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Reduce waste today through innovative resource management.
Reach a waste-free tomorrow by demonstrating that waste is preventable not inevitable.

MRF Development: Benefits to Ramsey County

Building a material recovery facility (MRF) is a momentous undertaking that carries some risk. But the risks of not acting are even more formidable: as communities lose local control of their recycling programs, diversion through recycling and waste reduction programs deteriorates unacceptably. Studies by Eureka Recycling, the city of Saint Paul, the Institute for Local Self-Reliance and independent consultants are in agreement that an independently owned MRF is in the best of interest of Ramsey County and the entire metro area. In recognition of this fact, every district council in Saint Paul has signed a resolution supporting development of a MRF operated by Eureka Recycling. Backed up by strong local support—including a recommendation for STAR loan financing, an agreement for a grant from a private paper industry partner, and private financing offers from at least two lending institutions—Eureka Recycling is bringing its case to the county.

Recycling is important for Ramsey County. Not only is the county required under Minnesota state statute to have a waste management plan that includes recycling, but residents have said that a quality recycling program matters to them. Eureka Recycling (formerly the recycling department of the Saint Paul Neighborhood Energy Consortium) has been managing Saint Paul's community-based recycling program since its inception in 1986. Now Eureka Recycling is prepared to bring locally-controlled recycling to a new level by developing and operating a MRF with capacity for broader service in Ramsey County and the entire metro area. The new MRF will provide better service at lower cost to the residents, bring competition into the local recycling industry, and keep its roots and its profits in the community. For these reasons, Eureka Recycling seeks support from the county in its request for a \$500,000 contribution.

A locally-controlled MRF has substantial financial benefits for Ramsey County:

- € **Market of Last Resort:** Support in the development of this MRF enables Ramsey County communities to combat the increasing costs and decreased or stagnant recovery that has accompanied the consolidation of service providers. All communities in the county will have equal access to the benefits of the Eureka Recycling MRF. By working with Eureka Recycling to develop a MRF, Ramsey County communities will profit from a more lucrative market share agreement, increasing their percentage of proceeds from recycling. Poor service from outside contractors is likely to result in a continued decline or stagnation in the recovery of recyclable material, which means that the city and surrounding communities could receive even less revenue from the sale of recyclable commodities. Ramsey County communities would be offered a revenue share with guaranteed acceptance of materials and guaranteed floor prices.

€ **Competition:** Eureka Recycling's entry into processing will revive the recycling industry in the area. Over the past few decades, the waste and recycling industry has consolidated to the point that two large corporations control the vast majority of hauling and processing capacity. Pricing policies used by the dominant service providers can shut out independent haulers who wish to deliver materials to their facilities. By developing an independent MRF, the county, the city of Saint Paul and Eureka Recycling are creating a competitive environment to ensure that small and medium sized haulers can deliver materials under a fair pricing structure. Independent haulers have provided letters of support for the development of this MRF. In addition, the MRF addresses a shortage of processing capacity for source-separated and two-stream materials. The large players in the recycling industry are moving toward single-stream collection, in spite of the fact that a recent study conducted by Eureka Recycling indicates that two-stream weekly collection results in the greatest recovery of recyclable material in Saint Paul. Only Eureka Recycling has the expertise and dedication to carefully weigh the cost, convenience and environmental impacts of recycling and to provide optimal collection and processing options for all players.

Eureka Recycling is uniquely positioned to provide Ramsey County with the best recycling services:

- € **Experience:** Eureka Recycling has the expertise to run the best recycling program in the area. The organization has managed recycling in Saint Paul for over 15 years, and current staff members on the MRF Development Team have successfully developed 25 MRFs across the nation. Building on the experience of several individual careers in the recycling industry, this team is developing an efficient facility, designed to meet the needs of the communities it serves, and large enough to take advantage of economies of scale and provide the best pricing.
- € **Community Connection:** As a locally-based nonprofit organization, Eureka Recycling's values reflect the community's values. Eureka Recycling is accountable to the residents that it serves, not to stockholders. The organization has many links to the community built into its structure and programs, from the community representatives who sit on its board to the waste reduction hotline that fields over 50,000 calls annually. All of Eureka Recycling's profits and surpluses are invested directly back into the community to promote sustainable practices through enhanced recycling opportunities and investments in other waste reduction programs.
- € **Environmental Benefits:** Since waste reduction is the centerpiece of its operations, nothing distracts Eureka Recycling from providing the best collection and processing services. With no interests in disposal, Eureka Recycling's central goal is to increase the recovery of recyclable material by providing good service to its customers. Eureka Recycling is driven by a commitment not only to recycling, but to a long-term vision of waste reduction. With the backing of the county and the city, Eureka Recycling will launch the next ambitious waste reduction development—a locally-owned MRF—in its continuing effort to demonstrate that waste is preventable not inevitable.