



**Lisa Peterson**  
Commissioner

147 Hampshire Street  
Cambridge, MA 02139  
617-349-4800  
TTD 617-349-4805

TO: Robert W. Healy, City Manager  
FROM: Lisa Peterson, Public Works Commissioner *Lisa Peterson*  
TOPIC: **Awaiting Report #12-33 regarding a plan for implementing separate trash or recycling curbside pickup for small businesses along existing curbside pick up routes**  
DATE: June 4, 2012

Based on preliminary analysis, DPW staff has considered the operational and financial impact of providing curbside recycling and trash service to small businesses in Cambridge. Data provided by the Economic Development Department included a list of about 1835 businesses with 5 employees or less. The data does not include businesses located outside of the major business districts. The number presented below has been rounded for discussion purposes.

Some important considerations are that:

- ✓ The DPW has spent the last decade encouraging private haulers to pick up recycling at small businesses; this has been successful ---all solid waste haulers in the City provide options for recycling. If the City were to take over the recycling pickup at small business, there may be discontent within hauler industry.
- ✓ These small businesses are not evenly distributed across the Monday-Friday collection routes. DPW would recommend revising the collection day boundaries of the Tuesday and Wednesday routes to help address this, with particular attention to the Harvard Square area.
- ✓ The City may choose not to provide service to chains (which ultimately employ more than 5 employees and may not be designated as a small business).
- ✓ Need to ensure that businesses that generate hazardous waste handle it properly through their own vendor.

Recycling

This service would be a significant change to the curbside collection contract with F.W. Russell & Sons, which expires 10/31/15. Currently, the total curbside recycling tons from residences and city buildings currently served is about 9,000 tons. The City pays Russell a flat rate, which increases each year of the contract.

For FY12, the cost per ton for recycling collection is about \$160/ton. DPW estimates that each business would generate 150 pounds of recycling per week (2 totes), totaling over 7,150 additional tons/year, close to double the level of existing service. This could cost the City around \$1,144,000 more per year.



Revenue would bring in approximately \$93,000 at an average of \$13/ton for recycling, lowering the net cost increase to \$1,051,000. Please note that the recycling processing contract is structured to pay us revenue in good market conditions but could cost us in poor market conditions. These annual costs do not include increases that would be required for education and outreach and other administrative/operating costs.

Recycling toters would be an additional one time cost of approximately \$200,000.

In order to provide this service, the City would have two options. 1) Include this service in the next curbside recycling bid or 2) Initiate a new procurement process for the service, which could mean that a different vendor would provide the service to small businesses.

### Trash

It is estimated that DPW would have to add 2 more trucks to the fleet and 6 employees to the Rubbish crew. We estimate that each business would generate 100 pounds of trash per week (two barrels), totaling over 4,770 additional tons/year, a 30% increase to existing trash collection provided by the City to residences and city buildings. At \$89.11/ton for disposal fees for FY12, this service would cost the City over \$425,000 more in disposal fees. FY13 disposal costs are higher. In addition to the extra trucks, employees, fuel and maintenance would bring the total cost to the City to over \$1,252,000 more per year, using FY12 costs.

DPW would need additional staff to increase enforcement of business recycling to avoid paying disposal tip fees on recyclable material in the trash. Ultimately, we do not recommend providing trash service to small businesses. It is very important to create the right incentives that encourage recycling and composting and ensure commercial compliance with existing and planned state waste bans.