

Item Title: Multi-Year Contracts for Processing of Recyclable Materials.

Specific Action Requested:

That the Board of Commissioners authorizes the County Manager to enter into multi-year contracts with Waste Management Recycle America for processing single stream recyclables and Sonoco Recycling for processing of old corrugated cardboard, subject to terms and conditions acceptable to the County Attorney.

Item Summary:

Purpose: Approve multi-year contracts for the processing of recyclable material collected at Wake County Solid Waste drop off facilities.

Background: Wake County Solid Waste operates 11 Convenience Centers, serving as essential waste and recycling drop-off points for residents throughout the County. The convenience centers are funded by the county-wide Household Fee (\$20/year/household). At these facilities, individuals can dispose of household trash, bulky waste items, and recyclable materials, including single-stream (mixed) recyclables and old corrugated cardboard. After the recyclable materials are collected at the Convenience Centers, they are transported to a material recovery facility (MRF), where they are processed and prepared for reuse/recycling. The existing contracts for the processing of single-stream recyclables and old corrugated cardboard are set to expire on June 30, 2024.

Strategic Plan: This action supports routine County operations.

Fiscal Impact: The FY2025 cost for Waste Management Recycle America is projected at \$165,900 and is within the recurring appropriation in the Solid Waste budget for facility operations. The contract is for a three-year period and is estimated to cost \$512,780. The costs for FY2025 and beyond will be incorporated into the Solid Waste funding model and future recommended budgets.

The Sonoco Recycling is a revenue-only contract. The contract is for a three-year period and is estimated to generate \$407,168 in revenue during the three-year period.

Additional Information:

On March 27, 2024, Wake County issued a request for bids for the processing and marketing of recyclable materials, including single-stream (mixed) recyclables and old corrugated cardboard. Single-stream recyclables include aluminum, glass, paper and plastics. Once the recyclable material is transported to a material recovery facility, the

items are sorted, processed and marketed for reuse/recycling. The cost for single-stream recyclables is based on a calculation that considers the current market value for the material minus the processing costs. Because old, corrugated cardboard is collected separately from single-stream recyclables, there are lower processing costs at the material recovery facility, which results in a positive value (revenue) for the material.

On April 16, 2024, Wake County received bids from Waste Management Recycle America and Sonoco Recycling. The bid selection was based solely on the best pricing. Waste Management Recycle America was selected to process, and market single-stream recyclables and Sonoco Recycling was selected to process and market old, corrugated cardboard. The County seeks for these services to begin on July 1, 2024, and unless sooner terminated by mutual consent, shall be provided until June 30, 2027 with two, one-year optional extensions at the discretion of the County.

Attachments:

None.