

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Finance Committee (Round 1 Budget) – November 25 and 26, 2024
AUTHOR: Marc Sole, Manager, Solid Waste Services
SUBJECT: 2025 ROUND 1 BUDGET PROPOSAL FOR REGIONAL SOLID WASTE [350, 351, 352]

RECOMMENDATION(S)

THAT the report titled 2025 Round 1 Budget Proposal for Regional Solid Waste [350, 351, 352] be received for information.

BACKGROUND

As part of the Budget Process staff report potential budget adjustments to the Board. Budget Proposals provide the detail to support the potential adjustment and allow the Board to make informed decisions regarding funding projects or service enhancements, as well as ways to reduce the budget.

DISCUSSION

2025 R1 Budget Proposals

1	<i>Function Number – Project Title:</i>	[351, 352] – Solid Waste Operations Maintenance Base Budget Increase for FTE Component (0.93 FTE)
	<i>Risk Factor:</i>	HIGH RISK: Urgent - Service Level Impact
	<i>Category:</i>	Non-Mandatory Base Budget Increase Requests
	<i>Geographic Areas Affected:</i>	Sechelt and A
	<i>2025 Funding Required:</i>	\$75,704
	<i>Funding Source(s):</i>	User Fees (Tipping Fees)
	<i>Rationale / Service Impacts:</i>	The Contact Water Pond Relocation construction at Sechelt Landfill and Pender Harbour Transfer Station upgrades are expected to be completed in 2025. As part of the project, a preventative maintenance plan is being developed to ensure regulatory compliance and longevity of the new infrastructure. Besides, the recently amended

		<p>Operating Certificate for the Sechelt Landfill emphasizes regulatory operational requirements staff have not been able to meet over the past several years due to insufficient staffing resources. Additional annual base budget is required for maintenance that includes inspections, vegetation control, sediment removal, and other preventative maintenance items, such as work on the electric fence.</p> <p>Additional 0.92 FTE Site Attendant FTE is required.</p>
	<i>HR Implications</i>	<p><input checked="" type="checkbox"/> Additional FTE <input type="checkbox"/> Existing FTE <input type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)</p> <p>Staffing (2025) Proration (7.2 Months) FTE Count: 0.63 Cost (2025): \$55,704</p> <p>Future Year FTE Request FTE Count: 0.93 Cost: \$84,491</p>
	<i>Future Financial Implications and Life Cycle Cost Breakdown</i>	Base Budget Increase
	<i>Asset Management Implications:</i>	<p>5.0 Asset Governance</p> <p>Preventative maintenance and ensuring regulatory requirements.</p>
	<i>Climate Action Plan Goal and Impact (if applicable)</i>	Goal 10: Increase Community Resilience to Extreme weather events including flooding, extreme heat, and poor air quality.

2	<i>Function Number – Project Title:</i>	[351, 352] – Environmental Monitoring for Sechelt Landfill and Pender Harbour Transfer Station (base budget)
	<i>Risk Factor:</i>	HIGH RISK: Urgent - Service Level Impact
	<i>Category:</i>	Non-Mandatory Base Budget Increase Requests
	<i>Geographic Areas Affected:</i>	Sechelt and A

	<i>2025 Funding Required:</i>	\$100,000
	<i>Funding Source(s):</i>	User Fees (Tipping Fees)
	<i>Rationale / Service Impacts:</i>	<p>Provincial regulations require Environmental Monitoring Programs at Sechelt Landfill and Pender Harbour Transfer Station - including groundwater, surface water, and landfill gas monitoring.</p> <p>Given the updated environmental requirements included in the recently amended Operating Certificate for the Sechelt Landfill the scope of the environmental monitoring has expanded and increased substantially. Staff assessed the delivery options and concluded that contracting out most of the required environmental monitoring services is more cost-effective than bringing all these services in-house.</p>
	<i>HR Implications</i>	<input type="checkbox"/> Additional FTE <input type="checkbox"/> Existing FTE <input checked="" type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)
	<i>Future Financial Implications and Life Cycle Cost Breakdown</i>	Base Budget Increase
	<i>Asset Management Implications:</i>	3.0 Guiding Effective Decisions
	<i>Climate Action Plan Goal and Impact (if applicable)</i>	Goal 7: Increase Organizational Ability to Promote Ecosystem Health and Resilience.

3	<i>Function Number – Project Title:</i>	[350, 351, 352] – Solid Waste Contracts
	<i>Risk Factor:</i>	LOW: Minimal / None
	<i>Category:</i>	Non-Mandatory Base Budget Increase Requests
	<i>Geographic Areas Affected:</i>	Regional
	<i>2025 Funding Required:</i>	<p>\$64,280</p> <p>350 - \$33,992 351 - \$12,115 352 - \$18,173</p>

	<i>Funding Source(s):</i>	Taxation
	<i>Rationale / Service Impacts:</i>	The Solid Waste Division has over forty contracts that support all solid waste services. This proposal includes all contracts that are expiring in 2025 up to Q2 2026. To ensure business continuity, this proposal adds buffers to avoid amending the Financial Plan throughout the year as best as possible. Alternatively, for the contract renewals or extensions that require an increased budget, the Board could decide to amend the Financial Plan 2025-2029 when contract awards are presented to the Board.
	<i>HR Implications</i>	<input type="checkbox"/> Additional FTE <input type="checkbox"/> Existing FTE <input checked="" type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)
	<i>Future Financial Implications and Life Cycle Cost Breakdown</i>	Base Budget Increase
	<i>Asset Management Implications:</i>	n/a
	<i>Climate Action Plan Goal and Impact (if applicable)</i>	n/a

4	<i>Function Number – Project Title:</i>	[350] – Solid Waste Management Plan (SWMP) Update - Inclusion of Long-Range Disposal Options Extraordinary
	<i>Risk Factor:</i>	HIGH RISK: Urgent - Service Level Impact
	<i>Category:</i>	Non-Mandatory Strategic Plan Related
	<i>Geographic Areas Affected:</i>	Regional
	<i>2025 Funding Required:</i>	\$86,782
	<i>Funding Source(s):</i>	Eco Fee Operating Reserve
	<i>Rationale / Service Impacts:</i>	At the February 8, 2024, Board meeting, the Board adopted the following resolution 038/24 (in part): b) Staff engage with Sunshine Coast local governments, First Nations, interested parties and residents on the feasibility of future solid waste disposal options in support of the Solid Waste Management Plan (SWMP) Update

		<p>process and the future of solid waste management on the Sunshine Coast.</p> <p>The proposal is to extend the engagement with First Nations at a staff and elected level over and above of what was initially planned. This proposal is for retaining a professional facilitator and funds for facility rental and catering costs for some of these meetings. Besides, this Budget Proposal would also allow our SWMP consultant to support and attend these meetings and incorporate the outcome in the SWMP update.</p>
	<i>HR Implications</i>	<input type="checkbox"/> Additional FTE <input checked="" type="checkbox"/> Existing FTE <input type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)
	<i>Future Financial Implications and Life Cycle Cost Breakdown</i>	n/a
	<i>Asset Management Implications:</i>	2.0 O&M and Capital Planning
	<i>Climate Action Plan Goal and Impact (if applicable)</i>	Goal 2: Collaboration - Stronger collaboration between different levels of government, local governments, businesses, and community groups.

5	<i>Function Number – Project Title:</i>	[352] – Sechelt Landfill Generator Purchase
	<i>Risk Factor:</i>	LOW: Minimal / None
	<i>Category:</i>	Non-Mandatory Board Directed or Business Continuity
	<i>Geographic Areas Affected:</i>	Sechelt
	<i>2025 Funding Required:</i>	\$80,300
	<i>Funding Source(s):</i>	Landfill Operating Reserves
	<i>Rationale / Service Impacts:</i>	Sechelt Landfill must have power twenty-four hours per day to ensure that the electric fence is functional, which is a regulatory requirement of the Operational Certificate issued by the province. While awaiting BC Hydro Power, the SCRCD owns one generator and rents another to ensure reliable power supply to the site. Once connected to BC Hydro power, the site will require a backup

		power source in the event of a power failure. The SCR D owned generator is an older unit procured internally from another division with the aim of continuing to use it once connected to BC Hydro power as a backup power source. However, this generator is nearing the end of its life. A back-up generator is a critical piece of infrastructure for the site, and a replacement generator is required. The lead time for acquiring generators can be several months, securing budget is essential to ensure a generator is procured prior to the current generator’s end of life.
	<i>HR Implications</i>	<input type="checkbox"/> Additional FTE <input type="checkbox"/> Existing FTE <input checked="" type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)
	<i>Future Financial Implications and Life Cycle Cost Breakdown</i>	To be included in the pending Asset Management Plan
	<i>Asset Management Implications:</i>	2.0 O&M and Capital Planning
	<i>Climate Action Plan Goal and Impact (if applicable)</i>	n/a

6	<i>Function Number – Project Title:</i>	[350, 352] – Solid Waste Operations Supervisory Staff On-site Vehicle
	<i>Risk Factor:</i>	LOW: Minimal / None
	<i>Category:</i>	Non-Mandatory Board Directed or Business continuity
	<i>Geographic Areas Affected:</i>	Regional
	<i>2025 Funding Required:</i>	\$20,750
	<i>Funding Source(s):</i>	Landfill Operating Reserves
	<i>Rationale / Service Impacts:</i>	Sechelt Landfill is the main office location for the Superintendent of Solid Waste Operations and the Solid Waste Operations Coordinator. These positions are responsible for Sechelt Landfill and Pender Harbour Transfer Station. The Supervisory staff onsite do not have a vehicle to go between sites or to quickly attend to urgent situations. The site has one pick-up truck that is occupied by Site

		Attendants for day-to-day operations. A replacement is proposed to be sourced from another division that is transitioning to a new vehicle. The vehicle available for Solid Waste to purchase as soon as we have funding is Unit No. 465 from Utilities, which is a 2012 Ford Escape.
	<i>HR Implications</i>	<input type="checkbox"/> Additional FTE <input type="checkbox"/> Existing FTE <input checked="" type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)
	<i>Future Financial Implications and Life Cycle Cost Breakdown</i>	To be included in the pending Asset Management Plan
	<i>Asset Management Implications:</i>	1.0 Asset Inventory Utilization
	<i>Climate Action Plan Goal and Impact (if applicable)</i>	n/a

7	<i>Function Number – Project Title:</i>	**NEW [350, 352] – Sechelt Landfill BC Hydro Connection – Additional Funding Required
	<i>Risk Factor:</i>	MEDIUM: Normal - Service Level Impact
	<i>Category:</i>	Non-Mandatory Board Directed or Business continuity
	<i>Geographic Areas Affected:</i>	Sechelt
	<i>2025 Funding Required:</i>	\$71,666
	<i>Funding Source(s):</i>	Capital Costs: Long-Term Debt Electricity Costs: Taxation
	<i>Rationale / Service Impacts:</i>	<p>Power at the Sechelt Landfill is currently provided by two diesel generators: one owned by the SCRD and the other rented. Electricity is needed twenty-four hours per day to power the electric fence, which is a regulatory requirement, and operate the scale, payment system, and staff workstations at the site.</p> <p>In 2020 the Board directed staff to pursue a direct connection to the BC Hydro grid. Staff have been working with BC Hydro since then to complete this project. A quote from BC Hydro was received in late 2024 with a cost</p>

		<p>of \$289,348 to install poles along Dusty Road and connect the Landfill to the grid. The SCRD will need to install an underground conduit across Dusty Road at the Landfill and perform tree removal work along the road for \$34,300. It is anticipated that the annual charge for electricity, once the installation is complete, would be \$4,000. For 2025 any such costs can be absorbed within base budget. Staff will report back to the Board if the electricity costs will be in excess of what can be absorbed in base budget long-term.</p> <p>The current budget for this project is \$264,224 and there is a shortfall of \$71,666.</p> <p>If this project does not proceed, the SCRD will need to continue its use of diesel generators to provide power to the site. Fuel costs are \$26,000 per year and associated greenhouse gas emissions release 38.9 tCO₂ per year, or 3.2% of the SCRD's corporate emissions.</p>
	<p><i>HR Implications</i></p>	<p><input type="checkbox"/> Additional FTE <input checked="" type="checkbox"/> Existing FTE <input type="checkbox"/> No Additional FTE or Resourcing <input type="checkbox"/> Term or Student (TIME)</p>
	<p><i>Future Financial Implications and Life Cycle Cost Breakdown</i></p>	<p>n/a</p>
	<p><i>Asset Management Implications:</i></p>	<p>n/a</p>
	<p><i>Climate Action Plan Goal and Impact (if applicable)</i></p>	<p>Goal 14: Buildings are as efficient as possible and lock into zero-emission options as much as possible.</p>

Financial Implications

Five-Year Operating Reserve Plan (or longer, if applicable)
 (use table illustrating capital contributions and expenditures, if available)

350 - Regional Solid Waste	2025	2026	2027	2028	2029
Item	Amount	Amount	Amount	Amount	Amount
Opening Balance in Reserve	\$ 85,446	\$ 158,806	\$ 127,034	\$ 93,718	\$ 58,783
2024 Operating Surplus	\$ 153,660	\$ -	\$ -	\$ -	\$ -
2025 Budget Proposals	-\$ 80,300	-\$ 31,772	-\$ 33,316	-\$ 34,935	-\$ 36,634
Contribution to Reserve	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Balance in Reserve	\$ 158,806	\$ 127,034	\$ 93,718	\$ 58,783	\$ 22,149

Landfill	2025	2026	2027	2028	2029
Item	Amount	Amount	Amount	Amount	Amount
Opening Balance in Reserve	\$ 1,083,067	\$ 1,515,441	\$ 1,515,441	\$ 1,515,441	\$ 1,515,441
2024 Operating Surplus	\$ 453,124	\$ -	\$ -	\$ -	\$ -
2025 Budget Proposals	-\$ 20,750	\$ -	\$ -	\$ -	\$ -
Contribution to Reserve	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Balance in Reserve	\$ 1,515,441	\$ 1,515,441	\$ 1,515,441	\$ 1,515,441	\$ 1,515,441

350 - Zero Waste Initiatives	2025	2026	2027	2028	2029
Item	Amount	Amount	Amount	Amount	Amount
Opening Balance in Reserve	\$ 222,505	\$ 191,593	\$ 247,463	\$ 303,333	\$ 359,203
2024 Operating Surplus	\$ -	\$ -	\$ -	\$ -	\$ -
2025 Budget Proposals	-\$ 86,782	\$ -	\$ -	\$ -	\$ -
Contribution to Reserve	\$ 55,870	\$ 55,870	\$ 55,870	\$ 55,870	\$ 55,870
Closing Balance in Reserve	\$ 191,593	\$ 247,463	\$ 303,333	\$ 359,203	\$ 415,073

Reviewed by:			
CAO		Legislative	
CFO		Manager	
GM	X - R. Rosenboom	Other Staff	