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ADMINISTRATIVE REPORT

Report Date: August 29, 2012 Contact: Ernie Westmacott Contact No.: 604.873.7292

RTS No.: 9757

VanRIMS No.: 08-2000-20

Meeting Date: September 18, 2012

TO: Vancouver City Council

FROM: General Manager of Engineering Services

SUBJECT: Garbage Container License Program - 2013 License Agreement Fee

RECOMMENDATION

A. THAT Council approve a 2.0% increase to Garbage Container License Agreement fees effective January 1, 2013

B. THAT the Director of Legal Services be instructed to modify all Garbage Container License Agreements between the City and commercial waste hauling companies using city lanes for storage of solid waste containers in accordance with Recommendation A.

REPORT SUMMARY

Garbage Container License Agreement fees are traditionally adjusted on an annual basis to reflect cost increases. For 2013, the proposed increase is 2.0%.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

In 1992 Council authorized the execution of license agreements between the City and commercial waste hauling companies which participate in the City's garbage container license program.

REPORT

Background/Context

The City enters into Garbage Container License Agreements with companies that place commercial garbage and recycling containers on city streets and lanes where there is insufficient space available for storage on private property. The license requires the

City to give licensees at least three months' notice (i.e. by October 1 of the current year) of any license amendments, including fee adjustments, prior to renewal of the license on January 1 of the following year. Failure to provide sufficient notice will result in the current license agreements being automatically renewed for the coming year.

Fees were last adjusted in January 2012.

Strategic Analysis

The increase in 12-month average Consumer Price Index (CPI) for Vancouver has been near 2%, of which certain non-wage items such as electricity, fuel and gasoline have increased in the range of 2.3% to 6.5% over the past year. As CPI is forecasted to continue at similar levels for 2013, a 2% fee increase is recommended to reflect general increases in costs for these services.

This increase has been applied to the Garbage Container License Agreement Fees.

Implications/Related Issues/Risk (if applicable)

Financial

The adjustment of 2.0% to the annual Garbage Container License Agreement permit fees will result in an increase of \$4.32 (from \$216.24 to \$220.56) for containers greater than or equal to 1 cubic yard, and of \$1.43 (from \$71.40 to \$72.83) for containers of less than 1 cubic yard.

Legal

All Garbage Container License Agreements between the City and commercial waste hauling companies using city lanes for storage of solid waste containers will be modified to reflect the increase of 2.0%.

Parties to the Garbage Container License Agreements will be notified by letter of the approved increases prior to October 1, 2012, as required by the agreements.

CONCLUSION

It is recommended that a 2% increase reflecting general cost inflation be applied to the Garbage Container License Agreement permit fees. It is also recommended that the City give notice to all interested parties of the increase in accordance with the Garbage Container License Agreements.

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