

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

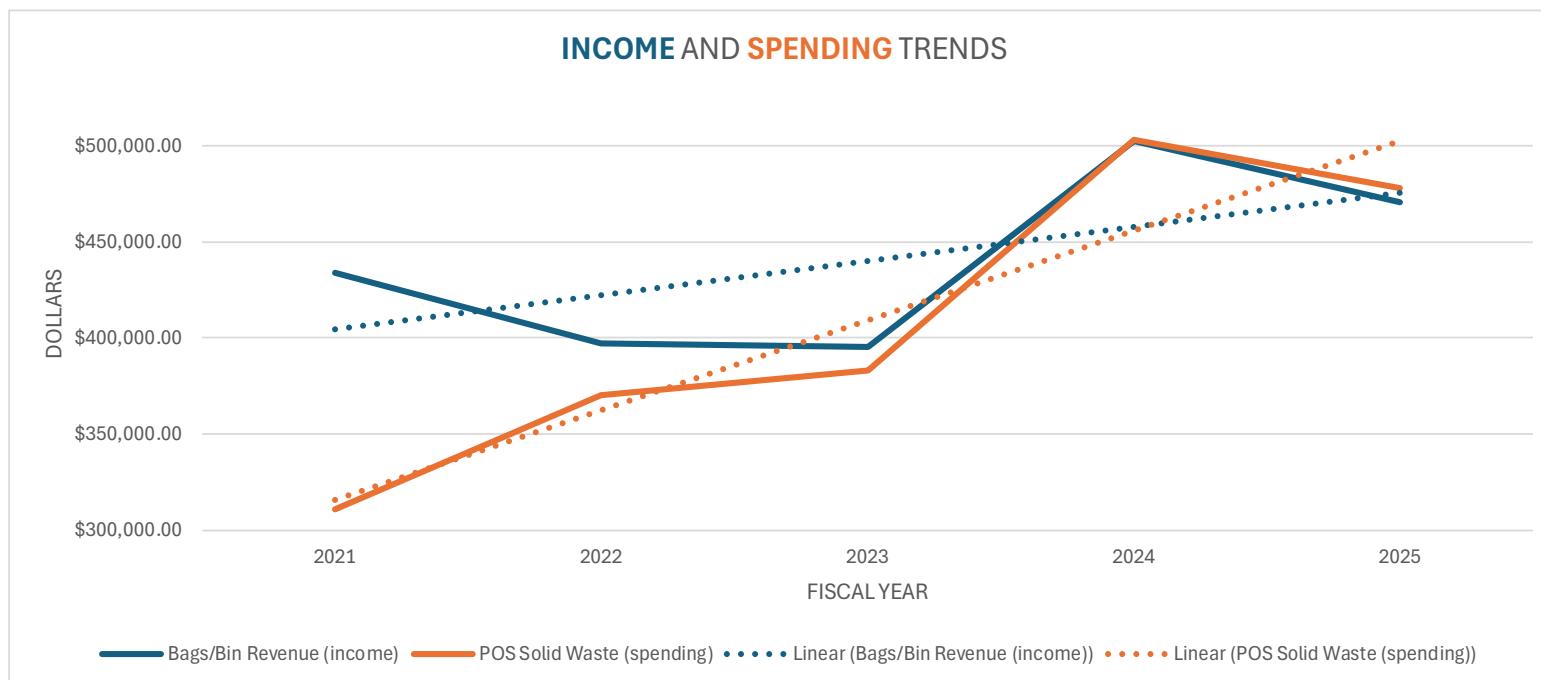
September 2025



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.

| Name of Budget | 2021 YTD Expended | 2022 YTD Expended | 2023 YTD Expended | 2024 YTD Expended | 2025 YTD Expended | 2026 Budget | 2027 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% | | |

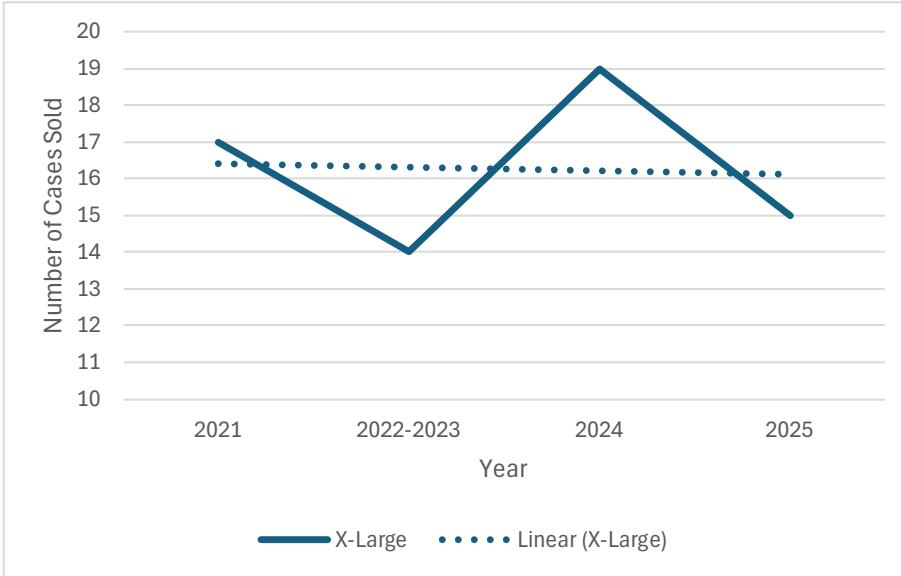
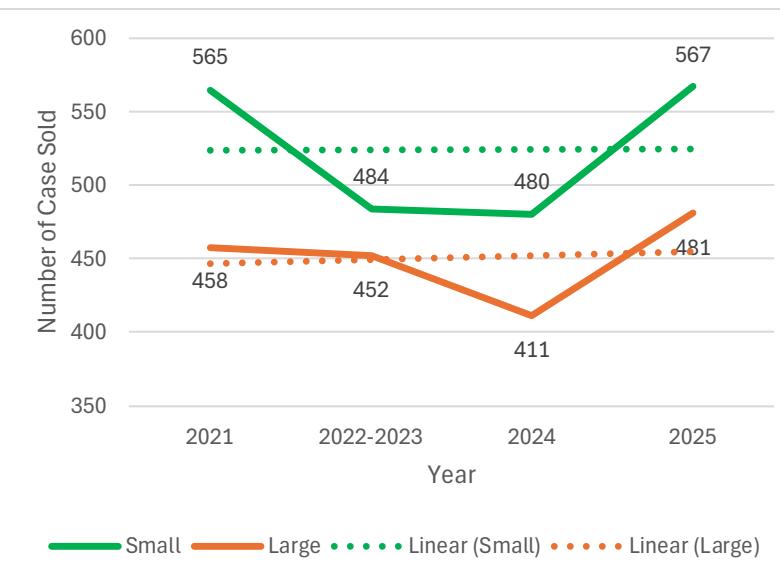


ESTIMATED TRASH COSTS PER CONTRACT WITH GW SHAW

| 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> | \$460,100.00 | \$466,964.00 |

CASES SOLD AND COST OF CASES

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



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

| Name of Budget | 2021 YTD Expended | 2022 YTD Expended | 2023 YTD Expended | 2024 YTD Expended | 2025 YTD Expended | 2026 Budget | 2027 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 |
| | 104 Average bags used per year |

ESTIMATED YEARLY COST PER HOUSEHOLD

| <u>X-Large</u> <u>40 Gallon</u> | <u>Current</u> <u>Prices</u> | <u>2% increase</u> | <u>Difference</u> | <u>5% increase</u> | <u>Difference</u> | <u>Rounded</u> <u>close to a 5%</u> <u>increase</u> | <u>Difference</u> | <u>10%</u> <u>Increase</u> | <u>Difference</u> |
|------------------------------------|---------------------------------|--------------------|-------------------|--------------------|-------------------|---|-------------------|-------------------------------|-------------------|
| 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 |

| <u>Large</u> <u>33 Gallon</u> | <u>Current</u> <u>Prices</u> | <u>2% increase</u> | <u>Difference</u> | <u>5% increase</u> | <u>Difference</u> | <u>Rounded</u> <u>close to a 5%</u> <u>increase</u> | <u>Difference</u> | <u>10%</u> <u>Increase</u> | <u>Difference</u> |
|----------------------------------|---------------------------------|--------------------|-------------------|--------------------|-------------------|---|-------------------|-------------------------------|-------------------|
| 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 |

| <u>Small</u> <u>13 Gallon</u> | <u>Current</u> <u>Prices</u> | <u>2% increase</u> | <u>Difference</u> | <u>5% increase</u> | <u>Difference</u> | <u>Rounded</u> <u>close to a 5%</u> <u>increase</u> | <u>Difference</u> | <u>10%</u> <u>Increase</u> | <u>Difference</u> |
|----------------------------------|---------------------------------|--------------------|-------------------|--------------------|-------------------|---|-------------------|-------------------------------|-------------------|
| 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 |

| | | | | | | | | | |
|--|--|--|--------|--|---------|--|---------|--|---------|
| Estimated Cost per Household per Year | | | \$5.04 | | \$12.60 | | \$13.57 | | \$25.20 |
|--|--|--|--------|--|---------|--|---------|--|---------|

HISTORY OF INCREASES OF BAG FEES

| Size | 2018 | 2020 | 2024 | <u>2%</u> <u>increase</u> | <u>5%</u> <u>increase</u> | <u>Rounded</u> <u>close to a</u> <u>5% increase</u> | <u>10%</u> <u>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!