



REQUEST FOR DECISION

To: Curtis Slingerland, Chief Administrative Officer

CC: Board of Directors, Central Coast Regional District

From: Melany Helmer, Senior Local Government Consultant

Meeting Date: February 27, 2025

Subject: Landfill Financial Modelling

Voting Entitlement: *Service Participant Weighted (209 (1) (a, b))*

Purpose: To provide the Board with information on the Thorsen Creek Landfill capital plan and operating costs; to seek approval for the proposed Plan for the Solid Waste Management and Recycling Service Grant; to get direction from the Board on whether to/when to buy a weigh scale for the landfill; and to assess what rate to assess/whether to assess for household garbage.

Background Summary:

At the January 23, 2025 Regular Board Meeting, the Board of Directors of the Central Coast Regional District ("**Board**") passed the following resolutions:

"THAT the Board of Directors of the Central Coast Regional District directs that the Thorsen Creek Landfill become compliant with the requirements stipulated in the October 8, 2024 letter from the Ministry of Environment and Climate Change Strategy, and directs staff to take all necessary actions to meet this requirement, including incorporating the costs associated in the five-year financial plan.

AND THAT the Board of Directors of the Central Coast Regional District direct staff to include an inflationary increase to taxation for the landfill in the five-year financial plan to maintain consistent funding without being eroded by inflation."

"THAT the Board of Directors of the Central Coast Regional District direct staff to bring a report to the February Board meeting that includes the following:

- *The proposed plan for the Board's approval for submission to the Province identifying how all funding will be apportioned between the landfill closure reserve, projects and initiatives funded from the \$2,300,000 Provincial grant;*
- *The estimated operating costs for the landfill meeting all requirements of the OC, DOCP, SWMP and other legislative and regulatory requirements and including those costs associated with operating and maintenance of the capital acquired through the Provincial grant;*
- *An estimate of the rate 'per bag' for household garbage required to fund the above operating costs;*

- A draft of the amendment to the “Central Coast Regional District Solid Waste Disposal Rates and Charges Bylaw No. 523, 2023” for information purposes.

THAT the Board of Directors of the Central Coast Regional District direct that the dialogue with Nuxalk Nation regarding the landfill service be continued.

THAT the Board of Directors of the Central Coast Regional District And direct that staff provide information and education about the 5R’s and the current impact of household waste on the landfill via a newsletter, signage at the transfer station, and social media.”

Provincial Grant Funding:

Following campaign efforts by the Board, the Ministry of Municipal Affairs awarded the Central Coast Regional District (“**CCRD**”) with \$2.3 million dollars, the Solid Waste Management and Recycling Service Grant (“**Grant**”), to support the CCRD with landfill improvements.

The reporting requirements associated with this Solid Waste Management and Recycling Service Grant for the Thorsen Creek Landfill require the CCRD to provide a plan identifying how all funding will be apportioned between the landfill closure reserve, projects and initiatives (the “**Plan**”). In addition, annual reporting is required on what has been spent, what is planned to be spent, and for which projects; a final report will also be required. Any funding that is not expended or committed in accordance with the grant requirements to the satisfaction of the Province of British Columbia (“**Province**”) must be returned to the Province.

At least 50% or \$1.15 million must be allocated to a reserve fund to gain interest and help the CCRD fund costs associated with closure and post-closure of the landfill. Staff have invested this amount as reserve funds, and will continue adding annual contributions made by the CCRD to the reserve as directed. The remaining \$1.15 million can be used for capital and improvement projects regarding improving the sustainability of the landfill, including:

- landfill development, expansion, and airspace optimization projects;
- initiatives included in the 2017 Solid Waste Management Plan;
- initiatives to comply with the new landfill operational certificate; and
- related costs.

It is recommended that starting in 2025 expenditures under the Grant prioritize capital spending associated with becoming compliant with the requirements stipulated in the letter from the Ministry of Environment and Climate Change in 2024, followed by other requirements as stipulated in the new Operational Certificate (“**OC**”) (pending approval), the Solid Waste Management Plan (“**SWMP**”), and the Design, Operation and Closure Plan (“**DOCP**”). After careful consideration, priority projects have been identified and every effort has been made to extend the Grant funds through cost-effective planning for each project.

The proposed Plan for the Grant for the Board’s consideration is as follows:

Activities

Projects	2024	Budget	Budget	OC	SWMP
	Actual	2025	beyond		
Landfill closure, including deposits to the reserve already established by bylaw for landfill					
Landfill Closure Reserve Fund contribution	1,150,000				
Landfill projects					
vertical bailer		50,000		X	X
relocate & set up Quonset for bailer		10,000		X	X
site prep and concrete base for bailer		25,000		X	X
loading dock aluminum dock plate		800		X	X
concrete/pave at loading dock		15,000		X	X
Concrete at oil containment pad		15,000		X	
Skid Stacker		7,000			X
Industrial Shelving		8,000		X	
Electric Fence Repair/Addition		105,000		X	
Storm Water Management		50,000		X	
Cover material		40,000		X	
					related
bathroom with shower and septic		35,000			cost
contingency for above 25%		90,200		X	X
Project management for above		36,080		X	X
Decommissioning and stockpiling soil (ongoing)			20,000	X	X
Updated detailed filling plan (2028)			156,250	X	
DOCP update (2029)			12,500		
Solid Waste Management Plan (2026-2029)			56,250		X
Compact truck for landfill airspace optimization (2026)			200,000		X
Contingency 25%			111,250	X	X
Project Management for above 10%			44,500	X	X
Equipment (Excavator, wheel loader, horizontal grinder) if funds remain available & to the extent funding permits (total estimated cost \$700k) (2027-2028)			62,170		X
Detailed review of proposed future landfill expansion area (if funds permit) (2027-2028)			TBD		
Total	1,150,000	487,080	662,920		
Cost of total projects related to grant funding	2,300,000				

Future costs not included in the Plan that will or may need to be funded at the landfill include:

Landfill project	Estimated Cost
• Scale	\$110,000
• Scale foundation	\$11,000
• Scale Office	\$114,400
• Contingency (scale)	\$70,620
• Project management (scale)	\$30,602
• Realigning Fencing if landfill footprint changes	\$25,000
• Install new gate at new access road entrance if entrance moves	\$18,750
• Composting (could be funded by another grant)	\$165,000
• Equipment (excavator, wheel loader, horizontal grinder)	Amount not covered by Grant
• Yard magnet (include as attachment with equipment purchase)	TBD
• Detailed review of proposed future landfill expansion area (review should be planned in next five years due to timeline for Ministry approvals)	Amount not covered by Grant

In addition to the items on this list, future legislative and regulatory changes, or future Board directed changes, could result in additional changes and costs to the landfill in the future.

Weigh Scale:

Currently the landfill attendant makes their best effort to estimate the volume of waste. The CCRD's SWMP includes the plan to purchase a weigh scale to track the weight of waste and to measure progress. In the DOCP just approved by the Board, it is noted that a scale would "provide the CCRD with the ability to track the quantity of waste entering into the landfill, track the sources of waste, and to track soil consumption used during operations." Should the Board support it, a weigh scale could be installed in 2026 and subsequent household waste charges be assessed based on weight. The proposed Plan does not include acquiring a weigh scale in 2026 and recommends that the weigh scale be deferred to a later date.

Most landfills use weigh scales to accurately track waste and charge for disposal. Weigh scales are located at the entrance to the landfill where vehicles are weighed as they arrive; the weight is recorded. After depositing waste, the vehicle is weighed again on the way out and the applicable charge is assessed. A weigh scale improves the ability to track landfill metrics more accurately, including the type of waste, how much waste is generated by each sector (residential, commercial, industrial or institutional), assess the effectiveness of diversion initiatives and comply with mandatory reporting requirements.

The total capital cost for a weigh scale and scale house is estimated to be \$336,622. If the Board were to proceed with a weigh scale, the funds available for other projects in the Plan would no longer be available and would need to be funded from another source.

The operating costs for a full year of weigh scale operation is estimated to be \$77,500; further details are included in the sections below. Should a weigh scale be acquired, the "Central Coast Regional District Refuse Disposal Regulatory Bylaw No. 348, 2002" ("**Bylaw No. 348**") could be amended to replace the volumetric fees with a rate per kilogram.

Operating Costs:

The above costs in the Plan funded by the Grant bring with them associated operating costs that will need to be covered for part of 2025 and for full years thereafter. Diligent effort has been applied to minimize the estimated annual operating costs. Morrison Hershfield estimated the increased operating costs in 2023 dollars (excluding weigh scale) as \$174,800; the estimated increase in operating costs has been brought down to \$138,338.65 in 2025 dollars. These costs include:

- cardboard hauling and tipping fees;
- additional staff training costs;
- annual operating and monitoring report costs; and
- additional staff time to comply with OC/DOCP and other requirements.
- An additional \$42,000 is proposed to be added to the budget for the DOCP, SWMP, and Fill Plan to smooth out annual budgeting.

The following is not included in these costs:

- operating costs for a proposed weigh scale (calibration, software, and staff time);

The *Environmental Management Act* requires that all regional districts prepare and submit a solid waste management plan to the provincial government for municipal solid waste and recyclable materials. A required component is public review and consultation. The SWMP needs to include regional information, regional targets, and include regional consultation. At this time the CCRD has one solid waste service that is available to Areas C, D and E. All costs, including those associated with the Provincial requirements that are applicable to the entire region, have been funded by C, D and E. If the CCRD did not have a landfill service, it would still be required to have a SWMP and incur associated costs for the SWMP and SWMP review.

New operating costs associated with bringing the CCRD into compliance at the landfill are estimated as follows:

Weigh Scale Annual Costs	2025	2026	2027	2028
Wages		30,333.33	53,560.00	55,166.80
Annual calibration and licencing		5,833.33	10,300.00	10,609.00
Contingency 25%		9,041.67	15,965.00	16,443.95
Weigh Scale Annual Costs		45,208.33	79,825.00	82,219.75
Annual Operating Costs from OC/DOCP/SWMP				
Wages, other than scale	46,595.36	93,190.71	95,986.43	98,866.02
Cardboard hauling and tipping fees	5,150.00	10,300.00	10,609.00	10,927.27
Topographical Survey; assessment of remaining airspace (every 3 years)		4,000.00		
Annual Operating Monitoring Report and sampling		35,000.00	36,050.00	37,131.50
Contingency 25% (may be in 2025 budget)		35,622.68	35,661.36	36,731.20
General OC/DOCP/SWMP costs	51,745.36	178,113.39	178,306.79	183,655.99
Operating Reserve	87.20	42,000.00	42,000.00	42,000.00
TOTAL WITHOUT SCALE	51,832.56	220,113.39	220,306.79	225,655.99
TOTAL WITH SCALE	51,832.56	265,321.72	300,131.79	307,875.74

All wages include mandatory employment related costs and benefits. The wages in 2025 under operating costs are for 6 months of operation. It is proposed that the wages be a full-time CCRD resource, with casual support as needed to maximize benefit to the CCRD. In 2026, the wages under weigh scale are for 7 months of operation; the above increase in wages is net of the adjustment to apportioned administration fees. Some adjustments have been made to the 2026 Budget and subsequent years to reduce the amount that needs to be funded per annum by the following:

- increasing the recycling revenue from \$24,780 to \$40,000 per year;
- an inflationary increase to all rates and charges;
- bringing part of the water sampling and reporting requirements 'in-house' and outsourcing only what requires a qualified professional

Note that the future costs not already included in the Plan, if completed, may have associated Operating Costs.

Surplus:

In addition to the new operating costs associated with the Plan, \$93,980.42 in surplus is being used to fund operating costs incorporated into the 2025 Budget to balance the budget. If the full surplus is used in 2025 as budgeted, there will be no surplus to fund operating costs in future years. Instead, revenue needs to come from a different source in future years to balance the budget. The costs to balance the budget after making adjustments for the 2025 surplus used to balance are included in 2026 to 2028 budget presented for the Board's preliminary consideration in this report.

Best estimates are made annually to budget for revenue sufficient to cover costs likely to be incurred during the budget period. With careful management, there is often a small amount remaining at the end of the year, known as a surplus. It is recommended that in future, landfill surplus funds be contributed to a new operating reserve. The Board can direct a report to be brought forward to a future meeting with more details on this option for further consideration. In future, should sufficient funds be in the operating reserve, the landfill closure, post-closure or asset replacement reserve could receive surplus transfers annually to bring those balances up to the desired.

Asset Replacement Reserve:

The Board has allocated \$5,000 to the reserve in the 2025 Budget. The 2017 Asset Management Investment Plan recommended \$9,000 for the landfill assets. While this number is out of date, it can be regarded as a starting point until further analysis can be undertaken after the landfill has become compliant.

Landfill Reserve contributions:

Current contributions are sufficient if measures are taken at the landfill to reduce airspace consumption, including use of daily cover material other than soil (as proposed in the Plan) and waste diversion initiatives. The remaining useful life should be reassessed when the next topographical survey is completed in 2026, the impact of reusable daily cover material be assessed, and the required contribution could require adjustment (higher or lower) depending on these assessments.

Funding the Operating Costs:

At the 2025 Regular Board meeting, the Board directed, as per the resolutions listed earlier in this report, that these costs be incorporated into the five-year financial plan, that an inflationary increase to taxation be incorporated, and that an estimate of the rate per bag for household garbage be brought back to this meeting. Incorporating the amounts included in

the “Operating Costs” section above requires additional funding sources. As with all CCRD services, the landfill is operated on a cost-recovery basis. Should any surplus funds remain at the end of a year, those funds are retained in the service. Should there be a deficit at the end of any year, the deficit must be funded from the service and balanced back to ‘zero’ in the subsequent year.

Taxation:

Incorporating an inflationary increase to taxation for the landfill will assist with meeting the inflationary costs associated with landfill operations and is included in the preliminary budget. It is not expected to contribute to the new operating costs outlined in this report.

“Per Bag” rate for Household garbage:

The SWMP estimates that 450 kg of waste is generated in the CCRD per capita per year. This number includes household garbage and all other types of waste. Household waste is estimated to be 56% of the total waste received at the landfill or 253 kg per capita; for an average household, this is estimated to be 560 kg per year. The landfill has estimated that there are approximately 35,612 bags of household waste deposited at the landfill per year. This equates to approximately 36 bags of household waste per year per household. Not all bags delivered to the landfill are currently full; however, with a cost per bag, it would be expected that residents would be incentivized to use diversion initiative opportunities (5 R’s) and therefore impact revenue projections as well as reduce landfill airspace consumption.

The “Interim Housing Needs Report” completed by the CCRD and dated November 14, 2024 estimates for Electoral Areas C, D and E, and the 2021 Census data estimates for Bella Coola 1, are as follows:

Electoral Area	Number of households	Population
Electoral Area C	372	661
Electoral Area D	208	403
Electoral Area E	85	162
Bella Coola 1	312	937
TOTAL	977	2,163

The Board’s discussion at the January 23, 2025 Regular Meeting included consideration of whether some level of free bags could be provided to residents, with subsequent bags beyond a pre-established amount being assessed a fee. With the average number of bags generated per household being estimated at 36 bags, should the households be granted either one or two free bags per week, there would be no revenue raised, since the average household generates less than one bag per week.

In reviewing rates for other local governments operating landfills, some charge a rate per bag ranging from \$2.00 per bag to \$5.00 per bag. Others charge a “minimum” rate for household garbage dropped off at the landfill with rates of between \$10.00 to \$12.00.

Below are options for providing zero free bags and 10 free bags per year with the rate of \$5.00 that would be needed per bag to recover the required funding. The example provided of the impact that providing even 10 free bags per year would have, resulting in a higher bag rate for any bags over that limit, would increase the ‘per bag’ rate by \$2.00 as shown below. Should the Board want to provide any free bags, it is recommended that a maximum of 10 free bags per household be provided as a one-time transitional measure, followed by no free bags thereafter. There would be costs associated with purchasing and distributing free bag tags that are not included in the budget, should the Board choose to provide them. The estimated total cost of providing 10 free one-time transitional bags to each household is estimated to be \$110,000.

The proposed Budget for is based on assessing a household garbage rate of \$5.00 per bag commencing on June 1, 2025. Households can reduce the cost of waste by applying the 5 R's that guide waste management in BC: Reduce, Reuse, Recycle, Recovery, and Residuals Management, thereby reducing the amount of residuals needing to be landfilled and extending the lifespan of the landfill.

Revenue can be generated to cover the new costs not already included in the 2025 Budget as follows:

	Rate per bag
No free bag tags	\$ 5.00
10 free bag tags per household	\$ 7.00

These costs are based on a full year of new operating costs, including the annual contribution to the operational reserve, and do not include the weigh scale option. The weigh scale option would add \$2.25 per bag with no free bags and \$3.00 per bag with 10 free bags. The bag rates have been rounded to make transactions smoother and to ensure sufficient funds are received. It is anticipated that these rates will encourage waste diversion thereby reducing estimated revenue as behaviours change. Annual adjustments may be required, particularly in the first few years, to encourage further diversion while offsetting lost revenue through diversion that has occurred. An inflationary adjustment is also recommended on an annual basis.

Rates and Charges/User Fees:

Both Household Garbage and Other Landfill Rates and Charges are recommended to increase annually with inflation to accommodate annual inflationary costs in a predictable manner while maintaining consistent funding without revenues being eroded by inflation. The proposed budget includes an increase of 25% from the 2023 rates set by “Central Coast Regional District Solid Waste Disposal Rates and Charges Bylaw No. 523, 2023” (“**Bylaw 523**”), effective June 1, 2025 that increases revenue by an estimated \$31,432.55 in 2025. Thereafter annual inflationary increases would apply. The increase is proposed to avoid charging too high a rate ‘per bag’ for household garbage and still balance the budget. The minimum charges are also proposed to increase from \$5.00 to \$10.00.

Bylaw 348, Bylaw 523 and the proposed amendment to Bylaw 348 are included as attachments to this report for the Board’s consideration.

Proposed Budget

Summarizing the revenue and expenses for this report, the proposed budget is provided below for the Board’s consideration. Changes from what the Board has previously considered are highlighted. The proposed budget is based on the information that is currently available and is therefore subject to change as part of the annual budget deliberation process. Future legislative and regulatory changes, or future Board directed changes, could result in additional changes and costs to the landfill in the future.

REVENUE	2025 Budget in dollars	Budget 2026 in dollars	Budget 2027 in dollars	Budget 2028 in dollars
Budget surplus	93,980.42	-	-	-
40155 Tax Levy	183,924.54	189,442.28	195,125.54	200,979.31
40005 Nuxalk Nation Cont to Landfill	105,000.00	105,000.00	105,000.00	105,000.00
Recycling Revenue	24,780.24	40,000.00	40,000.00	40,000.00
40130 Provincial Grant - Other	1,150,000.00	1,150,000.00		
New Household garbage fees rate adjustment - user fees June 1/25	20,400.00 31,432.55	149,416.98	151,419.49	154,128.41
40200 User Fees	179,614.59	231,253.78	238,191.40	245,337.14
Total Income	1,789,132.34	1,865,113.04	729,736.43	745,444.86
EXPENSES				
Apportioned Administration Fees	42,972.88	13,242.28	13,639.55	14,048.73
Contingency	37,664.47	5,000.00	5,000.00	5,000.00
Capital Works	-	-	-	-
Operating Expenses	256,167.90	263,852.95	271,768.54	275,417.93
New Operating Costs (w/contingency)	51,745.36	170,358.44	170,319.19	175,428.76
Grant Funding Project	1,150,000.00	1,150,000.00	-	-
Special Project	40,000.00			
Asset Replacement	5,000.00	9,000.00	9,000.00	9,000.00
Operating Reserve	87.20	42,000.00	42,000.00	42,000.00
Landfill Post Closure Reserve	205,494.54	211,659.38	218,009.16	224,549.43
Total expenses	1,789,132.35	1,865,113.04	729,736.43	745,444.86

Options:

- A. The Plan for funding Thorsen Creek Landfill expenditures under the Solid Waste Management and Recycling Service Grant provided by the Province of British Columbia:

Option 1: Approve the Plan for funding Thorsen Creek Landfill expenditures under the Solid Waste Management and Recycling Service Grant provided by the Province of British Columbia and direct that it be submitted to the Province.

Option 2:

Approve the Plan as amended for funding Thorsen Creek Landfill expenditures under the Solid Waste Management and Recycling Service Grant provided by the Province of British Columbia and direct that it be submitted to the Province. For example, the weigh scale could be added in and other items totalling the same amount removed.

- B. Proposed expansion area identified in the DOCP:

Option 1: Direct that a cost estimate be obtained for a review of the proposed expansion area at the landfill described in the DOCP.

Option 2: Other direction of the Board.

- C. Direction from the Board on the weigh scale

Option 1: Direct that purchasing a weigh scale, along with associated operating costs, be deferred to a later date.

Option 2: Direct that purchasing a weigh scale be incorporated into the Plan, with other items removed, and that rates and charges (or another funding source that the Board prefers) be increased to cover the associated annual operating costs, with a report brought back for the Board's further consideration and approval.

- D. Household waste rates and charges:

Option 1: Direct that Bylaw No. 348 be amended to include a \$5.00 per bag rate for residential household refuse; with or without providing 10 free bags as a one-time transitional measure.

Option 2: Direct that Bylaw No. 348 be amended to include a \$7.00 per bag rate for residential household refuse with 10 free bags being provided per household per year.

Option 3: Direct that Bylaw No. 348 be amended to include a different quantity of free bags as determined by the Board, with an appropriate rate per bag or other funding source(s) to recover the costs required to balance the budget.

- E. Rates and charges Bylaw:

Option 1: Direct that Bylaw No. 348 be amended to include an average 25% increase to all Rates and Charges for the landfill, effective June 1, 2025, and

Direct that for 2026 and thereafter an inflationary increase is proposed to apply to the rate per bag for residential household refuse, as well as all existing rates and charges, effective January 1 of each year.

Option 2: Other direction of the Board

F. Operating Reserve

Option 1: Direct that a report on an Operating Reserve be established for the Landfill be brought forward to a future meeting with further information and recommendations on the nature of an Operating Reserve.

Option 2: Other direction of the Board

Implications:

- A. The Plan for funding Thorsen Creek Landfill expenditures under the Solid Waste Management and Recycling Service Grant provided by the Province of British Columbia:

Option 1: Approve the Plan for funding Thorsen Creek Landfill expenditures under the Solid Waste Management and Recycling Service Grant provided by the Province of British Columbia and direct that it be submitted to the Province. The Plan as detailed in this report would be submitted to the Province and implemented in the coming years.

Option 2:

Approve the Plan as amended for funding Thorsen Creek Landfill expenditures under the Solid Waste Management and Recycling Service Grant provided by the Province of British Columbia and direct that it be submitted to the Province. Should the Board choose to add any items to the Plan or remove any items from the Plan, this would be the option selected. Should the Board choose not to defer the purchase of the weigh scale to a later date, the weigh scale would need to be added to the Plan, with other items removed that would need to be funded from another source (capital and subsequent operating costs). The Plan would be amended as per the Board's direction, brought back for the Board's further consideration and approval, subsequently submitted to the Province and finally implemented in the coming years.

- B. Proposed expansion area identified in the DOCP:

Option 1: Direct that a cost estimate be obtained for a review of the proposed expansion area at the landfill described in the DOCP. Time is required for a detailed review to be completed. The proposed expansion area could extend the landfill lifespan, resulting in a longer period to save up for final closure and post closure costs. The CCRD for many years would not need to identify another landfill location or export waste. A landfill professional would be required to conduct the assessment. After the estimate is obtained, it would be brought back for the Board's consideration at a future date.

Option 2: Other direction of the Board

- C. Direction from the Board on the weigh scale:

Option 1: Direct that purchasing a weigh scale be deferred to a later date. The benefits of a weigh scale as outlined in this report would also be deferred to a later date. Scale related operating costs would also be deferred until after the weigh scale is purchased.

Option 2: Direct that purchasing a weigh scale be included in the 2026 Budget along with associated operating costs. The costs to acquire the weigh scale in the amount of \$339,618 could be fully grant funded through the Plan, should the Board so direct, but would require an equivalent value of other items to be deleted from the Plan. Subsequent operating costs

for the weigh scale would need to be funded. If household garbage is used as the revenue source, the impact is estimated to be \$2.25 per bag if no free bag tags are provided. Other funding sources could be explored at the Board's direction. Purchase of the weigh scale would be planned for next year. The Board's direction for cost recovery would be actioned accordingly through an amendment to Bylaw No. 348.

D. Household waste rates and charges:

Option 1: Direct that Bylaw No. 348 be amended to include a \$5.00 per bag rate for residential household refuse. This is the recommended option. The funding required to bring the landfill into compliance is obtained at the lowest rate per bag. Households must pay a new charge for disposal of all residential household refuse. The new bag rate will incentivize waste diversion efforts at a household level. If 10 free bags were provided to each household as a one-time transitional measure, the estimated cost would be \$110,000 and another funding source would need to be identified.

Option 2: Direct that Bylaw No. 348 be amended to include a \$7.00 per bag rate for residential household refuse with 10 free bags being provided per household per year. Households must pay a new (higher) charge for disposal of all residential household refuse.

Option 3: Direct that Bylaw No. 348 be amended to include a different amount of free bags as determined by the Board, with an appropriate rate per bag to recover the costs required to balance the budget. Depending on the number of free bags the Board provides, the impact will vary.

For all three options, an amendment to Bylaw No. 348 would be required and would be brought back for the Board's consideration at an upcoming meeting. It is proposed to be presented for first three readings in April, brought back for adoption in May and effective June 1, 2025. Option 1 is incorporated into in the proposed amendment to Bylaw No. 348 included as an attachment to this report.

For all three options, the implementation of a new rate for residential household refuse (bagged) will require a shift in the philosophy and approach to community clean-up days. For example, rather than waiving disposal charges, a grant-in-aid could be provided at the Board's discretion, proposed to be \$500/year, to continue encouraging community clean-up and cover the cost of residential waste disposal on those days.

E. Rates and charges Bylaw

Option 1: By directing that Bylaw No. 348 be amended to include an average 25% increase to all Rates and Charges for the landfill, effective June 1, 2025, the increased operating costs to bring the landfill into compliance while minimizing the cost of household refuse disposal as much as possible.

Directing that an inflationary increase to all Rates and Charges for the landfill, including the rate per bag for residential household refuse, be applied annually through an amendment to Bylaw No. 348, will help to:

- maintain landfill funding,
- accommodate annual inflationary costs in a predictable manner,
- reduce the risk of deficits
- maintain consistent funding without revenues being eroded by inflation
- avoid large adjustments to recover the inflationary gap.

See the proposed amendment to Bylaw 348 included as an attachment to this report.

For 2025, the proposed amendment to Bylaw No. 348 would be presented for the Board's consideration at an upcoming meeting, proposed to be April 2025 with an effective date of June 1, 2025. For 2026 and thereafter, an amendment to Bylaw No. 348 would be submitted for the Board's consideration near the end of the year with an effective date of January 1st that would include both residential household refuse and all other landfill rates and charges.

Option 2:

F. Operating Reserve

Option 1: Direct that an Operating Reserve be established for the Landfill, with a report to be brought forward to a future meeting with further information and recommendations on the nature of the Operating Reserve. An operating reserve smooths out the impact of large expenditures on the annual budget. For example, a Solid Waste Management Plan is estimated to cost over \$50,000 in one year. Funds can be planned to be deposited to the operating reserve to avoid a huge expenditure being funded solely in one year.

There is often a modest amount that remains in a service at the end of the year resulting from staying within budget. This surplus can also be contributed to an operating reserve until the desired level is achieved. Should a one-off modest deficit occur, due to unplanned expenses, it could be funded from the operating reserve.

The Board can direct a report to be brought forward to a future meeting with more details on this option for further consideration.

Option 2: Other direction of the Board

Policy, Bylaw or Legislation Considerations:

- *Environmental Management Act*
- *Landfill Criteria for Municipal Solid Waste*
- *Guidelines for Environmental Monitoring at Municipal Solid Waste Landfills*
- *Landfill Gas Management Regulation*
- *Solid Waste Management Plan*
- *Design, Operation and Closure Plan*
- *Operational Certificate 4223*
- *Public Sector Accounting Board 3280 Standard*
- *Central Coast Regional District Refuse Disposal Regulatory Bylaw No. 348, 2002*
- *Central Coast Regional District Solid Waste Disposal Rates and Charges Bylaw No. 523, 2023*

Strategic Plan Alignment:

- Advances Strategic Plan in Category: **3. Asset and Infrastructure Management**
3.4 Develop a sustainable financial strategy to stabilize the landfill facility.
- Regular Business - does not advance Strategic Plan.
- Consider adding to the Strategic Plan and allocating resources (staff time, funding) to the project.

Recommendation:

- A. **THAT the Board of Directors of the Central Coast Regional District approve the Plan included in the Report to the Board entitled Landfill Financial Modelling and dated February 27, 2025 for funding Thorsen Creek Landfill expenditures under the Solid Waste Management and Recycling Service Grant provided by the Province of British Columbia and direct that the Plan be submitted to the Province;**
- B. **THAT the Board of Directors of the Central Coast Regional District direct that a cost estimate be obtained for a review of the proposed expansion area at the landfill described in the DOCP.**
- C. **THAT the Board of Directors of the Central Coast Regional District direct that consideration of purchasing a weigh scale, along with associated operating costs, be deferred to a later date due the capital and operating costs associated.**
- D. **THAT the Board of Directors of the Central Coast Regional District direct that an amendment to Bylaw No. 348 that includes a \$5.00 per bag rate for residential household refuse be presented to the Board at a future meeting;**
- E. **THAT Bylaw No. 348 be amended to include an average 25% increase to all Rates and Charges for the landfill, effective June 1, 2025; and**
THAT for 2026 and thereafter an amendment incorporating an inflationary increase be presented for the Board's consideration annually, with an effective date of January 1st, for all landfill Rates and Charges.
- F. **THAT the Board of Directors of the Central Coast Regional District direct that an Operating Reserve be established for the Landfill, with a report to be brought forward to a future meeting with further information and recommendations on the nature of the Operating Reserve.**

The Board could further resolve,

THAT Community Clean-up Days be funded by Grant-in-Aid in the amount of \$500.

Attachments:

- 1. "Central Coast Regional District Refuse Disposal Regulatory Bylaw No. 348, 2002"
- 2. "Central Coast Regional District Solid Waste Disposal Rates and Charges Bylaw No. 523, 2023"
- 3. "Central Coast Regional District Solid Waste Disposal Amendment Bylaw No. XXX, 2025"

Submitted by: Melany A. Helmer
Melany Helmer, Senior Local Government Consultant

Reviewed by: 
Curtis Slingerland, Chief Administrative Officer