

BUDGET COMMITTEE MAY 26, 2003

WASTE AND RECYCLING COLLECTION CONTRACTS – ADDITIONAL INFORMATION

Recommendation

The Commissioner of Engineering and Public Works recommends that the following be received for information.

Purpose

To provide additional information concerning the costs of extending the waste and recycling collection contracts.

Background - Analysis and Options

At its meeting of May 20, 2003, Committee requested that additional information be provided, summarizing the additional costs involved in extending the existing waste and recycling collection contracts for a further 12 month period, covering January 1 – December 31, 2004. The following table summarizes the total cost and service level increases, but does not include a growth factor.

	2003 Costs	2004 Proposed Costs	Additional Contract Costs	Approved Service Level Increases*	Total Additional Costs
Waste	\$3,843,571	\$4,192,634	\$349,063	\$0	\$349,063
Blue Box	\$1,535,755	\$1,922,050	\$386,295	\$0	\$386,295
Appliances	No change	No change	\$0	\$0	\$0
Yard Waste	\$458,607	\$472,365	**\$13,748	\$550,000	\$563,748
Christmas Trees	No change	No change		\$0	\$0
TOTAL			\$749,106	\$550,000	\$1,299,106

* assumes 2004 Yard Waste program will operate from April to the end of November

** assumes a 3% CPI increase based on the previous 16 week collection program

As can be seen from above, the cost to provide an additional 18 weeks of yard waste collection (including grass clippings) amounts to over 40% of the increased costs. The remainder are the proposed price increases as a result of the discussions with the various collection contractors.

As was noted in the previous report, and again in this report, the above noted prices do not reflect a growth factor. Since April 2000 to April 2003, the number of houses collected has grown by approximately 415 units per month, or 4,988 per year. If the same holds true for 2004, it will represent an estimated 7% increase in unit counts from 2003.

Conclusion

The proposed 2004 collection cost increases will result in approximately \$749,000 in additional costs. The increased level of service to provide weekly collection of yard waste and grass clippings in 2004 will add a further \$550,000 to those costs. Growth will further add to these costs.

Attachments

N/A

Report prepared by:

Brian T. Anthony, CRS-S, C. Tech.
Director of Public Works

Respectfully submitted,

Bill Robinson, P. Eng.
Commissioner of Engineering and Public Works

Brian T. Anthony
Director of Public Works