From: Gateley, Jane
Sent: Thursday, February 11, 2010 9:11 AM
To: SW Comp Plan Comments
Subject: FW: WEB SITE COMMENT: Garbage & Recycling Services

-----Original Message-----
From: Young, Polly
Sent: Thursday, February 04, 2010 4:00 PM
To: Severn, Thea; Gateley, Jane; Litras, Tami
Cc: Varo, Chris
Subject: RE: WEB SITE COMMENT: Garbage & Recycling Services

Thea, Jane, and Tami,
Here is a Draft Comp Plan comment from Dave Amber of Commercial Waste Reduction and Recycling Company, received today, Feb 4, 2010.

-----Original Message-----
From: Varo, Chris
Sent: Thursday, February 04, 2010 3:50 PM
To: Young, Polly
Cc: SWD, WebSite
Subject: FW: WEB SITE COMMENT: Garbage & Recycling Services

Submitted incorrectly so I'm forwarding it to you.

Chris

-----Original Message-----
From: King County Solid Waste Division [mailto:website.swd@kingcounty.gov]
Sent: Thursday, February 04, 2010 3:08 PM
To: dave ambur
Cc: SWD, WebSite
Subject: WEB SITE COMMENT: Garbage & Recycling Services

Thank you for submitting the following comments via the Solid Waste Division Web site:

PERSONNAME: dave ambur
ADDRESS: renton, wa 98057
EMAIL: dave@cwrrecycling.com
COMMENTTYPE: Problem
PROGRAM: Garbage & Recycling Services
COMMENTS:

The Commercial Waste Reduction and Recycling Company (providing commingled collection service in King County since 1989) has the following comments regarding the current King County Comprehensive Solid Waste Draft Plan concerning non-residential collection of recyclables.

Encouraging the cities of King County to hide the non-residential recycling costs for small to medium sized businesses in the State sanctioned garbage monopolies rates is wrong. The reasons are as follows:

The 2010 Draft Plan throws out and disregards one of the key concerns regarding collection as noted in the 2001 Plan. The 2001 Plan took note of a disturbing trend.
"... two national companies – Waste Management, Inc. and Allied Waste Industries, Inc. – have purchased most of the smaller companies in the region. Industry consolidations in 1998 included the purchase of Rabanco by Allied Waste Industries, Inc. and the purchase of Waste Management, Inc. by U.S.A. Waste (who took on the Waste Management name). In early 1999, Waste Management purchased RST Disposal and its affiliated companies, and Rabanco purchased the WUTC-certificated area near Issaquah and Sammamish from Waste Connections, Inc. Rabanco also purchased Northwest Waste Industries, which operates mainly in Seattle. Also in 1999, Waste Connections, Inc. purchased American Disposal, the company that provides collection services on Vashon Island. These consolidations have reduced the number of collection companies operating in the County to three, which has created less opportunity locally for competition for city contracts. Also, these companies are all large national corporations, instead of the local companies that used to operate in most of the region."
The concern is the consolidation and elimination of competition regarding collection companies. Throughout the Draft Plan the consultants who wrote it refer to "private-sector collection companies" as if there are dozens of them collecting commercial commingled material from small to medium sized businesses, and they are able to compete freely for the valuable recyclables from small to medium sized businesses. This is a blatant lie used to convince people that they are getting the best deal possible. In the cities that have hidden the cost of non-residential commingled recycling collection in the monopolized garbage fees, there is no competition for collection of commingled material from the small to medium sized business. In the cities that have not hidden the recycling costs in the garbage fees, there is competition and the business costs are lower, the business options are greater, and a wider range of materials from these smaller businesses can affordably be diverted from the land-fill. The cities that have forced all of their non-residential customers to use the garbage monopoly by hiding the recycling costs in an over inflated garbage fee have eliminated all competition to the small and medium sized business for the positive value recyclable commodities. The consultants who drafted this new plan fail to point out that when you tell a non-residential customer that this is your new, much higher garbage fee that you have to pay, and here is a no extra charge recycling container, the non-residential customer is going to take the no extra charge recycling, regardless of how comprehensive and affordable the competition is. This eliminates competition in the small to medium sized business sector. This sector accounts for the majority of recyclables in the non residential part of the waste stream. You say they can choose, but economically policy chooses for them.

The 2010 Draft Plan says "Unlike the residential waste stream, the types of materials discarded by the non-residential sector differ widely from business to business. Thus, the recycling potential for any particular business or industry can vary greatly," These materials include your standard valuable commingled materials plus all types of plastic, wood waste, tiles, rocks, ceramics, porcelain, concrete, food waste, lighting, beverage containers of all types, plastic jugs/buckets, hangers from dry cleaners, Styrofoam, Electronic Waste, Textiles, and Construction & Demolition Waste. In order to collect these different materials from the thousands of small to medium size businesses in King County every week, a collection company must be able to provide reasonably priced service. These materials need to be collected every week because small to medium sized businesses do not generally have a lot of space to store their waste, and the fire and health departments more than likely would not allow the storage of these materials. Reasonably priced service means at a rate that is equal or less than what it would cost to land-fill the material. These zero or negative value materials have to be collected with a charge. Allowing an independent collection company the ability to charge a small fee to collect the valuable recyclables (paper/cans/plastics), also allows an independent collection company the ability to collect the negative value recyclables for a reasonable fee. This is how recycling will grow beyond paper/cans/plastics. In none of the cities that have hidden their commercial recycling rates in the monopolized garbage rates, has the garbage service provider

made an effort to get these negative value recyclables, at an affordable rate, from the small to medium size business. An independent recycler cannot collect small amounts of these materials on a regular schedule, at an affordable rate, if the independent recycler cannot also collect the valuable commingled materials for a small fee.

The 2010 Draft Plan says "The largest increase will be realized as more restaurants and grocers contract with private-sector companies to collect their food scraps for composting, and more cities begin to offer commercial organics collection." The wording makes it sound like there are dozens of companies in King County able to economically provide this service. Emerald Services has this commodity locked up on collection because they own the compost facility, and so no one can match their fees and make any money. This part of the Draft Plan is so far behind reality it is laughable. Commercial organics collection is everywhere in the Metropolitan area, and soon to be expanded to areas that are out of the Metropolitan area. Any size non-residential customer in the Metropolitan area can get a food scrap/organic container from 90 gallons up to 40 yards. This is already available and has been for over a year. This is not part of a forward looking plan, this is ongoing history. Emerald Services already has a sales team trying to get all of these businesses signed up, and with only one compost facility in King County, which is owned by Emerald Services, they are the only ones that can profitably collect it from non-residential customers.

The 2010 Draft Plan says "The need for financial incentives for business owners, property managers, and tenants to take advantage of recycling services. For example, cities that include recycling services in their garbage rate provide a financial incentive for businesses to recycle." Giving the State sanctioned garbage monopolies an excuse to jack their rates and profits up is not an incentive for business owners, property managers, and tenants to take advantage of recycling services. All this does is force them to have a container from the garbage hauler whether they like it or not. The City of Renton recently signed a new garbage/recycling contract. In the contract the commercial recycling charges were hidden in the garbage fees, which were increased over 40%. CWRR lost all of our customers in Renton because of this. With CWRR these customers were already recycling as much as they wanted to. Waste Management was given the contract with the agreement that businesses could get 200% recycling service based on their garbage. I have checked with our old customers in Renton, and they are recycling the same amount of commingled material with Waste Management as they were with us, but now they are no longer able to recycle the negative value materials at a cost effective rate compared to land-filling. The only thing that changed was Waste Management and the City of Renton economically forced all small to medium sized business to use Waste Management. The commercial recycling percentage did not increase. The only increases were in the garbage fees and the percentage Waste Management reported, because they now had our customers.

The 2010 Draft Plan says "Another strategy that might increase recycling for some business customers is to consider a rate structure based on weight or composition of waste, rather than the size of the container." To get the greatest amount of material diverted, at the least cost, all you need to do is significantly increase the tax on garbage, and stop hiding the non-residential commingled recycling costs in the monopolized garbage rates. There are already laws against independent recycling companies not properly recycling the material they collect, so this argument is invalid.
Allowing business owners, property managers, and tenants the freedom to choose who and how much they want to pay for certain recycling services, and significantly increasing the tax on garbage collection, will be an incentive to recycle more. Governments increase the taxes on items that the government wants people to use less of, like cigarettes, soda pop, alcohol, so it goes to follow that if you want people to use less garbage service, you significantly increase the tax on garbage. Letting the monopoly garbage companies increase their rates only increases their outrageous profits, and that is not the answer. Any increase in the garbage costs needs to be a tax to go to the local jurisdiction.

The 2010 Draft Plan says "A need for consistent and ongoing technical assistance and education. Involvement and support of the business owners and property managers is important to the long-term success of recycling at individual businesses or complexes. Educating building maintenance staff about properly collecting recyclables from building tenants is important to ensure the proper handling of recyclables. Education for employees about proper recycling methods is also crucial." Things like this can be paid for from a significant increase in the tax on garbage collection.

The 2010 Draft Plan says "Because of the diversity of businesses in the region, a more individualized approach is needed to increase recycling in this sector." You do not get an individualized approach when you hide the valuable commingled recycling costs in the garbage fee. All you get is the garbage company collecting valuable materials, and the negative value materials going to land-fill. The only exceptions to this are large businesses that throw away very large volumes/weights of a certain material. Then they will find a way to recycle that material. For example, CWRR collects commercial commingled material in the cities of Tukwila, Seattle, Federal Way, Covington, SeaTac, and Kent for a small fee. Because we collect the valuable material for a small fee, CWRR also makes collection available for small amounts of zero or negative value recyclables at an affordable fee from the thousands of small to medium sized businesses in these cities. We can do this and still be a viable collection company for the long term. These small to medium sized businesses individually throw away less than a hundred pounds of any one negative value material per week. Collectively it adds up to thousands of tons per year spread across the entire area. If, as an independent recycling company, we cannot collect the valuable materials for a small fee, we will not be able to collect the zero or negative value recyclables for an affordable fee. CWRR used to collect commercial commingled material from small to medium sized businesses in the Eastside suburbs for a small fee, and offer to collect the zero or negative value recyclables for an affordable fee from the hundreds of small to medium sized businesses in the Eastside suburbs. We cannot do that anymore because the Eastside suburbs have economically forced all of their small to medium sized businesses to use the garbage monopoly in the collection of the valuable commingled material by hiding the cost of commingled collection into the monopolized garbage rates. From the thousands of small to medium sized businesses the monopoly, international shareholder owned garbage hauler has little interest in diverting these materials from land-fill. They own land-fills, and land-fills only make money when you fill them. Shareholders are only interested in making money. The sooner the Cedar Hills land-fill is closed, the sooner the garbage haulers can have the County pay them high fees to land-fill all of the County waste that the garbage hauler prices as too expensive to recycle. If the suburban cities continue with their trend of hiding non-residential, commingled material recycling costs in the garbage fees, then there will be no independent competition to collect the negative value recyclable materials from the small to medium sized business at an affordable rate.

In order to continue collecting the small amounts of negative value recyclable materials generated by thousands of small to medium sized non-residential businesses throughout King County every week (which adds up to tens of thousands of tons a year), Independent recycling companies need to be able to have a fair shot at collecting the valuable recyclables from these same businesses, and be able to charge a small fee to help offset the cost of collection.

The 2010 Draft Plan says "To assess the relative size of the non-residential waste stream in different jurisdictions, we have looked at the number of jobs located within them. About 93 percent of jobs in King County are located within incorporated cities. More than one-half of these

jobs are in cities where the garbage collection contracts include recyclables collection in the garbage fee." All this means is that in these suburbs the small to medium sized business is not being served to its greatest potential and least cost.

The 2010 Draft Plan says "Most contracts define the capacity required for recycling collection as 150 to 200 percent of the amount of garbage capacity. And most contracts provide for collection of the same materials collected in residential curbside programs." The greatest problem with this is in capturing the zero to negative value materials. Businesses in Auburn, which does the 150% ratio, most of the small to medium sized businesses don't feel the need to go beyond the 150% ratio. If they recycle more, and reduce their garbage, then they have to pay not only for their garbage, but also for the recycling. Trying to convince a business owner, property manager, or tenant that this is a good deal, is almost impossible for the difference in total cost. This is another good reason why hiding the true cost of recycling for the non-residential customer is a bad idea. They get to a certain level, and they don't want to go any farther.

The 2010 Draft Plan says "For cities with collection contracts, adding recycling service to their contracts and including the cost of service in the garbage rate does lead to higher nonresidential recycling rates and ensure that recycling services are available to all businesses." It leads to significantly higher garbage rates. How much higher are the recycling rates? Where do you get your facts from? What time frame are you basing this on? CWRR has never been asked by any consultant to the County, or the suburbs, for information on our tonnages. I can only assume that the garbage hauler is supplying the consultants with information that will further their agenda. CWRR handles over 200 tons a month. A fair portion of that is zero to negative value material that the garbage hauler does not collect for recycling. We are able to do this (since 1989) because we can charge a small fee to collect the valuable materials. Independent, convenient, commingled recycling services were available to all business since 1989 in King County. Independent, convenient, commingled recycling services are now only available in cities that do not economically force their non-residential customers to use the monopoly garbage hauler. The idea that if you hide the recycling cost in the monopolized garbage rate you will get more recycling is just a fallacy. If you drive around the County business areas (including the suburban cities) you will see that over 95% of the businesses have a recycling service in place. The 5% of businesses that have no recycling are super small businesses and are not recycling by choice. Giving these super small businesses a free recycling can is not going to encourage them to recycle, and the amount of valuable recyclables that these businesses might recycle is going to be so minute that it will not even come close to the amount of negative value recyclables that most of the other businesses in the County will land-fill because collecting the negative value recyclables will be too expensive, because you will have no viable competition for this material.

The 2010 Draft Plan says "However, while including recycling service in the rate requires all business to pay for the service, it does not require that those businesses use the service that the city contractor provides." It does not say that businesses must use the garbage service for their recycling, but it economically forces them to do it. It is a trick of language to hide the unfair practice of forcing the small to medium size business to use the garbage service for their recycling. In the private sector this would be a clear violation of anti-trust laws. The suburbs,

through the authority of the State, can legally do this, but this practice does more to stifle growth in recycling collection than most any other idea. It also will ensure that local independent recycling service providers disappear, leaving the area with no choice in the small to medium size business sector.

The 2010 Draft Plan says "In fact, there is a wide array of recycling service providers in King County from which businesses in unincorporated King County and cities with WUTC-regulated collection services can choose for their recycling needs." This is a clear contradiction to the consultants own work. The consultant reports that 93% of jobs are in incorporated areas. Over half of these jobs are in cities that economically force their non-residential customers to use the garbage hauler. The Draft Plan reports "...the relative size of the non-residential waste stream in different jurisdictions, we have looked at the number of jobs located within them. About 93 percent of jobs in King County are located within incorporated cities." What is a wide array? What independent company provides commercial commingled collection in King County and the suburbs. What company provides this type of service to all sizes of business? What independent company provides complete, comprehensive, and affordable recycling services in King County and the suburbs. There is only one that I know of, and that company is Commercial Waste Reduction and Recycling Company. CWRR, and the expansion of recycling is being negatively impacted to a great extent by the policy being promoted in this Draft Plan.

If you look at the number of business licenses in king County, and the number of businesses that have recycling services you may get a false impression that many businesses are not recycling. You have to remember that many businesses are in multi-tenant buildings, and they share a recycling container that the property management company pays for. Also CWRR has never been asked to provide recycling information for anyone other than the State of Washington and the City of Seattle.

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King County staff: If a reply is necessary, please use the 'Reply All' capability so that the Webmaster is made aware of your response. Thank you.

Sent: 2/4/2010 3:07:34 PM