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October 23, 2017

Mr. Harold Greene
Public Works Supervisor
City & Borough of Sitka
106 Jarvis
Sitka, Alaska 99835

Subject: Recycling Market Impacts of China's Recyclable Materials Ban

Dear Harold,

Republic Services believes it is important for us to share information regarding drastic changes that have been announced in international recycling markets over the last three months that will cause a disruption in the recycling industry, particularly on the West Coast. These proposed market changes will impact the ability to continue to recycle items our community is currently accustomed to recycling.

In anticipation of potential changes, I am communicating to make you aware that once the markets become unavailable Republic Services will dispose of mixed plastics (#3-#7). This is anticipated to be temporary until markets returns for this material. At this time, we have only confirmed that mixed plastics are banned, but we anticipate that in the near future, mixed paper could be banned as well. In the short term we will continue to accept this material until the market outlook is clearer and re-address a long term strategy in the upcoming months.

Attached is a White Paper on China's proposed recyclables ban provided by the Washington Refuse and Recycling Association (WRRRA), which summarizes the changes that are expected. The Washington State Department of Ecology is expected to release the second attachment on their website soon.

Recycling programs are only as good as our recycling markets; if the markets are in a "re-set" mode, our recycle programs will be forced to "re-set" as well. As of January 1st, 2018, China will no longer accept mixed plastics (#3-#7). Due to transit times from domestic ports to China, we do not anticipate any orders for this material after November 1st, 2017. As a result of the unilateral ban of this material, we will be forced to dispose of this material upon cessation of a market.

We understand that this may cause some disruption to the local system and we are committed to assisting with public education in your community. As more information becomes available, we will share it with you. In the meantime, please don't hesitate to reach out if we can answer questions. Working together, we know we will find the solutions that we need.

Thank you,

A handwritten signature in black ink that reads "Matthew Pederson".

Matthew Pederson
Republic Services, Municipal Relationship Manager
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