

ITEM 7
MANAGER'S REPORT NO. 19
COUNCIL MEETING 1983 03 19

RE: 1982 REFUSE COLLECTION AND DISPOSAL REPORT

MUNICIPAL MANAGER'S RECOMMENDATION:

1. *THAT the recommendation of the Director Engineering be adopted.*

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TO: MUNICIPAL MANAGER

FROM: DIRECTOR ENGINEERING

83 03 08

SUBJECT: 1982 REFUSE COLLECTION AND DISPOSAL REPORT

RECOMMENDATION:

1. THAT this report be received for information purposes.

REPORT:

It has been the practice in the past to report to Council annually on the refuse service with particular reference to cost, especially the cost to the residential taxpayer.

No report was made in 1982 for the year 1981 since unit costs would not be meaningful due to the strike and the indiscriminate dumping of refuse in public parks and other areas.

The annual report is made in the month of March since the final cost figures appear on the February computer printouts.

The cost figures are set out so that a net cost per residential unit is calculated. One of the important aspects of this annual study is the capability of comparing our costs per residential unit with other Lower Mainland Municipalities especially those who have opted for service by the private sector.

(cont'd)

Burnaby Costs

133

Total Residential/Commercial
Total Container Service

\$2,291,298
345,510
\$2,636,808

Deduct Road Cleaning and Sweeping
Deduct Refuse Study

\$310,015
20,000

330,015
\$2,306,793

Deduct Revenue

375,278
\$1,931,515

Total Net Cost to Taxpayer

Total Number of Residential Units - 36,938

Net Cost per Unit = \$52.29

We have checked carefully with the Engineering Departments in other Municipalities to make quite sure that we are comparing "apples with apples" and that the basis for comparison is valid.

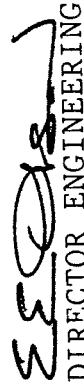
Table of Comparative Costs: (i.e. the net cost to the residential taxpayer)

Burnaby	\$52.29	Municipal
Richmond	48.22	Private
Surrey	47.50	Private
Coquitlam	52.06	Private
North Vancouver City	46.40	Private

The above costs include all overhead and disposal charges.

The average residential taxpayer in Burnaby does not pay \$52.29 per year for the refuse service since the net cost is recovered from the general tax levy based on assessment. Since the residential assessment is approximately 48.5% of the overall assessment the average residential taxpayer pays \$25.36 per year. This of course means that the Industrial, Business, and other taxpayers in addition to paying directly for refuse service are subsidizing the residential taxpayer to the extent of 51.5% of the net cost which is \$994,730. The overall question of relative equity of the various refuse service charges and the possible implementation of a user charge for the service will be the subject of a report to be submitted to Council on 83 04 11.

With respect to the comparison of costs listed earlier in this report, we should add that certain changes were made in the refuse operation to maintain the 1983 operational budget at the same level as 1982 and this together with the fact that the fleet is in excellent condition should help us to make our costs competitive with other Municipalities. Our present fleet, the first nine vehicles of which were purchased in 1977, was amortized for replacement purposes over an eight year period. We are confident that these vehicles will last at least 12 years which will assist us in maintaining competitive cost figures.


DIRECTOR ENGINEERING