



City of
Peterborough

To: Members of the Waste Management Steering Committee

From: W.H. Jackson, Director of Utility Services

Meeting Date: September 8, 2014

Subject: Report WMC14-012
Update on Full Cost Accounting for the Peterborough
County/City Waste Management Facility

Purpose

A report to provide Committee with an update on the full cost accounting analysis for the Peterborough County/City Waste Management Facility.

Recommendations

That the Waste Management Committee endorse the recommendations as outlined in Report WMC14-012 dated September 8, 2014, of the Director of Utility Services as follows:

- a) That Report WMC14-012 dated September 8, 2014 providing an update on the full cost accounting analysis of the Peterborough County/City Waste Management Facility be received for information; and
- b) That staff report back to the Waste Management Committee as early as possible in 2015 on an updated Full Cost Accounting Analysis for the Peterborough County/City Waste Management Facility.

Budget and Financial Implications

There are no budget or financial implications to receiving this report for information

Background

The Waste Management Committee at its meeting of June 24, 2013 in considering Report WMC13-013 entitled “Full Cost Accounting for the Peterborough County/City Waste Management Facility” adopted the following:

- a) That Report WMC13-013 dated June 24, 2013 providing the full cost accounting analysis of the Peterborough County/City Waste Management Facility be received for information; and
- b) That staff continue to update the cost and other assumptions used in this analysis and report back to the Waste Management Committee on a yearly basis, or sooner if appropriate, regarding the updated analysis when additional information is available.

1. Results of Full Cost Accounting Project to Date

At the June 24, 2013 meeting of the Waste Management Committee, the Committee was informed that work up to that point had produced the following costs (2012 dollars) for waste deposited at the Peterborough County/City Waste Management Facility:

- \$76.63 gross per tonne (net cost = \$13.10/tonne);
- \$33.48 gross per cubic metre (net cost = \$5.72/per cubic metre)

2. Changes in Landfill Operation that will Impact Full Cost Accounting

Since the bulk of the work to arrive at the June 2013 results was completed, a number of issues, as listed below, have occurred that will have an impact on the analysis.

- Significant reduction of waste deposited by the private sector;
- Approved mattress and box spring diversion program to start September 2, 2014;
- Pending kitchen waste diversion program;
- Increased compaction rate achieved; and
- Updated Post Closure Cost Study.

The first three issues have the potential to increase the life of the Landfill, although the first issue in particular has also resulted in a significant revenue reduction.

3. Next Steps

All of the issues identified in Section 2 need to be incorporated into an updated Full Cost Accounting Analysis. Additionally, consideration should be given to updating the analysis to 2013 or 2014 dollars.

It was the intent of City staff to have this update completed for the September 2014 meeting of the Waste Management Committee. However, because the person who initially undertook the analysis has now left the employ of the City, vacations and 2015 Budget preparation, the work on the Landfill Full Cost Accounting has been delayed. The update has now been scheduled to coincide with the first meeting of the Waste Management Committee in 2015.

Submitted by,

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