



Recycling Services
2742 East Market Street
Des Moines, IA 50317
Phone: (515) 265-1208
Fax: (515) 262-2209
www.midamericarecycling.com

June 1, 2020

RE: MWA Key Budget Item – Proposed \$24 million MWA Material Recovery Facility (MRF)

Dear Mayors, Council Members, and Supervisors,

As the current contractor for MWA, Mid America Recycling (MAR), processes residential recyclables for your member community. From its inception we have vigorously opposed the proposed MRF because it duplicates existing services, increases costs, and demonstrates poor fiscal management of public funds.

This proposed MRF is a “vanity” project and not one based on sound fiscal management of public money.

- Poor fiscal management by governments even in good times is viewed as bad management, but during the upcoming economic recovery, it will be devastating.
- Operating costs for the proposed MRF are estimated to be **5 times greater** than the current contract – after **spending \$24 million** for a facility that duplicates current service with no improvement for citizens.
- Post COVID-19 municipal budgets are going to be strained. Municipalities across the nation are currently looking for opportunities to cut unnecessary services. Recycling programs are at the top of many elimination lists, including nearby Omaha, NE.
- MWA is struggling with the existing liquids and roofing shingle programs. **MWA staff has little or no recyclable marketing experience, proving again that the proposed MRF is a huge financial gamble.**

This paints a bleak scenario for an underutilized, high-cost facility especially since the sale prices of recyclables have been at all-time lows for several years with very few signs of near-term recovery. The current program and contracts were designed to protect your community from these catastrophic market downturns and has enabled the current Curb It program to continue operations without disruption.

How will MWA pay for this unnecessary facility & its exorbitant costs/losses as projected by MWA themselves?

- MWA will not foot the bill for this ill-advised decision.
- Instead, MWA will raise the landfill tip fees and place the debt burden on business and industry, which account for 75% of the waste stream.
- A landfill fee increase has already been approved effective July 1, 2020. Additional increases will be needed in the future, causing taxpayers to bear the burden of this financially unjustified project.

MWA’s mission has always been to take on issues that private business cannot or will not handle. Please review the attached information and you will see that this is not the case.

We implore you to keep these monetary funds within your community and consider what those millions of dollars could do for local budgets in a post COVID-19 taxpayer environment.

Sincerely,

Brian Meng
Principal
Mid America Recycling

Michael “Mick” Barry
President
Mid America Recycling

Curt Lack
Chief Financial Officer
Mid America Recycling