

Food Waste Collections



Food waste is now the single largest general item sent to our landfills, representing 15% of the waste stream (EPA). Furthermore, when food waste decomposes it releases methane, a greenhouse gas 21 times more potent than carbon dioxide. Astoundingly, up to 40% of food is wasted from production to transport to plate. Diverting this material for beneficial use provides a great local entrepreneurial opportunity.

Offering a fee-based food waste collection service to food-handling entities and events is the basis of this business model. Collected food waste is then transported to a local composting facility for processing into a rich soil amendment. To round out the business, consider collecting other recyclable materials, such as yard waste/tree trimmings, traditional household recyclables, glass, or cooking oil to convert into biodiesel, etc.

The successful enterprise will need to partner with a composting facility or manage their own facility that will oversee active compost piles. This is to ensure that the food items are readily incorporated and included in the composting process. Any compost facility must be registered with the New Mexico Environment Department: Solid Waste Bureau if they will be accepting materials from the public and the facility's registration needs to include (or be updated to include) that food waste and other organic materials are accepted. The composting partner could also be a local farmer that has the equipment and land to create compost. They would then need to go through the straightforward registration process with the state. The compost facility registration process is free, not lengthy and primarily focuses on protecting ground water and ensuring the compost facility does not create a nuisance. The enterprise can also consider the development of their own composting facility, which then adds an opportunity to create mulch and compost for sale (but also requires additional planning, land, water and equipment investment). Please reference templates on Cardboard Collection Business and Compost and Mulch Business.



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Potential Customers

- Restaurants
- Grocers
- Food Distributors
- Food Banks or Pantries (excess food)
- Schools, Colleges and Universities
- Correctional Facilities
- Hotel/Motel with Food Service
- Large Public or Private Events
- Catering Services

Equipment Needs

- Pick-up Truck with Lift-Gate or Box Van (Could Lease/Rent)
- 64-gallon Wheeled Totes with Lids (or other leak- proof collection containers)
- Cart Tipper or Cart Tipping System to Safely Unload Full Containers
- Tip Fee to Take Food Waste for Composting: Variable
- Hose/Water Source or Power Washer to rinse out containers after delivery to compost location
- Website, Flyers, Outreach
- Closed Toe Shoes, Gloves
- Posters and Signs (Available from NMRC)
- Scale (Optional)
- Applicable licenses, registrations and insurance
- Start up costs vary widely based on location and business model. Please contact your local NM Small Business Development Center to determine actual costs (www.nmsbdc.org).

Space Requirements

If just collecting, a location is needed to store empty collection carts and to rinse containers. Equipment can be stored at the composting facility.

Materials to Collect:

- Some composters are able to accept "anything that was once alive"
- Baseline food items for collection: Fruits, Peels, Vegetables, Meat, Dairy, Shells, Bones, Bread & Grains, Coffee Grounds, Filters, Tea Bags, Cut Flowers.
- Program dependent: Food soiled papers, certified compostable service items, waxed and soiled cardboard, natural cloth and fibers

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Considerations: Meet with local solid waste and recycling management to ensure the new business may collect food waste and that it does not violate any local ordinances. There may be stipulations as to who may collect or process this material. If the local community is the only entity able to handle the waste stream in the area, the community could issue an RFP to work with a private entity to collect that material as a partnership. Discuss with that local governmental partner concepts as to how to develop a public-private partnership, which could formally assist the private entity with such things as providing land for a composting facility or lease collection totes to collect the material in. Please refer to the Public-Private Partnership & Local Economic Development Act (LEDA) fact sheet for further guidance.

Value-Added Services: Consider offering customers monthly or quarterly reporting about how much material they diverted. The EPA has an online Waste Reduction Model (WaRM) to help estimate energy savings from recycling. Train staff on food waste reduction and diversion best practices as an additional service that could lead to reduced trash collection costs. Consider collecting other yard waste or trimmings as a possibility, if the transport vehicle used for food waste collections has flexibility.

Service Fees: It is critical to set collection service rates that will ensure cost of operations and any debt service/future equipment needs is covered. For example charging by the number of containers and number of times a week or month the containers need to be picked up could be a starting point. Consider charging a monthly rent on the containers, which ensures the customer that they always receive back clean, intact containers. Factor in if there will be a cost to take the material to a local composter. Contact your local NM Small Business Development Center to determine fees for your business model (www.nmsbdc.org).

Customer Selling Points:

Evaluate waste reduction tactics with client. How can they reduce the amount of food they throw away in the first place? Then, look at solid waste collection service and costs. In most cases, customers will be able to either reduce the size of their trash collection container and/or the number of times that container gets picked up. To further minimize the waste stream, work with them to get recyclables collected, as well.

Case Study Examples:

Soilutions, a business based in Albuquerque, started out as a mulch and compost yard that accepted dropped-off yard trimmings to be made into compost and mulch. They added food waste collections in 2008 as a full-circle service that provided collection to food-handling entities and also managed the material through the compost process. Soilutions sells mulch, compost and organic compost. As a value-added service, Soilutions provides weight tracking reporting for their customers. www.soilutions.net.

Reunity Resources launched in 2014 as a partner to the City of Santa Fe, which went out to RFP for a food waste collection service pilot. Reunity Resources diverted 100,000 pounds in the first three months of operations. The food waste is then delivered to a local nursery compost facility for processing into compost, which is then sold. Reunity Resources, a nonprofit entity, originally started their enterprise collecting waste cooking oil and then converting it into biodiesel and is expanding their offerings to residential recycling collections serving county residents. www.reunityresources.com

Best Practices

The NM Recycling Coalition has developed a "Food Waste Management in NM" guide targeting restaurants and grocers, as well as signs that can be reproduced. This guide will be helpful in planning your food waste diversion business so that you can train your customers on collection and diversion best practices.

If working with partners who have food items that can readily be donated to the hungry, please connect that business to help them divert edible foods first before they compost. A donation and composting program can work hand-in-hand and is often seen in the grocery business quite successfully. Safety in managing the carts is important. A full 64-gallon cart can weigh up to 550 pounds.

