



Solid Waste Management Services

2010 Capital & Operating Budget

Executive Committee – November 2, 2009





Long-Term Strategic Direction

- Multi-Year Business Plan approved by Council in 2005

- Target 70 approved by Council in 2007
 - ❖ Create Solid Waste Utility
 - 100% rate supported operating and capital budgets

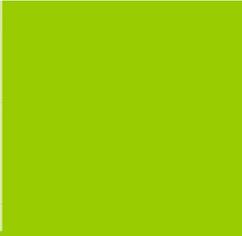
 - ❖ Volume based Solid Waste Rate
 - Drives waste diversion behaviour change
 - Generates \$54M incremental annual revenue to support new diversion initiatives with a projected annual rate increase of 3.5%

 - ❖ Detailed plan to move from 42% to 70% diversion
 - Extends volume based Green Lane Landfill life to 2034



The 2010 Budget Provides:

- A balance of fiscal constraint with a continued commitment to the implementation of diversion initiatives.
- A continuing commitment to build infrastructure to support the long term diversion goals.
- Long term disposal capacity as waste transitions to the City's Green Lane Landfill and dependence on disposal in Michigan is eliminated.
 - ❖ Truck Shipments down from 142 per day to 75 per day
 - ❖ On track to stop all shipments to Michigan by December 31, 2010
 - Redirect all waste to the Green Lane Landfill



Enhanced Service Levels

- Complete roll-out of door-to-door curbside service for townhomes
- Roll-out Blue Bin & Green Bin service for residential units above commercial
- Extend household special waste depot operations to 5 days per week
 - ❖ Pilot multi-unit mobile depot for MHSW and Electronics
- Replace and upgrade existing street litter/recycle bins



TARGET
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Solid Waste Management Services 2010 – 2019 Capital Budget

GARBAGE
— is changing. —

Which of these four sizes of new Garbage Bins will work for you? Watch the mail for your Garbage Bin order package detailing fees and bin capacities. Visit Toronto.ca/target70 for more information.

TARGET 70 TORONTO



New Infrastructure to Support Waste Diversion & Disposal Security

➤ New Diversion Facilities

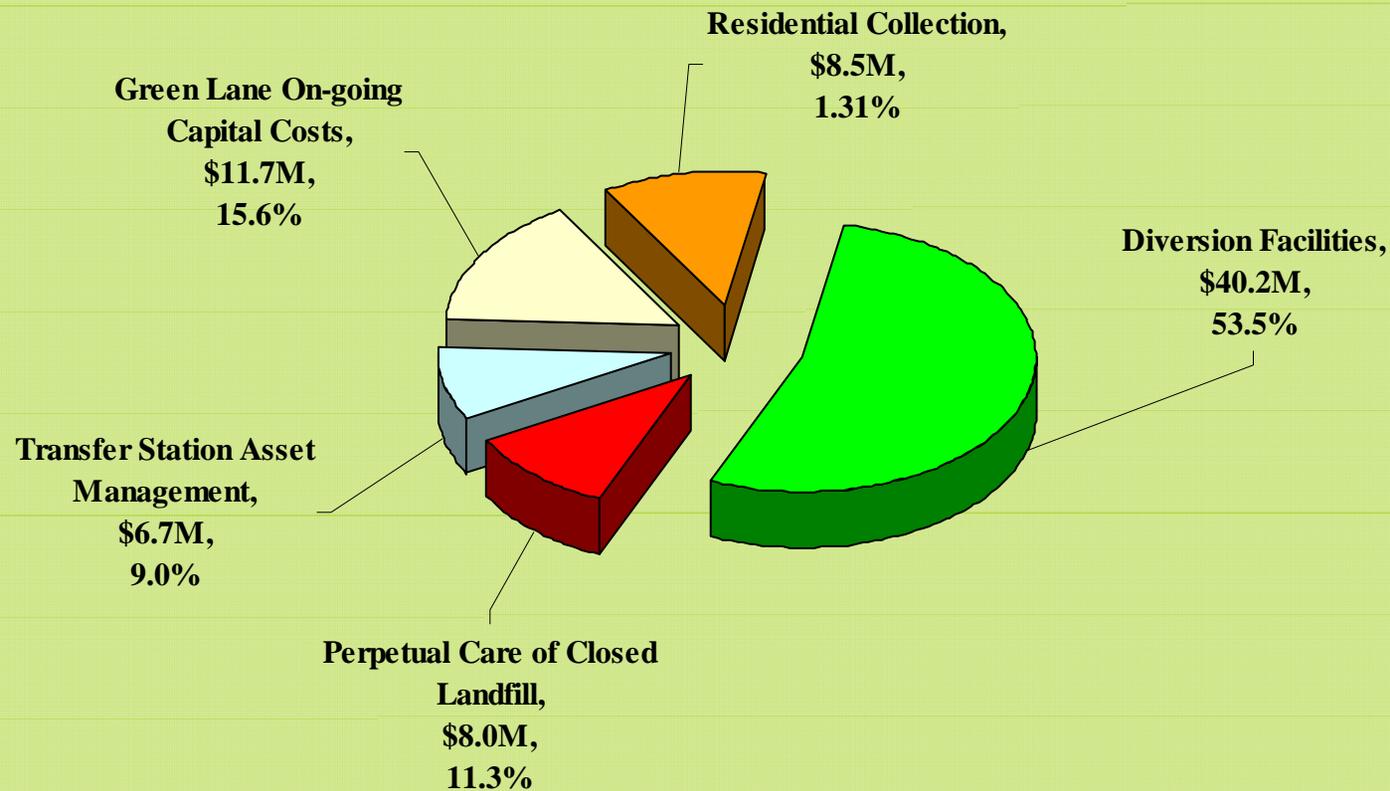
- ❖ Green Bin processing at the Disco Transfer Station
- ❖ Next generation recycling processing facility
- ❖ Mixed waste treatment facility adjacent to the Green Lane Landfill
- ❖ Household durable goods reuse and recycling centres

➤ Disposal Security

- ❖ Landfill infrastructure improvements in preparation for the closure at the Michigan Border at the end of 2010
 - New cell development
 - Leachate system upgrades
 - Landfill gas recovery systems

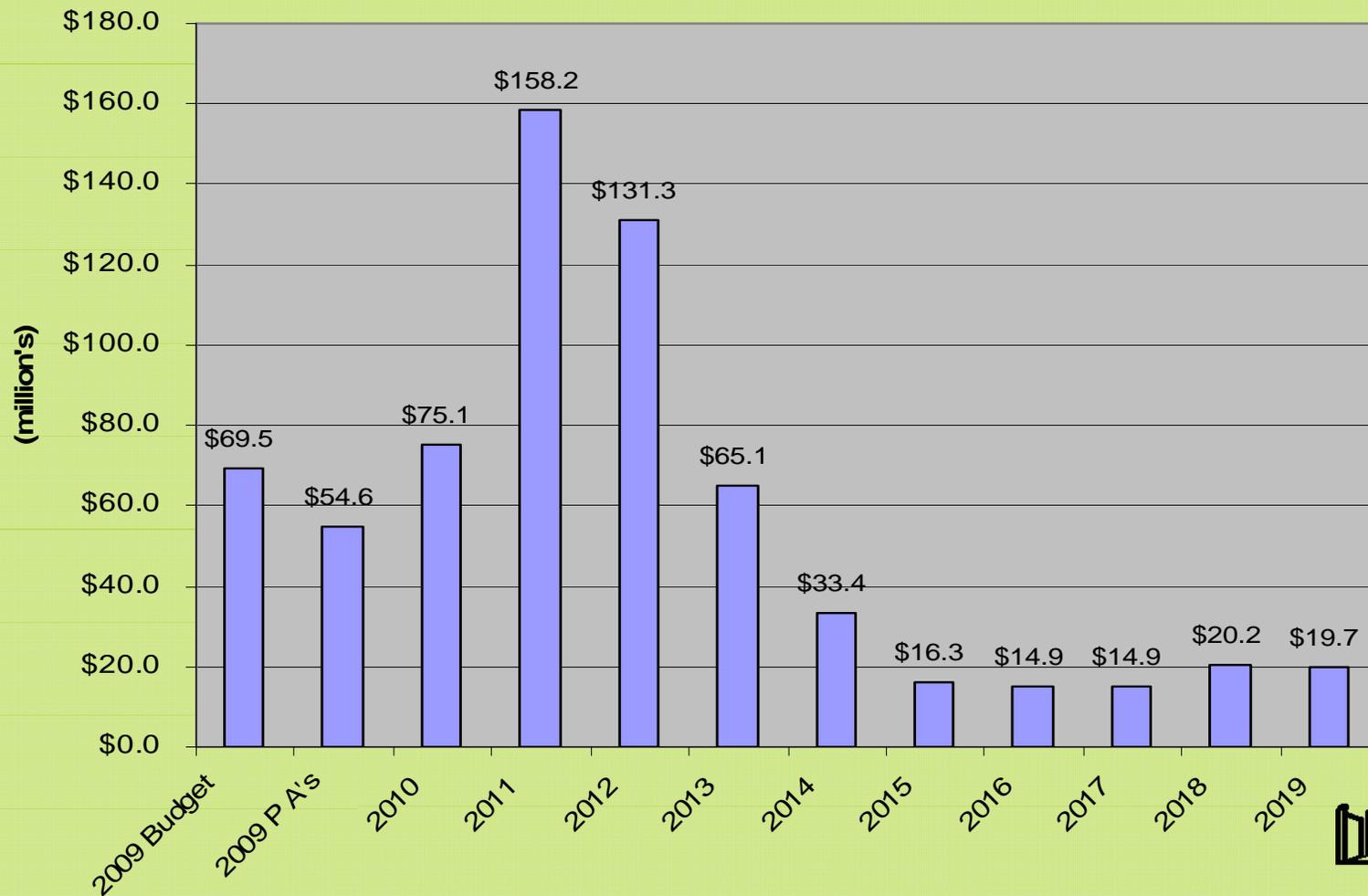


Summary of 2010 Recommended Cash Flow by Project (\$75.1M)





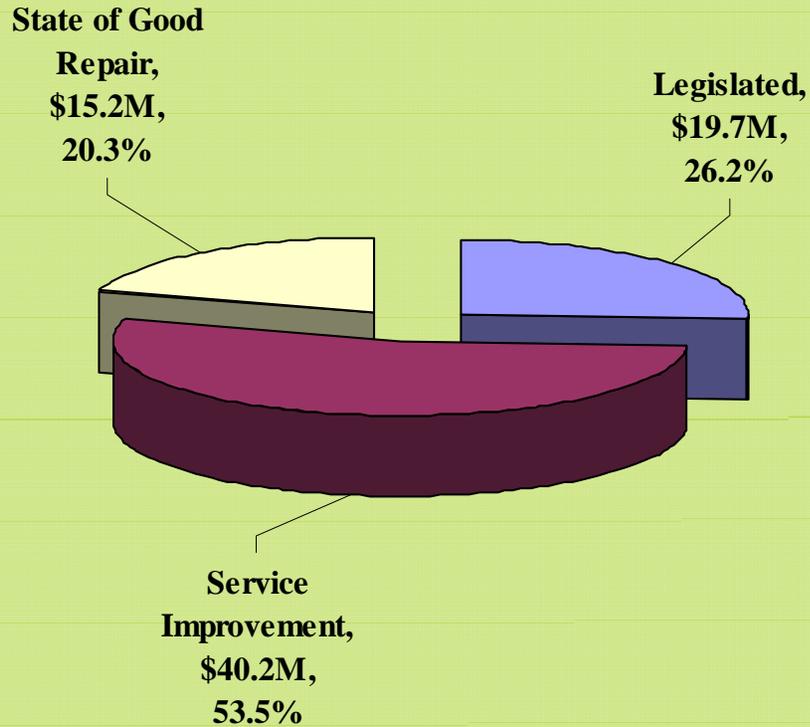
Projected Capital Expenditures: 2010-2019 - \$M



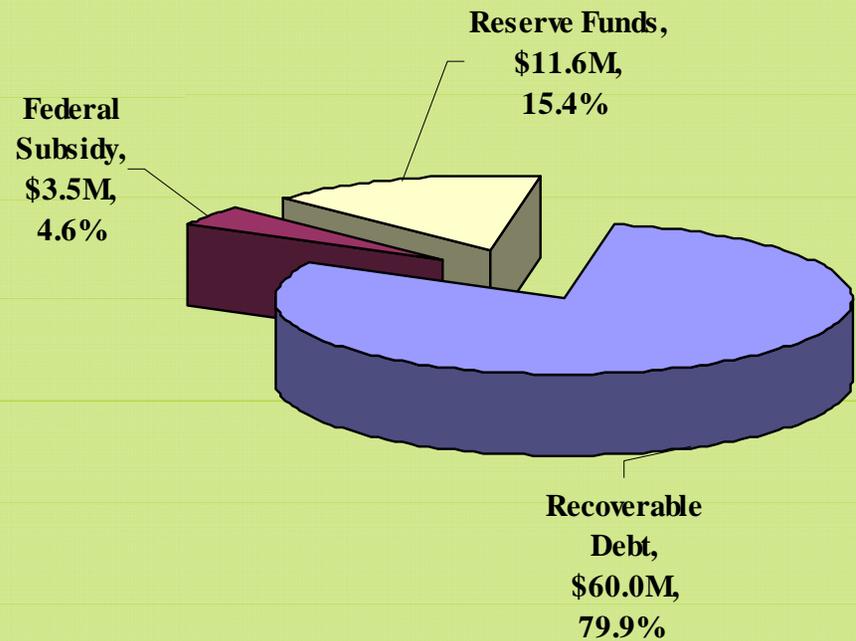


2010 Recommended Cash Flow By Category and Financing Source - \$75.1M

By Category



By Financing Source





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Solid Waste Management Services 2010 Operating Budget





2010 Major Base Pressures & Offsets

| | \$M's |
|---|---------------|
| Single Stream Recycling (Expenditure & Revenue) | 9.9 |
| Debt Charges | 5.2 |
| COLA & Economic Factors | 3.7 |
| SSO In Multi-Res & Durable Goods | 2.4 |
| Other | 0.2 |
| Reduced Tonnage to Landfill | (5.5) |
| WDO Funding | (1.4) |
| Emerald Ash Borer | (0.9) |
| Fuel Price Adjustments | (0.9) |
| Total Pressures & Offsets | \$12.7 |
| % Increase Pressure | 5.3% |



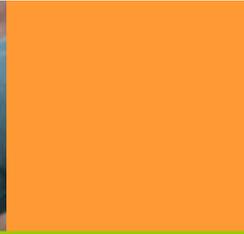
Efficiencies (Not Impacting Diversion)

| | \$M's |
|--|--------------|
| Total Pressures & Offsets | 12.7 |
| Reduce Collection Operating Cost | (1.8) |
| Reduce Litter Operating Costs | (1.2) |
| Reduce Overtime | (0.6) |
| Reduce Transfer Station Operating Costs | (0.5) |
| Other | (0.3) |
| Total Efficiencies | (4.4) |
| Utility Revenue Increase Pressure | \$8.3 |
| % Increase Pressure | 3.5% |



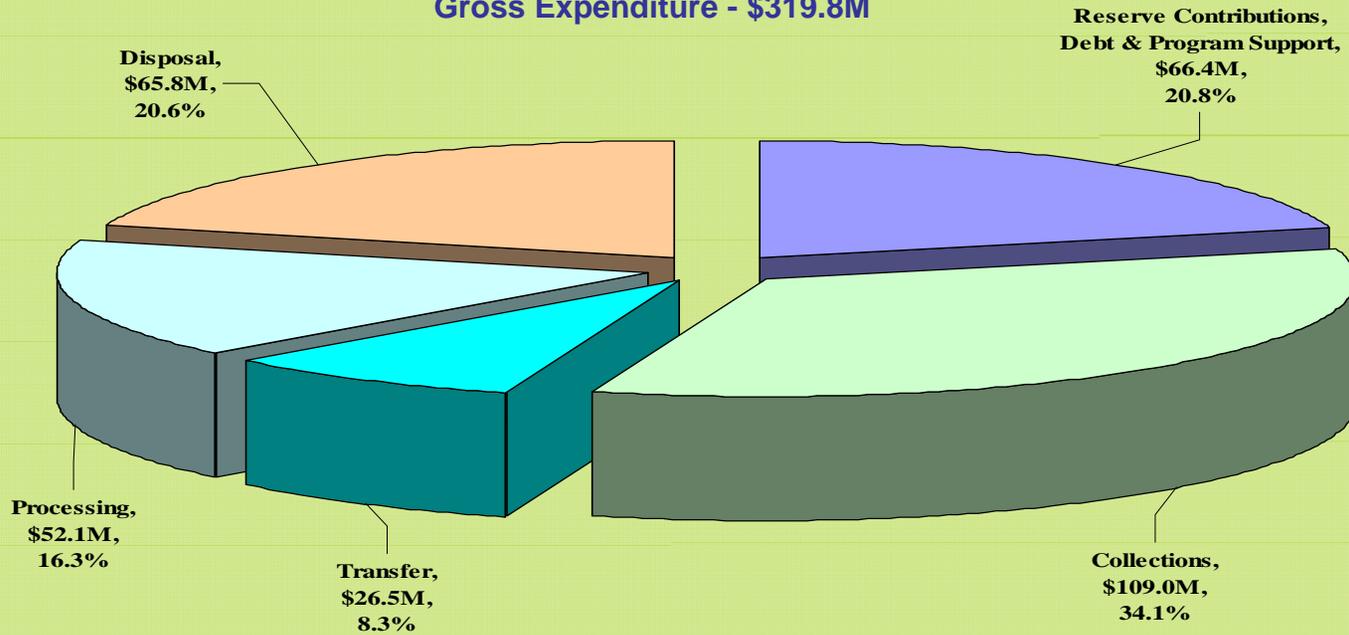
Extend Timeline for the Roll-Out of Major Diversion Initiatives

| | \$M's |
|--|--------------|
| Net Pressures After Efficiencies | 8.3 |
| Extend Roll-out Timeline of SSO in Multi-Residential Buildings | (1.9) |
| Extend Roll-Out Timeline of Durable Goods Program | (1.6) |
| Total of Major Diversion Initiatives Deferred | (3.5) |
| Utility Revenue Increase Required | 4.8 |
| Labour Disruption Savings Allocation | (4.8) |
| % Increase Recommended | 0.0% |



2010 Expenditures By Service

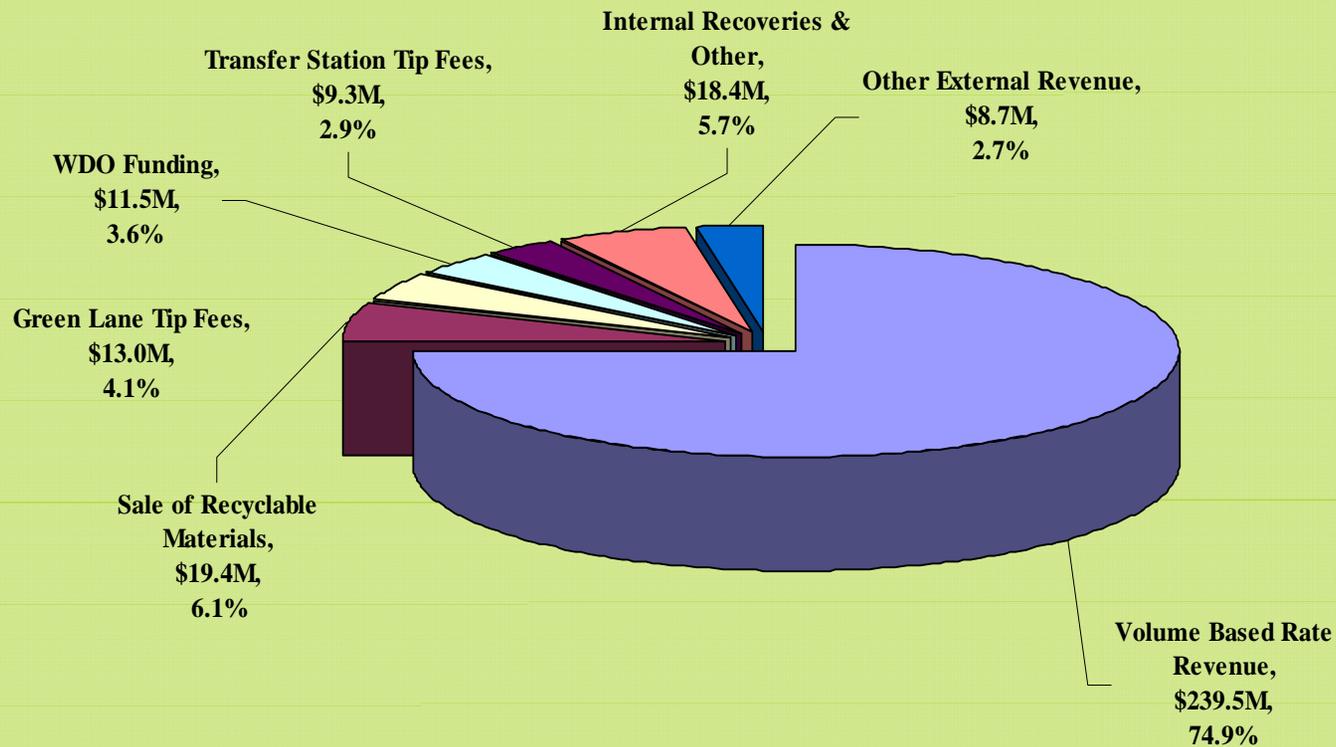
Gross Expenditure - \$319.8M



| | 2009 Approved Budget | 2010 Requested Budget | \$ Increase (Decrease) | % Incr. (Decr.) |
|--------------------|----------------------------|-----------------------------|---------------------------|--------------------|
| Gross Expenditures | 318,986.7 | 319,821.4 | 834.8 | 0.3% |
| Revenues | 318,986.7 | 319,821.4 | 834.8 | 0.3% |
| Net | 0.0 | 0.0 | 0.0 | |
| No. of Positions | 1,371.8 | 1,324.1 | (47.7) | (3.5%) |



2010 Revenue Sources (\$319.8M)





Recent Program Efficiencies per PWI Request

- 2008
 - ❖ Harmonization / Re-routing resulting in the elimination of \$4.3M related to the former Municipality of York private collection contract
- 2009
 - ❖ Further collections efficiencies resulting in savings of \$2.0M
- 2010
 - ❖ Litter Service, Collection and Transfer efficiency savings of \$4.1M

Total 3 Year Efficiencies

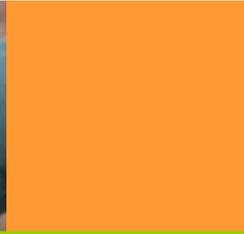
\$10.4M



Diversion Projections Based on 2.0% Rate Increase

| | 2008 Actual | 2009 Projected | 2010 Estimate * |
|---------------------------------------|-------------|----------------|-----------------|
| Single-Unit Homes | 59% | 61% | 65% |
| Multi-Unit Residences | 15% | 19% | 22% |
| City Facilities / Public Space | 43% | 46% | 50% |
| Over-All | 44% | 46% | 50% |

* The annual diversion percentages shown on this table are an average for the year. Expansion of diversion initiatives during the year will continue to increase diversion percentages. For 2010, in particular, single-family homes show a 65% annual diversion rate, while the actual number in the later months will be approaching 70% on a run rate basis.



Recommended 2010 Residential Solid Waste Fees

2010 Residential Curbside Collection Fees

| | |
|------------------------------|---------|
| Annual Garbage Fee (per Bin) | |
| Small Bin | \$199 |
| Medium Bin | \$248 |
| Large Bin | \$342 |
| Extra Large Bin | \$399 |
| Annual Rebate (per Account) | (\$209) |

2010 Residential Bulk Collection Fees

| | |
|---|---------|
| Annual Garbage Fee (per Unit) | |
| Small Bin Equivalent | \$150 |
| Medium Bin Equivalent | \$175 |
| Large Bin Equivalent | \$205 |
| Extra Large Bin Equivalent | \$235 |
| Fee for excess waste: un-compacted (per cubic yard) | \$9.56 |
| Fee for excess waste: compacted (per cubic yard) | \$28.67 |
| Annual Rebate (per Account) | (\$157) |

Residential Bag Tag Fees

| | |
|-------------------------|--------|
| Residential Bag Tag Fee | \$3.10 |
|-------------------------|--------|



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Background Materials



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Solid Waste Management Services Impact of Rate Increases on Solid Waste Management Reserve Fund

