

ITEM 18
MANAGER'S REPORT NO. 41
COUNCIL MEETING June 6/77

Re: ANNUAL REPORT ON REFUSE COLLECTION AND DISPOSAL - 1976

On March 29, 1976, Council considered recommendations that were contained in a report by Alderman B. M. Gunn regarding refuse collection and disposal systems. (The report was primarily based on visits that he had made to municipalities in the Los Angeles area and his attendance at an American Public Works Association Workshop dealing with this subject in Inglewood, California). The following report from the Municipal Engineer is submitted in accordance with Council's adoption of one of the recommendations that was made by Alderman Gunn.

This is for the information of Council.

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2 June, 1977

TO: MUNICIPAL MANAGER
FROM: MUNICIPAL ENGINEER
SUBJECT: ANNUAL REPORT ON REFUSE COLLECTION AND DISPOSAL - 1976

The following report is prepared in accordance with Council's recommendation No. 1 (Council meeting 29 March, 1976), which read as follows: "That staff prepare an annual report to the Council giving collection costs for our different services and other vital factors so that the Council can compare its costs and refuse service with other cities and municipalities.

The year 1976 was one involving implementation of many changes which had been under consideration by staff for several years. Existing equipment was rapidly becoming obsolete and the decision to replace most of the fleet was not a simple one of purchasing new vehicles, but one which involved the introduction of more modern collection systems to achieve maximum benefit from improved technology in equipment and methods.

The trend in some neighbouring Municipalities was towards contracting refuse collection and disposal to the private sector. At the same time, strong representation was made by strata title owners to have the same consideration as single family owners; that is "free" refuse service by the Municipality. At that time, service to the strata title owners was being provided by private contractors and paid for by the strata title owners.

Since most of the collection from strata title properties involved the use of containers and special bulk handling vehicles and, since very competitive rates were being offered by the private sector, careful consideration had to be given to the provision of container service because of the considerable capital costs involved.

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In order to study the overall refuse service and in particular the proposed containerized service to strata title properties, a Joint Refuse Committee was formed comprised of three Union members and three Engineering staff members, and the Committee was chaired by the Municipal Manager.

The deliberations and recommendations of this Joint Refuse Committee are recorded at length in several reports to Council in 1975 and 1976 and those recommendations approved by Council are summarized as follows:

1. That the Municipality continue to supply refuse service to single family properties and certain commercial customers with Municipal forces.
2. That the Municipality provide "free" refuse service to strata title properties and cooperatives with Municipal forces.
3. That strata title owners be reimbursed up to an agreed limit for payments made to private collectors from October 1975, until such time as Municipal forces supplied the service.
4. That the special vehicles and containers for strata title service be purchased.
5. That the fleet serving single family properties and commercial customers be updated and modernized to give more efficient service.
6. That the Union agree to cooperate with Management in changing routes and work schedules and in introducing a modified task system all of which would streamline the overall collection system and afford maximum efficiency.
7. That Council approve changes in the by-law to enable time savings to be made in the collection system.

All of these recommendations have been, or are being implemented and, already, considerable savings have been effected; we are confident that when all changes have been completed we will have a refuse service as good as, if not better, than any Municipally-operated service in North America.

We feel that the above improvements have been brought about mainly by:

- (a) The efforts of the Superintendent and staff at the Works Yard in carrying out extensive and detailed research into collection methods over the past few years.
- (b) Council approving the purchase of the best equipment available.
- (c) Cooperation between Union and Management.

COSTS

Budget and cost figures up to 31 December, 1976, are as follows:

<u>Operating Costs</u>	<u>Budget</u>	<u>Actual Costs</u>
Refuse Collection	\$1,116,240.00	\$1,122,883.42
Refuse Disposal	188,000.00	196,277.33
Strata Title Reimbursement	53,000.00	64,751.00

Note: Because of the slow rate of billing by strata title councils and Management Companies up to recast budget time, it was difficult to forecast the final cost. The billing rate increased considerably in the latter part of the year and the rate of strata title occupancy increased.

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The most recent count of strata title units being reimbursed is 3,447.

The following capital costs were incurred in 1976:

9 Replacement 25 cubic yard rear loading packers for domestic routes . . .	\$502,753.41
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Equipment for Strata Title Service

2 New front-end loading container trucks	\$118,671.56
340 - 3 and 4 cubic yard refuse containers	120,293.98
Design and building in our own shops a container handling "Jitney" truck	7,130.64
TOTAL capital expenditure for strata title service	\$246,096.18

Note: When considering the expenditure for rear-loading packers for domestic and commercial routes, it should be remembered that the last purchase of refuse vehicles was made in 1973.

The updating of the fleet also included an increase in capacity from the 16 C.Y. trucks to 25 C.Y. trucks, which increases the cost of each truck by approximately \$20,000. These larger trucks are more efficient and, of course, the total number of trucks in the fleet will be reduced.

The total cost for residential single family units and commercial customers in 1976 was \$1,319,160.75.

Since the trucks which collected commercial refuse were also picking up domestic refuse, it was difficult to separate the costs; however, after analysis of the ratios between overall average domestic and actual pick-ups made on mixed routes, we were able to calculate the percentage cost to be allocated to commercial pick-up.

Total domestic pick-ups - 30,259.

1. <u>Cost of Domestic Collection</u>	
82% of \$1,122,883	\$920,764.
Cost of domestic disposal	160,947.
2. <u>Cost of Commercial Collection</u>	
18% of \$1,122,883.	\$202,119.
Cost of commercial disposal	35,330.
3. <u>Cost of Strata Title Collection and Disposal</u>	
Reimbursement to Strata Title Councils for Private Pick-up	\$64,751.
4. <u>Cost of Domestic Service per Household</u>	
Refuse Collection	\$30.43 per household
Refuse Disposal	5.32
TOTAL	\$35.75 per household
5. <u>Commercial Refuse Service</u>	
Total Cost of Commercial Service	\$237,449.
Total Revenue	104,742.
	LOSS -
	\$132,707.

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Note: The rates for commercial service should be increased; however, the Municipal Treasurer and the Municipal Engineer are presently studying the possibility of establishing a Refuse Utility, and when this study is finalized, amended rates will be implemented.

This report is respectfully submitted for the information of Council.

Walter Ross
MUNICIPAL ENGINEER

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