



## City of North Bay Report to Council

Report No: IO-2025-001

Date: December 2, 2024

Originator: Karin Pratte

Business Unit:

Department:

Infrastructure and Operations

Environmental Services

Subject: Waste Management By-Law User Fee

Closed Session: yes  no

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### Recommendation

That Council authorize 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-2025-01 dated December 2, 2024 from Karin Pratte.

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### 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.

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### Financial/Legal Implications

#### Merrick Landfill Tipping Fee

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. Although efforts to provide the service more efficiently, it is forecasted that the Merrick landfill operating and capital costs continue to increase at a greater rate than cost mitigation efforts due to cost escalation pressures for items such as fuel, parts, chemicals and labour to meet regulatory and service requirements.

In 2024 the Council increased general solid waste tipping fees from \$105 to \$110 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 as listed below:

<b>Community</b>	<b>2024 General ICI Tipping Fee</b>
Sudbury	\$103 / tonne
Peterborough	\$150 / tonne
Kawartha Lakes	\$135 / tonne
Orillia	\$185 / tonne
Barrie	\$160/ tonne

It is proposed that tipping fees be increased in from \$110 to \$115 effective March 1, 2025, and to \$118 effective January 1, 2026.

The increased tipping fee will be reflected in the 2025 Administrative Operating Budget. The proposed rate changes are recommended to offset the reduction in tipping volumes that have resulted from enhanced waste diversion initiatives. Waste diversion from the landfill will extend the life of the asset, however, reduced volumes also result in reduced revenues. The 2025 Operating Budget will be adjusted according to effective price and 2025 forecasted tonnes.

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### **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

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### **Options Analysis**

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Option 1:

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-2025-01 dated December 2, 2024 from Karin Pratte.

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 refer this matter to committee to consider different rates than what is proposed.

This Option is not recommended.

Option 3:

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

This option is not recommended.

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**Recommended Option**

That Council authorize 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-2025-01 dated December 2, 2024 from Karin Pratte.

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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: City Engineer – Infrastructure and Operations

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