

From: "Johnston, Sadhu" <Sadhu.Johnston@vancouver.ca>

To: "Direct to Mayor and Council - DL" <CCDTMACDL@vancouver.ca>

Date: 9/29/2017 2:40:27 PM

Subject: Memo - Proposed Container License Fee Changes for 2018

Attachments: 2018 Waste Container Licence Agreement.pdf
Memo - Increased Fees for Waste Containers.pdf

Dear Mayor and Council,

Please see the attached memo from Jerry Dobrovolny regarding the proposed fee increases for the 2018 Waste Container License Agreement. A short summary of the memos is as follows:

- The City issues annual Container License Agreements (CLA's) to Waste Haulers to store waste containers on City property, and changes to the CLA requires a 90 day notice (**by Sept 30th** for the 2018 CLA).
- For 2018 CLA changes, staff are proposing an increase in annual fees (from \$276 to \$615 for dumpsters and from \$91 to \$205 for totes) to cover a portion of the City's costs related to increased maintenance requirements (dumping, littering, etc.) around waste containers.
- Staff anticipate some concern from Haulers and the business community (users) on this increase.

The 90 day notice letter is attached for reference. Should you have any questions, please contact Albert Shames at 604.873.7300 / Albert.Shames@vancouver.ca

Best,
Sadhu

Sadhu Aufochs Johnston | City Manager
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ENGINEERING SERVICES
Jerry Dobrovolny, P.Eng.
City Engineer/General Manager

September 26, 2017

VanRIMS No.: 13-6000-30
File No.: 16.9.15

TO: All Waste Management Companies Requiring a Waste Container Licence

RE: 2018 Waste Container Licence Agreement

The purpose of this letter is to provide notice that, subject to Council approval, the City intends to introduce a fee increase and updated Insurance Requirement wording for the 2018 Waste Container License.

Fee Increase

Laneways that have commercial containers stored on City property are more prone to attract illegal behavior, such as dumping, littering, and general disorder. Although containers may or may not be the direct cause of these issues, there is a direct correlation to increased maintenance requirements and associated costs in these areas. Increased fees will assist in offsetting a portion of the City's costs related to maintaining these areas.

Fees for each Approved Location for the 2018 term are to be increased to:

- \$615.00 for containers greater than or equal to 1 cubic yard, and
- \$205.00 for containers less than 1 cubic yard.

The fee increase, which also includes a 2% inflationary increase, will be used to cover a portion of the City's costs related to:

- Sanitation Operations activities (flushing, sweeping, litter and abandoned item collection) in area with commercial containers, and
- The Street Cleaning Grant Program, which provides funding to local non-profit organizations to perform micro-cleaning (litter/needle collection) in various areas of the City, including lanes with commercial containers.

Insurance Requirements

Updates to insurance requirements are necessary to align with the City's Risk Management Department standard wording and are highlighted below:

22. **Insurance.** The Company will comply with the following insurance requirements:

- (a) the Company will obtain and maintain, with one or more insurers licensed to do business in British Columbia:
 - (i) comprehensive general liability insurance against damage arising from bodily injury (including death) and claims for property damage which

ENG - SWM - CS - 90 Day Notice to Haulers RE 2018 CLA - Final

City of Vancouver, Engineering Services
Mailing Address: 320-507 West Broadway
Vancouver, British Columbia V5Z 0B4 Canada
tel: 3-1-1, Outside Vancouver 604.873.7000 fax: 604.873.7200
website: vancouver.ca/engsvcs/



- may arise out of the operations of the Company under this Licence, the use or occupancy of any Approved Location, the use of any Container, or any act or omission by the Company or its employees, agents, or contractors, and including products and completed operations coverage, for at least \$2,000,000.00 inclusive, per occurrence and in the aggregate, and including a standard form of cross-liability clause,
- (ii) automobile liability insurance on all licensed vehicles owned or leased by the Company against damage arising from bodily injury (including death) and claims for property damage which may arise out of the use and operation by the Company, or its employees, agents, or contractors, of such vehicles for purposes connected with this Licence, for at least \$5,000,000.00 inclusive per accident, and
 - (iii) such other insurance as the City may reasonably require from time to time;

Replace

- ~~(b) the Company will cause...~~
- ~~(c) the policies for such...~~
- ~~(d) if any policy for such...~~
- ~~(e) before the first day...~~

With

- b) the Company will cause the policies of insurance to protect the City, and its officials, officers, employees, agents and contractors, as additional insureds with respect to liability arising out of the operations of the Company;
- c) the policies for such insurance will be on terms and conditions, and with deductibles, satisfactory to the City and will include, without limitation, a provision the required insurance will not be cancelled or endorsed to reduce the liability limits of coverage without thirty (30) days' notice in writing by Registered Mail to the City of Vancouver.
- d) Before the first day of the Term, the Company will deliver to the City satisfactory evidence of valid insurance, and the Company will deliver to the City from time to time satisfactory evidence the required insurance continues in full force and effect.

Please contact Steve Drake, Program Coordinator at steve.drake@vancouver.ca or 604.873.7190 if you have any questions. We realize this fee increase is substantial and are happy to have a more detailed discussion on the rationale if you wish.

Yours truly,



Jonathan McDermott, P.Eng.
Manager, Solid Waste Program Management Branch
Tel: 604.871.6241
fax: 604.871.6193



ENGINEERING SERVICES
 Jerry Dobrovlny, P.Eng.
 City Engineer / General Manager

MEMORANDUM

September 26, 2017

TO: Mayor and Council

CC: Sadhu Johnston, City Manager
 Paul Mochrie, Deputy City Manager
 Janice MacKenzie, City Clerk
 Lynda Graves, Manager, Administration Services, City Manager's Office
 Rena Kendall-Craden, Director, Communications
 Kevin Quinlan, Chief of Staff, Mayor's Office
 Katie Robb, Director, Communications, Mayor's Office
 Naveen Girn, Director of Community Relations, Mayor's Office

FROM: Jerry Dobrovlny, General Manager of Engineering Services

SUBJECT: Increased Fees for Waste Containers Stored on City Property

This memorandum is to inform Council that staff will be notifying commercial waste hauling companies ("Haulers") of a proposed fee increase to the 2018 Container Licence Agreement ("CLA"). The terms of the CLA requires a 90 day notification (by Sept 30, 2017) to be provided of any intended amendments for the upcoming licence period (Jan-Dec 2018).

The City enters into CLA's with Haulers that place commercial garbage, recycling and organics containers on City streets and lanes. Under the CLA, companies are regulated and charged a licence fee which is set to recover City costs of managing the container program and associated waste issues. There are currently approximately 1,800 licenced commercial waste containers on City streets and lanes.

As part of the 2018 Engineering Fees Report (Dec 6, 2017), staff will bring forward for Council consideration a recommendation to increase licence fees for the 2018 CLA term as follows:

- Containers greater than or equal to 1 cubic yard (dumpsters): increase fees by \$338.61 (from \$276.39 to \$615.00)
- Containers less than 1 cubic yard (totes): increase fees by \$113.42 (from \$91.58 to \$205.00)

Memo to Mayor and Council Notification to Haulers RE Increased Fees for 2018 CLA

City of Vancouver, Engineering Services
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 Vancouver, British Columbia V5Z 0B4 Canada
 tel: 3-1-1, Outside Vancouver 604.873.7000 fax: 604.873.7200
 website: vancouver.ca/engsvcs/



Rationale for the Fee Increase

Laneways that have commercial containers stored on City property are more prone to attract illegal behavior, such as dumping, littering, and general disorder. Although containers may or may not be the direct cause of these issues, there is a direct correlation to increased maintenance requirements and associated costs in these areas. Increased fees will assist in offsetting a portion of the City's costs related to maintaining these areas.

The proposed fee increase, which also includes an inflationary increase, will be used to cover a portion of the City's costs related to:

- Sanitation Operations activities (flushing, sweeping, litter and abandoned item collection) in areas with commercial containers, and
- The Street Cleaning Grant Program, which provides funding to local non-profit organizations to perform micro-cleaning (litter/needle collection) in various areas of the City, including lanes with commercial containers.

Staff are anticipating some concern from Haulers and the business community (container users) on this fee increase as this letter will be their initial notification. Staff are committed to working with these groups to explain the rationale for this increase over the next month. The 90 day notice letter is attached for reference. Also, as part of our longer term work planning to address challenges around this issue, staff will be working with key stakeholders to explore opportunities to reduce the number of containers stored on City property.

If you have any questions about the program, please contact Albert Shames at 604-873-7300.



Jerry W. Dobrovolny, P.Eng., MBA
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