



## ADMINISTRATIVE REPORT

Report Date: August 31, 2016  
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Meeting Date: September 20, 2016

TO: Vancouver City Council  
FROM: General Manager of Engineering Services  
SUBJECT: Waste Container Licence Program - 2017 Licence Agreement Fees and Amendments

### **RECOMMENDATION**

- A. THAT Council approve a 2% inflation increase in Waste Container Licence Agreement fees.
- B. THAT Council approve housekeeping amendments to the Waste Container Licence Agreement as described in this report.
- C. THAT the Director of Legal Services be instructed to modify all Waste Container Licence Agreements between the City and solid waste removal companies to increase fees as noted in this report and amend generally in accordance with Appendix A, to be effective January 1, 2017.

### **REPORT SUMMARY**

Waste Container Licence Agreement (CLA) fees are reviewed and adjusted annually, as required, to reflect City cost increases. For 2017, the proposed increase is 2 percent. In addition, housekeeping amendments are also being proposed to the Waste Container Licence Agreement which will incorporate recent changes in the Solid Waste By-Law regarding cleanliness and consistency between by-law and the CLAs. This will provide for improved management of containers on City streets and lanes.

**COUNCIL AUTHORITY/PREVIOUS DECISIONS**

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

**CITY MANAGER'S/GENERAL MANAGER'S COMMENTS**

The General Manager of Engineering Services recommends approval.

**REPORT**

**Background/Context**

The City enters into CLAs with commercial waste hauling companies that place commercial garbage, recycling and organics containers on city streets and lanes where there is insufficient space available for storage on private property. Under the CLA, companies are regulated and charged a licence fee to recover the cost of managing containers and associated waste issues. The agreement requires the City to give licencees at least three months’ notice (i.e. by October 1 of the current year) of any licence amendments, including fee adjustments, prior to the renewal of licences on January 1 of the following year.

Engineering Services is responsible, through the Clean Streets Program, for administering the terms of the agreements, including reviewing and approving locations and ensuring compliance of container requirements. By the end of 2016, it is estimated there will be 1700 licenced commercial containers on City streets and lanes compared to 1769 in 2015. This decrease is primarily due to increased usage of dual compartment containers, where a single container may have garbage on one side and cardboard or organics on the other side. This makes efficient use of limited container space.

Although the number of containers is down slightly, the number of container complaint cases is up approximately 15%. In 2016 staff started regular discussions with the commercial hauling companies and provided one-on-one workshops with the major haulers to discuss current issues and review container requirements. This has led to a slight reduction in Violation Notices issued, possibly as a result of improved relations. Table 1 shows the year over year changes in container numbers. In 2016, the City was also successful in a number of prosecutions that were initiated in 2015.

Table 1 - History of Container Program

	2014	2015	2016F
Number of Licenced Containers*	1672	1769	1700
Number of Commercial Container Complaint Cases	580	606	700
Violation Notices Issued	334	317	275
Permits Revoked	20	17	2

Prosecutions Initiated	0	4	0
Prosecutions Concluded	1	0	4
Prosecution Recovery	\$1,500	0	\$11,000

2016F - Forecast based on Jan to Aug 2016

\* Forecast 1800 licenced containers in 2017.

For 2017, the focus will be on:

- Continued relations and education of haulers and businesses regarding container requirements;
- Enforcement of unlocked containers; and
- Review and enforcement of unlicensed containers.

### ***Strategic Analysis***

#### ***Fee Increase for Inflation***

As of July 2016, the increase in the 12-month average Consumer Price Index (CPI) for Metro Vancouver was 2.0%. Certain non-wage items such as electricity have increased 4.1% while natural gas, fuel and gasoline have decreased in the range of 13.2% to 8.6% over the past year. The Conference Board of Canada forecasted that the CPI for Metro Vancouver would increase 2.1% for 2017 and 2018, 2.5% for 2019, and 2.1% for 2020.

Based on this forecast, staff recommend a 2% increase in Waste Container Licence Agreement fees for 2017.

#### ***Housekeeping amendments:***

On May 3, 2016, council approved changes to the Solid Waste By-Law 8417, including changes related to container use. Amendments to Waste Container Agreements will reflect those in the Solid Waste By-Law and are generally as noted in Appendix A.

### ***Implications/Related Issues/Risk (if applicable)***

#### ***Financial***

The adjustment of 2.00% to the annual Waste Container Licence fees will result in an increase of \$5.42 (from \$270.97 to \$276.39 per year) for containers greater than or equal to 1 cubic metre and by \$1.80 (from \$89.78 to \$91.58 per year) for containers less than one cubic metre. It is expected that this will result in \$8,900 of revenue.

#### ***Legal***

All Waste Container Licence Agreements between the City and commercial waste hauling companies using city streets and lanes for storage of solid waste containers will be modified to reflect the approved fee adjustments and housekeeping amendments. Parties to CLAs will be notified of the approved increase prior to October 1, 2016, as required by the agreements.

***CONCLUSION***

Container Licence Agreement fees will be increased for inflation as noted in this report. Housekeeping amendments to the Containers Licence Agreements will support improved management of containers on City property.

\* \* \* \* \*

## Housekeeping Amendments to Waste Container Licence Agreement

The addition of the amendments to the Waste Container Licence Agreement reflects changes to the Solid Waste By-Law and are highlighted below:

16. **Conditions of Approved Location and Container use.** The Company will:

(a) inspect and clean, and maintain **the area within 1.5 meters of the container** in a **tidy clean and sanitary** condition, each Approved Location and each Container when the Company services the Container at the Approved Location or when the Company receives notice of a problem from the City or User; and

(b) maintain each Container at all times in such condition that it is not noxious, offensive, or hazardous to public health, and does not constitute a nuisance;

(c) ensure that each Container at all times:

(i) displays a minimum 15 centimetre (six inch) by 30 centimetre (12 inch) piece of standardized silver reflective vinyl tape on each of the top two exposed corners of the container wrapped around each corner so that a 15 centimetre (six inch) by 15 centimetre (six inch) surface is visible on both sides of each corner,

(ii) displays, in clearly visible letters and figures, at least five centimetres high, on the top right hand corner of the face of the container facing the street, the name and telephone number of the Company and the address or addresses of the User(s), but does not display any other markings unless approved by the City Engineer,

(iii) has a functional lid **and lock**

(iv) is used only for the storage of garbage or recyclable material necessary to service the User Property,

(v) does not display graffiti,

(vi) is free from leaks, and

(vii) remains entirely within the Approved Location, and is positioned so that it does not project outside the Approved Location or designated area;

(d) without limiting the generality of other restrictions on use of an Approved Location under this Licence, not alter the grade or anything below grade or excavate below grade; and

(e) comply with all laws which affect the Approved Locations and their use or the Containers or their use.