

# Lousy construction and recycling markets hit refuse company

By Kathryn Reed

Garbage companies are not recession-proof.

Empty buildings mean no garbage is being produced. An 11-acre site that used to be bustling with business is now an idle eyesore of concrete and rebar that produces no trash. Construction, other than at South Tahoe High School, is pretty much non-existent on the South Shore. This means no construction waste to dispose of. People aren't eating out as much. This equates to less waste at restaurants to pick up. People aren't buying as much, which produces fewer recyclable, especially cardboard.

"It's a pretty big hit," Jeanne Lear of South Tahoe Refuse said of not having the convention center or the previous businesses.



STR calls the blue bag recycling program a success.

Photo/Kathryn Reed

Building in Tahoe usually means tearing something down. That waste would usually go to STR.

Lear said roofing material would come in on daily basis.

“It came to a standstill last year,” Lear said, saying she could probably count the number of trucks on two hands.

To combat the decline in trash, which in turn is a decline in revenue, the company has cut its contribution to the employee pension fund from 10 percent to 3 percent for the 110 workers. Positions are not being filled.

“We are working on routes to make them more efficient, to have fewer people on trucks and a longer day,” Lear said. “We are encouraging them all to get a commercial license so they can drive.”

Another hit to the bottom line has been the fluctuating commodities market of recyclables. Plus, California this year reduced what it will pay for recyclables.

In July 2008, paper was worth \$187 a ton, it dropped to \$46 a ton in January 2009 and was at \$116 a ton in December 2009. Aluminum, in those same time periods, was at \$1,908 a ton, \$679 and \$1,200.

“The value of recyclables doesn’t cover the cost,” John Marchini of STR said.

With trash pickup mandatory in the city limits and the lake portion of El Dorado County, STR can count on a certain amount of income each month.

But in Douglas County it is facing an issue that many jurisdictions are grappling with “fewer or smaller cans to pick but the same amount of waste because it’s been separated out as recycling.

“Trucks still have to go out, but there is less revenue from

the waste,â€ Marchini said.

But STR is happy with the blue bag program, calling it a success. The material is cleaner than separating it on the conveyor belt with all of the trash, though that is still done.

Most of the materials recycled in South Lake Tahoe end up filling otherwise empty cargo container ships headed for China. There it is turned into a slew of goods that is exported back to the United States and elsewhere.