



Decision Letter

EX10.24b

Budget Committee

Meeting No.	14 (Special)	Contact	Jennifer Forkes, Committee Administrator
Meeting Date	Tuesday, November 24, 2015	Phone	416-392-4666
Start Time	1:30 PM	E-mail	buc@toronto.ca
Location	Committee Room 2, City Hall	Chair	Councillor Gary Crawford

BU14.2	ACTION	Amended		Ward:All
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2016 Rate Supported Budgets - Solid Waste Management Services and Recommended 2016 Solid Waste Rates

Committee Decision

The Budget Committee recommends that:

Rates and Fees:

1. City Council adopt a three (3) per cent increase on all Solid Waste Rates and Fees in 2016 as set out in Appendix A to the report (November 6, 2015) from the Acting General Manager, Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer, to become effective on January 1, 2016.
2. City Council approve the harmonization of the Residual Management Landfill Disposal: Biosolids and Water Treatment Residue fee per tonne to the ABC&Ds Waste loads delivered directly to Transfer Stations fee per tonne and a Roll-off Services Fee as set out in Appendix A to the report (November 6, 2015) from the Acting General Manager, Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer.
3. City Council consider the report (November 6, 2015) from the Acting General Manager, Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer concurrently with the 2016 Recommended Capital Budget, 2017-2025 Recommended Capital Plan and the 2016 Recommended Operating Budget of the Solid Waste Management Services Division.
4. City Council direct the City Solicitor to submit the necessary bills to City Council required to implement the above recommendations.

Capital Budget:

5. City Council approve the 2016 Recommended Capital Budget for Solid Waste Management Services with a total project cost of \$83.671 million, and 2016 cash flow of \$96.512 million and future year commitments of \$264.325 million comprised of the following:

- a. New Cash Flow Funds for:

- i. 52 new / change in scope sub-projects with a 2016 total project cost of \$83.671 million that requires cash flow of \$(36.226) million in 2016 and future year cash flow commitments of \$72.403 million for 2017; \$16.583 million for 2018; \$21.451 million for 2019; and \$9.460 million for 2020;
 - ii. 41 previously approved sub-projects with a 2016 cash flow of \$117.584 million; and future year cash flow commitments of \$47.863 million for 2017; \$32.232 million for 2018; \$15.411 million for 2019; \$17.782 million for 2020; \$13.451 million for 2021; \$15.174 million for 2022 and \$2.515 million for 2023;
 - iii. 10 previously approved sub-projects with carry forward funding from 2014 and prior years requiring 2016 cash flow of \$7.809 million that requires Council to reaffirm its commitment; and
 - b. 2015 approved cash flow for 7 previously approved sub-projects with carry forward funding from 2015 into 2016 totalling \$7.345 million.
6. City Council approve the 2017 - 2025 Recommended Capital Plan for Solid Waste Management Services totalling \$694.679 million in project estimates, comprised of \$10.502 million in 2017; \$27.720 million for 2018; \$25.096 million for 2019; \$33.337 million for 2020; \$31.163 million for 2021; \$33.609 million for 2022; \$44.496 million for 2023; \$50.501 million for 2024; and \$438.255 million in 2025.
7. City Council approve the new debt service costs (savings) of \$(164.7) million in 2016 and incremental debt of \$(1.086) million in 2017, \$0.935 million for 2018; \$(0.600) million for 2019; \$(1.179) million for 2020 and \$0.732 million for 2021; resulting from the approval of the 2016 Recommended Capital Budget, to be included in the 2016 and future year operating budgets.
8. City Council consider the operating costs (savings) of \$0.074 million net in 2016; \$0.048 million net in 2017; \$(0.736) million net in 2018; \$(6.269) million net in 2019; \$(1.242) million net in 2020; \$(0.548) million net in 2021; \$(1.507) million net in 2022; \$(0.602) million net in 2023; \$(1.615) million net in 2024 and \$(0.764) million net in 2025 resulting from the approval of the 2016 Recommended Capital Budget for inclusion in the 2016 and future year operating budgets.
9. City Council approve 10 new temporary capital positions for the delivery of 2016 capital projects and that the duration for each temporary position not exceed the life and funding of its respective projects / sub-projects.
10. City Council consider the 2016 Staff Recommended Capital Budget for Solid Waste Management Services concurrently with the Recommended 2016 Solid Waste Rates report (November 6, 2015) from the Acting General Manager, Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer.

Operating Budget:

11. City Council amend the 2016 Staff Recommended Operating Budget - Solid Waste Management Services to restore the Advertising and Promotion Budget to 2015 levels, by reducing the contribution to the Waste Management Reserve Fund by \$300,000.
12. City Council approve the 2016 Recommended Operating Budget for Solid Waste

Management Services of \$389.009 million gross, \$0 million net for the following services:

Service:	Gross (\$000)	Net (\$000)
City Beautification	33,659.3	32,304.4
Solid Waste Collection & Transfer	114,651.8	(172,002.6)
Solid Waste Processing & Transport	128,968.4	78,037.5
Residual Management	105,542.9	55,474.7
Solid Waste Education & Enforcement	6,187.0	6,186.0
Total Program Budget	389,009.4	0.0

as amended by Recommendation 11 above.

13. City Council approve the 2016 recommended service levels for Solid Waste Management Services as outlined on pages 14, 17, 20, 23, and 26 of the 2016 Staff Recommended Operating Budget - Solid Waste Management Services (Analyst Notes), and associated staff complement of 1,108.74 positions.

14. City Council approve the 2016 recommended new user fees, recommended technical adjustments to user fees, recommended market rate user fee changes, recommended rationalized user fees, and other fee changes above the inflationary adjusted rate for Solid Waste Management Services identified in Appendix 7 to the 2016 Staff Recommended Operating Budget - Solid Waste Management Services (Analyst Notes), for inclusion in the Municipal Code Chapter 441 "Fees and Charges".

15. City Council request the General Manager, Solid Waste Management Services consult with the Financial Planning Division to finalize the Solid Waste Management Services performance measures prior to the 2017 Budget Process.

16. City Council request the General Manager, Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer to report back to the Public Works and Infrastructure Committee prior to the 2017 Budget process on the results of a study regarding price hedging agreements as a means of stabilizing, directly or indirectly, Solid Waste Management Services annual revenue from the sale of its recyclable materials.

17. City Council consider the 2016 Staff Recommended Operating Budget for Solid Waste Management Services concurrently with the Recommended 2016 Solid Waste Rates Report (November 6, 2015) from the Acting General Manager, Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer.

18. City Council direct the City Solicitor to submit the necessary bills to City Council required to implement City Council's decision.

19. City Council direct the General Manager, Solid Waste Management Services to report on the feasibility of a Community Grant model to leverage accelerated waste reduction and diversion education, in time for the 2017 Budget process.

Decision Advice and Other Information

The Budget Committee received Operating Briefing Note 2, and BU14.2a for information.

Origin

(November 6, 2015) Report from the Acting General Manager, Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer

Summary

The Budget Committee, at its meeting on November 13, 2015:

1. Deferred consideration of the item until the November 24, 2015 meeting of the Budget Committee along with the following motion:

Motion 2 by Councillor Carroll

"That City Council direct the General Manager, Solid Waste Management Services to report on the feasibility of a Community Grant model to leverage accelerated waste reduction and diversion education, in time for the 2017 Budget process."

2. Requested the General Manager, Solid Waste Management Services to review and report to the November 24, 2015 meeting on reallocating funds within the proposed budget to restore the \$318,000 reduction in Education and Enforcement.

Background Information

(November 6, 2015) Report from the Acting General Manager, Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer on Recommended 2016 Solid Waste Rates

<http://www.toronto.ca/legdocs/mmis/2015/bu/bgrd/backgroundfile-85859.pdf>

Appendix A to the Report (November 6, 2015) from the Acting General Manager, Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer - Recommended 2015 Solid Waste Rates

<http://www.toronto.ca/legdocs/mmis/2015/bu/bgrd/backgroundfile-85860.pdf>

(November 5, 2015) Notice of Public Meeting - 2016 Rate Supported Budgets - Solid Waste Management Services and Recommended 2016 Solid Waste Rates

<http://www.toronto.ca/legdocs/mmis/2015/bu/bgrd/backgroundfile-85862.pdf>

Notice of Public Meeting - Appendix A - Proposed 2016 Solid Waste Rates and Fees

<http://www.toronto.ca/legdocs/mmis/2015/bu/bgrd/backgroundfile-85863.pdf>

(November 6, 2015) 2016 Staff Recommended Capital Budget - Solid Waste Management Services (Analyst Notes)

<http://www.toronto.ca/legdocs/mmis/2015/bu/bgrd/backgroundfile-85855.pdf>

(November 6, 2015) 2016 Staff Recommended Operating Budget - Solid Waste Management Services (Analyst Notes)

<http://www.toronto.ca/legdocs/mmis/2015/bu/bgrd/backgroundfile-85856.pdf>

(October 29, 2015) Report from the Deputy City Manager and Chief Financial Officer on 2016 Rate Supported Budgets - Solid Waste Management Services and Recommended 2016 Solid Waste Rates - Notice of Pending Report

<http://www.toronto.ca/legdocs/mmis/2015/bu/bgrd/backgroundfile-85857.pdf>

(November 13, 2015) Wrap-Up Notes to Budget Committee (November 13, 2015) - 2016 - 2025 Budget Committee Recommended Capital Budget and Plan - Rate Supported Program and Agencies

<http://www.toronto.ca/legdocs/mmis/2015/bu/bgrd/backgroundfile-85858.pdf>

(November 13, 2015) Wrap-Up Notes to Budget Committee (November 13, 2015) - 2016 Recommended Operating Budget - Rate Supported Programs and Agencies

<http://www.toronto.ca/legdocs/mmis/2015/bu/bgrd/backgroundfile-85861.pdf>

2016 Operating Budget Briefing Note #2 - Opportunities to Restore the Advertising and Promotion Budget

<http://www.toronto.ca/legdocs/mmis/2015/bu/bgrd/backgroundfile-86027.pdf>

(November 23, 2015) Wrap-Up Notes to Budget Committee (November 24, 2015) - 2016 - 2025 Budget Committee Recommended Capital Budget and Plan - Rate Supported Program and Agencies

(<http://www.toronto.ca/legdocs/mmis/2015/bu/bgrd/backgroundfile-86043.pdf>)

(November 23, 2015) Wrap-Up Notes to Budget Committee (November 24, 2015) - 2016 Recommended Operating Budget - Rate Supported Programs and Agencies

(<http://www.toronto.ca/legdocs/mmis/2015/bu/bgrd/backgroundfile-86044.pdf>)

Communications

(November 19, 2015) E-mail from Gianna Carere (BU.Main.BU14.2.1)

(November 20, 2015) E-mail from William Lazos (BU.Main.BU14.2.2)

(November 20, 2015) E-mail from Charlene Eales (BU.Supp.BU14.2.3)

(November 22, 2015) E-mail from S. B. LeBlanc (BU.Supp.BU14.2.4)

(November 23, 2015) E-mail from Mary Ritacca (BU.Supp.BU14.2.5)

(November 23, 2015) E-mail from Jorgina Gaspar (BU.Supp.BU14.2.6)

2a 2016 Service Level Review - Public Works and Infrastructure Committee Programs

Origin

(June 17, 2015) Letter from the Public Works and Infrastructure Committee

Summary

The Public Works and Infrastructure Committee referred the presentations to the Budget Committee, the City Manager and the Deputy City Manager and Chief Financial Officer, for consideration as part of the 2016 Budget Process.

City Council on May 5, 6 and 7, 2015, in adopting item EX5.18, approved the review of the divisional service levels at appropriate Standing Committees in June

2015 <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EX5.18>

Staff will made presentations to the Public Works and Infrastructure Committee on the following:

- Engineering and Construction Services
- Solid Waste Management Services
- Toronto Water
- Transportation Services

Background Information

(June 17, 2015) Letter from the Public Works and Infrastructure Committee on 2016 Service Level Review - Public Works and Infrastructure Committee Programs

(<http://www.toronto.ca/legdocs/mmis/2015/bu/bgrd/backgroundfile-85865.pdf>)

(June 17, 2015) Revised Presentation from the General Manager, Solid Waste Management Services - 2016 Service Level Review

(<http://www.toronto.ca/legdocs/mmis/2015/bu/bgrd/backgroundfile-85864.pdf>)