

3

2006 USER FEES

SOLID WASTE MANAGEMENT

The Solid Waste Management Committee recommends the adoption of the recommendations contained in the following report, November 4, 2005, from the Commissioner of Transportation and Works, subject to amending Table 1 by reducing the farm tractor (off rim) and farm tractor (on rim) user fees by \$50.00 for all sources so that the recommended user fees for those categories will be \$300.00 and \$350.00 respectively.

1. RECOMMENDATIONS

It is recommended that:

1. The user fees for solid waste management in 2006, as set out in Table 1 and Table 3 of this report, be approved.
2. The Solid Waste Management Committee forward its recommendations to the Finance and Administration Committee for the purpose of hearing public comment at its December 1, 2005 meeting, and for consideration in the context of the Region's 2006 budget deliberations.
3. The Regional Solicitor be authorized to prepare the necessary by-law.

2. PURPOSE

This report requests authorization for the setting of user fees for solid waste management for 2006.

3. BACKGROUND

The Region charges user fees at its waste transfer station in Georgina and at its Asian Long-horned Beetle yard waste processing facility in Vaughan.

On January 1, 2003, Ontario Regulation 244/02 came into effect pursuant to the *Municipal Act, 2001*. The Regulation requires that certain procedures are followed before establishing fees for waste management, including providing notice and holding a public meeting.

The operating budget for solid waste management will be received by the Region's Finance and Administration Committee at its meeting scheduled for December 1, 2005.

This would serve as the public meeting that is required by the *Municipal Act, 2001*. The advertising requirements for this meeting have been fulfilled.

4. ANALYSIS

4.1 Waste Transfer Station in Georgina

Table 1 presents the user fees that have been charged at the Region's waste transfer station in Georgina in 2005 as well as those recommended for 2006.

Table 1
User Fees at the Waste Transfer Station in Georgina
Existing in 2005 and Recommended for 2006

Material	Sources					
	Works Operations of York Region and Local Municipalities		Delivered By Residents		Industrial, Commercial and Institutional	
	Recommended 2006	Existing 2005	Recommended 2006	Existing 2005	Recommended 2006	Existing 2005
Solid Waste	\$87.00 per tonne	\$86.00 per tonne	\$70.00 per tonne	\$70.00 per tonne	\$87.00 per tonne	\$86.00 per tonne
Compostable Yard Waste	\$90.00 per tonne	\$90.00 per tonne	no charge	*\$70.00 per tonne	\$90.00 per tonne	\$90.00 per tonne
Tires:						
- car and light truck	\$3.50 each	\$3.50 each	\$3.50 each	\$3.50 each	\$3.50 each	\$3.50 each
- heavy truck (off rim)	\$21.00 each	\$21.00 each	\$21.00 each	\$21.00 each	\$21.00 each	\$21.00 each
- heavy truck (on rim)	\$26.00 each	\$26.00 each	\$26.00 each	\$26.00 each	\$26.00 each	\$26.00 each
- farm tractor (off rim)	\$350.00 per tonne	not applicable	\$350.00 per tonne	not applicable	\$350.00 per tonne	not applicable
- farm tractor (on rim)	\$400.00 per tonne	not applicable	\$400.00 per tonne	not applicable	\$400.00 per tonne	not applicable
Recyclable "Blue Box" Materials	not accepted	not accepted	no charge	no charge	no charge	no charge
Recyclable Electronic Equipment	not accepted	not accepted	no charge	no charge	not accepted	not accepted
Scrap Metal and Large Metal Appliances	no charge	no charge	no charge	no charge	no charge	no charge

Report No. 7 of the Solid Waste Management Committee
Regional Council Meeting of November 17, 2005

Minimum Charge for Solid Waste and Compostable Yard Waste	\$7.00 per load	\$7.00 per load	\$7.00 per load	\$7.00 per load	\$7.00 per load	\$7.00 per load
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*Note: User fees for residents delivering compostable yard waste have been waived commencing October 24, 2005 as explained in Section 4.2.4

Table 2 presents a summary of the 2006 projected quantities for solid waste and compostable yard waste.

Table 2
Projected Waste Quantities for 2006
Waste Transfer Station in Georgina

Sources	Materials (tonnes)	
	Solid Waste	Compostable Yard Waste
Delivered by Residents	9,700	300
Georgina Municipal Collection	8,800	0
Georgina Works Operations	100	50
York Region Works Operations	10	0
Industrial, Commercial and Institutional	7,000	60
Total	25,610	410

4.2 Rationale for User Fees – Georgina Transfer Station

4.2.1 Municipally-Collected Waste

On November 21, 2002, Regional Council adopted a motion whereby the Region, rather than the local municipalities, will be responsible for the cost of disposing and/or processing municipally-collected solid waste, compostable yard waste, and recyclable materials from residential sources across the Region effective January 1, 2003. The background information for this motion was contained in Report No. 1 of the Commissioner of Transportation and Works and Commissioner of Finance, which was also adopted by Regional Council on that same date.

It is noted that the Town of East Gwillimbury delivered all of its municipally-collected solid waste to the transfer station in Georgina up until July 4, 2005. It then switched to the Region's new Waste Management Centre in East Gwillimbury since the location is more convenient.

4.2.2 Solid Waste from Municipal Works Operations

The local municipalities deliver a small quantity of solid waste from their municipal works operations such as the cleaning of roadside ditches, and the disposal of waste from municipal facilities. This type of solid waste is subject to a user fee as explained in the report that was adopted by Regional Council on November 21, 2002. As shown in Table 1, a rate of \$86.00 per tonne was charged in 2005 for solid waste delivered by the local municipalities and the Region's own works operations.

The Region's costs for transfer, haulage and disposal increase each year by inflation as stipulated under the Region's contracts. Therefore, it is recommended that the charge for solid waste from the public works operations of the Region and the local municipalities be increased from \$86.00 per tonne to \$87.00 per tonne, effective January 1, 2006.

4.2.3 Compostable Yard Waste from Municipal Works Operations

Most of the municipally-collected compostable yard waste from East Gwillimbury and Georgina is hauled directly by their collection contractors to Miller Waste Systems' (Miller) Composting Facility in Richmond Hill. In 2005, the waste transfer station received only a very small quantity of compostable yard waste from municipal works operations, which was charged at \$90.00 per tonne.

The Region's cost for processing yard waste at Miller's Composting Facility in 2006 will be approximately \$56.00 per tonne. In addition, there is a cost of about \$26.00 per tonne to haul to Miller plus a cost to handle the material at the waste transfer station. Therefore, it is recommended that the charge for compostable yard waste from the public works operations of the Region and the local municipalities remain at \$90.00 per tonne in 2006.

4.2.4 Residential Solid Waste and Compostable Yard Waste

As shown in Table 1, solid waste and compostable yard waste delivered by residents is currently charged at a rate of \$70.00 per tonne, with a minimum charge of \$7.00 for any load less than 100 kilograms. It is recommended that the rate for solid waste remain the same in 2006.

Halton Recycling Ltd. was accepting yard waste delivered by residents to its facility in Newmarket at no charge. The company stopped receiving yard waste from residents on October 23, 2005.

To make up for this loss of service, Regional staff waived the user fees for residents delivering yard waste to the transfer station in Georgina for the period October 24, 2005 to February 28, 2006. In addition, Regional staff arranged for the Region's Waste Management Centre in East Gwillimbury to accept yard waste delivered by residents on Saturdays only, at no charge from October 29, 2005 to April 1, 2006.

The Region has entered into a 10-year contract with Miller Waste Systems for the provision of yard waste composting services at the company's facility located at 1351

Bloomington Road in the Town of Richmond Hill. This was previously approved as per Item No. 152 of the Minutes of the Meeting of Regional Council held on September 22, 2005. As part of this contract, Miller Waste Systems will accept yard waste delivered by residents, at no charge, commencing on April 1, 2006.

It is recommended that compostable yard waste be accepted from residents at the waste transfer station in Georgina at no charge in 2006. This will provide a consistent program for all residents across the Region.

4.2.5 Industrial, Commercial and Institutional (ICI) Wastes

LaRue's Waste and Recycling (LaRue) operates a solid waste station transfer which is located at 23082 McCowan Road in the Town of Georgina. This is the only private solid waste transfer station located in Georgina.

Regional staff contacted LaRue to determine the company's current solid waste tipping fee. The company advised that its average tipping fee is \$87.00 per tonne with a minimum charge of \$20.00 per load.

As shown in Table 1, all solid waste and compostable yard waste delivered to the Region's waste transfer station by ICI customers is currently charged at a rate of \$86.00 per tonne and \$90.00 per tonne, respectively. The Region's transfer station does not have the capacity to handle large volumes of ICI waste. To ensure that the Region's facility does not receive a lot of ICI waste, its user fees should be in the same range as LaRue's. Therefore, it is recommended that the user fees for 2006 be \$87.00 per tonne and \$90.00 per tonne for solid waste and compostable yard waste, respectively.

4.2.6 Tires

It is recommended that the current user fees for the various types of tires remain the same for 2006.

The facility has never officially accepted the large rear knobby tires from farm tractors. However, Regional staff received a few requests for this service in 2005. Accordingly, it is recommended that the user fee for this type of tire and anything of a similar nature from agricultural equipment be set at \$350.00 per tonne for those that are not mounted on a rim and \$400.00 per tonne for those that are on rims.

All of the above user fees are based on the Region's total estimated cost to manage them on site and have them collected and processed by a licensed tire recycling company.

4.3 Asian Long-horned Beetle Yard Waste Processing Facility

The Region established a facility to receive and process wood and yard waste materials from the portion of the Asian Long-horned Beetle (ALHB) regulated area that is located within the City of Vaughan. The facility is located at the City of Vaughan's Public Works Yard at 8000 Dufferin Street, Vaughan.

The facility accepts wood and yard waste from the following sources:

- City of Vaughan's municipal yard waste collection program.
- Businesses such as landscapers and garden centres.
- Regional road construction projects.
- Delivered by City of Vaughan residents.

4.4 Rationale for User Fees – Asian Long-horned Beetle Yard Waste

Regional staff estimated that the cost to operate the facility in 2005 would be approximately \$120.00 per tonne. Only businesses were charged a user fee.

Since there are no weigh scales at the facility, user fees are based on estimated weights according to the type of vehicle. If businesses contest the estimated charges, then they are given the option of providing a ticket from a certified weigh scale and then paying at the rate of \$120.00 per tonne. A local private transfer station provides the weighing service for \$10.00 per load, which would be paid by the business.

Regional staff estimate that the cost to operate the facility in 2006 will drop to approximately \$100.00 per tonne now that the operating contractors have acquired some experience in grinding the material to the required specifications. It is noted that the specifications are mandated by the Federal Minister of Agriculture and Agri-Food ALHB Infested Place Order that was issued on February 27, 2004.

Table 3 presents the user fees that have been charged in 2005 as well as those recommended for 2006.

Table 3
ALHB Yard Waste User Fees for Businesses
Existing in 2005 and Recommended for 2006

Vehicle Type	User Fee Per Load	
	Recommended 2006 (\$)	Existing 2005 (\$)
Pick Up Truck	25.00	30.00
1 Tonne Truck	50.00	60.00
1 Tonne Van	50.00	60.00
Single Axle with Box	75.00	not applicable
Cube Van	100.00	120.00
Landscape Trailers	100.00	120.00
Single Axle Dump Truck	150.00	180.00
Double Axle Dump Truck	200.00	240.00
Tri-Axle or 40 Cubic Yard Bin	400.00	480.00

Note: Customers also have the option of providing a ticket from a certified weigh scale and paying on a weight basis (i.e. \$120.00 per tonne in 2005 and \$100.00 per tonne recommended for 2006)

5. FINANCIAL IMPLICATIONS

The Region's Operating Budget for 2006 has been prepared in accordance with the recommended user fees as presented in Tables 1 and 3. The expected revenue from user fees is estimated to be \$1,039,000 for 2006.

6. LOCAL MUNICIPAL IMPACT

As explained previously in this report, the curbside residential waste delivered by the local municipalities to the facility in 2006 will continue to be accepted at no charge. The Region would continue to charge local municipalities for the solid waste and compostable yard waste that is generated from municipal works operations such as the cleaning of roadside ditches, the maintenance of lawns and gardens, and the disposal of waste from municipal facilities. However, the quantity of materials that are generated from such sources is very small therefore, the impact to the local municipalities of increasing the solid waste user fee from \$86.00 per tonne to \$87.00 per tonne (1.2%) is minimal.

7. CONCLUSION

This report outlines the user fees for Solid Waste Management that are recommended for 2006. This report will be considered at the public meeting of the Finance and the Administration Committee that is scheduled to be held on December 1, 2005. The *Municipal Act, 2001* requires that a by-law imposing user fees be passed by December 31, 2005.

This report has been reviewed by the Senior Management Group.