

October 3, 2016  
For Immediate Release

Contact: Stephanie Shumsky, City of Carlsbad Deputy Manager, (760) 887-1191

## Rising Costs Bring Halt to Recycling Service

Most recycling services will no longer be available in Carlsbad for the foreseeable future, with program managers citing the increased cost and the dwindling sale value of recyclable material for why the decision was unavoidable.

Mark Schinnerer, CEO of CARC Inc., the parent organization to Rainbow Recycling, said the decision was shared by CARC Inc. and the City of Carlsbad after more than a year of looking into alternatives. Rainbow Recycling has handled the City of Carlsbad's recycling contract since 1993.

"The revenue generated from the sale of recycled material has not kept up with the increasing costs of operations, maintenance and repairs, including one recent major equipment breakdown," stated Schinnerer. "All of these factors have contributed to the mutual decision by the City and CARC that recycling will no longer be available through Rainbow Recycling."

In the immediate future, the City of Carlsbad will continue to pick up items left at recycling stations and in the residential and commercial blue recycling rollouts, but these materials will be taken to the Sandpoint Landfill. Weekly pickup of the blue residential rollouts will remain for several weeks to give customers time to adjust and allow the City to develop and implement a transition plan.

"This is absolutely unfortunate," Carlsbad Mayor Dale Janway said. "But the reality is that recycling services are being reduced or removed in communities across the country and state right now due to the severe cost discrepancy. The City of Carlsbad and Rainbow Recycling have worked diligently to make recycling a feasible option, but all evaluations have determined that the costs of recycling were significantly greater than the return."

Janway cited a recent article in *Forbes* magazine which declared that the economics of recycling have turned upside down. A recycling company in Houston was losing \$1 million a year and was forced to cut some of its services, according to the *Forbes* article.

Carlsbad's recycling program began in 1993, when CARC approached the City of Carlsbad and proposed the idea of a small-scale partnership. In 2012, Rainbow Recycling expanded its operation to a new, larger facility on National Parks Highway and installed sorting equipment and a large baler to handle a bigger volume of material.

However, economic changes at the regional and international level, as well as equipment expenses at the local level, have resulted in the recycling program operating at a significant financial loss for the past few years.

“The Board of Solid Waste Commissioners is obviously very disappointed that recycling in Carlsbad will be suspended indefinitely,” said Jerry Stanley, board chairman. “In the future, if the market greatly improves, we would look forward to reestablishing recycling in Carlsbad.”

Schinnerer stressed that the CARC clients who have worked at Rainbow Recycling will be offered other positions at CARC. Additionally, CARC Inc. will continue to offer document shredding services out of its CARC Document Destruction Services facility at 103 E. Greene Street, as well as electronic waste.

Glass recycling will continue at the City of Carlsbad’s convenience station. A glass pulverizer, provided by Guadalupe Mountains National Park, turns the glass into a sand-like substance. Glass recycling stations will remain in place, and residents are encouraged to drop glass off at the city’s convenience station at 302 E. Plaza St.

The City is continuing to examine options to continue portions of its recycling program, Carlsbad Mayor Dale Janway said.

“This certainly isn’t over,” Janway stated. “We want to keep Carlsbad Clean and Beautiful now and in the future, and we will look for ways to do so. We sincerely appreciate everything that CARC and Rainbow Recycling have done for the community for so many years.”