

GBB Waste Outlook

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Litter Editorial— Food for Thought

GBB's President Harvey Gershman tackles the issue of litter in a thought provoking Guest Editorial published in the December 2005 issue of MSW Management. Why, as solid waste management professionals, would we be overly concerned with litter issues? How much litter is discarded on our nation's roads? How do bottle bill results compare with their stated goals?

The complete editorial is available on MSW Management's Website at:

www.gbbinc.com/msw

One Contract Better Than Twelve Saves Michigan Communities Over 16%

The Southeastern Oakland County Resource Recovery Authority (SOCRRA) consists of 12 member municipalities in southern Michigan with a total population of approximately 283,000 and covering an area of 75 square miles. In 2005, GBB was hired to assist in efforts to obtain more competitive costs for collection, transfer station operation and disposal services.

Backed by a commitment to enter into a new 20-year membership agreement by its 12 communities if certain financial objectives were met, an aggressive and very extensive RFP was prepared and issued in June 2005 for overall long-term service needs without regard to municipal boundaries, individual community load and weight needs, or current day-of-week service provisions.

In December 2005, after a thorough evaluation of all proposals received, recommendations were made to the Board with impressive end results: (1) long-term agreements yielding expected overall savings exceeding 16% as a whole



(at least a 10% savings for each community) when the proposed 2007/08 total cost of service is compared to 2006/07, (2) assured landfill disposal capacity, and (3) the ability to expand recycling efforts.

"Even more amazing is the fact that we exceeded our Board's dictate (for a 10% cut) by about \$1,040,000."

Following the Board's approval of the recommendations, SOCRRA entered into 10-year contract agreements, with two five-year extensions, with Tringali Sanitation, Rizzo Services, and Car Trucking to provide refuse, recyclables and yard waste collection services, and with Onyx Waste Services to provide waste transportation and disposal services.

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City of Santa Monica Achieves High Diversion, Now Wants Service Improvements and Rate Equity

GBB has completed Phase I of a two-phase project for the City of Santa Monica, CA. Phase I evaluated current solid waste service delivery methods, finances and rates, and identified and evaluated alternative methods of structuring services and rates. Santa Monica's solid waste services received mostly positive reviews in the City's biennial resident satisfaction survey, but the fund balance of the Solid Waste Department is declining. The City Council approved rate increases for 2005-06 with the



understanding that prior to their consideration of a multi-year schedule of increases, an operation and financial review would be conducted.

"This assignment from the City reflects their desire to provide excellent, efficient service and rate equity to a demanding customer base, a commitment to continuing to achieve ambitious diversion goals using best environmental practices, and the need to renovate and restructure the City for the 21st century,"

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Speaker's Corner

"Do You Know How Much Your Residential Curbside Recyclables Are Worth?"

By Harvey Gershman
(GBB President)



Since the early 1990s, Harvey Gershman has had the privilege of being a lead instructor for the SWANA training course "Paying for your Integrated Solid Waste System". One of the key topics discussed during the course is the value of the products in MSW. Recyclables' value, as with commodities like pork bellies or sugar, tend to fluctuate with market supply and demand, as well as with the rise and fall of energy prices. In an article published in the November 2005 issue of SWANA's TECHnews e-newsletter, Mr. Gershman discusses the issue and provides interesting data.

The article is available at:

www.gbbinc.com/swana

Concrete is the Most Recycled Material in North America, by Weight

The Construction Materials Recycling Association (CMRA) recently released the results of a survey that was sent to all CMRA recycling members and 950 other C&D recyclers. GBB compiled the data and combined it with its own information on the C&D industry. The survey was the first scientific attempt to determine how much concrete is recycled since 1997.

The study shows that concrete/asphalt recyclers recovered as much as 140 million tons of concrete and at least 15 million tons of asphalt in 2005, making concrete

the most recycled material in North America by weight. In addition, it was estimated that the approximately 250 mixed construction and demolition recycling plants in the United States annually recycle 28 million tons of materials. The survey also found recycling rates for the two types of plants are equally impressive. Concrete/asphalt recycling plants recycle

Impressive Recycling Rates:

**Concrete/Asphalt
Recycling Plants = 99%**

C&D Recycling Plants = 71%

99 percent of what they take in, and for the recycling plants handling highly mixed C&D, they are recovering 71 percent of their C&D feedstock.

Harvey Gershman, GBB President, Appointed to Serve on National Recycling Coalition's Policy Committee

To position the National Recycling Coalition (NRC) as a leader on issues vital to recycling's future, the NRC board of directors has established a committee to coordinate its policy development process. NRC board president Ben Walker has appointed four individuals to serve on the policy committee in 2006: Harvey Gershman (GBB President), NRC board members Stephen Bantillo (City of San Jose, CA and Policy Committee Chair),



George Dreckmann (City of Madison, WI), and long-time NRC member Catherine Wilt (University of Tennessee).

The committee has identified three priority issues for the Coalition (product stewardship, organics diversion, and recycling program design) and looks forward to crafting sound policy positions that further the NRC's mission to maximize recycling.

Portland C&D Recycling Facility Success Story Featured in BioCycle

The March 2006 edition of BioCycle features an article by Bob Brickner, GBB Senior Vice President, which highlights the independent operations review of the Riverside Recycling Facility in Portland, ME, and the procurement for a private sector operator. The long-term agreement that resulted from



this procurement process is expected to generate a savings of approximately \$1 million a year for the City based on a lower cost to run the facility and new annual revenues generated by the aggressive marketing of the materials collected.

The complete article is available at www.gbbinc.com/biocyale

One Contract Better Than Twelve Saves Michigan Communities Over 16%

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In addition to favorable financial considerations, the solution provides several advantages for SOCRRA and the member communities, including:

- Maintaining one of the two current Transfer Stations (Troy) for future use with the ability for SOCRRA to continue to grow its cash customer business;
- Reducing SOCRRA's operating costs by minimizing the amount of waste transferred through the second Transfer Station (Madison Heights) while maintaining this facility as an emergency back-up transfer station. This also makes the facility available for alternative uses such as a comprehensive recyclables drop-off center, recyclables reuse center, construction & demolition transfer facility, or other possible options;
- Entering contractual relationships with vendors who are eager to perform work for SOCRRA, thereby enhancing the ability to expand recycling efforts in a multitude of areas, including expansion of curbside scrap metal collection and service to schools, churches, businesses, special events, etc.;
- Obtaining extremely competitive unit rates for servicing commercial establishments that could promote organized collection in key areas;
- Securing the recommended collection contractors' agreement to explore reducing most communities' collection days so that refuse is not out on the curb as many days each week in a given community; and
- Locking in not only SOCRRA pricing for 20 years, but also assuring that SOCRRA has disposal capacity for this timeframe.

GBB's Foresight:

In March 2004, over a year before the initiation of this project, Bob Brickner (GBB Senior Vice President) sent a letter to SOCRRA entitled "Comments on



Potential for Future Cost Savings." In the letter, Mr. Brickner highlighted that an issue that should be attractive to SOCRRA members was "monetary savings associated with volume purchasing and the ability to dictate terms and conditions if the communities are associated with a unified buying group."

Mr. Brickner went on with an evaluation of the potential savings of such a strategy: "GBB is of the opinion that an average 7.5% savings might be achievable (relative to MSW collection/disposal) under such a full-membership, SOCRRA-sponsored full-service collection/disposal option solicitation."

Mission accomplished: Overall savings exceeding 16% as a whole (at least a 10% savings for each community) were achieved.

Testimonial:

"This has been a grueling three month-long clarification process, and results wouldn't have been the same without your facilitating and wealth of experience from which to bounce ideas off of."

"Even more amazing is the fact that we exceeded our Board's dictate (for a 10% cut) by about \$1,040,000. Who would ever have guessed that we'd achieve a 16.2% cost reduction by this RFP process?!"

"I thank GBB and you personally, Bob, for your part in helping SOCRRA achieve these monumental savings."



Mike Czuprenski
Operations Director
SOCRRA

Recent GBB Assignments

In the past few months, GBB has been selected for several new assignments, including:

- **Solid Waste Collection System Efficiency Analysis**
Lexington-Fayette Urban County Government, KY
- **FleetRoute™ Route Optimization Services**
City of Sheridan, WY
- **C&D Processing System Procurement Assistance**
(GBB as subcontractor to Draper Aden Associates)
Fauquier County, VA
- **Commercial and Multi-Family Recycling Comparison Study**
Fairfax County, VA
- **Market Research on Waste-to-Energy Plants**
Confidential Client
- **Collection and Disposal Services Procurement**
City of Allentown, PA

We appreciate the opportunity to assist these clients with their needs.

Turning Your Challenges Into Success Stories!



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Conventions & Tradeshows:

GBB will be present at the following industry events.

We look forward to seeing you there!

- **Federation of New York Solid Waste Associations Conference**

Lake George, NY—May 7-10, 2006

Bob Brickner - Speaker

"Saving Money Through the Integration of Reuse, Recycling and Organized Demolition Techniques."

- **SWANA Solid Waste Managers: Trends and Challenges Conference**

Nashville, TN - June 5-8, 2006

Frank Bernheisel - Speaker / Exhibitor
"Solid Waste Management in Nashville: Staying Ahead of the Curve"

- **International District Energy Association Conference**

Nashville, TN - June 11-14, 2006

Harvey Gershman - Panelist

"District Energy/CHP 2006 - Today's Solution, Tomorrow's Advantage"

Harvey Gershman, David Seader - Panelists

"Private Public Partnerships: A Successful Approach for Developing District Energy Systems"

- **Maryland Recycling Coalition / Mid-Atlantic SWANA Conference**

Towson, MD - June 14-15, 2006

- **Wastecon 2006**

Charlotte, NC - Sept. 19-21, 2006

Visit the conference / tradeshow section of our Website for an updated list!

City of Santa Monica Achieves High Diversion, Now Wants Service Improvements and Rate Equity

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said Harvey Gershman, GBB President.

As part of the assignment, the GBB Project Team conducted the operations and financial review to assist the City in verifying base-line expenditure and revenue data for each element of the current service configuration, identifying potential operating efficiencies and service delivery alternatives, and gauging their potential effect on expenditures and revenues if implemented. A comparison of the City's current solid waste rate structures with those of surrounding communities and an analysis of equity across customer classes was also performed.

GBB assisted City staff in identifying potential alternative service delivery models and presented them for City Council consideration. The Council met on March 14, 2006, and reviewed the long-range policy implications of the alternative service delivery models and set new rates for next year. The Council also approved development of procurement strategies and documents for Phase II of the project.

"Making major changes is not without challenge, and it requires extensive planning, intense focus, and a tireless effort with the many stakeholders involved," said Frank Bernheisel, GBB Vice President. "As



a change agent, with a deep understanding of the waste management and recycling industry, GBB has been able to help communities navigate through obstacles and advance into successful implementation."

"Making major changes is not without challenge, and it requires extensive planning, intense focus, and a tireless effort with the many stakeholders involved."

Santa Monica, with a population of approximately 84,000, is comprised of 8.3 square miles with a balance of vibrant commercial districts and neighboring residential communities. It is bordered by the City of Los Angeles on three sides and the Pacific Ocean to the west. The City currently operates traditional solid waste collection and transfer services for a customer base of 62,000 with a fleet of 128 vehicles and a staff of 121. The City directly provides all residential and much commercial solid waste and recycling collection citywide and operates a transfer station. Processing of commingled recycling and operation of a buy-back center are provided to the City via contract.