



The Corporation of the City of Courtenay

Staff Report

To: Council

File No.: 5360-01

From: Director of Financial Services

Date: January 28, 2026

Subject: Fees and Charges Amendment Bylaw No. 3208, 2026 (solid waste)

PURPOSE:

To consider amendments to the City of Courtenay Fees and Charges Bylaw No. 1673, 1992, to introduce updated solid waste fees and charges to reflect increases to tipping fees for both municipal solid waste (garbage) and organics that took effect in 2026.

BACKGROUND:

City of Courtenay Fees and Charges Bylaw No. 1673, 1992 provides the City with the authority to impose a fee with respect to all or part of a service, the use of municipal property, or the exercise of authority to regulate, prohibit, or impose requirements pursuant to Section 194 of the Community Charter.

An amendment to the Fees and Charges Bylaw was made in January 2024 (Fees and Charges Amendment Bylaw No. 3129, 2024) to accommodate the new user fees associated with automated collection, followed by an amendment in February 2025 (Fees and Charges Amendment Bylaw No. 3171, 2025) to update the fees schedule further to accommodate some circumstances that were not foreseen at the onset of the service.

DISCUSSION:

Comox Strathcona Waste Management (CSWM) increased tipping fees for garbage and organics as part of their 2026-2030 Proposed Financial Plan.

Effective January 1, 2026, tipping fees increased as follows:

- Municipal Contract Municipal Solid Waste (garbage) +\$10 to \$165 / tonne; and
- Municipal Contract Organics: +\$5 to \$115/tonne.

Based on tonnages from the first two years of the automated collection service in Courtenay, the overall impact of these tipping fee increases is anticipated to be in the range of \$20,000 annually. In most cases, this will be \$2 per household. The \$2 increase represents a flow-through cost from the CSWM and will be applied to the garbage cart component of the basic annual fee for solid waste curbside collection.

Garbage tipping fees were frozen in 2025 to protect municipal budgets, which were already under development when the CSWM presented a tipping fee increase last year. Tipping fees for garbage represent a significant component of the CSWM budget, funding both operational and capital budgets, including recovering the cost of landfill airspace and post-closure liabilities, supporting future initiatives outlined in the Solid Waste Management Plan (SWMP), and funding the renewal of assets.

While the organics collection service provides significant material for the CSWM composting program, which has reduced garbage heading to the landfill, contamination remains an operational challenge. Non-organic contamination (usually various plastics) is removed manually and returned to the landfill, adding costs to the organics composting system. CSWM staff have indicated that the main reason for the increase in organics

tipping fees is the extra cost of contamination treatment. In 2026, City staff will work with the CSWM to educate residents on the importance of waste diversion and to provide messaging on reducing contamination.

Staff are not recommending an increase to the organics collection fee component of the basic annual fee at this time. The existing rate remains sufficient to fully recover program costs based on current participation levels, contract pricing, and processing expenses. Recent operational reviews indicate that overall system efficiencies, including route optimization and stable processing costs, have helped offset inflationary pressures that are affecting other program areas. In addition, maintaining the current fee supports continued uptake of the organics program and aligns with Council's objective to limit cost impacts on residents wherever feasible. Staff will continue to monitor program performance and market conditions and will bring forward future adjustments only if required to sustain long-term financial and service stability.

As discussed, variable costs associated with tipping fees will increase in 2026; however, future increases beyond that remain uncertain. In the absence of a long-term fee structure from the CSWM, both tipping fee expenditures and the solid waste service tax requisition can only be estimated. In 2025, tipping fees aligned closely with the approved budget, leaving little capacity to absorb additional increases. For this reason, the \$2 increase to the basic annual fee for 2026 is being recommended to accommodate the increase in tipping fees.

FINANCIAL IMPLICATIONS:

Based on average annual tonnages for both garbage and organics, the anticipated cost increase for the basic annual fee will be an additional \$2 for each garbage cart at the property. Nearly all properties have a single garbage cart, so there will be a \$2 increase to the basic annual fee for most households. The additional \$2 fee will not apply to any carts assigned as home healthcare waste carts.

In addition to current operational considerations, staff have evaluated the broader financial context associated with the Comox Strathcona Waste Management (CSWM) service. CSWM is undertaking a multi-year renewal of its Solid Waste Management Plan (SWMP)—the region's long-term strategic planning framework that establishes the programs, infrastructure, and financial strategies needed to manage solid waste over the next decade. As this planning process progresses through its remaining steps, it will define future regional cost requirements, including those related to organics processing, transfer station improvements, contamination management, and long-term capital investments. These updates are expected to become a significant future cost driver for participating municipalities once the updated financial forecasts and capital funding models are finalized.

At this time, the City's organics program costs remain stable and can be fully supported within the existing fee structure. However, until CSWM completes its renewed SWMP and accompanying five-year financial plan, there remains uncertainty regarding future indirect regional service costs allocated to the City of Courtenay. Maintaining the current organics fee avoids premature adjustments in the absence of consolidated regional financial information. Once CSWM concludes its planning and releases updated financial projections, staff will reassess the City's solid waste fees and charges to ensure alignment with regional obligations, long-term cost-recovery principles, and service sustainability objectives.

ADMINISTRATIVE IMPLICATIONS:

The Financial Services department will also update the billing system to reflect changes outlined in the attached bylaw, adding the \$2 fee to the garbage component of the basic annual fee, as the garbage tipping fee increase represents the largest cost component of the tipping fee increases. The fees for additional

Home Health Care Waste garbage carts will remain fixed, as these carts are intended to be provided on a limited and subsidized basis.

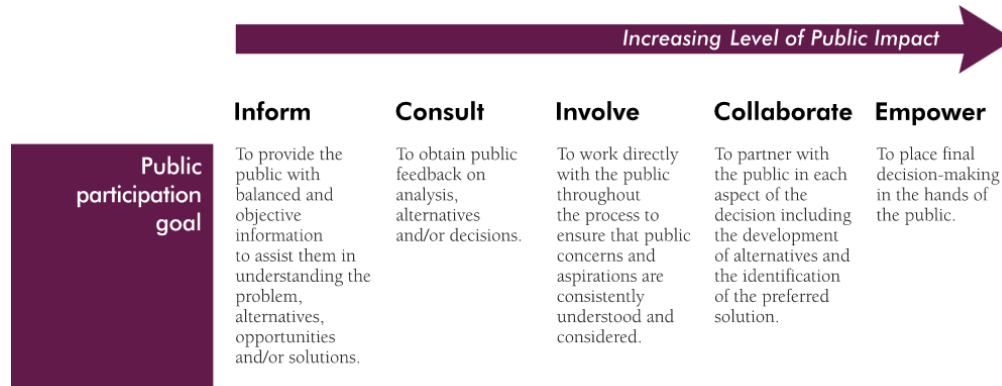
STRATEGIC PRIORITIES REFERENCE:

This initiative addresses the following strategic priorities:

- Financial Sustainability - Review City Financial processes: Review fees, charges, and fines

PUBLIC ENGAGEMENT:

Staff would inform the public based on the IAP2 Spectrum of Public Participation:



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OPTIONS:

1. THAT Council give first, second and third reading to Fees and Charges Amendment Bylaw No. 3208, 2026 (solid waste).
2. THAT Council provide alternative direction to staff.
3. THAT Council not move forward with the bylaw.

ATTACHMENTS:

1. Fees and Charges - Amendment Bylaw No. 3208, 2026 (solid waste)
2. Fees and Charges - Amendment Bylaw No. 3171, 2025, showing new changes

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