

# Recycling in Austin: *Understanding the Facts – the last 5 months*

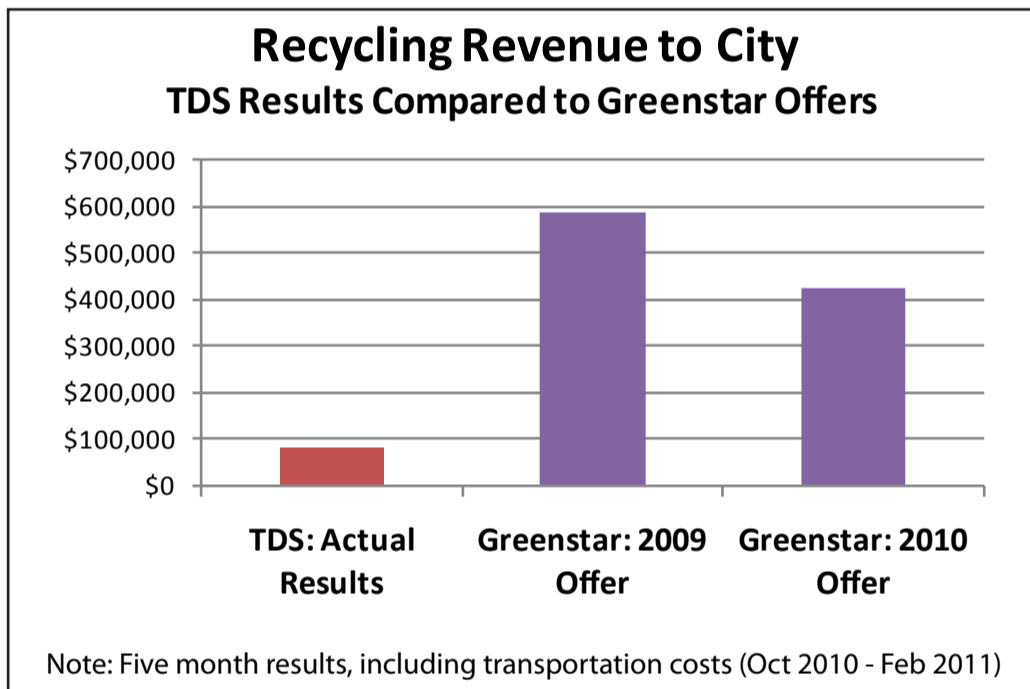
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March 22, 2011

Austin is an environmental leader that deserves the best possible recycling program. **Greenstar was proud to be a part of the City's transition to single stream recycling where volumes of recyclables collected increased by 70% during the two year program.** The citizens of Austin played a major role in this growth and Greenstar was proud to provide the capabilities leading to this admirable effort in reducing waste.

The recycling program with Greenstar began in October 2008 just as commodity values were plummeting; in line with the overall economy. The City initially lost money on the new program solely due to the collapse in commodity values having chosen a revenue sharing contract. **However, those losses turned to profit under the Greenstar program when commodity values recovered. In July 2009, Greenstar initiated a proposal for an alternate agreement to the City to work together to improve the financial performance of the recycling program for the citizens of Austin. The City did not accept this offer, missing out on \$1.3 million in savings over the next 14 months and the opportunity to save approximately \$1 million per year.**

Last year, Austin City Council voted to reject all bids that were submitted for a proposed new recycling plant to meet the needs of the successful efforts of its citizens. **Instead, the City abandoned the competitive bid process and negotiated a deal directly with its landfill operator, Texas Disposal Systems (TDS).**

Throughout the ups and downs of the commodity market and the negotiation process, Greenstar Recycling has been diligent about providing the citizens of Austin the facts about its recycling program. Greenstar published one full page ad and several online ads in June 2010 and wrote three letters to the editor between December 2009 and June 2010. In continued pursuit of the facts, Greenstar has requested and received the performance data for TDS' operations every month since the plan began.



*Numbers based on actual, 5 month results for 2010 and 2011 and include estimated transportation fees.*

**Greenstar Recycling's previous offers are the CLEAR winners.**

*Unfortunately, despite very good overall commodity prices, the City has lost potential revenues and recycling volumes have decreased since TDS assumed responsibility for the recycling program.*

- Volume of recyclables collected decreased by over 10% on average from Greenstar averages over the final 6 months to TDS' totals for the first 5 months. How did that happen?*

- As the graph indicates, the City lost potential revenues of over \$500,000 on its contract with*

*TDS in the first 5 months when compared to the 2009 option Greenstar offered and nearly \$350,000 when compared to Greenstar's 2010 offer. Wasn't this plan supposed to be Austin's best short-term option? What do the next 20 years hold for the citizens of Austin?*

Greenstar urges the citizens of Austin to know all the facts and strongly supports its pursuit of a zero waste community.

