

**REGIONAL DISTRICT OF NANAIMO
SOLID WASTE MANAGEMENT SELECT COMMITTEE
AGENDA**

Thursday, September 10, 2020

1:30 P.M.

Board Chambers

Pages

- 1. CALL TO ORDER**
- 2. APPROVAL OF THE AGENDA**
- 3. ADOPTION OF MINUTES**
 - 3.1 Solid Waste Management Select Committee Meeting - July 7, 2020** **3**

That the minutes of the Solid Waste Management Select Committee meeting held July 7, 2020, be adopted.
- 4. DELEGATIONS**
- 5. CORRESPONDENCE**

That the following correspondence be received for information:

 - 5.1 Ian Morrison, CVRD, re Solid Waste Management Plan Update Amendment 4** **7**
 - 5.2 Gerry Thiessen, Chair, Regional District of Bulkley Nechako, re Letter to Minister Heyman, Request for Support - Cardboard Recycling Resolution** **9**
- 6. UNFINISHED BUSINESS**
- 7. REPORTS**
 - 7.1 Automated Curbside Collection Service Agreement with Snaw Naw As First Nation** **11**

That the Board authorize execution of the Automated Curbside Collection Service Agreement with the Snaw-Naw-As First Nation.
 - 7.2 Circular Waste Construction Update** **34**

That the Board receive this report for information.

7.3 Contract Award - Rebuild Landfill Compactor 37

That the Board approve the awarding of a contract to Finning Canada for Option 1 to rebuild a heavy equipment compactor in the amount of \$417,073 (& GST) with new engine if available, or \$419,952 (& GST) with rebuilt engine.

7.4 Nanaimo Recycling Exchange Project Proposal - Waste Assessments 40

That the Board authorize entering into a contract with the Nanaimo Recycling Exchange to carry out Industrial, Commercial, and Institutional waste assessments across the Regional District of Nanaimo for a maximum value of \$24,750 from October to December 2020.

7.5 Recycle BC Automated Curbside Collection Change Order 50

That the Board authorize execution of a change order to the *Recycle BC Statement of Work for Curbside Collection Services Provided by Local Government* to be effective October 1, 2020 to December 31, 2023 to reflect rates specified in the Statement of Work for automated curbside collection service.

7.6 Zero Waste Recycling Funding 79

1. That the Board endorse expanded access to the Solid Waste Management Plan Zero Waste Recycling funding under the eligibility criteria set out in this report.

2. That the Board direct issuance of a call for innovative zero waste proposals in October 2020, in order to allocate 2021 funds.

3. Subject to the Board's endorsement of expanded access to Zero Waste Recycling funding, that the Board direct notification to the Ministry of Environment and Climate Change Strategy of this change to the Solid Waste Management Plan.

8. BUSINESS ARISING FROM DELEGATIONS

9. NEW BUSINESS

10. ADJOURNMENT

REGIONAL DISTRICT OF NANAIMO
MINUTES OF THE SOLID WASTE MANAGEMENT SELECT COMMITTEE MEETING

Tuesday, July 7, 2020
1:30 P.M.
Held Electronically

In Attendance:	Director B. Geselbracht	Chair
	Director K. Wilson	Electoral Area A
	Director B. Rogers	Electoral Area E
	Director S. McLean	Electoral Area H
	Director L. Krog	City of Nanaimo
	Director D. Bonner	City of Nanaimo
	Director E. Hemmens	City of Nanaimo
	Director I. W. Thorpe	City of Nanaimo (Ex-Officio)
	Director M. Swain	District of Lantzville
	Alternate	
Director T. Westbroek	Town of Qualicum	
Regrets:	Director B. Wiese	Town of Qualicum Beach
Also in Attendance:	Director M. Young	Electoral Area C
	L. Gardner	Mgr. Solid Waste Services
	M. Ebueza	Solid Waste Planner
	V. Schau	Zero Waste Coordinator
	S. Schultz	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 - June 2, 2020

It was moved and seconded that the minutes of the Solid Waste Management Select Committee meeting held June 2, 2020, be adopted.

CARRIED UNANIMOUSLY

INVITED PRESENTATIONS

Jan Hastings, Nanaimo Recycling, re Update on Zero Waste Recycling Proposals

Jan Hastings, Nanaimo Recycling Exchange, gave a presentation and update on upcoming proposals for the Zero Waste Recycling funding.

REPORTS

Automated Curbside Collection Service Implementation Plan

It was moved and seconded that the Automated Curbside Collection Service Implementation Plan report be received for information.

CARRIED UNANIMOUSLY

Request to Proceed with Procurement for Solid Waste Engineering Services

It was moved and seconded that the Board approve release of a Request for Proposal for engineering services for landfill capping, landfill development review and updating of the Design and Operations Plan.

CARRIED UNANIMOUSLY

Solid Waste Management Plan Implementation - New Bylaw Development

It was moved and seconded that the Board endorse development of regulatory bylaws set out in the approved Solid Waste Management Plan.

CARRIED UNANIMOUSLY

It was moved and seconded that correspondence be sent to Hon. George Heyman, Minister of Environment and Climate Change Strategy, inviting him to meet with the Regional District of Nanaimo Chair and the Chair of the Solid Waste Management Select Committee to discuss the timeline for provincial approval for Mandatory Waste Source Separation.

CARRIED UNANIMOUSLY

It was moved and seconded that correspondence be sent to Hon. Scott Fraser, Minister of Indigenous Relation and Reconciliation and Members of Legislative Assembly Sheila Malcolmson, Doug Routley and Michelle Stilwell outlining the importance of provincial approval for Mandatory Waste Source Separation in order for the Regional District of Nanaimo to be able to meet its Solid Waste Management Plan commitments.

CARRIED UNANIMOUSLY

It was moved and seconded that the previous motion be reconsidered and amended to include Hon. Selena Robinson, Minister of Municipal Affairs and Housing as follows:

It was moved and seconded that correspondence be sent to Hon. Scott Fraser, Minister of Indigenous Relation and Reconciliation, Hon. Selena Robinson, Minister of Municipal Affairs and Housing and Members of Legislative Assembly Sheila Malcolmson, Doug Routley and Michelle Stilwell outlining the importance of provincial approval for Mandatory Waste Source Separation in order for the Regional District of Nanaimo to be able to meet its Solid Waste Management Plan commitments.

CARRIED UNANIMOUSLY

Church Road Transfer Station Backhoe Purchase 2020

It was moved and seconded that the Board approve the purchase of one (1) 2020 John Deer Backhoe 310SL from Brandt Tractor Nanaimo in the amount of \$194,057.60 plus applicable taxes and fees.

CARRIED UNANIMOUSLY

BUSINESS ARISING FROM DELEGATIONS

It was moved and seconded that staff work with the Nanaimo Recycling Exchange to develop project proposals for Board consideration that meet the Solid Waste Management Plan objectives for Zero Waste Recycling program funding and clearly define deliverables and reporting.

CARRIED UNANIMOUSLY

It was moved and seconded that staff prepare a report with options for eligibility criteria to access Zero Waste Recycling Funding that includes language for innovative programs that increase diversion through the development of a circular economy, not only through recycling, but through actions further up the zero waste hierarchy of highest best use such as: reduction, redesign, re-use, repair and reprocessing of materials.

Opposed (1): Director Wilson

CARRIED

It was moved and seconded that staff prepare a report to allow the Zero Waste Recycling Funding earmarked for the Nanaimo Recycling Exchange to be made available for project proposals from other agencies with options for funding criteria that prioritizes proposals from non-profits and those that include partnerships between organizations (government, non-profit and private).

CARRIED UNANIMOUSLY

ADJOURNMENT

It was moved and seconded that the meeting be adjourned.

CARRIED UNANIMOUSLY

TIME: 3:29 PM

CHAIR



Reference: 336134

August 14, 2020

Ian Morrison, Chair
and Directors
Cowichan Valley Regional District
175 Ingram Street
Duncan BC V9L 1N8

Sent via email: imorrison@cvrd.bc.ca

Dear Chair Morrison and Directors:

Thank you for your letter of November 16, 2018, submitting the Cowichan Valley Regional District (CVRD) Solid Waste Management Plan (SWMP) Update Amendment 4 for approval.

I am informed that in 2017 the CVRD achieved the second lowest per capita waste disposal rate (358 kg/capita) of all regional districts in the province. I am pleased to see that SWMP Update Amendment 4 proposes even lower waste disposal reduction targets of 280 kg/capita by 2023, 250 kg/capita by 2028, and 150 kg/capita by 2040, and 13 Strategies including organics collection and an organics disposal ban to help achieve these targets. SWMP Update Amendment 4 will also help to achieve provincial waste reduction targets for 2020 to 2022 of 350 kg/capita and 75 percent of the population covered by an organic waste disposal restriction.

Ministry staff have reviewed the SWMP Update Amendment 4 package and determined it is generally consistent with the ministry Guide to Solid Waste Management Planning, September 2016, and therefore deem it adequate. I am satisfied that there has been adequate public review and consultation with respect to the development, amendment and final content of SWMP Update Amendment 4.

Pursuant to Section 24(5) of the *Environmental Management Act*, I hereby approve the submitted "Cowichan Valley Regional District Solid Waste Management Plan Update Amendment 4, dated October 17, 2018", with the following requirement:

...2

1. If Permit PA-12982, that authorizes a land clearing debris open burning facility near Crofton, has not been abandoned or cancelled, the next SWMP Update/Amendment must include assessment of this facility. Consistent with the ministry Guide to Solid Waste Management Planning, September 2016, the assessment must include comparison of the facility with ministry standards and guidance; an action plan and schedule to upgrade the facility or to phase-out and close the facility; and the operating and environmental protection requirements to be included in a new operational certificate that would supersede and cancel the permit.

I also wish to remind the CVRD of its commitments in the SWMP Update Amendment 4 package and in the CVRD Board resolution of October 24, 2018, to develop a full business case to analyze service model options--including service provider, collection frequency, materials collected, costs, etc.--with community consultation to ensure community concerns are identified and considered, before implementing Strategy 3.B. Adopt Universal Curbside Collection Services Across the Region.

In addition, please be advised that some of the options described in SWMP Update Amendment 4, Strategy 7 Explore Options for Local Disposal, may require major amendment to the SWMP of the CVRD and/or other regional district(s), consistent with the ministry Guide to Solid Waste Management Planning, September 2016.

In closing, I commend the CVRD for developing SWMP Update Amendment 4 with its strong focus on reducing per capita waste disposal. During the implementation of SWMP Update Amendment 4, please continue to consult with ministry staff for related guidance.

Sincerely,



George Heyman
Minister

cc: Lynda Lee, Administrative Assistant, Cowichan Valley Regional District
Cassandra Caunce, Director, South Authorizations, Regional Operations Branch,
Environmental Protection Division, Ministry of Environment and Climate Change
Strategy

From: Cheryl Anderson <cheryl.anderson@rdbn.bc.ca>

Sent: Tuesday, August 4, 2020 4:26 PM

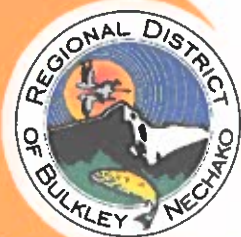
To: admin@tnrd.ca; administration@comoxvalleyrd.ca; inquiries@csrd.bc.ca; administration@qathet.ca; info@rdck.bc.ca; info@cord.bc.ca; district@rdffg.bc.ca; administration@rdkb.com; Inquiries <Inquiries@rdn.bc.ca>; info@rdos.bc.ca; info@ncrdbc.com; info@rdek.bc.ca; info@rdmw.bc.ca; info@rdno.ca; info@slrd.bc.ca; mailbox@cariboord.ca; Kitimat-Stikine RD <info@rdks.bc.ca>

Subject: Cardboard Recycling Resolution - Request for Support

Attached is a letter from the Regional District of Bulkley-Nechako Board of Directors to the Thompson Nicola Regional District and Signatories to the ICI Letter to Minister Heyman prior to the 2019 UBCM Convention.

Cheryl Anderson
Manager of Administrative Services
Regional District of Bulkley-Nechako
Phone: (250) 692-3195
TF: 1-800-320-3339
Fax: (250) 692-3305





37, 3RD AVE, PO Box 820
BURNS LAKE, BC
VOJ 1E0

REGIONAL DISTRICT
OF BULKLEY-NECHAKO
"A WORLD OF OPPORTUNITIES WITHIN OUR REGION"

July 31, 2020

Thompson Nicola Regional District and
Signatories to ICI Letter to Minister Heyman prior to UBCM

VIA EMAIL

To Whom it May Concern,

RE: Request for Support – Cardboard Recycling Resolution

Last year, the Thompson Nicola Regional District initiated a letter to the Honourable George Heyman, Minister of Environment and Climate Change Strategy requesting the inclusion of Industrial, Commercial, and Institutional (ICI) Recycling in the Recycling Regulation. In addition, a follow up meeting took place with Minister Heyman at the 2019 UBCM Convention.

Given the continued challenge in regard to cardboard recycling, the Regional District of Bulkley-Nechako (RDBN) has submitted the following resolution for consideration at this year's UBCM Convention:

WHEREAS cardboard is cardboard;

AND WHEREAS all cardboard in the Province of BC should be treated equally;

THEREFORE BE IT RESOLVED that UBCM request that the Province of BC immediately incorporate all cardboard into the existing Extended Producer Responsibility Program operated by Recycle BC.

The RDBN is requesting your support for this resolution. Thank you for your consideration.

Yours truly,

Gerry Thiessen
Chair

MUNICIPALITIES:

SMITHERS FORT ST. JAMES
VANDERHOOF FRASER LAKE
HOUSTON TELKWA
BURNS LAKE GRANISLE

ELECTORAL AREAS:

A - SMITHERS RURAL E - FRANCOIS/OOTSA LAKE RURAL
B - BURNS LAKE RURAL F - VANDERHOOF RURAL
C - FORT ST. JAMES RURAL G - HOUSTON RURAL
D - FRASER LAKE RURAL

INQUIRIES@RDBN.BC.CA
WWW.RDBN.BC.CA

PH: 250-692-3195
FX: 250-692-3305
TF: 800-320-3339

TO: Solid Waste Management Select Committee **MEETING:** September 10, 2020

FROM: Vivian Schau **FILE:** 5370-01
Zero Waste Coordinator

SUBJECT: Automated Curbside Collection Service Agreement with Snaw-Naw-As First Nation

RECOMMENDATION

That the Board authorize execution of the Automated Curbside Collection Service Agreement with the Snaw-Naw-As First Nation.

SUMMARY

In June 2018, the Regional District of Nanaimo (RDN) Board approved the extension of the RDN manual curbside collection service to the Snaw-Naw-As First Nation. The Snaw-Naw-As First Nation Curbside Collection Service Agreement (Agreement) commenced in June 2019 and is set to terminate upon expiry of the current manual curbside collection contract. The curbside collection service has been well received by the Snaw-Naw-As First Nation community as evident by the high participation rate, adherence to the disposal guidelines and low contamination levels in the recycling streams. Chief and Council met the RDN in November 2019 and expressed their interest in the automated program. A new service agreement is required to reflect the new automated collection service (Attachment 1).

BACKGROUND

The Snaw-Naw-As First Nation fulfilled all the requirements set out in the Agreement for service commencement in June 2019, including the hiring of a community representative to act as a liaison and champion for the curbside program to ensure high participation, compliance with Recycle BC acceptability for recyclables and customer satisfaction. The RDN is committed to ensuring the success of the program, and has and will continue to provide training in the application of the program to serve as a resource for residents.

CURBSIDE COLLECTION SERVICE UPDATE

There are currently 73 single family dwellings receiving RDN curbside collection service. For the recycling and organics streams, there is high participation with very low contamination (1-3%) which can be largely attributed to the onsite help from the Snaw-Naw-As representative and the RDN education sessions held prior to the introduction of the service. For the garbage stream, the majority of residents have been able to limit their garbage to the 100L biweekly limit through diligent recycling and composting efforts. For the few households that require the extra bag tags for garbage removal beyond the 100L limit, Snaw-Naw-As has opted to pay for the bag tags and

allow for community members to pick up from their designated office free of charge to assure all household waste will be removed. The commercial bins for residential household waste were removed at the beginning of October 2019. The remaining commercial bins are under lock and key and are limited for commercial and multifamily use only.

In addition to the curbside collection, the RDN has facilitated the establishment of extended producer responsibility programs such as Call2Recycle for battery removal and MARR for the removal of 70+ large appliances summer 2019.

TRANSITION TO AUTOMATED COLLECTION SERVICE

Chief and Council met with the RDN November 2019 to discuss the upcoming change to automated collection service and confirmed their desire to continue with the curbside collection service under the new automated program. The cart selections for all households were made and residents are awaiting the delivery of the new collection carts this summer.

New RDN Board and Snaw-Naw-As First Nation Council Band resolutions are required to validate the Automated Curbside Collection Service Agreement because the new RDN Residential Garbage Food Waste and Recycling Curbside Collection Services Rate and Regulate Bylaw 1802 (which formed the basis of the new service agreement for automated collection) is materially different from the previous curbside collection services Bylaw 1591 (which formed the basis of the previous service agreement for manual collection).

CURBSIDE COLLECTION SERVICES CONTRACT CONSIDERATIONS

The new automated curbside collection services contract with Waste Connections of Canada (Waste Connections) includes Snaw-Naw-As First Nation residences. Since curbside collection on the Snaw-Naw-As First Nation Reserve commenced in June 2019, Waste Connections has resolved all access/logistic issues, specifically pertaining to access and safety. Waste Connections has reaffirmed their ability to provide curbside collection for Snaw-Naw-As First Nation residents using the cart-based collection system.

ALTERNATIVES

1. That the Board authorize execution of the Automated Curbside Collection Service Agreement with the Snaw-Naw-As First Nation.
2. Provide alternate direction.

FINANCIAL IMPLICATIONS

The Snaw-Naw-As First Nation will be billed the 2021 curbside collection user fee, which varies based on cart size but is \$175 per dwelling unit for the default 100L garbage cart size. This is the same as the rest of the RDN residents. A total of 73 dwelling units have been identified for service, resulting in an annual aggregate fee of \$11,315 (inclusive of applicable discounts and based on actual cart size requested) for 2021 if the Board approves the continuation of the curbside collection service for the Snaw-Naw-As First Nation.

STRATEGIC PLAN IMPLICATIONS

People and Partnerships - Continue to build and enhance relationships with First Nations based on the specific needs of each community's leaders.

The continuation of the Snaw-Naw-As First Nation in the RDN curbside collection program is consistent with the RDN's strategic priorities, specifically, the strengthen relationship with the First Nation communities.

Additionally, the residential curbside collection program is entirely funded by user fees to cover the costs associated with the contracted collection, disposal, program administration, education and communication services.



Vivian Schau
vschau@rdn.bc.ca
August 13, 2020

Reviewed by:

- L. Gardner, Manager of Solid Waste Services
- J. Bradburn, Director of Finance
- E. Hughes, Intergovernmental Relations Manager.
- R. Alexander, General Manager, Regional and Community Utilities
- P. Carlyle, Chief Administrative Officer

Attachment:

1. Nanoose First Nation Curbside Collection Service Agreement

NANOOSE FIRST NATION COLLECTION SERVICE AGREEMENT

THIS AGREEMENT dated for reference the ___ day of _____, 2020

BETWEEN:

NANOOSE FIRST NATION, as represented by its Council, a First Nation named in the Schedule to the *First Nations Land Management Act*, with an office at 209 Mallard Way, Lantzville, BC, Canada, V0R 2H0

(the “**First Nation**”)

AND:

REGIONAL DISTRICT OF NANAIMO, a regional government, with an office at 6300 Hammond Bay Road, Nanaimo, BC V9T 6N2

(the “**RDN**”)

WHEREAS:

- A. Pursuant to section 263(1)(b)(i) of the *Local Government Act*, the RDN may enter into agreements with a public authority respecting activities, works or services within the powers of a party to the agreement, including the undertaking, provision and operation of activities, works and services;
- B. First Nations are defined as a public authority under the “Definition and Rules of Interpretation” section of the *Community Charter*, which applies to regional districts pursuant to section 2 of the Schedule of the *Local Government Act*;
- C. The parties wish to enter into this Service Agreement to provide for the delivery of the Collection Services by the RDN to the Reserve and its occupants;
- D. The First Nation Reserve is located within the RDN;
- E. The RDN provides a Solid Waste and Recycling Collection Service pursuant to Bylaw No. 1802, 2020;
- F. The RDN Board has passed a resolution approving this Agreement, a copy of which is attached as Schedule “A” to this Agreement;
- G. The First Nation has authorized the execution of this Agreement by way of a Band Council Resolution passed at a duly convened meeting of the Council held on the ___ day of _____, 2020, a copy of which is attached as Schedule “B” to this Agreement;

NOW THEREFORE in consideration of the terms and conditions contained in this Agreement, the sufficiency of which is acknowledged by both parties, the RDN and the Nanoose First Nation covenant and agree as follows:

1.0 DEFINITIONS

1.1 In this Agreement,

- “Assisted Set-Out Service”*** means the RDN, in consultation with the Contractor, will identify a location on the eligible Dwelling Unit and the Contractor will collect each Collection Cart from the agreed upon location, empty the Collection Cart into the collection vehicle and return the Collection Cart to the agreed upon location.
- “Automated Collection System”*** means the collection of Garbage and/or Recyclables and/or Food Waste using a specially designed vehicle with a mechanical apparatus which empties Collection Carts directly into the vehicle without requiring manual labour to empty the Collection Carts.
- “Banned Recyclables”*** means Recyclables not accepted under Recycle BC’s curbside collection of Packaging and Paper Product Recycling Program, as may be amended or replaced from time to time, which includes, but is not limited to:
- a) glass containers;
 - b) plastic bags and overwrap;
 - c) foam packaging; and
 - d) other flexible plastic packing.
- “Bi-Weekly”*** means every other week.
- “Bylaw”*** means the Regional District of Nanaimo *Residential Curbside Collection of Garbage, Food Waste and Recyclables Regulation and Charges Bylaw, 2020 No. 1802*, as amended from time to time.
- “Collection Cart”*** means a Garbage (cart with black lid) or Recyclables (cart with blue lid) or Food Waste (cart with green lid) container for automated collection that is owned by the Contractor, provided to each Residential Dwelling receiving Collection Service.
- “Collection Cart Set”*** means a complete set of three (3) wheeled carts to be solely used as receptacles for Garbage (black cart), Recyclables (blue cart) and Food Waste (green cart).

<i>“Collection Day”</i>	means the day scheduled for collection of Garbage, Recyclables, Food Waste (or any combination of any of these services).
<i>“Collection Period”</i>	means a period of regular Collection Service, weekly or Bi-Weekly as set out in this Agreement.
<i>“Collection Service”</i>	means a service for the collection of residential Garbage, Recyclables, and Food Waste to be provided on the Reserve by the RDN pursuant to section 2.1 of this Agreement.
<i>“Commencement Date”</i>	means October 1, 2020.
<i>“Composting Facility”</i>	means a facility that composts Food Waste under contract with the RDN.
<i>“Construction and Demolition Waste”</i>	means waste produced from the construction, renovation, deconstruction and demolition of buildings, and other structures, but does not include Hazardous Waste or Recyclable Material.
<i>“Contamination”</i>	means the presence of Prohibited Waste, Construction and Demolition Waste or Yard and Garden Waste in Collection Carts, and: <ul style="list-style-type: none"> a) The presence of Garbage in Recycling or Food Waste carts; b) The presence of Recycling in Food Waste carts; or, c) The presence of Food Waste in Recycling carts.
<i>“Contractor”</i>	means the person or persons under contract with the RDN to collect Garbage, Recyclables and Food Waste on behalf of the RDN within the Reserve.
<i>“Dwelling Unit”</i>	means one (1) or more habitable rooms which constitute one (1) self-contained unit having a separate entrance, used or intended to be used for living and sleeping purposes for which is provided: <ul style="list-style-type: none"> a) cooking equipment or the facilities for the installation of cooking equipment; and b) one (1) or more bathrooms with a water closet, wash basin and shower or bath.
<i>“Educator”</i>	means a person who is appointed by the First Nation for the purposes set out in section 9.0 of this Agreement.
<i>“Environmental Management Act”</i>	means the Environmental Management Act (British Columbia), as amended, and any successor legislation and any regulations thereunder.

<i>“Food Waste”</i>	means compostable food material, and other materials accepted at a Composting Facility, generated within the Reserve including, without limitation: <ul style="list-style-type: none"> a) fruits and vegetables; b) meat, fish, shellfish, poultry and bones thereof; c) dairy products; d) bread, pasta and baked goods; e) tea bags, coffee ground and filters; f) soiled paper plates and cups; g) soiled paper towel and napkins; h) soiled wax paper; i) food soiled cardboard and paper; j) egg shells; k) all other cooked and raw food products; l) but excludes Yard and Garden Waste
<i>“Garbage”</i>	means all waste other than Recyclables and Food Waste but shall not include Construction and Demolition Waste, Yard and Garden Waste, human feces, Hazardous Waste, Prohibited Material or any other items determined by the General Manager from time to time.
<i>“General Manager”</i>	means a person appointed to the position of General Manager of the RDN or designate;
<i>“Hazardous Waste”</i>	means any chemical compound, mixture, substance or article defined as Hazardous Waste in the Hazardous Waste Regulation;
<i>“Hazardous Waste Regulation”</i>	means Hazardous Waste Regulation, BC Reg. 63/88 enacted under the Environmental Management Act;
<i>“Industrial, Commercial and Institutional Waste”</i>	means all Solid Waste resulting from the operation of Industrial, Commercial, Institutional sources.
<i>“Manufactured Home”</i>	means any structure, whether ordinarily equipped with wheels or not, that is designed, constructed or manufactured to be moved from one place to another by being towed or carried, and which is used as a Dwelling Unit or designed for use as a Dwelling Unit;
<i>“Manufactured Home Park”</i>	means land used for accommodating one or more Manufactured Homes, which are owned or being purchased or rented.

<i>“Multi-Family Dwelling Unit”</i>	means a Dwelling Unit located in a building which comprises of five (5) or more Dwelling Units used for residential purposes, or a combination of residential and non-residential uses; or a Manufactured Home Park, which comprises of five (5) or more Dwelling Units.
<i>“Nanoose Council” or “Council”</i>	means the lawfully elected Chief and councillors of the Nanoose First Nation.
<i>“Occupier”</i>	means the person or persons residing at the Residential Dwelling.
<i>“Owner”</i>	as defined by the Community Charter, S.B.C. 2003, C.26 as may be amended or replaced from time to time.
<i>“Parties”</i>	means the Nanoose First Nation and the RDN.
<i>“Physically Challenged”</i>	means a person who has physical disabilities and infirmities.
<i>“Private Collection Service”</i>	means a Garbage, Recyclables and/or Food Waste collection service, which is not operated by a Contractor, and includes any commercial containerized collection service or Industrial, Commercial and Institutional Waste collection service.
<i>“Prohibited Material”</i>	means waste as defined in the Regional District of Nanaimo Tipping Fee and Solid Waste Disposal Regulation Bylaw No. 1784, 2019 as Prohibited Waste;
<i>“Recyclables”</i>	means packaging and printed paper collected in single stream accepted at a Recycling Facility, in Category 1, Category 2, Category 3(a), Category 6 and Category 7, as set out in Schedule B [Categories and Examples of Packaging and Printed Paper).
<i>“RDN”</i>	means the Regional District of Nanaimo.
<i>“Recycling Facility”</i>	means a facility under contract with Recycle BC for the deposit, disposal or processing of Recyclables.
<i>“Regional Landfill”</i>	means the landfill site owned and operated by the RDN.
<i>“Residential Dwelling”</i>	means: <ul style="list-style-type: none"> a) a single family detached Dwelling Unit; b) in relation to a duplex, triplex or fourplex, each self-contained Dwelling Units; c) a Secondary Suite in a single family detached Dwelling Units; and d) a Manufactured Home situated in a Manufactured Home Park.

<i>“Reserve”</i>	means Nanoose IR No. 06821, which is a reserve within the meaning of the <i>Indian Act</i> (Canada).
<i>“Secondary Suite”</i>	means an additional Dwelling Unit, located within a Residential Dwelling, whether or not the Secondary Suite is permitted under the RDN Zoning Bylaw 500 or the respective local government authority, as may be amended or replaced from time to time.
<i>“Solid Waste”</i>	means refuse that originates from residential, commercial or institutional sources or refuse specified to be included in the RDN’s Solid Waste Management Plan pursuant to the Environmental Management Act.
<i>“Townhouse Complex”</i>	means a building or buildings containing three or more strata titled Dwelling Units, where each Dwelling Unit has a separate entrance at first story level.
<i>“Unserviceable”</i>	means a Residential Dwelling determined to be unserviceable in accordance with section 6.2 of this Agreement.
<i>“Yard and Garden Waste”</i>	means vegetation removed from gardens, lawns, shrubs and trees, including prunings from shrubs and trees.

2.0 PROVISION OF SERVICES

- 2.1 The RDN will provide to the First Nation a Collection Service, on the Reserve, for Food Waste, Recyclables and Garbage on the terms and conditions set out in this Agreement.
- 2.2 The First Nation will cause every Owner or Occupier of a Residential Dwelling on the Reserve who utilizes the Collection Service to comply with the provisions of this Agreement.

3.0 TERM

- 3.1 This Agreement will commence on the 1st day of October, 2020, and will terminate on the 30st day of September, 2030, unless terminated sooner as provided in this Agreement.

4.0 INDEMNIFICATION

- 4.1 The First Nation hereby agrees to release, indemnify and save harmless the RDN and its directors, officers, employees, volunteers, agents and contractors from and against all claims, demands, complaints, actions, causes of action, suits, damages, losses (including personal injury and death), liabilities, expenses and costs (including, without limitation, actual legal fees and disbursements) (collectively, the “**Damages**”), arising from or in relation to the provision or the failure to provide the Collection Services, except to the extent that such Damages arise from any wilful misconduct or gross negligence of the RDN, its employees, contractors, and agents.

4.2 Notwithstanding section 4.1 of this Agreement, the First Nation will not indemnify the RDN for any Damages arising from or in relation to the inspection, investigation or prosecution by the RDN of any alleged violation of the Agreement.

5.0 INSURANCE

5.1 The First Nation shall take out and maintain, during the term of this Agreement, commercial liability insurance to cover the provision of the Collection Services as set out in this Agreement, in the amount of not less than five (5) million dollars per single occurrence, naming the RDN as an additional insured party thereto, and shall provide the RDN with a certificate of insurance upon request by the RDN.

5.2 The policy of insurance referred to under section 5.1 shall contain a separation of insurer's cross liability clause in favour of the RDN and shall also contain a clause requiring the insurer not to cancel or to change the insurance without first giving the RDN thirty (30) days prior written notice.

5.3 If both the First Nation and the RDN have claims to be indemnified under any insurance required by this Agreement, the indemnity will apply first to the settlement of the claim of the RDN and the balance, if any, to the settlement of the claim of the First Nation.

6.0 COLLECTION SERVICES

6.1 The RDN agrees to provide Collection Services to Dwelling Units that are located on the Reserve. Notwithstanding the foregoing, the Collection Services will not be provided to:

- a) Industrial, Commercial and Institutional properties;
- b) Multi-Family Dwelling Units; and
- c) Unserviceable Dwelling Units.

6.2 A property shall be considered Unserviceable for the purposes of this Agreement if it contains a Dwelling Unit that the General Manager deems cannot be safely, efficiently and legally serviced from the street by reason of one or more of the following:

- a) grade;
- b) road configuration;
- c) physical condition of the road or lane or other access route, including but not limited to the narrowness of the road;
- d) conflict with other bylaws or regulations (whether of the RDN or the First Nation);
- e) public safety;
- f) operational constraints; or
- g) the presence of any unsafe person, animal, natural or other hazard(s) on or in the vicinity of the Dwelling Unit or the property where the Dwelling Unit is situated.

- 6.3 The Collection Services provided by the RDN are subject to the provisions set out in section 7.0 in this Agreement.
- 6.4 The RDN will provide Collection Services as of the Commencement Date for the collection, removal and disposal of Residential Garbage, Recyclables and Food Waste by the way of the Automated Collection System or manual labour, or a combination thereof, for Dwelling Units on the Reserve, which includes collection of up to:
- a) one Garbage Collection Cart;
 - b) one Recyclables Collection Cart; and
 - c) one Food Waste Collection Cart

per Collection Period as specified in section 6.5.

- 6.5 The Collection Periods for the Collection Services provided by RDN are as follows:
- a) Food Waste will be collected each week;
 - b) Garbage will be collected Bi-Weekly; and
 - c) Recyclables will be collected Bi-Weekly (alternating to Garbage collection).
- 6.6 The frequency of the provision of the Collection Service as specified in section 6.5 is subject to change from time to time without notice, as determined by the General Manager in their sole discretion, or as otherwise necessary to respond to environmental, emergency or other unforeseeable circumstances.
- 6.7 Pursuant to section 10.1 of this Agreement, all Collection Carts supplied by the Contractor in connection with the Collection Service shall remain the property of the Contractor until September 30, 2020, and the property of the RDN thereafter. The Collection Carts shall remain on the property of the Dwelling Unit to which they were issued, and the Contractor and/or RDN shall have the right to inspect, alter, remove, or replace the Collection Carts at any time.
- 6.8 The RDN will provide the following default Collection Carts to each Dwelling Unit using the Collection Service, unless otherwise requested by an Owner or Occupier and agreed to by the RDN in writing.

	Residential Dwelling	Garbage Cart	Recyclables Cart	Food Waste Cart
a)	each single family dwelling unit	One 100L	One 240L	One 100L
b)	each single family dwelling unit with a secondary dwelling unit	One 240L	One 360L	One 100L

- 6.9 The First Nation shall cause each Owner or Occupier to only use the Collection Cart within the capacity limits for the Collection Carts set out in section 6.8 of this Agreement.

- 6.10 The First Nation hereby acknowledges and agrees that the Contractor will not collect excess volumes of Food Waste, Recyclables or Garbage where they exceed the capacity of the Collection Cart stated in Section 6.8 of this Agreement.
- 6.11 The First Nation may request a change in Collection Cart size for a Dwelling Unit once within a 12 month period. The First Nation shall pay a Cart Exchange Fee equal to \$50.00 per Cart Exchange(s) per Dwelling Unit pursuant to this section 6.11.

Additional Waste for Owner or Occupiers receiving Collection Service:

a) Garbage

1. A Dwelling Unit with a 100L Garbage Collection Cart who requires additional Garbage capacity may request an upsized 240L Garbage Collection Cart from the RDN, and if such capacity increase is accepted by the RDN then the First Nation agrees to pay an additional fee equal to \$6.25 per Dwelling Unit per month.
2. A Dwelling Unit with a Secondary Suite with a default 240L Garbage Collection Cart who requires additional Garbage capacity may request an additional cart in any of the Garbage Collection Cart sizes offered by the RDN, and if such capacity increase is accepted by the RDN then the First Nation agrees to pay an additional fee equal to:
 - i. \$13.75 per Secondary Suite per month for a 80L Garbage Collection Cart
 - ii. \$14.58 per Secondary Suite per month for a 100L Garbage Collection Cart
 - iii. \$20.83 per Secondary Suite per month for a 240L Garbage Collection Cart

b) Recyclables

1. A Dwelling Unit with a 100L Recyclables Collection Cart who requires additional Recyclables capacity may request an upsized 240L or 360L Recyclables Collection Cart from the RDN, free of charge.
2. A Dwelling Unit with a 240L Recyclables Collection Cart who requires additional Recyclables capacity may request an upsized 360L Recyclables Collection Cart from the RDN, free of charge.
3. A Dwelling Unit with a Secondary Suite with a 360L Recyclables Collection Cart who requires additional Recyclables capacity may Request an additional cart in any of the sizes offered by the RDN, free of charge.

c) Food Waste

1. There is no permitted upsize nor downsize options for the Food Waste Collection Cart.

6.12 The First Nation hereby acknowledges and agrees that the Collection Carts supplied by the Contractor in connection with the Collection Service shall not be used for any purpose other than its intended use, which is the disposal of Garbage, Recyclables and Food Waste permitted under the Collection Service.

6.13 Where the Owner or Occupier is Physically Challenged and unable to comply with section 7.4 of this Agreement, and does not have an able-bodied person assisting them with their household activities, the Physically Challenged Owner or Occupier may apply to the General Manager for Assisted Set-Out Service from the RDN. On application for the Assisted Set-Out Service, if the General Manager determines in their sole discretion that the Physically Challenged Owner or Occupier requires such assistance, then the Contractor will be directed to provide the Assisted Set-Out Service. The General Manager may cancel the Assisted Set-Out Service, at their sole discretion, by providing advance written notice to the RDN of such cancellation. The General Manager may, at their discretion, obtain the necessary information to confirm that the Owner or Occupier is Physically Challenged or otherwise requires Assisted Set-Out Service including but is not limited

The RDN shall have no obligation to provide the Assisted Set-Out Service if, on the designated Collection Day, the Collection Carts are enclosed within any building or gated area or are otherwise not freely accessible. The RDN is not responsible for any property damage as a result of providing the Assisted Set-Out Service.

If the RDN provides Assisted Set-Out Service to a Dwelling Unit then the First Nation will pay a monthly fee equal to \$10.00 per Dwelling Unit per month.

7.0 WASTE COLLECTION SET-OUT REQUIREMENTS

7.1 For the purposes of this section 7, RDN includes RDN's employees, contractors and agents.

7.2 The First Nation shall cause every Owner or Occupier of Dwelling Units serviced by the Collection Service to:

- a) separate Garbage, Recyclables and Food Waste and place them in the applicable Collection Cart, without Contamination or Banned Recyclables and not to exceed the weight limit or capacity specified on the Collection Cart and under this Agreement;
- b) only use the Collection Carts provided by the Contractor in connection with the Collection Service to deposit Garbage, Recyclables and Food Waste, respectively; and

- c) be limited to the applicable number and size of Collection Carts supplied under section 6.8 of this Agreement.
- 7.3 The RDN shall have no obligation to provide the Collection Services unless on designated Collection Days, the Owner or Occupier of Dwelling Units serviced by the Collection Service:
- a) places Collection Carts with the lids in the closed position, no earlier than 5 AM and no later than 8 AM:
 - 1. on the shoulder of the road or lane or along the curb in front of the Dwelling Unit or on the property adjacent to the property line abutting the road or lane from which the Collection Service is provided; and
 - 2. such that the Collection Carts can be conveniently handled from the ground level and readily assessable from such road or lane;
 - b) with the exception of the Food Waste Collection Cart equipped with the gravity lock, which should be in the locked position at all times, ensures all latching devices, if any, are unlatched by 8 AM;
 - c) places all Collection Carts with a minimum one (1) metre of clearance space on all sides of each Collection Cart, with three (3) metres of clearance space above each Collection Cart, and with one and half (1.5) metres of clearance space from parked vehicles; and
 - d) removes all Collection Carts from the road, lane, or sidewalk, after collection, no later than 10 PM on each designated Collection Day.
- 7.4 Collection Carts shall at all times be kept on the property of the Residential Dwellings for which they are assigned and under no circumstances shall they be kept, encroach upon or project over any street, lane or public place except for the purposes outlined in Section 7.3 of this Agreement.
- 7.5 The First Nation shall cause each Owner or Occupier of the Dwelling Unit serviced by the Collection Service to at all times maintain all Collection Carts in a good, clean and sanitary condition, without overflow and free from any liquids.
- 7.6 The First Nation shall cause the Owner or Occupier of the Dwellings Unit serviced by the Collection Service to notify the Contractor if a Collection Cart is damaged or stolen. If a Collection Cart is stolen or damaged due to the neglect of the Owner or Occupier, as determined by the General Manager in their sole discretion, the First Nation shall reimburse the RDN for its costs of repair or replacement to the Collection Cart within 30 days of receipt of an invoice from the RDN in accordance with this Agreement.

- 7.7 Where the Owner or Occupier of a Dwelling Unit serviced by the Collection Service is not in compliance with any of the provisions of this Agreement, the RDN may, at its sole discretion, refuse to provide the Collection Services to the Dwelling Unit of that Owner or Occupier.
- 7.8 In the event the RDN does not collect a Food Waste, Recyclables or Garbage at a Dwelling Unit that has been designated for Collection Services, by reason set out in this section 7, the First Nation will still be required to pay Fees in accordance with section 12.0 of this Agreement as if the Food Waste, Garbage or Recyclables had been collected.

8.0 RIGHT OF ACCESS

- 8.1 The First Nation hereby authorizes the RDN its employees, contractors and agents to enter upon the Reserve on common areas at any time for the purposes of providing the Collection Services set out in this Agreement and for the purposes of determining the routes for the collection. Any employee, contractor or agent of RDN as well as any vehicles required for the purposes of the provision of Collection Services will not be considered as trespassing if they have entered onto the Reserve for the purposes of providing Collection Services set out in this Agreement.
- 8.2 The permission to enter upon the Reserve for the purpose of providing the Collection Services will continue without reservation or restriction during the term of this Agreement and will be considered as a licence only and not as the granting or the conveyance or conferring on the RDN any right, estate or interest in title to any portion of the Reserve and will terminate upon the termination of this Agreement.
- 8.3 Nothing contained in this Agreement shall prejudice or affect the rights and powers of the RDN in the exercise of its functions under any public or private statutes, bylaws, orders or regulations, all of which may be fully and effectively exercised as if this Agreement had not been executed and delivered by the First Nation.

9.0 EDUCATOR

- 9.1 The First Nation agrees to appoint an Educator who will act as a resource to residents of the Reserve (including the Owners and Occupiers) regarding the Collection Services and will also act as a communications liaison between the parties. The role of the Educator will be to inform the users of the Collection Services (including the Owners and Occupiers) about how and under what conditions the Collection Services will be provided to ensure high participation and satisfaction by the users of the Collection Services.
- 9.2 The RDN will provide initial training to the Educator about the Collection Services, including, cart placement, information about acceptable materials for collection as well as the instances where collection may be refused by RDN if it does not meet the waste collection set-out requirement as detailed in section 7.0 of this Agreement.

9.3 Without limiting section 9.2, the Educator will inform residents of the Reserve what constitutes Food Waste, Recyclables and Garbage including items that, if included in any Food Waste, Recyclables or Garbage Collection Carts, would constitute a basis of refusal to collect by RDN. The Educator will also teach residents on the Reserve how to sort Recyclables.

10.0 COLLECTION CARTS

10.1 RDN agrees to provide one (1) Collection Cart Set to each Dwelling Unit designated for Collection Service under this Agreement in accordance with the Fees set out in section 12.0 of this Agreement.

11.0 NOTIFICATION OF CHANGES TO THE COLLECTION SERVICES

11.1 In the event that the Bylaw changes in a way that affects RDN's ability to provide the Collection Services within the terms and conditions set out in this Agreement or the laws applicable to Food Waste, Recyclables or Garbage changes, the RDN reserves the right to change the terms and condition of the Collection Services as set out in this Agreement to bring the provision of Collection Services into accordance with the new Bylaw or other laws.

11.2 The RDN will provide thirty (30) days written notice to the First Nation and Educator of any amendments to the Bylaw that will affect the terms and conditions of the Collection Service as set out in this agreement.

12.0 FEES

12.1 In addition to any other fees and charges set out in this Agreement, including without limitation the fees describes in sections 6.11 and 6.13 of this Agreement, the First Nation agrees to pay fees to the RDN for the Collection Services (collectively, the "Fees") in an amount equal to:

- a) \$13.75 per Dwelling Unit per month for a 80L Garbage Collection Cart
- b) \$14.58 per Dwelling Unit per month for a 100L Garbage Collection Cart
- c) \$20.83 per Dwelling Unit per month for a 240L Garbage Collection Cart

12.2 The First Nation agrees to an annual adjustment of the Fees based on the Consumer Price Index consistent with the escalation clause in Schedule 2 (Collection Service Fee) of the RDN's agreement with the Contractor. The calculation shall take effect in the first quarter of each year immediately upon the RDN providing notice to the First Nation. The First Nation will pay a lump sum retroactive payment to January 1st for any increase in the Fees to cover the months already paid at the previous year's Fee, and will adjust the billing for the remaining months of the year as of that date.

12.3 The number of Dwelling Units for the purposes of section 12.1(a) will be determined as follows:

- a) at the Commencement Date of this Agreement, the Parties agree that there are seventy-six (76) Dwelling Units designated for Collection Services;
- b) the First Nation may increase or decrease the number of the Dwelling Units designated for Collection Service in accordance with section 12.3(c); or
- c) in order to increase or decrease the number of Dwelling Units designated for Collection Services, the First Nation must provide the RDN with written notice at least 2 weeks prior to the first business day of the month in which the increase or decrease is intended to take effect (the “Notice”). The Notice to the RDN must identify the address of each Dwelling Unit being designated for Collection Services and each Dwelling Unit undesignated for Collection Services.

13.0 PAYMENT FOR COLLECTION SERVICES

- 13.1 The First Nation agrees to pay to the RDN each month of the term of their Agreement to the RDN the Fees for the Collection Services as set out in this Agreement including, without limitation, as well as the amount of any fees for Collection Cart exchanges or capacity increase under section 6.11 or for Assisted Set-Out Services under section 6.13.
- 13.2 The RDN will provide invoices on the first day of every month to the First Nation setting out its Fees for the Collection Services, and the First Nation will pay such invoices within thirty (30) days of receipt. Any amount outstanding after the expiration of the thirty (30) day period will be subject to an interest charge as set out in section 13.3.
- 13.3 The parties agree that if there is a default in any payment required to be made to the RDN under this Agreement, the amount in arrears will bear interest at the rate of prime as set by the RDN’s bankers plus one percent per annum.

14.0 STANDARD OF COLLECTION SERVICES

- 14.1 The RDN will provide the Collection Services provided for under this Agreement to the same standard and quality as such services are ordinarily provided by the RDN to residents and occupants of the Electoral Areas within the RDN that are subject to the Bylaw.

15.0 DEFAULT OR NON-PERFORMANCE

- 15.1 In the event that either party (the “Defaulting Party”) is in breach of, defaults, or otherwise fails to perform or observe any of the covenants or obligations (the “Breach”) set out herein, the other party may deliver written notice of such Breach to the Defaulting Party.
- 15.2 If the Defaulting Party does not cure or otherwise perfect the Breach, and upon the expiry of not less than one (1) month from the date of the written notice referred to in section 15.1 hereof, the other party may immediately terminate this Agreement.

16.0 DISPUTE RESOLUTION

16.1 If the parties to this Agreement are unable to agree on the interpretation or application of any provision hereof, or are unable to resolve any other issue in dispute pertaining to this Agreement, on notice by either party to the other, the parties agree:

- (a) first to promptly, diligently and in good faith, take all reasonable measures to negotiate an acceptable resolution to the disagreement in dispute;
- (b) second, if the parties are unable to negotiate a resolution under paragraph (a) within sixty (60) days of the notice of dispute or disagreement, to request the assistance of a mediator, and such mediator to be mutually agreed upon by the parties within thirty (30) days of receipt by a party of a written notice requiring mediation, failing which the mediator will be appointed by the BC International Commercial Arbitration Centre (BCICAC). Such mediation will be conducted under the Commercial Mediation Rules of the BCICAC unless otherwise agreed by the parties; and
- (c) third, if the parties are unable to resolve the dispute in accordance with paragraph (b), to refer the matter in dispute to arbitration to a single arbitrator pursuant to the *Arbitration Act* (BC) or any successor legislation on the understanding and agreement that the decision of the arbitrator will be final and binding on the parties. If the parties are unable to agree on a single arbitrator and hear the dispute within sixty (60) days following the termination of the mediated negotiations set out in paragraph (b), an arbitrator will be appointed by the BCICAC.

16.2 Unless otherwise agreed or decided by the arbitrator, costs shall be shared equally.

17.0 TERMINATION

17.1 In addition to any other right of termination under this Agreement but provided that section 16 has not been invoked, then either party may terminate this Agreement for convenience by providing not less than 6 months written notice. The First Nation agrees to pay RDN such reasonable Fees as may have been incurred up to the date of termination.

17.2 Except as specifically provided in this Agreement, neither the First Nation nor the RDN will be entitled to any compensation or damages as a consequence of any termination of this Agreement by the other party.

18.0 NOTICE

18.1 All notices given hereunder shall be made in writing and delivered personally, by registered mail, by courier, or by facsimile or electronic transmission as follows:

If to the First Nation: Nanoose First Nation
209 Mallard Way

Lantzville, BC, V0R 2H0
Email: kbob@nanoose.org
Attn: Environment Coordinator

If to the RDN: Regional District of Nanaimo
6300 Hammond Bay Road
Nanaimo, British Columbia V9T 6NC
Email: vschau@rdn.bc.ca
Attn: Zero Waste Coordinator, Solid Waste Services

The date of receipt of any such notice shall be deemed to be: (i) the date of delivery if delivered personally or by courier, (ii) five days after the date of mailing if mailed, or (iii) on the date of transmission if sent by facsimile or other electronic transmission during regular office hours, or if that date is not a business day, the next business day.

19.0 CONFIDENTIAL INFORMATION

19.1 The RDN agrees that any of the First Nation's information obtained or used by the RDN, its employees, contractors, and agents, in the course of providing the Collection Services will be kept confidential by the RDN and will not be used without the prior consent of the First Nation for any purpose other than the provision of the Collection Services or as required by law, including the *Freedom of Information and Protection of Privacy Act*.

20.0 FORCE MAJEURE

20.1 The RDN will not be liable for its failure to perform any of its obligations under this Agreement due to a cause beyond its reasonable control including without limitation acts of God, fire, flood, pandemic outbreak, explosion, strikes, lockouts or other industrial disturbances, laws, regulations, or orders of any duly constituted governmental authority, each of which will be a force majeure event.

21.0 GOVERNING LAW

21.1 This Agreement will be governed and construed in accordance with the laws of British Columbia and Canada and the parties hereto attorn to the jurisdiction of the courts of British Columbia.

22.0 AMENDMENT AND WAIVER

22.1 No amendment, waiver, or variation of the terms, conditions, covenants, and agreements set out herein will be of any force or effect unless the same is reduced to writing by both parties hereto, and no waiver of any of the provisions of this Agreement will constitute a waiver of any other provision, nor will it constitute a continuing waiver unless otherwise explicitly provided.

23.0 ENTIRE AGREEMENT

23.1 This Agreement, including the Schedules attached to it, constitutes the entire Agreement between the RDN and the First Nation with respect to the subject matter hereof and may not be modified except by subsequent Agreement in writing executed by the RDN and the First Nation.

24.0 TIME OF ESSENCE

24.1 Time is of the essence in this Agreement.

25.0 INTERPRETATION

25.1 Whenever the singular or masculine is used in this Agreement, the same shall be deemed to include the plural or the feminine or the body politic or corporate where the context or the parties so require.

26.0 ASSIGNMENT

26.1 Neither party may assign this Agreement or the benefit thereof, without the prior written consent of the other party at its sole discretion.

27.0 SEVERABILITY

27.1 The invalidity of any provision of this Agreement will not affect any other provision of it, but the Agreement will be construed as if the invalid provision had been omitted.

28.0 BINDING EFFECT

28.1 This Agreement shall ensure the benefit of and be binding upon the parties and their respective heirs, administrators, executors, successors and permitted assignees.

IN WITNESS WHEREOF THE PARTIES hereto have executed this Agreement as of the day and year written on page 1.

THE REGIONAL DISTRICT OF NANAIMO

By: _____
Name:
Title:

By: _____
Name:
Title:

NANOOSE FIRST NATION

By: _____
Name:
Title:

By: _____
Name:
Title:

Schedule A
RDN Resolution

[See attached.]

Schedule B
First Nation Band Council Resolution

[See attached.]

TO: Solid Waste Management Select Committee **MEETING:** September 10, 2020

FROM: Larry Gardner
Manager of Solid Waste Services **FILE:** 5365-02

SUBJECT: Circular Waste Construction Update

RECOMMENDATION

That the Board receive this report for information.

SUMMARY

In December 2018, the Regional District of Nanaimo (RDN) entered into a 20-year Waste Processing Services Agreement (Agreement) with Circular Waste North America (CWNA) for the processing of organic waste collected through the City of Nanaimo (City) and RDN's residential curbside collection programs, as well as yard and garden waste collected at the RDN landfill and transfer station. CWNA is currently processing organics as required under the Agreement.

The Agreement includes the provision for substantial technology improvements to the existing facility, which includes installation of tunnel composters and odour control improvements. Total plant upgrades are valued at approximately \$4 million, entirely funded by CWNA. The original timeline anticipated that the upgrades would be complete by May 2020. However, CWNA has not met this timeline in part due to design revisions and the requirement to obtain a Development Permit from the City, which was not required based on the original design upgrades and therefore, was not included in the original timeline.

There will be no additional costs borne by RDN residents as a result of this delay; all processing fees have been negotiated in the Agreement, independent of the facility upgrades. As of July 7, 2020 the comingled organics processing fee was reduced from \$135.50 per tonne to \$107.78 per tonne; a further 4% fee reduction will apply on all organics at the end of the year. Nevertheless, there are innate motivators for CWNA to complete the upgrades related to market development, operational efficiency and regulatory compliance.

The RDN understands that CWNA has met all City submission requirements for a Development Permit and Building Permit and anticipates that permits will be issued in summer 2020. Once the permits are issued, Agreement provisions are for the upgrades to be completed by November 2021.

BACKGROUND

The 20-year Agreement between CWNA and the RDN was signed on October 30, 2018 (Execution Date) and became fully effective on December 7, 2018 (Effective Date). The following summarizes the actual project timeline and status:

- Jan 2019 CWNA complied with the Agreement which required the submission of their Building Permit application to the City within 90 days of Agreement execution.
- Mar 2019 The City completed a preliminary review of the Building Permit submission and requested additional information to support the Building Permit application.
- Nov 2019 CWNA resubmitted the Building Permit application to the City with design revisions. In particular, the processing tunnels were no longer integrated with structural components of the building. The cost of construction listed on the application was the total project budget including all process related equipment.
- Dec 2019 CWNA issued the tender for the construction of the facility upgrades and was scheduled to close January 8, 2020. On December 20, 2019, the City notified CWNA that a Development Permit is required, triggered by the change in scope and value of the facility upgrade; as a result, the construction tender was terminated.
- Apr 2020 CWNA submitted the Development Permit application to the City.
- May 2020 New Building Permit application resubmitted (accepted as complete July 2020).

The City has committed to running both the Development Permit and Building Permit reviews concurrently in order to expedite the process. Permits are anticipated to be issued in summer 2020. Following receipt of permits, CWNA will reissue the construction tender and is targeting an October 2020 construction start. Construction will take approximately 10 months to complete and 6 weeks of commissioning; facilities upgrades are expected to be completed by November 2021.

As per Section 5.2 (b) and (c) of the Agreement, CWNA is required to:

- achieve construction Substantial Completion (substantially complete and ready for intended use, but commissioning is not required to have occurred) within 15 months of the issuance of the building permit; and
- achieve successful completion of all Commissioning (outlined in Schedule 3 of the Agreement) within 6 months of Substantial Completion.

The milestones set out in the aforementioned sections contemplated possible delays during the Building Permit approval process. Therefore, the Agreement upgrade timelines apply after receipt of permits.

There are a number of motivators for CWNA to complete the upgrades, which include:

- 1) It is unlikely that CWNA can develop a valuable marketable finished compost until the process improvements are complete;
- 2) The upgrades will significantly increase facility capacity which is necessary to compete for other service contracts;

- 3) The upgrades significantly improve process control resulting in diminished operational risk to CWNA which includes the risk of liquidated damages association with operations as set out in the Agreement;
- 4) Maintaining regulatory compliance; and
- 5) Brand recognition as a North American leader of composting technology and service.

ALTERNATIVES

1. The report be received for information.
2. Provide alternative direction.

FINANCIAL IMPLICATIONS

Processing fees set out in the Agreement are independent of the facility upgrades. On July 7, 2020, the comingled organics processing fee was reduced from \$135.50 per tonne to \$107.78 per tonne; a further 4% fee reduction will apply on all organics at the end of the year. The RDN is eligible for further discounts based on RDN volume increases, as well as total facility intake increases (including other sources).

With implementation of the Solid Waste Management Plan (SWMP), specifically the Mandatory Source Separation Bylaw, there will be increased demand for organics processing which is expected to increase CWNA processing volumes. Consequently, the RDN is expected to benefit from further processing fee reductions which is tied to the total facility intake volumes. The value of the Agreement is approximately \$1.6 million annually.

STRATEGIC PLAN IMPLICATIONS

People and Partnerships - Seek opportunities to partner with the provincial and federal governments, other government agencies, and community stakeholder groups in order to advance strategic plan goals and objectives.

The RDN has achieved world class waste diversion levels substantially as a consequence of the organics diversion program. The capital improvements of the CWNA facility will ensure reliability and long term viability of the service, which will ultimately improve the RDN's ability to achieve the SWMP waste diversion goals.



Larry Gardner
lgardner@rdn.bc.ca
August 14, 2020

Reviewed by:

- J. Bradburne, Director of Finance, Corporate Services
- R. Alexander, General Manager, Regional and Community Utilities and Solid Waste
- P. Carlyle, Chief Administrative Officer

TO: Solid Waste Management Select **MEETING:** September 10, 2020
Committee

FROM: Jane Hamilton **FILE:** 5365-02
Superintendent,
Disposal Operations

SUBJECT: Contract Award-Rebuild Landfill Compactor

RECOMMENDATION

That the Regional District Board of Nanaimo approve the awarding of a contract to Finning Canada for Option 1 to rebuild a heavy equipment compactor in the amount of \$417,073 (& GST) with new engine if available, or \$419,952 (& GST) with rebuilt engine.

SUMMARY

The 2020 Solid Waste Services approved budget includes \$420,000 to rebuild an existing CAT826 Landfill Compactor for waste processing. On June 23, 2020 the Regional District of Nanaimo (RDN) Board directed staff to proceed with procurement. A Request for Proposals (RFP) was issued and was publicly advertised on the RDN and BC Bid websites. The RFP requested options to either rebuild our existing compactor or provide a similar rebuilt compactor and take our existing compactor as a trade. Vendors were encouraged to submit more than one proposal for consideration. Seven responses were received by the July 31, 2020 closing date from two vendors.

Finning Canada's Option 1 submission is the highest ranked and lowest cost proposal and meets the technical specifications within the published budget.

BACKGROUND

The heavy equipment compactor is the key piece of equipment used for waste processing at the landfill and is used for approximately 2,000 hours per year. The general service life of the machine is between 10,000 to 15,000 hours (5-7 years). The RDN currently has two compactors of the same model, one serves as the primary unit and the second as a backup. The unit being rebuilt is the current back up unit and has over 14,000 hours. Following rebuild, it will serve as the primary unit until the next compactor replacement projected in 2026.

The RFP for the rebuilt compactor identified rebuild certification standards and warranty as well as features such as cab-air filtration systems, frame hours, auto-greasers and delivery time. A cost option to provide a fire suppression system, if not already on the machine, was requested.

The RFP closed on July 31, 2020 and seven submissions were received; four from Finning Canada; and three from Marcel Equipment. Proposals were reviewed against the evaluation

criteria provided in the RFP. It was determined that the proposal with the highest ranking score was Option 1 from Finning Canada, who proposed to rebuild our existing compactor. Features included in the technical evaluation that differentiated the two vendors included:

- different levels of warranty coverage; Finning’s included new parts and labour and an additional year of coverage, whereas Marcel’s included coverage only on parts and an additional 6-months of coverage; and
- Finning’s proposal included a major gear-box upgrade and an inventory of Caterpillar Original Equipment manufactured (OEM) parts that will be replaced, and Marcel’s proposal included inspection of parts during the rebuild and replacement only if necessary.

The proposals were evaluated based on 35% Technical and 65% Financial and the results are summarized in the table below:

Evaluation	FINNING CANADA				MARCEL EQUIPMENT	
	Option 1	Option 2	Option 3	Option 4	Option 1	Option 3
Total Score/100	97	95.6	94.6	92.6	80.9	81.2
Total Cost	\$417,073	\$419,696	\$419,913	\$419,950	\$484,800	\$458,050

Of the seven submissions, six proposals met all of the technical specifications; however, only the four proposals received from Finning were within the published budget. Finning’s four proposals ranged in price from \$417,075 to \$419,952 based on alternative rebuild options such as component replacement versus refurbishing and supply of a 60% discounted new engine if still available at contract award time. Options 1-3 include the new discounted engine; however, if unavailable upon award, Option 4 from Finning includes suitable engine component refurbishments instead of new. If the discounted new engine is no longer available, the Finning Option 4 is within budget and acceptable.

Subject to the rebuild agreement, the delivery is expected to take approximately 12 weeks to complete.

ALTERNATIVES

Alternatives in proceeding with the compactor replacement are as follows:

- 1) That the Regional District Board of Nanaimo approve the awarding of a contract to Finning Canada for Option 1 to rebuild a heavy equipment compactor in the amount of \$417,073 (& GST) with new engine if available, or \$419,952 (& GST) with rebuilt engine.
- 2) Provide alternate direction.

FINANCIAL IMPLICATIONS

Solid Waste Services approved 2020 budget and Solid Waste Asset Management Plan includes an allocation of \$420,000 for rebuilding the compactor.

STRATEGIC PLAN IMPLICATIONS

Environmental Stewardship - Protect and enhance the natural environment, including land, water, and air quality for future generations.

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.



Jane Hamilton, Superintendent, Disposal Operations
jhamilton@rdn.bc.ca
August 14, 2020

Reviewed by:

- L. Gardner, Manager, Solid Waste
- K. Felker, Purchasing Manager, Finance
- T. Moore, Manager, Accounting Services
- R. Alexander, General Manager, RCU
- P. Carlyle, Chief Administrative Officer

TO: Solid Waste Management Select Committee **MEETING:** September 10, 2020

FROM: Meghan Ebueza
Solid Waste Planner **FILE:** 5365-02

SUBJECT: Nanaimo Recycling Exchange Project Proposal – Waste Assessments

RECOMMENDATIONS

That the Board authorize entering into a contract with the Nanaimo Recycling Exchange to carry out Industrial, Commercial, and Institutional waste assessments across the Regional District of Nanaimo for a maximum value of \$24,750 from October to December 2020.

SUMMARY

The Regional District of Nanaimo (RDN) Solid Waste Management Plan (SWMP) allocates \$300,000 per year between 2019 to 2023 to the Nanaimo Recycling Exchange (NRE) to act as a research and recycling hub for hard to recycle materials. The NRE ceased operations of their facility in March 2018 and did not apply for funding in 2019 or 2020.

On August 17, 2020, the NRE submitted a proposal (Attachment 1) for funding in the amount of \$24,750 to carry out up to 15 waste assessments of the Industrial, Commercial and Institutional (ICI) sector, between October 1 and December 31, 2020. The NRE proposes to identify at least five different ICI businesses, ranging in size and purpose, across the RDN. Waste assessments will assess the waste stream and waste practices of an organization and identify diversion potential and barriers for waste reduction.

The proposal is consistent with the Zero Waste Recycling (ZWR) strategy set out in the SWMP. Furthermore, the RDN is working towards a Mandatory Source Separation Bylaw, targeted to be operative at the end of 2021, which includes a requirement for all businesses, multi-family and institutions facilities to have three waste disposal bins for recycling, organics and garbage. The NRE waste assessments will assist multi-family, businesses and institutional buildings with the transition to this new requirement.

BACKGROUND

The RDN has achieved significant gains in the removal of organics and recyclables from the waste stream since the introduction of ICI landfill bans, including organic waste in 2004 and metal and beverage containers in 2009. However, based on the 2012 waste composition study, there remains 68% of recyclables, including paper, plastic, organics, beverage containers,

metals and glass, in the total waste streams, 47% of which are from ICI sources. For this reason, the SWMP targets the ICI sector as it will have significant impact to the overall diversion of the waste stream. The NRE proposal supports strategies to advance the goals of the SWMP.

The RDN SWMP promotes Zero Waste by making funding available to target these materials with the following objectives:

1. Maximize waste diversion;
2. Encouraging non-profit and private sector innovation to develop markets and process; and
3. Improving convenience for recycling materials.

The RDN SWMP allocates \$300,000 per year between 2019 to 2023 to the NRE to act as a research and recycling hub for hard to recycle materials. The NRE ceased operations of their facility in March 2018 and did not apply for funding in 2019 or 2020.

Nanaimo Recycling Exchange – Waste Assessments

NRE has submitted a proposal (Attachment 1) for funding in the amount of \$24,750 to carry out up to 15 waste assessments for the ICI sector between October to December 2020.

The objectives of the NRE waste assessments are to:

- determine types and quantities of products in ICI waste streams as potential for diversion;
- prepare businesses to optimize bylaw incentives in the new SWMP; and
- identify ways for new programs to be implemented with the aim of increasing waste diversion in the RDN.

The NRE waste assessments are the first step in the process of assessing current ICI barriers to waste diversion and planning strategy for new diversion programs.

Deliverables

The NRE project will deliver to the RDN:

- Up to 15 waste assessments aimed at ICI organizations across sectors within the RDN.
- Each waste assessment will include:
 - waste categories, diversion rate, diversion potential, barriers, procurement options; and
 - qualitative data important to identification of barriers, best practices, and sector challenges.
- An aggregate report to include:
 - waste stream tonnages/volumes of garbage and recyclable products in selected waste streams;
 - organizational and industry-specific barriers to diversion and bylaw compliance;
 - best practices, innovations and successes;

- general and industry-specific RDN SWMP strategies to increase ICI diversion (such as education and/or enforcement strategies); and
- inventory of organizations and products appropriate for Circular Economy.

ALTERNATIVES

1. That the Board authorize entering into a contract with the Nanaimo Recycling Exchange to carry out Industrial, Commercial, and Institutional waste assessments across the Regional District of Nanaimo for a maximum value of \$24,750 for October to December 2020.
2. Provide alternate direction.

FINANCIAL IMPLICATIONS

The project proposal at \$24,750 is within the RDN 2020 approved budget, which has allocated \$300,000 for Zero Waste Recycling as part of the SWMP.

STRATEGIC PLAN IMPLICATIONS

Environmental Stewardship - Achieve the 90% waste diversion target as per the Solid Waste Management Plan.

This program supports the 90% waste diversion target by supporting waste reduction initiatives and promoting increased waste diversion.



Meghan Ebueza
mebueza@rdn.bc.ca
August 17, 2020

Reviewed by:

- L. Gardner, Manager, Solid Waste Services
- J. Bradburn, Director finance
- R. Alexander, General Manager, Regional & Community Utilities
- P. Carlyle, Chief Administrative Officer

Attachment:

1. Nanaimo Recycling Exchange Project Proposal – Waste Assessments



August 17, 2020

Larry Gardner, Manager
Solid Waste Services
Regional District of Nanaimo
6300 Hammond Bay Road
Nanaimo, BC V9T 6N2

Dear Mr. Gardner;

Thank you for considering the Nanaimo Recycling Exchange (NRE) Waste Audit Proposal attached to this letter.

The Nanaimo Recycling Exchange is requesting funding from the Regional District of Nanaimo as part of the Zero Waste Recycling program in the Solid Waste Management Plan. The proposal is for the NRE to complete waste audits for the Industrial, Commercial, and Institutional sector of the RDN between October and December, 2020.

These NRE waste audits are designed to provide the RDN with current industry information about waste, waste practices, and the barriers to increased diversion. Sector-specific data will point the way to strategies and educational requirements to prepare business for new bylaw incentives, and highlight new program opportunities to increase diversion.

The NRE is committed to applying successful experience with waste audits, and with helping businesses improve their recycling programs, to the RDN goals and targets on the road to 90% diversion.

Thank you for considering this proposal. If further information is needed, please contact me.

Sincerely,

Jan Hastings, Executive Director
Nanaimo Recycling Exchange Society
jan@recycling.bc.ca

Waste Audit Project Proposal

Prepared for: Larry Gardner, Manager Solid Waste

Prepared by: Jan Hastings, Executive Director

Contact: Jan Hastings, jan@recycling.bc.ca

August 17, 2020

Summary

The Nanaimo Recycling Exchange is requesting funding from the Regional District of Nanaimo (RDN) as part of the Zero Waste Recycling (ZWR) program in the Solid Waste Management Plan (SWMP).

Nanaimo Recycling Exchange (NRE) is proposing to perform initial waste audits for the Industrial, Commercial and Institutional (ICI) sector from October to December 2020. The purpose of the waste audits is to

- a) determine types and quantities of products in Industrial, Commercial, and Institutional (ICI) waste streams,
- b) identify diversion potential for diversion,
- c) prepare businesses to optimize bylaw incentives in the new Solid Waste Management Plan, and
- d) pave the way for new programs the RDN could implement to increase diversion.

Using a combination of education, enforcement, and incentives to increase ICI diversion is a core strategy of the new SWMP. In addition to waste stream product identification, NRE waste audits will also provide early identification of industry-specific educational requirements about waste products, zero waste recycling options, and alternatives to recycling. Ban enforcement strategies and barriers to implementation of the new bylaws incentives will also be identified. “Hard to recycle” products will be of particular interest to identify and target for diversion, as will products identified as problematic in landfill waste composition data.

The NRE would perform waste audits as the first step in the process of assessing current ICI barriers to waste diversion and planning strategy for new diversion programs.

Background

The 2012 landfill waste composition study indicated a number of waste types that can be recycled, but end up in the residual waste stream. Extended Producer Responsibility programs available to residential recyclers do not extend to ICI waste streams, but some commercial recycling options do exist. It is not entirely understood why the ICI sector does not always make use of existing recycling options.

The SWMP has provided funding for the NRE to investigate barriers to recycling and develop methods, markets, and collaborations to increase access to recycling programs. Under the ZWR program, the Nanaimo Recycling Exchange (NRE) can act as a research and recycling hub for recycling items currently not commercially marketable. The work with the ZWR would allow the RDN to leverage NRE waste stream audit and recycling experience and identify current barriers and potential for diversion.

Timeline

The NRE is proposing completion of up to 15 waste audits from October 1 to December 31, 2020.

Objective

The purpose of a waste audit is usually to assess the waste stream and waste practices of an organization, and then identify waste diversion potential and barriers for waste reduction. Recommendations are typically provided for improvement.

Scope of waste audits can vary:

- minimal audit results can be a baseline “snapshot” of amount and general types of waste.
- comprehensive audits can include tracking waste over a period of time, detailed breakdown of all categories of waste and contamination by area or department, examination of records and processes, extensive examination of internal systems and processes contributing to waste, and extensive commitment to a work plan for waste reduction.

For the purpose of this proposal, the NRE will perform waste audits designed to be comprehensive to the extent they will provide data and direction for the organization, yet targeted to meet objectives of the RDN SWMP:

1. **Maximize use of waste materials:** New waste bylaws will require businesses to become experts in their own waste streams in order to successfully identify and source separate products. Waste audits will start this process with businesses, introduce new sorting practices, concepts of Reduce and Reuse (often ignored in ICI) with the goal of aligning ICI waste practices with bylaws, bans, and ZWR programs.
2. **Develop collaborative partnerships to achieve regional targets:** Engaging ICI with help and support before bylaws come into effect is likely to elicit cooperation and collaboration. ICI is more likely to get on the road to 90% if they feel the RDN is helping them achieve targets. In addition, to achieve the maximum product grade, businesses will need to collaborate on collection for single product shipments. The NRE will help RDN businesses develop collection and shipment constellations.
3. **Manage incentives to maximize behaviour outcomes:** Waste audits can encourage early adoption of source separation bylaws that promote recycling or circular economy solutions. Where diversion options don't exist, audits will recommend procurement changes to implement before bylaws are in place.
4. **Support a circular economy:** NRE will develop a database of appropriate waste products for a regional circular economy.

The NRE waste audit will assess management of garbage, recycling and organic products in ICI waste. In addition, waste will be sorted and categorized, contamination assessed, records and process data will be collected and analyzed through interview, records analysis, observation, “bin diving,” and breaking bags. Product research and specific education about bylaws, landfill bans, and source separation procedures will be provided to prepare the business and the sector for compliance with the new SWMP.

Project Outline

The RDN has identified strategies to meet objectives in the SWMP: NRE waste audits would address strategies 1 and 2 below, and set the stage for future implementation of programs.

1. **RDN strategy to increase ICI diversion:** A combination of education, enforcement of landfill bans, and incentives through new regulation has the highest waste diversion potential.
2. **RDN ICI Strategy:** Expanded Industrial, Commercial and Institutional (ICI) Waste Management
3. **Zero Waste Strategy:** programs with new diversion potential will be implemented upon adoption of this Plan.

Every policy, procedure, person, and system in an organization contributes to waste and to whether the waste gets diverted to recycling/re-processing, or becomes residual waste in the form of garbage in a landfill. The NRE waste audit examines waste, and systems and practices as a first step.

Waste Audit Process

The NRE will do initial research to identify at least 15 waste audits, including 5 each of Industrial, Commercial, and Institutional businesses, ranging in size and purpose, across the RDN. A list will be developed by recommendations through NRE contacts from depot recyclers, and research and initial contact will be by telephone or email. Some pre-screening will be necessary to ensure businesses meet selection requirements.

On-site audits will be scheduled at selected organizations, with arrangements to interview all relevant employees, observe practices, gather records, and examine the waste. Due to COVID-19 restrictions, some data can be collected by zoom meetings, emails, phone communications, depending on site technology.

Productive interviews take time and skill. NRE audit interviews are designed to elicit quantitative and qualitative data about waste, which is both sensitive and not well understood. It's typical for the "recycling champion" of an organization to go to great lengths to highlight recycling successes and avoid mention of less flattering outputs.

The NRE will use a semi-structured, guided interview approach that covers the same topics at each site, yet allows flexibility for feedback, probing, and clarification and, most importantly, for open communication that builds trust. Getting the true picture of waste practices and challenges depends on early recognition that the NRE and RDN are there to help and not police.

Quantitative data will be collected from interviews of people responsible for contracts, departmental processes, disposal, procurement, and financial decision making. Techniques of observation, breaking bags, bin-diving, and records analysis will be used to identify waste categories, and sub-categories. If records are available to calculate monthly or annual waste tonnages, they will be used to calculate diversion rates. If not available, visual estimates of volume will be translated to weight units to calculate diversion rate and to provide baseline measurements.

For some businesses, weight based measurement will be taken from waste samples using a portable scale, and sample data will be used to extrapolate tonnages. For bulky industrial waste, records or visual estimates will be necessary.

Off-site calculations and research will be conducted to identify composition and recyclability of products to assess diversion potential and/or procurement options. Research about products will also provide data for planning potential NRE ZWR programs. Individual audit report information will be provided to the RDN, and communicated to the organization.

Waste Audit Selection

For the purpose of providing waste audits that address diversion needs specific to the RDN SWMP, this proposal recommends waste audits targeted to address particular materials identified in landfill composition studies, and materials with potential to make immediate gains toward 90% diversion.

To achieve this goal, NRE waste audits will focus on:

- ICI with fibre and plastic,
- ICI with other 'hard to recycle' materials such as Expanded Polystyrene (styrofoam),
- ICI with organic waste,
- ICI with self-reported waste challenges.

In absence of data identifying sources of recyclable material in the RDN landfill, the NRE will select 5 businesses from each of Industrial, Commercial, and Institutional sectors. In order to gather instructive data about barriers and potential for diversion, selections will be from large, medium and small ICI organizations across the geographical range of the RDN.

Project Management

For this project, all activities will be directed and managed by the Executive Director.

Executive Director tasks:

On-going communication with RDN staff
Report writing
Monitoring of project progress

Executive Director and Staff tasks:

Identification and selection of ICI participants
On-going communication with participants
Scheduling and organizing audits
Data compilation
General monitoring and evaluation of process

Deliverables

The NRE will deliver to the RDN

1. A maximum of 15 comprehensive waste audits,
2. Waste audits will include ICI organizations across sectors and across the RDN
3. A summary report will be produced for each organization, providing waste categories, diversion rate, diversion potential, barriers, procurement options
4. A summary of qualitative data important to identification of barriers, best practices, and sector challenges.
5. An aggregate report that includes
 - waste stream tonnages/volumes of garbage and recyclable products in selected waste streams,
 - organizational and industry-specific barriers to diversion and bylaw compliance,
 - best practices, innovations and successes,
 - general and industry-specific RDN/Solid Waste Plan strategies to increase ICI diversion (such as education and/or enforcement strategies).
 - inventory of organizations and products appropriate for Circular Economy.

Baseline data will be provided to the organization: diversion rate and potential diversion will be identified.

Where diversion potential is immediately applicable, options will be communicated to the organization.

Where not immediately available, it is necessary to communicate potential projects the RDN may implement to increase diversion.

Proposed Budget

Description	Quantity	Hours per Audit	Fee per hour	Cost
Waste Audits	15	15	\$ 100.00	\$ 22,500.00
Contingency fee @10%				\$ 2,250.00
Total				\$ 24,750.00

TO: Solid Waste Management Select Committee **MEETING:** September 10, 2020

FROM: Vivian Schau
Zero Waste Coordinator **FILE:** 2240-20-MMBC

SUBJECT: Recycle BC Automated Curbside Collection Change Order

RECOMMENDATION

That the Board authorize execution of a change order to the *Recycle BC Statement of Work for Curbside Collection Services Provided by Local Government* to be effective October 1, 2020 to December 31, 2023 to reflect rates specified in the Statement of Work for automated curbside collection service.

SUMMARY

In May 2014, the Regional District of Nanaimo (RDN) partnered with Recycle BC (formerly Multi Material British Columbia) to become a collector of Packaging and Printed Paper (PPP) for single family dwellings as required under the Provincial Recycling Regulation. Recycle BC compensates the RDN approximately \$1 million annually for this service. The Recycle BC Statement of Work for Curbside Collection Services Provided by Local Government agreement (Statement of Work) specifies compensation rates based on the method of collection, which correlates with contamination levels in recyclables. Automated collection typically results in higher contamination of recyclables than manual collection and, therefore, Recycle BC pays \$37.90 per household for automated collection, vs \$39.15 per household for manual collection. These are the same rates Recycle BC pays to local governments across BC, including the City of Nanaimo. This difference in rates was included in evaluation of options, decision making, and budgeting related to the transition to automated collection service.

Compensation is paid on a per household basis and for 2021, with introduction of the automated system is projected to be approximately \$ 1,040,000 for collection and \$73,000 for education and administration of the program.

The service change by the RDN constitutes a change order in the Recycle BC Statement of Work. The Recycle BC Statement of Work Change Order Amendment is provided in Attachment 1.

BACKGROUND

The RDN has been in partnership with Recycle BC since 2014 as a curbside collector of PPP material for single family dwellings (Bylaw No. 1802). In November 30, 2018, the RDN renewed its partnership with Recycle BC for another 5 years ending December 31, 2023 (Attachment 2).

Under the Recycle BC Statement of Work, the transition from the current manual curbside collection service to automated curbside collection service slated for October 1, 2020, constitutes a change order. As part of this transition process, the RDN has provided a detailed transition plan and received approval from Recycle BC to provide them the reassurance that there is a strategy in place to educate residents regarding contamination, and to monitor and reduce contamination on an on-going basis.

The RDN program contamination average has consistently stayed below the overall Recycle BC program average and is currently at approximately 3%. With the new automated curbside collection service, curbside recycling will continue as a single stream commodity, with glass, plastic film and foam packaging collected at depots. RDN residents' recycling behaviours are well entrenched and are not anticipated to change significantly as a result of changes in the method of curbside collection. The RDN is committed to continually strive to reduce the overall contamination by using a three-prong approach:

- engaging residents via various promotion and education platforms;
- training of collection staff; and
- monitoring contamination and enforcing non-compliances as necessary.

The RDN has satisfied all Recycle BC requirements for the new automated service demonstrating a proven track record using a variety of tools and strategies to achieve low contamination and to ensure residents are ready for the transition and confident in their ability to participate in the new automated curbside collection system in October 2020. The RDN will be diligent in the use of the monitoring software and subsequent follow ups to educate residents regarding their non-compliance, and will be able to enforce and fine should that become necessary.

ALTERNATIVES

1. That the Board authorize execution of a change order to the Recycle BC Statement of Work for Curbside Collection Services Provided by Local Government to be effective October 1, 2020 to December 31, 2023 to reflect rates specified in the Statement of Work for automated curbside collection service.
2. Provide alternate direction.

FINANCIAL IMPLICATIONS

The 2021 RDN curbside program budget is estimated at \$6 million and is funded entirely by user fees, with no taxation to supplement the program. The new incentive payment rates, as shown in Table 1 below, will be applied to the Change Order Amendment effective October 1, 2020.

Table 1. Recycle BC Curbside Collection Financial Incentive (per household)

Financial Incentive	Old Manual Collection Rate	New Automated Collection Rate	Change	
Curbside Incentive Rate	\$36.65	\$35.40	-3%	(\$1.25)
Resident Education Top Up	\$0.75	\$0.75	0%	\$0.00
Service Administration Top Up	\$1.75	\$1.75	0%	\$0.00
Total	\$39.15	\$37.90	-3%	(\$1.25)

Based on the financial incentive offer in the Statement of Work Change Order Amendment, the RDN will qualify for a total incentive of \$37.90 per household per year starting October 2020 under the new automated curbside collection service, a 3% decrease from the old manual curbside collection service rate. The Resident Education and Service Administration Top Up remains unchanged at \$0.75 and \$1.75, respectively.

Table 2 2021 RDN Curbside Collection Service Rebate Breakdown

Financial Incentive	New Rate	Program Contribution
Curbside Incentive Rate	\$ 35.40	\$ 1,040,017
Resident Education Top Up	\$ 0.75	\$ 22,034
Service Administration Top Up	\$ 1.75	\$ 51,413
Total	\$ 37.90	\$ 1,113,464

Total compensation for 2021 received from Recycle BC is expected to be approximately \$1,113,000 (a \$36,724 decrease from the old manual collection compensation rate) made up of \$1,040,000 for collection and \$73,000 for education and administration. The reduction in compensation will be offset by a \$1.25 increase in user fee per household, which was incorporated in the 2020/2021 user fee¹ (Bylaw No. 1802 – Schedule A) and has been accounted for in the 2020 and 2021 budget.

STRATEGIC PLAN IMPLICATIONS

Environmental Stewardship - Achieve the 90% waste diversion target as per the Solid Waste Management Plan.

The residential curbside collection program is entirely funded by user fees to cover the costs associated with the contracted collection, disposal, program administration, education, and communications services. The execution of the agreement with Recycle BC Change Order Amendment is recommended to maintain the economic viability of the curbside service and to avoid disruption for residents.

¹ Vivian Schau (RDN Staff Report), "Bylaw 1802 RDN Residential Garbage Food Waste and Recycling Curbside Collection Services Rates and Regulation", March 3, 2020



Vivian Schau
vschau@rdn.bc.ca
August 12, 2020

Reviewed by:

- L. Gardner, Manager, Solid Waste Services
- T. Moore, Manager, Accounting Services
- R. Alexander, General Manager, Regional and Community Utilities
- P. Carlyle, Chief Administrative Officer

Attachments:

1. Recycle BC "Statement of Work for Curbside Collection Services Provided by Local Government" Change Order Amendment
2. Recycle BC "Statement of Work for Curbside Collection Services Provided by Local Government" Agreement

Change Order #02

This Change Order (the “**CO**”) is made effective as of October 1, 2020 (the “**Effective Date**”) and forms part of and is subject to the Master Services Agreement between MMBC Recycling Inc. carrying on business as Recycle BC (“**Recycle BC**”) and Regional District of Nanaimo (“**Contractor**”) dated November 30, 2013, including any Statements of Work made thereunder (the “**Agreement**”).

1. INTERPRETATION

- 1.1 Definitions. Capitalized terms not defined in this CO will be defined as set out in the Agreement.
- 1.2 Change Order. This CO is made pursuant to section 2.2 of the Agreement to implement a Change and this CO will, from and after the Effective Date, be read and construed along with the Agreement and be treated as part thereof, and for such purposes and so far as may be necessary to effectuate the terms and conditions of this CO, the Agreement will be regarded as being hereby amended and supplemented. Except as so amended and supplemented by the foregoing, all other terms and conditions of the Agreement will continue to apply and the Agreement will remain in full force and effect.

2. CHANGES TO SERVICES

- 2.1 Page 19 of the Statement of Work for **Curbside Collection Services Provided by Local Government** dated November 30, 2018 under the Agreement is hereby deleted and replaced with the page attached as Attachment A to this CO.

3. FEES AND PAYMENT TERMS

Except as may be reflected in a replacement page referenced in Section 2 above, this CO makes no changes to the Fees or payment terms of the Agreement.

4. OTHER TERMS

- 4.1 Governing Law. This CO will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein without regard to conflicts of law that would apply a different body of law.
- 4.2 Counterparts and Electronic Execution. This CO may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Delivery of an executed signature page to this CO by any party by electronic transmission will be as effective as delivery of a manually executed copy of this CO by such party.

(Signature page follows.)

IN WITNESS WHEREOF the parties have executed this CO effective as of the Effective Date.

MMBC RECYCLING INC.

REGIONAL DISTRICT OF NANAIMO

Per: _____
(I have authority to bind Recycle BC)

Per: _____
(I have authority to bind Contractor)

Name: _____
(Please Print)

Name: _____
(Please Print)

Title: _____

Title: _____

Per: _____
(I have authority to bind Contractor)

Name: _____
(Please Print)

Title: _____

Note: Second signatory to be completed by Contractor only if contractor requires two signatories (and by leaving the second signatory blank and returning the Change Order, Contractor and the first signatory represent that no additional signatories are required).

Attachment A

**ATTACHMENT 5 TO SCHEDULE 2.1(a)
FEES**

1. In this Attachment, the following terms will have the following meaning:

“Bonus Period” means each full calendar year during the SOW Term, commencing on January 1 and ending on December 31 of each year; provided, however, that (i) if the Service Commencement date is not January 1, the initial Bonus Period shall commence on the Service Commencement Date and end on December 31 of that year and (ii) if the SOW Term does not end December 31, the final Bonus Period will commence on January 1 of that year and end on the date on which the SOW Term ends.

“Curbside Household Baseline” means the number of Curbside Households in the Service Area as initially set out in Attachment 2.1.1, as may be modified in accordance with Section 3 of this Attachment 5 or pursuant to a change order made pursuant to Section 2.2 of the Agreement.

2. In consideration for Contractor’s performance of the SOW Services, Recycle BC will pay Contractor:

(a) The selected (as indicated by an x in the associated check box) annual amount in the table below times the Curbside Household Baseline (to be payable in arrears, in equal quarterly payments on net 30 day terms, provided that Contractor has submitted all applicable claims):

Curbside Collection Financial Incentive		
	Single-stream using automated carts – Categories 1, 2, 3(a), 3(b), 6 and 7	\$ per Curbside Household per Year
<input type="checkbox"/>	>2 Curbside Households per hectare	\$33.40
<input checked="" type="checkbox"/>	0.2 to 2 Curbside Households per hectare	\$35.40
<input type="checkbox"/>	<0.2 Curbside Households per hectare	\$37.40
	Single-stream using Containers other than automated carts – Categories 1, 2, (a), 3(b), 6 and 7	\$ per Curbside Household per Year
<input type="checkbox"/>	>2 Curbside Households per hectare	\$34.50
<input type="checkbox"/>	0.2 to 2 Curbside Households per hectare	\$36.65
<input type="checkbox"/>	<0.2 Curbside Households per hectare	\$38.80
	Multi-stream – Categories 1, 2 and 3(b) separate from Categories 3(a), 6 and 7	\$ per Curbside Household per Year
<input type="checkbox"/>	>2 Curbside Households per hectare	\$38.45
<input type="checkbox"/>	0.2 to 2 Curbside Households per hectare	\$40.65
<input type="checkbox"/>	<0.2 Curbside Households per hectare	\$42.80

(b) Each of the following that are selected (as indicated by an x in the associated check box) in the table below (which may be none): (i) the Resident Education Top Up amount; (ii) the Service Administration Top Up amount; and (iii) if Contractor also provides depot services in the Service Area pursuant to an active Statement of Work for Depot Collection Services, the Depot Top Up, in each case as set out in the table below times the Curbside Household Baseline to be invoiced and paid in arrears, in equal quarterly payments, provided that Contractor has submitted all applicable claims:

SCHEDULE 2.1(a)
STATEMENT OF WORK FOR CURBSIDE COLLECTION SERVICES PROVIDED BY LOCAL GOVERNMENT

This Statement of Work is incorporated into and forms part of the Master Services Agreement made between Regional District of Nanaimo ("**Contractor**") and MMBC Recycling Inc. carrying on business as Recycle BC ("**Recycle BC**") made as of November 30, 2013 (the "**Agreement**"). The effective date of this Statement of Work (the "**SOW Effective Date**") is November 30, 2018.

SECTION 1. Interpretation

1.1 Definitions. In this Statement of Work (including the attachments hereto), the following terms will have the following meanings. Capitalized terms used but not defined in this Statement of Work will have the respective meanings ascribed to them in the Agreement.

"**Agreement**" has the meaning set out on the first page of this Statement of Work.

"**Container**" means any reusable bin, box, tote, bag, open container or cart acceptable to Recycle BC used for household storage and curbside set-out of In-Scope PPP in the performance of this Statement of Work but, for the avoidance of doubt, does not include single-use bags.

"**Corrugated Cardboard**" means paper-based material consisting of a fluted corrugated sheet and one or two flat linerboards.

"**Curb**" or "**Curbside**" means a location within one metre of a Public Street or Private Road.

"**Curbside Collection**" has the meaning set out in Section 2.1.

"**Curbside Household**" means a self-contained dwelling unit providing accommodation to one or more people, including (i) single-family dwellings, (ii) buildings with up to four suites and (iii) rowhouses and townhouses, in each case where the resident of each unit is expected to individually deliver In-Scope PPP to the Curb for collection.

"**Curbside Household Baseline**" has the meaning set out in Attachment 5.

"**Customer**" means residents of Curbside Households within the Service Area.

"**Designated Post-Collection Facility**" means the facility at which Contractor delivers Contractor-collected In-Scope PPP to the Designated Post-Collection Service Provider.

"**Designated Post-Collection Service Provider**" means the entity, designated by Recycle BC, to receive Contractor-collected In-Scope PPP.

"**In-Scope PPP**" means the PPP set out in Attachment 2.1.2 and such other materials identified as In-Scope PPP by Recycle BC in writing from time to time.

"**Industrial, Commercial and Institutional**" or "**ICI**" means any operation or facility other than a Curbside Household, including but not limited to industrial facilities such as warehouses, distribution centres, manufacturing facilities; commercial facilities such as retail stores, offices, strip malls and vacation facilities, such as hotels, motels, cottages, cabins and rental, co-operative, fractional ownership, time-share or condominium accommodation associated with sports and leisure facilities (e.g., ski resorts); and, institutional facilities such as schools, churches, community buildings, local government buildings, arenas, libraries, fire halls, police stations and residences at which medical care is provided, such as nursing homes, long-term care facilities and hospices.

"Missed Collection" means any failure of Contractor to collect In-Scope PPP that has been set out by a Customer on the Customer's scheduled collection day by the appointed set out time.

"Not Accepted Materials" means, collectively, any material that is not PPP (as that term is defined in the Agreement).

"Private Road" means a privately-owned and maintained way that allows for access by a service vehicle and that serves multiple residences.

"Public Street" means a public right-of-way used for public travel, including public alleys.

"Service Area" means the geographic area delineated in Attachment 2.1.1.

"Service Commencement Date" means November 30, 2018.

"SOW Effective Date" has the meaning set out on the first page of this Statement of Work.

"SOW Services" has the meaning set out in Section 2.

"SOW Term" has the meaning set out in Section 4.

1.2 Attachments. As of the Effective Date, the following Attachments form part of this Agreement (note that Attachment numbering is not sequential and is based on a related section reference):

<u>Attachment</u>	<u>Description</u>
Attachment 2.1.1	- Service Area
Attachment 2.1.2	- In-Scope PPP
Attachment 3.4	- Service Level Failures
Attachment 5	- Fees

SECTION 2. Services

Contractor will provide, on the terms and conditions set out in the Agreement as supplemented and modified by the terms and conditions of this Statement of Work, the following Services (the "**SOW Services**"):

2.1 Curbside Collection Services. Beginning on the Service Commencement Date, Contractor will collect In-Scope PPP at Curbside from all Customers within the Service Area as further described in this Section 2.1 ("**Curbside Collection**") and in accordance with the terms of the Agreement and this Statement of Work.

2.1.1 Service Area.

- (a) Contractor will perform Curbside Collection from Curbside Households in the Service Area.
- (b) Changes to the Service Area will be made in accordance with the change process set out in Section 2.2 of the Agreement.
- (c) Notwithstanding the Curbside Household Baseline and subject to Sections 2.1.2(g) and 2.1.4(e), Contractor is obligated to provide Curbside Collection from all Curbside Households in the Service Area.

- (d) Contractor will collect In-Scope PPP only from ICI locations approved by Recycle BC in advance. Recycle BC shall have the right, exercisable at any time in its sole discretion, to revoke its approval of any one or more ICI locations.
- (e) Contractor will not be entitled to receive any Fees or other payments in respect of In-Scope PPP collected from ICI locations and will be solely responsible for all costs associated with the collection and post-collection management of In-Scope PPP collected from ICI locations. Recycle BC reserves the right to develop and apply a methodology, at its own sole discretion, for calculating the amount of In-Scope PPP from ICI locations included in the Contractor-collected In-Scope PPP delivered to the Designated Post-Collection Facility (the "**Determined ICI Amount**"). Without limiting the generality of the foregoing, Contractor acknowledges and agrees that Contractor will be solely responsible for any costs or fees charged by the Designated Post-Collection Service Provider in respect of the Determined ICI Amount.

2.1.2 PPP Materials.

- (a) Contractor will collect (i) all In-Scope PPP from all Customers that is placed in Containers (including both Contractor-provided and Customer-owned Containers) and (ii) any Corrugated Cardboard that is flattened and stacked by the Customers' Container (or stacked alone if no Container is present).
- (b) Materials collected by Contractor may not contain more than 3% by weight of Not Accepted Materials. Loads exceeding 3% by weight of Not Accepted Materials may be subject to rejection by the Designated Post-Collection Service Provider and may result in Service Level Failure Credits.
- (c) Materials collected by Contractor may not contain (i) any packaging containing hazardous or special waste or (ii) Categories 4, 5 or 9.
- (d) If Contractor collects In-Scope PPP in multi-stream, Contractor must ensure that:
 - (i) loads of Categories 1, 2 and 3(b) do not contain more than 1% by weight of Categories 3(a), 6 and 7; and
 - (ii) loads of Categories 3(a), 6 and 7 do not contain more than 3% by weight of Categories 1, 2 and 3(b).
- (e) Subject to Section 2.1.2(h), Contractor must ensure that loads of Categories 1, 2, 3(a), 3(b), 6 and 7 (whether collected in a single stream or a multi-stream) do not contain more than 3% by weight of Category 8.
- (f) If Contractor collects Category 8 segregated from other In-Scope PPP, Contractor must ensure that such material stream does not contain more than 1.5% by weight of Not Accepted Materials and other categories of In-Scope PPP (individually or in the aggregate). Loads of segregated Category 8 exceeding 1.5% by weight of Not Accepted Materials and other categories of In-Scope PPP (individually or in the aggregate) may be subject to rejection by the Designated Post-Collection Service Provider and may result in Service Level Failure Credits.
- (g) Contractor will implement and maintain reasonable procedures to ensure that loads delivered to the Designated Post-Collection Facility comply with the requirements set forth in this Section 2.1.2, including procedures to monitor the content of collected materials and procedures to notify and reject material from

Customers who do not comply with such requirements. Such procedures are subject to review by Recycle BC at any time and from time to time. If Recycle BC determines that such procedures are inadequate, Contractor will adopt such procedures as Recycle BC may reasonably require in order to ensure compliance with this Section 2.1.2.

- (h) If immediately prior to the SOW Effective Date Contractor (i) did not provide Curbside Collection from Curbside Households in the Service Area or (ii) did not provide Curbside Collection from Curbside Households in the Service Area pursuant to a statement of work with Recycle BC, Contractor will not be required to comply with Section 2.1.2(e) until the six month anniversary of the Service Commencement Date. If Contractor is not in compliance with Section 2.1.2(e) by the six month anniversary of the Service Commencement Date, Contractor will, within 90 days, prepare and submit to Recycle BC for approval a remediation plan designed to reduce the quantity of Category 8 to the required level. Following approval of the remediation plan by Recycle BC, Contractor will use its best efforts to implement the plan and provide monthly reporting to Recycle BC detailing the progress and outcomes of the remediation plan. If Contractor is not in compliance with Section 2.1.2(e) within 90 days after implementing the remediation plan, Contractor will work with Recycle BC to establish additional changes and to adopt best practices recommended by Recycle BC in order to achieve the stated objective.

2.1.3 Collection.

- (a) Contractor will not place limits on the quantity of In-Scope PPP collected from Customers.
- (b) Contractor will pick up In-Scope PPP placed by Customers (in accordance with Section 2.1.2(a)) at the Curb along the collection vehicle route, which may be a Public Street or a Private Road.
- (c) Subject to Section 2.1.3(d), Contractor will perform Curbside Collection from each Curbside Household in the Service Area no more frequently than weekly and no less frequently than bi-weekly.
- (d) If Contractor collects Category 8 segregated from other In-Scope PPP, Contractor will collect Category 8 from each Curbside Household in the Service Area no more frequently than weekly and no less frequently than once every month.
- (e) Contractor will make collections in an orderly, non-disruptive, and quiet manner, and will return Containers (including, in the case of carts, with their lids closed) in their set out location in an orderly manner. The location of returned Containers should not block sidewalks, driveways, or on street parking.
- (f) If Contractor provided Curbside Collection from Curbside Households in the Service Area immediately prior to the Service Commencement Date, Contractor will provide Curbside Collection services that meet or exceed the level of service provided by Contractor prior to the Service Commencement Date.

2.1.4 Containers.

- (a) Except to the extent and on the conditions otherwise approved by Recycle BC in writing, Contractor will, at Contractor's cost, provide Containers to each Curbside Household in the Service Area that provide Customers with sufficient volume to accommodate In-Scope PPP generated by Customers between collections so that Container capacity is not a barrier to Customer use of the Curbside Collection service.
- (b) Except to the extent and on the conditions otherwise approved by Recycle BC in writing, if Curbside Households or geographical areas are added to a Service Area under Section 2.1.1(b), Contractor will deliver Containers to any new Curbside Households added to the Service Area at least ten Business Days prior to the start date provided by Recycle BC.
- (c) Except to the extent and on the conditions otherwise approved by Recycle BC in writing, Contractor will deliver a Container to a requesting Customer within seven Business Days of the Customer's initial request.
- (d) If any Customers choose to provide their own Containers, Contractor will handle the Customer-owned Containers in such a way as to prevent undue damage, and Contractor will be responsible for unnecessary or unreasonable damage to Customer-owned Containers.
- (e) In the event that a particular Customer repeatedly damages a Container or requests more than one replacement Container more frequently than a time period allowing for reasonable wear and tear during the SOW Term, Contractor may charge Customer for the depreciated value of the replaced Container. In the event that the problem continues, Contractor may discontinue service to that Customer provided Recycle BC provides prior written approval.
- (f) If Contractor did not provide Curbside Collection from Curbside Households in the Service Area immediately prior to the Service Commencement Date, Contractor will deliver Containers that meet the requirements set out in this Agreement to each Customer in the Service Area at least ten Business Days prior to the Service Commencement Date unless otherwise approved by Recycle BC in writing.
- (g) Contractor may not collect In-Scope PPP in single-use bags except in accordance with Section 2.1.4(h).
- (h) If Contractor provided Curbside Collection from Curbside Households in the Service Area immediately prior to the Service Commencement Date and, at such time, collected In-Scope PPP in single-use bags, Contractor will:
 - (i) except to the extent and on the conditions otherwise approved by Recycle BC in writing, deliver Containers that meet the requirements set out in this Agreement to each Curbside Household in the Service Area at least ten Business Days prior to July 1, 2020; and
 - (ii) not collect In-Scope PPP in single-use bags after July 1, 2020.
- (i) If Contractor (i) is transitioning from single-use bags to Containers pursuant to Section 2.1.4(h) or (ii) proposes to change the type of Container it uses for Curbside Collection in the Service Area, Contractor will submit a detailed

transition plan to Recycle BC a minimum of six months prior to the scheduled or planned change. Any change to the type of Containers used for Curbside Collection in the Service Area is subject to approval in writing by Recycle BC, which approval will not be unreasonably withheld.

2.1.5 Designated Post-Collection Facility.

- (a) Contractor will deliver all collected In-Scope PPP to the Designated Post-Collection Facility on the day of collection, unless alternative arrangements have been approved in writing by Recycle BC. If Contractor is unable to deliver collected In-Scope PPP to the Designated Post-Collection Facility on the day of collection for an unforeseen reason outside Contractor's reasonable control, Contractor will deliver such collected In-Scope PPP to the Designated Post-Collection Facility as soon as possible thereafter and will store such In-Scope PPP during the interim in a safe and secure manner. Contractor may not charge any amounts to the Designated Post-Collection Service Provider in connection with such storage. Contractor will not deliver In-Scope PPP to any location other than the Designated Post-Collection Facility or dispose of any collected In-Scope PPP without prior written authorization from Recycle BC.
- (b) Contractor will deliver all collected In-Scope PPP to the Designated Post-Collection Facility segregated, at a minimum, in the manner set out in Attachment 2.1.2.
- (c) If Contractor collects Categories 1, 2, 3(a), 3(b), 6 and 7 in multi-stream, Contractor must (i) unload Categories 1, 2 and 3(b) in a separate bunker or other location than Categories 3(a), 6 and 7 and (ii) unload Categories 3(a), 6 and 7 in a separate bunker or location than Categories 1, 2 and 3(b), in each case as directed by the Designated Post-Collection Service Provider. Loads delivered in violation of this Section 2.1.5(c), including as a result of driver error or mechanical failure, may be subject to a Service Level Failure Credit.
- (d) Contractor will follow all reasonable instructions and procedures regarding the delivery of In-Scope PPP as directed by the Designated Post-Collection Service Provider and Recycle BC, including but not limited to instructions and procedures pertaining to health and safety, delivery and unloading of In-Scope PPP, audit procedures and weigh scale operation.
- (e) If Contractor is scheduled to collect In-Scope PPP from Curbside Households in the Service Area on a holiday, Contractor will coordinate directly with the Designated Post-Collection Service Provider a minimum of ten Business Days in advance of such holiday in order to schedule the delivery of such In-Scope PPP.
- (f) If the Service Area is within the Metro Vancouver Regional District, the Designated Post-Collection Facility will be located within 30 minutes (on average based on typical traffic conditions between 10 am and 2 pm Monday to Friday) from the Service Area boundary at the point of least distance to the Designated Post-Collection Facility.
- (g) If the Service Area is not within Metro Vancouver Regional District, the Designated Post-Collection Service Provider will locate the Designated Post-Collection Facility within 60 kilometers from the Service Area boundary at the point of least distance to Designated Post-Collection Facility. If delivery to the Designated Post-Collection Facility requires the use of a ferry, then delivery boundary is the ferry terminal and the portion of the trip that requires ferry travel is to be the responsibility of the Designated Post-Collection Service Provider. If

the Designated Post-Collection Service Provider has used commercially reasonable efforts to locate the Designated Post-Collection Facility within such area but is unable to do so, Contractor will not be required to deliver In-Scope PPP to the Designated Post-Collection Facility except on terms mutually acceptable to Contractor and the Designated Post-Collection Service Provider.

- (h) Recycle BC may change the location of the Designated Post-Collection Facility upon 30 days' written notice. If Recycle BC changes the location of the Designated Post-Collection Facility such that the new location is greater than 10 kilometers beyond the applicable maximum distance set out in Section 2.1.5(f) or (g), as the case may be, such change will be made pursuant to the change process in Section 2.2 of the Agreement (provided that Contractor may not refuse such a change).
- (i) Unless Recycle BC otherwise agrees in writing, Contractor may not consolidate or otherwise sort In-Scope PPP collected from Customers in the Service Area before delivering such materials to the Designated Post-Collection Facility. Such approval may be subject to such conditions or procedures as Recycle BC considers appropriate or necessary in the circumstances and may be revoked at any time by Recycle BC in its sole discretion, including without limitation if Contractor has failed to comply with such conditions or procedures.
- (j) If the Designated Post-Collection Service Provider rejects a load of In-Scope PPP from Contractor due to a verified claim that such load contains more than 3% by weight of Not Accepted Materials or contains any hazardous or special waste, Recycle BC reserves the right to designate alternative procedures and requirements associated with that load and to deduct any additional costs associated therewith from the Fees otherwise due to Contractor.

2.1.6 Spillage.

- (a) All loads collected by Contractor will be completely contained in collection vehicles at all times, except when material is actually being loaded. Hoppers on all collection vehicles will be cleared frequently to prevent the occurrence of blowing or spillage.
- (b) Any spillage of materials that occurs during Curbside Collection will be immediately cleaned up or removed by Contractor at its sole expense. Contractor will keep accurate records of each occurrence of spillage and of its clean-up, and will make such records available to Recycle BC on request and, if requested by Recycle BC, as part of a regular report to be delivered with such frequency as requested by Recycle BC (but not more frequently than monthly). Contractor expressly acknowledges it is solely responsible for any violations of Applicable Law that may result from said spillage.
- (c) Without limiting Section 2.1.6(b) above, Contractor will maintain all collection vehicles to ensure that no liquid wastes (e.g., leachate) or oils (e.g., lubricating, hydraulic, or fuel) are discharged to Customer premises or Public Streets or Private Roads. All collection and route supervisor vehicles used by Contractor will be equipped with a spill kit sufficient in size to contain a spill of equivalent volume to the largest lubricating, hydraulic or fuel tank on the largest collection vehicle. Any discharge of liquid wastes or oils that may occur from Contractor's collection vehicles prior to them being removed from service will be cleaned up or removed by Contractor within three hours of being noticed by route staff, Customers, or Recycle BC, and will be remediated by Contractor at its sole expense. Such clean-up or removal will be documented with pictures, and notice

of such clean-up or removal will be provided to Recycle BC in writing. Contractor will immediately notify the Recycle BC-designated spill coordinator of any spills that enter ground-water or drainage systems.

2.1.7 Routes.

- (a) Contractor Curbside Collection routes may not extend outside the Service Area. Contractor collection vehicles used to perform Curbside Collection may only be used for collection services outside the Service Area or for any other use if they are emptied before and after such other use and Contractor has obtained prior approval from Recycle BC in writing.

2.1.8 Pilot programs.

- (a) Recycle BC may wish to test or implement one or more new services or developments in PPP material segregation, processing, or collection technology. Recycle BC will notify Contractor in writing at least 90 days prior of its intention to implement a pilot program or of its intentions to utilize a new technology system in the Service Area. The allocation of any costs (or savings) accrued by Recycle BC-initiated pilot programs will be negotiated prior to implementation pursuant to the change process in Section 2.2 of the Agreement. If Recycle BC deems the pilot a success, and desires to incorporate the service or development represented in the pilot program into this Statement of Work, such a change will be made pursuant to the change process in Section 2.2 of the Agreement.
- (b) Contractor-initiated pilot programs will require prior written notification to and written approval by Recycle BC. Contractor-initiated pilot programs will be performed at no additional cost to Recycle BC.

2.2 Customer Service and Management. As part of Curbside Collection, Contractor will provide the following services:

2.2.1 Customer Service Requirements

- (a) Contractor's Customer service office and call center will be accessible by a local area code and prefix phone number. Customer service representatives will be available through Contractor's call center during office hours for communication with Customers and Recycle BC representatives. Customer calls will be taken during office hours by a person, not by voice mail. During all non-office hours for the call center, Contractor will have an answering or voice mail service available to record messages from all incoming telephone calls, and include in the message an emergency telephone number for Customers to call outside of normal office hours in case of an emergency.
- (b) Contractor will maintain a 24 hour emergency telephone number for use by Recycle BC. Contractor will have a representative, or an answering service to contact such representative, available at such emergency telephone number for Recycle BC-use during all hours, including normal office hours.
- (c) Contractor's Customer service representatives will have instantaneous electronic access to Customer service data and history to assist them in providing excellent Customer service.

2.2.2 Customer Service Representative Staffing

- (a) Contractor will maintain sufficient staffing to answer and handle complaints and service requests in a timely manner made by all methods, including telephone, letters, e-mails and text messages. If staffing is deemed to be insufficient by Recycle BC to handle Customer complaints and service requests in a timely manner, Contractor will increase staffing levels to address the performance deficiency.
- (b) If Contractor did not provide Curbside Collection from Curbside Households in the Service Area immediately prior to the Service Commencement Date, Contractor will provide additional staffing from Service Commencement Date through the four month anniversary of the Service Commencement Date to ensure that sufficient staffing is available to minimize Customer waits and inconvenience. Contractor will receive no additional compensation for increased staffing levels during the implementation period. Staffing levels during the implementation period will be subject to prior Recycle BC review and approval.

2.2.3 Customer Complaints and Requests

- (a) Contractor will record all Customer complaints and service requests, regardless of how received, including date, time, Customer's name and address, if the Customer is willing to give this information, method of transmittal, and nature, date and manner of resolution of the complaint or service request in a computerized daily log. Any telephone calls received via Contractor's non-office hours voice mail or answering service will be recorded in the log the following Business Day. Contractor will make a conscientious effort to resolve all complaints and service requests within 24 hours of the original contact. If a longer response time is necessary for complaints or requests, the reason for the delay will be noted in the log, along with a description of Contractor's efforts to resolve the complaint or request.
- (b) Contractor's customer service log will be available for inspection by Recycle BC during Contractor's office hours, and will be in a format approved by Recycle BC. Contractor will provide a copy of this log in an electronic format from the Microsoft Office suite of software to Recycle BC on request and, if requested by Recycle BC, as part of a regular report to be delivered with such frequency as requested by Recycle BC (but not more frequently than monthly).

2.3 Promotion and Education.

- 2.3.1 Contractor will have primary responsibility for executing public promotion, education, and outreach programs associated with the collection of In-Scope PPP. Contractor will incorporate Recycle BC-developed communications messages and images in Contractor public promotion, education, and outreach programs.
- 2.3.2 Recycle BC reserves the right, at its sole discretion, to require Contractor to seek advance approval of any or all public promotion, education and outreach materials associated with the collection of In-Scope PPP, including but not limited to recycling guides, collection calendars, website content and "oops tags."
- 2.3.3 If Contractor receives Resident Education Top Up payments in accordance with Attachment 5, Contractor must spend the total amount of the Resident Education Top Up payments paid to Contractor on promotion, education and outreach programs on an annual basis.

- 2.3.4 Except for logos of the applicable local government, Recycle BC, Contractor or any sub-contractor of Contractor, Contractor may not affix or otherwise include any logo of, or any reference to, any other party or person on a Container in any manner whatsoever, including stickers and hot stamps.
- 2.3.5 Contractor will have primary responsibility for providing Customers service-oriented information such as dates and times of Curbside Collection.
- 2.4 Transition and Implementation Services. If immediately prior to the SOW Effective Date Contractor (i) did not perform Curbside Collection from Curbside Households in the Service Area or (ii) did not provide Curbside Collection from Curbside Households in the Service Area pursuant to a statement of work with Recycle BC, Contractor will, beginning on the SOW Effective Date and with Recycle BC's input, develop and submit to Recycle BC no later than two weeks after the SOW Effective Date a transition and implementation plan (the "**Transition and Implementation Plan**") for implementing Curbside Collection, including a specific timeline as to when different activities and events will occur, details of how different events impact other events in the timeline, and the process to be used to ensure that implementation occurs on the Service Commencement Date with no disruption. The Transition and Implementation Plan will cover the entire period from the SOW Effective Date to and including the six month anniversary of the Service Commencement Date. Contractor will describe in detail what is involved with each of the activities and events listed in the Transition and Implementation Plan. Finalization of the Transition and Implementation Plan will be subject to Recycle BC's prior approval.

SECTION 3. Performance Standards and Operational Requirements

- 3.1 Personnel Conduct. Contractor personnel performing Curbside Collection will at all times be courteous, refrain from loud, inappropriate or obscene language, exercise due care, perform their work without delay, minimize noise, and avoid damage to public or private property. If on private property, Contractor personnel will follow the regular pedestrian walkways and paths, returning to the street after replacing empty Containers. Contractor personnel will not trespass or loiter, cross flower beds, hedges, or property of adjoining premises, or meddle with property that does not concern them or their task at hand.
- 3.2 Vehicle Standards. Without limiting any other requirements or obligations of Contractor, Contractor will meet or exceed the following standards in respect of collection vehicles used to perform Curbside Collection:
- 3.2.1 All collection vehicles will be maintained in a clean and sanitary manner, and will be thoroughly washed at least once each week. All collection vehicles will have appropriate safety markings, including all highway lighting, flashing and warning lights, clearance lights, and warning flags, all in accordance with applicable law. All collection vehicles and all parts and systems of all collection vehicles will operate properly and be maintained in a condition compliant with all applicable laws, good industry standards, and be in a condition satisfactory to Recycle BC. Any vehicles not meeting these standards will not be used within the Service Area until repairs are made. All collection vehicles will be equipped with variable tone or proximity activated reverse movement back-up alarms.
- 3.2.2 Contractor will maintain all vehicles used in the performance of Curbside Collection in a manner intended to achieve reduced emissions and particulates, noise levels, operating costs, and fuel use.
- 3.3 SOW Record and Reporting Requirements.
- 3.3.1 Service Delivery Reporting. In addition to the record keeping and reporting requirements in the Agreement, Contractor will:

- (a) maintain an electronic record of all calls related to Missed Collections and the response provided by Contractor;
- (b) maintain an electronic record of all Customer requests, complaints and inquiries, including Customer name, mailing address, contact information (both telephone number and e-mail, if available), property name and service address, if different from mailing address, date of contact, reason for contact, results of Customer request, complaint or inquiry, resulting changes, additional follow-up needed, follow-up conducted, results of follow-up, and list of educational or outreach materials provided;
- (c) maintain such other records as may be requested by Recycle BC. including:
 - (i) tonnage by collection date and weight scale ticket (which must include the collector name and truck number);
 - (ii) customer communications related to Curbside Collection including telephone calls, letters, e-mails, text messages or webpage messages received; and
 - (iii) notices left for Customers;
- (d) make all records maintained pursuant to this Statement of Work available to Recycle BC upon request and, if requested by Recycle BC, provide a regular (but no more frequently than monthly) report to Recycle BC, in a format and by a method approved by Recycle BC, setting out or summarizing (at Recycle BC's discretion) such records as may be indicated by Recycle BC for the reporting period;
- (e) upon Recycle BC's request, provide up to two reports each year on associated collection metrics necessary to the calculation of the greenhouse gas emissions associated with the performance of Curbside Collection; and
- (f) upon Recycle BC's request, provide up to four ad-hoc reports each year, at no additional cost to Recycle BC. These reports may include Customer service database tabulations to identify specific Service Level or participation patterns or other similar information. Reports will be provided in Recycle BC-defined format and software compatibility. These reports will not require Contractor to expend more than 60 staff hours per year to complete.

3.3.2 Claims Reporting

- (a) At Recycle BC's discretion, responsibility for claim reporting under Section 3.3.2(b) shall be assigned by Contractor to the Designated Post-Collection Service Provider.
- (b) All loads must be documented by Contractor or the Designated Post-Collection Service Provider, as the case may be, in a manner specified by Recycle BC from time to time, including by a certified scale ticket provided by the Designated Post-Collection Service Provider, with Contractor name and address, Designated Post-Collection Service Provider name and address, date, time, truck number, net weight by material type (by material types set out in Attachment 2.1.2) and such other information as Recycle BC may designate (collectively, "**Claim Information**"). Claim Information with respect to any delivery of In-Scope PPP to

the Designated Post-Collection Facility must be submitted within 10 Business Days of the delivery date.

- (c) Recycle BC will issue a claim summary to Contractor based on Claim Information directly provided to Recycle BC pursuant to Section 3.3.2(b), and Contractor will review the claim summary for accuracy. Contractor must report to Recycle BC any content in the claim summary that Contractor disputes within five days of the claim summary being issued.
- (d) After Recycle BC has approved the Claim Information, Recycle BC will issue a purchase order to Contractor, including a reference number. Recycle BC may, at its discretion, choose to issue payment to Contractor based on the approved purchase order without the need for Contractor to submit an invoice. Where invoices are required by Recycle BC, Contractor will invoice Recycle BC using the contact information provided by Recycle BC for such purpose (as may be updated by Recycle BC from time to time).
- (e) Standard tare weights for specific trucks may only be used on specific written permission of Recycle BC.

3.4 Service Levels. If Contractor fails to meet any Service Level set out in Attachment 3.4, Recycle BC will be entitled to the applicable Service Level Failure Credits set out in Attachment 3.4.

SECTION 4. SOW Term

This Statement of Work will commence on the SOW Effective Date and its initial term will continue until December 31, 2023. Recycle BC may extend this Statement of Work for up to two further periods of one year each by giving Contractor notice in writing not less than 180 days before the expiration of the initial term or any such additional term or terms. The initial term and any such additional term or terms are herein referred to as the "**SOW Term**".

SECTION 5. Fees

The Fees payable by Recycle BC for the performance by Contractor of the SOW Services are set out in Attachment 5 to this Statement of Work, and such Fees begin after the Service Commencement Date. For the avoidance of doubt, Contractor acknowledges and agrees that it will not be entitled to receive any Fees in respect of In-Scope PPP collected from ICI locations.

SECTION 6. Additional Terms

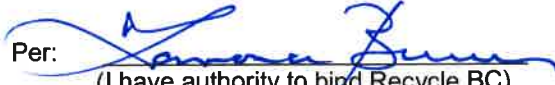
- 6.1 No Double Charge. Contractor will not directly or indirectly charge Customers, including without limitation by way of tax, levy or other surcharge, for the cost of providing the SOW Services if and to the extent that such costs are covered by Fees (prior to deducting any Service Level Failure Credits) or other payments Contractor is entitled to receive from Recycle BC under this Statement of Work.
- 6.2 Scavenging Forbidden. Contractor will not scavenge, or permit any employee (or, at the request of Recycle BC, any other person) to scavenge, any materials (including, if permitted by law, materials other than In-Scope PPP that have been set out to be collected by other collection service providers) at any time and at any location during Contractor's performance of the SOW Services or otherwise.
- 6.3 Risk. Contractor will be responsible for all risks, including risk of loss of, or damage caused by, the In-Scope PPP from the time the In-Scope PPP is collected by Contractor until delivery to the Designated Post-Collection Facility. In-Scope PPP will be deemed to be delivered when off-

loaded from Contractor's vehicles at the Designated Post-Collection Facility and accepted by the signature of an authorized representative of the Designated Post-Collection Service Provider. Contractor will be responsible for the cost of any damage to Containers or the Designated Post-Collection Facility caused by Contractor.

(Signature page follows.)

IN WITNESS WHEREOF the parties have executed this Statement of Work effective as of the SOW Effective Date.

MMBC RECYCLING INC.

Per: 
(I have authority to bind Recycle BC)
Name: TAMARA BURNS
(Please Print)
Title: SVP Western Operations

REGIONAL DISTRICT OF NANAIMO

Per: 
(I have authority to bind Contractor)
Name: William Veenhof, Chair
(Please Print)
Title: _____
Per: 
(I have authority to bind Contractor)
Name: Patricia Mayea, Legislative Coordinator
(Please Print)
Title: _____

Note: Second signatory to be completed by Contractor only if Contractor requires two signatories (and by leaving the second signatory blank and returning the Statement of Work to Recycle BC, Contractor and the first signatory represent that no additional signatories are required).

**ATTACHMENT 2.1.1 TO SCHEDULE 2.1(a)
DESIGNATED SERVICE AREA**

1. Under this Statement of Work, the initial Curbside Household Baseline will be 28,842.
2. The Service Area is:

District of Parksville

District of Lantzville

Town of Qualicum Beach

Regional District of Nanaimo Electoral Areas A, B, C, E, F, G and H

ATTACHMENT 2.1.2 TO SCHEDULE 2.1(a)
IN-SCOPE PPP

For the purpose of this Statement of Work, In-Scope PPP will mean the material described in the categories of PPP below that have been selected as indicated by an x in the associated check box (and the In-Scope PPP shall be segregated, at a minimum, in the streams that have been selected below):

- PPP, in single stream, in Category 1, Category 2, Category 3(a), Category 3(b), Category 6 and Category 7.
- PPP, in multi stream, in Category 1, Category 2, and Category 3(b) which may be comingled together, but must be segregated from all other PPP.
- PPP, in multi stream, in Category 3(a), Category 6 and Category 7 which may be comingled together, but must be segregated from all other PPP.
- PPP in Category 8, segregated from all other PPP.

To the extent beverage containers as defined in Schedule 1 of the *Recycling Regulation* to the *Environmental Management Act* (BC) are comingled with In-Scope PPP to be collected by Contractor, such beverage containers shall be deemed to be In-Scope PPP for the purposes of this Statement of Work, with polycoated beverage containers defined as Category 3(a), plastic beverage containers defined as Category 6, metal beverage containers defined as Category 7 and glass beverage containers defined as Category 8.

**ATTACHMENT 3.4 TO SCHEDULE 2.1(a)
SERVICE LEVEL FAILURES**

Contractor will incur the following Service Level Failure Credits on the following Service Level Failures; provided, however, that the aggregate amount of Service Credit Level Failures in respect of any calendar year shall not exceed the aggregate amount of Fees payable to Contractor in respect of such calendar year:

	Service Level Failure	Service Level Failure Credit												
1	Overstatement of Curbside Households or understatement of Industrial, Commercial and Institutional locations in the Service Area.	\$5,000 per incident.												
2	Failure to provide a required report pursuant to Section 3.3.1 on time.	\$500 per day past deadline.												
3	Failure to separate In-Scope PPP collected from Curbside Households in the Service Area from materials collected outside of the Service Area without prior written approval from Recycle BC.	\$5,000 per route, plus \$3,000 per month (pro-rated in the case of a partial month) until the Service Level Failure has been remedied or a request for approval has been approved in writing by Recycle BC.												
4	If the Curbside Household Baseline does not exceed 25,000, a delivery of materials to the Designated Post-Collection Facility that contains more than 3% by weight of Not Accepted Materials.	<p>The Per Load Amount for each weigh-scale ticketed load that results in a Service Level Failure, provided that the aggregate Service Level Failure Credit for this Service Level Failure in respect of any calendar year shall not exceed 24 times the applicable Per Load Amount</p> <p>For the purpose of this Service Level Failure, the "Per Load Amount" in respect of any year will be determined by the Curbside Household Baseline for such year, in accordance with the following table:</p> <table border="1" data-bbox="1003 1356 1341 1598"> <thead> <tr> <th data-bbox="1003 1356 1187 1444">Curbside Household Baseline</th> <th data-bbox="1187 1356 1341 1444">Per Load Amount</th> </tr> </thead> <tbody> <tr> <td data-bbox="1003 1444 1187 1472">10,000-25,000</td> <td data-bbox="1187 1444 1341 1472">\$5,000</td> </tr> <tr> <td data-bbox="1003 1472 1187 1499">5,000-9,999</td> <td data-bbox="1187 1472 1341 1499">\$3,750</td> </tr> <tr> <td data-bbox="1003 1499 1187 1526">2,500-4,999</td> <td data-bbox="1187 1499 1341 1526">\$2,500</td> </tr> <tr> <td data-bbox="1003 1526 1187 1554">499-2,499</td> <td data-bbox="1187 1526 1341 1554">\$1,250</td> </tr> <tr> <td data-bbox="1003 1554 1187 1598">0-499</td> <td data-bbox="1187 1554 1341 1598">\$500</td> </tr> </tbody> </table>	Curbside Household Baseline	Per Load Amount	10,000-25,000	\$5,000	5,000-9,999	\$3,750	2,500-4,999	\$2,500	499-2,499	\$1,250	0-499	\$500
Curbside Household Baseline	Per Load Amount													
10,000-25,000	\$5,000													
5,000-9,999	\$3,750													
2,500-4,999	\$2,500													
499-2,499	\$1,250													
0-499	\$500													
5	If the Curbside Household Baseline exceeds 25,000, a delivery of materials to the Designated Post-Collection Facility that contains more than 3% by weight of Not Accepted Materials.	The Per Load Amount for each weigh-scale ticketed load that results in a Service Level Failure, provided that the aggregate Service Level Failure Credit for this Service Level Failure in respect of any calendar year shall not exceed 24 times the applicable Per Load Amount.												

	Service Level Failure	Service Level Failure Credit												
		<p>For the purpose of this Service Level Failure, the "Per Load Amount" will initially be \$5,000. If Contractor is required to make one or more payments in respect of this Service Level Failure in respect of any year, the Per Load Amount for the following year will be automatically increased by \$5,000 (to a maximum of \$20,000). If Contractor is not required to make any payments in respect of this Service Level Failure in respect of a particular year, the Per Load Amount for the following year will be reset at \$5,000.</p>												
6	If Contractor collects Categories 1, 2, 3(a), 3(b), 6 and 7 in multi-stream, delivery of a load in violation of Section 2.1.5(c) .	\$1,000 per load.												
7	Delivery of a load of Category 8 to the Designated Post-Collection Facility that contains more than 1.5% by weight of Not Accepted Materials and other categories of In-Scope PPP (individually or in the aggregate).	<p>The Per Load Amount for each weigh-scale ticketed load that results in a Service Level Failure, provided that the aggregate Service Level Failure Credit for this Service Level Failure in respect of any calendar year shall not exceed 24 times the applicable Per Load Amount.</p> <p>For the purpose of this Service Level Failure, the "Per Load Amount" in respect of any year will be determined by the Curbside Household Baseline for such year, in accordance with the following table:</p> <table border="1" data-bbox="992 1310 1333 1556"> <thead> <tr> <th data-bbox="992 1310 1182 1398">Curbside Household Baseline</th> <th data-bbox="1182 1310 1333 1398">Per Load Amount</th> </tr> </thead> <tbody> <tr> <td data-bbox="992 1398 1182 1430">10,000+</td> <td data-bbox="1182 1398 1333 1430">\$5,000</td> </tr> <tr> <td data-bbox="992 1430 1182 1461">5,000-9,999</td> <td data-bbox="1182 1430 1333 1461">\$3,750</td> </tr> <tr> <td data-bbox="992 1461 1182 1493">2,500-4,999</td> <td data-bbox="1182 1461 1333 1493">\$2,500</td> </tr> <tr> <td data-bbox="992 1493 1182 1524">499-2,499</td> <td data-bbox="1182 1493 1333 1524">\$1,250</td> </tr> <tr> <td data-bbox="992 1524 1182 1556">0-499</td> <td data-bbox="1182 1524 1333 1556">\$500</td> </tr> </tbody> </table>	Curbside Household Baseline	Per Load Amount	10,000+	\$5,000	5,000-9,999	\$3,750	2,500-4,999	\$2,500	499-2,499	\$1,250	0-499	\$500
Curbside Household Baseline	Per Load Amount													
10,000+	\$5,000													
5,000-9,999	\$3,750													
2,500-4,999	\$2,500													
499-2,499	\$1,250													
0-499	\$500													
8	The occurrence of a Labour Disruption, if Contractor fails to (i) implement its Business Continuity Plan in respect of such Labour Disruption or (ii) fails to comply with Section 4.6.1 or 4.6.2 in respect of such Labour Disruption.	An equitable reduction in the Fees to reflect the value of any SOW Services not received by Recycle BC plus \$5,000 per day of Labour Disruption.												
9	Contractor delivers In-Scope PPP to any location, such as a landfill, incinerator or energy recovery facility, other than the Designated Post-Collection Facility without the prior written permission of Recycle BC	\$25,000 per incident.												

**ATTACHMENT 5 TO SCHEDULE 2.1(a)
FEES**

1. In this Attachment, the following terms will have the following meaning:

“Bonus Period” means each full calendar year during the SOW Term, commencing on January 1 and ending on December 31 of each year; provided, however, that (i) if the Service Commencement date is not January 1, the initial Bonus Period shall commence on the Service Commencement Date and end on December 31 of that year and (ii) if the SOW Term does not end December 31, the final Bonus Period will commence on January 1 of that year and end on the date on which the SOW Term ends.

“Curbside Household Baseline” means the number of Curbside Households in the Service Area as initially set out in Attachment 2.1.1, as may be modified in accordance with Section 3 of this Attachment 5 or pursuant to a change order made pursuant to Section 2.2 of the Agreement.

2. In consideration for Contractor’s performance of the SOW Services, Recycle BC will pay Contractor:

(a) The selected (as indicated by an x in the associated check box) annual amount in the table below times the Curbside Household Baseline (to be payable in arrears, in equal quarterly payments on net 30 day terms, provided that Contractor has submitted all applicable claims):

Curbside Collection Financial Incentive		
	Single-stream using automated carts – Categories 1, 2, 3(a), 3(b), 6 and 7	\$ per Curbside Household per Year
<input type="checkbox"/>	>2 Curbside Households per hectare	\$33.40
<input type="checkbox"/>	0.2 to 2 Curbside Households per hectare	\$35.40
<input type="checkbox"/>	<0.2 Curbside Households per hectare	\$37.40
	Single-stream using Containers other than automated carts – Categories 1, 2, (a), 3(b), 6 and 7	\$ per Curbside Household per Year
<input type="checkbox"/>	>2 Curbside Households per hectare	\$34.50
<input checked="" type="checkbox"/>	0.2 to 2 Curbside Households per hectare	\$36.65
<input type="checkbox"/>	<0.2 Curbside Households per hectare	\$38.80
	Multi-stream – Categories 1, 2 and 3(b) separate from Categories 3(a), 6 and 7	\$ per Curbside Household per Year
<input type="checkbox"/>	>2 Curbside Households per hectare	\$38.45
<input type="checkbox"/>	0.2 to 2 Curbside Households per hectare	\$40.65
<input type="checkbox"/>	<0.2 Curbside Households per hectare	\$42.80

(b) Each of the following that are selected (as indicated by an x in the associated check box) in the table below (which may be none): (i) the Resident Education Top Up amount; (ii) the Service Administration Top Up amount; and (iii) if Contractor also provides depot services in the Service Area pursuant to an active Statement of Work for Depot Collection Services, the Depot Top Up, in each case as set out in the table below times the Curbside Household Baseline to be invoiced and paid in arrears, in equal quarterly payments, provided that Contractor has submitted all applicable claims:

	Top Up available to local governments accepting Curbside Collection incentive	\$ per Curbside Household per Year
<input checked="" type="checkbox"/>	Resident Education Top Up	\$0.75
<input type="checkbox"/>	Depot Top Up	\$0.25
<input checked="" type="checkbox"/>	Service Administration Top Up	\$1.75

Without limiting Contractor's obligations under this Statement of Work (including without limiting the cost Contractor is required to incur to perform such obligations), the Resident Education Top Up amount must be used for the purpose of providing resident education in respect of the Collection Services.

- (c) If selected (as indicated by an x in the associated check box), the following per tonne amount, to be invoiced and paid pursuant to the claims submission process in accordance with the terms of the Agreement:

Curbside Collection Financial Incentive	
<input type="checkbox"/>	Category 8 - Glass Packaging
	\$ per Tonne
	\$80.00

- (d) For each Bonus Period, the Achieved Bonus Amount times the average Curbside Household Baseline for such period, where the "Achieved Bonus Amount" is the performance bonus amount in the table below that corresponds with the average amount of In-Scope PPP per Curbside Household actually collected by Contractor during the Bonus Period. The foregoing will be calculated annually, at the end of each Bonus Period, based on the average Curbside Household Baseline for such period and the approved claims submitted for the Bonus Period. The Achieved Bonus Amount for a Bonus Period, if any, will be paid no later than April 30 of the following year.

For purposes of calculating the Achieved Bonus Amount, Recycle BC reserves the right to develop and apply a methodology, at its own sole discretion, to calculate the average amount of (i) Not Accepted Materials in Contractor's collected material and (ii) In-Scope PPP from ICI locations in Contractor's collected materials for the purposes of calculating the average In-Scope PPP collected per Curbside Household in the applicable year.

If the Bonus Period is a partial calendar year, the Achieved Bonus Amount will be calculated by Recycle BC on a pro-rated basis taking into account such factors as Recycle BC, acting reasonably, may consider relevant.

If Contractor also provides collection services to multi-family buildings pursuant to another Statement of Work under the Agreement ("**Multi-Family Household Collection**"), and In-Scope PPP collected in respect of Multi-Family Household Collection is collected in a vehicle with In-Scope PPP collected from Curbside Households under this Statement of Work, then, for the purpose of calculating the performance bonus under this subsection (d), the Curbside Household Baseline will be adjusted to include the number of multi-family households whose In-Scope PPP has been collected in this manner.

Calculation of Achieved Bonus Amount				
Average In-Scope PPP collected per Curbside Household Per Year	160 - 179 Kilograms	180 - 199 Kilograms	200 - 219 Kilograms	> 220 Kilograms
Achieved Bonus Amount	\$ per Curbside Household			
	\$1.00	\$2.00	\$3.00	\$4.00

3. Adjustment of Curbside Household Baseline.

- (a) On an annual basis, on a date to be determined by Recycle BC, and at such other times as the parties may agree, Contractor will, in good faith, report and attest (in a form acceptable to Recycle BC) to the then-current number of:
 - (i) Curbside Households in the Service Area; and
 - (ii) Curbside Households per hectare in the Service Area.
- (b) Recycle BC may also provide evidence of the then-current number of Curbside Households and Curbside Households per hectare in the Service Area. Based on Contractor's attestation and the evidence provided by Recycle BC, Recycle BC and Contractor will work in good faith to mutually agree on the new Curbside Household Baseline. If the agreed upon new values of the foregoing trigger a change in the Fees payable pursuant to this Attachment, the parties will update this Attachment by execution of a change order. Any Dispute in establishing the foregoing will be resolved by the Dispute resolution process under the Agreement.
- (c) For purposes of reporting and determining the number of Curbside Households:
 - (i) A single family dwelling is considered one Curbside Household;
 - (ii) A laneway house is considered one Curbside Household;
 - (iii) A duplex is considered two Curbside Households;
 - (iv) A triplex is considered three Curbside Households;
 - (v) A fourplex is considered four Curbside Households;
 - (vi) A single family dwelling that has been converted into two, three or four residential dwelling units, shall be considered a duplex, triplex or fourplex, as described in (iii), (iv) and (v) respectively, if Contractor recognizes the conversion for utility and/or contract billing;
 - (vii) A single family dwelling that has been converted into multiple dwelling units that is recognized by Contractor as a single family dwelling for utility and/or contract billing is considered one Curbside Household; and
 - (viii) Each self-contained dwelling unit in a rowhouse or townhouse is considered one Curbside Household if the resident of each unit delivers In-Scope PPP to the Curb for collection in separate Containers.

4. If the average annual amount of In-Scope PPP collected per Curbside Household by Contractor, in any 12 month period (based on the Curbside Household Baseline) falls below 135 kilograms, then Recycle BC may require Contractor to, within 90 days, prepare and submit to Recycle BC for approval a remediation plan designed to raise its collection yield above 135 kilograms per Curbside Household. Following approval of the remediation plan by Recycle BC, Contractor will execute the plan. Contractor will provide monthly reporting to Recycle BC detailing the progress and outcomes of the remediation plan. If material improvement does not occur within 90 days of beginning to execute the plan, then Contractor will work with Recycle BC to establish additional changes and to adopt best practices recommended by Recycle BC in order to increase collection yield, and, at Recycle BC's discretion, may result in an equitable downward change in the Fees to reflect the reduced value of the amount of In-Scope PPP being collected by Contractor.

TO: Solid Waste Management Select Committee **MEETING:** September 10, 2020

FROM: Larry Gardner
Manager Solid Waste Services **FILE:** 5365-02

SUBJECT: Zero Waste Recycling Funding

RECOMMENDATIONS

1. That the Board endorse expanded access to the Solid Waste Management Plan Zero Waste Recycling funding under the eligibility criteria set out in this report.
2. That the Board direct issuance of a call for innovative zero waste proposals in October 2020, in order to allocate 2021 funds.
3. Subject to the Board's endorsement of expanded access to Zero Waste Recycling funding, that the Board direct notification to the Ministry of Environment and Climate Change Strategy of this change to the Solid Waste Management Plan.

SUMMARY

The Regional District of Nanaimo (RDN) Solid Waste Management Plan (SWMP) is targeting a waste diversion rate of 90 percent over the next ten years. The recently provincially approved SWMP allocates \$300,000 per year between 2019 to 2023 to the Nanaimo Recycling Exchange (NRE) to act as a research and recycling hub for hard to recycle materials. The NRE ceased operations of their facility in March 2018 and has only recently applied for a portion of the available funding.

At the regular Board meeting of July 28, 2020, staff were directed to prepare a report:

- *“to allow the Zero Waste Recycling Funding earmarked for the Nanaimo Recycling Exchange to be made available for project proposals from other agencies with options for funding criteria that prioritizes proposals from non-profits and those that include partnerships between organizations (government, non-profit and private)”*
- *“with options for eligibility criteria to access Zero Waste Recycling Funding that includes language for innovative programs that increase diversion through the development of a circular economy, not only through recycling, but through actions further up the zero waste hierarchy of highest best use such as reduction, redesign, re-use, repair and reprocessing of materials.”*

This report outlines:

- a framework to encourage and evaluate submissions of innovative ZWR proposals that advance the goals of the SWMP, specifically, to advance a circular economy through application of the zero waste hierarchy; and,
- the requirement to notify the Ministry of Environment and Climate Strategy of any changes to the SWMP such as extending the Zero Waste Recycling (ZWR) funds to other agencies.

BACKGROUND

The SWMP sets out a ten-year vision on how the RDN will manage municipal solid waste and recyclable materials with a goal of 90 percent waste diversion from the 1980's baseline of disposal rate of 1,084 kg per capita per year,. On March 5, 2020, the Honourable George Heyman, Minister of Environment and Climate Change Strategy (MOECCS) approved the SWMP.

The SWMP recognizes that there are a number of waste types that can be recycled, however, they are not part of a stewardship program, nor are there established commercial markets for these materials. The SWMP proposes to target these materials through funding to NRE with the objectives of:

1. Maximizing waste diversion;
2. Encouraging non-profit and private sector innovation to develop markets and processes; and
3. Improving convenience for recycling materials.

The SWMP Zero Waste Recycling (ZWR) strategy includes funding to the NRE in the amount of \$300,000 between 2019 and 2023 to act as a research/recycling hub for recycling items currently not commercially marketable. The NRE ceased operations of their facility in March 2018 and has only recently applied for a portion of the available funding.

On July 28, 2020, the Board passed the following motions:

1. *It was moved and seconded that staff prepare a report to allow the Zero Waste Recycling Funding earmarked for the Nanaimo Recycling Exchange to be made available for project proposals from other agencies with options for funding criteria that prioritizes proposals from non-profits and those that include partnerships between organizations (government, non-profit and private).*
2. *It was moved and seconded that staff prepare a report with options for eligibility criteria to access Zero Waste Recycling Funding that includes language for innovative programs that increase diversion through the development of a circular economy, not only through recycling, but through actions further up the zero waste hierarchy of highest best use such as reduction, redesign, re-use, repair and reprocessing of materials.*

Motion 1: Broadening access to ZWR funding to other agencies

It is anticipated that other non-profit organizations may have beneficial programs that meet the objectives of the SWMP. Two examples of similar funding programs in neighboring regional districts are:

- Capital Regional District – administers a non-profit Recycling Initiative that is equally dispersed between ten qualifying organizations.
- Comox Valley Regional District – provides a 50 percent tip fee reduction for all non-profits performing fundraising events.

Fostering healthy competition and innovative ideas are potential benefits of broadening the organizations eligible for funding under this strategy, further increasing overall waste diversion.

The SWMP is a “living document” and contemplates it will be amended from time to time to reflect new considerations as they arise. Expanding eligibility for ZWR funding does not deviate from the SWMP objectives but rather casts a wider net to other agencies with the aim of soliciting innovative and competitive proposals to advance the goals of the SWMP. The proposed amendment does not fall under a “major change” category as defined in the SWMP (which would require a public consultation process and submission of a revised plan to the MOECCS). Should the Board endorse such an amendment to the SWMP, MOECCS must be notified of the change including the rationale for the change.

Motion 2: Zero Waste Recycling Funding Evaluation Criteria

Eligible Projects

The RDN proposes to provide ZWR funding for innovative programs that increase waste diversion through the development of a circular economy, not only through recycling, but through actions further up the zero waste hierarchy of highest best use such as reduction, redesign, re-use, repair and reprocessing of materials.

Eligible Organizations

Proposals to be considered are from all agencies but preference is to be given to non-profits, including partnerships between organizations (government, non-profit and private), with a focus on targeting specific materials or processes that do not have local commercial markets.

Submission Timeline

2021 Funding: The deadline for proposal submissions is proposed to be November 30, 2020 for access to 2021 funding.

2022 – 2023 Funding: The deadline for proposal submissions is proposed to be June 30 in the year prior to fiscal year where funding is applied.

Evaluation Criteria

The RDN will compare and evaluate applicants based on their proposals to identify proposals that the Board, in its discretion, judges to be the most advantageous to the RDN and its diversion goals, using the following criteria and weightings:

- (a) Technical (50%) – expect to focus on following but not limited to:
 - i. the type of organization (i.e. non-profit, public charity, private, etc.);
 - ii. partnerships between non-profit, private and government;
 - iii. organization’s qualifications and experience;
 - iv. experience, depth and strength of personnel;
 - v. demonstration ability to:
 - 1. develop methods, markets and collaborations for hard-to-recycle materials;
 - 2. investigate barriers to recycling hard-to-recycle materials; and develop recycling program(s) to benefit the RDN;
 - vi. approach and methodology to successfully deliver the project deliverables through the development of a circular economy in accordance with the Zero Waste Hierarchy of highest and best uses and consideration of:
 - 1. Innovation;
 - 2. Potential as a catalyst for a future sustainable program that does not rely on ongoing funding;
 - 3. Amount of waste diverted from the waste stream.
- (b) Financial (50%) – expect to focus on following but not limited to:
 - i. quality and value of the project deliverables including any proposed innovations;
 - ii. demonstrated financial strength/ fundraising efforts to match requested funds; and,
 - iii. Proponents contribution such as matching funds or in-kind contribution (e.g. staff time).

The RDN will rank the proposals on a comparative basis, evaluating proposals by comparing one applicant’s proposal to another applicant’s proposal, to determine the proposal judged to be most advantageous to the RDN based on the aforementioned criteria and weighting.

Request for Proposal Recommendation to the Board

- 1. Qualifying proposals will be presented to the RDN Board for review and consideration.
- 2. Proposals from non-profit organizations that include partnerships between government, non-profit and private organizations will be prioritized.
- 3. The proposals will be ranked and the \$300,000 eligible funds will be distributed amongst highest ranked successful proposals in the order of their ranking until the funds are drawn down.

Award

Upon approval from the Board, the approved submissions will be made public.

ALTERNATIVES

1. That the Board endorse expanded access to the Solid Waste Management Plan Zero Waste Recycling funding under the eligibility criteria set out in this report.
2. That the Board direct issuance of a call for innovative zero waste proposals in October 2020, in order to allocate 2021 funds.
3. Subject to the Board's endorsement of expanded access to Zero Waste Recycling funding, that the Board direct notification the Ministry of Environment and Climate Change Strategy of this change to the Solid Waste Management Plan.
4. Provide alternate direction to staff.

FINANCIAL IMPLICATIONS

The RDN SWMP includes \$300,000 per year for 2019 through 2023. This budget allocation is included in the Board approved Solid Waste Services Asset Management Plan.

STRATEGIC PLAN IMPLICATIONS

Environmental Stewardship - Achieve the 90% waste diversion target as per the Solid Waste Management Plan.

This program support the 90% waste diversion target by supporting waste reduction initiatives and promoting increased waste diversion.



Larry Gardner
lgardner@rdn.bc.ca
August 18, 2020

Reviewed by:

- R. Alexander, General Manager, Regional and Community Utilities
- J. Bradbrne, Director of Finance
- P. Carlyle, Chief Administrative Officer