

## City of Brewer

# Pay As You Throw (PAYT) Trash Program

How did PAYT become part of the FY2011 budget?

1. Brewer's 5-year refuse and recycling contracts expired June 30, so we undertook a comprehensive review of solid waste services.
2. Maintaining our current program would have resulted in increased costs at a time when we needed to reduce our expenditures to offset steep revenue losses.
3. The PAYT/Zero Sort recycling program would lower the City's net solid waste costs by \$200k per year.
4. Our PERC contract expires in 2018, promising dramatic increases in our waste costs. The PAYT/Zero Sort recycling model positions the City strategically to manage this transition.
  - a. It will reduce by 40% the volume of waste the City pays to dispose at PERC.
  - b. Savings from the program will fund a reserve account that will help soften the impact of the significant PERC rate increase coming our way in 2018.

How extreme was the FY2011 budget situation?

1. The City was facing an unprecedented \$1.4 million shortfall in revenues, including a shrinking tax base (~\$360k loss) and loss of state funding (~\$800k).
2. After multiple rounds of budget reductions, the City still faced a \$400k gap.
3. In the end, the budget included elimination of over 3% of filled staff positions, elimination of 5 seasonal positions, sharp reductions in numerous material and supply accounts, PAYT and other adjustments with varying impacts to services.

What are the goals for PAYT in Brewer?

1. Increase revenue to support the City's solid waste program.
2. Create equitable distribution of solid waste costs rather than increasing the overall tax burden—you will pay for your own trash, not your neighbor's.
3. Lower the amount the City pays to PERC for disposal of residential trash.
4. Proactively address the impending expiration of our contract with PERC so that it does not result in undue impact to the City's tax rate or fiscal position.

As stated in literature provided as part of the budget process:

PAYT is not the City simply passing costs off onto residents. The FY2011 budget reflects reductions and restructuring of City operations to lower costs. PAYT is another such structural change that will lower costs over the long run and position the City to weather future changes including the expiration of our PERC contract in 2018. While PAYT represents a new expense for residents, the City has significantly enhanced its recycling services, thereby providing residents the opportunity to minimize the cost they incur.

## PAYT TIMELINE OF EVENTS

### February

- Meetings with Bangor and Hermon to discuss joint waste RFP, including PAYT option

### March

- Joint RFP for refuse collection services advertised, PAYT option included (5/20/10)

### April

- Joint RFP for recycling services advertised, PAYT option included (4/3/10)
- RFP bids for refuse collection opened (4/21/10)
- RFP bids for recycling collection opened (4/28/10)
- Individual budget meetings with councilors to provide budget overview and list of options for addressing budget shortfall

### May

- Notice of public hearing on budget in BDN (5/10/10)
- Detailed draft budget info provided to BDN, including PAYT proposal (5/12/10)
- BDN article on draft budget, including ref to PAYT (5/13/10)
- BDN article on proposed service cuts, including mention of PAYT (5/18/10)
- Public hearing on the FY2011 budget (5/18/10)
- PAYT fact sheet available at pub hearing and subsequently in public areas at City Hall
- BDN article on draft budget, including discussion of PAYT (5/19/10)

### June

- Council vote to approve FY2011 budget (6/1/10)
- Council vote to approve curbside trash contract, which specifically references PAYT
- Council vote to approve curbside recycling contract; the approved bid is for Zero Sort recycling assuming PAYT implementation July 1, 2011

### September

- Council vote to adopt PAYT bag sizes, color and prices (9/14/10)
- Council vote to authorize bag contract with WasteZero (9/14/10)

### October

- Council posts amendment to Solid Waste Ordinance to implement PAYT (10/5/10)

### November

- Large banner and staffed education table at Auditorium on Election Day (11/2/10)
- Council adopts amendment to Ordinances implementing PAYT (11/15/10)
- Stores contacted about selling bags

### December

- Channel 5 morning news "Consumer Contact" spot (2:36) on PAYT (12/2/10)
- PAYT banners hung at various City facilities (Landfill, City Hall, Pub Safety, Auditorium)
- BDN article on PAYT--Northeast CONTACT column (12/6/10, p. A-6)
- BDN article on PAYT (12/13/10, p.B-2)
- BDN article on PAYT--Northeast CONTACT column (12/13/10, p. A-6)
- Mailer with sample bag and PAYT announcement to Brewer residents (mid December)
- PAYT / Zero Sort flyer in The Weekly to all Brewer households (12/16/10)
- Channel 7 evening news piece on PAYT (12/21/10)