

FAQs About The New CSWD MRF

Updated 9/30/22

Q. If the MRF is handling 47,000 tons now, is 50-70,000 tons really enough capacity for the new facility? What will it look like 30 years from now, with people moving to Vermont and the delivery economy continuing to grow?

A. CSWD's current MRF was designed and built in 1993 to process 25,000 tons of recyclables per year. It is not unusual in the industry to push a MRF beyond the capacity it is designed to handle, and we have done that. The new MRF will be designed and built to handle up to 70,000 tons per year and with flexibility for growth and equipment upgrades that will allow the system to process even more than that. Given the typical wear and tear on a MRF, the life expectancy of the facility is 30 years.

Q. What will the energy usage and greenhouse gas impacts of the new MRF be in comparison with the current facility?

A. One of the new MRF's major benefits will be its capacity to keep far more materials in circulation and out of the landfill, saving natural resources and energy. CSWD's new MRF will be able to process up to 40% more material than we can manage now, which will provide a greenhouse gas reduction equivalent of removing 52,500 passenger vehicles from the road and conserving nearly 28 million gallons of gas annually. The increased recycling of paper and cardboard would save 634,000 trees from being cut down annually.

The new MRF will be equipped with modern technology and will have improved lighting, heating, and ventilation to provide a much better environment for workers. All this requires energy. We are working with Efficiency Vermont to explore all opportunities for energy savings wherever possible. We have just begun this process and expect to have more tangible comparisons to current operations as we approach construction in 2023.

Q. Will this make recycling cost more?

A. No, not necessarily. It depends partly on how much revenue we receive from the sale of recyclables. The bond will be repaid from revenues generated by the MRF from the sale of recyclables on the commodities markets and from the per-ton tip fee charged to CSWD Drop-Off Centers and other large-scale haulers that collect recyclables and deposit their loads at the MRF.

We set the tip fee at a rate that enables us to cover operational costs, debt-service, and capital costs not covered by income from the sale of recyclables. This will still be the case for the new MRF. We have

made it a priority to set the tip fee once a year to keep costs predictable for haulers and our Drop-Off Centers.

The tip fee is just one part of a hauler's operating expenses, which include labor, insurance, fuel, and equipment. They choose to what extent they pass these costs along to their customers. CSWD plays no role in that.

Q. Will you be assessing member Towns and Cities a fee to pay for the new MRF?

A. Though CSWD's Charter grants us the authority to assess member Towns and Cities a fee in exchange for the services we provide them as members, CSWD has not assessed cities/towns to be part of CSWD since 1992 and we have no intention of doing so now. The bond will be repaid from revenues generated by the MRF from the sale of recyclables on the commodities markets and from the per-ton tip fee charged to CSWD Drop-Off Centers and other large-scale haulers that collect recyclables and deposit their loads at the MRF.

The article to be approved by voters on November 8 at the General Election includes this statement: *"... it being intended that the source of repayment shall be waste management fees and revenues collected by the District and, to the extent necessary, assessments to member municipalities in accordance with the District's Charter."*

We had to include this language to recognize that an assessment is the last resource available to us after all others have been exhausted. CSWD has several other ways to raise the funds to repay the bond before we would need to assess our member towns.

Q. Why does CSWD contract with Casella to operate the current MRF that CSWD owns? Will Casella operate the new MRF?

A. CSWD has contracted for day-to-day MRF operations because it has historically been to our financial advantage. The MRF Operator takes care of all staffing, daily maintenance, and sale of the recyclables on the commodities markets. In exchange they receive a per-ton processing fee and some tip-fee revenue under a formula specified in the contract. Casella has been the only candidate equipped to provide the services we require, and they have been a valued partner in our MRF operations. We are in negotiations with Casella to extend their contract to operate the existing MRF for the next three years while we build the new MRF.

If voters approve the bond and we are able to proceed with the new MRF, we will likely extend the contract with Casella to transition to and operate the new MRF for a period of time to be negotiated. During that time, we will analyze the benefits, costs, and risks of operating the new MRF ourselves vs. contracting with an external operator. If we decide not to operate the new MRF ourselves, we will issue a Request for Proposals open to all qualified candidates.

Q. What will happen to the old (current) MRF?

A. CSWD owns the property at 357 Avenue C, the MRF building, and the equipment. We will incorporate usable equipment in the new MRF and sell the remainder as scrap. Our Board of

Commissioners will determine the best use for the property. Options we will consider include selling the property, repurposing it for research and development of other landfill-diversion (recycling) programs, managing items such as large, bulky furniture that poses problems for our Drop-Off Centers.

Q. What happens if this bond does not pass?

A. CSWD will need to make significant investments in the current MRF to keep it going for as long as we can. However, it will still be too small, and we expect that within 5-10 years, it will be unable to keep up with market demands and will have to shut down.

Please send your questions to info@cswd.net.