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## MONTCLAIR REFUSE COLLECTION PROGRAM

Presented by

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### SECTION ONE

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In June of 2009 Montclair Township changed from a seasonal once-per-week/twice-per-week refuse collection program to a year round twice-per-week collection program. The reasons for the change were to reduce operating costs and improve service to residents by providing a more convenient twice-per-week collection, which includes a twice-per-month bulk collection, with no seasonal switching from once-per-week to twice-per-week and no collection make up days. The new collection program was also intended to have no adverse impact on township recycling rates.

As of October 2010, the program has met all objectives and continues to be a success. See summary below:

#### 1. Overtime Expense (from actual budget records)

<b>2008</b>	\$87,921.52 (full year of previous split collection program)
<b>2009</b>	\$33,167.68 (5 months of split program – 7 months of new program)
<b>2010</b>	\$18,568.27 (year-to-date – new program)

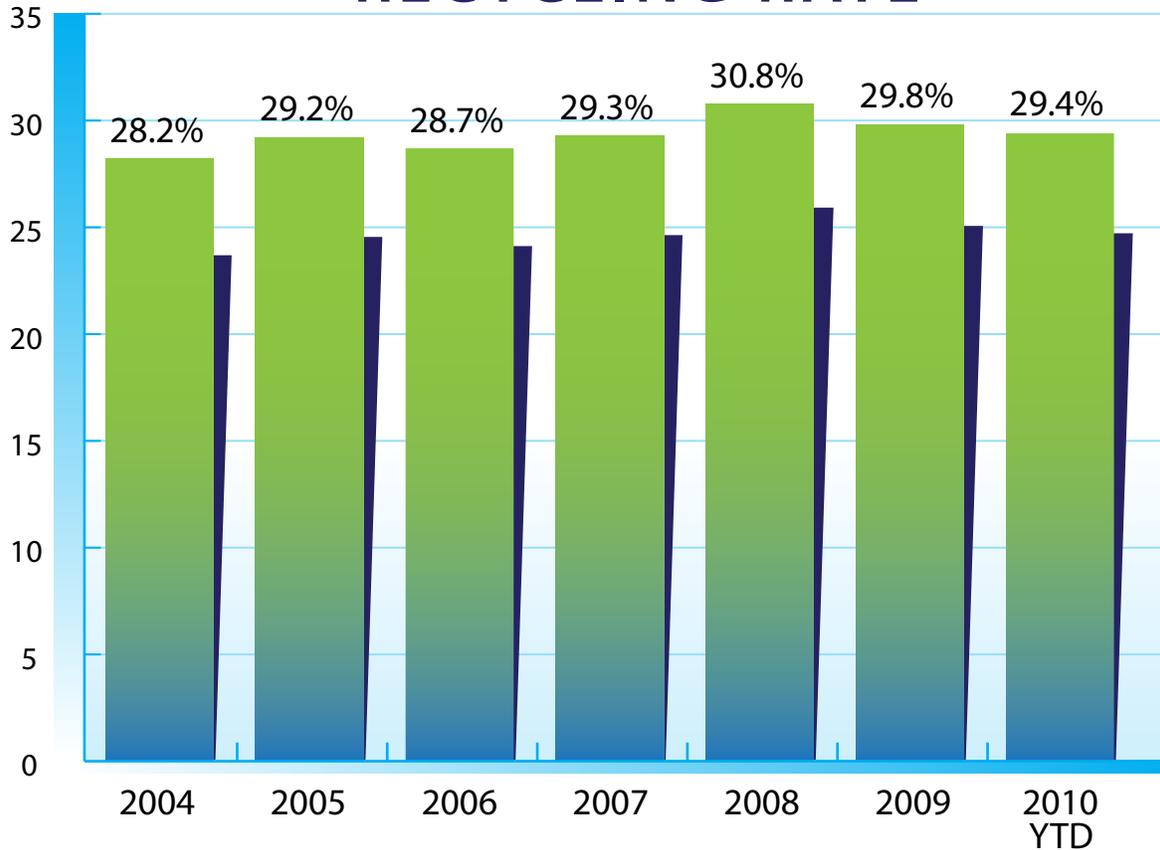
#### 2. Recycling Rates (See chart - includes comparison of commingled, paper and residential Type 10 refuse)

<b>2004</b>	28.2%	<b>2005</b>	29.2%
<b>2006</b>	28.7%	<b>2007</b>	29.3%
<b>2008</b>	30.8%	<b>2009</b>	29.8%
<b>2010</b>	29.4% (Year-To-Date)		

#### 3. Fuel Expense

<b>2008</b>	30,749.63 gallons (2,562.47 average gallons per month)
<b>2009</b>	30,610.12 gallons (2,550.84 average gallons per month)
<b>2010</b>	31,851.96 gallons (projected from YTD 2,654.33 average gallons per month). This equates to a 4.1% increase over the previous year. At \$2.23/gallon the additional expense is estimated to be \$2,769.30 for the year.

# RECYCLING RATE



Recycling Rate Data Table

Year	Paper	Commingled	(1) Total Paper + Commingled	Residential Refuse Type 10	(2) Total Paper + Commingled + Type 10	RECYCLING RATE (1) ÷ (2)
2004	4,189.69	1,676.62	5,866.31	14,940.43	20,806.74	28.2%
2005	4,177.82	1,696.14	5,873.96	14,216.85	20,090.81	29.2%
2006	4,032.62	1,672.27	5,704.89	14,194.87	19,899.76	28.7%
2007	4,122.90	1,627.10	5,750.00	13,900.71	19,650.71	29.3%
2008	3,956.44	1,825.87	5,782.31	13,002.37	18,784.68	30.8%
2009	3,425.39	1,832.63	5,258.02	12,357.09	17,615.11	29.8%
2010 YTD	2417.72	1324.6	3,742.32	8,967.12	12,709.44	29.4%

Note: All quantities are in tons.

## SECTION TWO

### REFUSE COLLECTION – ALTERNATIVE SOLUTIONS

The Department of Community Services provides below an examination of possible alternative solutions for Montclair's refuse collection program.

#### ***Alternative 1 – Automated Refuse Packers***

Use of Automated refuse packers would require significant modification of the existing program to once-per-week collection with automated packers collecting the major portion of the Township. Although an automated system can work in a large portion of the Township, it cannot entirely eliminate a manual collection system. The automated collection method works very well in newer communities with large open areas and relatively flat topography. Montclair has a number of areas with street layouts and flat topography – ideal for automated collection – but there are also many sections with narrow twisting streets, steep hills and parked cars blocking access to the curb which are not conducive to this form of refuse collection.

#### ***(+) Advantages***

- Allows a reduction in workforce (6) from existing staffing levels. Requires a staff of 11 (1 foreman, 1 rear-yard maintenance worker, 6 drivers, and 3 loaders), for adequate staffing to accommodate contractual time off and to maintain scheduled collections.

#### ***(-) Disadvantages***

- Requires a once-per-week year-round collection program to minimize the number of packers. (Automated packers have a lesser capacity than conventional packers currently in use.)
- Requires a more skilled, competent worker to operate the automated packers.
- Significant capital startup expense (approximately \$2.5 to \$3 million for 5 packers at \$350,000 each plus 15,000 containers at \$50 each).
- Significant annual operating expense – operation and maintenance costs are higher due to computer controlled operations systems.
- Significant ongoing capital investment in equipment (i.e. a single packer \$350,000 +/-).
- Cannot provide service to the entire Township, would require some collection using existing packers.
- Requires layoffs to see a reduction in payroll expense.
- Requires significant modifications to bulk waste collection due to reductions in manpower and equipment. Alternatively bulk waste collection could be outsourced. Automated trucks are not suited for collecting bulky items and with staff and equipment reductions there would not be sufficient personnel or equipment to provide bulk collection in-house.
- Requires that residents strictly adhere to collection rules, i.e. placement/location of refuse containers and limited to single type and style of receptacle (no substitutions). Township ordinance would be needed to designate specific locations for placement of refuse receptacles, as well as parking restrictions near driveway aprons.
- Staff reductions based on seniority per union contract would seriously impact all other department work groups, especially snow plowing which would lose many CDL drivers and experienced plow operators.
- May need to outsource snow plowing as a result of manpower shortages.

### ***Alternative 2 – Outsource Refuse Collection***

Attempts have been made to determine what other municipalities pay for their outsourced refuse collection, however accurate accounting information has not been provided. Nevertheless, even with accurate costs the situations elsewhere are not exactly the same as Montclair's and only comparisons of dissimilar programs could be made.

To get an accurate cost for outsourcing Montclair's collection a public bid to secure formal quotes is required and formal bid documents with technical bid specifications must be prepared. Collection options for bid consideration could include the existing year-round twice-per-week program, a year-round once-per-week collection program and a year-round six-day twice-per-week collection program.

#### **(+) Advantages**

- Significantly reduce in-house operating and capital expenses by a reduction in staffing (17) with the associated salary and benefits expense; a reduction in equipment and associated O&M expenses.

#### **(-) Disadvantages**

- Outsourcing does not eliminate the collection expense, it just transfers the expense to an outside contractor.
- Requires significant layoffs to see any payroll savings.
- With the elimination of the in-house operation and the associated reduction in staffing and the elimination of equipment it is almost impossible to return to an in-house operation.
- Loss of direct control over work performance.
- Loss of direct control over future cost increases.
- Cannot be properly analyzed without actual bid returns to accurately determine outsourced annual cost versus existing in-house costs.
- Staff reductions based on seniority per union contract would seriously impact all other department work groups, especially snow plowing which would lose many CDL drivers and experienced plow operators.
- May need to outsource snow plowing as a result of manpower shortages.

### ***Alternative 3 – Subscription Service***

This program entirely eliminates the municipal involvement in refuse collection and requires each homeowner to make individual arrangements for collection and disposal. This program gives the resident complete control over who collects their refuse and if they are not satisfied with either the cost or service they can make other arrangements.

#### **(+) Advantages**

- Significantly reduces staffing (17) and the associated salary and benefits expense.
- Significantly reduces operating and capital expenses.

#### **(-) Disadvantages**

- Requires layoffs to see any payroll savings.
- The elimination of an in-house operation and the associated reduction in staffing and the elimination of equipment makes it exceptionally difficult to return to an in-house operation.
- Residents would be required to make their own arrangements for refuse collection.
- Residents would likely pay more for refuse collection with individual accounts than what the town pays in bulk.

- May lead to an increase in illegal dumping.
- Requires additional oversight to ensure that all residents secure the services of a private hauler to collect their refuse.
- Staff reductions based on seniority per union contract would seriously impact all other department work groups, especially snow plowing which would lose many CDL drivers and experienced plow operators.
- May need to outsource snow plowing as a result of manpower shortages.

#### ***Alternative 4 – Pay-As-You –Throw***

This program would be part of the existing collection program however each homeowner would be charged for collection based on a sliding scale which takes into account the amount of refuse collected. In theory this program more equitably distributes cost from a mathematical perspective but there are still minimum costs which must be charged to maintain staff and equipment. Added bookkeeping responsibilities would increase operating costs. Most likely the best approach would be to charge a basic fee and limit refuse items to one can per pick-up. Additional cans would be collected only if they have valid purchased stickers or another method of monitoring.

#### ***(+) Advantages***

- More equitably distributes the cost of refuse collection.

#### ***(-) Disadvantages***

- This program would increase staffing to accommodate the bookkeeping responsibilities associated with selling and tracking refuse collection stickers.
- The actual savings for someone who produces small amounts of refuse would be minimal. The approximate cost per stop is approximately \$300 per year and a minimum charge must be levied to maintain staff and equipment.
- Residents could not place any unforeseen refuse out for collection unless they have additional stickers on hand.
- May lead to an increase in illegal dumping.