

BYLAW 1784 AMENDMENT

RECOMMENDATIONS

1. That “Regional District of Nanaimo Tipping Fee and Solid Waste Disposal Regulation Amendment Bylaw No. 1784.05, 2022” be introduced and read three times.
2. That “Regional District of Nanaimo Tipping Fee and Solid Waste Disposal Regulation Amendment Bylaw No. 1784.05, 2022” be adopted.

BACKGROUND

The Regional District of Nanaimo (RDN) Bylaw No. 1784 establishes tipping fees, and conditions of site use, for both the Regional Landfill and Church Road Transfer Station. The proposed Bylaw amendment includes three new definitions, that provide clarity for the RDN’s Household Hazardous Waste (HHW) Program, while also prescribing a fee schedule for materials collected under the HHW Program (Attachment 1). Further, the proposed amendment provides for a \$5.00/tonne increase to all Schedule A, Section 1, and Section 3 materials, to be implemented on April 1, 2023.

This amendment also seeks to repeal Schedule A, Section 9.

Household Hazardous Waste Definitions

The addition of the following three definitions supports the implementation of the RDN Household Hazardous Waste program:

“Household Hazardous Waste”

means a hazardous waste that results from:

- (a) a domestic activity at a residence,
- (b) personal use, or
- (c) a person's use in relation to the person's own residence.

“Special Household Hazardous Waste”

means a ***Household Hazardous Waste*** that may pose an increased hazard risk and includes ***Prohibited Hazardous Wastes*** under Schedule ‘F’, as well as materials in containers that are open,

leaking, or damaged in such a way that an accidental release of the material is imminent.

“Household Hazardous Waste Collection Facility”

means a permanent place that is operated for the collection and storage of ***Household Hazardous Waste***.

Tipping Fee Increase

Bylaw No. 1784 prescribes tipping fees for all materials accepted at both the Regional Landfill and the Church Road Transfer Station. The most recent RDN Tipping Fee Increase occurred on April 1, 2021, when the per tonne rate for Schedule A, Section 1 materials were increased from \$130.00/tonne to \$140.00/tonne.

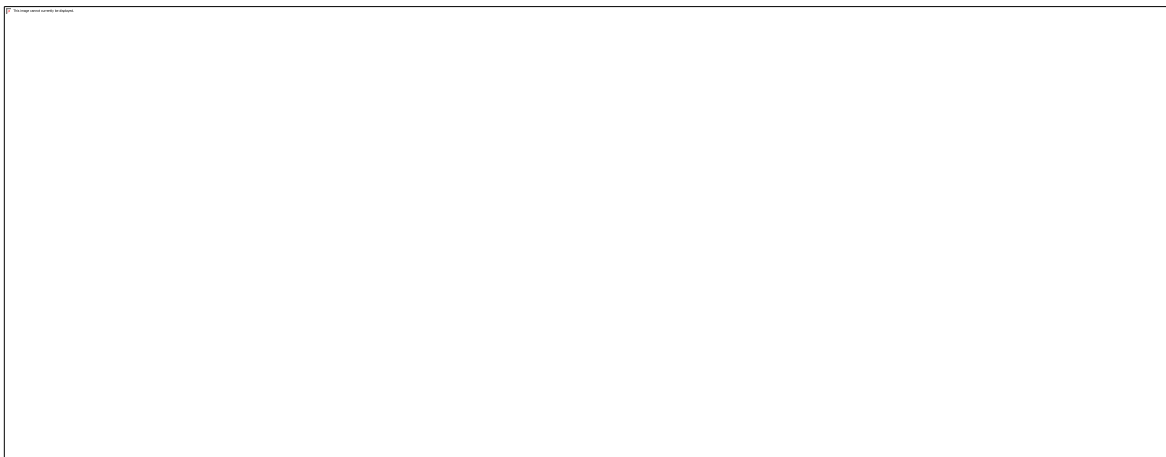
Since April 2021, the volume of material received at both RDN Solid Waste Facilities has increased by more than 23% year over year. The global pandemic, the increased costs of fuel, the inflation rate in North America, and strong regional growth has contributed to these heightened waste volumes. Staff believe that some of those wastes that were leaving the island, for disposal in other Canadian regions and the United States, have remained in the RDN over the past year, due in part to the elevated costs of transportation and foreign exchange rates.

Increased waste volumes, despite generating higher revenues, also increase operational expenses making accurate cost recovery critical in supporting an equitable and efficient operation. At the same time, heightened waste volumes consume greater quantities of landfill airspace reducing the lifespan of the landfill. As such tipping fees must ensure accurate and equitable recovery of the airspace consumed, by providing for the future post-closure maintenance costs of the Regional Landfill, the continued operation of the Church Road Transfer Station, and the ability for the RDN to consider all future solid waste management opportunities.

Accordingly, staff recommend increasing the tipping fee for all Schedule A, Section 1, and Section 3 materials by \$5.00/tonne, on April 1, 2023. Doing so addresses the increased rate of landfill airspace consumption, supports the 90% waste diversion goal of the Solid Waste Management Plan (SWMP), and the continued development of the circular economy by supporting recycling systems.

A jurisdictional tipping fee comparison can be seen in Figure 1.

Figure 1



Staff have considered the impact that increased tipping fees could have on the local economy, society, and natural environment.

The proposed increase equals 3.5% for Schedule A, Section 1 materials, and 1.9% for Schedule A, Section 3 materials (Figure 2), and as such will not impact Recyclable Material tipping fees charged by the RDN. In turn, existing recycling and composting programs will continue to be supported as a cost effective and eco-centric option.

Figure 2

Schedule 'A'

Fees and Procedures for use of *Solid Waste Management Facilities* effective April 1, 2023.

1.	Solid Waste, excluding Controlled Waste	Flat Rate	Tipping Fee up to March 31, 2023 (51kg or greater)	Tipping Fee April 1, 2023 (51kg or greater)	Licensed Waste Hauler Tipping Fee (51kg or greater)
a.	Municipal Solid Waste	\$8.00/0-50kg	\$140.00/tonne	\$145.00/tonne	\$100.00/tonne
b.	Medical Facility Waste	\$8.00/0-50kg	\$140.00/tonne	\$145.00/tonne	\$100.00/tonne
c.	Resource Recovery Facility Waste	\$8.00/0-50kg	\$140.00/tonne	\$145.00/tonne	\$100.00/tonne
d.	Roofing Material (asphalt/tar/gravel)	\$8.00/0-50kg	\$140.00/tonne	\$145.00/tonne	\$100.00/tonne
e.	Construction/Demolition Waste	\$8.00/0-50kg	\$140.00/tonne	\$145.00/tonne	\$100.00/tonne
f.	Weighing service	\$20.00			
g.	Surcharge for Unsecured Loads	\$20.00			
h.	Surcharge per Mattress and Boxspring	\$20.00/unit			

3.	Controlled Waste	Flat Rate	51 kg or
a.	Asbestos	\$30.00/0-50kg	\$505.00/tonne
b.	Bio Solids	\$8.00/0-50 kg	\$265.00/tonne
c.	Bulky Waste requiring special handling - $((\text{Volume in m}^3 \div 2) \times \$260)$	\$50.00/0-50kg	\$265.00/tonne
d.	Contaminated Soil	\$8.00/0-50kg	\$135.00/tonne
e.	Controlled Waste including large Dead Animals	\$8.00/0-50kg	\$265.00/tonne
f.	Food Processing Waste		\$265.00/tonne
g.	Grit and Screenings	\$8.00/0-50 kg	\$265.00/tonne
h.	International Waste	\$50.00/0-50kg	\$305.00/tonne
i.	Pumpings – Paint Filter Test (Passed)	\$8.00/0-50 kg	\$135.00/tonne
j.	Pumpings – Paint Filter Test (Failed)	\$8.00/0-50 kg	\$265.00/tonne
k.	Steel cable	\$25.00/0-50kg	\$505.00/tonne

The proposed increase remains below the average BC (7.9%) and Canadian (6.8%) inflation rate¹, helping to make the increase manageable by both the residential and commercial sector. For example, a resident bringing 100kg of solid waste would currently pay \$15.00, with the proposed increase the same load would cost \$15.25. The proposed tipping fee increase will cost commercial waste haulers approximately \$20-25 more, for an average load² of Schedule A, Section 1 materials. Schedule A, Section 3 materials (Controlled Wastes) have variable tipping fees based on material type, but on average commercial waste haulers can expect to pay \$10-15 more per load for these material types, under the proposed tipping fee increase. It should be noted that this is the first tipping fee increase to Schedule A, Section 3 materials in more than two years.

Further, when the Waste Hauler Licensing (WHL) Bylaw is approved by the Ministry of Environment and Climate Change Strategy, the fee differential of \$20 will activate on all Schedule A, Section 1 material types. This will result in Schedule A, Section 1 material types flowing to the waste industry, where they can be sorted, and a greater level of diversion can be achieved. This fee differential supports the waste industry over the long-term by offering a tipping fee lower than out of district disposal options. The natural environment is there-by also supported by reducing a host of anthropogenic factors.

In the short-term, and before the WHL Bylaw is approved, staff believe that the flow of some waste out of the RDN is inevitable, as exchange rates, the cost of transportation, and inflation normalize, the waste industry will seek the cheapest solution to waste disposal. The success of the SWMP is dependent on the approval of the Waste Hauler Licensing Bylaw, the implementation of the tipping fee differential, and the ability for the RDN to support higher levels of waste diversion within the RDN.

Illegal dumping, a problem that RDN Solid Waste Staff remain focused and committed to mitigating, is a consideration with any tipping fee increase. Over the past several years illegal dumping within the region has remained relatively stable, and, although it is occurring, staff have not been able to correlate tipping fee increases with increases in illegal dumping. Staff believe there are two primary reasons for this. First, those that illegally dump material will do so regardless of the tipping fees imposed. Second, the diversion programs located within the RDN support both our society and the economy in diverting materials, allowing recycling and appropriate waste management to be the most efficient and effective solution.

For all of these reasons, and because it is not warranted, staff do not recommend an increase to the Minimum Fee (\$8.00/ 0-50kg) at this time, as maintaining the current Minimum Fee will further support the residential and commercial sector.

Historically, tipping fees were set and maintained for longer periods of time. This resulted in staff recommending higher increases in tipping fees, usually in \$10 increments. Going forward staff will seek to increase tipping fees equitably, in smaller and more predictable patterns, so as to not disrupt the waste management systems present in the RDN, while seeking to support the most equitable and eco-centric solutions for the district's solid waste management needs, as a whole.

Repeal of Schedule A, Section 9

Schedule 'A', Section 9, reads as follows,

"In addition to Section 10 of this Schedule, any amount outstanding thirty (30) days after the invoice date shall bear interest at the rate of one and one-quarter percent (1.25%) per month."

¹ <https://www2.gov.bc.ca/gov/content/data/statistics/economy/consumer-price-index>

²RDN internal scale transaction data (2022YTD).

Schedule 'A', Section 9 was introduced in July 2019, prior to the approval of the Solid Waste Management Plan, and before the final versions of the Waste Hauler Licensing and Mandatory Waste Source Separation Bylaws were approved by the Board and sent to their respective ministries for approval. Section 9 was introduced with the intent to compel prompt payment of Tipping Fees charged by Waste Haulers who have an RDN Tipping Fee Charge Account.

However, the introduction of Section 9 did not contemplate the common practice of waste haulers paying invoices 31-60 days after issuance, in accordance with their billing cycles. This has resulted in the application of Section 9 being problematic, as it compels the RDN to charge interest in an unequitable manner, that does not support a mutually beneficial relationship between the RDN and local waste haulers.

Additionally, the Waste Hauler Licensing Bylaw compels waste haulers to maintain their RDN accounts in good standing, making Section 9 obsolete. As such, Staff recommend repealing Section 9 and refunding any interest collected or owed, since the bylaw amendment adoption in July 2019.

FINANCIAL IMPLICATIONS

Schedule 'F' has been developed with the intent to offset the costs associated with HHW management and will not generate a significant revenue stream.

The proposed tipping fee amendment will generate approximately 3.5% (\$350,000) higher revenues in 2023, which will be used to offset increased operational, capital, and post-closure costs associated with the Regional Landfill and the Church Road Transfer Station. Working in partnership with the Solid Waste Management Plan, the Waste Hauler Licensing and Mandatory Waste Source Separation Bylaws, the proposed amendment will help to encourage the diversion of material from the Regional Landfill and Church Road Transfer Station and into the appropriate recycling streams.

The interest collected and/or charged in accordance with Schedule A, Section 9, is not contemplated in the Solid Waste Budget or the approved Solid Waste Asset Management Plan. Staff recommend reimbursing any interest paid by and/or charged to waste haulers since Section 9's adoption in July 2019.

Staff have calculated the total amount of interest collected and/or charge since 2019 to be approximately \$156,000 (Figure 2).

Figure 3

SW Tipping Fee Interest	
Year	Total
2019	\$ 17,400
2020	\$ 40,500
2021	\$ 48,200
2022	\$ 50,400
Total	\$ 156,500

Totals rounded to nearest hundred

The 2022 Solid Waste Budget currently projects a surplus in 2022, in part due to higher than anticipated material volumes, as outlined earlier in this report. The repeal of Section 9 will not have a negative impact to the Solid Waste Budget or the long-term financial plan.

STRATEGIC PLAN ALIGNMENT

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

REVIEWED BY:

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ATTACHMENT

Bylaw No. 1784.05 Amendment