



MINUTES

BOARD OF DIRECTORS MEETING #60

Wednesday, May 23, 2018 @ 7:30 p.m.

Quidi Vidi Boathouse, 10 Clancey Drive, St. John's, NL

IN ATTENDANCE:

- Ed Grant, Chairperson (Chairperson)
- Harold Mallowney, Southern Shore (Vice Chairperson)
- Bill Bailey, Clarenville and Isthmus
- Danny Breen, St. John's
- Maggie Burton, St. John's (Remotely)
- Glenn Clarke, Trinity Conception North
- Wally Collins, St. John's
- Ian Froude, St. John's
- Sandy Hickman, St. John's
- Jamie Korab, St. John's
- Kevin McDonald, Southwest Avalon
- Sheilagh O'Leary, St. John's (Remotely)
- Deanne Stapleton, St. John's
- Lucy Stoyles, Mount Pearl
- Sam Whalen, Bay Roberts
- Hilda Whelan, TBS & Isthmus East
- Sterling Willis, Paradise
- Ken Kelly, Chief Administrative Officer, ERSB
- Lynn Tucker, Manager Corporate Services, ERSB
- Christie Dean, Manager Waste Operations, ERSB
- Bradley Power, Board Clerk/Outreach Coordinator, ERSB

OTHER ATTENDEES:

- LynnAnn Winsor, City of St. John's
- Andrew Niblock, City of St. John's

REGRETS:

- Hope Jamieson, St. John's
- Dave Lane, St. John's

- Peggy Roche, Small Metro
- Gerard Tilley, Conception Bay South

PROCEEDINGS:

1) CALL TO ORDER

Mr. Grant called the meeting to order at 6:58 p.m.

2) ADOPTION OF AGENDA

It was moved and seconded (Mr. Whelan/Ms. Roche) to adopt the Agenda as tabled. All in favour.

MOTION 2018-036: Carried (unanimously)

3) DELEGATIONS: None

4) REVIEW OF MINUTES

It was moved and seconded (Mr. Froude/Mr. Whalen) that the Minutes of the April 25, 2018 meeting of the Eastern Regional Service Board be adopted as tabled. All in favour.

MOTION 2018-037: Carried (unanimously)

5) COMMITTEE REPORTS

a) Finance and Audit Committee Report:

Mr. Hickman delivered the Finance and Audit Committee Report.

1. Board Expenditures – April 2018:

Mr. Hickman noted the cheque register and payroll summary for the month of April was included in the meeting package for review. He noted the month of March has three pay periods, so in the comparison of April to March Board members will see a large decrease from month to month.

The Cheque register includes the Board's regular payments to waste collection contractors, fuel providers and City of St. John's for tipping fees.

It was moved and seconded (Mr. Hickman/Mr. Bailey) that Eastern Regional Service Board accept the board expenditures (Cheque Register and Payroll Summary) for April 2018 as tabled. All in favour.

MOTION 2018-038: Carried (unanimously)

2. Awarding of Household Hazardous Waste Mobile Event Collection and Transportation Contract:

Mr. Hickman noted the briefing note in the meeting package regarding the number of bids received for Household Hazardous Waste Mobile Event Collection and Transportation, and a comparison to bid prices received in the past.

The tender is to hire a firm to collect the materials that we receive at the 26 mobile household hazardous waste events that we will hold across the region in June and September. The firm is responsible to collect the material at the various sites, transport the material to its end destination for proper disposal and the final disposal. Volunteer fire departments provide the staff at the site on the actual day of collection.

The lowest bid was from EnviroSystems with a value of \$50,202.10 (Including HST). The per-event rate works out to be \$1,679.00.

In 2017, the Board had the lowest per event cost to date at \$1,185.00 per event, which was bid by EnviroSystems.

The new bid rate seems more in line with historical rates in 2016 (two years ago) the Board paid a more comparable rate of \$1,637.93.

As an added note the per-event price in 2013 was \$2,324. We believe the fluctuation in rates reflects better knowledge of the volumes the contractors can expect – less risk. In the early years of the program, bidders left a larger margin of error because the Board did not have a lot of historical data.

It was moved and seconded (Mr. Hickman/Mr. Lane) that the ERSB proceed to award the tender for 2018 Household Hazardous Waste events to EnviroSystems for \$50,202.10 (HST included). All in favour.

MOTION 2018-039: Carried (unanimously)

3. Investment of Reserve Funds:

Mr. Hickman noted that Board members will see the terms of investments with the Bank of Montreal for GIC (Guaranteed Investment Certificates) for 3 year and 5 year terms in the meeting package.

The Board has historically invested the reserves that it is holding in an effort to increase the reserves and offset the impact of inflation and

rising costs on the Board's future ability to purchase and replace equipment, buildings and operational contingencies.

The value of the reserves that the Board will invest is approximately \$2,085,000. The GIC is cashable each year on the date of maturity in order to get the stated interest rate. Therefore, the longer term investment guarantees a good rate of return, but does not limit the Board from withdrawing the funds if needed or if better rates of return are available.

Mr. Grant noted this type of investment is made every few years. He noted that having the ability to remove the cash from the GIC is important.

Mr. Hickman concluded by noting the next item on the agenda is a discussion of a communications note on the overall value of ERSB reserves and how they have come to be accumulated.

It was moved and seconded (Mr. Hickman/Mr. Breen) that the ERSB invest funding from reserves in a five year GIC with the Bank of Montreal that allows access to cash on an annual basis as needed. All in favour.

MOTION 2018-040: Carried (unanimously)

4. Reserve Funds Held By the Board:

Mr. Kelly noted that during the presentation of the financial statements earlier in the year, the Board had a discussion about the value of ERSB reserves and how they are depicted in the financial statements. The Board has made 3 reserves – Regional Capital, Curbside Capital and an Operational Reserve.

Mr. Kelly also noted the communication piece included in the meeting package that explains the details of the reserves. It notes the cash burn rate of the Board every month, which is about \$800,000, and the cost of the Board's buildings and heavy equipment of approximately \$8 million. This information will show the public what the Board has to replace and the operational needs of the ERSB. In total, the Board would have enough to replace 30% of its buildings and heavy equipment if it used all reserves on hand, including the operational reserves.

Mr. Kelly said the purpose of this communication is to provide a brief explanation to anyone that has questions about the reserves held by the Board, and to put them in context in terms of the operational costs and the need to plan for replacement of heavy equipment.

The Board agreed that the communication piece was satisfactory. There were no questions or comments.

b) Strategy and Policy Committee Report:

Mr. Whalen delivered the Strategy and Policy Committee Report.

1. Waste Operations Report for the First Quarter:

Mr. Whalen noted the Waste Operations Report for the First Quarter included in the meeting package.

By way of a quick summary, Mr. Whalen noted some of the highlights and Christie Dean, Manager of Waste Operations was present to answer any detailed questions:

- The percentage of recycling that we collect is increasing;
- The tonnage of waste is declining, which may be a result of the slowing local economy;
- The amount of material that is being removed from the waste recovery facilities throughout the region has increased because of the addition of the third grapple truck. To put this in context, there are 775,000 more kilograms than in 2017, and over a million more than 2016 for the same timeframe;
- There were only two weather events that impacted operations this winter;
- The winter drop off locations that were established in cabin areas have been removed and staff continued to monitor the locations for about a month after the last collection. There was no waste illegally dumped at any of these sites once staff posted the closed notice; and,
- Staff will continue to work on the winter drop off system for those few roads in our region that are unpassable in winter.

2. Occupational Health and Safety Annual Policy Review/Adoption:

Mr. Whalen noted that attached to the meeting package was a statement on our approach to Occupational Health and Safety. It is an annual requirement that the Board adopt this policy.

There were no comments or questions from the Board.

***It was moved and seconded (Mr. Whalen/Mr. Willis) that ERSB adopt the OHS policy for 2018 as tabled. All in favour.
MOTION 2018-041: Carried (unanimously)***

3. Engagement Strategy Update:

Mr. Whalen reminded those in attendance that ERSB has engaged NATIONAL to develop a public engagement strategy and process for the Board. This work has started and we expect to see a concept or detailed plan at our next Committee meeting. Overall, the goal is to have something out publically in the early Fall. Work will continue throughout the summer and the plan will be launched in mid-September.

Mr. Kelly noted that the survey to get feedback on regional issues and regional service delivery from municipal leaders is now posted. Staff will use the results of this survey to inform the development of the ERSB corporate plan. The Board wants to know what issues and services are important at the regional level. The survey will partially accomplish this. And, again, Board members can expect this to come back to the Committee in the next couple of meetings.

c) Governance Committee Report:

Mr. Mallowney started off by saying that many Board members may not know the role of the Governance Committee, but a lot of the work that it does is related to oversight and ensuring that the Board and the Committees are staying on track and that they are getting the information they need in order to meet the terms of reference for each Committee.

Mr. Mallowney said the Committee has a detailed calendar of what recurring business needs to be put before each Committee, each year, and the Committee then tracks and monitors to make sure everyone is on schedule. For instance, making sure that Financial Statements are prepared, presented to Committee and Board. Making sure that our Occupational, Safety and Health committee meet and file their minutes with Workplace NL.

Each meeting the Committee goes through a list of what was presented to Committee and if something is not on track, why and when will it be presented.

One other thing that the Governance Committee monitors on behalf of the Board is that the motions that are adopted by the Board are tracked, are available for review at any time and that they are being implemented. As chair of the Committee, Mr. Mallowney reviews these each quarter. So, if anyone ever has any questions about a direction given to staff by the Board there is a motions log that you can refer to.

Mr. Mallowney then moved on to deliver the Governance Committee Report for May.

1. WASTECON Delegation:

Mr. Mallowney noted that the Board agreed last month to send Mr. Gerard Tilley and Mr. Sandy Hickman to WASTECON. Mr. Tilley can no longer attend, so the Board will have to pick another name from the original list of those that they said they would like to attend.

Mr. Grant chose a name randomly from ballots provided by Mr. Power. Ms. Burton was chosen as the new delegate. Mr. Kelly will reach out after the meeting and help coordinate Ms. Burton's attendance at the conference.

2. Development of New Joint Councils:

Mr. Mallowney noted that as a Board, the ERSB has taken the position that it will support the various joint councils in the region. There are currently two large areas that do not have joint councils – the Southwest Avalon and the Clarenville/Isthmus area.

Mr. Power explained that he will try and work with the towns and LSD's in these areas to bring them together and see if they are interested in developing a joint council to discuss regional issues and services. Mr. Power and the Board will be relying on Mr. McDonald and Mr. Bailey to chair these groups.

Mr. Mallowney then explained that the Committee had a discussion about how to proceed – writing letters, meeting each Council and how long it thinks it might take to get these groups up and running.

Mr. Mallowney said the Governance Committee will be working on this initiative supporting these Board members and the Board Clerk/Outreach Coordinator to make this a success.

Mr. Mallowney noted that a couple of the joint councils have decided that it would be good to have a meeting of all of the joint councils in the eastern region as an opportunity to see what each is working on, have some common presentations/discussions, network and share experiences. Mr. Power is coordinating this meeting. The discussion has been to do this in the fall and staff are cognizant of the MNL conference and timing and that it should not conflict with that event.

Mr. Mallowney concluded saying for Board members to stay tuned for more information on this initiative as it will involve many of the Board members and it may even be open to all Board members to meet and discuss regional issues.

6) CORRESPONDENCE

a) **Update on Letter to Minister Parsons, Department of Municipal Affairs and Environment Requesting a Meeting:**

Mr. Grant noted that the Board has received a response from Minister Parsons in regard to our request for a meeting. The Meeting will be held on June 20, 2018.

Ms. Stoyles asked who would be attending the meeting. Mr. Grant said the Chair, Vice Chair and CAO will be in attendance.

b) **Letter from the Town of Harbour Grace re: Meeting Request:**

Mr. Grant noted that the Board has received a meeting request from the Town of Harbour Grace. The assumption is that this meeting will be about the Waste Recovery Facility in that area.

Mr. Clarke, the Board member for the area, will accompany the Chair, Vice Chair and CAO to this meeting.

7) **NEW BUSINESS**

a) **Meeting with the Town of Clarenville:**

Mr. Grant noted that he and Mr. Kelly recently met with the Town of Clarenville. The discussion was about continuing with the regional service and what that would mean, changes to the bulk collection component as well as inclusion of businesses in the curbside program. We committed to follow up on all issues with the Town.

b) **Meeting with the Town of Wabana:**

Mr. Grant noted that he and Mr. Kelly recently met with the Town of Wabana. There still seemed to be some debate amongst the Mayor and the two Councillors that were present whether the closure of the landfill and the curbside collection program was going ahead. The development of the WRF was discussed as well as issues that they foresee with scavenger and vandalism.

8) **ROUNDTABLE:**

a) **Ms. Stoyles:** Ms. Stoyles noted that she had informed Mr. Ron Pitcher of the location of our meeting. Unfortunately Mr. Pitcher wasn't advised of the location change to Quidi Vidi Boathouse. Mr. Power will follow up with Mr. Pitcher about attending the next meeting.

b) **Mr. Collins:** Mr. Collins asked if the Board has responded to the concerns of Mr. Brett Wareham. Mr. Grant noted that Mr. Wareham has received numerous responses to his issues and concerns. No additional responses are required at this stage where the issues posed by Mr. Wareham have already been addressed in writing.

9) **UPCOMING MEETINGS:**

a) Finance & Audit Committee – Thursday, June 14, 2018 at 1:00 p.m.

b) Strategy & Policy Committee – Tuesday, June 12, 2018 at 10:00 a.m.

- c) Governance Committee – Tuesday June 19, 2018 at 10:00 a.m.
- d) Board of Directors – Wednesday June 27, 2018 at 7:00 p.m.

10) ADJOURNMENT

Seeing no further business to be discussed, it was moved and seconded (Mr. Bailey/Mr. Mullooney) that the meeting adjourn.

MOTION 2018-042: Carried (unanimously)

The meeting adjourned at 7:50 p.m.

(4) COMMITTEE REPORTS

(4)(a) Finance & Audit Committee

EASTERN REGIONAL SERVICE BOARD

PAYROLL EXPENSE

APRIL 2018

Payroll – Staff (<i>2 pay periods – 33 employees</i>).....	\$134,621.61
Payroll – Board (21 members)	<u>\$ 29,865.95</u>
Total Payroll (<i>54 employees</i>)	\$164,487.56
Payroll CRA Remittance	<u>\$ 54,827.88</u>
TOTAL GROSS PAYROLL	<u>\$219,315.44</u>

PREVIOUS MONTH

MARCH 2018

Payroll – Staff (<i>3 pay periods – 32 employees</i>).....	\$208,449.87
Payroll – Board	<u>\$ 00,000.00</u>
Total Payroll (<i>32 employees</i>)	\$208,449.87
Payroll CRA Remittance	<u>\$ 76,274.01</u>
TOTAL GROSS PAYROLL	<u>\$284,723.88</u>

Eastern Regional Service Board

BNK2 - Bank of Montreal - EW

Cheques from 000001 to 006820 dated between 04-01-2018 and 04-30-2018

CHEQUE REGISTER

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Printed: 2:56:03PM 05/01/2018

Number	Issued	Amount	SC	Status	Status Date
006744	04/05/2018 Around The Bay Disposals Inc.	44,363.43	A/P	CLEARED	04/18/2018
006745	04/05/2018 Bell Aliant	1,585.85	A/P	CLEARED	04/25/2018
006746	04/05/2018 Big Erics Inc.	210.85	A/P	CLEARED	04/18/2018
006747	04/05/2018 Blaketown Service Station	584.20	A/P	OUT-STD	04/05/2018
006748	04/05/2018 Christie Dean	914.22	A/P	CLEARED	04/18/2018
006749	04/05/2018 Dodd's Diesel Repair Ltd.	0.00	A/P	*VOID*	04/05/2018
006750	04/05/2018 Dodd's Diesel Repair Ltd.	19,569.75	A/P	CLEARED	04/18/2018
006751	04/05/2018 Ed Grant	657.31	A/P	CLEARED	04/18/2018
006752	04/05/2018 ESRI Canada	1,173.00	A/P	CLEARED	04/18/2018
006753	04/05/2018 Harold Mallowney	1,061.10	A/P	CLEARED	04/11/2018
006754	04/05/2018 Hilda Whelan	238.68	A/P	CLEARED	04/18/2018
006755	04/05/2018 Jenkins Anthony Inc.	4,285.85	A/P	CLEARED	04/18/2018
006756	04/05/2018 Ken Kelly	5,012.30	A/P	CLEARED	04/11/2018
006757	04/05/2018 Kenneth Rollings	714.26	A/P	CLEARED	04/11/2018
006758	04/05/2018 Kevin Power	70.54	A/P	CLEARED	04/18/2018
006759	04/05/2018 Kevin McDonald	115.23	A/P	CLEARED	04/25/2018
006760	04/05/2018 Madsen Construction Equipment	1,176.35	A/P	CLEARED	04/25/2018
006761	04/05/2018 NATIONAL Public Relations	18,263.71	A/P	CLEARED	04/18/2018
006762	04/05/2018 Nortrax Canada Inc.	2,181.06	A/P	CLEARED	04/18/2018
006763	04/05/2018 OMB Parts & Industrial Ltd.	120.34	A/P	CLEARED	04/18/2018
006764	04/05/2018 Quikprint Services Ltd.	90.85	A/P	CLEARED	04/18/2018
006765	04/05/2018 Royal Garage Ltd.	602.23	A/P	CLEARED	04/18/2018
006766	04/05/2018 Sam Whalen	295.59	A/P	CLEARED	04/11/2018
006767	04/05/2018 T2 Ventures Inc.	185,619.91	A/P	CLEARED	04/11/2018
006768	04/05/2018 Tulk Tire & Service Ltd.	2,300.34	A/P	CLEARED	04/18/2018
006769	04/05/2018 Workplace NL	1,672.85	A/P	CLEARED	04/18/2018
006770	04/05/2018 Rideout, Paul	49.63	A/R	CLEARED	04/18/2018
006771	04/05/2018 Lannon, Heather	246.83	A/R	OUT-STD	04/05/2018
006772	04/18/2018 62167 Newfoundland and Labrador Inc	7,380.30	A/P	OUT-STD	04/18/2018
006773	04/18/2018 Bell Mobility Inc.	1,458.08	A/P	OUT-STD	04/18/2018
006774	04/18/2018 Bradley Power	131.62	A/P	CLEARED	04/25/2018
006775	04/18/2018 Christie Dean	2,389.43	A/P	OUT-STD	04/18/2018
006776	04/18/2018 City of St. John's	43,863.93	A/P	OUT-STD	04/18/2018
006777	04/18/2018 Clowe Construction Ltd.	4,128.50	A/P	OUT-STD	04/18/2018
006778	04/18/2018 Coish's Trucking & Excavating Ltd.	14,432.50	A/P	OUT-STD	04/18/2018
006779	04/18/2018 Curtis Dawe	26,709.30	A/P	CLEARED	04/25/2018
006780	04/18/2018 D&L Russell Limited	117.01	A/P	OUT-STD	04/18/2018
006781	04/18/2018 Dodd's Diesel Repair Ltd.	0.00	A/P	*VOID*	04/18/2018
006782	04/18/2018 Dodd's Diesel Repair Ltd.	0.00	A/P	*VOID*	04/18/2018
006783	04/18/2018 Dodd's Diesel Repair Ltd.	0.00	A/P	*VOID*	04/18/2018
006784	04/18/2018 Dodd's Diesel Repair Ltd.	35,226.82	A/P	OUT-STD	04/18/2018
006785	04/18/2018 GCR Tires & Service	964.74	A/P	OUT-STD	04/18/2018
006786	04/18/2018 Harris Ryan	13,397.50	A/P	OUT-STD	04/18/2018
006787	04/18/2018 Harvey & Company Ltd.	30.94	A/P	CLEARED	04/25/2018
006788	04/18/2018 Hilda Whelan	86.31	A/P	CLEARED	04/25/2018
006789	04/18/2018 Imperial Oil	449.87	A/P	OUT-STD	04/18/2018

Eastern Regional Service Board

BNK2 - Bank of Montreal - EW

Cheques from 000001 to 006820 dated between 04-01-2018 and 04-30-2018

CHEQUE REGISTER

Printed: 2:56:03PM 05/01/2018

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Number	Issued	Amount	SC	Status	Status Date
006790	04/18/2018 K.J.H. Dirtwork's Ltd.	1,610.00	A/P	OUT-STD	04/18/2018
006791	04/18/2018 Ken Kelly	660.00	A/P	CLEARED	04/25/2018
006792	04/18/2018 Leslie Squires	550.00	A/P	OUT-STD	04/18/2018
006793	04/18/2018 Lynn Tucker	58.00	A/P	CLEARED	04/25/2018
006794	04/18/2018 Martin's Fire Safety Ltd	681.95	A/P	OUT-STD	04/18/2018
006795	04/18/2018 Miller IT Limited	172.50	A/P	CLEARED	04/25/2018
006796	04/18/2018 Modern Business Equipment Limited	246.38	A/P	CLEARED	04/25/2018
006797	04/18/2018 NL News Now	630.41	A/P	OUT-STD	04/18/2018
006798	04/18/2018 North Atlantic	36,815.74	A/P	OUT-STD	04/18/2018
006799	04/18/2018 Northern Business Intelligence	2,411.65	A/P	OUT-STD	04/18/2018
006800	04/18/2018 O'Brien's Trucking Ltd	2,041.57	A/P	OUT-STD	04/18/2018
006801	04/18/2018 ORKIN Canada Corporation	194.35	A/P	OUT-STD	04/18/2018
006802	04/18/2018 Provincial Ready Mix Inc.	749.52	A/P	OUT-STD	04/18/2018
006803	04/18/2018 Redline Automotive 0765	12.06	A/P	CLEARED	04/25/2018
006804	04/18/2018 SaltWire Network Inc.	359.49	A/P	CLEARED	04/25/2018
006805	04/18/2018 Sam Pike Masonry Ltd.	180.56	A/P	OUT-STD	04/18/2018
006806	04/18/2018 Shred-it International ULC	58.51	A/P	OUT-STD	04/18/2018
006807	04/18/2018 Town of Clarendville	1,608.00	A/P	OUT-STD	04/18/2018
006808	04/18/2018 Tulk Tire & Service Ltd.	2,443.54	A/P	CLEARED	04/25/2018
006809	04/18/2018 Vardy Villa Limited	35,091.67	A/P	OUT-STD	04/18/2018
006810	04/18/2018 Workplace NL	3,429.80	A/P	OUT-STD	04/18/2018
006811	04/18/2018 Receiver General of Canada	56.31	G/L	OUT-STD	04/18/2018
006812	04/18/2018 Receiver General of Canada	7,528.02	G/L	OUT-STD	04/18/2018
006813	04/18/2018 Gatherall, Bridget (Bridie)	100.00	A/R	OUT-STD	04/18/2018
006814	04/18/2018 Doyle, Keith & Krystal Mercer	402.78	A/R	OUT-STD	04/18/2018
006815	04/19/2018 Craig's Locksmithing & Auto Glass	1,610.00	A/P	OUT-STD	04/19/2018
006816	04/19/2018 G Groves & Sons Limited	7,590.00	A/P	OUT-STD	04/19/2018
006817	04/19/2018 Miller IT Limited	20,193.26	A/P	CLEARED	04/25/2018
006818	04/19/2018 NATIONAL Public Relations	5,281.54	A/P	OUT-STD	04/19/2018
006819	04/19/2018 ORKIN Canada Corporation	339.25	A/P	OUT-STD	04/19/2018

Cheque Totals Issued:	577,049.97
Void:	0.00
Total Cheques Generated:	577,049.97
Total # of Cheques Listed:	76

(4)(a)(2) Tender HHW

BRIEFING NOTE

Household Hazardous Waste Tender Award for Clarenville and Avalon Peninsula

BACKGROUND

The Tendering process for Household Hazardous Waste collection for the Clarenville and Avalon Peninsula areas closed on March 28, 2018.

Two bids were received as outlined in the attached chart.

The lowest bid was from EnviroSystems with a value of \$50,202.10 (Including HST). The per event rate is \$1,679.00.

The 2017 per event rate was \$1,185.00 through EnviroSystems; however, last year's cost seemed to be low whereas the 2016 per unit rate was \$1,637.93. (All rates exclude HST).

RECOMMENDATION:

1. It is recommended that the Board proceed to the Tender for 2018 HHW events to EnviroSystems for \$50,202.10 (HST Included).

Eastern Regional Service Board

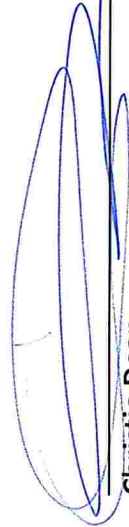
SUPPLY OF Collection, Transportation, and Disposal Services of Household Hazardous Waste

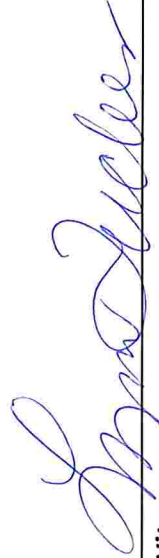
Closing Date and Time: Wednesday, March 28, 2018 @ 3pm

Tender Description: Supply of Collection, Transportation, and Disposal Services of Household Hazardous Waste

Project Number: _____

Name	Base Bid	HST	Tender Total
<i>Enviro systems</i>	<i>43,654.00</i>	<i>6548.10</i>	<i>50,202.10</i>
<i>Terrapure</i>	<i>46,670.00</i>	<i>7000.50</i>	<i>53,670.50</i>


 Christie Dean
 Manager Waste Operations
 Eastern Waste Management


 Witness

(4)(a)(3) Investment of Reserves

April 30, 2018.

BMO RateRiser® Plus GIC

BMO  Bank of Montreal

Features

BMO RateRiser® Plus GIC offers competitive, escalating interest rates with an opportunity to access your money on each anniversary date.

Key Benefits

- **Fully Redeemable on certain dates** – The flexibility to redeem funds in full on certain dates if funds are needed or other investment opportunities arise.
- **Escalating Interest Rates** – A high guaranteed rate of interest that increases each year.
- **Eligible for CDIC deposit insurance**, up to applicable limits

Rates

(as of April 30, 2018)

Years of Investment	2 Years	3 Years	5 Years
1 st Year	1.700%	1.700%	1.900%
2 nd Year	2.050%	2.050%	2.150%
3 rd Year	-	2.250%	2.400%
4 th Year	-	-	2.550%
5 th Year	-	-	2.700%
Annual Compound Equivalent	1.880%	2.000%	2.340%

Details

Item	Details
Term(s)	2, 3 or 5 years
Access to Funds	Cashable in full on each anniversary of the issue date. (No partial redemptions permitted.)
Interest Payment Option	<p>Non-registered: Interest paid annually or compounded annually and paid at maturity.</p> <p>RSP / RIF: Interest compounded annually and paid at maturity.</p> <p>TFSA/RESP: Interest paid annually to a Savings Account or compounded annually and paid at maturity.</p>
Minimum Investment Amount	\$1,000
Plan Eligibility	RSP / RESP / RIF / TFSA / RDSP
Automatic Reinvestment	Yes, at current rate (unless other instructions provided)
Issued By	<p>Non-registered</p> <p>: Bank of Montreal Mortgage Corporation, Bank of Montreal or BMO Trust Company</p> <p>RSP, RIF, TFSA, RESP & RDSP: Bank of Montreal Mortgage Corporation</p> <p>GICs issued by Bank of Montreal Mortgage Corporation and BMO Trust Company are guaranteed by Bank of Montreal.</p>

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**(4)(a)(4) Reserve Funds Held by
Board**



OVERVIEW RESERVE ACCOUNTS ESTABLISHED BY THE EASTERN REGIONAL SERVICE BOARD

INTRODUCTION

The Eastern Regional Service Board (ERSB) was formally established through the *Regional Service Board Act* in 2011. The Board is tasked with the implementation and delivery of regional municipal services in the eastern region of Newfoundland and Labrador.

The ERSB publishes a budget and financial statements annually per its legislative requirements as an arms-length agency of the Government of Newfoundland and Labrador. Since 2015, the ERSB has worked diligently in creating a strong financial position for itself by utilizing operational surpluses to fund capital and operational reserve accounts. These accounts are categorized as a Capital Reserve and an Operational Reserve. Under the Capital Reserve, funding is allocated for Regional Operations and Curbside Operations.

Why are reserves required? Well, the answer is simple. The ERSB must ensure it can continue to operate in the event of unforeseen circumstances. You can't simply stop delivering municipal services. To appreciate the scope of the day to day cost of the delivery of these services, note that ERSB requires over \$800,000 a month to operate (pay contractors and staff, maintain equipment, tipping fees at the Regional Waste Management Facility at Robin Hood Bay, etc.). Without a reserve fund, the ERSB would have much more risk in the event of an emergency or impact to its revenue stream.

WHAT DO THESE RESERVES COVER

The capital and operational reserves of the ERSB may contribute to the following purposes (if required based on the purpose of reserve accounts outlined above):

1. **Regional Capital Reserve (for regional waste recovery facilities):** Building replacements (operational buildings such as transfer station attendant hut and sheds); Equipment replacements (grapple trucks, walking floor trailers, floats, backhoes, pick-up trucks, shipping containers) and future site closures.

Curbside Capital Reserve (for curbside waste collection): Garbage trucks, as well as pick-up trucks and trailers related to curbside waste collection activities.

2. **Operational Reserve:** year-to-year operational funding for use if cost of delivering regional waste management services is higher than the fees collected from property owners.

Currently the Board has tangible capital assets (land, buildings, heavy equipment, computer equipment, etc...) with an invested cost of \$8,098,007. Heavy equipment represents \$5,256,498 of the total invested in assets. Each year this equipment depreciates in value and at the end of 2017 had a value of \$4,726,647. At the end of 2018 ERSB will have sufficient reserve funds to replace up to 30% of its current assets or invest in new assets.

WHY IS IT DIFFICULT TO SEE THE RESERVES ON THE ERSB FINANCIAL STATEMENTS

Unfortunately, the ERSB’s current and historical financial statements do not capture the balance of its reserves clearly or effectively. Financial statements are not the tool many portray them to be, primarily because they are difficult to interpret effectively unless you know how each account connects to the day-to-day operation of the organization. For example, the ERSB financial statements regularly show a cash surplus, when in fact this “surplus” is (in part) the reserves the ERSB has established as well as the value of the property and equipment held by the Board.

So why do the financial statements not portray the ERSB reserve accounts in a way that the general public can understand. The reason is that ERSB must, as an arms-length government agency, follow the Public Sector Accounting Board (PSAB) accounting standards for the public sector. These independently set financial reporting standards are critical to promoting confidence in public sector entities. High-quality accounting standards contribute to transparent and accountable information that is made available to the public, as well as quality financial information to support decision making.

WHAT IS THE CURRENT VALUE OF THE ERSB’S RESERVE ACCOUNTS

The following chart outlines the annual operating and capital budget of the ERSB since capital and operating reserves were implemented.

Year	Operating Budget	Capital Budget	Contribution to Capital Reserve (Regional)	Contribution to Capital Reserve (Curbside)	Contribution to Operational Reserve	Total Contribution (by year)
2015	6,994,546.92	4,204,643.63	366,233.74			366,234
2016	9,609,547.32		170,000.00	130,000	390,000.00	690,000
2017	9,609,251.73	3,004,000.00	320,000.00	150,000	350,000.00	820,000
2018 (Budgeted)	9,079,894.70	1,950,000.00	320,000.00	150,000		470,000
Total Contribution (by account)						2,346,234

WHO CAN I CONTACT IF I HAVE QUESTIONS ABOUT RESERVES

The Manager of Corporate Services and Chief Administrative Officer are responsible for all financial matters related to the operation of the ERSB. Please call 709-579-7960, or e-mail info@ersbnl.ca, if you have questions.

(4)(b) Strategy & Policy Committee

(4)(b)(1) Waste Operations Report

BRIEFING NOTE

2018 – Q1 Report (1Jan18 to 31Mar18)

Community Waste Collections:

- Disruptions to collections during quarter:
 - 3Jan18 and 27Feb18, in addition to these noted disruptions there were several occasions where isolated community roads throughout the region could not be travelled due to icy conditions.

- Winter drop locations –

Update on January to March 2018 locations:

In order to communicate the closure of the residential winter drop off locations signage was installed on March 1, 2018. Picture attached from one location.

Since closure of the residential waste winter drop of locations each location has been visited numerous times. Visits were scheduled for every other week however since staff were often in the areas they took note of site conditions outside of scheduled times. Between March 1, 2018 and April 2, 2018 no bags of waste or other material was present.

On April 2, 2018 the closure signs were removed. Since this time a minimum of two visits were made to each location and no bags of waste or other material was present during the visits.

Future winter residential waste drop locations:

The 2018 months of January, February and March were mild and roads in the Eastern Region forecasted to be inaccessible due to safety concerns, were often accessible however the drop locations were still used and thus provided a valuable service to property owners.

In 2019 if winter conditions are worse it could be anticipated that extended times and locations maybe required to ensure all property owners have access to residential waste collection. And as such I have sought clarification of the requirements and will start working on any processes needed. We have received feedback on the type and quantity of containers used indicating that they are insufficient in some cases. Please note that with one exception at each location waste was able to be contained within the containers. At the exception one additional container would accommodate the additional waste.

- Bell Island - Planning underway for collections, starting in July 2018.

WRF's:

- Accepted metals from bulk events
- Regulatory visit:
 - None
- Complaints –
 - Bay Bulls, on Monday April 9, 2018 we received a phone call from a commercial property near the waste recovery facility that they were experiencing wind blown material from the facility. Please note that the winds

were over 100 Km per hour and that videos taken on the day showed no such material. On the day referenced in the complaint there were additional staff on site performing removal and site work. The Manager of Waste Operations visited the area on Tuesday and found little material blown off site.

- CTS, forwarded concerns regarding conditions at the transfer station. The station site conditions are closely monitored by the Environmental Protection officer based in Clarendville and he has noted no infractions.

Clarendville Transfer Station:

- No regulatory visits for which we have received documentation.
- Impact of weather at site:
 - 27Feb18.
- Total waste moved from CTS to RHB = 1,312,770 kg, total recycling moved from CTS to RHB 102,320 kg. In Q1 of 2017 1,192,470 kg of waste and 101,950 kg of recycling was moved from CTS to RHB.

Other Waste Operations:

- EPRA – continued enhanced support of EPRA program by not accepting eligible products during bulk collections and tagging with EPRA stickers items that were left curbside.
- School Recycling – there are approximately 40 schools in our service area where we feel we could provide collections and or recycling collection whereas we are providing service to 10.
- MMSB forum –
 - Information- St. John's implementing automated cart collection will reduce all to 4 bag limit. Is this something that ERSB should investigate? MMSB received 514,000 tires annually in 2017 11,900 came from us about 2%. EPRA received 1,000 tonnes annually in 2017 56 tonnes came from us about 5% significant contributions.
 - Opportunities – MMSB provided funding for western for public outreach environment.
 - Visit – went well the site as in great condition and lots of good feedback.

Tonnage:**Table 1:**

Contract	Waste	Recycling	Total	Diversion %
Southern Shore	466,790	16,700	483,490	3
Isthmus / SWAS	396,900	12,400	409,300	3
Trinity South Center	347,930	6,960	354,890	2
Trinity Bay North	309,980	8,300	309,980	3
Bay de Grave	188,550	3,890	192,440	2
South West Avalon	396,420	14,590	411,010	4
Clareville	564,850	50,350	615,200	8
Carbonear	331,360	15,490	346,850	4
CBC	270,150	15,660	285,810	5
Total	3,272,930	144,340	3,408,970	4

All weights in Kg

In summary:

- Change in the curbside diversion rate, 2.5% in 2014 / 2.7% in 2015 / 3.5% in 2016 and 3.1 % in 2017 and 4.2 % to date in 2018.
- As previously reported we are seeing an overall decrease in waste collected. The decrease is becoming significant enough that extrapolating Q1 volumes to the remainder of the year total waste volumes may decrease in 2018 even with the addition of Bell Island. Total waste collected in 2017 was 15,990,900 Kg extrapolated values for 2018 including Bell Island are approximately 14,500,000 Kg.

Table 2:

WRFs	Waste	Removals	Tires	E- Waste (bags)	Metals	Client visits
Bay Bulls	663710	34	263	-	-	880
Renews / Cappahayden	123950	8	116	11	-	269
St. Joseph's	44740	3	166	-	-	227
Placentia	207710	13	45	-	-	415
Sunnyside	-	-	-	-	-	-
Cavendish	270350	17	230	12	-	515
Harbour Grace	367840	25	586	NA	-	1211
Old Perlican	122070	12	-	-	-	674
Clareville	245110	17	222	⁷	??	1214
Whitbourne	233360	12	234	¹⁰	-	641
Total	2,278,840	141	1,862	40	??	6,046

All weights in Kg

Note: Sunnyside was closed for Q1.

In summary:

- Waste removal from the WRFs is up from Q1 of 2017 by over 775,000 Kg and up from Q1 of 2016 by over 1,050,000 Kg.
- Staff have continued to track effort to deal with illegal dumping at gates of facilities. In 2017 approximately 260 tonnes of illegally dumped material was removed from the gate at Bay Bulls.



CLOSED
TEMPORARY
WINTER
RESIDENTIAL
WATER
DROP OFF
LOCATION
CLOSED



(4)(b)(2) OHS Policy

1.1 CORPORATE HEALTH & SAFETY POLICY

Eastern Regional Service Board is committed to a strong health, safety and environment program which will protect its employees, its property, and the public from fire and accidents, which can cause injuries, damage to property or the environment and prevent industrial disease.

To ensure the workplace maintains the highest safety standards a formal and informal workplace safety inspection(s) will be held on a regular basis by management and the OH&S Committee to detect substandard acts and conditions. These inspections will be documented.

The organization will have an OH&S Committee as per the OH&S Act. The organization is committed to cooperation with the OH&S Committee in carrying out his/her collective responsibility for occupational health and safety.

Supervisors will be held accountable for the health and safety of workers under their supervision. Responsibility includes ensuring that machinery and equipment are safe and that workplace practices are in compliance with established legislation, work practices and procedures. To protect their health and safety, workers must receive adequate specific work task training.

Every worker must protect his/her health and safety and the health and safety of other workers by working in compliance with legislation and established workplace practices and procedures.

Contractors will be expected to operate according to legislative requirements using best practices and following the organization's policies and procedures regarding health and safety.

All employees are oriented to the organization's general safety rules upon hire and will abide by these rules. Disciplinary action will be implemented for failure to obey these rules.

As part of ensuring a safe and healthy workplace for all its employees the organization has a policy of zero tolerance toward any employee harassment.

All employees will work in accordance with established safe work practices, procedures, applicable government legislation and will take all responsible care to protect their own health and safety, the safety and health of their co-workers and other persons at or near the workplace.

Safety must be a way of life!

Signature of Chief Administrative Officer

Date

(5)(a) Correspondence
Letter to Minister

May 16, 2018

Hon. Andrew Parsons, MHA
Minister of Municipal Affairs and Environment
Government of Newfoundland & Labrador
P.O. Box 8700
St. John's NL A1B 4J6

Dear Minister Parsons:

Our Board requested a meeting with the Minister in February. While this meeting was never scheduled, it was acknowledged in latter correspondence in which the meeting was predicated on our providing additional information. On April 11th, we received a letter from the Minister thanking the Board for providing this information and outlining our position with regards to fees and services affecting cabin owners in the eastern region.

We do still have a number of concerns including the equitable and consistent provision of services across the province by all regional service boards. Within the Provincial Waste Management Strategy the Province provides a description of our mandate related to the basic waste management operations of a region as:

The basis for operations in any given region, with or without a disposal facility, will be:

- require source separation to meet provincial waste diversion programs and the requirements of the regional authority;
- **collection from individual households (i.e., curbside collection);**
- delivery of materials to the regional sorting, composting or disposal facility as appropriate;
- processing and transportation of recyclables to major shipping points or markets;
- provision of practical diversion/disposal means for bulky materials and C&D materials; and
- provision of a scheduled opportunity, at least once a year, to dispose of household hazardous waste.

The Strategy provides for the curbside collection of waste as the basis for the waste collection service in a region. A curbside collection service is property by property on an individualized basis. Therefore the Board is mandated to design a modernized waste management system that has the ability to provide curbside, property to property service across the region. However, the mandate of the Board does not include making roads passable in winter in order for it to provide a reasonable level of service under safe working conditions for staff and contractors. Much of the most recent debate about service provision revolves around the individual regions

“interpretation” of the strategy (individual household / curbside collection) and their view of the mandate.

As you are aware statutory interpretation allows reference to the debate and discussions that take place in the House of Assembly when trying to determine the purposiveness of a piece of legislation. The Hansard debates leading to the passage of the amendment to s. 24 of the *Regional Service Board Act, 2012* indicate that the purpose of the amendment was to cast a wide net to ensure that properties are not exempt from waste collection fees due to particular occupancy arrangements, that “everybody pay their fair share”, and that everyone has the opportunity to avail of services to allow them to participate in the protection of the environment:

I see the changes here from user fee to assessment fees, Mr. Speaker. Of course, this gives the board more authority to assess fees for all unincorporated or municipalities within the service board, instead of having what we call the user's fee, because someone could say: well, we are not using it; therefore, we do not have to pay any fees. So, I understand why you are making that change in the act, Mr. Speaker, and ensuring that it is in the act.

House of Assembly Proceedings, Vol. XLVII No. 48, June 14, 2012 (“June 14, 2012 Hansard”), Opposition MHA

The other point and the last point I want to speak to – and this has been raised as well – are the fees, Mr. Speaker. The change that we are seeing here is that currently the act calls it a user fee, and now the term is going to be just changed from user fee to fee. That is very significant, Mr. Speaker, because the argument you had from certain individuals and so on in certain parts of the Province – perhaps with local service districts and so on – the argument would be made that: Why should we pay the fee? Why should we pay a user fee? We are not using your landfill. We are not using it, so we should not have to pay the fee. So now what we are saying, under this, this is going to give greater authority to the board, it is going to give greater clarity that if you live in a region where that service is available to you, whether you choose to use it or you choose not to use it, that is totally up to you. I have heard that argument from people over the years where someone would say: Well, why build a new hockey arena? I do not play hockey. Why build a new swimming pool? I do not swim. Why put in a walking trail? I do not like to go for walks, and so on, and you can get all these arguments.

Any service that a municipality or regional authority provides, Mr. Speaker, we all know that not everybody is going to avail of every service. Some people will use some services and some will not. At the end of the day, for the greater good of the community, we need these services, and these services have to be paid for. Everybody should pay their fair share. Nobody should ride for free, that is the reality of it – nobody should ride for free. If a service is being provided, you should pay for that service, you should pay your fair share. This particular change, Mr. Speaker, is going to give the regional service board the ability to certainly eliminate that argument that I do not use it, so I should not pay for it. Now everybody is going to have to pay for the service that is available to them. [Emphasis added]

House of Assembly Proceedings, Vol. XLVII No. 48, June 14, 2012 (“June 14, 2012 Hansard”), Government MHA

Also, in regard to some other comments, I firmly believe that everyone in this Province, as citizens of Newfoundland and Labrador, has the same responsibility: that is the responsibility of protecting our environment. If that includes cabins or cottages and the disposal of waste concerning those particular cottages – I have one myself – and cabins that kind of stuff, well, that is the responsibility that I take seriously. I would hope that each and every person in Newfoundland and Labrador would take it seriously, taking that into account, because it is our environment. We only have one, so the responsibility is on us as the citizens of this time in history to take that seriously and to protect our environment.

There is a cost to doing everything and that is one of those costs. Just because you have a cabin, or just because you have a cottage, you just cannot divest of your responsibility to the environment. That is a cost and that will be determined by the people that are sitting on these regional boards and sub-regions; they will be making decisions thereof. I am sure that each and every one of them have cottages, too, or a good many of them do, and they will apply the applicable fee, and it will be fair to everyone. I commend them for the great work they are doing. [Emphasis added]

House of Assembly Proceedings, Vol. XLVII No. 48, June 14, 2012 (“June 14, 2012 Hansard”), Minister of Municipal Affairs who introduced the Bill

The Minister in bringing forward the legislative changes stipulates that the authority for regional service boards includes the authority to set fees for all properties in its region and this includes cabins and cottages as having a cost for the service and an environmental responsibility the same as every other property owner in the region. Furthermore the Minister states that the fees charged “will be fair to everyone”. As noted the legislation sets out a framework in which the fees are related to the cost that the Board incurs to provide the service. The service in this case is the total cost of waste collection across the region in which the Board is providing curbside waste collection. The fee is set at \$180 per property.

To our knowledge no subsequent Government or Minister has corrected or re-written this statement of the purpose of the changes made to the Act in 2012.

Again, we are requesting a meeting in order to discuss the approach to service provision in unincorporated areas, expansion of the current initiative to provide fire and emergency services in unincorporated areas, legislative changes to provide the Board with the appropriate administrative tools to perform its mandate as well as other regional and provincial initiatives that the Board can play a valuable role.

Yours truly,



Ed Grant
Chairperson
Eastern Regional Service Board

(5)(b) Correspondence

Letter from Town of Harbour Grace



The Town of Harbour Grace

May 9, 2018

Ken T. Kelly, CPA
Chief Administrative Officer
Eastern Regional Service Board
3-255 Major's Path
St. John's, NL
A1A 0L5

Dear Mr. Kelly:

I have been directed by Council to send this letter to you requesting a meeting with you and the Chair of Eastern Waste Management to discuss the Waste Recovery Facility in Harbour Grace.

Yours truly,
The Town of Harbour Grace

A handwritten signature in black ink, appearing to read "Mike Saccary".

Mike Saccary
CAO/Town Clerk

dr