# Fair Pricing Strategies for Trash

### PAYT Experience in Rural Areas & New Resources



Jennifer Griffith Northeast Waste Management Officials' Association (NEWMOA) June 26, 2015 NEWMOA Webinar

# 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 Pay-As-You-Throw (PAYT)

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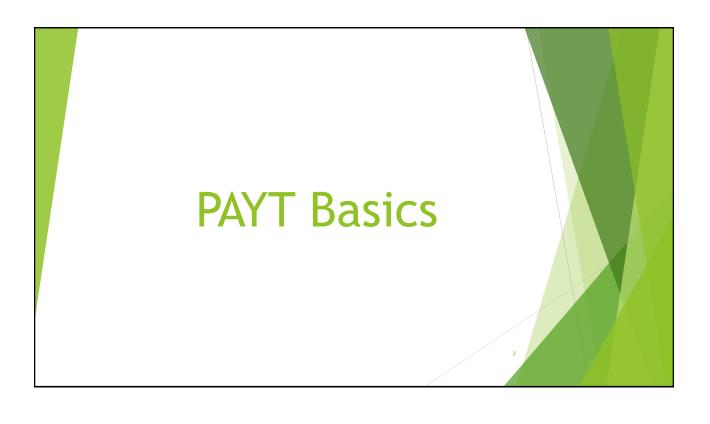
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# **Project Promoting PAYT**

- Case studies of 11 communities
- "Fair Pricing Strategies" brochures
- ► Template Program Guide resident handout
- Outreach fact sheet for general public
- ▶ 5 regional meetings with government officials
- Presentations to 3 regional solid waste conferences
- This webinar!
- All materials posted: www.newmoa.org/solidwaste/projects/smart

# Webinar Outline

- PAYT Basics
- Case Studies
- Findings, Issues & Messaging
- Next Steps for Communities
- New Resources
  - case studies, informational brochures, fact sheets



### Pay-As-You-Throw

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



= pay more

- Pay for service like a utility (e.g. water or electricity)
- Flexible towns can design their system
  - residents pay per bag, container, or weight
- Key residents can recycle "for free"





### PAYT @ Transfer Stations

- Usual options:
  - special bags
  - stickers affix to bag provided by resident
  - punch-cards one space per bag/container
  - possible to implement without bag/sticker/punch-card
- Many communities have 2 or 3 sizes (for example, 15, 32 & "contractor") & fees
- Small administrative costs for town:
  - purchase bags/stickers/punch-cards
  - sell directly and/or to local merchants
  - keep track of inventory
  - manage \$

# PAYT & Town 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
    - $_{\odot}$  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



# **Community Summary**

- Contacted 14 small communities with PAYT
- Most have transfer stations (\$ per 32 gal bag in 2014):
  - 1990's: Concord, Dover, Piermont & Wilmington (\$2.50), Readsboro (\$1), Waterford (\$3)
  - 2000's: Unity (\$2), Orford (\$3) & Northfield (\$1.50)
  - Recent: Newark (\$3) & Canaan (\$1.70)
- Some have curbside:
  - 1990's: Plainfield & Hinsdale (\$2)
  - Recent: Vernon (\$3)

### Curbside: Vernon, VT

- Population: 2,206
- Adopted PAYT July 1, 2014
  - Added curbside recycling
- Fees cover all costs
- Require special bags
  - \$2.00 / 15 gallon
  - \$3.00 / 30 gallon
- ▶ Disposal  $\downarrow$  ~195 tons 3<sup>rd</sup> Q 2013 to 86 tons 3<sup>rd</sup> Q 2014
- ► Recycling ↑ ~28 tons 3<sup>rd</sup> Q 2013 to 57 tons 3<sup>rd</sup> Q 2014

### Transfer Station: Piermont, NH

- Population: 709
- PAYT since 2001
- Fees usually cover all costs
- Require special bags
  - \$2.50 / 33 gallon
  - sold at Town offices & local general store
- ▶ Disposal  $\downarrow$  ~220 tons/yr. before to 99 tons in 2013
- ▶ Recycling ↑ ~50 tons/yr. before to 98 tons in 2013

# Transfer Station: Northfield, MA

- Population 3,032
- PAYT since 2005
- Fees cover hauling/disposal
- Require special bags
  - \$1.50 / 33 gal. bag
  - \$0.75 / 15 gal. bag
- Trash cut by 40%
  - 795 tons in 2004 » 460 tons in 2006
- Hauling/disposal costs cut by 40%
  - \$30K » \$18.5K (6 month period)

### Transfer Station: Newark, VT

- Population: 581
- PAYT since 2013
- Removed <u>all</u> 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 (4<sup>th</sup> Q 2012 vs 4<sup>th</sup> Q 2013)



# Transfer Station: Canaan, VT

- Population: 972
- PAYT since 2008
- ▶ 50/50 split: fees & Town budget
- Require special bags
  - \$1.70 / 30 gallon
- Costs: \$114,000/yr. to \$57,000/yr. (of which 50% covered by bag sales & bulky waste drop-off fees)
  - Disposal ↓ 535 tons/yr. to 258 tons/yr. (households & businesses (H&B))
  - Hauling  $\downarrow$  9.5 tons/week (H&B) to 12.5 tons/month (H)

## So Where is the Trash Going?

- Out-of-town trash no longer smuggled in
- Smarter purchasing
- New/increased
  - organics composting
  - recycling
  - donation for reuse
- Alternative disposal
  - commercial dumpsters
  - work, friends/relatives in other towns
  - hire private hauler (typically minimal due to higher cost)



# Findings: PAYT @ Transfer Stations

Reduced amount of trash managed

- usually 40-55%
- reduced hauling frequency & tipping costs = \$\$\$
- Can implement without bag/sticker/punch-card
  - residents use their own bag or container & operator collects \$
    - o computerized cash register with receipts helps accounting
  - OR contract out operation: collected fees only payment
     Orford, New Hampshire & Newark, Vermont

### **PAYT Implementation Findings**

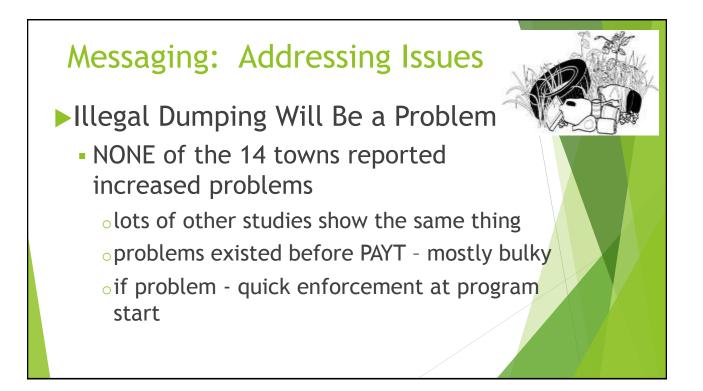
- Towns vary on extent fees cover all costs to operate transfer station (e.g. staff & recycling)
  - Fee that covers most/all costs: \$3 per 32 gallons
  - If want to cover all costs set fees to save for future capital expenses
- Try to avoid collection of cash by transfer station attendant
- Set fees similar/higher than surrounding towns
- PAYT transfer stations charge fees for bulky items

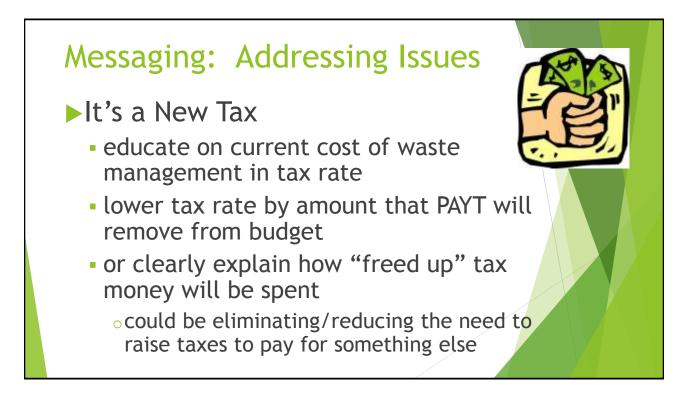
# PAYT Messaging Fair for Residents pay only for what you use those producing less trash aren't subsidizing those that produce more can choose to lower your cost by: smart purchasing choices (i.e., buy products in less packaging) recycling / reusing composting - kitchen scraps & leaf/yard

# Messaging: Addressing Issues

Unfair For Low-Income Residents

- everyone has opportunities to reduce waste & their costs
- senior citizens tend to generate small quantities
- it might be a new cost for renters
- consider a subsidy but not unlimited
  - 1 reduced price bag/sticker each week









# Next Steps for Communities

### Establish Solid Waste Committee

 understand current costs: labor, hauling, disposal, recycling & capital expenses

separate out costs in tax bills & town budget

- initiate ongoing public education/input process
- determine how much town wants fees to cover

   all trash & recycling costs, most costs, just hauling & disposal, disposal only, capital expenses?
- determine type of system (bags vs containers, 1 size or multiple sizes)

## More Next Steps

- Determine fee structure
  - estimate post-PAYT trash & recycling quantities & costs (include PAYT administration)
  - determine PAYT rate(s) and modify if necessary
- Plan for logistics
  - where will bags/stickers be sold?
  - how will fees be collected & managed?
- Educate, educate, educate
- Obtain plan approval
- Publicize new system to residents



### Vermont's The Place to Watch

- Act 148 requires PAYT for all residential trash starting July 1, 2015
- Applies to municipal <u>and</u> private service
- Must provide recycling with no visible fee
- ▶ Trash fees must cover <u>at least</u> hauling & disposal
  - Except allows municipalities an "hybrid" approach
    - $_{\circ}$  base level of service paid by town
    - $_{\circ}$  maximum one 32 gallon bag/container per week
- Enforcement challenges

# New Resources www.newmoa.org/solidwaste/projects/smart case studies of 11 communities fact sheets template "Program Guide" for towns with PAYT handout for the public to generate interest in PAYT "Fair Pricing Strategies" brochures 3 location-specific 1 "generic" for use by everyone everywhere SMART Toolkit for Rural Communities

### Zero Waste Connection A Professional Social Network

### Mission & Goals

- Promote sustainable consumption and pollution prevention as the preferred methods of achieving zero waste
- Provide forums for zero waste professionals to share information on program development and implementation

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- Foster innovation in zero waste programs through the exchange of ideas in real time
- Increase the adoption of zero waste practices among practitioners

www.zerowasteconnection.org

