

# EASTERN REGIONAL SERVICES BOARD

## Minutes of Meeting #13

February 26, 2013

7:00 p.m.

Ramada St. John's

102 Kenmount Road

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### In Attendance:

Harold Mullowney, Southern Shore  
Vice-Chairperson/Acting Chairperson  
Ches Ash, Trinity Conception North  
Danny Breen, St. John's  
Wally Collins, St. John's  
Joy Dobbie, TBS & Isthmus East  
Shannie Duff, St. John's  
Woodrow French, Conception Bay South  
Frank Galgay, St. John's  
Derrick Green, Bay Roberts  
Sandy Hickman, St. John's  
Sterling Willis, Paradise

### Regrets:

Dave Aker, Mount Pearl  
Bill Bailey, Clarenville & Isthmus  
Walter Butt, Small Metro  
Gerry Colbert, St. John's  
Debbie Hanlon, St. John's  
Tom Hann, St. John's  
Sheilagh O'Leary, St. John's  
Bruce Tilley, St. John's

### Guests:

Ken Kelly, Chief Administrative Officer, Eastern Waste Management  
Lynn Tucker, Manager Corporate Services, Eastern Waste Management  
Frank Huxter, Director, Waste Management Division, Municipal Affairs  
Jason Sinyard, Manager, Regional Integrated Waste Management Facility at Robin Hood Bay

## 1. Call to Order

Mr. Harold Mullowney, Vice-Chairperson and Acting Chairperson, called the meeting to order at 7:00 p.m.

## 2. Adoption of Agenda

Mr. Mullowney noted that Mr. Sinyard would like to have the 2013 budget for the Regional Facility [Item 5 (b) on the agenda] moved to the beginning of the meeting as he has another commitment this evening.

**It was moved and seconded (D Green/S Willis) to adopt the agenda with one change – Item 5(b) to be discussed first.**

**MOTION 2013-009: Carried**

### 3. J. Sinyard – 2013 Budget Questions (Regional Facility/RHB)

Mr. Sinyard directed members to the budget handout circulated this evening (Appendix A). Mr. Sinyard noted that from 2012 to 2013 there is an overall decrease of approximately 2 ½ percent overall in the budget for the Regional Integrated Waste Management Facility located at Robin Hood Bay (RHB) as projected annual costs are down. He pointed out that any additional information regarding the budget may be found in the Notes column at the right-hand side of the budget document.

Mr. Sinyard pointed out the note at the top of page 1 – *“RHB budget submitted to City Finance Dept. prior to EWM finalizing its net operating cost of \$3,204,906 and establishing April 2013 tipping fee of \$67.60 (based on 3.2% CPI). Notes below reflect the subsequent changes.”* He noted that the Board determined the tipping fee effective April 1, 2013 at \$67.60 per metric tonne.

He continued that RHB will have an expanded HHW service in 2013. In previous years, the HHW Depot would be opened on Saturdays only for approximately six months per year. Beginning in 2013, the HHW Depot will be opened every Wednesday and Saturday from 8:00 a.m. to 4:00 p.m. year round.

Mr. Sinyard noted that Paint Recycling Program announced last year by MMSB has greatly reduced the amount of paint being handled by the HHW contractor at RHB. This is a cost savings and even with the additional costs of providing the extended service this year, the HHW Depot will still save money with the reduction in paint products.

Mr. Sinyard pointed out to members that the budget document consists of five (5) budgets:

- Cumulative budget – pages 1-3
- Operation of Landfill budget – pages 4-5
- Building Maintenance at RHB budget – page 6
- Operation of Materials Recovery Facility budget – page 7
- Residential Drop Off Facility budget – page 8
- Eastern Waste Management/Regional Service Board budget – page 9

He noted that the last page of the budget document shows the 2013 tipping fee calculation.

Mr. Ash stated that there is a lot of frustration with the towns he represents regarding their waste management fees going up. They have communicated to him that they feel there is a lack of control over the operations at RHB and subsequently costs or what's perceived as the 'ever increasing' costs. Control of costs is the issue for most communities.

Mr. Sinyard replied that overall projected costs at RHB have actually decreased for 2013. The tipping fee is set so it is cost neutral – it is set to break even. Governance of the site is to be addressed in the MOU between the City of St. John's and the Board.

Mr. Collins asked if a portion of the surplus was used to neutralize the tipping fee.

Mr. Sinyard confirmed that a portion of the surplus was used to neutralize the tipping fee and that the increase in the tipping fee for April 1, 2013 is based on the CPI (3.2%). He continued that they are always looking at ways to control costs; however, many of the costs at the Regional Facility are fixed; therefore, he does not see a way to reduce costs significantly.

Ms. Dobbie noted that she is confident in Mr. Sinyard and the current management of the Regional Facility.

Mr. Breen noted that the City of St. John's is the biggest client at RHB so the City is very interested in maintaining costs as low as possible. The City pays the same tipping fee to dispose of its waste at RHB as all other users.

Mr. Sinyard noted that the City of St. John's makes up 20% of the revenue stream at RHB so they have a vested interest in maintaining the costs.

Mr. Hickman asked what portion of the waste going to RHB is from the City of St. John's.

Mr. Sinyard replied that the percentage of the total waste stream that comes from the City of St. John's, including commercial waste, is 40-45%.

Mr. French noted that it is very important for this Board to get the information regarding any change to the tipping fee out to all communities in a timely manner – before they begin their budget preparation.

Mr. French continued that the Town of Conception Bay South will begin curbside recycling this summer.

Mr. Kelly noted that RHB had a \$3 million surplus in 2011. He asked what 2012 is looking like – will there be another surplus?

Mr. Sinyard stated it is difficult to say at this time; however, it seems there will be a surplus but it won't be a large surplus.

Mr. Mullaney thanked Mr. Sinyard for his time this evening to address the questions of the Board regarding the 2013 budget for RHB. Mr. Sinyard left the meeting.

#### **4. Review of Minutes – January 30, 2013**

**It was moved and seconded (W French/S Duff) that the minutes of the January 30, 2013 meeting are adopted as tabled.**

**MOTION 2013-010: Carried**

## 5. Committee Reports

### a. Finance & Audit Committee (D Breen, Chairperson)

- i. **Job Descriptions and Compensation Grid:** Mr. Breen outlined that the Board adopted a new organizational structure in the fall of last year. AEM Human Resources Consulting (AEM) was engaged to prepare formal job descriptions and salary scales for the CAO and two management positions and that was completed in December. In January the Finance & Audit Committee had requested that AEM create job classifications for four positions: Field Operations Officer; Field Operations/GIS Technician; Financial Collections Officer; and, Accounting Clerk. AEM's report (Appendix B) included job descriptions as well as a seven-step compensation scale for each position. These positions were benchmarked against other municipalities, MNL, MMSB, Municipal Assessment Agency, and the provincial government. Please note that it is the intention that all new hires will be started at Step 1 in the scale.

**It is moved and seconded (D Breen/D Green) that ERSB adopt the compensation and job descriptions as developed by AEM Human Resources Consulting for the positions of Field Operations Officer, Field Operations/GIS Technician, Financial Collections Officer, and Accounting Clerk.**

**MOTION 2013-011: Carried**

- ii. **Human Resources Policy Manual** – Mr. Breen stated that AEM had noted there are other positions in the organization that do not have job descriptions or a compensation review. As well, the Board is currently operating using the minimum *Labour Standards Code* of the province as required and does not have formal written conditions of work. A policy or manual on Human Resources issues i.e. entitlements, benefits, statutory holidays, travel reimbursement, hours of work, etc. The committee requested the CAO seek a proposal from AEM on the completion of this work. AEM has submitted a quote to provide a basic policy manual similar to what would be found in a collective agreement for \$4,640.00 and a more comprehensive manual for \$7,840.00. The committee is reviewing these proposals.

Discussion ensued with members noting that they will await the recommendation of the Finance & Audit Committee before making a decision.

### b. Strategy & Policy Committee - (C Ash, Chairperson)

- i. **Business Plan 2013** – Mr. Ash directed members to the Draft business plan provided in tonight's meeting package (Appendix C) as well as being circulated earlier by email. As members know, it is a legislative requirement for the Board to submit an approved plan by March 31, 2013 to the Minister. The committee has reviewed the draft plan prepared by staff and provided guidance for revision. In addition, we have suggested that the final plan be given to our communications firm to develop a polished document for submission. In

addition, the draft plan has been reviewed by officials at Municipal Affairs and they have suggested several minor changes before submission – Mr. Kelly will elaborate.

Mr. Kelly stated that he has discussed the draft plan with Municipal Affairs and they directed his focus to several items as outlined on tonight’s handout (Appendix D). Mr. Kelly noted that the Strategic Directions are provided by the department and cannot be changed. Basically he was told that the first draft had more detail than necessary. Mr. Kelly directed members to the handout outlining goals, measures and indicators.

Issue 1: Waste Management

Goal: By December 31, 2013, the ERSB will have completed implementation of the Eastern Regional Plan with affordable and efficient waste diversion options available to residents of the region.

Measure: Implementation of plan completed.

Indicators: Completion of waste infrastructure across the region.  
Increase waste diversion options available in region.

Issue 2: Building a Strong and Self-Sustaining Regional Service Board

Goal: By December 31, 2013, the ERSB will have built a strong and financially self-sustaining organization that is viewed as a cost competitive and effective service delivery body within the eastern region.

Measure: Strong and financially self-sustaining organization built.

Indicators: Building strong relationships with communities, stakeholders, MMSB, Eastern School District, and other government entities.  
Financially self-sustaining organization built.

Mr. Kelly noted that timelines are important – the Board needs to stay in step with the legislative requirements.

Mr. Ash noted that this one-year business plan will be submitted to meet the province’s requirements as outlined by the *Accountability & Transparency Office* in their presentation to the Board last year. This is an interim measure and the Strategy & Policy Committee will begin work on the three-year strategic plan as soon as this plan has been submitted.

Ms. Duff noted that the Lines of Business section (p.6) outlines the operation of waste recovery facilities and management of waste collection but does not list the Regional Facility as a line of business. Why not?

Mr. Huxter noted that this would be addressed by the MOU.

Mr. Breen noted that a draft MOU had been forwarded to Mr. Mallowney and Mr. Kelly and the City awaits their comments.

Mr. Kelly stated that the Regional Facility is owned and operated by the City of St. John’s; however, the Minister can grant authority to this Board by designating it a regional facility.

Despite the fact it is being used as a regional facility, it has not been designated a regional facility by the Minister.

Mr. Mullaney noted it is imperative that a MOU be put in place.

Mr. Breen asked why 'life cycle costing' and 'safe drinking water' are listed under Strategic Directions (p.11) for ERSB.

Mr. Kelly responded that the strategic directions are provided by Municipal Affairs; however, only one pertains to ERSB and that is 'solid waste management'. He has discussed this with Municipal Affairs and they have provided one more strategic direction – 'local governance sustainability'. These will be the final two strategic directions for ERSB. The other two components will be removed.

Mr. Breen noted that discussion has been around waste management – will other services be added in future.

Mr. Huxter noted that any additional services would have to be assigned by the Minister.

Mr. French noted that if other services are assigned, they would need to be in progression. This Board has just completed its one-year plan and will now have to begin work on its three-year plan – this will take a lot of time and work.

Mr. Ash reiterated that this is an interim measure. The Strategy & Policy Committee is recommending that the Board use the suggestions and recommendations from Municipal Affairs to finalize the one-year plan. Any other items will be addressed in the strategic plan.

Ms. Duff asked if we would be approving this plan in principle only this evening as revisions are required.

Mr. Mullaney noted that the Board needs to meet the deadline of March 31, 2013.

Discussion ensued with members agreeing to approve the draft business plan in principle this evening. The final draft of the business plan will be circulated to all Board members for final review and approval before submission to the Minister.

Mr. Kelly stated that he will finalize the document and circulate it to all members for final approval. He noted that members need to be comfortable with the document before it is submitted.

Mr. Green stated that the strategic directions are interesting and that safe drinking water for smaller communities is a big issue. Many communities in the eastern region do not have safe drinking water and this impacts the sustainability of those communities. Mr. Green noted that it is difficult to get communities to work together to get safe drinking water and feels that the provincial government should be involved.



**It was moved and seconded (C Ash/S Willis) to adopt the Business Plan 2013 for the Eastern Regional Service Board and to submit the document to the Minister of Municipal Affairs for consideration. The final version will be sent via email to Board members for final consideration.**

**MOTION 2013-012: Carried**

- ii. **Awareness of the Eastern Regional Service Board as a Service Provider** – Mr. Ash noted that there have been discussions at meetings with regards to perception and awareness of the Eastern Regional Service Board. In addition, there is confusion with regards to MMSB's role and ERSB's role. The public doesn't know what ERSB does and municipalities does not understand the Board' role; therefore, the decision was made to invite our marketing firm to come in for a discussion on finding ways to brand/promote ERSB/EWM.

Discussion ensued with the following points:

- What we are marketing. Is it recycling programs, waste management practices, etc.?
- We should be marketing any and all of our services.
- Isn't the MMSB responsible for promoting recycling programs? Will they be assisting us?
- There is a lot of negativity in the rural areas regarding ERSB/EWM.
- Communities do not know what we do.
- How do we communicate to and educate our communities?
- Seems a broad-based marketing campaign may not be suitable for us.
- Education is the most important thing to communicate.
- Inform our customers of what we do first. Identify problems/concerns and address them.
- Suggesting a community forum to be held where community representatives from across the eastern region are invited to attend and learn about ERSB/EWM.

Mr. Ash stated that the Strategy & Policy Committee has agreed to invite MT&L, our Agency of Record, in for discussion only at this time. Those discussions may lead to a proposal.

Mr. Kelly noted that several issues keep coming up including that ERSB/EWM is not known. Discussion has led to a need to raise awareness and the Strategy & Policy Committee have agreed to explore ways to do this. ERSB has been working on raising awareness; however, all efforts to date have been focused campaigns only to our direct customers. There is negativity out there and incorrect information that needs to be addressed. At this time, EWM is delivering service to 18,000 homes every week (40,000 people). We are a key municipal service provider. He noted that the board has approved a budget of \$150,000.00 for marketing for 2013.

Following discussion, Mr. Ash reiterated that the Committee will have MT&L in for a discussion and will ensure that the points raised tonight are part of that meeting. He reminded members that they are simply discussing this matter at this time and he will bring any outcomes/recommendations, etc. from that meeting to this Board for consideration.

Several members noted that Municipalities Newfoundland & Labrador (MNL) may be a good venue to communicate to towns. In addition, it was noted that the MNL meets regularly and that may be a way for EWM to communicate its message.

Mr. French noted that meeting with smaller groups may be best. He suggested that Mr. Kelly meet with councils – make a presentation and provide time for a question and answer session.

Mr. Kelly noted that he has been meeting with several collective groups for 4-5 years and they still don't understand what we do. Unfortunately, perceptions are negative.

Mr. Dobbie noted that she represents 28 communities in Trinity Bay South & Isthmus East. She feels if she could get representatives from those 28 communities to RHB to see the improvements and to understand modern waste management practices, it would change attitudes.

Mr. Mallowney confirmed that he has experienced misinformation and negativity regarding ERSB/EWM.

c. **Governance Committee - (H. Mallowney, Chairperson)**

- i. No report.

6. **Other Business**

- a. **Letter from Minister McGrath to Town of Sunnyside with regards to closure in June 2013 and the ability to remain open permanently as a "Special Organics Facility"** – Mr. Mallowney directed members to the letter from Minister McGrath (Appendix E) in tonight's meeting package. As members will note, the letter provides an extension for the Town of Sunnyside to continue to operate its landfill until June 30, 2013 and that approval will not be extended past that date. The town has been directed to take immediate measures to notify its clients of this date and to direct them to make other arrangements to dispose of their waste. Minister McGrath has given the town until February 28<sup>th</sup> to confirm that they have notified their customers. In addition, the town has been provided the opportunity to continue to operate its landfill as a "Special Organics Facility" past June 30<sup>th</sup>. The issue here and has always been that the revenue generated is regional and should not be benefitting just one town. This has been an issue for neighbouring towns who have closed their landfills.

Mr. Huxter stated that he spoke with the Mayor, Town of Sunnyside, and confirmed that these dates are firm. June 30<sup>th</sup> is the deadline. They are looking at continuing as a special organics facility and will make that decision in due course.



Mr. Breen asked where that waste would go if they decide not to operate as a “Special Organics Facility”.

Mr. Kelly stated that measures had been taken to ensure that there was a place for special organic waste after December 31, 2012. A plan is in place for that material to be accepted at the Clarendville landfill. The Sunnyside landfill could be closed as no residential waste has been going there since January 2012. The only material that is being dumped there that cannot go to RHB is the special organics (4,000 MT annually). The Clarendville landfill is approximately 15 minutes west of the Sunnyside landfill and, therefore, easily accessible for the commercial sector. The province is currently completing an organics study to investigate the potential solutions for the entire province. At this time it seems there are six companies that produce special organic waste i.e. offal, etc. The largest producer of organic waste in the eastern region is Country Ribbon and they produce approximately 2,600 MT annually. As long as there is a ‘cheap hole in the ground’ for them to dump this material, they will not look for alternatives.

Mr. French noted that the effluent from the sewage treatment for the Town of Conception Bay South goes to the Sunnyside landfill. If they now have to truck that material 15 minutes further, it will raise costs for the town.

Mr. Breen asked what would be the best way to handle this material.

Mr. Kelly stated that studies show that composting this material is the best way to handle it. There are several different ways to compost materials.

Mr. Breen said that it would make the most sense to him for an organics processing facility to be located at the site proposed to replace RHB. This would be a great long-term solution.

Discussion took place with members agreeing that there are options out there to treat special organic waste. ERSB needs to find a long-term solution. In addition, the income from the Sunnyside landfill should be regional revenue as it is not fair to the remainder of the communities in the region who complied with the *Provincial Waste Management Strategy* and closed their landfills.

- b. **Western Regional Waste Management Committee is now a Regional Service Board** – Mr. Huxter, Acting Director, Waste Management Division, Department of Municipal Affairs informed the board that the Western Regional Waste Management Committee has now become a regional service board.

**7. Next Meeting**

The next regular meeting of the Eastern Regional Service Board will take place on Wednesday, March 27, 2013 at 7:00 p.m. at the Ramada St. John's.

**8. Adjournment**

**It was moved (S Duff) to adjourn the meeting at 8:30 p.m.  
MOTION 2013-013: Carried**

*Prepared by: Lynn Tucker  
March 4, 2013*