

# EASTERN REGIONAL SERVICE BOARD

## Minutes of Meeting #29

November 26, 2014

7:00 p.m.

### Fairfield Inn & Suites by Marriott

199 Kenmount Road, St. John's

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#### In Attendance:

Harold Mullowney, Vice Chair/Southern Shore  
Dave Aker, Mount Pearl  
Bill Bailey, Clarenville & Isthmus  
Danny Breen, St. John's  
Wally Collins, St. John's  
Jonathan Galgay, St. John's  
Sandy Hickman, St. John's  
Dennis O'Keefe, St. John's  
Peggy Roche, Small Metro  
Gordon Stone, Trinity Conception North  
Sam Whalen, Bay Roberts  
William Woodman, Southwest Avalon

#### Regrets:

Ed Grant, Chairperson  
Bernard Davis, St. John's  
Joy Dobbie, Trinity Bay South & Isthmus East  
Tom Hann, St. John's  
Dave Lane, St. John's  
Ken McDonald, Conception Bay South  
Art Puddister, St. John's  
Bruce Tilley, St. John's  
Sterling Willis, Paradise

#### Other Attendees:

Ken Kelly, Chief Administrative Officer, Eastern Waste Management  
Lynn Tucker, Manager Corporate Services, Eastern Waste Management  
Kevin Power, Manager Waste Operations, Eastern Waste Management  
Frank Huxter, Director of Municipal Infrastructure & Waste Management, Municipal and Intergovernmental Affairs  
Stephen Colford, Manager, Waste & Recycling Division, Regional Waste Management Facility

#### 1. Call to Order

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

#### 2. Adoption of Agenda

**It was moved and seconded (D Aker/B Bailey) to adopt the agenda as tabled.  
MOTION 2014-066: Carried (unanimously)**

### 3. Review of Minutes – October 29, 2014

It was moved and seconded (S Whalen/G Stone) that the minutes of the October 29, 2014 meeting be adopted as tabled.

**MOTION 2014-067: Carried (unanimously)**

### 4. Committee Reports

#### a) Finance & Audit Committee – D. Breen, Chair

- i. **Cheque Register and Payroll Summary, October 2014** – Mr. Breen stated that the cheque register and payroll summary for the month of October is included in tonight's meeting package (Appendix A). He noted that there are no areas of concern.

It was moved and seconded (D Breen/D O'Keefe) to adopt the cheque register and payroll summary for October 2014 as tabled.

**MOTION 2014-068: Carried (unanimously)**

- ii. **Financial Statements for Year Ended December 31, 2013** – Mr. Kelly noted that page 3 of the Financial Statements Year Ended December 31, 2013 as prepared by Harris Ryan Chartered Accountants and as included in tonight's meeting package (Appendix B) is the Board's Statement of Financial Position and provides a clear picture of the Board's financial situation. In addition, information for 2012 is included for comparison purposes. The Board is growing and members will see an increase in the Board's financial assets including a surplus of approximately \$2.5 million. This is in addition to the approximately \$10 million surplus generated by the Regional Waste Management Facility located at Robin Hood Bay (RHB) that is held by the City of St. John's for the Board. As members are aware, the Board has discussed the surplus and feels it will be needed once we begin organics processing.

Mr. Aker questioned why the advance capital funding from the Province would be included under deferred income on page 3.

Mr. Kelly noted that \$1,441,699 of deferred income is noted on page 3 and Note #7 on page 11 provides a detailed explanation. This money is the unspent capital funding received from the Province in 2012 as well as the \$852,453 overpayment from the City of St. John's in 2013 for tipping fee revenue. The City made a quarterly payment to the Board on Dec 31, 2013 as opposed to Jan 1, 2014. The remainder of the funding is Provincial Capital for waste recovery facility construction as well as an equipment depot at Whitbourne and to close and remediate waste disposal sites in the Clarenville area.

Mr. Kelly noted that page 5 of the financial statements is the Board's Statement of Operations and demonstrates how we arrived at the surplus.

**It was moved and seconded (D Breen/S Hickman) that Eastern Regional Service Board operating as Eastern Waste Management adopt the Financial Statements Year Ended December 31, 2013 as prepared by Harris Ryan Chartered Accountants.**

**MOTION 2014-069: Carried (unanimously)**

- iii. **Agreement Between Eastern Regional Service Board and Town of Clarendville for Use of Clarendville Landfill Site** – Mr. Breen stated that this item (Appendix C) is actually a template for similar agreements across all the Board’s sites including each of the waste recovery facilities. Until now we have been operating under a simple understanding and this document captures that understanding formally. This document has been presented to the Town of Clarendville and they have accepted it. The motion this evening will be the direction to enter into this agreement.

**It was moved and seconded (D Breen/S Whalen) that ERSB adopt the agreement as tabled for use of the Clarendville landfill as a transfer station site. In addition, this agreement will be used for each of the Board’s waste recovery facility sites.**

**MOTION 2014-070: Carried (unanimously)**

- iv. **Transportation Subsidy** – Mr. Breen noted that the Board has adopted its fee structure for next year. During those discussions the transportation subsidy for communities that have to haul waste greater than 100 km was discussed at length. Included in tonight’s meeting package (Appendix D) is a list of communities and their potential transportation subsidy. Most of the communities listed in this table are serviced by Eastern Waste Management and have the same cost of \$180 per household for curbside waste collection. Therefore, they are not paying more because they are further away from RHB as they have a regional rate the same as those communities much closer to RHB.

We have compared the revenue that would be generated through the Clarendville Transfer Station if we applied a \$0.10 per metric tonne per kilometer transportation charge to communities using the transfer station. The amount of funds that would be generated versus the amount that would be distributed to other communities is about the same. The conclusion of the Finance & Audit Committee questions if the administration is worth the re-distribution especially if communities are already benefitting from a subsidized tipping fee at RBH (\$67.60/tonne instead of the true cost of \$72/tonne) and a regional rate for curbside waste collection.

**It was moved and seconded (D Breen/G Stone) that ERSB discontinue the transportation subsidy policy. Each community in the Clarendville area will be responsible to get its residential waste to the Clarendville Transfer Station and ERSB will be responsible to get the waste to the Regional Waste Management Facility located at Robin Hood Bay.**

**MOTION 2014-071: Carried (unanimously)**

**b. Strategy & Policy Committee – S. Hickman, Chair**

- i. **Waste Operations Quarterly Report** – Mr. Hickman directed members to the Waste Operations Quarterly Report included in tonight’s meeting package (Appendix E). Each

quarter a report is presented to the Strategy & Policy Committee to update us on waste operations. Tonight's report includes an update on the waste recovery facilities, curbside collection program, recycling, metals diversion, and household hazardous waste events for the quarter.

Mr. Power, Manager Waste Operations, Eastern Waste Management, stated that the report outlines his department's activities; however, he would like to highlight a few items:

- Recently at the Renews-Cappahayden Waste Recovery Facility, 480 spruce trees were planted in partnership with the Junior Fire Wardens.
- Regular monthly site visits continue.
- Conducted a baseline survey of recycling participation.
- Snow clearing contracts for the WRFs are in place.
- As Eastern Waste Management will be the waste collector for the Carbonear area in January, time has been spent becoming familiar with the collection routes for the area. The same will be done for the Southern Shore.
- Twenty-three (23) loads of metals have been collected by a metals recycler from our WRFs.
- Twenty (20) household hazardous waste (HHW) collection events were held in September throughout the region and approximately 40,000 liters of materials was collected.

Mr. Hickman noted that the recycling participation rates are very low and questioned what could be done to improve on these.

Mr. Power stated that he would like to see better information on recycling provided in the *Regional Services Guidebook* that is sent to all the Board's customers each year. In addition, he noted that the Board in partnership with MMSB is running a school recycling pilot program in six (6) rural schools – that pilot began September 3<sup>rd</sup>.

Mr. Galgay questioned why the Bay Bulls Waste Recovery Facility receives so much material in comparison to other WRFs.

Mr. Mallowney responded that the Bay Bulls WRF is used by a large population base including by residents of Goulds, etc., as the WRF is much closer to them than RHB.

- ii. Reasonable Use of Waste Recovery Facilities** – Mr. Hickman stated that one item that was the focus of the last Committee meeting centered on the issue of "What should be considered a reasonable amount of use of the waste recovery facility by one person?" The Committee struggled with this and agreed on that sixteen (16) trips per vehicle annually would be considered reasonable and that is the recommendation to the Board.

Mr. Power stated that this has become a major issue for the Site Attendants at our WRFs. Contractors in these areas are billing customers a disposal fee to bring materials to RHB; however, they are then paying a private citizen to bring the materials to the local WRF in an unmarked vehicle. At the Placentia WRF for this past quarter, one customer dropped off materials on 28 different occasions. Is this reasonable for a resident? This has become

a serious issue at several WRFs. In addition, many abusers are very aggressive with the Site Attendants and, therefore, the Site Attendants are seeking criteria to limit those who are arriving at the WRFs too many times and most often with inappropriate materials (obvious commercial waste).

Mr. Kelly noted that the intent is not to be harsh with residents but rather to curb the abuse by contractors and/or commercial entities. The Site Attendants in these areas know the contractors and are well aware of whom the abusers are and they are asking for guidelines to address the problem.

Mr. Galgay stated that this same issue was discussed at the City of St. John's recently as there are similar issues at the Residential Drop Off at RHB. However, the City has yet to make a decision.

Mr. Colford confirmed that they do have similar issues at RHB. Contractors are trying to dispose of their waste at the RDO rather than going over the scales and incurring tipping fees. He has asked the City for similar direction/criteria for RHB.

Mr. Breen asked if this is indeed a big issue as the garbage in question will most likely be illegally dumped if the person is turned away from the WRF or RHB.

Mr. Power stated that he requires a decision on this matter.

Mr. Kelly noted that limiting the number of trips will be for the most blatant cases of abuse ONLY. The issues being experienced are not from the typical residential user but rather contractors and local businesses who are trying to dispose of waste without paying tipping fees. Allowing the abuse to continue impacts the private business owners in these areas who are honest and who are making the trip to RHB to dispose of their waste. In addition, private waste haulers in these areas are being impacted if commercial waste is being accepted at the WRFs.

Mr. Whalen asked if license plate numbers are recorded at the WRFs.

Mr. Power responded that they are.

Mr. Whalen suggested that those vehicles turned away from the WRFs should be delivering the waste to RHB and that could be checked with RHB as RHB also captures the license plate numbers.

Mr. Aker stated that it seems that we are simply trying to address the worst abusers.

Mr. O'Keefe noted that a standard must be set so as to avoid this issue escalating. If local contractors are disposing of their waste at the WRFs and getting away with it there is nothing to stop all other commercial entities in the area from doing the same. There is a need to concentrate on the abusers and not to penalize everybody.

General discussion ensued with members asking if it would be possible to accept commercial waste at the WRFs.

Mr. Kelly responded that commercial waste could be accepted at the WRFs but would require the installation of scales, computer equipment, and the collection of fees at the sites. This would be expensive and would require more staffing to avoid abuse. Currently most of the WRFs have one employee only.

Mr. Aker stated that he is recommending an amendment that states that it will be at the staff's discretion regarding the number of trips allowed.

Mr. O'Keefe noted that seems to be the current situation and it is not working as staff have asked for direction and/or criteria.

Mr. Huxter stated that an actual number is required for enforcement.

Mr. Galgay said that he is recommending that signage be placed at each WRF site regarding the limited number of trips allowed.

Mr. Mallowney reiterated that this criterion is aimed at abusers only. He continued that at one time in Bay Bulls, the local dump was open seven days a week, 24 hours a day with no lock on the gate there. Despite having access to the dump all the time, five (5) illegal dumpsites were identified in and around Bay Bulls. Therefore, access to a facility is not a deterrent to illegal dumping.

**It was moved and seconded (S Hickman/J Galgay) that ERSB establish a maximum of sixteen (16) trips annually will be allowed for each vehicle to visit the waste recovery facilities.**

**MOTION 2014-072: Carried (unanimously)**

**c. Governance Committee – H. Mallowney, Chair**

Mr. Mallowney stated that the Governance Committee met on November 18<sup>th</sup> and the main issue for discussion was the municipal/provincial fiscal framework and regional service delivery. Obviously we do not know what the Province is thinking on this issue; however, one thing does seem clear and that is regional service delivery is coming and we are not discussing it or planning for it. Within the Eastern Region we have a few things going on that hinges on regional services:

- The Northeast Avalon Regional Plan has been restarted and needs an organization that will maintain and implement that plan;
- Regional transportation has been raised by several around the Board table as an issue that needs discussion; and,
- Sustainability of small municipal fire services that are struggling with low volunteer rates and limited funding.

There are lots of other services that could also be valuable to communities and delivered regionally i.e. building inspection, water treatment operations, by-law enforcement, etc.

From the standpoint of the Regional Services Board, why would we be interested in additional services?

- To reduce the burden on the tipping fee at RHB for the administration of the Regional Services Board by allocating some of the administrative costs across more services.
- Increase the capacity of this organization to leverage existing and new resources – for example, our GIS mapping and local knowledge.
- Allows the provision of services that would be uneconomical on a small scale – access to a town planner, by-law enforcement officer or engineer on a fee-for-service basis.
- Uses the existing representation structure that has been set up by the Province for regional delivery of municipal services.

In our previous meeting, Mr. Brian Bourns of KPMG attended to discuss his experience with regional service delivery in British Columbia and Ontario. There are a number of other provinces that are using regional service delivery to provide more and to lower the costs.

The conclusion of the Committee is that we should start to have conversations at joint councils and at our own council meetings about using a regional service model to do more things for our residents, i.e. regional roads, regional recreation, etc.

Mr. Mullowney concluded that the Governance Committee will continue to work on this issue but they are looking for feedback from Board members.

Mr. Breen noted that he has no issue with the Board taking on additional services as long as the costs are kept separate from the operations at RHB.

Mr. Kelly responded that the Memorandum of Understanding between the Board and the City of St. John's ensures that will happen.

Mr. Whalen stated that there are many unincorporated areas within the Eastern Region who are asking for help with services but they're not always willing to pay. For example, in his area, they have unincorporated areas requesting fire services but the property owners won't volunteer for the fire department and they do not want to pay fees for the service.

Mr. Galgay said that residents in some of these areas such as the LSD of Deer Park/Vineland Road are being told when they call 911 for fire services that no service is available to them. People should have fire service available to them.

Mr. Kelly noted that any services this Board takes on would have to be under the authority of the *Regional Service Boards Act* and directed by the Province. This Board continues to build capacity and should have the ability to respond to service needs when required.

## 5. New Business

- a) **Extension of Hours of Operation at RHB – RE Email Ms. Peggy Roche** – Ms. Roche thanked Mr. Colford and Mr. Kelly for their response to her enquiry regarding extending the hours of operation at RHB to assist in reducing illegal dumping. As members will see on the information sheet provided in tonight’s meeting package (Appendix F) an extensive survey has been conducted by MMSB regarding the factors around illegal dumping. This focused on the number of hours that a facility is open and identified that over half of the municipal facilities are open 40 hours or more a week. Therefore, extensive operating hours is not a deterrent to illegal dumping.
- b) **CAO Evaluation** – Mr. Mallowney informed members that the evaluation form for the CAO is available in hard copy this evening from Ms. Tucker. In addition, Ms. Tucker will be sending the form by email to all Board members. Members are expected to complete and return the evaluation form at their earliest convenience to either Mr. Mallowney or Ms. Tucker. The Governance Committee will compile the results.
- c) **Annual Christmas Dinner** – Mr. Mallowney informed members that the Board’s annual Christmas dinner will be held on Wednesday, December 10<sup>th</sup> at the Bowring Park Bungalow.

## 6. Next ERSB Meeting – January 28, 2015

Mr. Mallowney reminded members that the next Board meeting will be held on **Wednesday, January 28, 2015 at 7:00 p.m. at the Fairfield Inn & Suites by Marriott.**

In addition, the following committee meetings are scheduled for January:

- Finance & Audit Committee – Wednesday, January 14<sup>th</sup> at 12:00 noon, EWM Boardroom
- Strategy & Policy Committee – Thursday, January 15<sup>th</sup> at 10:00 a.m., EWM Boardroom
- Governance Committee – Tuesday, January 20<sup>th</sup> at 10:00 a.m., EWM Boardroom

## 7. Adjournment

It was moved by B Bailey to adjourn the meeting at 8:00 p.m.

*Prepared by:  
Lynn Tucker  
November 28, 2014*



# APPENDIX

# A

**Eastern Waste Management**  
 BNK2 - Bank of Montreal - EW  
 Cheques from 000001 to 003379 dated between 10/01/2014 and 10/31/2014

**CHEQUE REGISTER**

Printed: 10:11:36AM 11/04/2014

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Number	Issued	Amount	SC	Status	Status Date
003290	10/20/2014 Woodman's Welding Ltd.	870.10	A/P	CLEARED	10/31/2014
003291	10/20/2014 Winterton Fire Department	1,000.00	A/P	OUT-STD	10/20/2014
003292	10/20/2014 Bay de Verde Volunteer Fire Department	1,000.00	A/P	CLEARED	10/31/2014
003293	10/20/2014 Bellevue\Thornlea\Bellevue Beach Volunteer Fire Department	1,000.00	A/P	CLEARED	10/31/2014
003294	10/20/2014 Carbonear Volunteer Fire Department	1,000.00	A/P	OUT-STD	10/20/2014
003295	10/20/2014 Fermeuse Volunteer Fire Department	1,000.00	A/P	CLEARED	10/31/2014
003296	10/20/2014 Ferryland Fire Department	1,000.00	A/P	OUT-STD	10/20/2014
003297	10/20/2014 Green's Harbour Volunteer Fire Department	1,000.00	A/P	OUT-STD	10/20/2014
003298	10/20/2014 Heart's Content Volunteer Fire Department	1,000.00	A/P	OUT-STD	10/20/2014
003299	10/20/2014 Heart's Delight-Islington Volunteer Fire Department	1,000.00	A/P	CLEARED	10/31/2014
003300	10/20/2014 Holyrood Volunteer Fire Department	1,000.00	A/P	OUT-STD	10/20/2014
003301	10/20/2014 Mount Carmel Volunteer Fire Department	1,000.00	A/P	CLEARED	10/31/2014
003302	10/20/2014 Norman's Cove-Long Cove Volunteer Fire Department	1,000.00	A/P	CLEARED	10/31/2014
003303	10/20/2014 North Shore Volunteer Fire Department	1,000.00	A/P	OUT-STD	10/20/2014
003304	10/20/2014 Old Perlican Fire Department	1,000.00	A/P	OUT-STD	10/20/2014
003305	10/20/2014 Old Shop Seaside Fire Department	1,000.00	A/P	OUT-STD	10/20/2014
003306	10/20/2014 Riverhead Volunteer Fire Department	1,000.00	A/P	OUT-STD	10/20/2014
003307	10/20/2014 St.Vincent's-St.Stephen's-Peter's River	1,000.00	A/P	CLEARED	10/31/2014
003308	10/20/2014 Trepassey Volunteer Fire Department	1,000.00	A/P	OUT-STD	10/20/2014
003309	10/20/2014 Trinity South Central Fire Department	1,000.00	A/P	CLEARED	10/31/2014
003310	10/20/2014 William Woodman	258.55	A/P	CLEARED	10/31/2014
003311	10/20/2014 Wendy Pitcher	180.00	A/P	OUT-STD	10/20/2014
003312	10/20/2014 Transcontinental Atlantic Media Group G.P.	1,128.18	A/P	CLEARED	10/31/2014
003313	10/20/2014 The Shoreline News	175.64	A/P	CLEARED	10/31/2014
003314	10/20/2014 Terry Dobbie	39.54	A/P	CLEARED	10/31/2014
003315	10/20/2014 T2 Ventures Inc.	126,365.30	A/P	CLEARED	10/22/2014
003316	10/20/2014 Sam Pike Masonry Ltd.	27.82	A/P	CLEARED	10/31/2014
003317	10/20/2014 S & S Supply Ltd.	9,581.00	A/P	CLEARED	10/31/2014
003318	10/20/2014 Royal Garage Ltd.	249.53	A/P	CLEARED	10/31/2014
003319	10/20/2014 Ridge G&P Services Ltd.	99,105.43	A/P	OUT-STD	10/20/2014
003320	10/20/2014 Pro-Tech Construction Ltd.	7,700.49	A/P	OUT-STD	10/20/2014
003321	10/20/2014 Printer Tech Solutions Inc.	212.44	A/P	CLEARED	10/31/2014
003322	10/20/2014 Pinnacle Office Solutions Ltd.	286.75	A/P	CLEARED	10/31/2014
003323	10/20/2014 Patterson's Steel Products Ltd.	54.81	A/P	CLEARED	10/31/2014
003324	10/20/2014 Nortrax Canada Inc.	65.74	A/P	CLEARED	10/31/2014
003325	10/20/2014 Newcap Inc.	1,055.14	A/P	CLEARED	10/31/2014
003326	10/20/2014 M J Hickey Construction Ltd.	565.00	A/P	CLEARED	10/31/2014
003327	10/20/2014 Mark Day	212.68	A/P	CLEARED	10/22/2014
003328	10/20/2014 Lynn Tucker	1,045.31	A/P	CLEARED	10/31/2014
003329	10/20/2014 Leslie Squires	550.00	A/P	CLEARED	10/22/2014
003330	10/20/2014 Leo Squires Backhoe Service Ltd.	1,356.00	A/P	CLEARED	10/31/2014
003331	10/20/2014 Krysta Molloy	8.82	A/P	OUT-STD	10/20/2014
003332	10/20/2014 Kevin Butt	81.49	A/P	OUT-STD	10/20/2014
003333	10/20/2014 Kerr Global Communications	1,145.31	A/P	CLEARED	10/31/2014
003334	10/20/2014 Joy Dobbie	650.94	A/P	CLEARED	10/31/2014
003335	10/20/2014 Jonathan Miller	932.25	A/P	CLEARED	10/31/2014
003336	10/20/2014 Iron Mountain Canada	30.62	A/P	CLEARED	10/31/2014

\* - Name on Check was modified

**Eastern Waste Management**  
 BNK2 - Bank of Montreal - EW  
 Cheques from 000001 to 003379 dated between 10/01/2014 and 10/31/2014

**CHEQUE REGISTER**

Printed: 10:11:36AM 11/04/2014

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Number	Issued	Amount	SC	Status	Status Date
003337	10/20/2014 Imperial Oil	13,559.44	A/P	CLEARED	10/31/2014
003338	10/20/2014 Impact Signs & Graphics Limited	996.66	A/P	CLEARED	10/31/2014
003339	10/20/2014 Harold Mallowney	182.00	A/P	CLEARED	10/22/2014
003340	10/20/2014 Gordon Stone	310.26	A/P	CLEARED	10/31/2014
003341	10/20/2014 Fairfield Inn & Suites by Marriott	1,124.26	A/P	CLEARED	10/31/2014
003342	10/20/2014 Express Signs	1,389.90	A/P	CLEARED	10/31/2014
003343	10/20/2014 Ed Grant	253.00	A/P	CLEARED	10/22/2014
003344	10/20/2014 Dodd's Diesel Repair Ltd.	1,136.26	A/P	OUT-STD	10/20/2014
003345	10/20/2014 Derm Moran	292.05	A/P	CLEARED	10/31/2014
003346	10/20/2014 De Lage Landen Financial Services Canada Ltd.	286.42	A/P	CLEARED	10/31/2014
003347	10/20/2014 D&L Russell Limited	22.58	A/P	OUT-STD	10/20/2014
003348	10/20/2014 Concord Enterprises Inc.	560.48	A/P	CLEARED	10/31/2014
003349	10/20/2014 Colsh's Trucking & Excavating Ltd.	9,004.01	A/P	CLEARED	10/31/2014
003350	10/20/2014 Christie Dean	1,296.42	A/P	CLEARED	10/31/2014
003351	10/20/2014 Cabot Industries Limited	2,983.20	A/P	CLEARED	10/31/2014
003352	10/20/2014 Bruce Butt	837.96	A/P	CLEARED	10/31/2014
003353	10/20/2014 Big Erics Inc.	99.44	A/P	CLEARED	10/31/2014
003354	10/20/2014 Bell Mobility Inc.	1,086.91	A/P	CLEARED	10/31/2014
003355	10/20/2014 Bell Aliant	1,125.67	A/P	CLEARED	10/31/2014
003375	10/20/2014 Encon Group Inc.	2,581.93	G/L	OUT-STD	10/20/2014
003376	10/28/2014 Around The Bay Disposals Inc.	41,490.40	A/P	OUT-STD	10/28/2014
003377	10/28/2014 Ken Kelly	2,208.83	A/P	CLEARED	10/31/2014
003378	10/31/2014 Receiver General of Canada	34,350.11	G/L	OUT-STD	10/31/2014
<b>Cheque Totals Issued:</b>		<b>390,113.08</b>			
<b>Void:</b>		<b>0.00</b>			
<b>Total Cheques Generated:</b>		<b>390,113.08</b>			
<b>Total # of Cheques Listed:</b>		<b>70</b>			

\* - Name on Check was modified

**EASTERN REGIONAL SERVICE BOARD  
EASTERN WASTE MANAGEMENT**

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**PAYROLL EXPENSE  
OCTOBER 2014**

Payroll – Staff ( <i>3 pay periods</i> ) .....	\$100,260.88
Payroll – Board ( <i>Q3 remuneration</i> ).....	<u>\$23,395.01</u>
Total Payroll ( <i>22 employees</i> ) .....	\$122,655.89
Payroll CRA Remittance ( <i>Chq#3378</i> ) .....	<u>\$34,350.11</u>
<b>TOTAL GROSS PAYROLL .....</b>	<b><u>\$157,006.00</u></b>

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PREVIOUS MONTH

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SEPTEMBER 2014

Payroll – Staff.....	\$67,803.29
Payroll – Board.....	<u>\$00,000.00</u>
Total Payroll ( <i>22 employees</i> ) .....	\$67,803.29
Payroll CRA Remittance ( <i>Chq#3288</i> ) .....	<u>\$19,644.41</u>
<b>TOTAL GROSS PAYROLL .....</b>	<b><u>\$87,447.70</u></b>

# APPENDIX

## B



EASTERN REGIONAL SERVICE BOARD  
Financial Statements  
Year Ended December 31, 2013



DRAFT

**HARRIS RYAN**  
*Chartered Accountants*

**EASTERN REGIONAL SERVICE BOARD**

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**Year Ended December 31, 2013**

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**INDEPENDENT AUDITOR'S REPORT**

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To the Members of Eastern Regional Service Board

We have audited the accompanying financial statements of Eastern Regional Service Board, which comprise the statements of financial position as at December 31, 2013 and December 31, 2012 and the statements of operations, changes in net financial assets and cash flows for the years ended December 31, 2013 and December 31, 2012, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

*(continues)*

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Suite 202 120 Stavanger Drive, St. John's, NL, Canada A1A 5E8  
Phone: (709) 726-8324 Fax: (709) 726-4525



Independent Auditor's Report to the Members of Eastern Regional Service Board *(continued)*

Basis for Qualified Opinion

Eastern Regional Service Board, derives revenue from waste management fees, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Eastern Regional Service Board. Therefore, we were not able to determine whether any adjustments might be necessary to waste management fee revenue, annual deficiency, and cash flows from operations for the years ended December 31, 2013 and December 31, 2012, current assets and net assets as at December 31, 2013 and December 31, 2012.

Qualified Opinion

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Eastern Regional Service Board as at December 31, 2013 and December 31, 2012 and the results of its operations and its cash flows for the years then ended in accordance with Public Sector Accounting Standards.

St. John's, Newfoundland and Labrador  
September 25, 2014

CHARTERED ACCOUNTANTS

**EASTERN REGIONAL SERVICE BOARD**

**Statement of Financial Position**

**December 31, 2013**

	<i>December 31</i> <b>2013</b>	<i>December 31</i> <b>2012</b>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 3,671,483	\$ 3,326,359
Accounts receivable (Note 3)	252,486	345,647
Harmonized sales tax recoverable	454,019	269,070
	<b>\$ 4,377,987</b>	<b>\$ 3,941,076</b>
<b>LIABILITIES</b>		
Accounts payable (Note 5)	\$ 495,272	\$ 953,757
Obligations under capital lease (Note 6)	746,043	853,843
	<b>\$ 1,241,315</b>	<b>\$ 1,807,600</b>
<b>NET FINANCIAL ASSETS</b>	<b>\$ 3,136,672</b>	<b>\$ 2,133,476</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 4)	\$ 866,250	\$ 796,272
Prepaid expenses	23,954	19,752
	<b>890,204</b>	<b>816,024</b>
<b>NON-FINANCIAL LIABILITIES</b>		
Deferred income (Note 7)	1,441,699	1,946,754
<b>ACCUMULATED SURPLUS</b>	<b>\$ 2,585,177</b>	<b>\$ 1,002,746</b>

**ON BEHALF OF THE BOARD**

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

See notes to financial statements

**EASTERN REGIONAL SERVICE BOARD**  
**Statement of Changes in Net Financial Assets**  
**Year Ended December 31, 2013**

	2013	2012
<b>ANNUAL SURPLUS (DEFICIENCY)</b>	<b>\$ 1,582,431</b>	<b>\$ (791,176)</b>
Acquisition of tangible capital assets	(361,735)	(919,864)
Amortization of tangible capital assets	291,757	144,412
Acquisition of prepaid expenses	(23,955)	(19,752)
Use of prepaid expenses	19,752	703
Acquisition of deferred income	852,453	1,946,754
Recognition of deferred income	(1,357,507)	-
<b>INCREASE IN NET FINANCIAL ASSETS</b>	<b>\$ 1,003,196</b>	<b>\$ 361,077</b>
<b>NET FINANCIAL ASSETS – BEGINNING OF YEAR</b>	<b>\$ 2,133,476</b>	<b>\$ 1,772,399</b>
<b>NET FINANCIAL ASSETS – END OF YEAR</b>	<b>\$ 3,136,672</b>	<b>\$ 2,133,476</b>

See notes to financial statements

**EASTERN REGIONAL SERVICE BOARD**

**Statement of Operations**

**Year Ended December 31, 2013**

	Budget 2013	2013	2012
<b>REVENUE</b>			
Government grants (Note 7)	\$ -	\$ 1,411,845	\$ 853,246
Tipping fees (Note 8)	-	3,204,906	1,936,831
Waste management fees	-	2,655,353	233,388
Metals recycling revenue	-	41,242	73,063
	-	<b>7,313,346</b>	<b>3,096,528</b>
<b>EXPENSES</b>			
Administrative expenses (Schedule 1)	-	\$ 1,199,590	\$ 798,072
Interest on obligations under capital lease	-	39,489	3,527
Waste management operating expenses	-	2,738,552	1,210,183
Waste recovery facilities - operating expenses (Schedule 2)	-	895,550	1,067,735
Waste recovery facilities - site development (Note 7)	-	826,005	605,557
Waste site closures (Note 7)	-	181,768	247,689
	-	<b>5,880,954</b>	<b>3,932,763</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS</b>	-	<b>1,432,392</b>	<b>(836,235)</b>
<b>OTHER INCOME</b>			
Interest income	-	98,049	30,818
Miscellaneous revenue	-	51,990	14,241
	-	<b>150,039</b>	<b>45,059</b>
<b>ANNUAL SURPLUS (DEFICIENCY)</b>	\$	<b>1,582,431</b>	\$ (791,176)
<b>ACCUMULATED SURPLUS – BEGINNING OF YEAR</b>	\$	<b>1,002,746</b>	\$ 1,793,922
<b>ACCUMULATED SURPLUS – END OF YEAR</b>	\$	<b>2,585,177</b>	\$ 1,002,746

See notes to financial statements

**EASTERN REGIONAL SERVICE BOARD**

**Statement of Cash Flows**

**Year Ended December 31, 2013**

	2013	2012
<b>OPERATING ACTIVITIES</b>		
Annual surplus (deficiency)	\$ 1,582,431	\$ (791,176)
Item not affecting cash:		
Amortization of tangible capital assets	291,757	144,412
	<b>1,874,188</b>	<b>(646,764)</b>
Changes in non-cash working capital:		
Accounts receivable	93,161	(338,919)
Accounts payable	(458,485)	805,382
Prepaid expenses	(4,202)	(19,049)
HST receivable	(184,949)	(234,513)
	<b>(554,475)</b>	<b>212,901</b>
Cash flow from operating activities	<b>1,319,713</b>	<b>(433,863)</b>
<b>CAPITAL ACTIVITIES</b>		
Purchase of property, plant and equipment	(361,735)	(45,008)
Deferred income	(505,054)	1,946,754
Cash flow from (used by) capital activities	<b>(866,789)</b>	<b>1,901,753</b>
<b>FINANCING ACTIVITIES</b>		
Net financial assets of sub-regions	-	1,671,586
Repayment of obligations under capital lease	(107,800)	(21,021)
Cash flow from (used by) financing activities	<b>(107,800)</b>	<b>1,650,565</b>
<b>INCREASE IN CASH FLOW</b>	<b>345,124</b>	<b>3,118,455</b>
Cash - beginning of year	<b>3,326,359</b>	<b>207,904</b>
<b>CASH - END OF YEAR</b>	<b>\$ 3,671,483</b>	<b>\$ 3,326,359</b>

See notes to financial statements

## EASTERN REGIONAL SERVICE BOARD

### Notes to Financial Statements

Year Ended December 31, 2013

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#### 1. DESCRIPTION OF OPERATIONS

The Eastern Regional Service Board (the "organization") was established in September of 2011 by the Province of Newfoundland under the authority of the Regional Services Board Act, 2012. Prior to its formal incorporation it operated as a Ministerial Committee in order to develop a regional plan and oversee the modernization of the solid waste management system for the eastern portion of the island. The authority of the Board covers the area from St. John's to Clarenville. As a committee Eastern Waste Management was not able to enter into contracts and carry out operations. In an effort to further the implementation of the Provincial Waste Management Strategy in the region it facilitated and guided the development of not for profit corporations that were comprised of the municipalities, local service districts and unincorporated areas in smaller geographic areas of the eastern region. Six not for profit corporations were established in order to be the contracting entity for the communities. Each operated as a separate entity with its own board of directors nominated by the member communities. Eastern Waste Management acted as the "Business Manager" for each of these entities. With the formal establishment of the Eastern Regional Service Board (ERSB) the not for profit corporations were not necessary. Starting in 2012 contracts for waste collection started to expire and were retendered and awarded by ERSB. Contracts that had not expired were transferred to the ERSB along with all remaining receivables and cash assets of the organizations as they ceased to operate.

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#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### Basis of presentation

The financial statements were prepared in accordance with Canadian generally accepted accounting principles for government organizations as prescribed by the Public Sector Accounting Board (PSAB).

##### Revenue recognition

Government grants with stipulations restricting their use are recognized as revenue when the transfer is authorized and the eligibility criteria are met, except when and to the extent the transfer gives rise to an obligation that constitutes a liability. When the transfer gives rise to an obligation that constitutes a liability, the transfer is recognized in revenue when the liability is settled.

Tipping fee revenues are provided to the extent required in the organization's annual budget and are recognized as revenue when received.

Waste management fee revenues are invoiced annually and are recognized as revenue when invoiced to customers. Metals recycling revenues are also recognized as revenue when invoiced.

##### Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in guaranteed investment certificates and are valued at cost plus accrued interest.

**EASTERN REGIONAL SERVICE BOARD**

**Notes to Financial Statements**

**Year Ended December 31, 2013**

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Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Buildings	4%	declining balance method
Furniture and equipment	20%	declining balance method
Computer equipment	55%	declining balance method
Computer software	100%	declining balance method
Heavy equipment	30%	declining balance method

The company regularly reviews its tangible capital assets to eliminate obsolete items.

Leases

Leases are classified as either capital or operating leases. A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset is recorded with its related long-term obligation to reflect the acquisition and financing. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

Non-financial assets

Non-financial assets include all assets of a fixed or permanent nature, claims to goods and services, and consumable goods.

Non-financial liabilities

Non-financial liabilities are comprised of the unspent portion of government grants designated for the construction and engineering of waste recovery facilities, as well as costs associated with the closure of various dump sites previously used in the eastern region. Due to the nature of this liability, these amounts will not be required to be repaid by the organization, but will be recognized into income as the funds are spent on approved projects.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

**EASTERN REGIONAL SERVICE BOARD**

**Notes to Financial Statements**

**Year Ended December 31, 2013**

**3. ACCOUNTS RECEIVABLE**

	2013	2012
Waste management fees receivable	\$ 441,933	\$ 384,052
Government funding receivable	7,626	-
Allowance for doubtful accounts	(197,074)	(38,405)
	<b>\$ 252,485</b>	<b>\$ 345,647</b>

**4. TANGIBLE CAPITAL ASSETS**

	Cost	Accumulated amortization	2013 Net book value	2012 Net book value
Buildings	\$ 7,084	\$ 589	\$ 6,495	\$ 6,765
Computer equipment	22,967	16,395	6,573	7,107
Computer software	2,544	1,273	1,271	-
Furniture and equipment	47,993	12,782	35,211	16,548
Heavy equipment	1,189,104	408,121	780,982	765,852
Motor vehicles	42,021	6,303	35,718	-
	<b>\$ 1,311,713</b>	<b>\$ 445,463</b>	<b>\$ 866,250</b>	<b>\$ 796,272</b>

**5. ACCOUNTS PAYABLE**

	2013	2012
Trade payables	\$ 409,554	\$ 842,999
Other accruals	85,694	110,759
Employee deductions payable	25	-
	<b>\$ 499,273</b>	<b>\$ 953,758</b>



**EASTERN REGIONAL SERVICE BOARD**

**Notes to Financial Statements**

**Year Ended December 31, 2013**

6. OBLIGATIONS UNDER CAPITAL LEASE	2013	2012
TD Equipment Finance		
TD Equipment Finance lease bearing interest at 4.778% per annum, repayable in monthly blended payments of \$12,274. The lease matures on November 1, 2019 and is secured by equipment.	\$ 746,043	\$ 853,843
Amounts payable within one year	(147,289)	(147,289)
	<u>\$ 598,754</u>	<u>\$ 706,554</u>

Future minimum capital lease payments are approximately:

2014	\$ 147,289
2015	147,289
2016	147,289
2017	147,289
2018	147,289
Thereafter	<u>122,989</u>
Total minimum lease payments	859,434
Less: amount representing interest at various rates	<u>(113,391)</u>
	<u>\$ 746,043</u>

**EASTERN REGIONAL SERVICE BOARD**

**Notes to Financial Statements**

**Year Ended December 31, 2013**

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7. DEFERRED INCOME

In 2012, the organization received government funding in the amount of \$2,800,000 designated for the construction and engineering of waste recovery facilities, as well as costs associated with the closure of various dump sites previously used in the eastern region. At December 31, 2013, a portion of this funding remained unspent and has been classified as deferred income. This deferred income will be recognized as revenue when spent on approved projects.

Deferred income has also been recognized with respect to tipping fee revenue described in Note 8. Funding received from the City of St. John's in 2013 exceeded the amount determined by the organization's annual budget. The excess has been included in deferred revenue at December 31, 2013.

---

	2013
Deferred income - beginning of year	\$ 1,946,754
Prior year spending with government approval in 2013	(349,735)
Waste recovery facilities - site development	(826,005)
Waste site closures	(181,768)
Funding overpayment from City of St. John's	852,453
Deferred income	\$ 1,441,699

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8. TIPPING FEES

The Government of Newfoundland and Labrador has officially designated the Robin Hood Bay Waste Management Facility, which is owned and operated by the City of St. John's, as the site for the Eastern Region's Integrated Waste Management Facility. Eastern Regional Service Board contracts with the City of St. John's to provide waste disposal services for other municipalities in the Eastern Region.

Tipping fees charged per tonne at the Robin Hood Bay Waste Management Facility are determined annually by Eastern Regional Service Board based on estimated tonnage and budgeted costs to operate both Eastern Regional Service Board and the Robin Hood Bay Waste Management Facility. Operational funding is provided to Eastern Regional Service Board from tipping fees collected from facility users to the extent required in its annual budget.

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**EASTERN REGIONAL SERVICE BOARD**

**Notes to Financial Statements**

**Year Ended December 31, 2013**

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9. LEASE COMMITMENTS

The company has a long term lease with respect to its premises, which expires April 1, 2017. Future minimum lease payments as at December 31, 2013, are as follows:

2014	\$	59,500
2015		59,500
2016		59,500
2017		14,875
		<hr/>
	\$	193,375

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10. FINANCIAL INSTRUMENTS

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The company is exposed to credit risk from customers. In order to reduce its credit risk, the company reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The company has a significant number of customers which minimizes concentration of credit risk.

Fair value

The company's carrying value of cash and cash equivalents, accounts receivable, and accounts payable approximates its fair value due to the immediate or short term maturity of these instruments.

The carrying value of the capital lease obligation approximates the fair value as the interest rates are consistent with the current rates offered to the company for debt with similar terms.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the company manages exposure through its normal operating and financing activities. The company is exposed to interest rate risk primarily through its investment in guaranteed investment certificates.

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**EASTERN REGIONAL SERVICE BOARD**

**Notes to Financial Statements**

**Year Ended December 31, 2013**

**11. EXPENSES BY OBJECT**

	2013	2012
Advertising and promotion	\$ 127,355	\$ 96,314
Amortization	291,757	144,412
Bad debts	158,564	43,898
Business taxes, licenses and memberships	25,936	13,933
Directors fees	77,930	38,710
Insurance	27,088	8,094
Interest and bank charges	12,096	6,439
Interest on obligations under capital lease	39,489	3,527
Office	30,299	38,387
Professional fees	105,014	71,196
Rental	64,434	58,166
Repairs and maintenance	32,384	7,942
Salaries and wages	682,710	378,194
Telephone	19,158	14,330
Travel	72,991	49,618
Vehicle	185,577	-
Waste management operations	2,738,552	1,210,183
Waste recovery facilities - operations	181,845	896,174
Waste recovery facilities - site development	826,005	605,557
Waste site closures	181,768	247,689
	\$ 5,880,952	\$ 3,932,763

**EASTERN REGIONAL SERVICE BOARD**

**Administrative expenses**

*(Schedule 1)*

**Year Ended December 31, 2013**

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	2013	2012
Advertising and promotion	\$ 127,355	\$ 96,314
Amortization	12,483	9,033
Bad debts	158,564	43,898
Business taxes, licenses and memberships	25,936	13,933
Directors fees	77,930	38,710
Insurance	27,088	8,094
Interest and bank charges	12,099	6,439
Office	30,299	38,387
Professional fees	105,014	71,196
Rental	64,434	58,166
Repairs and maintenance	8,776	7,942
Salaries and wages	457,463	342,012
Telephone	19,158	14,330
Travel	72,991	49,618
	<b>\$ 1,199,590</b>	<b>\$ 798,072</b>

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**EASTERN REGIONAL SERVICE BOARD**

**Waste recovery facilities – operating expenses**

**(Schedule 2)**

**Year Ended December 31, 2013**

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	2013	2012
Amortization	\$ 279,274	\$ 135,379
Contractor costs	181,845	896,174
Repairs and maintenance	23,607	-
Salaries and wages	225,247	36,182
Vehicle	185,577	-
	<b>\$ 895,550</b>	<b>\$ 1,067,735</b>

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DRAFT

# APPENDIX

## C

**THIS AGREEMENT** made at Clarenville, in the Province of Newfoundland and Labrador, this day of \_\_\_\_\_, 2014

**BETWEEN:**            **TOWN OF CLARENVILLE**, a municipal corporation organized and existing pursuant to the provisions of the **Municipalities Act**, as amended (hereinafter referred to as the “Town”)  
**Of the One Part**

**AND:**                    **EASTERN REGIONAL SERVICE BOARD**, a statutory body existing and established pursuant to the **Regional Service Board Act** RSNL 2012 as amended (hereinafter referred to as the “ERSB”)  
**Of the Other Part**

**WHEREAS** the Town of Clarenville has operated a landfill and incinerator for the benefit of the Town, commercial users and other waste generators in the area at a site, which site is more particularly described in Schedule A attached hereto, which Schedule forms part of this Agreement (the “Landfill”);

**WHEREAS** the Clarenville Landfill and former incinerator site has been retrofitted as a transfer facility for the Clarenville Area;

**WHEREAS** the Transfer Station is located outside the boundaries of the Town of Clarenville and, historically, has been operated as the municipal waste disposal and incinerator site by and for the Town of Clarenville and other local area municipalities and communities;

**WHEREAS** the ERSB has been established pursuant to the **Regional Service Board Act**;

**AND WHEREAS** the Parties acknowledge and understand that the Provincial Government has



agreed to fund the full costs of closure of the site in accordance with the requirements of the Department of Environment and Conservation for closure of former waste disposal sites.

**AND WHEREAS** the Parties wish to establish an agreement governing the use, management and operations of the Transfer Station by municipal and commercial users within the Clarendville Area including the Bonavista Peninsula and any other areas as directed by ERSB.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that for and in consideration of the mutual covenants contained herein the Parties agree as follows:

1. The Town will retain ownership of the Landfill and former Incinerator site and all obligations that are associated with final closure of the site to the satisfaction of the Department of Environment & Conservation. See Schedule B – communication from the Department of Municipal and Intergovernmental Affairs regards to Government funded closure costs.
2. The Town hereby agrees that the ERSB shall, as of June 30, 2015 operate a transfer facility, and any other waste management facility under the mandate of the ERSB, at the Landfill.
3. The Town represents and warrants that:
  - a. All operations of the Town pertaining to the Landfill or former Incinerator, and

the Landfill itself, have been and are now in compliance with all environmental laws in force and effect and any future environmental laws that, to the knowledge of the Town, are presently planned or proposed by governmental authorities;

- b. Any release by the Town of any hazardous substance from the Landfill or former Incinerator into the environment has complied and will comply with all environmental laws;
- c. All approvals of government authorities required to be held by the Town concerning the environment have been obtained, are valid and in full force and effect, have been and are being complied with, and there have not been and are no proceedings commenced or threatened to revoke or amend any such approvals;
- d. Neither the Town nor the Landfill or former Incinerator has been or is now the subject of any remedial order (being any administrative complaint, direction, order or sanction issued, filed or imposed by any governmental authority pursuant to any environmental laws), nor does the Town have any knowledge of any investigation or evaluation commenced as to whether any remedial order is necessary nor has any threat of any remedial order been made nor are there any circumstances which could result in the issuance of any remedial order;
- e. the Town has never been prosecuted for or convicted of any offence under any environmental laws, nor has the Town been found liable in any proceeding to pay any fine or judgment to any person as a result of any release or threatened release

of any hazardous substance into the environment or the breach of any environmental law and, to the knowledge of the Town, there is no basis for any such proceeding;

f. the Town neither uses nor stores in or on the Landfill or former Incinerator any equipment, waste or other material containing chemicals, hydrocarbons or PCBs; and

g. the Town has no knowledge of any hazardous substance in, on or under the Landfill or former Incinerator or in, on or under any neighboring or adjoining properties.

4. The Town covenants and agrees to indemnify and save harmless ERSB and each of its officers, directors, employees and agents (the "Indemnified Parties") from and against all claims, demands, actions, causes of action, damage, loss, costs, liability or expense which may be made or brought against the Indemnified Parties or which they may suffer or incur, directly or indirectly as a result of or in connection with any incorrectness in or breach of any representation or warranty of the Town contained in this Agreement respecting environmental matters, including without limitation any claims brought or imposed at any time by third parties in connection with environmental matters relating to any period prior to the execution date of this Agreement.

5. The ERSB shall:

a. manage and operate the Transfer Station for the benefit of the users subject to the

policies and direction established by the ERSB and any applicable legislation or other laws and the terms and conditions set forth herein;

- b. to maintain the access road leading to the Landfill for as long as ERSB is operating the Landfill pursuant to this Agreement however upon termination of the Agreement all responsibility for the access road reverts to the Town;
- c. shall be responsible for obtaining and maintaining all necessary permits required for the operation of the transfer facility and any other waste management facilities under its mandate;
- d. establish all policies with regards to useage, accepted materials and fees for useage;
- e. provide all capital and operating required for the Transfer Station and all other operational equipment or contracted resources that are not set forth herein for the purposes of transporting waste material delivered to the Transfer Station destined for the Regional Landfill;
- f. assume responsibility for hazardous material and environmental issues related to ERSBs operation of the site; and
- g. collect and retain all funds in relation to the use of the Transfer Station by

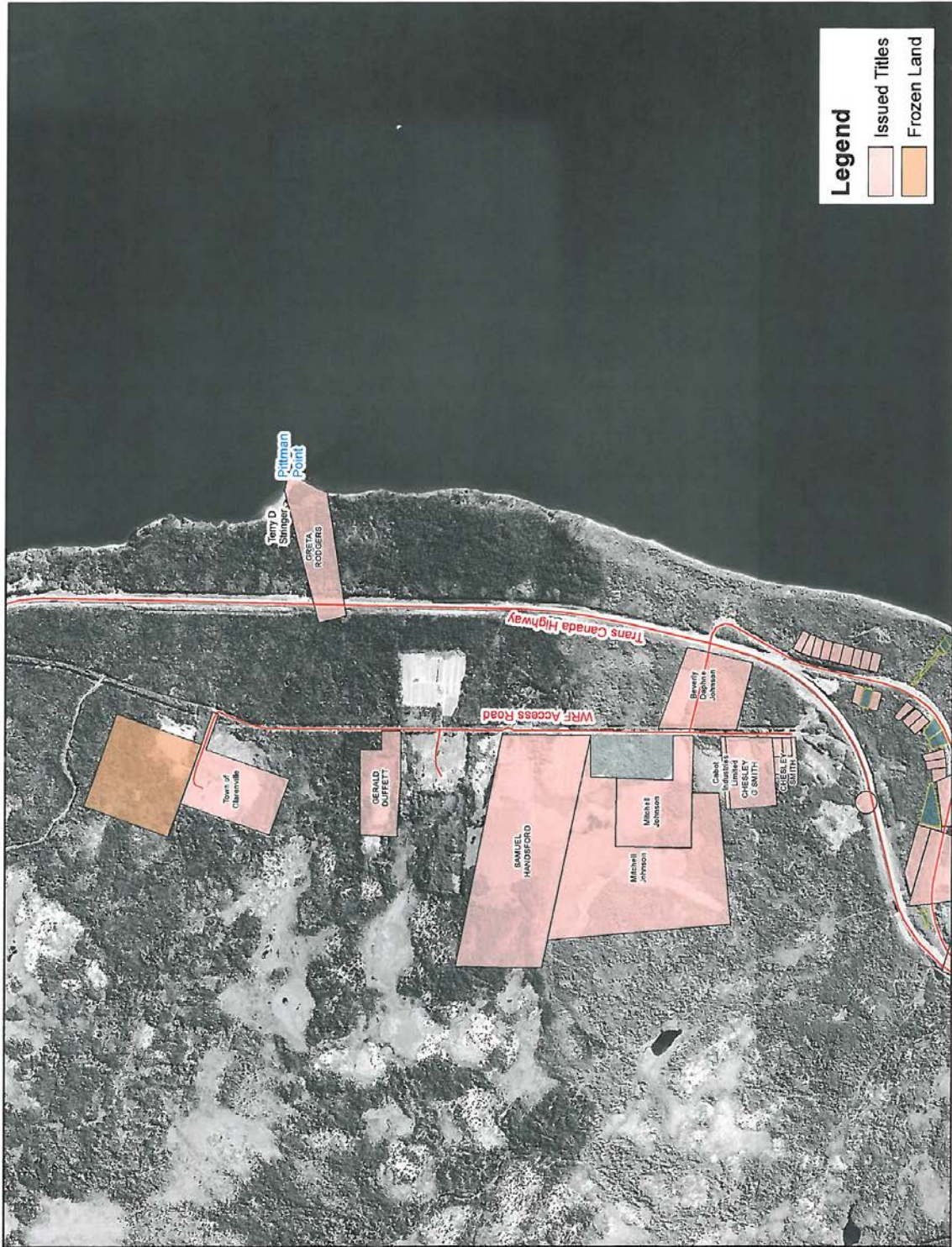
municipalities, communities, waste management committees, residents, industrial/commercial//institutional users and any others in area and the Town has no interest in these revenues;

6. The Town acknowledges that there is an additional section of land west of the Landfill that is currently identified and zoned specifically for expansion of the Landfill, as need be, and the Town agrees to either transfer this land to ERSB or to allow ERSB to expand its operations onto this land, as the need arises.
7. This agreement shall be of an indefinite term and cannot be terminated except by mutual agreement of both parties. In the event of termination by the Town the ERSB is entitled to compensation for costs of termination including demolition, removal, identification of new site and reestablishment of operations at another suitable location as determined by ERSB.
8. The commencement date for the purposes of this agreement will be June 30, 2015.



SCHEDULE A

MAP





SCHEDULE B

LETTER FROM DEPARTMENT OF MIGA



Government of Newfoundland and Labrador  
Department of Municipal & Intergovernmental Affairs  
Waste Management Division

May 12, 2014

Bob Hiscock - CAO  
Town of Clarenville  
99 Pleasant Street  
Clarenville, NL  
A5A 1V9

Dear Mr. Hiscock;

The Province has advanced funds to the Eastern Regional Service Board for the construction of a transfer station at the site of the Clarenville landfill. This work is expected to start in the spring of 2014 and conclude by late fall 2014, barring any unforeseen issues. The ERSB will operate and manage the transfer station on behalf of the region. It will fund the ongoing operational costs and any future capital requirements for the Transfer Station. It is anticipated that the transfer station will be operational by the end of 2014 at which time the current Certificate of Approval to operate the Clarenville landfill will expire.

The Province has committed to 100% funding of the costs to close operational landfills in the Province, including the Clarenville landfill, as per the Department of Environment and Conservation guidelines. Funds for closure of landfill sites in the Clarenville area have been advanced to the Eastern Regional Service Board, who will manage the tendering of work required to close the sites.

Once the work to close the Clarenville landfill site is completed to the satisfaction of the Department of Services NL, the Town of Clarenville, as owner of the site, will remain responsible for landfill related liabilities associated with the site.

Eastern Regional Service Board will be responsible for maintenance of the access road to the site. Should they change access to the site or discontinue use of the site in the future, they will no longer be responsible for maintenance of the road

A handwritten signature in black ink, appearing to read "Chris Power".

**Chris Power, P. Eng.**  
**Director, Municipal Infrastructure & Engineering Services**

cc: Ken Kelly, CAO, ERSB

P.O. Box 8700, St. John's, NL, Canada A1B 4J6 - Telephone 709-729-0405 - Facsimile 709-729-7491

# APPENDIX

## D

Community	Annual Tonnage	Distance from RHB	Use CTS
Admiral's Beach	47	113	\$61.17
Arnold's Cove	337	149	\$1,649.63
Bay de Verde	122	179	\$963.09
Bellevue	71	127	\$192.29
Bellevue Beach	21	122	\$46.57
Biscay Bay	17	149	\$85.31
Branch	101	153	\$534.08
Bristol's Hope	29	114	\$40.60
Burgoynes Cove	30	228	\$384.00
Cape Broyle	157	283	\$2,879.14
Carbonear	1756	114	\$2,458.40
Cavendish	82	132	\$260.96
Chance Cove	77	128	\$216.30
Clarenville-Shoal Harbour	3499	194	\$32,890.60
Come By Chance	88	157	\$501.20
Deep Bight	70	185	\$595.00
Dildo	211	105	\$105.47
Fair Haven	31	132	\$97.63
Fox Harbour	59	138	\$225.64
Garden Cove incl Swift, North Harbour, G	148	186	\$1,272.37
Gaskiers-Point La Haye	92	128	\$256.84
Goobies	38	165	\$246.55
Grates Cove	56	138	\$211.51
Green's Harbour	156	123	\$358.80
Hant's Harbour	75	156	\$417.59
Harbour Grace	1455	109	\$1,309.50
Harcourt-Monroe-Waterville	115	213	\$1,299.50
Hearth's Content	147	135	\$513.35
Hearth's Delight-Islington	189	139	\$736.13
Hearth's Desire	85	145	\$384.35
Hillview-Adeytown	277	190	\$2,493.00
Hodge's Cove	74	192	\$680.80
Little Harbour East	40	132	\$127.58
Caplin Cove-Southport	369	202	\$3,763.80
Long Harbour-Mount Arlington Heights	121	117	\$205.85
Low Point	41	167	\$275.84

Lower Island Cove	83	158	\$481.57
George's Brook-Milton	332	204	\$3,452.80
New Chelsea-New Melbourne-Brownsdal	159	158	\$920.69
New Harbour	237	108	\$189.77
New Perlican	88	140	\$351.32
Norman's Cove-Long Cove	215	111	\$236.91
North Harbour St. Mary's Bay	33	110	\$32.92
Burnt Point-Gull Island-Northern Bay	172	150	\$861.30
O'Donnells	30	103	\$9.03
Old Perlican	182	169	\$1,256.42
Old Shop	96	102	\$19.17
Perry's Cove	2	129	\$5.80
Placentia (ferndale, Dunville, South, Fres)	1286	134	\$4,371.69
Point Lance	26	168	\$175.44
Port Kirwan/Kingman's	44	102	\$8.80
Portugal Cove South	54	144	\$236.15
Queen's Cove	273	180	\$2,184.00
Random Island	484	233	\$6,437.20
Red Head Cove	39	178	\$305.45
Renews-Cappahayden	113	102	\$22.69
Riverhead	54	113	\$69.69
Salmon Cove	74	192	\$680.80
Ship Harbour	58	150	\$291.00
Small Point-Broad Cove-Blackhead-Adam	211	134	\$717.40
St. Mary's	63	122	\$138.53
St. Shotts	29	169	\$201.89
St. Vincent's-St. Stephen's-Peter's River	56	138	\$213.94
Sunnyside	114	157	\$647.35
Thornlea	37	132	\$119.52
Trepassey	150	155	\$822.64
Upper Island Cove	572	107	\$400.40
Victoria	766	118	\$1,378.80
Western Bay-Ochre Pit Cove-Kingston	198	150	\$990.70
Whiteway	111	157	\$630.59
Winterton	133	145	\$596.84
<b>TOTAL</b>			<b>\$34,018.93</b>

54180.7

# APPENDIX

## E

## **Q3 Report: (July to September)**

### **Community Waste Collections:**

No disruptions to collections during quarter.

### **WRF's:**

- Accepted metals from bulk day(s)
- Preparations for highway site signage installation (ongoing), received permit to install (27Oct) permit valid until 12Aug 2015
- Assessed tree planting for Renew-Cappahayden WRF (ongoing) issue is maintaining a fire break in accordance with Certificate of Approval to operate versus providing a visual barrier from highway. Decided to move debris bin from current location to metals location in order to reduce visibility and added feature of less wind impact. +Still working with Junior Fire wardens of NL to determine if 2015 tree planting project can be established.
- Regulatory visit:
  - None
- Metals removed from Bay Bulls, Renew-Cappahayden, Placentia, Harbour Grace, Sunnyside, Cavendish

### **Other Waste Operations:**

- Conducted monthly site visits
- 46 Hours of Backhoe related activities
- 2014 – 2015 School Recycling Pilot - implemented first collection September 3, 2014
- Installed fourth Axel on 1 waste trailer this will increase payload capacity of the vehicles by approximately 3.5 metric tonnes once we can use in the short term reduces capacity by 1,000 Kg
- Conducted a base line survey of recycling participation by having our canvassers go through areas and record the number of set outs for recycling (households/businesses with recycling put out for collection).

### Results of the Recycling Participation

<b>Contract</b>	<b>Communities</b>	<b>Total Participation</b>
South West Arm	Long Beach island Cove Hodge's Cove Little Heat's Ease Butter Cove Gooseberry Cove Southport	14%
Isthmus	Chance Cove Bellevue / Bellevue Beach Thornlea Norman's Cove / Long Cove Chapel Arm	11%
Trinity Conception South Centre	Heart's Desire Heart's Delight / Islington Cavendish Whiteway Dildo	12%
Trinity Conception North	New Melbourne New Chelsea Hant's Harbour / Turk's Cove New Perlican Heart's Content	7%
Conception Bay Center	Holyrood	26%
Southern Shore	Bay Bulls	19%
South West Avalon	Placentia Point Verde	11%



- 20 Household Hazardous Waste (HHW) Collection Events held. Waste Volumes for all 2014 events below:

Community	Collection Date	Flammable Liquid	Aerosols	Propane	Wet Batteries	Alkaline / lithium Batteries	Non-reg oil	Compressed Gas	Toxic Pharmaceutical	Fluorescent bulbs	Pesticides	Cleaners	Corrosives	Oxidizers	Paint box	Vehicles
Avondale	02-Jun-14	780	5	260			380	33	5				20	20	1.00	
Colliers	02-Jun-14	220	5	340			60	13					36		1.25	40
Conception Harbour	02-Jun-14	240		200		10	60			60					1.00	22
Fox Harbour	03-Jun-14	20	20	5			380								1.00	15
Long Harbour	03-Jun-14	60		120			300								3.00	23
Placentia	03-Jun-14	170		240		10	200	60		5					2.00	43
St.Brides	03-Jun-14														0.50	
Bay de Grave	09-Jun-14	140	20	71		20	420			126	20				2.00	60
Bay Roberts	09-Jun-14	460	2	132		40	600	30			20				4.25	64
Carbonear	07-Jun-14		20	119			560			27					4.75	122
Spaniard's Bay	09-Jun-14	80	20	126	10		120								1.25	30
Victoria	07-Jun-14	60			3		160	6							0.25	15
Wabana	10-Jun-14	8		3											0.00	
Arnold's Cove	17-Jun-14	120	20	132		10	100			292					1.50	35
Clarenville	16-Jun-14	180	20	160		20	120				20				2.00	38
Come By Chance	17-Jun-14	40		45	5	20	1			16					2.00	
Fair Haven	17-Jun-14	60	20	101		10	20			8					1.00	14
South West Arm	16-Jun-14	20		117	20		40	10		40					1.00	13
Southern Harbour	17-Jun-14	20		42			40								0.25	20
Trepassey	08-Sep-14	80	16	45		5	160		5						2.00	22
Fermeuse	08-Sep-14	130		85	5	5		80							2.00	21
Ferryland	08-Sep-14	40		60			20								1.00	13
Peter's River/St. Vincent's/St. Stephen's	09-Sep-14	160		20		5	240								1.25	25
Riverhead	09-Sep-14														0.25	5
Mount Carmel	09-Sep-14	240	10	252	1	15				80	20				1.00	
Bellevue	15-Sep-14	40		41			40			8					0.75	21
Holyrood	15-Sep-14	120	20	78		15	340				20				1.50	
Bay Bulls	15-Sep-14	120				20	160				5				1.5	15
Trinity South Central (Whiteway)	16-Sep-14	240	20	48			80		40						1.75	37
Green's Harbour	16-Sep-14	20	60	1		5	80						10		0.75	25
Old Shop	16-Sep-14	140	40	348		20	80			40					1.25	
Norman's Cove	16-Sep-14	80	20	327		20	140	10		68					1.75	29
Carbonear	20-Sep-14	240	20	93		5	400			70	5		20	10	1.50	
Winterton	22-Sep-14	20	20	132		20	160			140	20				1.25	30
Heart's Content	22-Sep-14	80		65		10	80			12					0.75	15
Hearts Delight	22-Sep-14	20	5	22			80								1.00	17
Bay de Verde	23-Sep-14	80		42			20	10							0.75	8
Old Perlican	23-Sep-14	20					20								0.25	7
North Shore (Adam's Cove)	23-Sep-14	60	3	70			40						1		0.75	12

	<b>Total</b>	<b>4,608</b>	<b>386</b>	<b>3,942</b>	<b>44</b>	<b>285</b>	<b>5,701</b>	<b>252</b>	<b>50</b>	<b>952</b>	<b>170</b>	<b>0</b>	<b>77</b>	<b>40</b>	<b>53.50</b>	<b>854</b>
Paint = 23,500L		Grand Total 39,718 L + 329 KG Batteries														

**Tonnage:**

**Table 1:**

<b>Contract</b>	<b>Waste</b>	<b>Recycling</b>	<b>Bulk</b>	<b>Total</b>	<b>Diversion %</b>
Southern Shore	563,410	16,900	39,890	620,200	3.0%
Isthmus	408,710	10,130	39,820	458,660	2.5%
Trinity South Center	410,670	14,260	25,150	450,080	3.5%
South West Arm	64,310	2,010	2,750	69,070	3.1%
Trinity Bay North	420,540	1,830	33,300	455,670	0.4%
South West Avalon	640,260	18,010	20,300	678,570	2.8%
CBC	370,640	24,310	16,670	411,620	6.6%
<b>Total</b>	<b>2,878,540</b>	<b>87,450</b>	<b>177,880</b>	<b>3,143,870</b>	<b>3.0%</b>

Note that an additional 5 loads of Bulk were removed from Salmonier Line, Deer Park and Area to our Waste Recovery Facility in St. Joseph's (metals).

**Table 2:**

<b>WRFs</b>	<b>Waste</b>	<b>Removals</b>	<b>Tires</b>	<b>E- Waste (bags)</b>	<b>Client visits</b>	<b>Peak Day Number</b>	<b>Peak Day</b>
Bay Bulls	408,620	27	1258	14	-	-	-
Renews / Cappahayden	12,250	1	0	N/A	885	45	30Aug14
St. Joseph's	99,950	6	522	N/A	1001	51	30Aug14
Placentia	134,390	9	554	N/A	1501	67	5Jul14
Sunnyside	55,610	4	0	N/A	502	25	13Sept14
Cavendish	254,270	16	926	N/A	1440	86	5Jul14
Harbour Grace	361,930	23	1654	N/A	3479	165	13Sept14
Old Perlican	311,760	30	0	N/A	1217	63	13Sept14

**Waste Collection Calls (note that approximately 10% - 15% of calls are handled by office staff, due to field work):**

July	August	September
Holiday	5	
1	weekend	6
4	weekend	5
2	8	4
weekend	1	7
weekend	10	weekend
7	5	weekend
5	3	
9	weekend	11
11	weekend	3
3		3
weekend	6	9
weekend	1	weekend
	1	weekend
		6
4	weekend	4
	weekend	2
	11	6
weekend	9	11
weekend	9	weekend
	16	weekend
	2	6
6	weekend	13
2	weekend	2
	4	1
weekend	3	6
weekend	6	weekend
7	3	weekend
9		2
7	weekend	2
12	weekend	
89	103	107

+ 20% for Kevin not logged

# APPENDIX

## F

## Brief: Extending the hours of operation at Regional Landfill

The current hours of operation of the Regional Landfill are from 8am to 4:30pm Monday to Friday and on Saturdays from 8am to 12pm (noon). The Residential Drop-Off Facility is open Tuesday to Saturday, 8am to 4pm. The Household Hazardous Waste Depot has new extended hours and is open year-round on Wednesdays and Saturdays from 8 a.m. to 4 p.m. For commercial users that Landfill is open Monday to Friday from 8am to 4:30pm, and Saturday from 8am to 12pm.

Below is an excerpt from an extensive survey done by MMSB of factors around illegal dumping. This focuses on the number of hours that a facility is open. Over half of the municipal facilities are open 40 or more hours a week. So, extensive operating hours does not seem to be a deterrent to illegal dumping.

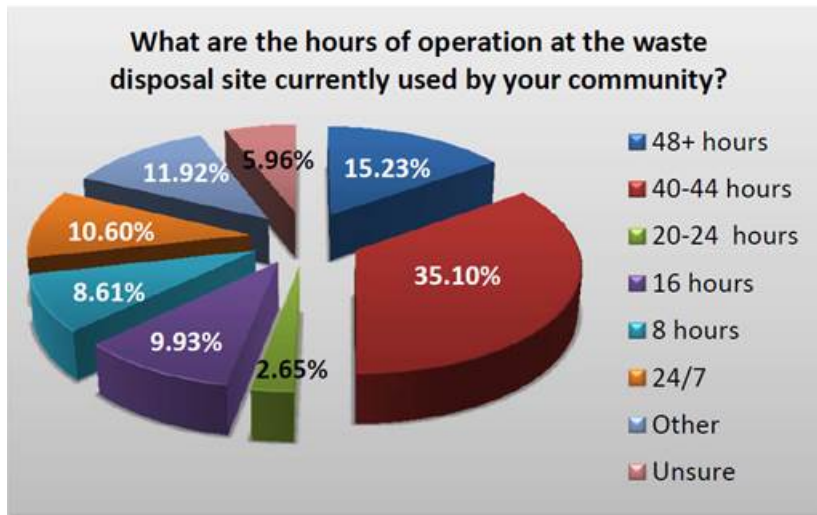


Figure 29: Hours of Operation (Waste Disposal Site)

Of the 96 communities that stated that they do receive calls from residents reporting indiscriminate dumping, 88 also responded to the question regarding the hours of operation at their waste disposal site. Of that 88, 73 communities (83%) stated that their residents do have access to a landfill that (in addition to

weekday hours) is open on Saturdays. From this, it can be inferred that convenient access to a landfill is not necessarily a deterrent to indiscriminate dumping.

