Boulder County Recycling Center

2019 2nd Quarter Report

January 1 - June 25, 2019

- Inbound Material Trend (2013-2019)
- Outbound Trend (2013-2019)
- Outbound Material Revenue Trend (2013-2019)
- Market Conditions
- Gate Fees
- Key Operating Performance Indicators
- Update On Optics Retro-fit

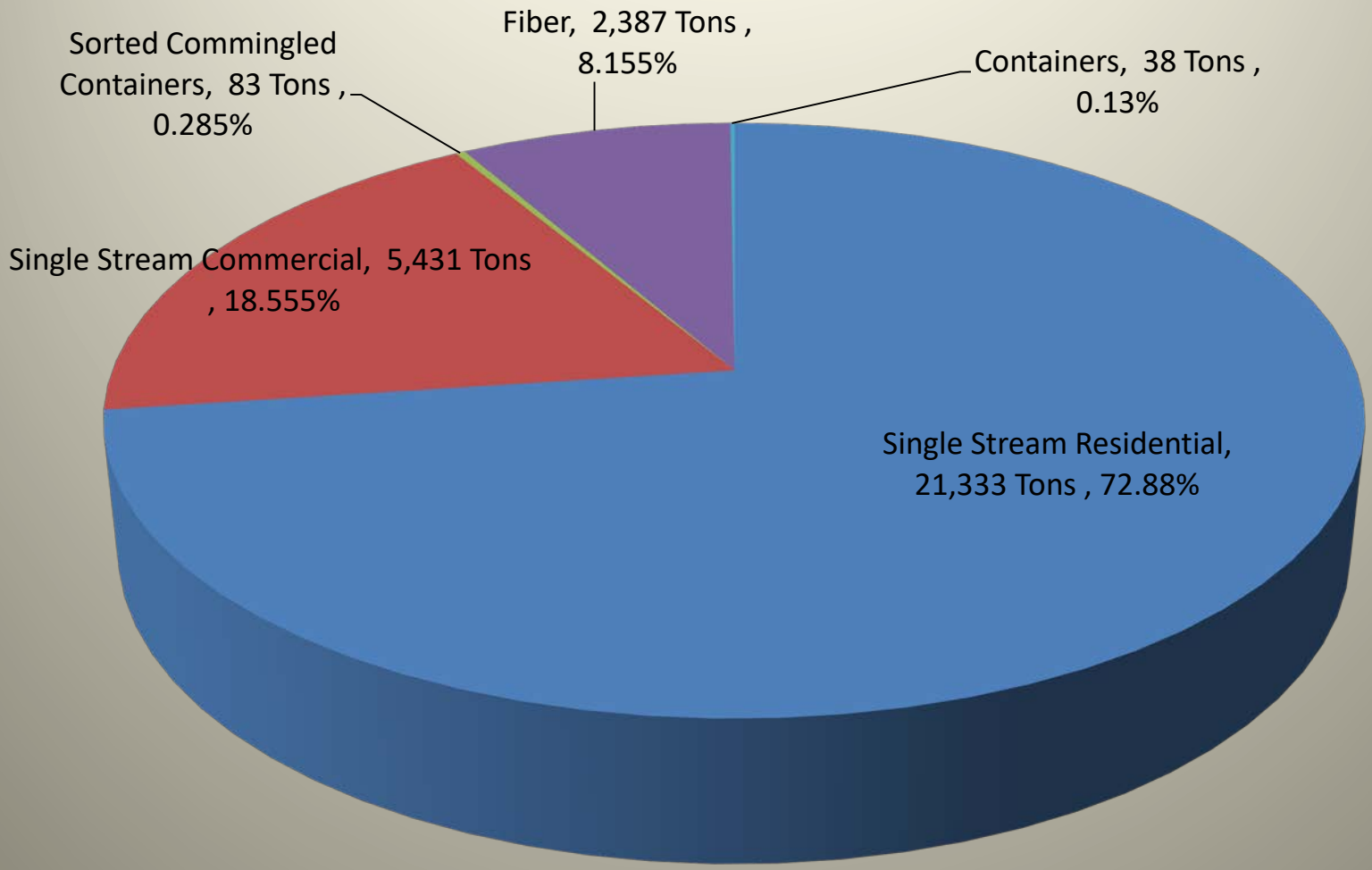
Boulder County

Resource Conservation

Inbound Materials by Year

STREAM	Tons/year							Average %
Mixed Materials	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019 Jan - Jun**	
Single Stream Residential	40,502	38,684	45,370	43,881	35,941	39,722	21,333	72.88%
Single Stream Commercial	4,985	5,361	5,094	5,990	10,786	9,163	5,431	18.555%
Commingled Containers	243	76	81	101	85	230	83	.285%
Source Separated Materials								
Fiber	2,693	1,978	2,266	2,592	3,003	2,833	2,387	8.155%
Containers	99	18	9	8	13	68	38	0.13%
Total	**48,521**	**46,118**	**52,821**	**52,572**	**49,828**	**52,016**	**29,272**	**100.0%**

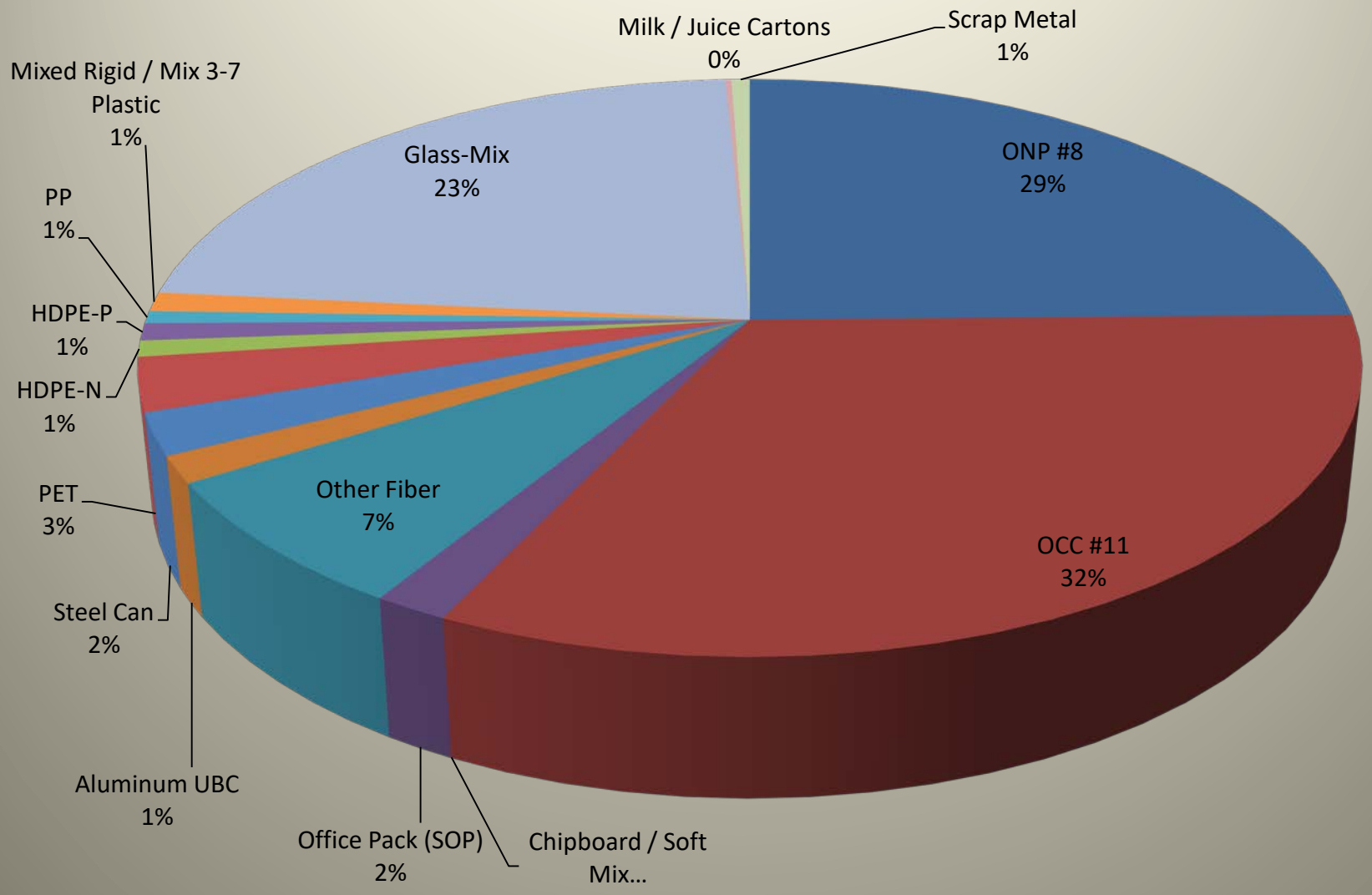
Inbound Materials 2019 Jan – Jun YTD



Outbound Materials by Commodity by Year

Commodity	Tons/year						
	2013	2014	2015	2016	2017	2018	2019 Jan - Jun
Fiber Commodities							
ONP #8	15,815	14,449	17,496	15,969	13,562	13,993	5,832
OCC #11	11,413	11,555	14,342	14,749	14,822	15,651	7,633
Chipboard / Soft Mix	1,060	488	607	625	645	152	0
Office Pack (SOP)	1,242	1,192	1,051	1,390	1,995	1,062	405
Other Fiber (Hard Mix)	371	555	540	566	0	738	1,716
Container Commodities							
Aluminum UBC	450	471	489	506	486	687	352
Steel Can	897	854	1,009	851	880	980	553
PET	1,080	1,200	1,267	1,220	1,076	1,332	711
HDPE-N	359	353	396	391	304	345	212
HDPE-P	326	301	347	320	288	383	228
PP#5	65	264	285	190	189	282	163
Mixed Rigid / Mix 3-7 Plastic	106	330	187	447	237	309	254
Glass-Mix	7,739	7,174	7,740	8,583	10,223	9,904	5,351
Milk / Juice Cartons	171	153	154	133	131	84	41
Scrap Metal	158	193	301	423	335	298	134
Total	**41,252**	**39,532**	**46,211**	**46,363**	**45,173**	**46,200**	**23,585**

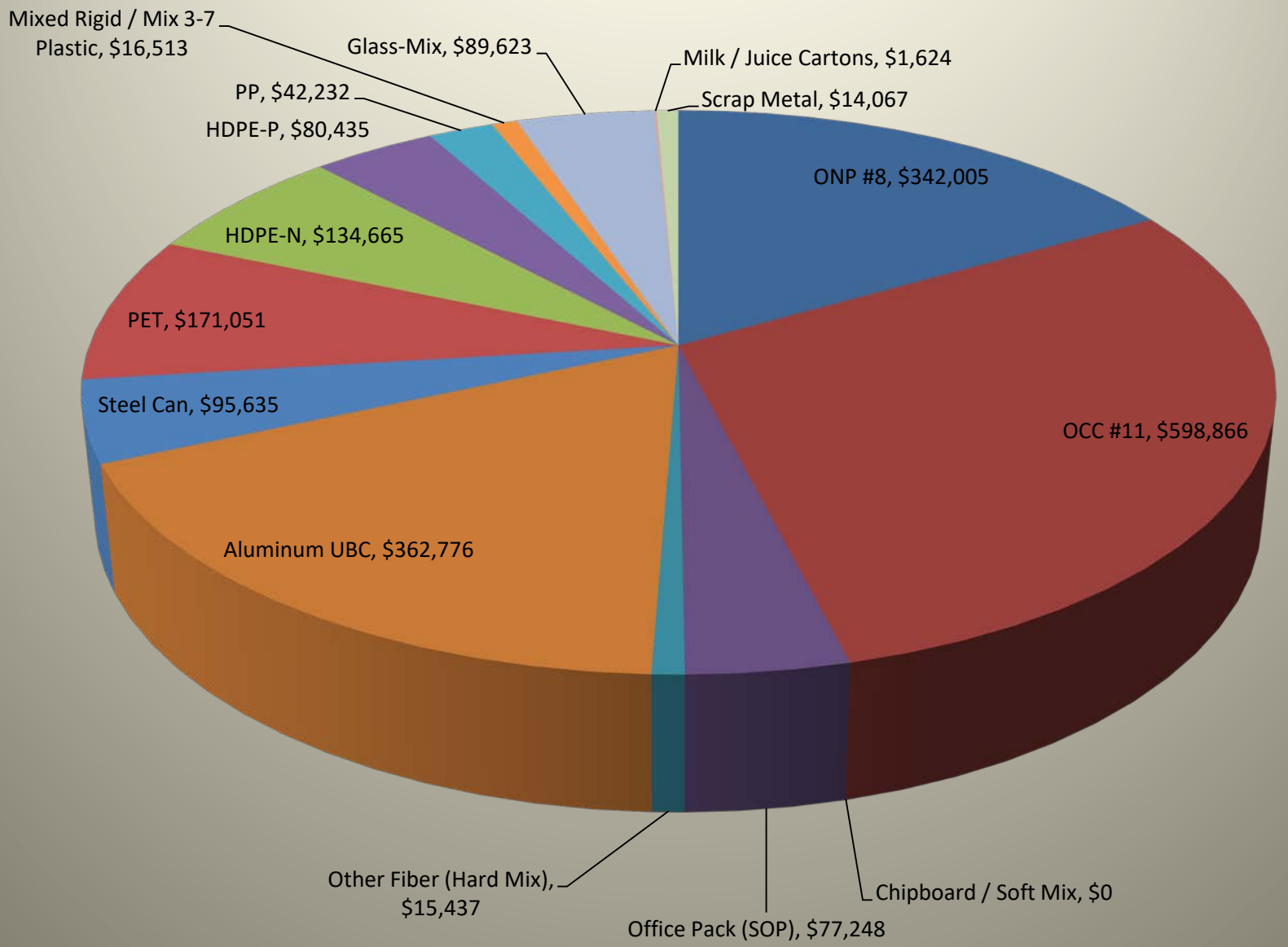
Outbound Materials 2019 Jan – Jun YTD



Outbound Materials Revenue by Commodity by Year

Commodity	Tons/year						
	2013	2014	2015	2016	2017	2018	2019 Jan - Jun
Fiber Commodities							
ONP (News#8)	1,382,243	1,286,605	1,242,388	1,480,546	1,523,707	972,245	342,005
OCC #11	1,318,596	1,219,116	1,402,561	1,655,772	2,713,061	1,840,526	598,866
Chipboard / News6 / Mix3	63,852	25,864	26,875	38,470	43,383	1,723	0
Office Pack (SOP)	185,928	189,079	165,572	205,142	303,045	190,607	77,248
Other Fiber (Hard Mix)	28,245	28,893	24,919	34,895	0	11,741	15,437
Container Commodities							
Aluminum UBC / Foil	655,453	761,237	608,844	608,994	683,245	917,356	362,776
Steel Can	195,959	190,656	81,383	82,406	138,419	193,602	95,635
PET	409,535	384,675	258,125	190,719	270,308	368,422	171,051
HDPE-N	252,970	334,371	245,270	240,673	187,349	268,409	134,665
HDPE-P	146,902	185,635	166,103	128,918	105,150	130,967	80,435
PP	16,996	77,901	86,317	48,180	30,864	62,586	42,232
Mixed Rigid / Mix 3-7 Plastic	10,646	62,001	58,232	41,490	28,351	42,013	16,513
Glass-Mix	209,256	186,744	213,953	242,523	254,983	198,073	89,623
Milk / Juice Cartons	9,275	12,513	16,047	11,011	6,766	3,495	1,624
Scrap Metal	29,828	38,333	25,838	32,331	33,975	37,784	14,067
Total	**4,915,684**	**4,983,623**	**4,622,427**	**5,042,071**	**6,322,606**	**5,239,549**	**2,042,177**

Outbound Materials Revenue 2019 Jan – Jun YTD



Market Forecast

PLASTIC

Supply of low priced virgin resins caused by both increased production coming on line and lower oil prices have driven prices for 2 of our 3 recycled resins down. HDPE and MRP have been the resin types most effected. PET, POLY PRO and even Mixed Plastics have found sold market footing.

- **HDPE** HD natural and HD color have plunged 50% in value.
- **PET and Poly Propylene (PP)** resins have remained in demand and pricing has aligned. PET and PP continue to provide pricing support for the challenged resins.
- **Mixed Plastic (3,4,6,7):** This plastic pack is one of our BRIGHT SPOTs. We have found a reliable end user who is producing railroad ties. Our product quality was exceptional and we were offered a positive value of $20.00PT.
- **Mixed Rigid Plastic (MRP)** MRP continues to be effected by HD pricing . Value has declined more than 50% and is now more in line with HDPE.

Market Forecast

METALS

- Aluminum – Movement has improved and pricing has stabilized. Hopefully pricing increases will follow.
- Steel – Has seen some declines in value related to trade stress.

FIBER – OCC, ONP, MP

- OCC – Pricing for OCC has dropped to historic lows. Supply is very high and mills are running machines at lower levels to reduce supply of finished product. They are attempting to offset margin erosion on finished liner board by reducing what they pay for plant feed stock.
- ONP has been moving but at discounted pricing. #58 news is very difficult to make now as mills demand unattainable reductions in brown content. #56 Residential sorted paper and news are becoming an alternate product but pricing is only slightly higher than mixed paper.
- Mixed Paper continues to be a challenge as supply is still greater than demand. Movement is challenged as mills are able to secure cheap OCC and get better fiber yields.
- SOP is a grade that has become slower to move. Quality standards continue to be a challenge for the MRF as mills demand less non-white/browns from the pack. Our having multi-family recyclables mixed with commercial single stream has become a challenge for us related to production of SOP as brown content is more pronounced.

Gate Fees

Recycling Rebates (Gate Fees) are posted on the tenth day of each month at: http://www.bouldercounty.org/env/recycle/pages/recyclingrebates.aspx.

Residential Single-Stream (RSS) Residential single stream is a challenge for us as market movement and pricing has tested historic lows. We are working hard to hold our gate rates down in the hopes that markets will rebound. Our current rates are substantially less than all other MRFs in the market area. Our gate rates support our ability to continue to replace and repair aging systems in the plant.

Commercial Single-Stream (CSS) OCC and SOP movement and pricing along with quality standards increase the amount of mixed paper produced by this stream decreasing blended value produced. Our gate rate for this stream is a reflection of our efforts to hold rates down hoping for improvements. We are advised by our brokers that OCC pricing is at or close to a bottom and should begin to rebound in July.

Market Comparison

- *Comparatively, Larimer County is charging $75.37 per ton tip fee, and is landfilling plastics 3-6-7. This is a testament to Boulder County's philosophy and partnership with Eco-Cycle that producing quality material, investing in technology, and marketing domestically helps us weather the unpredictable international market swings with more stability.*

Key MRF Performance Indicators

- Zero Safety Recordable Incidents
- Tons Per Run Hour – 23
- Tons Per Paid Hour – 22
- Uptime – 97%
- Residue 9-10%

Plant Projects

We are working on several plant capital projects that are expected to improve MRF operations.

- Replace current truck scales with new. RFP bids under review.
- Redesign scale access traffic flow. Eliminate the sharp turn accessing the scale.
- Automate scale operations. Install Driver access terminals with gates and/or light systems.
- Rebuild C-701 in-feed conveyors. Extend life 10 years. Reduce current Down time and high maintenance costs.
- Rebuild / Reline our container 2-ram baler. Extends life 3-5 years. Allows us to defer baler replacement and allocate funds to efforts that support plant sustainability.

Contact

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Boulder County

Resource Conservation