



Santaquin City

2024 MSW / Recycling Report

Sustainability in Action

Mark Sherwood

Municipal Services / Gov Affairs Manager

McKenna Tupai

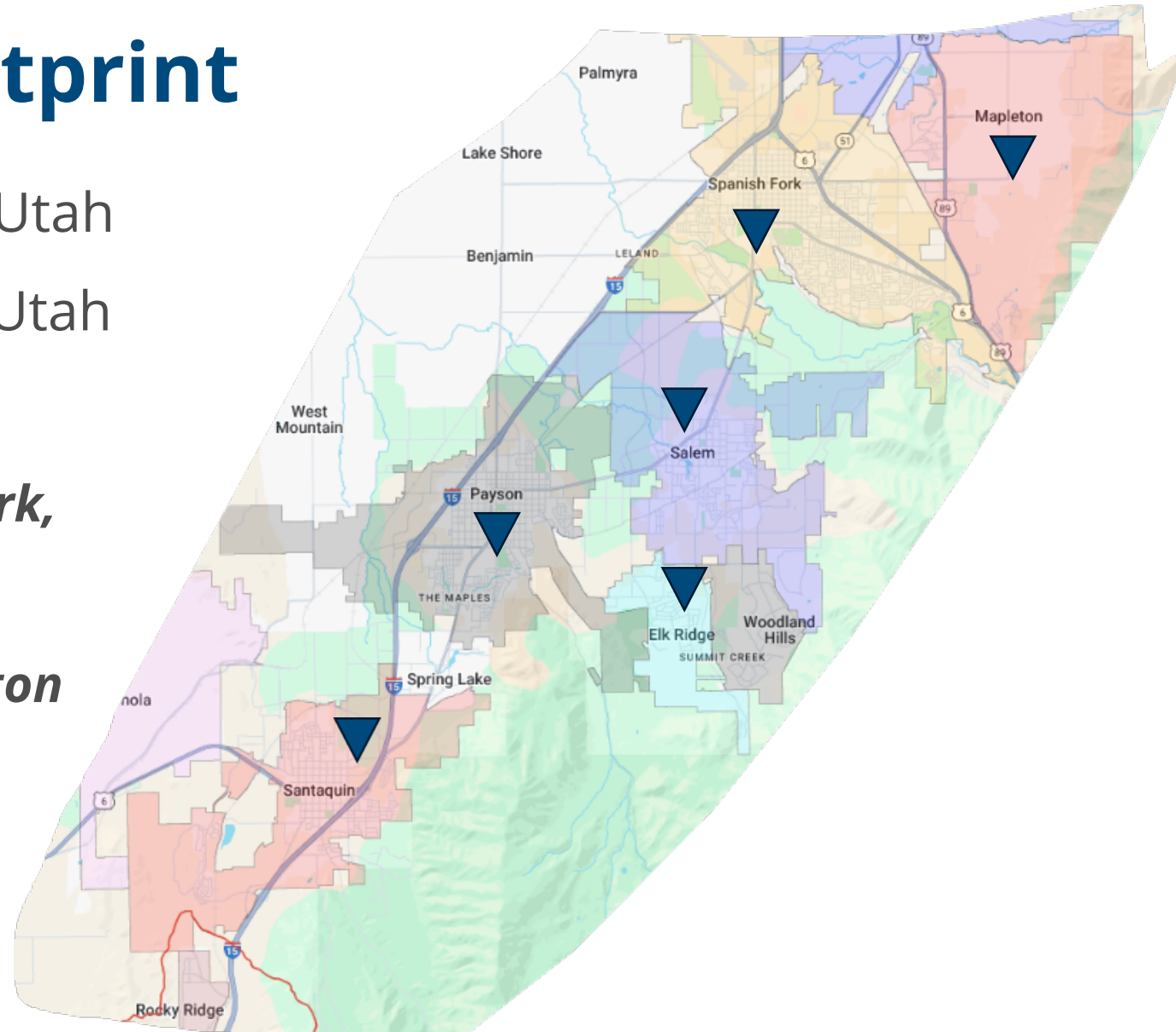
Municipal Contract Administrator

Republic's Footprint

☆ 26 Municipalities in Utah

☆ Leader in Southern Utah
County

☆ *Salem, Spanish Fork,
Payson, Elk Ridge,
Santaquin, Mapleton*



Santaquin Service Team

- ✳️ **12** Republic Services drivers servicing your city
- ✳️ Drivers servicing **4,901** homes **10x** each month
- ✳️ Over **375,000** carts were picked up last year!



Republic Services in the community

- ★ 2024 Sponsored City Events
 - Santaquin Orchard Days
- 2025 Sponsored City Events
 - Santaquin Orchard Days



2024 Hauled Material

Residential

 Recycling

Volume in tons

372.88

 Garbage

6,965



Santaquin Service Highlights

 292 Added homes

 373 Tons diverted from landfill

 1,314 Can Services

Items to Review

-  Future Growth
-  Best Practices
-  General Industry Update



Fall 2024 Industry Update

Continuing to evolve, from a focus on Recycling and Solid Waste, to Circularity, Environmental Services and Climate Action benefits.



OVERVIEW

Recycling and Solid Waste

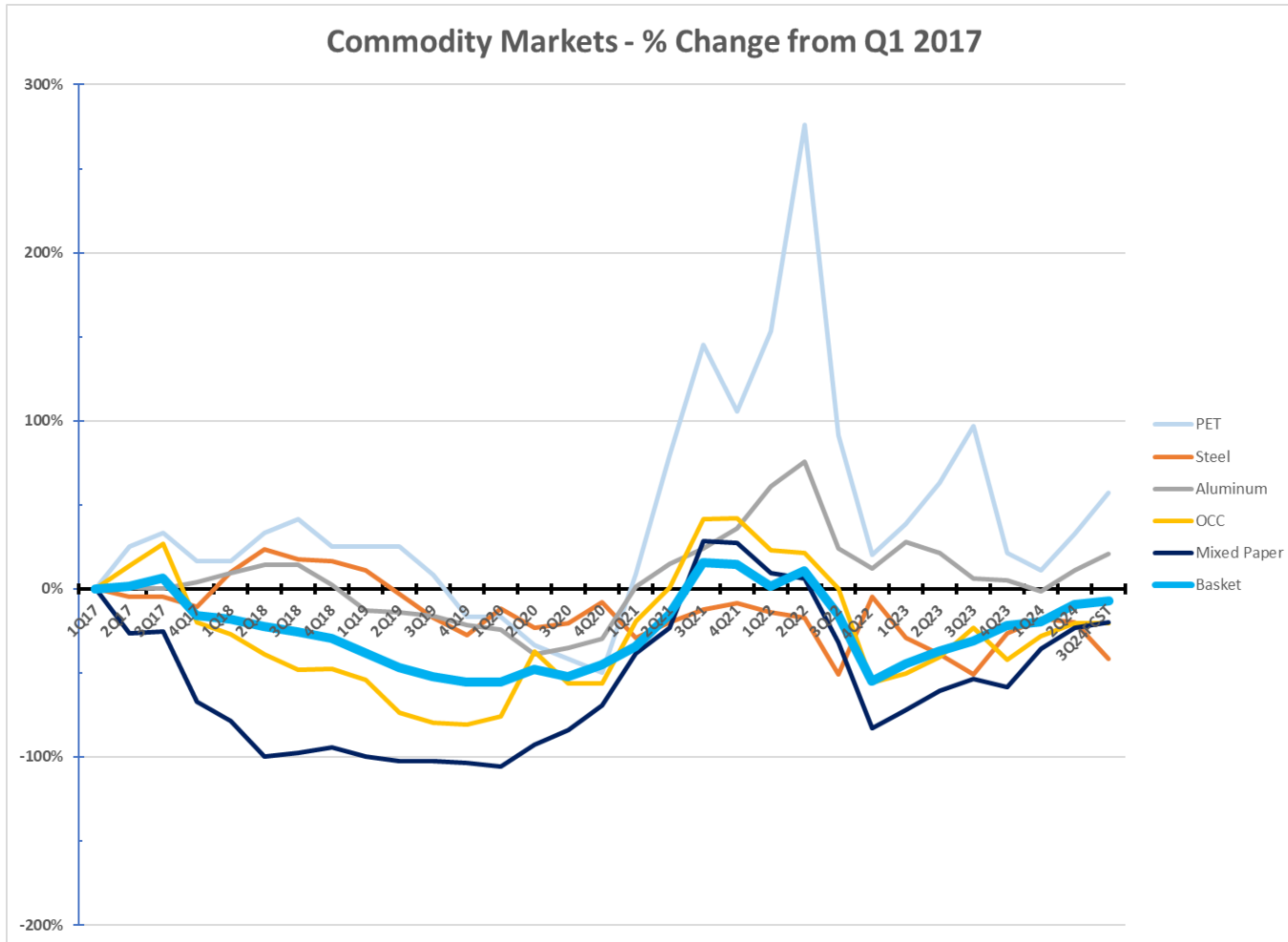
- Recycling commodities continue a slow rise, but still have not recovered from China Sword in 2017
- Average costs increases to serve Municipal contracts continue to be high and above annual price adjustments, driving higher pricing requirements
- Extended Producer Responsibility (EPR) legislation continues momentum, adding layers and complexity to programs

Sustainability and Environmental Responsibility

- Electrification of collection fleets is ahead of plan, and full contract conversions are now possible
- Plastic circularity is happening now, with coverage of the US by 2026
- PFAS related focus and projects are on the rise

Recycling and Solid Waste

COMMODITIES AND MARKET VALUES

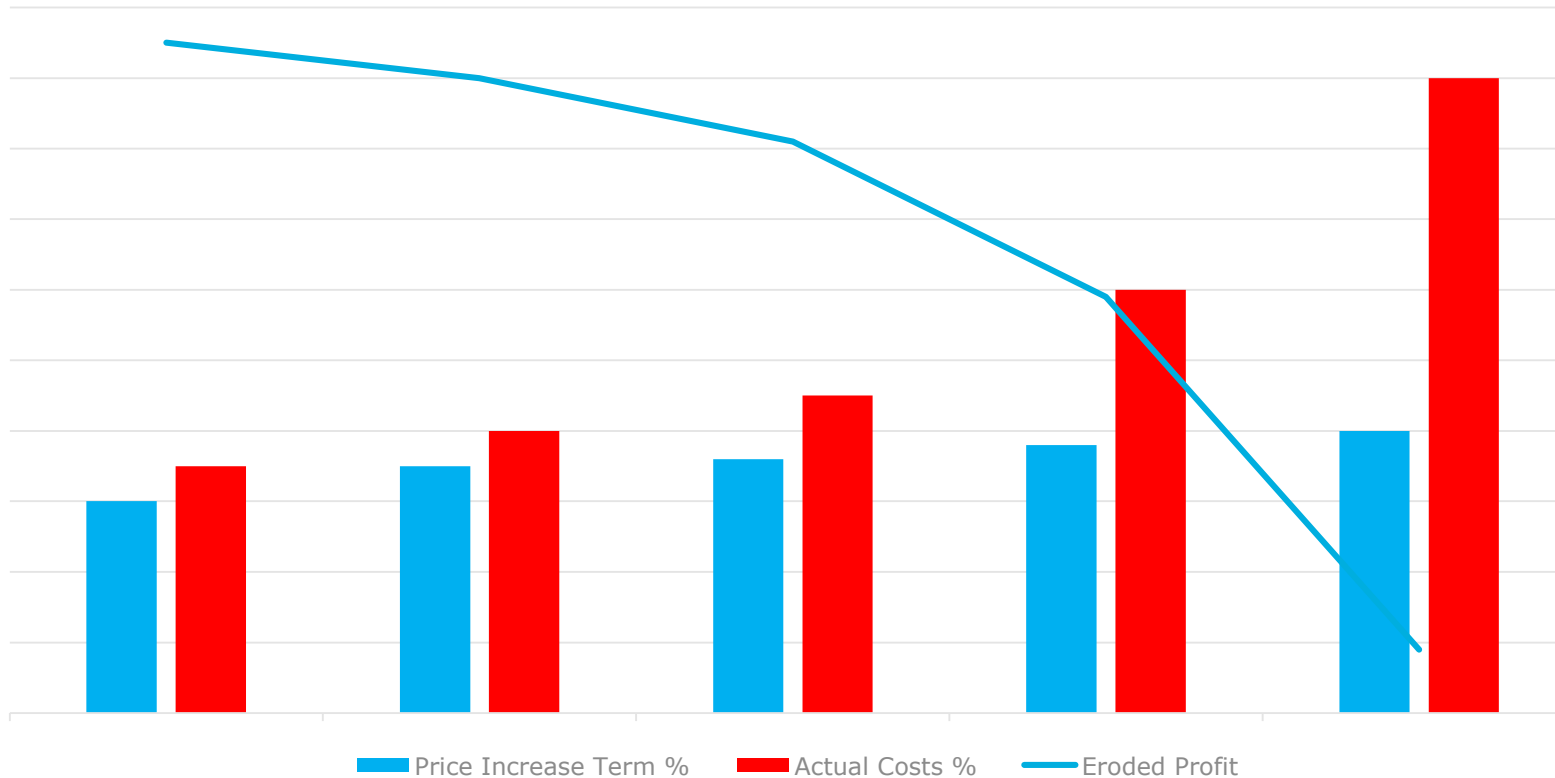


The “Commodity Basket” average continues to improve YoY since the pandemic, but is still below Pre-China Sword levels (Approx 7%)

Long term curbside recycling programs should be based on a “fee for service”, and not rely on commodity values to fund the program.

REASONS FOR MAJOR CONTRACT PRICING RESETS

Contract Erosion - Price Increases v Costs
(Illustrative)



Compounded Erosion

- Most contracted Annual PI terms are disconnected from Actual Costs
- This annual “gap” erodes contract profits and leads to significant price corrections that create challenges
- Contract terms must allow for coverage of actual costs attributed to topics outside the hauler’s control

Multi-year gaps between the “Annual Price Increase Terms” and “Actual Costs” lead to bad contracts and significant pricing corrections

Sustainability & EV Fleet Conversions

EV RESEARCH LEADS TO FULL CONVERSIONS

Technology Research Program

- Internal program to place and evaluate trucks in various market and terrain conditions
- Entering 4th year with trucks on routes
- Expanding research trucks to 24 markets in 2024

2024 Research Markets *

- | | | |
|-------------------|------------------------|-------------------|
| ▪ Baltimore, MD | ▪ Fort Collins, CO | ▪ Richmond, CA |
| ▪ Bend, OR | ▪ Fremont, CA | ▪ Salem, OR |
| ▪ Boise, ID | ▪ Gardena, CA | ▪ Salinas, CA |
| ▪ Carlsbad, CA | ▪ Huntington Beach, CA | ▪ Santa Ana, CA |
| ▪ Chicago, IL | ▪ Long Beach, CA | ▪ Stockton, CA |
| ▪ Chula Vista, CA | ▪ Pacheco, CA | ▪ Wilsonville, OR |
| ▪ Daly City, CA | ▪ Phoenix, AZ | |
| ▪ Fairfield, CA | ▪ Rancho Cordova, CA | |

* Low qty (1-2) trucks for evaluation purposes; Should not be marketed by municipality as these are subject to movement to other markets as needed.



Boise ID



Santa Ana CA



Phoenix AZ

Municipal Conversion Program

- September 2024 – Louisville CO becomes the first municipality in America to fully convert their collection fleet



Louisville CO

PLASTIC CIRCULARITY UPDATE – POLYMER CENTERS AND BLUE POLYMERS



Production / food grade pellets sold to CPG companies to create new packages



Residents purchase, use and recycle plastics in curbside cart



Collection trucks take plastics to traditional MRF



MRF bales of plastics transported to Polymer Center



Chipped, washed flakes transported to Blue Polymers for production preparation



Polymer Centers

- Center #1 opened in Las Vegas in Dec 2023
- Center #2 announced in Indianapolis – Planned opening in 2025
- Centers #3 and #4 planned announcements in late 2024

Blue Polymers

- Blue Polymer #1 – Groundbreaking in Buckeye AZ in Sept 2024.
- Blue Polymer #2 – Co-located in Indianapolis with Polymer Center
- Blue Polymer #3 and #4 planned announcements in late 2024