



City of  
**Peterborough**

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**TO: Members of the Waste Management Steering Committee**

**FROM: W.H. Jackson, Director of Utility Services**

**MEETING DATE: May 13, 2013**

**SUBJECT: Report WMC13-002  
Peterborough County/City Waste Management Facility -  
Tipping Fee Analysis**

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## **PURPOSE**

A report to provide an analysis of the tipping fees at the Peterborough County/City Waste Management Facility (the "Landfill") and recommend an increase in the fee for garbage loads of 101 kg or more.

## **RECOMMENDATIONS**

That the Waste Management Committee endorse the recommendations as outlined in Report WMC13-002 dated May 13, 2013, of the Director of Utility Services as follows:

- a) That the tipping fee for garbage loads of 101 kg or more at the Peterborough County/City Waste Management Facility be increased by \$10/tonne from \$90/tonne to \$100/tonne effective January 1, 2014; and
- b) That the tipping fee for garbage loads of 101 kg or more at the Peterborough County/City Waste Management Facility be increased on January 1, of each year based on the increase in the "Statistics Canada, All items - Ontario" cost index measured over the previous 12 month period from November to November.

## **BUDGET AND FINANCIAL IMPLICATIONS**

Based on current disposal rates, it is estimated the proposed \$10/tonne increase in the tipping fee for loads 101 kg or more will generate approximately \$300,000 in additional revenue for the year 2014.

## **BACKGROUND**

The Waste Management Committee at its meeting of March 4, 2013 under “Other Business” requested:

“That the verbal updates on the other business items be received for information and that Committee request staff prepare reports on these items for the Waste Management Committee meeting scheduled for May 13, 2013.”

One of the issues discussed under Other Business was an analysis of the tipping fees for the Peterborough County/City Waste Management Facility (the “Landfill”).

### 1. Existing Tipping Fees

There are a number of fees associated with the Landfill as shown in Appendix A.

Although the Committee was not explicit as to which tipping fee was to be reviewed, it was assumed to be the fee that relates to “garbage loads 101 kg or more”. The Committee may, of course, wish to ask staff to investigate the other Landfill fees at a later date.

The subject tipping fee was last increased on January 1, 2010 from \$85/tonne to the existing \$90/tonne. There was no discernible loss in tonnage deposited at the Landfill as a result of this increase in tipping fee.

### 2. Potential to Raise Tipping Fee for Garbage Loads 101 kg or More

UEM Consulting Engineers were commissioned to undertake this study and their full report is appended as Appendix B.

UEM reviewed the existing sources of waste arriving at the Landfill to determine what quantities of waste might migrate to other landfills if the tipping rate at the Landfill were too high. Other landfills in the area were canvassed to determine how their tipping fees compared to the Landfill tipping fees.

Based on this analysis, two main conclusions could be drawn:

- if the cost to dispose of waste were solely based on the Landfill tipping fee and haulage costs, UEM has calculated the Landfill tipping fee for garbage loads 101 kg or more could be increased to somewhere in the range of \$113/tonne to \$133/tonne without a significant outmigration of garbage to other landfills; and
- UEM has also estimated that a tipping fee beyond \$103.50/tonne would entice private haulers to consider construction of a transfer station in the Peterborough area to reduce the overall cost of waste disposal.

### 3. Proposed Tipping Fee for Garbage Loads 101 kg or More

Based on the analysis undertaken by UEM, it is proposed to increase the tipping fee for garbage loads 101 kg or more by \$10/tonne from \$90/tonne to \$100/tonne. UEM has estimated that this increase will generate an additional \$300,000 in revenue for the Landfill. The proposal would be to implement this increase on January 1, 2014 as part of the 2014 City Budget Process.

The \$10 fee increase is 11% more than the existing fee. Over the years 2010 to 2014 this amounts to a simple increase of 2.7% per year. The users will, no doubt, focus on the 11% increase and ignore the 0% increases over the intervening years.

In future, to avoid increasing the tipping fee in “large” steps it would be preferable to increase the fee each year based, for example, on the cost of living index for the region of Peterborough.

Submitted by,

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Attachments:  
Appendix A: Existing Tipping Fees  
Appendix B: UEM Landfill Tipping Fee Study