

Review of Landfill Disposal Fees Delegation

Date:	October 19, 2009
To:	Budget Committee
From:	General Manager, Solid Waste Management Services
Wards:	All
Reference Number:	p:/2009/swms/Oct./019BA

SUMMARY

As requested by City Council, this report is to provide an annual update to the Budget Committee on the exercise of the delegated authority by the Director of Transfer and Disposal Operations, Solid Waste Management, for the period from October 1, 2008 to September 30, 2009 in determining disposal fees for the Green Lane Landfill.

A second review of a similar nature by the City's Internal Audit Division will take place in 2010.

Financial Impact

There are no Financial Impacts as a result of this report.

ISSUE BACKGROUND

City Council on December 1, 2 and 3, 2008, adopted the following motions:

1. City Council adopt the ranges of Green Lane Landfill waste disposal fees set out in Attachment 1 for various types of waste brought to the Green Lane landfill other than through Toronto's waste collection system.
2. Subject to the adoption of Part 1, the Director, Transfer and Disposal Operations, Solid Waste Management Services, be delegated the authority to establish waste disposal fees within the ranges of fees for the types of waste set out in Attachment 1, and any similar wastes, subject to the condition that the process set out in

Attachment 2 be approved as the basis upon which the Director, Transfer and Disposal Operations, Solid Waste Management Services, is authorized to establish the disposal fees.

3. The City's Internal Auditor review the exercise of the delegated authority for disposal fees at the Green Lane Landfill within the first year after its authorization and thereafter any further reviews be undertaken at the Internal Auditor's discretion.
4. The establishment of waste disposal fees in accordance with the delegated authority authorized in Part 2 be specifically excluded from the interim notice policy and any future notice policy.
5. The General Manager, Solid Waste Management Services, consult regularly with the Internal Auditor and report back to the Budget Committee each year on the exercise of this delegated authority, whether the delegated authority should continue, and if so, any recommended changes to the delegated authority.

City Council Decision document can be viewed at (relevant pages from 16 to 17):
<http://www.toronto.ca/legdocs/mmis/2008/cc/decisions/2008-12-01-cc27-dd.pdf>

Staff Report and Attachments can be viewed at:
<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-16645.pdf>

Attachment 1 – Types of Waste and Applicable Fees Ranges can be viewed at:
<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-16646.pdf>

Attachment 2 – Process for the Exercise of Discretion can be viewed at:
<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-16647.pdf>

COMMENTS

The Green Lane landfill is a City asset which provides long term disposal for residual waste from residents of the City of Toronto. The Solid Waste Management Services Operating Budget for the Green Lane Landfill includes revenue from waste disposal fees which are required to off-set operating expenses and allow the landfill to be self funding over its life.

Solid Waste Management Services Division needed to establish tipping fees on a case by case, customer-specific basis at the Green Lane landfill in order to respond to fluctuating demand for landfill services in the marketplace. This flexibility in establishing fees would ensure that revenue goals are met in order that the landfill remains self sustaining, and conserve landfill space for municipal needs.

City Council delegated the authority to establish disposal fees at the Green Lane Landfill to the Director, Solid Waste Management Services, Transfer and Disposal Operations.

Fee ranges applicable to different types of waste and tonnage ranges, as well as decision-making factors for establishment of fees, were presented to City Council at the time delegation of authority was sought. In addition, the Director undertook to keep a record of all decisions with respect to the establishment of fees, including the reasons for determining a particular fee and associated revenue projections.

The Internal Audit Division conducted a review of the disposal fees that were set by the Director, Transfer and Disposal Operations, during the period October 1, 2008 to September 30, 2009. Based on the results of this review, Internal Audit has concluded that the rates were determined in accordance with the predetermined ranges of rates applicable to tonnage requirements and material types, and the reasons for rate determination were adequate, recorded and filed. Thus City's Internal Audit Division recommends the continuation of the current delegated authority process for landfill disposal fees.

The delegated landfill fees authority continues to provide the Solid Waste Management Services Division with the flexibility required to establish tipping fees at the Green Lane Landfill in response to market conditions and fluctuating demand for landfill disposal services.

CONTACT

George South, Director, Transfer & Disposal Operations, Solid Waste Management Services, Telephone 416-392-4687, Fax: 416-397-1348, E-mail: gsouth@toronto.ca

Ruvani Shaubel, Director, Internal Audit Division, Telephone 416-392-8034, Fax 416-338-2167, E-mail: rshaubel@toronto.ca

SIGNATURE

Geoff Rathbone
General Manager
Solid Waste Management Services