

FINANCIAL MANAGEMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

SUBJECT: AMENDMENTS TO SOLID WASTE AND RECYCLING BYLAW 2010

RECOMMENDATION:

1. THAT Council authorize the City Solicitor to bring forward a bylaw to amend the fee schedules in the Solid Waste and Recycling Bylaw 2010, as set out in sections 4.1 and 4.2 of the report.

REPORT

The Financial Management Committee, at its meeting held on 2020 October 14, received and adopted the attached report seeking Council authorization for amendments to the fee schedules relating to waste receptacles and multi-family garbage disposal services in the Solid Waste and Recycling Bylaw 2010.

Respectfully submitted,

Mayor M. Hurley
Chair

Councillor S. Dhaliwal
Vice Chair

Copied to:	City Manager Director Engineering Director Corporate Services Director Finance Deputy Director Engineering Assistant Director Finance - Revenue Services City Solicitor
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TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2020 October 06

FROM: DIRECTOR ENGINEERING

FILE: 36500-03

SUBJECT: AMENDMENTS TO SOLID WASTE & RECYCLING BYLAW 2010

PURPOSE: To propose amendments to the fee schedules relating to waste receptacles and multi-family garbage disposal services in the *Solid Waste & Recycling Bylaw 2010*.

RECOMMENDATION:

1. **THAT** the Finance Management Committee recommend Council authorize the City Solicitor to bring forward a bylaw to amend the fee schedules in the *Solid Waste and Recycling Bylaw 2010*, as set out in sections 4.1 and 4.2 of this report.

REPORT

1.0 INTRODUCTION

The Solid Waste & Recycling Division of the Engineering Department provides waste collection and recycling service to 33,500 single and two family homes and 36,000 multi-family dwellings. Additionally, the Division provides services to public schools, civic facilities, community organizations, and commercial businesses. Fees are collected to offset the direct costs of providing these services. The proposed fee amendments are intended to further help offset increases in solid waste and recycling program operating costs and to encourage greater waste diversion through recycling.

Single Family, Two Family and Row House Annual Garbage Receptacle Fees

Single family, two family, and some row house complexes receive curbside service where each dwelling is provided with its own garbage receptacle, green waste receptacle, and recycling containers. Collection service is provided fortnightly for garbage and weekly for green waste and recycling.

These property owners pay an annual fee, based on the size of the garbage receptacle in service on January 01 of each year. The fee is included on their annual utility bill.

Currently, the fees collected for the 120L receptacles (5,500 in service) and 180L receptacles (21,000 in service) do not offset an adequate portion of the cost of providing

the service. Fees for the 240L receptacles (5,000 in service) and 360L receptacles (1,500 in service) more adequately offset the cost of providing service.

Additionally, Council previously approved an adjustment in receptacle fees for 2019 to reduce the difference in fees between the 180L and 240L receptacles. The reasons for this change were to discourage residents from reducing the size of their receptacles for financial reasons resulting in the overfilling of smaller receptacles and to facilitate a streamlining of operations by offering only three sizes of receptacles. The recommendations in this report are consistent with this initiative.

Multi-Family Garbage Disposal Service Fees

Multi-family, institutional, and commercial complexes (MFICI) receive container service where receptacles are shared. Most commonly, steel containers are provided for garbage (collected weekly or twice weekly as required) and cardboard recycling (collected weekly), and totes are provided for recycling of containers, paper, and glass and food scraps (collected weekly). Fees for container rental and disposal (pick-up charges) are billed quarterly. The Solid Waste & Recycling Division currently has 1,100 MFICI accounts.

Within the MFICI program, the fees for garbage disposal collected from two classes of properties – multi-family strata and co-op complexes – do not adequately offset the cost of providing the service. The current fee structure includes an exemption for these two classes of properties from paying garbage disposal fees for the first pick-up of each container each week. MFICI fees have not been revised for some time and this exemption originated at a time when there was no charge for single family, two family and row house garbage collection. Disposal and waste diversion fees have increased in the past few years along with toter fees. It is an appropriate time to review MFICI service fees to bring them more in line with single family, two family and row houses.

2.0 POLICY SECTION

The following project is aligned with the City of Burnaby's Corporate Strategic Plan by supporting the following goals and sub-goals of the Plan.

Goals

- A Thriving Organization
 - Financial viability –
Maintain a financially sustainable City for the provision, renewal and enhancement of City services, facilities and assets
- A Healthy Community
 - Healthy environment –
Enhance our environmental health, resilience and sustainability

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Multi-family strata (385 accounts) and co-op complexes (25 accounts) have been exempted from paying the cost for disposal of the first pick-up of each container each week.

The Solid Waste & Recycling Division service models and fee structures should be designed to encourage waste reduction and to promote diversion from the garbage stream to recycling and green waste collection.

3.0 BACKGROUND

In 2019, the MFICI section of Solid Waste & Recycling Division performed 87,500 garbage container pick-ups. Due to the exemption for strata and co-op complexes, only 40,500 or 46% were billed.

Exempting customers from paying disposal fees does not encourage diversion to the recycling and green waste streams. There is no financial incentive to reduce waste or to monitor container fullness. Inefficient service may occur if nearly empty containers are put out for collection.

4.0 DISCUSSION

4.1 Single Family Annual Receptacle Fees

It is recommended that the 2021 fees collected for 120L and 180L receptacles be increased. Staff propose the 120L receptacle fee should be increased from \$25 per year to \$40 per year. Staff propose the 180L fee should be increased from \$75 per year to \$100 per year. Staff propose the rates for the 240L receptacles (\$140 per year) and 360L receptacles (\$385 per year) remain unchanged as the fees currently provide a proportionate ratio of revenue to direct costs. The rate changes are projected to increase revenue by \$607,500 in 2021. The projected increase has been included in the 2021-2025 Provisional Financial Plan. These changes are proposed to be effective 2021 January 01 and if approved by Council, will be reflected in the 2021 Utility Notices.

4.2 Multi-Family Garbage Collection Service Fees

Staff recommend the MFICI pick-up rates remain unchanged in 2021. However, it is recommended that, effective 2021 July 01, the exemption from paying garbage disposal fees for the first pick-up of each container each week for multi-family strata complexes be removed, but the first free pick-up each week for co-op and other non-profit housing complexes be maintained.

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Many of these complexes currently only receive service once per week and do not pay any garbage disposal fees. Only modest fees for container rentals are paid, so the projected impact of the new fees is varied assuming clients do not increase diversion or decrease collection frequency.

The proposed MFICI rates are comparable to the fees paid by single family residences. With the exemption removed, 85% of multi-family strata households will pay a 2022 rate at or below the single family residential rate for a 240L receptacle.

If removal of the exemption for multi-family strata complexes fee structure is approved, the Solid Waste & Recycling Division will notify strata complexes and prepare updated service agreements where required. Staff anticipate implementing the changes and adjusting service contracts will take several months and will take effect in the middle of next year. Implementing the change mid-year distributes the financial impact equally over two years and provides adequate time to work with clients to mitigate the effects of the change. Removing the exemption is projected to increase revenue by \$450,000 in 2021 and a further \$450,000 in 2022. The projected increases have been included in the 2021-2025 Provisional Financial Plan.

4.3 Cost Mitigation Strategies

To mitigate the cost increases, Solid Waste & Recycling Division staff will be available to meet with complexes in the spring of 2021 to review the projected cost increases and make recommendations to reduce the financial impact. Complexes will have time to implement cost saving changes before the exemption is removed on 2021 July 01.

The cost saving initiatives that complexes can implement include:

1. Increasing the diversion of garbage to recycling programs. The 2018 waste composition study indicated that 18% of MFICI garbage can be diverted to recycling programs.
2. Increasing the diversion of garbage to green waste collection. The 2018 waste composition study indicated that 38% of MFICI garbage is compostable, consisting of mostly food scraps.
3. Monitoring garbage container fullness. Only putting out garbage containers that require collection reduces disposal fees. The Solid Waste & Recycling Division offers a range of flexible scheduling options.
4. Ensuring the optimal number and sizes of containers and service frequency is established for garbage, recycling, and green waste collection.
5. Utilizing the large item service provided as part of the service package to keep furniture and mattresses out of the garbage stream.

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These cost saving measures support the environmental stewardship objectives of the City and are complimentary to technological advancements the Solid Waste & Recycling Division are working on to enhance collection, monitor contamination, and provide useful garbage weight information to MFICI clients.

5.0 SUMMARY

The proposed changes to the fee schedules in the *Solid Waste and Recycling Bylaw 2010* improve the financial resiliency of the Solid Waste & Recycling Division and fairly distribute the costs of service to those receiving the services.

- The increased annual receptacle fees for single family residential collection improves cost recovery and better aligns fees with the cost of providing the service.
- The removal of the MFICI first weekly container pick-up fee exemption for multi-family strata produces more equity, encourages waste reduction and diversion, improves cost recovery, and better aligns fees with the cost of providing the service while mitigating cost increases to co-ops and non-profit housing.

The Solid Waste & Recycling Division conducts community outreach and provides educational materials and workshops. The Division conducts waste stream analysis and pursues innovative pilot programs to help our clients increase diversion and reduce waste. Our clients are not subject to hidden fees or surcharges. The total service cost for garbage, green waste, and recycling services remains fair and comparable.

6.0 RECOMMENDATION

Staff recommend that the Financial Management Committee recommend Council authorize the City Solicitor to bring forward changes to the fee schedules in the *Solid Waste and Recycling Bylaw 2010* set out in sections 4.1 and 4.2 of this report, effective 2021 January 01 and 2021 July 01 respectively.



Leon A. Gous, P.Eng., MBA
DIRECTOR ENGINEERING

AS/JL:nh

Attachment

Copied to: City Manager
City Solicitor
Director Finance
Deputy Director Engineering
Assistant Director Finance - Revenue Services

SCHEDULE A (BYLAW 13620)

- A. Multi-family, institutional, commercial and industrial rates for garbage receptacles (subject to applicable taxes).

Municipal Receptacle	Type	Rent Per Month	Pick-up Charges	Non-Scheduled Pick-Ups
6 cu.yd.	Skids Only	\$27	\$59 ⁽¹⁾	\$66
4 cu.yd.	Skids	\$26	\$45 ⁽¹⁾	\$53
	Castors	\$31	\$45 ⁽¹⁾	\$53
3 cu.yd. or less	Skids	\$25	\$39 ⁽¹⁾	\$45
	Castors	\$30	\$39 ⁽¹⁾	\$45
360L	Toter	\$11	\$9	Not available
180L or 240L	Toter	\$11	\$7	Not available

⁽¹⁾ First pickup each week is without pick-up charge with rental of City receptacle for multi-family dwellings that are co-op or non-profit housing.

- B. Multi-family, institutional, commercial and industrial rates for recycling and/or green bin receptacles (subject to applicable taxes).

Municipal Receptacle and Type	Rent per month (no disposal fee)
Cardboard container – 3, 4 or 6 cu.yd.	\$22 ⁽²⁾⁽³⁾
Recycling toter-mixed paper, newspaper or mixed containers	\$6 ⁽²⁾⁽³⁾
Green bin container – food scraps or yard waste	\$5 ⁽²⁾⁽³⁾

⁽²⁾ Recycling and/or green bin services only available to customers with an existing City garbage account

⁽³⁾ Emptied weekly

C. (BYLAW 14124)

Burnaby Yard Waste Drop-off Charges:

- (1) Same as Recycling Fee for Green Waste under Greater Vancouver Sewerage and Drainage District Tipping Fee and Solid Waste Regulation Bylaw No. 306, 2017, as amended or replaced from time to time;
- (2) No minimum charge; and
- (3) No fee for a resident of Burnaby with a load of 100kg or less (limit of one free visit per day)

- D. Cost for purchase/replacement of new receptacles is outlined in the table below. A \$50 service fee is payable for Toter exchanges.

Garbage and Yard Waste Container Replacement Costs	
Container Size	Replacement Cost (includes applicable taxes)
120 L (available for garbage container only)	\$65
180 L	\$75
245 L	\$85
360 L	\$95

- E. Single Family properties, two family properties, and row housing properties that receive curbside collection service. Per dwelling based on garbage receptacle volume ⁽⁴⁾. Taxes not applicable. (BYLAW 14090)

Receptacle Size (litres)	Current Annual Fee	Proposed Annual Fee
120 L	\$25	\$40
180 L	\$75	\$100
245 L	\$140	\$140
360 L	\$385	\$385

⁽⁴⁾ If paid on or before March due date in the year for which they are payable the above-noted fees shall be subject to a discount of 5%. (BYLAW 13964)