

## Garbage Collection Costs

**Garbage Collection Costs:** The City’s Department of Streets and Sanitation (DSS) provides garbage collection to all single family homes and multi-unit residential buildings up to and including four-units in Chicago.

### Background

DSS provides once weekly garbage collection services for approximately 613,000 households (at 400,000 different locations) throughout the City, which is about one half of the residents in the City. The other approximately 600,000 or more households of Chicago residents who live in buildings with five units or more must procure and pay for their own private garbage collection.

Households that receive garbage collection services are provided 96-gallon black carts for refuse. DSS deploys an average of 310 refuse trucks each weekday to collect nearly 850,000 tons of residential garbage annually.

Each year, the City spends \$244 million on refuse collection, \$145.9 million of which is labor cost just for the 1,316 motor truck drivers, laborers, clerks, and other DSS employees who provide citywide garbage collection. These costs are further outlined below:

Annual Refuse Collection and Disposal Costs	
Labor (including salaries and benefits)	\$145.9M
Materials and Supplies (including carts, equipment, and contractual services)	\$3.5M
Fleet & Facilities (including truck repair and maintenance, fuel, storage facilities)	\$28.7M
Refuse Disposal (also known as ‘tipping fees’ at waste receiving sites)	\$37.5M
Refuse Collection portion of accounting, payroll, budgeting, legal, procurement and information technology expenses	\$28.8M
<b>Total Est. Annual Cost</b>	<b>\$244.4M</b>

### Legal Authority

Operational changes to the City’s garbage collection program do not require any changes to the Municipal Code or other existing laws. Imposing a fee to cover all or a portion of the cost of garbage collection is within the City’s authority and requires an amendment of the Municipal Code.

### Revenue/Cost Impact

If the City were to charge residents a fee to cover the full \$244 million current annual cost of garbage collection, that fee would equal \$33 per month for each household (assuming 100% collection rate).

Examples of Monthly Fee for Garbage Collection Program	
Household Fee Per Month	Cost Recovery for Garbage Program*
<b>\$33 per month</b> (\$396 per year)	<b>\$244M</b> (full cost of garbage program)
<b>\$22 per month</b> (\$264 per year)	<b>\$162M</b> (2/3 cost of garbage program)
<b>\$11 per month</b> (\$132 per year)	<b>\$81M</b> (1/3 cost of garbage program)

\* Assumes 100% collection rate; actual revenue would be lower.

## Other Cities

### Fee Structure

Approaches to collecting garbage include fixed rate per household/unit, variable rate fees, and Pay-As-You-Throw (PAYT). Many communities, including surrounding suburbs, charge a fixed rate or variable rate garbage collection fee. The fixed rate model charges a flat fee per household/unit regardless of how much a resident throws away. The variable rate fee allows residents to select container size that corresponds to the amount of waste generated. Communities with PAYT charge residents a fee for each bag of waste they generate. In a small number of communities, residents are billed based on the weight of their trash. More commonly in PAYT, residents pay for garbage to be collected by the bag. Residents either purchase special bags or stickers or tags to affix to regular garbage bags.

### Billing and Enforcement

Under both the fixed and variable rate fee systems, residents pay a set fee for waste collection often affixed to a utility service (e.g., water or electricity). As waste collection is a public health issue, **late or unpaid bills do not result in an interruption in waste collection services** but may result in the discontinuation of the attached billing utility service.

The following are a few examples of municipalities with garbage collection fees (bolded rates are those with cart sizes equivalent to Chicago's):

Municipality	Monthly Fee	Annual Cost per Household
Atlanta, GA	\$25.58/96-gal cart	\$307
Austin, TX	\$15.20/24-gal cart	\$182
	\$16.45/32-gal cart	\$197
	\$21.60/64-gal cart	\$259
	<b>\$40.15/96-gal cart</b>	<b>\$482</b>
Los Angeles, CA	\$36.32/60-gal cart	\$432 +\$24.33 for MF dwellings
	<b>\$41.32/90-gal cart</b>	<b>\$496 +\$24.33 for MF dwellings</b>
Seattle, WA	\$20.60/12-gal cart	\$247
	\$25.25/20-gal cart	\$303
	\$32.90/32-gal cart	\$395
	\$65.75/64-gal cart	\$789
	<b>\$98.65/96-gal cart</b>	<b>\$1184</b>
Country Club Hills	\$17.02/95-gal cart (Seniors only)	\$204
	<b>\$19.14/95-gal cart</b>	<b>\$230</b>
Evanston	\$7.95/65-gal cart	\$95
	\$17.95/95-gal cart	\$215
Harvey	<b>\$21.41/95-gal cart</b>	<b>\$257</b>
Hinsdale	\$26.08/34-gal cart	\$313
	\$30.72/60-gal cart	\$367
	<b>\$31.54/90-gal cart</b>	<b>\$379</b>
Oak Lawn	\$16.50/35 or 64-gal cart (Seniors only)	\$198
	<b>\$17.81/96-gal cart</b>	<b>\$214</b>
Oak Park	<b>\$23.88/96-gal cart</b>	<b>\$287</b>
Orland Park	\$18.58/64-gal cart	\$223

### Costs for Other Chicago Residents

Though residential buildings and private garbage collectors are not required to report their rates for service, a sampling conducted by Streets and Sanitation estimates that five- to six-unit buildings in Chicago typically pay between \$60 to \$80 per month for a typical dumpster (2-yard container). That is equivalent to between \$10 and \$16 dollars per unit per month.