County of Peterborough



Our History. Your Future.

Public Works Administration

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October 24, 2013

Ministry of Finance 7th Floor, Frost Building South 7 Queen's Park Crescent Toronto, ON M7A 1Y7

Attention: Steven Del Duca

Parliamentary Assistant

Dear MPP Del Duca:

At the County and City of Peterborough Waste Management Committee meeting of September 16th, 2013, the following motion was passed:

"That the Waste Management Committee Chair write a letter on behalf of the Committee to support staff efforts, and the letter be forwarded to the Mayor and Warden requesting support."

The County and City of Peterborough Waste Management Committee is a joint committee of the Councils of the County of Peterborough and the City of Peterborough that deals for the most part with issues surrounding the County/City Waste Management Facility.

Staff of the County and City are members of the Ministry of Finance/ Municipal Property Assessment Corporation Working Group regarding the Special Purpose Business Property Assessment Review that was announced in the 2013 provincial Budget, and are keeping our committee up to date on issues being discussed at the working group meetings.

We appreciate the need for developing a fair, consistent, transparent, defensible and open means of assigning assessment to landfills throughout the province, and appreciate the efforts the ministry is taking in reaching it's goal. We are concerned however with the direction that the Municipal Property Assessment Corporation may take in reaching their goal and some of the issues that directly impact the County and City of Peterborough.

The County and City already pay a significant annual royalty fee to the Township of Otonobee-South Monaghan, the host municipality for our landfill. The royalty fee is based on the annual tonnage of waste that the facility receives, and is generally in the range of \$400,000. When the host municipality agreement was developed, part of the rationalization for the royalty was to ensure the township received "fair" value for the use of the landfill lands due to the lack of any adequate property tax for the landfill property. We strongly feel that the pre-existence of royalties for landfills needs to be taken into consideration when developing a formula for the final assessment for the properties.

Further detailed discussions with all of the members of the working group appear to be necessary when discussing the actual value of tipping fees. Developing a model based on average advertised tipping fees will create major problems in an assessment model if the tipping fees used in the equation are incorrect. For example, while the advertised tipping fees for the Peterborough County/City Waste Management Facility are \$90 per tonne, this applies to only a segment of the waste the facility receives, that is, small private residential loads and waste from the Industrial/ Commercial/Institutional Sectors. A large segment of the waste the facility receives, that is, the general municipal solid waste, has no tipping fee. Therefore, in reality the overall "blended" tipping fee for the facility is likely within the range of \$40 to \$50 per tonne. When averaging facilities' tipping fee rates, it is also important to understand that while it may be difficult to obtain the actual tipping fees from the private facilities, the majority of them offer significant discounts based on volumes to their customers. Using their advertised rates would grossly over-value the actual tipping fees.

Finally, we are concerned that while there are discussions underway with the working group, and that a great deal of work is being completed by both the Ministry of Finance and the Municipal Property Assessment Corporation and all of the stakeholders involved in this initiative, there may be pressure within the ministry to push ahead due to tight timelines. We urge you to please ensure that arriving at the "right" solution is given priority over meeting internal timelines.

Sincerely,

Barry Rand, Chair Peterborough County/City Waste Management Committee

c.c. Warden J. Murray Jones, County of Peterborough
Mayor Daryl Bennett, City of Peterborough
MPP Jeff Leal, Minister of Rural Affairs
Wayne Jackson, Director of Utility Services & Deputy CAO