

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Committee of the Whole – July 28, 2022

AUTHOR: Rebecca Porte, Interim Manager, Solid Waste Services
Remko Rosenboom, General Manager, Infrastructure Services

SUBJECT: AREA A FOOD WASTE DROP-OFF AND PROCESSING PROGRAM UPDATE

RECOMMENDATION(S)

THAT the report titled Area A Food Waste Drop-Off and Processing Program Update be received for information;

AND THAT Salish Environmental Group be awarded a two-year contract for the Area A Food Waste Drop-off and Processing pilot of up to \$104,094 (excluding GST).

AND THAT Sanitary Landfill Site Bylaw No. 405 be amended to include the following new categories and associated tipping fees:

- \$5 for loads under 30kg for food waste
- \$5 for loads under 30kg that include separated municipal solid waste and food waste
- \$150 per tonne for loads of food waste over 30k
- \$150 per tonne for loads containing separated food waste and municipal solid waste over 30kg

AND THAT the 2022-2026 Financial Plan be amended to reflect the change in the pilot program implementation for Q4 of 2022 (\$13,500 vs \$27,000) and Q1-Q3 2024 (\$40,500 vs \$27,000), including the associated revenue and expenses:

AND FURTHER THAT these recommendations are forwarded to the July 28 Board meeting.

BACKGROUND

On October 1, 2022, Sunshine Coast Regional District (SCRD) enforceable disposal regulations for food waste, food soiled paper and paper will be in effect on the Sunshine Coast. The Board made the following resolution related to food waste and food soiled paper:

January 28, 2021

026/21

(in part)

Recommendation No. 1

Landfill Disposal Bans for Food Waste and Recycling – Considerations

AND THAT a landfill disposal ban for food waste and food soiled paper from all sectors with a 5% volume based threshold be implemented;

Successful implementation of this regulation is dependent on the ability for residents to easily comply with it. The majority of residents on the Sunshine Coast have access to curbside food waste collection. Area A does not currently have curbside collection or a local option for food waste drop off, making compliance problematic.

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Area A Food Waste Drop-off and Processing Program Update

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Between 2019 and 2021 the SCRD explored options for Area A food waste services (see Attachment A). Ultimately this did not result in the implementation of a new food waste program for the Pender Harbour area.

In November 2021, SCRD used a Request for Expression of Interest (RFEI) to assess if there were any vendors interested in providing a service that would include supplying and managing a bin at Pender Harbour Transfer Station (PHTS), hauling and processing. The RFEI suggested that such a service should use food waste locally in the greater Pender Harbour area. Two responses were received.

In 2022, the Board instructed staff to seek out a service provider for a food waste drop-off and processing program within the proximity of Area A. The rationale behind this was that the service provided would process the materials locally and would be able to do it cheaper than the proposal received in 2020 which was rejected by the Board. The 2020 proposal included hauling of the materials to Sechelt for processing.

Staff have recently completed the evaluation process for an Area A food waste drop-off and processing service through Request for Proposal (RFP) No. 2235101. The aim of this RFP was to secure a service provider to implement the program as approved as part of the 2022 SCRD Budget (see Attachment B).

The purpose of this report is to update the Board regarding this procurement process, and to seek Board direction regarding contract award, program implementation and cost recovery.

DISCUSSION

SCRD's RFP 2235101 sought a qualified service provider to provide drop-off and processing of food waste within Area A. No proposals were forthcoming offering food waste processing within Area A. The sole proponent for the RFP didn't propose to process the food waste in Area and is instead proposing to haul it to Sechelt instead. This proposal is from Salish Environmental Group (Salish), who currently operates the primary organics processing facility on the Sunshine Coast.

The service Salish proposes includes:

- Placement of an 18 foot food waste collection bin at PHTS
- Weekly collection of bin from PHTS
- Weekly replacement with clean, empty bin to ensure there is always a bin available to the public
- Hauling food waste to Salish Soils in Sechelt for processing

PHTS staff would be responsible for screening inbound waste and for administering tipping fees. SCRD would be responsible for signage and educational materials for the public regarding the new service. Area A residents would be responsible for procuring their own food waste bins.

Salish has provided a per year price for a two-year term, with a proposed option for an extension of up to three years. This extension option was added by Salish due to the significant costs that they will incur for purchasing the two food waste bins, and allowing a five-year amortization period.

Options and Analysis

Option 1 – Implement Food Waste Drop Off at Pender Harbour Transfer Station. (recommended option)

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This would include awarding the contract for Food Waste Drop-off and Processing to Salish Environmental Group for two years, with the option to extend for three years. This would also require amendments to Sanitary Landfill Site Bylaw No. 405 to include tipping fees for food waste. This will allow for a workable implementation of the disposal regulations for Area A residents and small businesses. Recently staff have been fielding concerns from Area A regarding how food waste can be managed once the regulation is in place if there is no drop-off option within Pender Harbor.

Option 2 – Do not award the contract and do not implement a Food Waste Drop-off at Pender Harbour Transfer Station at this time (not recommended)

The risk is that it will leave Area A residents without a local option for their food waste. Residents will be required to either self-haul food waste to Sechelt or use a backyard compost. The likelihood of successful regulation implementation for Area A will be lower, and the potential public backlash will be increased. If Option 2 is chosen, reconsidering a food waste service for Area A can be included as part of the Solid Waste Management Plan Update process that is currently being initiated.

Organization and Intergovernmental Implications

The minimal additional amount of work for staff to manage and support this pilot program can be absorbed in the work plans of the existing Solid Waste Division staff.

Financial Implications

The proposal from Salish Environmental Group includes containers, hauling services, and food waste processing, with anticipated costs outlined in Table 1. The container and hauling costs are fixed, whereas the processing costs are variable and dependent on tonnage received. As this is a new service, anticipated tonnage can only be estimated, with a range of 100-300 tons per year.

As part of the 2022 budget process, a pilot program was approved for a period of two years with implementation beginning mid-year 2022 through to 2024. This budget was funded 50/50 from Eco Fee Reserves and User Fees (tipping fees) and due to the start date for 2022 starting in Q4, the 2022-2026 Financial Plan will need to be amended to reflect the start and end dates of the pilot program.

Table 1 – Annual Costs for Food Waste Drop-off and Processing

| | Year 1 (Q4 2022) | Year 2 (Q1-Q4 2023) | Year 3 (Q1-Q3 2024) | Total |
|--|---------------------|---------------------------|---------------------------|-----------|
| Container, transport and cleaning costs | \$6,185 | \$24,894 | \$19,016 | \$50,094 |
| Processing Costs @ \$135 per tonne | \$6,750 | \$27,000 | \$20,250 | \$54,000 |
| Total Cost (200 tons) | \$12,935 | \$51,894 | \$39,266 | \$104,094 |

Half of the program costs are estimated to cover the costs of container cleaning and hauling, which are fixed costs. The processing costs, which are based on tonnage and will be variable based on usage, and will be subject to a tipping fee. It's recommended that the contract be awarded based on a two-year average annual tonnage of 200 tons. This would result in a up to

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contract value of up to \$104,094. An annual average of about 300 tons, would result in a total cost of \$131,094 and result in a deficit of \$27,000

Given that this is a pilot project and usage levels are unknown, the collected tipping fees might not be sufficient to fund the hauling and processing costs. This pilot program and the associated revenue and expenses will be monitored as part of the regular variance process. Any shortfalls or service decisions will come to the board for further decision.

In considering the tipping fee, it is important that users who are separating their food waste and garbage, and thus complying with the regulation, are not financially penalized for doing so by paying a higher tipping fee than those who do not separate out their food waste and throw everything into the garbage. The following proposed fee model aims to be as cost neutral for the customer as possible, and to encourage participation in this program.

The following tipping fees are proposed:

| Item(s) | Weight | Tipping Fee | Notes |
|--------------------------------|------------|----------------------|---|
| Municipal Solid Waste (MSW) | Under 30kg | \$5 (minimum charge) | This fee is existing and no changes are proposed. |
| MSW | Over 30kg | \$150 per tonne | This fee is existing and no changes are proposed. |
| Food Waste | Under 30kg | \$5 (minimum charge) | New tipping fee for food waste required. |
| Food Waste | Over 30kg | \$150 per tonne | New tipping fee for food waste required. |
| MSW and Food Waste (separated) | Under 30Kg | \$5 (minimum charge) | New tipping fee required. |
| MSW and Food Waste (separated) | Over 30Kg | \$150 per tonne | New tipping fee (total MSW and food waste tonnage collected will be determined upon bin weigh out). |

The collected tipping fees for combined MSW and food waste loads will be split 50/50 as food waste is expected on average to have a smaller volume but a similar weight as the MSW delivered. It is expected that this approach will have minimal financial implications on the MSW program.

As this is a new program it is difficult to estimate the usage level. The RFP provided an estimate of 100-300 annual tons of food waste. It should be noted that this is a large range, and again, only an estimate. It will take at least 12 full months of the program to be able to make realistic estimates of usage levels.

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The estimated tipping fees were included in the Budget and will be part of the changes for the Financial Plan Bylaw mentioned above.

Timeline for next steps

Upon Board direction to proceed, staff would aim to have the program in place as close to October 1st as possible, recognizing that bins will need to be purchased by the proponent, with a minimum six-week turnaround for delivery. If Board provides direction to proceed with implementation, the next steps would include contract award, development of food waste procedure for PHTS, amending Sanitary Landfill Site Bylaw No. 405, development and implementation of a communications plan, and preparation of the site for the food waste drop off bins. These steps would begin promptly. Given the scope of next steps and the many variables, it is likely that the actual start date of the food waste drop-off program for Area A would be sometime after October 1, within Q4 of 2022.

Communications Strategy

A communication strategy will be developed and implemented as soon as Board direction is received and timelines are determined. This communication strategy will include media releases, social media, website updates, local media and signage at Pender Harbour Transfer Station.

STRATEGIC PLAN AND RELATED POLICIES

The SCRD's 2019-2023 Strategic Plan includes implementing a Regional Organics Diversion Strategy. Providing an option for Area A will be one of the final key pieces in meeting this target.

The Regional Organics Diversion Strategy is in support of the SCRD's Solid Waste Management Plan's targets of 65-69% diversion, with organics diversion being one of the SWMP's reduction initiatives.

CONCLUSION

New disposal regulations for food waste will be enforceable throughout the SCRD on October 1, 2022. Area A is currently without a food waste drop-off or collection service. This report provides an option following the recent RFP 2235101. The proposal by Salish Environmental Group includes providing a drop-off service located at the Pender Harbour Transfer Station with hauling to their processing facility in Sechelt.

Staff recommend that the SCRD Board award the contract to Salish Environmental Group, implement the new food waste program for Area A, and amend Sanitary Landfill Site Bylaw No. 405 to reflect the proposed fee structure to support this new service. This will provide a workable food waste option for Area A residents.

The 2022-2026 Financial Plan Bylaw will need to be amended to reflect the change in dates for the pilot program.

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Attachments

Attachment A – January 24, 2022 - Special Corporate and Administrative Services Committee – Round 2 Budget - Pender Harbour Transfer Station Food Waste Drop-Off Program Backgrounder

Attachment B – January 24, 2022 - Special Corporate and Administrative Services Committee – Round 2 Budget - 2022 Round 2 budget proposal for solid waste services (350)

| | | | |
|--------------|------------------|-------------|-----------------|
| Reviewed by: | | | |
| Manager | | CFO/Finance | X- T. Perreault |
| GM | X - R. Rosenboom | Legislative | |
| CAO | X - D. McKinley | Other | X - V. Cropp |

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Special Corporate and Administrative Services Committee – Round 2 Budget
January 24, 2022

AUTHOR: Robyn Cooper, Manager, Solid Waste Services

SUBJECT: **PENDER HARBOUR TRANSFER STATION FOOD WASTE DROP-OFF PROGRAM
BACKGROUND**

RECOMMENDATION

THAT the report titled Pender Harbour Transfer Station Food Waste Drop-off Program Backgrounder be received for information.

BACKGROUND

The purpose of this report is to provide additional context on the associated budget proposal that will be part of the 2022 Round 2 Committee meeting's agenda.

DISCUSSION

In 2018, the Sunshine Coast Regional District Board (SCRD) adopted the Regional Organics Diversion Strategy (Strategy). One initiative in the Strategy is to implement three food waste drop-offs, with locations in the Pender Harbour, mid-coast and south coast, to support landfill disposal regulations for food waste.

What follows is a summary of the reports and associated Board resolutions to date regarding an SCRD food waste drop-off program.

Staff brought forward a report titled *Food Waste Drop-off Program Considerations*, to the September 19, 2019 Infrastructure Services Committee meeting. This report is included as Attachment A.

At the October 10, 2019 Board meeting the following recommendation was adopted:

026/20 **Recommendation No. 7** *Food Waste Drop-offs*

AND THAT staff prepare a 2020 Budget Proposal for three food waste drop-off sites for residents and businesses funded from tipping fees with a volume restriction of 50L.

A 2020 Budget Proposal was brought forward to the budget deliberations and is included as Attachment B.

Subsequently, the Board direction was to not implement three food waste drop-offs, but instead move forward for consideration one food waste drop-off located at the Pender Harbour Transfer Station.

Staff Report to Infrastructure Services Committee – December 9, 2021**Pender Harbour Transfer Station Food Waste Drop-Off Program Update and Next Steps****Page 2 of 4**

At the January 9, 2020 Board meeting the following recommendation was adopted:

026/20 **Recommendation No. 7** *Food Waste Drop-offs*

AND THAT the following budget proposal be referred to 2020 Round 2 Budget pending a staff report to January 2020 Infrastructure Services Committee meeting with further explanation of the scope, a cost benefit analysis and a list of potential users in Area A and including options for small businesses if there will be a full ban on food waste:

- Budget Proposal 5 – Food Waste Drop-offs – Increase to Base Budget, \$160,000 funded through Taxation.

Staff brought forward a report titled *Food Waste Drop-off Program – Update*, to the January 30, 2020 Infrastructure Services Committee meeting regarding implementing food waste drop-off program. This report is included as Attachment C.

At the January 30, 2020 Board meeting the following recommendation was adopted:

026/20 **Recommendation No. 7** *Food Waste Drop-offs*

AND THAT staff prepare a 2020 Round 2 Budget Proposal for one food waste drop-off site in Pender Harbour for residents and businesses funded from tipping fees with a volume restriction of 50L.

A 2020 Round 2 Budget Proposal was brought forward to the budget deliberations and is included as Attachment D.

Subsequently, at the July 30, 2020 Special Board meeting, as part of discussions related to the impacts of the COVID-19 Pandemic, the Board direction was to delay the program to 2021.

Staff brought forward a report titled *Pender Harbour Transfer Station Food Waste Drop-off Program Update*, to the February 11, 2021 Infrastructure Services Committee meeting. This report is included as Attachment E.

At the February 25, 2021 Board meeting the following recommendation was adopted:

052/21 **Recommendation No. 7** *Pender Harbour Food Waste Drop-off*

AND THAT staff prepare a 2021 Round 2 Budget Proposal to augment the anticipated revenue from tipping fees for the food waste drop-off program at the Pender Harbour Transfer Station from taxation collected through [350] Solid Waste Operations.

Staff brought forward a staff report for consideration at the 2021 Round 2 budget deliberations and is included as Attachment F.

Staff Report to Infrastructure Services Committee – December 9, 2021**Pender Harbour Transfer Station Food Waste Drop-Off Program Update and Next Steps****Page 3 of 4**

At the March 11, 2021 Board meeting the following recommendations were adopted:

068/21 **Recommendation No. 24** *Pender Harbour Transfer Station Food Waste Drop-off*

THAT the Pender Harbour Transfer Station Food Waste Drop-off Program be deferred to 2022;

AND THAT a staff report be brought forward in Q4 2021 regarding the feasibility of service delivery and the funding model for the food waste drop-off program;

AND FURTHER THAT the potential for community partnerships be explored and included in the staff report.

068/21 **Recommendation No. 25** *Pender Harbour Transfer Station Food Waste Drop-off*

THAT the Pender Harbour Transfer Station Food Waste Drop-off Program funded through User Fees (tipping) in the amount of \$54,000 be removed from the 2021-2025 Financial Plan.

Staff brought forward a report titled *Pender Harbour Transfer Station Food Waste Drop-off Program Update and Next Steps* to the December 9, 2021 Infrastructure Services Committee meeting. This report is included as Attachment G.

At the January 13, 2022 Board meeting the following recommendation is anticipated to be adopted:

Recommendation No. 4 *Pender Harbour Transfer Station Food Waste Drop-off*

THAT staff prepare a 2022 Round 2 Budget Proposal for a food waste drop-off program at the Pender Harbour Transfer Station.

STRATEGIC PLAN

The SCRD's 2019-2023 Strategic Plan includes implementing the Regional Organics Diversion Strategy. The SCRD's Solid Waste Management Plan includes targets of 65%-69% diversion, and organics diversion is one of the SWMP's reduction initiatives.

CONCLUSION

As of July 1, 2022 the SCRD will implement a landfill disposal regulation for food waste. While curbside collection of these materials are in place in SCRD Electoral Areas B, D, E and F, the Town of Gibson, the District of Sechelt and Sechelt Indian Government District, no alternative disposal option is currently available for residents in the Pender Harbour Area. The 2022 Round 2 Budget Proposal [350] Solid waste - Pender Harbour Transfer Station Food Waste Drop-off is intended to allow this gap to be filled.

Staff Report to Infrastructure Services Committee – December 9, 2021**Pender Harbour Transfer Station Food Waste Drop-Off Program Update and Next Steps****Page 4 of 4****ATTACHMENTS**

- Attachment A:** Food Waste Drop-off Program Considerations, September 19, 2019 Infrastructure Services Committee Staff Report
- Attachment B:** 2020 Round 1 Budget Proposal – Food Waste Drop-off Program, December 5-6, 2019 Special Corporate and Administrative Services Committee Staff Report
- Attachment C:** Pender Harbour Transfer Station Food Waste Drop-off Program – Update, January 30, 2020 Infrastructure Services Committee Staff Report
- Attachment D:** 2020 Round 2 Budget Proposal – Pender Harbour Food Waste Drop-off Program, February 10-11, 2020 Special Corporate and Administrative Services Committee Staff Report
- Attachment E:** Pender Harbour Transfer Station Food Waste Drop-off Program Update, February 11, 2021 Infrastructure Services Committee Staff Report
- Attachment F:** 2021 Round 2 Staff Report – Pender Harbour Transfer Station Food Waste Drop-off Program Tipping Fees, March 4-5, 2021 Special Corporate and Administrative Services Committee Staff Report
- Attachment G:** Pender Harbour Transfer Station Food Waste Drop-off Program Update and Next Steps, December 9, 2021 Infrastructure Services Committee Staff Report

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|--------------|------------------|-------------|-----------------|
| Reviewed by: | | | |
| Manager | | Finance | X– T. Perreault |
| GM | X – R. Rosenboom | Legislative | |
| CAO | X – D. McKinley | Other | |

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Special Corporate and Administrative Services Committee – Round 2 Budget
January 24, 2022

AUTHOR: Robyn Cooper, Manager, Solid Waste Services

SUBJECT: 2022 ROUND 2 BUDGET PROPOSAL FOR SOLID WASTE SERVICES [350]

RECOMMENDATION(S)

THAT the report titled 2022 Round 2 Budget Proposal for Solid Waste Services [350] be received for information.

BACKGROUND

Following is a summary of the Round 1 2022 Budget meeting recommendations:

- Budget Proposal #1 – Pender Harbour Transfer Station Site Improvements – Phase 1 [350], \$96,000 – Incorporated in Round 1. Funding from Eco Fee Reserves.
- Budget Proposal #2 – Sechelt Landfill Closure/Post Closure Funding [350], \$100,000 – Incorporated in Round 1. Funding from Taxation.
- Budget Proposal #3 – Manager, Special Solid Waste Projects [350], \$67,571 – Incorporated in Round 1. Funding from Taxation and internal recovery.
- Budget Proposal #4 – Waste Reduction Initiatives Program [350], \$7,500 – Incorporated in Round 1. Funding from Taxation.
- Budget Proposal #5 – 2022 WildSafeBC Program Project Initiation [350], \$15,000 – Incorporated in Round 1. Funding from Taxation.
- Budget Proposal #6 – Islands Clean Up Program Initiation [350], \$5,000 – Incorporated in Round 1. Funding from Taxation.
- Budget Proposal #7 - Home Composter Rebate Program [350], \$7,500 - Incorporated in Round 1. Funding from Taxation.

Staff Report to Special Corporate and Administrative Services Committee
2022 R2 Budget Proposal for Solid Waste Services [350]

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DISCUSSION

Staff brought forward a report titled *Pender Harbour Transfer Station Food Waste Drop-off Program Update and Next Steps* to the December 9, 2021 Infrastructure Services Committee meeting and it was recommended that staff prepare a 2022 Round 2 Budget Proposal for a food waste drop-off program at the Pender Harbour Transfer Station. This information has been provided in a supplemental staff report.

2022 R2 Budget Proposals by Category

A- BOARD STRATEGIC AND CORPORATE GOALS

| | | |
|---|--|--|
| 8 | Function Number – Project Name: | ***NEW - [350] – Pender Harbour Transfer Station Food Waste Drop-off |
| | Rating: | Enhancement to Service |
| | Areas Affected (A-F, Regional, Islands): | All |
| | 2022 Funding Required: | \$27,000 2023 Funding: up to \$54,000 2024 Funding: up to \$27,000 |
| | Funding Source(s): | 50% Eco Fee Reserves 50% User fees (tipping fee for Pender Harbour Transfer Station) |
| | Asset Management Plan Implications: | n/a |
| | Rationale / Service Impacts: | <p>Providing a food waste drop-off at the Pender Harbour Transfer Station is one of the initiatives of the SCRD's Regional Organics Diversion Strategy. The food waste drop-off supports the pending landfill disposal regulations for food waste that are currently planned to take effect for July 1, 2022. As well, diverting food waste from landfill, saves valuable landfill space for those materials that do not currently have a diversion option.</p> <p>Staff are proposing to conduct a 2 year pilot. The proposed dates of the pilot are from Q3 2022 to June 30, 2024. This ensures one full year of the program and data collection prior to a decision on the continuation that needs to be made in Q3 2023. Such decision would need to be made in advance of the 2024 budget</p> |

Staff Report to Special Corporate and Administrative Services Committee
2022 R2 Budget Proposal for Solid Waste Services [350]

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| | | |
|---|--|---|
| | | <p>process to avoid a gap in service delivery after June 30, 2024.</p> <p>As the actual annual costs for this pilot will depend on the outcome of the procurement process for this service, Staff are proposing an annual budget of up to \$54,000 as that was the previously considered budget for this program with hauling to Sechelt for processing.</p> <p>In the other electoral areas the collection and processing of food waste is funded from user fees. Given the pilot nature of this project it's not proposed to fund 100% of the costs thru user fees. Instead it's proposed that 50% of the costs to be funded from the Eco-Fee reserves, and 50% is to be collected thru a yet to be established user fee (tipping fee).</p> <p>The pilot program parameters would align with prior Board direction of: residents and small businesses, with a container volume restriction of 50L (No. 284/20).</p> <p>Staff currently expects that a \$5 per container tipping fee would be sufficient to secure the above listed funding amount from tipping fees. The recommendation to establish this tipping fee and initiate the required amendment to Bylaw 405 will be brought forward at the time of contract award.</p> |
| | <i>Climate Action Impact:</i> | Composting food waste emits lower GHGs than disposing as garbage in the Sechelt Landfill. |
| | <i>Life Cycle Cost Breakdown:</i> | <p>2023 Funding: up to \$54,000</p> <p>2024 Funding: up to \$27,000</p> |
| | | |
| 9 | <i>Function Number – Project Name:</i> | ***NEW - [350] – Gypsum Testing and Abatement |
| | <i>Rating:</i> | Status Quo Service |

Staff Report to Special Corporate and Administrative Services Committee
2022 R2 Budget Proposal for Solid Waste Services [350]

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| | |
|---|---|
| <i>Areas Affected (A-F, Regional, Islands):</i> | All |
| <i>2022 Funding Required:</i> | \$305,300 |
| <i>Funding Source(s):</i> | Tipping Fees |
| <i>Asset Management Plan Implications:</i> | n/a |
| <i>Rationale / Service Impacts:</i> | <p>In August 2021, Bylaw 405 was amended to increase the tipping fee for the disposal of Gypsum to \$1,000 per tonne. This increase is in support of ongoing testing of gypsum loads and any required abatement of loads containing asbestos.</p> <p>This budget proposal is intended to have the operating budget for this service to reflect the current expenditures associated with testing and the abatement of two loads of gypsum containing asbestos. These costs are estimated at \$125,000.</p> <p>The remainder of the additional revenue received due to the tipping fee increase (\$180,300) is proposed to be transferred to [350] Landfill Operations Operating Reserves should there be more than two loads of gypsum that need to be abated within a given year.</p> |
| <i>Climate Action Impact:</i> | n/a |
| <i>Life Cycle Cost Breakdown:</i> | <p>Base budget increase:</p> <ul style="list-style-type: none"> - \$125,000 for Gypsum testing and abatement - \$180,300 Transfer to [350] Landfill Operations Operating Reserves |

Staff Report to Special Corporate and Administrative Services Committee
2022 R2 Budget Proposal for Solid Waste Services [350]

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Financial Implications

| Five-Year Operating Reserve Plan - Landfill Operating | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|
| | 2022 | 2023 | 2024 | 2025 | 2026 |
| Item | Amount | Amount | Amount | Amount | Amount |
| Opening Balance in reserve | \$ 5,306 | \$ 185,606 | \$ 365,906 | \$ 546,206 | \$ 726,506 |
| Proposed contributions 2022 | \$180,300 | \$ 180,300 | \$ 180,300 | \$ 180,300 | \$ 180,300 |
| Closing Balance in Reserve | \$185,606 | \$ 365,906 | \$ 546,206 | \$ 726,506 | \$ 906,806 |

| Five-Year Operating Reserve Plan - Eco Fees | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|
| | 2022 | 2023 | 2024 | 2025 | 2026 |
| Item | Amount | Amount | Amount | Amount | Amount |
| Opening Balance in reserve | \$ 97,385 | \$ 42,885 | \$ 70,885 | \$ 112,385 | \$ 167,385 |
| Contributions | \$ 55,000 | \$ 55,000 | \$ 55,000 | \$ 55,000 | \$ 55,000 |
| PHTS Site Improvements Phase 1 | -\$ 96,000 | \$ - | \$ - | \$ - | \$ - |
| PHTS Food Waste Drop-off | -\$ 13,500 | -\$ 27,000 | -\$ 13,500 | \$ - | \$ - |
| Closing Balance in Reserve | \$ 42,885 | \$ 70,885 | \$ 112,385 | \$ 167,385 | \$ 222,385 |

The Eco-fee Operating Reserve is funded from the \$5 per tonne fee charged on municipal solid waste received at Sechelt Landfill and Pender Harbour Transfer Station as per Bylaw 670.

| Reviewed by: | | | |
|---------------------|-----------------|-------------|----------------|
| Manager | | Finance | X-T. Perreault |
| GM | | Legislative | |
| CAO | X – D. McKinley | Other | |