

# Memo



**Date:** July 25, 2010  
**File:** Solid Waste - Organics  
**To:** City Manager  
**From:** Utility Services Manager  
**Subject:** Compost pricing  
Report Prepared by: Gordon Light

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**Recommendation:**

THAT Council give reading consideration to Bylaw No. 10374 being Amendment No. 4 to the City of Kelowna Solid Waste Management Regulation Bylaw No. 10106.

**Purpose:**

To update the Solid Waste Management Bylaw for compost product fees, as it is a requirement of the Community Charter that any fees or charges levied by a Municipality be included in a bylaw. These are the current fees charged and applicable taxes would be added.

**Background:**

Under the Organic Matter Recycling Regulation, Waste Management Act, the City of Kelowna operates two composting facilities that produce a Class A compost product. The compost is sold as a soil conditioner and is very popular with landscapers, nurseries and homeowners. A Marketing Plan was prepared in 2003 by a professional marketing consultant and based on that study a pricing strategy was developed that rewards large volume buyers through graduated pricing so that the more they buy the less they pay. Compost is sold at a retail level and for bulk purchasers at a wholesale level. The charges are as follows:

The following rates plus applicable taxes shall be paid for all compost material sold at a wholesale level:

Yards purchased per calendar year	
Less than 50	\$19.50 per yard
50 to 249	\$14.50 per yard
250 to 999	\$12.25 per yard

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1000 to 2999	\$9.50 per yard
3000 to 4999	\$8.25 per yard
5000 and up	\$7.75 per yard

The following rates, plus applicable taxes shall be paid for all compost material sold at a retail level:

<b>Compost material sold at a retail level</b>	
Per supplied bag	\$ 3.81
Per cubic yard	\$28.57

Annual revenues from the sale of Ogogrow and GlenmoreGrow amount to over \$450,000/year.

**Internal Circulation:**

Legislative Coordinator, City Clerks  
 Director, Financial Services

**Legal/Statutory Authority:**

Section 194 of the Community Charter gives the authority to impose fees within a Municipality.

**Considerations not applicable to this report:**

**Legal/Statutory Procedural Requirements: N/A**

**Existing Policy: N/A**

**Financial/Budgetary Considerations: N/A**

**Personnel Implications: N/A**

**External Agency/Public Comments: N/A**

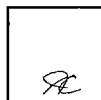
**Community & Media Relations Comments: N/A**

**Alternate Recommendation: N/A**

Submitted by:



Don Degen  
 Utility Services Manager



Approved for inclusion: J. Creron, Director, Civic Operations