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PROPOSED COUNTY SOLID WASTE MANAGEMENT FRANCHISE AGREEMENT WOULD PROVIDE ADDITIONAL RECYCLING SERVICES

The Catawba County Board of Commissioners will soon consider granting a new exclusive solid waste management franchise to Republic Services of NC, LLC, (formerly known as GDS) for solid waste management and disposal services in Catawba County.

The proposed new franchise agreement would substantially increase the number of items collected for recycling across Catawba County, with further expansion of items collected as needed over time; begin "single stream" collection of recyclable commodities so recycled materials would no longer be required to be separated at curbside; enhance the collection of yard waste; increase Republic Services' investment in Catawba County by \$13 million; and protect more than 150 local jobs.

In 2003, the Board of Commissioners granted an exclusive solid waste management franchise to Republic Services for a 10 year period beginning July 1, 2004, which will expire on June 30, 2014. The proposed new franchise would take effect on July 1, 2013, and end on June 30, 2024, with an opportunity for a four year extension by mutual agreement of both the County and Republic Services.

Benefits to Catawba County citizens from the proposed franchise agreement would include:

- Republic Services would convert to a single stream recyclable commodities collection for residences by January 1, 2014, which is one year earlier than expected under the current franchise. Use of a single stream will mean citizens will no longer be expected to separate different kinds of recyclable materials.
- The single stream collection will expand the types of materials that can be recycled at the curbside and include a large roll-out cart for recyclables for every household customer. Republic Service would add the collection of aluminum foil, paper, mixed paper, computer paper, office ledger, copier paper, memos, envelopes (with or without windows), adding machine tape, NCR paper (carbonless), colored paper, empty plastic bottles and containers (numbers 1-7), cardboard, pizza boxes, waxed cardboard, all types of glass, shrink wrap, grocery bags, upholstery cloth and other non-hazardous recyclable containers.

Curbside collection is currently limited to aluminum and steel cans, glass bottles and jars, newspapers with inserts, magazines and phone books, and plastic bottles with a neck smaller than the base of the bottle.

- Seventy percent of existing Republic Services customers, who currently rent roll-out carts, would see a \$1 per month reduction in their bill. The remaining 30%, who do not currently rent any cart, would pay an additional \$1.50 per month for the standard carts. Standard 96 gallon carts will become mandatory for both recycling and regular household waste because special trucks will be needed to provide single stream and automated collection. Sixty-five gallon carts, which are more easily handled by the elderly and disabled, will be available.
- Republic Services would provide a yard waste collection service to include small woody waste (wood and other yard waste such as leaves, vines, etc.) on an on-call basis for a fee of \$2 per 32-gallon bag collected. A minimum of \$20, or ten bags, would be required per service call. The current fee is \$1.50 per bag, but small woody wastes are currently excluded.

- In order to move to single stream recycling, Republic Services would upgrade its existing Material Recycling Facility (MRF) located in Conover, resulting in an increased local investment by Republic of \$12 million. The existing MRF will be converted to a single stream recycling facility over a one year period, becoming fully operational by July 1, 2014.
- Republic Services would agree to provide organic waste collection services in the future if desired or required by law, which may include but would not be limited to restaurant, fast-food, and cafeteria food waste, grocery store produce waste, and agricultural waste. This future collection service is included in the agreement because such services will be needed to manage probable future Federal and State Government landfill bans of organics from the waste stream. If required, Republic Services will provide service for all non-municipal residential, commercial, businesses, public schools, community college, hospitals, etc. in the County.
- Republic Services now provides only operators and container service at the County's five convenience centers. Under the new agreement, Republic Services would provide full management of the five Convenience Centers, including waste and recyclable collection, and County landfill disposal fees, site maintenance and upkeep, and Center operations and management.
- Christmas tree recycling service would be provided for four weeks following December 25th.
- Republic Services would provide containers and collection services for up to six County-selected events at no charge. (Currently, there are three County-selected events at which this service is provided: the Murray's Mill Harvest Folk Festival; the Catawba Valley Storytelling Festival at Historic Murray's Mill; and the Lake Norman Folk Art Festival. The County retains the right to stop, replace, or add events within the agreed upon limits).
- Republic Services would provide reasonable collection of solid waste debris caused by Federal Emergency Management Agency (FEMA)-declared emergencies, if requested by the County.
- The proposed new franchise agreement would retain Republic Services' current investment of approximately \$160 million, which equates to local taxes paid of \$85,370 in real, personal property, and vehicle taxes, and protect 157 local jobs.

If the proposed franchise agreement is approved, Republic Services would pay an annual franchise fee of \$50,000 each year for years 1 through 5 of the agreement, \$75,000 each year for the next six years and \$100,000 each year for the next four years, if the proposed option is extended. The current franchise fee is \$25,000 per year.

The Board of Commissioners will consider the proposed agreement at its January 22, 2013, meeting, at 7 p.m. and its February 4, 2013 meeting, beginning at 9:30 a.m. Both meetings will be held at the 1924 Courthouse at 30 North College Avenue in Newton. North Carolina law requires that this ordinance be adopted at two separate meetings.