



A2

ADMINISTRATIVE REPORT

Report Date: May 21, 2009
Contact: Lynn Belanger/
Doreann Mayhew
Contact No.: 604.940.3201/
604.940.3206
RTS No.: 08010
VanRIMS No.: 08-2000-20
Meeting Date: June 2, 2009

TO: Vancouver City Council
FROM: General Manager of Engineering Services
SUBJECT: Solid Waste By-Law Changes Effective July 1, 2009

RECOMMENDATION

- A. THAT the garbage disposal fee at the Vancouver Landfill and Vancouver South Transfer Station for loads less than 140 kilograms be increased from \$6 - \$7 to a \$20 flat fee during peak hours (Monday to Friday 10:00AM to 2:00PM) and \$10 flat fee during non-peak hours (all operating hours excluding Monday to Friday 10:00AM to 2:00PM) effective July 1, 2009.
- B. THAT the yard trimmings fee at the Vancouver Landfill and Vancouver South Transfer Station for loads less than 100 kilograms be increased from \$0 - \$3 to a \$6 flat fee effective July 1, 2009.
- C. THAT the yard trimmings fee at the Vancouver Landfill and Vancouver South Transfer Station for loads greater than 100 kilograms be increased from \$35 - 45/tonne to \$56/tonne effective July 1, 2009.
- D. THAT the burial fee applied to nuisance waste (in addition to the applicable disposal charge) at the Vancouver Landfill be increased from \$150 per load to \$200 per load effective July 1, 2009.
- E. THAT the fee for gypsum deposited separately for recycling at the Vancouver Landfill be increased from \$100 per tonne (\$5 minimum) to \$150 per tonne (\$15 minimum) effective July 1, 2009.
- F. THAT Item 8.5 - Cost of Clean-up and Remediation in Part VIII be corrected to state "the city's direct and indirect costs, including lost revenues, of clean-up and remediation resulting from such disposal."

- G. THAT the Director of Legal Services be instructed to bring forward for enactment the revisions to the Solid Waste By-law substantially as referred to in Recommendations A through F and substantially as set out in Appendix A.

COUNCIL POLICY

On May 3, 1994, Council agreed to support the Greater Vancouver Regional 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.

Fee increases require Council approval.

SUMMARY

On April 24, 2009, the Greater Vancouver Sewerage and Drainage District (GVS&DD) passed their new Tipping Fee and Solid Waste Disposal Regulation Bylaw resulting in a number of changes to fees for garbage disposal, yard trimmings drop off and gypsum recycling. In the past when GVS&DD has changed disposal fees, Vancouver has changed the rates at the Vancouver Landfill and Vancouver South Transfer Station to harmonize the rates in the region.

Changes proposed in this report will result in full cost recovery of the services provided at the City's solid waste facilities and any net revenues will be transferred to the Solid Waste Capital Reserve to fund future Landfill costs, including closure and post-closure care, and address any environmental issues arising during and after operation of the Landfill.

PURPOSE

The purpose of this report is to obtain Council approval to amend the Solid Waste By-law as outlined in this report.

BACKGROUND

On April 24, 2009, the Greater Vancouver Sewerage and Drainage District (GVS&DD) passed the Tipping Fee and Solid Waste Disposal Regulation Bylaw. The Bylaw considered the following components which are relevant to City of Vancouver disposal facilities:

- A minimum flat fee for small loads less than 140 kg set at \$10 per load to recover Metro Vancouver's cost of managing small loads, to promote recycling and to encourage fewer trips to disposal facilities.
- A higher minimum fee of \$20 per load at North Shore Transfer Station, Coquitlam Resource Recovery Plant and Surrey Transfer Station for loads less than 140 kg that are delivered to the facilities between 10:00am and 2:00pm on weekdays. This is to discourage delivery of small loads during peak weekday hours to reduce traffic congestion and improve safety at these times.
- The tipping fee for yard trimmings is set at a rate of \$15 less than the garbage disposal rate (\$56/tonne) with a minimum fee of \$6 for loads less than 100kg.
- Higher tipping fees for gypsum which are set to recover costs for extra handling.

The 1989 Tripartite Agreement (between Vancouver, Delta and GVS&DD) stipulates that the user fee for all municipal solid waste (garbage) delivered to any Regional Facility or Vancouver Facility shall be the Regional Rate. However, Vancouver retained the right to charge lower fees for Residential Waste originating within the territorial boundaries of Vancouver and Delta and any Vancouver Waste that is designated by Vancouver as Commercial Waste. Historically, the City has set the garbage disposal fee at the Vancouver Landfill and Vancouver South Transfer Station to match the Regional Rate set by Metro Vancouver. This provides harmonization in terms of municipal solid waste flows within the regional solid waste management system. Should the fees at the City's disposal facilities not be harmonized with the Regional Rate and other material fees, small load traffic at both the Vancouver Landfill and Vancouver South Transfer Station will significantly increase requiring further subsidy by Vancouver ratepayers.

DISCUSSION

In addition to harmonizing rates throughout Metro Vancouver, there are additional financial benefits to the City as discussed in the following sections.

Since 2002, reduced rates for loads less than 900 kg at the Landfill and Transfer Station have been in effect to encourage residents to bring their waste to VSTS or the Landfill. However, in the last year, costs have increased such that the costs exceed the revenues. Therefore, these lower fees have not allowed for cost recovery in a user pay system.

The rate increases described in this report will result in fully recovering the costs for the applicable services by eliminating the current subsidy. Full cost recovery offsets the operating costs for the Landfill and Composting Facility and results in lower fees for Vancouver ratepayers. Any net revenues will be transferred into the Solid Waste Capital Reserve to be used to fund future Landfill costs, including closure and post-closure care, and address any environmental issues arising during and after operation of the Landfill.

Increase in Garbage Disposal Fees for Loads less than 140kg

At the Landfill, cars and pick-up trucks are directed to the Residential Drop-Off Area (RDO). The RDO provides a safe and convenient drop off location for garbage, yard trimmings and recycling. Garbage and yard trimmings are charged based on the weight of the load and recycled materials (with the exception of gypsum) are accepted free of charge.

Garbage loads under 140 kg represented 26% of the Landfill's total transactions, but only 1% of the annual garbage tonnage and 4% of the annual fees collected in 2008. The new garbage disposal fee structure as proposed in this report is shown in **Table 1**. The proposed garbage disposal fee structure is expected to fully recover the RDO costs and will increase annual revenues by approximately \$150,000.

Table 1: Existing and Proposed Garbage Disposal Fees

Weight Range Consistent with Metro	Garbage Disposal Fee payable from 10:00am to 2:00pm Monday to Friday	Garbage Disposal Fee payable other than from 10:00am to 2:00pm Monday to Friday	Existing Garbage Disposal Fee for All Time Periods
0 - 100 kg	\$20 flat fee	\$10 flat fee	\$6 flat fee
101 - 140 kg	\$20 flat fee	\$10 flat fee	\$6 - \$7
141 kg & up	\$71 per tonne	\$71 per tonne	\$50 per tonne - \$71 per tonne

At the Vancouver South Transfer Station, residential vehicles are directed to a separate drop off area from commercial haulers. The residential drop off area requires more resources to ensure customer safety. Loads less than 140 kg represented 27% of the transactions but only 2% of the annual garbage tonnage and 3% of the annual fees collected in 2008. The proposed garbage disposal fee structure as shown in Table 1 is expected to fully recover the costs of these residential loads and increase annual revenues by approximately \$400,000.

Increase in Yard Trimming Fees for Loads less than 100kg

Since 1995, the City of Vancouver has operated a Composting Facility at the Vancouver Landfill. Yard trimmings are either collected at the Vancouver South Transfer Station and transferred to the Landfill, or dropped off directly at the Landfill.

The new yard trimmings fee structure as proposed in this report is shown in Table 2. These rates continue to provide a substantial discount to garbage rates to encourage composting of yard trimmings instead of disposal as garbage. The proposed yard trimmings fee structure is expected to increase annual revenues by approximately \$400,000.

Table 2: Yard Trimmings Existing and Proposed Yard Trimmings Fees

Weight Range	Proposed Yard Trimmings Fee	Existing Yard Trimmings Fee
0 - 50 kg	\$6 flat fee	\$0
51 - 100 kg	\$6 flat fee	\$3
101 kg & up	\$56 per tonne	\$3 -\$56 per tonne

Increase in Nuisance Waste Burial Fees

The Landfill accepts nuisance waste which is defined as waste which requires special consideration or handling. Some nuisance waste requires direct burial, which requiring additional resources to prepare an area, monitor the waste disposal and cover the waste in a timely fashion. Possible types of materials include, but are not limited to: asbestos waste; dusty materials; expired food products; Canadian Food Inspection Agency ordered destructions; and marine transport packaging.

In addition to garbage disposal fees, nuisance waste loads are charged an additional \$150 per load as a burial fee, which has remained unchanged since 2002. An increase in the nuisance waste burial fee to \$200 per load, takes into account the increases in fuel, staff and

equipment costs. The proposed increase in the nuisance waste burial fee is expected to fully recover burial costs and increase annual revenues by approximately \$80,000.

Increase in Gypsum Fees

Gypsum is collected from customers at the Vancouver Landfill RDO to be transferred to a local gypsum recycling facility. The Landfill pays the gypsum recycling facility to transport and recycle the collected gypsum and incurs equipment and staffing costs to manage the gypsum recycling program. The proposed increase in gypsum fees is expected to fully recover costs for gypsum collection, transportation and recycling, and increase annual revenues by approximately \$60,000.

Removing Requirement for Leaf Can Labels

Each fall the City provides an extensive leaf removal program. Leaves are swept and cleared from City streets and residents are asked to gather leaves on their property and from the boulevard adjacent to their property. During this special collection period residents are instructed to set leaves out for collection in their yard trimmings cart, and to use standard biodegradable paper bags or leaf cans for excess leaves. Presently, the Solid Waste By-law requires that cans set out for this purpose must clearly display a "leaf can label". These labels are available at no-charge from the City to residents and can be obtained by phone or through the City's website.

Prior to the implementation of automated collection of garbage and yard trimmings, residents set out material for collection in varying types of containers. Leaf can labels were specified for use by residents during the fall leaf collection period to enable City forces to efficiently identify containers holding leaves from those used for garbage. With the implementation of automated collection, requiring the use of leaf can labels is no longer necessary. The only additional containers allowed for collection are those used by residents to hold leaves during the fall collection program. Accordingly, it is recommended that the Solid Waste By-law be updated to reflect this operational change by removing the requirement for the use of leaf can labels as set out in Section 6.8 (2) (e).

Hourly Shutdown Fees

In past years, the Vancouver South Transfer Station has been shutdown on several occasions due to disposal of prohibited materials which poses a potential threat to worker health and/or safety. As described in the Solid Waste By-Law (Part VIII, Item 8.5) the person who disposes of the prohibited material is responsible to pay to the city all direct and indirect costs of clean-up and remediation resulting from such disposal. To date, these costs have been assessed to the offending parties; however lost revenue during shutdown can be significant. As such, this clause will be revised to state explicitly that indirect costs include lost revenue.

Minor Wording Changes

Two minor wording changes to the Solid Waste By-Law are contemplated in this report. The purpose of the below listed changes is to update the By-Law to reflect current operations.

1. Change to Part VIII, Item 8.3 from "... Vancouver Landfill on Benson Road, Delta," to "... Vancouver Landfill on 72nd Street, Delta ...".
2. Remove Item 10 in Schedule E "Dead animals and animal parts (including bones, feathers, skin, hair, nails and teeth)" and replace with "Dead animals and animal parts not processed for human consumption (including bones, feathers, skin, hair, nails and teeth)."

FINANCIAL IMPLICATIONS

Based on the proposed rates and peak hours as detailed in this report, the overall increase in revenues are estimated to be \$1,090,000 based on 2008 waste tonnages as shown in Table 3.

The incremental revenues will be transferred into the Solid Waste Capital Reserve (SWCR). The SWCR was established by the City to fund future Landfill costs, including closure and post-closure care, and address any environmental issues arising during and after operation of the Landfill. The Landfill's Operational Certificate requires that the City maintain a reserve sufficient to fund closure, post-closure and environmental contingencies related to the Landfill.

Table 3: Increased Revenues based on Proposed Rates

Proposed Rate Change	Increased Revenues
Garbage Disposal Fees for loads less than 140kg	\$550,000
Yard Trimmings Fee for loads less than 100kg	\$400,000
Nuisance Waste Burial Fees	\$80,000
Gypsum Recycling Fees	\$60,000
Total Revenues	\$1,090,000

ENVIRONMENTAL IMPLICATIONS

The increase in disposal fees will encourage additional residential recycling and fewer residential trips to the disposal facilities, thereby reducing greenhouse gas emissions.

COMMUNICATIONS PLAN

Signage, information sheets and the web site will be updated to reflect the proposed rate changes. A written notification will be mailed to all regular asbestos haulers and others to inform them of the increase in nuisance waste burial fee.

CONCLUSION

Based on the Greater Vancouver Sewerage & Drainage District's Tipping Fee Bylaw enactment, the General Manager recommends the Solid Waste By-law be revised as described in this report.

* * * * *

BY-LAW NO. _____

**A By-law to amend Solid Waste By-law No. 8417
regarding tipping fees and miscellaneous amendments**

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

1. This By-law amends the indicated provisions and schedules of the Solid Waste By-law.
2. In section 6.8(2), Council:
 - (a) to the end of clause (c), adds "and";
 - (b) from clause (d), strikes out ", and", and substitutes a period; and
 - (c) repeals clause (e).
3. From section 8.3, Council strikes out "Benson Road", and substitutes "72nd Street".
4. To section 8.5, after "costs", Council adds ", including lost revenues,".
5. Council repeals section 1 of Schedule A, and substitutes:
 - "1. Solid waste and yard waste

Weight Range	Garbage Disposal Fee payable from 10:00 a.m. to 2:00 p.m. Monday to Friday	Garbage Disposal Fee payable other than from 10:00 a.m. to 2:00 p.m. Monday to Friday	Yard Waste
0-100 kg	\$20 flat fee	\$10 flat fee	\$6 flat fee
100-140 kg	\$20 flat fee	\$10 flat fee	\$56/tonne
140 kg and more	\$71/tonne	\$71/tonne	\$56/tonne

6. From section 4 of Schedule A, Council strikes out "\$150", and substitutes "\$200".
7. From section 5 of Schedule A, Council strikes out "\$100" and "\$5", and substitutes "\$150" and "\$15".
8. To section 10 of Schedule E, after "parts", Council adds "not processed for human consumption".

