

# Tiered Rates for Residential Trash Collection



*S. Barns presentation to ESB Feb. 21, 2019*

# The Issues

- Residential waste disposal by LAC Environmental Services is paid for through monthly fee (\$25) charged on Utility Bill
- provides support for all residential disposal services:
  - curbside trash, recycling and yard trimmings collection, transport and disposal; Eco Station services: “12 free loads”, household hazardous waste, electronics recycling, glass recycling, tire recycling, mulching, assisted refuse service, Sullivan Field Recycle Center, Overlook Convenience Center, etc.
- Desire to inspire residents to recycle more, reduce waste
  - recovers resources, reduces GHGs, saves LAC/residents \$\$\$
- Costs go up annually for pretty much everything
  - Recycle used to generate \$\$, now we have to pay to recycle
- How best to cover these costs?
  - **Flat fee** to all households, with periodic increases (current system)
  - Rate based on amount of services used (**Tiered rates**, “Save-As-You-Throw”)

# Current vs. Tiered Rate System

96 gal every week



**Or**

48 gal once per month



**same cost: \$25**



**= \$\$\$\$**



**= \$**



**tiered rate based on use**

# Why Change?

- **Tiered rates are more equitable, charge based on use, like electricity, gas, etc.**
- Gives residents more control over budgets
- **Well-documented (>7000 US communities; >25 yrs.) to reduce trash, increase recycling**
  - Saves \$\$, landfill space, resources, GHGs, etc.
- Also shown to reduce generation (trash + recycling) *overall*
  - reduce cost to LAC, reduce rate hikes, reduce waste
- **Preferred by citizens** (once implemented)
- Third most favored approach to increasing LAC recycling, based on meetings and poll of residents
- Raises awareness of environmental/sustainability issues

# How does it work?

Several systems in use, two of the most widespread are:

## **Tiered rate based on cart size**



= \$ + \*



= \$\$ + \*



= \$\$\$ + \*

## **Bag-based system**

*Residents buy special, required trash bags in stores; revenue from sales comes to LAC\**






\*Monthly base fees charged to all households cover basic service cost, prevents budget shortfalls

# How Effective is It?

**"most effective way to decrease trash and increase recycling"**

Nationally, communities see:

- Recycling participation 
- Tons recycled  by 50% or more
- Tons disposed  by 15 - 20% from residential

But many communities see a much more significant decrease in tons disposed

In addition...

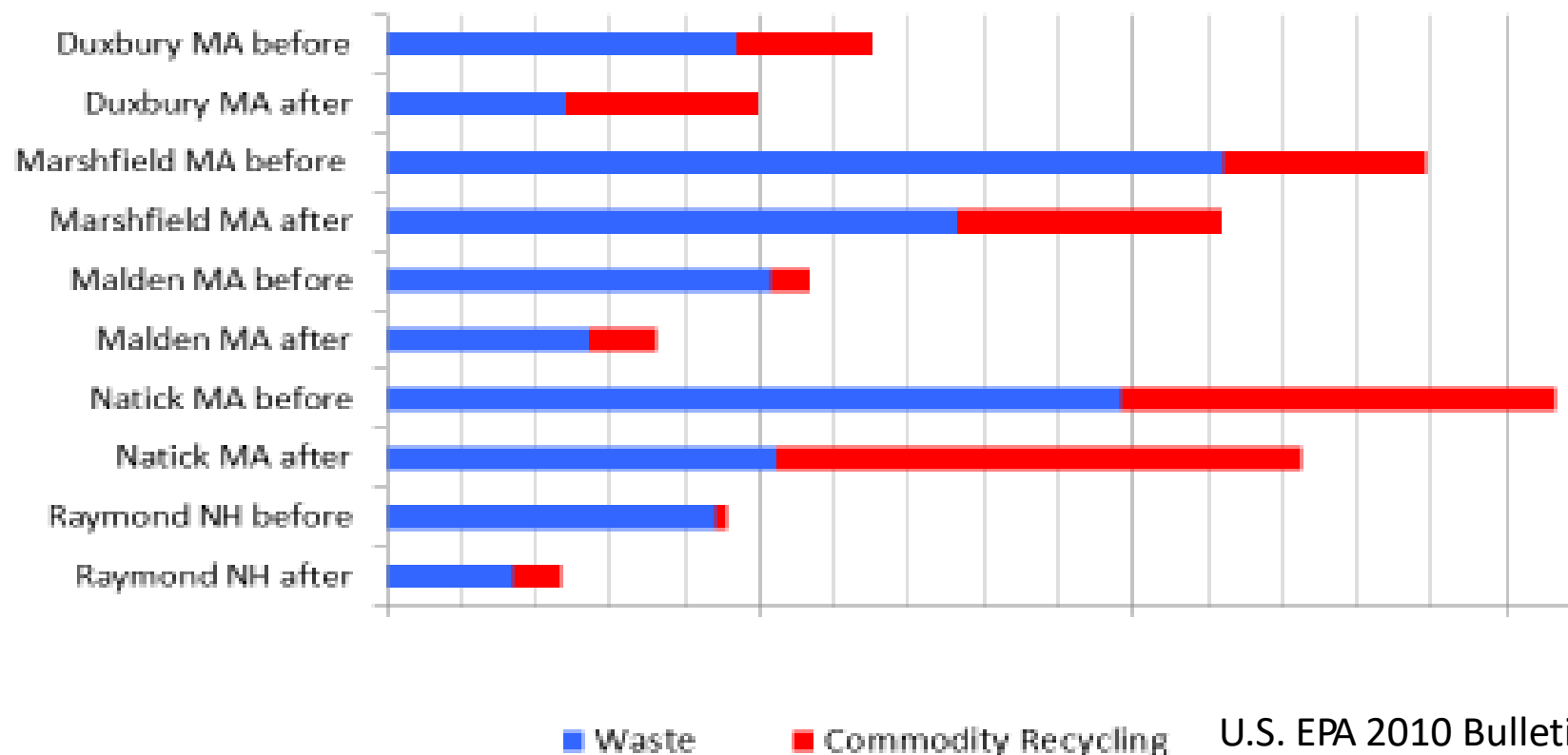
- In 2/3 of communities, no budget increase
- 90% of residents prefer, once implemented

Source – Lisa Skumatz. Ph.D. Dana D'Souza,  
and Dawn BeMent, 2015

# Results in New England Communities

Decreases Overall Generation (waste + recycling) by 20+% <<!!!!

produces **source reduction** and moves materials into all other programs,  
increases donations and home composting. Less generation lowers overall material handling costs.

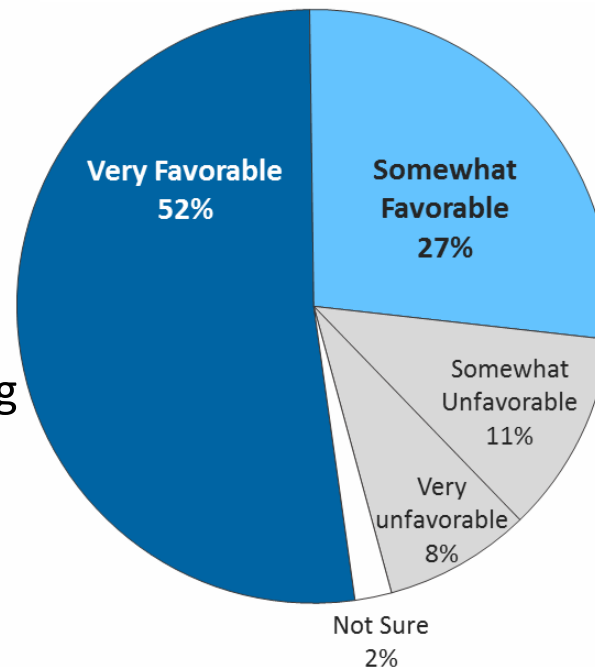


# Citizen Satisfaction

## Survey Results – 11 Municipalities

- 79% - Very or somewhat favorable
- 68% - Program is fair
- 74% - Participation is not difficult
- 89% - Program performing better than or as well as expected
- 77% - More likely to vote for someone supporting, or makes no difference

**Participants in tiered rate systems have a Highly Favorable View of them**



Source: Automated telephone survey of 991 residents of communities with bag-based pay-as-you-throw programs, conducted by Public Policy Polling Feb. 21-25, 2014.

*Illegal dumping and recycling contamination do not usually increase*

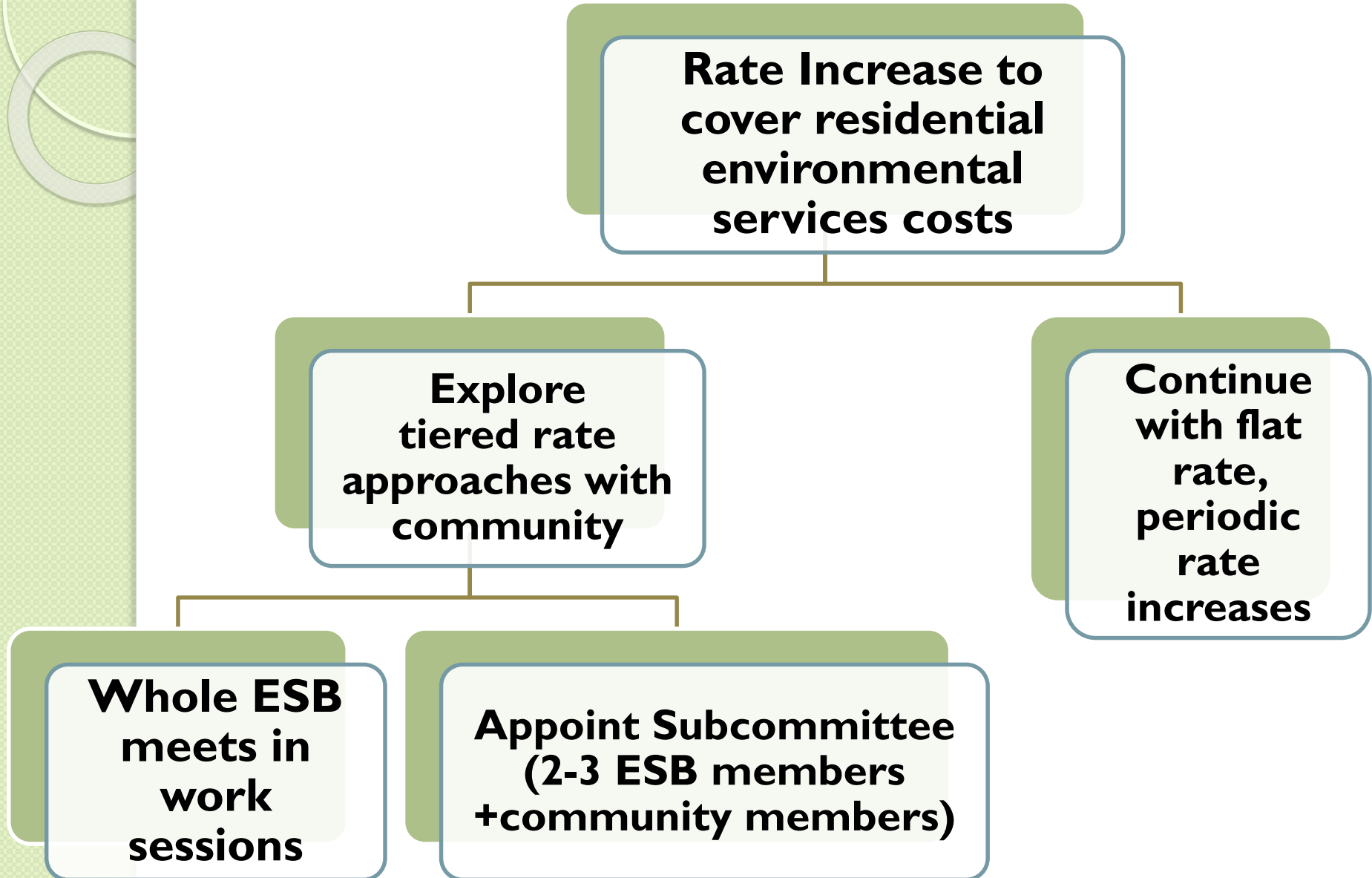


# Why not change?

Concerns include:

- need for considerable time and effort to engage and educate the public: meetings, outreach and involvement for several months
- Temporary increase in T&E for Environmental Services staff
- Some \$ outlay for materials (carts, education, etc.)
- Difficult to implement in multi-family units
- Rate-setting can be tricky
- People hate change!

# *What To Do?*



# Tiered Rate Path Forward:

- Timeframe: March – Sept 2019 (have ordinance proposal for ESB discussion by Sept/Oct)
- If Subcommittee, ask for Council approval
- EDUCATE about issues and approaches (2-3 mo?)
  - anticipate concerns and address them early and often
- Public meetings/poll to discuss (*and educate*), pick implementation approach (2 mo?)
- Draft ordinance change, discuss, vote, CC vote, etc (1-2 mo?)
- Assist with implementation (*education, education, education*) (6 mo?)

***Many resources are available to guide this process!!!***