
CITY OF KELOWNA

MEMORANDUM

Date: February 25, 2009
File No.: 5280-30
To: City Manager
From: Infrastructure Planning Project Manager
Subject: WASTE REDUCTION FEE AMENDMENT FOR SOLID WASTE MANAGEMENT REGULATION BYLAW NO. 10106

RECOMMENDATION:

THAT Council approve the proposed rate structure changes to the Solid Waste Management Regulation Bylaw No. 10106;

AND THAT Council allows interim use of the Landfill Revenues to decrease the Solid Waste Reduction Fee in the Solid Waste Management Regulation Bylaw No. 10106.

AND FURTHER THAT Bylaw No. 10122 being Amendment No. 1 to the Solid Waste Management Regulation Bylaw No. 10106 be forwarded for reading consideration.

BACKGROUND:

Council enacted Bylaw No. 10106 on January 12, 2009. The bylaw provides the additional powers and new schedules for Solid Waste Reduction, Landfill disposal fees, Landfill Site Regulations, landfill scale fees and ticketing offences. It also addressed requirements for recyclables and depot operations and the expanded service levels under the new automated service.

Council, on December 10, 2008 also approved the 2009 rate schedule for the Collection Fee in the bylaw and directed staff to review the costs for the Solid Waste Reduction Services Fee in the bylaw.

Cost of Service Review:

Staff has reviewed the Solid Waste Reduction Services Fee and anticipates the following costs over the next few years.

- Landfill Disposal Fee (Glenmore Landfill costs per household - no change) \$27.70
These are the operational costs for burial of garbage and processing of yard waste.
- Waste Reduction Office (Solid Waste Management Costs - 29% increase) \$17.57
These are the Regional Service costs for the outreach programs and one-time costs for the automation roll-out.
- Recycle Depot and Recycle Processing (net increase 150%) \$35.29
These Regional Service costs cover the operation of each depot and the costs to process recyclables at the Materials Recycling Facility. Due to lost revenue (recycle market crash) costs have risen dramatically (WRO Memo, attach No. 1).
- Cart Costs for Automation (\$125 amortized over 10 years; MFA Borrowing) \$18.86

TOTAL \$99.42

The total Solid Waste Reduction Fee at \$99.42 is a substantial increase from the existing fee of \$61.38. Historically, Landfill Revenues have subsidized the cost to Kelowna residents for Waste Reduction Services. It is recommended that this continue (\$10 per household) in response to the economic conditions but be reviewed annually.



The fee structure per single family unit proposed in the Solid Waste Management Regulatory Bylaw No. 10106 follows:

Bylaw Fees	Existing	2009	2010
"Collection Fee" in Bylaw No. 10106	\$ 87.40	\$ 87.40	\$ 87.40
"Solid Waste Reduction Services Fee Proposed"	\$ 61.38	\$ 89.42	\$ 89.42
Combined Fee (subject to amendment of "Solid Waste Reduction Fee")	\$148.78	\$176.82	\$176.82

It is expected that the Solid Waste Reduction fee could be reduced once recycle markets stabilize. A separate report, "Waste Import Fees, Tip Fees and the Landfill Reserve" considers the impact to Glenmore Landfill and area of allowing other jurisdictions to divert their solid wastes to Kelowna. This report will be brought forward in the fall once the financial review is complete.

ALTERNATE RECOMMENDATION:

THAT Council charge each residential single family household the full cost of Solid Waste Reduction Services and not reduce the Solid Waste Reduction Fee.

INTERNAL CIRCULATION TO:

General Manager Community Sustainability; General Manager Citizen Services; Director of Infrastructure Planning; Director of Financial Services; Director of Infrastructure Operations; Revenue Manager.

EXTERNAL CIRCULATION:

Waste Reduction Office

LEGAL/STATUTORY AUTHORITY:

Community Charter

Considerations not applicable to this report:

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS: NA

EXISTING POLICY: Solid Waste Management Regulatory Bylaw No. 10106

PERSONNEL IMPLICATIONS: N/A

TECHNICAL REQUIREMENTS: N/A

EXTERNAL AGENCY/PUBLIC COMMENTS: N/A

Submitted by:



Mark Watt
Infrastructure Planning Project Manager

Approved for Inclusion:



Director of Infrastructure Planning & Asset Management

Approved for Inclusion:



General Manager Community Sustainability

Attach.: WRO Report on Recycle Processing

cc: per circulation list