

# The Monthly UnEconomist

## **Garbometric Model 2 - Garbage Rate Comparisons for Single Family Residential Customers**

Garbometric Model 2 is a Microsoft Excel spreadsheet for comparing your community's garbage collection rates for single-family residential can/cart customers with rates in five other communities that have the same transfer station/disposal site garbage tipping fee. A version of this spreadsheet that adjusts for differing tipping fees will be available on ZeroWaste.com shortly.

The model's formulas are indicated by bold-shading of cells with numeric values. The rate structures presented in the model provide a wide range of possible rate structures. As a result, the model user typically should not need to change the formulas provided in the spreadsheet. The user can change non-bold-shaded numeric cells and shaded or unshaded text cells as necessary to conform to the user's needs.

To use the model the user enters:

- Garbage collection rates for each single family residential service level in each community in the comparison year.
- Garbage collection customer counts for each single family residential service level in each community in the comparison year.
- City garbage bill tax rates (line 45), state refuse tax rates (line 46), and county fees (line 28) that are billed as line items on a city's garbage bill.
- Garbage transfer/disposal site tipping fees (these data are not used in this version of the rate comparison model).
- Cart rental fees for cities that do not include the cart rental fee in their basic garbage collection fees.
- Recycling and/or yard debris collection charges for those cities that bill separately for these collection services. The spreadsheet assumes that these services typically are included in the basic garbage collection rates and, thus, are provided at no additional charge to each garbage collection customer. For rate comparisons where this is not the

case, the user can easily modify the spreadsheet accordingly.

Based on these input data, the model computes the average garbage fee for each community, as well as the average monthly bill. The latter figure is intended to adjust for differences among the cities in services and taxes/fees that are included in the basic garbage rate versus those that are added on as separate line items to the customer's monthly garbage bill.

The model computes average fees and monthly bills based on both your town's service level counts and each comparison town's own service level counts. This allows the user to see differences between average fees/bills that are due strictly just to differences in garbage rates versus those due to a combination of different rates and customer service level choices in each town in response to their town's garbage rates.

The cities shown in the model provided through the ZeroWaste.com website are a group of cities from a single county in Washington State. In this case the difference between computing averages holding service levels counts constant versus using each town's own service level counts is not substantial. But if the user intends to apply this model to widely disparate communities, the model is likely to reveal a significant impact on the average fees/bills from customer service level choices in the disparate communities.

## **About The Monthly UnEconomist**

This monthly online newsletter available at [www.ZeroWaste.com](http://www.ZeroWaste.com) (or [www.SoundResource.com](http://www.SoundResource.com)) intends to provide insight and analysis on the everyday economics of recycling and the unpriced or underpriced environmental benefits of reducing waste disposal and replacing virgin-content products with products manufactured from recycled materials. In addition to *The Monthly UnEconomist*, Sound Resource Management's website ZeroWaste.com also offers recycling markets price history graphs, reports on a variety of topics including the economic and

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environmental benefits of recycling, and GarboMetrics - elegant, yet not mysterious tools and spreadsheet models for solid waste and recycling.

These materials are all available for no charge at [www.ZeroWaste.com](http://www.ZeroWaste.com). User feedback is encouraged via [info@ZeroWaste.com](mailto:info@ZeroWaste.com), and substantive comments will be published in our newsletter whenever they add to our understanding of recycling.

As an example of newsletter content, some issues of the *UnEconomist* analyze northwestern and northeastern U.S recycling market prices for nine recycled materials (mixed paper, ONP, OCC, glass containers, tin cans, UBC, PET bottles, HDPE natural bottles, and HDPE colored bottles). These prices are tracked by online graphs updated quarterly.

In addition, some issues of the *UnEconomist* are devoted to GarboMetrics, economic models for managing and analyzing solid waste and recycling. These newsletter issues explain the structure and use of GarboMetric models provided at [ZeroWaste.com](http://ZeroWaste.com) for such purposes as designing garbage customer rate structures and correctly comparing garbage rates in different communities. GarboMetric models and corresponding issues of *The Monthly UnEconomist* can be downloaded at no charge from [www.ZeroWaste.com](http://www.ZeroWaste.com).