
MEMORANDUM

WMPSC-C 3-2020

Subject: Garbage Tag Fee Increase

Date: Monday, January 27, 2020

To: Waste Management Planning Steering Committee

From: Brad Whitelaw, Program Manager, Policy & Planning

The purpose of this memorandum is to provide Waste Management Planning Steering Committee (WMPSC) members with details on the implementation of the garbage tag fee increase, reason for this increase, and the next steps to be taken.

Background

- In 2012, staff were directed by WMPSC to conduct a full cost recovery review of the garbage tag fee to determine whether the current tag fee was sufficient to recover the associated garbage collection and disposal costs.
- Based on the results of this review, the garbage tag fee was approved to be increased from \$1.00 to \$2.00 per tag, effective April 30, 2012 (refer to report PW 19-2012).
- Staff have continued to complete a full cost recovery review of the garbage tag fee, on a regular basis, to ensure the fee was sufficient to recover the associated garbage collection and disposal costs.

Reason for Garbage Tag Fee Increase

As a result of the increased costs associated with the implementation of Niagara Region's new waste collection contract commencing in October 2020, the full cost recovery review determined that the garbage tag fee would need to be increased from \$2.00 to \$2.50 per tag.

The 2020 Waste Management Services Operating Budget and Requisition (refer to report CSD 70-2019), which included the \$2.50 garbage tag fee, was approved by Budget Review Committee of the Whole on November 28, 2019. Niagara Region's 2020 Fees and Charges By-law (refer to report CSD 72-2019), which included the \$2.50 garbage tag fee, was approved by Budget Review Committee of the Whole on December 5, 2019. Both reports were approved by Regional Council on December 12, 2019.

Implementation of the Garbage Tag Fee Increase

In order to provide sufficient time for staff to inform both the garbage tag retailers and residents about this price increase, as well as provide the retailers with a supply of the new \$2.50 garbage tags, the start date for the garbage tag increase was deferred until February 1, 2020.

Information letters were mailed out to all garbage tag retailers to notify them of this price increase. Retailers were instructed to place their final order for any \$2.00 garbage tags required for sale until January 31, 2020, before the end of December. Retailers were also instructed to place their order for the new \$2.50 garbage tags during the last week of January, so these tags could be delivered in time for the February 1, 2020 start date.

During the month of January, communications via social media (i.e. Facebook, Twitter, and Niagara Region's website), and a media release were utilized to inform residents of the increase in the garbage tag fee. Local Area Municipalities were also notified of the increase in the garbage tag fee.

If retailers have any \$2.00 garbage tags remaining after January 31, 2020, they may continue to sell them until their inventory has been depleted. In addition, if residents have any \$2.00 garbage tags remaining after January 31, 2020, they may continue to use them.

Next Steps

Niagara Region will continue to complete future full cost recovery reviews of the garbage tag fee to determine whether any further price increases will be required. A report will be submitted to WMPSC, if an increase is required.

Respectfully submitted and signed by

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Program Manager, Policy & Planning