



SIMS
MUNICIPAL
RECYCLING

Recycling in NYC

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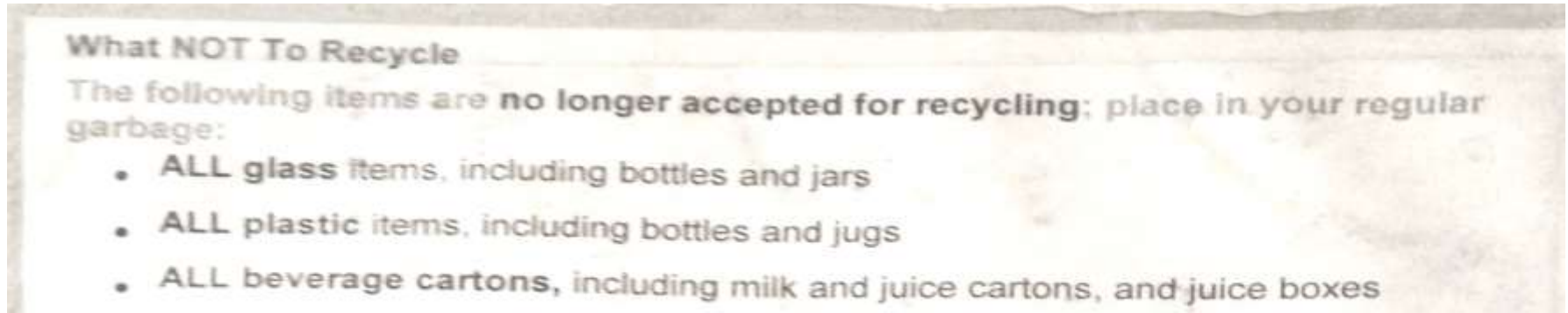
A Division of Sims Metal Management

- 20 year DSNY contract
 - 240,000 tons/year of MGP
 - 160,000 tons/year of paper
- 4 tip locations for DSNY trucks
- Barge-based intra-city movements
- 2 MRFs; 1 Glass Plant



How the partnership began

- Sims (then Hugo Neu) formed a relationship with NYC during the clean-up of 9/11
- Shortly after, Bloomberg wanted to cancel curbside recycling because processing fees were higher than waste export costs. In 2002, NYC stopped recycling plastic and glass.



- Hugo Neu won short term competitive bids to bring the program back, and then won the RFP for a long term (20 year) contract.

The Vision

To build a flagship center for Recycling in NYC

To invest in the infrastructure to make NYC recycling resilient and sustainable

To make an attractive inviting facility that the community would welcome



- Hugo Neu was a metal recycler – not involved with residential curbside
- But we had decades of experience with processing equipment, commodity markets, material handling and logistics, and a core business mission to divert material from landfill
- Started with conveyors and screens to understand the material, testing and adding other equipment over time
- Early meetings with the plastics reclaimers to understand their specifications
- Jersey City MRF served as both a recycling operation and R&D facility for the future Brooklyn MRF

- Fun with plastic bags



- The material changed quickly due to Scavenging – dramatic loss of metal, and a bottle bill expansion



- Plastic Commodities
 - PET
 - HDPE natural & color
 - 3-7 (export market)
 - Bulky (start and stop markets)
 - Film (stop and start and stop markets)
- Downward Participation trend, recycling tonnage was dropping

The Green Fence

- In 2012, 3-7 stopped moving on very abruptly.
- Quickly added optical sorter to make PE –PP
- Started selling PE- PP Bulky domestically



In April 2013 – City announced Plastics Expansion

- We had only a general idea what we were going to get.
- Unknown volumes, composition, contamination....
- Impacts on processing equipment, need for additional machines?
- Questions about markets -- for new resins and impacts on existing established materials.



Brooklyn MRF opened in December 2013

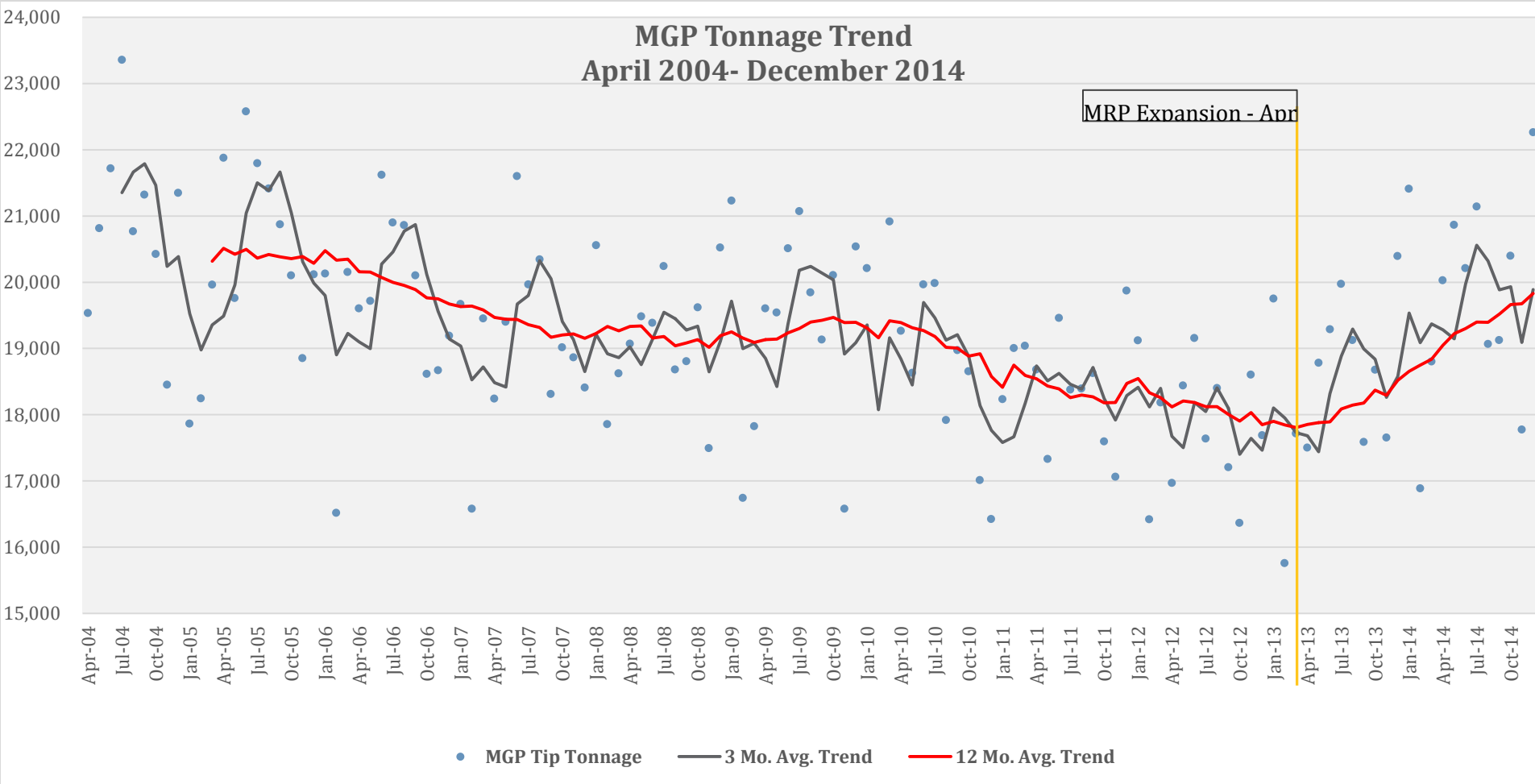




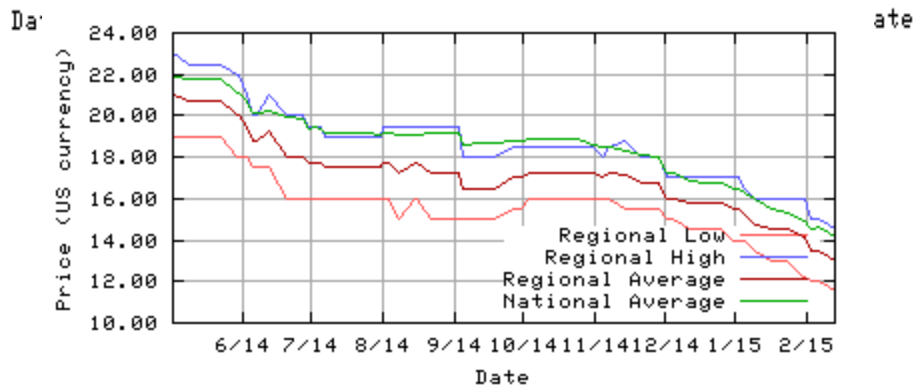
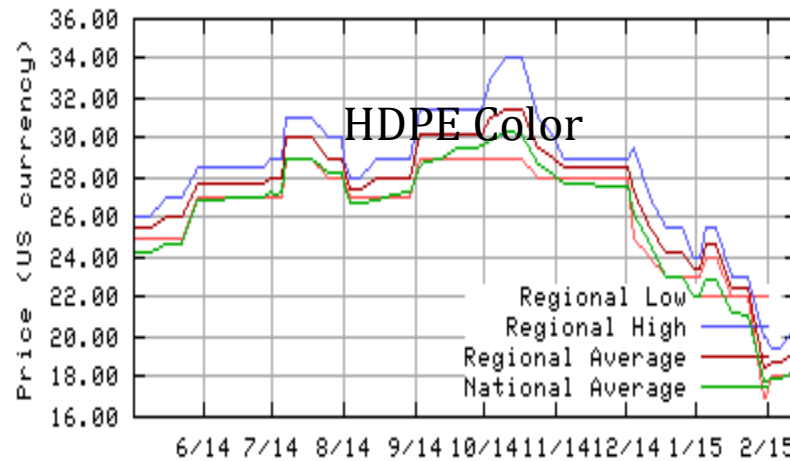
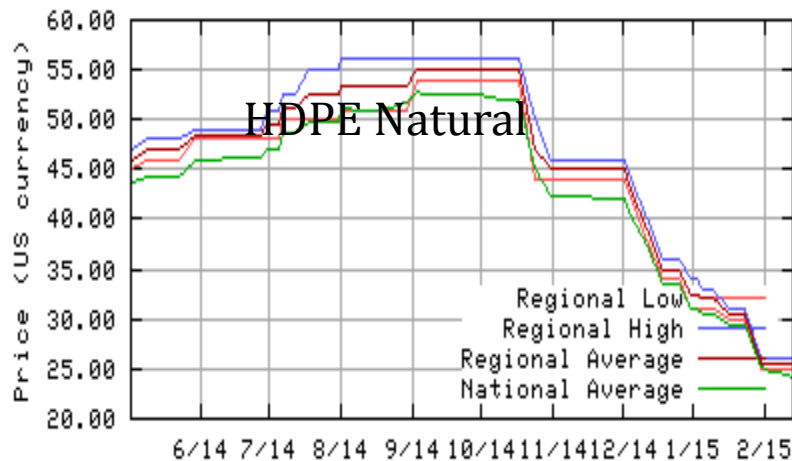
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- Since the plastics expansion, MGP tonnage is up an avg. of 2,100 tons a month (approx. 10%)
- Currently, 75% of all designated rigid plastics have markets; 25% don't have markets, at least as far as our current quantity, quality and sorting systems allow:
 - Bio plastics
 - Rigid styrene
 - #7
 - PVC
 - Polycarbonate

Metal/Glass/Plastic Tonnage Beginning to increase



Recent Decline



Market had to correct itself from all time highs
Oil prices are a direct relation to the decline in prices

Going forward

We are Recyclers. Markets will do up and down.
We believe that the trend of increased participation rates will continue,
And that markets will grow for existing and new commodities.

