

Ulster County Schools Recycling Club

Recycling Program Cost and Benefits Overview

Understanding the costs and benefits associated with the program will be central to the program's long-term stability. The importance of putting together an economically viable program cannot be overstated. A program that is not on sound economic footing may be eliminated at a future date. And, while school programs, for the most part, are economical, there can be costs associated with storage and collection of separated materials, depending on local markets for materials and waste haulers.

The economic benefits of a recycling program are most often realized through cost avoidance; these savings can be realized if the recycling program results in:

- less garbage requiring disposal, resulting in fewer pick-ups by the waste hauler;
- less garbage, requiring a smaller dumpster for trash, resulting in reduced collection and container rental costs.

In most instances, a school should not expect to be paid for its materials. One exception to this rule may be those schools that generate large volumes of aluminum cans. Because of the high market value of aluminum, a school may receive some remuneration for aluminum cans, even if that remuneration is in the form of offsetting other program costs.

However, in most instances, schools will not be generating materials of particularly high market value, nor will they be generating them in sufficient quantities to warrant remuneration. Typically, most schools will be separating for marketing to their recycling haulers such materials as newspaper, mixed paper, corrugated cardboard and commingled containers - materials of relatively low value.

Moreover, keep in mind that even though the amount of garbage the school will be generating will decrease, the recyclable materials still require collection and handling by a hauler. Generally, the costs associated with a recycling program for a hauler include:

- provision of storage containers to the schools
- pickup of materials from the schools
- handling of the recyclable materials after pickup (delivery to a recycling processing facility)

These activities result in genuine costs to a hauler, and schools should not expect them to be offered for free. Rather, the key is for the school to offset the costs associated with handling the recyclables by the corresponding reduction in garbage requiring disposal.

This is why successful negotiations with haulers are critical. If a hauler is not cooperative or is not interested in handling the recyclables, it is within the school's jurisdiction to negotiate with another hauler upon expiration of the existing contract, and/or to contract out the recyclables separately from the trash.

Typically, the costs incurred in a recycling program for the school district include:

- storage containers (both indoor and outdoor - it is likely that existing containers and/or cardboard boxes can be utilized for indoor containers; the waste hauler will generally supply outdoor containers)
- collection of recyclables
- educational and promotional materials (signs, posters, etc. - these may be donated by recycling companies, made by students, or may be available from municipal or county recycling coordinators.)

Below are formulas to use when determining associated costs and benefits of the recycling program.

1. Savings in Avoided Disposal Fees

Find out what the tipping fee per ton of trash is at your school's disposal facility. Estimate how many tons of trash the recycling program is going to eliminate; then calculate how much in tipping fees the program will save.

Formula:

Tipping Fee Estimate of tons to be recycled annually =
Savings to School in Avoided Disposal Fees

2. Savings in Collection Fees (where applicable)

If the program results in a reduction of the number of pickups by the waste hauler (e.g., three day a week pickup of trash to twice a week pickup of trash), calculate what that savings is to the school. In most instances, you will be dependent on the waste hauler for this information, and it may not be forthcoming unless specifically required in the RFP or contract, or unless your hauling contract is based on a charge per pickup. If that is the case, you can use this formula:

Formula:

(Charge per Pickup x Current # of Pickups per Week for Trash) (Charge per Pickup x Anticipated # of Pickups for Trash after Recycling Starts) = Savings in Collection Fees

3. Overall Costs/Benefits to School

Calculate the overall costs/benefits to the school by subtracting the costs of operating the program from the savings in collection and disposal fees.

Formula:

(Savings in Collection Costs for Trash + Savings in Avoided Disposal Tipping Fees) - Recycling Service Costs = Overall Cost/Benefit to School

(Source: Recycling Manual for New Jersey Schools)