
TO: CHIEF ADMINISTRATIVE OFFICER **DATE:** 2021 December 06
FROM: DIRECTOR ENGINEERING **FILE:** 36600-10
SUBJECT: PARTICIPATION IN THE METRO VANCOUVER REGIONAL
RECYCLING DEPOT NETWORK

PURPOSE: To seek Council approval to enter into agreement with the Greater Vancouver Sewerage and Drainage District to provide regional recycling depot service at the Burnaby Eco Centre.

RECOMMENDATION:

1. **THAT** Council authorize staff to negotiate, finalize and execute the agreement with the Greater Vancouver Sewerage and Drainage District (Metro Vancouver) to provide regional recycling depot services at the Burnaby Eco Centre, on the key terms and conditions set out in the report.

REPORT

1.0 INTRODUCTION

The Greater Vancouver Sewerage and Drainage District (the "GVS&DD") owns and operates a series of recycling depots in conjunction with waste transfer stations throughout the region, including the communities of:

- Coquitlam
- Central Surrey
- Langley (currently providing limited paid recycling service)
- Maple Ridge
- North Shore
- North Surrey (currently providing limited paid recycling service)

These GVS&DD recycling depots provide drop-off service for a wide range of recyclable materials. Currently, over 10,000 tonnes of recyclable materials are diverted from disposal each year through the Metro Vancouver network.

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Through a proposed Municipal Recycling Depot Service Agreement, GVS&DD is looking for municipal participation in the regional recycling depot network, thereby establishing a standard level of service and access to all residents and businesses from around the region.

In return for providing the regional recycling depot services, GVS&DD will pay the City an annual fee.

Other municipalities in the Metro Vancouver region will also be participating in the regional recycling depot network.

2.0 POLICY SECTION

The proposed service is in alignment with the City of Burnaby's Corporate Strategic Plan by supporting the following goals and sub-goals of the Plan.

Goals

- A Thriving Organization
 - Financial viability –
Maintain a financially sustainable City for the provision, renewal and enhancement of City services, facilities and assets
- A Healthy Community
 - Healthy environment –
Enhance our environmental health, resilience and sustainability

3.0 BACKGROUND

At present, communities which host GVS&DD recycling depots experience a cost savings while communities like Burnaby must fund and operate their own municipal recycling depot. Recognizing the financial benefits to host communities of regional recycling facilities, GVS&DD is proposing to provide financial support (through annual fees) for municipal recycling depots that offer regional services.

In April 2021, the GVS&DD approved proceeding with a regional recycling depot funding strategy. Under the strategy, funding for regional and participating municipal depot operating costs will be included as part of the waste tipping fee rate structure starting in 2022.

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4.0 PROPOSED AGREEMENT

The proposed Municipal Recycling Depot Service Agreement outlines the City's obligation to provide regional recycling services to Metro Vancouver residents and businesses at the Burnaby Eco Centre (4855 Still Creek Drive). The recyclable materials that must be accepted as part of the Agreement are:

- Household and Lead-Acid Batteries
- Expanded polystyrene
- Recyclable paper and paper packaging
- Beverage containers (without refund)
- Film packaging
- Pesticides
- Books (for donation)
- Glass packaging
- Plastics packaging
- Cellular phones
- Gasoline
- Propane tanks
- Cooking oil
- Lamps and light fixtures
- Small appliances and power tools
- Corrugated Cardboard
- Metals: Scrap metal, metal appliances, outdoor power equipment, metal packaging
- Smoke and carbon monoxide alarms
- Electronics
- Paint products and solvents
- Used oil and antifreeze materials

The Agreement sets out the standard service level requirements for inclusion in the regional recycling network and eligibly for receipt of the annual fee from GVS&DD. The minimum service standards are as set out in Schedule A of the Agreement (see *Attachment #1*).

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Staff have determined that the Burnaby Eco Centre currently operates very near the regional service level standards. The following additional recyclable materials would require collection, which if added, would enhance service levels for Burnaby residents as well as regional customers:

- Lamps and light fixtures
- Smoke and carbon monoxide alarms

Sufficient staffing and administrative capacity currently exist without a requirement for additional City resources. The current hours of operations for the Eco Centre are also consistent with GVS&DD's minimum standard.

The Agreement is for a five (5) year term starting on 2022 January 01, with automatic renewals for one (1) year periods after that. The Agreement allows either party to terminate with 90 days' notice prior to the end of the term or a renewal term, with six (6) months' notice for any reason, and immediately for any material default that is not corrected within 30 days. The Agreement also contains reciprocal indemnities and releases in favour of the City and GVS&DD.

Under the Agreement, the City will be required to place a small sign (80cm x 80cm) at the Eco Centre to acknowledge GVS&DD's partial funding for the recycling depot operation.

5.0 REVENUE OPPORTUNITY

GVS&DD has employed a formula to calculate the base annual fee which participating municipalities will receive. The formula considered the number of residents serviced, the tipping fee value of the waste generated in the service area, and the number of recyclable materials collected. The 2022 base annual fee for the City of Burnaby is \$336,589.00.

The base annual fee will be adjusted for inflation in each subsequent year of the term starting in 2023 using the all-items annual average Consumer Price Index for Vancouver, British Columbia as published by Statistics Canada.

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In addition, the annual fee will be further increased following the opening of new GVS&DD regional recycling depots in Langley (estimated to open in 2023) and North Surrey (estimated to open in 2024). This additional fee is to further offset the City's costs for operating a regional recycling depot, since GVS&DD will be directly funding the Langley and North Surrey regional depots. The increase will be based on a formula taking into account the capital construction costs of the new regional recycling depots and the additional service provided to those communities by GVS&DD. The estimated total annual fees for Burnaby and other participating municipalities following the opening of the new GVS&DD regional recycling depots, are set out in the tables below. Burnaby is estimated to receive a total of \$601,335 per year after the opening of both new depots.

Table #1 - Initial Annual Fees and Estimated Future Increases

Municipalities with Depot	Initial Annual Fee	Langley Recycling Depot Formula	North Surrey Recycling Depot Formula	Langley Recycling Depot Increase	North Surrey Recycling Depot Increase	Estimated Future Annual Fee
Burnaby	\$336,589	$\$27,206 + 0.0144 \times C^1$	$\$79,420 + 0.0144 \times C^2$	\$106,266	\$158,480	\$601,335
Richmond	\$281,937	$\$22,788 + 0.0120 \times C^1$	$\$66,525 + 0.0120 \times C^2$	\$89,011	\$132,748	\$503,696
Maple Ridge	\$119,379	$\$9,649 + 0.0051 \times C^1$	$\$28,168 + 0.0051 \times C^2$	\$37,689	\$56,208	\$213,277

Municipalities with Partial Depot	Initial Annual Fee	Langley Recycling Depot Formula	North Surrey Recycling Depot Formula	Langley Recycling Depot Increase	North Surrey Recycling Depot Increase	Estimated Future Annual Fee
Bowen Island	\$5,196	$\$420 + 0.0002 \times C^1$	$\$1,226 + 0.0002 \times C^2$	\$1,641	\$2,447	\$9,283
Coquitlam	\$19,203	$\$1,552 + 0.00082 \times C^1$	$\$4,530 + 0.00082 \times C^2$	\$6,062	\$9,040	\$34,305

C¹ = the capital costs for the Langley recycling depot – estimate \$5,500,000
 C² = the capital costs for the North Surrey recycling depot – estimate \$5,500,000

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6.0 RECOMMENDATION

It is recommended that Council authorize staff to negotiate, finalize and execute the proposed Municipal Recycling Depot Services Agreement with GVS&DD to provide regional recycling depot services at the Burnaby Eco Centre, effective 2022 January 01, on the key terms and conditions outlined in this report.



James Lota, P.Eng., MBA, MPA
DIRECTOR ENGINEERING

JL:ES:jv

Attachment: Minimum Service Standards

Copied to: Deputy Chief Administrative Officer & Chief Financial Officer
City Solicitor

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ATTACHMENT #1

MINIMUM SERVICE STANDARDS

(a) Within twelve (12) months of the Effective Date, the Municipality will allow any resident or business situated within the geographic limits of the GVS&DD (each, a “Customer”) to use the Municipal Recycling Depot for purposes of dropping off Base Recyclable Materials as set forth in paragraph (b) below. Notwithstanding the foregoing, the Municipality will not be obligated to allow a Customer to use the Municipal Recycling Depot if (i) the Municipality is prohibited from doing so pursuant to the requirements of an extended producer responsibility (EPR) program, (ii) the Base Recyclable Materials exceed the quantity limits or restrictions set by the Municipality for Customers, or (iii) the Customer’s vehicle type or size cannot reasonably be accommodated within the Municipal Recycling Depot.

(b) Within twelve (12) months of the Effective Date, the Municipality will accept for free all of the Base Recyclable Materials dropped off by Customers at the Municipal Recycling Depot. In the event of any amendment to the list of Base Recyclable Materials set forth in Schedule “C” hereto, the Municipality will, within twelve (12) months of such amendment (or such longer period as mutually agreed upon by the parties), accept for free any Base Recyclable Materials added by the parties pursuant to such amendment.

(c) For materials other than Base Recyclable Materials, the Municipality will have no obligation to receive those materials and can restrict which Customers are allowed to drop off those materials at the Municipal Recycling Depot.

(d) The Municipality will maintain the following operating hours for the Municipal Recycling Depot:

(i) Seven (7) days a week, a minimum of eight (8) hours per day, excluding statutory holidays.

The Municipality will, at all operating hours, provide a sufficient number of suitably trained and equipped staff as determined by the Municipality, acting reasonably, to safely and efficiently perform the Services in accordance with all the requirements of this Agreement.

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(e) The Municipality will display at the Municipal Recycling Depot signage provided by GVS&DD indicating GVS&DD's contribution of funding towards the operating costs of the Municipal Recycling Depot, which signage shall include information and dimensions generally consistent with the following:

- (i) Acknowledgement text: "This recycling depot is funded in part by Metro Vancouver";
- (ii) Metro Vancouver design mark; and
- (iii) Approximate signage size: 80 cm X 80 cm.

The signage must be located within the Municipal Recycling Depot in a location visible to Customers but must not obstruct traffic or cause safety concerns. The signage is to be kept clean, unobstructed, and in good condition. In the event that the signage requires replacement, new signage will be provided by GVS&DD.

(f) On or before April 1st of each year of the Term, the Municipality will provide GVS&DD with a summary report of the estimated number of Customers served at the Municipal Recycling Depot and the quantity (by weight or units where applicable) of Base Recyclable Materials collected and managed in the previous year.

(g) The Municipality will allow GVS&DD to conduct periodic site inspections and Customer surveys at the Municipal Recycling Depot.