



Executive Summary

At the January 2010 Metro Waste Authority (MWA) Board of Directors Meeting, three citizens raised concerns about potential recycling problems occurring in the metro area. The Board decided that it was MWA's responsibility to obtain answers to the citizens' questions and to perform due diligence on the recycling contracts that MWA has with recycling vendors. Seven vendors were selected to be audited by MWA's Compliance Manager, and those vendors are as follows: Environmental Services of Iowa (ESI), Electronic Demanufacturing Facility (EDF) of Scott County, Greenstar, International Paper (IP), Phoenix Construction and Demolition Recycling, Recycling Inc., and Roof2Road (R2R).

IP and Recycling Inc. do not have any current contracts with MWA, but since both facilities have a strong recycling presence in the metro area, they were invited to participate in the audit at their own will. MWA thought that by including additional recycling facilities that the concerned citizens would be able to get all of the answers they are seeking.

MWA mailed a letter to vendors in February informing them of this audit, and included a list of questions for them to answer. The first set of questions addressed concerns raised by citizens at the January Board Meeting. The second set of questions were specific for each vendor. These questions are based on requirements in the vendor's contract with MWA.

MWA received written responses to all the questions from five of the seven vendors. MWA received a written response to some but not all of the questions from Phoenix. MWA did not receive a response from Recycling Inc. All of the responses are included in the body of this report.

It is important to acknowledge the language that is used in the solid waste industry. There are some key words used throughout the report, which need to be defined in order for everyone to fully understand what is meant when the terms are used:

- "*Commodity*" a material of value, which is sold on a market.
- "*Contamination*" the introduction of an item in a load of materials, which is not considered to be a commodity material.
- "*Designation Agreement*" means that under Iowa law, waste may only be deposited at a disposal or recycling facility within MWA's service area if the site is designated to receive waste in MWA's Comprehensive Plan which is filed with the Iowa Department of Natural Resources. When Metro Waste Authority designates a private site to receive waste, it requires the operators of the site to sign a "Designation Agreement". This agreement sets out the terms and conditions of MWA's designation of the site as an authorized waste disposal facility.
- "*Recycled Material*" means material that an identified end user has committed to purchase for non-landfill use.



- “*Recycling*” is identified as any process, including composting, by which solid waste is collected, and processed for use as raw material(s) or products for which there are consumers; provided said process complies with all applicable federal and state requirements and results in waste that otherwise would be transported to the landfill being diverted to non-landfill use.

This report is divided up by each vendor, and they are listed in alphabetical order. In each section you will find the following items:

- The MWA letter and questionnaire sent to each vendor informing them of the audit
- The contract that MWA has with the vendor (if applicable)
- A description of the relationship between MWA and the vendor
- The vendor’s responses to the citizens’ questions (if responses were received)
- The vendor’s responses (if provided) followed by the MWA Compliance Manager’s responses to the contractual questions
- Attachments providing additional information in support of a vendor’s answer to the question

With respect to contractual questions, the audit showed the following:

- **Electronic Demanufacturing Facility (EDF) of Scott County:** collects, transports, recycles and disposes of Electronic Waste for .20 cents per pound (TV consoles are \$15.00 each and large copiers are \$11.00 each), that is collected by Metro Waste Authority.
 1. Did the company provide a performance bond, letter of credit, cash deposit, or a guaranty agreement? *Yes*
 2. Has the company provided the following items to MWA; on-site equipment list, spill and fire prevention plan, contingency plan, employee experience, transportation and disposal facility list, description of contractor’s safety record, and third-party certification? *Yes*
 3. Does the company only dispose of waste at EPA-permitted facilities? *Yes*
 4. Does the company comply with all state and local requirements of transportation, storage and disposal, including obtaining all necessary permits, licenses and approvals? *Yes*
 5. Does the company adhere to EPA treatment standards for collection, categorization, packaging, transportation, recycling and or disposal of waste? *Yes*
 6. Does the contractor provide copies of all manifests to MWA immediately upon shipment from a permanent collection facility? *Yes*
 7. Does the company provide a certificate of disposal/destruction or equivalent documentation of processing that indicates the date, location, and method of treatment and disposal within nine months of arrival of the waste at company’s facility to MWA? *Yes*
 8. Does the company conduct all operations with strict accordance with all applicable federal, state, and local regulations? *Yes*



- **Environmental Services of Iowa (ESI):** MWA pays ESI seven dollars per unit to pick up appliances and recycle them at their place of business, located in Adel, Iowa.
 1. Does the contractor comply with all provisions defined in Chapter 567-118 of the Iowa Administrative Code relative to removal and disposal of polychlorinated biphenyls (PCBs)? *Yes*
 2. Does the company comply with all permits, regulations and other requirements? If not, please provide explanation of non-compliance. *Yes*
 3. All are bonds and insurances maintained by the company, as called out in the contract? If yes, what are the amounts? *Yes*
 4. Is the quarterly report submitted to Metro Waste Authority? Does it include the total weight of appliances; the number of appliances by type, of appliances processed; pounds and numbers of PCB units and other hazardous wastes removed; the pounds of free mercury and the number of mercury switch devices removed; the end use or disposal destination for all hazardous materials; the Certificate(s) of Recycling or the Certificate(s) of Destruction received during the quarter; and an updated list of acceptable disposal facilities being utilized and definitions of all waste classification and disposal methods. *Yes*

- **Greenstar:** processes the Curb It! single stream materials for MWA.
 1. At any time does the facility store any of the Curb it! program materials outside? *Yes*
 2. Of a scale ticket is generated manually, is the word “Manual” written on each ticket? *Yes*
 3. Do rejected materials remain at the facility for more than two business days? *No*
 4. Is the level of contaminated material received at the facility exceeding the 10% level as designated in the contract? *No*
 5. Is the facility processing all single-stream recyclables materials so that they meet the market specifications inherent in the Published Industry Market Indices? *Yes*
 6. Is the company recording the following information for all incoming loads from a Curb it! contracted hauler: date, time, weight, source including the name of the designated company where applicable, carrier name and vehicle number, and whether the load was accepted or rejected? *Yes*
 7. Has the facility obtained and maintained compliance with all necessary licenses, permits and other authorizations required by all governmental agencies having jurisdiction over its activities, including but not limited to the IDNR, EPA and any city or county that has jurisdiction over the site? *Yes*
 8. Has the company been submitting the monthly report detailing all of the tonnage delivered by individual MWA communities during the month; the quantity of each recyclable commodity marketed; the material market indices effective for the month; any revenue sharing or service



fees owed to MWA; and the quantity and type of residuals land-filled during the month, within 10 days of the beginning of each month? *Yes*

- **Phoenix Construction and Demolition Recycling** : Phoenix is designated to be able to accept construction and demolition materials for recycling purposes in the MWA service area.
 1. Does the company comply with all permits, regulations and other requirements? If not, please provide explanation of non-compliance. *No. Department of Natural Resources has revoked Phoenix's operation permit effective 7-20-09. Phoenix is appealing the revocation.*
 2. Are the materials that are delivered at the facility processed within the time limits set out in the contract? *Yes.*
 3. Are all remaining wastes processed transported to Metro Park East Landfill for disposal? *Yes.*
 4. Does any material remain at the site more than 10 days after delivery to the site? *Yes.*
 5. Does the company maintain the Surety Bond as described in the contract? If yes, what is the amount of the bond? *Not applicable.*
 6. Are the monthly reports submitted to Metro Waste Authority within 15 days after the end of the reporting period and filled out completely? *No. Phoenix did not reference in any of their monthly reports that the company received a permit revocation and a notice of violation from the Iowa Department of Natural Resources, the reports were also not signed.*
 7. Does the plant operation meet all of the specifications of the contract. If not, please explain. *Compliance Manager Response: See items 1 and 4 above.*

Note: Metro Waste Authority continues to defend a lawsuit filed by Phoenix in January 2006. A summary of the legal proceedings to date is included in Attachment A under the recycling audit review of Phoenix.

- **Roof2Road (R2R)**: R2R is designated to be able to accept shingles for recycling purposes in the MWA service area.
 1. At any time does the facility store more than 200 tons of materials on site? *No.*
 2. Is the facility ensuring that friable asbestos is not an occurring issue with the shingles that are accepted? *Yes.*
 3. Has the facility received a Notice of Violation from the Iowa Department of Natural Resources? *No.*
 4. Does the facility have a closure bond in an amount equal to the minimum amount sufficient to remove all material from the facility and deliver to the landfill for disposal, including tipping fees? *Yes.*
 5. Is the facility in compliance with all local, state, and federal laws, rules, regulations and ordinances? If no, provide an explanation. *Yes.*



6. Has the facility obtained and maintained compliance with all necessary licenses, permits and other authorizations required by all governmental agencies having jurisdiction over its activities, including but not limited to the IDNR, EPA and any city or county that has jurisdiction over the site? *Yes.*
7. Has the company been submitting the report (Exhibit A) of its C&D waste recycling activities within 15 days after the end of each month to Metro Waste Authority? If yes, has the report been filled out to meet the requirements of Metro Waste Authority? *Yes.*

Recommendation: The MWA Board of Directors should review the full report and make a recommendation on what action the Board would like to take, based on this information.