

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: September 20, 2022

TO: Mayor and Council

FROM: Jim Gordon, 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 September 20, 2022, from the Director, Engineering and Municipal Operations, titled “Multi-Family and Commercial Solid Waste Transition Update”;
 2. Provide direction to staff on whether to proceed with the solid waste multi-family and commercial transition to a city-managed service.
 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 this report.
-

EXECUTIVE SUMMARY

In response to direction from Council at the October 4, 2021 Regular Council meeting, staff have been working on the transition of individual multi-family and commercial properties into City-managed solid waste collection services as well as large item pick-up. This report provides Council with a progress update on the Request for Proposal (RFP) and other transition details for their consideration.

The complex steps necessary to 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. Additionally, a financial plan amendment will be required 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.

PREVIOUS COUNCIL DIRECTION

Motion # & Meeting Date	Motion Details
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>
2021-381 October 4, 2021	<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>
2021-360 October 4, 2021	<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

	<p>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> <p style="text-align: right;">CARRIED</p>
2021-084 February 22, 2021	<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>
2020-490 October 5, 2020	<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>
2020-394 July 27, 2020	<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. <p style="text-align: right;">CARRIED</p>
2018-395 November 19, 2018	<p>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".</p> <p style="text-align: right;">CARRIED</p>
2015-114 April 10, 2015	<p>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."</p> <p style="text-align: right;">CARRIED</p>

INTRODUCTION

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 identified in the corporate report titled “Progress Update on MF & ICI Solid Waste Transition”, dated July 25, 2022 from the Director, Engineering and Municipal Operations, procurement of solid waste services through a public competitive process is complex as it requires comprehensive knowledge of industry practices and expertise in solid waste management to detail the scope of work and structure the financials. Dillon Consulting was retained as a consultant in early 2022 to help staff prepare an RFP to support the transition.

The RFP was issued to the market through BC Bid on August 19, 2022, with an RFP submission closing date of September 14, 2022. This timeline was established and endorsed by Council at the July 25, 2022 Regular Council meeting in an attempt to award the contract by the October 3, 2022 Regular Council meeting. The short turnaround time between the RFP submission closing date and the scheduled October 3, 2022 Regular Council meeting does not provide Financial Services with sufficient time to determine a fee structure and develop a billing structure based on the RFP results. As such, additional time will be required should Council decide to move forward with the project, and project schedules will need to be adjusted.

ANALYSIS

Following the issuance of the RFP to market, staff have received three requests from potential contractors to extend the RFP deadline to allow sufficient time to review the service area and properly submit a proposal. Staff declined the requests in order to meet the project schedule endorsed by Council; however, there is concern that the tight timeline may have affected the number and quality of RFP responses.

The updated Collection, Removal, Disposal and Recycling of Solid Waste Bylaw, 2015, No. 2084 stipulates that multi-family and commercial properties transition into City managed collection services any time after January 30, 2023 and no later than the latter of March 27, 2023 or the termination of any private solid waste service agreement that was entered into prior to the date of bylaw adoption. The bylaw also indicates that the solid waste collection service fee will be charged the earlier of once individual properties transition or January 1, 2024.

Staff reviewed the transition plan as part of the RFP process and recommend the implementation schedule as identified in Table 1. If Council directs staff to proceed with the transition, the Collection, Removal, Disposal and Recycling of Solid Waste Bylaw, 2015, No. 2084 will need to be updated accordingly.

Table 1: Implementation schedule

Phase #	Phase Description	Start Dates for Transition Implementation	Additional Details
1	MF Collection Transition	April 3, 2023	Beginning April 2023, up to 20 properties will be transitioned a week. Full transition will occur by August 2023.
2	LIPU Program Implementation	Mid-2023	To be provided to single-family households only.

3	Mixed-Use Transition	Late 2023	Refers to properties that include both commercial and multi-family units with their garbage, recycling and green waste facilities combined.
4	Commercial Transition	Early 2024	Commercial total unit information is not complete and will need further review by the City’s solid waste coordinator before transitioning.

Council endorsed a Solid Waste Coordinator position as part of the corporate report titled “Solid Waste Bylaw Update” dated October 4, 2021 from the Director, Engineering and Municipal Operations and subsequently as part of the 2022 Financial Plan. This position has approved funding for a term of one year until it can be funded through collected multi-family and commercial property solid waste fees in 2023. Although the position has approved funding to begin recruitment, it was determined that the need to fill the position would occur when a contractor was chosen. This has deferred costs in the interim.

If Council directs staff to proceed with the transition, staff will begin recruitment of a regular full-time Solid Waste Coordinator to begin the transition to City managed solid waste for multi-family and commercial properties as budgeted for in the 2022 Financial Plan. Ultimately, this position will be funded through collected multi-family and commercial property solid waste fees in 2023.

The role of the Solid Waste Coordinator will be to manage all solid waste inquiries in the City (including single-family) and, but not limited to, coordinating the implementation schedule outlined in Table 1, updating the Collection, Removal, Disposal and Recycling of Solid Waste Bylaw, 2015, No. 2084, refining the collection database including pick-up points, and managing all public outreach and engagement for the project.

Additionally, as identified in the October 4, 2021 corporate report, a new Financial Services Clerk will be required to support ongoing billing as part of this project. It is unknown at this time if the position requirement will be regular full-time or regular part-time. This will be determined when staff bring forward a subsequent report to award the contract for Council’s consideration.

FINANCIAL IMPLICATIONS

The Solid Waste Coordinator position is currently budgeted for in the 2022 Financial Plan for a term of one year. If Council endorses the staff recommendations included in this corporate report, staff will begin recruitment to fill this position. Staff will include the position in the 2023 Financial Plan and will ultimately fund the position through collected multi-family and commercial property solid waste fees.

If Council endorses the staff recommendations included in this corporate report, a Financial Services Clerk position (whether regular full-time or regular part-time) will also be budgeted for in the 2023 Financial Plan and ultimately funded through collected multi-family and commercial property solid waste fees.

The costs of these two staff positions will need to be factored together with the RFP submissions to determine whether costs will be increased for property owners when a rate structure is developed.

Should Council decide to proceed with the project, a financial plan amendment will be required.

COMMUNICATION AND COMMUNITY ENGAGEMENT IMPLICATIONS

Upon Council's approval of the contract, staff will need to begin community engagement regarding the implementation schedule identified in Table 1. This will include coordinating with property owners to determine the pick-up frequency, pick-up location, and solid waste container types. Engagement will take place through in person, phone and email correspondence and outreach will occur on the City's social media and Talk White Rock platforms.

Staff have engaged extensively with property owners to date and have received pushback on the proposal. In particular, there has been negative feedback from the approximately 10% of properties with existing long-term solid waste removal contracts.

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 through our social media and Talk White Rock platforms.

ALIGNMENT WITH STRATEGIC PRIORITIES

The transition to City-managed waste collection services for multi-family and commercial is consistent with Council's Top Strategic Priorities.

OPTIONS / RISKS / ALTERNATIVES

The following options are available for Council's consideration:

City managed solid waste collection for multi-family and commercial properties is complex and requires thorough investigation and additional staffing to support the transition. Council can decide to not endorse the recommendation included in this corporate report and continue with the status quo for multi-family and commercial solid waste collection.

CONCLUSION

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 transition is scheduled to begin in April 2023 and be fully complete for all multi-family properties, commercial properties and large item pick-up by early 2024. A Solid Waste Coordinator and Financial Services Clerk will be required to support the transition to City managed solid waste collection and will need to be considered and included when staff determine the multi-family and commercial solid waste fees.

Challenges such as the short turn-around time between the RFP closing date and the originally intended contract award date of October 3, 2022 does not provide Financial Services with sufficient time to determine billing rates and a billing structure, resolve existing long-term contracts and ensure costs to properties are not increased. If Council directs that staff move forward with the transition, these issues will need to be resolved and schedules adjusted accordingly.

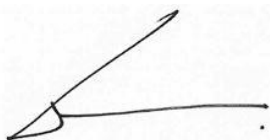
Respectfully submitted,



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

Comments from the Chief Administrative Officer

I concur with the recommendations of this corporate report.



Guillermo Ferrero
Chief Administrative Officer