Agenda – Executive Policy Committee – July 8, 2015

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – June 23, 2015

Item No. 8 Amendment to the Garbage Disposal Fee at 4R Winnipeg Depot (Brady Road Location)

STANDING COMMITTEE RECOMMENDATION:

On June 23, 2015, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. To amend the garbage disposal fee for the 4R Winnipeg Depot located at the Brady Road Resource Management Facility from $61.00/tonne to $61.00/tonne with a $15.00 minimum, effective the opening date of the depot.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Agenda – Executive Policy Committee – July 8, 2015

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – June 23, 2015

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On June 23, 2015, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: **AMENDMENT TO THE GARBAGE DISPOSAL FEE AT 4R WINNIPEG DEPOT (BRADY ROAD LOCATION)**

Critical Path: **Standing Policy Committee on Infrastructure Renewal and Public Works – Executive Policy Committee - COUNCIL**

AUTHORIZATION

Author	Department Head	CFO	CAO/COO
M. L. Geer, C.A. Manager of Finance and Administration	C. W. Carroll, P. Eng. Acting Director, Water and Waste Department	M. Ruta	M. Jack COO

RECOMMENDATIONS

To amend the garbage disposal fee for the 4R Winnipeg Depot located at the Brady Road Resource Management Facility from $61.00/tonne to $61.00/tonne with a $15.00 minimum, effective the opening date of the depot.

REASON FOR THE REPORT

Changing existing rates requires Council approval.

EXECUTIVE SUMMARY

- Residents will be able to recycle free of charge at the 4R Winnipeg Depot at Brady Road. Residents can drop off material that they no longer have a use for, but could be recycled, reused, composted, or resold. Materials that may be recycled are listed in Appendix 1.

- The objective of the 4R Winnipeg Depot is to divert more material away from the landfill, and either find alternative secondary use for the materials, or ensure that they are disposed of safely (in the case of hazardous waste). Residents will be able to drop off materials such as bulky waste, household hazardous waste (paint, pesticides, florescent lights, etc.) construction materials, wood, metals, electronic waste, and yard waste.

- The 2015 adopted budget included an amendment to the fee structure for the 4R Winnipeg Depots that stated that, on the date of the opening of the Brady Road 4R Winnipeg Depot, the 4R Winnipeg Depot access fee of $5.00 be waived and that the Public Service bring forward to Council an alternative fee structure for 2016.

- The 2015 adopted budget also included a revised garbage disposal fee for the 4R Winnipeg Depot located at the Brady Road Resource Management Facility from $11.00 per small load to $61.00 per tonne, upon opening of the depot.

- A per tonne garbage disposal fee encourages residents to recycle more materials as the more waste that gets diverted the less cost the resident will incur. This is industry best practice and is common in other municipalities..

- Implementing a revised garbage disposal fee for the 4R Winnipeg Depot located at the Brady Road Resource Management Facility from $61.00/tonne to $61.00/tonne with a $15.00 minimum, would replace the lost revenue from the waived access fee and would provide even further incentive for recycling at the depot.

- The minimum garbage disposal fee is based upon cost recovery.

- The recommended rate is consistent with residential tipping fees in comparable municipalities across Canada.

IMPLICATIONS OF THE RECOMMENDATIONS

City Council's decision to amend the 4R Winnipeg Depot rate structure to remove the $5.00 site access fee will encourage customers to divert more materials and use the depots as they are intended. City Council also approved replacing the the existing flat rate of $11.00/load fee with a volume rate of $61.00/tonne. A volume based rate further encourages diversion of materials that might otherwise go to the landfill.

The Public Service was directed to bring forward an alternate fee structure for the depot that replaces the lost access fee revenue but also encourages diversion. Implementing a minimum charge of $15.00 on the per tonne rate for disposing garbage at the site, would fulfill Council's mandate.

There is no financial impact associated with this report as the rate change is revenue neutral.

Residents are accustomed to paying $11.00/load and can dispose of up to 500kg of garbage for the flat rate. Under the proposed tipping fee of $61.00/tonne with a $15.00 minimum, residents would be able to dispose of up to 245kg of garbage before the cost escalate based on the weight of the load. Although small loads are not currently weighed, it is estimated that more than half the current small load customers would have loads weighing between 200-300kg. These customers would not experience a drastic increase in garbage disposal costs under the new rate structure. There are approximately 90,000 residential small loads of garbage brought to Brady Road each year and with the opening of the depot and that number is expected to decrease.

This recommended rate change is consistent with the charges levied by other comparable municipalities across Canada as outlined in the table below:

	Regina	Calgary	Edmonton	Saskatoon	Vancouver
Tipping Fee for Residential Customers	- private vehicle with household waste $15/load - $75/tonne	- $110/tonne - minimum charge of $20	- $58/tonne - minimum charge of $17	- landfill entrance fee $10 - $100/tonne with loads less than 250kg receiving a 75% subsidy	- $80-$130/tonne - minimum charge of $15 up to 80kg, $25 for up to 150kg

The Waste Reduction and Recycling Support (WRARS) levy, is included in the approved and recommended rates referenced in this report. Water and Waste collects a $10.00 levy on behalf of the Province on every tonne of garbage disposed of at the Brady Road Resource Management Facility. This levy is then remitted to the Province semi-annually and in turn, the Department receives a portion of the funding back from the Province in the form of the WRARS grant which is used to help fund the Department's waste diversion initiatives.

HISTORY

On October 19, 2011, Council adopted the Comprehensive Integrated Waste Management Strategy that recommended standardizing garbage collection services, enhancing recycling collection, adding a curbside leaf and yard waste collection, implementing resource recovery centres with a $5.00 access fee and implementing the Waste Diversion fee to fund the changes to the system.

On March 23, 2015, City Council approved the 2015 adopted budget included an amendment to the fee structure for the 4R Winnipeg Depots that stated that on the date of the opening of the Brady Road 4R Winnipeg Depot, the 4R Winnipeg Depot access fee of $5.00 be waived and that the Public Service bring forward to Council an alternative fee structure for 2016.

FINANCIAL IMPACT

Financial Impact Statement **Date:** **June 9, 2015**

Project Name:

AMEND GARBAGE DISPOSAL FEE AT 4R WINNIPEG DEPOT (BRADY ROAD LOCATION)

COMMENTS:

There is no financial impact associated with this report as the rate change is revenue neutral.

"Original signed by M. L. Geer, CA"
Moira L. Geer, C. A.
Manager of Finance and Administration

CONSULTATION

In preparing this report there was consultation with: N/A

OURWINNIPEG POLICY ALIGNMENT

This report is in accordance with the OurWinnipeg policies through ensuring the financial structure is in place to support the initiatives outlined in the Solid Waste Management section of the Policy over the long term.

OurWinnipeg Reference: 05-2 Sustainable Water and Waste, Solid Waste Management, Comprehensive Waste Management Strategy

SUBMITTED BY

Water and Waste Department
Finance and Administration Division
Prepared by: Laurie Fisher, CA
File No. 011-15-13-05-01
Date: June 12, 2015

Appendix 1
4R Winnipeg Depot – Reduce, Reuse, Recycle, Repeat

The Brady Road 4R Depot will accept the following materials for free:

- yard waste
- recyclables (items that are accepted in the curbside recycling blue cart program)
- rubble (e.g., brick, concrete)
- ceramic tiles and other ceramics/porcelain (e.g., toilets)
- tree wood waste (e.g., stumps, logs, branches larger than one metre long)
- clean (not treated or painted) timber, lumber and wood (e.g., mill ends, pallets)
- scrap metal and major appliances (additional fees may apply to refrigerant-containing appliances)
- oversized rigid plastic (e.g., buckets, patio furniture)
- bicycles

The City is also working with the Producer Responsibility Organizations to accept the following materials at the 4R Depots:

- electronic waste
- consumer batteries
- lead acid batteries
- tires
- household hazardous wastes
- motor oil, filters, containers