



TOWN OF WELLFLEET

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To: Board of Selectmen, Board of Health
From: Harry Sarkis Terkanian, Town Administrator
Subject: Six Month Review of Save Money and Reduce Trash ("SMART")
Date: March 13, 2014, Updated March 21, 2014, June 17, 2014

Background – Statutory Basis

See the March 13, 2014 memorandum with the three month comparison data.

Background – History

See the March 13, 2014 memorandum with the three month comparison data.

Background – Transfer Station Fees

Resident transfer station stickers for the primary vehicle were reduced from \$55 annually to \$40 annually effective on July 1, 2013. The program itself became effective for residential users on December 1, 2013 and for commercial haulers on January 1, 2014. On July 1, 2014 resident transfer station stickers for the primary vehicle were further reduced to \$25 annually.

Six Month Data

Exhibit A summarizes the data we have for the period December 1, 2013 through May 31, 2014 and, for comparison purposes, from the corresponding period one year earlier. While this data is instructive, it does not reflect busier summer seasonal operations when there are more people in Town and the Transfer Station is busier. A full analysis will have to await results for periods encompassing those busier times of the year.

Bag deliveries to retailers for the first six months of the program total 216 cases (43,200 bags). The breakdown is size is: large bags 98 cases; medium bags 79 cases; and small bags 39 cases. Retail value of the bags delivered to retailers was \$49,100. The Town has also purchased 13 cases, some to ease the initial transition and some for distribution to persons qualifying for assistance. Gross revenue from bag sales was \$39,800.

First, overall tonnage processed through the Transfer Station has been reduced. During the first three months there was a net decrease of 25.1%, 126.42 tons¹. During the first six months the overall decrease was 24%, 134.49 tons. Possible causes include: 1) residents opting to switch to commercial haulers who dispose of

¹ Other Massachusetts communities have seen similar reductions in trash tonnage and operating costs. Cohasset: 25% reduction, first year savings of \$100,000. Duxbury: 48% reduction and \$240,000 annual savings. Sandwich: 42% reduction and \$120,000 first year savings. Wrentham: 33% reduction. Attleboro 43% reduction. Dartmouth: 51% reduction. The latter three communities have curbside pickup. Plymouth: 42% reduction. Data from March 1, 2014 SMART Workshop slides.

trash at other locations such as the SEMASS transfer station at Yarmouth; 2) increases in disposal at home through composting, etc.; 3) possibly other as yet unidentified reasons. This decrease is significant. By comparison, the total tonnage delivered to SEMASS in 2012 from all sources (residential, commercial and municipal pickups) was about 1,900 tons.

Second, a clear effect of the program has been to increase the amount of material recycled. A portion of the 204 ton decrease in material to SEMASS is accounted for by a 58.55 ton (35.2%) increase in recycling of glass, cans, plastic and paper.

Third, commercial refuse decreased from 41.61 tons during the corresponding period in 2013 to 11.99 tons during 2014. One possible reason is that some commercial haulers have made arrangements to deliver their refuse to other locations.

Fourth, revenue from bag sales is a “trailing” figure. This is because the bag vendor, WasteZero, invoices retailers on a net 45 days basis and then, after receipt of retailer payments, accounts to and remits to the Town. For example, the January, 2014 receipts of \$2,377 principally relate to deliveries to retailers in November, 2013, and the February, 2014 receipts are principally attributable to deliveries in December, 2013.

Another factor clouding the analysis is the fact that in December, 2013 the Town’s recycling contractor imposed a \$40 per ton charge for providing containers and transporting recyclables. Theretofore they had provided this service without charge, relying on the revenue generated by processing and selling the recyclables picked up from Wellfleet. The same change in charging has been experienced by other Cape towns. We are exploring other outlets for these materials at present. In some cases we are hauling plastic, glass and tin to recycling centers. We bear the cost of transportation. Typically there is no payment for the recyclables, nor is there a charge.

With all of these caveats in mind, some conclusions can still be drawn:

- The change in the ratio of recyclables to trash and the reduction in trash volumes are consistent with those observed in other towns who have recently adopted SMART programs. SMART programs do increase recycling and do decrease trash volumes.
- The reduction in the cost of a residential first vehicle transfer station sticker from \$55 to \$40 in fiscal 2014 resulted in a reduction in transfer station sticker fees paid by Wellfleet residents of \$33,085. Assuming that the number of transfer station permits remains the same for fiscal 2015, a further reduction in cost to residents about \$33,000 is a reasonable estimate. This savings is offset by the added cost to residents to purchase program bags. Remittances to the Town for bag sales from November, 2013 through April, 2014 were \$39,800. Until we can do a year on year comparison for an entire fiscal year, we will not know how close the program is to being revenue neutral for residents and for the Town.
- The reduction in municipal solid waste going to SEMASS for the first six months of the program resulted in a reduction in tipping fees of \$3,774.74 (204.04 tons at \$18.50 per ton.) The town also saved an estimated \$5,500 in transportation costs.

Exhibit A

Six Month Pay As You Throw Comparison

Recycling

	tons		tons
December '12	30.47	December '13	42.70
January '13	17.67	January '14	37.35
February '13	7.24	February '14	11.71
March '13	39.39	March '14	36.61
April '13	29.30	April '14	47.04
May '13	42.55	May '14	49.76
	166.62		225.17

Note: Increase of 58.55 Tons (35% increase)

Municipal Solid Waste

	tons		tons
December '12	114.03	December '13	58.36
January '13	21.33	January '14	22.83
February '13	64.17	February '14	65.18
March '13	76.09	March '14	37.12
April '13	103.18	April '14	44.48
May '13	134.54	May '14	81.23
tons to SEMASS	513.34	tons to SEMASS	309.20

Note: Reduction of 204.04 tons to SEMASS (40% decrease)

Commercial Refuse

	tons		tons
Dec '12 - May '13	41.61	Dec '13 - May '14	11.99

Note: Commercial figures are included in SEMASS. The totals include MA Frazier & Nauset Disposal.

Overall tonnage for both Recycling and Municipal Solid Waste

	tons		tons
Dec '12 - May '13	679.86	Dec '13 - May '14	534.37

Note: Recycling figures only include cardboard, newspaper, plastic, tin cans and glass.