

REGIONAL DISTRICT OF NANAIMO
SOLID WASTE MANAGEMENT SELECT COMMITTEE
AGENDA

Tuesday, February 6, 2018

1:30 P.M.

Committee Room

Pages

1. **CALL TO ORDER**
2. **APPROVAL OF THE AGENDA**

That the agenda be approved as presented.
3. **ADOPTION OF MINUTES**
 - 3.1 **Solid Waste Management Select Committee Meeting - December 12, 2017** 2

That the minutes of the Solid Waste Management Select Committee meeting held December 12, 2017, be adopted.
4. **UNFINISHED BUSINESS**
5. **REPORTS**
 - 5.1 **Replacement Landfill Compactor Report to Solid Waste Management Select Committee** 4

That the Board approve the purchase of a used heavy equipment compactor for an amount not to exceed the insurance pay out value for the fire damage unit of \$620,467.
 - 5.2 **Endorsement Request Letter from Metro Vancouver** 15

That the Board send a letter to the Minister of Environment and Climate Change Strategy endorsing Metro Vancouver's Greater Vancouver Sewerage and Drainage District Commercial Waste Hauler Licencing Bylaw 307, 2017.
6. **NEW BUSINESS**
7. **IN CAMERA**

That pursuant to Sections 90 (1)(g), (i), (j) and (m) of the *Community Charter* the Committee proceed to an In Camera meeting for discussions related to litigation, receipt of advice that is subject to solicitor-client privilege, third party business interests, and intergovernmental relations.
8. **ADJOURNMENT**

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE SOLID WASTE MANAGEMENT SELECT COMMITTEE MEETING

Tuesday, December 12, 2017

4:00 P.M.

Committee Room

In Attendance:	Director A. McPherson	Chair
	Director H. Houle	Electoral Area B
	Director M. Young	Electoral Area C
	Director J. Stanhope	Electoral Area G
	Director B. McKay	City of Nanaimo
	Director J. Hong	City of Nanaimo
	Director K. Oates	City Parksville
Regrets:	Director M. Lefebvre	City of Parksville
	Director T. Westbroek	Town of Qualicum Beach
	Director J. Kipp	City of Nanaimo
Also in Attendance:	Director B. Veenhof	Electoral Area H
	Director B. Rogers	Electoral Area E
	Director J. Fell	Electoral Area F
	Director B. Colclough	District of Lantzville
	Director D. Brennan	City of Nanaimo
	P. Carlyle	Chief Administrative Officer
	R. Alexander	Gen. Mgr. Regional & Community Utilities
	W. Idema	A/Gen. Mgr. Corporate Services
	L. Gardner	Mgr. Solid Waste Services
	R. Graves	Recording Secretary

CALL TO ORDER

The Chair called the meeting to order and respectfully acknowledged the Coast Salish Nations on whose traditional territory the meeting took place.

APPROVAL OF THE AGENDA

It was moved and seconded that the agenda be approved as presented.

CARRIED UNANIMOUSLY

ADOPTION OF MINUTES

Solid Waste Management Select Committee Meeting - September 14, 2017

It was moved and seconded that the minutes of the Solid Waste Management Select Committee meeting held September 14, 2017, be adopted.

CARRIED UNANIMOUSLY

REPORTS

Bylaw No. 1591.08 – Solid Waste and Recycling Collection Service Rates and Regulation Amendment Bylaw

It was moved and seconded that “Regional District of Nanaimo Solid Waste and Recycling Collection Service Rates and Regulations Amendment Bylaw No. 1591.08, 2018”, be introduced and read three times.

CARRIED UNANIMOUSLY

It was moved and seconded that “Regional District of Nanaimo Solid Waste and Recycling Collection Service Rates and Regulations Amendment Bylaw No. 1591.08, 2018”, be adopted.

CARRIED UNANIMOUSLY

IN CAMERA

It was moved and seconded that pursuant to Sections 90 (1)(g), (i), (j) and (m) of the *Community Charter* the Committee proceed to an In Camera meeting for discussions related to litigation, receipt of advice that is subject to solicitor-client privilege, third party business interests, and intergovernmental relations.

CARRIED UNANIMOUSLY

TIME: 4:04 PM

ADJOURNMENT

It was moved and seconded that this meeting be adjourned.

CARRIED UNANIMOUSLY

TIME: 5:55 PM

CHAIR

TO: Solid Waste Management Select Committee **MEETING:** February 6, 2018

FROM: Jane Hamilton **FILE:** 1240-20-SW
Superintendent Landfill Operations

SUBJECT: Replacement Landfill Compactor

RECOMMENDATION

That the Board approve the purchase of a used heavy equipment compactor for an amount not to exceed the insurance pay out value for the fire damage unit of \$620,467.

SUMMARY

In November 2016, the Board approved the purchase of a used fully rebuilt landfill compactor for \$560,000. In September 2017, this unit was consumed by fire.

Should the Board decide to replace the compactor, the insurer has confirmed a maximum payout of \$620,467, less a \$5,000 deductible. Alternatively, the Board can accept a financial settlement of \$441,751.67 and close the claim.

In order to maintain efficient waste processing operations at the landfill, it is recommended that another used fully rebuilt landfill compactor be purchased, through a competitive procurement process, to a maximum of the insurance payout.

BACKGROUND

The landfill compactor is used to spread and place waste at the regional landfill. It is the critical piece of equipment that provides compaction of the waste, achieving high waste placement densities for efficient operation of the landfill.

In November 2016 the Regional Board approved the purchase of a reconditioned landfill compactor from Marcel's Equipment for the amount of \$560,000. Marcel was the selected supplier from the two respondents to the Request for Proposal (RFP) which was advertised and distributed to known heavy equipment rebuilders throughout North American. The RFP was specific in targeting a CAT 826 compactor which is the same make and model as existing second site compactor. The rationale for acquiring the same make and model as the existing unit is: 1) staff familiarity with its operation and maintenance improving safety and efficiency; 2) redundancy in maintaining spare parts; and, 3) ultimately, when both units reach their service life, a single unit can be re-built and used as a backup compactor.

Fire

On September 22, 2017 the heavy equipment operator noted a malfunction of the compactor hydraulic system and was able to back off the active waste cell and exit before the compactor caught fire. There

were no injuries; however, the machine was extensively damaged. Insurance investigations are ongoing and there is no definite cause of the fire yet but it is suspected to be related to the hydraulic system.

The insurance provider has offered a cash payout of \$441,751.67 or a maximum payout of \$620,467 if the compactor is replaced. Given the integral use of this compactor for efficient waste processing, the procurement of a replacement machine is recommended.

FINANCIAL IMPLICATIONS

A reconditioned replacement compactor is expected to be replaced for less than the insured value of \$620,467. The payment of the insurance deductible amount of \$5000 which has been incorporated into the 2018 budget.

ALTERNATIVES

1. Approve the purchase of a used compactor at a price not to exceed the maximum of \$620,467 which is the maximum insurance payout.

This alternative provides sufficient funds to replace the burned out compactor with a model that meets operational requirements and maintains efficient landfill operations.

2. Accept the insurance cash payment of \$441,751.67 and close the claim.

This will provide insufficient funds to purchase a compactor that meets operational requirements and maintain efficient operations. We would be limited to purchasing an older unit with reduced life, requiring more maintenance and downtime, and would be unlikely to be the same make and model as the existing compactor, requiring additional expenditures for spare parts and maintenance.

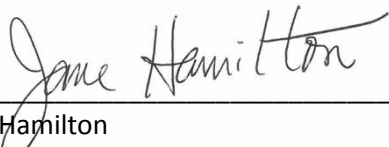
3. Provide alternate direction to staff.

A decision not to replace the compactor would have significant impacts on landfill operations and costs.

STRATEGIC PLAN IMPLICATIONS

This equipment purchase is consistent with key priorities of the 2016-2020 Strategic Plan in the following areas:

- *Focus on service and organizational excellence.* The landfill serves many commercial and regional haulers therefore compact conditions and efficient service is valued.
- *Focus on the environment.* Ensuring proper compaction is a regulatory requirement due to the potential environmental impact of poorly compacted waste.



Jane Hamilton
jhamilton@rdn.bc.ca

Reviewed by:

- L. Gardner, Manager, Solid Waste Services
- R. Alexander, General Manager, RCU
- W. Idema, Director, Finance
- K. Felker, Finance

TO: Larry Gardner
Manager, Solid Waste Services

DATE: September 16, 2016

FROM: Jane MacIntosh
Superintendent, Landfill Operations

FILE: 1240-20-SW

SUBJECT: Acquire Used Reconditioned Landfill Compactor

RECOMMENDATION

That the Solid Waste Management Select Committee (SWMSC) recommends that the Regional Board approve the purchase of a used reconditioned landfill compactor for an amount not to exceed \$600,000.

PURPOSE

The purpose of this report is to request that the SWMSC endorse the purchase of a used reconditioned landfill compactor for an amount not to exceed of \$600,000 in advance of the projected timeline of 2018.

BACKGROUND

The current landfill compactor has approximately 18 months remaining service life based on current industry expectations. As the unit approaches the end of service life, the risk of a significant mechanical breakdown increases. Cost savings on the North Berm construction and tip fee revenues higher than projected for 2016 provide an opportunity to purchase a landfill compactor in advance of the current projected timeline of 2018. The advantage of moving up the timeline, and retaining the existing unit as a backup, provides operational efficiency by providing redundancy in compaction equipment. The previous plan had delayed the purchase of a used compactor until 2018 because of the higher priority to complete the North Berm construction which required a large contingency for potential geotechnical issues. The advanced timeline is expected to result in future cost savings realized over the next 10 to 15 years by allowing improved maintenance of equipment and deferment of future replacement costs.

Effective compaction of waste at the landfill is essential to the efficient operation of a sanitary landfill. Compaction has profound consequences to the long and short term operation and environmental impacts on a landfill including: leachate, landfill gas and odour production; vector attraction (e.g. rodents, birds) and litter; differential settlement and site stability; and, fire prevention and control. From an economic perspective, compaction saves space, which can mean substantial cost savings over the life of any landfill. Landfill compactors are specialized equipment with acquisition timelines in the order of several months. The previous plan to defer purchase to 2018 would have resulted in the use of alternate equipment with less effective compaction rates for times when the existing compactor is out of service for repairs.

The landfill compactor is used for approximately 2,000 hours per year. The general service life of the machine is between 10,000 to 12,000 hours (5-6 years) before major factory rebuilds or replacements of engines, transmissions and wheels have to be completed. Rebuilds of these major components costs approximately \$350,000 and adds another 6-years of service life to the machine.

The existing compactor, model CAT 826, was purchased through a lease agreement from Finning over a four year period from 2011 to 2015 at a total cost of \$620,647. The compactor has now logged over 9,000 hours and has approximately one and half years of remaining service life.

If a second reconditioned compactor is to be purchased at the current time, it provides a number of advantages:

- A second compactor provides redundancy given the importance of compaction for efficient landfill operations.
- The second compactor allows the primary unit to be taken out of operation at regular planned service intervals, which will reduce repair costs, reduce disruptions to the landfill work and it is expected to increase the life of both the units. The existing unit, used as a backup, will have an extended service life of approximately 4 years.
- Purchase of the same model of compactor provides advantages given the familiarity by both operators and maintenance staff. Furthermore, as parts are common between the two machines, it is expected that the ultimate of life of an operational unit can be extended for the maximum period (i.e. parts exchange as backup unit is late in its service live).
- Within 4 to 5 years, the current unit could be rebuilt to become the primary unit the reconditioned unit purchased now would be reassigned as a backup (\$350,000 estimated cost). Staggering the use and reconditioning periods of the compactors has the potential to satisfy compaction equipment needs for the next 10 to 15 years. This would be a lower cost than the acquisition of two units over the same period based on a 6 year service life.

The table below lists all the known same model compactors (Cat 826H) currently for sale in North America. Staff has made inquiries with Finning Canada on the availability of a used same model compactor in their Canadian inventory. At this time, they have not identified any available units.

Year	Hours	Rebuilt	Price (CAD)	Location	Vendor	Comments
2010	10,514 frame hours	Yes	\$500,000	London Ontario	Marcel Equipment Ltd.	- 1 year parts and labour warranty - Eligible for extended warranty
2011	8,500 frame hrs	Yes	-	London Ontario	Marcel Equipment Ltd.	- 1 year parts and labour warranty - Eligible for extended warranty
2013	7,750	No	\$493,000	Knoxville , Tennessee	C&K Equipment Co.	- Potentially sold
2006	~12,000	Yes	\$571,000	Knoxville , Tennessee	C&K Equipment Co.	- Potentially sold - Comes with factory 3yr/5000 hour warranty valued at \$21K
2010	8,558	No	\$435,000	Dartmouth, Nova Scotia	Atlantic Tractor & Equipment	
2008	9,295	No		Indianapolis, Indiana	MacAllister Machinery	- Does not appear to have landfill capable wheels
-	-	Yes	\$486,000	Ann Arbor, Michigan	Best Equipment Inc.	- 2015 rebuild - Vendor reports the unit has just been sold
-	-	Yes	\$472,000	Ann Arbor, Michigan	Best Equipment Inc.	- 2015 rebuild - New factory engine - Vendor reports the unit has just been sold
-	-	Yes	\$393,000	Ann Arbor, Michigan	Best Equipment Inc.	- 2015 rebuild - New factory engine - Vendor reports the unit has just been sold
2005	10,812	No	\$420,000	Monterrey, Mexico	MaQuinas Diesel	
2005	10,811	No	\$394,000	Houston, Texas	Tierra Equipment Ltd.	

Vendors report that they are regularly moving units though their service facilities. It is not uncommon to presell the units while reconditioning is underway. Of the units listed above, at the time of writing this report, 5 of the reconditioned units may no longer be available.

The most promising options appear to be equipment available from Marcel Equipment Ltd. in London, Ontario or C&K Equipment Company in Knoxville, Tennessee. These two companies appear to be the premier vendors of used landfill compactors in Canada and the United States collectively. The 3 preferred options are:

1. 2006 Cat 826H – 12,000 frame hours. Complete Cat certified component rebuild. Price includes 3 year/5,000 hour powertrain warranty. This unit is may already be sold. The cost is \$571,000.
2. 2010 Cat 826H – 10,514 frame hours. Cat certified component rebuilds on the engine, torque converter, transmission and transfer case. The components will come with a 1 year, parts and labour warranty supported by the Cat dealer. Since these are being rebuilt to Cat certified standards, there is an option to purchase additional extended warranty from your dealer beyond the 1 year. The compaction wheels will have new 7.25" HDT weld-on tips installed and wheel edges built up. The cost is \$500,000.
3. 2011 Cat826H – 8,500 hours. This unit will be delivered to Marcel within a few weeks. It is expected to be sold for approximately \$400,000 with normal reconditioning but not rebuilding any components. With Cat certified component rebuilds the price will be \$550,000.

The actual selection of the compactor would be based on best value to the RDN and would consider price, availability, actual components rebuilt and transportation costs.

The prices quoted for these reconditioned compactors compare favorably with that of a new unit with current pricing over \$1,000,000.

ALTERNATIVES

Alternatives in proceeding with the compactor replacement are as follows:

- 1) Approve the purchase of a reconditioned compactor to the maximum amount of \$600,000 at this time.
- 2) Defer purchase until 2018 and acquire a used or reconditioned compactor when the existing machine reaches its end of service life.
- 3) Defer purchase until 2018 and issue a Request for Proposals (RFP) in 2017 for a new compactor to ensure adequate lead time for purchase.
- 4) Alternate direction as provided by the Regional Board.

Appendix A and B summarize the implications of the above options.

FINANCIAL IMPLICATIONS

The 10 year financial plan included the use of only one compactor and the purchase of a reconditioned compactor in 2018 and then again in 2025 with an estimated total cost over the 10 years of \$1.4 million assuming reconditioned units were available and prices remained relatively stable. Under this revised plan, there is an estimated additional cost of \$250,000 over 10 years; however, because there will be two compactors available, improved compaction rates and landfill efficiencies will be realized. The savings on the North Berm construction project, additional tipping fees and the return of higher volumes in the last year support the purchase of a second compactor at this time. Appendix B shows the projected costs for both options. This plan and timing will extend the life of the existing unit and defer future costs of compactor replacements over a 10 to 15 year time frame.

STRATEGIC PLAN IMPLICATIONS

This equipment purchase is consistent with key priorities of the 2016-2020 Strategic Plan in the following areas:

- *Focus on service and organizational excellence.* The landfill serves many commercial and regional haulers and compact conditions and efficient service is valued.
- *Focus on the environment.* Ensuring proper compaction is a regulatory requirement due to the potential environmental impact of poorly compacted waste.

SUMMARY/CONCLUSIONS

The current landfill compactor has approximately 18 months remaining service life based on current industry expectations. As the unit approaches the end of service life, the risk of a significant mechanical breakdown increases.

The costs for landfill compactors have increased significantly in recent years due to new engine designs as well as the value of the Canadian dollar as compared to US currency. The current price on a new equivalent model compactor is over \$1,000,000.

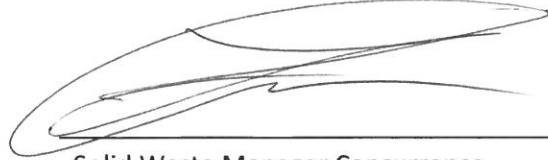
Acquisition of a reconditioned second compactor for a maximum of \$600,000 provides for operational redundancy. This strategy provides the opportunity to rotate the two compactors to extend service lives, with rebuilds, for possibly 10 to 15 years, thereby reducing future capital costs.

Subject to board approval, staff would proceed to negotiate purchase based on best value to the RDN.

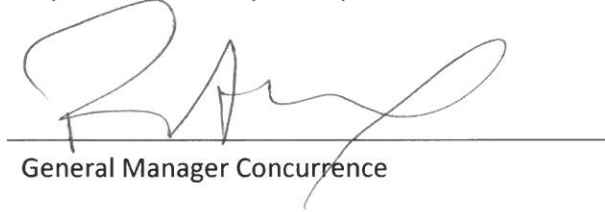


FOR JANE MACINTOSH

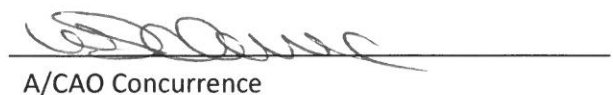
Report Writer,
Superintendent Disposal Operations



Solid Waste Manager Concurrence



General Manager Concurrence



A/CAO Concurrence

Appendix A

Landfill Compactor Acquisition			
Option	Estimated Cost	Service Life	Considerations
1) 2016 Acquire Reconditioned Unit	\$500,000 to \$600,000	6 years (extends back up unit life by 4 years to 2020)	<ul style="list-style-type: none"> • Provides operational redundancy as existing unit approaches end of service life • Allows for primary unit to be taken out of service for maintenance • Provides adequate time to source same model reconditioned unit • Defers rebuild period by 4 years on existing unit
2) 2018 Acquire Reconditioned Unit	\$700,000 (budget amount)	6 years (2018 is the end of service life for existing unit at current use levels)	<ul style="list-style-type: none"> • Consistent with 5 year budget • Impractical to rebuild existing unit without replacement compactor due to 3 month rebuild period • May be limited on available used models to acquire • Cost for rebuilding existing unit for operational redundancy is \$350,000
3) 2018 Acquire New Unit	\$1,000,000+	6 years (2018 is the end of service life for existing unit at current use levels)	<ul style="list-style-type: none"> • 5 year budget does not currently contemplate this level of expenditure • New equipment with lower maintenance costs and higher reliability

Appendix B

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total
Previous Plan												
One compactor only with no redundancy												
Purchase used in 2018 & 2025			700,000							700,000		\$ 1,400,000
Revised Plan												
Purchase reconditioned in 2016 for additional capacity & recondition existing compactor in 2019 or 2020. Provides estimated 10 years before next compactor purchase	600,000				350,000						700,000	\$ 1,650,000

Notes: all of these plans involve the purchase of reconditioned units vs: new which have current costs of \$1 million

FIRE PROOF OF LOSS - INTERIM

This form is provided to comply with the Insurance Act, and without prejudice to the liability of the Insurer.

Our Claim No.: 52210-800315 JOA
Insurer Claim No.: 23256904

Broker: Willis Canada Inc.

Insured: Regional District Of Nanaimo
 6300 Hammond Bay
 NANAIMO, BC V9T 6N2

Insurer: Royal & Sun Alliance Insurance Company of Canada

under Policy No. **COM29633345** in force until **April 30, 2018** against loss or damage by **Fire** to the amount of **\$620,467.00** dollars according to the terms and conditions printed therein, including all forms and/or endorsements attached thereto and forming part thereof.

TIME AND ORIGIN: A loss occurred on the **September 22, 2017** at 6300 Hammond Bay, NANAIMO, BC V9T 6N2, caused by **Fire**.

LOCATION: The said loss occurred at 6300 Hammond Bay, NANAIMO, BC V9T 6N2

TITLE AND INTEREST: At the time of the loss the interest of the insured in the property described was sole and unconditional ownership and no other person or persons had any interest therein, lien or encumbrance thereon, except **none**.

CHANGES: Since the above policy was issued there has been no change in use, possession, location or exposure of the property described, except **none**.

GOODS AND SERVICES TAX: The amount claimed should be net of recoverable G.S.T.

Is the Insured registered for G.S.T.? (Indicate YES or NO)

If the answer is YES, please state: a) Registration #

b) Percent Recoverable

INSURANCE AND LOSS: A particular account of the loss is attached hereto and forms part of this proof. The actual cash value of the property insured, the actual amount of loss or damage, the total insurance thereon at the time of the said loss and the amount claimed under this policy are as follows:

Item(s) involved	Replacement cost	Cash Value	Total loss or damage	Total Insurance	Amount named in this policy	Claimed under this policy
CAT Compactor	\$620,467.00	\$441,751.67		\$620,467.00	\$620,467.00	\$441,751.67
<hr/>						
<hr/>						
<hr/>						
TOTALS	\$620,467.00	\$441,751.67		\$620,467.00	\$620,467.00	\$441,751.67

OTHER INSURANCE: There is no other contract of insurance written or oral, valid or invalid, except (Insurers and amounts) . The said loss or damage did not occur through any willful act, neglect, procurement, means or connivance of the Insured or this declarant.

PAYMENT OF THIS CLAIM TO:

Regional District of Nanaimo – ACV advance	\$441,751.67

I, _____ do solemnly declare that the foregoing claim and statements are to the best of my knowledge and belief true in every particular, and I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath.

DECLARED severally before me at

this ___ day of _____, 20__

INSURED

X

INSURED

X

Commissioner for Oaths or Affidavits

NOTE: If a company or partnership, indicate declarant's position or title.

TO: Solid Waste Management Select Committee **MEETING:** February 6, 2018

FROM: Sonam Bajwa
Zero Waste Coordinator **FILE:** 5365-01

SUBJECT: Metro Vancouver Commercial Waste Hauler Licencing Bylaw

RECOMMENDATION

That the Board send a letter to the Minister of Environment and Climate Change Strategy endorsing Metro Vancouver’s GVS & DD Commercial Waste Hauler Licencing Bylaw 307, 2017.

SUMMARY

On January 18, 2018 Metro Vancouver requested the RDN Board write to the Minister of Environment and Climate Change Strategy in support of the GVS&DD Commercial Waste Hauler Licencing Bylaw No. 30, 2017. (Attachment 1). Metro Vancouver’s bylaw is intended to increase waste diversion and ensure that all waste generators pay the cost associated with waste infrastructure.

The Regional District of Nanaimo (RDN) is also proposing to implement waste hauler licencing as part of the RDN’s Draft Solid Waste Management Plan (SWMP) amendment. Waste hauler licencing is integral to the RDN achieving a 90% diversion goal proposed in the Plan. If approved by the RDN Board, the SWMP amendment will be submitted to the Minister of Environment and Climate Change Strategy in 2018 for approval. Metro Vancouver’s success in implementing its bylaw, would increase the likelihood of the RDN’s success.

BACKGROUND

On January 18, 2018 Metro Vancouver requested the RDN advise the Minister of Environment and Climate Change Strategy of the RDN’s support of Metro Vancouver’s GVS & DD Commercial waste Hauler Licencing Bylaw No. 307, 2017. (Attachment 1).

Waste hauler licencing is one of the key initiatives proposed in the RDN’s Draft Solid Waste Management Plan amendment. Two key initiatives in the SWMP amendment, waste hauler licencing and mandatory waste source separation are expected to increase waste diversion by 10% and are integral to the RDN achieving a 90% diversion goal. Public consultation is currently take place on the RDN’s Draft Solid Waste Management Plan.

Metro Vancouver’s SWMP was approved by the Minister in July 2011 and contains provision for Waste Hauler Licencing. Metro Vancouver is now requesting the Minister approve the waste licencing bylaw

to allow implementation of the program. Metro Vancouver is soliciting support from BC local governments to attain this authority.

ALTERNATIVES

1. That the Board send a letter to the Minister of Environment and Climate Change Strategy endorsing Metro Vancouver's GVS & DD Commercial Waste Hauler Licencing Bylaw 307, 2017.
2. The Board not endorse Metro Vancouver's GVS & DD Commercial Waste Hauler Licencing Bylaw 307, 2017.
3. Provide alternative direction to staff.

FINANCIAL IMPLICATIONS

There are no financial implications in providing endorsement to Metro Vancouver's Bylaw 307, 2017.

STRATEGIC PLAN IMPLICATIONS

Focus on relationships. This letter of endorsement allows the RDN to advocate for an issue outside of our jurisdiction

Focus on economic health. Waste hauler licencing in the RDN will foster economic development.

Focus on the Environment. Waste hauler licencing will increase the amount of material recycled in the RDN and keep material out of the landfill and will prevent waste leaving our region for less environmentally sound disposal options.



Sonam Bajwa
Sbajwa@rdn.bc.ca
January 25, 2018

Reviewed by:

- L. Gardner, Manager, Solid Waste Services
- R. Alexander, General Manager, RCU
- P. Carlyle, Chief Administrative Officer

Attachment

Correspondence re GVSDD Commercial Waste Hauler Licencing Bylaw No. 307 2017.

JAN 18 2018

File: CR-12-01
Ref: SDD 2017 Nov 24

Chair William Veenhof and Board of Directors
Nanaimo Regional District
6300 Hammond Bay Road
Nanaimo, B.C. V9T 6N2
VIA EMAIL: bill.veenhof@shaw.ca

Dear Chair Veenhof and Board of Directors:

Re: *GVS&DD Commercial Waste Hauler Licensing Bylaw No. 307, 2017*

The purpose of this letter is to request that your Regional District consider writing the Minister of Environment and Climate Change Strategy in support of the *GVS&DD Commercial Waste Hauler Licensing Bylaw No. 307, 2017*.

At its November 24, 2017 regular meeting, the Board of Directors of the Greater Vancouver Sewerage and Drainage District (Metro Vancouver) approved the *GVS&DD Commercial Waste Hauler Licensing Bylaw No. 307, 2017* and approved forwarding the bylaw to the Minister of Environment and Climate Change Strategy for approval.

Metro Vancouver's Commercial Waste Hauler Licensing bylaw would help increase waste diversion by requiring Commercial Waste Haulers in Metro Vancouver to ensure recycling containers are provided for all multi-family and commercial/institutional buildings. The multi-family and commercial/institutional sectors have lower recycling rates compared to the single family sector where municipalities typically directly provide waste and recycling services.

Commercial Waste Hauler Licensing would also facilitate the collection of the Generator Levy, which was approved by the GVS&DD Board on the same date as Commercial Waste Hauler Licensing. The Generator Levy is now in effect. The Generator Levy ensures all waste generators contribute to the fixed costs of the region's transfer station network and solid waste planning, which benefit all waste generators in the region.

The Generator Levy, set at \$40 a tonne for 2018, is incorporated into the Tipping Fee at Metro Vancouver and City of Vancouver disposal facilities and will not affect the total cost of disposal. If waste is delivered to other facilities, haulers will be required to collect the Generator Levy and remit it to Metro Vancouver, thus ensuring that all waste generators contribute to the system regardless of where the waste is ultimately disposed.

23781180

Enclosed is an infographic describing the Generator Levy, Commercial Waste Hauler Licensing and updates to Bylaw 181, a bylaw regulating private facilities that manage solid waste and recyclable materials. Together, Metro Vancouver's regulatory framework updates aim to reduce waste, increase recycling, ensure current and future infrastructure is equitably funded and modernize the way private facilities are regulated.

More information on these regulatory framework updates, including Board reports, consultation program summaries and letters to the Minister, are available on our website: www.metrovancouver.org by searching "Hauler Licensing", "Generator Levy" and "Bylaw 181".

Thank you in advance for considering our request to write the Minister of Environment and Climate Change Strategy in support of *GVS&DD Commercial Waste Hauler Licensing Bylaw No. 307, 2017*.

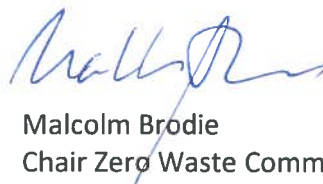
If you have any questions or if you would like to have a presentation on Metro Vancouver's solid waste regulatory initiatives, please contact Paul Henderson, General Manager, Solid Waste Services, by phone at 604-432-6442 or by email at Paul.Henderson@metrovancouver.org.

Yours truly,



Greg Moore
Chair, Metro Vancouver Board

GM/MB/CM/ph



Malcolm Brodie
Chair Zero Waste Committee

Encl: Metro Vancouver Solid Waste Regulatory Updates Infographic dated December 2017
(Doc #23835769)

23781180

METRO VANCOUVER SOLID WASTE REGULATORY UPDATES



Various service providers collect waste and recyclables in the region.

NO GENERATOR LEVY

Dry Recyclables



Residential and Commercial Organics



Construction and Demolition



Industrial



Agricultural



To processors for recycling and disposal, **NO GENERATOR LEVY**

Haulers pay **TIPPING FEE** (which includes disposal rate plus **GENERATOR LEVY**)



Garbage to Metro Vancouver or City of Vancouver disposal facilities

GENERATOR LEVY



Commercial waste haulers require license

Garbage to facilities other than Metro Vancouver or City of Vancouver disposal facilities



Haulers remit **GENERATOR LEVY** to Metro Vancouver

GENERATOR LEVY

The Generator Levy ensures that all waste generators in the region contribute to the fixed costs of the region's transfer station network and solid waste planning.

HAULER LICENSING

Commercial Waste Hauler licensing ensures that recycling systems are in place wherever garbage is collected in the region; assists the collection of a Generator Levy.

BYLAW 181 (enacted 1996)

Bylaw 181 regulates private sector facilities that manage municipal solid waste and recyclable materials. Updates help encourage recycling and ensure level playing field.

Metro Vancouver manages garbage produced by residents and businesses in the Lower Mainland. With a strong commitment to first reducing the waste we generate and aspiring to recycle 80% of the region's waste by 2020, the Generator Levy, Commercial Waste Hauler Licensing and updates to Bylaw 181 are important tools to achieve our zero waste objectives.