

# PROPOSED RATE INCREASE FOR PAY-AS- YOU THROW TRASH BAGS

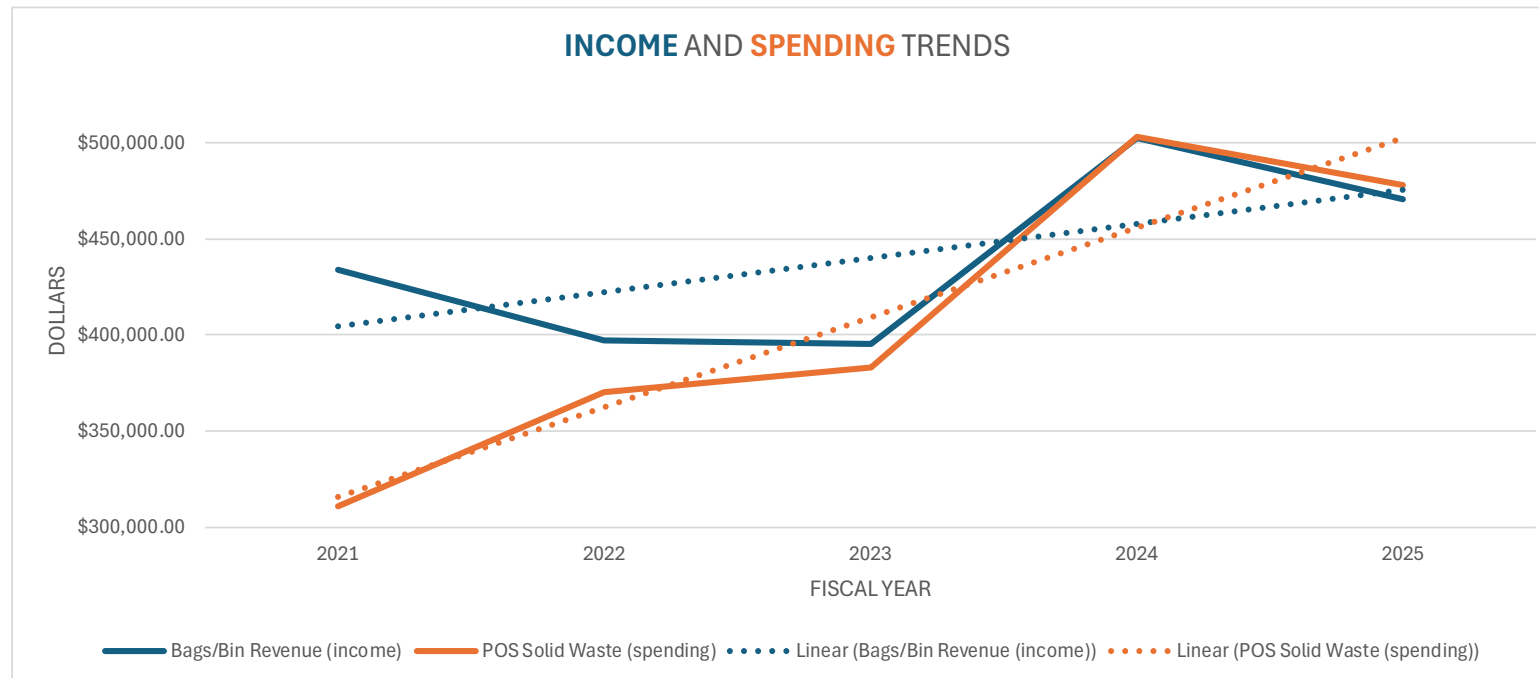
September 2025



# WHY IS AN INCREASE NECESSARY?

- In Fiscal Years 2024 and 2025, the cost of trash removal was greater than the PAYT income.
- Spending on trash removal is increasing faster than the income generated from the bags.

	2021	2022	2023	2024	2025	2026	2027
Name of Budget	YTD Expended	YTD Expended	YTD Expended	YTD Expended	YTD Expended	Budget	Proposed Budget
POS Solid Waste (spending)	\$310,962.35	\$370,053.43	\$382,744.31	\$503,055.79	\$477,932.42	\$500,000.00	\$500,000.00
Bags/Bin Revenue (income)	\$433,906.50	\$397,200.13	\$395,376.80	\$502,453.72	\$470,609.50		
Difference	\$122,944.15	\$27,146.70	\$12,632.49	-\$602.07	-\$7,322.92		
Profit or Loss	profit	profit	profit	loss	loss		
Difference from previous year		\$95,797.45	\$14,514.21	\$13,234.56	\$6,720.85		
Percent difference		77.92%	53.47%	104.77%	-1116.29%		

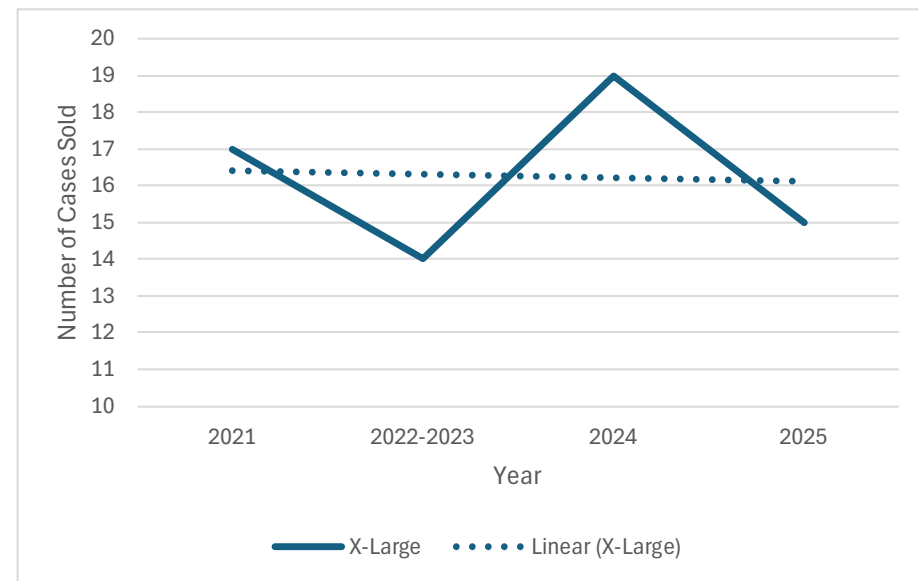
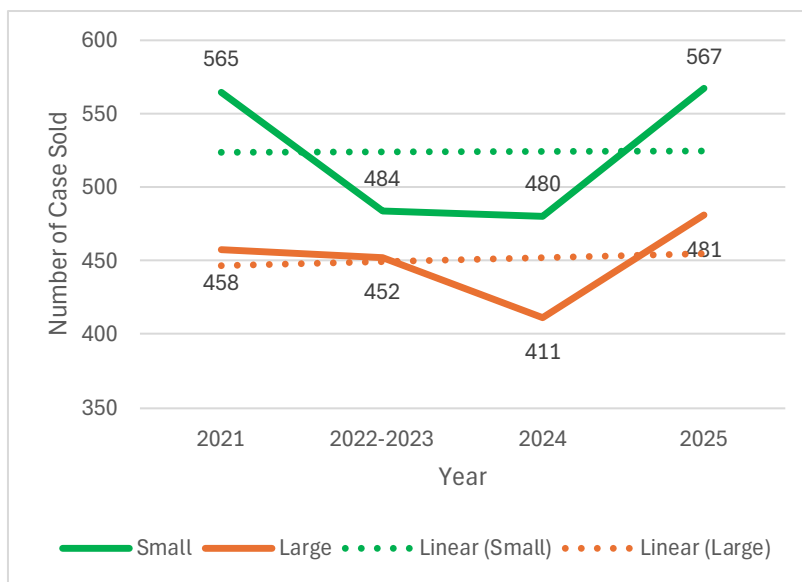


# ESTIMATED TRASH COSTS PER CONTRACT WITH GW SHAW

User Funded PAY-AS-YOU-THROW - Municipal Solid Waste			Shaw Bid Prices	
ITEM	UNIT	ITEM DESCRIPTION	2026	2027
Item 1.1 a	Lump Sum	Refuse Collection and Transport	\$238,500.00	\$238,500.00
Item 1.1 b	Lump Sum	Dumpster Refuse Collection and Transport	\$50,000.00	\$50,000.00
		<i>Fixed Fee Services w/out Tonnage</i>	\$288,500.00	\$288,500.00
Item 1.1 c	Ton	Disposal (tip fee) of MSW	\$104.00	\$108.16
		<i>Use 1650 Tons of MSW for estimating costs</i>	1,650.00	1,650.00
		<i>Estimated Cost of MSW Tonnage</i>	\$171,600.00	\$178,464.00
		<i>Estimated Total Cost (Fixed Fee + Tonnage)</i>	<b>\$460,100.00</b>	<b>\$466,964.00</b>

# CASES SOLD AND COST OF CASES

		2021	2022-2023	2024	2025	2026	21 to 26
<b>X-Large</b>	Fee per Case	\$104.50	\$114.32	\$121.18	\$121.18	\$121.18	
	difference		\$9.82	\$6.86	\$0.00	\$0.00	\$16.68
	% diff		9.40%	6.00%	0.00%	0.00%	15.96%
<b>40 Gallon</b>	Cases Sold	17	14	19	15		
	Fee per Case	\$74.28	\$83.69	\$88.71	\$88.71	\$88.71	
	difference		\$9.41	\$5.02	\$0.00	\$0.00	\$14.43
<b>Large</b>	% diff		12.67%	6.00%	0.00%	0.00%	19.43%
	Cases Sold	458	452	411	481		
	Fee per Case	\$42.75	\$46.77	\$49.58	\$49.58	\$51.07	
<b>33 Gallon</b>	difference		\$4.02	\$2.81	\$0.00	\$1.49	\$8.32
	% diff		9.40%	6.01%	0.00%	3.01%	19.46%
	Cases Sold	565	484	480	567		
<b>Small</b>	Fee per Case						
	difference						
	% diff						
<b>13 Gallon</b>	Cases Sold						
	Fee per Case						
	difference						
	% diff						
	Cases Sold						



# PROPOSED 2%, 5%, ROUNDED CLOSE TO 5%, AND 10% INCREASE

	2021	2022	2023	2024	2025	2026	2027
Name of Budget	YTD Expended	YTD Expended	YTD Expended	YTD Expended	YTD Expended	Budget	Proposed Budget
POS Solid Waste (spending)	\$310,962.35	\$370,053.43	\$382,744.31	\$503,055.79	\$477,932.42	\$500,000.00	\$500,000.00
Bags/Bin Revenue (income)	\$433,906.50	\$397,200.13	\$395,376.80	\$502,453.72	\$470,609.50		
Difference	\$122,944.15	\$27,146.70	\$12,632.49	-\$602.07	-\$7,322.92		
Percent Difference	39.54%	7.34%	3.30%	-0.12%	-1.53%		
Profit or Loss	profit	profit	profit	loss	loss		

Proposed Increase	Income	Income
2%	\$512,502.79	\$480,021.69
Difference	\$10,049.07	\$9,412.19
5%	\$527,576.41	\$494,139.98
Difference	\$25,122.69	\$23,530.48
Rounded Close to 5%	\$530,138.92	\$496,540.08
Difference	\$27,685.20	\$25,930.58
10%	\$552,699.09	\$517,670.45
Difference	\$50,245.37	\$47,060.95

# NUMBER OF BAGS PER YEAR PER HOUSEHOLD

Calculate the number of bags used per week per household

## Method 1 - based on sales of cases of bags

Size	Average Sold per Year	rolls per case	bags per roll	total bags	# of households	bags per household
X-Large	16	40	5	3,200	4000	0.8
Large	451	40	5	90,200	4000	22.6
Small	525	20	10	105,000	4000	26.3
Total Per Year						49.6
Approximately 1 per week						

## Method 2 - based on weight

750	pounds per year per household
52	weeks per year
14.4	pounds per week
0.96	# of bags based on the average 13 gallon bag can hold up to 15 pounds

## Conclusion

	However, most people won't put 15 pounds in a bag
2	Say 2 bags per household per week
<b>104</b>	<b>Average bags used per year</b>

# ESTIMATED YEARLY COST PER HOUSEHOLD

<b><u>X-Large</u></b> <b><u>40 Gallon</u></b>	<b><u>Current</u></b> <b><u>Prices</u></b>	<b><u>2% increase</u></b>	<b><u>Difference</u></b>	<b><u>5% increase</u></b>	<b><u>Difference</u></b>	<b><u>Rounded</u></b> <b><u>close to a 5%</u></b> <b><u>increase</u></b>	<b><u>Difference</u></b>	<b><u>10%</u></b> <b><u>Increase</u></b>	<b><u>Difference</u></b>
Retail Sales price per roll	\$25.07	\$25.57	\$0.50	\$26.32	\$1.25	\$26.50	\$1.43	\$27.58	\$2.51
# in roll	5	5		5		5		5	
Cost per bag	\$5.014	\$5.114	\$0.10	\$5.265	\$0.25	\$5.300	\$0.29	\$5.515	\$0.50

<b><u>Large</u></b> <b><u>33 Gallon</u></b>	<b><u>Current</u></b> <b><u>Prices</u></b>	<b><u>2% increase</u></b>	<b><u>Difference</u></b>	<b><u>5% increase</u></b>	<b><u>Difference</u></b>	<b><u>Rounded</u></b> <b><u>close to a 5%</u></b> <b><u>increase</u></b>	<b><u>Difference</u></b>	<b><u>10%</u></b> <b><u>Increase</u></b>	<b><u>Difference</u></b>
Retail Sales price per roll	\$16.39	\$16.72	\$0.33	\$17.21	\$0.82	\$17.25	\$0.86	\$18.03	\$1.64
# in roll	5	5		5		5		5	
Cost per bag	\$3.278	\$3.344	\$0.07	\$3.442	\$0.16	\$3.450	\$0.17	\$3.606	\$0.33

<b><u>Small</u></b> <b><u>13 Gallon</u></b>	<b><u>Current</u></b> <b><u>Prices</u></b>	<b><u>2% increase</u></b>	<b><u>Difference</u></b>	<b><u>5% increase</u></b>	<b><u>Difference</u></b>	<b><u>Rounded</u></b> <b><u>close to a 5%</u></b> <b><u>increase</u></b>	<b><u>Difference</u></b>	<b><u>10%</u></b> <b><u>Increase</u></b>	<b><u>Difference</u></b>
Retail Sales price per roll	\$16.10	\$16.42	\$0.32	\$16.91	\$0.81	\$17.00	\$0.90	\$17.71	\$1.61
# in roll	10	10		10		10		10	
Cost per bag	\$1.610	\$1.642	\$0.03	\$1.691	\$0.08	\$1.700	\$0.09	\$1.771	\$0.16

<b>Estimated Cost per Household per Year</b>			<b>\$5.04</b>		<b>\$12.60</b>		<b>\$13.57</b>		<b>\$25.20</b>
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# HISTORY OF INCREASES OF BAG FEES

Size	2018	2020	2024	<u>2% increase</u>	<u>5% increase</u>	<u>Rounded close to a 5% increase</u>	<u>10% Increase</u>
X-Large	\$4.06	\$4.36	\$5.01	\$5.11	\$5.26	\$5.30	\$5.52
Difference		\$0.30	\$0.65	\$0.10	\$0.25	\$0.29	\$0.50
% Difference		7.39%	15.00%	2.00%	5.00%	5.70%	10.00%

Large	\$2.55	\$2.85	\$3.28	\$3.34	\$3.44	\$3.45	\$3.61
Difference		\$0.30	\$0.43	\$0.07	\$0.16	\$0.17	\$0.33
% Difference		11.76%	15.02%	2.00%	5.00%	5.25%	10.00%

Small	\$1.25	\$1.40	\$1.61	\$1.64	\$1.69	\$1.70	\$1.77
Difference		\$0.15	\$0.21	\$0.03	\$0.08	\$0.09	\$0.16
% Difference		12.00%	15.00%	2.00%	5.00%	5.59%	10.00%



# RECOMMENDATION

I recommend the “*rounded close to a 5% increase*”.

- It will cover estimated costs in 2026 and 2027
- It will only cost the average household \$13.57 per year.
- It makes the cost of the bundles more normal (\$17.00 instead of \$16.91 for small bags).
- The 2% increase is not likely to cover future costs.
- The 10% increase will likely cover costs for 3 or more years. However, it will cost the average household more money. The goal of the program is to keep spending as close as possible to income. A 10% increase will not be in the spirit of that goal.

# QUESTIONS AND COMMENTS

**Thank you!**