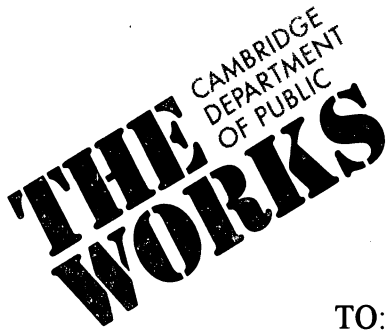




Lisa Peterson
Commissioner

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TO: Robert W. Healy, City Manager
FROM: Lisa Peterson, DPW Commissioner *Lisa Peterson*
TOPIC: **Massachusetts Department of Environmental Protection's Pay-As-You-Throw Program**

DATE: July 10, 2002

In response to Awaiting Report #02-42 regarding a report on information gathered at the Department of Environmental Protection's workshop on Pay-As-You-Throw (PAYT) programs, please be advised that on June 13th a member of the Department of Public Works attended a conference on PAYT which highlighted the following topics:

- Examples of how communities are currently using PAYT to reduce waste and save disposal costs;
- PAYT full-cost accounting analyses for communities;
- Open forum addressing concerns about PAYT implementation;
- Eligibility requirements for PAYT grants from DEP; and
- Practical advice from representatives of PAYT communities.

Overview of Pay-As-You Throw

In communities with pay-as-you-throw programs, residents are charged for the collection of municipal solid waste based on the amount they throw away. This creates a direct economic incentive to recycle more and to generate less waste. Currently there are approximately 101 communities in Massachusetts who are utilizing PAYT programs. Communities range in size from New Ashford, which has a population of 192 people and services 84 households to Worcester, which has a population of 169,759 people, and services 50,000 households.

Traditionally, residents pay for waste collection through property taxes or a fixed fee, regardless of how much or how little trash they generate. PAYT breaks with tradition by treating trash services just like electricity, gas, and other utilities. Households pay a variable rate depending on the amount of service they use.

Most communities with PAYT charge residents a fee for each bag or can of waste they generate. Either way, these programs are simple and fair. The less individual's throw away, the less they pay.

Environmental sustainability. Communities with programs in place have reported significant increases in recycling and reductions in waste, due primarily



to the waste reduction incentive created by PAYT. Less waste and more recycling mean that fewer natural resources need to be extracted. In addition, greenhouse gas emissions associated with the manufacture, distribution, use, and subsequent disposal of products are reduced as a result of the increased recycling and waste reduction PAYT encourages

Economic sustainability. PAYT is an effective tool for communities struggling to cope with soaring municipal solid waste management expenses. Well-designed programs generate the revenues communities need to cover their solid waste costs, including the costs of such complementary programs as recycling and composting. Residents benefit, too, because they have the opportunity to take control of their trash bills.

Equity. One of the most important advantages of a variable-rate program may be its inherent fairness. When the cost of managing trash is hidden in taxes or charged at a flat rate, residents who recycle and prevent waste subsidize their neighbors' wastefulness. Under PAYT, residents pay only for what they throw away.

Observations/Conclusions

With solid waste disposal rates rising and landfills becoming scarcer the trend toward more aggressive recycling is becoming a necessity. While the PAYT program has been successful in many cities and towns throughout Massachusetts there are few that would be comparable to Cambridge in size and density. DEP has listed some of the hurdles in implementing a program such as this, ranging from educating the public about solid waste costs to illegal dumping, all of which would be a concern if implemented here. Finally, the need to properly assess the existing waste stream is key to determining what type of cost/effort should be put into a PAYT throw programs. Taking Worcester as an example, this city's PAYT program proved to be extremely successful. When the program was first implemented in 1993, the recycling rate rose dramatically from 3% to 36%. That being said Worcester, to that point, did not have a curbside-recycling program in place; it was launched at the same time as PAYT. Currently the City of Worcester is recycling at a rate of 27% and will be increasing the cost of bags to cover operating costs for solid waste and recycling programs. If we were to compare Worcester's program with our own we could make the argument that a properly implemented recycling program with dedicated employees can compete with an established pay-as-you-throw program.

The Department of Public Works will continue to explore the possibility of implementing a PAYT program along with any other programs that allows for an increase in our recycling rate. With the addition of a new Recycling Director we are looking ahead to refresh our public outreach efforts and renew the City's commitment to recycling.



7.

CITY OF CAMBRIDGE • EXECUTIVE DEPARTMENT

Robert W. Healy, City Manager

Richard C. Rossi, Deputy City Manager

July 29, 2002

To The Honorable, The City Council:

Please find attached a response to Awaiting Report Item No. 02-42, regarding a report on information gathered at the Massachusetts Department of Environmental Protection's workshop on *Pay-As-You-Throw* program, received from Public Works Commissioner Lisa Peterson.

Very truly yours,

Robert W. Healy
City Manager

RWH/mec
Attachment

§-215

Consent Agenda #7

**Awaiting Report Item Number
02-42**, regarding a report on
information gathered at the DEP
workshop on *Pay-As-You-Throw*
program.

In City Council July 29, 2002

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