



Buncombe County Government  
Attn: ACM, Jim Holland & Chairman, Brownie Newman  
200 College Street  
Suite 300  
Asheville, NC 28801

June 24, 2018

Re: Request for rate increase and addition of Recycling disposal fees to contract.

Gentleman,

Waste Pro of North Carolina is proudly celebrating over 8 years of partnership with Buncombe County.

While like all relationships, we've had our rough spots, but we've learned from them. Communication has never been better. Service levels have vastly improved.

During that period incredible changes have occurred for both of us. The number of households in the County has risen 17% and with that the amount of Recycling has gone up over 35%. The Counties landfill, transfer station budget has increased nearly 14% to address the growth.

During that same period, Waste Pro has made "Capital Investments" exceeding \$20 million dollars for facilities, equipment and acquisitions. Driving an average of \$600,000 a month into the local economy.

We made a conscious decision early on to deliver as much material to the Buncombe County landfill as reasonably possible. Not only the material committed by our contract, but all that we could throughout the County, believing that that, is what a committed partner does. Support, and work in the best interest of both.

Unfortunately, as with many other areas of the country, our agreement has not kept pace with this growth due to the limitations of the contract.

Compound that growth with the demand for qualified drivers, massive equipment cost increases and the completely unforeseen recycling challenge. We find ourselves in a most difficult situation.

The nation has a shortage of 51,000 truck drivers nationwide, that's up from 36,500 in 2016. That gap is projected to increase to nearly 100,000 by 2021. That demand has driven driver salaries up nearly 20%.

Equipment cost have risen disproportionately also. Trucks that we routinely purchased for \$285,000.00 in 2013 are now commanding close to \$400,000.00



The markets for recyclable materials have become volatile for numerous reasons with the major factor being the result of China's "Green Fence" and "National Sword" initiative. Falling commodity prices and a lack of current alternatives have led to paper being landfilled. Mixed paper once commanded a premium now cost to dispose of. Tipping fees for Recycling now challenge or exceed landfill fees. Glass continues to be debated with some areas removing it from the stream all together. Glass and contaminates make up close to 25% of a delivered ton. MRF's have made their requirements more stringent and will inspect and reject deliveries before putting it on the line. The cost for rejected loads are being reported as high as \$150 to \$200 per ton to transport to landfills.

We've transitioned from rebates on Recycling to tipping fees of \$35.00 with \$50.00 per ton on the near horizon. This alone translates to \$1.00 more per subscriber.

Additionally, MSW disposal is going up, representing an additional .75 cents per.

It is for these reasons that we respectfully request a rate increase to bring us in line with the current economy and tipping fees for Recycling be addressed and amended to the current contract.

It's been six years since our last increase, taking the rate from the initial \$14.70 to \$14.77. Since that time the CPI index has increased 8.38%

Accompanying this request, you will find exhibits supporting the above stated information.

We value our relationship with Buncombe County and hope to continue it for many years to come.

As with any relationship communication is of paramount importance. It is in that spirit that we reach out to you.

Do not hesitate to contact me for any additional questions, information or clarification.

Respectfully,

Robert W. Allen  
Director of Government Relations  
Waste Pro of North Carolina