



Proposal for Incentive-based Recycling
in Springfield Township, PA

community weight based model

October 19, 2009

Background:

RecycleBank is a rewards and loyalty program that motivates people to recycle. Over the past four years, RecycleBank has been providing Incentive-based Recycling services to over 90 municipalities across 17 states, serving nearly one million people. RecycleBank partners with municipalities to extend and enhance residential curbside recycling which in turn decreases waste disposal and associated disposal fees, creates local economic benefits and builds a better sense of community.

RecycleBank provides municipalities with a unique Incentive-based Recycling Rewards program that includes environmental rewards program management, community outreach, as well as measurement and performance tracking. RecycleBank does not pick-up or process recyclables and is the only service provider of its kind with software and business method patents pending. RecycleBank was recently honored at the World Economic Forum in Davos, Switzerland as a 2009 Technology Pioneer and on April 22 as a United Nations 2009 “Champion of the Earth”.

Overview for Springfield Township:

RecycleBank will work with the township as a self-hauler to implement an Incentive-based Recycling Rewards program based on the current manual collection method. The Incentive-based Recycling program will be implemented township wide and participating residents will be rewarded for their recycling efforts. Participation will be tracked using Radio Frequency Identification (RFID) tags which will be installed on the existing 32 or 20 gallon recycling containers. Recycling will be collected from a **primary** recycling container and will be manually dumped into the collection vehicle. This container will have a Radio Frequency Identification (RFID) tag affixed. Additional containers can/should be used for additional materials. Each recycling collection vehicle will be retrofitted with data collecting/RFID reading technology as per RecycleBank specifications.

Service Overview:

- A. RecycleBank will reward each participating resident points based on the total weight of the recyclables collected by the Township each collection day.
- B. RecycleBank Points are calculated based on the following:

Community Weight Based Model - The system records participation. The truck is weighed at the MRF scale house – the net weight is calculated based on the truck load. The net weight of the recyclables is divided by the number of participants on that load to calculate the average pounds per household. The Township will instruct the designated MRF to send scale house weight slips to RecycleBank within 24 hrs of a truck being weighed.

- C. Credit for each collection day shall be calculated for each registered and participating resident based on the community-weight for that given collection.
- D. RecycleBank Points are converted to Rewards. Each member will have access the RecycleBank network of local and national partners. Members can obtain their rewards online or over the phone and redeem the rewards with local and national RecycleBank partners.
- E. RecycleBank will consult with the township to determine potential vendors, however RecycleBank will be responsible in its discretion for calling on and setting-up all local/regional vendors in the Incentive Recycling Program.
- RecycleBank will contact and explain reward/redemption program to Vendors and will prepare and execute the required Vendor agreement.
 - RecycleBank will organize and develop Vendor Reward parameters and will work with Vendors on all approvals.
- F. Customer Service and Reward Redemption/Rewards Fulfillment
- RecycleBank will track reward points and provide member access via RecycleBank's website and toll free telephone customer service center.
 - RecycleBank will maintain a Customer Service Department to answer resident's questions relating to the Incentive Recycling Program.
 - Resident and vendor reward fulfillment service and management, via RecycleBank's internet site, phone and mail systems.
- G. RecycleBank shall provide the following equipment to the township to perform the Incentive-based Recycling Program:
- RecycleBank Radio Frequency Identification (RFID) Tags for the recycling containers for community weight based (1 per home) for placement on primary container.
 - RecycleBank will retro-fit RFID tags to resident's primary container.
(one-pass following recycling truck- Approx 70%)
The remaining RFID tag retro-fits will be completed by the Township
 - Community Based System ("CBS") truck technology to read, record and transmit collection data (two trucks to be retro-fitted) for Community Weight Based Model.
- H. RecycleBank will coordinate the retrofit of the recycling trucks with the required technology assets. Township will maintain the assets.

- I. Township to provide the following:
- Address list for each household (see Contract for date)
 - Send a Mayor/Council Welcome letter to the residents announcing the program

Fee Structure:

Fees paid to RecycleBank for the incentive based recycling rewards program are based on a fixed fee per month per household . RecycleBank will invoice the Township on a monthly basis.

The following are start-up costs associated with the RecycleBank program and will be assumed by RecycleBank if the contract is signed this year:

Item/Description	Estimated Cost
Radio Frequency Identification (RFID) Tag – 1 per household for community weight base model	\$1.00/tag
Community Based System (“CBS”) RFID reader for manual collection; semi-automated; or fully automated <ul style="list-style-type: none"> • Truck RFID reader technology & installation 	\$16,500/truck

Fees are calculated on 7,200 hh-

1. One time fees:

RFID tags: \$ 1.00 ea. = \$7,200.00

Technology for 2-trucks: \$33,000

TOTAL start-up: \$40,200.00

2. Summary of fixed fees for RB Rewards Program:

Either: \$0.80/household/month if contract signed in first quarter of 2010

OR- \$0.68/household/month: if contract signed, program initiated in 2009

This pricing is valid through March 2010 and is not a contract to provide service and is subject to a formal agreement. The information provided is not a performance guarantee.

Benefits to the Residents of Springfield Township

- Increased recycling creates value -

Diversion of waste stream over 5 year contract!

- Reward Households for recycling-

Average expected reward value is **\$270 per resident per year!**

- Increased revenue stream for the township based on increase in recycling commodity and increase in grant monies from the state.
- Provide positive economic impact to local businesses

The RecycleBank program can bring a stimulus of **millions of dollars to the local economy** over the next 5 years!

- Brings the community together around a green initiative.
- Further Springfield's standing as a PA leader in solid waste management.