
2007 BUDGET BRIEFING NOTE

Proposed Solid Waste Management Fee Increases for 2007

Issue/Background:

In the 2007 Recommended Operating Budget, Solid Waste Management Services (SWMS) proposed a number of fee changes with implementation dates in August and September 2007.

At its meeting on March 26, 2007, Budget Committee requested Solid Waste Management Services review the feasibility of accelerating the various proposed Solid Waste Management fee changes.

Ontario Regulation 244/02, under *Municipal Act, 2001*, sets forth specific procedures for imposing fees for a number of services, including waste management. These procedures require that the City hold at least one public meeting to discuss the proposed fee change or increase and ensure a minimum 21 days notice of the public meeting.

Public Works and Infrastructure Committee meetings are considered public meetings under the Act and have been used to satisfy this requirement for previous Solid Waste Management fee changes.

Key Points:

In order to meet the minimum 21 day notice requirement, a report outlining the proposed fee changes could be prepared by staff and made public by May 10, 2007 for consideration at the Public Works and Infrastructure Committee meeting scheduled for May 30, 2007. If approved by the Public Works and Infrastructure Committee, final approval of the fee changes would occur at the Council meeting scheduled for June 19 and 20, 2007. Given this timeline, the proposed fee changes could be accelerated from the current dates to July 1, 2007.

The following table identifies the potential increase in net revenue in 2007 that could be realized by accelerating implementation date to July 1, 2007.

2007 Net Revenue Impact :

| Description of SWMS Fee Change | Original Potential Net Revenue (\$000's) - Start Date of August 1, 2007 | Accelerated Potential Net Revenue (\$000's) - Start Date of July 1, 2007 | Potential Additional Net Revenue (\$000's) - Start Date of July 1, 2007 |
|--|--|---|--|
| Increase Waste Container Rental Fee by 3% * | \$9.0 | \$13.5 | \$4.5 |
| Eliminate one tonne exemptions | \$63.0 | \$75.6 | \$12.6 |
| Charge a minimum or flat fee of \$10 on paid waste loads up to 100 kgs | \$15.3 | \$18.3 | \$3.0 |
| Reduce free recyclables from 150 to 20 kgs/day | \$27.9 | \$33.5 | \$5.6 |
| Increase Waste tip fee from \$95 to \$100/tonne | \$65.5 | \$78.5 | \$13.0 |
| Increase Recycling tip fee from \$50 to \$75/tonne | \$78.7 | \$94.5 | \$15.8 |
| Totals: | \$259.4 | \$313.9 | \$54.5 |

*Original start date of September 1, 2007

Based on an implementation date of August 1/September 1, 2007, the total estimated net revenue identified in the 2007 Recommended Operating Budget and listed above is \$259.4 thousand. By accelerating the implementation date to July 1, 2007, the City could realize an estimated total net revenue of \$313.9 thousand in 2007. This represents potential additional net revenue of \$54.5 thousand.

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