

**Regional Data Collection
and Analysis
of Pay as You Throw (PAYT)
Trash Disposal Programs**

Submitted to the
Milford Board of Selectmen
by the
Solid Waste and Recycling Committee

December 19, 2017

Executive Summary

Pay As You Throw (PAYT) (also called trash metering, unit pricing, variable rate pricing, or user-pay) is a usage-pricing model for disposing of municipal solid waste. Users are charged a rate based on how much waste they present for collection to the municipality or local authority.

In December 2015, Town Administrator Mark Bender notified Selectman and Board of Selectmen representative to the Recycling and Solid Waste Committee Gary Daniels, DPW Director Rick Riendeau, and Transfer Station Manager Tammy Scott that he had attended an interesting session at the NHMA Convention recently by Waste Zero on pay-as-you-throw (PAYT) programs as a way to control municipal trash cost and improve recycling efforts.

Mr. Bender identified the following principles and benefits as being discussed at the session:

- Positive environmental benefit
- Landfill life extended
- Average 44% reduction in trash
- RI & VT are moving to mandatory PAYT
- 24% of NH communities have PAYT & trend is increasing
- 87% of communities would not go back after implementing PAYT

Mr. Bender asked that the Board take a look at the material, with the possibility of discussing the prospect of PAYT in the following few weeks, further offering to invite a company representative to make a presentation when we were ready. The Recycling and Solid Waste Committee took on the task of gathering information on the program.

Over the next two years the Recycling and Solid Waste Committee looked at various aspects of PAYT with the intent of providing comprehensive information on the program to the Board of Selectmen. This report and its attachments comprise the information accumulated and assembled by the committee over the study period.

PAYT communities charge their residents for the disposal of ordinary household trash based on the amount they throw away instead of charging everyone the same. This creates a direct economic incentive to recycle more and to generate less trash. Twenty six percent of NH residents are using Pay As You Throw Trash Disposal system. There are at least 25 towns that are using this system. Their populations range from a few 100 to 42,000 residents.

The Milford Recycling Committee invited WasteZero of Cambridge MA to make a presentation on this program, having met their representatives at the Northeast Resource Recovery Association Conference. WasteZero is the largest waste reduction company in the USA. WasteZero is a Certified B Corporation, meeting rigorous standards of social and environmental performance, accountability, and transparency. Their mission is to cut waste in the U.S. by one half. Mr. Steve Lisauskas of Waste Zero made a comprehensive public presentation to the Milford Recycling Committee on February 21, 2017. His presentation is attached. (Attachment I)

Northeast Resource Recovery Association (NRRA) in Epsom, NH, of which the Town of Milford is a member, also shared their data on NH towns and cities using PAYT systems. (Attachment II).

The Milford Recycling Committee wanted to conduct its own survey of towns and so in April 2017 created a list of questions to be asked of the towns they interviewed. (Attachment III). Though the survey is not

exhaustive, it was deemed a wide enough sampling of towns and produced very consistent findings. If information from additional towns becomes available, the report will be updated.

The results of this phone survey of 15 towns is attached in a spreadsheet (Attachment IV).

Summary of Findings

The price for disposal of bags of trash ranges from \$0.60 per 10 gallon bag to a high of \$3 for a 33 gallon bag. Each municipality has decided what the income from the sale of bags or trash stickers will be used for. In most communities, the price was set, at a minimum, to cover the cost of Municipal solid waste disposal tipping fees. Some towns priced the bags to cover the cost of trucking solid waste and to even offset the salaries of the DPW personnel that run the Recycling and Transfer stations. A couple of towns are saving the income in a fund to cover the future closure expenses of their landfills.

Though many of the municipalities interviewed do have curbside trash pickup (in some cases residents must pay a private hauler, not the town for this service), most of them still have a drop-off center for recycling and waste disposal if the residents prefer to use it.

No municipality reported an increase in household trash being dumped on the roadsides. Many of them said this is a common concern before the program is initiated but they did not experience this outcome.

The towns were fairly split on ordering, distributing and selling the bags themselves vs. having a provider handle that aspect of the business. Some towns do not have the personnel to take orders and distribute bags to stores while other towns prefer to do this and do not report having problems with it.

Most of the towns have been using PAYT for 10-22 years and so did not have fresh information to share on the methods and efforts used to educate their town's residents on the program. Several towns said to allow at least 1-1.5 years of preparation and education before implementing a new system. Public meetings and educational materials are key to educating the public on the benefits of this systems.

All municipalities, even if they did not have the data readily available, stated that their trash tonnage was significantly reduced and recycling rates significantly increased. All DPW directors were very welcome to answer additional questions from Milford.

I recommend reading the individual responses of the various DPW managers under the survey questions on:

- **Citizen Feedback**
- **Convincing Citizens they were not paying twice for trash disposal**
- **Transition to new Bags and Warnings for Noncompliance.**

Each interviewee provided valuable information about their town's experiences.

Some of the most succinct synopses from on the program as experienced by other municipalities included:

"PAYT It is the most perfect user fee. How much waste you create is how much you pay. It's simple. The city adopted it because budgetarily it was going to save the city so much money." Adam Clark, DPW Solid Waste Manager, Concord, NH.

"PAYT is a great concept. It requires education. There will always be a small percentage of the population that doesn't understand it." Brian Patnoe, DPW Solid Waste Manager, Littleton NH.

"People are more responsible about how much waste they generate, what they buy and how much they recycle when they have to pay for trash disposal. The biggest thing is people generally do not like change. Just present the facts to them as clearly as possible". Rich Malasky, Newmarket DPW Director.

"It's Human nature to understand that you only pay for what you generate. Recycling is free. There is little cost per household for actual trash disposal." Jay Perkins, Solid Waste Manager, Exeter NH

"Taxes rise because municipal expenses are rising: police, fire, schools and trash disposal. Reducing the expense of municipal trash disposal (because waste generation always goes down with PAYT) reduces the budget. People don't complain about paying for their exact water usage. They can also control their trash generation and costs." Michael Bobinsky, DPW Director Somersworth, NH

"There is nothing more effective than PAYT to increase recycling and reduce waste. Nothing will come close. There are no other tools or educational methods to accomplish the same result." D. Watson Asst. Public Works Dir. Keene, NH.

Searching the internet for PAYT pros and cons provides a variety of opinions on whether or not PAYT is good policy, and those varying opinions were present among committee discussions as well. The determination of whether or not PAYT is good for a community cannot be based on one factor alone. There are, in fact, numerous factors that must be taken into consideration, as identified on the attached Survey of Pay As You Throw Trash System Towns in Region matrix.

While numerous communities have benefitted by implementing a PAYT program, an accurate comparison of a community to Milford may be difficult to achieve because Milford has had an established recycling program for some time and any gains recognized in the amount of recycling, or decrease in the amount of solid waste, may not appear as robust as in other communities.

Recycling gains and solid waste reductions also need to be weighed against the cost, complexity and challenges of implementing an effective and coordinated PAYT system, as well as a determination on how any resultant savings would be used.

It is with this recognition that this report is submitted to the Milford Board of Selectmen.

Respectfully submitted by the Recycling and Solid Waste Committee,

Rob Canty, Chair
Jerry Guthrie, Vice Chair
Celeste Barr, Secretary
Gil Archambault
George Hoyt
Tammy Scott
Diane Varney-Parker
Leighton White
Bert Becker
David Bowden (Deceased)
Gary Daniels, Selectman Representative

Additional Resources

The attached resources were used in data collection and analysis of PAYT programs in New Hampshire:

- **WasteZero PAYT Presentation.pdf**
WasteZero, Cambridge, MA
- **NRRA Info. Sheet #12 - PAYT NH Experiences Highlight.pdf**
Northeast Resource Recovery Association, Epsom NH
- **Milford Recycling Committee Survey questions** to PAYT communities
- **Results of PAYT Survey**
https://docs.google.com/spreadsheets/d/1lMv6DhPSXjVtvDYTKqcEnJBefIKNh_sKFJhtHezzoi4/edit?usp=sharing
- **Cutting Trash in Half.pdf**
New Hampshire Municipal Association, Concord NH
- **PAYT Workshop 2015-06-25.ppt**
Northeast Waste Management Officials Association (NEWMOA) – NH DES Workshop
- **Milford SWM Survey of MFC final - Richey.doc**
Survey of Solid Waste Management (Collection and Disposal of Trash and Recyclables) at Multi-Family Complexes in Milford, New Hampshire – Rodney Richey