

| Date: Subject: | August 8, 2012 Director's Report |
|-------------------|-------------------------------------|
| Data | Austin Resource Recovery Department |
| From: | Bob Gedert, Director |
| То: | Zero Waste Advisory Commission |

Colorado Study- Director's Response

At the July ZWAC meeting, a presentation was made regarding a status update of a University of Colorado – Denver study evaluating waste-to-energy technologies. ARR is not a financial contributor to this study, but was invited to be a topical expert advisor to this project. (I have more than 30 years of professional expertise in opposing incineration and landfilling, with a professional emphasis on raising the bar on environmental standards for disposal methods.)

The Austin Resource Recovery Master Plan notes the mission of this study:

"The Department is a participant in a life-cycle analysis study through the Department of Civil Engineering, Center for Sustainable Infrastructure Systems at the University of Colorado Denver. This study will provide an environmental and economic comparison of conventional landfilling with alternative conversion technologies. The major measuring stick is GHG reductions. The study will also offer additional means to measure environmental impacts through a systems analysis of each disposal method."

My interest in this study involved the creation of a new scientific-based measuring stick: a life-cycle systems analysis of disposal technologies where various disposal technologies are objectively evaluated on a scale of local community values, GHG impacts, and long-term environmental considerations. Unfortunately, this study did not yield the professional environmental measurement system that I had anticipated, and disregards local community values regarding incineration. (The author was advised about local community values in opposition to incineration.)

First, Austin prides itself on academic freedom and the pursuit of intellectual discourse. In that light, this study represents a genuine and sincere effort to explore the topic of end-of-life waste management and its environmental impacts. The discussion is valuable and brings to light some observations I wish to highlight in the Waste-to-Energy topic discussed below.

Secondly, the report was developed and presented with the intent to address the waste disposal needs of our community. Although our quest is Zero Waste – meaning "no bury or burn" – we must recognize the immediate need to dispose of waste not diverted through existing recycling and composting programs. With that in mind, this study represented an attempt to address *disposal* options and their environmental impacts, and clearly does not evaluate any *diversion* options.

Although this study was performed with good intent, it is a severely flawed study which lacks the academic professionalism that I had anticipated. This study utilizes pro waste industry terminology that promotes disposal technology as a form of "recycling". The Austin Resource Recovery Master Plan endorses the nationally recognized definition of recycling, which specifically excludes any disposal methods such as incineration or landfilling. Although it is not proper to access the author's motivations, it seems apparent the researchers did not utilize neutral terminology as well as neutral sourced statistics; a basic requirement in academic studies.

Furthermore, this study fails to perform a life-cycle analysis of environmental effects of various disposal technologies. Instead, the study is a meta-analysis of industry published promotional material, with a statistical evaluation of waste industry published emissions that were not cross referenced to emission measurements by state regulatory agencies. In other words, the study's poor methodology compromised the objectively of this study through the extensive use of waste industry sourced literature.

Upon a deeper inspection, the study's basic assumptions demonstrate that this study is severely flawed and not capable of being adequately revised through academic inquiry. As an invited peer reviewer, I will be providing the author a strong critique of the study. Given this evaluation, and the unprofessional nature of this study, I am withdrawing my support of this study.

Waste-to-Energy (WTE) - Director's Response

One of the issues highlighted by the comments above is the discussion of waste disposal in the context of Zero Waste implementation. As our community seeks 90% plus diversion, the reality is that approximately 40% of our generated waste is actually diverted, and 60% of our waste is disposed of. This begs the question of *disposal vs. diversion* technologies.

Essentially, every disposal technique is defined as "disposal" and not "diversion". This includes landfilling, fuel supplements such as cement kilns, thermal destruction such as incineration and gasification, as well as chemical destruction techniques. Waste-to-Energy is utilized as a broad based term to refer to energy production through a waste disposal technology. Although the benefit is an energy source, this benefit does not change the definition of the process from disposal to diversion. More directly stated, WTE is a disposal management system, and not a diversion activity. We cannot achieve Zero Waste through WTE – it merely is a substitute to landfilling.

The Austin Zero Waste Strategic Plan focuses our attention on the Highest and Best Use hierarchy in determining the most appropriate actions necessary to reach the Zero Waste goal. This approach redefines our view of discards, toward Material Management and away from Waste Management.

In the long-run, our focus is diversion – "no bury, no burn." In the short-run, we have waste to dispose of.

As we explore waste disposal options, I share two points of observations:

- A) Keep our minds focused on the goal Zero Waste through enhanced diversion, and
- B) When necessary to manage waste disposal, oppose incineration and landfilling.

Recycling Economic Development Liaison

A key driver in the development of the Austin Resource Recovery Master Plan is the opportunity to create new green jobs and site new green businesses in Austin through economic development. The City of Austin has the ability to attract new businesses to Austin, including reuse and recycling nonprofit

organizations and private sector entrepreneurs, re-processors, secondary manufacturers and other businesses that have the ability to use recovered materials in their manufacturing processes.

Austin Resource Recovery will provide funding for a new staff member in the Economic Growth and Redevelopment Services Office (EGRSO) who will be responsible for retaining and attracting reuse and recycling industries to Austin. The Department will be posting this new position entitled *Recycling Economic Development Liaison*. The main mission of this new staff position will be:

To serve as the economic development liaison between the City, emerging entrepreneurs, existing small business organizations, non-profit organizations, and education institutions to promote the business opportunities offered by the Austin Zero Waste Strategies

National Road-E-O Participant

Every year our most skilled drivers participate in the TxSWANA Road-E-O. This event showcases the truck driving skills and abilities, within a competition format. Winning drivers earn the opportunity to represent Texas at the International Road-E-O. The annual Road-E-O fosters a spirit of competition and goodwill, while also promoting professionalism and safety among participants.

This past June, Chris Gonzales won the "Top Gun" award at the TXSWANA Road-E-O in Denton, Texas, scoring the highest number of points of all truck driving contestants. He won the Transfer Trailer category and qualified for the International SWANA Road-E-O, which will take place in Lexington, Ky., on Sept. 15 and 16. We wish Mr. Gonzales well in the international competition!

In addition, Aaron Green placed third in the statewide Transfer Trailer category. Other ARR employees competing at the Road-E-O were Mike Carnline, Jesse Sanchez and Gerald Watson in the Rear Loading Truck category; Chris Guerrero, Louis Rodriguez and Jacob Cervantes in the Side Loading Truck category; and Bobby Brown in the Transfer Trailer category. Steven Dixon participated as a judge.

Scheduled Council Items

ARR has the following items scheduled for Council review:

| Universal Recycling Public Outreach Services | \$151,923 – initial term |
|---|---|
| 12 months with up to five 12-month extension options | August 23 Council Agenda |
| Public Education Campaign - Single-Use Carryout Bags 24 months with two 6-month extension options | \$1,750,000 – maximum value August 23 Council Agenda |
| Organics Processing Services for 2013 Pilot Program 12 months with two 6-month extension options | \$40,000 – maximum value August 23 Council Agenda |
| Collection, Transportation, and Disposal of HHW | \$1,456,694.25 – initial term |
| 36 months with up to three 12-month ext options | August 23 Council Agenda |
| Indoor and Outdoor Decals for Various Projects | \$120,600 – initial term |
| 36 months with up to three 12-month extension options | August 23 Council Agenda |

| New Staff | | | | | | | | |
|-----------------|---------------|----------------|---|--|--|--|--|--|
| New employee | Promotions | Retirees | Title/ Division | | | | | |
| Endicott McCray | | | Collections - Temporary, Service/Maintenance | | | | | |
| Nickolas Sykes | | | Collections - Temporary, Service/ Maintenance | | | | | |
| Brian Kelly | | | Litter Abatement – SW Operator | | | | | |
| | Patrick Clark | | From: Solid Waste Operator To: Solid Waste Operator Specialist | | | | | |
| | Justin Lewis | | From: Solid Waste Operator To: Solid Waste Operator Specialist | | | | | |
| | Jessie Owens | | From: Solid Waste Operator To: Solid Waste Operator Specialist | | | | | |
| | Steven Bryant | | From: Operator To: Solid Waste Operator Specialist | | | | | |
| | | Ricky Aldridge | Collections - Retired July 31, 2012 | | | | | |

Current and Upcoming Job Postings

| Current Postings | Workflow Status |
|--|--|
| Solid Waste Associate or Operator | Will be posted on 08-06-12 |
| Austin Resource Recovery Safety Division Manager | Posted, Recruitment underway |
| Economic & Business Development Liaison | Will be posted on 08-06-12 |
| Austin Resource Recovery Quality Assurance Division Manager | Posted, Recruitment underway |
| Department Executive Assistant | Top candidate selected |
| Solid Waste Operator Specialist | Top candidates screening |
| Planner Senior, Planner III, or Planner II | Interviews completed screening in progress |
| Public Information Specialist or Specialist Senior | Top candidates selected |
| Contract Administrator | Top candidate selected |
| Temporary, Accountant Associate | Screening in progress |
| Financial Consultant | Top candidates selected |
| Temporary-Administrative Associate-Field Audit Temporary Position | Interviews scheduled 08-06-12 |

Performance Contract Information, Measures and Statistical Reports (see attachments)

| Solicitation Type / Contract Description – Term | Not to Exceed (NTE) Dollar Amount | Council Date |
|--|--|--|
| IFBBV / Universal Recycling Public Outreach Services – Twelve (12) months with up to five (5) 12-month extension options | \$151,923 (total of two lowest bids) – initial term \$949,518.75 (total of two lowest bids) – potential with extension options | Requested for August 2012 – Bids received May 23, 2012 |
| RFP / Public Education Campaign to Inform Business Establishments and Citizens of the Requirements of the City Ordinance Regulating the Use of Single-Use Carryout Bags – Twenty-Four (24) months with two (2) six-month extension options | \$1,750,000 | August 23, 2012 (Est.) – RFP Proposals originally due July 24, 2012; deadline extended to July 31, 2012 |
| IFBBV / Organics Processing Services for 2013 Pilot Program – Twelve (12) months with two (2) six-month extension options | \$40,000 (Est.) | August 2012 (if price above \$55,000 Council limit) – three (3) bids received July 20, 2012. Note: Currently reviewing bids |
| IFB / Collection, Transportation, and Disposal of Household Hazardous Wastes – Thirty-Six (36) months with up to three (3) 12-month extension options | \$1,456,694.25 (Est lowest bid) – initial term \$2,913,388.50 (Est lowest bid) – potential with extension options | Requested for August 2012 – Bids received July 11, 2012 |
| IFB / Indoor and Outdoor Decals for Various Projects and Applications– Thirty-Six (36) months with up to three (3) 12- month extension options | \$120,600 (Est lowest bid) – initial term \$723,600 (Est lowest bid) – potential with extension options | Requested for August 2012 – Bids received July 17, 2012 |

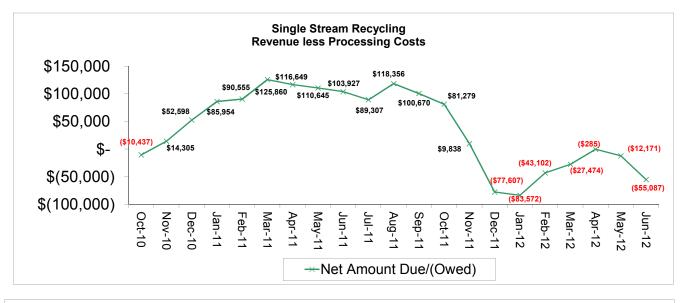
Single Stream Recycling Statistical Report as of June 2012

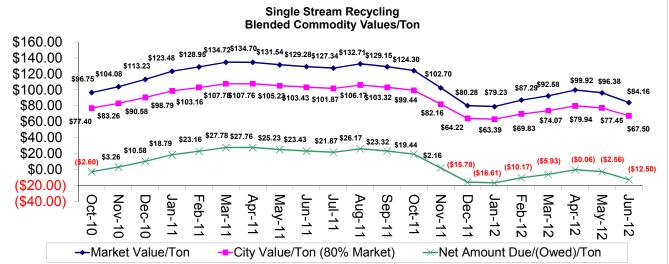
| | Г | | Landfill Cost | | | | | |
|-----------------------|-----------|-------------|------------------------|-------------|--------------|----------------------|--|--|
| | | Co | ntractor Payn | nents | Avoidance | | | |
| | Tons | | Processing | | | | | |
| Month | Delivered | Revenue | Cost | Due/(Owed) | Per Ton | Total | | |
| October-10 | 4,016.67 | \$310,896 | \$321,334 | (\$10,437) | \$19.94 | \$80,092 | | |
| November-10 | 4,389.46 | \$365,461 | \$351,156 | \$14,305 | \$19.94 | \$87,526 | | |
| December-10 | 4,972.47 | \$450,396 | \$397,798 | \$52,598 | \$19.94 | \$99,151 | | |
| January-11 | 4,575.35 | \$451,982 | \$366,028 | \$85,954 | \$19.94 | \$91,232 | | |
| February-11 | 3,909.79 | \$403,338 | \$312,783 | \$90,555 | \$19.94 | \$77,961 | | |
| March-11 | 4,531.25 | \$488,360 | \$362,500 | \$125,860 | \$19.94 | \$90,353 | | |
| April-11 | 4,202.05 | \$452,813 | \$336,164 | \$116,649 | \$19.94 | \$83,789 | | |
| May-11 | 4,385.61 | \$461,493 | \$350,849 | \$110,645 | \$19.94 | \$87,449 | | |
| June-11 | 4,436.60 | \$458,855 | \$354,928 | \$103,927 | \$20.63 | \$91,527 | | |
| July-11 | 4,083.74 | \$416,007 | \$326,699 | \$89,307 | \$20.63 | \$84,248 | | |
| August-11 | 4,523.28 | \$480,219 | \$361,862 | \$118,356 | \$20.63 | \$93,315 | | |
| September-11 | 4,316.51 | \$445,990 | \$345,321 | \$100,670 | \$20.63 | \$89,050 | | |
| FY11 Totals 52,342.78 | | \$5,185,811 | \$4,187,422 | \$998,389 | | \$1,055,694 | | |
| | | ¢445.020 | \$224 FF4 | <u> </u> | * *** | ¢00 0 7 0 | | |
| October-11 | 4,181.89 | \$415,830 | | \$81,279 | \$20.63 | \$86,272 | | |
| November-11 | 4,552.52 | \$374,040 | \$364,202 | \$9,838 | \$20.63 | \$93,918 | | |
| December-11 | 4,918.05 | \$315,837 | \$393,444 | (\$77,607) | \$20.63 | \$101,459 | | |
| January-12 | 5,030.20 | \$318,844 | \$402,416 | (\$83,572) | \$20.63 | \$103,773 | | |
| February-12 | 4,239.70 | \$296,074 | \$339,176 | (\$43,102) | \$20.63 | \$87,465 | | |
| March-12 | 4,629.89 | \$342,917 | \$370,391 | (\$27,474) | \$20.63 | \$95,515 | | |
| April-12 | 4,367.78 | \$349,138 | ,138 \$349,422 (\$285) | | \$20.63 | \$90,107 | | |
| May-12 | 4,763.67 | \$368,922 | \$381,094 | (\$12,171) | \$20.63 | \$98,275 | | |
| June-12 | 4,348.33 | \$292,780 | \$347,867 | (\$55,087) | \$20.63 | \$89,706 | | |
| FY12 Totals | 41,032.03 | \$3,074,382 | \$3,282,563 | (\$208,181) | | \$846,491 | | |

| Blended Commodity Values per Ton | | | | | | | | |
|----------------------------------|---------------------|--------------------------------|------------------------|------------------------------|--|--|--|--|
| Month | Market Value/Ton | City Value/Ton (80% Market) | Processing Cost/Ton | Net Amount Due/(Owed)/Ton | | | | |
| October-10 | \$96.75 | \$77.40 | \$80.00 | (\$2.60) | | | | |
| November-10 | \$104.08 | \$83.26 | \$80.00 | \$3.26 | | | | |
| December-10 | \$113.23 | \$90.58 | \$80.00 | \$10.58 | | | | |
| January-11 | \$123.48 | \$98.79 | \$80.00 | \$18.79 | | | | |
| February-11 | \$128.95 | \$103.16 | \$80.00 | \$23.16 | | | | |
| March-11 | \$134.72 | \$107.78 | \$80.00 | \$27.78 | | | | |
| April-11 | \$134.70 | \$107.76 | \$80.00 | \$27.76 | | | | |
| May-11 | \$131.54 | \$105.23 | \$80.00 | \$25.23 | | | | |
| June-11 | \$129.28 | \$103.43 | \$80.00 | \$23.43 | | | | |
| July-11 | \$127.34 | \$101.87 | \$80.00 | \$21.87 | | | | |
| August-11 | \$132.71 | \$106.17 | \$80.00 | \$26.17 | | | | |
| September-11 | \$129.15 | \$103.32 | \$80.00 | \$23.32 | | | | |
| October-11 | \$124.30 | \$99.44 | \$80.00 | \$19.44 | | | | |
| November-11 | \$102.70 | \$82.16 | \$80.00 | \$2.16 | | | | |
| December-11 | \$80.28 | \$64.22 | \$80.00 | (\$15.78) | | | | |
| January-12 | \$79.23 | \$63.39 | \$80.00 | (\$16.61) | | | | |
| February-12 | \$87.29 | \$69.83 | \$80.00 | (\$10.17) | | | | |
| March-12 | \$92.58 | \$74.07 | \$80.00 | (\$5.93) | | | | |
| April-12 | \$99.92 | \$79.94 | \$80.00 | (\$0.06) | | | | |
| May-12 | \$96.38 | \$77.45 | \$80.00 | (\$2.56) | | | | |
| June-12 | \$84.16 | \$67.50 | \$80.00 | (\$12.50) | | | | |

| Date of Waste Stream Audit | | | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|---------------|----------------|--|--|--|--|--|
| 10/30 & Naterial 11/20/2010 2/19/2011 6/18/2011 10/1/2011 1/14/2012 4/28/20 | | | | | | | | | | | |
| ONP | 30.34% | 25.89% | 21.26% | 14.47% | 23.36% | 18.49% | | | | | |
| 000 | 9.58% | 13.99% | 12.01% | 7.12% | 11.84% | 9.64% | | | | | |
| Mixed Paper | 12.99% | 14.34% | 13.72% | 26.00% | 15.14% | 18.33% | | | | | |
| Tin | 1.93% | 1.81% | 1.65% | 1.79% | 1.71% | 1.81% | | | | | |
| Aluminum | 1.28% | 0.95% | 1.39% | 1.33% | 0.89% | 1.06% | | | | | |
| NHDPE | 1.06% | 1.16% | 1.12% | 1.08% | 0.95% | 1.13% | | | | | |
| CHDPE | 1.09% | 1.00% | 1.07% | 1.07% | 0.83% | 1.16% | | | | | |
| PETE | 3.23% | 3.30% | 3.36% | 3.22% | 2.07% | 3.00% | | | | | |
| Glass | 28.64% | 26.88% | 25.36% | 26.17% | 25.64% | 27.18% | | | | | |
| Residual | 7.36% | 8.26% | 14.86% | 13.90% | 14.77% | 14.46% | | | | | |
| Plastics 3-7 | 1.97% | 1.83% | 3.46% | 3.06% | 2.18% | 2.99% | | | | | |
| Other | 0.53% | 0.59% | 0.74% | 0.79% | 0.62% | 0.75% | | | | | |
| | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | | | | | |
| For Billing Purposes | Used for Oct10 | Used for Feb11 | Used for Jun11 | Used for Oct11 | Use for Jan12 | Use for Apr 12 | | | | | |
| | thru Jan11 | thru May11 | thru Sept11 | thru Dec11 | thru Mar12 | thru Jun 12 | | | | | |

Single Stream Recycling Statistical Report as of June 2012





Austin Resource Recovery Curbside Collection and HHW Operations

| | | FY 2008 | FY 2009 | FY 2010 | FY 2011 | May 2011 | June 2011 | FY11 YTD (Oct '10 - Jun '11) | May 2012 | June 2012 | FY12 YTD (Oct '11 - Jun '12) |
|----------|--|----------|---------|---------|---------|----------|----------------------|------------------------------------|----------|-----------|------------------------------------|
| | | | | | | | | | | | |
| Disposed | Tons of curbside Garbage | 143,950 | 128,519 | 130,851 | 126,497 | 10,925 | 11,970 | 96,062 | 11,120 | 10,289 | 98,563 |
| spo | Tons of Curbside Bulk Disposed | 7,589 | 8,033 | 7,516 | 7,276 | 598 | 591 | 5,253 | 485 | 877 | 5,593 |
| | HHW Operations Tons Disposed | 402 | 341 | 390 | 395 | 34 | 45 | 300 | 38 | 57 | 335 |
| Tons | Total Disposed Tons Collected Curbside and from HHW Operations | 151,941 | 136,893 | 138,757 | 134,168 | 11,557 | 12,606 | 101,615 | 11,643 | 11,223 | 104,491 |
| | | | | | | 1 | | 1 | • | | |
| | Tons of curbside recycling | 34,691 | 49,811 | 52,479 | 52,236 | 4,219 | 4,452 | 39,401 | 4,767 | 4,350 | 41,054 |
| Diverted | HHW Operations Tons recycled/reused | 118 | 114 | 132 | 164 | 14 | 27 | 128 | 23 | 24 | 155 |
| ver | Tons of Curbside Yard Trimmings | 24,027 | 19,497 | 22,456 | 24,777 | 2,030 | 1,306 | 21,918 | 1,954 | 1,249 | 18,096 |
| | Tons of Curbside Bulk Recycled | 203 | 187 | 194 | 227 | 18 | 12 | 175 | 11 | 19 | 188 |
| Suo | Tons of Curbside Brush Collected | 7,380 | 7,683 | 7,350 | 6,853 | 652 | 543 | 5,467 | 880 | 771 | 5,349 |
| F | Total Diverted Tons Collected Curbside and from HHW Operations | 66,419 | 77,292 | 82,611 | 84,257 | 6,933 | 6,340 | 67,089 | 7,634 | 6,412 | 64,842 |
| | | <u>·</u> | | | | 1 | | - | | | |
| | Total Tons Collected Curbside and from HHW Operations | 218,360 | 214,185 | 221,368 | 218,425 | 18,490 | 18, <mark>946</mark> | 168,704 | 19,277 | 17,635 | 169,332 |
| | Percent of Waste Stream Diverted by Curbside and HHW Operations | 30.42% | 36.09% | 37.32% | 38.57% | 37.49% | 33.46% | 39.77% | 39.60% | 36.36% | 38.29% |
| | | | | | | | | - | | | |
| | Pounds of Garbage collected per customer per pickup | 32.14 | 27.90 | 27.79 | 26.70 | 27.64 | 30.12 | n/a | 27.81 | 25.65 | n/a |
| | Number of Garbage customers | - | | | | | | | | | |
| | Ç | 172,287 | 177,156 | 181,069 | 182,246 | 182,601 | 183,123 | n/a | 184,720 | 184,862 | n/a |
| | Pounds of Recycled materials collected per customer per pickup (every other week) | 15.56 | 21.61 | 22.45 | 22.20 | 21.49 | 22.56 | n/a | 24.02 | 21.85 | n/a |
| | Pounds of Yard Trimmings collected per customer per week | 5.39 | 4.23 | 4.80 | 5.27 | 5.17 | 3.31 | n/a | 4.92 | 3.14 | n/a |
| N | umber of Recycling and Yard Trimmings customers | 171,446 | 177,267 | 179,808 | 180,992 | 181,350 | 181,895 | n/a | 183,358 | 183,488 | n/a |
| То | tal tons of Dead Animals Collected from COA rights of-way and the animal shelter | 158 | 153 | 142 | 85 | 8 | 6 | 70 | 6 | 5 | 57 |

Austin Resource Recovery Curbside Collection and HHW Operations

