
TO: Solid Waste Management Select Committee **MEETING:** March 5, 2019

FROM: Meghan Ebueza
Solid Waste Planner **FILE:** 5360-01

SUBJECT: Regional District of Nanaimo Tipping Fee and Solid Waste Disposal Regulation
Bylaw No. 1784

RECOMMENDATIONS

Please note: The recommendation was varied by the Committee as follows:

- 3. That when approval is received from the Ministry of Environment of the Solid Waste Management Plan, that staff prepare a financial plan to coincide with the Plan to reduce solid waste.**
1. That the “Regional District of Nanaimo Tipping Fee and Solid Waste Disposal Regulation Bylaw No. 1784, 2019” be introduced and read three times;
2. That the “Regional District of Nanaimo Tipping Fee and Solid Waste Disposal Regulation Bylaw No. 1784, 2019” be adopted.

SUMMARY

The proposed Regional District of Nanaimo Tipping Fee and Solid Waste Disposal Regulation Bylaw No. 1784, 2019 (Tipping Fee Bylaw) is intended to replace the current Bylaw No. 1531 that establishes tipping fees and outlines the Regional District Solid Waste Management Facilities conditions of use. The proposed Tipping Fee Bylaw provides clearer definitions, and revises tipping fees and penalties. Due to the extensive redrafting of the current Bylaw it is appropriate to repeal rather than amend Bylaw No. 1531.

BACKGROUND

The Regional District of Nanaimo’s (RDN) Solid Waste Services operates two Solid Waste Management Facilities, the Regional Landfill and Church Road Transfer Station. The Tipping Fee Bylaw sets out the RDN Solid Waste Management Facilities conditions of use, tipping fee rates, and penalties.

Solid Waste Management Plan

The new Solid Waste Management Plan (SWMP) was adopted by the RDN Board in 2018 and is currently awaiting approval from the BC Minister of Environment. The SWMP calls for a diversion rate of 90% over the next 10 years. Increased diversion will extend the life of the landfill and decrease the annual tipping fee revenue generated at both RDN Solid Waste Management Facilities. Tipping fee revenue primarily finances solid waste services. Due to fixed

costs, the operational costs of the Regional Landfill and Church Road Transfer Station only reduce nominally with a decrease in waste received. It is therefore necessary to increase tipping fees and/or increase taxation to offset revenues lost with reduced waste volumes. The proposed tipping fee increases are consistent with cost increases communicated to the public in the development of the SWMP.

Tipping Fee Bylaw Changes

The proposed Bylaw No. 1784 (Attachment 1) replaces the current Bylaw No. 1531 (Attachment 2).

Tipping fee revenue funds RDN Solid Waste Management Facility operations and Zero Waste programs that promote diversion throughout our region. The base tipping fee for municipal solid waste has remained at \$125 per tonne since the last tipping fee increase in 2013. The base tipping fee for municipal solid waste is proposed to increase to \$130 per tonne. Current base tipping fee rates for neighbouring regional districts are \$130 and \$140 per tonne (Attachment 3 for fee comparison with neighbouring jurisdictions).

It is proposed that the new fees will become effective on July 1, 2019. If the Bylaw is approved, Solid Waste Services will broadly communicate the change to give the public and businesses advance notice of the rate increase.

Format Changes

The proposed title change provides a more informative description of what the Tipping Fee Bylaw entails as the main role of this Bylaw is the establishment of tipping fees and solid waste disposal regulation at RDN Solid Waste Management Facilities.

Current Title *Regional District of Nanaimo Solid Waste Management Regulation Bylaw No. 1531, 2007*

New Title *Regional District of Nanaimo Tipping Fee and Solid Waste Disposal Regulation Bylaw No. 1784, 2019*

Formatting of the Tipping Fee Bylaw has been updated to meet the current standard requirements for RDN Bylaws.

Definitions

Definitions were updated to fall in line with similar regional district bylaws on Vancouver Island and across BC. The updated definitions make the Tipping Fee Bylaw easier to interpret.

Violations

Enforcement tools from the existing Bylaw have been retained and are:

- The ability for the RDN to cost recover expenses related to the cleanup of any waste received in contravention of the Bylaw;
- The ability to prohibit a person who contravenes the Bylaw from using the Solid Waste Management Facilities; and
- The ability to impose a fine for contravention of the Bylaw ranging from \$200 to \$2,000.

Proposed Changes to Tipping Fees (effective July 1, 2019)

Table 1 outlines the proposed changes to Tipping Fees.

Table 1. Proposed Changes to Tipping Fees

Material	Unit of Measure	Current Tipping Fee	Proposed Tipping Fee
Municipal Solid Waste	Per Tonne	\$125	\$130
Minimum Flat Rate	Varies	\$6	\$8
Surcharge per Mattress ¹	Per Unit	\$10 flat rate	\$15
Wood Waste	Per Tonne	\$250	\$260
Gypsum	Per Tonne	\$250	\$260
Corrugated Cardboard - Commercial	0-50kg	\$6	\$20
	Per Tonne	\$55	\$250
Contaminated Soil ²	Per Tonne	\$125	\$130
Controlled Waste	Per Tonne	\$250	\$260
Food Processing Waste	Per Tonne	\$250	\$260
Steel Cable	0-50kg	N/A	\$25
Grit and Screenings	Per Tonne	\$125	\$260
Bio Solids	Per Tonne	\$125	\$260
Pumpings - Paint Filter Test Passed	Per Tonne	\$250	\$130
Pumpings - Paint Filter Test Failed	Per Tonne	\$250	\$260

Penalties

The current Bylaw No. 1531 defines offences that are charged at a higher tipping fee rate for municipal solid waste and organic waste loads containing recyclables.

The SWMP proposes to increase education regarding waste diversion and to transition to a higher level of enforcement. The new Tipping Fee Bylaw sets penalties for loads containing contaminants at a level to encourage behavioural changes (i.e. diversion of materials). Table 2 and Table 3 outline the proposed penalties.

Table 2. Penalties – Municipal Solid Waste

Penalties – Municipal Solid Waste*		Per Load
a.	<i>Municipal Solid Waste</i> containing <i>Recyclable Materials</i> or <i>Prohibited Waste</i> 0-50kg	\$5
b.	<i>Municipal Solid Waste</i> containing <i>Recyclable Materials</i> or <i>Prohibited Waste</i>	20%

¹ Proposed Tipping Fee includes per unit fees for mattresses, box springs and/or hide-a-beds

² Means soil with concentrations of contaminants greater than those listed in the Contaminated Sites Regulation or soils containing waste material.

	50kg or greater	Surcharge
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*Penalties for **Municipal Solid Waste** loads are based on visual identification of **Recyclable Material** or **Prohibited Waste** in excess of 15% of the load.

Table 4. Penalties – Organic Waste

Penalties – Organic Waste		Per Load
a.	Organic Waste containing non-organic material 0-50kg	\$5
b.	Organic Waste containing Municipal Solid Waste , recyclables or Prohibited Waste 50kg or greater	20% Surcharge

ALTERNATIVES

1. That the “Regional District of Nanaimo Tipping Fee and Solid Waste Disposal Regulation Bylaw No. 1784, 2019” be introduced and read three times; and
2. That the “Regional District of Nanaimo Tipping Fee and Solid Waste Disposal Regulation Bylaw No. 1784, 2019” be adopted.
3. That the Board receive the report titled “Regional District of Nanaimo Tipping Fee and Solid Waste Disposal Regulation Bylaw No. 1784, 2019” and provide alternate direction to staff.

FINANCIAL IMPLICATIONS

RDN Solid Waste Management Facilities and Zero Waste programs, excluding curbside collection, are funded primarily through tipping fees with taxation only contributing 7.3% of Solid Waste program revenues. For comparison, solid waste services revenues for 2015 by Association of Vancouver Island and Coastal Communities ranges from 0% to 162% taxation with an average of 53% taxation³ Budgeted operating expenditures, exclusive of the residential curbside collection utility have increased by \$926,000 from 2013 to 2019. Approximately \$500,000 of this increase can be attributed to increased expenditures for organics processing, and, the 2019 budget includes an increase of \$510,000 for new or expanded programs under the Solid Waste Management Plan.

Year over year changes in the economy, including value of the Canadian dollar, employment rates, and construction activity, dramatically affect the amount of waste generated, making it difficult to predict tipping fee revenues with accuracy. Based on current estimates, the proposed tipping fee increase will add approximately \$400,000 annually to tipping fee revenue. Introduction of the increase in July of this year will add about \$200,000 to 2019 revenues increasing the forecast contribution to reserves from \$1,500,000 to \$1,700,000. The reserve has been established to fund future facility capital expenditures including major equipment purchases, expansion of the landfill gas system and site closure. Furthermore, the 2019 budget

³ Extrapolated from *Association of Vancouver Island and Coastal Communities : The State of Waste Management*, September 2015, Table 4, Tetra Tech EBA

includes a \$200,000 transfer to the landfill post-closure reserve which will bring the total reserve value to approximately \$2,280,000. The landfill currently has 24 years of remaining site life and an estimated post-closure cost liability of about \$12,000,000.

STRATEGIC PLAN IMPLICATIONS

Focus On Service And Organizational Excellence - As We Invest In Regional Services We Look At Both Costs And Benefits - The RDN Will Be Effective And Efficient

Changes to tipping fee rates as discussed in this report are consistent with the “user pay” recovery of operating costs, are still at a level that promotes waste diversion and encourages private waste innovation, and therefore, are consistent with the Board approved RDN Solid Waste Management Plan 2018. The proposed tipping fees are in line with other Regional District tipping fee rates within the Association of Vancouver Island Coastal Communities.



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February 14, 2019

Reviewed by:

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

Attachments

1. Regional District of Nanaimo Tipping Fee and Solid Waste Disposal Regulation Bylaw No. 1784, 2019
2. Regional District of Nanaimo Solid Waste Management Regulation Bylaw No. 1531, 2007
3. AVICC Current Tipping Fee Rates 2018