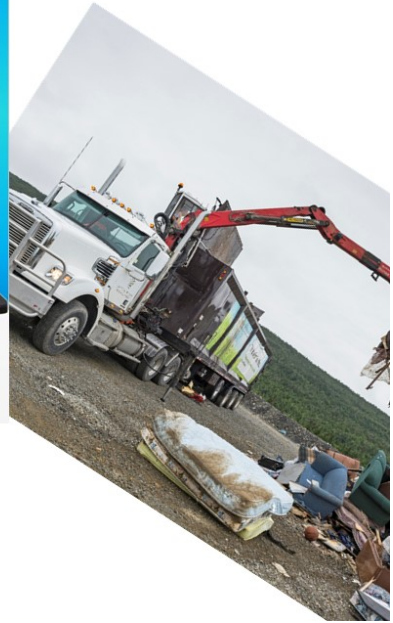


Eastern Regional Service Board

Annual Performance Report 2015



Message from the Chairperson



I am pleased to present the 2015 annual report for the Eastern Regional Service Board. This report covers the period January 1, 2015 to December 31, 2015.

The Board has been very active in the advancement of the Provincial Waste Management Strategy. The Clarendville Transfer Station has been commissioned and is ready to accept waste from its service area starting in 2016. This completes one of the final stages in the implementation of the PWMS in the eastern region. Our last piece of waste management infrastructure has been designed and the contract for construction in 2016 has been awarded. With this work completed the Board will focus its attention on service delivery improvements, operational efficiency and preparing for our next opportunities in regional

service delivery.

As chairperson, my signature indicates that all members of the Board are accountable for the results reported in this document. I am very pleased with the Board's past year of operations and I look forward to continued progress in 2016.

Sincerely yours,

A handwritten signature in blue ink, appearing to read 'Ed Grant', with a stylized, flowing script.

Ed Grant
Chairperson
Eastern Regional Service Board

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Overview

The Eastern Regional Service Board (the “Board”) was charged with implementing the regional plan developed by its predecessor committee – Eastern Waste Management for the 163 communities and 270,000 people in the eastern region. The plan was developed to accomplish three broad goals:

- advance the implementation of modern waste management practices,
- divert materials from disposal in the landfill, and
- close the 42 community landfills that operated in the region.

As of December 31, 2015, there is one community landfill operating in the eastern region on Bell Island with 41 operationally closed in accordance with the Eastern Regional Plan. The Province has chosen the Robin Hood Bay facility to be the focus for landfill and diversion services/facilities. The City of St. John’s operates the Robin Hood Bay facility for the benefit of the region.

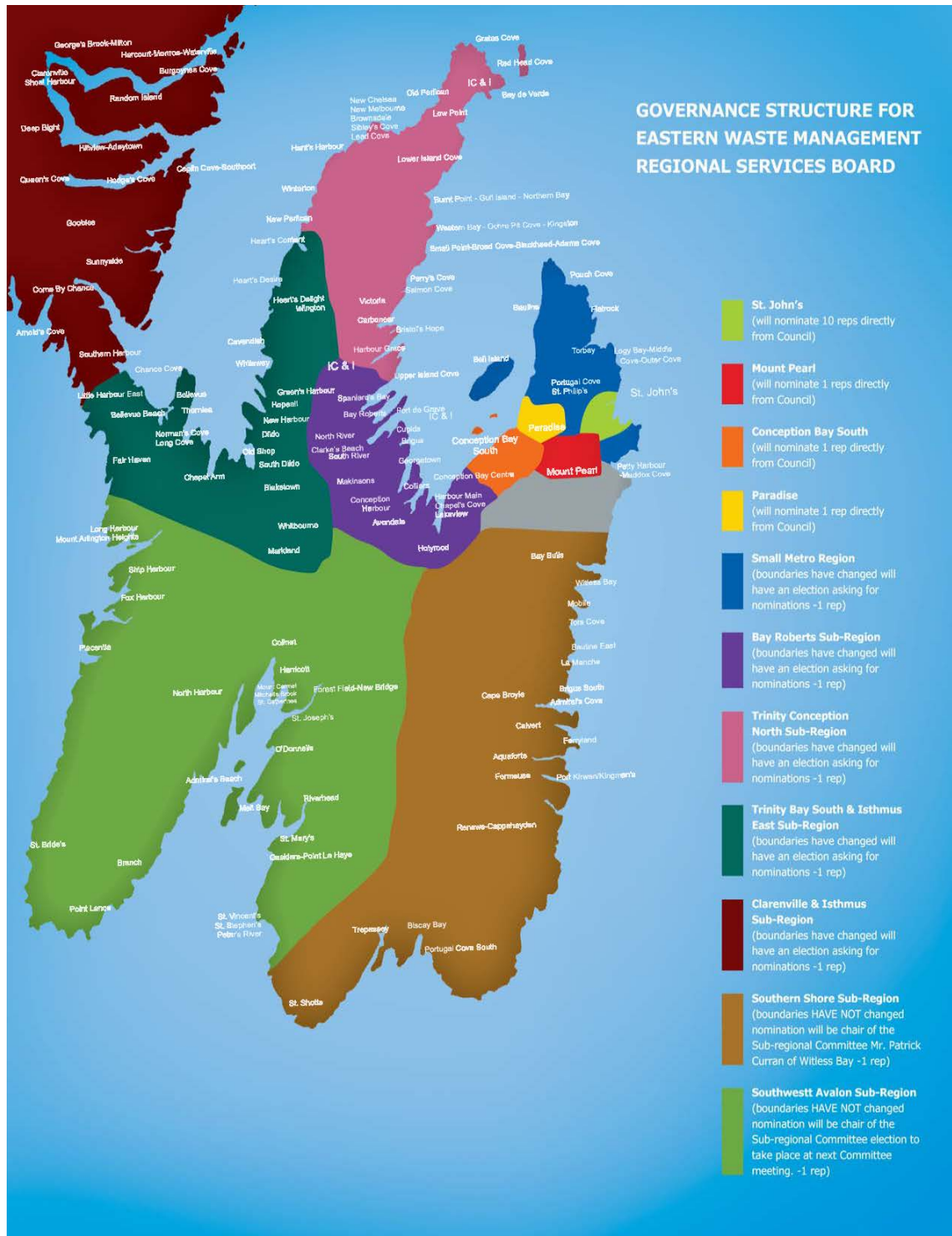
While many of the larger urban communities have dedicated waste fleets, foremost part the smaller municipalities, local service districts and unincorporated areas have regional service delivery provided by the Board. The regional service allows for an efficient and effective collection, transport and diversion of waste materials. The Board provides direct service to approximately 24,000 households and businesses. This includes weekly waste collection, biweekly recyclables collection (fiber and containers), and regular bulk garbage collection events.



Incinerator in Old Perlican being dismantled and replaced with a waste recovery facility

In addition to the roadside/curbside collection, the Board also operates a series of waste recovery facilities throughout the region and a transfer station in Clarendville to ensure that residents have ready access to services and facilities to dispose of household bulk items. Throughout the year, household hazardous waste collection events take place to allow residents to properly dispose of these hazardous materials.

Operations are overseen by a board of twenty municipal government representatives led by a chairperson appointed by the Province. These twenty members are either nominated by their respective Council or are elected by the Councils in a sub region to represent the sub region on the Eastern Regional Service Board. The map on the following page illustrates the representation for each area in the eastern region.



EASTERN REGIONAL SERVICES BOARD MEMBERS:		
		Area Represented
Mr. Ed Grant	Chair:	
Mr. Harold Mullowney	Vice-Chair:	Southern Shore
Mr. Dave Aker		Mount Pearl
Mr. Gordon Stone		Trinity Conception North
Mr. Bill Bailey		Clareville & Isthmus
Mr. Danny Breen		St. John's
Ms. Peggy Roche		Metro Area
Mr. Ron Ellsworth		St. John's
Mr. Wally Collins		St. John's
Ms. Joy Dobbie		Trinity Bay South & Isthmus East
Mr. Jonathan Galgay		St. John's
Mr. Ken McDonald		Conception Bay South
Mr. Dave Lane		St. John's
Mr. Dennis O'Keefe		St. John's
Mr. Tom Hann		St. John's
Mr. Sam Whalen		Bay Roberts Area
Mr. Sandy Hickman		St. John's
Vacant		Southwest Avalon
Mr. Art Puddister		St. John's
Mr. Bruce Tilley		St. John's
Mr. Sterling Willis		Paradise

Revenue and Expenditures

The Board is accountable for the funds it receives from government and the funds that are generated through user fees. Each year it has audited financial statements prepared.

For the Year Ended December 31, 2015

	Budget 2015	Total 2015	Total 2014
REVENUES			
Government grants	\$ -	\$ 382,831	\$ 468,893
Capital government grants	3,614,266	3,702,917	-
Tipping fees	2,863,765	2,863,765	2,952,328
Waste management fees	4,425,298	4,061,491	3,108,854
Metals recycling revenue	60,000	103,307	57,721
	10,963,329	11,114,311	6,587,796
OPERATING EXPENSES			
Administrative expenses (<i>Schedule 1</i>)	1,345,528	1,405,479	1,317,368
Regional waste management operating expenses (<i>Schedule 2</i>)	1,163,931	1,453,336	1,262,734
Waste collection operating expenses (<i>Schedule 3</i>)	4,070,816	4,283,166	3,046,863
Transfer station - site development (<i>Note 6</i>)	-	236,817	306,505
Waste recovery facilities - site development (<i>Note 6</i>)	-	22,156	9,918
Waste site closures (<i>Note 6</i>)	-	108,791	160,118
	6,580,275	7,509,745	6,103,506
SURPLUS FROM OPERATIONS	4,383,054	3,604,566	484,290
OTHER INCOME	20,000	268,599	149,253
Interest income			
Miscellaneous revenue	3,000	15,594	14,510
	23,000	284,193	163,763
ANNUAL SURPLUS	\$ 4,406,054	\$ 3,888,759	\$ 648,053

The staff complement includes a total of 24 full time employees and 12 part time employees. ERSB is governed by a board of 21 local municipal representatives. Audited Financial statements are submitted

to the Provincial Government on an annual basis under the requirements of our legislation – *Regional Service Boards Act, 2012*.

Mandate

In accordance with section 3 of the *Eastern Regional Service Board Regulations, 2013*, the authority granted to the Eastern Regional Service Board is to:

- construct, acquire, maintain and operate a waste management system within the eastern region.

The boundaries of the Eastern Regional Service Board are from St. John's in the East, Clarenville in the West and down the Burin Peninsula to Swift Current and Random Island.

These regulations can be viewed in their entirety on the following website:
<http://www.assembly.nl.ca/Legislation/sr/Regulations/rc130008.htm>

In 2015 the Province announced a pilot water and wastewater initiative under the Community Sustainability Partnership. This program provided the Eastern Regional Service Board with funding to hire a Regional Water and Wastewater System Operator that would work with 13 communities in the region. This initiative will provide expert advice to these communities to assist them in managing their water and waste water systems. The goal is to reduce the number of communities on boil water advisories, provide safe drinking water and help communities prepare for the new Federal regulations on effluent discharge from waste water systems.

Lines of Business

1) Operation of waste facilities and management of waste collection:

The Board operates eight waste recovery facilities across the region – Bay Bulls, Renew's-Cappahayden, St. Joseph's, Placentia, Cavendish, Harbour Grace, Sunnyside and Old Perlican. These facilities accept residential bulk



Use of modern and efficient equipment for collection and transport

garbage at no charge, including appliances, tires, construction and demolition materials, vehicles and parts.

Collection services are provided by the Board to 24,000 homes and businesses on a weekly basis. This includes weekly waste collection, biweekly recyclables collection and regular bulk pick up events. Appendix 1 contains an illustrative map of communities that have curbside recycling as of January 2014. Appendix 2 contains an illustrative map of the 104 communities served by the Board's weekly waste collection service.

In addition, the Board provides household hazardous waste collection events.

2) Education and promotion of the Provincial Waste Management Strategy:

Through its regular contact with municipal stakeholders, the Board supports the education and promotion of the Provincial Waste Management Strategy in the eastern region. For example, it conducts household education campaigns in service areas to increase the participation of residents in the recycling program. In conjunction with other municipal organizations the Board continues to focus on the education of residents and the increase in recycling services offered by municipalities.



Separation of bulky goods for diversion and transportation

3) Water and Wastewater Systems:

The Board has hired an engineer to be an expert resource to 3 clusters of communities in the region. Many of these communities have been experiencing long standing boil water advisories and the assistance of an expert resource should help them address these issues and remove the boil water advisory.

In conjunction with the Province and as part of the Community Sustainability Partnership 13 communities across the region were chosen to be a part of this pilot initiative. This is a three year pilot project.

Vision

The vision of the Eastern Regional Service Board is to improve the quality of life, provide leadership and to protect the environment in the eastern region by ensuring cost effective, sustainable services.

Mission

By December 31, 2016, the Eastern Regional Service Board will have implemented initiatives to improve the efficiency of waste management services in the region.

Highlights and Accomplishments

In 2015 the Board increased the number of properties that it is directly responsible for the waste collection service to approximately 24,000 with the addition of Carbonear, Spaniard's Bay, Clarke's Beach, Port de Grave, Bristol's Hope and other areas around these communities. With the implementation of service the Board has expanded the number of properties that have access to curbside/roadside collection and recycling collection which is a basic element of PWMS.

In 2016 the number of properties serviced will increase to 30,000 with the inclusion of the Clarendville area which starts regional collection services January 2016.

In summary:

- No significant change in the curbside diversion rate, up slightly from 2.5% in 2014 to 2.7% in 2015.
- From communities serviced in both 2014 and 2015 we have seen an overall decrease in waste collected of 3.3%.
- Decreases in the Trinity Conception North, Southwest Avalon and Southern Shore.
- The overall amount of waste handled curbside by the Board has increased with the addition of new communities – 14,379 tonnes or approximately \$1m in tipping fees were paid
- At the Waste Recovery Facilities we saw a 5% increase in bulk waste that was accepted with dramatic increases at Renews Cappahayden of 50% and Harbour Grace of 20%.

Our network of waste recovery facilities received material from approximately 31,000 clients. This material included; household appliances, furniture, electronics, residential construction material, tires, metal, shingles, floor coverings, propane tanks (20 lbs or less), trees, and branches.

Waste diversion activities included

- The chipping of trees, branches and other non-treated wood that did not contain nails for recovery by municipalities and property owners for inclusion in beautification projects
- 539 metric tonnes of metal was diverted to approved metal recyclers and generated revenue for regional services
- 14,259 tires, as accepted by the Used Tire Recycling Program of the MMSB

- 173 pallets of electronic waste, as accepted by the Recycle My Electronics Program of the Electronic Products Recycling Association (EPRA)

In 2015, 5,781,784 Kg of waste was transferred from the Waste Recovery Facilities (WRFs) to the Regional Waste Management Facility located at Robin Hood Bay for disposal in the landfill.

The Board held 27 Household Hazardous Waste events in communities across the region and removed 19,910 liters of paint; 1,721 liters of flammable liquids; 2,688 liters of propane; 2,984 liters of waste oil. In total over 32,270 liters of hazardous materials were collected in partnership with local volunteer fire departments.

Report on Performance

The Business Plan for the Board identified two strategic issues that guided the Board's work over the past year. This section reports on the Board's achievement of its 2015 objectives.

Issue 1: Waste Management

The Government of Newfoundland and Labrador's Provincial Solid Waste Management Strategy is founded on five primary actions:

- Increase waste diversion.
- Establishment of regional waste management and regional structures.
- Development of modern standards and technology.
- Maximization of economic and employment opportunities associated with waste management.
- Public education.

The Board has built upon its success to date through continued diversion expansion, modernization and better management of the waste stream.

Goal 1: By December 31, 2016 the Eastern Regional Service Board will have modernized waste management services in the region.

In 2015 the Board contributed to the attainment of this goal with the following projects:

1. **Completed construction of the eastern transfer station, to be built in Clarenville.**

This facility was completed and commissioned at the end of 2015 and was ready to go live on January 2, 2016. This allows the three landfills in the area surrounding Clarenville to close and for the material to be source separated and brought to the transfer station. From the transfer station the recycled material is collected and transported for processing and the waste material

is brought to the Regional Landfill. This facility will also serve the Discover Region once it closes its eleven landfills.

2. Completed construction of the waste recovery facility in Whitbourne.

The land for this facility was purchased, the design completed and the tender for construction has been completed and awarded. This is a simple facility that will be constructed in the Spring of 2016 and open for residents in the summer of 2016.

3. Increased the number of communities providing curbside recycling programs.

In 2015 the Board implemented service in Carbonear, Spaniard's Bay, Clarke's Beach, Port de Grave, Bristol's Hope and other areas around these communities. With the exception of Carbonear there were no curbside recycling services in any of these communities.

4. Expanded availability of electronics diversion services.

In 2015 the Board expanded the availability of electronics recycling at the waste recovery facilities by providing infrastructure at additional sites to accept this material. This has diverted more electronics from disposal at the landfill.

Issue 2: Building Capacity

The Board continued to build the necessary administrative and organizational foundations for service delivery.

Goal 2: By December 31, 2016, the Eastern Regional Service Board will have created a financially self-sustaining organization.

In 2015 the Board contributed to the attainment of this goal with the following projects:

1. Developed policy on user fees and the portion recovered for administration.

The Board has established a benchmark for this and budgeted for this amount in the 2016 budget.

2. Developed agreements for use of land for Waste Recovery Facilities and Transfers Stations in each community that hosts this infrastructure.

This agreements have been developed and the Board is negotiating with each community with regards to the specific issues to be addressed at each site. To date half of the communities in which these sites reside have negotiated and signed agreements for use of the former community landfill or incinerator sites.

3. Developed service level agreement for each service provided to a community.

The Board has developed a master service level agreement for management of the curbside waste collection program in each community.

Opportunities and Challenges Ahead

The completion of the final facilities for waste management enables the closure of the final community landfills in the region and will allow the Board to focus its attention on service delivery improvements, operational efficiency and preparing for our next opportunities in regional service delivery.

The expansion of services across the region allows the Board to develop an operational knowledge and base in all areas of the region. This knowledge can be leveraged and enable the development of additional services using the organizational capacity that has been built. This has been recognized by the Province with the addition of a pilot program in water and waste water management. This program will provide communities with additional expertise to assist in the proper management of water treatment systems in an effort to reduce issues such as long standing boil water advisories.

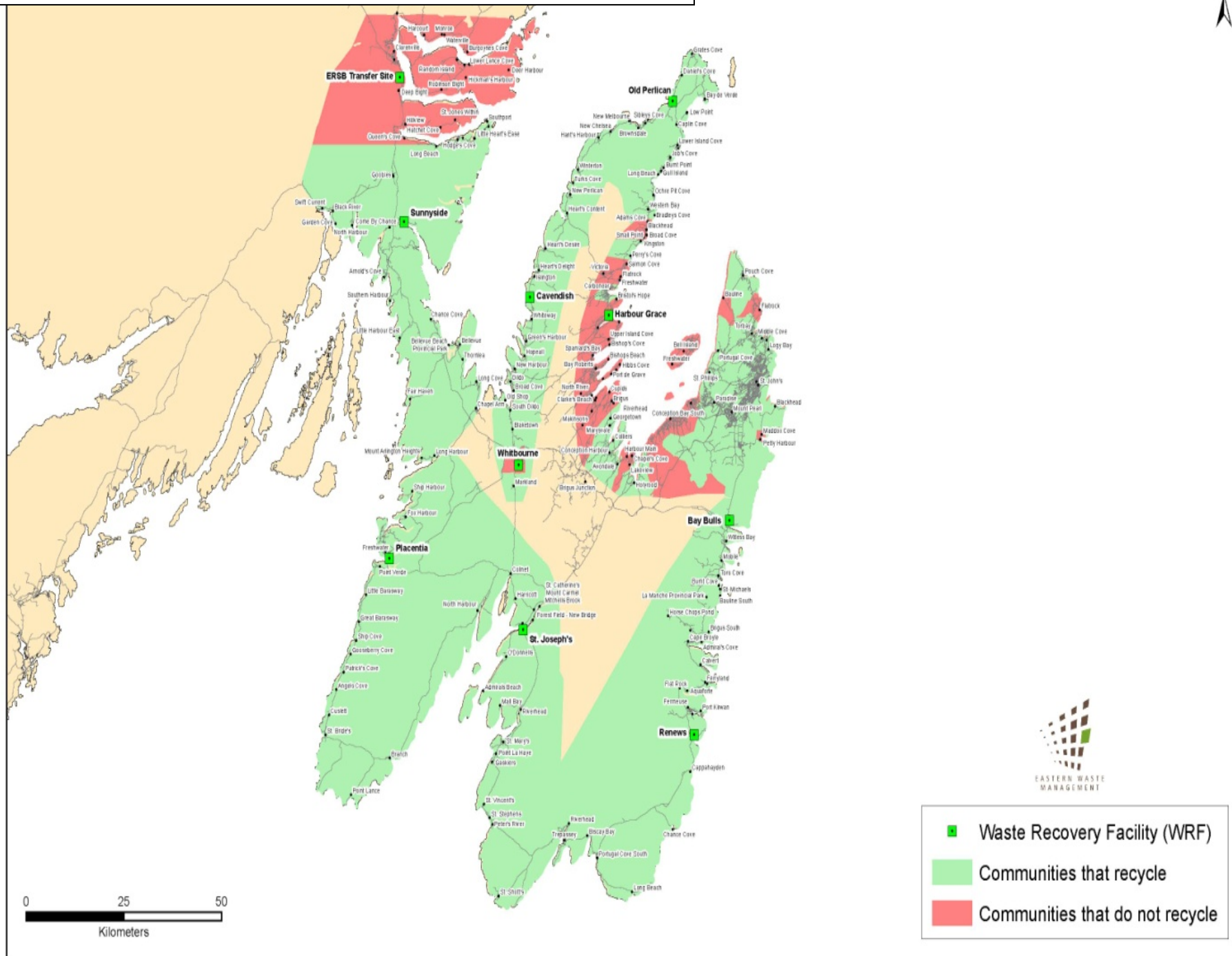
The Board has reached out to its municipal partners through established joint councils. Many of our municipal partners are struggling with high costs and the ability to attract or retain employees in key areas of their operations. Many want to explore offering their residents services that are not economical on a smaller scale. The Board sees this as its greatest opportunity to add value to regional municipal service delivery.

The Board continues to advocate to the Province to modify the enabling legislation to provide the Board with the administrative powers similar to municipalities and cities within the province.

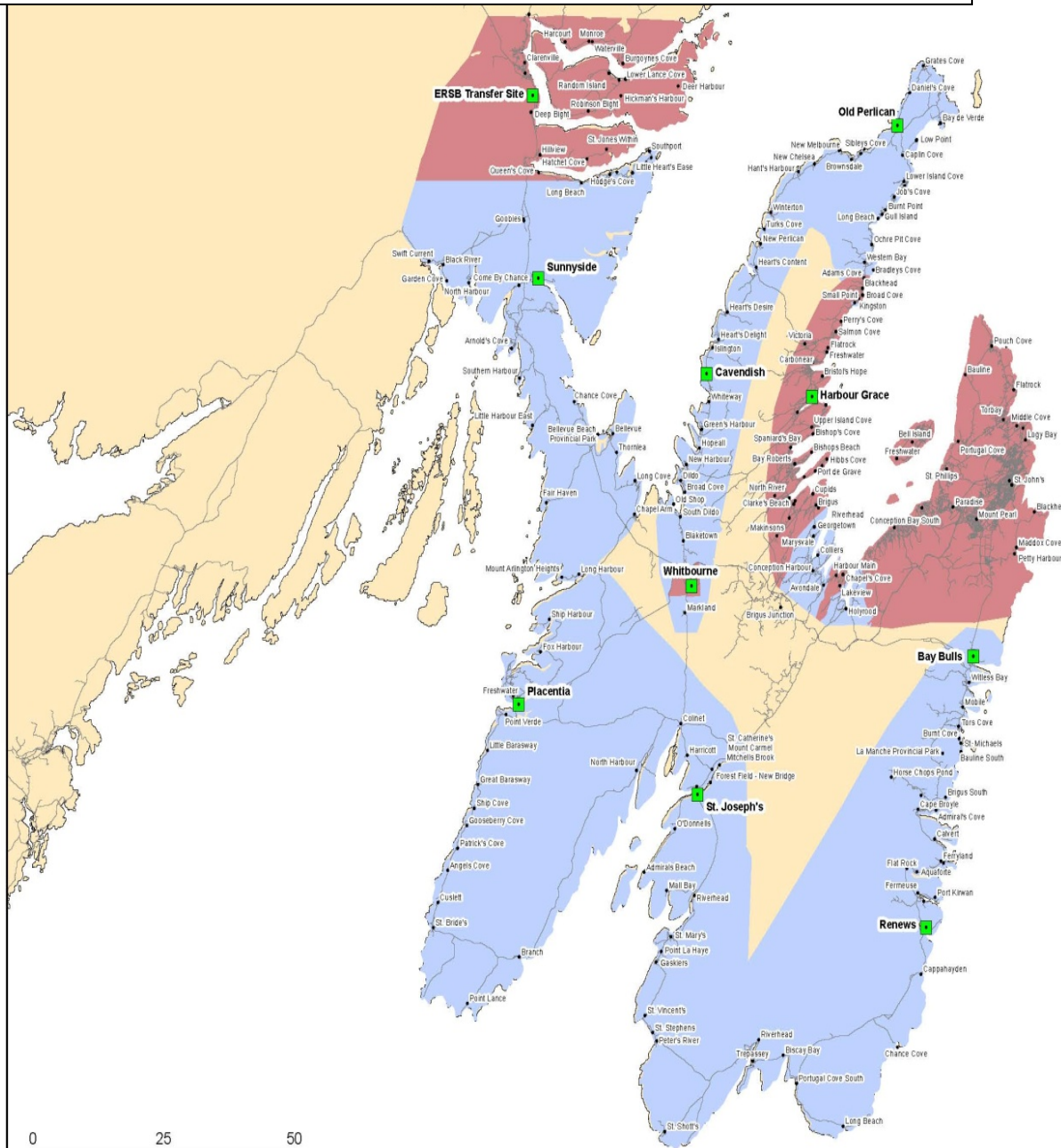
In addition, the Provincial Waste Management Strategy envisioned the full implementation of modern waste management in the eastern region by 2010. That goal has not been achieved and the implementation of organics processing has been delayed until 2025. The Board believes that this delay is an opportunity for municipalities, the Board and the Province to invest in further investigation of the feasibility of organics processing as well as alternative methods of waste management that are available around the world.

Working within the current fiscal framework regional service delivery provides an effective method to provide sustainable, high quality and innovative municipal services.

Appendix 1: Communities that have Curbside Recycling as of January 2013



Appendix 2: Communities with waste collection services provided by the Board.



- Waste Recovery Facility (WRF)
- EWM Collection Area
- Self Collect Area