



REPORT

To: Solid Waste Committee

Report Number: ENV-SWC-025

From: Paulo Eichelberger, GM of Environmental Services

Date: December 3, 2020

Subject: Solid Waste Agreements – Status Update

RECOMMENDATION:

That the Solid Waste Committee receive the report titled “Solid Waste Agreements – ENV-SWC-025” which provides a status update on solid waste service agreements with First Nations, haulers, and municipalities, for information.

BACKGROUND/RATIONALE:

As the Committee will recall, staff is working toward reviewing and updating nine solid waste agreements between the Peace River Regional District (PRRD) and its member communities within the region. This report is intended to update Committee on the status of the contract work to date.

The agreements are broken into three groups, as shown below:

1. First Nations Communities.
2. Municipal Waste Haulage.
3. Municipal Solid Waste Management Service.

First Nations Communities Agreements

The agreements between the PRRD and each participating First Nations Community (FNC) located in the PRRD¹ have been revised as follows:

- a) Calculation of solid waste fees remains as the sum of:
 - An annual fee in lieu of taxes based on the current rate of \$50/household² multiplied by number of households PLUS;
 - Applicable tipping fees for all domestic waste disposed of at the nearest PRRD Solid Waste Facility in the calendar year.
- b) Building counts have been updated to reflect current numbers on each Reserve (see Financial Considerations.
- c) Tipping fee schedules of the Solid Waste Fees Bylaw is attached to each contract.
- d) Contract documents align with the latest version of the PRRD contract template (sample FNC contract attached for reference).

Draft contracts have been provided to each of the FNC's with a two-year term (April 1, 2020 to March 31, 2022) to reflect the same fee calculation process as in previous years (see attached template). The reason for this is that the Solid Waste Management Plan will not be formally updated and

¹ West Moberly, Saulteau, Halfway River, Doig River and Blueberry River.

² \$50/ household is the rate calculated to match the rate applied to households in the service area, using an average assessed value of \$173,000

approved by the Province until later in 2021. Any changes in the new version of the Plan could affect methods of funding solid waste which may also affect all stakeholders (including the FNC's). Therefore, new contracts drafted in mid to late 2021 will reflect any such changes and be submitted for FN review prior to the next contract expiry in March 31, 2022.

Municipal Waste Haulage Agreements

The Solid Waste Department has been working on updates to agreements with three member municipalities to provide a subsidy for waste hauling to the nearest landfill. These municipalities are:

- City of Dawson Creek
- District of Taylor
- Village of Pouce Coupe

As the Committee will recall, these agreements were created when the PRRD closed landfills adjacent to the aforementioned municipalities and redirected waste from these members to the next closest active landfill. When creating an integrated solid waste management system, as the distance to the nearest landfill increased, a subsidy was provided by the PRRD to the municipality through these agreements.

The rationale for this subsidy was that the closing of an adjacent landfill site with remaining capacity caused undue financial hardship on the aforementioned municipalities due to the need to haul waste a further distance. The municipalities invoice the PRRD for the additional trucking costs, that are in excess of the costs that would be incurred, should the landfill still be in the same location. Essentially, the PRRD pays for the cost of trucking waste the additional distance.

There is an opportunity to make the hauling subsidy current and consistent by establishing a threshold distance to the nearest accessible site. This threshold would be consistent with the manned rural transfer station network which has been updated since 2012, whereby stations were consolidated to cover the large segments of the rural population living within 20 km of a solid waste site. It is possible to establish the same criteria for distance from a member municipality to the nearest landfill as shown in the table below:

Municipality Distance from Nearest Accessible Site³	PRRD Hauling Subsidy
Greater than 20 km	Subsidy applies
Less than or equal to 20 km	Subsidy does not apply

At this time, only the aforementioned municipalities meet the proposed criteria for subsidy. This threshold can be incorporated into the updated draft agreements for future consideration by the Committee and Board.

Municipal Solid Waste Management Service Agreement

As the Committee will recall, personnel from the District of Tumbler Ridge (District) operate the local Transtor/Transfer Station Facility. Municipal staff are also responsible for collecting and baling recyclables in an adjacent building as well as segregating materials other than household curbside waste. The Regional District pays for the operation of the transtor facility which includes maintenance and operation of the attendant building, and emptying of the transtor bins of regular waste, to be transported to the Chetwynd Landfill via a separate hauling contract.

³ Accessible site must be capable of receiving compactor trucks containing large loads of curbside waste.

PRRD staff met with Tumbler Ridge personnel to address inconsistencies in invoicing methodology. Under the original agreement, costs to the PRRD were to cover the aspects of the transfer station housing the attendant building and transfer bin infrastructure. However, the PRRD has been subsidizing the majority of costs (including 3rd party) of the operation of the transfer station to the District.

3rd party costing has been largely rectified in 2020 and invoicing methodology has been clarified (see Financial Considerations). Staff is working on a revised invoicing template with clearer wording as part of a revised waste agreement.

The District is currently expanding their infrastructure at the Transfer Station and considering the inclusion of a weigh scale to track incoming waste loads⁴. Due to these changes and the previously mentioned review of the waste agreement, there may be an opportunity to assess whether or not operation of the entire site can be consolidated and run by either the District or the PRRD in totality.

ALTERNATIVE OPTIONS:

1. That the Solid Waste Committee provide further direction.

STRATEGIC PLAN RELEVANCE:

☒ Not Applicable to Strategic Plan.

FINANCIAL CONSIDERATION(S):

The tables below summarize the associated fees/charges for each of the agreements:

First Nations Communities Agreements-Costs

	Household Count	Rate/Household	Annual Fee
West Moberly First Nations	66	\$50.00	\$3,300
Saulteau First Nations	190		\$9,500
Halfway River First Nations	85		\$4,250
Blueberry River First Nations	81		\$4,050
Doig River First Nations	64		\$3,200
Total:			\$24,300

Municipal Waste Haulage Agreements - Costs

Municipality	2019 Subsidy
City of Dawson Creek	\$23,213.00
Village of Pouce Coupe	\$1,185.00
District of Taylor	\$12,480.00
Total:	\$36,878.00

Municipal Solid Waste Management Service Agreement - Costs

Municipality	2019 Cost
District of Tumbler Ridge	\$178,270.56

⁴ This system would be similar to what the Regional District uses at its own landfills and other manned transfer stations.

- Note: The fourth quarter invoice of 2019 was submitted late in January of 2020. It was also found that a charge of \$12,000.00 was mischarged to the PRRD making the actual 2019 cost for the Tumbler Ridge Transfer Station \$166,270.56. This equates to \$41,568 per quarter.
- Note: Q1 and Q2 2020 invoices have been received and are showing costs of \$26,500 per quarter, or approximately 36% less spent. Forecasting for the rest of 2020 should see an estimated total spend of \$106,000 or a savings of \$60,000.

COMMUNICATIONS CONSIDERATION(S):

N/A

OTHER CONSIDERATION(S):

N/A

Attachments:

1. First Nation Solid Waste Agreement Template