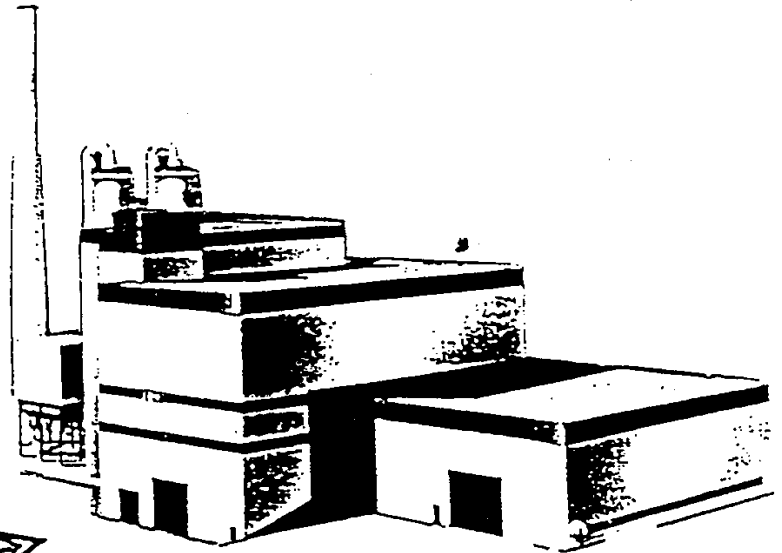




TOWN OF STONINGTON
UNIT BASED PRICING TRASH
PROGRAM
(PAY AS YOU THROW PROGRAM)

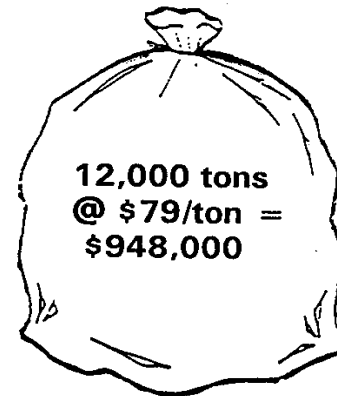
DISPOSAL MUNICIPAL SOLID WASTE

TOWN MEETING APPROVED
CONTRACTUAL OBLIGATION
1985



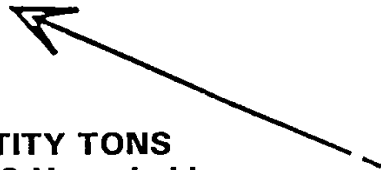
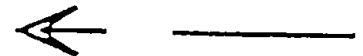
DISPOSAL
* RRF - Preston, CT

QUANTITY TONS
* 4,800 Households
* 7,200 Commercial
12,000 Total




12,000 tons
@ \$79/ton =
\$948,000

SOURCE
* 7,000 Households
* 1,100 Commercial



DISADVANTAGE OF GENERAL TAXATION

- ▶ Residents living alone or small families subsidize larger families owning similarly assessed properties
 - ▶ Property owners with higher assessed values pay more regardless of volume of trash generated
 - ▶ Residential properties pay disproportionate amount as they represent 70% of tax base
 - ▶ Commercial & Industrial properties pay less although they generate 60% of solid waste.
- 

ADVANTAGES OF USER FEE PROPOSAL

EQUITY:

You pay only for the waste YOU generate; you do not subsidize others.

COST ADVANTAGE:

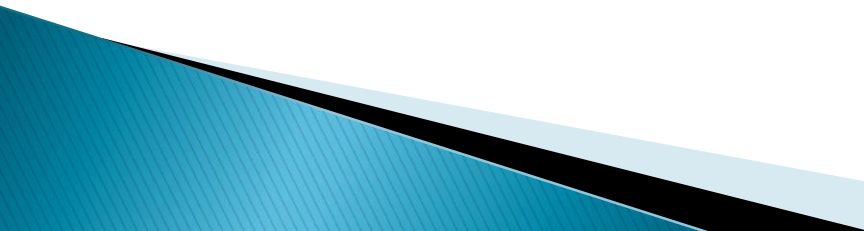
Plan creates direct incentive for maximum recycling. You do not pay for recycled paper, cans, etc.

SECURITY:

Stonington Residents pay for Stonington Trash



IMPLEMENTATION RESIDENTIAL PROCESS

- ▶ Decision made to implement Residential Unit Based Pricing (Pay As You Throw) by administration
 - ▶ Unit Pricing established (bag cost)
 - ▶ Board of Selectmen voted to adopt Unit Based Pricing
 - ▶ Challenged to Referendum (6 months later)
 - ▶ 24 Public Hearings later...
 - ▶ Town Meeting
 - ▶ Referendum – passed by 2–1 margin
- 

METHODOLGY FOR CALCULATING BAG FEES

Base Tonnage: 4,800 Tons per year (40% of 12,000)

4,800 Tons / 7,442 Households = 0.65 Tons per year per Household

0.65 tons per year x \$79.00 Tipping Fee = \$51.35 Avg. cost per year per household

\$51.35 + \$6.44 Transportation* = \$57.79

*Transportation costs \$47,500 / 4,800 tons = \$9.90 per ton

\$9.90 per ton x 0.65 tons per household = \$6.44

\$57.79 + \$5.10 (51 Bags avg. per household per year @ \$0.10 a bag = \$62.89)

ANNUAL AVERAGE COST PER HOUSEHOLD = \$62.89

30 GALLON BAG

1,300 lbs. (average per household @ 0.65 tons) / 35 lbs = 37 bags

\$62.89 average annual cost / 37 bags = \$1.70

15 GALLON BAG

1,300 lbs. (average per household @ .65 tons) / 20 lbs. = 65 bags

\$62.89 average annual cost / 65 bags = \$0.97

COST PER BAG CALCULATION

BAGS REQUIRED

- ▶ Tipping Fee: \$79.00 Ton
- ▶ Volume, Residential MSW: 4,800 Tons (40% of 12,000 Tons)
- ▶ Pounds: 4,800 Tons x 2,000 lbs = 9,600,000 lbs.
- ▶ Bags Required (27.5 lbs per bag): $9,600,000 / 27.5 \text{ lbs} = 349,091$ bags (approx. 51 bags/household)

COSTS TO BE RECOVERED

- | | |
|---|------------------|
| ▶ Tipping Fee (Residential): 4,800 Tons @ \$79.00/ton = | \$379,200.00 |
| ▶ Transportation | 47,500.00 |
| ▶ Bags | <u>67,000.00</u> |
| ▶ Total to be Recovered | \$493,700.00 |

COST PER BAG CALCULATION (cont'd)

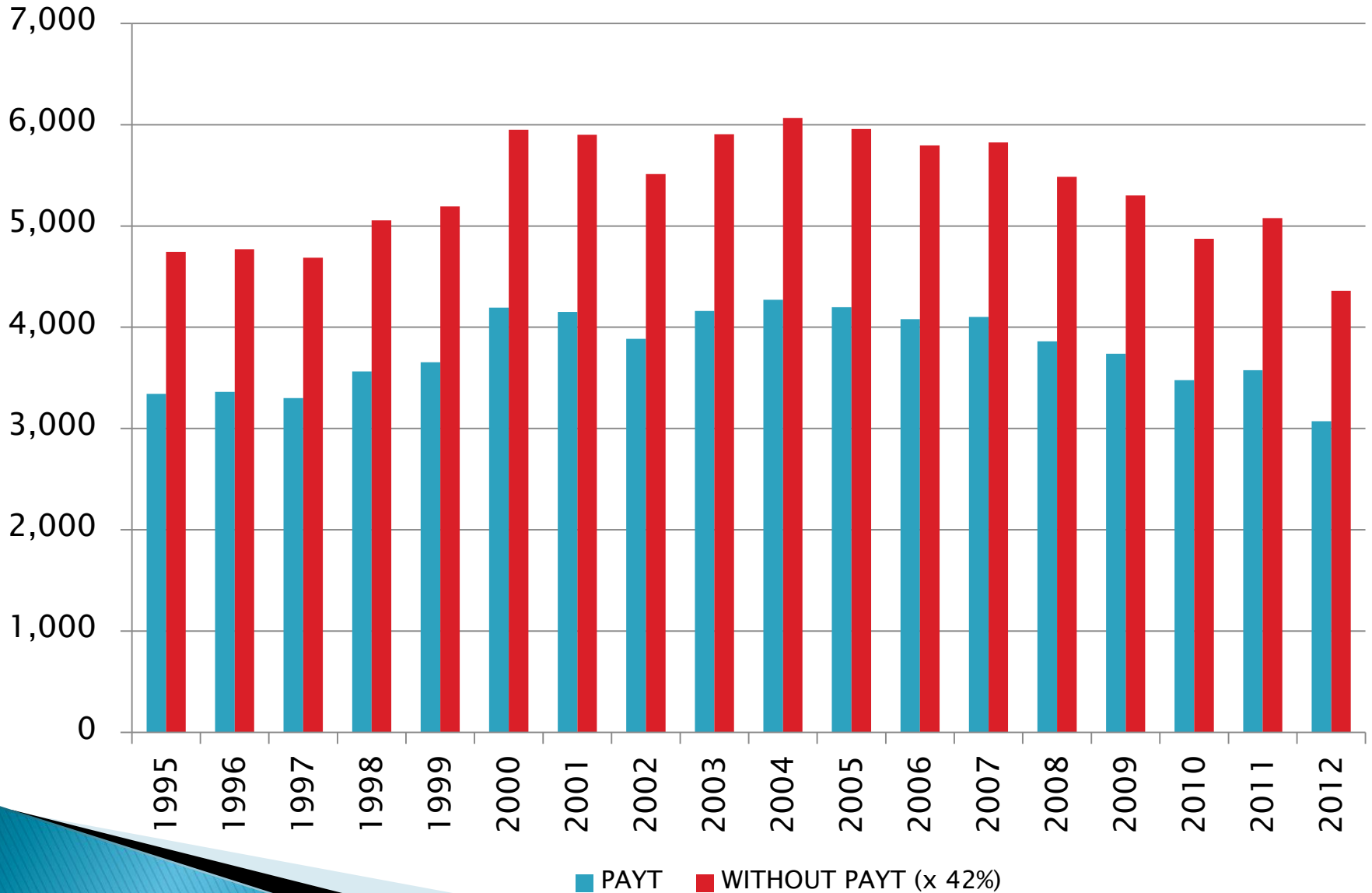
PRICE PER BAG

- ▶ $\$493,700.00 / 349,091 \text{ BAGS} = \$1.41 @ 27.5 \text{ LBS}$

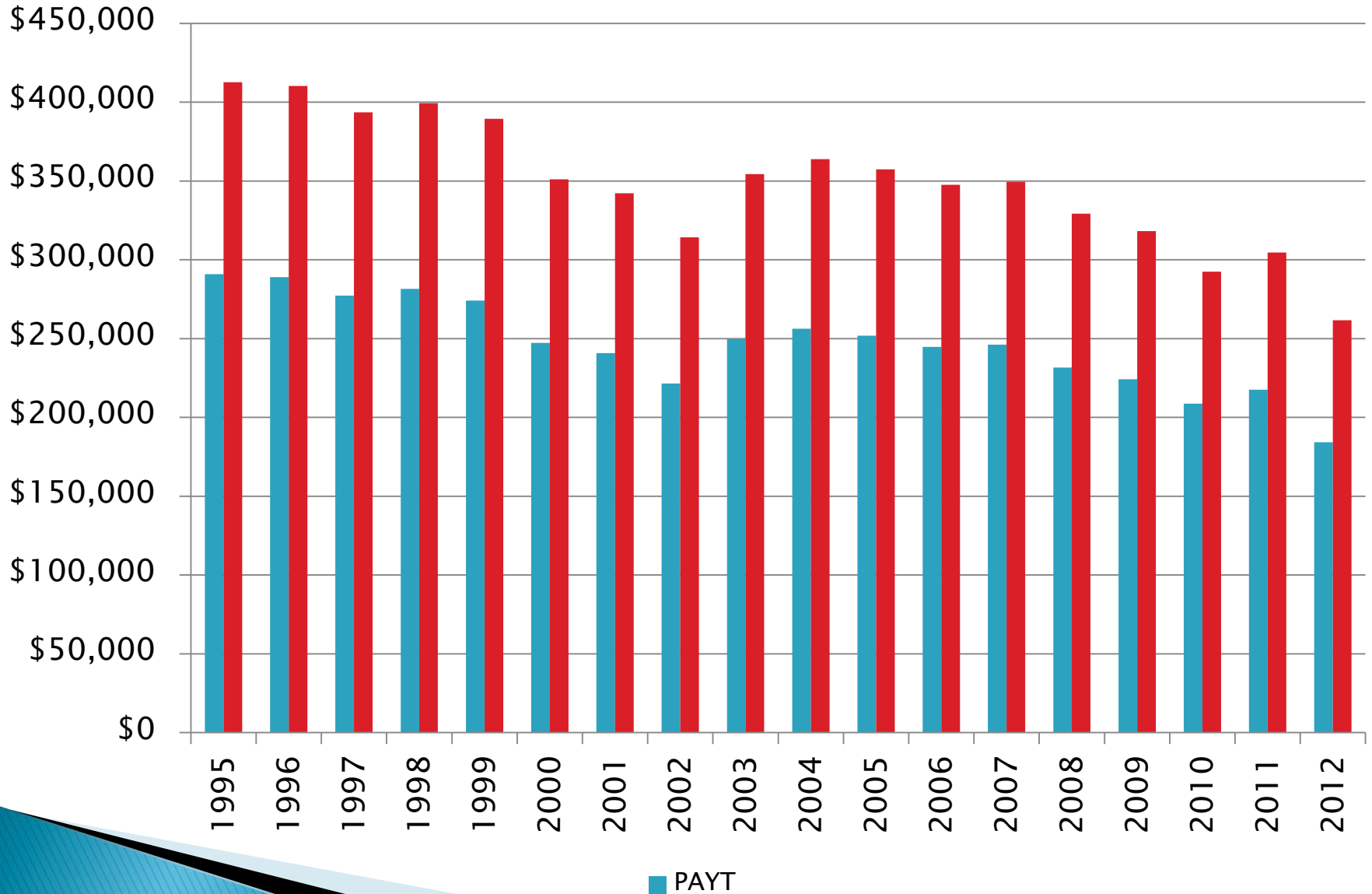
COST PER POUND

- ▶ $\$1.41 / 27.5 \text{ LBS.} = \0.05 per lb.
- ▶ $35 \text{ lb. bag} @ \$0.05 \text{ per lb.} = \1.75
- ▶ $20 \text{ lb. bag} @ \$0.05 \text{ per lb.} = \1.00

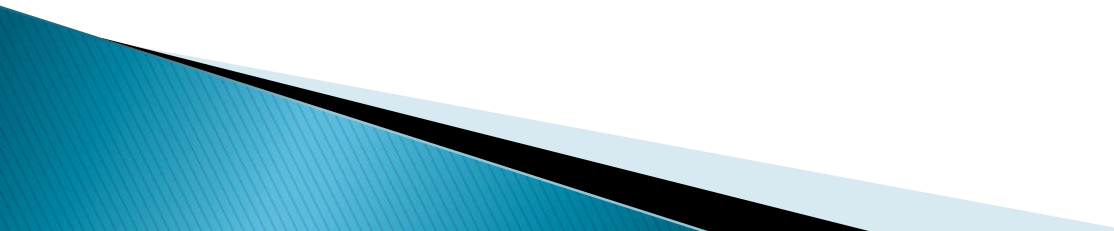
RESIDENTIAL TONNAGE



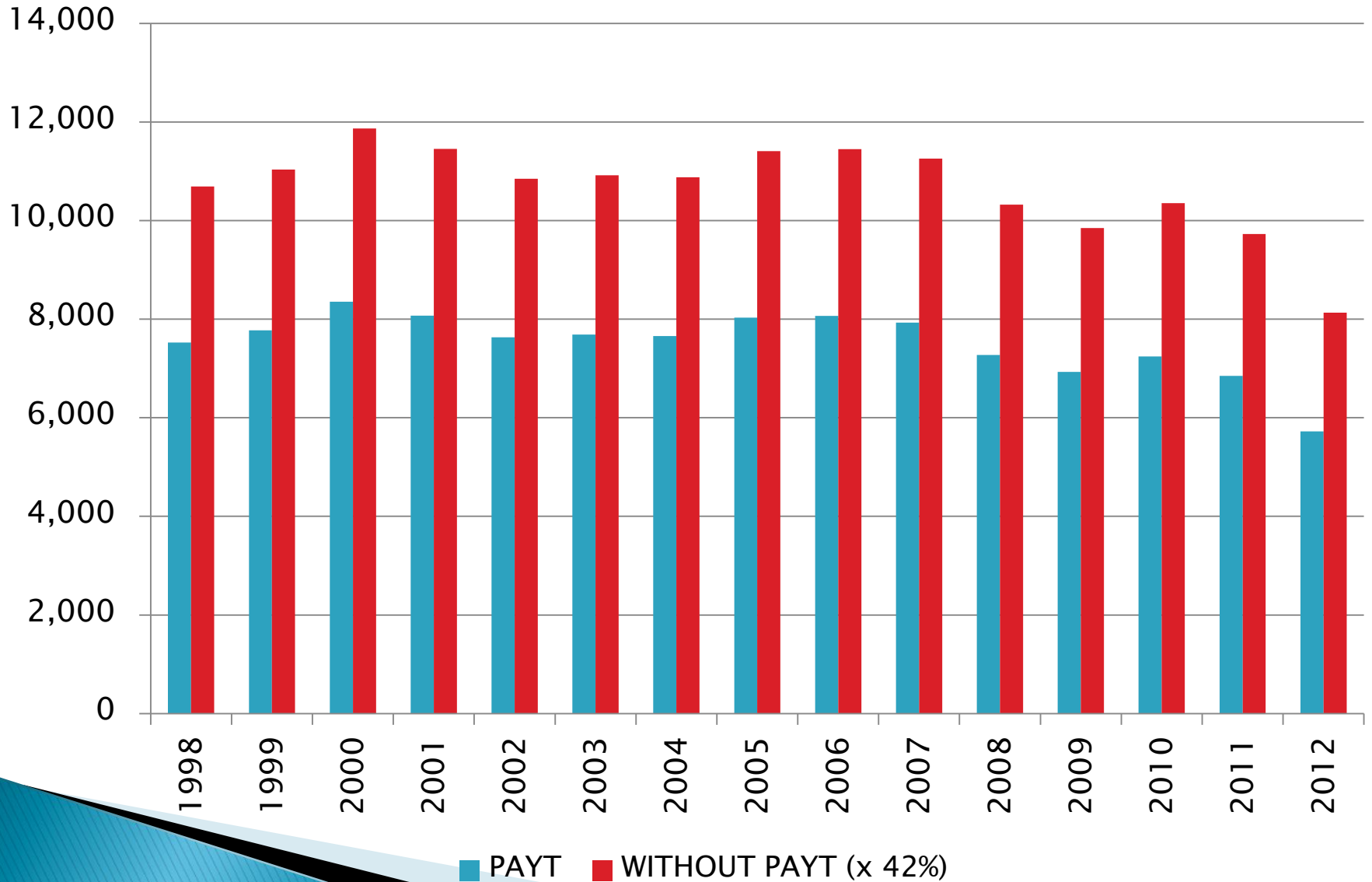
RESIDENTIAL COST COMPARISON



Implementation Commercial Unit Based Pricing

- ▶ In 1997, with the loss of flow control the Town elected to institute Unit Based Pricing for Commercial customers as well
 - ▶ The Town created a local trash authority
 - ▶ All commercial customers were required to use the Town's collection and disposal program
- 

COMMERCIAL TONNAGE



COMMERCIAL COST COMPARISON

