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PUBLIC MEETING

2006 FEE INCREASE FOR THE DISPOSAL OF SEPTAGE IN YORK REGION

Pursuant to Ontario Regulation 244/02 under the *Municipal Act, 2001*, the Regional Transportation and Works Committee held a Public Meeting prior to passing a by-law under Part XII of the Act to impose fees for the disposal of septage.

The Transportation and Works Committee recommends:

1. The deputation by Roger Winter, representing the Ontario Association of Sewage Industry Services (OASIS) be received; and
2. The recommendations contained in the following report, December 20, 2005, from the Commissioner of Transportation and Works be adopted:

1. RECOMMENDATIONS

It is recommended that:

1. Council endorse a nine percent increase in septage disposal fees as follows:
 - Aurora Pumping Station Fees (all waste) \$52.97 per 1000 gallons
 - Sutton Sewage Treatment Plant (combined holding and septic) \$36.62 per 1000 gallons
2. The Regional Solicitor prepare the necessary by-law.

2. PURPOSE

The purpose of this report is to update septage disposal fees for the two septage receiving stations within York Region, being the Sutton Wastewater Treatment Plant and the Aurora Pumping Station.

3. BACKGROUND

York Region provides facilities for the disposal of holding tank, septic tank and approved commercial liquid waste at the Aurora Pumping Station and the Sutton Wastewater Treatment Plant. Commercial waste is limited to only the Aurora Pumping station as it is part of the York Durham Sewage System and hauled sewage disposed at this facility is treated at the Duffin Creek Water Pollution Control Plant in Durham. The disposal fees charged at York Region's facilities are based on operating and capital upgrades associated with hauled sewage disposal. Recent studies completed in Durham have

recommended fee increases for septage which are also being considered for York. A similar operations review in York has also identified the need to increase fees.

4. ANALYSIS AND OPTIONS

The Region of Durham recently finalized a Septage Management Strategy (SMS) which was approved by Regional Council on June 29, 2005. Under the SMS, the preferred method of managing septage in Durham Region involved the construction of new septage receiving facilities at five of the Regions' Water Pollution Control Plants including the Duffin Creek Wastewater Treatment Plant.

Durham Region engaged consultants to review the economic implications of the SMS program. They determined that a nine percent increase in the current rate was required for full-cost recovery of the preferred alternative. The rate increase would be an interim increase towards a final full-cost rate that can be established once the final septage receiving alternative is selected for the Durham facilities.

Septage haulers operating throughout the two Regions are generally required to dispose of septage waste at a facility within the serviced community or the nearest facility within the serviced region. This is to minimize inter-regional haulage of septage especially to the smaller treatment plants where capacity is limited. Maintaining comparable rates between the Regions further supports this objective.

York Region currently operates under two rate structures. The Aurora pumping station is part of the York Durham Sewage System and therefore charges the same rates as established for the Duffin Creek WPCP. This station services all areas of the Region.

The Sutton WPCP charges a reduced fee which has been established based on operating costs and community needs. The reduced fee is based on a higher percentage of holding tank waste which is of a lower strength than septage. This results in a reduced loading to the plant and is largely due to local soils conditions which do not permit septic tank systems in certain areas of the community such as along the shores of Lake Simcoe. Because of this unique condition, access to the Sutton WPCP is limited to residents of Georgina who benefit from this reduced fee. This fee was last established, through Council, in December 2001 at \$33.60 per 1000 imperial gallons.

A review of operating cost for the Sutton plant was also undertaken. The new sewage treatment plant was commissioned in 2003 which significantly increased the level of treatment resulting in improved effluent quality. However, there have been increased costs associated with operating the new plant as well as general increases in hydro, chemical and labour costs. In comparing these costs, and considering that the serviced population and sewage flows have not increased significantly since the last review completed in 2001, the overall plant operation has increased by approximately 55

percent. This is incorporated in the regional rate calculation and is contributing to the proposed wastewater fee increase of 9.17 percent.

In considering the actual cost increases at Sutton, the proposed Durham septage fee increase, and the York Region wastewater fee increase, it is recommended that a nine percent increase also be applied to the Sutton septage rates.

5. FINANCIAL IMPLICATIONS

The proposed fee increase of nine percent for both the Sutton and Aurora septage receiving stations is summarized in Table 1.

Table 1
2006 Proposed Hauled Sewage Disposal Fees

Facility	Types of Waste	2005 Cost per 1000 gallons (Old)	2006 Cost per 1000 gallons (New)
Aurora PS (Transfer)	All types currently accepted	\$48.60	\$52.97
Sutton WWTP	Holding and septic tank waste	\$33.60	\$36.62

6. LOCAL MUNICIPAL IMPACT

Accepting septage and holding tank waste at these two York Region facilities will maintain a comparable level of service to the local municipal residents who do not have access to a communal wastewater treatment system.

The proposed cost increases will directly impact residents and businesses relying on septic tank and holding tank systems for their sewage treatment needs. The proposed cost increases for septage are comparable to the 9.17 percent increase proposed in the 2006 Regional budget for wastewater services to residents on municipal service.

7. CONCLUSION

It is recommended that York Region septage disposal fees are increased by nine percent for both the Aurora and Sutton septage receiving stations to reflect increased operating costs for the receipt and treatment of this material. This proposed increase is in line with increases recommended for the Duffin Sewage Treatment Plant, and with the York Region proposed 2006 budget which recommends a 9.17 percent increase for municipal wastewater services.

The Senior Management Group has reviewed this report.