



Agenda No: 6.15

Mtg Date: Dec. 14/09

Regional Board Report

TO: Regional Board

FROM: Peter Rotheisler
Waste Reduction Supervisor

DATE: December 14, 2009

SUBJECT: Rate increase for users of the North Westside and Traders Cove Transfer Stations.

RECOMMENDATION:

THAT the Regional Board receive, for information, the Report from the Waste Reduction Supervisor dated December 14th, 2009 regarding increasing user fees for the North Westside and Traders Cove Transfer Stations;

AND THAT staff report back to the Regional Board on the proposed user fee increases prior to final 2010 budget deliberations;

AND FURTHER THAT staff consult with users of the North Westside and Traders Transfer Stations to explain the need for increased user fees and gauge interest from Traders Cove Transfer Station users about changing to the automated curbside collection system instead of transfer station service.

Rational:

Table 1 summarizes the projected operating expenses, projected number of users and projected user fee for 2010 as well as the current user fees for the North Westside and Traders Cove Transfer Stations.

Table 1

	Projected operating expenses 2010	Projected users 2010	Projected 2010 user fee	Current user fee
North Westside Transfer Station	\$110,881.56	848	\$131	\$40
Traders Cove Transfer Station	\$44,586.16	249	\$179	\$52

Projected operating expenses will be finalized after reviewing total 2009 operating expenses.

Regional District residents with automated curbside collection service adjacent to Traders Cove are projected to have a garbage collection rate of \$178.40/year for a higher level of service.

Background:

The current annual user fees for the North Westside Transfer Station and the Traders Cove Transfer Station are \$40 and \$52, respectively. Rates are less for North Westside Transfer Station users as a result of better economies of scale. The user fees are meant to cover all operating expenses associated with the transfer stations. These rates have remained unchanged for a minimum of seven years. However, over this seven year period the operating expenses associated with these transfer stations have increased by approximately 275% while the number of users has only increased by approximately 35%.

The primary reason for the increase in operating expenses is increased contractor rates associated with hauling, operating the transfer station, and equipment rental (Tables 2 and 3).

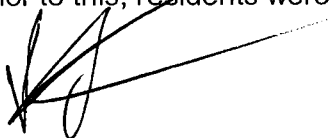
Table 2 A comparison of contractor rates for Traders Cove Transfer Station for 2004 and 2010.

	2004	2010
Hauling Rate (per bin)	\$50-\$60	\$196-\$218
Labour rate (per hour)	\$18.50	\$28.50
Equipment rental (per month)	\$120	\$357.50

Table 3 A comparison of contractor rates for North Westside Transfer Station for 2004 and 2009

	2004	2010
Hauling Rate (per bin)	\$240 (included bin rental)	\$305
Labour rate (per month)	\$953	\$2,630
Equipment rental (per month)	\$0	\$357.50/month

Contracts have been renewed and amended multiple times over the last seven years for each transfer station. Each renewal and amendment resulted in an increased expense to operate. Most recently the Regional Board approved hauling rate increases of between 20% and 30% for both transfer stations (April 21, 2009). This most recent hauling rate increase is associated with the diversion of commercial traffic from the Westside Landfill and the resultant longer haul to the Glenmore Landfill. In addition, tipping fees have been added to the operating expense of each transfer station as a result of the Westside Landfill closing to commercial traffic in mid-2009. Prior to this, residents were not charged for tipping garbage at the Regional Landfill.



Peter Rotheisler
Waste Reduction Supervisor



Dan Plamondon
Manager of Development and Environmental Service