

## **MEMORANDUM**

**WMPSC-C 9-2021**

**Subject: Waste Management Tipping Fees**

**Date: Monday, February 22, 2021**

**To: Waste Management Planning Steering Committee**

**From: Andrew Winters, Program Manager, Waste Disposal Operations**

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The purpose of this memorandum is to provide members of the Waste Management Planning Steering Committee an update on the following changes to the Waste Management tipping fee schedule that was approved by the Budget Review Committee of the Whole for consideration as part of the 2021 Fee & Charges By-Law, as well as outline the communication plan to inform site users of the upcoming tip fee changes.

### **Key Facts**

- The following changes to Niagara Region's landfill tip fee schedule will be as follows:
  - Fee for mixed solid waste including construction/demolition material be increased from \$115 per tonne to \$117 per tonne.
  - The minimum flat fee of \$5.00 be changed to the first 50 kilograms from the current 60 kilograms and pro-rate after 50 kilograms based on \$117 per tonne.
  - The fee for asbestos be increase from \$300 to \$385.
- The above noted changes will come into effect on April 1, 2021.
- Total revenue increase including the increased tipping fee and asbestos rate is approximately \$70K annually.
- The projected 2021 total revenues from tip fees is \$3.635 M.
- Staff are currently reviewing a competitive pricing structure that is consistent with full cost recovery.
- Tipping fees were last adjusted in 2019 with waste/construction/demolition fees increasing from \$100/tonne to \$115/tonne.

### **Analysis**

Niagara Region's landfills currently receive a total of approximately 73,400 tonnes of waste for disposal annually. After accounting for the tonnage related to curbside collection and non-chargeable sources (e.g. municipal self-haul), approximately 25,700

tonnes of these landfilled materials relate to self-hauled waste for which a tipping fee is charged. In addition, a variety of diverted materials is collected at these sites and generates fees based on the respective user fee rates.

In order to inform the update process in 2020 for the rates, a review of tipping fees charged by other public and private sector landfills in comparable jurisdictions was completed. As part of the process, staff reviewed the current tip fees at Walker Industries. The survey addressed three areas: fees charged for various materials, which materials are being recycled and whether a fee is charged for recyclable materials. In total seven (7) public sector and four (4) private sector comparators were assessed. Summary data from that survey is referenced in the sections below.

**Table 1: Disposal Fee Comparison Fee per Tonne**

**Public Sector:**

<b>Municipality</b>	<b>Price Per Tonne</b>	<b>Minimum Fee</b>
Niagara Region	\$115.00	\$5 minimum up to 60 Kg.
City of London	\$75.00	\$8 minimum up to 100 Kg.
Peel Region	\$120.00	NA.
City of Toronto	\$159.00	\$15.91/ 100 kg
City of Hamilton	\$122.50	\$8.50 minimum up to 100 Kg.
Durham Region	\$125.00	\$5 for first 40 Kg.
Halton Region	\$170.00	\$5.00 up to 50kg, \$10 from 51kg to 150kg
Waterloo Region	\$82.00	\$5 per load

**Public Sector Average is \$122/tonne**

**Table 2: Private Sector Disposal Fee Comparison Fee per Tonne**

**Private Sector Disposal Fees:**

<b>Companies</b>	<b>Cost Per Tonne (incl. tax)</b>	<b>Minimum Fee</b>
Country-Wide Recycling (Hamilton)	\$ 107.35	30.00 minimum fee

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Companies	Cost Per Tonne (incl. tax)	Minimum Fee
Waste Management (St. Catharines )	\$101.85	\$33.81/ 100kg
Walker Environmental (Thorold)	\$132.20	\$11.00 minimum fee
Walker Environmental (Burlington)	\$194.36	\$10.00 minimum fee /58kg
Future Waste Transfer Station	\$108.22	\$10.00 /100kg

**Private Sector Average is \$128.80 (includes tax)**

As shown above, Niagara's current rate falls below both the public sector and private sector comparator averages, as well as, the residential waste drop-off depot operated by Walker Environmental Group in Thorold.

Based on the above, a revised charge of \$117 per tonne and the minimum charge of \$5.00 be for the first 50 kg was recommended beginning on April 1, 2021. The detailed review of the 2019 tipping fees aligns with the Waste Management Reserve Strategy as approved in CSD 70-2017. The future cost per tonne associated with today's waste is embedded within the proposed tipping fee and will flow directly into the closed landfill liability reserve fund.

**Full Cost Recovery**

In addition to bringing Niagara Region in line with marketplace pricing, the 2021 Waste Management tipping fees are being adjusted in order to move towards full cost recovery. In 2019 it was estimated that in order for Niagara Region to attain full cost recovery, the tipping fee should be approximately \$128 per tonne. Full cost recovery considers various cost components including direct operations, capital, planning and administrative costs.

**Disposal Fee for Asbestos**

When comparing asbestos rates with other public and private sector landfills, Niagara Region rate was below Walker's landfill the closest facility that accepts asbestos. The increase brings Niagara in line with Walkers Environmental.

### **Communication**

Niagara Region will notify site users of the above noted changes using a variety of methods including:

- Mailing / emailing letters to contractors registered with Niagara Region Landfills
- Updating Niagara Region Website
- Issuing a Public Service Announcement
- Posting messages on Social Media – Facebook and Twitter
- Placing a sign in the windows of scale houses at each of Niagara Region Landfills.

### **Relationship to Council Strategic Priorities**

The purpose of this report is to support Council's strategic priority of Doing Business Differently.

### **Other Pertinent Reports**

WMPSC-C-33-2018 Waste Management Tipping

WMPSC-C 35 2015 Waste Management Tipping Fees

PWC-C 38-2015 Recommendations of the Waste Management Planning Steering Committee meeting held September 14, 2015 for Consideration

CSD 70-2017 Waste Management Reserve Strategy

Respectfully submitted and signed by

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Andrew Winters  
Program Manager, Waste Disposal Operation