



Solid Waste Management Services

2013 Recommended Operating & Capital Budget & 2014 – 2022 Capital Plan

November 7, 2012



Agenda

- Solid Waste Management Strategic Plan
- Program Overview
- 2012 Performance
- 2013 Recommended Operating Budget
- Capital Budget and Plan
 - 2013 Recommended Capital Budget
 - 2014 – 2022 Capital Budget and Plan

SWMS Mission and Vision

Mission Statement:

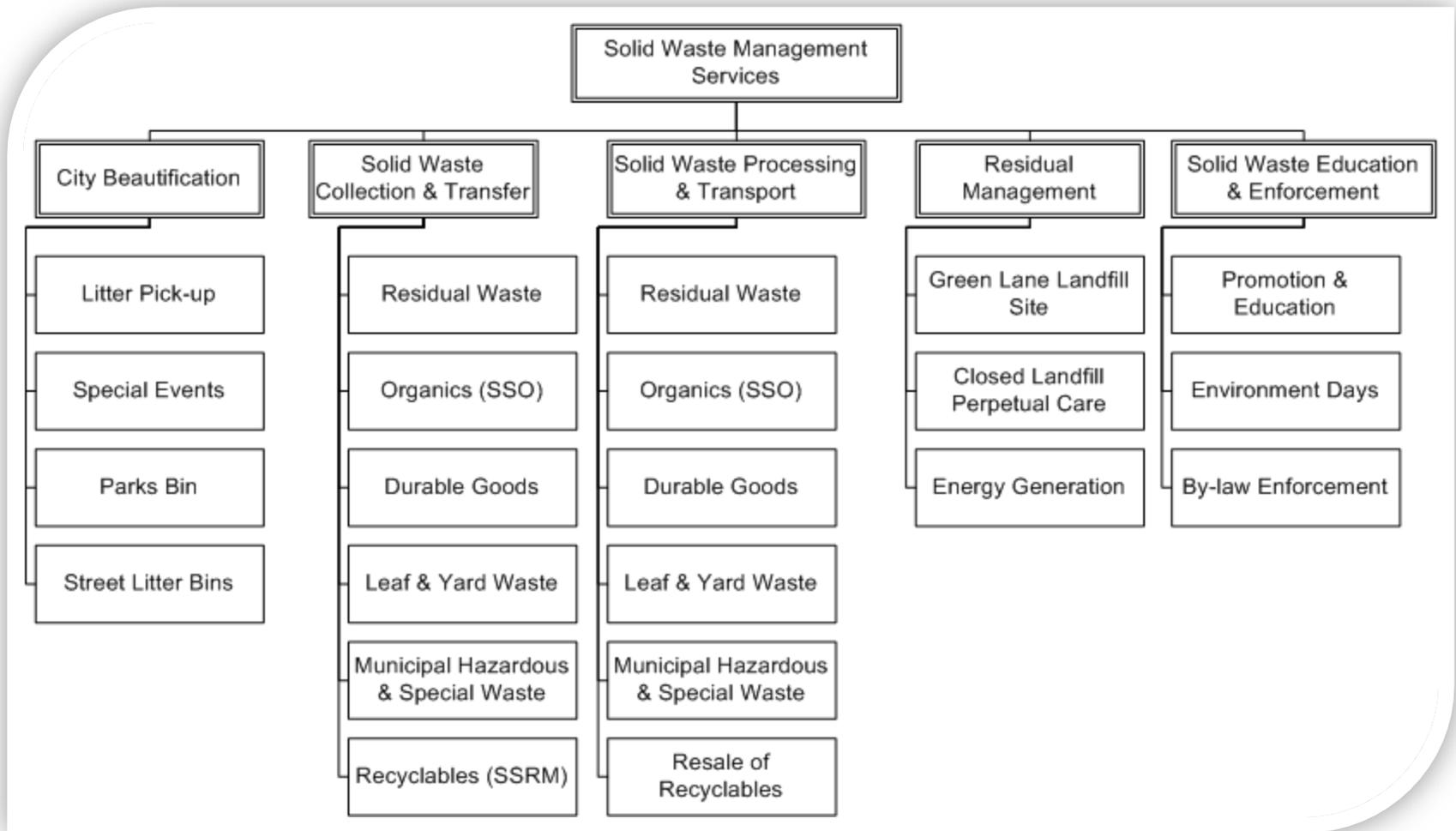
To provide innovative waste management services to residents, businesses and visitors within the City of Toronto in an efficient, effective and courteous manner, creating environmental sustainability, promoting diversion and maintaining a clean city.

Vision:

- To be an International Leader in the Operation of an Innovative and Sustainable Solid Waste Management Utility.



2012 Program Map



2012 – 2022 SWM Strategic Plan

Exceptional Customer Service

Customer Satisfaction

Accurate Customer Billing/Info

Public Consultation

Service Level Standards

Motivated and Engaged Employees

Safe Workplace

Excellent Workplace Culture

Talent Management Program

Staff Recognition

Well Trained Staff

Sustainable Utility

Revenue Enhancement

Sustainable Rate Structure

Long Term Waste Mgmt. Plan

Asset Mgmt Program

Operational Excellence

Optimize Technology

Strengthen Internal/External Partnerships

Environmental Stewardship

Continuous Improvement Program

Operational Mgmt System

Research and Education in SWM

Research New Technologies

Inform and Educate Stakeholders

Community Outreach

By-Law Management

5 Primary Objectives

1. Provide Exceptional Customer Service
2. Ensure Motivated and Engaged Employees
3. Operate a Sustainable Utility
4. Strive for Operational Excellence by Encouraging Innovation, Efficiencies and Continuous Improvement
5. Leadership in Research and Education in the Solid Waste Management Industry

Solid Waste Management Services - Assets



Total Value of Managed Assets: \$600 Million

- 7 Transfer Stations (6 with Household Hazardous Waste Depots)
- Green Lane Landfill
- 1 Material Recovery Facility (MRF)
- 1 Organics Processing Facility + (1 New Facility 2013)
- 1 Durable Goods Recycle Centre
- 4 Collection Yards and 1 Litter Collection Yard
- 161 Former Landfills
- Over 600 vehicles and pieces of equipment
- Over 1.4 million garbage, recycling and green bins

What do We Do?

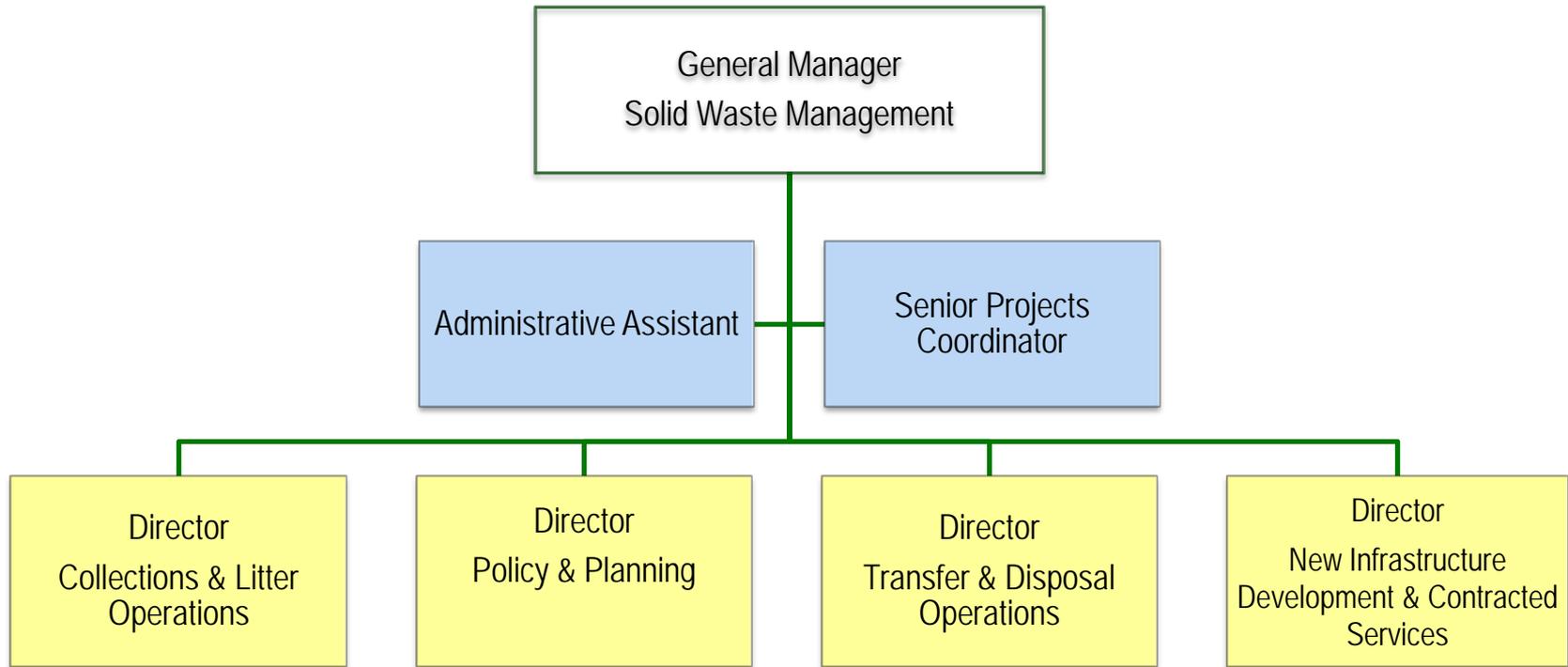
- Manage approximately 1 million tonnes of material annually
- Manage and dispose of approximately 450,000 tonnes municipal waste
- Manage and process over 200,000 tonnes of recycle material
- Manage and process over 130,000 tonnes of source separated organics
- Manage and process over 100,000 tonnes of leaf and yard waste
- Manage electronic and household hazardous waste programs
- Provide disposal services to York Region, City of Guelph, City of St. Thomas and other municipalities in the vicinity of Green Lane
- Collect litter from public right-of-ways
- Maintain and collect over 6000 litter/recycling bins
- Ensure the perpetual care of 161 closed landfill sites

Who Are Our Customers?

- Serve approximately 1 million homes and businesses
- 450,000 single unit homes
- 425,000 multi-unit homes
- 12,000 residential units above commercial
- 14,500 small commercial
- 6,000 litter/recycle bins & 1,000 Special Events/Year
- City Agencies, Boards, Commissions & Divisions
- Private commercial and industrial waste accepted at transfer stations and Landfill
- Other Municipalities

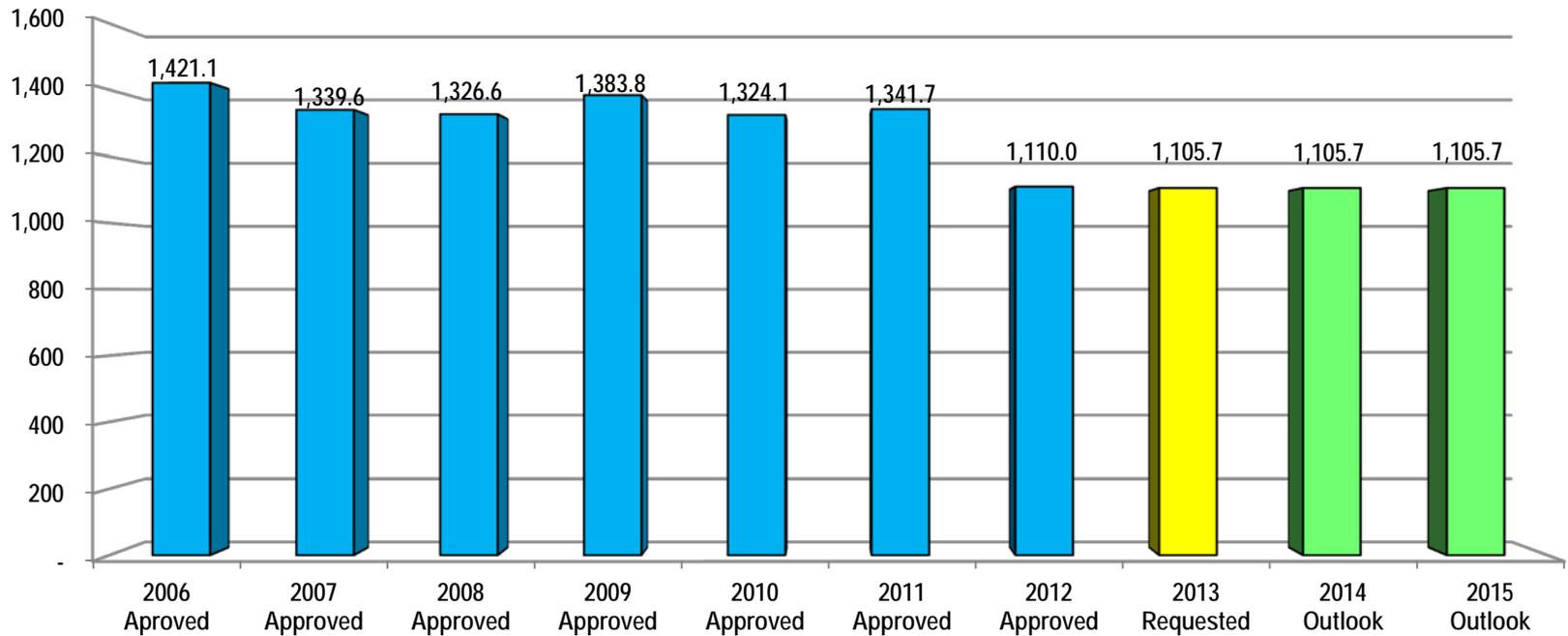


2013 Proposed Organization Chart



Senior Management	Management	Exempt Professional & Clerical	Union	Total
1.0	103.0	17.0	984.7	1105.7

Staffing Trend: 2006 - 2015



Key Points:

- 2009: 57 additional positions to facilitate the implementation of 70% Diversion activities
- 2010: Reduction of 60 positions
- 2011: Increase of 18 positions due to the transfer of responsibility of litter collection in Parks from PF&R to SWMS offset by further reductions in staff resulting from collections route efficiencies
- 2012: The reduction in staff mainly as a result of the contracting out of curbside collection in District 2
- 2013: Net decrease of 4.3 positions mainly due to program reorganization
- 2014: No position change
- 2015: No position change

2012 Key Accomplishments

- Implementation of District 2 contracting out
 - Some issues with transition
 - Contractor meeting terms of their contract
 - Dramatic improvement since August
- New Bio-filter and digester at Dufferin SSO Facility
- Participation Rate of Curbside Customers
 - Blue Bin – 96%
 - Green Bin – 89%
- Tonne of Residential Waste Disposed (est.) 346,095
 - Reduction of (est.) of 25,309

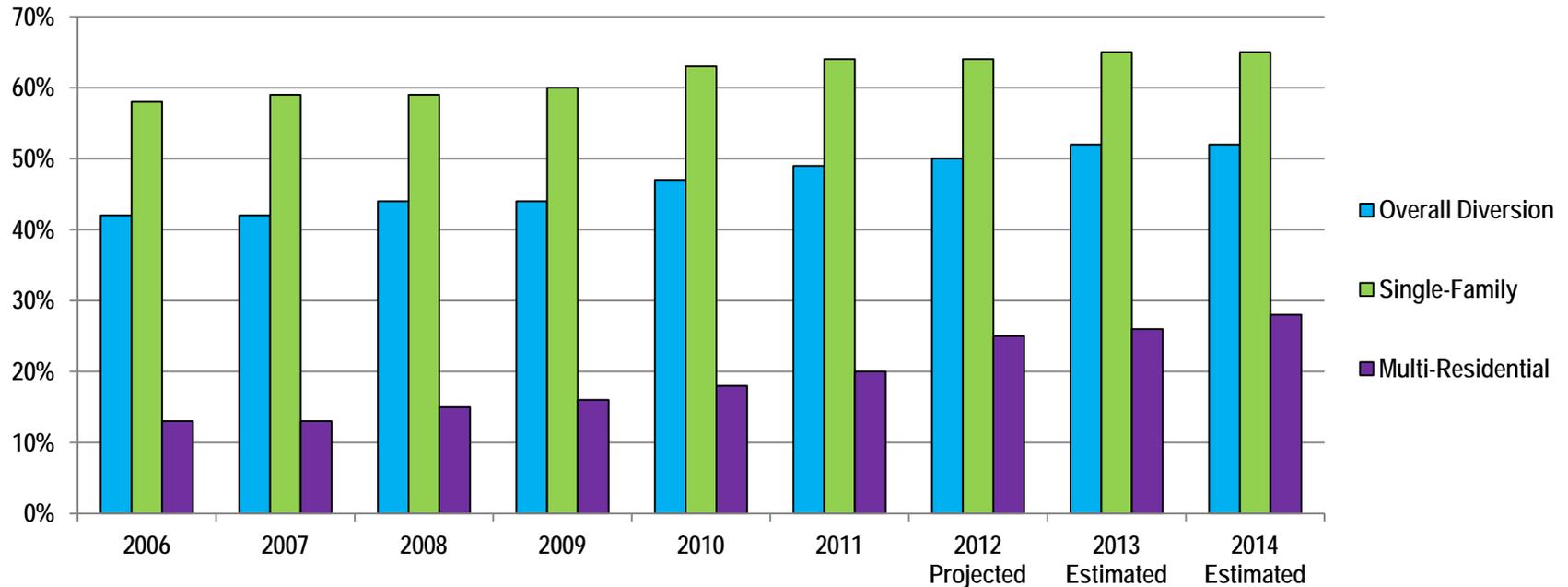


2012 Key Accomplishments

- Expanded the collection of mattresses, carpets and rugs for recycling
- Added 'mixed rigid' plastics to the Blue Bin
- 2012 Litter Audit results
 - Over 67% reduction in small litter in public realm since 2006
 - And 21% reduction in large litter in public realm since 2006
- Continued roll out of Green Bins to Multi Residential
- Replaced and upgraded street/ park litter and recycling bins



Residential Diversion Rates



Explanation of Performance Measurement Trend:

The residential diversion rate continues to increase each year as Target 70 initiatives are implemented and expanded:

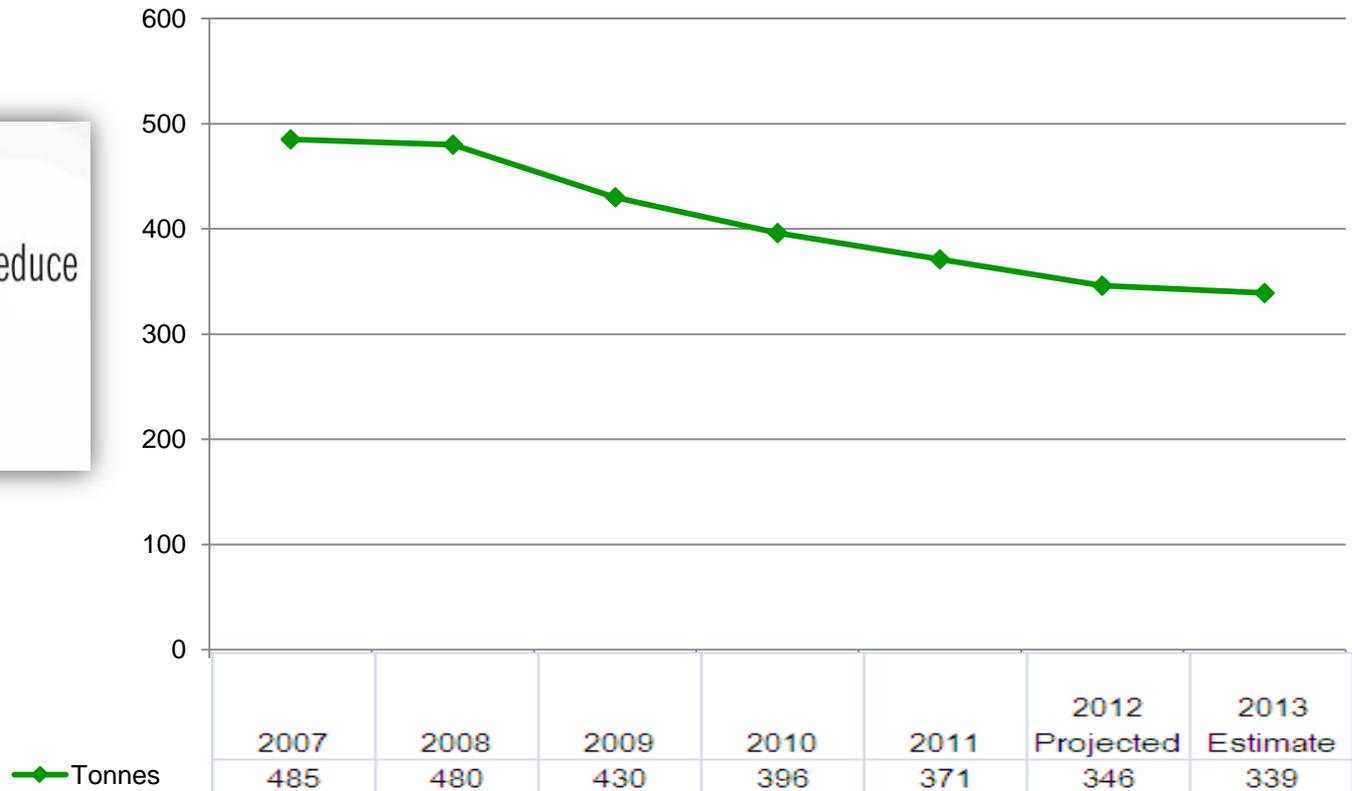
- Overall Residential Diversion – from 49% to 50%
- Single-Family Residential – maintained at 64%
- Multi-Residential – increased from 20% to 25%

Multi-Residential targets are conservative. We are looking at ways to accelerate this in 2013

Performance Measures – Tonnes of Residential Garbage Disposed



tonnes of Residential Garbage in (000's)



Performance Measures – Cost per tonne

Net Cost Per Tonne Managed



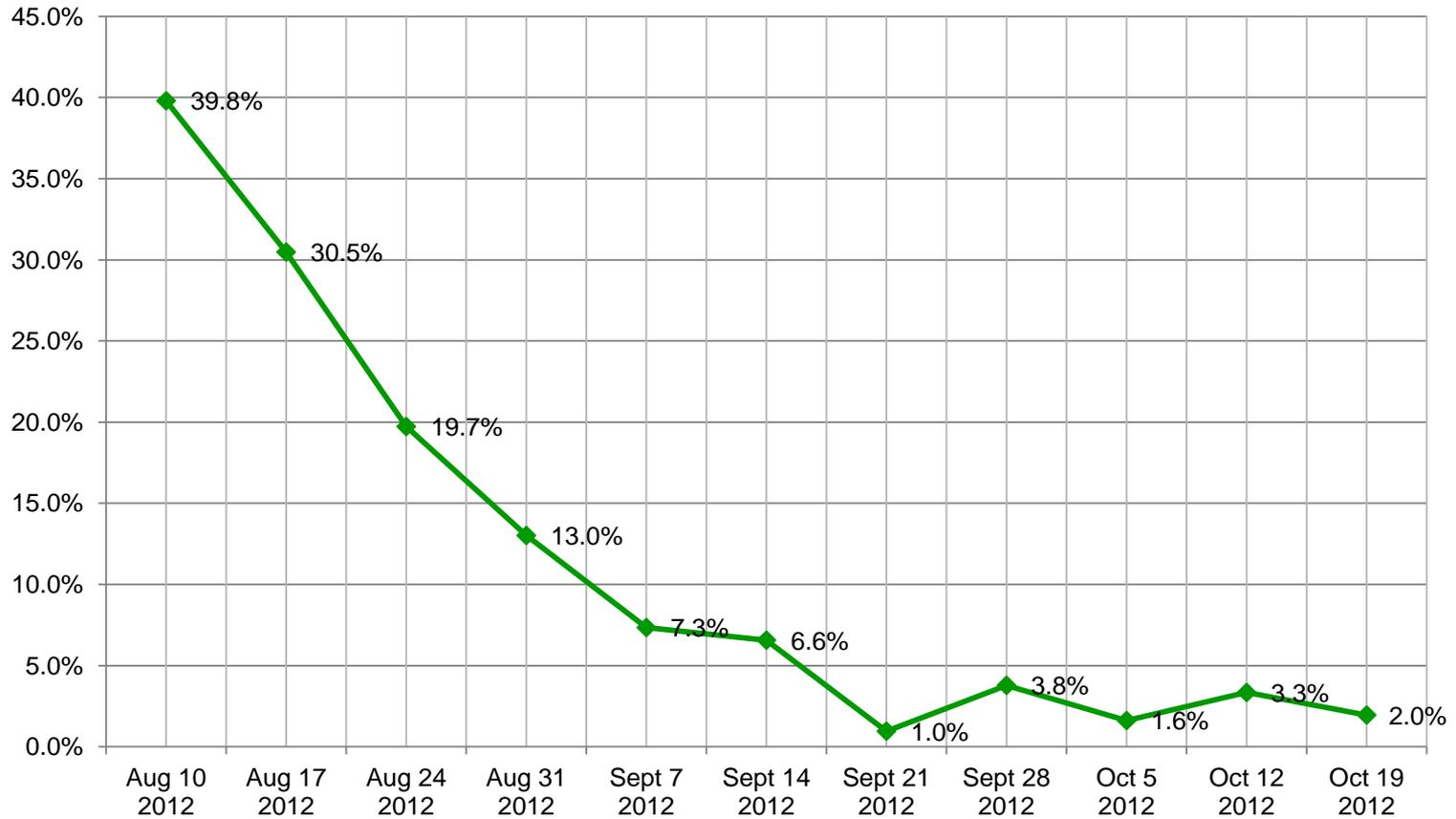
Performance Measures – Net Cost per Household

Net Cost Per Household

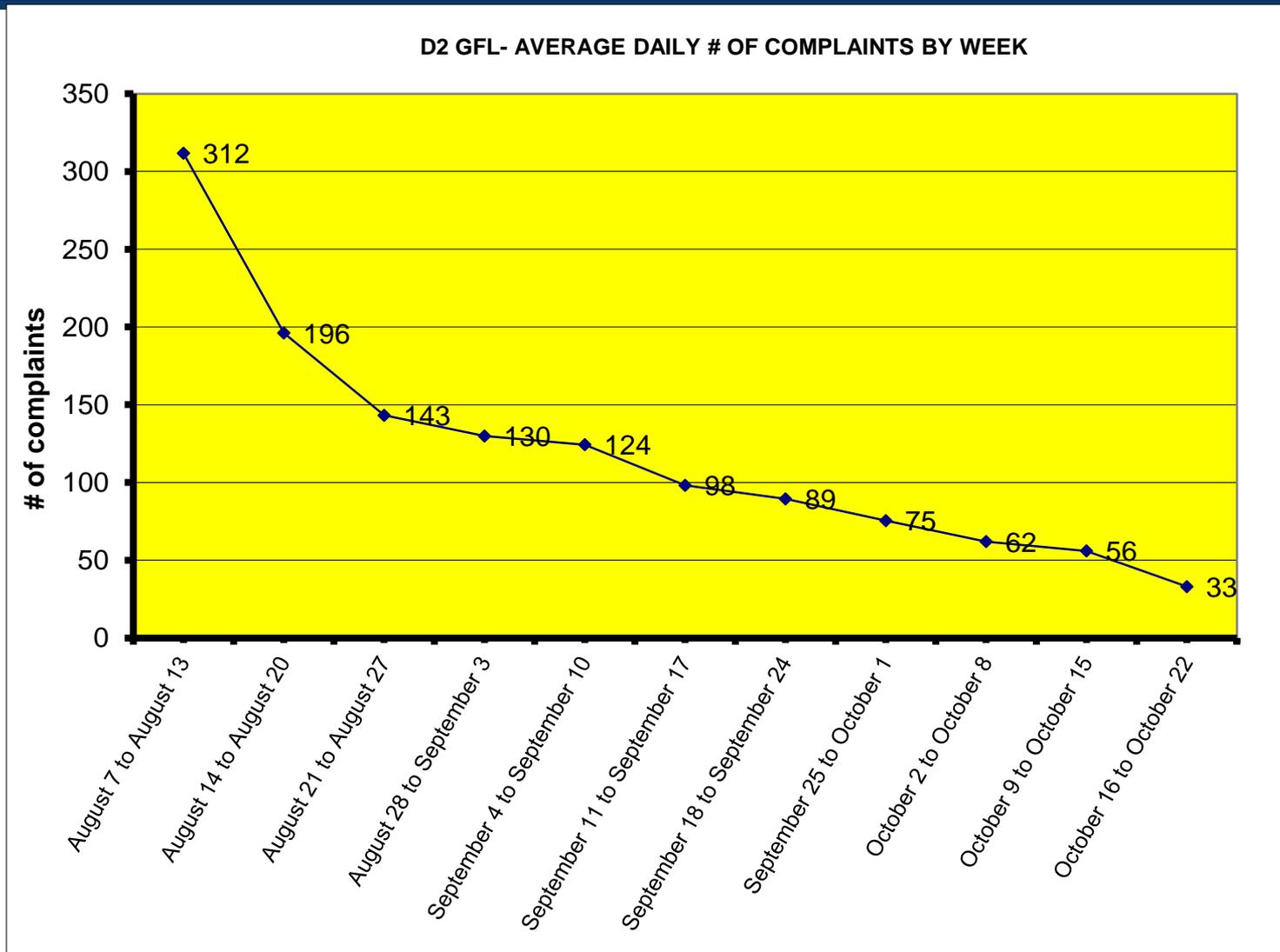


District 2 GFL – Number Loads Dumped After 7:00 pm

Average Daily Loads dumped after 7 pm as % of total loads per week



District 2 GFL – Number of Complaints per Week



Key Issues

- Target 70 review impact on future sustainability of Solid Waste Management
 - Current Council direction is to achieve 70% Diversion for Residential waste
 - This will extend Green Lane by 6 years from current 49% Diversion
 - Need to consider the impact of Industrial/Commercial waste on Green Lane as well
 - Over \$100 M capital spent to date another \$350 to \$400 M is still required
 - Is this the best approach
 - Staff are bringing forward a Council Report on Target 70 in the first quarter of 2013

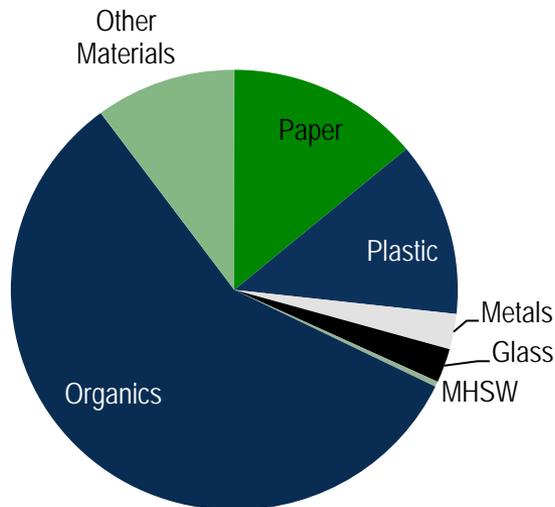


Key Issues

- Multi-Res Source Separated Organics

- Biggest opportunity for diversion
- Need to focus on ABCDs, Schools and commercial as well

Composition of Residual Waste from Multi-family Units



Key Issues

- Recycling revenue market fluctuation
- Consider a Hedging Strategy

Year	Budget Revenue (in millions)	Actual Revenue (in millions)	Revenue Variance (in millions)	Actual Tonnage (tonnes)
2002	\$8.3	\$12.3	\$4.0	146,078
2003	\$11.0	\$13.4	\$2.4	155,831
2004	\$14.0	\$16.9	\$2.9	164,971
2005	\$18.8	\$17.8	(\$1.0)	172,335
2006	\$22.7	\$20.3	(\$2.4)	185,463
2007	\$20.1	\$24.0	\$3.9	175,987
2008	\$21.9	\$23.7	\$1.8	175,463
2009	\$26.5	\$13.1	(\$13.4)	152,444
2010	\$19.4	\$21.4	\$2.0	168,702
2011	\$18.3	\$26.6	\$8.3	167,595
*2012	\$19.0	\$18.5	(\$0.5)	168,000
**2013	\$20.7			170,000

* 2012 figures are based on approved budget and year-end projection

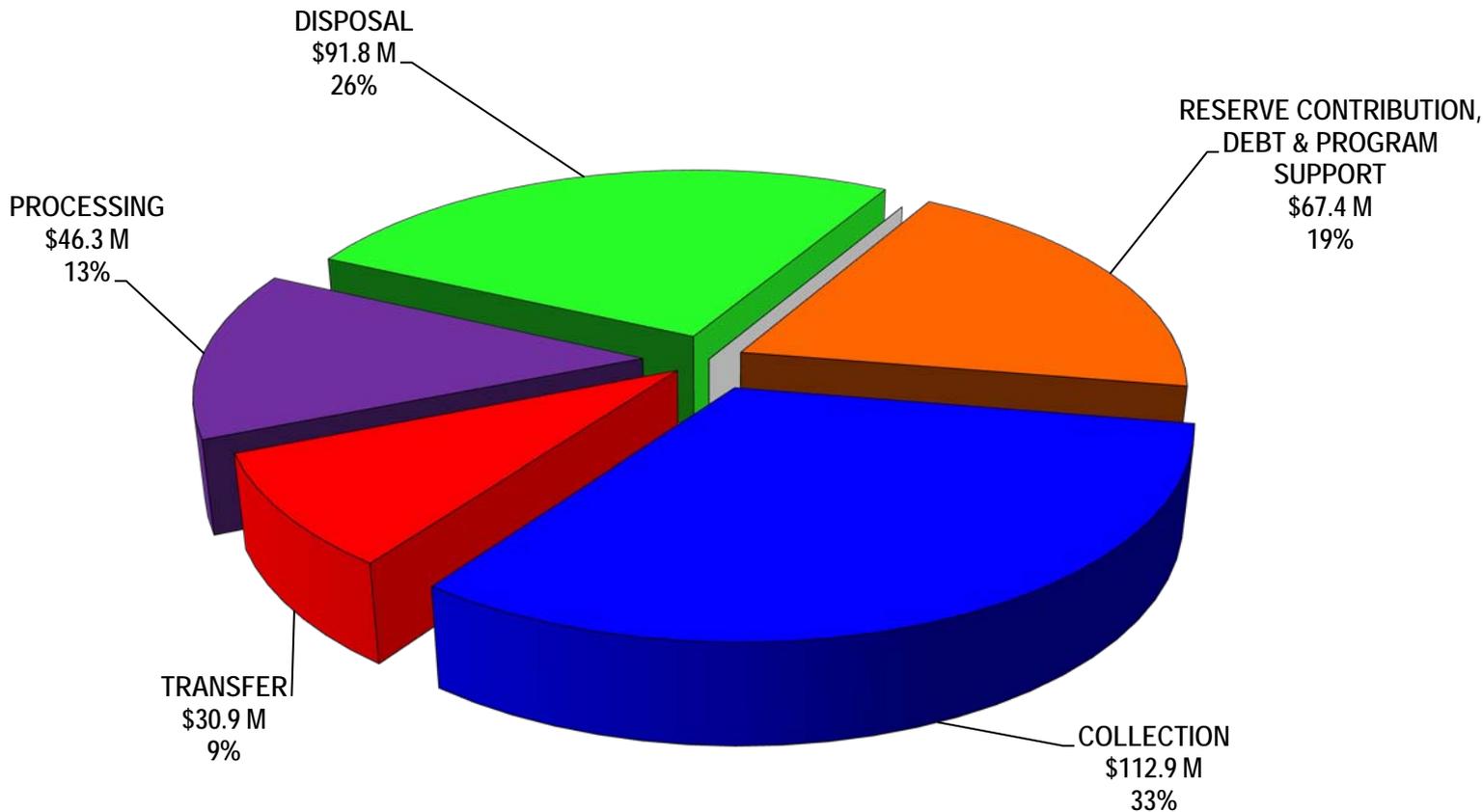
**2013 figures are based on recommended budget



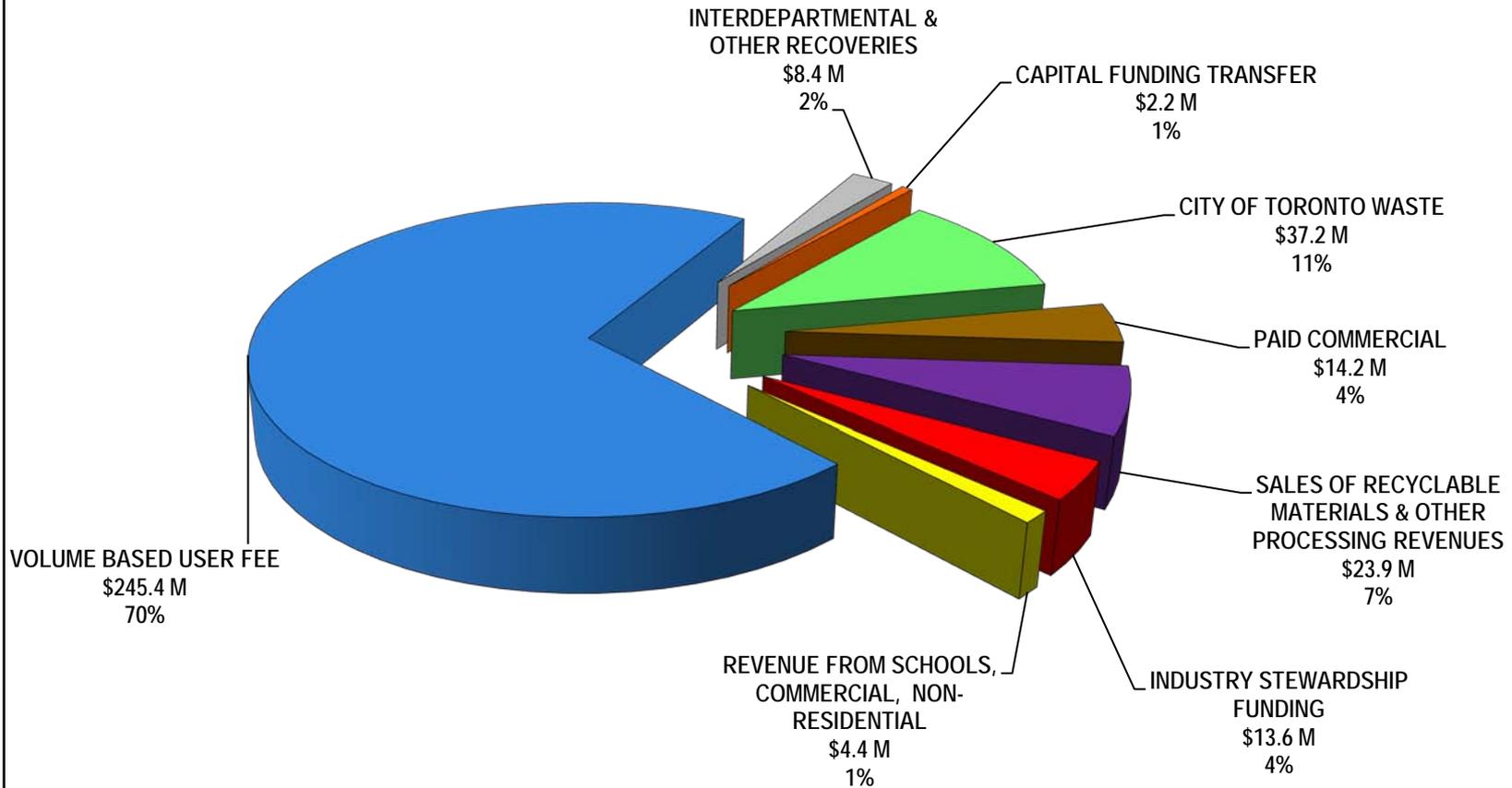
2013 Recommended Operating Budget (How the 0% increase was achieved)

	Net Expenditures (in millions)	% of Rate Increase/ (Decrease) Required
2013 Operating Budget Changes		
Annualization of Contracting Out District 2	\$ (5.05)	
Economic Factors - Labour Expenditures	\$ 1.83	
Economic Factors - Non-Labour Expenditures	\$ 1.14	
Collections & Processing Contracts - Volume / Price Adjustments	\$ 6.19	
Green Lane Operations - Volume Increase	\$ 0.36	
IDC/IDR Reconciliations and Adjustments	\$ 0.24	
Contribution to Reserve and Reserve Funds	\$ (2.24)	
Debt Charges	\$ 3.30	
Line by Line Reduction Options	\$ (1.45)	
Other Base Changes	\$ (0.90)	
2013 Recommended Base Prior to Service Options	\$ 3.42	1.40%
Service Efficiency Program Reorganization	\$ (0.48)	
User Fees:		
Volume Based User Fees - Growth Changes	\$ (0.72)	
70% Diversion - Industry Stewardship Funding	\$ 0.45	
Sale of Recyclable Materials/Residual Disposal Fee	\$ (2.78)	
Paid Commercial Waste	\$ 0.33	
Landfill Gas Royalties Adjustment	\$ (0.06)	
Operating Recovery from Capital	\$ (0.04)	
Tipping Fees: Charities, Institutions and Religious Organizations (CIRO)	\$ (0.50)	
Sub-Total of Efficiencies & User Fees	\$ (3.80)	(1.56%)
Enhanced Services		
Additional Litter Cleaning (Afternoon Shift)	\$ 0.19	
Mechanical Litter Removal Contract Amendment (Winter Collection)	\$ 0.20	
Sub-Total of Enhanced Services	\$ 0.39	0.16%
2013 Recommended Operating Budget	\$ 0.00	0.00%

2013 Recommended Gross Operating Expenditure by Service (\$ 349.3 M)

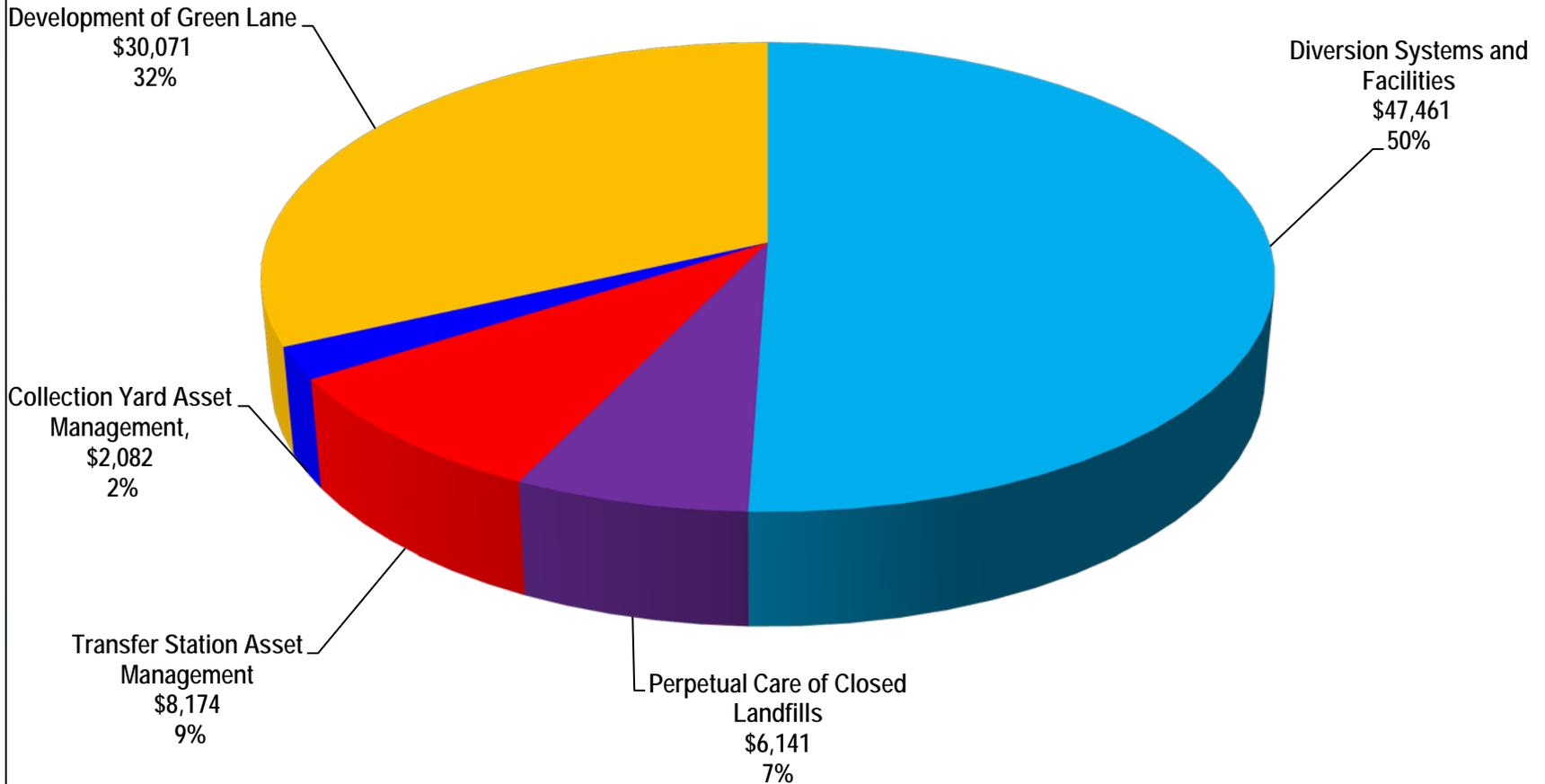


2013 Revenue Sources (\$349.3M)



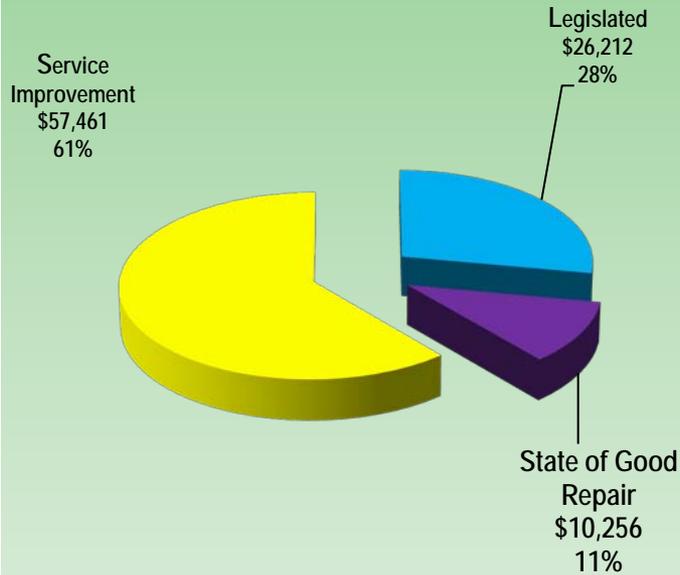
2013 Capital Budget (\$93.9M)

(000's)

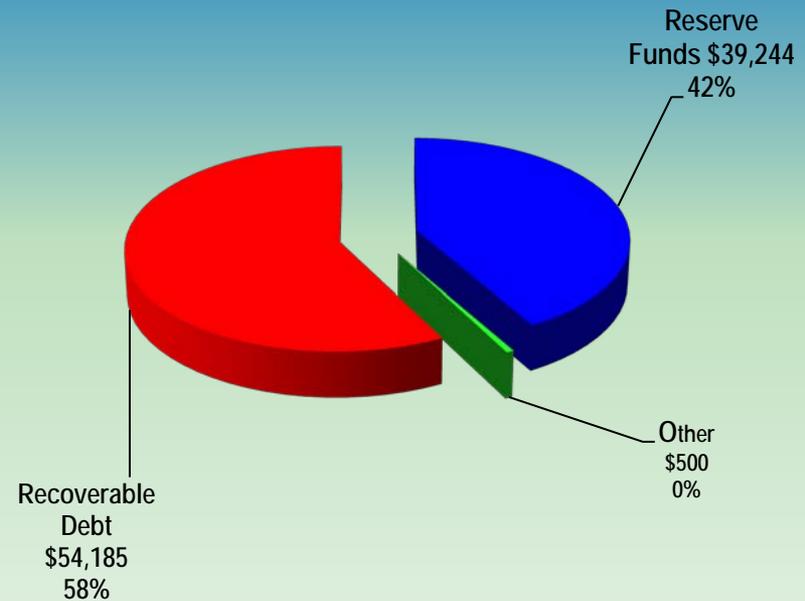


2013 Capital Budget by Project Category and Funding Source

2013 CAPITAL BUDGET BY PROJECT CATEGORY (\$ 000s)



2013 CAPITAL BUDGET BY FUNDING SOURCE (\$ 000s)



2013 Recommended Cash flow: \$93.9M

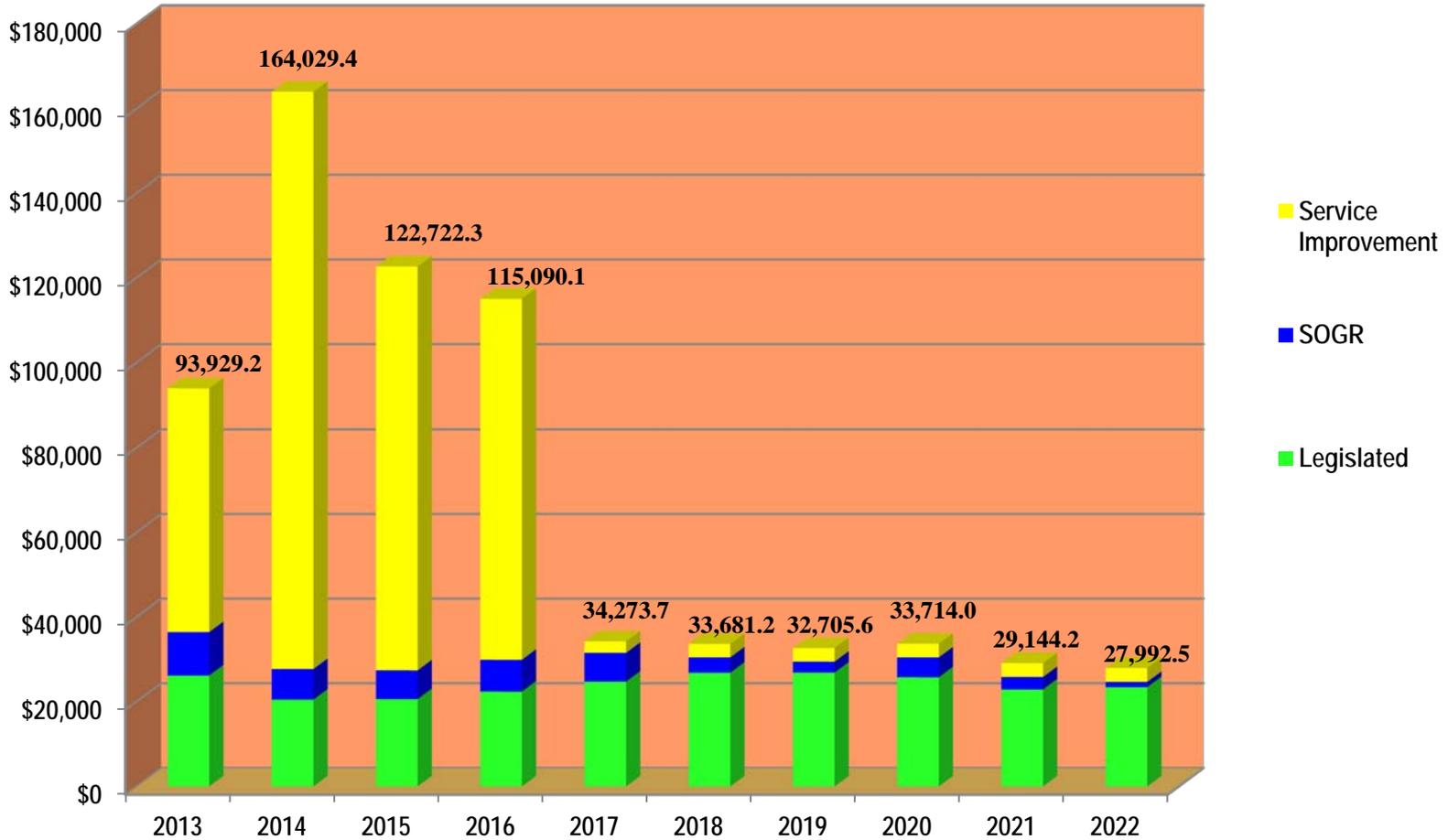
- **State of Good Repair:**
 - Transfer Station Asset Management \$8.1M
 - Collection Yard Asset Management \$2.1M

- **Legislated:**
 - Perpetual Care of Closed Landfills \$6.1M
 - Green Lane Landfill Development \$20.1M

- **Service Improvement:**
 - Disco SSO Facility \$16.0M
 - New Single Family SSO Containers \$10.3M
 - Green Lane Landfill Gas Utilization \$10.0M
 - Biogas Utilization at Dufferin and Disco \$ 7.0M
 - ReUse Centre \$ 4.3M
 - Diversion Systems and Facilities \$ 3.3M
 - Dufferin SSRM Facility \$ 2.4M
 - Dufferin SSO Facility \$ 2.1M
 - Multi-Unit In-Unit SSRM Containers \$ 1.0M
 - Mechanical and Biological Treatment Facility \$ 0.8M
 - IT Strategic Plan \$ 0.3M

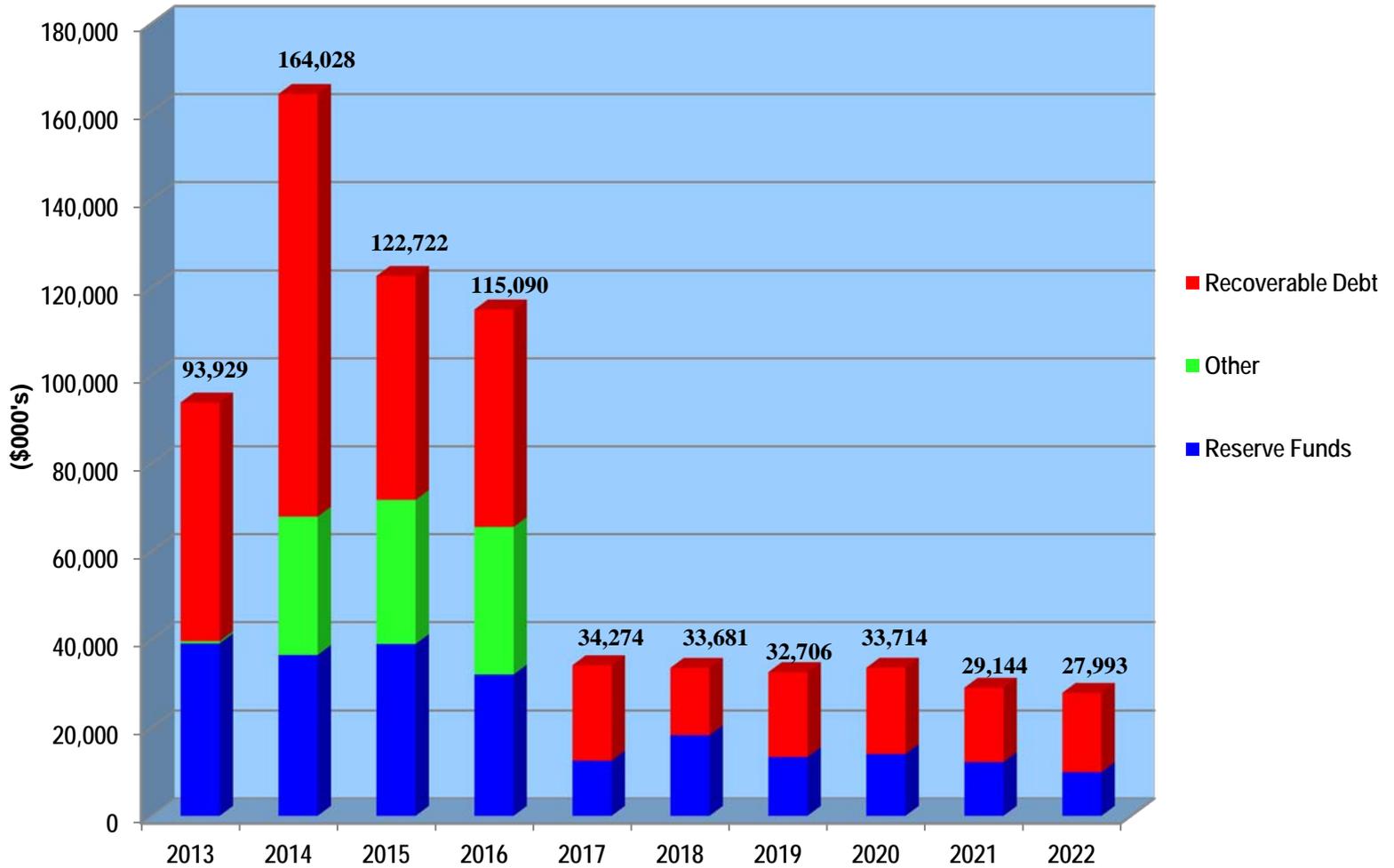
2013 – 2022 Capital Plan by Project Category

SWMS Recommended 2013 Budget



2013 – 2022 Capital Plan by Funding Source

SWMS Recommended 2013 Budget



New Infrastructure to Support Waste Diversion & Green Lane Landfill (2013 - 2022)

The Recommended 10-Year Capital Plan provides funding of \$687.3 million including:

- Diversion Systems and Facilities (\$358.1 M)
 - Disco and Dufferin SSO (\$49.1 M)
 - Dufferin MRF (\$33.4 M)
 - Mechanical and Biological Treatment Facility (\$198.1 M)
 - Single Family SSO Replacement (\$20.9 M)
 - Biogas Utilization (\$12 M)
 - Reuse Centre (\$10.8 M)
 - Other Diversion Systems and Facilities (\$33.8 M)
- Ongoing Maintenance of Perpetual Care of Closed Landfills (\$72 M)
- Transfer Station Asset Management (\$47.8 M)
- Collection Yard Asset Management (\$5.9 M)
- Development of Green Lane Landfill (\$203.5 M)

