2020-2023 MULTI-YEAR BUDGET City of London

2020 to 2023 Business Plan

Service: Garbage, Recycling & Composting

$0.32

Cost per day for the average rate payer (2020 to 2023)

3.73%

Percentage of the 2020 to 2023 City of London Net Property Tax Supported Budget

Who we are:

- The City provides garbage collection and disposal services to single and multi-family homes in the community, with certain services (e.g. disposal) extended to the business sector. The City also provides garbage collection to commercial customers located on residential routes (approximately 1,000 customers).
- The City provides recycling and leaf and yard waste collection and management to residents of the community, with recyclable processing provided to other municipalities in Southwestern Ontario.
- The City is currently undertaking a comprehensive environmental assessment for the expansion of the W12A Landfill site. Subject to final budget approval, City Council has approved a 60% Waste Diversion Action Plan which includes a separate collection stream for organics (Green Bin).

What we do:

- Garbage Collection and Disposal contributes to the health of the environment and the citizens of the community through the appropriate collection and management of household waste.
- The City contributes to the health of the environment and citizens of the community through the appropriate collection and management of recyclables and other materials. In doing so, the City creates products of value from compostable/recyclable/reusable materials discarded by residents; promotes waste reduction and reuse opportunities; and raises the benefits of recycling/composting.

Why we do it:

- **Essential** - The provision of household waste collection and disposal is essential for the public health of residents.
- **Mandatory** - The provision of household recyclable programs is mandatory for municipalities with populations in excess of 5,000 residents. The provision of a leaf and yard waste system is mandatory for municipalities with populations in excess of 50,000 residents.

The following table provides an overview of the budget for this service:

Budget Summary ($000's)	2020	2021	2022	2023	2020 to 2023 TOTAL
Gross Operating Expenditures	$34,700	$39,293	$42,446	$42,951	**$159,390**
Other Revenues	-$14,161	-$14,017	-$14,595	-$15,048	**-$57,821**
Net Tax Levy Supported Operating Budget	**$20,539**	**$25,276**	**$27,851**	**$27,903**	**$101,569**
Total Capital Expenditures	$43,044	$1,175	$2,555	$15,325	**$62,099**
Full-Time Equivalents (FTE's)	109.1	109.1	108.0	108.0	N/A

Reflects 2020 to 2023 Housekeeping Budget Adjustments up to August 31, 2020.

The following section provides an overview of the key activities the service plans to undertake from 2020 to 2023 to implement the Corporation's 2019 to 2023 Strategic Plan, as well as an overview of the risks and challenges the service is anticipated to experience during this period:

Service Highlights 2020 to 2023

- Completion of Individual Environmental Assessment (EA) for the Expansion of the W12A Landfill Site. The Terms of Reference (ToR) for the Individual EA were approved in July 2019. The work over the 2020 to 2023 period will involve completing the required technical studies, reviewing the results with the various stakeholder groups and completing the required Environmental Protection Act (EPA) and Ontario Water Resources Act (OWRA) approvals for the approved, expanded site. It is expected that this work will be complete and the expanded site will be able to accept waste in summer/fall of 2023.
- Implementation of the 60% Waste Diversion Action Plan, including implementing a curbside Green Bin Program for the management of organics.
- Continue examination of resource recovery and waste conversion technologies and completion of a long-term Resource Recovery Strategy. This work focuses on materials, combined feedstocks of materials, recycling,

composting, digestion, waste conversion and energy recovery options. This work will be completed alongside activities at the London Waste to Resources Innovation Centre.

- Follow and participate in the consultations and mechanisms proposed/developed to transition the existing Blue Box Recycling Program to a full producer responsibility model where industry will be responsible for both funding and operations of the Blue Box Recycling Program.
- Continued optimization as part of our continuous improvement philosophy of existing diversion, collection and disposal operations. This work will be conducted within the context and framework of the above noted service highlights (i.e. Individual EA for the expansion of the W12A Landfill Site and the implementation of the 60% Waste Diversion Action Plan) as these undertakings will require a number of changes to how existing services are provided.

Risks and Challenges Anticipated in 2020 to 2023

- Tipping fee revenue from the W12A Landfill Site can fluctuate significantly from year to year depending on the strength of the economy, external competition, Provincial direction for higher diversion from the industrial, commercial and institutional sectors, and overall market place factors dealing with the quantity of garbage being handled at private landfill sites in southwestern Ontario and Michigan (United States).
- Uncertainty in global markets for recovered materials sold from the Material Recovery Facility (MRF) is expected to continue to reduce revenues for these items for the majority of the 2020 to 2023 budget period.
- Details and timing of switch to full producer responsibility (both operations and funding) of the Blue Box Recycling Program will provide some levels of uncertainty for the 2020-2023 budget period.
- Compliance issues at a number of organics management facilities in Ontario are creating a situation where additional investments are being required at facilities which is causing processing costs to increase. This trend will increase as additional capacity becomes available.
- Legislation, regulations and expectations from Provincial regulators continues to increase at waste management facilities (e.g. health and safety, environmental protection, neighbourhood impacts, etc.). Further investments in these areas is anticipated.

The service directly supports the following components of the Corporation's 2019 to 2023 Strategic Plan:

Building a Sustainable City

London's infrastructure is built, maintained and operated to meet the long-term needs of our community.

Expected Result: Build infrastructure to support future development and protect the environment.
Strategy:

- Complete Waste Disposal Strategy (including the Environmental Assessment for the expansion of the W12A Landfill). (BSC-04)

Metric	2019	2020	2021	2022	2023
100% completion of the Environmental Assessment.	0%	20%	60%	20%	0%
1 Environmental Assessment approvals received.	0	0	0	1	0
100% completion of Waste Disposal Strategy.	10%	60%	30%	0%	0%
3 Environmental Compliance Approvals received.	0	0	0	0	3

London has a strong and healthy environment.

Expected Result: Increase waste reduction, diversion, and resource recovery.
Strategy:

- Work with residents and organizations to implement the 60% Waste Diversion Action Plan. (BSC-15)

	2019	2020	2021	2022	2023
15 groups or organizations actively involved in promoting waste diversion.	5	5	5	0	0
3 methodologies for measuring a) reduction in per capita waste generation, b) participation in the Green Bin and c) percentage of waste diverted in the industrial, commercial and industrial (IC&I) sector.	0	1	0	0	0
60% of residential waste diverted from landfill.	45%	1%	2%	10%	2%
3% reduction in per capita waste generation.	0%	0%	1%	1%	1%
70% of households participating in the Green Bin Program.	0%	0%	60%	70%	70%
30% of industrial, commercial, and institutional (IC&I) waste diverted from landfill.	20%	0%	3%	3%	4%

Growing Our Economy

London is a leader in Ontario for attracting new jobs and investments.

Expected Result: Increase partnerships that promote collaboration, innovation and investment.
Strategy:

- Expand opportunities and activities through the London Waste to Resources Innovation Centre. (GOE-06)

Metric	2019	2020	2021	2022	2023
10 resource recovery pilot projects initiated.	1	4	2	2	1
15 companies collaborating on resource recovery projects.	3	5	5	2	0
3 signed Memorandums of Understanding (MoUs).	1	1	1	0	0

Other reference information and links:

- 60% Waste Diversion Action Plan
- Environmental Assessment for the Expansion of the W12A Landfill Site
- Civic Works Committee, April 16, 2019, London Waste to Resources Innovation Centre
- Civic Works Committee, July 23, 2019, Current and Proposed Actions for Reducing and Managing Plastics in the Residential Sector and the Role for the Hefty® EnergyBag® Pilot Project

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