

- Naming
- History
- Goal setting
- Path Forward
- Barriers

**Is there any a priori reason that ESB or County Council would not be willing to approve a variable-rate system?**

### **What do we call this????**

- Variable Rates-- accurate, neutral
- Tiered Rate
- Unit-based
- Pay-As-You-Throw (PAYT)-- most common term
- Save-As-You-Throw-- a friendlier version
- Pay-per-Use
- Save Money and Reduce Trash (SMART)—cute!

### **History:**

- ESB examined starting in Nov of 2011 and Feb 2013
  - Nov 2011 had some public meetings—outcome= ?
  - Feb 2013: No meeting notes after March!
    - Examined bag-based and roll carts (with RFID tags, weighed by trucks)
    - Both rejected due to complexity and/or cost (?)

**From 2013-2014 ESB discussion:**

**Option 2:** Different size trash roll carts. Residents would pay different solid waste rates dependent upon the size of roll cart used.

Pros	Cons
<ul style="list-style-type: none"><li>• Convenient<ul style="list-style-type: none"><li>○ No change to current waste disposal procedure for resident</li></ul></li><li>• Easy to track/identify violators<ul style="list-style-type: none"><li>○ No need to look for wrong colored bags, just overflowing roll carts.</li></ul></li><li>• Cheaper option in the long term</li></ul>	<ul style="list-style-type: none"><li>• High upfront material cost<ul style="list-style-type: none"><li>○ Must purchase more roll carts (\$250,000)</li></ul></li><li>• Will be left with a large amount of 96 gallon trash containers</li><li>• High upfront program implementation cost<ul style="list-style-type: none"><li>○ Determine size bin at residents</li><li>○ Swap out bins</li></ul></li><li>• Ongoing Tracking cost<ul style="list-style-type: none"><li>○ Track can size by residential address</li><li>○ Audits to ensure proper size</li></ul></li><li>• Overflowing containers<ul style="list-style-type: none"><li>○ Residents abusing the system by getting smaller cart and overflowing.</li></ul></li><li>• May not be paying for what you throw<ul style="list-style-type: none"><li>○ If not filling smallest bin on a regular basis, would still be paying for air.</li></ul></li></ul>

**Rate Structure\***

Roll Cart Size	Monthly Charge		
	<i>Base Price</i>	<i>Disposal Price</i>	<i>Total Price<sup>1</sup></i>
32-Gallon	\$12.65	\$3.00	<b>\$15.65</b>
64-Gallon	\$12.65	\$5.95	<b>\$18.60</b>
96-Gallon	\$12.65	\$8.90	<b>\$21.55</b>

\*Based on cost and revenue assumptions for March 2014. Estimates include a 5% increase in service costs, a 7.5% increase in disposal and transport costs, and a 10% decrease in Environmental Gross Receipt Tax revenues.

<sup>1</sup>Does not include cost for additional bins. Do we want to build this into the rates?

## IDENTIFYING PROGRAM GOALS

### Use this worksheet to identify and prioritize the specific goals of your program

Begin with the goals listed below, ranking each goal on a scale of 1 to 5. A ranking of 5 means it is critical that your program meets this goal. A ranking of 1 means the goal is of minimal importance. List any other program goals that come to mind and rank them as well.

As you think about goals, consider other stakeholders in your community--to be successful your program also will need to have their goals in mind. To help you identify the issues other stakeholders will want addressed, copy the third page of this form and use it to solicit more ideas about goals during pay-as-you-throw meetings or presentations.

Goal	Importance
Increase equity/fairness by asking residents to pay only for the waste they generate/services they use. (low-income, elderly, single, etc. residents, who tend to generate less waste, currently subsidize trash disposal by larger, more affluent HH who dispose of more) Give residents control over monthly costs. Same rate approach as other utilities (electricity, gas, water).	1 2 3 4 5
Reduce the total cost of solid waste management to reduce spending and minimize rate increases for residents (avoided costs)	1 2 3 4 5
Reduce the amount of solid waste generated (immediate reduction in transportation/tipping/staff costs; future avoided costs when contracts are negotiated, less trucks to maintain, etc.)	1 2 3 4 5
Increase recycling/diversion rates	1 2 3 4 5
Eliminate need to cover deficits from EGRTaxes entirely or partially (by raising sufficient revenues to cover all or a portion of solid waste management costs)	1 2 3 4 5
Pay for all solid waste programs (such as recycling, brush, bulk, HHW, etc.; also composting/anaerobic digestion of organics)	1 2 3 4 5
Environmental benefits: recovery of reuseable materials; reduction in wasted resources; reduction in vehicle emissions, GHGs and methane (	1 2 3 4 5
Follow-up on Envir. Sus. Plan: favored by public as next-step to increase recycling (72/100 pts)	1 2 3 4 5
Increase understanding among residents of solid waste /environmental issues	1 2 3 4 5
Create source of revenue to fund increased services (any plans to increase services?)	1 2 3 4 5
Create a separate fund for future costs to meet unmet requirements (methane system, and?)	1 2 3 4 5
Reclaim some 96-gal bins for brush; utilize stockpile of 48 and 64 gal bins	1 2 3 4 5
Provide an example for other NM communities to follow	1 2 3 4 5
Implementation goals: fair, easy to understand, convenient, financially viable long-term, meet resident's expectations, incentivizes waste reduction,	1 2 3 4 5

## **Path Forward**

### **Consult with other communities?**

- Silver City has had roll cart, tiered rate structure (35-96 gal cans) since 2006.
  - Fixed monthly fee + can-size-based variable rate
- Fort Collins also has a successful program

### **Consultant to help set rates? (+/- advise on PR, implementation, analysis of pilot program, ???) Or DIY?**

- RFP for this?
- Sarah Pierpont of NMRC recommended Lisa Skumatz (Golden, CO); an ICF consultant who helped with NMRC PAYT info/analysis; and Dave Yanke of NewGen Strategies in Austin, TX.

### **Pilot program?**

- Ease LAC into program (also easier to roll-out in small scale), reduce resistance (“limited, temporary program”)
- Gauge response (waste reduction, recycling increase, revenue generation)
- Discover technical, procedural and user difficulties/glitches/kinks
- Provide real data to support (or not) efficacy of program
- Develop “community champions” for system
- Pilot when brush bins are available?
- Pilot in several neighborhood types (single family, apartments, quads, etc.)?
- Roll cart program was piloted—how?
- Cornell Waste Mgt. Institute: Implementation of pilot programs prior to full-scale implementation is highly recommended. They help avoid unanticipated problems (like the fact that Seattle’s mini-cans tended to blow away). Pilots should address different demographic sectors and be of a scale and duration to give good data. Austin’s pilot encompassed 3000 homes representing different demographics (such as income, distance from landfill) and ran for 14 months. In retrospect, a longer pilot with a larger number of participants might have been useful. Buffalo similarly performed a pilot which tested the program in many demographic settings. It helped to educate the public as well as providing a test for equipment.

## **Start now to raise awareness of waste costs, LAC services, projected rate increases (“waste disposal is not free”)**

- Bill inserts
- Articles in papers
- FB, social media

## **Be aware of potential barriers and ways to address them:**

- It is human nature to resist change, and to justify that resistance in myriad ways (what you won’t hear: “I hate change!”)
- Collect public comment early on, address concerns. **Strong education/outreach efforts.** Emphasize:
  - Goals of program—Why do we need to do this? What will it accomplish? Direct benefits.
  - Options to reduce waste/cost (recycling, reduction, reuse, etc.)
  - Previous rates/bills and costs, vs. proposed rates/bills
  - Support to help residents reduce costs (education, etc.)
  - Support for low-income, seniors, etc.
- *Illegal dumping:* currently easy to do, but don’t see much of it. Strong ordinances in place THAT WILL BE ENFORCED. LAC residents LOVE their open spaces/canyons (see Comp Plan). Nationally, research shows it is NOT a problem in most communities. Why would LAC be different? Contamination of recycling does not increase (how do we deal with it now?)
- *Difficulty for low-income/seniors to pay increased rates:* These folks usually have the least trash (trash generation is a function of income), so stand to benefit most (save \$\$) on this program. LAC has mechanisms for need-based financial aid for utility costs, etc. that could be applied here, if we see that cost is an undue burden. Discounts, vouchers, free service, etc.
- *Multi-family housing:* TBD. This will require more research, but hasn’t stopped large cities (with lots of multi-family housing) from implementing programs.

- *Costs too much:* Determine a fair rate structure that covers our costs, and communicate that effectively to public. Not generating new revenue, covering costs and avoiding future increases. Emphasize opportunity for residents to save money short- and long-term. Lower monthly flat fee; opportunity to pay less overall if smaller can size is chosen. May want to set rates so that we don't need to increase for 5+ yrs. County costs: 2/3 of programs report no increase in cost or workload. Build increased costs (if any) into rates.
- *Enforcement/implementation issues:* Overstuffing (how do we deal with it now? Other towns manage.) Set rules clearly in ordinance, and enforce them.
- *Unfairness, etc.* (esp. to larger families): \*Current\* system is unfair to those who dispose less (by choice, low-income, frugal seniors, singles, etc.) Pay for what you use—stop burdening your neighbor with costs to dispose of your trash. Tiered rates charge for services people use, just like water, gas, electricity, etc. Larger families pay more for their use; that is fair. If the community wants, we can provide subsidies/assistance to larger families?
- *Can't avoid waste due to packaging:* Many options exist to reduce packaging (bulk buying @ Co+op, Smith's); buy recyclable packaging; reduce consumption of new goods (reuse, buy used, FreeCycle/Buy Nothing etc.). Many residents successfully avoid much packaging (offer to show people how through public presentations, etc.) Nationally, waste disposal drops significantly (17-40%) with variable rate programs (and >90% of users love it and don't want to go back to old system)—so somehow people make it work!
- *Waste disposal should be free:* Currently pay monthly for waste disposal (with DPU bills). Monthly charge pays for ALL MSW services (trash + recycling + composting + HHW + EcoStation + etc.)
- Make sure public is very aware of costs of MSW, projected increases, and myriad benefits of tiered system.
- Collect data, show results ASAP (pilot program?) MSW reduction, recycling increases, costs avoided, avg. cost to HH, etc.
- Get support of various LAC groups: PEEC, churches, kids in school/Eco Club
- Support from other towns (Silver City, Ft. Collins, )