

PAYT Presentation for Arlington Board Of Selectmen

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Presentation Outline

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PAYT Planners and Supporters

PAYT Steering Committee

- **Brian Sullivan**
- **Adam Chapdelaine**
- **John Bean**
- **Teresa DeBenedictis**
- **Ruth Yannetti**
- **Carolyn Dann**
- **Ryan Ferrara**
- **Pete Howard**

PAYT Supporters/Contacts:

Arlington Recycling Committee

- **Gordon Jamieson**
- **Juli Brazile**
- **Pete Howard**
- **Nigel Kraus**

Sustainable Arlington

- **Charlotte Milan**

Individual Supporters

- **Selectman Clarissa Rowe**
- **Selectman Annie LaCourt**

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Objectives

- **Equity**
Each household pays for trash service based on usage
- **Environmental benefits**
Less trash disposed
“Greener” community
- **Financial benefits**
Lower disposal costs
Revenue (from sale of bags) projected at \$2million

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Plan Summary

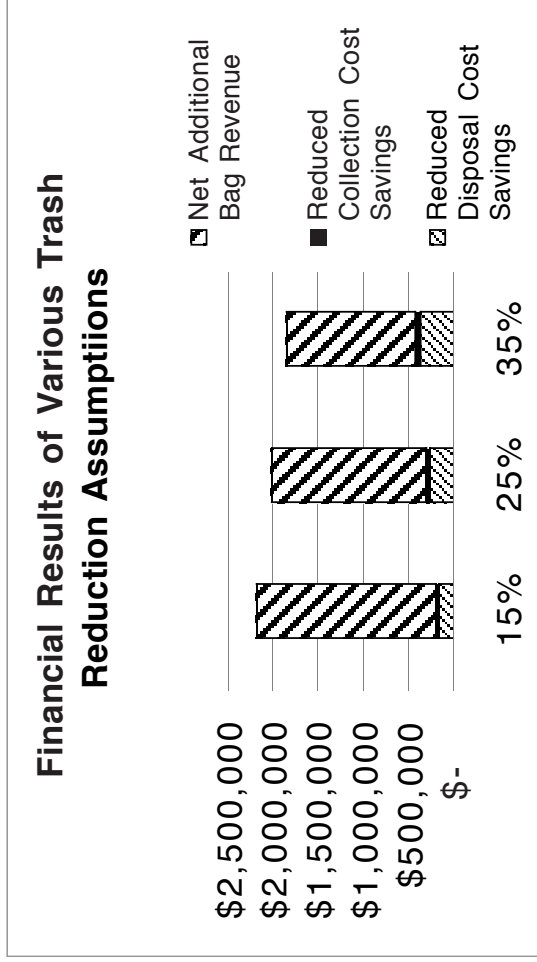
- **PAYT requires only one change**
Residents must use Official Town Bags for trash
- **Every other feature of trash collection remains the same**
Collection day
Unlimited recycling program
Yard waste and bulky waste collection
- **Two bag sizes allows flexibility**
33-gallon @ \$2
15-gallon @ \$1
- **Easy to implement, no added Town staff**
Bag vendors handle delivery, billing, accounting
- **Easy to enforce, lower collection cost**
Hauler only collects bags of the correct color

Projected Financial Benefit – Overview

(assumes between 15% & 35% reduction in solid waste)

- Collection Cost Savings \$44,500
- Disposal Cost Savings \$163,000 – \$380,000
- Net Bag Revenue \$1,980,000 – \$1,430,000
- If residents recycle more, there are fewer tons, but fewer bags
- If residents don't recycle as much as anticipated, more trash disposed but they purchase a greater number of bags.
- Net benefit to Arlington
 - Best Case (15% reduction or 0.69 Tons/hh) > \$2.2 million
 - Base Case (25% reduction or 0.61 Tons/hh) > \$2.0 million
 - Worst Case (35% reduction or 0.53 Tons/hh) > \$1.8 million

Sensitivity to Public Response



Projected Financial Results – Detail

	No Changes		PAYT, \$2/bag		PAYT, \$2/bag Start 10/1/11	
	0%	-	15%	25%		
Projected Waste Reduction Bag Cost (Large Bag)	\$	-	\$	2.00	2.00	
Solid Waste Collection Cost (1)	\$	1,383,120	\$	1,138,620	\$	1,138,620
Rec Collection Cost (1)	\$	536,520	\$	728,520	\$	728,520
Leaf / Yard Waste Collection Cost	\$	270,300	\$	278,250	\$	278,250
White Goods	\$	191,960	\$	191,960	\$	191,960
Solid Waste Disposal Cost (2)	\$	1,088,000	\$	924,800	\$	816,000
Additional Admin & Outreach Costs	\$	-	\$	-	\$	-
Bag costs @ \$0.28 (3)	\$	-	\$	322,280	\$	277,480
TOTAL COSTS	\$	3,469,900	\$	3,584,430	\$	3,430,630
Bag Revenue	\$	-	\$	2,302,000	\$	1,982,000
WG and BW Revenues (4)	\$	-	\$	-	\$	-
TOTAL REVENUE	\$	-	\$	2,302,000	\$	1,982,000
Net Cost (Total Costs - Total Revenues)	\$	3,469,900	\$	1,282,430	\$	1,448,630
Net \$ Benefit compared to Current Program COST/YR for AVERAGE HOUSEHOLD (5)	\$	-	\$	2,187,470	\$	2,021,070
			\$	117	\$	101
					\$	85

1) Collection costs and projected waste reduction estimates are from preliminary negotiations with Waste Mgmt.
 2) Disposal cost based on contracted rate of \$68/ton for FY12.
 3) Number of bags needed = (Total Annual SW Tons - Bulky waste - Muni SW tons estimated) divided by 20 lbs per bag.
 4) White Goods (WG) & Bulky Waste (BW) revenues are assumed to equal cost.
 5) Ave. Cost / hh / yr = Num. Bags Sold per year * \$ per bag / Number of Households.

Experience in Other Municipalities With Curbside Collection

tons of trash/household/year

City/Town	Before PAYT	PAYT	With PAYT “After” PAYT for FY10	Year PAYT started
Worcester	1.21		0.41*	1993
Gloucester	1.09		0.54	1990
Malden	1.21		0.59	2009
Ashland	0.96		0.60	2006
Needham	1.68		0.65**	1998
Shrewsbury	1.10		0.66	2008
Natick	1.19		0.69	2003
Concord	NA		0.76	1993
Brockton	1.47		0.90***	2003
Arlington	0.80		Base Case Projected to be 0.61	NA

*Worcester also requires residents to pay a private hauler for all bulky waste so no bulky waste included in this data.

**FY09 Data used because FY10 data not available.

*** Brockton allows one barrel “free” before residents have to put Official Town Bags

Evolution of Solid Waste Collection Policy for Arlington

- **50 yrs ago: Organic waste disposed of in “a hole in the ground”**
 - “Free” disposal made sense because it is inexpensive to operate and residents delivered to the “dump” themselves
- **40 yrs ago: More prepared food and packaging -> recycling**
 - “Free” disposal still makes sense combined with recycling
- **25 yrs ago: Discovery of toxins in waste led to closure of local landfills and the initial implementation of Waste-to-Energy facilities**
 - Towns start to pay to truck waste 30 miles away and pay for “Tip Fees”
 - Residents should have begun to share the cost at this stage
- **11 yrs ago: Additional pollution control equipment installed in North Andover**

Why Trash Should Not Be “Free” to Residents

- **Increased transportation cost and capital intensive operations means it costs the Town to collect and dispose of each ton.**
- **Residents need a “price signal” to be motivated to reduce their waste; otherwise the collection and disposal budget will continue to increase.**
- **Continuing to have the Town pay for trash collection at this stage is like having the Town pay everyone’s electric bill using property tax revenues**

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Common Concerns

- **Illegal dumping**
- **Additional demand on Town Staff**
- **Too much hassle for residents**
- **Just another “tax”**

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No Increase in Illegal Dumping

- **We've talked to many other suburban towns and they have been able to prevent or stop illegal dumping by taking early enforcement action.**
- **Illegally dumped bags are opened, traced and owners fined. Violations can be publicized to prevent others.**
- **With prompt action, illegal dumping is "no worse" than before.**

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No Additional Administration Required

- **Bag vendors have taken over most of the work**
- **Bag vendors' responsibilities include**
 - Warehouse the cases of bags
 - Deliver bags to retailers
 - Track bag sales
 - Bill bag retailers
 - Handle all accounting
 - Forward a monthly report and a check to the Town

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A Simple Change

- **Where do I buy bags?**
 - Local grocery, hardware and convenience stores.
 - Retailers do not charge a mark-up, but they enjoy the increased “traffic”
- **The new behavior is easy to learn:**
 - Buy a different bag
 - Decide whether to put items into the recycling bin (free), compost bin (free), a donation box (free), or into a trash bag (not free).
- **Can I still use my barrel?**
 - Yes! Just use bags inside the barrel.
- **Where can I put all my extra recyclables?**
 - You can use an extra barrel for recyclables
 - The DPW has free stickers to mark your barrel for recycling.

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Residents Control the Cost so NOT “Just another tax”

- Unlike a tax, the resident controls the cost (fee)
- Like a utility, the resident pays for only what they use
- Over 2/3 of the municipalities in MA have some form of trash fees to pay for the trash and recycling program.
- A shrinking minority are still paying for trash and recycling through property tax revenues.

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PAYT Plan Details

- **Two bag sizes provide options**
- **Impact on multi-family complexes**
- **Impact on municipal buildings, businesses, non-profits**
- **DEP funding available**

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Two Bag Sizes Provide Options

- **Why do I need all these plastic bags?**
 - .. **The Town will offer one large size bag (a 33-gallon size)**
 - .. **As well as a smaller sized bag (13–15 gallon size)**
 - .. **Both bag sizes will be sold in rolls of 10**
 - .. **You can choose whichever works best for you**
 - .. **Bags can be set on the curb by themselves or in a barrel.**

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Impact on Multi-Family Complexes

Residents living in multi-unit buildings may:

- .. Purchase bags and place them on the curb or**
- .. Pay the Town for dumpster service at an equivalent price based on the capacity of the dumpster; or**
- .. Arrange for private dumpster service.**
 - .. Authorized haulers will be required by the Board of Health to offer recycling in compliance with state DEP waste ban regulations.**

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Impact on Municipal Buildings, Businesses, Non-Profits

- All municipal buildings to use special official bags.**
- Initially, Town will provide a specially marked, larger trash bag to departments.**
- Businesses may participate in the same way as residents, by buying the Official Bags.**
- The Food Pantry will accept donations of bags and provide bags to needy residents along with food.**

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DEP Funding Available

- **Technical Assistance:** Already receiving support from DEP
- **Start-up Funding:** \$5/household up to \$100,000 to offset program start-up costs or first order of bags.
- **Source of funding** is not legislatively appropriated; is a trust fund controlled by DEP.

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Vision 2020 Survey Results

- **Number of returns** 4073 or 21% of households

	Yes	No	No Response
• Institute PAYT	65%	35%	240
• Pass a 10.7% Override	52%	48%	727
• Pass a 13.5% Override	41%	59%	653

- **Institute PAYT and either or both overrides** 71%
- **Institute PAYT and neither override** 53%
- **No PAYT and no override** 47%

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Recommended Actions

- **Draft a resolution to establish PAYT for Town Meeting to consider under Article 34.**
- **Vote to start PAYT on 10/1/11 if Town Meeting votes for the resolution contingent on the override vote**
- **Draft a bylaw to establish enforcement policy for trash collection under Article 35**
- **(FinCom is planning to prepare 2 budgets : w/ & w/o an override)**

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PAYT Warrant Articles

- **Article 34 PAY AS YOU THROW (PAYT) TRASH COLLECTION PROGRAM**
- **To see if the Town will vote to implement a pay as you throw (PAYT) trash collection program, including any changes to its Bylaws, rules and regulations and/or the adoption of a supporting resolution as may be required for implementation of said PAYT trash collection program; or take any action related thereto.**
- **Article 35 BYLAW AMENDMENT/TRASH REMOVAL**
- **To see if the Town will vote to amend the Town Bylaws to require compliance with Town solid-waste removal methods, provide for enforcement and determine penalties for violations thereof, or take any action related thereto.**

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