. Dual stream at existing City facility
- B. Single stream at existing City facility (City only)
- C. Two transfer stations to third party
- D. One transfer station at existing facility
- E. Regional MRF at Wauwatosa
- F. Regional MRF at existing City facility





# Collection Alternatives

- Monthly – current practice
- 3 weeks (1 person/truck)
- 3 weeks (2 persons/truck)
- 2 weeks (1 person/truck)
- 2 weeks (2 person/truck)



## Evaluation Based on:

- Total present worth over 15 years
- State of practice
  - ❖ Dual stream
  - ❖ Single stream



# Findings

## – Processing

- ❖ First: Alternative D – one transfer station at existing facility
- ❖ Second: Alternative C – two transfer stations to third party

## – Collection

- ❖ First: - 3 week – 1 person/truck
- ❖ Potential in future for 2 week – 1 person/truck as City fine tunes the program



# Recommendations

1. Implement single stream processing
2. Implement Alternative D – one transfer station at existing facility
3. Potential to implement Alternative C – two transfer stations to third party in future if recycling compaction is done during second shift, thereby avoiding capital costs
4. Consider “pay as you throw” to improve recycling and reduce solid waste
5. Implement collection 3 week 1 person/truck, fine tune thereafter



# Alternative A – Dual Stream at Existing City Facility

- Continue same processing
- Replaces old equipment
- Serve only the City
- Industry trend is single stream because collection is more cost-effective, increased recyclables, more user friendly
- Not most cost-effective



# Alternative B – Single Stream at Existing City Facility (City only)

- Single stream processing
- Industry trend is toward single stream
- Not most cost-effective



## Alternative C – Two Transfer Stations to Third Party

- Lincoln Avenue site
- New northwest site
- Two new transfer stations – higher capital cost than Alternative D
- Need room to park recycling trucks
- Potential solution in future if recyclables compacted during second shift to reduce capital cost and use solid waste transfer station
- Second lowest cost alternative



# Alternative D – One Transfer Station at Existing Facility

- Lowest cost alternative
- Converts City MRF into transfer station
- Smallest City investment, lowest risk
- Single stream processing at third party





## Alternative E – Regional MRF at Wauwatosa

- Regional MRF for Waukesha County, City of Wauwatosa and City of Milwaukee
- Highest cost alternative
- Recent MRF construction projects indicate higher costs than Waukesha County study
- More costs, more risks
- More challenges to implement with more government bodies involved



# Alternative F – Regional MRF at Existing City Facility

- Regional MRF for Waukesha County, City of Wauwatosa, and City of Milwaukee
- Third most cost-effective alternative
- More costs, more risks than transfer station alternatives
- More challenges to implement with more government bodies involved



# Collection Alternatives



- Monthly – 1 person/truck
  - ❖ Continues existing program
  - ❖ City survey and literature indicates more frequent collection is desirable
- 3 weeks – 1 person/truck
  - ❖ Most cost effective and efficient if cart is at curb or alley on a set pick up schedule
  - ❖ No more up the driveway service
  - ❖ 10% increase in recyclables expected over monthly
  - ❖ Requires public information
  - ❖ View as next step in continuing improvement process

# Collection Alternatives

- 3 weeks – 2 persons/truck
  - ❖ Not cost-effective
  - ❖ Increased labor cost is not offset by increased recyclables volume
  - ❖ 10% increase in recyclables over monthly
- 2 weeks – 1 person/truck
  - ❖ Not cost-effective yet, but may be in future as City fine tunes program
  - ❖ Best approach, user friendly
  - ❖ Increases recyclables by 20 percent over monthly
- 2 weeks – 2 persons/truck
  - ❖ Increased labor cost is not offset by increased recyclables volume



# Total Present Worth Analysis Summary

- Capital cost: processing, structures
- Operation & maintenance cost: processing
- Recycling revenue
- Transportation cost: trucks and labor
- Avoided cost (revenue) for recyclables formerly sent to landfill



# Alternatives and Total Present Worth

A. Dual stream at existing City facility	\$-5,559,000
B. Single stream at existing City facility (City only)	\$-9,536,000
C. Two transfer stations to third party	\$-2,428,000
D. One transfer station at existing facility	\$1,225,000
E. Regional MRF at Wauwatosa	\$-10,985,000
F. Regional MRF at existing City facility	\$-6,242,000
❖ Based on low volume, low recycling price	
❖ Negative is a cost, a plus is a revenue	
❖ Alternative D is always profitable (4 cases)	

# Cost Analysis

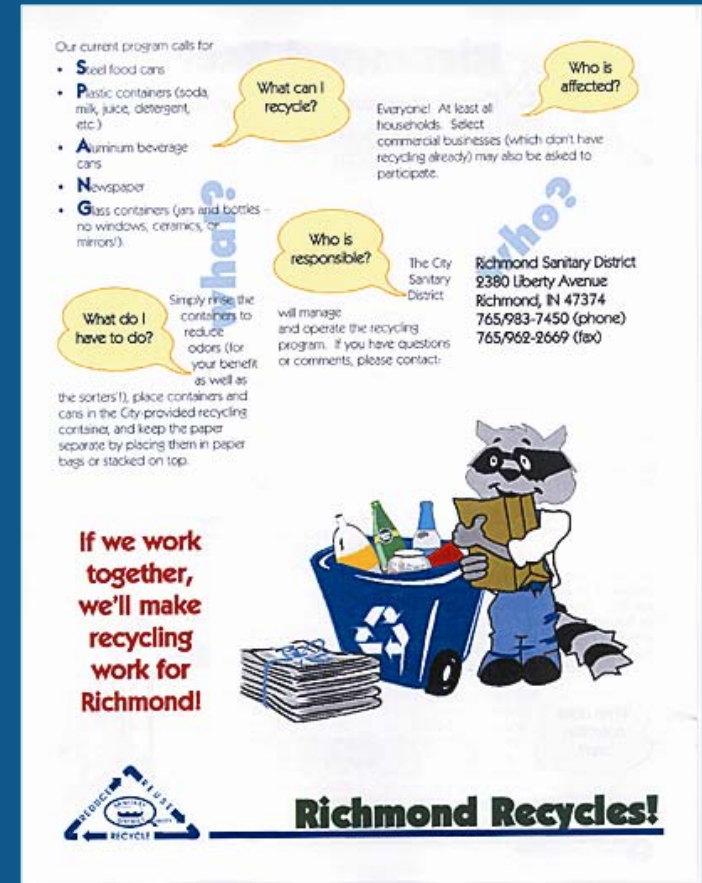
- Bracketed recycling material price and recycling volume
- 4 scenarios
- Low volume, low recycling material price
- Low volume, high recycling material price
- High volume, low recycling material price
- High volume, high recycling material price

Results: most cost-effective alternative was consistent throughout



# Other Recycling Considerations

- Public education
- Recycling collection frequency
- Pay as you throw program
  - ❖ 16 to 17% diversion from trash among recycling, yard waste and source reduction



Richmond, IN sample public informational flyer



# Summary

- Recycling program is a continuing improvement process
- Collection will evolve from monthly to 3 weeks to possibly 2 weeks in future
- Processing becomes more efficient over time
- Recycling markets are global and improved markets are expected
- Contract negotiations are key to success
- Single transfer station is cost effective. Potential for two transfer stations, with innovative operations

