



## STAFF REPORT ACTION REQUIRED

### Final 2008 Fees - Getting to 70% Diversion by 2010

<b>Date:</b>	February 4, 2008
<b>To:</b>	Budget Committee
<b>From:</b>	Geoff Rathbone, General Manager, Solid Waste Management Services Joseph P. Pennachetti, Deputy City Manager and Chief Financial Officer
<b>Wards:</b>	All
<b>Reference Number:</b>	p:/2008/swms/Feb/001BC

#### SUMMARY

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In June 2007, City Council adopted the recommendations in Executive Committee report EX9.1 entitled “Proposed Initiatives and Financing Model to Get to 70% Solid Waste Diversion by 2010”, as amended, (herein referred to as “Amended Report EX9.1”) which described a series of new waste diversion initiatives to achieve 70% diversion by 2010 and a volume-based solid waste rate system which would raise the approximately \$54 million additional revenue necessary to achieve the 70% diversion goal and provide a financial incentive to residents in single and multi-unit homes to reduce waste.

Amended Report EX9.1 directed staff to report back through the 2008 budget process on the final commencement date, the volume-based rates, and the grant amounts for 2008.

In November 2007, City Council adopted the recommendations in Public Works & Infrastructure Committee report PW11.13 entitled “Response to Council Motions – Getting to 70% Diversion by 2010”, as amended (herein referred to as “Amended Report PW11.13”).

In adopting Amended Reports EX9.1 and PW11.13, City Council approved two changes to the volume-based rate structure from what was originally recommended by staff in Report EX9.1:

- that the fees for the two smallest waste bins be lowered (from those shown in Report EX9.1) and the fees for the two largest waste bins be increased so that, overall, the total fees remained the same; and

- that certain bin exchange fees be waived and that the revenue that would have been generated from the bin exchange fees be added to the residential solid waste rate structure.

Amended Report PW11.13 also requested staff to report to the January 28, 2008 Budget Committee meeting on the financial implications of providing three amnesty days per year and an amnesty for moving-out waste at the time of a residential move.

This report recommends the volume-based rates for 2008 and provides the financial implications of providing amnesty days.

## **RECOMMENDATIONS**

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The General Manager, Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer recommend that:

1. the fees set out in Attachment A – “Residential Solid Waste Rate Structure, 2008 Fees” be adopted for 2008 and that fees for future years be included as part of the annual operating budget submission, to be effective January 1<sup>st</sup> in each calendar year;
2. the billing details and administrative fees set out in Attachment B to this report be adopted;
3. the volume-based rate structure commence on or about:
  - a. July 1, 2008 for residential bulk collection customers (i.e. multi-unit residential buildings including town homes currently receiving bulk waste collection)
  - b. November 1, 2008 for residential curb side collection customers (i.e. single family residential buildings including town homes and small multi-unit dwellings currently receiving curb side collection);
4. the City not provide amnesty days or an amnesty for moving-out waste at the time of a residential move; and
5. the City Solicitor be authorized to introduce any necessary bill into Council.

## FINANCIAL IMPACT

### Allocation of Projected Revenue from the Volume-based Rate Structure

The new volume-based rate structure is expected to generate \$75.417 million in additional revenue for 2008. This additional revenue consists of \$53.250 million generated from multi-unit residential customers for the six month period from July 1 to December 31 and \$22.167 million generated from single family residential customers for the two month period from November 1 to December 31, 2008. Of the \$75.417 million collected, \$17.667 million will be used to fund new waste diversion initiatives in 2008. This amount includes the cost of repayment of debt for Solid Waste Management capital projects as well as a contribution to the Waste Management Reserve Fund for Capital and stabilization. The balance of funding of \$58.079 million will fund the tax rebate program in 2008 through the Non-Program Operating Budget. In addition, \$3 million from other revenue sources will also fund new diversion initiatives in 2008.

The following table summarizes the budget implications in 2008 and 2009 as Solid Waste Management Services transitions from being funded through property taxes to being funded from volume-based user fees:

\$ millions	2008 Budget						2009 Budget					
	Solid Waste Management			Non-Program Tax Rebate			Solid Waste Management			Non-Program Tax Rebate		
	Gross	Rev	Net	Gross	Rev	Net	Gross	Rev	Net	Gross	Rev	Net
<b>Base Operating Budget</b>	256.4	74.2	182.2	-	-		276.7	152.6	124.1	58.1	-	58.1
<b>Total Base Adjustments</b>	-	58.1	(58.1)	58.1	-	58.1	6.5	121.0	(114.6)	124.1	-	124.1
<b>Base Operating Budget Revised</b>	256.4	132.3	124.1	58.1	-	58.1	283.2	273.7	9.5	182.2	-	182.2
<b>New Revenue Allocation:</b>												
<b>Base Pressures</b>			-			-		9.5	(9.5)			-
<b>New Service Priorities</b>	13.1	13.1	-	-	-	-	12.1	12.1	-	-	-	-
<b>Capital Debt Charges</b>	1.8	1.8	-				8.9	8.9	-			
<b>Contribution to Reserve Fund (incl. Capital &amp; Stabilization)</b>	5.4	5.4	-				19.1	19.1	-			
<b>sub-total New Revenue Allocation:</b>	20.3	20.3	-				40.1	40.1	-			
<b>Operating Budget (at Year-end)</b>	276.7	152.6	124.1	58.1	-	58.1	323.3	323.3	-	182.2	-	182.2

As the user fees are phased-in over 2008, the Solid Waste Management Services net budget will be reduced from \$182.2 million to \$124.1 million. Thus, the 2008 Recommended Operating Budget will be revised twice: in July 2008, for implementation of the multi-unit residential rate structure and in November 2008, for implementation of the single-family rate structure. The 2008 budget will be revised to \$276.7 million gross and \$124.1 million net to reflect these adjustments and the tax revenues will be re-allocated to fund the part-year implementation of the rebate program.

For 2009, user fees will increase by 3.5% and will fund base pressures, new waste diversion initiatives and repayment of capital debt with the remaining balance, totalling \$19.1 million, used to contribute to the reserve fund. As the user fees will be collected for the full year, the total budget will be funded by a combination of user fees and other sources such as WDO (Waste Diversion Ontario) and the sale of recyclable materials and, in addition, property tax revenues will fully fund the rebate program.

**Potential Impact of Amnesty Days**

Toronto does not currently provide this service so it is difficult to accurately estimate the financial impact of amnesty days. However, if the city chooses to provide three amnesty days per year and a move-out amnesty, it would represent an additional Operating Budget pressure estimated to be \$10 million per year as follows:

Amnesty	Lost Revenue (\$m)			Extra Trucks and Crews	Total Cost (\$m)
	Single-Residential	Multi-Residential	Total		
3 Days	4.000	3.000	7.000	1.852	8.852
1 Moving Day	0.482	0.526	1.008	0.148	1.156
Total	4.482	3.526	8.008	2.000	10.008

If amnesty days and/or moving-out amnesty days are approved, higher fees would be required for the volume-based rate structure to offset the lost revenue and additional costs.

The Deputy City Manager and Chief Financial Officer has reviewed this report and concurs with the financial impact statement.

**DECISION HISTORY**

At its meeting of June 19, 20 and 22, 2007, City Council adopted the recommendations in Executive Committee report EX9.1 entitled “Proposed Initiatives and Financing Model to Get to 70% Solid Waste Diversion by 2010”, as amended. The report and the Council decision document can be viewed at:

- report:  
<http://www.toronto.ca/legdocs/mmis/2007/ex/bgrd/backgroundfile-3799.pdf>
- decision document (relevant pages 2 through 10):  
<http://www.toronto.ca/legdocs/mmis/2007/cc/decisions/2007-06-19-cc10-dd.pdf>

Amended Report EX9.1 included the following recommendation:

(13) “the Acting General Manager of Solid Waste Management Services, in consultation with the Deputy City Manager and Chief Financial Officer and the City Solicitor, be directed to report back through the 2008 budget process on the final commencement date, the volume-based rates and the grant amounts for 2008”

At its meeting of November 19, 20 and 22, 2007, City Council adopted the recommendations in Public Works & Infrastructure Committee report PW11.13 entitled “Response to Council Motions – Getting to 70% Diversion by 2010”, as amended. The report and the council decision document can be viewed at:

- report  
<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-8883.pdf>
- decision document (relevant pages 111 through 112):  
<http://www.toronto.ca/legdocs/mmis/2007/cc/decisions/2007-12-11-cc15-dd.pdf>

Amended Report PW11.13 included the following motion:

(5) “the General Manager of Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer be requested to report to the January 28, 2008 Budget Committee meeting on the financial implications of providing three Amnesty Days per year and an amnesty for moving out waste at the time of a residential move.”

## **ISSUE BACKGROUND**

Amended Report EX9.1 indicated that the fees collected from residential customers would depend on the volume of waste they generated, the greater the volume of waste, the greater the fee. It also indicated that residential customers would be encouraged to self-regulate how much waste they set out and that additional opportunities to divert waste would be made available.

Amended Report EX9.1 indicated that the residential rate structure would be designed to generate a total of \$237.5 million annually beginning in 2008 (prorated for a partial year in 2008) and increased at a rate of 3.5% per year thereafter. The amount was based on the cost of current solid waste management services plus the cost of the new initiatives described in the report.

Residential customers receiving curb side collection (typically single unit residential and some town homes) would be given a choice of four bin sizes for garbage and their fees would be based on their choice of bin size. Report EX9.1 indicated that approximately \$131 million of the \$237.5 million per year would come from this group.

Residential customers receiving bulk collection (typically multi-unit residential) would set out multiple bulk bins to suit their needs and that their fees would be based on the volume of waste set out each month. Report EX9.1 indicated that approximately \$106.5 million of the \$237.5 million per year would come from this group.

Amended Reports EX9.1 and PW11.13 amended the recommended fee structure by:

- lowering the fees for the two smallest waste bins and increasing the fees for the two largest waste bins so that, overall, the total fees remained the same;
- waiving the bin exchange fee for downsizing to a smaller sized waste bin;
- waiving 50% of the normal bin exchange fee for all other waste or recycling bin exchanges requested for a three month period after receipt and trial use of the initial bin; and
- adding the lost revenue from the waived bin exchange fees to the residential solid waste rate structure.

The waived bin exchange fees are expected to be in the order of \$2,000,000 per year during the first few years of the program as residents adjust to the new system.

## **COMMENTS**

### Commencement Date and 2008 Rates

Staff are working toward a July 1, 2008 commencement date for residential bulk collection customers (i.e. multi-unit residential buildings including town homes currently receiving bulk waste collection) and a November 1, 2008 commencement date for residential curb side collection customers (i.e. single family residential buildings including town homes and small multi-unit dwellings currently receiving curb side collection).

In late 2007, staff began distributing recycling and waste bins to pilot areas and recycling bins to residents in the Scarborough area. Residents in the pilot areas were asked to select a waste bin (and a blue bin if they didn't already have one) for the pilot. Residents in the Scarborough area were asked to select a blue bin and were polled to obtain their initial thoughts on what size of waste bin they thought they would require. Their responses indicate the following:

- 30% will likely choose the small waste bin;
- 30% will likely choose the medium waste bin;
- 30% will likely choose the large waste bin; and

- 10% will likely choose the extra large waste bin.

These results show that residents may choose smaller sized waste bins than initially estimated. The fee structure shown in Amended Report EX9.1 assumed 20%, 35%, 35% and 10% of residents would choose small, medium, large and extra large bins, respectively. The shift to smaller waste bins may be the result of increased environmental awareness, an indication of the effectiveness of the volume-based rate structure or, perhaps, an initial over estimation by households of their ability to consistently reduce waste.

Prior to the actual selection of the waste bin size in 2008, residents will be provided with detailed information about the size of each bin and will be provided with an opportunity to view the relative bin sizes.

The schedule of fees recommended for 2008, as set out in Attachment A, is based on the principles, recommendations and amendments contained in Amended Reports EX9.1 and PW11.13. Specifically, the 2008 fees are based on:

- generating \$133,000,000 per year from single family residential dwellings (up \$2 million per year from Report EX9.1 to make up for lost revenue as a result of waived bin exchange fees.);
- generating \$106,500,000 per year from multi-unit residential dwellings;
- 30%, 30%, 30% and 10% of single family households selecting small, medium, large and extra large waste bins respectively; and
- 10%, 20%, 40% and 30% of multi-unit buildings selecting the equivalent of small, medium, large and extra large waste bins respectively.

The waste bin fees shown for 2008 in Report EX9.1 and in Attachment A of this report are summarized in the following tables.

Single Family Fees shown in Report EX9.1

Waste Bin Size	Small	Medium	Large	Extra Large
Waste Bin Fee	\$209	\$250	\$310	\$360
Less Rebate	(\$209)	(\$209)	(\$209)	(\$209)
Net Fee	\$0	\$41	\$101	\$151

Single Family Fees Recommended in this Report

Waste Bin Size	Small	Medium	Large	Extra Large
Waste Bin Fee	\$199	\$248	\$342	\$399
Less Rebate	(\$209)	(\$209)	(\$209)	(\$209)
Net Fee	(\$10)	\$39	\$133	\$190

Single family households will be billed based on the size of waste bin they select, regardless of usage. Waste fees will be calculated and billed at the same frequency as water bills, typically once every 4 months. All fees are for un-compacted waste.

There will be no fee for single family households to downsize their waste bins. Residents will be permitted one free exchange of their blue recycling bin prior to November 1, 2008. The 2008 fee for all other bin exchanges in the three month period after receipt and trial use of the initial bin will be \$10 and the 2008 fee for all other bin exchanges will be \$20. The 2008 fee for single family households to replace lost or stolen bins will be \$50, \$55, \$60 and \$65 for small, medium, large and extra large bins, respectively. The 2008 fee for extra bag tags, beyond the four free tags, will be \$3.10 per tag.

#### Multi-Unit Fees Recommended in this Report

Equivalent Bin Size	Small	Medium	Large	Extra Large
Waste Bin Fee per unit	\$150	\$175	\$205	\$235
Less Rebate per unit	(\$157)	(\$157)	(\$157)	(\$157)
Net Fee per unit	(\$7)	\$18	\$48	\$78

Multi-unit buildings will be billed for a small, medium, large or extra large bin per unit based on the volume of waste set out by the building each month. For example, if the volume of waste set out by a building in a given month would fit into a small bin per dwelling unit, the building would be charged the ‘small bin’ fee per unit, etc. As indicated in Amended Report EX9.1, the equivalent multi-unit waste bins are  $\frac{2}{3}$  the volume of single family waste bins. Multi-unit buildings that set out more waste than would fit into the equivalent of an extra large bin per unit will be charged the “extra large bin” fee per unit plus \$ 9.56 per cubic yard for any excess waste. The above fees are for uncompacted waste. For buildings with waste compactors, the allowable volumes for the small, medium, large and extra large bins and the fee per cubic yard of excess waste will be adjusted based on a 3:1 compaction ratio.

The above fees are based on a mandatory, all-or-nothing service. That is, buildings must fully participate in the City’s diversion programs to receive City waste collection and buildings will not be allowed to choose free City recycling services and private waste collection. In order to receive the above rebates, single- and multi-unit residential dwellings must receive City solid waste collection service. Any solid waste credits (e.g. the credit for the small waste bin, etc.) would be applied to the Toronto Water portion of the building’s utility bill and an appropriate internal adjustment would be made to debit the Solid Waste account and credit the Toronto Water account. The above fees will be updated annually through the Solid Waste Management Operating Budget submission to reflect the addition of new programs (e.g. the roll out of the Green Bin Program to multi-unit dwellings), and the collective diversion performance of the single- and multi-unit residential sectors (i.e. the number of small, medium, large and extra large waste bins being used).



As directed by Council, staff continues to work with local councillors and residents in areas with unique physical bin storage or set out challenges, such as older areas of downtown. The fees set out in this report may be modified in some cases to suit the local solution. For example if a home with demonstrated storage constraints uses two smaller bins instead of one larger bin, it would be billed for the one larger bin, etc.

### Amnesty Days

Council asked staff to examine the feasibility of offering three amnesty days per year and an amnesty for collecting additional waste at the time of a residential move. Amnesty days would provide residential customers with the opportunity to set out waste for free, outside of the solid waste rate structure. Amnesty days would, however, undermine one of the key purposes of the new volume-based rate structure, which is to provide a financial incentive to reduce waste. It would also result in a twofold financial impact of decreased revenues and increased costs to collect and dispose of waste.

With respect to revenue, amnesty days would allow customers to set out wastes that they would otherwise have to pay a fee for: either through the volume-based rate structure if set out curb side; or through tipping fees if delivered to a transfer station.

Toronto does not currently provide this service so it is difficult to accurately estimate the volume of waste that would be set out by each household on amnesty days. However, if each of the 482,000 single family (curb side collection) customers set out 20 kg of waste per amnesty day, it would represent 9,640 tonnes of waste per amnesty day (28,920 tonnes for three amnesty days). This translates into approximately \$ 1 million in lost revenue (assuming a transfer station tip fee of \$100 less a \$65 disposal cost). If 10% of the curb side customers (i.e. 48,200) were able to choose a smaller waste bin because of this, it would represent an additional \$ 3 million in lost revenue per year based on an average savings of about \$ 66 per year to reduce bin size. Combined, this represents an estimated \$ 4 million per year in lost revenue.

Multi-unit residential (bulk lift) customers typically receive waste collection twice a week, giving them 104 collections per year. Each amnesty day would therefore represent about 1/104 (or about 1%) of their collection days. At 1%, based on 526,000 residences, each multi-unit amnesty day would represent about \$1 million in lost revenue. Three amnesty days would represent \$3 million per year in lost revenue.

Combined, three amnesty days per year could represent \$7 million per year in lost revenue.

Moving-out amnesty days will also result in lost revenue. If 5% of single family households move each year, it would mean 24,100 moving-out amnesty days. However, if each of the 24,100 households set out 200 kg on moving-out day, it would mean 4,820 tonnes per year of waste that would otherwise be paid revenue at our transfer stations at about \$100 per tonne for \$482,000 per year in lost revenue.

The number of multi-unit residential moves is expected to be higher. If 10% of multi-unit residents move each year, it would mean 52,600 moves. If each one set out 100 kg, it would mean 5,260 tonnes per year of waste and \$526,000 per year in lost revenue. Finally, large multi-unit buildings could claim move-out waste each collection cycle, making measurement, administration and enforcement difficult.

Combined, move-out days could result in approximately \$1 million per year in lost revenue.

In terms of the cost to provide this service, amnesty days and move-out days typically result in a mixture of small and large waste, including some construction and renovation waste, meaning the waste could not be collected with the new automated collection vehicles and the City would need to add a fleet of two-person, rear loading collection vehicles. It is estimated that the city would require 50 trucks/crews for amnesty days and four trucks/crews for move-out days at a cost of about \$2 million per year. If the City wanted to divert any of the amnesty day waste, it would have to be collected in non-compacting trucks at about twice the cost.

Combined, three amnesty days per year plus a moving-out amnesty could result in \$8 million in lost revenue and \$ 2 million in added costs for a total negative financial impact of \$ 10 million per year and would represent an additional Operating Budget pressure.

If amnesty days and/or moving-out amnesty days are approved, the above costs would need to be added to the volume-based rate structure.

Along with the negative financial impact, amnesty days would undermine the six item limit, the ban on construction and renovation waste and the overall purpose of the volume-based rate structure, which is to divert waste. If amnesty days are approved, it is recommended that the City's current waste bans remain in place.

Finally, residents who take full advantage of the City's recycling, composting and durable goods programs should have little need for amnesty days.

Amnesty days are therefore not recommended.

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## SIGNATURE

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Geoff Rathbone  
General Manager  
Solid Waste Management Services

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Joseph P. Pennachetti  
Deputy City Manager and  
Chief Financial Officer

### Attachment

“A” - Residential Solid Waste Rate Structure, 2008 Fees

“B” - Residential Solid Waste Rate Structure, Billing Details and Administrative Fees

## **Attachment “A” - Residential Solid Waste Rate Structure, 2008 Fees**

The 2008 solid waste fees for residential curb side collection (i.e. single family residential buildings including town homes and small multi-unit dwellings receiving curb side collection) are set out in Table 1.

**Table 1: 2008 Fees for Residential Curb Side Collection**

Item	Description	Small	Medium	Large	Extra Large
1	<b>Annual Waste Fees and Rebates</b>				
	<b>(\$/dwelling/year)</b>				
	Annual Base Fee	\$209.00	\$209.00	\$209.00	\$209.00
	Annual Bin Size Fee Adjustment	(\$10.00)	\$39.00	\$133.00	\$190.00
	Total Annual Fee	\$199.00	\$248.00	\$342.00	\$399.00
	Less Annual Rebate	(\$209.00)	(\$209.00)	(\$209.00)	(\$209.00)
	Net Annual Fee	(\$10.00)	\$39.00	\$133.00	\$190.00
2	<b>Bin Exchange Fees (\$/Exchange)</b>				
	Waste Bin downsizing	\$0.00	\$0.00	\$0.00	\$0.00
	Other Bin Exchanges - First 3 Months	\$10.00	\$10.00	\$10.00	\$10.00
	Other Bin Exchanges - After 3 Months	\$20.00	\$20.00	\$20.00	\$20.00
3	<b>Replacement of Lost or Stolen Bins</b>	\$50.00	\$55.00	\$60.00	\$65.00
	<b>(\$/Replacement)</b>				
4	<b>Bag Tags (\$/Tag)</b>	\$3.10	\$3.10	\$3.10	\$3.10

Notes:

1. All residential curb side collection dwelling units, including town homes and small multi-unit dwellings receiving curb side collection, will be billed the annual base fee and the bin fee adjustment for their selected bin regardless of usage.
2. For partial years due to in-year program introduction, waste bin exchanges or changes in ownership, annual fees and rebates will be prorated on a daily basis.
3. Waste fees will be calculated and billed at the same frequency as water bills.
4. Annual fees are based on un-compacted waste. If a household uses a specialized in-home compactor to reduce its waste volume and, as a result, uses a smaller sized waste bin, the General Manager reserves the right to increase the annual fee for the household to a larger sized waste bin to compensate for the compaction.
5. For customers with the small waste bin, any solid waste credit will be applied to the Toronto Water portion of the utility bill.
6. In order to receive the above rebates, customers must receive City solid waste collection service.
7. The above fees will be updated annually through the Solid Waste Management Operating Budget submission.
8. Residents will be permitted one free exchange of their blue recycling bin prior to November 1, 2008.

The 2008 solid waste fees for residential bulk collection (i.e. multi-unit residential buildings including town homes receiving bulk waste collection) are set out in Table 2a (annual) and Table 2b (monthly). Equivalent bin size determination is shown in table 2c (per unit) and 2d (for a typical 100 unit building).

**Table 2a: 2008 Annual Fees for Residential Bulk Collection**

Item	Description	Small	Medium	Large	Extra Large
1	<b>Annual Waste Fees and Rebates</b>				
	<b>Per Dwelling Unit</b>				
	<b>(\$/unit/year)</b>				
	Annual Base Fee	\$157.00	\$157.00	\$157.00	\$157.00
	Annual Bin Size Fee Adjustment	(\$7.00)	\$18.00	\$48.00	\$78.00
	Total Annual Fee	\$150.00	\$175.00	\$205.00	\$235.00
	Less Annual Rebate	(\$157.00)	(\$157.00)	(\$157.00)	(\$157.00)
	Net Annual Fee	(\$7.00)	\$18.00	\$48.00	\$78.00
2	<b>Fee for Waste beyond Extra Large</b>				
	<b>(\$/cubic yard)</b>				
	Un-compacted Waste	\$9.56	\$9.56	\$9.56	\$9.56
	Compacted Waste	\$28.67	\$28.67	\$28.67	\$28.67

**Table 2b: 2008 Monthly Fees for Residential Bulk Collection**

Item	Description	Small	Medium	Large	Extra Large
1	<b>Monthly Waste Fees and Rebates</b>				
	<b>Per Dwelling Unit</b>				
	<b>(\$/unit/month)</b>				
	Monthly Base Fee	\$13.08	\$13.08	\$13.08	\$13.08
	Monthly Bin Size Fee Adjustment	(\$0.58)	\$1.50	\$4.00	\$6.50
	Total Monthly Fee	\$12.50	\$14.58	\$17.08	\$19.58
	Less Monthly Rebate	(\$13.08)	(\$13.08)	(\$13.08)	(\$13.08)
	Net Monthly Fee	(\$0.58)	\$1.50	\$4.00	\$6.50
2	<b>Fee for Waste beyond Extra Large</b>				
	<b>(\$/cubic yard)</b>				
	Un-compacted Waste	\$9.56	\$9.56	\$9.56	\$9.56
	Compacted Waste	\$28.67	\$28.67	\$28.67	\$28.67

**Table 2c – Equivalent Bin Size Determination**

Equivalent Bin Size	Uncompacted Waste Set Out per Month (yd <sup>3</sup> /unit/month)	Compacted Waste Set Out per Month (yd <sup>3</sup> /unit/month)
Small	0.000 – 0.142	0.000 - 0.047
Medium	0.143 – 0.227	0.048 - 0.076
Large	0.228 – 0.453	0.077 – 0.151
Extra Large	0.454 – 0.680	0.152 - 0.227

**Table 2d – Equivalent Bin Size Determination For a Typical 100 Unit building**

Equivalent Bin Size	Uncompacted Waste Set Out per Month (yd <sup>3</sup> /month)	Compacted Waste Set Out per Month (yd <sup>3</sup> /month)
Small	0.0 – 14.2	0.0 – 4.7
Medium	14.3 – 22.7	4.8 - 7.6
Large	22.8 – 45.3	7.7 – 15.1
Extra Large	45.4 – 68.0	15.2 - 22.7

## Residential Bulk Collection Notes:

1. Waste in excess of 0.680 cubic yards per unit per month for un-compacted waste, or 0.227 cubic yards per unit per month for compacted waste, will be billed on a cubic yard basis at the rates set out in the above Tables.
2. The above fees are based on a mandatory, all-or-nothing service. That is, buildings must fully participate in the City’s diversion programs to receive City waste collection. Similarly, buildings will not be allowed to choose free City recycling services and private waste collection.
3. Waste fees will be calculated and billed monthly.
4. For partial months due to in-month program introduction or changes in ownership, monthly fees and rebates will be prorated on a daily basis.
5. Fees are based on waste being un-compacted or compacted to a 3:1 compaction ratio. If a building’s waste is more densely compacted and, as a result, uses smaller or fewer waste bins, the General Manager reserves the right to increase the fees for the building to compensate for the compaction.
6. In order to receive the above rebates, multi-unit residential dwellings must receive City solid waste collection service.
7. Any solid waste credits (e.g. the credit for the small waste bin, etc.) would be applied to the Toronto Water portion of the building’s utility bill.
8. The above fees will be updated annually.
9. Multi-unit bin sizes are  $\frac{2}{3}$  the volume of equivalent single family bins.

## **Attachment “B” - Residential Solid Waste Rate Structure, Billing Details and Administrative Fees**

### **Utility Bill:**

The solid waste fees will be combined with water and sewer fees (the “Utility fees and charges”) and will be billed in-cycle with the existing established water accounts to form a new “utility” billing (the “Utility Bill”).

### **Billing frequency:**

In respect of a property with a meter, the City will issue a Utility Bill three times per year or monthly based on the existing volume classification thresholds; and where a property is not equipped with a meter, the City will issue a Utility Bill two times per year except for properties in the former City of Etobicoke wherein three Utility Bills per year will be issued.

The City may issue a Utility Bill at a time other than or more frequently than described above in the event of a demolition, change in ownership, change/new selection of a solid waste bin, revised volume/tip information (multi-residential clients) and a water meter change or actual water meter read.

The solid waste rebate will be represented as a credit within the solid waste component of the Utility Bill. The credit amount will be prorated based on the existing water bill cycle to reflect a full year rebate amount. Any credit amount within the solid waste component of the Utility bill will be applied to the applicable water charge due.

### **Start Dates:**

Multi-residential volume based solid waste rate structure will commence on or about July 1, 2008 and the single family residential curb-side volume rate structure will commence on or about November 1, 2008.

### **Due dates:**

The due dates of the Utility Bill will be set at the discretion of the City’s Deputy City Manager and Chief Financial Officer, but in no event shall it be any sooner than 21 calendar days from the date the utility bill is issued.

**Payment options:**

Available payment options for the Utility Bill:

- City Hall, North York Civic Centre, Etobicoke Civic Centre, East York Civic Centre, Scarborough Civic Centre and York Civic Centre enquiry/cashier counters;
- by mail – Treasurer City of Toronto (Box: 6000 Stn A);
- at City of Toronto payment drop boxes;
- at most financial institutions (teller, automatic teller, telephone or internet banking, if this service is provided by your financial institution); and
- pre-authorized payment programs {notification letters will go out to existing pre-authorized water clients indicating, rate-payers will be required to notify the City if you wish to cancel enrolment in the combined “utility” (water and solid waste) program}.

The following methods of payment will be accepted for the payment of the Utility Bill:

- cash;
- cheque;
- money order; and
- debit card where payment is made in person.

**Dishonoured cheque/payment processing fee:**

A dishonoured cheque/payment processing fee of \$35 shall be added to any Utility Bill for which payment was returned by a bank or other financial institution for reasons such as insufficient funds being available in the account upon which the cheque was drawn, and this fee shall form part of the Utility fees and charges owing.

**Unpaid utility fees and charges:**

All unpaid Utility Bills are a debt due to the City and the City may take such action as it considers necessary and as permitted by law to collect the debt. In situations, where a partial payment is remitted and there remains outstanding utility amount due, the payment will be applied in proportion to the billed water charge and solid waste fee amounts.



### **Administration Fee and responsibility for Utility Bills:**

The registered owner of the property will be responsible for the payment of the Utility Bill, and if the property has more than one owner, each owner will be jointly and severally liable for payment of the account.

An owner may direct the City to send the Utility Bill to another person in addition to the registered owner provided the registered owner acknowledges that the registered owner will remain liable for payment.

To facilitate the additional customer service deliverable of an additional Utility Bill, if requested by the registered owner, a recommended administration fee of \$16.00 per additional copy of the Utility Bill issued is required to cover the direct costs associated with identifying and tracking each of these additional billing requests, producing extracts from the Utility billing system to send to the printer to produce the additional Utility Bills, and the direct costs of paper, printing and postage.

The administration fee will be applied directly to the Utility Bill upon issuance.

Therefore:

- effective July 1, 2008, a new administration fee of \$16 per additional Utility Bill be implemented to produce and issue an additional Utility Bill to another person upon the request of the registered owner; and
- the fee for the additional Utility Bill be increased each year effective January 1<sup>st</sup>, by a percentage equal to the percentage increase in the All Item Index of the Consumer Price Index (not seasonally adjusted) for the Toronto Census Metropolitan area (C.P.I) for the period of October 1 to September 30 of the immediately preceding year.

### **Adjustments:**

Where it is determined that an account is incorrect as the result of any error on the part of the City or City owned equipment, ownership change, an incorrect solid waste cart or container, incorrect billing volumes/number of tips for multi-residential clients has been applied, that a water meter is defective, that a read out unit is inaccurately recording the amount of water consumed, that a meter's dial capacity is incorrect, City staff may adjust the account, specific to the applicable billing period, in order to ensure that the appropriate charges and/or fees are paid in respect of said property. Any such adjustments would be reflected on the next Utility Bill.

### **Late payment charges:**

Late payment charges shall be added to all or any unpaid portion of the Utility Bill that is due and payable at the rate of 1.25 percent on the first day of default, and every 30 days

thereafter on the principal amount owing during such time as the default continues (15% per annum), and such late payment charges shall form part of the fees or charges owing.

**Collection of arrears and adding charges and fees to the tax roll:**

The City will send an overdue notice by prepaid mail to the registered owner and to anyone else to whom additional bills have been directed, setting out the amount of Utility fees and charges that remain unpaid 14 calendar days after they are due to be paid. The City will send a transfer to tax notice by prepaid mail to a registered owner and to anyone else to whom additional bills have been directed, with respect to Utility fees and charges that remain unpaid 28 calendar days after they are due to be paid. Such notice will advise the recipients that unless the amount specified in the notice is paid in full within 30 calendar days of the notice date, the Utility fees and charges in arrears that remain outstanding at that time will be transferred to the real property tax roll. Effective January 1, 2008, the Ontario Government through *Ontario Regulation 567/07* provided the City of Toronto priority lien status for solid waste fees and charges.

Where all or part of Utility fees and charges are added to a tax roll, the Utility fees and charges will be collected in a like manner to municipal taxes. All registered owners of real property to whose tax roll the Utility fees and charges are added shall be liable jointly and severally for paying such fee or charge.