

Adopted by Council at its meeting held May 22, 2012 [M260-2012]

/AA

Windsor, Ontario May 22, 2012

REPORT NO. 65 of the
ENVIRONMENT & TRANSPORTATION STANDING COMMITTEE
of its meeting held April 25, 2012

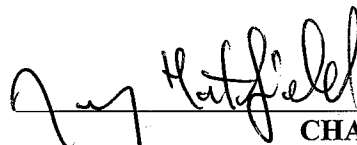
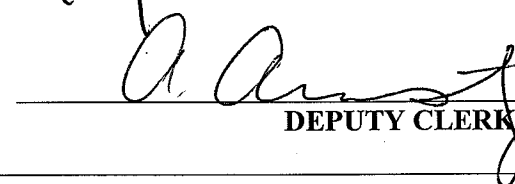
Present: Councillor Hatfield, Chair
Councillor Halberstadt
Councillor Sleiman
Councillor Valentinis

Regrets: Councillor Payne

That the following recommendations of the Environment and Transportation Standing Committee **BE APPROVED:**

Moved by Councillor Halberstadt, seconded by Councillor Sleiman,
THAT the minutes of the Essex-Windsor Solid Waste Authority meeting held December 6, 2011 **BE RECEIVED** for information.
Carried.

Clerk's Note: The minutes of the Essex-Windsor Solid Waste Authority meeting held December 6, 2011 are attached as background information.


CHAIRPERSON

DEPUTY CLERK

NOTIFICATION:				
Name	Address	Email Address	Telephone	FAX



MINUTES
ESSEX-WINDSOR SOLID WASTE AUTHORITY

Essex County Civic and Education Centre
Meeting Room C

Tuesday December 6, 2011

PLEASE NOTE EARLY START- In-Camera Meeting 4:15 PM
Regular Meeting 4:30 PM

Attendance:

EWSWA Board Members:	Tom Bain (Ex-Officio)	County of Essex
	Ron McDermott	County of Essex
	Ken Antaya	County of Essex
	Wayne Hurst (Chair)	County of Essex
	Cheryl Hardcastle	County of Essex
	Alan Halberstadt	City of Windsor
	Ed Sleiman	City of Windsor
	Al Maghnieh	City of Windsor

Absent:	Drew Dilkens (Alternate & Vice-Chair)	City of Windsor
	Ed Francis (Ex-Officio)	City of Windsor

EWSWA Staff:	Eli Maodus, General Manager
	Michelle Bishop, Manager of Finance and Administration
	Cameron Wright, Manager of Waste Diversion
	Ralph Reiser, Manager of Waste Disposal
	Kate George, Executive Secretary

County of Essex Staff:	Mary Brennan, Clerk / Director of Council Services
	Rob Maisonville, Director of Corporate Services / Treasurer
	Brian Gregg, Chief Administrative Officer

City of Windsor Staff:	Natasha Couvillon, Manager of Operating Budget and Financial Administration
	Tony Ardovini, Deputy Treasurer - Financial Planning
	Mark Spizzirri, Financial Planning Administrator
	Anne Marie Albidone, Manager of Environmental Services

1. IN-CAMERA AGENDA

Moved by Tom Bain

Seconded by Ron McDermott

THAT the Authority move into In-Camera Committee of the Whole to discuss a property matter at 4:17 PM.

--CARRIED UNANIMOUSLY
139-2011

Moved by Ed Sleiman
Seconded by Ken Antaya
THAT the Board move out of In-Camera session at 4:26 PM.

--CARRIED UNANIMOUSLY
142-2011

2. CALL TO ORDER

The Chair called the meeting to order at 4:30 PM.

3. DECLARATION OF PECUNIARY INTEREST

There were no declarations of pecuniary interest.

4. APPROVAL OF MINUTES

A) EWSWA Board Meeting – November 1, 2011

Moved by Tom Bain
Seconded by Ron McDermott
THAT the minutes of the EWSWA Board Meeting of November 1,
2011 be adopted.

--CARRIED UNANIMOUSLY
143-2011

5. BUSINESS ARISING FROM THE MINUTES

There was no business arising from the minutes

6. CORRESPONDENCE

A) Waste Related Articles - For Information Purposes - Taking Out the Trash (Kingston) & Peel Assesses Waste Options (Region of Peel)

The General Manager noted that articles such as those in today's and last month's agendas will be a regular occurrence. The Board resolved that administration would provide information with regard to alternatives to landfilling as information becomes available.

Mr. Halberstadt questioned whether any research had been done with regard to the organics programs in the Municipalities of Hamilton and Guelph?

The General Manager noted that he did not have any information pertaining to those specific municipalities and programs.

Moved by Alan Halberstadt

Seconded by Ed Sleiman

THAT the Waste Related Articles be received for information purposes.

--CARRIED UNANIMOUSLY

144-2011

B) Municipality of Leamington - Report to Leamington Council RE 2011 EWSWA Business Review Undertaken by Stantec Consulting Ltd.

The General Manager explained the process undertaken by administration with regard to presenting the Business Review to the municipalities. He noted that the Municipality of Leamington sent their comments to the Authority office for inclusion on the agenda.

Moved by Ken Antaya

Seconded by Al Maghnieh

THAT the correspondence received from the Municipality of Leamington be received for information purposes.

--CARRIED UNANIMOUSLY

145-2011

7. FINANCE AND ADMINISTRATION

A) 2011 EWSWA Business Review Recommendations

The General Manager elucidated the findings of the Staff Finance Committee with regard to the Business Review recommendations. He noted that the Committee met and evaluated the consultant's 7 original recommendations. The report presented at the November meeting outlines all of the recommendations and the report on this agenda provides feedback from the meetings between EWSWA administration and the seven county treasurers held during November. There was no consensus from the municipalities with regard to the consultant's recommendations.

The General Manager noted that the three key issues are 1) the suspension of the \$500,000 contribution to the Perpetual Care Reserve 2) Consolidating \$5.9M of the \$7.9M in the Perpetual Care Reserve with the Rate Stabilization Reserve and 3) Assessing \$10.1M to the municipalities based on population and tonnes of refuse.

The General Manager further noted that there is time to make a decision with regard to the recommendations presented to the Board. There is no pressure to make a decision today. This matter can be considered aside from the upcoming 2012 budget deliberations.

Mr. Halberstadt questioned the recommendation wording, it seems unclear if any of the original 7 recommendations have changed. He particularly noted concern for Stantec Recommendation #7 with regard to the out of area waste.

The General Manager indicated that administration has only analyzed the financial impact of accepting refuse from outside the region but it has not made a recommendation to accept out of area waste, per the Board resolution on the matter.

Mr. Halberstadt then questioned whether the remaining 6 Stantec Recommendations remained consistent with what was presented.

The General Manager indicated that there were some modifications made to the recommendations such as the consolidation of reserves - only a portion of the reserves will be combined as the staff finance committee thought it best to keep certain reserves segregated. Generally they remain as presented by Stantec.

Moved by Ed Sleiman

Seconded by Alan Halberstadt

THAT the Board approve the 7 Recommendations as presented in the report from Administration on November 1, 2011.

NO VOTE TAKEN

Mr. Anataya questioned why we would approve 7 Recommendations when the report before us speaks about only 3 issues.

The General Manager clarified that the 3 issues consolidate six Stantec recommendations.

Mr. Bain suggested an amendment to the motion on the floor to state "3 Recommendations as presented by Administration in the December 6 report."

Mr. Sleiman noted that the City finance department analyzed the 7 Recommendations and that they have recommended to the City Board Members to support those 7. There will be no amendment to the motion.

Ms. Hardcastle noted that the 7 Recommendations included a recommendation for accepting outside waste through ICI contracts. We have already made a decision to that regard and it should not be included in the motion.

The General Manager clarified that the Staff Finance Committee is not recommending that the Authority accept waste from outside Windsor-Essex. Administration is neutral on that issue, it remains a political decision. He further proposed that he would go through the

recommendations one by one in order to clarify each issue for the Board members.

Ms. Hardcastle noted that Recommendation #7 pertaining to outside waste will impact the 2012 budget.

The General Manager noted that Recommendation #7 was not considered in the 2012 budget since the Board has already made a decision to that regard.

Considerable discussion took place as to the wording of the motion and the difference between the 7 Recommendations from Stantec and the 3 issues as noted in the report from the General Manager.

Mr. Halberstadt expressed that the coming year looks stable and he is comfortable with the work administration is showing in the report.

Mr. Sleiman articulated that he would like to have Windsor and Essex finance staff go over the recommendations again. He noted that he would like to withdraw the motion on the floor and take more time to review the report.

Ms. Hardcastle that there is no need to prolong this process any further, we simply need to go over the recommendations for absolute clarity. There is a decision to be made here and we need to make it.

The General Manager explained each of the 7 Recommendations from the October 31, 2011 report from the Staff Finance Committee and originally presented to the Board at its November 1, 2011 meeting.

The Board decided that it would consider each of the 7 Recommendations separately.

Moved by Tom Bain

Seconded by Al Maghnieh

RECOMMENDATION #1

THAT a rolling 10-year planning forecast model be developed for the 2012 to 2021 budget years as a means to project capital construction and vehicle expenditures, operating expenses, debt, revenue, rates and charges, and reserve fund balances.

--CARRIED UNANIMOUSLY
146-2011

Moved by Alan Halberstadt

Seconded by Ed Sleiman

RECOMMENDATION #2

THAT the \$500,000 annual contribution to the Perpetual Care Reserve be suspended during the period of debenture repayment. The last debenture payment to Sun Life takes place in 2031. Contributions to the Perpetual Care Reserve are to resume in 2032 at a level consistent with the 2031 debenture obligation which is currently estimated to be \$7.3M.

--CARRIED UNANIMOUSLY

147-2011

Moved by Cheryl Hardcastle

Seconded by Ken Antaya

RECOMMENDATION #3

THAT the Perpetual Care Reserve fund be capped at \$2 million until the landfill debenture has been repaid in 2031 with the surplus amount and interest earned transferred to the Rate Stabilization Reserve.

--CARRIED UNANIMOUSLY

148-2011

Moved by Tom Bain

Seconded by Ed Sleiman

RECOMMENDATION #4

THAT the Regional Landfill Perpetual Care Reserve (all funds except for \$2M per Recommendation 3) be consolidated with the Rate Stabilization Reserve to create a single 10-year rate model reserve.

--CARRIED UNANIMOUSLY

149-2011

Moved by Cheryl Hardcastle
Seconded by Alan Halberstadt

RECOMMENDATION #5

THAT the uncontrollable cost of annual debenture repayment, host community compensation, and common administration costs be assessed to County municipalities and the City of Windsor on a per capita basis using population. The total of those costs is approximately \$6.7M for 2012. Those municipalities adversely affected by the change in allocation method will be allowed a one year grace period for 2012. Those municipalities will not be allocated more in 2012 than was budgeted for them for 2011. The Rate Stabilization Reserve will fund the difference for 2012.

–CARRIED UNANIMOUSLY
150-2011

Moved by Ken Antaya
Seconded by Al Maghnieh

RECOMMENDATION #6

THAT all other costs (except Sites 2 and 3 perpetual care) be recovered through a "Total Waste Management Fee" to municipal partners. The fee is estimated to be \$35 for 2012.

–CARRIED UNANIMOUSLY
151-2011

Moved by Ken Antaya
Seconded by Alan Halberstadt

RECOMMENDATION #7

THAT the Board **NOT SUPPORT** that an annual target being developed for each year of the 10-year forecast for ICI landfill revenue. An annual target of \$3.0 million per year is considered as a reasonable starting point to balance the desire to reduce local financial contributions with the long-term goal of extending the life of the landfill. The budget for ICI revenue in 2011 was \$3.2 million, therefore a \$3.0 million annual target would result in a reduced volume of waste being received from other jurisdictions.

–CARRIED
152-2011

Ed Sleiman, Al Maghnieh Opposed

--Tom Bain left the meeting at 5:05 PM.

B) 2012 Budget Deliberations ('Draft Operational Plan and Budget' & 'Schedule of Fees' are attached separately)

The Manager of Finance and Administration spoke to the 2012 Draft Budget and the recommendations therein. She went through each of the items in the executive summary and noted that should anyone have any questions that they simply ask for clarification.

- A. **Municipal Refuse Tipping Fee** – For 2012 it is being proposed that the municipalities, in total, would be assessed the same amount that was budgeted for 2010 and 2011 namely \$10,100,000. This \$10.1M would be allocated to Windsor and the 7 County of Essex municipalities as determined by the Authority Board.

The Manager of Finance noted that per the Board's resolution on the previous agenda item the assessment back to the municipalities will be based on population and a Total Waste Management Fee.

- B. **Municipal Organics Tipping Fee** – The fee will remain unchanged at \$37/tonne.

- C. **Residential Tipping Fee** - No changes are budgeted for residential tipping fees in 2012, currently residents pay a \$2 flat fee for the first 4 loads of refuse under 100kg. After the 4 loads are exhausted a \$10.00 flat fee applies to loads under 100kg. Loads over 100kg are charged \$10.45 per 100kg.

- D. **Industrial/Commercial/Institutional Tipping Fees** – It is being proposed gate rates for all ICI tipping fees would increase by \$1/tonne. This includes the large volume tipping fee of \$28/tonne for contracts exceeding 40,000 tonnes. The 2012 rate would therefore be \$29/tonne.

- E. **Contribution to Perpetual Care Reserve** – The \$500,000 annual contribution has not been included in the 2012 budget based on the recommendations provided by Stantec during the Business Review.

The Manager of Finance indicated that per the Board's decision on the previous agenda item of the Business Review Recommendations, the budget figures shown are accurate as that was anticipated in the Budget.

- F. **Windsor Public Drop Off Hours** – In 2009 the hours were extended from 4:45 to 6:45 pm during the months of April and May on a trial basis to provide enhanced public service, however a review of the amount of residents using the drop off during these extended hours along with the additional costs versus the revenue generated has determined that it is not practical to continue to remain open until 6:45 pm during these 2 months. Instead the Technical Staff Committee has proposed to open the Public Drop Off on Monday, May 21, 2012

the Victoria Day holiday. April and May closing time will revert to the pre-2009 time of 4:45PM.

- G. **New Fee** – *Included in the attached 2012 Schedule of Fees, Contaminated Soil to be Landfilled has been added at \$30/tonne.*

Other Budget Matters

The Manager of Finance and Administration discussed blue box funding and noted that Waste Diversion Ontario has advised that 2012 funding will be \$1,728,000 compared to the draft budget estimate of \$1.6M. This additional funding will increase the budget surplus already indicated on the budget.

The Manager of Finance and Administration explained that any surpluses are traditionally transferred into the Rate Stabilization Reserve.

The Manager of Finance and Administration went over the new items noted in the report and asked if there were any questions.

Mr. Antaya questioned the 2012 increase in revenue from the sale of recyclables. Is there a trend with this or is it as volatile as the market?

The Manager of Finance and Administration indicated that although paper, our most plentiful resource saw a significant spike at \$150 per tonne in the summer months it quickly crashed to \$90 and has been hovering in that range since. Since the sale of recyclables is tied to commodity prices it is extremely difficult to predict the prices.

Mr. Halberstadt questioned what the balance of the Reserves would be considering the additional funding and surpluses. In particular the Perpetual Care Reserve.

The General Manager noted that the Perpetual Care Reserve would have a balance of \$2M at the end of 2011 after transferring approximately \$5.9M to the Rate Stabilization Reserve per the recommendation from the Business Review report. He further noted that with regard to the method of allocation for municipalities that funds from the reserves would be used to offset the costs for those impacted by the switch in the amount of \$95,000 for Windsor, \$19,000 for Kingsville and \$122,000 for Leamington.

Moved by Ken Antaya

Seconded by Ron McDermott

1. THAT the Board approve the 2012 budget.
2. THAT the 2012 budget be recommended to the City of Windsor and the County of Essex for approval by their respective councils.
3. THAT the City and the 7 County of Essex municipalities be assessed \$10.1M as directed by the Authority Board.
4. THAT the \$500,000 contribution to the Regional Landfill Perpetual Care Reserve be suspended in 2012.
5. THAT the attached fee schedule be approved for 2012 and that this fee schedule be recommended to both the City of Windsor and the County of Essex for approval by their councils.

--CARRIED UNANIMOUSLY

153-2011

8. WASTE DISPOSAL ISSUES

A) Status Report on the Construction of Cell 3 North of the Essex-Windsor Regional Landfill

The Manager of Waste Disposal indicated that extremely wet weather has caused delays in progress in the construction of Cell 3 North at the Regional Landfill. He noted that record rainfalls have caused an increase in working days and more time being spent in the field. There is also a challenge with regard to soil composition in the Cell 3 North excavation area. There is a larger than anticipated sand deposit which has increased the cost of excavation and removal significantly. Back when the geotechnical work was performed at the Regional Landfill site, exploratory bore holes were drilled into the ground and samples showed small amounts of sand. At the time of the drilling, it was decided that no extra funds would be spent on ground sampling and that once the Cell development was underway the ground composition would be dealt with at that time. The time has come, to manage the 'sand lenses'. A table was included in the report showing a potential cost increase of \$140,000 on a total project cost of \$4.6M representing a 3% cost over-run.

Moved by Alan Halberstadt

Seconded by Ed Sleiman

THAT the report pertaining to Cell 3 North development costs be received for information purposes.

--CARRIED UNANIMOUSLY

154-2011

9. WASTE DIVERSION ISSUES

There were no Waste Diversion issues for discussion.

10. ANY OTHER BUSINESS

There was no other business that was discussed.

11. SUMMARY OF ACCOUNTS

There were no outstanding accounts as of December 6, 2011

12. BY-LAWS**A) By-Law 18-2011 - Being a By-Law to Confirm the Proceedings of the Board of the Essex-Windsor Solid Waste Authority.**

Moved by Ken Antaya

Seconded by Al Maghnieh

THAT By-Law 18-2011 - Being a By-Law to confirm the proceedings of the Board of the Essex-Windsor Solid Waste Authority be given three readings and be adopted this 6th day of December, 2011.

--CARRIED UNANIMOUSLY

155-2011

13. NEXT MEETING

The next meeting of the Authority will take place at the call of the Chair. It is anticipated that the meeting will be sometime in late January or early February depending on when information is available for reports and for the Master Plan.

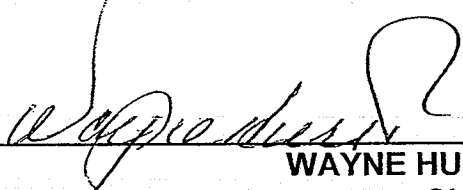
The Chair noted that the 2012 composition of the Board will be weighted with the City who will also hold the Chair's position per the founding agreement of the Essex-Windsor Solid Waste Authority. He made a note that Cheryl Hardcastle who has been the 5th County representative on the Board in 2011 will be an alternate to the Warden for 2012. He further thanked Cheryl for her commitment and contribution thus far.

14. ADJOURNMENT

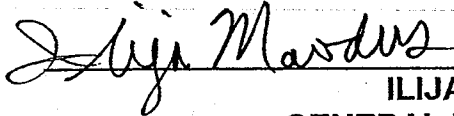
Moved by Ken Antaya
Seconded by Cheryl Hardcastle
THAT the meeting be adjourned at 5:25 PM.

--CARRIED UNANIMOUSLY
156-2011

All of which is respectfully submitted.



**WAYNE HURST
CHAIR**



**ILIJA MAODUS
GENERAL MANAGER**