



City of North Bay Report to Council

Report No: IO-2024-001

Date: December 29, 2023

Originator: Karin Pratte

Business Unit:

Department:

Infrastructure and Operations

Environmental Services

Subject: Waste Management By-Law User Fees

Closed Session: yes no

Recommendation

That Council authorizes the City Clerk to amend the Waste Management User Fee By-Law 2010-108 pursuant to the recommendations set out in Report to Council IO-2024-001 dated December 29, 2023 from Karin Pratte.

Background

To offset the cost of providing services, municipalities have the authority under Section 391(1) of the Municipal Act to impose a fee or charge on individuals. In most cases an individual receives a direct benefit from a service however in the case of the aforementioned by-laws the imposed fee or charge is to encourage recycling and maximize the life of the landfill. Increasingly municipalities are looking at user fees to help offset the impact of municipal services on property taxes.

The Municipal Act and case law requires that there be a nexus or connection between the fee charged and the costs incurred so that the fee is revenue neutral (over the long term). In situations in which there is also a community benefit associated with providing the service, the fee charged may be less than the full cost recovery rate.

Financial/Legal Implications

Merrick Landfill Tipping Fees

Landfill user rates and tipping fees may be set based on costs for the entire waste management program which includes capital costs to establish the landfill site, capital costs for upgrades and improvements to the landfill site,

annual operating costs and can also consider ancillary services such as recycling and waste reduction programs. The Merrick landfill operating and capital costs are forecasted to continue to increase due to cost escalations for items such as fuel, parts, chemicals and labour.

In 2023 Council increased general solid waste ICI tipping fees from \$102 to \$105 per metric tonne. Tipping fees were originally established in 1990 and have gradually increased over time, however, the City’s rates remain significantly below full cost recovery. With the recommended changes North Bay tipping fees remain comparable to other northern and central Ontario’s communities.

It is proposed that tipping fees be increased as per the schedule below effective April 1, 2024:

<i>Waste Classification</i>	<i>2023 Fee</i>	<i>2024 Proposed Fee (effective April 1, 2024)</i>
<i>ICI Tipping Fee</i>	\$105	\$110
<i>Private Vehicle (6 bags or less)</i>	\$5	\$10
<i>Private Vehicle (exceeding 6 bags)</i>	\$20	\$25
<i>Private vehicle + single axle trailer</i>	\$30	\$35

The increased tipping fee will be reflected in the 2024 Administrative Operating Budget. The proposed rate changes are recommended to offset the reduction in tipping volumes that have resulted from enhanced recycling initiatives. Waste diversion from the landfill will extend the life of the asset, however, reduced volumes also result in reduced revenues. The recommended rate increase will maintain revenues in the 2024 Administrative Operating budget to the 2023 revenue. In the event the rate change is not approved the 2024 Operating Budget will be adjusted accordingly.

Corporate Strategic Plan

- Natural North and Near
- Affordable Balanced Growth
- Responsible and Responsive Government
- Economic Prosperity
- Spirited Safe Community

Specific Objectives

Protect, promote and enhance the environment in all aspects of the City’s operations and plans.

Provide smart, cost-effective services and programs to residents and businesses.

Options Analysis

Option 1: That Council authorizes the City Clerk to amend the Waste management User Fee By-Law 2010-108 pursuant to the recommendations noted in Report to Council IO-2024-001.

A public notice and public meeting, as required for these changes, will be held to obtain public feedback.

This option is recommended.

Option 2: That Council not make any changes to the Waste Management User Fee By-Law at this time.

This option is not recommended.

Recommended Option

That Council authorizes the City Clerk to amend the Waste Management User Fee By-Law 2010-108 pursuant to the recommendations set out in Report to Council IO-2024-001 dated December 29, 2023 from Karin Pratte.

Respectfully submitted,

Name: Karin Pratte, P.Eng.

Title: Senior Environment & Facilities Engineer

I concur with this report and recommendation

Name: Alan Korell, P.Eng.

Title: Interim City Engineer

Name: Margaret Karpenko, CPA, CMA

Title: Chief Financial Officer /Treasurer

Name: John Severino, P.Eng., MBA

Title: Chief Administrative Officer

Personnel designated for continuance:

Name: Karin Pratte, P.Eng.

Title: Senior Environment & Facilities Engineer