

# Town of Westford

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## **Curbside Collection Overview of Fee Options**

Mike Edwards, Assistant Town Manager – Strategic Operations  
November 12, 2024

# Agenda

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1. Goals & Objectives
2. Public Input and Neighborhood Surveys
3. Budget Task Force Recap
4. What Are Other Municipalities Doing?
5. Baseline Assumptions
6. Fee-for-service Options
7. Other Policy Considerations
8. Discussion

# Fee-for-service Recommended Strategies

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As a revenue tool...

- Recommendation to use only for covering costs in excess of waste targets; current tax levy should cover basic household service

As a waste reduction tool...

- Household standard based on target tons per household

As a tool to support housing and economic development goals...

- Shift a portion of tax burden from businesses and multi-family taxpayers

As a tool to improve service delivery...

- Move majority of collection to automated pickup with standardized cart
- Provide cost-effective way to allow residents to dispose of excess waste

# Responsive & Responsible Town Government

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Costs of collection and disposal are outpacing Prop. 2 ½ and New Growth; some level of revenue generation, or a substantial cost reduction is required for program to continue to be viable

- Fees should be equitable and kept to a minimum; revenue generation should not be sole consideration (and does not need to be, based on projections)

The Town should move to automated carts for majority of collection

- Town will be more competitive in future bids; manual collection is being phased out by industry, and it is likely that non-automated bag-based programs will eventually be cost-prohibitive or not an option offered by vendors without significant additional costs to residents
- Vast majority of current customer service issues result from issues related to manual collection
- Routes will run smoother and more efficient, resulting in lower instances of loose debris/litter from collection process and carts scattered and damaged

# Commitment to Climate Action & Environmental Sustainability

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## Climate Roadmap Zero Waste Strategies (SW1):

- reduction of overall tonnage
- diversion of waste to recycling, reuse, compost, and repurpose

## Reducing GHG Emissions from Transportation

- Vehicle carbon emissions can be reduced by reducing route run times and idling with move to automated carts

# PAYT/Fee Options Resident Survey

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- Survey collected responses from October 15, 2024, through November 4<sup>th</sup>, 2024.
- Survey was promoted through Town’s website, social media accounts, WestfordCAT, and via community group channels
- Full report included with November 12, 2024, Select Board packet.

De-duplication	Submissions Started	With at least one response	Submission Completes	Completion Rate	Total Data Points Collected
On	1,596	1,462	1,298	81.33%	15,531
Off	1,834	1,647	1,444	78.74%	17,419

# Resident Survey Data

## Key Findings

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- Extremely strong response rate (+/- 1,300 of 8,000 eligible households)
- Change in hauler & enforcement of current limits haven't impacted household trash habits (78% indicated no change at all)
- 64% of households, in a typical week, could fit their trash in a 35-gallon cart
- 90% of households, in a typical week, could fit their trash in a 65-gallon cart
- Respondents preferred PAYT vs. Set Fee (almost 2:1)
- Majority of respondents would rather pay less or nothing for a 35-gallon cart and purchase overflow bags compared to higher fee for 65-gallon (>2:1)
- Respondents overwhelmingly prefer to purchase overflow bags for occasional excess trash

# WRC Neighborhood Survey

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- 1-week walking survey of 945 households from 9/19 to 10/8
- Total household container capacity placed curbside; no data on % filled

## Household Trash Volume

<b>Route Day</b>	<b>&lt;32 gallons</b>	<b>32 gallons</b>	<b>48 gal.</b>	<b>64 gal</b>	<b>96 gal</b>	<b>128 gal</b>	<b>&gt; 128 gal</b>	<b>Total</b>
Monday	0	17	101	26	39	5	4	192
Tuesday	3	75	28	43	19	9	4	181
Wednesday	0	35	59	43	31	10	7	185
Thursday	0	62	39	75	19	6	3	204
Friday	7	61	28	46	31	10	0	183
<b>Total</b>	<b>10</b>	<b>250</b>	<b>255</b>	<b>233</b>	<b>139</b>	<b>40</b>	<b>18</b>	<b>945</b>
	1.06%	26.46%	26.98%	24.66%	14.71%	4.23%	1.90%	

# Budget Task Force Recap

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Recommendation to evaluate PAYT program, in part based on the findings below:

- In FY25, the per capita cost of trash and recycling services will be \$105. The average per capita cost among the comparable towns is \$74.
- 14 of the 22 communities have limits on trash (64 gallons or less) and/or charge residents a fee. Concord and Shrewsbury residents pay for all of the trash they put out at the curb, resulting in \$0 cost to the budget for Concord, and 50% reduction for Shrewsbury
- 4 of the 22 communities have a transfer station which costs significantly less to run. Annual fees to use the transfer station are charged to the residents resulting in zero (Acton and Sudbury) to little (\$26 per resident for Westborough) cost in the budget.
- In 2021, Westford residents disposed of 0.95 tons of trash per household per year on average. This is 17.8% higher than the average of all Massachusetts municipalities with curbside collection. For comparison, Concord residents put out an average of 0.69 tons while Shrewsbury residents' average was 0.63 tons. Towns pay additional fees per ton of trash taken to the incinerator.
- Several communities have composting options to reduce solid waste. Concord initiated a pilot program, Chelmsford recently negotiated with private company (Black Earth Composting) to provide better rates to their residents. Lexington has a compost facility.
- If Westford were to reduce their trash tonnage to the average, this could save approximately \$135K.

# What are other municipalities doing? Massachusetts

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Based on 2023 MassDEP MuniData Survey:

- 45 municipalities operate a curbside trash collection program funded at least in part by PAYT revenues
  - Curbside only programs average tons/HH = .59;
  - Including drop-off/transfer station (137 municipalities), average tons/HH = .52
- 120 municipalities charge an annual fee for curbside trash collection
  - Average annual fee of \$283 per household

# What are other municipalities doing?

## Market Basket Municipalities

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Based on FY2025 Town/WRC Survey:

- 18 offer curbside program
- 17 have a standardized cart
  - 35-gallon (1); Average per/HH tons .64
  - 48-gallon (1); Average per/HH tons .75
  - 64/65-gallon (8); Average per/HH tons .85
  - Westford (adjusted HH per assessor) = .85 tons/HH
- 3 charge an annual fee - \$298.33 average
- 12 charge an overflow bag, overflow sticker or additional cart fee
- PAYT or overflow bags/stickers range from \$2 to \$5
- Additional cart fees range from \$95/yr. to \$185

# Baseline Assumptions

## MSW Disposal Tonnage Trends

				change	
	FY2023	FY2024	FY2025	FY25>FY24	as %
July	530.39	558.61	464.14	(94.47)	-16.9%
August	589.51	619.37	512.45	(106.92)	-17.3%
September	601.38	589.58	471.04	(118.54)	-20.1%
October	556.81	584.95	-		
November	599.35	603.42	-		
December	558.56	567.65	-		
January	587.92	574.01	-		
February	443.10	472.21	-		
March	536.99	502.04	-		
April	519.01	562.63	-		
May	591.33	609.86	-		
June	628.02	580.81	-		
<b>Total</b>	<b>6742.37</b>	<b>6825.14</b>			
<i>Increase over prior year - tons</i>		82.77			
<i>% Increase over prior year</i>		1.2%			

# Baseline Assumptions Eligible Households

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Assessor has worked to develop an accurate count based on 2019 SB policy and planning data

- Evaluating new database fields for collection eligibility to simplify reporting and implementation of fees, cart assignments, and future enforcement
- Still needs some work, as previous list of “do not collect” streets were maintained by WRC/volunteers and documentation is not clear. Will work with Assessor, GIS and Land Use to have an accurate master list

Assigned Town-owned carts provide opportunity to identify unpermitted ADU's, multi-family and other properties to ensure tax base accuracy

Current collection includes 202 Housing Authority units that are not assessed full taxes or have PILOTs in place (cost is est. at >\$25K)

Recycling is collected currently at 4 churches; trash collected at 2

# Baseline Assumptions Eligible Households

Solid Waste Collector <input type="button" value="v"/>	Total Properties	Total Units
2 FAMILY	91	182
2 HOUSES /1 LOT	32	74
3 FAMILY	14	42
MIXED USE	43	73
RES CONDO	859	861
SINGLE FAMILY	6,510	6,585
<b>Total Eligible 1-3 Family</b>	<b>7,549</b>	<b>7,817</b>
Housing Authority		202
<b>Total Households Served</b>		<b>8,019</b>
<i>Includes 75 SF with approved ADU's</i>		

Recycling Collection <input type="button" value="v"/>	Total Properties	Total Units
2 FAMILY	91	182
2 HOUSES /1 LOT	32	74
3 FAMILY	14	42
MIXED USE	43	73
RES CONDO	903	905
SINGLE FAMILY	6,510	6,585
<b>Total Eligible 1-3 Family</b>	<b>7,593</b>	<b>7,861</b>
Housing Authority		202
<b>Total Households Served</b>		<b>8,063</b>

# Baseline Assumptions Summary

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## FY2026 Residential Solid Waste Projection

Projected Tons - FY2026	6,535	per budget projections
Less Schools	(380)	
Less Municipal	(153)	
Less Housing Authority	(218)	
<b>Adjusted Residential Tons</b>	<b>5,785</b>	
Total Eligible Households	7,817	excludes HA units
Per household average	0.74	tons/year
	1,480	lbs./year
Loose residential lbs. per cu.yd.	200	lbs.
Loose residential lbs. per gallon	0.990	lbs.
35-gallon cart will hold and estimated	34.66	lbs.
35-gallon cart annual capacity	1,802	lbs/year
65-gallon cart will hold an estimated	64.36	lbs.
65-gallon cart annual capacity	3,347	lbs/year

# Fee-for-Service Options

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#1 - Annual (or quarterly) fee only for all eligible households; no changes to carts/containers or collection program

#2 - PAYT – 100% bag-based program

- No container changes; or
- Automated cart

#3 - Variable-rate pricing options (hybrid PAYT/SMART)

- No cost (or one-time fee) for 35G cart, with overflow bags
- Fee for 65G cart, with overflow bags
- Multiple cart options for resident purchase

# Option #1

## Per Household Fee

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Annual (or quarterly) fee only for all eligible households; no changes to carts/containers or collection program

### Pros:

- Equity for household types – reduces burden on ineligible households that subsidizes collection for eligible households
- Generates predictable and consistent revenue to offset program
- No added enforcement burden for curbside program; collections would be enforced largely through existing billing/collections processes

### Cons:

- **No incentive to reduce waste**
- Inequitable for low-trash generating households; fee would subsidize high generators
- Added costs for billing and collection; start-up & recurring staff and potential software costs
- Does not provide effective solution for occasional excess household trash
- Challenges for rentals, multi-family, ADU's etc.
- Some households do not receive MSW, but do receive recycling

# Option #1

## Per Household Fee

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### Annual Fee

Eligible Households	7,817						
Fee	25	50	100	150	200	250	283 <sup>^</sup>
Total Revenue	195,425	390,850	781,700	1,172,550	1,563,400	1,954,250	2,212,211
430 Budget (FY26 Proj.)*	2,612,441						
% Cost Recovery	7.5%	15.0%	29.9%	44.9%	59.8%	74.8%	84.7%
Fee for full cost recovery*	334						

<sup>^</sup> average fee based on MassDEP 2023 data for curbside collection programs with annual fee

*\*does not include program cost increases*

# Option #2

## 100% PAYT Bag Program

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### Pro:

- Could be done with no container changes or with immediate or phased rollout of automated carts
- Little to no cost to Town; MassDEP grant likely to cover start-up costs
- Strong evidence of significant reduction in MSW tonnage from PAYT

### Cons:

- Industry is moving away from manual collection model; typical cost of collection is \$1/bag
- Current contract may require renegotiation to ensure adequate enforcement; likely would require SW coordinator/enforcement position

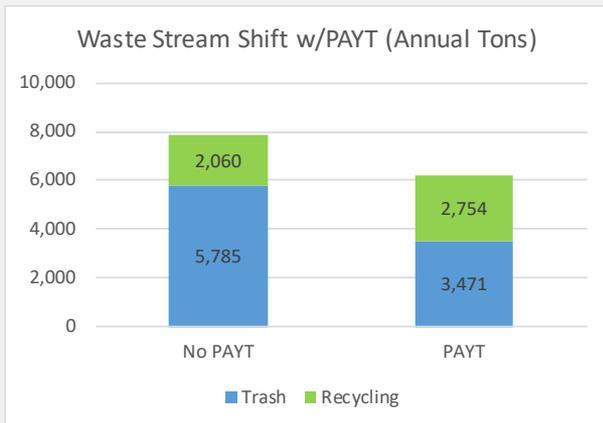
# Option #2

## 100% PAYT Bag Program

### PAYT MODEL OUTPUTS

PAYT Results: Waste Stream Impact (Annual)			
	No PAYT	PAYT	Change
Trash	5,785	3,471	-2,314
Recycling	2,060	2,754	694
Total	7,845	6,225	-1,620
Trash PPC	589	353	-236
Trash %	74%	56%	
Recycle %	26%	44%	

Net Financial Impact - Cumulative				
	1 Yr	3 yrs	5 yrs	10 Yrs
# Bags Sold	439,367	1,272,506	2,048,346	3,762,460
Net Revenue	\$597,539	\$1,730,608	\$2,785,750	\$5,116,946
Trash Tip Svgs	\$230,868	\$668,645	\$1,076,314	\$1,977,005
Add'l Recycle Tip Svgs (Cost)	-\$39,687	-\$114,944	-\$185,024	-\$339,858
<b>Net Benefit</b>	<b>\$788,720</b>	<b>\$2,284,309</b>	<b>\$3,677,040</b>	<b>\$6,754,093</b>



PAYT Results: Avg. per HH Financial Impact (Annual)	
Total Spend, PAYT Bags	\$746,924
Per HH Spend, PAYT Bags	\$95.55
<i>Per Month</i>	\$7.96
Less Regular Trash Bags	\$27.00
Net per HH Cost	\$68.55
<i>Per Month</i>	\$5.71
Avg. Net to City per HH	\$76.44
Avg. Disp. Svgs per HH	\$29.53
Avg. Net Impact per HH	\$105.98

# Option #2 100% PAYT Bag Program

## Sensitivity Analysis

Bag Pricing Sensitivity Analysis						
Large Bag	\$2.00	\$2.10	\$2.20	\$2.30	\$2.40	\$2.50
Medium	\$1.22	\$1.28	\$1.33	\$1.39	\$1.45	\$1.51
Net Annual Rev	\$591,897	\$628,434	\$664,971	\$701,507	\$738,044	\$774,581
Tonnage Reduction Sensitivity Analysis						
Reduction	45.00%	40.00%	35.00%	30.00%	25.00%	20.00%
Tonnage	3,182	3,471	3,760	4,050	4,339	4,628
Net Income	\$547,744	\$597,539	\$647,334	\$697,129	\$746,924	\$796,719
Net Tip Savings	\$259,726	\$230,868	\$202,009	\$173,151	\$144,292	\$115,434
Net Rcy Savings	-\$44,648	-\$39,687	-\$34,726	-\$29,766	-\$24,805	-\$19,844
Net Annual Rev	\$762,822	\$788,720	\$814,617	\$840,514	\$866,412	\$892,309

# Option #3a

## 35G Cart, Overflow Bag

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35G cart included in tax levy; overflow bags for excess

- After MassDEP grant, cart cost estimated at \$145K; can be absorbed in current budget if tipping trends continue
- Meets majority of needs for 64% of residents with no cost for typical week based on survey results
- Projections assume no reduction in tonnage from implementation of PAYT, although studies show reductions up to 40%
- Economical for households to dispose of occasional excess waste
- No additional costs for billing; future cart costs recovered with charging residents for new carts
- Carts assigned based on Assessor database; opportunity to identify non-permitted ADU's and other rentals to benefit tax base

# Option #3a

## 35G Cart, Overflow Bag

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### PAYT Resident Survey Question

*How many tall kitchen garbage bags (13-gallon) does your household dispose of in the trash in a typical week? (please don't include occasional high-volume weeks, special occasions or seasonal cleaning...just a normal week). Filtered for eligible households, excluding MF 4 units and over.*

1 bag or less	248	17.35%
2-3 bags	664	46.47%
4-6 bags	384	26.87%
7-10 bags	90	6.30%
More than 10 bags	8	0.56%
I don't know	7	0.49%
<b>Total</b>	<b>1,401</b>	

# Option #3a

## 35G Cart, Overflow Bag

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### 35G Cart and 35G Overflow Bag Analysis

Projected FY2026 Tons	5,785	
Eligible Households	7,817	
Weekly disposal included in 35G Cart	64%	
% of disposal requiring overflow bag	36%	
Tons included in levy (assuming no fee for 35G)	3,692	<i>MassDEP</i>
Tons requiring overflow bag	2,093	<i>estimate</i>
Pounds per overflow bag (WasteZero estimate)	19	25
Total overflow bags required	220,303	167,430
Tipping fees on overflow tonnage (projected)	102.76	
Total cost of overflow disposal	215,071	
Bag costs (each)	\$ 0.38	
Bag outlay	90,000	
Total Cost of overflow disposal and collection	305,071	
Bag fee required to fully offset disposal	\$ 1.38	\$ 1.82

# Option #3b

## 65G Cart, Overflow Bag

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65-gallon cart owned/distributed/maintained by EL Harvey as preferred option to avoid additional staff costs

- No grant reimbursement; \$567,000 (\$71/each)
- Amortized over remaining term of contract = \$120,000 annual cost

### Pros:

- Based on Resident Survey, would capture over 90% of households
- Simplest collection model

### Cons:

- Little/no incentive to reduce waste; could increase low generating household disposal

# Other Policy Considerations

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- Mandatory recycling for other recycling and trash collection not eligible for Town curbside program (*Climate Roadmap benefit only; no fiscal impact*)
- Enforce 2019 Select Board policy – consider charging fee for service to Housing Authority or eliminating collection; contract savings of \$10,000 plus tipping fees (estimated \$10-15K)

# Discussion

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Are we pursuing an annual per household fee or a variable rate structure?

What is the approval pathway?

Joint Board/WRC/FinComm workshop or additional public engagement?