



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Date: November 16, 2004  
Author: Helmut Buhr  
Phone No.: 604-873-7994  
RTS No.: 04641  
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TO: Standing Committee on City Services and Budgets  
FROM: General Manager of Engineering Services  
SUBJECT: 2005 Solid Waste Utility Fees

RECOMMENDATION

- A.
- i) THAT the 2005 annual garbage collection fees be increased by \$1 to \$28 per stop and remain at \$32 per garbage receptacle.
  - (ii) THAT the 2005 annual recycling fees for single dwelling unit properties be reduced by \$2 to \$19, and for multiple dwelling unit properties be reduced by \$2 to \$10 per stop and remain at \$9 per dwelling unit.
  - (iii) THAT the 2005 annual yard waste collection fees be increased by \$3 to \$38 per stop.

(The recommendations in 'A' result in a net \$2 increase ( \$147 to \$149 ) in the total fees for a single dwelling unit house owner.)

- B. THAT Landfill demolition tipping fees be increased from \$390 to \$410 for each tandem axle trailer and from \$470 to \$495 for each tridem axle trailer.
- C. THAT the Director of Legal Services be instructed to prepare a by-law to amend the Solid Waste and Recycling By-law to incorporate the 2005 fee increases in accordance with this report."

## GENERAL MANAGER'S COMMENTS

The General Manager of Engineering Services recommends approval of A through C.

## COUNCIL POLICY

On May 3, 1994, Council agreed to support the Greater Vancouver Solid Waste Management Plan, which includes the need for recycling and yard waste programs, as well as a user pay principle for solid waste programs.

On October 7, 1997, Council approved the implementation of the Solid Waste Utility effective January 1, 1998.

On December 16, 1999, Council approved the February 2000 implementation of a biweekly yard trimmings collection program.

On October 18, 2001, Council approved changes to the allocation and fee structure of garbage collection services to residential properties in Vancouver.

## SUMMARY

Table 1: Comparison of the 2004 fees to the 2005 recommended SWU fees for single dwelling unit house owners.

Service	2004 Fees	2005 Recommended Fees	\$ Change
Garbage Collection	\$91	\$92	+ \$1
Recycling Collection (net)	\$21	\$19	- \$2
Yard Trimmings Collection	\$35	\$38	+\$3
TOTAL	\$147	\$149	\$2

The total Solid Waste Utility Fee for owners of single dwelling houses will increase by \$2.

Staff are recommending that the tipping fees for demolition materials accepted at the Vancouver Landfill for road and infrastructure construction be increased by about 5% to \$410 for each tandem axle trailer load and \$495 for each tridem axle trailer load.

## PURPOSE

The purpose of this report is to set the Solid Waste Utility Fees and Landfill demolition tipping fees for 2005.

## BACKGROUND

The way the City delivers and funds solid waste services has changed significantly in the last six years. Since formation of the Solid Waste Utility in 1998, the City has implemented apartment recycling and yard trimmings collection programs. In addition, funding for these programs has moved progressively to user pay consistent with the objectives of the Solid Waste Management Plan. Residential garbage collection has been reduced from about 76,000 tonnes per year to about 58,000 tonnes per year in the same period. Most of this decline is attributable to the yard trimmings collection program which is expected to divert about 13,700 tonnes from the landfill in 2005.

In October 2004 Council approved a fee structure for the new automated garbage and yard trimmings collection programs. The 2005 fees will not be impacted by the automation program. It is anticipated that the automation program will impact the garbage fees starting in 2006, and the yard trimmings fees in 2007.

## DISCUSSION

### *A) Solid Waste Utility Collection Fees*

#### *Garbage Collection*

The 2005 proposed expenditure budget for garbage collection is \$8,477,000 which is a 1.7% increase from 2004. Most homeowners will see an increase of \$1 in their annual garbage fees. The increase is principally due to anticipated inflation in labour and equipment costs. A portion of the inflationary increase is offset by a decrease in the cost per tonne of garbage disposal.

#### *Recycling*

The 2005 recommended net expenditure budget for recyclables collection is \$3,170,000 which is a 4.6% decrease from 2004. The homeowner of a single family dwelling will see a \$2 drop in their annual recycling fees.

The expected increase in the city labour and equipment costs is more than offset by an increase in the expected recyclables' revenues, and a reduction in the cost of the apartment recycling collection contract for servicing the downtown and the south side of False Creek. The increase in recyclables' revenues is due to higher commodity prices which are expected to continue through 2005. Commodity prices can fluctuate considerably from year to year. Therefore, the annual budget for recyclables' revenues is based on a five-year moving average to provide stability to the fees charged to homeowners.

The new apartment recycling collection contract took effect in April, 2004, and is estimated to cost about \$500,000 annually less than the previous contract.

*Yard Trimmings Collection*

The 2005 proposed expenditure budget for yard trimmings collection is \$3,269,000 which is an 8.1% increase from 2004. The increase is due to expected inflation in labour and equipment costs, and a 10% increase in the amount of yard trimmings collected. Most homeowners will see an increase of \$3 in their annual yard trimmings fees.

*B) Transfer & Landfill Operations Branch Operations**Landfill Tipping Fees for Demolition Materials*

Woodwaste demolition materials are accepted at the Vancouver Landfill for construction of roads and other infrastructure. Demolition materials meeting the City's specifications for landfill construction are accepted at a preferential rate compared to garbage disposal fees. Those rates have historically been set at a level to allow flexibility in meeting demand for supply of the material for landfill construction. A review of the fees charged at the private demolition sites indicates that the City can increase its fees by about 5% and still receive sufficient material for landfill construction work. The recommended fees are \$390 for each tandem axle trailer and \$470 for each tridem axle trailer.

**FINANCIAL IMPLICATIONS**

Table 1: Comparison of the 2004 solid waste collection expenditure budget versus the 2005 recommended budget for all categories of properties:

Service	2004 Budget	2005 Budget	% Change
Garbage Collection	\$8,332,000	\$8,477,000	1.7 %
Recycling Collection (net)	\$3,324,000	\$3,170,000	- 4.6 %
Yard Trimmings Collection	\$3,026,000	\$3,269,000	8.0 %
<b>TOTAL</b>	<b>\$14,649,000</b>	<b>\$14,916,000</b>	<b>1.8 %</b>

Table 2 : Comparison of the 2004 fees to the 2005 proposed SWU fees for single family homeowners.

Service	2004 Fees	2005 Recommended Fees	\$ Change
Garbage Collection	\$91	\$92	+ \$1
Recycling Collection (net)	\$21	\$19	- \$2
Yard Trimmings Collection	\$35	\$38	+\$3
<b>TOTAL</b>	<b>\$147</b>	<b>\$149</b>	<b>\$2</b>

## CONCLUSION

Based on the forecasted 2005 costs, staff recommends that the 2005 Solid Waste Utility Fees be set at:

\$28 per stop and \$32 per can for garbage collection and;  
\$10 per stop and \$9 per dwelling unit for recycling and;  
\$38 per stop for yard trimmings collection.

And that the recommended demolition tipping fee increases discussed in this report be adopted.

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