



Information Memo

To: Mayor Chopp Members of Council

From: Elizabeth Ramsay, Supervisor, Waste Management

Date: April 12, 2022

Regarding: Bulky Waste Collection Program Summary 2021

Recommendation(s):

THAT the Information Memo regarding the Bulky Item Waste Collection Program summary for 2021 be received as information.

Background

At the Budget Committee meeting on January 13, 2022, a request was made for staff to provide an update of the financials from the new Bulky Item Waste Collection Program implemented in 2021 and of the lessons learned from the first year of operation. This information memo is in response to that request.

Discussion:

Last year marked the first year of the new program and was a response to a decision by Council, made in the budget deliberations for the 2021 Levy Supported Operating Budget. That decision resulted in Norfolk County implementing a revised format for the collection of bulky items in the County. The program, which officially commenced in June 2021, is provided on a monthly basis, and requires residents to call Service Norfolk to request a bulky item collection pickup. The resident's information is entered into a data base and then forwarded to the Contractor, Norfolk Disposal, who is responsible for collecting the material. There were no collections made in September because of the yard waste collection schedule. Instead, a bulky collection was scheduled in early October, between the September yard waste collection and the October yard waste collection.

A total of 34.18 tonnes were collected in the first year of this program, with significantly reduced costs of operation in comparison to the prior Bulky Item collection process. As illustrated in the table below, the revised collection process in 2021 was operating very

close to cost neutral, with average cost per collection and disposal totaling \$24.01 per appointment, which was recovered through a service charge of \$25.00 to the user.

BULKY WASTE COLLECTION PROGRAM FINANCIALS – 2021						
# of Service Requests	Total Tonnage Collected	Costs of Collection	Cost for Disposal	Total Costs of Program	Service Charges Collected	Profit/(Loss)
263	34.18	\$2,985	\$3,329	\$6,314	\$6,575	\$261

Since 2021 was the first year of the program and it was only in operation for a portion of the year, it was good to note the program ended the year in a revenue neutral capacity, when considering direct costs for disposal and collection as compared to the service charges collected. It should be noted that the Profit/Loss amount mentioned in the above table, does not take into consideration the administration costs associated with Service Norfolk receiving calls, scheduling pickups, and processing payments, or other overhead costs; therefore, this program did not generate a full cost recovery for the service.

Although the number of requests and total tonnages were lower than originally forecasted, it could be assumed residents did not dispose of items or used alternative methods of disposal. Tonnages received in 2021 from the disposal of household waste at the County's Transfer Stations did increase when compared to the previous year unfortunately there is no way to determine what percentage of the increase resulted from residents disposing of bulky items.

It is anticipated that 2022 will result in increased requests for collection services as collections will occur over 11 months (no collection occurs in September) instead of 5 months. Additional effort to inform residents about the new Bulky Item Collection Program, through promotion and education, coordinated through our Communications Department, involving various media sources, and the inclusion of the spring months when residents do their "spring cleaning", should result in a larger number of service requests and increased tonnage, in 2022.

Financial Services Comments:

The Approved 2022 Levy Supported Operating Budget includes a net allocation of \$86,500 to administer the revised Bulky Item Collection program, which includes all costs of collection and disposal (\$99,000), along with the offsetting anticipated user fee revenue (\$12,500).

When Option 6 was implemented during the 2021 Levy Supported Operating Budget process, it was anticipated that a full year of this program would see 2,550 pickups scheduled in a year with a total of 637.5 tonnes being collected. As stated in the table above, the uptake of this revised program has been significantly lower than anticipated, and the figures used to establish the budgets for this program are not necessarily reflective of requirements to date. The Bulky Item Collection User Fee is recovering the full cost of collection and disposal from the contractors, which was not anticipated when

estimating the financial savings from this option. This is primarily driven by the average tonnage per service request being significantly lower than originally anticipated.

Further information will be available in the establishment of the 2023 Levy Supporting Operating Budget, as the Bulky Item Collection Program will have a full year in operation and a better idea of the program uptake will be known. If it is identified that additional savings of operating this revised program can be realized, this will be reflected in the Proposed 2023 Levy Supported Operating Budget.

Conclusion:

Since the program is still in its infancy it is recommended it be continued in 2022. This will provide a greater amount of data on which to make future decisions on the direction of the Bulky Item Collection Program. Opportunities for improvement or modifications from lessons learned during the 2022 operational year will be incorporated into the recommended Levy Supported Operating Budget for 2023 and presented to the Budget Committee for discussion.