



STAFF REPORT TO THE BOARD

DATE OF REPORT February 27, 2025
MEETING TYPE & DATE Special Board of March 12, 2025
FROM: Recycling & Waste Management Division
Operations Department
SUBJECT: Garbage Tipping Fee Consideration
FILE: 1720-20

PURPOSE/INTRODUCTION

The purpose of this report is to provide an analysis of the option to waive residential garbage tipping fees for Areas A, B, C and H until the three-stream service is provided.

RECOMMENDED RESOLUTION

For information.

BACKGROUND

The Cowichan Valley Regional District's (CVRD) residential curbside collection service is primarily funded by utility fees, with additional annual funds received from Recycle BC incentives and occasional grants.

In 2025, the CVRD will provide a three-stream curbside collection service (Service) to approximately 14,200 eligible households in its nine CVRD Electoral Areas (Areas). The Service will include the collection of garbage, organics (food and yard waste), and recyclables, including the monthly collection of Recycle BC-approved glass containers. To implement the Service, all eligible households will receive a bear-resistant organics tote, a glass collection bin and a kitchen food scrap bin.

Approximately 8,420 households in Areas A, B, C and H will also receive a bear-resistant garbage tote in 2025. Table 1 shows the number of eligible households in each of these Areas. Over time, households in Areas D, E, F, G and I will have their current garbage totes replaced with bear-resistant totes.

Table 1 - Households per Area in Areas A, B, C and H

Electoral Area	# Eligible Households
A	2,051
B	3,740
C	1,505
H	1,124
Total	8,420

At the Electoral Area Services Committee (EASC) meeting on December 4, 2024, staff recommended that Bylaw No. 4619—*Garbage and/or Recyclable Materials Collection Bylaw, 2025 Amendment* be approved to amend the utility fee (fee) to \$345 per household to offset

implementation and increased collection costs in 2025. The EASC referred the matter back to staff to propose alternate fees to address the service levels in Areas A, B, C, and H compared to Areas D, E, F, G and I from January through May 2025.

At a subsequent Special EASC meeting held on December 6, 2024, staff presented the rationale for the \$345 fee for all households and alternative fee concepts. The EASC recommended to the Board that the fee of \$345 per household be adopted.

At the CVRD Board meeting on December 11, 2024, the Board resolved to adopt the \$345 fee. The Board Chair also provided a Notice of Motion that would be advanced at a future meeting, requesting staff to provide more information on the costs and the Service's implementation timelines.

At the CVRD Special Board meeting on January 15, 2025, the Board directed staff to return with a report outlining options for potentially providing “free” garbage disposal to residents in A, B, C, and H until the Service starts in June 2025.

ANALYSIS

To provide free household garbage disposal to all eligible households in Areas A, B, C and H (i.e. households receiving CVRD recyclables collection service), staff explored the option of providing residential garbage drop-off at:

- a. Peerless Recycling Centre (Peerless) and Bings Creek Recycling Centre (Bings); or
- b. Peerless and Fisher Road Recycling (FRR) and/or GFL Duncan (GFL).

The following analyses describe this option in greater detail and considers several factors.

Overview

In this option, the CVRD would permit eligible households in Areas A, B, C and H to drop-off a limited amount of garbage at one or more approved waste collection facilities. Due to time constraints, it would be challenging for the CVRD to establish an agreement and ensure the operational capacity of a private facility, such as FRR or GFL Duncan. Hence, this option focuses on CVRD recycling centres as the only drop-off location.

This method would require the CVRD to ensure that only eligible households in Areas A, B, C and H can access the free garbage drop-off. Staff has considered processes to provide each eligible household with a set number of **vouchers**, entitling them to drop-off a pre-determined (maximum) quantity of household garbage with each voucher.

Under this program, eligible residents would be required to weigh in and out on the CVRD scale to determine the weight of the garbage, as regular Recycling Centre customers would do. The voucher would be presented to the scale attendant upon weighing out and would effectively receive a waiver on the \$7 minimum garbage disposal fee used at the CVRD Recycling Centres. Under normal Recycling Centre operations, the minimum fee applies to any amount of garbage up to 32 kg (70 lbs.), and any excess of 32 kg is charged at a rate of \$0.22/kg (\$220/tonne). The \$7 minimum fee was designed to encourage fewer trips to the Recycling Centres and reduce congestion near and at the Recycling Centres.

It should be noted that the average household in Areas D, E, F, G and I dispose of approximately **8.5 kg** (19 lbs.) of garbage **bi-weekly** through the CVRD curbside service. The free garbage drop-offs would be generous enough to accommodate households with moderate to high curbside

garbage disposal needs, for which the \$7 minimum fee is reasonably well suited. Similar to normal Recycling Centre operations, residents would be required to pay for waste amounts over 32 kg.

Because the CVRD would not track voucher usage per household, voucher sharing between households may occur, resulting in some households dropping off more and some less.

Further, the drop-off method would only work for residents who have the means to drive or who can request that someone drive their garbage to a CVRD Recycling Centre, which is presumably what residents in Area H are currently doing, but not private curbside collection customers in Areas A, B and C¹.

Printing and Distributing Vouchers

Though not every eligible household can or will use the free garbage drop-off amenity, the CVRD would be obligated to ensure that everyone has access to it. Doing so would require the CVRD to distribute vouchers to each eligible household, most likely by mail. The CVRD would also consider measures to prevent misuse, such as printing the vouchers on specialized paper and/or encoding each voucher with a serial number. Using specialized paper would increase voucher production costs, and serializing each voucher would require CVRD staff to track voucher usage against a master list. Alternatively, the CVRD could make vouchers available for pick up at the CVRD Main Office at Ingram Street to remove the need for mailing. Upon pick up, residents would verify their address to confirm eligibility.

Costs

An accurate cost estimate for the voucher option is difficult to determine given the variable factors associated with garbage tonnage received (charged at \$220 per tonne), increased staffing costs, and the method of voucher distribution. The following analyses identify three cost scenarios based on the number of vouchers and the percentage of use of the voucher program (25%, 50%, and 75% usage).

Table 2 – 25% Voucher Usage

# of Vouchers	Average Garbage Load			
	8 kg	16 kg	24 kg	32 kg
1	\$3,705	\$7,410	\$11,114	\$14,819 ²
2	\$7,410	\$14,819	\$22,229	\$29,638
4	\$14,819	\$29,638	\$44,458	\$59,277
6	\$22,229	\$44,458	\$66,686	\$88,915
8	\$29,638	\$59,277	\$88,915	\$118,554
10	\$37,048	\$74,096	\$111,144	\$148,192

¹ Staff did consider hosting free garbage drop-offs at a CVRD-owned property, such as a park or community centre, within Areas A, B or C. However, this option was deemed unfeasible due to current staffing limitations, unavailability of a roll-off truck, site security and safety considerations.

² Example: If 25% of the 8,420 households use one voucher for a maximum of 32kg of household garbage charged at \$220/tonne, the cost is \$14,819.

Table 3 – 50% Voucher Usage

# of Vouchers	Average Garbage Load			
	8 kg	16 kg	24 kg	32 kg
1	\$7,410	\$14,819	\$22,229	\$29,638
2	\$14,819	\$29,638	\$44,458	\$59,277
4	\$29,638	\$59,277	\$88,915	\$118,554
6	\$44,458	\$88,915	\$133,373	\$177,830
8	\$59,277	\$118,554	\$177,830	\$237,107
10	\$74,096	\$148,192	\$222,288	\$296,384

Table 4 – 75% Voucher Usage

# of Vouchers	Average Garbage Load			
	8 kg	16 kg	24 kg	32 kg
1	\$11,114	\$22,229	\$33,343	\$44,458
2	\$22,229	\$44,458	\$66,686	\$88,915
4	\$44,458	\$88,915	\$133,373	\$177,830
6	\$66,686	\$133,373	\$200,059	\$266,746
8	\$88,915	\$177,830	\$266,746	\$355,661
10	\$111,144	\$222,288	\$333,432	\$444,576

Operational Considerations

Traffic at Peerless and Bings

Providing free garbage drop-off to 8,420 households in Areas A, B, C and H will increase traffic at Peerless and Bings, with the most significant increases occurring on the weekends. It is assumed that most Area H residents regularly dispose of their household garbage at Peerless, and free garbage drop-offs would result in a modest rise in customers, is anticipated at this site.

Bings is the busiest Recycling Centre in the region and routinely experiences traffic queues to enter and exit the site. As the southern-most Recycling Centre, Bings would likely receive the majority of the free garbage drop-offs from Areas A, B and C, resulting in significant increases to site traffic. At a voucher usage of 25%, weekday traffic at Bings would be similar to that of its weekend traffic, and weekend site traffic would resemble that of its busiest days of the year, i.e. Boxing Day and Easter.

Staffing and Logistics

The free garbage drop-offs will likely require periodic or prolonged increases in facility staffing at Peerless and Bings. Any additional staff time required to support the voucher program is currently not accounted for in the operational facility budget Function 520 – Solid Waste Management Complex (F520). Funding for additional staff would need to come from increases to F520 or by contribution from Function 515 – Curbside Collection (F515).

Specifically, it is anticipated that each site would require one additional scale house attendant, one to two labourers for traffic control, and a driver for after-hours garbage bin hauling. Table 5 below summarizes the potential increase in staffing costs associated with various levels of voucher usage based on projected needs and adequate staffing availability.

Table 5 – Staffing Costs by Voucher Usage

# of Vouchers	Voucher Usage		
	25%	50%	75%
1	\$3,337	\$11,501	\$34,185
2	\$6,674	\$23,002	\$68,370
4	\$13,348	\$46,004	\$136,739
6	\$20,022	\$69,006	\$205,109
8	\$33,370	\$92,008	\$273,478
10	\$35,306	\$115,010	\$341,848

Conclusions

If the CVRD were to utilize the voucher program, and if there is moderate usage within the range of 50% and an average garbage load of 24 kg, the cost range expected would be between \$47,407 and \$350,975 as set out in Table 6 below. The expenses listed in this table *include* printing and mailing the vouchers (i.e. \$3,500 for printing and \$10,177 for mailing). However, it *does not include* the cost of staff time to prepare the mail out, update all communication channels, etc.

Table 6 – Combined Staffing and Garbage Disposal Costs by Voucher Usage

# of Vouchers	Voucher Usage		
	25%	50%	75%
1	\$28,128	\$47,407	\$81,205
2	\$42,580	\$81,137	\$148,733
4	\$71,483	\$148,596	\$283,789
6	\$100,386	\$216,056	\$418,845
8	\$135,963	\$283,516	\$553,901
10	\$160,127	\$350,975	\$688,957

FINANCIAL CONSIDERATIONS

A voucher program's estimated overall cost impact will be based on the number of vouchers provided and voucher usage, as shown in Table 6 – *Combined Staffing and Garbage Disposal Costs by Voucher Usage*. Costs may range from \$28,128 to \$688,957 depending on the number of vouchers issued, the associated voucher usage, and additional staff time required. The regional F520 budget should not offset the associated costs with a voucher program, and thus, F515 would have to reimburse F520 for garbage dropped off at Peerless and Bings. This cost would be need to be covered by revenues from F515.

COMMUNICATIONS CONSIDERATIONS

New communications material regarding the voucher program would need to be developed and also communicated to the private collector that serves the residents of areas A, B and C.

CVRD Recycling Hotline staff have revealed that inquiries about the Service were declining. However, with recent mailouts regarding secondary suites and farm consultation, the hotline staff is at capacity, and additional staff are being called in to assist. A voucher program will increase the need for further phone and email support.

To date, the CVRD has invested efforts to explain the rationale for the \$345 fee to residents—a change at this time would have impacts and may shift the perception of “unfairness” from residents in Areas A, B, C and H to residents in Areas D, E, G, F and I.

STRATEGIC/BUSINESS PLAN CONSIDERATIONS

The CVRD Solid Waste Management Plan.

Referred to (upon completion):

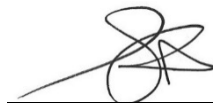
- ☐ Community Services (*Cowichan Community Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Facilities & Transit*)
- ☐ Corporate Services (*Finance, Human Resources, Information Technology, Legislative Services*)
- ☐ Operations (*Utilities, Parks & Trails, Recycling & Waste Management*)
- ☐ Land Use Services (*Community Planning, Strategic Initiatives, Development Services, Building Inspection & Bylaw Enforcement*)
- ☐ Strategic Services (*Communications & Engagement, Economic Development, Emergency Management, Environmental Services*)

Prepared by:



Travis Tanner
Senior Environmental Technologist

Reviewed by:



Ilse Sarady
Sr. Manager, Waste Management



Darcy Mooney
General Manager, Operations Department

Reviewed for form and content and approved for submission to the Board:

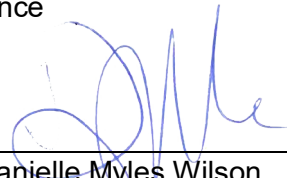
Resolution:

☒ Corporate Officer

Financial Considerations:

☒ Chief Financial Officer

Chief Administrative Officer's Comments / Concurrence



Danielle Myles Wilson
Chief Administrative Officer
