Unit-Based Pricing for Trash in the Northeast Kingdom

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What is NEWMOA?

- Non-profit, non-partisan interstate association
- Solid waste, hazardous waste, waste site cleanup, & pollution prevention programs
- CT, ME, MA, NH, NJ, NY, RI, & VT
- Formally recognized by EPA in 1986
- More information at: www.newmoa.org

NEWMOA is an equal opportunity provider & employer
Project Promoting Unit-based Pricing (UBP)

- Vermont:
  - Northeast Kingdom Waste Management District
  - Windham Solid Waste Management District
  - Department of Environmental Conservation

- New Hampshire:
  - Upper Valley Lake Sunapee Regional Planning Commission
  - Department of Environmental Services

- Contacted over 15 small communities that have UBP in some form or another - developed case studies
- Can help towns investigate & design their UBP system

What is Unit-Based Pricing?

- A system that saves $$$ in town budgets
  - NOT an added cost - just changes the way waste management is paid for

- How?
Unit-Based Pricing - How?

- Residents pay according to the amount of trash they generate for disposal
  - generate less = pay less
  - generate more = pay more

- Flexible - towns can design their system
  - residents pay per bag, container, or weight
  - fees set to cover some, most, or all costs

Why?

Why Unit-Based Pricing?

- Removes costs from the town budget
  - how much depends on the rates the town decides on:
    - fees can cover all costs associated with trash & recycling
    - Act 148 requires that fees cover (at least) hauling & disposal costs
      - (including district surcharge & state franchise fee)
Why Unit-Based Pricing?

- Fair for residents
  - pay only for what you use
  - those producing less trash aren’t subsidizing those that produce more
  - can choose to lower your cost by:
    - smart purchasing choices (i.e., buy products in less packaging)
    - recycling / reusing
    - composting – kitchen scraps & leaf/yard

Why Unit-Based Pricing?

- More reasons:
  - some towns turn to UBP to stop influx of trash from non-residents
  - reduces the amount of trash managed
    - reduces hauling frequency/costs
    - reduces disposal fees
    - increases recycling & composting

Bottom line: UBP is the law...
What is NOT Unit-Based Pricing?

- Transfer station sticker on vehicle
- Punch-card that is canceled per-trip
- Fixed monthly fee for curbside pickup

Bottom line: the amount paid must vary with the amount thrown away

UBP @ Transfer Stations

- Special bags (or stickers or punch-cards)
  - financial control issues
  - requires convenient sale locations
  - some administrative costs to manage
  - possible to implement without using them
- Typical charge that covers all costs: $3 per 32 gallons
  - many communities have 2 or 3 sizes (15, 32 & “contractor”) & fees
UBP & Curbside Pickup

- Special bags (or stickers) - easiest option
  - requires convenient sale locations & some administrative costs
  - can put bags in containers if problems with animals

- Containers
  - different fees for different sizes
    - 32 gallon base size (or smaller) - 2X base fee for larger size
  - administrative costs to bill monthly/quarterly & collect
  - requires trash collectors to keep track of extra trash so additional fee can be charged
  - or require special bags/stickers for “extra” trash

- Trash collectors must leave all improper trash at the curb
Other Considerations

- Act 148 allows an “Hybrid” approach
  - base level of service paid by town
    - maximum 32 gallon bag/container per week
  - UBP fee for all trash above base amount
    - fee must cover at least its hauling & disposal cost
- Need easy recycling without a separate fee
  - Act 148 requires parallel recycling
  - Can add the cost of recycling services into UBP fee
- UBP communities also charge fees for other wastes (e.g. C&D, bulky, & tires)
- Another option: end town-provided service altogether

Curbside Pick-Up: Plainfield, NH

- Population: 2,241
- UBP since 1991
- 50/50 Split: UBP fees & Town budget
- $2 sticker per 30 pounds
- Stickers sold at several local stores
Curbside Pick-Up: Hinsdale, NH

- Population: 1,548
- UBP since late 1990’s
- Fees paying off landfill closure costs
- Special bags
  - $1 / 15 gallon
  - $2 / 30 gallon
- Bags sold at Town offices & local stores

Transfer Station:

- Concord, VT - Population 1,297
  - UBP since mid-1990’s
  - Fees cover all costs
    - $1 / small “kitchen” white bags
    - $2.50 / “regular” black bags
    - $5 / “contractor” size
  - TS Operator collects fees (computerized cash register)
- Waterford, VT - Population 1,280
  - UBP since 1992
  - Fees cover all costs (+ extra into equip. fund)
    - $3 / 30 gallon
  - TS Operator collects fees (discretion on charges)
Transfer Station: Newark, VT
- Population: 581
- Removed all costs from Town budget
- Contractor operates - paid by fees only
  - $2 / 15 gallon
  - $3 / 30 gallon
  - $4 / “contractor”
- Disposal: 33.39 tons to 14.4 tons
  (4th Q 2012 vs 4th Q 2013)

Transfer Station: Canaan, VT
- Population: 972
- 50/50 split: fees & Town budget
- Require special bags
  - $1.70 / 30 gallon
  - sold in packs of 10 at town offices & local stores
- Costs: $114,000/yr. to $57,000/yr. (of which 40% covered by bag sales)
  - Disposal: 535 tons/yr. to 258 tons/yr. (households & businesses (H&B))
  - Hauling: 9.5 tons/week (H&B) to 12.5 tons/month (H)
Next Steps for Communities

► Determine type of system
  ▪ bags vs. containers
  ▪ 1 size vs. multiple sizes

► Determine how much want fees to cover
  ▪ all trash & recycling costs
  ▪ most costs
  ▪ just hauling & disposal
  ▪ capital expenses
  ▪ hybrid

More Next Steps

► Determine fee structure
  ▪ assess current costs: labor, hauling, disposal, recycling & capital expenses
  ▪ estimate post-UBP trash & recycling quantities & costs (include UBP administration)
  ▪ determine UBP rate(s)
    ○ evaluate feasibility & modify as necessary
  ▪ best to set similar/higher that nearby towns
Final Steps

- Plan for logistics
  - if bags/stickers/punch-cards, where will they be sold?
  - if containers, will they be provided?
  - how will fees be collected & managed?
- Submit plan to Paul at NEKWMD
- Publicize new system to residents
  - alert those with commercial dumpsters to restrict access
- Implement by July 1, 2015

Questions?
Or
Request Assistance

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