



Town of Mamaroneck

Town Center

740 West Boston Post Road, Mamaroneck, NY 10543-3353

OFFICE OF THE TOWN ADMINISTRATOR

TEL 914-381-7810

FAX 914-381-7809

saltieri@townofmamaroneckny.org

www.townofmamaroneckny.org

Memorandum

To: Supervisor and Town Board

Re: Evaluation of Sanitation & Recycling Services

Date: August 10, 2019

Earlier this year I prepared for the Town Board and Larchmont Village Board an evaluation of current sanitation and recycling services. The purpose of the report was to initiate a discussion as to whether changes should be to sanitation/recycling services in the Town and Village. Services changes were presented that would either reduce operating expenses and/or expand services for initiatives such as food waste collection.

It has been five months since the report was presented. Both the Town and the Sanitation Commission are, at this time, beginning budget preparation for 2020. Therefore, it would be timely to determine whether the Town and Village wish to pursue changes in service. Those changes would likely have budget implications next year.

While there is no expectation that any decisions would be made by the Town Board at this time, it may be prudent to again review the study. The Town Board may have new questions and require additional information.

Stephen V. Altieri
Town Administrator/Superintendent



**Evaluation and Report
On Sanitation and Recycling Services of the
Larchmont Mamaroneck Joint Garbage Disposal Commission**

**Prepared by
Stephen V. Altieri
Superintendent
April 27, 2019**

In October of 2018 a report was prepared for the Sanitation Commissioners that provided background information and analysis of the current recycling and garbage collection services provided by the Commission to the unincorporated Town and Village of Larchmont. Also in that report a preliminary evaluation was provided on possible changes to sanitation services. Changes to the Commission's collection services were to evaluate expansion of service into food waste collection, but also to evaluate changes that would reduce the Commission's operating expenses.

In February of 2019 the Boards of the Village and Town met to review the preliminary report. As a result of that meeting, the Boards narrowed the focus to nine specific areas for further analysis. Addendum #1 is a listing of the topics for further review. Addendum #2 is a copy of the original report from October 2018. The original report contains all of the statistics on the number of collection points, service areas covered and other pertinent information so that information will not be repeated in this report.

Let's move on to the review of the focus issues:

1. Change Garbage Service to Curbside Pickup

- a. **Sample Schedule Change:** Should the Commission move to curbside garbage collection there would be no changes in the current collection schedule assuming that the move to curbside collection was the only change. If the change to curbside collection is coupled with other changes such as collection of food waste or changes in the collection of commercial/institutional waste, scheduling changes may be necessary.
- b. **Staff Reduction Estimates:** As pointed out in the October report, curbside collection would result in a staff reduction of three full time personnel. Total collection personnel would be reduced from 20 to 17. The number of employees on each collection crew would be reduced from four to three. The estimated total savings for the Commission based upon 2019 salary and fringe benefit costs is approximately \$268,000. The savings is based upon the annual salary for a sanitation man of \$63,810 plus 40% or \$25,524 in benefit costs per employee. Throughout the discussion, there has been a focus on the cost of Worker's Compensation Insurance and the impact upon the Commission budget. With a change to curbside pickup, and a reduction in staffing, there would be a reduction in worker's compensation insurance. Based upon our current experience modification, the insurance carrier is estimating the reduction would be in the neighborhood of \$60,000. That is based upon the reduction in personnel and a reduction in the risk since employees would no longer be entering private properties for garbage collection. If the

Commission's experience modification has improved at the time of the change the savings could be greater.

2. **Reduce Garbage Collection to Once a Week**

- a. **Sample Schedules:** Generally once per week garbage collection has been instituted as a means of improving the amount of recycling material collected in a community. For the Town and the Village, once per week garbage and bulk waste collection could be instituted for single and two family homes. Once per week garbage collection does not work however for our commercial and institutional property owners. The quantity of garbage and the limited space to store it in the commercial districts would create a substandard environment for the community. Therefore, to accommodate once per week collection of waste, the collection routes would be re-designed to provide for a commercial collection route made up of personnel reassigned from the residential routes. The Commission could provide to residents a larger container that would hold more garbage thus making once per week collection more acceptable. For the residential properties, a sample schedule could be the following:

Mondays and Tuesdays – Household Garbage

Wednesdays – Recycling Collection

Thursdays and Fridays- Organic and Bulk Waste Collection

In this plan however, recycling collection would have to be cancelled during weeks when holidays fall on Monday or Tuesday, to make certain that residents receive once per week garbage pickup. During holiday weeks, when the holiday falls later in the week, organic and bulk waste collection may have to be cancelled for that week.

Currently the Village of Croton on Hudson and Village of Tarrytown have once per week garbage collection at curbside. The Village of Tarrytown instituted once per week curbside garbage collection in 2016. Not unexpectedly, there was a fair amount of opposition to the plan in the beginning but for the most part the opposition has diminished. As an incentive to the residents the Village provided, at no charge, 96-gallon garbage containers for the storage of garbage. After the initial distribution, residents could replace or buy additional cans at cost.

- a. **Staff Reduction Estimates:** Based upon the current staffing, the number of materials collected and the needs of both the residential and commercial collection points, there does not appear to be an opportunity for staff reductions with this alternative. However, if this alternative is coupled with curbside garbage collection and/or some change in commercial collection then staff reductions similar to those identified in the curbside alternative are likely attainable.

As we discuss staffing, there is one point to remember that distinguishes the Commission from traditional public works departments. The original consolidation of sanitation operations by the Town and Village resulted in savings for both communities. Those savings continue today since it would be more expensive for the Town and Village to return to individual sanitation departments. A distinguishing factor between the Commission and traditional public works departments is the availability of staff. The Commission's staff of 20 collection personnel and five or six- part time employees is the sole source of staff for collection operations. In most other public works departments, if there is a shortage of personnel for sanitation collection, staff can be reassigned from the highway division or other divisions of the public works department. This alternative does not exist for the Commission. Staffing levels must take into consideration vacation, other leave schedules and employees out ill or injured.

3. Discontinue Collection of Commercial Waste

- a. Commercial Tonnage: The Commission collects most commercial and institutional garbage in the Town and Village. There are 135 commercial/institutional collection points generating waste in 246 dumpsters and 141 various other receptacles. This category of collection includes four public schools, two private schools, all apartment buildings and all religious institutions. In preparing this report the Commission over the two-week period of March 25 through April 5 separated out the collection of commercial and residential garbage to measure the weights separately.

Below is a table with the results. The garbage is measured in tons.

| Route ¹ | Commercial | Residential | Total |
|--------------------|------------|-------------|--------|
| Route 1 | 43.27 | 24.83 | 68.10 |
| Route 2 | 17.64 | 31.02 | 48.66 |
| Route 3 | 17.21 | 17.98 | 35.19 |
| Route 4 | 22.66 | 15.19 | 37.85 |
| Route 5 | N/A | 33.24 | 33.24 |
| Totals | 100.78 | 122.26 | 223.04 |

For the two-week period that garbage collection was measured, 45% of the garbage collected was commercial and 55% residential. Interestingly, the 2008 refuse collection study completed at that time conducted a similar measurement of residential versus commercial waste. The results at that time were 46.5% commercial and 53.5% residential.

¹ Route 1 is exclusively in the Village of Larchmont, Routes 2 and 4 include sections of the Town and Village. Route 3 is exclusively in the Town and Route 5 is exclusively in the Town and has no commercial collection points

So in the eleven years since the study there has been little change in the commercial versus residential garbage collection ratio.

- b. Addendum #3 is a listing of the commercial collection stops serviced by the Commission. The listing also includes the number of receptacles. Those collection points shown in red represent businesses that do not have a separate garbage/recycling storage area. At these stops the garbage is placed in front of the store or at the curb.
- c. The Commission does not have a listing of the properties served by private carters in the Town and Village. Generally, we know that private carters are serving the larger commercial ventures including CVS, Stop and Shop, DeCicco's Market, Staples, BLD and Nautilus Diner, Trader Joes Shopping Center, Dunkin Donuts, Pier 1 Imports and The Gap.
- d. Estimated Savings: Using the data collected between March 25 and April 5 we can, for discussion purposes, assume that 45% of the garbage collected is from the commercial/institutional collection stops. According to the records of Westchester County, the Commission, in 2018, delivered 8,224 tons of municipal solid waste into the County Refuse system. That total number includes the waste collected on the five collection routes and roughly 400 tons of garbage that is brought to Maxwell Avenue by residents.

If we deduct the 400 tons of waste collected at Maxwell Avenue, the total waste collected on the routes is 7,824 tons. If we then assume that 45% of that total was commercial/institutional waste, then our total waste collected on the routes drops to 4,304 tons. This represents a reduction of approximately 3,520 tons.

In a situation where the Commission discontinues commercial waste and recycling collection there would be a redesign of the collection routes. One alternative is that Routes 1 and 2 would be consolidated as would routes 3 and 4. This redesign is dependent upon whether the elimination of commercial garbage collection would include apartment buildings, schools and religious institutions.

For discussion here, the assumption is that four positions in the Commission would be eliminated reducing the total staffing to 16 collection personnel. Again, this assumes the total elimination of commercial/institutional garbage collection. This assumes three routes with four personnel per route and four staff to supplement during vacations and to provide other services such as the collection of street cans.

Calculation of Estimated Savings:

Tipping Fee: \$28.87² per ton X 3,520 tons= \$101,622

| | |
|-----------------------------|------------------|
| Four Employees @ \$63,810 - | \$255,240 |
| Benefit Costs @ 40% | <u>\$102,096</u> |
| Total | \$458,958 |

e. Show the new allocation of expenses –Town and Village.

To accurately recalculate the allocation of expenses, one would need to go through each budget line item to recalculate each and every expense which might change if commercial garbage collection is eliminated. Since there was not time for that exercise, the 2019 Budget was adjusted by the estimated savings in the tipping fee and personnel costs. Therefore, the 2019 Budget was adjusted as follows:

| | |
|--|--------------------|
| Approved 2019 Commission Expense Budget | \$3,866,349 |
| Less Estimated Savings of Tipping Fee | 101,622 |
| Less Estimated Savings-Salaries/Benefits | <u>357,336</u> |
| Adjusted 2019 Commission Expense Budget | \$3,407,391 |
| Less Adjusted Revenues ³ | <u>232,550</u> |
| Adjusted Net Commission Budget | \$3,174,841 |

The reduction in garbage collected by eliminating commercial garbage was estimated to be 3,502. What remains is the 4,304 tons of residential garbage collected by the Commission. Since collection routes 2 and 4 transcend municipal boundaries, calculating the split in residential tonnage between the Town and Village is challenging. Therefore, where residential tonnage is exclusive to the Town or Village as is the case in Routes 1, 3, and 5 the tonnage calculated in the chart on page 4 was assigned to the appropriate community. For Routes 2 and 4, the residential tonnages were split 50/50 between the Town and Village. The result was that for the Town the percentage for residential garbage was 60.7% and for the Village 39.3% Therefore, the estimated budget apportionment is as follows:

| | |
|------------------------------------|-------------|
| Net Adjusted Commission Budget | \$3,174,841 |
| Village of Larchmont Share – 39.3% | \$1,247,713 |
| Town of Mamaroneck Share – 60.7% | \$1,927,128 |

This estimated apportionment represents a reduction for the Village of \$470,983 and for the Town a reduction of \$10,975 from the apportionment for the 2019 Commission Budget.

² \$28.87 is the 2019 tipping fee charged by Westchester County

³ 2019 Commission revenues were adjusted from \$254,550 to \$232,550 to reflect lost revenue from dumpster sales

The changes in apportionment is significant for the Village and reflects the larger number of residential properties in the Town when compared with the Village. This analysis assumes the total elimination of commercial and institutional garbage collection. This means apartment buildings and apartment buildings with retail outlets on the first floor. Also eliminated are the schools and churches.

- f. Previously, when the elimination of commercial collection was considered there were at the time several concerns
- Impact upon the small retail businesses of having to use private carters for garbage collection and the associated costs.
 - Impact of multiple private carters operating within the Village and Town.
 - Property tax equity between the residential and commercial properties, particularly those commercial properties that have residential units.

Another alternative for the commercial properties is the use of a dumpster fee and the strict enforcement of limited garbage collection. Commercial properties as opposed to residential properties require a different level of service because of the use of dumpsters versus standard garbage cans. To offset the cost of commercial collection, a dumpster fee can be imposed. Commercial properties would be charged an annual dumpster fee for each dumpster used by the property owner. The fee would include the servicing and maintenance of the dumpster. In our prior review of this alternative, no fee would be charged for recycling dumpsters. The fee would be charged to the property owner. The fees collected would then be apportioned between the Town and Village based upon the location of the property from which the dumpsters were collected.

- g. Another alternative for commercial and residential garbage collection is to limit the amount of garbage that will be collected. For this alternative the limit must be applied uniformly to commercial and residential properties. So, as an example, the limit could be two 64 gallon cans per collection. For those properties that produce a greater quantity of garbage, a private carter would be needed. This alternative can be helpful to the small businesses in the Village since they would not have to retain private carting. For buildings that have commercial and residential units a limit per unit can be established. The Village of Mamaroneck implements a plan similar to this for their garbage collection operation.

4. Pay As You Throw (PAYT)

- a. Mechanics and Operations: The Commission, in 2010, evaluated PAYT with the firm Waste Zero which still operates today. At that time, we estimated that the savings and bag revenue from the program would save approximately \$900,000. The assumptions at that time were based upon 8,583 tons of garbage. The mechanics of the program are quite simple. The Commission would establish relationships with local retailers to sell the garbage bags that must be used for the program. Bags would also be sold at Maxwell Avenue. In 2010 the bag prices were as follows:

- 30-gallon bag \$2.00
- 15-gallon bag \$1.25
- 8-gallon bag \$1.00

On regular garbage collection days, garbage will only be collected in the PAYT bags. There would be no changes to sanitation services. All the current collections would remain in place. Bulk collection of items such as old furniture would still be offered to the community. For the commercial and institutional collection points, the PAYT program charge a fee based upon the type of receptacle that is used. This is similar to the dumpster fee alternative previously mentioned.

- b. There are many communities using the PAYT system although there are none in Westchester County. The PAYT system is not always an easy sell but it does incentivize people to reduce their trash production. Not unexpectedly, families that produce more trash are opposed to the program. At the time of our original analysis, I spoke with representatives of the City of Concord, New Hampshire. At that time the city was just kicking off the program. The program continues today. The City utilized an incentive of offering free bags to residents for the first three months of the program.
- c. There is concern that the PAYT program can impact the purity of recycling as residents look to reduce their garbage output. There may be validity to that concern at this time because of the decreasing markets for the sale of recycling material. However, proper enforcement can remedy the potential contamination issues.

5. Private Carting Information

- a. For this analysis contracts used by the Town of New Castle, Town of North Salem, and Village of Rye Brook were reviewed.

Town of New Castle: The Town currently contracts with the firm Sanipro to provide services to the community.

The service provided is as follows:

- Twice weekly collection of curbside garbage/bulk waste (5,597 collection points) Backdoor service available at an additional fee.
- Once per week recycling collection- single stream recycling

- Contract does not include organic waste collection
- Town does not collect commercial garbage- residential only
- Contract prices in 2019 - \$15.75 per residence for collection service
\$65.98 per ton disposal
\$55.00 per ton disposal of recyclables

Total Value of Contract - \$2,254,224

Town of North Salem: The Town currently contracts with City Carting Inc. The service provided is as follows:

- Once per week residential garbage collection at curbside- Backdoor collection is available at a separate fee paid directly to the contractor
- Resident may pay contractor directly and additional fee of \$65.00 per month for backdoor collection.
- Once per week commercial garbage collection, limit of one 1.5- yard dumpster or 4 garbage cans. Additional service available from the contractor at an additional fee paid directly to the contractor.
- 2,243 collection points
- Once per week recycling collection at the curb-single stream recycling
- No bulk waste collection. Bulk waste must be taken to a site designated by the Town only on the third Saturday of the month. Residents must make an appointment with the contractor and provide section block and lot information to verify residency.
- No organic waste collection
- Contract Prices 2019- \$45,000 /month- residential garbage collection
\$ 3,750 /month – commercial garbage collection
\$10,000/month – recycling collection
\$ 950/month- bulk waste roll off
- Total Value of Contract - \$716,400 per year

Village of Rye Brook: The Village contracts with Waste Services.

The service provided is as follows:

- Twice per week rear yard collection
- Once per week recycling collection – dual stream
- Once per week organic waste collection
- Bulk waste collection twice per month
- Bulk metal collection – second garbage day
- No commercial garbage collection
- 3,433 collection points
- Contract Prices 2019 - \$823,920 - this is on a three-year contract with a total value of \$2,512,956

The three communities offer differing levels of service. A review of these three communities when compared with the Commission's operation point to some of the following differences:

- The Commission operates a drop-off/recycling center 5.5 days per week
- The Commission collects commercial waste; New Castle and Rye Brook do not. North Salem does have a strict limitation on commercial waste
- With the exception of New Castle, the Commission provides weekly bulk waste collection.
- Of the three communities only Rye Brook is offering rear yard collection as part of the base fee.
- New Castle and North Salem do not provide organic waste collection.
- The Commission provides weekday and Saturday collection of street cans primarily in the Village of Larchmont. The other communities utilize Highway Department personnel for street cans.

The value of this analysis maybe that there are other services changes that could be considered by the Commission.

6. Permit Fees for Maxwell Avenue

- a. The Commission operates the Maxwell Avenue Recycling Center Monday through Friday except Wednesdays from 8:00am to 3:00pm and between 8:00am and 11:45am on Saturdays. An estimated 75 to 100 vehicles will enter the site on a typical Saturday. Lately we have also noticed an increase in weekday visits by residents. Annually the Commission receives an estimated 400 tons of garbage at Maxwell Avenue. Not including the disposal costs, the Commission spends approximately \$22,000 per year to operate the site. The cost is primarily the overtime expenses for the two employees that must attend to the site each Saturday. The added disposal costs based upon 400 tons of waste is \$11,548.

The popularity of the Maxwell Avenue facility would appear to indicate that it offers residents a significant convenience for the drop off of recycling material, E-Waste, organic waste, food waste and garbage. Residents cleaning out garages and basements often use the site. Consideration should be given to charging a fee for a permit to use the Maxwell Avenue. A permit would insure that all the users of the site are residents of the Town and Village. A \$25.00 annual fee would offset much if not all of the costs for the sites operation. On an annual basis the fee is very reasonable for the convenience the site offers to the community.

7. Food Waste Composting

- a. A graph of food waste composting since the inception of the program will be provided at the May 1, meeting.

8. One Armed Bandit Vehicles/Leasing of Garbage Trucks

- a. The discussion of using one armed bandit vehicles would best be considered in connection with a decision to go to curbside garbage

collection and a decision on the continued collection of commercial waste. One armed bandit vehicles are essentially used only for curbside residential collection of waste. That is how the vehicles are being used in the City of White Plains, Town of Harrison and Town of Greenburgh. All three of these communities continue to use traditional rear loading or front loading garbage trucks for organic waste or commercial garbage collection. Once the Town and Village come to decisions on the future of the sanitation services, a more in depth fleet analysis will be completed to determine the mix of truck types that will be needed to complete the work.

- b. One armed bandit vehicles would lead to one man routes for single family residential properties except for bulk waste collection and organic collection when additional personnel would be needed. The collection of commercial and institutional waste would be done with traditional rear loader trucks. The reductions in worker's compensation costs will be a function of the new mix of vehicles, number of employees and the type of collection work to be done. Therefore, it is not possible to provide a valid cost reduction figure for worker's compensation insurance at this time.
- c. Regardless of the type of vehicle, the decision on whether the Commission should lease garbage trucks has its pros and cons. Typically leasing is way of avoiding debt as the lease payment can be booked as an operating expense. That is not true in New York however. Lease payments by municipalities are viewed as debt payments and must be accounted for in that fashion.

Refuse collection vehicles which are considered specialty vehicles, essentially serve one purpose and that is the collection of garbage. Therefore, the cost of leasing a single purpose vehicle can be higher since at the time of resale, the vehicle can only be sold for refuse collection. So the pool of buyers will be smaller. Also because of the workload of a garbage truck, the residual value after ten years may be lower than for other types of heavy duty vehicles. Some other points to consider:

- The interest rate on a ten-year lease will likely be higher than the rate of interest for the Town or Village to sell bonds over 10 years.
- Typically, the Town and Village are operating refuse trucks for between 10 and 14 years and we have with our new maintenance program significantly reduced our operating and repair costs since 2016.
- Leasing does not appear to offer any advantage to the Town and Village.
- Could not identify any other municipalities leasing refuse vehicles

This concludes the report on the items originally agreed to as topics for further discussion. The report should provide to the Town and Village Boards sufficient additional information to discuss the future of sanitation services. It is important to

note that this report and the original report have all been completed in house without the assistance of any consultants. The report offers appropriate information for the Town and Village to consider whether changes in sanitation services are warranted. While the analysis and evaluation is relatively thorough, it may be necessary to enlist some outside assistance should there be a decision to implement changes.