

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: January 16, 2023

TO: Mayor and Council

FROM: Jim Gordon, P.Eng., Director, Engineering and Municipal Operations

SUBJECT: Multi-Family and Commercial Solid Waste Transition Update

RECOMMENDATIONS

THAT Council:

1. Receive for information the corporate report dated January 16, 2023, from the Director, Engineering and Municipal Operations, titled “Multi-Family and Commercial Solid Waste Transition Update;” and
 2. Provide direction to staff on whether to:
 - a) proceed with the transition of multi-family and commercial solid waste collection to a city-managed service or,
 - b) stay with the status quo whereby multi-family and commercial solid waste collection is privately managed.
 3. If Council directs that the transition proceed, then Council further directs staff to:
 - a) budget for a Solid Waste Coordinator and a Financial Services Clerk in the 2023 Financial Plan and include these costs in the multi-family and commercial solid waste fees; and
 - b) report back on a timeline for addressing the issues identified in the corporate report dated September 20, 2022, from the Director, Engineering and Municipal Operations, titled “Multi-Family and Commercial Solid Waste Transition Update.”
 4. If Council directs to rescind the transition, then Council further directs staff to contact the Waste Management Association of BC and request that they meet with their members to develop a plan to reduce traffic congestion, noise and GHG emissions from solid waste collection vehicles in the City of White Rock.
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EXECUTIVE SUMMARY

At the October 4, 2021 Regular Council meeting, Council directed staff to procure a contractor for the collection of multi-family and commercial solid waste as a city managed service.

The complex steps necessary to procure a contractor and complete the transition of solid waste services for multi-family and commercial properties to a city-managed model are outlined in this report. Challenges such as establishing rates and having a completed billing structure, resolving

existing long-term contracts, ensuring costs to properties are not increased, and pushback from residents and contractors are not resolved at this time.

At the September 20, 2022 Regular Council meeting, Council tabled a decision on the report dated September 20, 2022 from the Director, Engineering and Municipal Operations, titled “Multi-Family and Commercial Solid Waste Transition Update” (Appendix A).

Direction on whether or not to proceed with the solid waste transition is sought from the current Council.

PREVIOUS COUNCIL DIRECTION

Motion # & Meeting Date	Motion Details
2022-365 September 20, 2022	<p>THAT Council table / postpone consideration of the corporate report dated September 20, 2022, from the Director, Engineering and Municipal Operations, titled “Multi-Family and Commercial Solid Waste Transition Update” until there is more information.</p> <p style="text-align: right;">CARRIED</p>
2022-325 July 25, 2022	<p>THAT Council:</p> <ol style="list-style-type: none"> 1. Receive for information the corporate report dated July 25, 2022, from the Director of Engineering and Municipal Operations, titled “Progress Update on MF & ICI Solid Waste Transition”; 2. Direct staff continue preparing the RFP documents; 3. Endorse the project schedule outlined in this Corporate Report including recommendation for awarding of the contract at Council’s regular meeting on October 3, 2022. <p style="text-align: right;">CARRIED</p>
2021-440 November 8, 2021	<p>THAT Council give final reading “White Rock Financial Plan (2021-2025) Bylaw, 2021, No. 2377, Amendment No. 2, 2021, No. 2403”.</p> <p>Bylaw 2403 – A bylaw to amend the Financial Plan for 2021 to 2025 to include:</p> <p>\$111K to the 2021 Financial Plan for a new regular full time Solid Waste Coordinator position starting in December 2021, \$8K to 2021 and \$103K to 2022, funded from Reserves;</p> <p>\$50K to the 2021 Financial Plan for a consultant to assist with the Request for Proposal for a Solid Waste Contractor funded from Reserves; and</p> <p>Add \$650K for the Centre Street Walkway Project funded from CAC’s.</p> <p style="text-align: right;">CARRIED</p>
2021-408 October 25, 2021	<p>THAT Council give final reading to “Collection, Removal, Disposal and Recycling of Solid Waste, 2015, Bylaw No. 2084, Amendment Bylaw, 2021, No. 2402”.</p> <p style="text-align: right;">CARRIED</p>

<p>2021-381 October 4, 2021</p>	<p>THAT Council give first, second and third reading to “Collection, Removal, Disposal and Recycling of Solid Waste, 2015, Bylaw No. 2084, Amendment Bylaw, 2021, No 2402”.</p> <p style="text-align: right;">CARRIED</p>
<p>2021-360 October 4, 2021</p>	<p>THAT Council:</p> <ol style="list-style-type: none"> 1. Receive the October 4, 2021, corporate report from the Director of Engineering and Municipal Operations, titled “Solid Waste Bylaw Update;” 2. Approve the Regular full time Solid Waste Coordinator position in advance of adopting the 2022 Financial Plan to enable recruitment for this position in Fall 2021; 3. Direct staff to procure a contractor to provide solid waste collection services for multifamily (MF) and institutional, commercial, and industrial (ICI) properties, and user-pay bulky waste collection services for single family (SF), MF and (ICI); and 4. Consider approving the Collection, Removal, Disposal and Recycling of Solid Waste Bylaw which stipulates that MF and ICI properties can opt into the City managed collection services beginning January 30, 2023, and must transition by March 27, 2023, or the termination date of any private solid waste service agreement that was entered into prior to the Bylaw adoption date. <p style="text-align: right;">CARRIED</p>
<p>2021-084 February 22, 2021</p>	<p>THAT Council:</p> <ol style="list-style-type: none"> 1. Direct staff to conduct a financial analysis and review funding models that would enable the City to provide solid waste collection for Multi- Family (MF) and Institutional, Commercial and Industrial (ICI) buildings by a City managed contractor; and 2. Direct staff to obtain a legal opinion to determine if the City through bylaw can request private property owners to terminate contracts with private solid waste haulers. <p style="text-align: right;">CARRIED</p>
<p>2020-490 October 5, 2020</p>	<p>THAT Council:</p> <ol style="list-style-type: none"> 1. Direct staff to prepare a 2020 Financial Plan Amendment that would include a \$985K adjustment for the purchase of the three solid waste vehicles discussed in this report; and 2. Approve the purchase of the three solid waste collection vehicles in the amount of \$1.131M (excluding GST) upon adoption of the 2020 Financial Plan Amendment Bylaw. <p style="text-align: right;">CARRIED</p>
<p>2020-394 July 27, 2020</p>	<p>THAT Council:</p> <ol style="list-style-type: none"> 1. Approves the purchase of two (2) recycling replacement vehicles from the 2020 Financial Plan in the amount of \$820K (excluding GST) from Rollins Machinery Ltd; and 2. Approves an increase of \$304K for the purchase of the two recommended vehicles that would be reallocated from funding

	that was to have been for the purchase of the three (3) residential collection vehicles. CARRIED
2018-395 November 19, 2018	THAT Council receives for information the corporate report dated November 19, 2018 from the Director of Engineering and Municipal Operations titled "Solid Waste Management: Current Status of the Program". CARRIED
2015-114 April 10, 2015	THAT Council endorses option three (3) as outlined in April 10, 2015 corporate report titled "Multi-Family Solid Waste Collection Additional Information" endorsing the City "Provide technical assistance to transition to private collection for multi-family properties." CARRIED

BACKGROUND

In 2015, Metro Vancouver enacted a ban on organics in the garbage waste stream, effectively creating a new, third stream for multi-family and commercial solid waste collection in White Rock. This organics rule, along with special collection provisions needed for new, large multi-family buildings, put the city at an efficiency disadvantage for collection of solid waste from multi-family and commercial properties.

Also in 2015, revenue to fund solid waste collection throughout the city came from general taxation which did not equitably reflect the large variances in volume of solid waste for different types of properties.

In order to address the organics ban, new large multi-family buildings, and funding inequities, the city significantly adjusted the solid waste collection paradigm. Multi-family and commercial solid waste collection, with the exception of multi-family properties of six units or less, was privatized. Residential properties continued to be collected by city crews, but the service was no longer funded by taxation, but by a Utility with user fees.

As with many changes, there was pushback. Some residents did not fully understand the funding model and felt that the formerly "free" service paid for through taxation should be restored. Others expressed concern about noise and pollution from extra trucks on the roads, some of which could be attributed to multiple contractors providing service; however, the additional separately trucked organics stream also significantly increased truck traffic.

DISCUSSION

The updated Solid Waste Bylaw No. 2084 approved by Council on October 4, 2021, provides the legal basis for the transition of multi-family and commercial waste collection services into city-managed services beginning January 30, 2023. This also includes services for large item pick-up.

As outlined in the corporate report titled "Progress Update on MF & ICI Solid Waste Transition," dated July 25, 2022 from the Director, Engineering and Municipal Operations and the corporate report titled "Multi-Family and Commercial Solid Waste Transition Update," dated September 20, 2022 from the Director, Engineering and Municipal Operations (Appendix A), the steps necessary to complete the transition of solid waste services for multi-family and commercial properties to a city-managed model are complex.

Challenges include establishing rates and having a completed billing structure, resolving existing long-term contracts, ensuring costs to properties are not increased, and responding to the pushback from residents and contractors. Additionally, a Solid Waste Coordinator and a Financial Services Clerk will need to be included in the 2023 Financial Plan should Council decide to proceed. If Council directs that staff move forward with the transition, these issues will need to be resolved and schedules adjusted accordingly.

In addition to the challenges identified above and included in the September 20, 2022 corporate report, there is the added complexity about whether switching to a city-managed model would reduce the total number of trucks on the road. The challenge is that the switch to three stream collection (garbage, organics and recycling) in 2015 required an increase in the total number of trucks on the road. In addition to this increase, White Rock may also experience multiple contractors on the same street picking up separate buildings. If Council directs staff to rescind the transition, there is opportunity for the city to work directly with Waste Management Association of BC to request that they meet with their members to develop a plan to reduce traffic congestion, noise and GHG emissions from solid waste collection vehicles in the City of White Rock.

FINANCIAL IMPLICATIONS

Should Council decide to proceed with the transition, a Solid Waste Coordinator and a Financial Services Clerk will need to be included in the 2023 Financial Plan as further explained in Appendix A. The current model of contractor competition likely leads to reduced costs as does the contractor efficiency of coordinating collection with their customers in neighbouring cities. Specialty bin collections can also be coordinated across several jurisdictions in a private collection model.

LEGAL IMPLICATIONS

Should Council rescind the transition, staff will bring a subsequent report forward with edits to the city's Solid Waste Bylaw No. 2084. There are potential legal issues with addressing long term contracts.

COMMUNICATION AND COMMUNITY ENGAGEMENT IMPLICATIONS

Staff encountered considerable pushback when communicating with multi-family and commercial properties as part of the transition process. Attached is an email to Council received January 3, 2023 with attached letter dated December 22, 2022 from the Waste Management Association of BC, also expressing concern about the proposed transition of services (Appendix B).

Pending Council's decision, staff will begin updating the community on the city's path forward.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS

If the transition proceeds, the Finance Department will be extensively involved in establishing and setting up the fee structure and fee collection process as part of the Solid Waste Utility and ongoing billing.

The Administration department will be coordinated with to ensure appropriate outreach to the community on the city's path forward.

ALIGNMENT WITH STRATEGIC PRIORITIES

The transition to city-managed waste collection services for multi-family and commercial was a Council Top Strategic Priority between 2018-2022.

OPTIONS / RISKS / ALTERNATIVES

The following options are available for Council consideration:

- a) proceed with the transition of multi-family and commercial solid waste collection to a city-managed service or,
- b) stay with the status quo whereby multi-family and commercial solid waste collection is privately managed.

If Council decides to continue with the transition, there are the risks and associated costs identified in this report to be considered. Continuing with the status quo has risk that competing contractors may service the same street on the same day.

CONCLUSION

As identified in Appendix A, an RFP for multi-family and commercial solid waste collection was issued to the market on August 19, 2022 and closed on September 14, 2022. The steps necessary to complete the transition of solid waste services for multi-family and commercial properties to a city-managed model are complex. If Council directs that staff move forward with the transition, the issues identified in Appendix A will need to be resolved and schedules adjusted accordingly.

The reasons considered in 2015 for the privatization of the multi-family and commercial solid waste collection outlined in the Background section of this report remain today. Additionally, reversing the decision and providing a city managed contractor model has significant additional complexities, including increased costs and potential legal issues.

Continuing with the status quo of private multi-family and commercial solid waste collection will provide best value to residents.

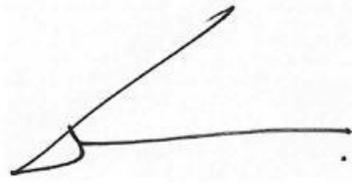
Respectfully submitted,



Jim Gordon, P.Eng.
Director, Engineering and Municipal Operations

Comments from the Chief Administrative Officer

This corporate report is provided to Council for consideration and direction to staff.

A handwritten signature in black ink, consisting of a stylized 'G' followed by a horizontal line and a small flourish at the end.

Guillermo Ferrero
Chief Administrative Officer

- Appendix A: Corporate report dated September 20, 2022 from the Director, Engineering and Municipal Operations, titled “Multi-Family and Commercial Solid Waste Transition Update”
- Appendix B: Email dated January 3, 2023 with attached letter dated December 22, 2022 from Waste Management Association of BC to White Rock City Council.