Vital Asset for McLean County and Bloomington-Normal

For more than 12 years, the Henson Recycling Campus (HRC) has served as a vital asset for McLean County and Bloomington-Normal by providing many essential services, well-paying jobs as well as competitive programs and rates for the local community. Located in a manufacturing zone in unincorporated McLean County on a spacious 42-acre property, the HRC includes:

- The area's only general construction or demolition debris (C&D) recycling facility - The following materials are able to be separated and recycled or beneficially re-used: metal, cardboard, wood, concrete, aggregates and soils.
- A woody waste mulching and recycling operation - Woody waste, such as branches and stumps, are ground into wood chips and then ground again into a saleable mulch. The mulch may also be colored based on customer demand.
- A concrete recycling operation - Source separated concrete is crushed and recycled into saleable products for various roadway, construction, and related uses.
- A concrete batch plant operated by Roanoke Concrete Products (Roanoke) - Roanoke produces and provides ready-mix concrete to local residents and businesses. Unused ready-mix concrete is recycled by incorporating back into the batch process or by creating a saleable aggregate material.

McLean County has the largest land area of any of the 102 counties in Illinois. The HRC reduces the amount of C&D and other materials sent to landfills and helps McLean County meet its recycling goals.

COMPETITIVE LANDSCAPE WITH AND WITHOUT LRS

Henson Disposal is now owned by Lakeshore Recycling Systems, LLC (LRS). If Henson Disposal did not sell to a company like LRS, it would have been vulnerable to being squeezed out of business by one of the large national waste companies (also known as Big Waste) who control the disposal pricing at the landfills within a reasonable distance. That real possibility would have put Henson Disposal out of work and deprived the community of a recycling facility.

As a smaller private company, LRS is not considered Big Waste, such as Waste Management (largest), Republic Services (second largest), Waste Connections (third largest), and GFL Environmental (sixth largest). However, LRS has been the primary source of generating much-needed industry competition against Big Waste in multiple communities in Illinois in recent years, including Will County and DuPage County. Founded on principles of recycling and waste minimization, LRS challenges Big Waste. LRS continues to pioneer revolutionary collection systems and technology by producing the highest grade of domestically resourced recyclable commodities. Without LRS, residents, businesses, municipalities, and local governments in multiple Illinois communities would pay more for less service. LRS would like to bring these same benefits to McLean County.

THE WASTE INDUSTRY MONOPOLY AND MCLEAN COUNTY

The U.S. waste industry can best be described as an oligopoly, with only a few dominant waste companies having majority control over the industry marketplace. There are no landfills in McLean County to accept waste. Waste transfer stations are needed to transport waste to the out-of-county landfills. Bulk transportation is the best environmental and economical method, and is critical to maintaining reasonable rates for waste and recycling services for all of McLean County. Republic Services (second largest) owns the only waste transfer station located in McLean County (Republic Services Bloomington Transfer Station). Only the Republic Services Bloomington Transfer Station meets the locational bid specifications for disposal services for Bloomington-Normal, which effectively creates a monopoly for Republic Services. This leaves Bloomington-Normal with a competitive deficiency, inevitably resulting in higher rates and a reduction in services for Bloomington-Normal and McLean County.

REAPING THE BENEFITS

LRS proposes to construct a transfer station (HRC Transfer Station) on an approximately three-acre area within the HRC, which is effectively non-visible and isolated from the surrounding area. The proposed HRC Transfer Station shall be a state-of-the-practice facility where loads of municipal solid waste (MSW) and recyclables from collection vehicles will be consolidated into larger loads for off-site transport. No waste will be disposed at the site. This is NOT a landfill! The HRC Transfer Station is designed and will be constructed and operated, to prevent nuisances, such as odors. The traffic to and from the HRC Transfer Station will only use established truck routes. The HRC Transfer Station will provide the following significant benefits for the City of Bloomington and McLean County.

1. INCREASE COMPETITION AND TRANSFER STATION CAPACITY

McLean County relies on a single transfer station to transport non-recyclable waste and municipal solid waste (MSW) to out-of-county landfills, resulting in an effective monopoly. The HRC Transfer Station would enhance the capability and capacity of McLean County to manage waste, and provide competition to the single other transfer station in the county. Competition has been proven and recognized d by McLean County and other agencies to control costs and improve services. The Federal Trade Commission Bureau of Competition advances United States government policies that protect consumers and promote competition. Their website states that "Competition in America is about price, selection, and service. It benefits consumers by keeping prices low and the quality and choice of goods and services high." As an example, LRS bid on an MSW hauling contract for West Chicago in DuPage County based on the anticipated permitting of a second transfer station in DuPage County by LRS. LRS did not win the bid, but LRS's participation resulted in a five-year savings of approximately $1,700,000 compared to the previous contract.

2. FACILITATE RECYCLING

The HRC Transfer Station is designed to accept single-stream-recyclables (such as glass, paper, cardboard and plastic from households and commercial facilities) for transfer to a material recovery facility, which can help control costs and improve services. The HRC Transfer Station will also provide efficiencies and synergies at the HRC that will increase the capacity and/or efficiency of C&D recycling.

3. HOST FEE INCOME FOR MCLEAN COUNTY

The Republic Services Bloomington Transfer Station does not have a host agreement with McLean County, Bloomington or Normal, and does not provide host fees to any of these communities. Henson Disposal/LRS has executed a host community agreement with McLean County (Host Agreement), which includes a host benefit fee of $1 for each ton of waste transferred to a landfill or other disposal facility. If the HRC Transfer Station transfers an average of 250 tons per day of waste to a landfill disposal facility, this will result in over $70,000 per year of revenues to McLean County. One-half of this amount would be used for recycling education and promotion.

4. HOST FEE INCOME FOR BLOOMINGTON

The property owner of the HRC Transfer Station (TKNTK, LLC) executed a utility agreement with the City of Bloomington (Utility Agreement) for the construction of utilities to serve the HRC Transfer Station. The Utility Agreement includes a host benefit fee of $1.00 being provided to Bloomington for each ton of waste transferred to a landfill. If the HRC Transfer Station transfers an average of 250 tons per day of waste to a landfill disposal facility, this will result in over $70,000 per year of revenues to Bloomington.

APPROVAL PROCESS

LRS submitted an application to the McLean County Board in August 2023, which demonstrates that the HRC Transfer Station meets the required criteria for local approval. If approved by McLean County, LRS will then need to seek additional approvals, including a detailed technical review by qualified engineers from the Illinois Environmental Protection Agency to ensure protection of the environment and compliance with the regulatory requirements.