

Solid Waste Management Services

Staff Recommended 2015 Operating Budget & 2015 – 2024 Capital Budget and Plan

Budget Committee Presentation
January 27, 2015



Agenda

- 2015 Staff Recommended Operating Budget
- 2015 – 2024 Staff Recommended Capital Budget & Plan
- Recommended Service Levels
 - Service Performance and Service Levels

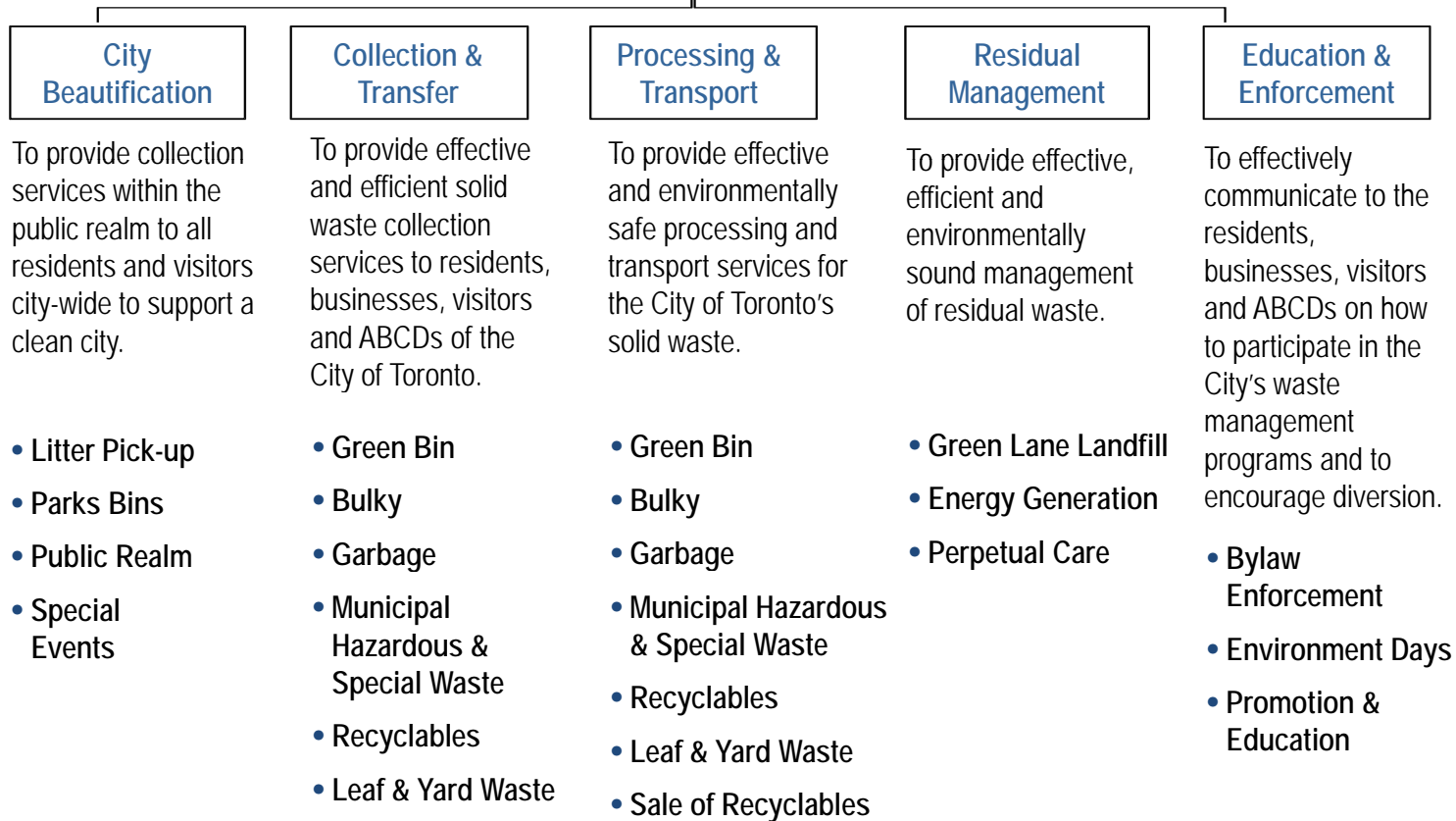
Staff Recommended 2015 Operating Budget and Plan



Program Map

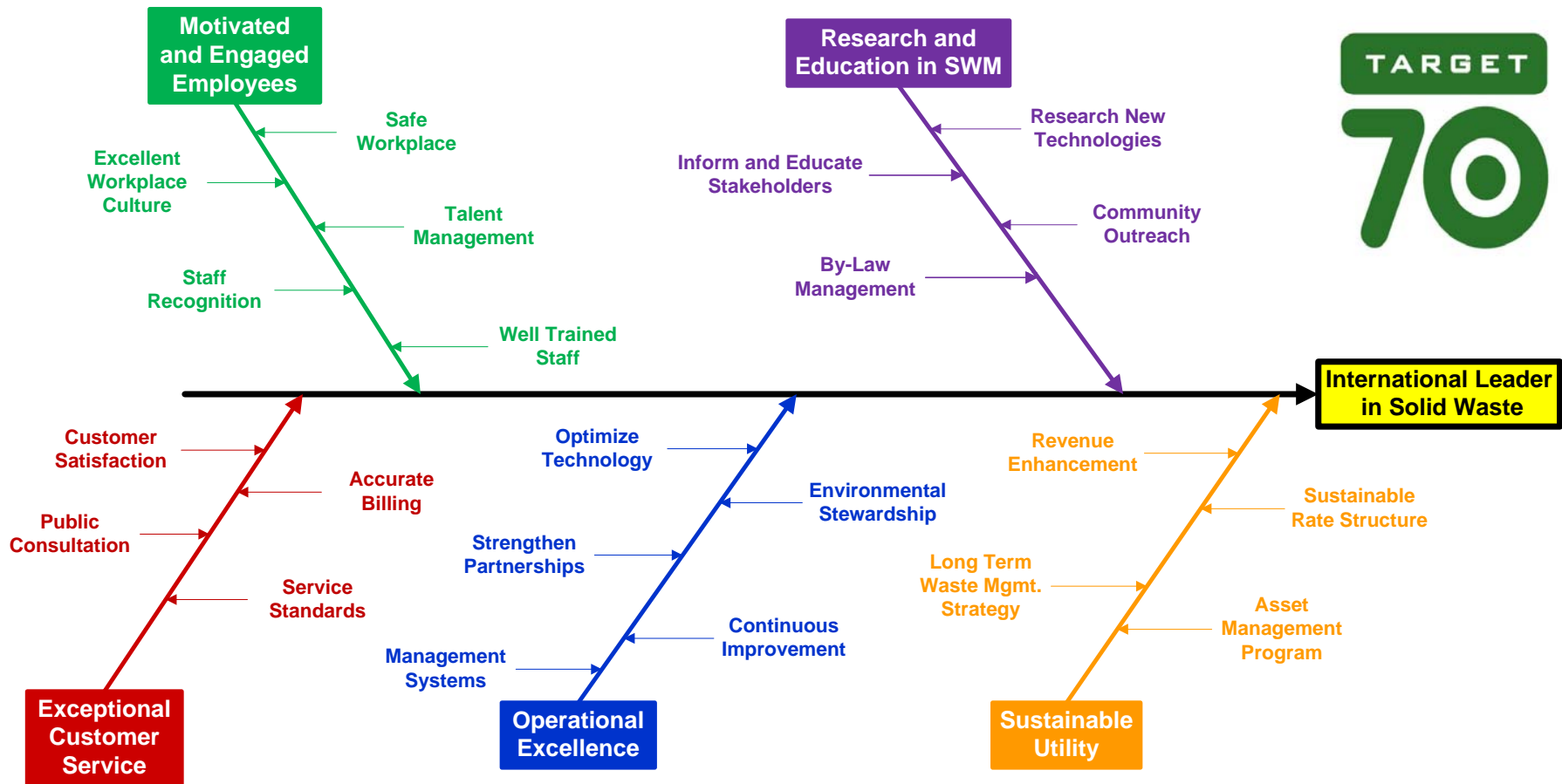
Solid Waste Management Services

To be a leader in providing 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.



SWMS Strategic Framework

2013 - 2018



2015 Key Service Levels

Activity Type	Service Level
City Beautification	
Litter Pick-up and Parks and Litter Bin Collection of Recycling and Garbage	1x - 7x/wk
Special Events Collection of Recycling, Garbage, and Green Bin	On Demand
Collection and Transfer	
Garbage & Recycling Single Family Residential	1x /2wks
Garbage & Recycling Multi-Residential	1x - 2x /wk
Green Bin Single Family and Multi-Residential	1x /wk
Durable Goods Single Family and Multi-Residential	1x /2wks
Municipal Hazardous & Special Waste Single Family and Multi-Residential (Toxic Taxi)	On Demand
Garbage & Recycling Commercial	1x - 2x /wk
Green Bin Commercial	1x - 6x /wk
Processing and Transport	
Residual Waste, Organics (Source Separated Organics), Durable Goods, Leaf & Yard Waste, Municipal Hazardous & Special Waste, and Resale of Recyclables	In compliance with Certificate of Approval
Residual Management	
Green Lane Landfill Site, Perpetual Care, and Energy Generation	In compliance with Certificate of Approval
Education and Enforcement	
Promotion & Education - Calendars	Issue 1M calendars annually
Environment Days	On Demand (up to 45 events annually)
By-law Enforcement	Enforcement as required

2015 Service Deliverables

- **City Beautification**
 - ✓ Continuation of multi-divisional efforts that focus on City-wide litter reduction
 - ✓ Management of litter services at Pan Am Games

- **Collection & Transfer**
 - ✓ Complete procurement process for the roll-out of the Next Generation Green Bin for curbside customers
 - ✓ Ongoing roll-out of Green Bin collection in multi-residential, non-residential, schools and Agencies, Boards, Corporations, Divisions (ABCD)s
 - ✓ Implementation of Waste Diversion Rate Waiver Program for Charities
 - ✓ Implementation of new curbside collection contract in District 1 (July)

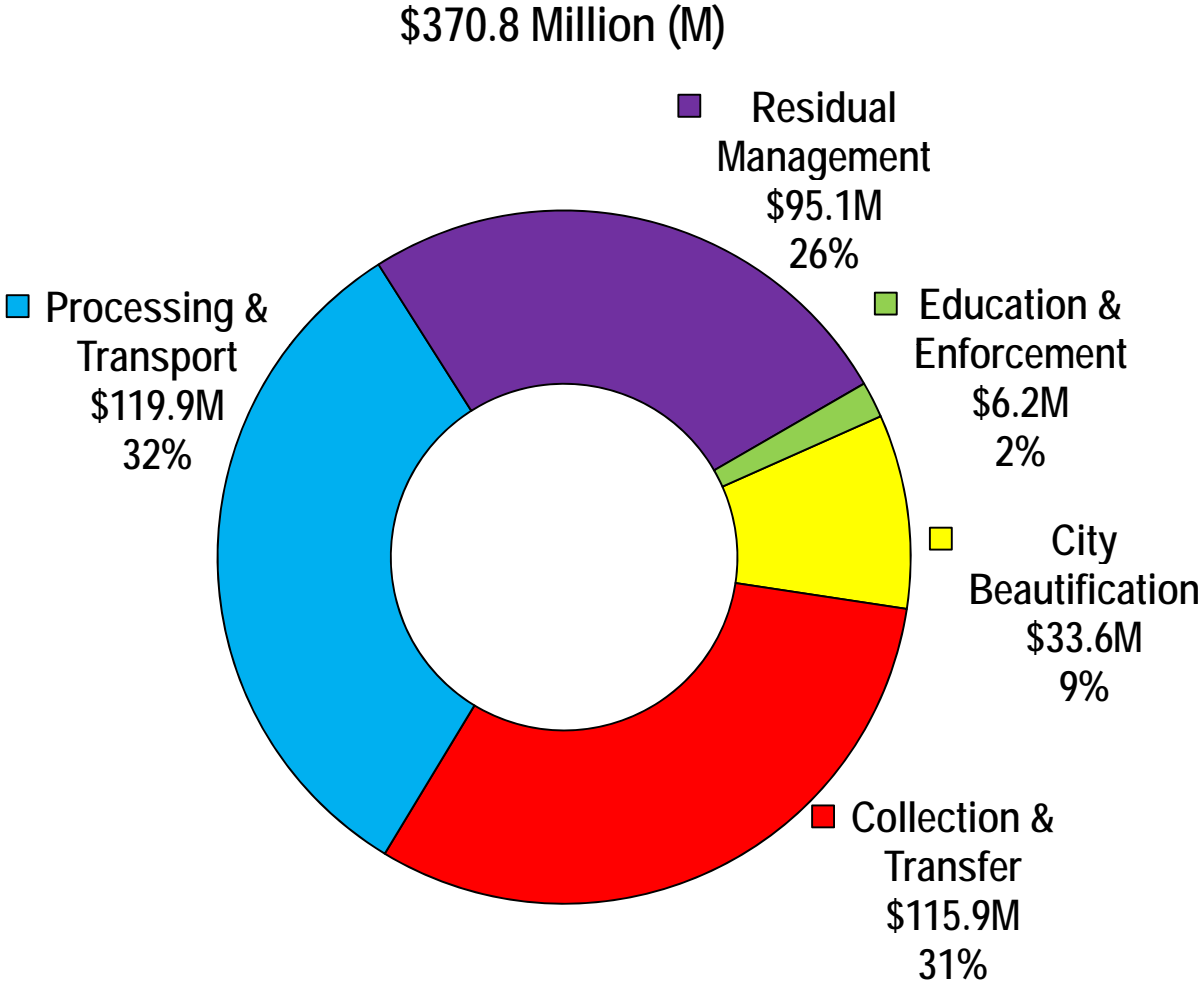
- **Processing & Transport**
 - ✓ First year in operation of the Disco Road Organics Processing Facility
 - ✓ Begin the expansion of the Dufferin Organics Facility

2015 Service Deliverables

- **Residual Management**
 - ✓ Long Term Waste Management Strategy
 - ✓ Continue investigation into an alternate gas utilization project at Green Lane Landfill and Dufferin organics facilities
 - ✓ Continue construction, upgrades and integration of the Green Lane Landfill gas and leachate collection systems and cell development
 - ✓ Closed Landfill Asset Management Program

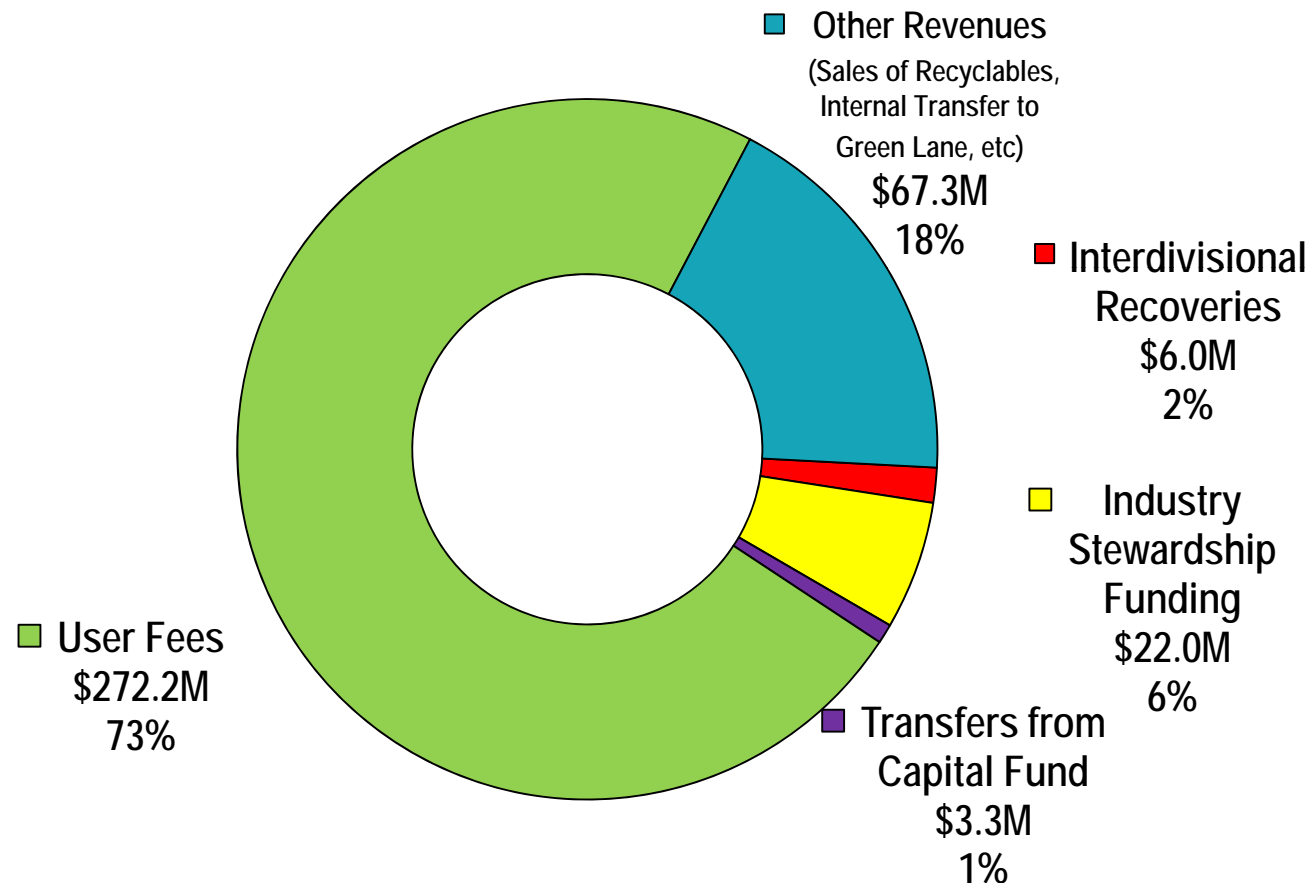
- **Education & Enforcement**
 - ✓ Ongoing outreach and selection of multi-residential waste diversion ambassadors to promote the 3Rs
 - ✓ Annual multi-residential workshop to encourage diversion by targeting superintendants, property managers and owners
 - ✓ Develop a targeted multi-residential campaign to improve and/or correct participation
 - ✓ Continue waste audits to better understand waste composition and participation behavior
 - ✓ Develop a Mobile Waste App

Recommended Gross Operating Budget - Where the Money Goes



Recommended Operating Budget - Where the Money Comes From

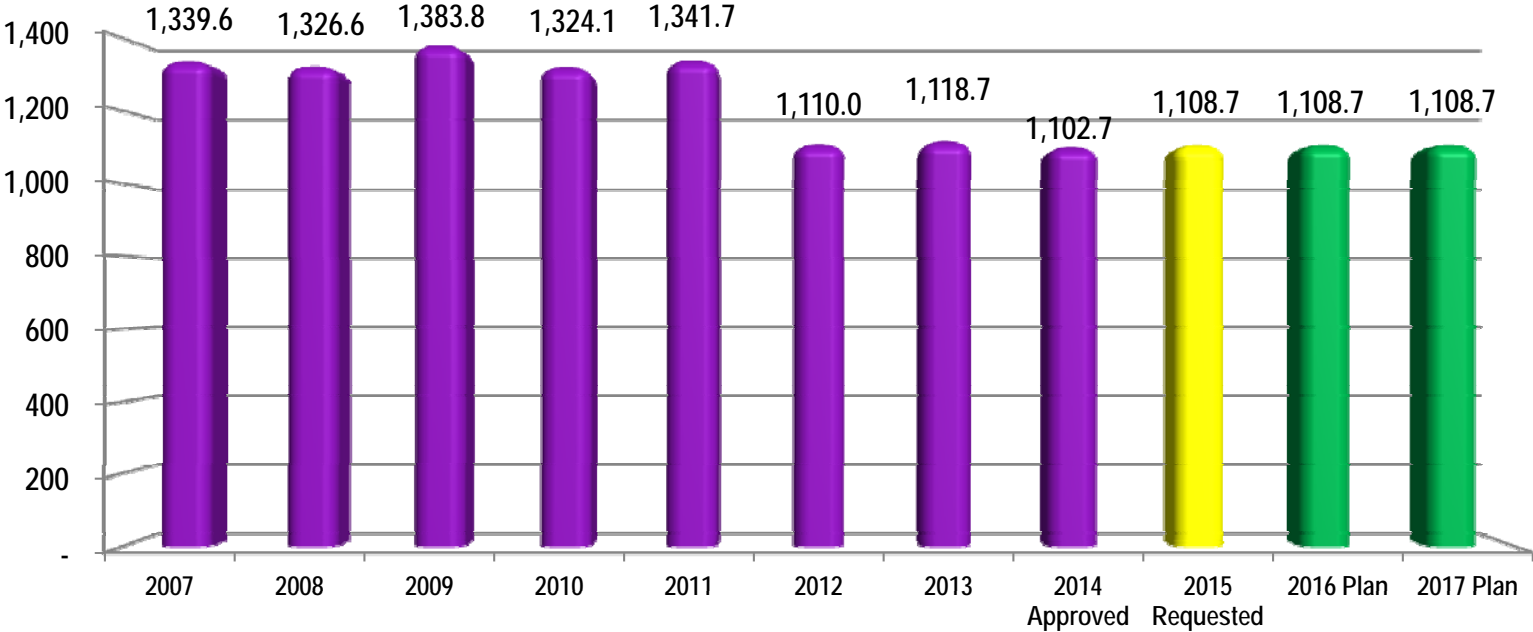
\$370.8 Million (M)



Staff Recommended 2015 Net Operating Budget

(\$000s)	2014 Budget		2015 Budget		Change from 2014 Over (Under)			
	Gross	Net	Gross	Net	Gross		Net	
					\$	%	\$	%
City Beautification	32,905	31,512	33,586	32,231	681	2.1%	719	2.3%
Collection & Transfer	111,170	(156,215)	115,929	(158,340)	4,758	4.3%	(2,125)	1.4%
Processing & Transport	113,621	71,536	119,941	72,548	6,320	5.6%	1,012	1.4%
Residual Management	90,294	47,146	95,106	47,337	4,812	5.3%	191	0.4%
Education & Enforcement	6,036	6,021	6,224	6,224	188	3.1%	203	3.4%
Total	354,026	0	370,785	0	16,759	4.7%	(0)	N/A

Staffing Trend



Key Points:

- Year 2012: Contracting Out plus Service Efficiency Study Recommendations – 236 FTE net reduction
- Year 2013: Staff transferred from ECS offset by FTE reduction through efficiency study - 8 FTE net increase
- Year 2014: 16 net FTEs eliminated through re-organization
- Year 2015: Add 6 FTEs for Charities Rate Waiver Program implementation

2015 Recommended Operating Budget: Key Drivers

2015 Recommended Base Budget	(In \$000s)
Prior Year Impacts: Phase-in of ABCD and School Fees (25% to 50%)	-1,046.1
Capital Impact: 2015-2024 Capital Plan	22.2
Economic Factors: Payroll & Non-Payroll Expenditures	647.7
Other Changes:	
Processing and Collection Contracts	6,763.5
Waste Disposal Cost	3,126.6
Inter-divisional Charges (IDC) & Inter-divisional Recoveries (IDR) Adjustments	3,566.4
Reserve Contributions, Debt Charges and Other Changes	-1,595.6
Line-by-Line Review	-1,239.3
Total Expenditure Changes	10,245.5
User Fees - Volume Change	-202.3
Revenues from Processing Recyclable Materials	1,041.4
Stewardship Revenues & Other Miscellaneous Adjustment	4,213.4
3% Rate Increase (2.25% Effective)	6,100.2
Total Revenue Changes	11,152.8
Net Expenditures	-907.3

Recommended New/Enhanced Service Priorities

Description	2015 Recommended			Net Incremental Impact			
	Gross Expenditures	Net Expenditures	New Positions	2016 Plan		2017 Plan	
				Net Expenditures	# Positions	Net Expenditures	# Positions
Enhanced Services Priorities							
Impact of 2015 Pan Am Games on Litter Operations	100.0	100.0	0.0	0.0	0.0	0.0	0.0
Contract Management Staff	163.0	163.0	2.0	0.0	0.0	0.0	0.0
Charities Rate Waiver Program	891.9	644.2	6.0	0.0	0.0	0.0	0.0
Sub-Total	1,154.9	907.3	8.0	0.0	0.0	0.0	0.0
New Service Priorities	N/A	N/A	N/A				
Total	1,154.9	907.3	8.0	0.0	0.0	0.0	0.0

User Fee Changes – Highlights

Fee Description	2014 Fee	Recommended 2015 Fee	% Increase	Incremental Revenue (\$000's)
All Solid Waste Management Rates and User Fees			3.00%	\$6,100.2
Drop & Load Fees per tonne	\$13.39	\$15.45	15.38%	\$597.7
Sale of Clean Fill at Green Lane Landfill - per load fee for single, tandem, or tri-axle dump truck vehicles	0.0	\$2.00	N/A	\$2.0
Sale of Clean Fill at Green Lane Landfill - per load fee for dump trailer	\$0.0	\$3.00	N/A	\$1.5
Total Incremental Revenue				\$6,701.4

Note:

- Drop & Load Fees incremental revenue of \$597,669 includes rate increase impact of \$85,507 and volume increase impact of \$512,163
- Sale of Clean Fill at Green Lane Landfill are new fees in 2015

User Fee Changes – Rebate Reduction

What's being recommended:

- A reduction in the Solid Waste Rebate (Grant) in the amount of **\$17.922 million** is being proposed as part of the 2015 Tax Budget
- Rebate change for single family residential customers as an initial step toward sustainability of the solid waste utility
- Rebate change based on bin size to continue to encourage waste diversion
- Still a good value for waste collection services (garbage, bulk, green bin, blue bin, leaf & yard waste)
 - *Net monthly costs for all services range from \$0.89 to \$28.63*

User Fee Changes – Rebate Reduction

Proposed Changes

Example: Single Family Residential - Annual Rates Comparison							
Bin Size	Rates		Rebate		Net Fee		Net Increase
	2014	2015	2014	2015	2014	2015	
Small	\$230.72	\$237.64	\$224.00	\$227.01	\$6.72	\$10.63	\$3.91
Medium	\$280.09	\$288.49	\$224.00	\$199.76	\$56.09	\$88.73	\$32.64
Large	\$380.39	\$391.80	\$224.00	\$144.41	\$156.39	\$247.39	\$91.00
Extra Large	\$441.21	\$454.45	\$224.00	\$110.85	\$217.21	\$343.60	\$126.39

User Fee Changes – Rebate Reduction

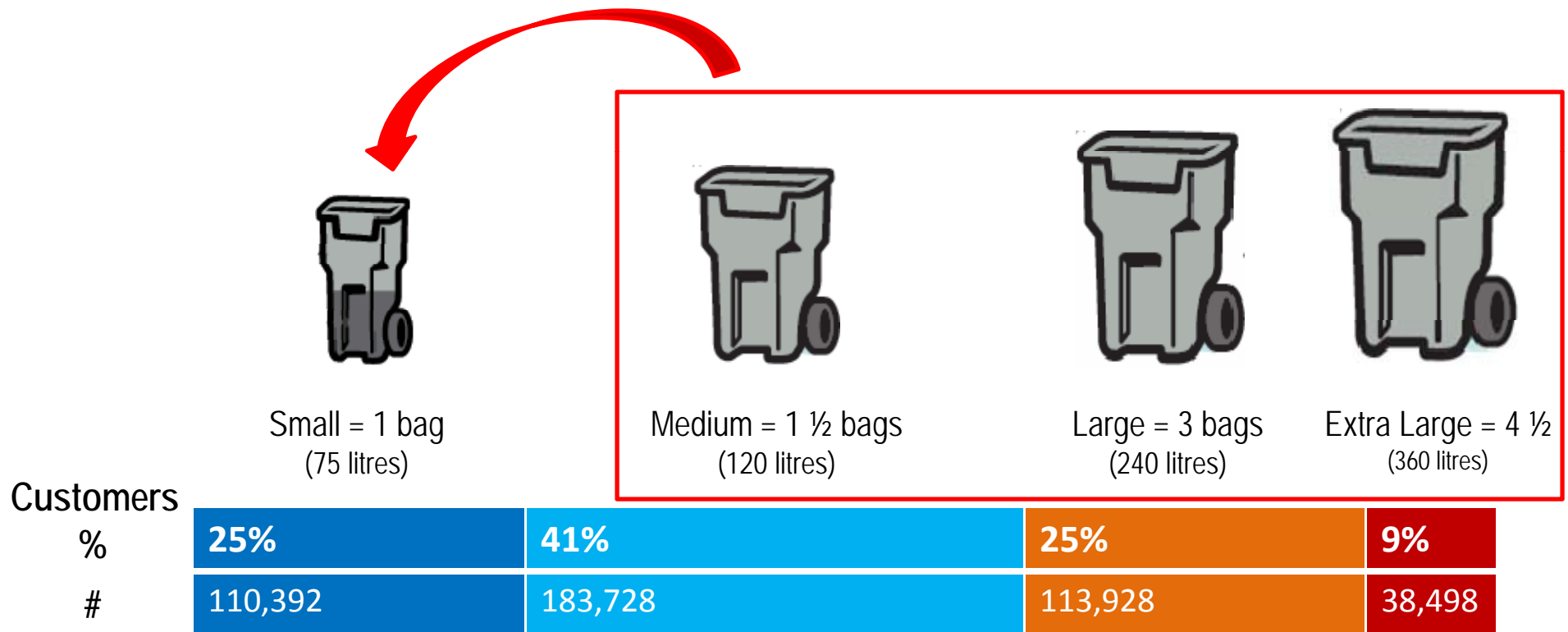
Why changes are being recommended:

- Priority for Solid Waste Management Services is to ensure long term sustainability of the utility
- Adjusting single family residential customer rebate is an initial step toward that objective
 - Multi-Residential customers will be considered in future years because of potential impacts on revenues and waste diversion objectives

User Fee Changes – Rebate Reduction

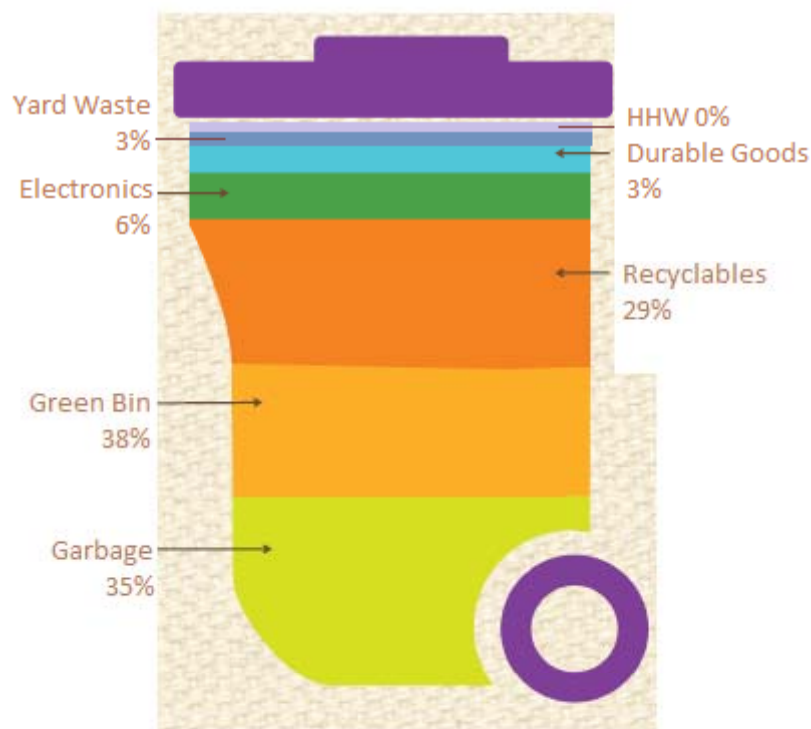
Still Room for More Waste Diversion

75% of Single Family Customers are still not using a Small bin



User Fee Changes – Rebate Reduction

What's in your garbage bin?



Key Points:

- 2012/2013 Waste Audits showed residual waste to be an average of 200 kg/hhld/yr
- ~129 kg/hhld/yr (65%) are still divertible through the City's diversion programs

User Fee Changes – Rebate Reduction

More Can Be Recycled or Diverted

Share 13

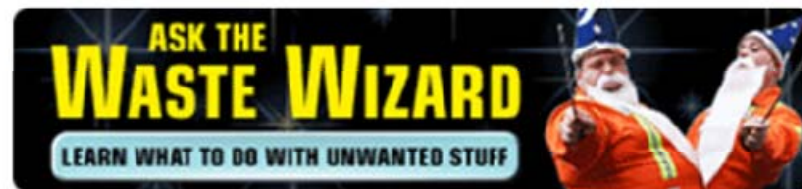


Apartmentments & Condos

Non-Residential


Drop-off Depots

Long Term Waste Strategy



User Fee Changes – Rebate Reduction

Recycle and Divert more and switch to a smaller bin







3 1 1


Garbage Bin - exchange size

Use this service to exchange your Garbage Bin for one of a different size. You can call 311 at any time for help if you experience difficulties completing this request online. If you have questions about City-issued Garbage and Recycling Bins, please visit our [Bins FAQ](#).


Note: To place an order, your name must appear on the City utility bill for the address.

TO DO THIS REQUEST YOU NEED TO:

- Provide a valid Toronto location. 
- Receive residential, curbside collection. 
- Provide your name, phone number, and e-mail address. 
- Provide the ID number of your current, City-issued Garbage Bin. 

We want to help you dispose of your garbage properly. Click on a  icon below to find out more ways the City can help you.

Toronto at your service



Staff Recommended 2015 – 2024 Capital Budget and Plan



Capital Assets to Deliver Services



- 7 Transfer Stations (6 with Household Hazardous Waste Depots)
- Green Lane Landfill
- 1 Operating Organics Processing Facility
- 1 Organics Processing Facility under expansion
- 4 Collection Yards and 1 Litter Collection Yard
- 160 Closed Landfills
- Over 600 vehicles and pieces of equipment
- Over 1.4 million garbage, recycling and green bins

Major Projects in the 10-Year Capital Budget & Plan

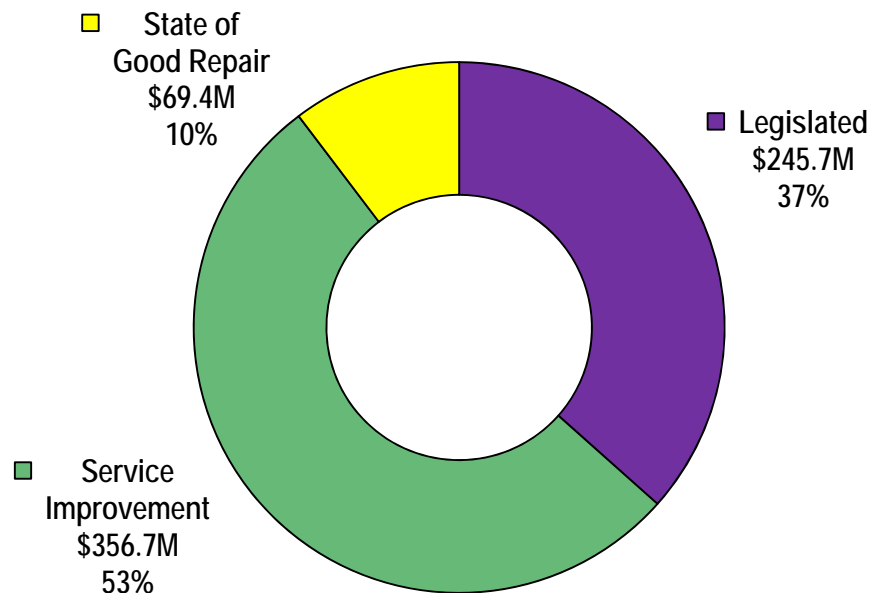
- Key projects to be completed in 2015
 - ✓ Long Term Waste Management Strategy Plan

- Key projects in 2015 – 2024 Plan
 - ✓ Long Term Waste Management Plan Implementation
 - ✓ Roll-out of 2nd Generation Green Bins
 - ✓ Dufferin Organics Facility
 - ✓ Green Lane Landfill Gas Utilization
 - ✓ Disco and Dufferin Biogas Utilization
 - ✓ Perpetual Care of Closed Landfills (on-going)
 - ✓ Green Lane Landfill Cell Development

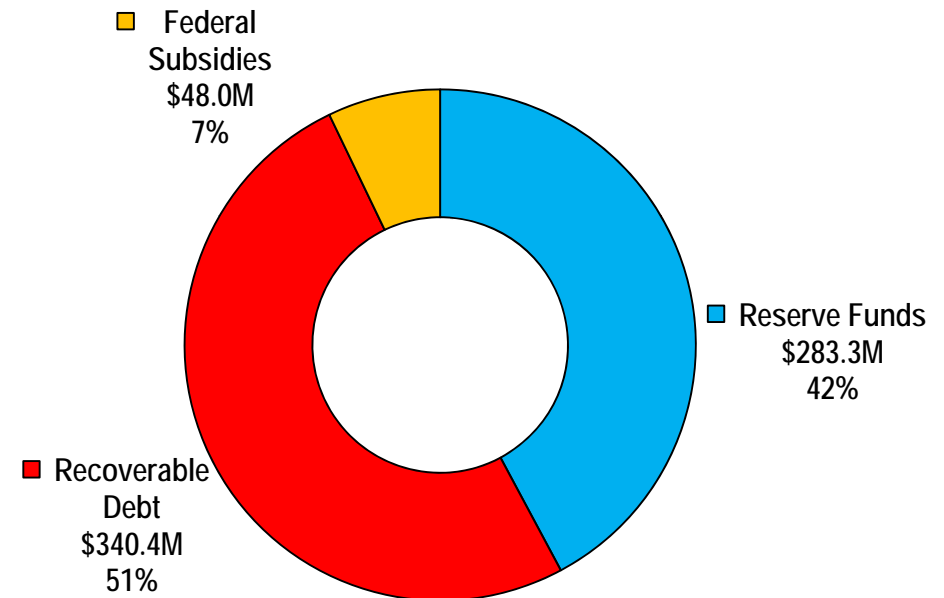
2015 – 2024 Capital Budget and Plan

Capital Spending by Program and Funding Sources

Where the Money Goes
\$671.8 Million (M)



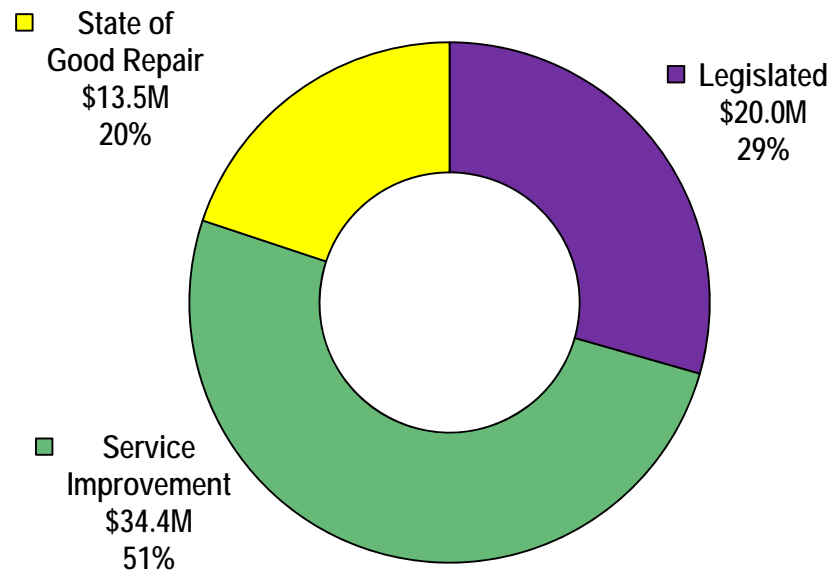
Where the Money Comes From
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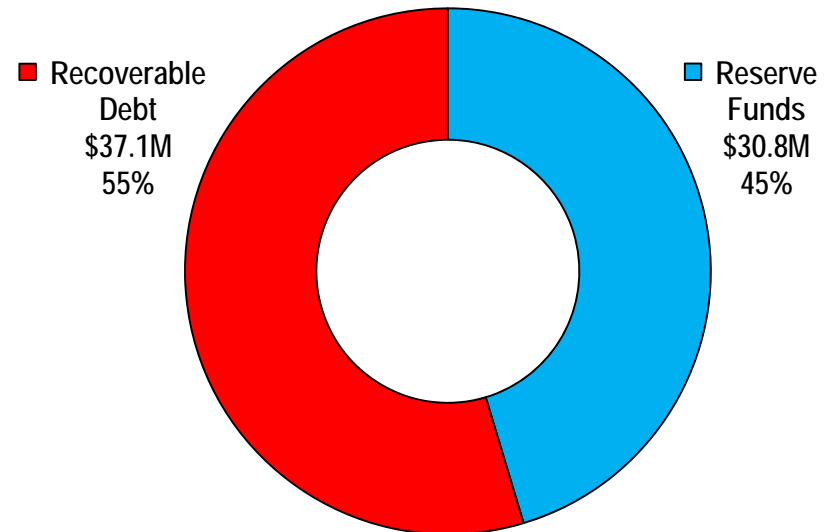
2015 Capital Budget

Capital Spending by Program and Funding Sources

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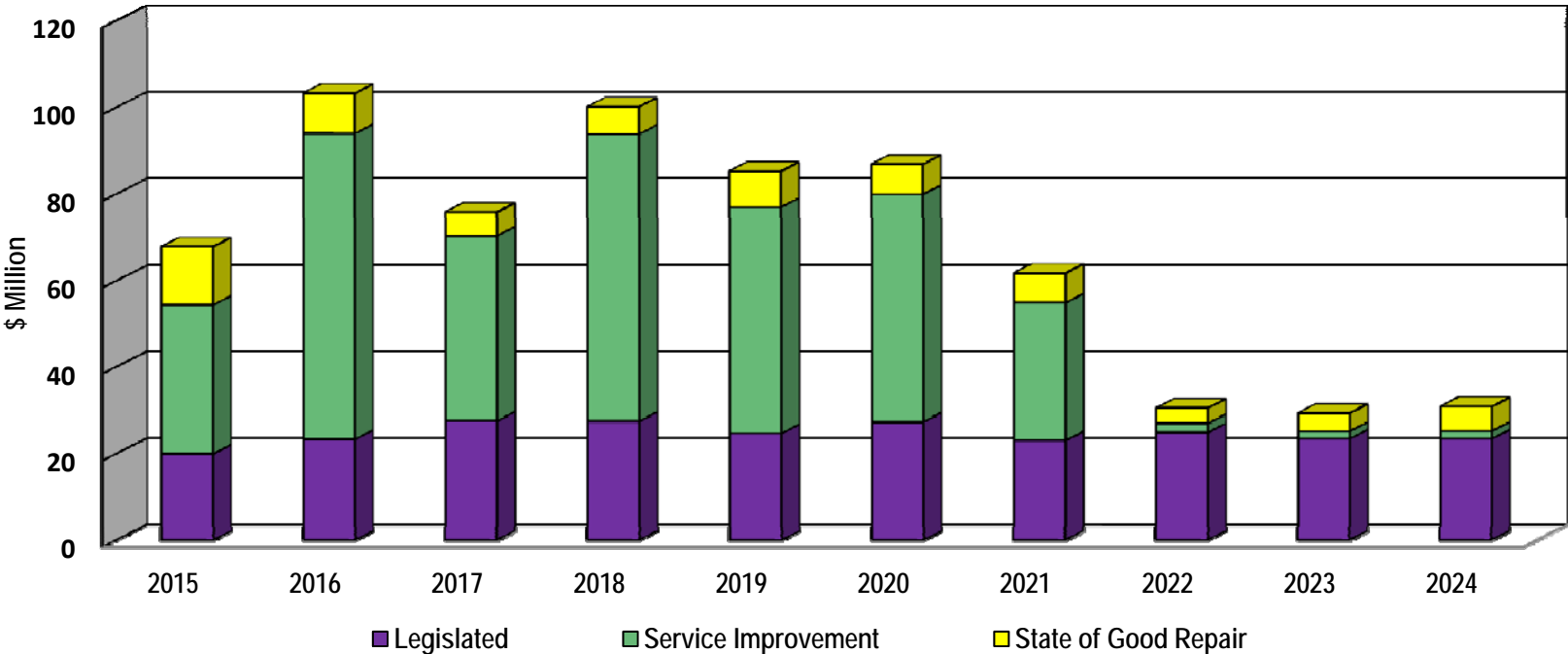
Where the Money Comes From
\$67.9 Million (M)



2015 – 2024 Capital Plan by Category

\$ Millions

Project Category	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2015-2024
Legislated	20.0	23.4	27.6	27.5	24.7	27.3	23.1	24.9	23.5	23.5	245.7
Service Improvement	34.4	70.6	42.9	66.4	52.3	52.6	31.8	2.1	1.7	1.8	356.7
State of Good Repair	13.5	9.3	5.4	6.3	8.2	6.9	6.9	3.4	4.0	5.5	69.4
Total Gross Expenditures	67.9	103.3	75.8	100.1	85.3	86.9	61.8	30.5	29.3	30.8	671.8



Issues for 2015 and Beyond

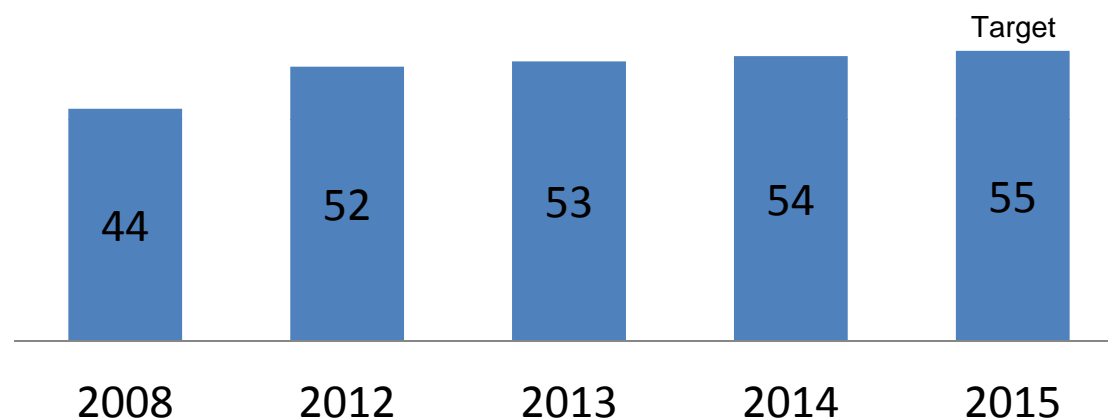
- Long Term Waste Management Strategy
- Multi-Year Business Plan for Green Lane Landfill
- 2nd Generation Green Bin
- Expansion of Dufferin Organics Facility
- Initiate Disco Road Biogas Utilization Project
- Development of a comprehensive Asset Management Program and Implementation Plan
- Maintaining facilities' infrastructure State of Good Repair
- Continuation of perpetual care of closed landfill operations

2015 Recommended Service Levels



Service Performance

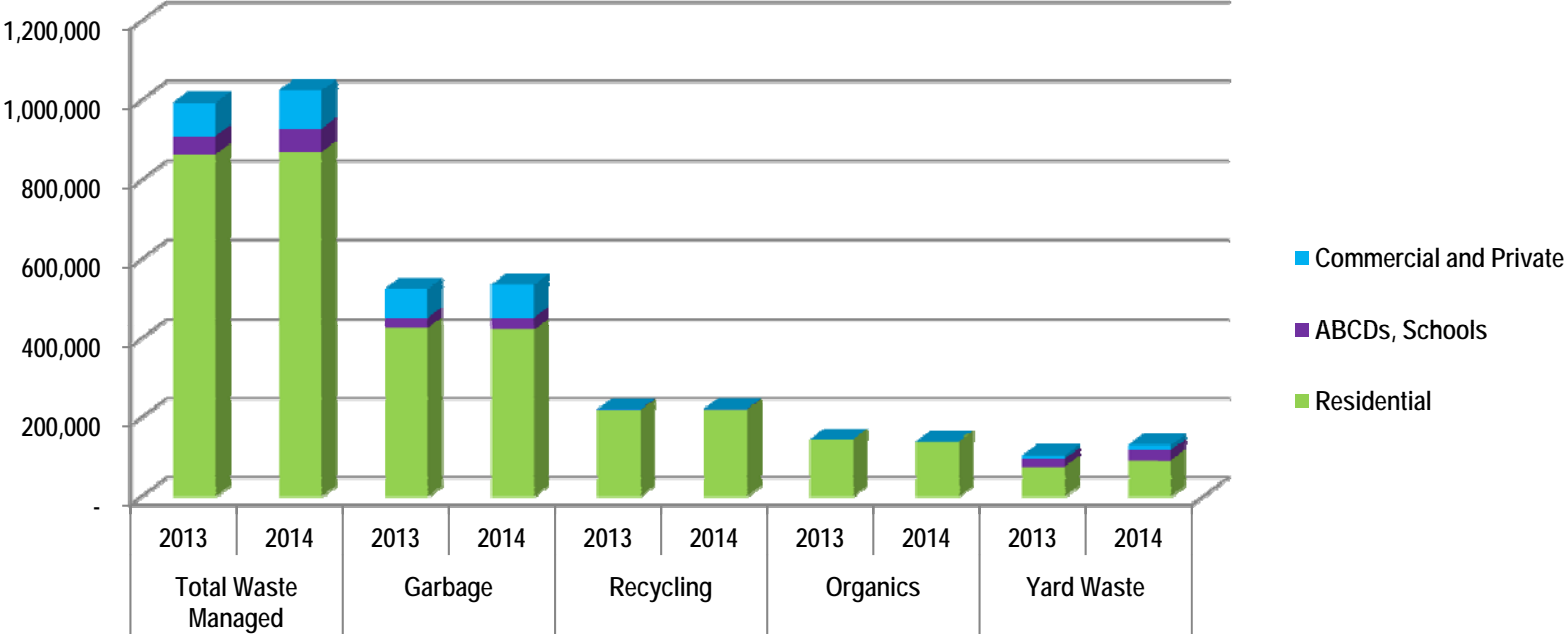
Residential Diversion
% Diversion from landfill



Trend:

- Overall residential diversion - increase from 53% to 54% in 2014
- Single Family residential – increase from 67% to 68% in 2014
- Multi-Residential – increase from 26% to 29% in 2014

2014 Waste Profile

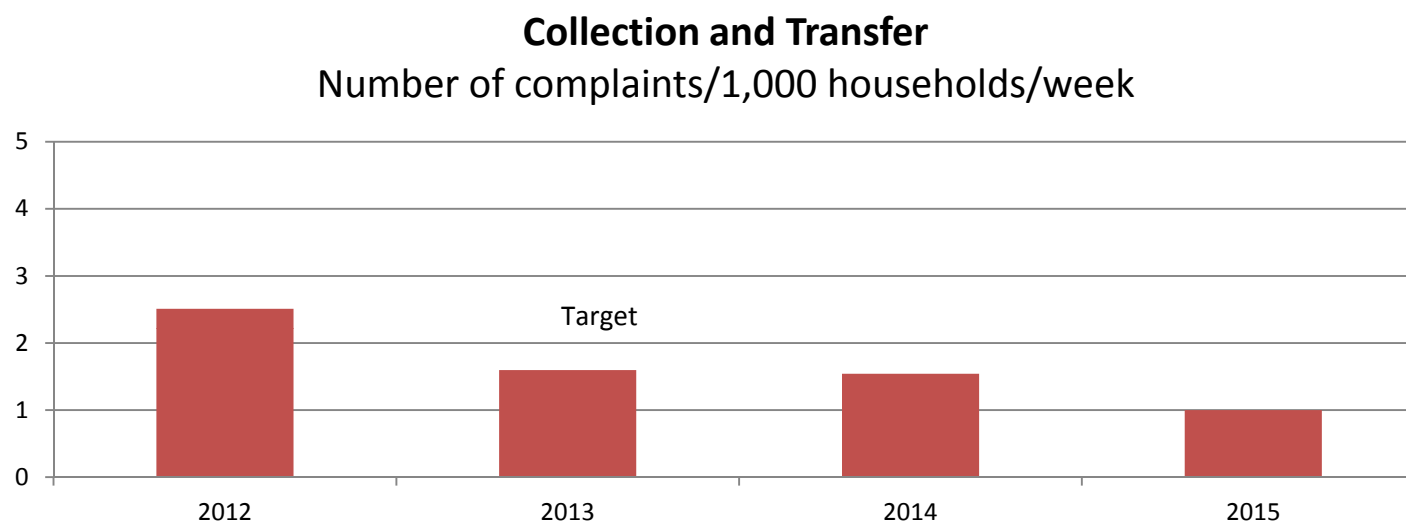


- Garbage – increase from 525,120 to 534,931 tonnes
- Single Stream Recycling – decrease from 221,217 to 220,900 tonnes
- Source Separated Organics – decrease from 143,878 to 138,339 tonnes
- Yard Waste – increase from 103,580 to 130,384 tonnes

Multi-Residential Customers

- Approximately 5,700 Multi-Residential buildings on City Collection
- 68% of all Multi-Residential Units are City's customers
- Most of the buildings serviced by the City are now on the Green Bin Program. (95% of the approximately 5,700 buildings)
 - Additional 941 properties joined the program in 2014;
 - Approximately 400 of these locations are awaiting delivery of their front end organic bins (1st quarter of 2015)
 - Participating buildings have the necessary equipment (bins, in unit containers, promotion materials, etc.) to use the system
- Diversion:
 - Increased diversion from 26% to projected rate of 29% in 2014
 - 2015 Target is 32%
- We are unaware of any private sector disposal companies who offer the organic program to the residential sector

Service Performance



Trend:

- The number of complaints per thousand households has continued to decline

Thank You