



# COUNTY OF WELLINGTON

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## COMMITTEE REPORT

**To:** Chair and Members of the Solid Waste Services Committee  
**From:** Das Soligo, Manager of Solid Waste Services  
**Date:** Tuesday, January 14, 2025  
**Subject:** **Waste Tipping Fee Analysis**

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### **Background:**

Every November the County of Wellington considers proposed Fee Schedules to set fees for services in various departments, including for Solid Waste Services (SWS). During the November 2024 SWS Committee meeting, staff received direction to provide a listing of how the County's waste tipping fee compares to those of local and similar municipalities.

A waste tipping fee is a tonnage-based fee that is charged to users of waste facilities dropping off loads of garbage. The fee is typically determined by weighing a vehicle before and after the load of waste has been disposed of, however the County currently operates two sites without weigh scales. At these facilities the tipping fee is therefore assessed by a visual estimate from the scale/site attendant.

In November 2019 a consultant report was submitted to SWS Committee which supported staff in considering and setting waste-related fees as part of the development of the Solid Waste Services Strategy, the County's short to long-term waste management strategy. This report researched a number of fee structures which are employed by various municipalities and included an analysis of waste tipping fees.

The report looked at the fees from 16 comparator municipalities, which are either neighbours of the County or are similarly sized communities with a strong rural component. It was seen at that time that the County's waste tipping fee was considerably lower than the average tipping fee of this comparator group. The County then raised its waste tipping fee to the average of the comparator group in 2020, and continued to raise it in five dollar increments in each of the next four years to the current rate of \$130 per tonne of waste.

### **Context:**

In the Guelph – Wellington region there is waste disposal competition, with both municipal and private waste transfer stations operating in both the County and City of Guelph. This means that adjusting the tipping fee can impact the amount of revenues the County receives through the operation of its waste facility infrastructure. In this local market, a higher tipping fee can be expected to reduce revenues as contractors and other large waste generators seek out the lowest tipping fee.

However by this same logic, a higher waste tipping fee will preserve landfill capacity as waste is re-directed towards lower cost disposal options. Some municipalities take a strategic approach of pricing themselves out of the market for industrial, commercial and institutional (IC&I) waste, to reserve scarce landfill capacity for residential waste. In the context of a landfill capacity crisis in Ontario, this

approach can be seen as a prudent step to provide a community with greater resiliency and control over future waste disposal costs.

Support for this philosophical approach has been expressed by County Councillors a number of times in recent years. In this context, an approach for considering future waste tipping fee adjustments will be recommended in this report, and an adjusted waste tipping fee for 2025 is also proposed.

### **Waste Tipping Fee – Approach for Considering Future Changes:**

As part of the annual Fee Schedule recommendation and approval process which occurs every November, staff propose to share an updated list of the comparator municipalities waste tipping fees. With this additional information in hand, the local tipping fee trends will be observed and Council will be better informed when considering whether to adjust the tipping fee or not.

Staff suggest that monitoring the average of the tipping fee of this comparator group will provide sound guidance as to where the local waste disposal markets are heading, and will allow Council to alter the fee in an informed manner, in order to keep up with rapidly changing market conditions. While staff did not recommend a tipping fee change in the November 2024 SWS Committee meeting, following a review of the updated comparator list, it became clear that tipping fees are rising more quickly than anticipated and recommending an increase would be an appropriate measure to follow the trends and to preserve landfill capacity for the County's future residential waste disposal needs.

While staff do not suggest fixing the County's tipping fee to the average fee of the comparator group, it is advisable to attempt to stay in this range unless there is a conscious decision to raise or lower the fee in a more intentional way. An annual exercise to review and discuss the tipping fee and the merits of changing it will be helpful to keep the impacts of a change in focus.

Raising the fee above the average will support the philosophy of maintaining landfill capacity for residential waste. While lowering it significantly would be an intentional decision to be more competitive in the local waste disposal market to attract more waste along with the revenue associated with a greater volume of waste disposal.

### **Recommendation for 2025:**

Below is a listing of the tipping fees of the County's comparator group in 2024. The list was provided to members of the SWS Committee following the November meeting, and the information was used to inform budget discussions during the final review of the draft SWS 2025 Operating Budget.

As can be seen, tipping fees have been steadily increasing locally amongst the County's comparator group. It is anticipated that this trend is also evident across the Province, as landfill capacity is scarcer by the year. While the United States is destination for one third of Ontario's disposed waste, fees in Michigan and New York State are also increasing. It is believed that this trend will not reverse in the foreseeable future, as landfill capacity is only decreasing in aggregate. The Waste to Resource Ontario association estimates that landfill capacity will be fully consumed in Ontario in less than 10 years.

There has not been a new landfill brought online in Ontario in almost 25 years and it takes approximately 10 years to site, receive approvals and develop a landfill. In this context, a higher landfill fee is a practical approach to reserve landfill capacity for the County's residential sector as IC&I sector waste will typically be delivered to lower cost disposal options.

The average 2024 tipping fee of the comparator group is \$146.62 per tonne. If the County increases its waste tipping fee to \$145, it will be keeping pace with local and similar communities, while still remaining somewhat higher than the most direct local competition. There is upwards pressure from the higher outliers on this list, while the primary local competition is from the City of Guelph, Region of Waterloo and private transfer stations (not listed here as their rates are confidential and volume-based) in Guelph and Wellington County. The local competition is lower than this average so an increase to the average of the comparator group will still price the County above the most logical alternate disposal locations.

Municipality	Tipping Fee (per tonne)
Barrie, City of	\$160.00
Dufferin County	\$252.00
Guelph, City of	\$153.00
Halton Region	\$194.00
Hamilton, City of	\$128.00
Kawartha Lakes, City of	\$135.00
Muskoka District	\$239.00
Niagara Region	\$125.00
Northumberland County	\$130.00
Oxford County	\$92.00
Peel Region	\$114.80
Peterborough County	\$150.00
Simcoe County	\$155.00
Southgate, Township of	\$125.00
Stratford, City of	\$93.10
Waterloo Region	\$100.00
<b>Average Fee</b>	<b>\$146.62</b>

Furthermore, a jump of \$15 in one year would equal the largest past annual increase. Staff recommend that an increase to \$145 per tonne is appropriate given the circumstances, and in November of this year there will be an opportunity to assess and consider further changes for 2026.

**Strategic Action Plan:**

This report relates to the following objectives and priorities in the County’s Strategic Action Plan:

- Best infrastructure in place to meet the current and future needs of the community

**Recommendation:**

That the waste tipping fee be adjusted to \$145 per tonne, effective February 1, 2025, and that;

The described approach for assessing future tipping fees be adopted for future consideration and setting of the County's waste tipping fee.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Das Soligo', with a long horizontal flourish extending to the right.

Das Soligo  
Manager of Solid Waste Services

**In consultation with/approved by:**

Don Kudo, County Engineer  
Scott Wilson, Chief Administrative Officer