

THE CORPORATION OF THE  
**CITY OF WHITE ROCK**  
CORPORATE REPORT



**DATE:** February 22, 2021

**TO:** Mayor and Council

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

**SUBJECT:** Solid Waste Collection Review

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**RECOMMENDATIONS**

THAT Council:

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.
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**EXECUTIVE SUMMARY**

One of Council’s Strategic Priorities to manage the delivery of City services efficiently and effectively is to review multi-family and commercial waste pickup. Dillon Consulting (Dillon) was hired to carry out a comprehensive review of all solid waste services, conduct an open house, prepare surveys, and provide a detailed qualitative study.

Dillon determined that the current solid waste collection for single family (SF) dwellings is efficient. Staff discussed Dillon’s Report regarding the SF aspects of the City’s solid waste collection in July and October 2020 Corporate Reports. Council considered the reports and approved the purchase of five new solid waste collection vehicles to replace the vehicles in the SF solid waste collection fleet.

Dillon also reviewed three options for multi-family (“MF”) and Institutional, Commercial and Industrial (ICI) waste pick up. Their evaluation concluded that solid waste collection by a City managed contractor will provide the most benefits.

The purpose of this report is to seek Council’s direction on MF and ICI solid waste collection service.

**PREVIOUS COUNCIL DIRECTION**

<b>Motion # &amp; Meeting Date</b>	<b>Motion Details</b>
2020-490 October 5, 2020	THAT Council:  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

	<p>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> <p style="text-align: right;">CARRIED</p>
<p>2020-394 July 27, 2020</p>	<p>THAT Council:</p> <p>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</p> <p>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> <p style="text-align: right;">CARRIED</p>
<p>2018-395 November 19, 2018</p>	<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>
<p>2015-114 April 10, 2015</p>	<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/BACKGROUND**

In mid-2015, the City made significant changes to its delivery of solid waste services in response to Metro Vancouver's Integrated Solid Waste and Resource Management Plan (ISWRMP). MF and ICI solid waste collection was removed as a City service and left to private contracts between haulers and property owners in the MF and ICI sector. The changes also included a transition from cost recovery through Property Taxes to a user fee model for SF units.

Prior to 2015, the City collected MF and ICI solid waste with one overhead compactor truck; however, changes in service to meet the ISWRMP, such as green waste collection, in addition to the construction of several large residential towers and infill buildings meant one overhead compactor truck was no longer adequate to provide the service. As a result of the changes made by Metro Vancouver, in addition to the one overhead compactor truck an additional four trucks capable of handling toters would have been required to provide City MF and ICI solid waste service.

As the review of MF and Commercial waste pickup is a Council Strategic Priority, Dillon Consulting was retained to conduct a Solid Waste Management Operations Review (Appendix A). Their scope included a waste characterization study, jurisdictional best practices review, identification of service improvement opportunities, public consultation, high level cost estimates, and a qualitative evaluation of solid waste service options for SF, MF, and ICI.

Dillon's study found that the City's SF collection is efficient. For MF and ICI, the following options were evaluated, which included a high-level cost estimate for Option 2 and Option 3:

1. Collection by privately managed contractors (status quo),
2. Collection by City staff, and
3. Collection by a City managed contractor.

If services under Option 1 continues, there would not be any change in service.

If Option 2 is adopted, the City will need to invest an estimated \$3.15M (\$1.13M for new totters, and dumpsters and \$2.02M for five (5) waste collection vehicles). The operating budget will need to be increased by an estimated \$1.3M (\$650K for six (6) new regular full-time staff, fuel, maintenance, and \$650K in tipping fees). Issues to consider would include lack of space at the Operations Works Yard to house five (5) additional waste collection vehicles, as well, the significant increase in large vehicle traffic and noise would exacerbate the concerns of neighbours surrounding with the Works Yard at Keil Street. An investigation of a scaled down service paradigm limited to MF showed that this was not feasible independently of ICI because both sectors would need to share an overhead compactor truck.

If Option 3 is adopted, the City would procure a single contractor to provide solid waste collection services for all MF and ICI within the municipality. Staff would report back to Council on funding models to support one (1) regular full-time position needed to coordinate the solid waste contractor and to pay for the contract service which would require an increase in the operating budget. The City would also need to set user fees in the Solid Waste Bylaw for this service.

A summary of Dillon’s qualitative evaluation of MF and ICI solid waste collection options is noted below in Table 1.

**Table 1 – Qualitative Evaluation of MF and ICI Collection Options**

<b>Unique Scenario Components</b>	<b>Option 1 – Status Quo</b>	<b>Option 2 – City Collection of Both MF and ICI</b>	<b>Option 3 – City Managed Contract of MF and ICI</b>
<b>Capital Cost</b>	No Change in Capital Costs	Highest initial capital cost <b>x</b>	No Change in Capital Costs
<b>Community Acceptance</b>	No changes to existing resident responsibilities	Reduces number of waste collection vehicles on the street <b>✓</b>	Reduces number of waste collection vehicles on the street <b>✓</b>
<b>Ease of Implementation</b>	No change to existing service	Requires operator training for new vehicle(s)	Requires management of contract
<b>EH&amp;S Considerations</b>	No change to risk	Medium risk of injury	Medium risk of injury
<b>Operating Cost</b>	Lowest annual operating cost <b>✓</b>	Highest annual operating cost <b>x</b>	Second highest annual operating cost
<b>Operational/Managerial Complexity</b>	No change to current level of effort for ongoing management/daily operations	Increase in current level of effort for ongoing management/daily operations (additional collection vehicles, routes and crews) <b>x</b>	Increase in current level of effort for ongoing management/daily operations (contract management) <b>x</b>
<b>Identified Economic Benefits MF</b>	No Change	Reduced overall costs for MF sector <b>✓</b>	Reduced overall costs for MF sector <b>✓</b>
<b>Identified Economic Benefits ICI</b>	No Change	Increased overall costs for ICI sector <b>x</b>	Reduced overall costs for ICI sector <b>✓</b>
<b>Strategic Fit</b>	No change to staffing level	In-line with Council Goals and Objectives <b>✓</b>	In-line with Council Goals and Objectives <b>✓</b>

Dillon concluded that Option 3 – collection by a City managed contractor provides the most benefit to the City. This option reduces the number of waste haulers on City streets and would not require capital expenditures.

### **FINANCIAL IMPLICATIONS**

As presented at the January 25, 2021 Finance & Audit Committee Meeting, the Solid Waste Reserve does not have sufficient funds to provide \$3.15M in capital expenditures. The operating budget has not been setup to contemplate an increase of an estimated \$1.3M.

The Solid Waste Utility would require significant increases to both the capital reserve and the operating budget to carry out this service.

### **LEGAL IMPLICATIONS**

The City has approximately 252 MF and 96 ICI properties; these properties have existing contracts with private haulers. If Option 2 or Option 3 is selected, existing contracts and termination clauses would need to be respected.

A new regular full-time staff will need to contact every property, review its contract terms, asset its current solid waste assets, develop its transition plan to City or City-managed collection, and prepare its solid waste collection plan.

It is recommended that the City retain a legal opinion on the impacts of terminating existing contracts.

### **COMMUNICATION AND COMMUNITY ENGAGEMENT IMPLICATIONS**

The City of White Rock hosted an open house on February 19, 2020. Over 70 residents attended the open house and the City received 199 responses to the online survey. Of the survey responses, 72% of the respondents were satisfied or very satisfied with their current collection services and 67% of the respondents found their day-to-day living impacted or very impacted by hauler traffic.

Of the respondents that reside in multi-family buildings, 45% are not satisfied with their current waste collection program and 72% would be very interested in having the City complete their waste collection.

A second round of surveys were sent to 257 MF property managers and 107 business owners to understand their current solid waste collection service and cost. The City received 57 responses for MF and 12 responses for ICI.

For MF, it was found that all respondents have garbage, recycling, and green waste collection. Of 57 responses, 33% pays over \$300/unit/year, 28% were unsure, 19% pays between \$180/unit/year and \$300/unit/year, and 19% pays less than \$180/unit/year.

Of the 12 responses received for ICI, 58% pay over \$732 per year, 9% pay less than \$240, and 33% are unsure of their costs.

### **INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS**

Finance Department staff reviewed this report and provided feedback on reserve and budget implications.

## **CLIMATE CHANGE IMPLICATIONS**

Options two and three will result in fewer trucks on the road and less greenhouse gas production.

## **ALIGNMENT WITH STRATEGIC PRIORITIES**

The review of solid waste operations, specifically multifamily and commercial pickup, is a 2018-2022 Council Strategic Priority.

## **OPTIONS / RISKS / ALTERNATIVES**

The following alternative options are available for Council's consideration:

1. Maintain the current solid waste collection model.
2. Conduct a detailed financial analysis and review funding models that enable the City to provide solid waste collection for MF and ICI by City staff. Obtain a legal opinion to determine if the City through bylaw can request private property to terminate contracts with private solid waste haulers.

If Option 1 is selected, the current operating model would continue. The amount of truck traffic by multiple private haulers would continue.

If Option 2 is selected, the \$3.15M in capital assets and additional \$1.3M in operating expenses would need to be included in the Financial Plan. The space to house five (5) additional solid waste vehicles, not available at the Operations Works Yard, would need to be identified. In addition, staff would need to review funding models, which may include additional land acquisition costs to expand the Operations Works Yard, or purchase/lease other property for this purpose, as well as determine potential impact on the revenue services division.

## **CONCLUSION**

Dillon's study found that the City's SF collection to be efficient. For MF and ICI collection, three options were evaluated: collection by privately managed contractors (status quo), collection by City staff, and collection by a City managed contractor. Estimated costs for City staff to provide collection service for MF and ICI would be \$3.15M in capital and \$1.3M in operating – costs not contemplated in the 2021-2025 Financial Plan.

The consultant concluded that a City managed contractor would be the most advantageous option. This option is recommended as it reduces the number of private waste haulers on the road and does not require new capital expenditures.

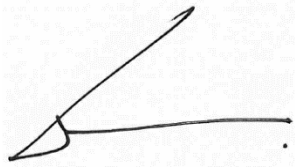
Respectfully submitted,



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

**Comments from the Chief Administrative Officer**

I concur with the recommendations of this corporate report.

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

Guillermo Ferrero  
Chief Administrative Officer

Appendix A: Solid Waste Management Operations Review