



**WASTE MANAGEMENT AND
ENVIRONMENTAL SERVICES
MEMORANDUM**

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TO: MAYOR A. NUTTALL AND MEMBERS OF COUNCIL

FROM: S. MACK, P.ENG., ASSOCIATE DIRECTOR OF WASTE MANAGEMENT AND ENVIRONMENTAL SUSTAINABILITY, EXT. 5839

WARD: ALL

NOTED: B. ARANIYASUNDARAN, P.ENG., PMP, GENERAL MANAGER OF INFRASTRUCTURE AND GROWTH MANAGEMENT

M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RE: ADDITIONAL OPTIONS FOR WASTE CART PROVISION – RESIDENTIAL PROPERTIES WITH TWO (2) TO FIVE (5) UNITS

DATE: SEPTEMBER 30, 2024

Further to the request from Deputy Mayor Thomson at General Committee on September 25, 2024, the purpose of this memorandum is to provide members of Council with additional information on option(s) for waste cart provisions for residential properties with two (2) to five (5) units as the City transitions to automated waste cart collection in 2025.

For the purpose of this discussion, one set of carts would comprise a 240L or 120L garbage cart and a 120L organics cart.

Recommendation in Staff Report WMES002-24 (September 25, 2024):

- base level of service – all properties would be provided one set of carts
- additional carts –
 - properties with two (2) or three (3) units would have the option to order one (1) additional set of carts at no cost to the property owner
 - properties with four (4) or five (5) units would have the option to order up to two (2) additional sets of carts at no cost to the property owner

Option 1 for consideration:

- base level of service –
 - properties with one (1) or two (2) units (including those with registered second suites) would be provided one set of carts
 - properties with three (3) to five (5) units would be provided two (2) sets of carts
- additional carts –
 - properties with two (2) to five (5) units (including those with registered second suites) would have the option to pay annually for one (1) additional set of carts
- the additional set of carts would be provided at the request of the property owner/designated property manager on a full cost recovery basis. This fee, estimated to be between \$300 and \$400 annually for the set of carts, would include contracted collection costs, processing of organics, disposal of garbage, and a small administration charge. This fee for service would be charged annually.



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Option 2 for consideration:

- base level of service – all properties would be provided one (1) set of carts
- additional carts –
 - properties with two (2) (including those with registered second suites) or three (3) units would have the option to pay annually for one (1) additional set of carts
 - properties with four (4) or five (5) units would have the option to pay annually for up to two (2) additional sets of carts
- additional carts would be provided at the request of the property owner/designated property manager on a full cost recovery basis. This fee, estimated to be between \$300 and \$400 annually for each set of carts, would include contracted collection costs, processing of organics, disposal of garbage, and a small administration charge. This fee for service would be charged annually.

Key Considerations

In presenting additional servicing options for Council's consideration, the following was considered:

- a) Financial impact – with automated collection, the contractor will be compensated for collection of every set of carts provided. Although it requires additional administration of the program, adjustments to the number of carts distributed to properties with multiple units has potential to reduce contracted collection costs. For this assessment, it is projected that the cost of collection alone (i.e. without disposal/processing) for residential properties will range from approximately \$165 to \$590 (inside the BIA) per unit in the first full year of automated waste collection.
- b) Municipal taxation/assessed property value – with the new waste contract designed on service provision per unit (and by extension property), there is a better understanding of the actual cost to the City to provide differing levels of service to various property types. Staff have consulted with Finance to better understand if the average amount of property tax collected for properties with two (2) to five (5) units (including those with secondary suites) provides enough additional revenue commensurate with an increased level of waste service (i.e. provision of additional waste carts).
- c) Diversion/landfill capacity – distribution of carts has provided an opportunity to review garbage limits. Reducing the amount of “no charge” garbage permitted within the system encourages households to think about what is thrown out and utilize diversion programs (organics and recycling) – and, in turn, extend capacity of the City's landfill. The 2023 curbside audit indicated that the average City household sets out the equivalent of 1.28 bags of garbage every other week – but that garbage still contains on average 33% divertible food and organic waste and 10% recycling.

Program Implementation and Risk

Adding complexity to cart distribution will require additional resources – both in staff time (creation of the systems to support cart selection and payment, customer service support, administering data and annual fees, etc.) and budget for program planning and administration. There is increased risk that some additional time and budget may be needed to set the program up within the City's current systems for payment and registration.

As the cart program is implemented, staff will also be monitoring for illegal dumping – noting that there is potential risk that with options requiring payment for waste services, there may be an increase in dumping.



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Summary of Options for Waste Servicing Residential Properties

Number of Units/ Projected Properties	Recommendation in WMES002-24	Option 1	Option 2	Average Property Taxes (municipal portion)	Financial Considerations¹	Potential to Increase Diversion of Waste
1 unit 40,000 properties	1 set of carts	1 set of carts	1 set of carts	\$4,509 single family detached	projected budget – \$6.7M annually for waste collection	-
2 units 3,500 properties	up to 2 sets of carts	1 set of carts 1 set for purchase	1 set of carts 1 set for purchase	\$4,607 duplex	projected budget as recommended – \$1.2M annually Options 1 and 2 – projected savings ² \$590K	both Options 1 and 2 bring potential increase in diversion (less “no charge” garbage)
3 units 260 properties	up to 2 sets of carts	2 sets of carts 1 set for purchase	1 set of carts 1 set for purchase	\$4,997 triplex	projected budget as recommended – \$99K annually Option 1 – no savings Option 2 – projected savings \$49K	Option 2 would bring most potential to increase in diversion
4 units 75 properties	up to 3 sets of carts	2 sets of carts 1 set for purchase	1 set of carts 2 sets for purchase	\$6,674 fourplex	projected budget as recommended – \$56K annually Option 1 – projected savings \$18K Option 2 – projected savings \$37K	Option 2 would bring most potential to increase in diversion
5 units 25 properties	up to 3 sets of carts	2 sets of carts 1 set for purchase	1 set of carts 2 sets for purchase	\$8,008 fiveplex	projected as recommended – \$17K annually Option 1 – projected savings \$5K Option 2 – projected savings \$11K	Option 2 would bring most potential to increase in diversion

1. Financial considerations based on projected cost of contracted waste collection in 2026 (the first full year of automated cart collection) and includes consideration for some growth, inflation and fuel escalation as per the curbside collection contract.
2. Savings (avoided collection costs) were based on projected costs associated with the recommended option in Staff Report WMES002-24.
3. Some unbudgeted revenue from Options 1 and 2 would also be realized related to cost of garbage disposal (not a budgeted contract cost).