

City Council Meeting Agenda



Monday, May 28, 2018 – 4:30 p.m.
Council Chambers, Guelph City Hall, 1 Carden Street

Please turn off or place on non-audible all electronic devices during the meeting.

Please note that an electronic version of this agenda is available on guelph.ca/agendas.

Authority to move into closed meeting

That the Council of the City of Guelph now hold a meeting that is closed to the public, pursuant to the Municipal Act, to consider:

Confirmation of Minutes for the closed Council meetings held April 23, 2018.

Downtown Guelph Business Association Board of Directors Appointment

Section 239 (2) (b) personal matters about an identifiable individual, including municipal or local board employees.

CAO-2018.13

Employee Code of Conduct Breach

Section 239 (2) (b) and (e) personal matters about an identifiable individual, including municipal or local board employees and litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board.

IDE-2018.73

Land Sale Transaction for 200 Hanlon Creek Blvd. between 785412 Ontario Ltd. (Everest Holdings) and the Ontario Federation of Agriculture (OFA)

Section 239 (2) (c) a proposed or pending acquisition or disposition of land by the municipality or local board.

IDE-2018.81

Solid Waste Resources Business Service Review Final Report – Confidential Material Recovery Facility Update

Section 239 (2) (d) and (i) labour relations or employee negotiations and a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.

CAO-2018.14**Potential Disposition of Real Property in the Downtown**

Section 239 (2) (c) a proposed or pending acquisition or disposition of land by the municipality or local board.

PS-2018.23**Contract for Animal Control and Pound Services**

Section 239 (2) (f), (i) and (k) advice that is subject to solicitor-client privilege, including communications necessary for that purpose; a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization; and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board.

Open Meeting – 6:30 p.m.**Closed Meeting Summary**

O Canada

Silent Reflection

First Nations Acknowledgement

Disclosure of Pecuniary Interest and General Nature Thereof

Presentations:

a) 2018 Access Recognition Awards:

- Outstanding Accomplishment of an Individual: Millar Weddig
- Outstanding Contribution of an Individual: Grante Leemet and Limitless Guelph
- Outstanding Contribution of an Individual: Josh Cassidy
- Outstanding Contribution of a Business: Guelph Public Library – Outreach Services

Confirmation of Minutes: (Councillor Gordon)

That the minutes of the open Council Meetings held April 9, 18, and 23, 2018, and the Committee of the Whole meeting held May 7, 2018 be confirmed as recorded and without being read.

Committee of the Whole Consent Report:

The following resolutions have been prepared to facilitate Council's consideration of various matters and are suggested for consideration. If Council wishes to address a specific report in isolation of the Committee of the Whole Consent Report, please identify the item. It will be extracted and dealt with separately as part of the Items for Discussion.

IDE-2018.58 2017 Building Permit Revenue and Expenditures, Building Stabilization Reserve Fund and Annual Setting of Building Permit Fees

Recommendation:

That Council approve the recommended building permit fees, included as Attachment 2, report IDE-2018-58 titled "2017 Building Permit Revenue and Expenditures, Building Stabilization Reserve Fund and Annual Setting of Building Permit Fees" dated May 7, 2018, effective June 1, 2018.

IDE-2018.38 139 Morris Street Brownfield Tax Increment Based Grant Deadline Extension

Recommendation:

1. That the request to extend the deadline for project completion for the Brownfield Tax Increment Based Grant applying to 139 Morris Street from October 28, 2018 to April 28, 2021 be approved.
2. That staff be directed to prepare an amendment to the Tax Increment Based Grant Agreement between the City and 139 Morris Street Ltd., to the satisfaction of the General Manager of Planning, Urban Design and Building Services, the City Solicitor and the City Treasurer.
3. That the Mayor and Clerk be authorized to execute the amendment to the Tax Increment Based Grant Agreement.

IDE-2018.62 Sign By-law Variances – 1515 Gordon Street

Recommendation:

That the request for variances from Sign By-law Number (1996)-15245, as amended, to permit an illuminated freestanding sign to have a sign area of 4.53m² and a height of 4.65m above the adjacent roadway at 1515 Gordon Street, be approved.

IDE-2018.56 Community Energy Initiative Update

Recommendation:

1. That Council acknowledge the role of Our Energy Guelph (OEG) as the implementer of the Community Energy Initiative going forward in principle.

2. That Council approve the City of Guelph's continued association with OEG as a primary stakeholder and partner.
3. That Council acknowledge the target that OEG has proposed, namely for Guelph to become net zero carbon by 2050.
4. That Council direct staff to provide a report in Q1 of 2019 with specific corporate targets for GHG emissions and energy consumption taking into consideration the findings from the CEI update for council approval.
5. That Council direct staff to provide a detailed report recommending specific initiatives that are aligned with the CEI update, complete with business cases to support those initiatives, to be considered as part of the 2019 operating and capital budget process for Council approval.

Renewable Sources of Energy

Recommendation:

1. That the Corporation of the City of Guelph will strive to achieve one hundred percent of its energy needs through renewable sources by 2050.
2. That Staff be directed to report back to the next term of Council on the most effective way for the Corporation to work towards achieving this goal, including information on, but not limited to, the impact on capital budget planning, potential resource needs, and a recommended process for the review of new program and policy development initiatives.

IDE-2018.69 Downtown Parking Master Plan Update

Recommendation:

1. That a Downtown Parking Committee consisting of representatives from business, community groups, residents and City staff be implemented to discuss and review downtown parking programs.
2. That staff be directed to use Alternative C within report IDE-2018.69 Downtown Parking Master Plan Update (blended tax and fee support) as the funding model with a review to be conducted in five years.

IDE-2018.68 Asset Management Program Progress and Policy Update

Recommendation:

1. That the report "Asset Management Program Progress and Policy Update," dated May 7, 2018, be received and that staff be directed to proceed with the work plan as outlined.
2. That Council approve the updated 2018 Strategic Asset Management Policy.

Red Light Cameras

Recommendation:

That staff, in consultation with Guelph Police Services, be directed to investigate the process to implement Red Light Cameras in the City of Guelph which would include, but not be limited to, capital and operational costs including a public communications plan and a recommendation regarding the use of red light cameras as is applicable to the City of Guelph based upon a review and assessment of intersection collisions and report back to Council in early Q1 2019.

CS-2018.14 2017 Operating Variance Report and Surplus and Deficit Allocation

Recommendation:

1. That the report titled "2017 Operating Variance Report and Surplus and Deficit Allocation", dated May 7, 2018, be received.
2. That the Tax Supported surplus of \$3,546,195 be allocated to the reserves and reserve funds as follows:

Tax Rate Operating Contingency Reserve (180)	\$1,064,826
City-owned Contaminated Sites Reserve Fund (155)	\$1,000,000
Efficiency, Innovation and Opportunity Fund (351)	\$1,000,000
WSIB Reserve (330)	\$231,369
Police Operating Contingency Reserve (115)	\$150,000
Affordable Housing	\$100,000
Total	\$3,546,195

3. That the Water Services surplus of \$745,149 be allocated to the Water Capital Reserve Fund (152).
4. That the Wastewater Services surplus of \$2,636,206 be allocated to the Wastewater Capital Reserve Fund (153).
5. That the Stormwater Services surplus of \$971,110 be allocated as follows:

Stormwater Contingency Reserve (359)	\$321,900
Stormwater Capital Reserve Fund (165)	\$649,210
Total	\$971,110

6. That the Ontario Building Code (OBC) deficit of \$35,319 be funded from the Building Services OBC Stabilization Reserve Fund (188).
7. That the Court Services deficit of \$51,680 be funded from the Court Contingency Reserve (211).

Recommendation:

1. That the City's General Reserve and Reserve Fund Policy be amended to reflect the following as at December 31, 2017:
 - a. The addition of the Paramedic Services Provincial Capital Reserve Fund (360);
 - b. The consolidation of the Police Equipment Reserve Fund (115) into the Police Capital Reserve Fund (158);
 - c. The repurposing of the Police Equipment Reserve Fund (115) to a Police Operating Contingency Reserve; and
 - d. The addition of the Library Operating Contingency Reserve (102).
2. That effective January 1, 2018, the Transportation Demand Management Reserve Fund (350) and the Information Technology Reserve Fund (210) be closed and removed from the General Reserve and Reserve Fund Policy.
3. That \$813,053 be transferred from Compensation Contingency Reserve (131) to the WSIB Reserve (330) to align these reserves with the targets identified in the General Reserve and Reserve Fund Policy.
4. That the Waterworks Capital Reserve Fund (152) and the Waterworks Contingency Reserve (181) be renamed Water Capital Reserve Fund (152) and Water Contingency Reserve (181).

Recommendation:

That as of September 3, 2018 staff be directed to revert Route 3 service levels back to the September 2017 schedule and that the operating impact for 2018 be funded from the Tax Rate Operating Contingency Reserve.

Council Consent Agenda:

The following resolutions have been prepared to facilitate Council's consideration of various matters and are suggested for consideration. If Council wishes to address a specific report in isolation of the Consent Agenda, please identify the item. It will be extracted and dealt with separately as part of the Items for Discussion.

IDE-2018-74**Land Sale Transaction for 200 Hanlon Creek Blvd.
between 785412 Ontario Ltd. (Everest Holdings) and
the Ontario Federation of Agriculture (OFA)****Recommendation:**

1. That the City's Option to Repurchase registered November 28th, 2014 as Instrument No. WC420339 agreed to in the Agreement of Purchase and Sale between the City and 785412 Ontario Ltd. (Everest Holdings) for a property at 200 Hanlon Creek Boulevard, be waived in order to permit the sale of these lands to the Ontario Federation of Agriculture (OFA).
2. That the terms of Option to Repurchase condition in effect against OFA be revised in order to extend the Start Construction deadline to June 2019 and the expiration date to June 2022.

CS-2018-49**Delegation of Authority for the Period of Restricted
Acts after Nomination Day for the 2018 Municipal
Election****Recommendation:**

That a by-law be enacted to delegate authority to the Chief Administrative Officer in the event of a Restricted Acts Period, or Lame Duck Council, in accordance with ATT-1 to Report CS-2018-49, dated June 5, 2018.

CS-2018-50**Municipal Election Compliance Audit Committee****Recommendation:**

1. That a joint Municipal Election Compliance Audit Committee be established for the 2018-2022 term of Council in accordance with the draft Terms of Reference in ATT-1 to report CR-2018-50, 2018-2022 Municipal Election Compliance Audit Committee.
2. That the Clerk be delegated authority to select and appoint Committee Members and that Council be advised of the appointments by way of an Information Report once members have been selected.
3. That the Clerk be delegated authority to revise the Terms of Reference throughout the term of the Committee in accordance with other participating municipalities.

Items for Discussion:

The following items have been extracted from the Committee of the Whole Consent Report and the Council Consent Agenda and will be considered separately. These items have been extracted either at the request of a member of Council or because they include a presentation and/or delegations.

IDE-2018-12**Solid Waste Resources Business Service Review Final
Report**

Presentation:

Scott Stewart, Deputy CAO, Infrastructure, Development and Enterprise
Cam Walsh, Divisional Manager, Solid Waste Resources
Katherine Gray, Program Manager, Business Process Management
Peter Busatto, General Manager, Environmental Services

Delegations:

Paul Clulow, President CUPE 241, City of Guelph

Recommendation:

That the report IDE-2018-12 "Solid Waste Resources Business Service Final Report" dated May 28, 2018, be received and that staff be directed to proceed with the implementation of the recommendations.

Councillor Mark MacKinnon Request for Additional Training Funding to Attend AMO August 19-22, 2018.

Councillor MacKinnon will speak to this item.

Recommendation:

That the request from Councillor MacKinnon for additional training funding for.... be approved.

Special Resolutions**By-laws**

Resolution to adopt the By-laws (Councillor Hofland).

Mayor's Announcements

Please provide any announcements, to the Mayor in writing, by 12 noon on the day of the Council meeting.

Notice of Motion**Adjournment**



**Minutes of Guelph City Council
Held in the Council Chambers, Guelph City Hall on
April 9, 2018 at 6:30 p.m.**

Attendance

Council:	Mayor C. Guthrie	Councillor J. Hofland
	Councillor P. Allt	Councillor M. MacKinnon
	Councillor B. Bell	Councillor L. Piper
	Councillor C. Billings	Councillor M. Salisbury
	Councillor C. Downer	Councillor A. Van Hellemond
	Councillor D. Gibson	Councillor K. Wettstein
Absent:	Councillor J. Gordon	
Staff:	Mr. D. Thomson, Chief Administrative Officer	
	Ms. K. Dedman, General Manager, Engineering and Capital Infrastructure/City Engineer	
	Mr. T. Salter, General Manager, Planning, Urban Design and Building Services	
	Mr. C. DeVriendt, Manager, Development Planning	
	Ms. M. Aldunate, Manager, Policy Planning	
	Ms. C. Kennedy, Manager, Policy and Intergovernmental Relations	
	Ms. E. Keating, Development Researcher	
	Mr. T. Gayman, Manager, Development and Environmental Engineering	
	Mr. A. Hindupur, Supervisor, Infrastructure Engineering	
	Mr. D. Degroot, Senior Urban Designer	
	Mr. M. Witmer, Development Planner II	
	Mr. T. Donegani, Policy Planner	
	Mr. R. Dalbello, Planner	
	Ms. K. Nasswetter, Senior Development Planner	
	Ms. S. Laughlin, Senior Policy Planner	
	Mr. D. McMahon, Deputy City Clerk	
	Ms. L. Cline, Council Committee Assistant	

Call to Order (6:30 p.m.)

Mayor Guthrie called the meeting to order.

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

Presentation:

Derrick Thomson, Chief Administrative Officer, Cathy Kennedy, Manager, Policy and Intergovernmental Relations, and Emily Keating, Development Researcher, provided an update on the Smart Cities Challenge, including details regarding the City's submission centered around creating a circular food economy within Guelph and Wellington County.

1. Moved by Councillor Allt
Seconded by Councillor Piper

1. That Council endorse a regional application submission to Infrastructure Canada's Smart Cities Challenge outlining the aim of Guelph and Wellington County to become a circular food ecosystem.
2. That Intergovernmental Affairs and Business Development and Enterprise staff be directed to submit the application on behalf of the City of Guelph and Wellington County.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

Council Consent Agenda:

IDE-2018-54 131 Malcolm Road – Municipal Servicing and Access Agreement

2. Moved by Councillor Van Hellemond
Seconded by Councillor Piper

1. That staff be directed to negotiate a municipal servicing and access agreement between the City of Guelph and Ceva Animal Health Inc. for the purposes described in Council Report # IDE-2018-54.
2. That the Mayor and City Clerk be directed to execute a municipal servicing and access agreement between the City of Guelph and Ceva Animal Health Inc. for the purposes described in Council Report # IDE-2018-54, subject to the terms and conditions of the agreement being satisfactory to the City Solicitor, the Deputy CAO for Infrastructure, Development and Enterprise Services and the Deputy CAO for Corporate Services.
3. That staff be directed to prepare a draft Corporate Policy, which will serve to consider and direct potential requests for the extension of municipal services and access to properties abutting City of Guelph boundaries, and to report to Council with the results by no later than the end of Q1/2019.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Planning Public Meeting

Mayor Guthrie announced that in accordance with The Planning Act, Council is now in a public meeting for the purpose of informing the public of various planning matters. The Mayor asked if there were any delegations in attendance with respect to the planning matters listed on the agenda.

IDE-2018.46**119 Ingram Drive and 35 Wideman Boulevard
Proposed Zoning By-law Amendment File: ZC1713
Ward 2**

Michael Witmer, Development Planner II, provided an overview of the 119 Ingram Drive and 35 Wideman Boulevard proposed Zoning By-law Amendment. He advised that the applicant is requesting to change the zoning on the subject lands from the current General Apartment (R.4A) Zone to a Specialized On-Street Townhouse Zone to permit 28 on-street townhouses. The applicant has requested one site-specific provision to permit a minimum exterior side yard of 5.83 metres to Victoria Road North, where the Zoning By-law requires a minimum exterior side yard of 6 metres.

Nancy Shoemaker, Black, Shoemaker, Robinson and Donaldson Limited, speaking on behalf of the owner, provided background information surrounding the history of the property. She also addressed the proposed density in relation to the Official Plan designation and noted that there are similar developments to what is being proposed in the surrounding area along Victoria Road.

3. Moved by Councillor Piper
Seconded by Councillor Wettstein

That Report IDE 2018-46 regarding a proposed Zoning By-law Amendment application (ZC1713) from Black, Shoemaker, Robinson & Donaldson Limited on behalf of Artifex Construction Limited to permit 28 on-street townhouses on the properties municipally known as 119 Ingram Drive and 35 Wideman Boulevard, and legally described as Blocks 41 and 42, Registered Plan 61M-173, City of Guelph, from Infrastructure, Development and Enterprise dated April 9, 2018, be received.

Voting in Favour: Mayor Guthrie, Councillors Alit, Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

IDE-2018.24**Brownfield Redevelopment Community Improvement Plan
Update**

Tim Donegani, Policy Planner, provided an update on the Brownfield Redevelopment Community Plan and outlined the proposed changes that are intended to provide clarity and ease administration. He noted that one major proposed revision allows for developers to borrow against future grant payments under the Tax Increment Based Grant program to pay development charges. Other revisions include updates to the policy context, increased flexibility in timing requirements, increasing the Environmental Study Grant maximum, aligning standards of environmental review under the Tax Increment Based Grant program with the City's new Contaminated Sites Guidelines, and clarifying language surrounding grants to polluting applicants.

Mitchell Fasken, Kim Shaw Holdings Ltd., spoke in support of staff recommendations regarding the Tax Increment Based Grant program and encouraged the program to be reinstated with the required funding.

4. Moved by Councillor Van Hellemond
Seconded by Councillor Hofland

That Report IDE-2018-24 Statutory Public Meeting: Brownfield Redevelopment Community Improvement Plan Update, dated April 9, 2018, be received.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

**IDE-2018.52 278 College Avenue West Proposed Zoning By-law
Amendment File: ZC1801 Ward 5**

Rino Dalbello, Planner, provided an overview of the 278 College Avenue West proposed Zoning By-law Amendment to develop a 4 storey residential building containing 6 residential units in a back-to-back townhouse format. He advised that the applicant is proposing to rezone the subject lands from the Residential Single Detached (R.1B) Zone to a Specialized Townhouse Zone. Specialized zoning regulations are also being proposed, including adding a definition of back-to-back townhouse, minimum side yard, maximum building height, and maximum building coverage. He noted that 14 parking spaces are being proposed at grade and contained within the building.

Astrid Clos, Astrid J. Clos Planning Consultants, speaking on behalf of the owner, introduced the site and its context with the surrounding area. She addressed concerns related to trees on the subject property that are proposed to be removed. Ms. Clos also addressed the height and density of the proposed building, resident and visitor parking, fencing, garbage storage and the specialized zoning regulations that are being requested.

Miklos Csonti, Grinham Architects, project architect for the proposal, provided details regarding the design of the building, including elevations, height and separation from adjacent buildings. He addressed grading, privacy, sightlines and shading. Mr. Csonti also provided details regarding shadow impacts on neighbouring buildings throughout different times of the year.

Lloyd Barrell, area resident, expressed concerns about additional crime and density that may arise from the proposed development. He noted that he would prefer more green space to be available, rather than more development, and that Guelph is losing its small town feeling.

Stewart Clark was present but did not speak.

Linda Busuttil, area resident, expressed concerns with respect to the definition of back-to-back townhouse, side yard buffer and separation, building height, intensification and over-massing of 6 units, and the property entry and exit way.

5. Moved by Councillor Allt
Seconded by Councillor Billings

That Report IDE 2018-52 regarding a proposed Zoning By-law Amendment application (ZC1801) from Astrid J. Clos Planning Consultants on behalf of 9428577 Canada Corp. (Jane Fung) to permit a residential development on the property municipally known as 278 College Avenue West and legally described as Part of Lot 13, Registered Plan 435, City of Guelph, from Infrastructure, Development and Enterprise dated April 9, 2018, be received.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

IDE-2018.44

671 Victoria Road North Proposed Zoning By-law Amendment File ZC:1606 Ward 2

Katie Nasswetter, Senior Development Planner, provided an overview of the 671 Victoria Road North revised Zoning By-law Amendment. She noted this was the second statutory public meeting for the subject application, which proposes the development of a 31 unit townhouse development with a small commercial block. She advised that the applicant is proposing to rezone the northerly portion of the site to a Specialized Residential Cluster Townhouse Zone with a specialized regulation for a reduced front yard setback along Victoria Road. She outlined how the application has changed since it was originally submitted in 2016, based on concerns raised from area residents.

Astrid Clos, Astrid J. Clos Planning Consultants, speaking on behalf of the owners, provided an overview of the site, a brief history of the application and a summary of the revisions that have been made. She noted that the proposed zone change only applies to the residential part of the property, as the commercial portion is keeping the existing zoning.

Jeff Lerch, GM BluePlan Engineering Limited, project engineer for the proposed development, noted that the drainage on the site will not direct water onto the existing properties along Mussen Street. He indicated that there is an on-site stormwater network that will direct run-off towards a drainage point that goes out to Mussen Street.

Bill Ferris, area resident, stated that he is pleased with the collaborative approach between City staff, Council and residents with regards to the proposal.

6. Moved by Councillor Billings
Seconded by Councillor Salisbury

That Report IDE 2018-44 regarding a proposed Zoning By-law amendment application (File: ZC1606) by Astrid J. Clos Planning Consultants on behalf of 1830334 Ontario Inc. to permit a townhouse residential development on a portion of the property municipally known as 671 Victoria Road North and legally described as Part of Lot 1, Concession 7, Division C, City of Guelph, from Infrastructure, Development and Enterprise dated April 9, 2018, be received.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

Items for Discussion:

IDE-2018.50 Built Form Standards for Mid-rise Buildings and Townhouses

The following delegate spoke regarding this item:
John Steggles

7. Moved by Councillor Downer
 Seconded by Councillor Bell

That Council approves the Built Form Standards for Mid-rise Buildings and Townhouses, included as Attachment 1 in Report IDE-2018-50 dated April 9, 2018.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

IDE-2018.51 Urban Design Concept Plans for the Gordon Street Intensification Corridor

8. Moved by Councillor Bell
 Seconded by Councillor Hofland

1. That Council endorse the Urban Design Concept Plans for the Gordon Street Intensification Corridor included as Attachment 1 to report IDE-2018-51 dated April 9, 2018.
2. That staff be directed to use the Urban Design Concept Plans for the Gordon Street Intensification Corridor to guide the review of future development applications within this corridor.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

Council recessed at 9:01 p.m. and reconvened at 9:13 p.m.

Suspending the Procedure By-law

9. Moved by Councillor Piper
 Seconded by Councillor Billings

That Section 4.8 (b) of the Procedural By-law be suspended to allow delegates to speak without registering.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

IDE-2018.49 Clair-Maltby Secondary Plan: Planning and Design Charrette

Stacey Laughlin, Senior Policy Planner, introduced the Clair-Maltby Secondary Plan process and provided an overview of the design charrette process that was held to receive community input. She provided an overview of the vision and guiding principles for the Clair-Maltby community and outlined the conceptual community structure and the three community structure alternatives that were developed.

Dave Sajecki, Consultant, Brook McIlroy Inc., outlined quantitative and qualitative feedback that was received throughout the design charrettes to evaluate the three community structure alternatives and how they fit within the guiding principles.

Liz Howson, Consultant, Macaulay Shiomi Howson Ltd., outlined the preliminary preferred community structure that was presented and summarized the feedback that was received from stakeholders and members of the public.

Stacey Laughlin, Senior Policy Planner, outlined next steps for the Clair-Maltby Secondary Plan.

The following delegates spoke regarding this item:

Benjamin Perry

James Nagy

Ted Michalos

Kelly Hunter

William Rowe

David Charlton

Sam Lamont, Rolling Hills Residents' Association

Stephen Goodwin, Rolling Hills Residents' Association

Councillor Gibson left the meeting at 10:55 p.m.

Extension of Meeting Per Procedural By-law

10. Moved by Councillor Piper

Seconded by Councillor Hofland

That Section 4.13 (a) and (b) of the Procedural By-law be invoked to allow Council to continue to 11:59 p.m.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

Councillor Gibson returned at 11:01 p.m.

The following delegates spoke regarding this item.

Ed Ross, Rolling Hills Residents' Association

Heather Tremain, Options for Homes

Domenic Sacco

Mary Morrone

Robert Pavlis

Tullia Marcolongo, Foundation for the Support of International Medical Training

Kelly Hodgson

Lise Burcher

Suspending the Procedural By-law

11. Moved by Councillor Wettstein
Seconded by Councillor Piper

That the Procedural By-law be suspended to allow Council to continue beyond 12:00 a.m.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

The following delegates spoke regarding this item:

Raquel Hartwig

Barb Reilly

Marnie Bensen, Nature Guelph

The following delegate was not present:

Rod MacDonald

12. Moved by Councillor Mackinnon
Seconded by Councillor Gibson

That the Clair-Maltby Secondary Plan Preferred Community Structure be received.

Voting in Favour: Mayor Guthrie, Councillors Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (11)

Voting Against: Councillor Allt (1)

Carried

By-laws

13. Moved by Councillor Allt
Seconded by Councillor Hofland

That By-law Numbers (2018)-20264 to (2018)-20266, inclusive, are hereby passed.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

Adjournment (1:02 a.m.)

14. Moved by Councillor Billings
Seconded by Councillor Wettstein

That the meeting be adjourned.

Carried

Minutes to be confirmed on May 28, 2018.

Mayor Guthrie

Dylan McMahon – Deputy City Clerk

**Minutes of Guelph Special City Council
Held in the Council Chambers, Guelph City Hall on
Wednesday, April 18, 2018 at 6:05 p.m.**

Attendance

Council:	Mayor C. Guthrie	Councillor J. Gordon
	Councillor P. Allt	Councillor J. Hofland
	Councillor B. Bell	Councillor M. MacKinnon
	Councillor C. Billings	Councillor L. Piper
	Councillor C. Downer	Councillor A. Van Hellemond
	Councillor D. Gibson	Councillor K. Wettstein

Absent: Councillor M. Salisbury

Staff: Ms. C. Clack, Deputy CAO, Public Services
Mr. T. Lee, Deputy CAO, Corporate Services
Mr. T. Salter, General Manager, Planning Urban Design Building Services
Mr. C. DeVriendt, Manager, Development Planning
Mr. D. Mast, Associate Solicitor
Ms. K. Nasswetter, Senior Development Planner
Mr. S. O'Brien, City Clerk
Ms. D. Tremblay, Council and Committee Coordinator

Call to Order (6:05 p.m.)

Mayor Guthrie called the meeting to order.

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

**IDE -2018-45 Decision Report – 75 Dublin Street North Proposed Official
Plan Amendment (File: OP1706) Ward 3**

Mr. Todd Salter, General Manager, Planning Urban Design Building Services, provided a summary staff's recommendation and the contents of the Staff Report.

Delegations:

Astrid Clos, Planning Consultants, agent for the applicant, provided a summary of the proposal, including the Applicant's Official Plan Amendment requests relating to Guelph's Affordable Housing Strategy and information regarding the shadow studies.

Jim Fryett, architect for the applicant, provided a summary of the shadow analysis study and impacts of the height of the proposal.

Tom Lammer, the applicant, advised that the proposed land swap was no longer an option and provided a summary of the application in relation to affordable housing.

Scott Snider, solicitor for the applicant, summarized the requirements of the official plan amendment for a 5 storey structure in order to support the affordable housing requirements.

Catherine Killen, a resident, expressed concerns regarding the application and was in support of the property being developed as greenspace.

Kaija Horgan-Liinamaa, a student at Central Public School, expressed concern regarding safety of the students and lack of greenspace.

Mervyn Horgan, a member of the Central School community, expressed concerns including the use of term of affordable housing in relation to the application and the location of the project in relation to the school.

Telsche Peters and Rowen Conrad, Central School students, expressed concerns regarding the height of the proposal and shadows and supported the use of the location as greenspace.

Sarah Thomson, a Central School student, advised that she was in support of use of the property as a park.

Rev. Anne Gajerski-Cauley, advised that she was in support of the staff recommendation and supported the City purchasing of the property for use as a park and greenspace.

Kathryn Folkl advised that she was in support of the staff recommendation and supported the use of the property as parkland.

Councillor Van Hellemond arrived at 7:13 p.m.

Leo Barei expressed concerns regarding the current proposal, tax dollars defending an application at the Ontario Municipal Board, location of the proposal for affordable housing for seniors and was in support of a land swap negotiation and the property being used for a park.

Pia Muchaal spoke on behalf of Glynis Logue who supported the use of the property as parkland.

Jane Londerville expressed support of the application and senior affordable housing in the area.

Alan Heisey, solicitor for the Upper Grand District School Board, expressed support of the staff recommendation.

Werner Zimmermann, an area resident and senior, expressed concerns on the location of the proposal and impacts on the view of and school children.

Susan Ratcliffe expressed concerns regarding cultural heritage landscape of the area.

Council recessed at 7:53 p.m. and reconvened at 8:05 p.m.

Melissa Dean expressed concerns regarding references to affordable housing for seniors on fixed incomes.

Eric Lyon expressed concerns regarding the Official Plan Amendment.

Lin Grist expressed support of the staff recommendation.

Roger Johnson, an area resident, expressed support of the staff recommendation and preservation of the view of Catholic Hill.

Mary Tivy expressed concerns regarding the preservation of the view of Catholic Hill and preservation of the historical landscapes of the area.

Paul Gascho expressed concerns regarding lack of affordable housing available to individuals with limited incomes in the downtown area, construction noise and the impact on school children.

Marina Gascho, an area resident, expressed concerns regarding traffic volumes and future impacts of the project and supported the use of the property as parkland.

The following delegations were not present.

Glynis Logue

Donna Jennison

IDE -2018-45 Decision Report – 75 Dublin Street North Proposed Official Plan Amendment (File: OP1706) Ward 3

1. Moved by Councillor Hofland
 Seconded by Councillor Allt

That the application by Astrid J. Clos Planning Consultants on behalf of Rykur Holdings, the owner of the of the property municipally known as 75 Dublin Street North, and legally described as All of Lot 1051, Part of Lot 1052, Registered Plan 8, City of Guelph, for approval of an Official Plan Amendment application to permit a maximum height of five (5) storeys where four (4) storeys is permitted on the subject lands, be refused; Council's reasons for refusal are set out in ATT-2 of Report IDE 2018-45 "Decision Report 75 Dublin Street North Proposed Official Plan Amendment (File: OP1706) Ward 3, dated Wednesday, April 18, 2018.

Authority to Resolve into a Closed Meeting of Council

2. Moved by Councillor Wettstein
 Seconded by Councillor Piper

That Council of the City of Guelph now hold a meeting that is closed to the public, pursuant to Section 239.2 (c) (e) and (f) a proposed or pending acquisition or disposal of land by the municipality or local board, litigation or potential litigation, including matters before administrative tribunals, affecting

the municipality or local board and advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gordon, Gibson, Hofland, MacKinnon, Piper, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

Closed Meeting (8:49 pm)

The following matter was considered:

IDE -2018-45 Decision Report – 75 Dublin Street North Proposed Official Plan Amendment (File: OP1706) Ward 3

Rise from Closed meeting (9:27 pm)

Open Meeting (9:29 p.m.)

Mayor Guthrie called the meeting to order.

Closed Summary

Mayor Guthrie spoke regarding the matter addressed in closed and identified the following:

IDE -2018-16 Decision Report – 75 Dublin Street North Proposed Official Plan Amendment (File: OP1706) Ward 3
Information was received and no direction given.

Council resumed discussion regarding Decision Report – 75 Dublin Street North Proposed Official Plan Amendment (File: OP1706) Ward 3

3. Moved by Councillor Hofland
Seconded by Councillor Allt

That the application by Astrid J. Clos Planning Consultants on behalf of Rykur Holdings, the owner of the of the property municipally known as 75 Dublin Street North, and legally described as All of Lot 1051, Part of Lot 1052, Registered Plan 8, City of Guelph, for approval of an Official Plan Amendment application to permit a maximum height of five (5) storeys where four (4) storeys is permitted on the subject lands, be refused; Council's reasons for refusal are set out in ATT-2 of Report IDE 2018-45 "Decision Report 75 Dublin Street North Proposed Official Plan Amendment (File: OP1706) Ward 3, dated Wednesday, April 18, 2018.

Voting in Favour: Councillors Allt, Downer, Gordon, Hofland, MacKinnon, Piper, and Van Hellemond (7)

Voting Against: Mayor Guthrie, Councillor Bell, Billings, Gibson and Wettstein (5)

Carried

Adjournment (9:47 p.m.)

4. Moved by Councillor Bell
Seconded by Councillor Gordon

That the meeting be adjourned.

Carried

Minutes to be confirmed on Monday, May 28, 2018.

Mayor Guthrie

Stephen O'Brien, City Clerk



**Minutes of Guelph City Council
Held in the Council Chambers, Guelph City Hall on
Monday, April 23, 2018 at 6:03 p.m.**

Attendance

Council:	Mayor C. Guthrie Councillor P. Allt Councillor B. Bell Councillor C. Downer	Councillor J. Hofland Councillor M. Salisbury Councillor A. Van Hellemond Councillor K. Wettstein
Absent:	Councillor C. Billings Councillor D. Gibson Councillor J. Gordon	Councillor M. MacKinnon Councillor L. Piper
Staff:	Mr. S. O'Brien, City Clerk Ms. D. Black, Council Committee Coordinator	

Call to Order (6:00 p.m.)

Mayor Guthrie called the meeting to order.

Authority to Resolve into a Closed Meeting of Council

1. Moved by Councillor Hofland
Seconded by Councillor Allt

That the Council of the City of Guelph now hold a meeting that is closed to the public, pursuant to Section 239 (2) (b) of the Municipal Act with respect to personal matters about identifiable individuals.

Carried

Closed Meeting (6:03 p.m.)

The following matters were considered:

**Confirmation of Minutes for the Closed Council Meeting held
March 26, 2018**

**2018 Public Appointments to the Council Remuneration
Advisory Committee**

**April 2018 Public Appointments to the River Systems and
Tourism Advisory Committees**

Rise and recess from Closed Meeting (6:44 p.m.)

Council recessed.

Attendance

Council:	Mayor C. Guthrie	Councillor J. Hofland
	Councillor P. Allt	Councillor M. MacKinnon
	Councillor B. Bell	Councillor L. Piper
	Councillor C. Downer	Councillor M. Salisbury
	Councillor D. Gibson	Councillor A. Van Hellemond
	Councillor J. Gordon	Councillor K. Wettstein

Absent: Councillor C. Billings

Staff: Mr. D. Thomson, Chief Administrative Officer
Ms. C. Clack, Deputy DCAO, Public Services
Mr. T. Lee, Deputy CAO, Corporate Services
Ms. K. Dedman, Acting Deputy CAO, Infrastructure, Development and Enterprise Services
Mr. S. O'Brien, City Clerk
Ms. D. Black, Council Committee Coordinator

Open Meeting (6:46 p.m.)

Mayor Guthrie called the meeting to order.

Closed Meeting Summary

Mayor Guthrie spoke regarding the matters addressed in closed and identified the following:

Minutes – Council Closed Session – March 26, 2018

These minutes were adopted by Council.

C-2018.41 2018 Public Appointments to the Council Remuneration Advisory Committee

2. Moved by Councillor Gibson
Seconded by Councillor Wettstein

That Alan Jarvis, Amy Kendall, Linda Liddle and Ian Smith be appointed to the Council Remuneration Advisory Committee for a term of the mandate of the Committee.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

C-2018.43 April 2018 Public Appointments to the River Systems and Tourism Advisory Committees

3. Moved by Councillor Piper
Seconded by Councillor Downer

1. That Jordan Vander Klok, Dustin Lyttle and Patrick Padovan be appointed to the River Systems Advisory Committee for a term ending November, 2018, or until such time as a successor is appointed.
2. That Court Desautels, Erin Mares and Nicole Brown be appointed to the Tourism Advisory Committee for a term ending November, 2018, or until such time as a successor is appointed.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

Confirmation of Minutes

4. Moved by Councillor Bell
Seconded by Councillor Allt

That the minutes of the Council Meetings held March 19, 21, and 26, 2018 and the Committee of the Whole meeting held April 3, 2018 be confirmed as recorded and without being read.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

Committee of the Whole Consent Reports

The following items were extracted:

PS-2018.06	Regulation of Election Signs
CS-2018.12	2019 Budget Schedule and Process Change
	Guelph Wellington Oral Health Action Committee

Balance of Committee of the Whole Consent Items

5. Moved by Councillor Hofland
Seconded by Councillor Bell

That the balance of the April 23, 2018 Committee of the Whole Consent Report as identified below, be adopted:

PS-2018.05 Transit Advisory Committee Terms of Reference

That the terms of reference for Transit Advisory Committee dated September 28, 2017 be approved.

PS-2018.08 Guelph/Eramosa Fire Contract

That staff be directed to proceed with negotiating a new agreement with Guelph/Eramosa for the provision of Fire Services and report back to Council prior to execution of the agreement.

CS-2018.38 Corporate Records Retention By-Law Amendment

That the amended Corporate Records Retention By-law outlined in ATT-2 to report CS-2018-38, dated April 3, 2018, be approved.

CS-2018.11 2018 Property Tax Policy Report

1. That the 2018 City of Guelph Property Tax Policies set out in ATT-1 to the 2018 Property Tax Policy Report number CS-2018-11 dated April 3, 2018, be approved.
2. That the tax policies be incorporated into tax ratio, tax rate, and capping parameter by-laws.
3. That the maximum allowed capping parameters be used for 2018, allowing the City of Guelph to exit the capping program in the shortest timeframe available.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

Items for Discussion

Guelph Wellington Oral Health Action Committee

6. Moved by Councillor Hofland
Second by Councillor Allt

1. That Council strongly endorses the importance of oral health and requests that the Premier of Ontario include oral health as part of the government's primary care transformation initiatives;
2. That Council calls on the Provincial Government to expand public oral health programs with prime consideration for low income adults and seniors ; and
3. That Council forward a copy of this resolution to the Premier of Ontario, the Minister of Health and Long-Term Care, Local Members of Provincial Parliament, and the Association of Municipalities of Ontario.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

PS-2018.09 Taxi By-law Review and Regulation of Vehicles for Hire

The following delegates spoke regarding this item:

Jesse Mendoza, Canadian Cab

Chris Schafer, Uber Canada

7. Moved by Councillor Allt
 Seconded by Councillor Gibson

1. That staff be directed to create a new schedule under the City's Business Licensing Bylaw (2009)-18855 to regulate the licensing of vehicles for hire.
2. That staff be directed to create amendments to the Schedule 16 (Taxi Licensing) of the City's Business Licensing Bylaw (2009)-18855.

First Amendment

8. Moved by Councillor MacKinnon
 Seconded by Councillor Gibson

That all references to specific maximum fares in Appendix "A" of the Taxi By-Law be removed, in favour of rates instead determined by Owners.

Voting in Favour: Mayor Guthrie, Councillors MacKinnon and Van Hellemond (3)

Voting Against: Councillors Allt, Bell, Downer, Gibson, Gordon, Hofland, Piper, Salisbury and Wettstein (9)

Defeated

Main Motion

9. Moved by Councillor Allt
 Seconded by Councillor Gibson

1. That staff be directed to create a new schedule under the City's Business Licensing Bylaw (2009)-18855 to regulate the licensing of vehicles for hire.
2. That staff be directed to create amendments to the Schedule 16 (Taxi Licensing) of the City's Business Licensing Bylaw (2009)-18855.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

PS-2018.06**Regulation of Election Signs**

10. Moved by Councillor Piper
Seconded by Councillor Hofland

That the Election Sign By-law as outlined in ATT-1 to Public Service Report PS-2018-20 "Updates on the Regulation of Election Signs", dated April 23, 2018 be approved.

Amendment

11. Moved by Councillor Piper
Seconded by Councillor Gordon

That a campaign headquarters office shall be exempt from Sections 7, 9 and 13 of the Election Sign By-law (2018)-20273.

Voting in Favour: Mayor Guthrie, Councillors Bell, Downer, Gibson, Gordon, MacKinnon, Salisbury, Van Hellemond and Wettstein (9)

Voting Against: Councillors Allt, Hofland and Wettstein (3)

Carried

Amendment to the Amendment

12. Moved by Councillor Downer
Seconded by Councillor Piper

That the exemption from Sections 7, 9 and 13 of the Election Sign By-law (2018)-20273 be applied to non-residential zones only.

Voting in Favour: Mayor Guthrie, Councillors Allt, Downer, Gibson, Gordon, Hofland, MacKinnon, Salisbury and Van Hellemond (9)

Voting Against: Councillors Bell, Piper and Wettstein (3)

Carried

New Motion

13. Moved by Councillor MacKinnon
Seconded by Councillor Gibson

That Section 9.1 of the Election Sign By-law (2018)-20273 be amended to be "a minimum of one meter".

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

New Motion

14. Moved by Councillor MacKinnon
Seconded by Councillor Piper

That Section 5.1(b) of the Election Sign By-law (2018)-20273 be changed from 0.46m² to 0.47m².

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

New Motion

15. Moved by Councillor MacKinnon
Seconded by Councillor Salisbury

That the Election Sign By-law (2018)-20273 be amended by removing references to all "daylight triangles" while maintaining safety sightlines.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

New Motion

16. Moved by Councillor Salisbury
Seconded by Councillor Bell

That the Election Sign By-law (2018)-20273 be amended by changing "45 days" to "30 days".

Voting in Favour: Councillors Bell and Salisbury (2)

Voting Against: Mayor Guthrie, Councillors Allt, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Van Hellemond and Wettstein (10)

Defeated

New Motion

17. Moved by Councillor Allt
Seconded by Councillor Van Hellemond

That staff consider any updates and/or future recommendations regarding the regulation of election signs be done by a citizen committee.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

Transit Route 3

18. Moved by Councillor Hofland
Seconded by Councillor Allt

That the following be referred to the May 7, 2018 Committee of the Whole meeting:

That Guelph Transit reinstate the previous weekday service on the St. Joseph's #3 bus route at the earliest possible date.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

CS-2018.12 2019 Budget Schedule and Process Change

19. Moved by Councillor Hofland
Seconded by Councillor MacKinnon

1. That the draft 2019 budget schedule and process changes as outlined in report CS-2018-12, titled 2019 Budget Schedule and Process Changes dated April 3, 2018, be approved, as amended.
2. That staff be directed to investigate multi-year budgeting and report back to Council in July 2018 with a recommended policy to support implementing a four-year budgeting process beginning in 2020.
3. That the start times for the following meetings be changed from 2:00 p.m. to 4:00 p.m.:
 - a) Council Deliberations and Approval of Non-tax Supported Operating Budget
 - b) Council Deliberations and Approval of Capital Budget
 - c) Presentation of Tax Supported Operating Budget
 - d) Presentation of Local Boards and Shared Services Budgets

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

By-laws

20. Moved by Councillor Downer
Seconded by Councillor Wettstein

That By-laws Numbered (2018)-20267 to (2018)-20274, inclusive, are hereby passed.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: (0)

Carried

Mayor's Announcements

The Mayor acknowledged the tragic van incident that occurred in Toronto earlier in the day and offered condolences to those involved.

Adjournment (9:12 p.m.)

21. Moved by Councillor Bell
Seconded by Councillor Gibson

That the meeting be adjourned.

Carried

Minutes to be confirmed on Monday, May 28, 2018.

Mayor Guthrie

Stephen O'Brien - City Clerk

**Minutes of Committee of the Whole Meeting
Held in the Council Chambers, Guelph City Hall on
May 7, 2018 at 2:00 p.m.**

Attendance

Council: Mayor Guthrie
Councillor P. Allt
Councillor B. Bell
Councillor C. Billings
Councillor C. Downer
Councillor D. Gibson
Councillor J. Gordon
Councillor J. Hofland
Councillor M. MacKinnon
Councillor L. Piper
Councillor M. Salisbury
Councillor A. Van Hellemond
Councillor K. Wettstein

Staff: Mr. T. Lee, Acting CAO
Ms. C. Clack, Deputy CAO of Public Services
Mr. S. Stewart, Deputy CAO of Infrastructure, Development and Enterprise Services
Ms. K. Dedman, General Manager Engineering Capital Infrastructure Services/City Engineer
Ms. Tara Baker, General Manager Finance/Treasurer
Mr. M. Petricevic, General Manager Facilities Management
Mr. D. Godfrey, General Manager Operations
Mr. A. Chapman, Manager Climate Change Office
Mr. J. Zettle, Program Manager Parking
Mr. S. O'Brien, City Clerk
Ms. D. Tremblay, Council Committee Coordinator

Call to Order (2:02 p.m.)

Mayor Guthrie called the meeting to order.

Disclosure of Pecuniary Interest and General Nature Thereof

Councillor MacKinnon declared a pecuniary interest with respect to IDE-2018.69 Downtown Parking Master Plan Update as he is downtown business owner on Wyndham Street.

Presentations:

GLOBE Series Large Municipal Trailblazer Climate Leadership Award.

Mayor Guthrie presented the Large Municipal Trailblazer Climate Leadership Award from GLOBE series to Alex Chapman and the members of the City's energy, water and climate change working group, Cathy Kennedy, Barb Swartzentruber, Leah Parolin and Kate Sullivan.

Consent Agenda – Infrastructure, Development and Enterprise

Councillor Gibson assumed the Chair

Councillor Gibson presented the Infrastructure, Development and Enterprise Consent Agenda.

1. Moved by Councillor Billings
Seconded by Councillor Downer

That the May 7, 2018 Consent Agenda – Infrastructure, Development and Enterprise as identified below, be adopted:

IDE-2018.58 2017 Building Permit Revenue and Expenditures, Building Stabilization Reserve Fund and Annual Setting of Building Permit Fees

That Council approve the recommended building permit fees, included as Attachment 2, report IDE-2018-58 titled "2017 Building Permit Revenue and Expenditures, Building Stabilization Reserve Fund and Annual Setting of Building Permit Fees" dated May 7, 2018, effective June 1, 2018.

IDE-2018.38 139 Morris Street Brownfield Tax Increment Based Grant Deadline Extension

1. That the request to extend the deadline for project completion for the Brownfield Tax Increment Based Grant applying to 139 Morris Street from October 28, 2018 to April 28, 2021 be approved.
2. That staff be directed to prepare an amendment to the Tax Increment Based Grant Agreement between the City and 139 Morris Street Ltd., to the satisfaction of the General Manager of Planning, Urban Design and Building Services, the City Solicitor and the City Treasurer.
3. That the Mayor and Clerk be authorized to execute the amendment to the Tax Increment Based Grant Agreement.

IDE-2018.62 Sign By-law Variances – 1515 Gordon Street

That the request for variances from Sign By-law Number (1996)-15245, as amended, to permit an illuminated freestanding sign to have a sign area of 4.53m² and a height of 4.65m above the adjacent roadway at 1515 Gordon Street, be approved.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (13)

Voting Against: (0)

Carried

Consent Agenda – Corporate Services

Councillor MacKinnon assumed the Chair.

The following items were extracted:

CS-2018.14 2017 Operating Variance Report and Surplus and Deficit Allocation

Councillor MacKinnon presented the balance of Corporate Services Consent Agenda.

2. Moved by Councillor Van Hellemond
 Seconded by Councillor Gibson

That the balance of the May 7, 2018 Corporate Services Consent Agenda as identified below, be adopted:

CS-2018.15 2017 Year-end Capital Variance

That the 2017 Year-end Capital Variance Report (CS-2018-15), dated May 7, 2018, be received.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (13)

Voting Against: (0)

Carried

Special Resolution

Transit Route 3

Councillor Hofland's motion for which notice was provided April 3, 2018.

Councillor Hofland provided information regarding her Notice of Motion regarding Transit Route 3.

The following individuals spoke on this matter:

Sian Matwey

Melissa and Justin did not appear.

Trevor Price

PS-2018-22 Guelph Transit – Route 3

3. Moved by Councillor Hofland
 Seconded by Councillor Allt

That as of September 3, 2018 staff be directed to revert Route 3 service levels back to the September 2017 schedule and that the operating impact for 2018 be funded from the Tax Rate Operating Contingency Reserve.

Voting in Favour: Councillors Allt, Downer, Gordon, Hofland, Piper, Salisbury and Wettstein (7)

Voting Against: Mayor Guthrie, Councillors Bell, Billings, Gibson, MacKinnon, Van Hellemond (6)

Carried

Items for Discussion – Infrastructure, Development and Enterprise

Councillor Gibson assumed the chair.

IDE-2018.56 Community Energy Initiative Update

Alex Chapman, Manager, Climate Change Office provided a summary of the Community Energy Initiative Plan.

Kirby Calvert and Jonathan Knowles, co-chairs, CEI Task Force provided information regarding the updated net zero target and a summary of the recommended actions to obtain the net zero target.

The following individuals spoke on this item.

Mohammed Shabib on behalf of Mike Goostrey

Evan Ferrari

Abhilash Kantamneni

4. Moved by Mayor Guthrie
 Seconded by Councillor Downer
 1. That Council acknowledge the role of Our Energy Guelph (OEG) as the implementer of the Community Energy Initiative going forward.
 2. That Council approve the City of Guelph's continued association with OEG as a primary stakeholder and partner.
 3. That Council acknowledge the target that OEG has proposed, namely for Guelph to become net zero carbon by 2050.
 4. That Council direct staff to provide a report in Q1 of 2019 with specific corporate targets for GHG emissions and energy consumption taking into consideration the findings from the CEI update for council approval.
 5. That Council direct staff to provide a detailed report recommending specific initiatives that are aligned with the CEI update, complete with business cases to support those initiatives, to be considered as part of the 2019 operating and capital budget process for Council approval.

Amendment

5. Moved by Councillor Billings
 Seconded by Councillor Salisbury

That clause 1 be amended to add "in principle" at the end of the clause.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: Councillor Gordon (1)

Carried

Main Motion as Amended

6. Moved by Mayor Guthrie
Seconded by Councillor Downer

1. That Council acknowledge the role of Our Energy Guelph (OEG) as the implementer of the Community Energy Initiative going forward **in principle**.
2. That Council approve the City of Guelph's continued association with OEG as a primary stakeholder and partner.
3. That Council acknowledge the target that OEG has proposed, namely for Guelph to become net zero carbon by 2050.
4. That Council direct staff to provide a report in Q1 of 2019 with specific corporate targets for GHG emissions and energy consumption taking into consideration the findings from the CEI update for council approval.
5. That Council direct staff to provide a detailed report recommending specific initiatives that are aligned with the CEI update, complete with business cases to support those initiatives, to be considered as part of the 2019 operating and capital budget process for Council approval.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (13)

Voting Against: (0)

Carried

New Motion

7. Moved by Councillor Piper
Seconded by Councillor Downer

That the Corporation of the City of Guelph will strive to achieve one hundred percent of its energy needs through renewable sources by 2050; and

That Staff be directed to report back on the most effective way for the Corporation to work towards achieving this goal, including information on, but not limited to, the impact on capital budget planning, potential resource needs, and a recommended process for the review of new program and policy development initiatives.

First Amendment

8. Moved by Councillor Wettstein
Seconded by Councillor Piper

That staff be directed to report back to **the next term of Council.**

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (13)

Voting Against: (0)

Carried

Second Amendment

9. Moved by Councillor Billings
Seconded by Councillor Bell

That the Corporation of the City of Guelph will strive to achieve 100% of its energy needs throughout renewable sources by 2050, **subject to staff reporting back to the next term of Council.**

Point of Order

Councillor Allt raised a point of order as whether the amendment was a contrary to the previous amendment.

Chair Gibson ruled that the amendment was in order.

Councillor Allt requested that a vote be called on the Chair's ruling.

Vote on Chair's Ruling

That the amendment moved by Councillor Billings is in order.

Voting in Favour: Mayor Guthrie, Councillors Bell, Billings, Downer, Gibson, MacKinnon, Piper, Van Hellemond and Wettstein (9)

Voting Against: Councillors Allt, Gordon, Hofland and Salisbury (4)

Carried

10. Moved by Councillor Billings
Seconded by Councillor Bell

That the Corporation of the City of Guelph will strive to achieve 100% of its energy needs throughout renewable sources by 2050, **subject to staff reporting back to the next term of Council.**

Voting in Favour: Councillors Bell, Billings, Gibson and Van Hellemond (4)

Voting Against: Mayor Guthrie, Councillors Allt, Downer, Gordon, Hofland, MacKinnon, Piper, Salisbury and Wettstein (9)

Defeated

Main Motion as Amended

11. Moved by Councillor Piper
Seconded by Councillor Downer

That the Corporation of the City of Guelph will strive to achieve one hundred percent of its energy needs through renewable sources by 2050; and

That Staff be directed to report back **to the next term of Council** on the most effective way for the Corporation to work towards achieving this goal, including information on, but not limited to, the impact on capital budget planning, potential resource needs, and a recommended process for the review of new program and policy development initiatives.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (13)

Voting Against: (0)

Carried

Mayor Guthrie assumed the Chair.

Council recessed at 7:20 p.m. and recommenced at 7:40 p.m.

Councillor Gibson assumed the chair.

IDE-2018.69 Downtown Parking Master Plan Update

Jamie Zettle, Program Manager Parking provided an update on the progress of the Downtown Parking Master Plan.

Kealy Dedman, General Manager, Engineering Capital Infrastructure Services, City Engineer provided information regarding on street paid parking.

The following delegation spoke to this item:

Marty Williams, Executive Director, Downtown Guelph Business Association

Councillor MacKinnon did not discuss or vote on this matter.

12. Moved by Councillor Hofland
Seconded by Councillor Bell

1. That Council approve the updated 2016-2035 funding model, that includes balanced contributions from user fees, on street paid parking, peripheral parking permits and from the City through property tax contributions.
2. That staff engage with constituents to develop the measures required to support an implementation of peripheral permits, both residential and non-residential in 2019.

3. That a Downtown Parking Committee consisting of representatives from business, community groups, residents and City staff be implemented to discuss and review downtown parking programs.
4. That downtown paid on-street parking be implemented in Fall 2019 to align with the financial model projections.

Amendment

13. Moved by Mayor Guthrie
Seconded by Councillor Billings

That Clause 1 and Clause 4 be combined with the following amendments:

Clause 1 - removing "2016-2035 funding model"

Clause 4 - replacing "implemented in the Fall 2019" with "6 months after the Wilson Street Parkade is opened".

That Clause 2 be amended to add "with the results to be distributed on weekly information items report to Council" at the end of the clause.

Voting in Favour: Mayor Guthrie, Councillors Bell, Billings, Gibson, Piper, Salisbury and Van Hellemond (7)

Voting Against: Councillor Allt, Downer, Gordon, Hofland and Wettstein (5)

Carried

Main Motion as Amended

It was requested that the clauses be voted on separately.

14. Moved by Councillor Hofland
Seconded by Councillor Bell

1. That Council approve the updated funding model, that includes balanced contributions from user fees, on street paid parking, peripheral parking permits and from the City through property tax contributions; **and that downtown paid on-street parking be implemented 6 months after the Wilson Street parkade is opened.**

Voting in Favour: Mayor Guthrie, Councillors Bell, Billings, Gibson, and Wettstein (6)

Voting Against: Councillor Allt, Downer, Gordon, Hofland, Piper, Salisbury and Van Hellemond (6)

Defeated

15. Moved by Councillor Hofland
Seconded by Councillor Bell

2. That staff engage with constituents to develop the measures required to support an implementation of peripheral permits, both residential and non-residential in 2019 and **with the results to be distributed on weekly information items report to Council.**

Amendment to Clause 2

16. Moved by Councillor Downer
Seconded by Councillor Allt

That no further action be taken on clause 2 of IDE-2018.69 Downtown Parking Master Plan Update at this time.

Voting in Favour: Mayor Guthrie, Councillors Allt, Downer, Gordon, Hofland, Piper, and Wettstein (7)

Voting Against: Councillors Bell, Billings, Gibson, Salisbury and Van Hellemond (5)

Carried

17. Moved by Councillor Hofland
Seconded by Councillor Bell

3. That a Downtown Parking Committee consisting of representatives from business, community groups, residents and City staff be implemented to discuss and review downtown parking programs.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Downer, Gordon, Hofland, Piper, Salisbury and Wettstein (9)

Voting Against: Councillors Billings, Gibson and Van Hellemond (3)

Carried

New Motion

18. Moved by Councillor Downer
Seconded by Councillor Allt

That staff be directed to use Alternative C (blended tax and fee support) as the funding model with a review to be conducted in 5 years.

Voting in Favour: Mayor Guthrie, Councillors Allt, Downer, Gibson, Gordon, Hofland, Piper, Salisbury, Van Hellemond and Wettstein (10)

Voting Against: Councillors Bell and Billings (2)

Carried

IDE-2018.68 Asset Management Program Progress and Policy Update

Kealey Dedman, General Manager Engineering Capital Infrastructure Services, City Engineer provided an update of the Asset Management Program.

19. Moved by Councillor MacKinnon
Seconded by Councillor Billings

1. That the report "Asset Management Program Progress and Policy Update," dated May 7, 2018, be received and that staff be directed to proceed with the work plan as outlined.
2. That Council approve the updated 2018 Strategic Asset Management Policy.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (13)
Voting Against: (0)

Carried

Point of Order – Downtown Parking

Mayor Guthrie called a point of order regarding downtown parking and requested Council bring forward a Motion regarding this item at the end of the meeting which would be considered at the May 14, 2018 Council meeting.

Chair Gibson permitted Mayor Guthrie to speak to this item.

20. Moved by Mayor Guthrie
Seconded by Councillor Allt

That staff be directed to implement peripheral on-street parking as soon as possible surrounding the downtown core and that this matter be referred to the May 14, 2018 Council Meeting.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (13)
Voting Against: (0)

Carried

Mayor Guthrie assumed the Chair.

Extension of Meeting Per Procedural By-Law

21. Moved by Councillor Bell
Seconded by Councillor MacKinnon

That Section 4.13 (a) and (b) of the Procedural By-law be invoked to allow Council to continue to 11:59 p.m.

Voting in Favour: Mayor Guthrie, Councillors Bell, Billings, Downer, Gordon, MacKinnon, Piper, Van Hellemond and Wettstein (9)
Voting Against: Councillors Allt, Gordon, Hofland and Salisbury (4)

Carried

Chair Gibson assumed the Chair.

Red Light Cameras

Councillor Downer provided information regarding Red Light Cameras.

22. Moved by Councillor Downer
Seconded by Councillor Piper

That staff, in consultation with Guelph Police Services, be directed to investigate the process to implement Red Light Cameras in the City of Guelph which would include, but not be limited to, capital and operational costs including a public communications plan and a recommendation regarding the use of red light cameras as is applicable to the City of Guelph based upon a review and assessment of intersection collisions and report back to Council in early Q1 2019.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gordon, Hofland, MacKinnon, Piper, Salisbury, Van Hellemond and Wettstein (12)

Voting Against: Councillor Gibson (1)

Carried

New Motion

23. Moved by Councillor Piper
Seconded by Councillor Downer

That staff, in consultation with Guelph Police Services, be directed to investigate the process to implement use of ASE technology which would include, but not be limited to, capital and operational costs including a public communications plan and a recommendation regarding the use of ASE technology in community safety and school zones and report back to Council when the Province has reported to municipalities on implementation.

Voting in Favour: Councillors Allt, Bell, Downer, Piper and Salisbury (5)

Voting Against: Mayor Guthrie, Billings, Gibson, Gordon, Hofland MacKinnon, Van Hellemond and Wettstein (8)

Defeated

Items for Discussion –Corporate Services

Councillor MacKinnon assumed the Chair

CS-2018.16 2017 Reserve and Reserve Fund Statement

Tara Baker, General Manager Finance/Treasurer provided a summary of 2017 items completed during of phase 2 of the Reserve and Reserve Fund Review and Policy update.

The following individual spoke to this item:
Susan Watson.

24. Moved by Councillor Billings
Seconded by Councillor Hofland

1. That the City's General Reserve and Reserve Fund Policy be amended to reflect the following as at December 31, 2017:

- a. The addition of the Paramedic Services Provincial Capital Reserve Fund (360);
 - b. The consolidation of the Police Equipment Reserve Fund (115) into the Police Capital Reserve Fund (158);
 - c. The repurposing of the Police Equipment Reserve Fund (115) to a Police Operating Contingency Reserve; and
 - d. The addition of the Library Operating Contingency Reserve (102).
2. That effective January 1, 2018, the Transportation Demand Management Reserve Fund (350) and the Information Technology Reserve Fund (210) be closed and removed from the General Reserve and Reserve Fund Policy.
 3. That \$813,053 be transferred from Compensation Contingency Reserve (131) to the WSIB Reserve (330) to align these reserves with the targets identified in the General Reserve and Reserve Fund Policy.
 4. That the Waterworks Capital Reserve Fund (152) and the Waterworks Contingency Reserve (181) be renamed Water Capital Reserve Fund (152) and Water Contingency Reserve (181).

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Van Hellemond and Wettstein (12)

Voting Against: Councillor Salisbury (1)

Carried

CS-2018.14 2017 Operating Variance Report and Surplus and Deficit Allocation

25. Moved by Councillor Piper
Seconded by Councillor Gibson

1. That the report titled "2017 Operating Variance Report and Surplus and Deficit Allocation", dated May 7, 2018, be received.
2. That the Tax Supported surplus of \$3,546,195 be allocated to the reserves and reserve funds as follows:

Tax Rate Operating Contingency Reserve (180)	\$1,064,826
City-owned Contaminated Sites Reserve Fund (155)	\$1,000,000
Efficiency, Innovation and Opportunity Fund (351)	\$1,000,000
WSIB Reserve (330)	\$231,369
Police Operating Contingency Reserve (115)	\$150,000
Affordable Housing	\$100,000
Total	\$3,546,195

3. That the Water Services surplus of \$745,149 be allocated to the Water Capital Reserve Fund (152).
4. That the Wastewater Services surplus of \$2,636,206 be allocated to the Wastewater Capital Reserve Fund (153).

5. That the Stormwater Services surplus of \$971,110 be allocated as follows:

Stormwater Contingency Reserve (359)	\$321,900
Stormwater Capital Reserve Fund (165)	\$649,210
Total	\$971,110

6. That the Ontario Building Code (OBC) deficit of \$35,319 be funded from the Building Services OBC Stabilization Reserve Fund (188).
7. That the Court Services deficit of \$51,680 be funded from the Court Contingency Reserve (211).

Voting in Favour: Mayor Guthrie, Councillors Bell, Downer, Gibson, Gordon, Piper and Van Hellemond (7)

Voting Against: Councillors Allt, Billings, Hofland, MacKinnon, Salisbury and Wettstein (6)

Carried

Consent Agenda – Governance

Mayor Guthrie assumed the chair.

The following items were extracted:

CS-2018.47 Accountability and Transparency Policy Update

Items for Discussion – Governance

CS-2018.39 Committee of the Whole One-year Review

Referral

26. Moved by Councillor Gordon
 Seconded by Councillor Bell

That the Committee of the Whole governance structure report CS-2018-39, "Committee of the Whole One-year Review", dated May 7, 2018 be referred to the June 5, 2018 Committee of the Whole.

Voting in Favour: Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, MacKinnon, and Van Hellemond (8)

Voting Against: Mayor Guthrie, Councillor Hofland, Piper, Salisbury and Wettstein (5)
Carried

CS-2018.47**Accountability and Transparency Policy Update**

27. Moved by Councillor Billings
Seconded by Councillor Gibson

That the proposed Accountability and Transparency Policy, included as ATT-1 to the report titled "Accountability and Transparency Policy Update", dated May 7, 2018, be approved.

First Amendment

Councillor Downer assumed the Chair.

28. Moved by Mayor Guthrie
Seconded by Councillor Bell

That the Accountability and Transparency Policy include:

1. Council expenses be disclosed on a monthly basis
2. Council disclose all gifts of a value of \$30.00 or more on a monthly basis
3. All Executive team expenses be disclosed on a monthly basis.

Referral Motion

29. Moved by Councillor Allt
Seconded by Councillor Hofland

That the Accountability and Transparency Policy Report Update Report CS-2018.47 dated May 7, 2018 be referred to the June 5, 2018 Committee of the Whole.

Voting in Favour: Councillors Allt, Downer, Hofland, Gordon, Salisbury and Wettstein (6)

Voting Against: Mayor Guthrie, Bell, Billings, Gibson, MacKinnon, Piper and Van Hellemond (7)

Defeated

Second Amendment

30. Moved by Councillor Piper
Seconded by Councillor Wettstein

That Council expenses be disclosed on a quarterly basis.

Suspend the Procedural By-law

31. Moved by Mayor Guthrie
Seconded by Councillor Bell

That the Procedural By-law be suspended to allow Council to continue beyond 12:00 a.m.

Voting in Favour: Mayor Guthrie, Councillors Bell, Billings, Downer, Gibson, MacKinnon, Piper, and Van Hellemond (8)

Voting Against: Councillors Allt, Hofland, Salisbury, Gordon and Wettstein (5)

Defeated

Mayor Guthrie resumed the Chair.

As per section 4.13(a) Council established a date to consider the balance of the May 7, 2018 Committee of the Whole.

32. Moved to Councillor Salisbury
Seconded by Councillor Allt

That the Accountability and Transparency Policy Report Update Report CS-2018.47 dated May 7, 2018 be considered at the June 5, 2018 Committee of the Whole.

Voting in Favour: Councillors Allt, Downer, Gibson, Gordon, Piper, Salisbury, Wettstein and Van Hellemond (8)

Voting Against: Mayor Guthrie, Councillors Bell, Billings MacKinnon and Van Hellemond (5)

Carried

Adjournment (12:03 p.m.)

33. Moved by Councillor Piper
Seconded by Councillor Bell

That the meeting be adjourned.

Carried

Minutes to be confirmed on May 28, 2018.

Mayor Guthrie

Stephen O'Brien - City Clerk

Staff Report



To **City Council**

Service Area Infrastructure, Development and Enterprise Services

Date Monday, May 28, 2018

Subject **Land Sale Transaction for 200 Hanlon Creek Blvd.
between 785412 Ontario Ltd. (Everest Holdings) and
the Ontario Federation of Agriculture (OFA)**

Report Number IDE-2018-74

Recommendation

1. That the City's Option to Repurchase registered November 28th, 2014 as Instrument No. WC420339 agreed to in the Agreement of Purchase and Sale between the City and 785412 Ontario Ltd. (Everest Holdings) for a property at 200 Hanlon Creek Boulevard, be waived in order to permit the sale of these lands to the Ontario Federation of Agriculture (OFA).
2. That the terms of Option to Repurchase condition in effect against OFA be revised in order to extend the Start Construction deadline to June 2019 and the expiration date to June 2022.

Executive Summary

Purpose of Report

The purpose of this report is to present Council with the following information related to a pending real estate transaction for 200 Hanlon Creek Blvd:

1. Everest Holdings and OFA have entered into a transactional agreement for the property at 200 Hanlon Creek Blvd with terms and conditions subject to the City waiving its option to repurchase.
2. Terms and conditions of the registered Option to Repurchase agreed to in the original Agreement of Purchase and Sale (APS) that are material to the proposed land sale transaction.
3. Financial implications related to both Everest Holdings and the City.
4. Staff's recommendation for the City to waive its Option to Repurchase.

Key Findings

On March 26 2018, staff was made aware of a pending real estate transaction between Everest Holdings and OFA that was scheduled to close on March 29 2018. In order to permit this transaction, the vendor - Everest Holdings - was reminded that the transaction is subject to the City waiving its right to re-acquire the property, as per the Option to Repurchase Agreement registered on title.

As stated in the Registered Notice of Option to Repurchase, the City has two options:

Option 1) Exercise the City's option to repurchase the subject property at 90% of the purchase price paid by Everest Holdings in the 2014

Option 2) Consent to Everest Holdings to sell the subject property to OFA.

With respect to the first option, staff does not support funding the re-acquisition of land that would result in the termination of a real estate transaction between a willing buyer and seller; the result of which would cause financial and business harm to both parties.

With respect to the section option, OFA is an existing Guelph business and have been actively searching for suitable lands on which to develop a new head office. As such, Council consent to the proposed real estate transaction would not only allow for new development to occur within the Hanlon Creek Business Park, it would also support business retention and expansion in the agri-innovation sector, a recommended direction of Prosperity 2020, Guelph's economic development strategic plan.

Given the above, staff recommends that Council waive their option to repurchase and consent to the land sale between Everest holdings and OFA.

Financial Implications

Under Option 1 (as noted above), the City would need to pay \$354,564.00 (90% of the original \$393,960.00 purchase price) in order to reacquire the lands.

Under Option 2 (as noted above), there would be no costs to the City in order to consent to the real estate transaction between Everest Holdings and OFA. Additionally, the City can expect an increase in property tax revenue in the order of \$45,000 - \$68,000 for the 10,000 - 15,000 ft² office development being contemplated by OFA. This forecast is based on Total 2017 Tax Rates and includes both the Education Rate and Total City Tax Rate (City Tax Rate + Infrastructure Rate).

Report

On November 28, 2014, the City and Everest Holdings closed on the sale of the subject property in the Hanlon Creek Business Park for a total purchase price of

\$393,960.00 plus adjustment on closing of \$5,850.00 for City installed water and sanitary lateral connections for the property.

Subsequent to the Date of Purchase, Everest Holdings and the City entered into two separate Extension Agreements on April 7th 2016 and June 1st 2017 in which the Start Construction trigger dates for the Option to Repurchase Agreement were amended to May 31st 2017 and November 28th 2018 respectively. The extensions were granted in order to provide the former owner of Everest Holdings – Subash Chugh – with adequate time to work through development planning matters.

In June 2017 Everest Holdings (the company which has legal ownership of the subject property) was acquired by Fazl Ashkar. Given that the ownership of subject property remained with Everest Holdings, Council consent was not required for the transaction.

Upon acquisition of Everest Holdings, Mr. Ashkar began to market the property to prospective tenants at which point Mr. Ashkar became aware of OFA's interest in acquiring land in which to construct a new head office. As a result of subsequent negotiations, the parties entered into an APS for the subject property.

On March 26 2018, staff was made aware of the aforementioned APS between Everest Holdings and OFA that was scheduled to close on March 29 2018. At that time, the vendor - Everest Holdings - was reminded that the transaction would be subject to the City waiving its right to re-acquire the property, as per Option to Repurchase Agreement registered on title.

As stated in the Registered Notice of Option to Repurchase, the City has two options:

Option 1) Exercise the City's option to repurchase the subject property at 90% of the purchase price paid by Everest Holdings in the 2014

Option 2) Consent to Everest Holdings to sell the subject property to OFA.

With respect to the first option, staff does not support funding the re-acquisition of land that would result in the termination of a real estate transaction between a willing buyer and seller; the result of which would cause financial and business harm to both parties.

With respect to the second option, OFA is an existing Guelph business and have been actively searching for suitable lands on which to develop a new 10,000 – 15,000 ft² head office. As such, Council consent to the proposed real estate transaction would not only allow for new development to occur within the Hanlon Creek Business Park, it would also support business retention and expansion in the agri-innovation sector, a recommended direction of Prosperity 2020, Guelph's economic development strategic plan.

Given the above, staff recommends that Council waive their option to repurchase and consent to the land sale between Everest holdings and OFA. Under this scenario, the Option to Repurchase would remain on title and be in full effect against OFA. Accordingly, staff would recommend that the terms of the Option to Repurchase be revised in order to extend the Start Construction deadline to June 2019 and the expiration date to June 2022.

Financial Implications

Should counsel consent to the transaction between Everest Holdings and OFA, there would be no financial impacts to the City. Additionally, the City can expect an increase in property tax revenue in the order of \$45,000 - \$68,000 for the 10,000 – 15,000 ft² office development being contemplated by OFA. This forecast is based on Total 2017 Tax Rates and includes both the Education Rate and Total City Tax Rate (City Tax Rate + Infrastructure Rate).

Conversely, if the City were to exercise their option to repurchase the land at 90% of the original purchase price, the cost to the City would be \$354,564 (\$393,960 *0.9) plus any additional legal costs related to the transaction.

Consultations

Ontario Federation of Agriculture
Everest Holdings
City of Guelph - Legal Services
City of Guelph - Finance

Corporate Administrative Plan

Overarching Goals

Service Excellence
Financial Stability

Service Area Operational Work Plans

Our Services - Municipal services that make lives better
Our People- Building a great community together
Our Resources - A solid foundation for a growing city

Attachments

ATT-1 Map of Subject Property
ATT-2 Instrument No. WC420339 - Option to Repurchase Agreement

Departmental Approval

Katherine Hughes – Associate Solicitor, Legal, Realty & Risk Management
Tara Baker – General Manager/City Treasurer, Finance

Report Author

Martin Jewitt
Project Manager – Economic Development



Report Author & Approved By

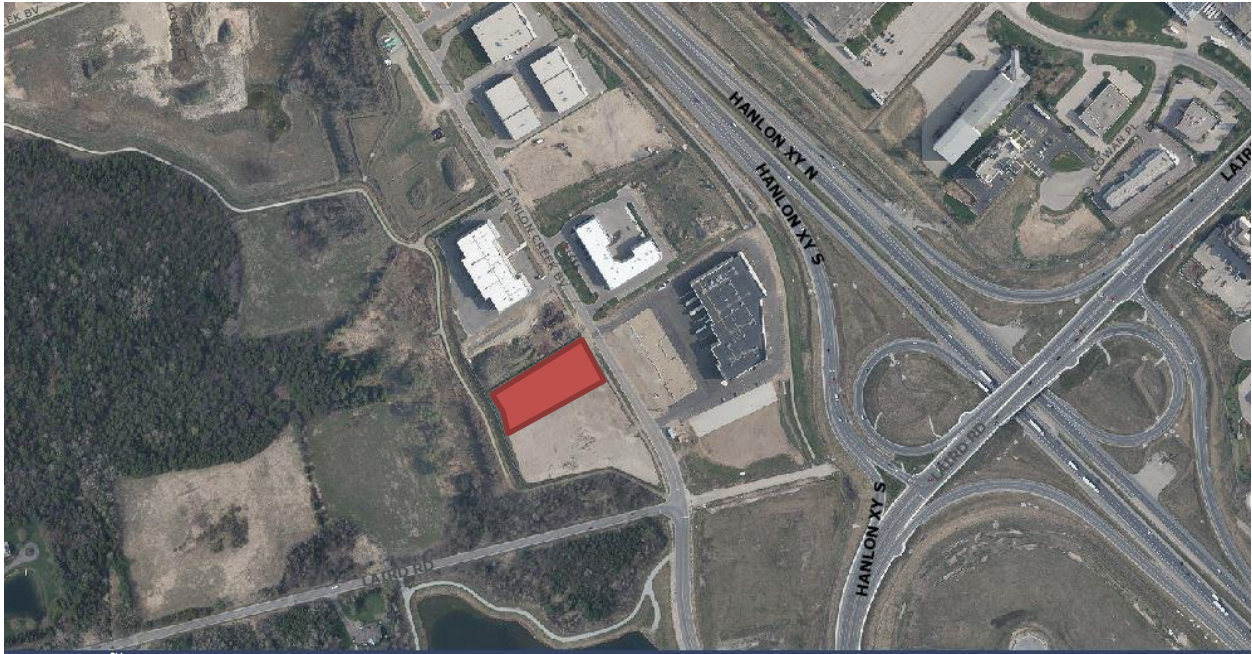
Peter Cartwright
General Manager
Business Development and
Enterprise
519-822-1260, ext. 2820
peter.cartwright@guelph.ca



Recommended By

Scott Stewart, C.E.T
Deputy CAO
Infrastructure Development and Enterprise
519-822-1260, ext. 3445
scott.stewart@guelph.ca

Attachment 1 – Location Map - 200 Hanlon Creek Blvd.



Properties

PIN

71219 – 0492 LT

☒ Affects Part of Prop

Description

PART OF BLOCK 36, PLAN 61M169, DESIGNATED AS PART 1, REFERENCE PLAN
61R20338, CITY OF GUELPH

Address

GUELPH

Consideration

Consideration

\$0.00

Applicant(s)

The notice is based on or affects a valid and existing estate, right, interest or equity in land

Name

THE CORPORATION OF THE CITY OF GUELPH

Address for Service

1 Carden Street
Guelph, ON N1H 3A1

This document is not authorized under Power of Attorney by this party.

This document is being authorized by a municipal corporation DONNA JAQUES– GENERAL MANAGER OF LEGAL & REALTY SERVICES/CITY SOLICITOR.

Statements

This notice is pursuant to Section 71 of the Land Titles Act.

This notice is for an indeterminate period

Schedule: See Schedules

Signed By

Robin Claudette Mayhew

1 Carden St.
Guelph
N1H 3A1

acting for
Applicant(s)

Signed 2014 11 28

Tel

519–837–5637

Fax

519–822–0705

I have the authority to sign and register the document on behalf of the Applicant(s).

Submitted By

THE CITY OF GUELPH

1 Carden St.
Guelph
N1H 3A1

2014 11 28

Tel

519–837–5637

Fax

519–822–0705

Fees/Taxes/Payment

Statutory Registration Fee

\$60.00

Total Paid

\$60.00

OPTION TO REPURCHASE AGREEMENT

Option to Repurchase Agreement made this 19th day of November, 2014.

BETWEEN:

EVEREST HOLDINGS LTD.

(the "Owner")

AND

THE CORPORATION OF THE CITY OF GUELPH,

(the "City")

IN CONSIDERATION OF the mutual covenants and agreements contained herein and the payment of one dollar by each of the undersigned to the other (the receipt of which is by each acknowledged) and other good and valuable consideration, the parties agree each with the other as follows:

1. In this Option to Repurchase Agreement:

- a) "Affiliate" shall have the same meaning as in the *Business Corporations Act*;
- b) "Building" means a permanent office building constructed in accordance with minimum requirements of the City of Guelph Zoning By-law (1995)-14864, as amended from time to time or any successor thereof, including minimum lot coverage requirements, and as set out in any plans approved in writing by the City of Guelph;
- c) "Business Corporations Act" means the *Business Corporations Act*, R.S.O. 1990, c. B. 16, as amended from time to time, or any successor thereof;
- d) "City" means The Corporation of the City of Guelph;
- e) "Date of Purchase" means the date on which the Owner received a transfer/deed of the Lands from the City;
- f) "Lands" means Part of Block 36, Plan 61M-169, City of Guelph, and designated as Part 1 on Reference Plan 61R-20338.;
- g) "Option" means this Option to Repurchase Agreement;
- h) "Option Price" means the amounts the City is required to pay to the Owner in the event of the exercise of this Option;
- i) "Owner's Construction Lender" means any lender or mortgagee making a loan to the Owner for the purposes of financing the Owner's construction of the Building or other development on the Lands;
- j) "Start Construction" means the Owner has obtained a building permit for the Building, and fully completed all footings for the Building.

2. The City was induced to sell the Lands to the Owner based on representations made by the Owner that the Owner:

- a) would within one (1) year (or such additional time as extended by a Owner Force Majeure Event in accordance with section 12) after the Date of Purchase, Start Construction of the Building on the Lands; and

- b) would not sell, transfer or otherwise dispose of all or any part of the Lands prior to achieving Start Construction of the Building without the prior written consent of the City, except to an Affiliate provided such Affiliate executes and delivers to the City an acknowledgement in a form acceptable to the City from such Affiliate that such Affiliate is bound by the provisions of this Option to Repurchase Agreement prior to taking title thereto.
- 3. The Owner hereby grants to the City an option to repurchase the Lands (the "Option"). The City may exercise the Option if:
 - a. the Owner does not achieve Start Construction on the Lands of the Building within one (1) year (or such additional time as extended by a Owner Force Majeure Event in accordance with section 12) after the Date of Purchase; and/or
 - b. prior to achieving Start Construction of the Building, the Owner sells, transfers or otherwise disposes of the Lands or any substantial part thereof (meaning in excess of ten per cent (10%) thereof) to any person without the prior written consent of the City, except to an Affiliate provided such Affiliate executes and delivers to the City an acknowledgement acceptable to the City from the Affiliate or that such Affiliate is bound by the provisions of this Option to Repurchase Agreement prior to taking title thereto. For the purposes of this Agreement, the Owner shall be deemed to have sold, transferred or otherwise disposed of the Lands if any shares of the Owner are transferred and result in any change in the person or persons who control the Owner from that which existed as of the Date of Purchase.
- 4. The City may exercise this Option by providing a minimum of sixty (60) calendar days prior written notice delivered to the Owner, the Owner's Construction Lender and any other person who may appear from the abstract of title for the Lands to have an interest in the Lands:
 - a) within four (4) years after the Date of Purchase in the case of the Owner's failure to Start Construction on the Lands within one (1) year (or such additional time as extended by a Owner Force Majeure Event in accordance with section 12) after the Date of Purchase regardless of whether or not within such four (4) year period the Owner shall achieve Start Construction of the Building unless the Owner has obtained a written extension of the time within which to achieve Start Construction, pursuant to the terms of section 12 hereof;
 - b) in the case of any sale, transfer or other disposition of the Lands or any substantial part thereof (as defined above) by the Owner, except to an Affiliate provided such Affiliate executes and delivers to the City an acknowledgement acceptable to the City from such Affiliate that such Affiliate is bound by the provisions of this Option to Repurchase Agreement prior to taking title thereto, prior to achieving Start Construction of the Building, at any time within sixty (60) calendar days from the date on which the City is notified in writing or otherwise determines that the Owner has sold, transferred or otherwise disposed of all or any substantial part of the Lands. Expropriation of any part or all of the Lands does not trigger this Option.
- 5. If the Owner fulfills its obligations contained in this Option to Repurchase Agreement, the City covenants and agrees to forthwith execute and deliver a full release and discharge of this Option to

Repurchase Agreement, in registrable form to the Owner within thirty (30) calendar days after the Owner:

- a) Achieves Start Construction of the Building in compliance with the time frames required under this Option to Repurchase Agreement; and
- b) Makes a written request of the City for such release and discharge.

6. If the Building has not reached Start Construction and upon receipt of written notice from the Owner's Construction Lender that such lender will be commencing or has commenced default proceedings under any loan agreement, mortgage or charge from the Owner, the City shall have sixty (60) calendar days from the date of the notice to provide notice to the Owner and the Owner's Construction Lender that the City will be exercising the Option to repurchase the Lands. If the City does not provide notice that it will be exercising the Option within the said sixty (60) day period, this Agreement shall be at an end and the City's rights to re-purchase the Lands shall no longer exist.

7. The following provisions apply in the case of the exercise of the Option by the City:

- a) The purchase price to be paid to the Owner by the City to re-acquire the Lands shall be an amount equal to ninety percent (90%) of the Purchase Price paid by the Owner to originally acquire the Lands from the City.
- b) In the case of any sale, transfer or other disposition of only a part of the Lands by the Owner (other than by or on account of expropriation) prior to achieving Start Construction of the Building, the purchase price to be paid to the Owner by the City to acquire such part of the Lands shall be an amount equal to ninety percent (90%) of the purchase price paid by the Owner to originally acquire the Lands from the City prorated based on the percentage that the area of land sold, transferred or disposed of by the Owner is to the total area of the Lands.
- c) The amounts that the City is required to pay to the Owner in the event of an exercise of the Option are referred to as the "Option Price".
- d) The purchase transaction arising out of the City's exercise of this Option shall be completed thirty (30) calendar days following notice from the City of its intention to exercise the Option (the "Closing Date").
- e) The City shall have the right, subsequent to delivery of notice exercising the Option to enter onto the Lands, by itself or by its agents or contractors, to conduct such environmental assessment of the Lands as the City may, at its cost, determine necessary or prudent and, if dissatisfied with the results of such assessment, the City shall have the right to not proceed with the repurchase of the Lands.
- f) The Owner shall indemnify and save harmless the City from any and all claims of every nature and kind which may be made against the City whether for damages or otherwise as a result of the Lands or the groundwater of the Lands containing as at the Closing Date any contaminant or pollutant within the meaning of the *Environmental Protection Act* (Ontario), or any other substances which may be considered hazardous or dangerous to the health of persons or to the environment under any other legislation of the Province of Ontario or Canada applicable therein which were not present in the lands or the groundwater of the

lands at the Date of Purchase. Without limiting the obligation of the Owner aforesaid, such obligation to indemnify shall exist with respect to claims against the City for damages to persons or property or for the costs of complying with any orders for clean-up of the Lands which may be issued under any legislation or by any Court of competent jurisdiction in respect of any contamination existing at the Closing Date that did not exist as of the Date of Purchase. This obligation of the Owner to indemnify the City shall survive the Closing Date.

- g) The Owner shall ensure that the title to the Lands are at the time of closing free of all other mortgages or provide the Owner's solicitor's unconditional undertaking to clear the title of all such other mortgages in accordance with the dictates prescribed by the Law Society of Upper Canada with respect to the discharge of mortgages on conveyances of land.
- h) The Owner shall ensure the title to the Lands are at the time of Closing free of all liens and encumbrances other than those existing against the Lands at the time of the registration of the deed in favour of the Owner from the City; provided that the City shall pay the Option Price:
 - i. firstly, on account of any unpaid property taxes, interest and penalties for the Lands;
 - ii. secondly, to the Owner's Construction Lender to the extent of all indebtedness, interest and costs owed to it provided this does not require the City to pay anything over and above the Option Price;
 - iii. thirdly, to all persons, other than the Owner, having an interest in the Lands according to their priority at law; and
 - iv. fourthly, to the Owner.
- i) The Transfer/Deed of Land shall except, for the Land Transfer Tax Affidavit, be prepared in registrable form by and at the expense of the Owner.
- j) if the City tenders the Option Price on the Closing Date and the Owner fails or refuses for any reason to deliver to the City a transfer/deed to the Lands in registerable form the Owner hereby consents to a Court order vesting title to the Lands in the City or a Court order requiring the conveyance of the Lands to the City upon payment of the monies called for herein.

8. It is the intention of the parties that the Option and rights to re-purchase in favour of the City shall create an interest in the Lands and, despite any decision by the City to not exercise its right at a particular time, shall continue and be binding on all subsequent owners of the Lands until the rights expire at the prescribed time.

9. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective personal representatives, successors and assigns, and shall run with the Lands.

10. This Agreement is subject to and conditional upon compliance with the subdivision control provisions of the Planning Act.

11. Time shall be of the essence with respect to all aspects of this Option to Repurchase Agreement.

12. Whenever and to the extent that the Owner is unable to fulfil, or shall be delayed, hindered, adversely affected or restricted in fulfilling achievement of Start Construction by the outside date set out in section 1.a above, or completion of any other obligations set out in this Option to Repurchase Agreement by any reason beyond and outside the reasonable control of the Owner, including, without limitation:
- (a) the actions or omissions of a third party or parties (including for example, protest activities);
 - (b) unavailability of labour or materials;
 - (c) matters arising under the Endangered Species Act or any other provincial or federal legislation;
 - (d) any act or neglect of the City or any of its employees;
 - (e) by strikes or walkouts or lockouts;
 - (f) fire or other peril;
 - (g) unusual delay by common carriers;
 - (h) civil commotion or insurrection;
 - (i) Act of God; or
 - (j) or by any other cause beyond the Owner's reasonable control
- (each a "Owner Force Majeure Event"), then the Owner shall have an automatic right of extension to complete such obligations for the length of time that any such Owner Force Majeure Event subsists.
13. If, notwithstanding delays due to Owner Force Majeure Events, the Owner is not able to achieve Start Construction of the Building by the outside date set out in section 2.a above as extended by Owner Force Majeure Events (if any), the City covenants and agrees to fairly and reasonably consider any request to grant further reasonable extensions that the Owner requests. The City may in its absolute discretion grant or refuse to grant any such request for extension of time to Start Construction on such terms and conditions as may be reasonably required by the City (if granted). In any event, if any further extension of time is granted, other than for a circumstance of Owner Force Majeure Events, the City has the right to require the Owner to pay to the City by way of liquidated damages a payment, which it is agreed is not a penalty, in an amount equal to the amount of municipal taxes and business taxes which the Owner would have been required to pay had the Building been constructed as required.
14. Any notice required or contemplated by any provision of this Agreement which either party may desire to give to the other shall be in writing and sufficiently given if given by:
- a) personal delivery which is effective when given; and/or,
 - b) delivery by prepaid courier to the address for the party listed below during regular business hours in which case such notice is effective when delivered; and/or,
 - c) facsimile transmission to the number of the party set out below or as changed by written notice to the other party. No notice given by facsimile transmission is effective unless the person sending the notice by facsimile transmission follows up immediately following such transmission by telephone with the office of the person to whom such notice has been sent and advises someone at the recipient's office by telephone that such notice has been sent by

facsimile transmission. Notice by facsimile transmission shall be deemed to have been validly and effectively given and received on the date and at the time of transmission, unless the transmission is given after 5:00 p.m., or unless the transmission is not received and the person contacted by telephone by the sender of the notice so advises the said sender either when initially contacted or as soon thereafter as telephone contact can be made with the sender or unless the transmission is sent on a day which is not a business day, in which case the transmission shall be deemed to have been received on the first business day following transmission; and/or,

- d) by postage prepaid, registered mail addressed to the party to whom the said notice is to be given at the address of the party set out below or as changed by written notice to the other party. Notice by mailing shall be deemed to have been validly and effectively given and received three (3) days (excluding Saturday, Sundays and holidays) following such posting (provided there is no postal strike or other postal service disruption), as the case may be. In the event that the postal services are interrupted due to strike, lockout or similar event, then during the interruption the mailing of any such notice shall not be an effective means of sending such notice; and/or,
- e) by email to the email address set out below or as changed or provided by written notice to the other party, save that no notice can be effectively given by email under this Agreement unless the party to whom the same is sent acknowledges receipt by return email or otherwise provides confirmation of receipt, which confirmation can include oral confirmation by telephone. In the event of a notice being delivered by email it shall be deemed to have been given and received at the earlier of the time of transmission of an email confirmation or receipt or at the time that oral confirmation of the receipt of the original e-mail transmission (if any) is given.

City's information for service of notice

Name: City of Guelph, Economic Development Services
Attention: Peter Cartwright, General Manager, Economic Development Services
Address: City Hall, 1 Carden Street, Guelph, Ontario N1H 3A1
Phone: (519)822-1260 x 2820
Fax: (519)837-5636
Email: peter.cartwright@guelph.ca

Name: City of Guelph, Legal Services
Attention: Donna Jaques, City Solicitor
Address: City Hall, 1 Carden Street, Guelph, Ontario N1H 3A1
Phone: (519) 822-1260 Ext. 2288
Fax: (519) 822-0705
Email: donna.jaques@guelph.ca

With a copy to the City Clerk of the City Of Guelph

Owner's information for service of notice

Owner: Subhash Chugh

Address: 201 Maltby Road West, Guelph, ON N1L 1G3

Email: chugh@golden.net

Phone: 519-823-8285

Fax: 519-823-8371

Owner's Solicitor

Owner's Solicitor: Hayes Murphy, McElderry & Morris

Address: 84 Woolwich Street, Guelph, ON N1H 6M6

Email: hmurphy@mcelderrymorris.com

Phone: 519-822-8150

Fax: 519-822-1921

Any notice given to the City must at the same time be given to the City's lawyer in order for such notice to be effective. Any notice given to the Owner must at the same time be given to the Owner's lawyer in order for such notice to be effective.

[signature page follows]

IN WITNESS WHEREOF the parties hereto have entered into this agreement as at the date first set out above.

SIGNED, SEALED AND DELIVERED

EVEREST HOLDINGS LTD.



Name:

Title:

SUBHASH CHUGH

Name:

Title:

President,

I/We have authority to bind the Corporation

THE CORPORATION OF THE CITY OF GUELPH

 19 Nov 14

Name: Donna Jaques

Title: General Manager of Legal & Realty
Services/City Solicitor

Staff Report



To	City Council
Service Area	Corporate Services
Date	Monday, May 28, 2018
Subject	Delegation of Authority for the Period of Restricted Acts after Nomination Day for the 2018 Municipal Election
Report Number	CS-2018-49

Recommendation

That a by-law be enacted to delegate authority to the Chief Administrative Officer in the event of a Restricted Acts Period, or Lame Duck Council, in accordance with ATT-1 to Report CS-2018-49, dated June 5, 2018.

Executive Summary

Purpose of Report

The purpose of this report is to seek Council's approval for the delegation of authority to the Chief Administrative Officer (the CAO) for two restricted actions in the event of a Restricted Acts, or Lame Duck Period.

The delegation of authority is important to the Corporation for the purposes of efficient management, business continuity and the ability to respond to issues in a timely fashion.

Key Findings

In the 2018 Municipal Election there is the potential for a longer Restricted Acts Period than in the past. As a result, the importance of preparing a by-law delegating certain powers to staff, pursuant to Section 275 of the Municipal Act, 2001 (the Act), is increased.

A draft by-law is attached to Report CS-2018-49 for consideration. The by-law delegates certain authorities to the CAO to ensure that the business of the City can continue in the event that Council finds itself in a position where the restricted acts under the Act are in effect. The by-law includes provisions requiring the CAO to report back publicly to Council if any of the delegated authority is used.

Financial Implications

The delegation of authority itself has no effect on finances. Financial actions taken in accordance with delegated authority would be reviewed by the City Treasurer.

Report

Background

On April 4, 2016, the Ontario Minister of Municipal Affairs and Housing introduced Bill 181, the Municipal Elections Modernization Act (MEMA). The MEMA received Royal Assent on June 9, 2016. Bill 181 and the changes that the MEMA contains represent the most significant updates to the Municipal Elections Act, 1996 and the conduct of Municipal Elections in Ontario within the last 20 years.

A specific change to the Municipal Elections Act, 1996 through Bill 181 was the reduction in the length of the nomination period. Previously the nomination period was January 2nd to September 12th. Bill 181 changed that to May 1st to July 27th. This amendment means that, as the nomination period ends earlier than in the past, Council may be in a Restricted Acts position longer than in previous elections.

Restricted Acts Periods

Under Section 275 of the Act, Council can be restricted from performing certain actions in one or both of two separate time periods:

1. The period from Nomination Day to Election Day (July 27th to October 22nd); and
2. From Election Day to the end of the term (October 22nd to November 30th).

This period is technically referred to as the Restricted Acts after Nomination Day period, but is also known colloquially as a Lame Duck Period.

Determination

During these periods, Council is restricted in some of the actions it may take if the new Council will, with certainty, include less than 75% of the members of the outgoing Council.

In the City of Guelph context, the determination of whether Council is in a Restricted Acts position would be triggered as follows:

1. From Nomination Day to Election Day (July 27th to October 22nd) if Council will, with certainty, include less than 75% of the members of the outgoing Council.

75% of Council = 9.75 members

Therefore, there must be 10 or more members seeking re-election for Council to continue operating without restrictions.

Council will be restricted as of Nomination Day if there are four members not seeking re-election.

and/or

2. From Election Day to the end of the term (October 22nd to November 30th) if Council will, with certainty, include less than 75% of the members of the outgoing Council.

75% of Council = 9.75 members

Therefore, there must be 10 or more members of the outgoing Council elected.

Council will be restricted as of Election Day if there are four or more new members on Council.

Restrictions

Subsection 275(3) of the Act states that, in either of the above situations, the Council of a municipality shall not take any of the following actions:

- a) The appointment or removal from office of any officer of the municipality;
- b) The hiring or dismissal of any employee of the municipality;
- c) The disposition of any real or personal property of the municipality which has a value exceeding \$50,000 at the time of disposal; and
- d) Making any unbudgeted expenditures or incurring any other liability which exceeds \$50,000.

These provisions do not apply in the case of an emergency (as defined pursuant to the Emergency Management and Civil Protection Act).

Clause (a) cannot be delegated pursuant to subsection 23.3(1) of the Act, and clause (b) is not applicable to Council as the power to hire and dismiss employees has been delegated to the CAO.

Clauses (c) and (d) do not apply if the disposition or liability was approved by Council in the annual budget before Nomination Day.

Delegation of Powers

Section 23.1 of the Act authorizes a municipality to delegate its powers and duties to the officers and employees of the municipality.

In order to prevent any disruption to ongoing City operations, and to mitigate any possible impacts that may arise as a result of a Restricted Acts circumstance, it is recommended that Council delegate authority to the CAO to address the following matters:

- a) dispose of any real or personal property of the municipality which has a value exceeding \$50,000 at the time of disposition, except in those cases where the disposition was included in the most recent budget adopted by Council before Nomination Day in the election; and
- b) making any unbudgeted expenditures or incurring any other liability that exceeds \$50,000, except in those cases where the liability was included in the most recent budget adopted by Council before Nomination Day in the election.

In addition, it is recommended that the CAO be required to:

- Advise Council, in writing, prior to exercising the authority delegated; and
- Provide a written report to Council in the first quarter of 2019 regarding any exercise of the authority delegated under the by-law.

The authority delegated pursuant to the by-law would only take effect when Council is deemed to be in a Restricted Acts Period in accordance with the Act, and will expire when the Restricted Acts Period is no longer applicable, or when the Council-elect takes office.

Conclusion

The Act provides Council with the ability to delegate authority for restricted acts so as to ensure business continuity and effective management of the municipal corporation relating to clauses 275(3)(c) and (d) of the Act.

The delegation of authority would only come into effect during a Restricted Acts Period and would end when the Council-elect takes office on December 3, 2018.

Council has the potential to be put into a Restricted Acts position as of Nomination Day (July 27th) or Election Day (October 22nd).

The CAO would advise Council, in writing, prior to exercising the authority delegated and provide a written report to Council in the first quarter of 2019 regarding any exercise of the authority delegated under the by-law.

The restrictions would not apply in times of emergency (as defined pursuant to the Emergency Management and Civil Protection Act).

Financial Implications

The delegation of authority itself has no effect on finances. Financial actions taken in accordance with delegated authority would be reviewed by the City Treasurer.

Consultations

Staff have consulted with Legal, Realty and Risk Services and Finance Services regarding the possibility of a Lame Duck Council during the Election Period and the need for authority to be delegated to the CAO to ensure operational continuity.

Corporate Administrative Plan

Overarching Goals

Service Excellence

Financial Stability

Service Area Operational Work Plans

Our Services - Municipal services that make lives better

Our Resources - A solid foundation for a growing city

Attachments

ATT-1 Draft Delegation of Authority to the Chief Administrative Officer for
Restricted Acts during the Lame Duck period

Departmental Approval

Christopher Cooper, General Manager of Legal, Realty and Risk / City Solicitor
Tara Baker, GM Finance and City Treasurer

Report Author

Donna Tremblay, Council and Committee Coordinator



Approved By

Stephen O'Brien

City Clerk

Corporate Services

(519)-822-1260 ext. 5644

stephen.obrien@guelph.ca



Recommended By

Trevor Lee

Deputy, CAO

Corporate Services

519-822-1260 ext. 2281

trevor.lee@guelph.ca

THE CORPORATION OF THE CITY OF GUELPH

By-law Number (2018) –
Being a By-law to Delegate Authority
to the Chief Administrative Officer for
Restricted Acts during the Lamé Duck
Period

WHEREAS section 275 of the Municipal Act, 2001, S.O. 2001, c. 25, as amended (the 'Act'), restricts certain actions the Council of a local municipality can take after Nomination Day for the election of the new Council;

AND WHEREAS subsection 275(6) of the Act provides that nothing in section 275 prevents any person or body exercising any authority of a municipality that is delegated to the person or body prior to Nomination Day for the election of the new Council;

AND WHEREAS, pursuant to section 23.1 of the Act, a municipality is authorized to delegate its powers and duties under the Act or any other Act to a person or body, subject to the restrictions set out in Part II of the Act;

AND WHEREAS to ensure the efficient and effective management of The Corporation of the City of Guelph (the 'City') during a possible Lamé Duck period, it is prudent that Council delegates certain authority to the Chief Administrative Officer for that period of time;

AND WHEREAS the delegation of authority during a Lamé Duck period is consistent with the overarching operational oversight exercised by the Office of the Chief Administrative Officer;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF GUELPH ENACTS AS FOLLOWS:

1. The Chief Administrative Officer is hereby delegated authority, for the period following Nomination Day in the year of the election during which a Lamé Duck Council is in effect, in order to address the following matters:
 - (a) the disposition of any real or personal property of the City that has a value exceeding \$50,000 at the time of disposition, except in those cases where the disposition was included in the most recent budget adopted by Council before Nomination Day in the election; and
 - (b) making any unbudgeted expenditures or incurring any other liability that exceeds \$50,000, except in those cases where the liability was

included in the most recent budget adopted by Council before
Nomination Day in the election.

2. The Chief Administrative Officer shall advise Council in writing prior to exercising the authority delegated pursuant to this By-law.
3. The Chief Administrative Officer shall report to Council in the first quarter of the new term of Council regarding any exercise of the authority delegated pursuant to this By-law.
4. The authority delegated pursuant to this By-law will only take effect when Council is deemed to be Lame Duck in accordance with the Act, and shall expire when Lame Duck is no longer applicable, or when the Council-elect takes office.
5. This By-law comes into force and takes effect immediately upon passage.

PASSED this [.] day of [.] , 2018.

CAM GUTHRIE - MAYOR

STEPHEN O'BRIEN – CITY CLERK

Staff Report



To	City Council
Service Area	Corporate Services
Date	Monday, May 28, 2018
Subject	2018-2022 Municipal Election Compliance Audit Committee
Report Number	CS-2018-50

Recommendation

1. That a joint Municipal Election Compliance Audit Committee be established for the 2018-2022 term of Council in accordance with the draft Terms of Reference in ATT-1 to report CR-2018-50, 2018-2022 Municipal Election Compliance Audit Committee.
2. That the Clerk be delegated authority to select and appoint Committee Members and that Council be advised of the appointments by way of an Information Report once members have been selected.
3. That the Clerk be delegated authority to revise the Terms of Reference throughout the term of the Committee in accordance with other participating municipalities.

Executive Summary

Purpose of Report

To provide Council with information regarding the creation of a joint Municipal Election Compliance Audit Committee with the Region of Waterloo participating members and draft Terms of Reference with respect to the Committee.

Key Findings

The Municipal Elections Act (MEA) requires that all municipalities appoint a Municipal Election Compliance Audit Committee (MECAC) before October 1 of every election year.

As each municipality and local board is required to appoint a MECAC, the potential to create a shared committee service amongst the City of Guelph and Region of Waterloo (incorporating all municipalities), was recognized.

Taking into consideration the competition for qualified applicants, as well as the potential for conflicts for those applicants with accounting/auditing backgrounds who may be supporting campaign finance reporting of candidates, a joint MECAC offers the greatest potential to reach the broadest spectrum of interested and qualified applicants across the participating municipalities, in a cost effective manner.

City Clerk's Office staff have met with the Area Clerks within the Region of Waterloo and it was agreed that a joint MECAC could be formed for the 2018-2022 term and that the City of Guelph could be included as a participating municipality.

Staff recommends that the Region of Waterloo, Cities of Cambridge, Guelph, Kitchener, Waterloo, Townships of North Dumfries, Wellesley, Wilmot and Woolwich (participating municipalities), recruit and appoint a joint MECAC for the upcoming term of December 2018 to November 2022.

Financial Implications

Administrative costs associated with the joint Municipal Election Compliance Audit Committee and/or an auditor will be the responsibility of the municipality requiring the services of the Committee or auditor. The City's obligation will be funded from the Election Reserve Budget.

Report

Background

Legislation

The Municipal Elections Act, 1996, as amended, (the MEA) requires that every municipality appoint a compliance audit committee prior to October 1 of an election year.

The Committee has the full authority provided by Sections 88.33 to 88.37 of the MEA to address applications requesting an audit of a candidate's or third party advertiser's election campaign finances and to consider reports from the City Clerk citing apparent instances of over-contribution to municipal campaigns. As per the MEA, this authority includes but is not limited to the following:

- review applications for a compliance audit and grant or reject audit requests within 30 days of receipt;
- where an audit is granted, appoint an auditor and review the audit report;
- following the audit, decide whether legal proceedings shall be commenced; and
- within 30 days after receiving report(s) from the City Clerk under Sections 88.34 and 88.36 (dealing with apparent campaign contributions in excess of permitted limits), the compliance audit committee shall meet to consider the

report(s) and decide whether to commence a legal proceeding against a contributor for an apparent contravention, if applicable.

Changes to the MEA are detailed in Sections 88.33 to 88.37 of the MEA and address matters such as,

- The increased responsibility for the compliance audit committee to consider applications requesting a compliance audit pertaining to registered third party advertising contraventions;
- Timing for meeting notice;
- Permitting deliberations to be conducted in private;
- Requiring the committee to provide written reasons for granting or rejecting an application and decisions arising out of a review of the Auditor's report, to the Candidate, the City Clerk and the Applicant;
- Requiring the City Clerk to review candidate and registered third party financial statements, to prepare a report of candidates or registered third parties exceeding contributions, and to forward the report to the compliance audit committee; and
- Committee eligibility restrictions to include any person who is registered as a third party advertiser.

Current Committee

The Act requires that MECAC must have between three and seven members, (the City of Guelph's 2014-2018 committee consisted of 3 members). Committee members may not be employees, officers, members of Council, or applicable local boards or candidates. In addition, recent changes to the MEA include that committee members may not be registered third parties.

The City's 2014-2018 committee received one application for a compliance audit which was completed in 2015.

Joint MECAC

Council previously approved a Terms of Reference in 2014 for the creation of a standalone MECAC for the 2014-2018 term.

As each municipality and local board is required to appoint a MECAC and given the recruitment of qualified applicants to sit on such committees can be challenging, the potential to create a shared committee service amongst the City of Guelph and Region of Waterloo (incorporating all municipalities) was recognized.

There are no restrictions in the MEA which preclude municipalities from sharing a MECAC.

Taking into consideration the competition for qualified applicants, as well as the potential for conflicts for those applicants with accounting/auditing backgrounds, a joint MECAC offers the greatest potential to reach the broadest spectrum of

interested applicants across the participating municipalities, in a cost effective manner.

The Region of Waterloo created a joint MECAC for the 2010 municipal election. In 2014 a joint Regional MECAC was again created with the City of Cambridge added to the participating municipalities.

The upper-tier municipalities of Durham and Halton, and Wellington have created joint MECACs for the 2018-2022 term of Council.

Requests for compliance audits are usually rare and as such, a shared committee should be able to handle the potential workload. That being noted, recent changes to the MEA may create additional requests for compliance audits as third party advertisers are also required to comply with financial filing requirements and are subject to compliance audits.

The total number of compliance audit requests from Region of Waterloo participating municipalities in the 2014 municipal election was two. These two compliance audits were associated with the Township of Woolwich. The Region of Waterloo, Cities of Cambridge, Kitchener, Waterloo and Townships of North Dumfries, Wellesley and Wilmot received no requests for compliance audits during the 2014-2018 term of Council.

In a meeting with the Area Clerks within the Region, it was agreed that a joint MECAC could again be formed for the 2018-2022 term and that the City of Guelph could be included as a participating municipality.

Staff recommends that the Region of Waterloo, Cities of Cambridge, Guelph, Kitchener, Waterloo, Townships of North Dumfries, Wellesley, Wilmot and Woolwich (participating municipalities), recruit and appoint a joint MECAC for the upcoming term of December 2018 to November 2022.

Proposed Changes

Terms of Reference

To facilitate the creation of the joint MECAC, Staff is proposing that the Terms of Reference attached as ATT-1 to this report be approved and that any amendments or revisions to the Terms of Reference during the term of the Committee be delegated to the City Clerk in accordance with other participating municipalities.

Some participating Clerks have delegated authority to revise the Terms of Reference to add participating municipalities. Once Council has reviewed and approved the draft Terms of Reference, recruitment of members for the joint MECAC will commence.

The draft Terms of Reference were prepared by the Area Clerks from the participating municipalities. A few highlights of the joint committee compared to the stand alone committee include:

Advertising, Selection and Eligibility of Members for the MECAC Pool

Membership Pool

A pool of ten members for MECAC will be developed and approved by the area Clerks of the participating municipalities.

Advertising for Pool Members

Advertisements, including postings on the respective municipal websites, will be placed to solicit membership for the MECAC pool. Previous MECAC members may be contacted, along with direct contacts by municipal staff.

Eligibility of Pool members

The Clerks of the participating municipalities will meet to review the applications. Approval of the appointments will be delegated to each of the afore-mentioned Clerks by their respective Councils and the approved names will be put forward to each Council for their information. Appointments to the MECAC pool will be approved by a majority vote of the Clerks.

Criteria used to determine membership in the MECAC pool may include:

- demonstrated knowledge and understanding of municipal election finance rules;
- analytical and decision-making skills;
- availability for meetings during the day or evening;
- previous committee experience; or,
- expertise in:
 - accounting and audit;
 - academic with expertise in political science or local government;
 - legal;
 - other individuals with knowledge of the campaign finance rules contained in the Act.

Members of the MECAC pool shall not include:

- members of any municipal Council represented;
- employees or officers of the municipalities represented;
- any persons who are candidates in the election for which the committee is established; or
- any persons who are registered third parties in the municipality in the election for which the committee is established.

MECAC Committee Composition

When an application for a compliance audit is made to a MECAC, the Clerk of the host municipality shall determine the composition and membership of the MECAC.

Host municipality refers to the municipality where the application for a compliance audit is received. A host municipality can only receive applications for candidates or third parties registered in its municipality.

A MECAC will be composed of not fewer than three and not more than seven members from the MECAC pool. It is at the full discretion of the Clerk of the host municipality to determine the number of members, within this range, that will be required for a MECAC meeting.

To determine membership, the Clerk shall contact members of the pool to form the membership of the Committee to hear the application. It is at the full discretion of the Clerk of the host municipality to determine the order that members from the pool will be contacted.

The Chair of the MECAC will be selected by resolution at the start of the first meeting of each MECAC application by the members present.

Administration of Meeting

When a participating municipality receives an application for a compliance audit, the Clerk of that municipality will call a meeting of MECAC and will prepare the necessary notices, agendas, minutes and materials. Any costs associated with the holding of meetings, or the decisions of the committee, will be the responsibility of the municipality requesting the services of the joint MECAC.

Remuneration

The Terms of Reference suggests a per diem of \$175 for attendance at each meeting, plus mileage at the current rate of the municipality requesting the services of the committee which is comparable to other municipality per diems.

Staff conducted a search of comparator municipalities as follows:

Municipality	Per Diem Rate	Retainer
City of Stratford	\$100.00	None.
Region of York	\$350 plus mileage	\$400
Town of Whitby	\$250 plus mileage	\$200
Town of Caledon	\$200 plus mileage	None.
County of Huron	\$100 plus mileage	None.
Peel Region	\$175 plus mileage	None.
Markham	\$350 plus mileage	None.
Haldimand County	\$125	None.

Financial Implications

Administrative costs for such items as printing, mail and mileage will be funded from the Election Reserve Budget. Advertising costs will be incurred to solicit applications for appointment to the joint MECAC and would also be funded from the same reserve.

Consultations

Consultations and coordination with participating Area Clerks have taken place.

Corporate Administrative Plan

Overarching Goals

Service Excellence

Service Area Operational Work Plans

Our Services - Municipal services that make lives better

Attachments

ATT-1 Draft Terms of Reference

Departmental Approval

Report Author

Donna Tremblay, Council and Committee Coordinator



Approved By

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Staff Report



To **City Council**

Service Area Infrastructure, Development and Enterprise Services

Date Monday, May 28, 2018

Subject **Solid Waste Resources Business Service Review
Final Report**

Report Number IDE-2018-12

Recommendation

1. That the report IDE-2018-12 "Solid Waste Resources Business Service Final Report" dated May 28, 2018, be received and that staff be directed to proceed with the implementation of the recommendations.

Executive Summary

Purpose of Report

- This final report will provide an overview of the process, findings and recommendations of the Solid Waste Resources business service review.

Key Findings

- Solid Waste Resources underwent the first service review as a pilot of the Council-approved Business Service Review framework (CS-2016-61).
- An extensive range of services is required to provide comprehensive waste management for the community.
- Third-party engagement activity indicates that overall satisfaction with all Solid Waste services is 72 per cent.
- The City meets or exceeds service levels of the other applicable municipalities in five of six waste service elements included in the scope of the review.
- Analysis indicates that the City's cost to process recyclable material at the Material Recovery Facility (MRF) is higher than the average cost of comparator municipalities and the tonnages processed are double on a per customer basis. These higher costs contribute to the ongoing financial challenges experienced by Solid Waste Resources.
- Significant short-term capital investment in the MRF is **not** required to maintain current operations.

- The Provincial Resource Productivity and Recovery Authority initiated the development of an amended Blue Box Program Plan (a-BBPP) that requires the producer of the material to be fully responsible to cover all end-of-life costs for waste. Stakeholder consultation is ongoing to inform a transition plan and determine how this will impact Guelph's recyclable processing operations.
- Eleven (11) recommendations have been identified. These include service level changes in leaf and yard waste, multi-residential collection and the Public Drop-off, waste collection (parker) truck lifecycle extension, skill and capacity development and implementation of the Simcoe Transition Plan.
- Many of the recommendations support work that is already happening at SWR or that been on the list for some time but has not yet been implemented or approved.

Financial Implications

The estimated cost to increase the service level of curbside yard waste collection from twice per year to bi-weekly collection from the beginning of April to the end of November is \$480,000 annually.

To implement all of the actions identified in the MRF condition assessment within 9 years, the estimated total cost is \$540,000 (in 2017 dollars), as identified in the Dillon Consulting condition assessment report.

The Simcoe transition strategy has identified \$740,000 in cost reductions. This is an annualized impact upon full implementation of the plan, calculated based on 2017 tonnage and market rates. This is a reduction in actual expenditure currently funded through deferment of other expenses and reserves, not a year over year base budget reduction.

Third party support was utilized to support the Solid Waste Resources review with expenditures of \$133,000.

Report

Background

Solid Waste Resources (SWR) is responsible for the handling, transfer and disposal of garbage, as well as the diversion of blue box material, organics and yard waste. Services are provided to approximately 49,000 households, including multi-residential and business. This service includes Three-stream waste collection, Monday through Friday (weekly organics and bi-weekly recycling and garbage collection), with the downtown area receiving three-stream collections Monday through Saturday, utilizing an automated collection system.

The review followed the methodology outlined in the Council approved Business Service Review Framework (CS-2016-61). A business service review looks at what we do well and what needs to change and it studies the effectiveness and efficiency of our services to make sure these services are the best for the City and our citizens, while supporting long-term financial sustainability.

Service review input includes staff feedback, public input, research on Guelph's current services and benchmarking from other municipalities and organizations. Service review output includes definition of the current service, service levels and performance and potential recommendations for consideration. Refer to **Attachment 1: Solid Waste Resources Business Service Review Final Report** for the detail report on the approach and recommendations.

Review Scope

The specific SWR service elements that were reviewed include:

- Waste collection, including
 - Curbside collection
 - Public Drop-off
- Waste processing, including
 - Organic waste processing
 - Material Recovery Facility
 - Transfer station operation
 - Municipal Special and Hazardous Waste processing
- Material output, including
 - Disposal of waste
- Administration

Third-Party Technical Expertise Support

The City of Guelph worked in partnership with Dillon Consulting — an impartial, technical expert — to support the benchmarking and data analysis areas of the SWR business service review. This partnership provided technical expertise and added objective third-party examination of the review results.

To provide a better understanding of the financial challenges posed by continued MRF operations, a condition assessment of the MRF was completed by Dillon Consulting. The assessment confirmed significant short-term capital investment in MRF is not required to maintain current operations. To implement all of the actions identified in the 0 to 9 year timeframe, the estimated total cost is \$540,000 (in 2017 dollars)¹.

Benchmarking

The following twelve municipalities were contacted by Dillon Consulting as part of the best practices investigation. These municipalities met the benchmarking rationale and represented the desired mix to conduct a fair comparison of waste service to the City of Guelph:

1. Region of Waterloo
2. Essex-Windsor Solid Waste Authority
3. City of Hamilton
4. Regional Municipality of Niagara
5. Regional Municipality of Peel
6. City of Kingston

¹ Dillon Consulting Memo Report on MRF Building Inspection

7. Lambton County
8. Regional Municipality of Halton
9. City of Brantford
10. City of Barrie
11. Bluewater Recycling Association
12. Northumberland County

The rationale for selecting the comparators included:

- Being part of the Council-approved municipal comparator list;
- Delivery approaches that meet those defined by the scope of the service review (i.e., own and operate, own and contract out, contract out); and/or,
- Relevant level of service and/or technology used (e.g., for the MRF having a mix of single-stream and two-stream processing facility comparators, for organics processing looking at different composting technologies and not anaerobic digestion).

It is important to note that no community had an exact match for delivering waste services in the same manner as Guelph. Since the levels of service and service delivery approaches among other municipal solid waste management elements vary significantly, only those elements that would be relevant or comparable to the City's solid waste elements were selected. As such, comparator municipalities were not asked to provide information on their total waste management system, only certain elements.

The goal was to have a minimum of two comparators for each element, with a focus on elements that represented the most significant portions of Solid Waste Resources annual budget. This resulted in the elements that represented a higher percentage of the annual budget (MRF, collections) having more comparators identified, while other elements (MHSW) had the minimum.

The individual performance results from each participating municipality are not provided by municipal name. This was purposely done to limit any interpretation or perception of the performance of other municipal programs. The purpose of this service review was to compare Guelph to other municipalities and not to highlight any potential deficiencies in participating municipal programs.

Initial conclusion

The interim report (IDE-17-107) presented to Council on September 18, 2017, provided an overview of initial findings and activity. Based on the initial results it was determined that **the City meets or exceeds service levels of the other applicable municipalities in all but one of the waste service elements**. The MRF operations were determined to be below the set benchmark.

Recommendations

The eleven (11) recommendations, detailed in **Attachment 1: Solid Waste Resources Business Service Review Final Report**, include service level changes in leaf and yard waste as well as the Public Drop-off. Recommendations also include waste collection (packer) truck lifecycle extension and implementation of the Simcoe Transition Plan. Other recommendations aim to enhance capacity and skill

development, update the scope of the Solid Waste Management Master Plan and continue to monitor the a-BBPP transition impacts and timeline.

Key impacts of the recommendations include:

- Greater accuracy of business and financial data leading to improved controls in performance and financial processes and reporting.
- Increased levels of service for multi-residential customers.
- Increase level of service for leaf and yard waste.
- Potential cost reduction of approximately \$740,000 annually with changes to MRF operations.
- Potential future capital avoidance/reallocation opportunity of \$200,000 through capital deferral.
- Reduced financial risk related to commodity market volatility.
- Proactive growth management to ensure consistency and sustainability in future service levels.
- Skill and capacity development for staff participating in ongoing continuous improvement.

The final report constitutes the final deliverable for the review and hand off to the department for implementation.

Financial Implications

The estimated cost to increase the service level of curbside yard waste collection from twice per year to bi-weekly collection from the beginning of April to the end of November is \$480,000 annually.

To implement all of the actions identified in the MRF condition assessment within 9 years, the estimated total cost is \$540,000 (in 2017 dollars), as identified in the Dillon Consulting condition assessment report.

The Simcoe transition strategy has identified \$740,000 in cost reductions. This is an annualized impact upon full implementation of the plan, calculated based on 2017 tonnage and market rates. This is a reduction in actual expenditure currently funded through deferment of other expenses and reserves, not a year over year base budget reduction.

Third party support was utilized to support the Solid Waste Resources review with expenditures of \$133,000.

Consultations

Executive Team
SWR Business Service Review Steering Committee
Solid Waste Resources Management Staff
Finance
Corporate Communications
Human Resources
Community Engagement

Dillon Consulting

Corporate Administrative Plan

Overarching Goals

Service Excellence

Service Area Operational Work Plans

Our Services - Municipal services that make lives better

Attachments

ATT-1 Solid Waste Resources Business Service Review Final Report

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Solid Waste Resources



Business service review Final report

April 2018

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Executive Summary

Key Findings

- An extensive range of services is required to provide comprehensive waste management for the community.
- The City meets or exceeds service levels of the other applicable municipalities in five of six of the waste service elements included in the scope of the review.
- Analysis indicates that the City's cost to process recyclable material at the Material Recovery Facility (MRF) is higher than the average cost of comparator municipalities and the tonnages processed are double on a per customer basis. These higher costs contribute to the ongoing financial challenges experienced by Solid Waste Resources.
- Third-party engagement activity indicates that overall satisfaction with all Solid Waste services is 72 per cent.
- The Provincial Resource Productivity and Recovery Authority initiated the development of an amended Blue Box Program Plan (a-BBPP) that requires the producer of the material to be fully responsible to cover all end-of-life costs for waste. Stakeholder consultation is ongoing to inform a transition plan.

Recommendations

1. Increase service level for curbside yard waste collection to bi-weekly collection during growing season.
2. Extend the lifecycle of the waste collection (pucker) trucks from seven to ten years to achieve optimal economic life. This will also provide an opportunity for future capital budget reallocation.
3. Phase in the approved service level increase for waste collection service to multi-residential properties.
4. Consider alternative levels of service for the PDO hours of operation to optimize resource usage and gain efficiencies.
5. Move forward with the Solid Waste Management Master Plan update in 2018/2019. Ensure the scope of activity includes:
 - a. Identify, enhance and/or implement programs to improve diversion rates, optimize customer service and seek cost efficiencies.
 - b. Develop a long-term growth forecasting model, in line with the existing Development Charges and Development Priority Planning processes, internal Finance processes and Asset Management policy, to proactively identify growth impacts across all waste service elements.
6. Continue to optimize processes to enhance waste division performance and employee engagement. Formalize the Blitz team continuous improvement activity and extend the practice across all service elements.
7. Add process engineering and project management capacity to the SWR division to support the recommendations made in this report and lead continuous improvement initiatives, performance measurement development and overall tracking and reporting.
8. Ensure financial analysis resources and/or skill sets are added to the SWR division, to provide greater accuracy and control in performance measurement and financial management and support improvements as identified in the Deloitte Variance Task Force review.
 - a. Conduct a long-term cost recovery study to effectively assess the impact of future revenue changes and analyze potential adjustment scenarios.
9. Create a solid waste financial reserve to help offset the volatility of the commodity market and reduce annual variance impacts.
10. Implement the Simcoe transition strategy to achieve cost savings and efficiency of operations by aligning MRF operations with Guelph tonnage and processing requirements.
11. Continue to monitor and update Council on the a-BBPP transition timeline and implications of proposed changes.

Benchmarking

Standard	Below	Avg.	Better
Collections			●
Public Drop-off (PDO)		●	
Source Separated Organics		●	
Material Recovery Facility (MRF)	●		
Municipal Hazardous or Special Waste (MHSW)			●
Transfer Station		●	
Residual Disposal		●	

Key Impacts

- Greater accuracy of business and financial data leading to improved controls in performance and financial processes and reporting.
- Increased levels of service for Multi-Residential customers.
- Increase level of service for leaf and yard waste collection.
- Potential cost reduction of approximately \$740,000 annually with changes to MRF operations.
- Potential future capital avoidance/reallocation opportunity of \$200,000 through capital deferral.
- Reduced financial risk related to commodity market volatility.
- Proactive growth management to ensure consistency and sustainability in future service levels.
- Skill and capacity development for staff participating in ongoing continuous improvement.

Service	Description	Service base (2017 data)	Service outputs	Service performance (net \$/tonne)	Net service Cost ¹ (2017 data)	Net service Cost as a % of SWR budget
Collections	Three-stream waste collection, Monday through Friday. Weekly organics and bi-weekly recycling and garbage collection. Downtown area receives three-stream collections Monday through Saturday.	35,435 tonnes annually ²	Three-stream waste collection to Guelph residents	\$110/tonne	\$3,886,357	35%
Public Drop-off	Two public drop-off areas are provided for residents, a free recycling drop-off zone and a pay zone for waste material. Open for public use Monday to Friday from 7 am to 6 pm and on Saturday from 8 am to 3:45 pm	10,230 tonnes annually	Waste, recyclables and brush, leaf and yard waste drop off	\$109/tonne	\$1,113,803	10%
Source Separated Organics Processing	Organic waste material (green cart household waste) is shredded and mixed with amendment material to be processed to compost.	32,250 tonnes annually ³	Diversion of organic waste from landfill	\$49/tonne	\$1,589,702	14%
Material Recovery Facility (MRF)	Single- stream facility that processes recyclable material (blue box).	22,800 tonnes annually ⁴	Diversion of recyclables from landfill Reuse/marketing of material	\$93/tonne	\$2,111,933	19%
Municipal Hazardous Special Waste (MHSW)	Household hazardous waste depot is provided at the PDO year round for residents Tuesday to Friday 9 am to 5 pm and on Saturdays from 8:30 am to 3:45 pm.	290 tonnes annually	Diversion of household hazardous waste from landfill Health and safety of the community	\$559/tonne	\$162,156	1.5%
Transfer Station	Waste (garbage that cannot be diverted from landfill) is collected for transfer to a private waste disposal site	59,557 ⁵ tonnes annually	Point of collection to transfer residual waste	\$0/tonne	-\$50,871	-0.5%
Residual Disposal	Haul and dispose residual waste (the waste that cannot be diverted from landfill) to a private landfill	32,883 ⁶ tonnes	Transfer of waste from SWR to landfill	\$60/tonne	\$1,983,553	18%

¹ Net cost = (operating and maintenance, debt financing, capital reserves and revenue)

² 48,736 customers in 2017 (customers = Population Served (# HH, units, businesses))

³ 10,000 tonnes organics processed from City of Guelph residents and 22,250 tonnes organics processed from the Region of Waterloo

⁴ 13,000 tonnes recyclables processed from City of Guelph residents and ICI customers and 9,300 tonnes processed from Simcoe County

⁵ Transfer station tonnage includes curbside collected garbage and direct haul from commercial customers

⁶ Residual waste the City controls - City collected residual waste

Business Service Review introduction

The purpose of this report is to summarize the work completed during the business service review of Solid Waste Resources (SWR) and provide recommendations for improvements.

The City is responsible for the collection of waste, as well as processing blue box (recyclable) material, green cart organics (compostable waste) and yard waste to reduce dependence on landfill sites and lessen the impact on the environment and transfer and disposal of grey cart garbage to landfill.

A variety of additional programs are also offered and coordinated to help citizens and businesses reduce the waste they generate and divert waste from the landfill.

The overall goal of the business service review was to better understand the processes and services provided by Solid Waste Resources and to assist management and Council in making informed, strategic choices regarding the services.

The business service review focused on the following SWR services:

- Administration
 - Programs and Administration
- Waste collection
 - Curbside collection
 - Public Drop-off
- Waste processing and/or transfer
 - Organic waste processing
 - Material Recovery Facility (MRF)
 - Transfer station operation
 - Municipal Hazardous or Special Waste handling and transfer
- Material output
 - Disposal of waste

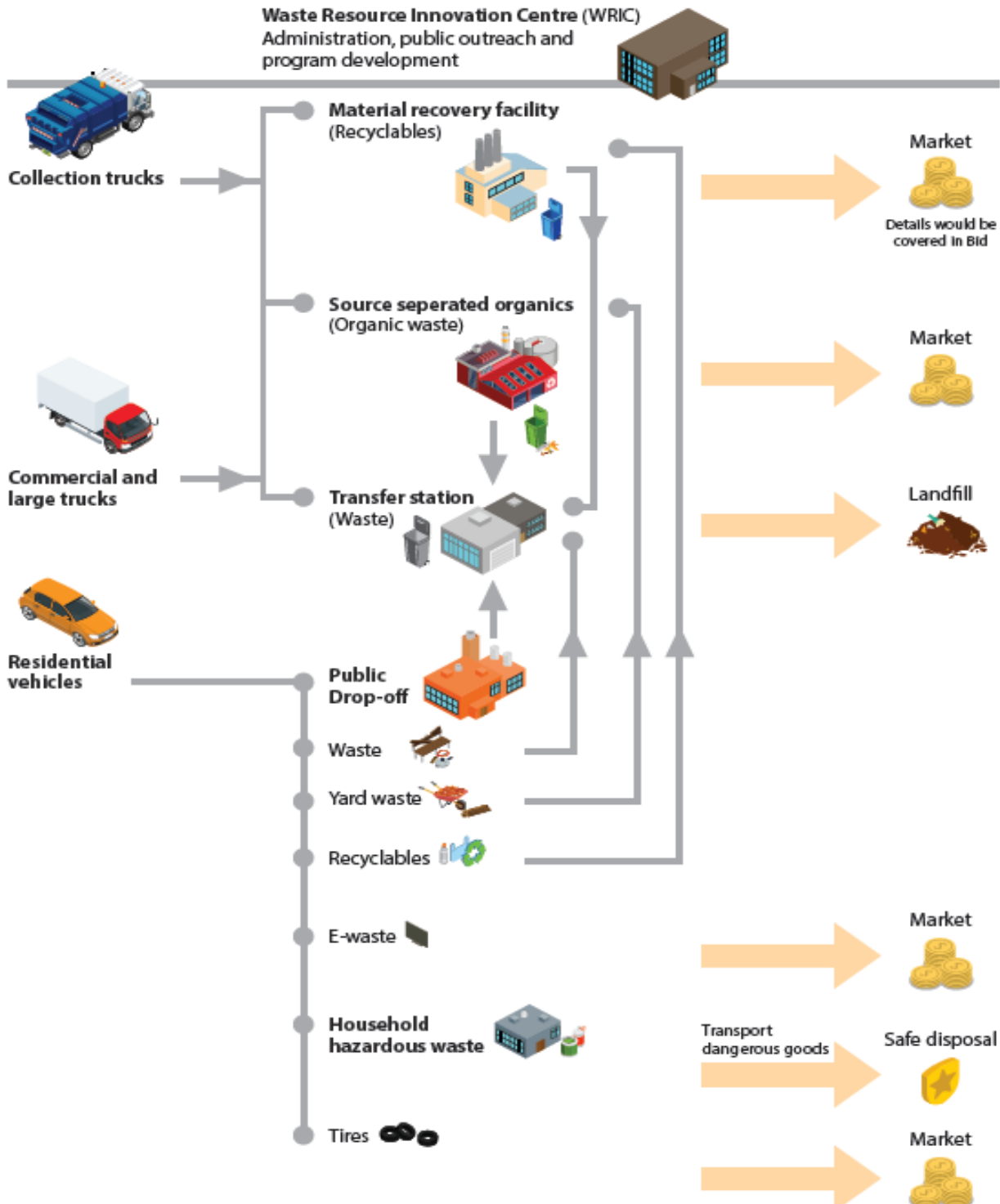
The following aspects of SWR services were not part of this review:

- Geographic waste collections routes,
- In depth financial management review, including variance reporting, the budgeting process, user fees, financial reserves and development charge funding due to concurrent corporate initiatives,
- Closed landfill operation,
- Enforcement levels as it relates to related bylaws and waste diversion targets,
- Asset management including fleet and facility infrastructure, and
- The Solid Waste Management Master Plan (SWMMP).

Refer to **Appendix C: Business Service Review Methodology** for an overview of the approach.

Solid Waste Resources service description

Solid Waste Resources is responsible for the collection, handling, transfer and disposal of garbage, as well as the diversion of blue box material, organics and yard waste. Services are provided to approximately 49,000 households, including multi-residential⁷ and industrial, commercial and institutional (ICI) properties. This service includes bi-weekly collection of waste and recycling and weekly collection of organics using an automated collection system.



⁷ Multi-residential is defined as a dwelling with more than 6 units

Figure 1: integrated solid waste services provided by the Waste Innovation Resource Centre located at 110 Dunlop Road.

Business Service Review Background

The main objective of the business service review was to conduct a full review of SWR services and processes to inform options and opportunities for improvement.

A business service review looks at what we do well and what needs to change, it studies the effectiveness and efficiency of our services to make sure these services are the best for the City and our citizens, while supporting long-term financial sustainability.

This review has been undertaken using the Council-approved Business Service Review Framework⁸, which includes engagement, communication, benchmarking and data analysis activities. Refer to **Appendix C: Business Service Review Methodology** for an overview of the business service review approach.

An interim report⁹ was presented to Council on September 18, 2017. This report provided an overview of initial findings and activity to that point in time. Based on the analysis and comparison activity conducted by Dillon Consulting Limited (Dillon), it was determined that the **City meets or exceeds service levels of the other applicable municipalities in all but one (five of six) of the waste service elements**. The Material Recovery Facility (MRF) operations were determined to be below the set benchmark.

Benchmarking			
Standard	Below	Avg	Better
Collections			●
Public Drop Off (PDO)		●	
Source Separated Organics		●	
Material Recovery Facility (MRF)	●		
Municipal Hazardous or Special Waste			●
Transfer Station		●	
Residual Disposal		●	

Figure 2: Benchmark comparison results

Source: Dillon Consulting comparison data March 2018

This final report and recommendations, which were developed by City staff, constitutes the final deliverable for the review and transition to service management for implementation and next steps.

Business Service Review recommendations

Recommendations are grouped by waste service element and categorized by:

1. Recommendations that require follow-up

- These recommendations require further action and approvals (e.g. budget or resourcing implications).

2. Operational recommendations

- These recommendations are operational in nature and require implementation plans to be developed and carried out by Solid Waste Resources.

3. Recommendations underway

- These recommendations are either underway or are being initiated shortly.

⁸ CS-2016-61 Business Service Review Framework

⁹ IDE-17-107 Solid Waste Resources Business Service Review Interim Report (September 18, 2017)

Recommendations for Collections

Recommendation 1: Recommend to increase the service level of curbside yard waste collection from twice per year to bi-weekly collection from the beginning of April to the end of November.

Service/Area: Leaf and yard waste (LYW)

Category: Recommendation that requires follow-up

Background: The City of Guelph provides bagged curbside collection of leaf and yard waste through a contracted service twice a year (spring and fall). In addition, loose leaf collection is provided by the Operations department once per year, in the fall. Leaf and yard waste can also be dropped off at the Public Drop-off (PDO) by residents at no charge throughout the year.

In 2016, approximately 2,500 tonnes of LYW were collected and an additional 3,500¹⁰ tonnes were dropped-off, resulting in approximately 6,000 tonnes being sent to processing. There is an average of 70,000¹¹ vehicle trips to the PDO per year to dispose of yard waste. Providing curbside pickup throughout the growing season¹² could considerably reduce traffic congestion at the PDO. Using an assumption of an 80 per cent resident participation in bi-weekly curbside yard waste collection, this could reduce annual vehicle trips through the PDO by approximately 56,000.

The City's estimated net costs to process LYW are \$10/customer and \$60/tonne. The cost includes bagged LYW curbside collection, loose leaves collected by Operations and haulage and processing of the materials. The City receives revenue from commercial leaf and yard waste drop-off, in the form of tipping fees received at the PDO. However, these fees are not included in the LYW processing costs. These fees are part of the total PDO costs, since it was not possible to separate out this portion of PDO revenue.

During comparator analysis it was identified that all comparator municipalities, with the exception of the City of Guelph, provide seasonal curbside collection of bagged leaf and yard waste either weekly or bi-weekly during the growing season (approximately April to November).

Engagement activity conducted during the review indicated that relative to other services in the survey, LYW had the highest dissatisfaction rate among respondents at 20 per cent dissatisfied and 20 per cent neither satisfied nor dissatisfied. Survey respondents highlighted the need for

Leaf and Yard Waste	
Municipality	Service Level
Guelph	Twice annually
Halton Region	Bi-weekly collection (April to mid Dec)
Barrie	Weekly Collection
Hamilton	Weekly collection
Waterloo Region	Bi-weekly collection (spring through fall)

Figure 3: Comparator data for Leaf and Yard Waste Level of Service. Source: Dillon Consulting March 2018 Report

¹⁰ Data based on 2017 tonnage information

¹¹ Waste Resource Innovation Centre (WRIC) Site Logistics, Yard Waste and Rate Structure report July 2016

¹² Growing season is April to November

more frequent LYW curbside pick-up. This suggestion was the most common theme across all engagement feedback.¹³

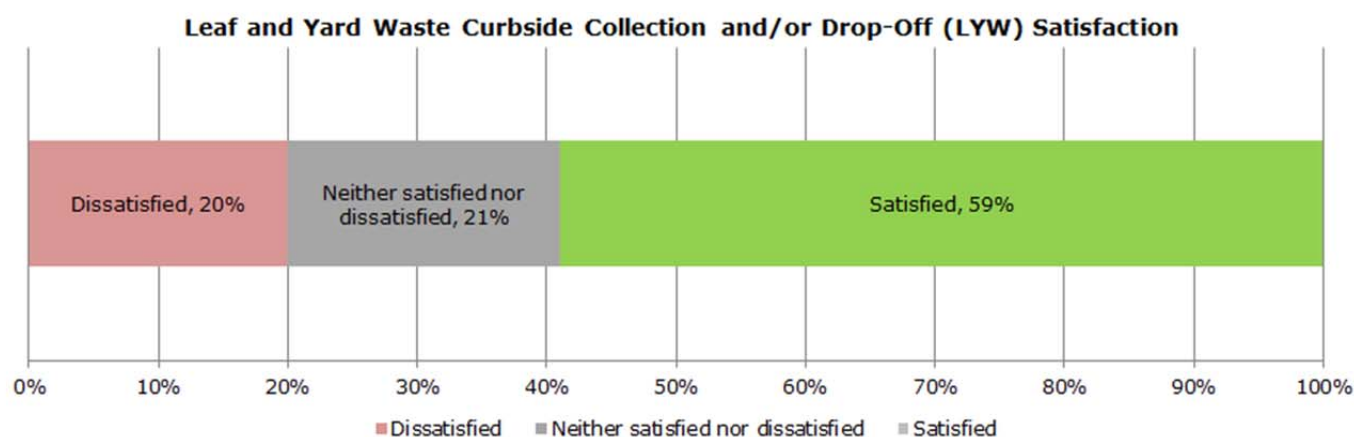


Figure 4: Customer Satisfaction with Leaf and Yard Waste collection services. Source: Engagement results analysis

Analysis of various service levels for leaf and yard waste collection was conducted¹⁴, as illustrated in Figure 5. The table provides the impact of expanding the collection over status quo of spring and fall collection. In scenarios 1-3 yard waste drop off would still be free at the PDO site because of the lack of a full service curbside program. Costs are based on a per tonne basis and estimated seasonal tonnage¹⁵.

Scenario	Approximate Cost	Anticipated PDO Impact
1 2 collections per household (1 in spring and 1 in fall) Current Service Level	\$92,000	-No changes -Free yard waste drop off at WRIC remains -approximately 2,600 vehicles per week at PDO
2 4 collections per household (2 in spring and 2 in fall)	\$120,890	-Free yard waste drop off at WRIC remains -Minimal reduction in PDO traffic would be expected.
3 8 collection per household (4 in spring and 4 in fall)	\$257,688	-Free yard waste drop off at WRIC remains -Some reduction in PDO traffic would be expected.
4 Bi-weekly collection through out growing season (recommended service level)	\$482,150	-Removal of free yard waste drop off at PDO, standard fee would apply. -Significant traffic reduction expected at PDO.

Figure 5: Leaf and Yard Waste curbside collection service level scenarios. Source: business service review data analysis.

¹³ Aggregated results from third party statistically significant sampling, open house and public survey engagement activities

¹⁴ Waste Resource Innovation Centre (WRIC) Site Logistics, Yard Waste and Rate Structure report July 2016

¹⁵ Baseline data from 2017 leaf and yard waste tonnage received via residential drop-off, third party (contracted) collection and Guelph green bin collection.

Providing bi-weekly curbside collection (scenario 4) of leaf and yard waste during the growing season (spring through fall) would align the City of Guelph's service level with the municipal comparators. It is also anticipated that this scenario would provide a significant reduction in vehicle traffic at the PDO, which would provide improvement to site constraints.

It is recommended to develop an expansion package to be proposed through the 2019 budget process, to increase the service level of curbside yard waste collection from twice per year to bi-weekly collection from the beginning of April to the end of November. The estimated cost of providing this service is approximately \$480,000 annually.

Recommendation 2: Recommend extending the lifecycle of the waste collection (packer) trucks from seven to ten years to achieve optimal economic life. This will also provide an opportunity for future capital budget reallocation.

Service/Area: Curbside collection

Category: Operational recommendation

Background: Current lifecycle of the packer trucks is seven years. Current practice also has one major rebuild (floor replacement) at the six-year mark. Trucks are designed for approximately 20,000 hours of use in their total lifecycle and currently average 1,500 hours per year.

When assessing the lifecycle of the packer trucks the following assumptions were used.

- Operating costs include the cost associated with one driver/operator at approximately \$77,000 annually (salary and benefits)¹⁶.
- An average of \$20,000 in fuel is consumed annually¹⁷.
- Licensing and insurance costs of \$3,575 per truck.
- An overall annual unplanned repair cost (budget of \$12,450) with a 10 per cent industry standard annual increase.
- Imminent failure year is based on an estimated manufacturing life of 20,000 hours and an actual usage of approximately 1,500 hours per year.
- Rehabilitation (major rebuild) costs include \$5,000 for floor replacement at 6 years¹⁸.

¹⁶ As identified in the 2018 budget expansion package for collection operator

¹⁷ Data from WAM report and calculation of overall average for packer assets

¹⁸ As identified in the 2018 condition assessments

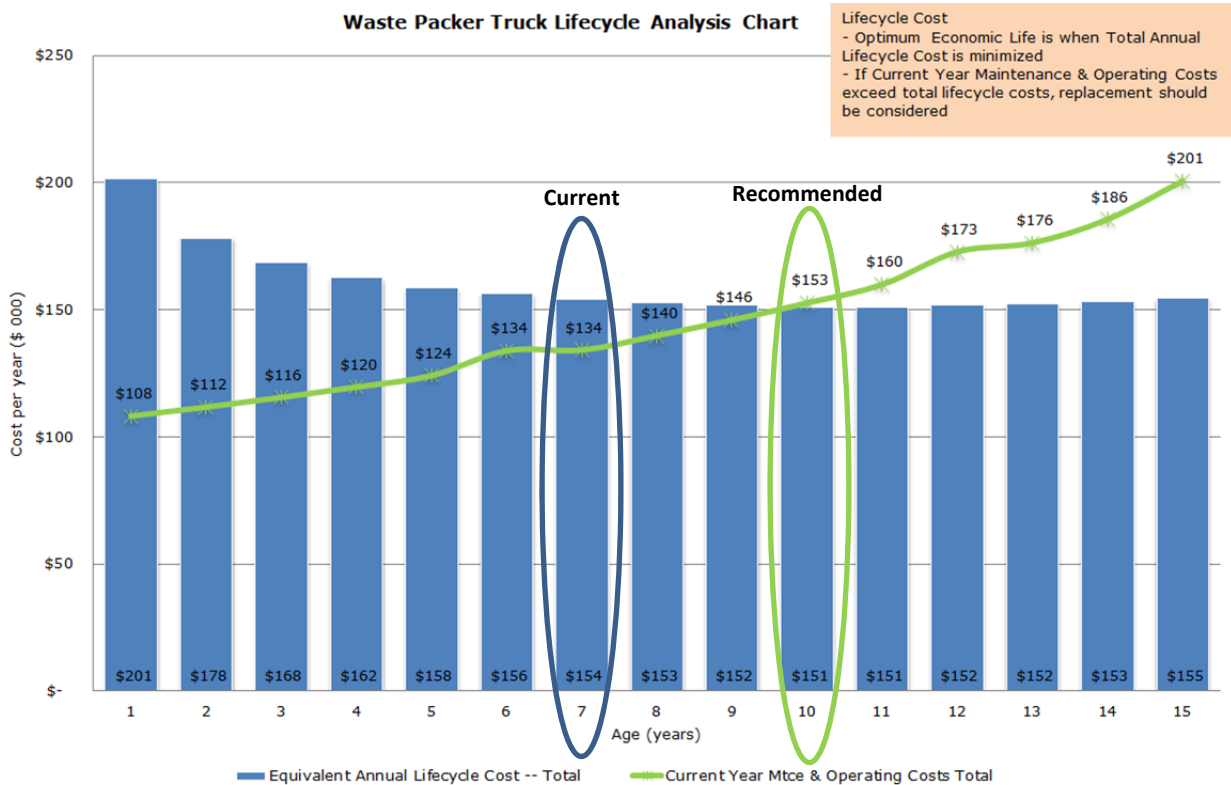


Figure 6: Lifecycle analysis of Waste Collection Asset (Packer).

Source: Asset Management Annual Lifecycle Costing analysis and data as referenced.

Understanding the Lifecycle Cost: Optimum Economic Life is when Total Annual Lifecycle Cost is minimized. If Current Year Maintenance and Operating Costs exceed total lifecycle costs, replacement should be considered.

Based on the assumptions and data analysis the optimal year of replacement is year 10 as the annual cost of operating the asset equals or exceeds the annual lifecycle costs. Therefore, extending the lifecycle of the waste collection packer trucks to 10 years has minimal risk (an average operating cost increase of up to \$2,000 annually per truck) to the organization and does not exceed the useful life of the vehicle. Beyond year 10 the operating costs start to exceed the lifecycle costs. The impact of implementing this recommendation includes a potential capital plan budget reallocation opportunity of approximately \$200,000 annually¹⁹.

Recommendation 3: Phase in approved service level increase for waste collection service to multi-residential properties.

Service/Area: Curbside collection

Category: Recommendation underway

Background: In June 2014 the Solid Waste Management Master Plan (SWMMP) was endorsed, which included the recommendation to further analyze the expansion of waste collection services for multi-residential properties. Engagement activity undertaken during the development of the

¹⁹ Analysis and data analyzed and reviewed with Finance, Fleet and Asset Management staff

SWMMP and the business service review indicate a strong community desire to provide City waste collection services for multi-residential properties.

The City currently provides three-stream waste collection service to approximately 360 multi-residential properties, including 44 per cent of apartment buildings and 88 per cent of town or row houses.

Based on current growth projections the City of Guelph is anticipated to grow to a population of 165,000 by 2031. As a result of growth and intensification targets, high density residences (multi-residential) is projected to intensify to 30 per cent of the total housing stock by 2031, up from 11 per cent in 2011.

To address the expected growth and intensification, service diversification in fleet technology is required. This will help avoid an increase in the amount of waste sent to landfill, which leads to increased costs and misalignment with provincial diversion requirements. This service diversification²⁰ will also allow the City to access a greater portion of existing multi-residential properties as well as improve waste collection services to City Facilities, which are currently utilizing contract services, similar to multi-residential.

During the 2018 budget process Council approved the program expansion—one truck and full-time employee (FTE)—to increase the waste collection service level through front-end collection at multi-residential properties. This change is currently underway with an implementation plan that will phase in multi-residential properties throughout 2018 and 2019. This phased approach will provide time to complete several programs of work necessary to implement this service level increase such as development of truck specifications, procurement and lead time for manufacturing and delivery. Multi-residential properties that can be serviced with Guelph's current collection methods will be phased during the first year.

An expansion package for the second required front-loading vehicle truck will be brought forward through the 2019 budget process. This second vehicle truck is required to fully implement the service level change for collections of multi-residential properties.

Recommendations for Public Drop-off

Recommendation 4: It is recommended that Guelph consider alternative levels of service for the PDO hours of operation to optimize resource usage and gain efficiency. Conduct additional analysis to identify further opportunities for efficiencies with the scale and logistics upgrades currently underway.

Service/Area: Public Drop-off

Category: Recommendation that requires follow-up

Background: Currently the Public Drop-off (PDO) site is open to the public Monday to Friday from 7 a.m. to 6 p.m. and Saturday 8:30 a.m. to 3:45 p.m., with the Household Hazardous Waste (HHW) depot open to the public Tuesday to Friday from 9 a.m. to 5 p.m. and Saturday from 8:30 a.m. to 3:45 p.m.

²⁰ Service diversification includes alternative collection methods and equipment in conjunction with automated cart collection.

The current staffing schedule to support the above hours of public service as well as site maintenance and legislative requirements is equal to 831 hours per week or 41,716 hours per year. If each FTE equates to 1,596²¹ hours the requirements for the PDO, MSHW and Transfer Station is 26 FTE. The current staffing level is 21 FTE, with the gap being managed through overtime and reallocating trained staff from other areas. This practice is not sustainable in the long term and will be exacerbated with planned city growth.

Currently there are legislative requirements that impact resource (staffing) needs of the PDO through mandated areas of monitoring such as the leaf and yard waste area and recycling zone drop-off. When current resource levels do not adequately address the resource needs it can result in service risks, such as non-legislated areas not being monitored or staffed. As such, adequate staff may not be available to respond to all customer needs on site, such as assistance with recycling or off-loading assistance for those with mobility assistance needs.

The current PDO configuration includes a recycle zone at Gate 3 and the new PDO at Gate 1 through the approved scale capacity upgrade²² there is an opportunity to consolidate both operations to reduce transaction times, provide improved customer service and facilitate future planning. It is important to note that there are seasonal variations in site usage. Public use of the PDO in the winter is lower than in spring, summer and fall which experience peak use.

It is recommended that Guelph consider alternative levels of service for the hours of operation, taking into consideration the efficiencies to be gained from the scale upgrade and seasonal utilization. Additional analysis is required to identify the optimal hours of operation for the community and organization. This could include altering hours of operation, moving to seasonal hours and/or providing adequate resourcing to maintain current hours of operation.

PDO/HHW/Transfer Station Staffing Requirements for Current Service Level	
Hours Rq'd Monday	136
Hours Rq'd Tuesday	152
Hours Rq'd Wednesday	152
Hours Rq'd Thursday	152
Hours Rq'd Friday	152
Hours Rq'd Saturday	87
Weekly Hrs Rq'd	831
x # weeks per year	52
	43212
Less 11 Statutory Holidays	1496
Total Annual Requirements	41716
FTE required (Total HRS/1485 hours annually)	26.1

Figure 7: Staffing Requirement Calculations for current level of service at PDO/HHW/Transfer Station

Source: Time Tracking Data, CUPE 241 CBA, available time calculations

Municipality	PDO Hours of Operation
Guelph	Monday to Friday 7 am to 6 pm Saturday 8:30 am to 3:45 pm
Niagara Region	Monday to Friday 8 am to 5 pm Saturday 8 am to 4 pm
Halton Region	Monday to Saturday 8 am to 4:30 pm
Barrie	Tuesday to Saturday 9 am to 4 pm
Brantford	Monday to Saturday 8 am to 5 pm
Waterloo Region	Monday to Saturday 7 am to 6 pm

Figure 8: Municipal comparator public drop off hours of operation

²¹ Calculation for actual available hours is the total budgeted amount (2080 hrs) less average vacation (160 hours), sick time (48 hours), personal time (24 hours), training (30 hours) and lunch and breaks (1 hour per day).

²² Waste Resource Innovation Centre (WRIC) Site Logistics, Yard Waste and Rate Structure report July 2016

Recommendations for administration and management

Recommendation 5: Move forward with the Solid Waste Management Master Plan update in 2018/2019. Ensure the scope of activity includes:

- a) Identify, enhance and/or implement programs²³ to improve diversion rates, optimize customer service and seek cost efficiencies.
 - Validation of the diversion target and identification of costs associated with meeting the target.
- b) Develop a long-term growth forecasting model, in line with the existing Development Charges and Development Priority Planning processes, internal Finance processes and Asset Management policy, to proactively identify growth impacts across all waste service elements.

Service/Area: Administration and management

Category: Operational recommendation

Background: The Solid Waste Management Master Plan (SWMMP) was developed in 2008 as a 25 year strategy, with five-year reviews and updates. The last review was completed in 2014. The master plan provides direction and strategy to achieve waste diversion targets through short- and long-term programs. SWR plans to review and update the SWMMP in 2019. Estimated costing to conduct the update is approximately \$350,000, funding for this work will be requested through the 2019 capital budget process.

The business service review engagement and analysis processes identified areas to include in the review and update of the SWMMP, as defined below.

- a. Benchmarking identified that municipalities who service non-residential customers (e.g., business areas, restaurants, downtown areas) provided collection frequency ranges from weekly to twice weekly whereas the City of Guelph provides daily collection of all three streams, 6 days a week.

Engagement activity conducted during the business service review²⁴ was analyzed in conjunction with engagement results provided from the Downtown Guelph Business Association (DGBA). The analysis results are below in Figures 5 and 6. The data regarding the downtown waste receptacles did not support a service level change. However, anecdotal information provided suggests that satisfaction could be increased by improving the aesthetics of the waste receptacles.

²³ Following all corporate policies and procedures for budget and program approvals

²⁴ Aggregated results from third party statistically significant sampling, open house and public survey engagement activities

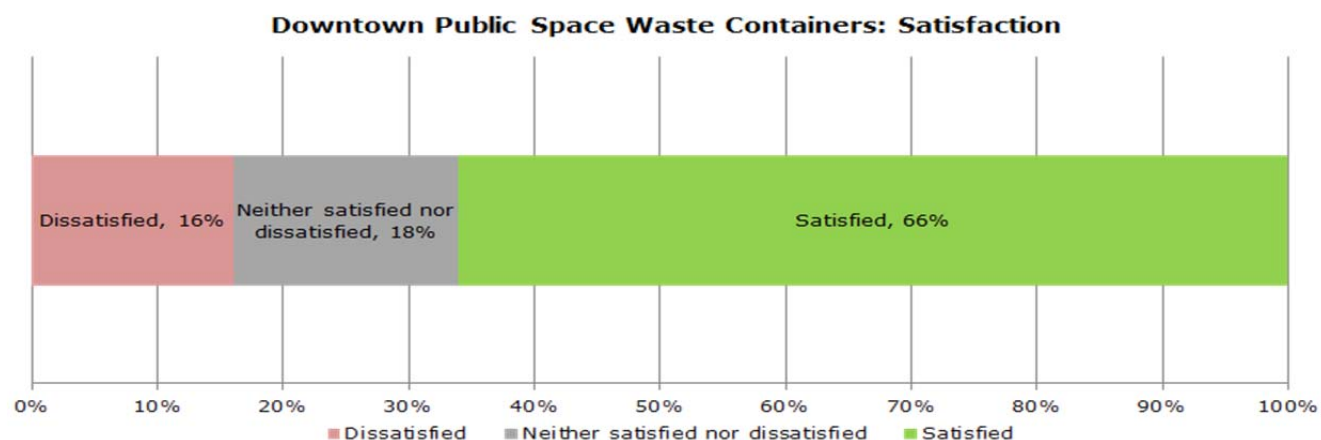


Figure 9: Customer Satisfaction with downtown litter receptacles illustrates a 66% satisfaction rate with downtown waste receptacles and service. Source: Business Service review engagement data analysis

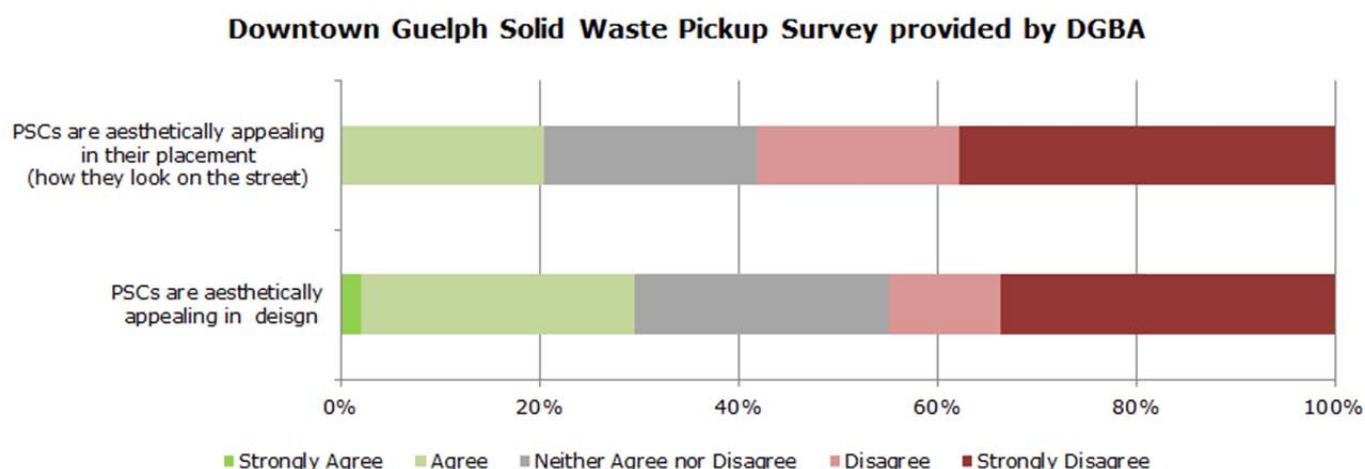


Figure 10: Satisfaction with public space containers (PSCs) indicates that 30% of respondents agree that the public space containers are aesthetically appealing and only 20% agree they are appealing in placement (how they look on the street) Source: Survey response data from the Downtown Guelph Solid Waste Pickup Survey provided by DGBA

As part of the identification or enhancement of programs to optimize customer service and seek cost efficiencies, it is recommended that targeted engagement activities regarding the downtown waste receptacle aesthetics be undertaken, during the master plan process.

Waste diversion is a term used to express how much waste is diverted from landfills. This number is impacted by the programs developed as part of the SWMMP (such as blue box, green cart, battery recycling, education programs, etc.). Waste diversion is a key metric to evaluate the performance of the total waste management system. Figures 11 and 12 illustrate Guelph's diversion rate over the last 12 years and the 2016 annual diversion rates for Guelph and the comparator municipalities (as identified in the benchmarking activity of this review).

For the past 10 years, Ontario has only recycled about 25 per cent of waste and the situation has not improved. This means that over eight million tonnes of Ontario's waste is sent to landfill each year.²⁵

In late 2016, Ontario proclaimed the *Waste-Free Ontario Act*, comprising the *Resource Recovery and Circular Economy Act* and the *Waste Diversion Transition Act*. The goal of this legislation is to tackle the problem of waste generation by increasing resource recovery (diversion) and moving toward a circular economy.

To compliment the Waste-Free Ontario Act, the Province release a Strategy for a Waste-Free Ontario. This strategy establishes interim diversion targets on the path to Zero Waste of 50 per cent by 2030 and 80 per cent by 2050. Through the City's leadership, Guelph is currently meeting the first interim goal and is working to meet the next-level target by addressing the challenges associated with multi-residential diversion and enhanced construction and demolition material diversion and reuse.

Figure 11 illustrates Guelph's diversion rate relative to the comparator group. This diversion is driven through successful outreach programs and reuse initiatives such as;

- Public education about correct sorting of organics and recyclables
- Leaf and yard waste, backyard composting and grass-cycling
- Construction and demolition material, tires, scrap metal and electronics recycling programs at the PDO
- Reuse programs (e.g. paint plus, bicycle, eyeglasses and shoes) and Take-It-Back programs

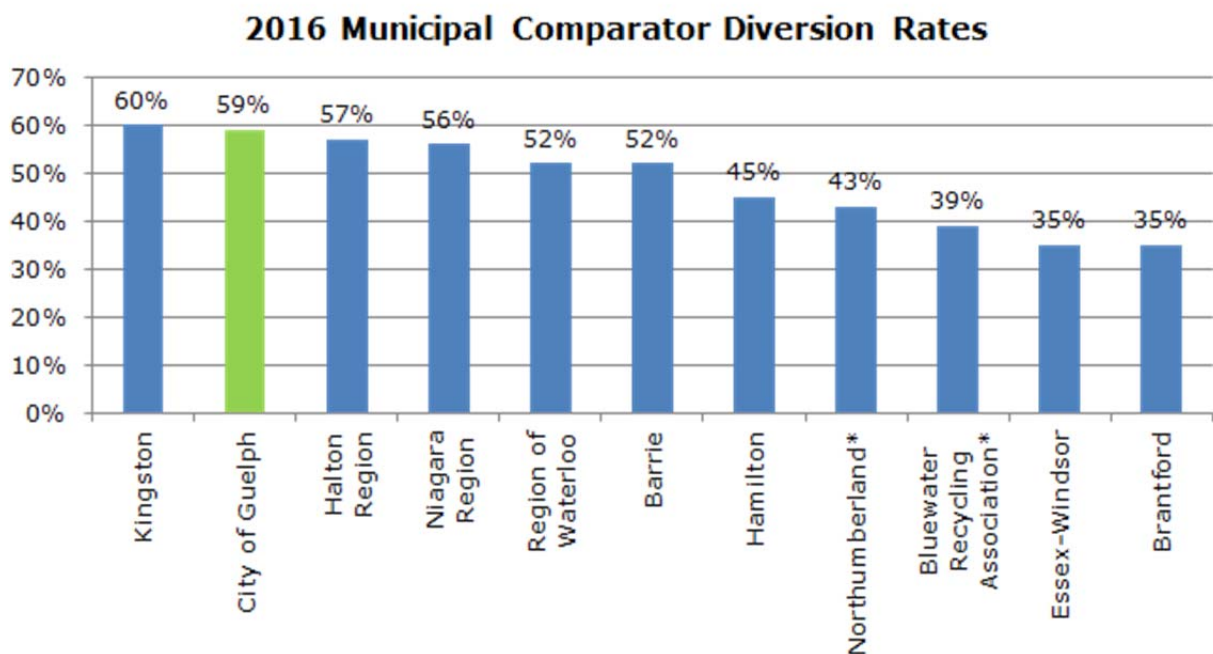


Figure 11: Municipal comparator diversion rates for 2016. Source: Dillon March 2019 Benchmarking and Data Analysis Report and DataCall

²⁵ Strategy for a Waste-Free Ontario: Building the Circular Economy

The diversion rate is calculated based on the weight of organics and recyclables collected at the curb, as well as other diversion programs offered at the Public Drop-off, as a percentage of the total weight of all waste collected.

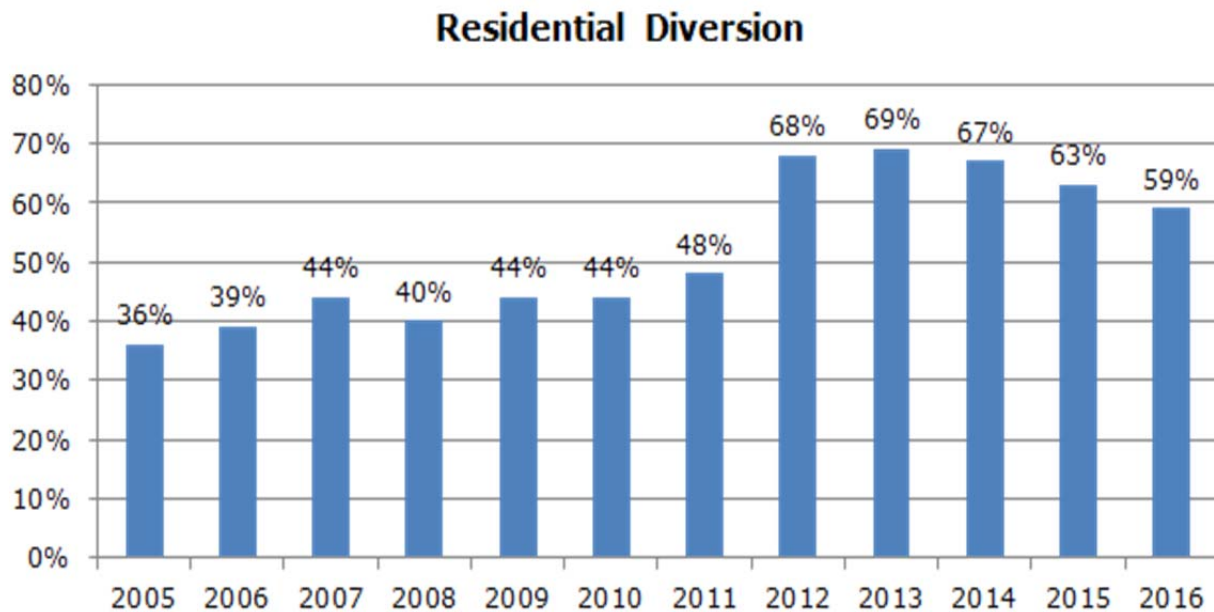


Figure 12: City of Guelph Diversion rates. Source: Annual report information and DataCall

The implementation of education and outreach programs, such as curbside sorting and audits, door-to-door campaigns and school campaigns, as well as the use of technology such as the Guelph Waste app, improve diversion rates.

Guelph's diversion rate saw a gain in 2012 with the commissioning and operation of the Organic Waste Processing Facility in the fall of 2011 and the introduction of the automated cart system for curbside collection in the fall of 2012.

Recently Guelph has seen:

- light weighting trends (e.g. fewer newspapers are printed and products packaged in plastic instead of glass);
- an increase in the weight of garbage;
- a drop in the weight of recyclables collected at the curb due to light-weighting trends; and
- an increase in improperly sorted waste.

These factors contribute to the recent drop in Guelph's waste diversion rate²⁶.

To continue to improve the diversion rate, it is recommended to update the SWMMP and review and enhance outreach programs. It is also recommended to validate the diversion target and conduct cost benefit analysis of outreach programs prior to development to improve diversion rates.

- b. Based on current growth projections, the City of Guelph is anticipated to grow to a population of 165,000 by 2031. As a result of growth and intensification targets, the high-density section (multi-residential) is projected to intensify to 30 per cent of the total housing stock by 2031, up from 11 per cent in 2011. Currently there is no formal process to proactively identify and address community growth.

Internal data analysis indicates that approximately 3,000 new households, a volume or weight increase of 6 per cent equals the need for one new collection truck and driver. However, this does not address the impact City growth has on other elements of waste services, such as organics processing, PDO use or residual waste disposal.

The Development Priorities Planning (DPP) process currently used at Water and Wastewater is an annual report process that sets out recommended dwelling unit targets for subdivision registration and draft plan approval. The targets are based on project-readiness, related capital projects in the budget and available City-services. Using this process and information will help SWR proactively identify growth impacts across all waste service elements.

It is recommended to develop a long-term forecasting model, in line with the existing Development Charges and Development Priority Planning processes, internal Finance processes and Asset Management policy, to proactively identify growth impacts across all waste service elements.

Recommendation 6: Continue to optimize processes to enhance waste division performance and employee engagement. Formalize the Blitz Team continuous improvement activity and extend the practice across all service elements.

Service/Area: Administration and management

Category: Recommendation underway

Background: The Blitz Team is a continuous improvement team including MRF front-line staff, supervisors and staff from across the SWR division identifying opportunities to improve MRF performance and increase the marketability of recyclables that enter the facility.

The goal of the team process is to have staff work together to identify potential efficiencies and improvements that decrease costs and/or increase revenue. Examples of initiatives undertaken at the MRF include enhanced capture of aluminum and further processing (separation) of metals to achieve more revenue per tonne over the base case of mixed metals. Figure 13 and 14 illustrate the achievements of these initiatives to date.

These projects developed process changes that increased the capture rate of special or high value metals, such as aluminum and copper, from scrap metal, to provide a greater return from the market.

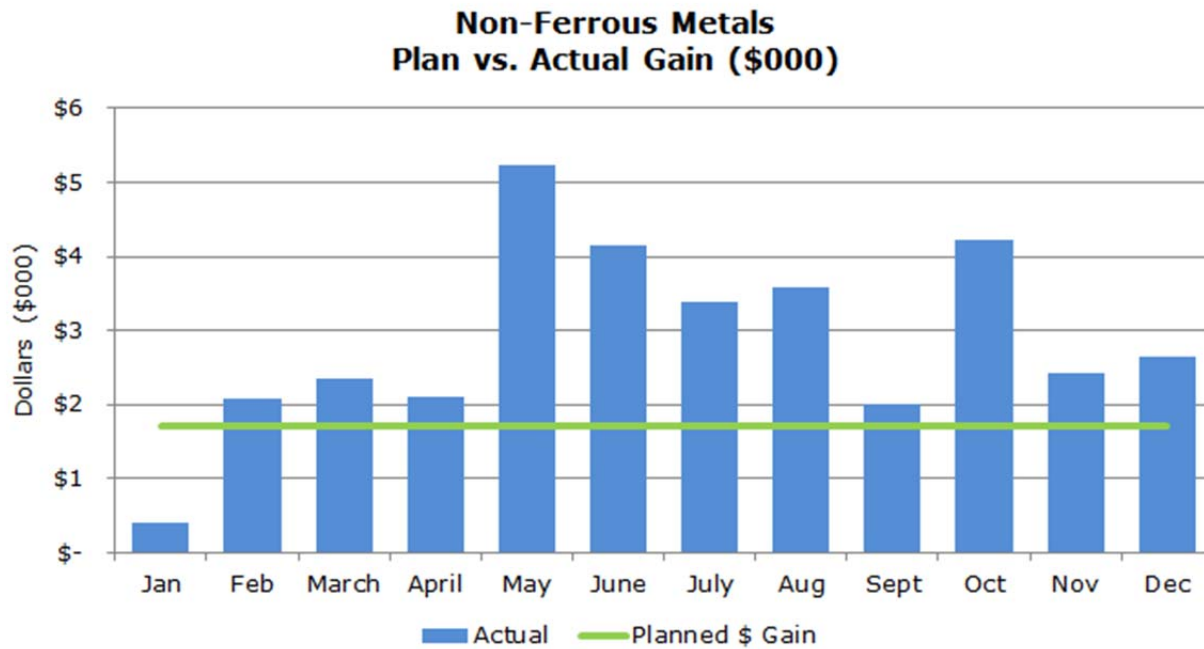


Figure 13: Improved separation of non-ferrous metals (2017 data). Source: Blitz team data collection.

Non-ferrous metals include aluminum, brass, copper, nickel, tin, lead, and zinc, as well as precious metals like gold and silver.

The planned performance or estimated return is indicated with the green line, the actual attainment or performance is indicated with the blue bars. The return rate of \$34,000 (in 2017) has exceeded the original target of \$20,000 (in 2017) indicating a successful project, resulting in the process change becoming permanent. Figure 14 illustrates the activities undertaken have increased the capture rate and corresponding revenue from aluminum.

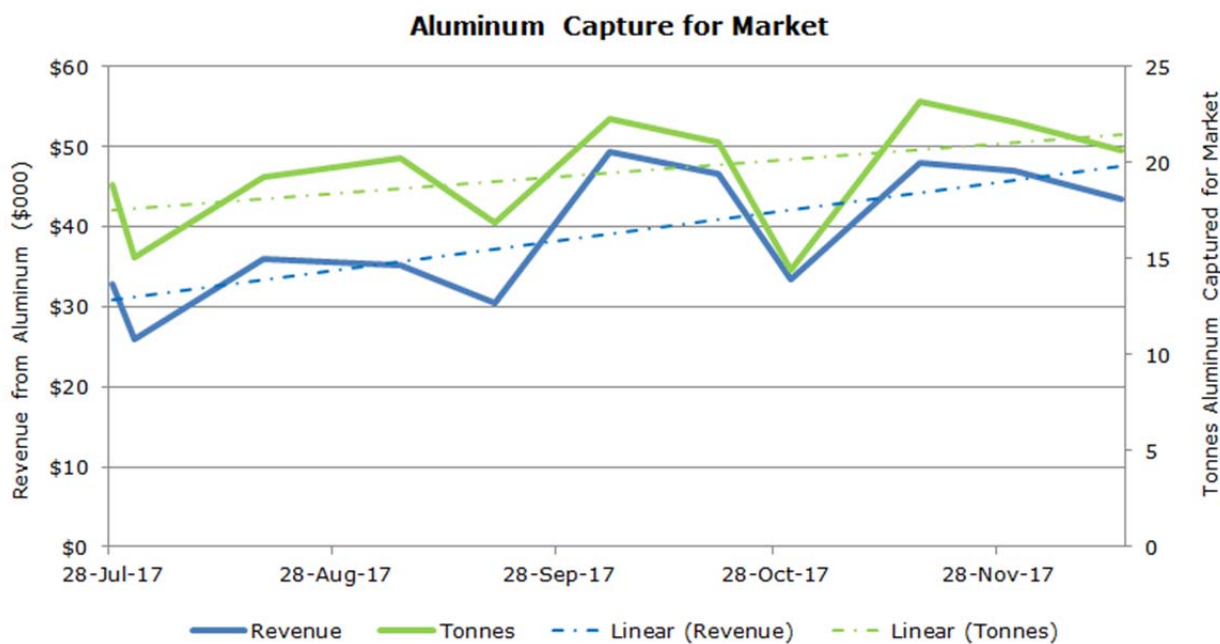


Figure 14: Improved capture rate of aluminum impacted by Blitz team activities in 2017. Source: Blitz team data collection

It is recommended that this continuous improvement initiative process be formalized and further developed. It is also recommended that this practice be formally extended across all service elements of SWR to continue to find efficiencies across the division. Formalizing this continuous improvement process would include items such as process guidelines and templates (such as charters and project plans), root cause documentation, cost benefit analysis and close out reports.

It is also recommended that training be provided to SWR staff to increase capability and capacity in continuous improvement processes such as Kaizen, problem solving and root cause analysis.

Recommendation 7: It is recommended that process engineering and project management capacity be added to the SWR division, to support the recommendations made in this report and lead continuous improvement initiatives, performance measurement development and overall tracking and reporting.

Recommendation 8: It is recommended that financial analysis resources and/or skill sets be added to the SWR division. This resource would provide greater accuracy and control in performance measurement and financial management and support improvements as identified in the Deloitte Variance Task Force review.

- **Recommended to conduct a long-term cost recovery study to effectively assess the impact of future revenue changes, optimize current revenue streams and analyze potential adjustment scenarios.**

Service/Area: Administration and management

Category: Recommendation underway

Background: Challenges encountered during the business service review included data availability and accuracy. Data quality, also known as “data integrity” helps maintain and ensure the accuracy and consistency of data over its entire life-cycle. Data is required for management to make business decisions which ultimately contribute in the organization’s success. There are many areas where important business decisions are routinely made based on data:

- **Business Performance Measurement.** Consistently measuring business performance against goals and comparators is imperative for success.
- **Resource Utilization and Allocation.** Having the correct resources in the correct locations at the correct time working on the correct activities.
- **Customer and Stakeholder Satisfaction Management.** Satisfaction of customers and stakeholders is essential to success. Data needs to be routinely captured and analyzed to ensure customer expectations are being met. Potential deficiencies or limitations in services can be brought to light and resolved.

Accurate data allows decision makers to understand how their performance measures against set targets and comparators at any given time. Having accurate and reliable data provides information for making important, short- and long-term business decisions.

It is recommended to develop performance measures and reporting to ensure ongoing analysis of service performance and actionable changes. Good measurement can be as simple as having

clear goals, choosing a few relevant measures, tracking them over time and looking for signals worth responding to.

The following measures are recommended for ongoing measurement and reporting for SWR management.

1. Financial performance (monthly measures – now in practice)
2. MRF key performance indicators (KPIs) and Critical Control Points²⁷ (under development)
3. Contamination rates
 - a. Conduct regular independent audits of incoming blue box and green cart material. This provides incoming and outgoing material contamination and capture rates. It will also provide information about the quality of the material with relation to work being done at the curb to promote focussed education efforts.
4. Benchmarking (ongoing)
 - a. Is the process of finding good practices and learning from others. It is the comparison of the performance of a service in one organization to performance of a similar service in another organization. Benchmarking can provide important insights regarding efficiency and competitiveness of services.
 - b. It is recommended to continue conducting benchmarking comparison analysis on specified items. Specifically, level of service, cost per tonne and cost per customer, since this information is readily available, can be calculated with relative accuracy and are a simple representation of performance.

To support this important work, it is recommended that long-term technical, process engineering and project management skill be added to the SWR division.

In 2017 Deloitte was engaged to provide assistance to the SWR Variance Task Force by examining historical budget variances and the 2017 budget projections. This work included a review of financial controls and processes. This work identified the need for improved financial management, reporting and controls as well as the need to assess the impact of growth drivers in the community.

It is recommended that a cost recovery study be undertaken to effectively assess the impact of future revenue changes and analyze potential adjustment scenarios. The initial goal of the study should be to identify potential additional revenue and the allocation of any revenue recovery. A cost recovery study should provide unit line item revenues and expenses over a ten-year planning period and provide an accounting of the annual and cumulative operating revenue surplus or shortfall. The study output would allow SWR to more effectively assess the impact of future revenue and expense changes and analyze potential adjustment scenarios over a multi-year planning period.

It is recommended that financial analysis resources and/or skill be added to the SWR division. This resource would provide greater accuracy and control in performance measurement and financial management and support improvements as identified in the Deloitte Variance Task Force review.

²⁷ Critical control point is a step at which control can be applied and is essential to prevent or eliminate a hazard or reduce it to an acceptable level.

Currently an organizational assessment²⁸ to better align the management structure to support efficient and effective management of the six core businesses, is underway at Solid Waste Resources. These recommendations should be formalized during this assessment and where applicable, brought forward through the 2019 and future budgets.

Recommendations for the Material Recovery Facility

Recommendation 9: Create a solid waste financial reserve to help offset the volatility of the commodity market and reduce annual variance impacts.

Service/Area: Material Recovery Facility (MRF)/Administration and management

Category: Recommendation that requires follow-up

Background: The markets and quality standards for recycled product are changing. For example in July, China²⁹ informed the World Trade Organization (WTO) that it will be imposing a ban on importing 24 types of scrap as of September 2017. Additionally, the yields of certain commodities such as plastics, have diminished as the types of packaging supplied by producers continue to change. Producers continue to lightweight their packaging, and move to flexible and laminated packages, which produces new challenges not only to the MRFs sorting them but to end markets³⁰.

Potential Ontario market impacts are best understood in light of year over year commodity pricing trends which have been volatile for all commodities. Figure 15 shows municipalities were hard hit by the global financial crisis in 2009. It took two years to reach the same commodity pricing levels as before the crash and prices fell off 25 per cent in 2012.

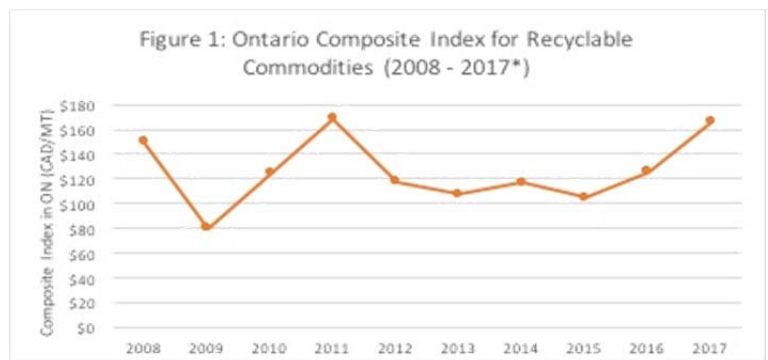


Figure 15: Commodities performance Source: Continuous Improvement fund³⁰

Last year (2017) municipalities experienced a significant price spike largely driven by fibre products, hardpack, boxboard and cardboard have since dropped to 2014 and 2015 levels, whereas newspaper and mixed paper have since dropped to prices below 2009. Even as fibre pricing experienced a high last year, the same could not be said for plastics and metals. For most plastics and metals, pricing has seen flat to little growth, with some materials trending downwards. In particular, plastics have struggled in recent years due to low oil and natural gas prices, which have driven down the price of virgin materials in comparison to recyclables³¹

²⁸ Organizational assessment results expected to be available in Q2 2018

²⁹ China is the largest importer of recovered materials in the world, accounting for approximately 27% of global scrap imports.

³⁰ <http://thecif.ca/commodity-market-trends/>. End Market- where the sale occurs to the organization that will use the product.

³¹ Continuous Improvement Fund - <http://thecif.ca/commodity-market-trends/>

Guelph's commodity performance over the past 10 years shows similar volatility.

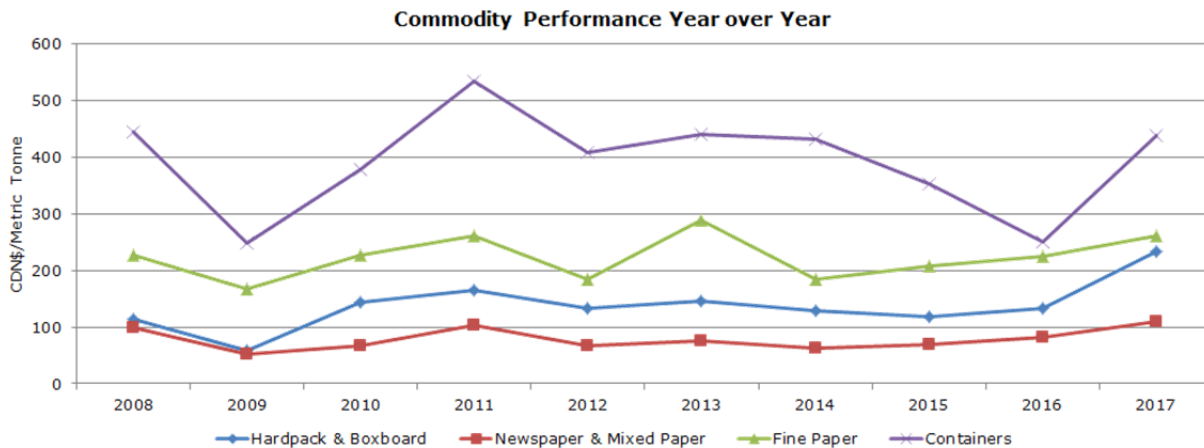


Figure 16: Guelph commodity pricing over 10 year period. Source: SWR annual reporting analysis.

This volatility and the market changes have resulted in a year over year revenue fluctuation from recyclable sales at a cumulative average of 10 per cent. It is recommended that a Solid Waste reserve be created to help offset the volatility of the commodity market and reduce annual variance impacts through use of the solid waste reserve. A financial strategy to support this reserve should be developed and brought through the 2019 budget process.

Recommendation 10: Implement the Simcoe transition strategy to achieve cost savings and efficiency of operations by aligning MRF operations with Guelph tonnage and processing requirements.

Service/Area: Material Recovery Facility (MRF)

Category: Recommendation underway

Background: Analysis indicated that the City's cost to process recyclable material at the MRF is higher than the average cost of comparator municipalities. The average cost for comparators is less than \$1 per tonne of material collected. The City's processing costs are an average of \$93 per tonne of material collected.

When the cost of service is compared to the customers served it becomes apparent that there is a relationship between the cost of service and the service base (customers served). As the service base increases the net cost of the service decreases.

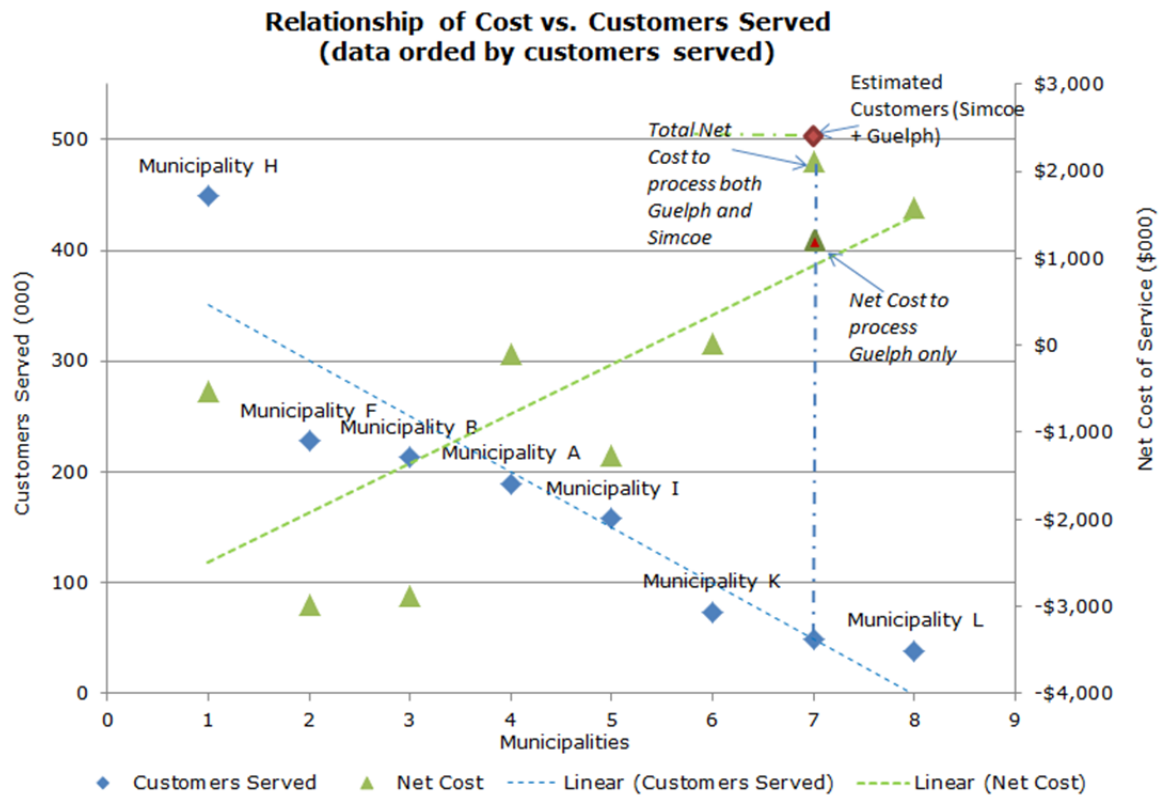


Figure 17: Relationship of Cost vs. Customer Served. Source March 2018 Dillon Benchmarking and Data Analysis and MRF tonnage adjustment analysis post Simcoe transition. This illustrates the relationship of number of customers to cost of service. If the total population of Simcoe County and the City of Guelph were used in the calculation then the gap between cost of service and customers served would reduce.

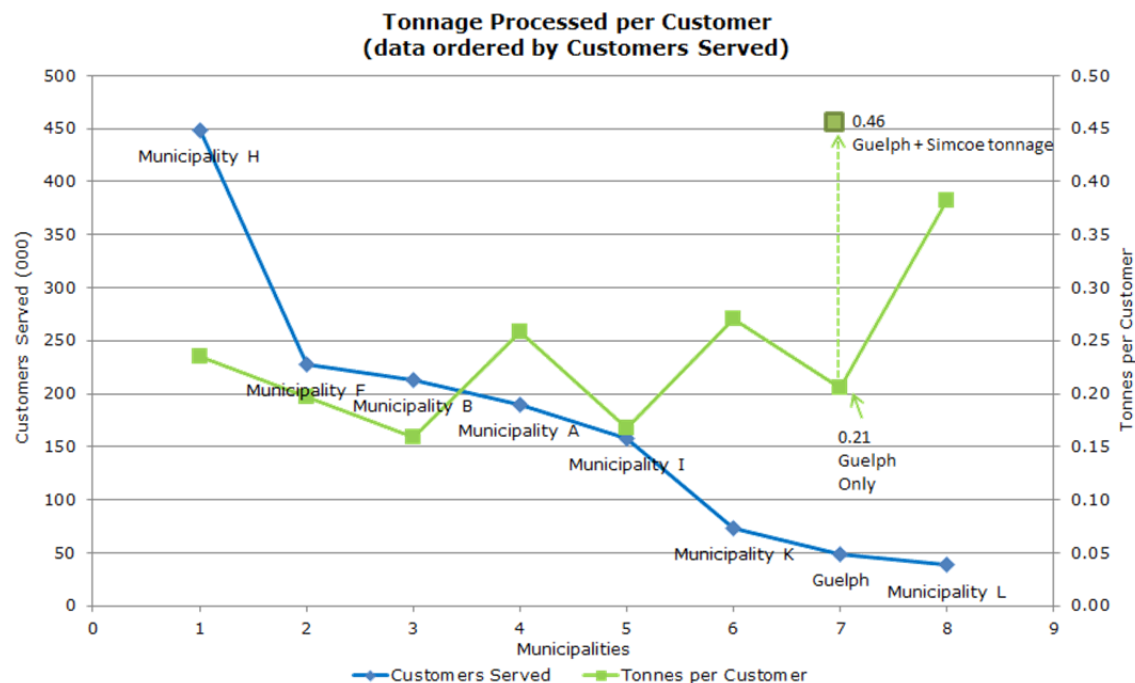


Figure 18: MRF tonnage processed by customer. Source: March 2018 Dillon data analysis and MRF tonnage adjustment analysis

Analysis also revealed that by accepting recyclables from the County of Simcoe, Guelph was double the average of our comparators, on a tonnes generated per customer basis (adjacent graph expressed as kilograms). By focusing on tonnage generated in Guelph, the City can align with the average of the comparator group, reduce the material entering the MRF (loading) by approximately 40 to 50 per cent overall and reduce the amount of material processed on the container line by about 80 percent.

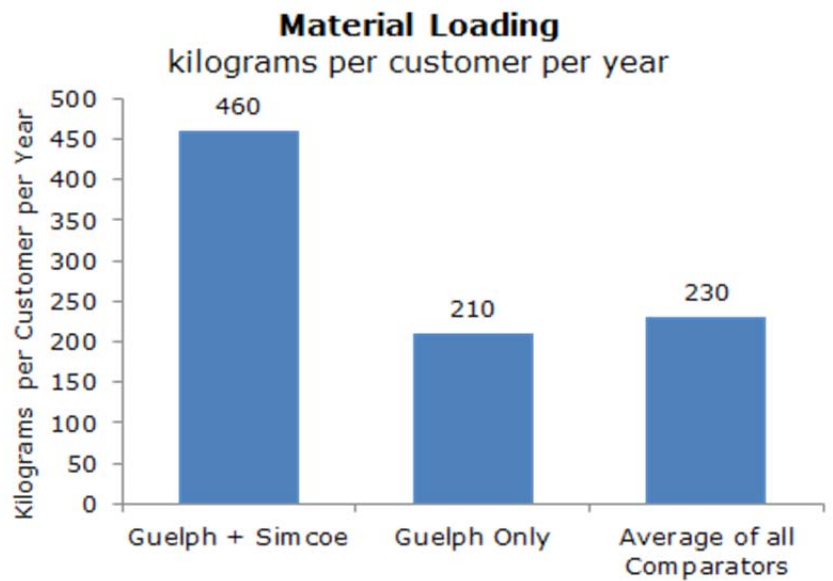


Figure 19: Material loading (material entering the MRF). Source: MRF tonnage adjustment analysis

Based on these adjustments and economies of scale, it is anticipated that over time Guelph's MRF operation will better align with our comparator group based on scale from a loading and performance perspective.

Aligning MRF operations with tonnage generated in Guelph provides a gain in capacity, with respect to tip floor space, allowing for alternate processing configurations, such as batch processing. There is also a significant reduction in resourcing requirements and equipment use, which positively impacts maintenance requirements, capital requirements and equipment redundancy and associated risk.

By focusing solely on recyclable material from Guelph we can reduce risk and expenses (hard costs). These changes are helping to insulate Guelph from future negative financial impacts from fluctuating market conditions and reducing reserve requirements.

The Simcoe transition will help address some of those challenges by improving operational efficiencies and supporting fiscal accountability and viability. It is estimated that this transition could provide an annual actual cost reduction of \$740,000³².

Recommendation 11: Continue to monitor and update Council with respect to the Blue Box Program transition timeline and implications of proposed legislative changes.

Service/Area: Material Recovery Facility and curbside waste collection

Category: Opportunity underway

³² Annualized impact upon full implementation of transition plan, calculated based on 2017 tonnage and market rates. This is a reduction in actual expenditure currently funded through deferment of other expenses and reserves, not a year over year base budget reduction

Background: On August 14, 2017, the Minister of the Environment and Climate Change directed the Resource Productivity and Recovery Authority and Stewardship Ontario to work collaboratively with stewards, municipalities and affected stakeholders to develop a proposal for an amended Blue Box Program Plan and, if approved, to submit the proposal by February 15, 2018 for the Minister's consideration.

Stewardship Ontario and the Authority determined that more time was needed to address the comments received³³ on the draft amended Blue Box Program Plan that was posted by Stewardship Ontario for consultation on December 19, 2017 and elected not to submit a program plan to the Minister by the deadline.

At this time, it is unlikely any further decisions will be made prior to the provincial election. Post-election, it is anticipated that a new direction letter would be required from the newly formed government to continue the work on transition to a full Extended Producer Responsibility program to meet the proposed transition by 2023 as outlined in the Ministry's Strategy for a Waste-Free Ontario.

The Municipal Resource Recovery and Research Collaborative, which includes the Association of Municipalities of Ontario, the City of Toronto, the Regional Public Works Commissioners of Ontario and the Municipal Waste Association, has committed to continue to work with both parties on a preferred path in a reasonable, fair and timely manner. Research and analysis on the results of other international extended producer responsibility programs are underway to develop a clear and fact-based alternative approach to establish a detailed framework for how the blue box regulation should be drafted, which is supported by municipalities and other key stakeholders.

It is recommended for SWR staff to continue to assess and prepare for pending legislation changes and to continue to provide updates to Council on extended producer responsibility status and implications of proposed legislative changes.

Benchmarking

Benchmarking is the process of finding good practices and learning from others. It is the comparison of the performance of a process or service in one organization to performance of a similar process or service in other companies. Benchmarking can provide important insights regarding efficiency and competitiveness of processes or services. The overarching goal of benchmarking is to put a process or service in perspective against other similar processes or services of other groups or institutions.

The City of Guelph worked in partnership with Dillon Consulting Limited (Dillon) — an impartial, technical expert — to conduct the benchmarking and support the data analysis portion of the SWR business service review. This partnership provided technical expertise and added objective third-party credibility to the review results.

³³ Source: <https://rprr.ca/2018/02/15/amended-blue-box-program-plan-update/>

The following twelve municipalities were contacted, by Dillon, as part of the best practices investigation. These comparators met the service review rationale³⁴ and represent the desired mix to conduct a fair comparison to the City of Guelph:

1. Region of Waterloo
2. Essex-Windsor Solid Waste Authority
3. City of Hamilton
4. Regional Municipality of Niagara
5. Regional Municipality of Peel
6. City of Kingston
7. Lambton County
8. Regional Municipality of Halton
9. City of Brantford
10. City of Barrie
11. Bluewater Recycling Association
12. Northumberland County

The rationale for selecting the comparators included;

- Being part of the Council-approved municipal comparator list;
- Delivery approaches that meet those defined by the scope of the service review (i.e., own and operate, own and contract out, contract out); and/or,
- Relevant level of service and/or technology used (e.g., for the MRF having a mix of single-stream and two-stream processing facility comparators, for organics processing looking at different composting technologies and not anaerobic digestion)

It is important to note that no community had an exact match for delivering waste services in the same manner as Guelph. Since the levels of service and service delivery approaches among other municipal solid waste management elements vary significantly, only those elements that would be relevant or comparable to the City's solid waste elements were selected. As such, comparator municipalities were not asked to provide information on their total waste management system, only certain elements. The goal was to have a minimum of two comparators for each element, with a focus on elements that represented the most significant portions of Solid Waste Resources annual budget. This resulted in the elements that represented a higher percentage of the annual budget (MRF, collections) having more comparators identified, while other elements (MHSW) had the minimum.

Dillon conducted multiple data validation assessments, with the City's Finance, Asset Management, Human Resources, Business Process and Solid Waste Resources staff as well as reviewing other available online data to confirm findings, such as Ontario's Resource Productivity and Recovery Authority (RPRA) municipal datacall.

The individual results from each participating municipality are not provided by municipal name. This was purposely done to limit any interpretation or perception of the performance of other

³⁴ Dillon Consulting Benchmarking and Data Analysis Report (March 2018)

municipal programs. The purpose of this service review was to compare Guelph to other municipalities and not to highlight any potential deficiencies in participating municipal programs.

Key indicators used in the comparison included service type, service level, average cost per tonne and average cost per customer. **Comparison data determined that the City meets or exceeds service performance of comparators in all but one service³⁵.** The Material Recovery Facility operations performance was determined to be below the comparators, with collections, organics processing, public drop-off and the transfer station, along with household hazardous waste performing at the same level or better than the comparator data provided.

There are many factors that influence performance and comparison data and can create variances in comparison from municipality to municipality. These factors include items such as;

- Diversion programs: The type of diversion efforts impacts the type and amount of material included in waste collection.
- Education: Methods to promote, manage and enforce garbage collection, disposal, recycling and diversion programs and services.
- Geography: Urban/rural population, seasonal population, socio-economic factors and the mix of single-family residences and multi-unit residential buildings that impact service provision.
- Government and service structure: Services can be provided by a single-tier or a two-tier system (combination of Regional and Municipal service), and a mix of private and public owners and operators.
- Infrastructure: Distance to transfer and processing facilities; accessibility of local landfill sites with available capacity; age of infrastructure.
- Management: Different approaches to reporting and accounting

Comparison data is provided in **Appendix B: Service Breakdown** as well as in **Appendix D: Dillon Consulting Limited Benchmarking and Data Analysis report**.

³⁵ Results summary from Dillon report dated March 2018

Appendix A – Service overview

Waste services are provided to approximately 49,000 households, including multi-residential and business, with waste and recycling collected bi-weekly and organics collected weekly utilizing an automated collection system and a public drop-off (waste, recycling, yard waste and hazardous waste). This waste is processed at the integrated waste resource centre through the material recover facility (recycling), source separated organics (organic waste) and the transfer station (waste to the landfill).

Solid Waste Resources objectives include:

- Providing programs and services to minimize the impact of garbage on the environment and alleviate the demand on landfills by providing a variety of waste diversion programs;
- Providing efficient and economical waste collection, waste diversion and disposal services that meet the needs of the community and regulatory bodies; and
- Providing education to promote waste reduction and increase awareness of waste management issues.

Current level of service provided by SWR staff, to work towards meeting the above objectives, includes the following:

- Collections
 - Three-stream collection (cart based)
 - Weekly organics collection and bi-weekly recycling/waste collections
 - Six days per week downtown collection (Monday to Saturday)
 - Twice yearly bagged and loose leaf collections
 - Carts paid by tax base; provided at no cost to new users or repairs
- Public Drop-off
 - \$10 minimum drop off fee for mixed waste
 - \$75 per tonne fee, in addition to the \$10 fee for commercial waste
 - Free yard waste and residential sorted recycling drop off
 - Free residential drop off for hazardous and special waste
- Processing
 - Outsourced Organics Facility operations and maintenance
 - In-house operation and maintenance of Material Recovery Facility
- Waste Disposal
 - In-house operations of transfer station
 - Outsourced haul and dispose of waste
- Programs
 - Waste less principles and policies to be promoted
 - Public education
 - Program development to promote and improve diversion rates in support of the current, Council approved Solid Waste Management Master Plan.

Additional service level information is provided in **Appendix B: Service Breakdown**. Refer to Solid Waste Resources Service Description on page 7 of this report for a graphic representation of SWR and page 2 for the service overview section of the executive summary.

Service history

Since 2002 there have been multiple service-level changes at SWR, from moving to collect the three waste streams, to changing to the automated cart system and providing six-day per week service in the downtown. The following graphic provides a timeline of changes at SWR.

SWR Level of Service History

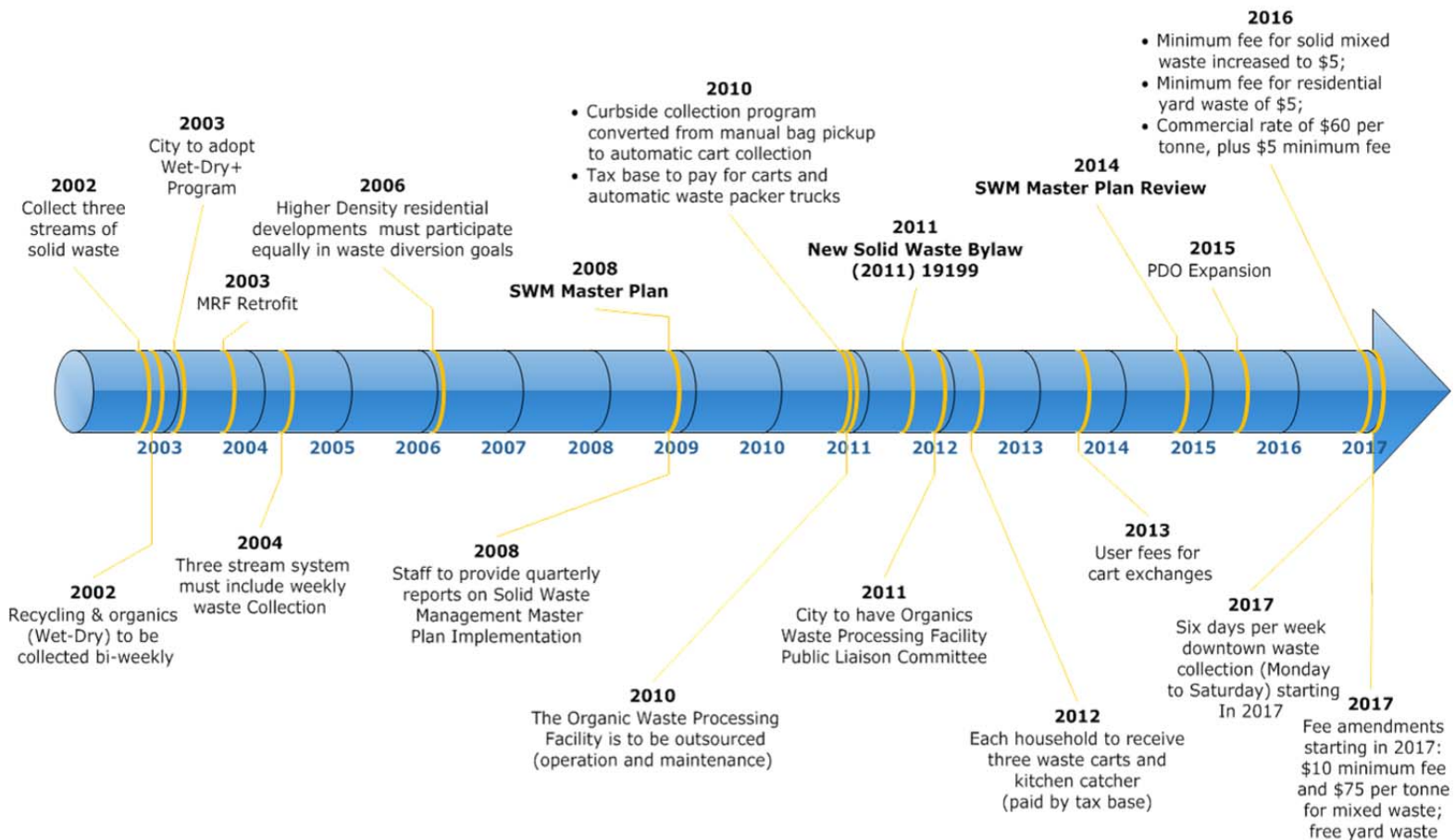


Figure 20: Service history of Solid Waste Resources

Regulatory and compliance requirements

There are regulatory and compliance requirements under which SWR provides waste services, they include:

- Waste Free Ontario Act
- Resource Recovery and Circular Economy Act, 2016
- Waste Diversion Transition Act, 2016
- Environmental Protection Act
- Environmental Assessment Act
- Nutrient Management Act

Revisions to legislation and orders received from the Ministry of Environment and Climate Change (MOECC) impact the service provision and have impacted the cost of SWR service. Orders received from the MOECC are specific to Guelph SWR and not necessarily comparable to other waste service providers. Figure 21 illustrates a timeline of changes and orders that have impacted SWR services to date.

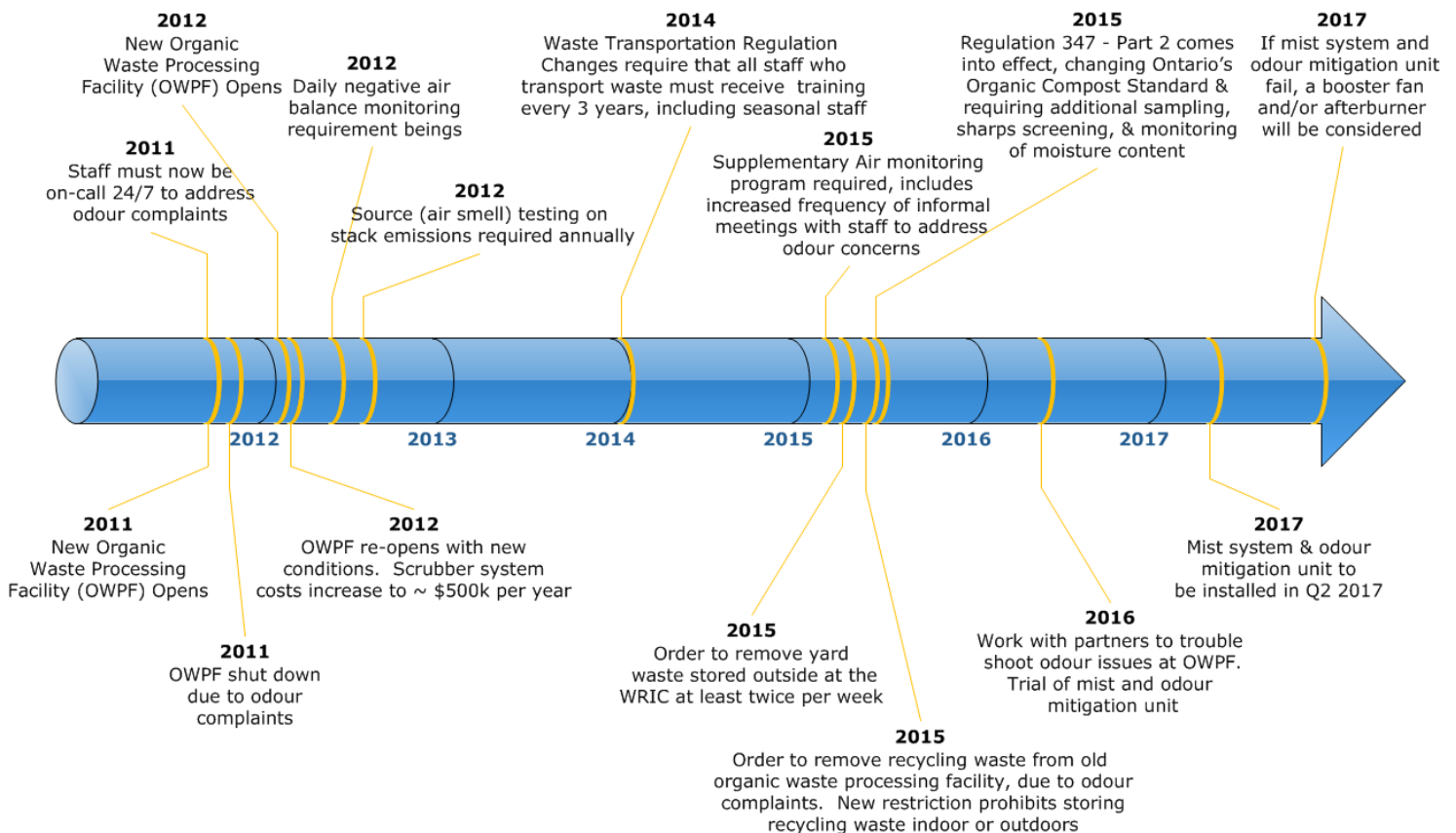


Figure 21: Compliance and regulatory impacts to SWR services

It's the unplanned events that can increase the cost of providing services. When a complaint is received (historically, primarily around odour), the City is required to hire consultants and submit a report to the Ministry of Environment and Climate change, summarizing the results of an investigation, action plan and follow-up with residents, in order to demonstrate due diligence

and avoid fines and charges. These extra activities, added above the original requirements, have impacted the cost of service by approximately \$700,000 annually.

All requirements and new conditions in the timeline above are ongoing and cumulative – they must be maintained for as long as the relevant waste processing facilities are in operation.

Forthcoming legislation changes regarding producer responsibility will have impacts on the services provided for material recovery. Further information can be found in the Material Recovery Facility section of **Appendix B: Service Breakdown**.

Organizational Structure

At the time of the business service review, there were 107 staff working within SWR to provide the current level of service. The chart in figure 20 illustrates the current staffing structure³⁶.

In tandem with the completion of this review, SWR staff are completing an organizational review with the goal to better align the management structure to support efficient and effective management of the six core businesses. Results of the review will be available in Q2 of 2018 and may inform, where applicable, the 2019 and future budgets.

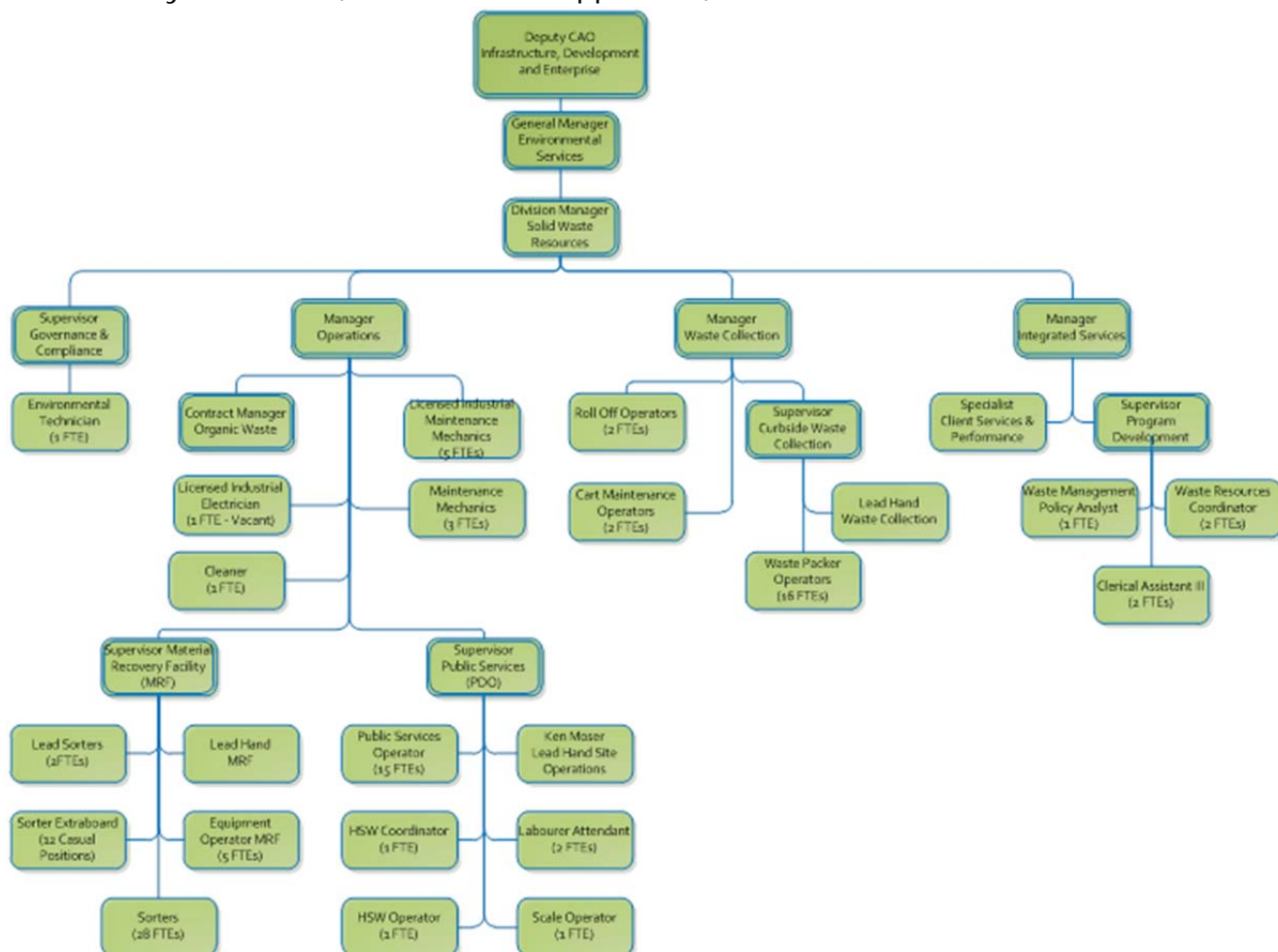


Figure 22: Solid Waste Resources organizational structure Source: Human Resources data for 2017

³⁶ 2017 data as provided by Human Resources, compensation information. Where not noted specifically the FTE count is 1.

Appendix B – Service Breakdown

This section of the report provides an overview of specific SWR service elements, including current level of service and performance. Recommendations and the corresponding background are detailed separately in the Recommendations section of this report.

Collections

Service Element: Collections	Description: Three-stream waste collection, Monday through Friday. Weekly organics and bi-weekly recycling and garbage collection. Downtown area receives three-stream collections Monday through Saturday. Leaf and yard waste collection twice per growing season.				Benchmarking		
					Below	Avg.	Better
Service Base ³⁷ 35,435 tonnes annually	Service Outputs Three-stream waste removal from community	Service Performance ³⁷ \$110/tonne	Net Service Cost ³⁷ \$3,886,357	% of SWR Net Budget ³⁷ 35%			●

At the time of the review, the collection customer breakdown is as follows;

- Single-family households 29,901
- Multi-residential units total 26,026 in Guelph with City collections providing service to 18,530
- Industrial, Commercial and Institutional sector (business) 305

This is a total 48,431 customers serviced which is approximately 85 per cent of the reported total households in the City.

Collections service is provided by 18 City Staff utilizing automated collections equipment. It was noted during the benchmarking activity that Guelph was the only municipality that provided collections service solely through the use of in-house staff.

The benchmarking exercise identified that municipalities who service non-residential customers (e.g., business areas, restaurants, downtown areas) provided collection frequency ranges from weekly to twice weekly whereas the City of Guelph provides daily collection of all three streams, 6 days per week.

All comparator municipalities, with the exception of the City of Guelph, provide seasonal curbside collection of bagged leaf and yard waste either weekly or bi-weekly during the growing season (around April to November).

The result of the benchmarking analysis conducted by Dillon and the in-house performance analysis indicates that the current Curbside Collections service is in line and competitive with other municipalities.^{38,39}

³⁷ 2017 performance and budget data

³⁸ Dillon March 2018 Benchmarking and Data Analysis Report

³⁹ IDE-17-106 Solid Waste Resource Business Service Review Interim Report

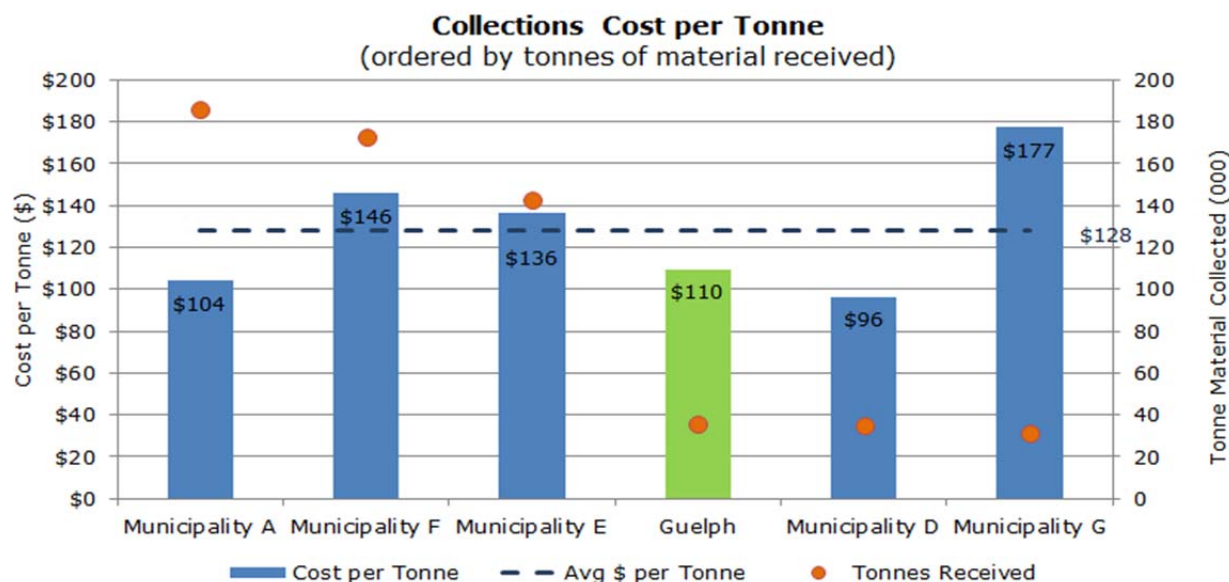


Figure 23: This chart depicts the City of Guelph's cost per tonne to provide the current level of service and the comparator costs per tonne. Source: Dillon Consulting: Municipal Benchmarking Data, March 2018

A public survey on curbside collection that ran from December 2016 to February 2017 with a total of 537 respondents, indicated that most participants were satisfied with their curbside collection service, with 79 per cent responding in the satisfied to very satisfied range and only 10 per cent responding in the dissatisfied ranges. To improve data confidence and ensure a more balanced representation across the City a third party, statistically significant random phone survey was conducted in September 2017⁴⁰, as well as a public open house and online survey. The data indicates that overall 84 per cent of survey respondents were satisfied with the current level and delivery of waste collection services.

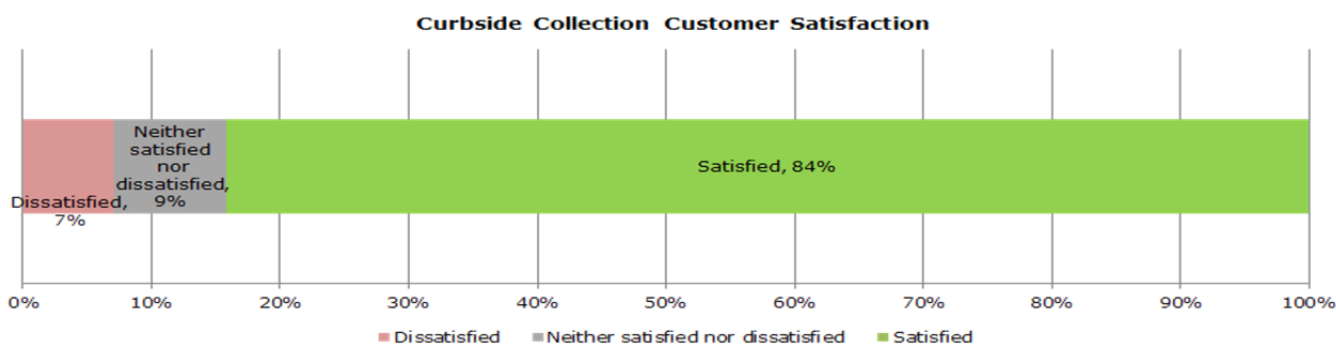


Figure 24: Curbside customer satisfaction distribution. Source: Business service review engagement data analysis

Further information on identified recommendations and background information, for the Collections service element, can be found in the Recommendations section of this report. In addition to the recommendations made ongoing continuous improvement activities should be continued with the goal of identifying efficiencies. This includes further analysis on potential efficiency gains regarding moving to a 10-hour shift and a 4 day work week.

⁴⁰ Third party survey reached a fully random sample across all six wards in the City of Guelph, with the target of 25% (100) respondents living in multi-residential households. The margin of error for the total N=400 sample is +/- 4.9%, 19/20 times

Organics

Service Element: Source Separated Organics	Description : Organic waste material (household kitchen organic waste) is shredded and mixed with amendment material to be processed to compost.				Benchmarking		
					Below	Avg.	Better
Service Base: 32,250 tonnes annually ⁴¹	Service Outputs Diversion of organic waste from landfill	Service Performance ³⁷ \$49/tonne (net) ⁴²	Net Service Cost ³⁷ \$1,589,702	% of SWR Net Budget ³⁷ 14%		●	

The Guelph Organic Waste Processing Facility (OWPF) processes source-separated organics (SSO), which is organic waste collected separately from other streams of waste, to produce compost. This operation of this service (operation and maintenance of the facility) is currently contracted to Wellington Organix Inc.

The City of Guelph currently has a contract with the Region of Waterloo to process their residential organic waste. The ratio processed is approximately 2:1 for Waterloo and City organics. Organic waste material (household kitchen organic waste) from the City of Guelph and the Region of Waterloo is shredded and mixed with amendment material to be processed to compost.

The graph below illustrates that the tonnage from Guelph residential organic waste has remained fairly static over the last few years with minimal increase at an average of 2 percent per year. The organic waste processed per the contract with the Region of Waterloo has increased at an average of 5 percent per year. The tonnage for 2017 equated to approximately a 48 percent increase, driven by the new collection program at the Region of Waterloo.

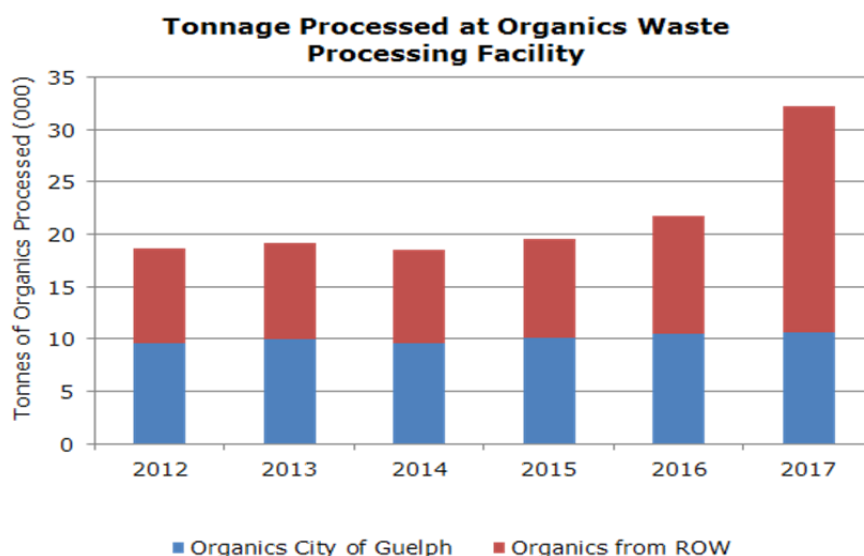


Figure 25: Tonnage of organic waste processed annually.

Source: City of Guelph, 2016 Annual Report data and calculated forecast information.

⁴¹ 10,000 tonnes organics processed from City of Guelph residents and 22,000 tonnes organics processed from the Region of Waterloo

⁴² Net cost, including efficiencies gained through merchant capacity of organics facility

As stated in Dillon's Benchmark and Data Analysis Report, Guelph's organics processing net costs are estimated to be \$49/tonne. The following was included in the cost analysis;

- Total operations contract price;
- City's 1 FTE to manage the operator's contract;
- Capital reserve towards facility/equipment replacement;
- Tipping fees from Waterloo Region; and
- Sale of related carbon credits (inherent market risk).

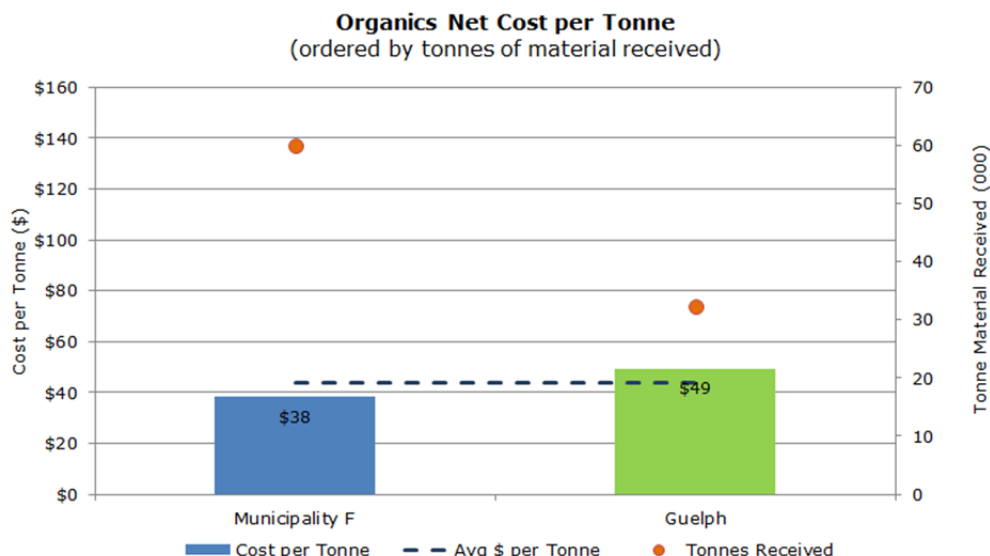


Figure 26: Source separate organics net cost per tonne of material municipalities that gain efficiency from utilizing merchant capacity.
Source: Dillon Consulting: Municipal Benchmarking Data, March 2018

Analysis indicates that the City's **net** cost of \$49 per tonne of material collected to process organic waste is below the municipal average of approximately \$44 per tonne of material collected (for municipalities that gain efficiency from utilizing merchant capacity). This is greatly impacted by the tipping fees and tonnage received from the Region of Waterloo and represents the economies of scale generated through the combined tonnage. The cost per customer is approximately \$30 per customer, with the municipal average being approximately \$25 per customer.

The calculated cost per tonne based on Guelph only tonnage (removing all revenue and expense related to the Region of Waterloo) is in the order of magnitude of \$293⁴³ per tonne. This calculated cost includes capital investments for the facility. The operating and maintenance costs alone would be \$135⁴⁴ per tonne. By utilizing the merchant capacity (as defined in the original facility business case) and processing material from the Region of Waterloo, the facility gains efficiency in operating costs.

The service review did not identify any SSO specific improvement recommendations for inclusion in this report, however ongoing continuous improvement activities should be continued with the goal of identifying efficiencies.

⁴³ Guelph only calculation ((operating and maintenance costs + capital costs)/Guelph generated tonnage).

⁴⁴ As identified on the sliding scale in the current contract with Wellington Organix for the tonnage processed (10,000)

Public Drop-off (PDO) and Transfer Station

Service Element: Public Drop-off	Description : Two public drop-off areas are provided for residents, a free recycling drop-off zone and a pay zone for waste material. open for public use Monday to Friday from 7:00 am to 6:00 pm and on Saturday from 8:00 am to 3:45 pm				Benchmarking		
					Below	Avg.	Better
Service Base: 10,230 tonnes annually	Service Outputs Waste, recyclables and brush, leaf and yard waste drop off	Service Performance ³⁷ \$109/tonne	Net Service Cost ³⁷ \$1,113,803	% of Net SWR Net Budget ³⁷ 10%		●	

Service Element: Transfer Station	Description : Waste (garbage that cannot be diverted from landfill) is collected for transfer to a private waste disposal site.				Benchmarking		
					Below	Avg.	Better
Service Base: 59,557 ⁴⁵ tonnes annually	Service Outputs Point of collection to transfer residue waste	Service Performance ³⁷ \$0/tonne	Net Service Cost ³⁷ -\$50,871	% of SWR Net Budget ³⁷ -0.5%		●	

The City operates two public drop-off areas, for residents, as well as a transfer station, where waste is collected for transfer to a private waste disposal site (refer the Residual Waste section of this report). The Public Drop-off (PDO) and Transfer Station have a staffing structure of approximately 21 FTE, including a supervisor, lead hand, operators and health and safety staff.

It is important to note that while the City of Guelph is able to separate the resourcing and costs associated with; the PDO and the Transfer Station, the majority of comparator municipalities are unable to. For this reason, the City's PDO and Transfer Station (and all information, such as costing and resourcing) were combined for benchmarking activity.

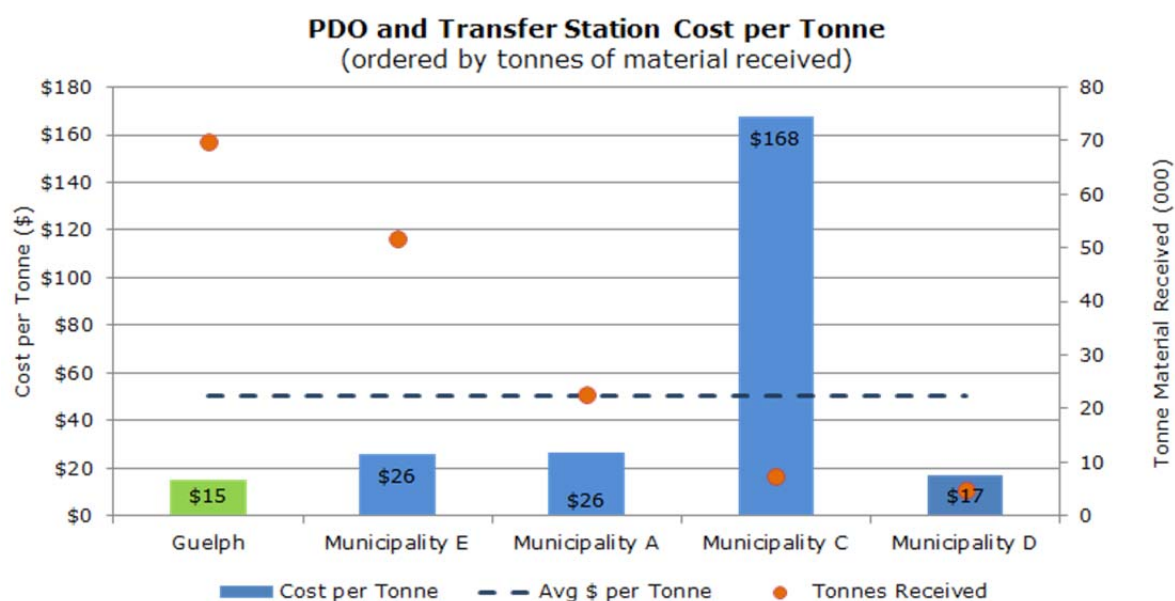


Figure 27: Cost per tonne, combined, to provide PDO and Transfer Station service. Source: Dillon Consulting: Municipal Benchmarking and Data Analysis, March 2018

⁴⁵ Transfer station tonnage includes curbside collected garbage and direct haul from commercial customers

Analysis indicates that the City's cost to provide public drop-off and transfer station services (combined) is in-line or lower than the comparator municipalities at \$15 per tonne of material.

Other activity utilized in the assessment of the PDO included user experience interviews conducted in the fall of 2016. Research students from the University of Guelph conducted interviews and observations to collect qualitative data to document user experiences at the PDO. This work resulted in 60 experience related responses. Many of the responses were very positive; suggestions were primarily around hours of operations (harmonizing Hazardous or Special Waste with the PDO hours of operations) and fee structure.

Engagement activity identify that overall 76 per cent of surveyed residents are satisfied with the current level of service at the Public Drop-off. The transfer station is not a service utilized by public directly so there is no engagement data regarding that service element.

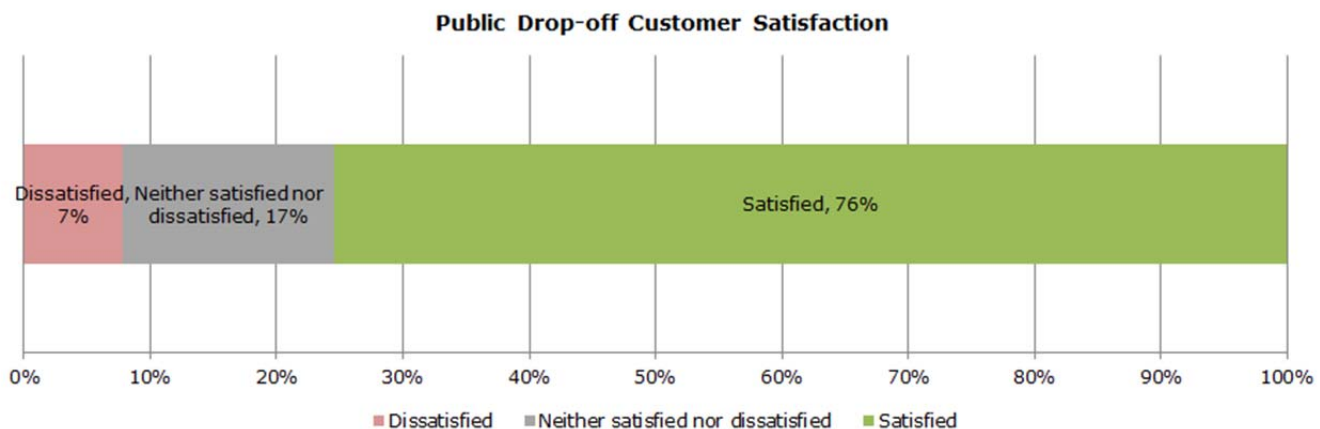


Figure 28: Public Drop-off customer satisfaction distribution. Source: Business service review engagement data analysis

Comments related to the layout changes that occur on Saturdays, wait times and fees were the primary drivers of the 7 per cent dissatisfaction. A majority of engagement participants were satisfied with the hours of operation and organization of the PDO.

Further information on identified recommendations and background information, for the Public Drop-off service element, can be found in the Recommendations section of this report.

Municipal Hazardous or Special Waste (MHSW)

Service Element: Municipal Hazardous or Special Waste	Description :				Benchmarking		
					Below	Avg.	Better
Service Base: 290 tonnes annually	Service Outputs Diversion of household hazardous waste from landfill Health and safety of the community	Service Performance ³⁷ \$559/tonne	Net Service Cost ³⁷ \$162,156	% of SWR Net Budget ³⁷ 1.5%			●

Hazardous waste can be dropped off at the PDO. Hazardous waste includes items such as aerosol cans, fire extinguishers, medicine, paint, antifreeze, propane tanks, and many more items.

In 2016, approximately 260 tonnes of hazardous material was collected at the depot, it is estimated that approximately 290 tonnes has been collected in 2017⁴⁶. The usage rate of the depot has increased year over year, at an average of 7 per cent annually.

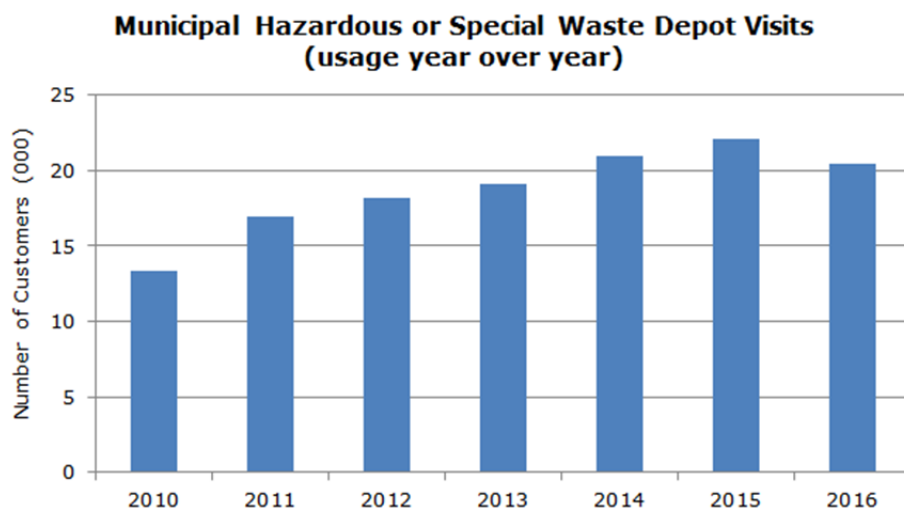


Figure 29: Annual usage (visitors) to the Municipal Hazardous and Special Waste depot. Source: SWR annual report data

The benchmarking data, provided by Dillon indicates the current cost to operate the MHSW depot is in-line with comparator municipalities. The average cost per customer, where customer is based on the municipal population served, is \$4 per customer, Guelph's cost per customer is \$3. The average cost per tonne was identified as \$689 per tonne with Guelph's cost per tonne being \$559.

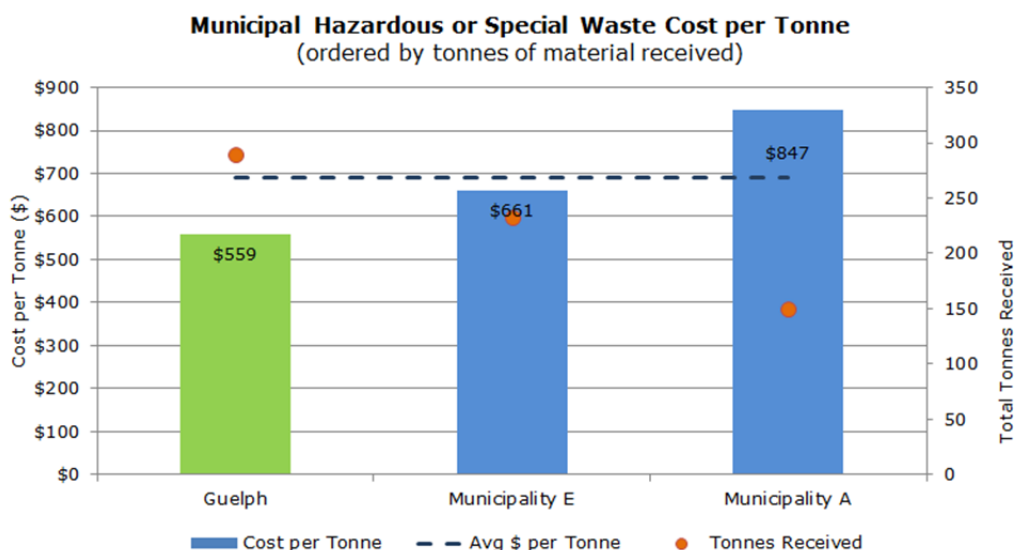


Figure 30: Cost per tonne, MHSW depot service. Source: Dillon Consulting: Municipal Benchmarking and Data Analysis, March 2018

⁴⁶ 2017 Annual reporting not finalized and validated.

The service review did not identify specific MHSW service element improvement recommendations for inclusion in this report. There are recommended improvements for the overall PDO service element that may impact the MHSW program. Information on those recommendations and background can be found in the Recommendations section of this report. Ongoing continuous improvement activities should be continued with the goal of identifying efficiencies.

Material Recovery Facility

Service Element: Material Recovery Facility	Description : Single-stream facility that processes recyclable material (blue box).				Benchmarking		
					Below	Avg.	Better
Service Base: 22,800 tonnes annually ⁴⁷	Service Outputs Diversion of recyclables from landfill Reuse/marketing of material	Service Performance ³⁷ \$93/tonne	Net Service Cost ³⁷ \$2,111,933	% of SWR Net Budget ³⁷ 19%	●		

The blue cart program allows residents to place all recyclables into the same cart, resulting in the need for a single-stream process.

- Single-stream is the process where all recyclables can be mixed together (paper, plastic, metal, glass and cardboard). This process is simpler for customers who are not required to pre-sort but can lead to increased contamination and sorting requirements for MRF staff; this single-stream process also has a lower collection cost than dual-stream and increases the overall incoming material totals.
- Dual-stream processes keep the fibre (paper and cardboard) separate from containers (plastic, glass and cans). This sorting process decreases contamination of material and provides an increase in the amount of marketable material. It is more costly to collect two streams of recyclables and may result in lower customer participation in the program.

Guelph's MRF is a single-stream facility that processes an average of 20,000 to 35,000 tonnes of recyclable material per year. The City has a contract with Simcoe County to receive and process containers, this represents approximately 40 per cent of the annual tonnage processed at the MRF.

The City markets the recyclables and provides Simcoe County the revenue for their containers based on audits of Simcoe's container stream. Sources of revenue are from tipping fees for Simcoe County's containers and the sale of recyclables and funding from RPRA for recovered recyclables.

Benchmarking and data analysis indicated that the City's cost to process recyclable material at the MRF is higher than the average cost of the comparator municipalities, with the average processing cost being less than \$1 per tonne of material collected. The City's processing costs are an average of \$93 per tonne of material collected.

⁴⁷ 13,000 tonnes recyclables processed from City of Guelph residents and ICI customers and 10,000 tonnes processed from Simcoe County

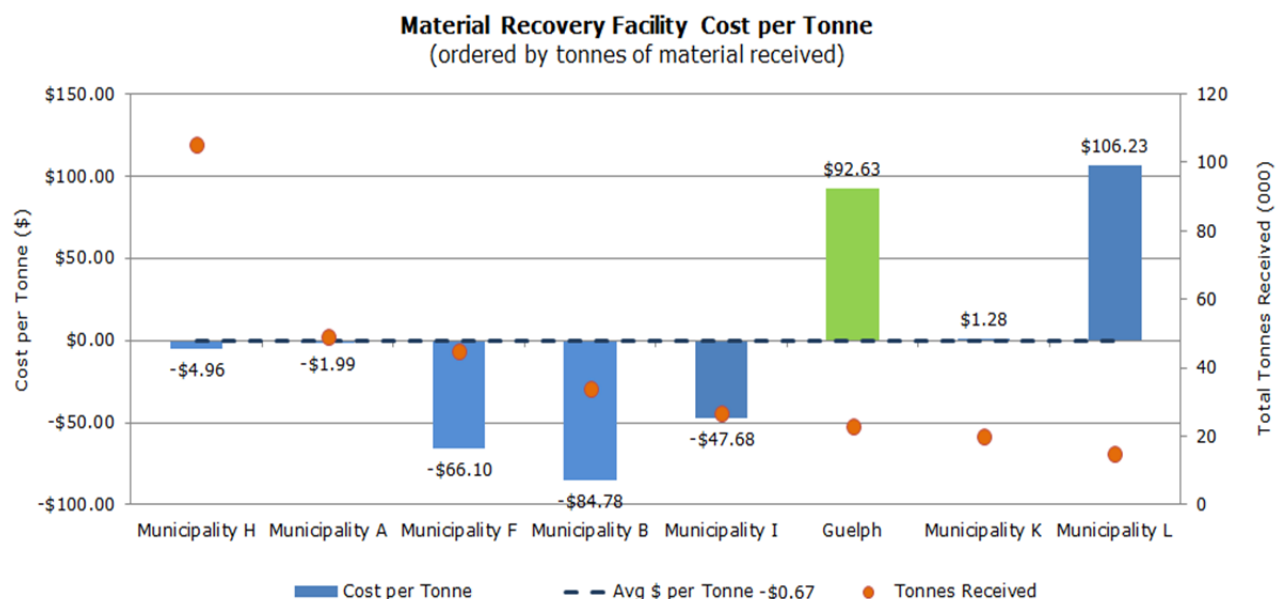


Figure 31: Cost per tonne, Material Recovery Facility. Source: Dillon Consulting: Municipal Benchmarking and Data Analysis, March 2018

Analysis of tonnes per customer indicated that by combining the total recyclables received from the County of Simcoe with the total from Guelph, the tonne per customer was double the average of our comparators. When we look at tonnage generated in Guelph only, Guelph better aligns with the average of our comparator group.

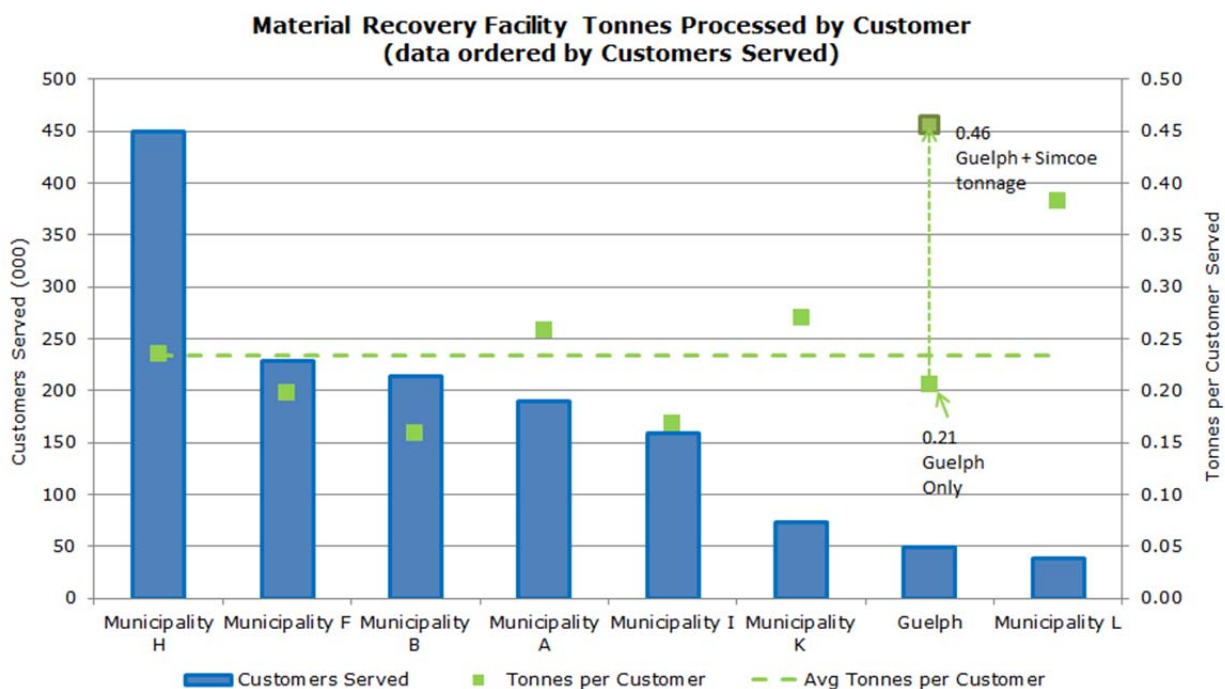


Figure 32: MRF tonnage processed by customer. Source: March 2018 Dillon data analysis and MRF tonnage adjustment analysis

Aligning MRF operations with tonnage generated in Guelph could provide a gain in capacity and processing configurations. There is also a significant reduction in resourcing requirements and utilization of equipment that will positively impact maintenance requirements, risk and capital requirements.

In addition to aligning the tonnages and to provide a better understanding of the financial challenges posed by continued MRF operations, a high-level condition assessment of the MRF was completed. Refer to Appendix E – Material Recovery Facility Condition Assessment Summary. The assessment confirmed significant short-term capital investment in MRF is not required to maintain current operations.

Forthcoming legislative changes could have significant impact on the MRF and recycling process in Guelph. The provincial Resource Recovery and Circular Economy Act (RRCEA) of the Waste-Free Ontario Act, 2016, is being amended where municipal governments will transition from the current blue box program (currently run by municipalities and co-funded by producers) to an Extended Producer Responsibility (EPR) that requires the producer of the printed paper and packaging material to be fully responsible to cover all end-of-life costs for waste.

The full implications of this change are still unknown, but the changes will limit the role of municipalities to a “potential service provider” to Producers in the management of their designated materials. City staff have been participating in consultations and providing feedback to Stewardship Ontario to ensure that any transition plans address and protect the City of Guelph and that the City is well-positioned to benefit from the new Extended Producer Responsibility legislation. An update on the legislative changes has been provided to Council through the Proposed Amended Blue Box Program Plan information report.

Stewardship Ontario posted a draft amended Blue Box Program Plan for consultation on December 19, 2017. In light of comments received on this consultation draft, Stewardship Ontario and the Authority have determined that more time is needed to address the comments received.⁴⁸

Further information on identified recommendations and background information, for the Material Recovery Facility service element, can be found in the Recommendations section of this report.

Residual Disposal

Service Element: Residual Disposal	Description : Haul and dispose residual waste (the waste that cannot be diverted from landfill) to a private landfill				Benchmarking		
					Below	Avg.	Better
Service Base: 32,883 ⁴⁹ tonnes	Service Outputs Transfer of waste from SWR to landfill	Service Performance ³⁷ \$60/tonne	Net Service Cost ³⁷ \$1,983,553	% of SWR Net Budget ³⁷ 18%		●	

⁴⁸ Source: <https://rpra.ca/2018/02/15/amended-blue-box-program-plan-update/>

⁴⁹ Residual waste the City controls - City collected residual waste

The City of Guelph has a contract with Waste Management to haul and dispose residual waste (the waste that cannot be diverted from landfill) to a private landfill.

The costs and associated quantities of industrial, commercial, institutional (ICI) residual waste received at the transfer station were included in the transfer station analysis. The ICI waste and the associated contract forms part of the business operations of the transfer station.

The costs for residual waste service are based on the City's collected waste tonnage. The handling and disposal of commercial residue dropped at the Transfer station contributes to the cost of this service. The costs for the haul and dispose of collected residual waste are estimated to be approximately \$60 per tonne of material, which is in-line with the municipal average.

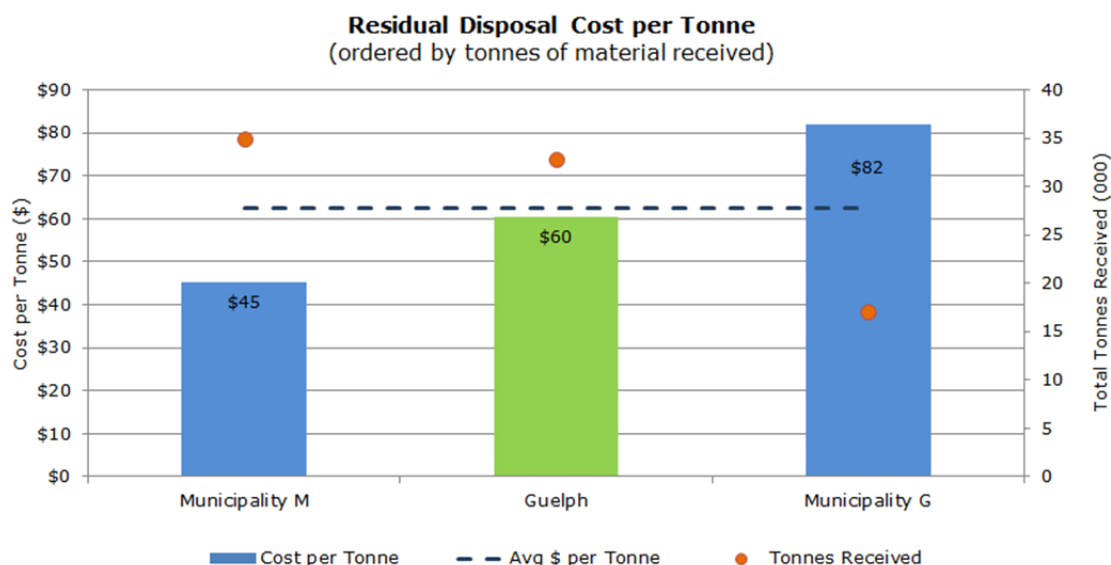


Figure 33: Cost per tonne, Residual Disposal. Source: Dillon Consulting: Municipal Benchmarking and Data Analysis, March 2018

Dillon supplemented the data with costs received from bidders in the City's 2013 open tendering process for haulage and disposal of residual waste that received four landfill related bids that ranged from \$50/tonne to \$70/tonne⁵⁰.

The benchmarking and performance data analysis indicated that the Residual Disposal service is in line with comparative municipalities. The service review did not identify any improvement recommendations for inclusion in this report; however ongoing continuous improvement activities should continue to identify efficiencies.

⁵⁰ Dillon Consulting Benchmarking and Data Analysis Report March 2018

Administration and Management

Administration and management of Solid Waste Resources provides direction and support to all service elements. These supports include (but are not limited to):

1. Marketing and procurement

The City of Guelph generates an average of 35,000 tonnes of waste per year. Of that 10,000 tonnes are paper and packaging recyclables such as newspaper, cardboard, paper, plastic bottles and cans. Marketing and procurement includes activities to market the recovered material, including sourcing and logistics with domestic and export customers.

2017 commodity revenue distribution is illustrated in Figure 34.

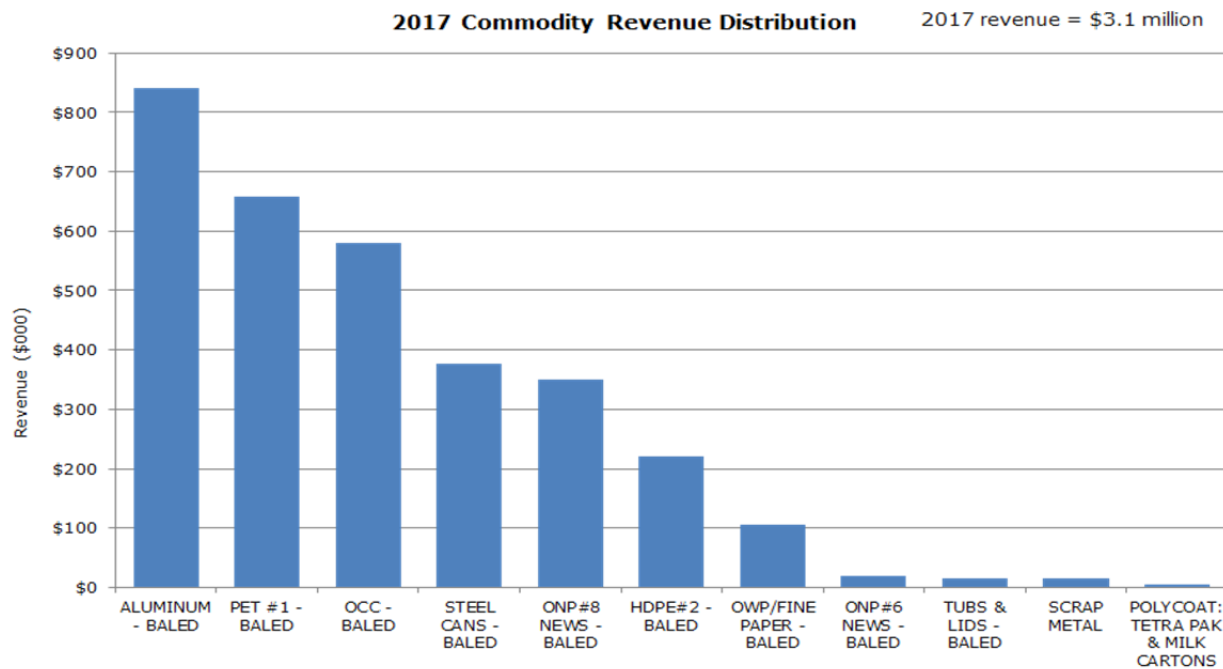


Figure 34: 2017 commodity revenue distribution. Source: 2017 annual reporting data analysis

2. Program development

Guelph has a high rate of diversion that is driven and supported by successful outreach programs and reuse initiatives such as:

- Public education about correct sorting of organics and recyclables
- Leaf and yard waste, backyard composting and grass-cycling
- Construction and demolition material, tires, scrap metal and electronics recycling programs at the PDO
- Reuse programs (paint, bicycle, eyeglasses and shoes) and Take-It-Back programs

3. Advocacy and education

Solid waste management, while largely hidden from public view is a major driver to advance environmental sustainability objectives such as reduction, resource conservation and material reuse. In addition to environmental benefits, solid waste management is beneficial to community health. Diverting waste by recycling and composting can help reduce the impact of solid waste on the environment.

The implementation of education and outreach programs, such as curbside sorting and audits, door-to-door campaigns and school campaigns, as well as the use of technology such as the Guelph Waste app, improve waste diversion rates.

4. Master plan development and management

The Solid Waste Management Master Plan (SWMMP) was developed in 2008 as a 25 year strategy, with five-year reviews and updates. The master plan is a dynamic long-term planning document that provides guidance for program development and decisions. The master plan focuses on developing and enhancing waste minimization and diversion initiatives that will help the City meet the plan's reaffirmed waste diversion target of 70 per cent by 2021.

5. Planning and development

The 2014 SWMMP identified that provincial growth pattern policies will encourage greater development of multi-residential and mixed-use buildings. Guelph's population is expected to increase to 165,000 by 2031. Planning and development works to ensure waste services are designed and implemented to meet this expected growth.

6. Performance management

Accurate data allows decision makers to understand how their performance measures against set targets and comparators at any given time. Having accurate and reliable data provides information for making important, short- and long-term business decisions.

The changing demands for programs, customer service, increased diversion, performance management and continuous improvement have identified increased needs for skills in areas of project management and process engineering as well as financial and contract management.

Further information on identified recommendations and background information, for the Administration and Management service element, can be found in the Recommendations section of this report.

Appendix C - Business Service Review Methodology

This review has been undertaken utilizing the Council-approved Business Service Review Framework⁵¹. A business service review looks at what we do well and what needs to change, it studies the effectiveness and efficiency of our services to make sure these services are the best for the City and our citizens, while supporting long-term financial sustainability.

As part of a service review, we ask ourselves:

- What services do we currently provide?
- How do we deliver services?
- What service level do we currently offer?
- Can we improve the way we deliver services?
- What is the impact to the community and our employees if service levels are increased or reduced?
- Can waste services be delivered in other ways?

Key components of a service review

A business service review typically consists of five phases of work, as illustrated below.

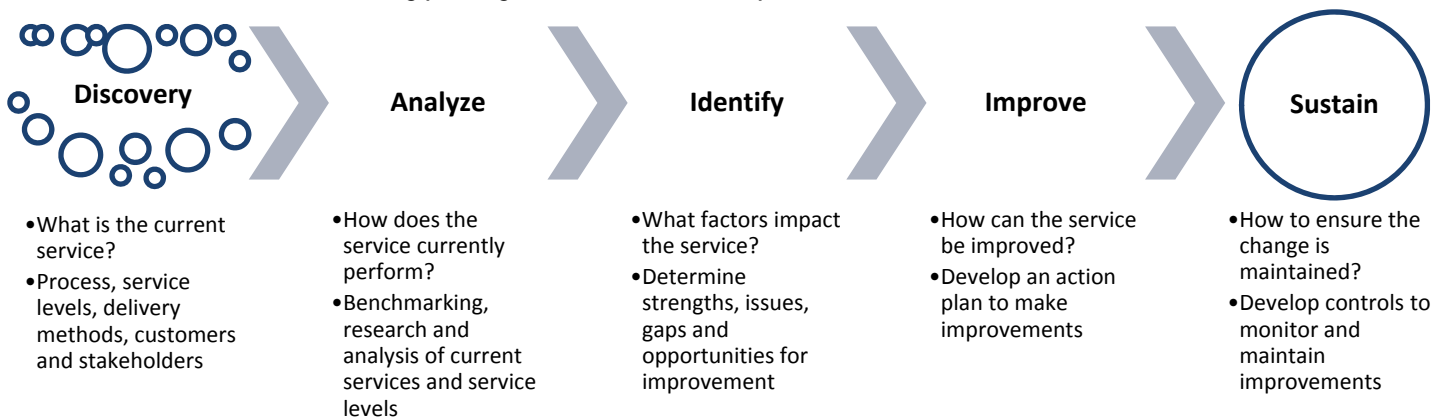


Figure 35: Service review process

Outcomes of a business service review

During a service review, the project team gathers staff feedback, public input, data analysis and research on Guelph's current services as well as benchmarking from other municipalities and organizations to define the current service, service levels and performance as well as develop recommendations for consideration.

Potential recommendations can include, but are not limited to:

- No change – we are delivering the best service at the right level
- Improve service level – we are delivering the right service but should increase the level of service, which may or may not require additional resources
- Change service delivery – we are delivering the right service but should change the way we offer the service, which may or may not require a change to resources
- Change service type - we are not offering the right service and need to change it, which may or may not require stopping to offer a service that is not meeting the needs of users.

⁵¹ CS-2016-61 Business Service Review Framework

Data approach and confidence

The following provides an overview of the data sources used to date and the confidence rating for each.

Data Source	Confidence Rating	Comments / Next steps
Finance data	Moderate to high	Credible source through JD Edwards (and data verified with Finance staff and SWR management staff
Asset data	Moderate	Current asset data provided by Asset Management staff and validated by Finance staff. Condition assessment of the MRF has been conducted
Process Data	Moderate	Data sources are limited, verified by staff interviews and annual reporting
Benchmark data	Moderate to high	Credible sources, confirmed through third-party assessment and external publicly reported data
Customer data	Moderate to high	Statistically significant third-party survey conducted. As well as customer contact data, public open house, public optional survey, historical engagement results.

Engagement

For the purposes of the business service review framework, engagement is used as a generic, inclusive term to describe the broad range of interactions between all people involved (impacted by or impacting the review) in the review. An engagement plan was developed as part of the SWR review, with the following goals:

- Understand solid waste resources processes
- Understand the customer service experience
- Understand the customer needs and desires
- Identify areas of potential improvement and excellence



There are a variety of approaches for engagement, such as education, consultation, collaboration and involvement. The SWR review utilized many approaches during the review, including the following:

- Internal engagement activities such as process mapping sessions, on-going meetings with staff, site visits, staff lunch and learns and tailgate meetings.
- External stakeholder meeting including Councillors, committees and boards.
- Community surveys including on-line and third-party conducted phone surveys.
- Public open house and ongoing communications, as defined in the next section.

All engagement activities were analyzed to inform the SWR service review, where appropriate aggregated engagement⁵² results are provided in the service specific sections of this report.

Communications

A key element of the business service review is communication, to support engagement, alignment, and involvement for everyone involved. The project team implemented the following communications tactics and activities in support of the SWR business service review project.

Internal communications

- A SWR staff information package, including information about the service review process, what to expect, project timelines, staff engagement opportunities and frequently asked questions
- A toolkit for SWR supervisors
- Resource packages for City Council
- Password protected Basecamp account for SWR staff, where all project materials are shared and staff can ask questions or engage in online discussions
- Monthly SWR staff updates (electronic and hard copies)
- Posters on staff bulletin boards
- A webpage on the City's internal Infonet
- Face-to-face meetings and lunches for SWR employees
- Articles in the staff newsletter, the City Holler
- Quarterly updates, included as part of Information reports to Council and staff

External communications

- Webpage on guelph.ca
- Social media messages on Twitter and Facebook, including Facebook boosted posts
- Media releases and public notices at key milestones
- Ads in the City News section of the Guelph Mercury Tribune
- Ads in the City of Guelph information section on guelphtoday.com
- Quarterly updates, included as part of Information reports, shared publically
- Public open house
- Online feedback survey

⁵² Aggregated engagement results include a statistically significant third party survey (random sample across all six wards n=400), public open house and public survey on the City's webpage (opt-in participation, n=103).



THE CITY OF GUELPH

Solid Waste Resource Service Review

Benchmarking and Data Analysis

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This report was prepared by Dillon Consulting Limited ("Dillon") for the sole benefit of our Client. The material in it reflects Dillon's best judgment in light of the information available to it at the time of preparation. Any use which a third party makes of this report, or any reliance on or decisions made based on it, are the responsibilities of such third parties. The information provided was used in an independent and unbiased manner to develop comparisons.

List of Acronyms

FTE	Full-Time Equivalents
ICI	Industrial, Commercial and Institutional
LYW	Leaf and Yard Waste
MHSW	Municipal Hazardous or Special Waste
MRF	Materials Recovery Facility
PDO	Public Drop-off
RPRA	Resource Productivity and Recovery Authority
SSO	Source Separated Organics
SWANA	Solid Waste Association of North America
SWR	Solid Waste Resources
TS	Transfer Station
WRIC	Waste Resource Innovation Centre

Background

Dillon Consulting Limited (Dillon) was retained by the City of Guelph (the City) to conduct an objective third-party review of their Solid Waste Resource services and processes by understanding the City's existing waste management services and comparing it to other similar programs (referred to as elements of the solid waste management system).

Dillon has completed similar assignments for municipal clients in Ontario and across Canada in which the existing municipal waste management systems were extensively reviewed to identify opportunities for improvement and/or modifications. Dillon's waste management planning work has been for a wide range of jurisdictions across Ontario and Canada. We are active in industry associations and have a network of contacts, some of which were approached for the purposes of this service review. We used our networks to obtain information directly from jurisdictions and worked with our contacts to calibrate the data to Guelph's system. Lastly, Dillon is familiar with elements of the City's waste management system, having assisted the City in projects related to the organics processing facility and residual waste management.

The City is responsible for the collection of waste from residential and some Industrial, Commercial and Institutional (ICI) customers. The City owns the Waste Resource Innovation Centre (WRIC), located at 110 Dunlop Drive, which is an integrated waste management facility comprised of the following facilities:

- Administration office;
- Public drop-off areas;
- Transfer station (residual waste is received and transferred to private disposal sites);
- Materials Recovery Facility (MRF – for blue cart recyclables);
- Source Separated Organics (SSO) processing facility (for green cart organics);
- Outdoor leaf and yard waste storage pad (transferred for further processing by third party);
- Household hazardous waste depot;
- Ancillary buildings and facilities that support the WRIC's operations; and,
- Waste diversion education centre.

2.0 Scope of Work

The goal of the service review was to identify elements of the City's waste management system that exceeded, met or were below the benchmark defined by the comparative municipalities using three criteria: 1) as level of service, 2) cost per tonne and 3) cost per customer. These three criteria were selected because the information is readily available, can be calculated with relative accuracy and are a simple representation of performance that allows for a comparison. Other criteria such as environmental impact and community benefits could be considered to provide a broader review, however were outside of Dillon's scope for this project as the focus was on obtaining readily available data from comparator municipalities that could be directly compared to the elements of the City of Guelph's system. Additional data exists on system wide performance (e.g., waste diversion, financial and social benefits), however this data would not assist with benchmarking of individual elements of the system.

The focus of Dillon's work was on assessing the current service delivery approaches for Solid Waste Resource elements. The City and Dillon worked together to collect and analyze the City's data to ensure accuracy. The review involved completion of the following tasks:



The elements of the solid waste management system that were included in the service review and the City's current service delivery approaches are provided in **Table 1**. It should be noted that due to the current regulatory environment there is flexibility on how these services are provided and therefore not all municipalities provide the same menu of municipal services in the same manner as Guelph. Furthermore there is generally reluctance across the industry to share business information, especially between municipal and private operators as waste delivery across Ontario is not standardized in terms of service levels and service providers.

Table 1: Current Service Delivery Approach for Solid Waste Resources

Solid Waste Management Element	Current Service Delivery Approach
Waste Collection (including Leaf and Yard Waste Processing)	Delivered by the City, except for leaf and yard processing which is contracted out to private processing facilities and local contract haulers provide some collection work
Public Drop-Off (PDO) and Transfer Station	Owned and operated at the Waste Resource Innovation Centre (WRIC, explained further below)
Municipal Hazardous or Special Waste (MHSW)	Owned and operated at the WRIC
Source Separated Organics (SSO) Processing	Facility owned and contracted out operations at the WRIC
Materials Recovery Facility (MRF)	Owned and operated at the WRIC
Residuals Disposal	Contracted out to private disposal facilities

The following provides a summary of the work completed for the service review. **Section 3.0** of the report presents the findings from the service review.

2.1 Task 1 – Kickoff Meeting

A kickoff meeting was held on March 20th, 2017 to confirm scope, available resources and files available to Dillon. During this meeting, the City's approved Service Review Framework was reviewed to understand the guiding principles for the work. The alternative service delivery options to be considered were also defined (in-house or contract out), along with the criteria that are of interest to the City in conducting the review (e.g., cost per tonne of material processed, level of service). It was also established that both Dillon and the City wanted key City staff to closely follow the completion of the service review, through involvement with the City staff throughout the process and holding teleconferences on a regular basis to obtain updates on action items.

2.2 Task 2 – Background Review

The team reviewed existing files/reports and had telephone and in-person meetings with City staff to confirm our understanding of the existing Solid Waste Resource services and the aspects of the service review currently underway by City staff. Information provided by the City was extensive and not readily available and staff spent considerable time compiling the information. The following is a list of main sources of data that the City provided Dillon:

- Customer journey mapping for waste collections, the MRF and the PDO;
- Process mapping for each solid waste management element that also identified opportunities and challenges;
- 2017 operating and capital budget and associated waste quantity estimates;
- 100-year capital asset allotment;
- Yearly summary reports including tonnages;
- Waste audit data;
- Customer surveys; and,
- Third-party contracts.

As part of the background review, Dillon staff also toured the Waste Resource Innovation Centre (WRIC) on April 28th, 2017. The tour was conducted by the various City managers who provided information on the solid waste management elements listed in **Table 1** and perspective of their respective waste management operation(s).

The City's Finance and Solid Waste Resource staff worked together to provide financial data for each element of the solid waste management system, noting that the City's entire waste management infrastructure is located at the WRIC. Several meetings were held with representatives from the City's Finance department throughout the service review to explain the service review process, to confirm that the City's financial information being used for the service review was being interpreted correctly, that assumptions were understood and that accurate comparisons to the participating municipalities' data were being made. The task was further complicated as the City was in the process of changing and refining budget data and adjusting service budgets moving however these issues were resolved through working closely with the City's Finance department.

Assumptions were made to allocate shared resources (e.g., staffing, equipment) and costs (e.g., maintenance staff, utilities, water usage) into the individual solid waste management elements. Table 5 summarizes the key components of data from the City that were used in developing cost data for each service area.

2.3 Task 3 – Service Benchmarking Approach

The approach to conducting benchmarking was to identify comparator municipalities for the six solid waste management elements, contact them via email and/or telephone, request and analyze the provided information, and summarize findings in a manner that could be compared to the City's elements. Some of the municipal contacts were unwilling to provide information unless they received a copy of the final Service Review report (once it became public), were reluctant to share some of the requested information for privacy issues and/or were not able to give out private sector waste management costing information. It is noted that there is limited publically available waste management industry metrics in Ontario aside from what is reported to the Resource Productivity and Recovery Authority (RPPRA, formerly Waste Diversion Ontario) Municipal data call.

There was no comparator that provided all waste management services in the same manner as Guelph and therefore, comparator municipalities were not asked to provide information on their total waste management system, only on certain elements that would be reasonably relevant and/or comparable to the City's solid waste elements. The goal was to have at least two high-confidence comparator municipalities (high confidence meaning accurate data provided and high match for applicability) for each element. Every element but one (MHSW) had more than two comparators. The MHSW element was considered to be sufficient with two comparators given that this element is generally delivered in a similar manner among municipalities. Also, the focus (consulting team budget and time) to generate high confidence comparators was put on elements that represented the most significant portions of the City's Solid Waste Resources total net cost which meant that elements that represented higher percentages of the City's Solid Waste Resources budget had more comparators identified than others. Additionally, the choice of comparators would have been constrained by the availability of data for specific service areas (i.e., municipalities record data and aggregate services differently, and in some cases comparable data was not available for specific service areas). Consider waste collection as an example, even though all municipalities in Ontario collect single-family waste at curbside, their service delivery method varies considerably with Guelph being unique in fully providing the service through the use of in-house staff via automated collection vehicles. The other six comparator municipalities either provide the service with a mix of in-house and private sector collection operators or fully private collection operators.

The rationale for the selection of comparator municipalities is as follows:

- Part of the approved City of Guelph Municipal Comparator List (list of 30 Ontario municipalities);
- Delivery approaches that meet those defined by the scope of the service review (i.e., own and operate, own and contract out, contract out); and/or,
- Relevant level of service and/or technology used (e.g., for the MRF having a mix of single-stream and two-stream processing facility comparators, for organics processing looking at different composting technologies and not anaerobic digestion).

It is noted that the service review did not look at comparing vastly different technologies/approaches for organics processing (e.g., anaerobic digestion) or residual waste disposal (e.g., energy from waste facilities) against the technology/approach used by the City. That type of comparison would typically be completed in a waste management master planning exercise and not for this benchmarking exercise.

Table 2 summarizes the rationale used to create the list of comparator municipalities. As mentioned above the rationale includes similarity of technology, same service delivery approach, and different service delivery approach. **Table 3** includes comments on municipality size and type (i.e., urban versus rural).

Table 2: Rationale for Selection of Municipalities for Service Review

Solid Waste Element	% of 2017 City's SWR Net Cost	Comparators and Rationale for Selection	Additional Datasets Used in Review
MRF	19%	Waterloo Region <ul style="list-style-type: none"> • Different service delivery approach (contract out operations) • Two-stream MRF 	RPRA funding data for additional revenue of recovered tonnages
		Essex Windsor Solid Waste Association (SWA) <ul style="list-style-type: none"> • Same service delivery approach (own and operate) • Two-stream MRF 	
		Hamilton <ul style="list-style-type: none"> • Different service delivery approach (contract out operations) • Two-stream MRF 	
		Halton Region <ul style="list-style-type: none"> • Different service delivery approach (sends to private facility) • Single stream program 	
		Peel Region <ul style="list-style-type: none"> • Different service delivery approach (contract out operations) • Single stream MRF 	
		Bluewater Recycling Association* <ul style="list-style-type: none"> • Same service delivery approach • Single stream MRF 	
SSO Processing	14%	Northumberland* <ul style="list-style-type: none"> • Same service delivery approach • Similar level of service (ability to process single and dual streams) 	York Region report on costs per tonne for organics processing from Council minutes
		Hamilton <ul style="list-style-type: none"> • Similar service delivery approach (contract out operation) • Comparable technology • Similar feedstock 	

Solid Waste Element	% of 2017 City's SWR Net Cost	Comparators and Rationale for Selection	Additional Datasets Used in Review
		<p>Niagara Region</p> <ul style="list-style-type: none"> • Similar demographics (urban population, diverse) • Different service delivery approach (sends to private facility) • Use of aerobic composting process • Similar feedstock <p>Peel Region</p> <ul style="list-style-type: none"> • Different service delivery approach (own and operate facility) • Similar feedstock 	
Waste Collection	35%	<p>Halton Region</p> <ul style="list-style-type: none"> • Different service delivery approach (contract out) • Similar level of service (exception with seasonal leaf and yard) <p>Brantford</p> <ul style="list-style-type: none"> • Different service delivery approach (contract out) • Different level of service (weekly garbage and 2-stream recycling, seasonal LYW) <p>Barrie</p> <ul style="list-style-type: none"> • Different service delivery approach (contract out) • Similar level of service (exception with seasonal leaf and yard) <p>Hamilton</p> <ul style="list-style-type: none"> • Different service delivery approach (mix of public and private collection) • Different level of service (weekly garbage, 2-stream recycling, leaf and yard waste and green bin) <p>Kingston</p> <ul style="list-style-type: none"> • Different service delivery approach (mix of public and private collection) • Similar level of service <p>Niagara Region</p> <ul style="list-style-type: none"> • Different service delivery approach (contract out) 	

Solid Waste Element	% of 2017 City's SWR Net Cost	Comparators and Rationale for Selection	Additional Datasets Used in Review
		<ul style="list-style-type: none"> Different level of service (weekly collection of garbage, 2-stream recycling, leaf and yard waste, green bin) 	
Residuals	18%	Peel Region <ul style="list-style-type: none"> Similar service delivery approach (hauled to same private landfill) 	
		Kingston <ul style="list-style-type: none"> Similar service delivery approach (hauled to private landfill) 	
		Lambton <ul style="list-style-type: none"> Different service delivery approach (use of both municipal (operations contracted out) and private landfill sites) 	
Public Drop-off / Transfer Station	10% / 0%	Halton Region <ul style="list-style-type: none"> Similar level of service (public drop-off and transfer station located at one location (integrated facility)) Different service delivery approach (contracts out operation) 	
		Brantford <ul style="list-style-type: none"> Similar level of service (public drop-off at one location (landfill)) Different service delivery approach (contract out operations) 	
		Barrie <ul style="list-style-type: none"> Similar level of service (public drop-off at one location (integrated facility at landfill site)) Similar service delivery approach (own and operate the public drop-off) 	
		Waterloo Region <ul style="list-style-type: none"> Different level of service (two locations for public drop-off/transfer station) Similar service delivery approach Niagara Region <ul style="list-style-type: none"> Similar service delivery approach (own and operate 3, use of one private) Different level of service (four public drop-off facilities) 	

Solid Waste Element	% of 2017 City's SWR Net Cost	Comparators and Rationale for Selection	Additional Datasets Used in Review
Leaf and Yard Waste Drop Off & Processing	3%	<p>Halton Region</p> <ul style="list-style-type: none"> • Different service delivery approach (contract out operations) • Similar level of service (accepts at one public drop-off) <p>Barrie</p> <ul style="list-style-type: none"> • Different service delivery approach (contract out operations) • Similar level of service (accepts at one public drop-off) <p>Hamilton</p> <ul style="list-style-type: none"> • Similar service delivery approach (contract out operations at one processing site) • Different level of service (three public drop-off facilities) <p>Waterloo Region</p> <ul style="list-style-type: none"> • Different service delivery approach (contract out operations at one processing site) • Different level of service (two public drop-off facilities) 	
MHSW	1.5%	<p>Brantford</p> <ul style="list-style-type: none"> • Similar service delivery approach (contract out operations) • Different level of service (eight event days per year) <p>Barrie</p> <ul style="list-style-type: none"> • Similar service delivery approach (contract out operations) • Different level of service (one location open 1-2 days a week) 	

Note: * - Comparators were added as part of Task 5: Conduct Further Research

2.4 Task 3 - Methodology

Municipalities were selected on the basis of generating a mix of service delivery approaches (e.g., own facility versus contract out to a private facility, in-house staff versus contracting out staff), level of service provided (e.g., collection frequency, hours of operation) and/or relative size of municipality to get a range to form a benchmark (as summarized in **Table 2**). As previously mentioned, no community had an exact match of service areas and service delivery options to Guelph and as a result, individual elements were selected from comparator municipalities as opposed to taking all elements from each comparator. Additionally, the choice of comparators would have been constrained by the availability of data for specific service areas (i.e., municipalities record data and aggregate services differently, and in some cases comparable data was not available for specific service areas). **Table 3** provides a list of the municipalities contacted as part of the service review along with key demographic information and 2016 waste diversion rates. Waste diversion is a term to express how much waste is diverted from landfills through programs such as the blue and green carts collection and is a key metric to evaluate the performance of a total waste management system. Since the service review looked at solid waste services by each element, waste diversion is not an effective metric to use in benchmarking.

Table 3: Key Demographics for Comparator Municipalities

Municipal Comparator	Number of Customers (single and multi-family residential, ICI)	Number of Single Family Households / Multi- Family Units	2016 Diversion Rate ¹
City of Guelph	48,736	29,901/18,530	59%
Region of Waterloo	213,530	150,201/59,039	52%
Essex-Windsor	158,270	131,603/26,667	35%
Hamilton	228,000	173,000/50,000	45%
Niagara Region	196,800	165,000/31,500	56%
Peel Region	449,000	333,000/116,000	50%
Kingston	53,817	45,062/8,546	60%

¹ Resource Productivity and Recovery Agency Municipal Datacall, accessed January 2018, <https://rprr.ca/datacall/>

Municipal Comparator	Number of Customers (single and multi-family residential, ICI)	Number of Single Family Households / Multi- Family Units	2016 Diversion Rate ¹
Lambton County	126,000 (population only)	Data not available	Data not available
Halton Region	189,844	150,000/39,674	57%
Brantford	26,862	26,632/230	35%
Barrie	53,738	42,436/11,302	52%
Bluewater Recycling Association*	73,648 ²	72,049/1,599 ²	39%
Northumberland*	38,845 ²	38,845/ - ²	43%

*Note: * - Comparators were added as part of Task 5: Conduct Further Research*

Contacts for each municipality were either obtained from Dillon's prior work experience or researched online. A personalized letter outlining the details of the service review, information being sought and timing to get the information was sent out to each participating municipality between May 8th and May 12th, 2017. A sample letter is included in **Appendix A**. Each municipality received an Excel-based questionnaire (**Appendix B**) that included questions about their solid waste management system element(s) of interest. An overview of the information requested for each main category in the questionnaire can be found in **Table 4**.

² 2015 Waste Diversion Rates <https://rpra.ca/datacall/>

Table 4: Benchmarking Questions

Tab	Summary of Key Questions
<p>General Information</p> <p>Residuals</p>	<ul style="list-style-type: none"> • Brief overview of waste management services provided and facilities available. • Population served (single family, multi-residential, Industrial, Commercial and Institutional (ICI) customers). • Jurisdiction bylaws. • Roles and responsibilities of staff. • 2016 operating budget and/or 2017 budget. • Approach to changing service levels with the municipality. • Implementations of service delivery changes. • Collection service levels provided (frequency of collection, is residual waste co-collected, bag limits). • Service delivery approach. • General description of collection vehicles and fleet. • Quantities collected in 2016. • Approximate collection costs. • Drop-off location(s). • Disposal location(s).
Recyclables	<ul style="list-style-type: none"> • Collection service level provided (accepted materials, single or 2 stream, frequency of collection, are recyclables co-collected). • Service delivery approach. • General description of collection vehicles and fleet. • Processing location(s). • Drop-off location(s). • Quantities collected and processed in 2016. • Approximate costs (collection, processing) and revenue (sale of recyclables, provincial funding). • Details about MRF (data provided separately and later as explained in Section 3.5.2). <ul style="list-style-type: none"> ○ Information about when MRF was first constructed (e.g., first year of operating, financing structure, initial capital costs). ○ Processing capacity. ○ Current condition and remaining lifecycle. ○ Performance metrics measured. ○ Responsibilities for marketing of recyclables. ○ Additional costs.
Organics – Leaf and Yard Waste	<ul style="list-style-type: none"> • Collection service level provided (e.g., accepted materials, frequency of curbside collection). • Service delivery approach. • General description of collection vehicles and fleet. • Drop-off location(s). • Transfer location(s). • Processing information (e.g., technology, location).

Tab	Summary of Key Questions
	<ul style="list-style-type: none"> Quantities collected and processed in 2016. Approximate collection, hauling and processing costs and revenue.
Organics – Source Separated Organics (SSO)	<ul style="list-style-type: none"> Collection service level provided (accepted materials, are organics co-collected, frequency of collection). Service delivery approach. General description of collection vehicles and fleet. Drop-off location(s). Transfer location(s). Processing information (e.g. technology, location). Quantities collected in 2016. Approximate collection, hauling and processing costs and revenue.
MHSW	<ul style="list-style-type: none"> Service delivery approach. Staffing details. Quantities received and processed. Approximate costs and revenue.

It was recommended to the municipalities that one-on-one interviews be conducted to go over the questionnaire, identify any data gaps, clarify responses and confirm timelines if additional information was required. Interviews were conducted between May 12th and May 24th. By May 31st all participating municipalities had returned a completed questionnaire and the information was consolidated in a summary table to allow for ease of comparison to the City's services. Once the interviews were completed, Dillon analysed the available data to assess completeness and comparability, and assigned confidence levels to the data received from the municipalities. Confidence ratings of low, medium, or high were assigned.

A low confidence rating indicated that the data wasn't complete or had gaps that would affect its comparability to Guelph's data. For any comparison marked with a low rating, Dillon followed up with those specific municipalities in an attempt to gather more information regarding the element and the context behind the data. There were cases where confidence ratings remained low after follow up with municipalities.

A medium confidence level was assigned to data where there were known differences in the comparability of the data, but the consulting team was comfortable that the data was of good quality and valuable within the service review.

A high confidence level was assigned to data where there was strong comparability between data received and the City's and the dataset was considered complete.

The development of costs for each element involved working with the City's Finance Department to understand the data available and pull together the components that represent the true cost of each element. The cost data that was considered included capital allotment, debt financing and standard

costs for operation and maintenance. For elements that include receiving third party waste (i.e., MRF, SSO processing), the approach taken was to account for the total net annual costs to run the facilities since the associated O&M costs are based on processing the total quantity of waste received. **Table 5** provides an overview of the costs included in the analysis of the City's performance.

Table 5: Included Costs for City Review

Element of City of Guelph's Costs	Data Source	Included in Analysis?
Capital Reserve	City of Guelph's Finance Department Long Term Capital Planning Dataset	Yes Capital reserves were applied to MRF, SSO Processing Facility, Transfer Station, Public Drop-off, and MHSW.
Fleet Reserve	City of Guelph's Finance Department Long Term Capital Planning Dataset	Yes Fleet reserve was attributed to MRF, Public Drop-off, Waste Collection,
Annual Operation and Maintenance	City of Guelph's Finance Department Long Term Capital Planning Dataset	Yes Full budget was provided by City Staff and was included in the annual O&M costs.*
RPRA Funding	RPRA	Yes Included in analysis of MRF. RPRA funding for recovered tonnages was applied to all comparator municipalities

**There were some challenges in using some of the recent historical budget data as a number of recent service level changes have affected the ability to use past data to forecast forward.*

Comparators were asked to provide the same data types as used for developing the City's cost of operations. Where disaggregated data was not available from comparators, attempts were made to confirm that the aggregated data included the same data types as the City. Where the same data types were not available, or confirmation was not available from comparators, the consulting team provided the data as is and lowered the confidence rating noting the rationale.

2.5 Task 4 – Summarize Findings and Hold Workshop with City

Benchmarking data was summarized into the following categories:

- Level of service provided;
- Service delivery approach;
- Staffing levels;
- Population served (number of households, units, and businesses);
- 2016 quantities received (tonnes);
- 2016 costs or 2017 budget (annual Operation and Maintenance, debt financing, reserve)*;
- Revenue;
- Total net cost (Cost - Revenue);
- Description of the components to cost;
- Number of customers;
- Cost per customer;
- Cost per tonne; and,
- Confidence rating for data and rationale.

**Most municipalities gave 2016 operating costs; one municipality provided 2017 estimated budgets*

It is important to note that while the project team requested standardized and complete data, data received from some of the municipalities were incomplete, due to one or more of the following reasons:

- There were different approaches to reporting and/or accounting among the comparator municipalities so an “apples to apples” comparison was not possible. An example of this would be instances where municipalities could not separate collection costs from processing costs as they were in the same contract;
- The industry is a mix of private and public sector owners and operators and there are challenges with sharing data due to confidentiality and competitiveness reasons; and/or,
- The industry is non-regulated to the degree that there is large variation in levels of service, service delivery methods and benchmarking data including financial data, between municipalities and private operators.

As discussed earlier, attempts were made through follow-up emails and telephone calls to further verify and/or normalize the data (without causing bias) in order to better conduct the benchmarking.

The project team, through consultation with municipalities that provided information and through working with the City, identified the following contextual points and/or limitations around the data received to allow for a fair comparison between the different datasets:

- The number of customers was equal to the sum of single-family and multi-residential households, and the number of Industrial, Commercial and Institutional (ICI) buildings serviced, where applicable and available;
- Costs per customer and costs per tonne were calculated by taking the total net cost and dividing it by number of customers and the number of tonnes received, respectively;
- As presented earlier, confidence ratings were applied to the data received. The confidence ratings were a tool to account for fairness in the comparisons for each municipality contacted and the respective element. A rating of “low” was defined as somewhat comparable, “medium” was comparable and “high” equated to being very comparable. In instances where the data was incomplete or not of the same standard as how the City provides it, a rating of either “medium” or “low” was applied, depending on the completeness of the data. A rationale was provided for each confidence rating that was documented. Examples of low confidence ratings applied to instances where municipalities could not separate out processing fees from collection contracts, or where the municipality could only provide select data and not disclose full costs; and,
- Other datasets readily available in the public domain were reviewed to confirm/refine/validate findings (i.e., Ontario’s Resource Productivity and Recovery Authority (RPPRA) municipal data call which has their own data verification processes).

After summarizing the data, a workshop was held from June 6-7th, 2017 with the core City service review team and the Steering Committee to discuss the preliminary findings of the service review. Elements requiring further investigation that were identified were the MRF, Public Drop-Off and Transfer Station (explained below). The other elements were deemed as meeting or exceeding the benchmark and the next steps for those elements were to confirm and finalize the data. The details of the findings are listed in the **Section 3.0** of this report.

2.6 Task 5 – Conduct Further Research

Additional communication with participating municipalities was conducted through email and follow-up phone calls following the June workshop. The purpose of the follow-up was to refine data and/or receive more information related to MRF, PDO and transfer station operations.

Supplemental data was gathered for the MRF from previously contacted municipalities (e.g., understanding how costs are derived, additional costing data) and two new municipal comparators were added that had single stream MRFs since the previous comparators had mainly two-stream MRFs.

The rationale for selection and demographics of these comparators are provided in **Table 2** and **Table 3** respectively. The project team created a new questionnaire (**Appendix C**) which included questions regarding initial start-up costs and operations of the MRF, the remaining lifecycle, material capture rates, and contingency plans.

3.0 Results (Tasks 4 and 5)

The following section outlines Dillon's results from the data analysis and municipal benchmarking components of the Service Review for Solid Waste Resources. For each element investigated, the City's existing approach is summarized and the information obtained through the benchmarking review is summarized. Key indicators used in the comparison included the service delivery approach, level of service, staffing levels, and the estimated cost per customer and the cost per tonne.

Staff from the City's Human Resources division was engaged to confirm the number of staff and allocating staff to specific elements. Additionally, staff from the City's Finance division was engaged to confirm budget allocations and consistency in the process to compare costs for each municipality. Confidence ratings are documented for each element.

It is noted that individual results from each participating municipality were not provided by municipal name. This was purposely done to limit any interpretation or perception of the performance of other municipal programs. The purpose of this service review was to compare Guelph to other municipalities and not to highlight any potential deficiencies in participating municipal programs of comparator municipalities. The number of comparators for each element ranged from two to seven. This approach was supported by the participating municipalities who may have been unwilling to provide the requested data and/or unwilling to provide data in the future for other City projects.

3.1 Waste Collection (including LYW Processing)

3.1.1 City of Guelph

The City offers weekly organic and bi-weekly garbage and single-stream recycling to approximately 29,900 single family homes, 18,530 multi-residential building units (multi-residential building is defined as a dwelling with over 6 units), and 305 ICI customers. Noted exceptions include the downtown core, which receives collection of all three streams six days a week (Monday through Saturday), and selected large multi-residential buildings that receive an increased collection frequency. For bulky items, residents can call the City for an appointment and the items will be collected on their regular collection day. There are two leaf and yard waste (LYW) collection periods per year (spring, fall) and one loose-leaf collection day where residents can rake loose leaves to the curbside for collection. It should be noted Waste collections was defined as including LYW collections and processing, LYW collections is discussed below, with a subsection detailing LYW processing,

The City's collection fleet is comprised of automated collection vehicles. Bagged leaf and yard waste collection is contracted out by Solid Waste Resources to a private contractor and loose-leaf collection is managed by the Operations department. All other curbside collection services are provided by the City's Solid Waste Resource collection staff comprised of 18 Full-Time Equivalents (FTE).

The City's waste collections net costs are estimated to be \$80/customer and \$110/tonne. This cost also includes the City's Road Operations division costs to collect loose leaves twice a year and a private contractor to collect bagged leaf and yard waste twice a year. Included in the costs was the total budget for collection, reserve funding allotted towards fleet replacement and the average contract value from 2012-2016 for the collection of loose leaves. In 2016, approximately 35,000 tonnes of materials was collected in the City.

In summary, the following were included in the City's costs:

- Total budget to provide collection of garbage, blue cart recyclables and green cart organics;
- Reserve towards fleet replacement; and
- Bagged LYW and loose leaf collection from Solid Waste Resources (SWR) and City's Road Operations.

3.1.2 Benchmarking Results

Six municipalities were used for comparison to the City in the service review under this element. A summary of key aspects of the comparators is provided below:

Method of Service Delivery:

- Contract out: 4 comparators; and
- Mix of contracting out and in-house resources: 2 comparators.

Collection Frequency:

- Green bin organics collection: weekly for all comparators that have a program;
- Recyclables collection: varies from weekly to every two weeks; and
- Garbage collection: varies from weekly to every two weeks.

Curbside Collection of LYW:

- Weekly or every two week collection during growing season: 3 comparators;
- Year round collection: 2 comparators;
- Single event collection: 1 comparator; and
- Weekly or every two week collection during growing season and separate loose-leaf collection in select areas: 1 comparator.

Collection Vehicles:

- Manual collection vehicles: 2 comparators
- Semi-automated collection vehicles: 4 comparators

A comparison of the costs is provided below:

Guelph Net Cost	\$80/customer \$110/tonne
Comparator Municipality Net Cost Range	\$100 to \$125/customer \$95 to \$180/tonne

The confidence ratings of the comparator data were high for the majority of municipalities with one low rating due to processing costs being included in the collection costs and no ability to break out processing costs from the total contract cost.

The City's Waste Collection operations were assessed to be in line or exceeding with comparator municipalities, and therefore at the June workshop it was agreed that no further comparative analysis would be conducted by Dillon on this element. The comparison analysis confirms that waste collection is a high performing element in the operations of Guelph Solid Waste which was also recognized through a SWANA award for past performance. However, one of the subareas of service (LYW collection and processing) does not meet the benchmark as discussed in the subsection below.

3.1.3 Leaf and Yard Waste Management (Processing)

3.1.3.1 City of Guelph

The City allows leaf and yard waste (LYW) to be dropped off at the PDO at no charge and provides two curbside collection days for bagged LYW (one spring, one fall) and one loose leaf collection per year. Bagged LYW is separated and sent to a private sector processing facility. Some of the brush material is sent to the City's organics waste processing facility and some is sent offsite to a private facility. Loose leaves are processed at a private sector processing facility.

The City's estimated net costs to process LYW are \$10/customer and \$60/tonne. The curbside collection cost for LYW is considered under the Collections element and the net cost to receive LYW at the PDO is included under the PDO element. In 2016, 2,500 tonnes of LYW were collected and an additional 3,500 tonnes were dropped-off, resulting in approximately 6,000 tonnes being sent to processing. The City receives revenue from commercial LYW drop-off, in the form of tipping fees received at the PDO. However, these fees are not included in the LYW processing costs but are part of the total PDO costs as it was not possible to separate out this portion of PDO revenue.

3.1.3.2

Benchmarking Results

Four municipalities were compared to the City in the service review under this sub-element of LYW processing. A summary of key aspects of the comparators is provided below:

Method of Collection:

- All comparators offer a weekly or every two week collection during growing season (therefore collects and processes between 1.5 and 6 times more material).

Processing Approach:

- All comparators have an on-site open windrow composting facility.

Method of Service Delivery:

- Contracting out of services: 2 comparators; and
- Delivery of services using in-house resources: 2 comparators.

The quantitative comparators are the costs per tonne and per customer. It is noted that the number of customers is the number of single-family households even though commercial customers can drop-off LYW at receiving facilities. It is assumed that leaf and yard waste generated from multi-residential households is negligible.

Guelph Net Cost	\$10/customer \$60/tonne
Comparator Municipality Net Cost Range	\$2 to \$6/customer \$25 to \$30/tonne

Confidence ratings applied were one high, two medium and one low. There were some gaps in information provided and some municipalities were unable to allocate the full costs for LYW processing as it was located on an integrated site where resources (staffing, equipment) were shared.

At the June workshop with City staff it was decided to obtain additional information to refine costing data to better allocate to this element, if available. Slight adjustments were made to the evaluation but more refined allocation of costs was not available from comparator municipalities. Based on the limited cost data available and the level of service provided for LYW collection (which contributes to the total quantity of LYW processed); the City falls below the benchmark for LYW processing.

3.2 Public Drop-Off and Transfer Station

3.2.1 City of Guelph

The City offers residents two public drop-off (PDO) areas for waste at the WRIC, one of which is a no-cost drop-off (recyclables, shredding paper, MHSW, yard waste) and the other where fees are charged by weight of materials (e.g. construction and demolition waste, white goods and garbage). The PDO is open six days a week to the public: Monday to Friday from 7 am to 6 pm (11 hours) and Saturdays from 8:30 am to 3:45 pm (7 hours).

The WRIC also includes a transfer station that receives City-collected residual waste and commercial residual waste. This waste is hauled to a private waste disposal site(s) for final disposal.

The City owns and operates the PDO areas and the transfer station through the use of 21 FTE.

The City's estimated net costs to operate the PDO and transfer station are \$20/customer and \$15/tonne. The operating and maintenance cost and capital reserve funding were included for both facilities and the capital reserve for the PDO fleet was also included. In 2017, the estimated quantities of waste received at the transfer station were 60,000 tonnes and 10,000 tonnes at the PDO. In summary, the following costs were included:

- Operating and maintenance budgets for both PDO and transfer station; and
- Capital reserve towards fleet and facility/equipment replacement.

The following items are included in revenue:

- Tipping fees from private contractors at Transfer Station (TS); and
- Disposal fees at PDO.

3.2.2 Benchmarking Results

Five municipalities were compared to the City in the service review under this element. A summary of key aspects of the comparators is provided below:

Level of Service Provided:

- Operate a PDO and TS: 1 comparators;
- Operate a PDO: 2 comparators;
- Operate multiple PDOs: 2 comparators;
- Days of operation: varies from 5 to 6 days a week; and
- Hours of operation: varies from 7 – 11 hours.

Method of Delivery:

- Own and operate PDO and/or TS: 3 comparators;
- Own and contract out services: 1 comparator; and
- Contract out all services: 1 comparator.

The majority of participating municipalities were not able to separate costs attributed to the specific elements (PDO, TS) due to the shared staff and equipment resourcing and having these facilities located on an integrated waste management site. One comparator municipality that provided combined costs for a PDO and TS was about \$10/tonne higher than the City's combined costs (approximately \$15/tonne).

At the June workshop, it was recommended to conduct further investigation to see if better costing and staffing data could be obtained for these elements. After reaching out to the participating municipalities, it was determined that better data could not be provided as the municipalities do not separate costs and resources for these shared elements (it is noted that some expressed interest or will be doing so in the near future). However, based on Dillon's opinion and the review of available, although limited, data, it is concluded that the PDO and transfer station meet the benchmark and that no further changes are recommended. It is recommended that the City continue to track the separate costs and revenues for the TS and PDO.

3.3 Municipal Hazardous and Special Waste (MHSW) Depot

3.3.1 City of Guelph

The City owns and operates a MHSW depot at the WRIC. The depot is open to residents year-round from Tuesday to Saturday. There are two FTE that work at the MHSW depot.

The City's net costs to operate the MHSW depot are approximately \$3/customer and \$560/tonne. Included in the cost estimates were 2017 budget estimate for annual operation and maintenance as well as the capital reserve allotment for the facility. The estimated quantity of MHSW received in 2017 is 290 tonnes. In summary, the following costs were included:

- Total budget to provide MHSW program;
- Capital reserve towards fleet and facility/equipment replacement; and
- Capital reserve towards backlog.

The following items are included in revenue:

- Product sales; and
- Funding from Provincial stewardship agency.

3.3.2 Benchmarking Results

Two municipalities were compared to the City in the service review under this element. A summary of key aspects of the comparators is provided below:

Level of Service:

- Conduct collection throughout the year: 1 comparator (1 day per week);
- Conduct collection event days: 1 comparator (multiple times per year at same location);
- Both comparators operate MHSW programs at a municipal waste management site; and
- Both comparators contract out operations.

The quantitative comparator is the cost per customer and cost per tonne (noting that the cost per customer is based on the total municipal population). A comparison of the costs is provided below:

Guelph Net Cost	\$3/customer \$650/tonne
Comparator Municipality Net Cost Range	\$3 to \$5/customer \$660 to \$850/tonne

Confidence ratings for data provided by comparator municipalities were high.

At the June workshop, it was determined that no further comparative analysis was recommended for the service review as the City's MHSW Depot costs are in line with the benchmarked municipalities.

3.4 Source Separated Organics (SSO, Green Cart) Processing

3.4.1 City of Guelph

The City owns their SSO processing facility and contracts out operations to Wellington Organix Inc. The contract, in effect since August 2011, is for a period of five years and may be extended by the City for up to two consecutive periods each having a term of five years. The contract requires that the facility must process at least 30,000 tonnes per year. Payment is calculated on a monthly basis and is based on a monthly processing fee and an incremental fee based on actual tonnage accepted for processing at the facility. The greater the quantity of organics processed, the lower the processing fee paid by the City. The processing rate schedule price per tonne is adjusted at the start of each contract year. The contractor is responsible for marketing the finished compost.

Processing of organics is provided through an indoor aerobic composting tunnel system with a design capacity of 60,000 tonnes (SSO and amendment).

The City has a contract with the Region of Waterloo to process their residential organics (ratio processed is approximately 3:1 for Waterloo and City organics, respectively). Since the business case for the facility was based on a 60,000 tonne per year capacity (SSO and amendment), this quantity of “through-put” is necessary for the City to operate a financially responsible facility.

There is one City staff member that administers the contract. The City’s green cart program includes food waste, soiled paper products and pet waste which are permitted to be placed in certified compostable bags.

The City’s organics processing facility net costs are estimated to be \$30/customer and \$50/tonne. Included in the costs were salaries for City staff to oversee the contract, sale of carbon credits, fuel, utilities, consulting (not compliance monitoring) as well as annual operating and maintenance costs from the budget and the capital reserve to the facility. The estimated quantity of SSO received in 2017 was 32,000 tonnes. In summary, the following costs were included:

- Total operations contract price;
- City’s 1 FTE to manage the operator’s contract; and
- Capital reserve towards facility/equipment replacement.

The following items were included in the City’s revenue:

- Tipping fees from Waterloo Region; and
- Sale of carbon credits.

3.4.2 Benchmarking Results

Four municipalities were compared to the City in the service review under this element. A summary of key aspects of the comparators is provided below:

Method of Service Delivery:

- Own and contract out operations: 1 comparator;
- Own and operate: 1 comparator; and
- Send to private facility: 2 comparators.

A comparison of the costs is provided below:

Guelph Net Cost	\$30/customer \$50/tonne
Comparator Municipality Net Cost Range	\$10 to \$25/customer \$40 to \$120/tonne

The confidence rating ranges are split with two high and two low. The rationale for giving a low score was due to lack of data surrounding capital reserve and debt financing from the comparator municipalities. The overall large volume of material processed at the City's facility generates efficiencies of scale and makes the cost of processing per tonne very competitive. It is important to note that the Region of Waterloo pays the City approximately \$120 per tonne for processing of organic waste. This rate is considered to be in-line with market value for organics processing.

It was decided at the June workshop to refine existing information through additional outreach to participating municipalities. Slight refinements were made; however, the results remain the same in that the City is in line with the benchmark established by comparator municipalities, therefore no further comparative analysis will be done for this service.

3.5 Materials Recovery Facility (MRF)

3.5.1 City of Guelph

The City owns and operates a single-stream MRF but it has the ability to process separate fibers and container streams at the WRIC. The City's blue cart program allows for all recyclables to be placed into the same cart. The MRF was first built as a multi-stream MRF in 1996 and then was converted to a single-stream MRF in 2003. The MRF currently employs 47 FTEs. The MRF processes approximately 23,000 tonnes per year of recyclables.

The City has a contract to receive and process containers from Simcoe County (which represents approximately 40% of annual throughput). The City is responsible for the marketing of recyclables. Simcoe County receives revenue for their containers based on the City conducting monthly audits of Simcoe's container stream, allocating the percentage of each material type, obtaining the monthly average market price and assuming that 95% of the materials are captured. Sources of revenue are from tipping fees for Simcoe County's containers, the sale of recyclables and funding from RPRA for recovered recyclables.

The City's estimated net costs for the processing of recyclables at their MRF are approximately \$40/customer and \$90/tonne. Included in the cost analysis were maintenance staff salaries, utilities, parts, repairs, consulting, equipment rental, tipping fees, and capital reserve allotment for facility and

fleet. Revenues includes sale of recyclables and RPRA funding (Recovered Tonnage) for Guelph materials only. The estimated quantity of recyclables processed in the facility in 2017 was approximately 23,000. In summary, the following costs were included:

- Operation and maintenance of the MRF;
- Capital reserve towards fleet and facility/equipment replacement; and
- Capital reserve towards backlog.

The following items are included in revenue:

- Revenue received from sale of recovered recyclables; and
- RPRA funding.

3.5.2 Benchmarking Results

Three municipalities were initially compared to the City and four more were subsequently added in the service review under this element after the initial presentation of findings to the City. The four additional comparators were selected to provide more single-stream comparators (as discussed below). The comparator MRFs were initially constructed between the late 1980s/early 1990s (3 comparators), in the mid-1990s (1 comparator) and in the early 2010s (2 comparators). One comparator hauls recyclables to a private facility. A summary of key aspects of the comparators is provided below:

Level of service provided:

- Single-stream MRF: 3 comparators;
- Two-stream MRF: 3 comparators; and
- Ability to process both single and 2-stream recyclables: 1 comparator.

Method of Service Delivery:

- Own and operate: 3 comparators;
- Own MRF and deliver services using contractors: 3 comparators; and
- Sends to private facility: 1 comparator.

Sources of revenue are from the sale of recyclables and funding received from the RPRA datacall process which is posted online. Each year Ontario municipalities receive funding for their blue box program, and the funding is based on three parameters; net cost, recovered tonnages, and best practices. Dillon used the 2015 online datacall information (most recent reporting year available) to identify the RPRA funding received for each comparator municipality for recovered tonnages. Comparators provided annual operating and maintenance costs and capital reserve costs were provided either by municipalities or from RPRA datacall (as directed by municipality).

The majority of comparator municipalities had costs substantially lower than the City's. Most comparator municipalities had a net positive revenue stream from their MRF operation. One of the comparator municipalities had higher net costs than the City. A summary of the costs or revenues are provided below:

Guelph Net Cost	\$40/customer \$90/tonne
Comparator Municipality Net Costs or Revenue Range	Revenue of \$15/customer to Cost of \$1/customer Revenue of \$85/tonne to Cost of \$1/tonne

Confidence ratings applied were four medium and four high. The medium ratings were due to not having all the components of the costs for the comparators and variances in where/how funding is distributed (not all funding goes to MRF processing but also to collection, promotion and education). High ratings were applied to comparator municipalities that fully contract out recyclable processing and therefore costs provided were the full and total cost incurred by the comparators.

Given the difference in costs between the City and comparator municipalities, this element was identified at the June workshop as one for additional investigation. This involved preparing and distributing a new questionnaire to participating municipalities to obtain further detail on their recyclables processing. The additional investigation was primarily focused on costs and analyzing received data. Dillon also used the RPRA datacall to corroborate the service review findings for the MRF. RPRA's 2015 Blue Box Program Cost and Revenue data showed that Guelph's net costs per tonne are higher than the majority of the comparative municipalities. Therefore the initial conclusion remained the same; the City is below the benchmark for recyclables processing (operation of MRF).

3.6 Residuals Disposal

3.6.1 City of Guelph

The City offers bi-weekly collection of residual waste and, for a fee, customers are able to drop-off additional residual waste at the PDO and transfer station located at the WRIC. For the purposes of the review, the analysis looked at the City of Guelph collected residual waste only. The collected residual waste is transferred at the WRIC transfer station and hauled by a private waste management company to a private waste disposal site(s).

The costs and associated quantities of ICI residual waste received at the transfer station was considered under the transfer station analysis as that waste and the associated contract forms part of the business operations of the transfer station.

The costs for hauling and disposing of the City's residual waste are estimated to be \$40/customer and \$60/tonne. Included in the cost analysis were haulage and dispose of City-collected residual waste to landfill. In 2017, the City estimates the disposal of 33,000 tonnes of materials.

3.6.2 Benchmarking Results

Three municipalities were compared to the City in the service review under this element. A summary of key aspects of the comparators is provided below:

Method of Service Delivery:

- Contract out haulage and disposal to private facility: 2 comparators; and
- Uses both municipal and private facilities: 1 comparator.

Level of Service:

- All comparator municipalities offer both curbside collection and public drop-off of residual waste.

A summary of the costs or revenues are provided below:

Guelph Net Cost	\$40/customer \$60/tonne
Comparator Municipality Net Cost Range	\$15 to \$40/customer \$45 to \$80/tonne

The confidence ratings applied were one high, one medium and one low. The low rating was given since limited data was provided due to confidentiality concerns. Dillon supplemented the data with costs received from bidders in the City's 2013 open tendering process for haulage and disposal of residual waste that received four landfill related bids that ranged from \$50/tonne to \$70/tonne.

Given the information received through the benchmarking and the supplemental data from the City's open tendering process, Dillon concludes that this element met the benchmark at the June workshop and therefore no further investigation or comparative analysis was required.

4.0 Summary

The purpose of the service review benchmarking and data analysis was to determine if the elements of the City's solid waste management system are in line with other similar Ontario municipalities. Upon review of the City and comparator municipalities, each element was categorized as exceeding, meeting or being below the benchmark as defined by the comparator municipalities. Exceeding the benchmark was set at having a lower cost and/or higher level of service, meeting the benchmark was having similar costs and levels of service, and being below the benchmark indicated the City's costs were higher and/or level of service was lower than the comparator municipalities.

Dillon conducted a review of the six elements (refer to **Table 1**) of the City of Guelph's waste management system. Research on comparator municipalities was completed through telephone interviews, emails and completion of a questionnaire. The comparator municipalities were selected based on the type of programs, services and/or service delivery approaches for the different elements and/or if they were of similar size to the City. The City was then compared to these municipalities and noting confidence ratings (low, medium or high based on comparability to the City's data).

Through the comparison it was determined that the City meets or exceeds service levels of the other applicable municipalities in five of the six service elements. The MRF operations were determined to be below the benchmark. The sub-element of LYW processing was determined to be below the benchmark; however the primary element of Waste Collections was assessed as meeting or exceeding the benchmark.

Appendix A

Sample Letter



May 5, 2017

Company Name

Address Line

City, Province

Postal Code

Attention: Mr./Ms./Mrs. First and Last Name
Position/Title

Participation requested in City of Guelph Solid Waste Resources Services Review

Dear Mr./Ms./Mrs. Last Name:

Dillon Consulting Limited (Dillon) has been retained by the City of Guelph to conduct a review of their Solid Waste Resource services and processes. Part of the review is conducting research on best practices from similar municipalities and providing a comparison to the City of Guelph. The comparison will attempt to identify areas where the City meets the benchmark defined by the comparative municipalities and areas in which the City's service delivery could be improved.

We have selected your jurisdiction to conduct best practices research on. In particular, we are interested in gathering data on your [enter program(s) of interest] program. At a high level, the type of data we are interested in is: understanding the level of service provided to residents, who delivers the services, the quality of service and how much it costs to deliver the services.

Dillon has prepared a questionnaire to facilitate retrieval of relevant information (see attached) for the programs noted above. We have populated some of the information with research conducted on the jurisdiction's website and ask that you (or the appropriate staff member(s)) fill in the missing pieces. In an effort to be efficient with your time, we are suggesting that Dillon schedules a 1-hour telephone call between May 10 and 17 to go through the questionnaire. We request that an initial draft of the questionnaire be complete and sent back to Dillon prior to the call. If there is any follow-up required, we will discuss timelines with you during the call. We are aiming to complete the best practices research by May 19, 2017.

...cont'd

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May 5, 2017

If you have any questions or concerns, please contact Betsy Varghese at bvarghese@dillon.ca or at (416) 229-4647 ext. 2326.

We really appreciate your time and participation in this important study!

Sincerely,

DILLON CONSULTING LIMITED

Betsy Varghese, P.Eng.
Project Manager

BMV:cg
Enclosure(s) or Attachment(s)

Our file: 17-5446

Appendix B

Questionnaire



City of Guelph Services Review
Waste Management Services and Infrastructure

Thank you for your participation in this important study!

Municipality / Jurisdiction _____

Completed by: _____
Title: _____
Tel. No.: _____

Date Completed: _____
Website: _____
Email: _____

A. GENERAL INFORMATION**Municipality Services**

- a. Brief overview of waste management services provided (check all that apply):

Collection Programs

- ☐ Garbage
☐ Blue Box
☐ Green Bin
☐ Leaf & Yard Waste

- ☐ Multi-Residential
☐ Multi-Residential
☐ Multi-Residential
☐ B

- ☐ Schools
☐ Municipal Facilities
☐ Municipal Parks
☐ Bulky Waste

Facilities

- ☐ Processing (Recyclables,
☐ MHSW Depot
☐ Transfer Stations
☐ Leaf & Yard Waste Drop Off
☐ Public Drop Off
☐ Landfill

Other: _____

- b. Approximate population served: _____
- c. Are all areas within the jurisdiction serviced? If not, specify: _____
- d. Approximate number and percentage of single-family households served (e.g., 25,000 households which represents 100% of all households): _____
- e. Approximate number and percentage of multi-residential units served: _____
- f. Explain any differences in collection methods and programs for single-family and multi-residential households: _____
- g. Does your municipality have a large student or transient population? If yes, how does it impact your education programs and services? _____
- h. Region or City specific by-laws or policies that address solid waste management requirements? If yes, please name and provide weblink (or attach): _____
- i. Describe roles and responsibilities of Municipal staff and contractors and attach organizational chart, if applicable: _____
- j. 2016 (or 2017 budget) Calendar Year Solid Waste Management Expenditures (attach detailed printout if available): _____
- k. 2016 (or 2017 budget) Calendar Year Solid Waste Management Budget (attach detailed printout if available): _____
- l. Please identify and attach any other relevant reports and/or documents (e.g., annual reports): _____
- m. Describe any planned upcoming changes to waste management programs: _____

Service Levels

- n. Does Council approve your levels of service?

- o. Have you conducted a previous review of your waste management services?

- p. If yes: What were the main outcomes/recommendations of the review?

- q. Have you implemented any service delivery changes (i.e. from in-house to outsource or vice versa)?

- r. If yes, what were the outcomes/cost impacts (pros and cons)? What has been the community feedback?

- s. After implementing a change to the service delivery, have you reverted back to the original delivery? If so, why?

- t. Provide lessons learned (both positive/negative) from your review and/or service changes?

B. RESIDUAL WASTES/GARBAGE**B.1 Residential*****Single-Family Residual Waste Collection***

- a. Frequency of curbside collection (i.e., weekly, biweekly): _____
- b. Is garbage co-collected with another stream (i.e., organics or recyclables)? _____
- c. Limits on garbage bag/container set out? Fees for extra garbage? _____
- d. Provide the estimated annual quantities of residual wastes collected at curbside for the 2016 calendar year: _____
- e. Collection through contract or by municipal forces? If by contract, provide contractor name and approximate value of collection contract: _____
- f. General description of collection vehicle(s) (automated collection, manual): _____
- g. Number of vehicles in fleet (active, spares): _____

Multi-Residential Residual Waste Collection

- h. Frequency of collection (i.e., weekly, twice a week): _____
- i. Is garbage co-collected with another stream (i.e., organics or recyclables)? _____
- j. Limits on garbage bag/container set out? Fees for extra garbage? _____
- k. Provide the estimated annual quantities of residual wastes collected from multi-residential customers for the 2016 calendar year: _____
- l. Collection through contract or by municipal forces? If by contract, provide contractor name and approximate value of collection contract: _____
- m. General description of collection vehicle(s) (automated collection, manual): _____
- n. Number of vehicles in fleet (active, spares): _____

Other

- o. Describe method (e.g. vehicles used, frequency of trips) and costs associated with hauling waste to landfill(s): _____
- p. Describe method for handling bulky waste: _____

Transfer / Hauling

- q. Can residents drop wastes off at transfer stations and/or depots? _____
- r. If yes, provide name and location of facility(ies): _____
- s. Are there restrictions on what can be disposed at transfer stations and depots (e.g., weight limits): _____
- t. What is the cost per tonne for wastes dropped off? _____
- u. Provide the estimated annual quantities of wastes received at transfer stations and/or depots for the 2016 calendar year: _____
- v. Describe method (e.g. vehicles used, frequency of trips) and costs associated with hauling waste from transfer stations/depots to processors / landfill (if applicable): _____

Disposal

- w. Provide formal name/location of MSW disposal site(s) used by the municipality: _____

- x. Can residents drop wastes off directly at the disposal site? _____
- y. Are there restrictions on what can be disposed at the disposal site (e.g., weight limits): _____

- z. Are tipping fees applied at the site(s)? If yes, what is the cost per tonne: _____
- aa. Provide available approx. annual operating costs (including amortized capital costs) for the disposal site(s):

Other

- ab. Any additional comments? _____

B.2 Industrial, Commercial and Institutional (IC&I)

- a. Are wastes/garbage from IC&I sources collected as part of the Municipal system? _____

- b. Approx. quantity of IC&I recyclables managed annually (i.e., tonnes): _____
- c. Please describe the types of IC&I waste generators within the municipality (i.e., schools, small businesses, etc.).

C. RECYCLABLES**C.1 Residential**

- a. Materials accepted (i.e., cardboard, HDPE, glass food containers, beverage containers, etc.), program type (single stream, 2-stream) _____

Single-Family Recycling Collection

- b. Frequency of curbside collection (i.e., weekly, biweekly): _____
- c. Collection through contract or by municipality forces? If by contract, provide name of contractor: _____
- d. General description of collection vehicles, if applicable: _____
- e. Approx. quantity collected in 2016 (i.e., tonnes): _____
- f. Approx. annual collection cost (including amortized capital costs): _____

Multi-Residential Recycling Collection

- g. Frequency of multi-residential collection (i.e., weekly, biweekly): _____
- h. Collection through contract or by municipal forces? If by contract, provide name of contractor: _____
- i. General description of collection vehicles, if applicable: _____
- j. Approx. quantity collected in 2016 (i.e., tonnes): _____
- k. Approx. annual collection cost (including amortized capital costs): _____

Transfer / Drop Off

- l. Can residents drop recyclables off at transfer stations and/or depots? _____
- m. If yes, provide name and location of facility(ies): _____
- n. Are customers charged to drop off recyclables? If so, what is the cost per tonne? _____
- o. Provide the estimated annual quantities of recyclables received at transfer stations and/or depots for the 2016 calendar year: _____
- p. Describe method (e.g. vehicles used, frequency of trips) and costs associated with hauling recyclables from transfer stations/ depots to MRFs (if applicable): _____

Processing

- q. Does the Municipality own a MRF? _____
If yes, facility design capacity (i.e. maximum tonnes per year): _____
- r. Are processing operations undertaken through contract or by municipal forces? If by contract, name contractor: _____

- s. If the Municipality does not own a MRF, where are recyclables sent (name and location): _____

- t. What is the approximate contamination rate and annual quantity of residuals: _____

- u. Approx. quantity processed in 2016 (i.e., tonnes): _____
- v. Approx. annual processing cost (including amortized capital costs): _____

Other

- w. Describe any planned upcoming changes to the recycling program: _____

- x. Describe any noted challenges in the recycling program (e.g., participation rates, contamination issues): _____

- y. Any additional comments? _____

C.2 Industrial, Commercial and Institutional (IC&I)

- a. Are recyclables from IC&I sources accepted (i.e., collected, processed, etc.) by the municipality's system?. If yes, describe (including fee arrangements): _____

- b. Approx. quantity of IC&I recyclables managed annually (i.e., tonnes): _____

D. ORGANICS - Leaf & Yard**D.1 Residential - Leaf and Yard Waste (L&YW)**

- a. Is curbside collection of L&YW provided to residents? *<If no, skip to D.1.f>* _____
- b. Method of collection (i.e., bags, carts, top up in Green Bin): _____
- c. Frequency of collection (i.e., weekly, biweekly, spring/fall): _____

- d. Provide the estimated annual quantities of L&YW collected at curbside for the 2016 calendar years: _____
- e. Describe method (e.g., vehicles used, frequency of trips) and costs associated with transporting L&YW to composting facility(ies): _____

Transfer / Drop Off

- f. Can residents drop leaf and yard waste off at transfer stations, depots and/or seasonal locations (e.g., Christmas trees)? _____
- g. If yes, provide name and location of facility(ies): _____
- h. Are customers charged to drop off L&YW? If so, what is the cost per tonne? _____
- i. Provide the estimated annual quantities of L&YW received at transfer stations and/or depots for the 2016 calendar year: _____
- j. Describe method (e.g. vehicles used, frequency of trips) and costs associated with hauling L&YW from transfer stations/ depots to composting facility(ies): _____

Processing

- k. Describe processing/composting location, type of organics processing, number of staff: _____

- l. Is processing undertaken through contract or by municipal forces? _____
- m. Approx. quantity processed per year (i.e., tonnes): _____
- n. Facility design capacity (i.e. maximum tonnes per year): _____
- o. Approx. annual processing cost (including amortized capital costs): _____
- p. Approximately annual rejected (oversize) material: _____
- q. Where do rejected materials get disposed? _____
- r. How are residual materials shipped there? (vehicle type, frequency of shipping, contractor, cost, etc.): _____

Cured End Product (Compost)

- s. Does end product meet "Category AA or A" standard? If not, describe: _____

- t. Describe end product quantities/markets/usage location(s): _____

- u. How are materials shipped to end markets? (vehicle type, frequency of shipping, contractor, cost, etc.): _____

- v. Cost/revenue per tonne charged/paid by end market (by material type, if applicable): _____

Other

- w. Describe any planned upcoming changes to leaf & yard waste programs: _____

- x. Are there any issues with contamination in the leaf & yard waste stream? If so, please describe: _____

- y. Any additional comments? _____

D.3 Industrial, Commercial and Institutional (IC&I)

- a. Are leaf & yard organics from IC&I sources accepted (i.e., collected, processed, etc.) by the municipality's system, if yes, describe (including fee arrangements): _____

- b. Approx. quantity of IC&I leaf & yard organics accepted annually (i.e., tonnes): _____

E. ORGANICS - Source Separated Organics (SSO)**E.1 Residential - SSO**

- a. Materials accepted (i.e., food scraps, soiled paper, diapers) and if bags (compostable or plastic) are permitted:

Single-Family SSO Collection

- b. Method of collection (i.e., carts, regular containers): _____
- c. Frequency of collection (i.e., weekly, biweekly): _____
- d. Provide the estimated quantity of SSO collected at curbside in 2016: _____
- e. Describe method (e.g., vehicles used, frequency of trips) and costs associated with transporting SSO to organics processing facility(ies): _____

Multi-Residential SSO Collection

- f. Method of collection (i.e., roll-offs, carts): _____
- g. Frequency of collection (i.e., weekly, biweekly): _____
- h. Provide the estimated quantities of SSO collected from multi-res buildings in 2016: _____
- i. Describe method (e.g., vehicles used, frequency of trips) and costs associated with transporting SSO to composting facility(ies): _____

Processing

- j. Does the Municipality own an organics processing facility? _____
- k. Are processing operations undertaken through contract or by municipality forces? If by contract, name contractor: _____

- l. If the Municipality does not own a MRF, where are recyclables sent (name and location): _____

- m. Describe processing/curing location, type of organics processing, number of staff: _____

- n. Approx. quantity processed per year (i.e., tonnes): _____
- o. Facility design capacity (i.e. maximum tonnes per year): _____
- p. Approx. annual processing cost (including amortized capital costs): _____

- q. Approximately annual rejected (oversize) material: _____

- r. Where do rejected materials get disposed? _____

- s. How are residual materials shipped there? (vehicle type, frequency of shipping, contractor, cost, etc.): _____

Cured End Product (Compost)

- t. Does end product meet "Category AA or A" standard? If not, describe: _____

- u. Describe end product quantities/markets/usage location(s): _____

- v. How are materials shipped to end markets? (vehicle type, frequency of shipping, contractor, cost, etc.):

- w. Cost/revenue per tonne charged/paid by end market (by material type, if applicable):

Other

- x. Describe any planned upcoming changes to SSO programs:

- y. Are there any issues with contamination in the SSO stream? If so, please describe:

- z. Any additional comments?

E.2 Industrial, Commercial and Institutional (IC&I)

- a. Is SSO from IC&I sources accepted (i.e., collected, processed, etc.) by the municipalities's system, if yes, describe (including fee arrangements):

- b. Approx. quantity of IC&I SSO accepted annually (i.e., tonnes):

F. ADMIN & PUBLIC EDUCATION

- a. Describe the City's solid waste management public education efforts (i.e., dedicated staff, newsletters, website, hot-line, promotional events, etc.) _____

- b. What is the approximate annual cost of the public education & information program?: _____

- c. Who receives calls/complaints from the public regarding issues with collection?: _____

- d. Estimated number of calls per day or month received: _____

- e. Who handles cart/bin replacement or sale?: _____

- f. What are the core responsibilities of administrative staff?: _____

G. MUNICIPAL SPECIAL AND HAZARDOUS WASTE

G.1 Residential

Transfer / Drop Off

- a. Where can residents drop MHSW off at (provide name of transfer stations and/or depots, site owners, event days)?

- b. Is the site(s) operated by municipal or contracted staff? If contracted, provide contractor name(s):

- c. How many staff are onsite? _____
- d. Are customers charged to drop-off some or all MHSW? If so, how much? _____
- e. Provide estimated quantities of MHSW received at transfer stations and/or depots in 2016 (by material type).

- f. Describe method (e.g. frequency of pickups) and costs associated with hauling MHSW to processors:

Processing

- g. Approx. quantity processed in 2016 (i.e., tonnes): _____
- h. Approx. processing cost in 2016: _____
- i. Approx. revenue received in 2016: _____

Other

- j. Describe any planned upcoming changes to the MHSW program: _____

- k. Describe any noted challenges in the MHSW program (e.g., participation, site traffic):

- l. Any additional comments? _____

G.2 Industrial, Commercial and Institutional (IC&I)

- a. Is MHSW from IC&I sources accepted by the municipality's system?. If yes, describe limits and fees:

- b. Approx. quantity of IC&I MHSW managed annually (i.e., tonnes): _____

Appendix C

MRF Questionnaire

Materials Recovery Facility

1	<i>What year was the MRF built? What was/is the financing structure (e.g., Design / Build / Operate)?</i>
2	<i>What is the design capacity (tonnes/year)? Single stream or two-stream?</i>
3	<i>What were the initial capital costs (e.g. equipment, building)?</i>
4	<i>What is the current operating condition and remaining lifecycle of the facility?</i>
5	<i>Have you had any recent additions or upgrades to the MRF or any future planned upgrades?</i>
6	<i>Current service delivery approach (e.g., own and operate, own and contract out operations, sent to private):</i>
7	<i>Number of FTE:</i>
8	<i>Population served (either number or name(s) of jurisdictions under contract):</i>
9	<i>In your agreement with the processing contractor (if applicable), provide some recommended terms and conditions of the contract (e.g., responsibilities, auditing, marketing & revenue sharing):</i>
10	<i>What performance metrics are measured, if any, and describe the most recent results and trends:</i>
11	<i>Who is responsible for marketing recyclables, what is the process and how is revenue distributed?</i>
12	<i>Approx. quantity processed and marketed in 2016 (i.e., tonnes):</i> <i>Processed:</i> <i>Marketed:</i>
13	<i>Approximate capture rate of recyclables:</i>
14	<i>Approximate contamination rate and associated annual quantity of residuals:</i>
15	<i>Approximate 2016 operating cost:</i>

16	<i>Any additional annual costs related to the MRF (e.g., debt financing, capital reserve, contingency planning, etc.):</i>
17	<i>Approximate revenue received in 2016 (e.g., sale of recyclables, WDO funding):</i>
18	<i>Do you have a contingency plan in place to mitigate risk or pay for unforeseen costs such as fires (e.g., putting aside x% of revenue)?</i>

Executive Summary

Dillon Consulting Limited (Dillon) was retained by the City of Guelph (the City) to conduct a high level assessment of the City's Material Recovery Facility (MRF) located at the Waste Resource Innovation Centre. The scope of the assessment consisted of two parts: Part I – MRF Building Assessment and Part II – MRF Equipment Assessment which have been documented in two separate memos completed in March 2018. This Executive Summary provides the main findings from both Part I and Part II.

The MRF was constructed in the mid-1990s and began operation as a multi-stream MRF in 1996. In 2003, the MRF was converted to a single stream facility which involved a major retrofit to the existing MRF. The MRF has the ability to process both single stream Blue Box recyclables as well as source separated fibre and container streams. The City owns and operates the MRF. In 2017, the MRF processed almost 23,000 tonnes of Blue Box recyclables of which, approximately 9,000 tonnes were source separated containers from Simcoe County.

Part I - MRF Building Assessment

On December 12, 2017, the Dillon team, consisting of structural, mechanical, and electrical engineers, conducted a limited visual "high level" assessment of the MRF. The purpose of the assessment was to give the visible building components of the facility a condition rating and provide recommendations on timelines and budget estimates for repair and maintenance for the next 10 years.

The site inspection of the building shell was broken into four distinct areas: structural, architectural, building mechanical and electrical. The stated condition was scored based on the following five-point rating system:

1. Critical - unsafe, system failure
2. Poor - does not meet minimum requirements, has significant deficiencies
3. Marginal - meets minimum requirements
4. Acceptable - meets present requirements
5. Good - meets all present requirements, no deficiencies

The timeline to implement the various actions identified during the high level condition assessment was broken into four timeframes and the number of actions and corresponding estimated cost to complete the actions by implementation timeline is summarized as follows:

- Priority Actions (less than a year): 5 actions, approximate cost of \$22,000
- Short Term Actions (1 to 5 years): 33 actions, approximate total cost of \$450,000
- Medium Term Actions (5 to 10 years): 7 actions, approximate total cost of \$68,000
- Long Term Actions (more than 10 years): 9 actions

To implement all of the actions identified in the 0 to 9 year timeframe, the estimated total cost is \$540,000 (in 2017 dollars). Details of the facility elements' conditions and required actions can be found in Memo Report on MRF Building Inspection.

Part II - MRF Equipment Assessment

Prior to conducting a site visit, Dillon reviewed available information provided by the City (e.g., MRF equipment list, year of installation, process flow diagram). As part of the equipment condition assessment, Dillon retained Scout Environmental Inc. to complete a visual inspection of the equipment and evaluate the overall condition of equipment located on site. This inspection was conducted on December 11th, 2017. Individual equipment pieces were visually inspected for general state of repair, cleanliness and in-situ operation.

Overriding any decision on a capital replacement schedule at this time, is the pending changes anticipated to the Blue Box Program Plan. Until an understanding of the role the City's MRF will play under the amended BBPP, which is anticipated to happen sometime over the next seven years, it would be prudent to not replace large capital equipment.

Based on the Scout Environmental Inc. report, the overall impression was that the MRF was in good operating condition. Expected wear and tear was present on a number of conveyor systems and replacement of wear and tear equipment (e.g., conveyor belts, drives and screen stars) should be completed as needed as part of ongoing operating expenses (rather than capital expense). State of equipment cleanliness was considered to be poor and this can result in increased wear and tear, decreases in efficiency, and/or early failure.

No equipment was noted to be in such disrepair that it would require early replacement within the 10-year time frame based on the visual assessment. However, it is recommended that the City contact the equipment supplier(s) to conduct a complete assessment of the equipment, relative to new condition and recommend any equipment testing necessary. There are no immediate (short-term) needs for the plant other than improving the quality of the inbound materials. City staff indicated that residue rates in the inbound curbside materials ranges between 10-25%. Excessive amounts of non-Blue Box materials can cause equipment problems, including equipment failure and damage and increased maintenance. The City needs to target a goal of decreasing residue rates of the inbound materials which should include an enhanced public education campaign focusing on what the City does not want to see put out at the curb.

Considering the 2003 retrofit of the MRF had layout and space limitations, the plant is sorting single stream material sufficiently well that the majority of material is marketable. However, the City needs to reduce residue rates in the inbound stream and because the MRF has tight confines and limited room for additional equipment, the City may have difficulty meeting future market specifications as market conditions change (e.g., China's National Sword).

STAFF REPORT



TO Guelph City Council

SERVICE AREA Mayor's Office

DATE May 28 2018

SUBJECT Councillor Mark MacKinnon Request for Additional Training Funding to Attend AMO August 19-22, 2018

REPORT NUMBER CAO-2018-16

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To request Council approval for funding to attend the AMO Conference August 19-22, 2018 in Ottawa, Ontario.

KEY FINDINGS

Each Councillor has an allocated amount from the Council Office Training Budget. According to policy, Council approval is required for any Councillor to expend monies beyond their yearly allocation for training.

FINANCIAL IMPLICATIONS

To date, approximately \$29,000 is unexpended from the 2018 Council training allocation of \$39,000.00, which funds conference registration, travel, hotel, meals.

ACTION REQUIRED

Council approval is required to access funding so that Councillor MacKinnon is able to fund his attendance at the AMO Conference August 19-22, 2018.

RECOMMENDATION

That Councillor Mark MacKinnon be authorized to exceed his 2018 Training Funding allocation of \$3,250.00 in the amount of \$1,500.00 in order to attend the AMO 2018 conference in Ottawa August 19-22 2018.

BACKGROUND

Guelph City Council on May 25, 2009 approved a Policy on Councillor Attendance at Municipal Government Events which established procedures for City Councillor attendance at municipal government events and to provide details for the reimbursement of expenses incurred by those Councillors attending events.

Each year Councillors are allocated an equal share of the approved budget for attendance at training events. In the 2018 budget, \$39,000.00 was approved for Council Travel/Training/Associations, which resulted in an allocation of \$3,250.00 to

STAFF REPORT



each Councillor. At this time approximately \$29,000 of \$39,000.00 is unspent. Allocations are not transferrable, and if a Councillor does not use their allocated portion during the calendar year, the funding cannot be accumulated and carried over into subsequent budget years.

REPORT

Councillor Mark MacKinnon is seeking permission to expend monies beyond his 2018 allocation to attend the Association of Municipalities of Ontario (AMO) annual conference August 19-22, 2018 in Ottawa, Ontario.

According to the Policy on Councillor Attendance at Municipal Government Events, City Councillors will be permitted to exceed their allocation only with the prior approval of Guelph City Council.

CORPORATE STRATEGIC PLAN

This report supports the following Strategic Directions:

1. Engage employees through excellence in leadership.
- 2.3 Ensure accountability, transparency and engagement.

DEPARTMENTAL CONSULTATION

Mayor's Office

FINANCIAL IMPLICATIONS

A total of \$39,000.00 was allocated in the 2018 Council Office budget for Council training of which approximately \$29,000 is unspent at this time.

The AMO conference registration, accommodation, flight and meals may require additional funding up to \$1,500.00.

COMMUNICATIONS

N/A

ATTACHMENTS

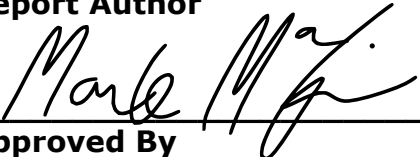
ATT 1 - Policy on Councillor Attendance at Municipal Governance Events

Council Office Department Approval

Councillor Mark MacKinnon, Ward 6

Betsy Puthon

Report Author



Approved By

Councillor Mark MacKinnon

Email: mark.mackinnon@guelph.ca

City Council Policy



Service Area	City Council
Date	May 25 2009
Subject	Council Policy Councillor Attendance at Municipal Government Events
Policy Number	Council Policy 2009-01

POLICY STATEMENT

There is great value to be gained from City Councillors attending events of interest to municipal government. These events contribute to continuous learning and development, and better equip City Councillors to deal with the wide range and depth of governance issues facing municipalities. They also provide a forum to exchange ideas, best practices, and expertise on municipal government related issues. Expenses associated with attendance at such events must be reasonable and necessarily incurred by those attending.

PURPOSE

City Councillors who attend municipal government events benefit from learning about new approaches and the experiences of other municipalities that have had success in dealing with issues. By building on the success of other municipalities, it is possible to avoid a lengthy process involved in attempting to solve a problem in isolation, which may take longer and produce less effective results. The purpose of this Policy is to ensure that there are established procedures in place with respect to City councillor attendance at municipal government events, and to provide for the reimbursement of expenses incurred by those persons attending.

POLICY APPLICATION AND EXCLUSIONS

This Policy applies to City Councillors who participate in municipal government events where the costs are funded from the approved Council budget.

The provisions of this policy with respect to limits and expenses apply to the Mayor's participation in municipal government events, or in events where the Mayor is representing the City as the Head of Council, where such costs are funded from the approved budget for the Mayor's Office.

The annual allocation provisions of this policy do not apply to City Councillors who serve on the board of either the Association of Municipalities of Ontario or the Federation of Canadian Municipalities, where such service and associated travel expenses have been pre-authorized by Guelph City Council. All other provisions with respect to limits and expenses do apply to members who serve on these

boards.

The provisions of this Policy with respect to the allocation of an equal share of the approved Council budget for attendance at municipal government events do not apply to the Mayor.

DEFINITIONS

Eligible Expenses – Expenses that are eligible for reimbursement include:

- Transportation,
- Accommodation,
- Event registration fees,
- Meals and incidentals,
- Hospitality.

Event – Includes an Organized annual general meeting, conference, congress, convention, exposition, forum, program, session, summit, or workshop targeted to a municipal audience. In situations where it is not clear as to the municipal relationship to the event, it is the responsibility of the City Councillor to clearly establish the relationship.

Hospitality – Includes reasonable costs, which may be incurred by City Councillors in an economical, consistent, and appropriate way that will facilitate City business, or as a matter of courtesy, and consists of meals only.

Ineligible Expenses – Expenses that are not eligible for reimbursement include:

- Alcohol,
- 1-900 premium-rate telephone calls,
- Claims for loss of personal effects,
- Companion registration fees and expenses,
- Entertainment,
- Gifts,
- Medical and hospital treatments in excess of City sponsored health care benefit limits,
- Personal effects (luggage, clothing, magazines),
- Personal memberships,
- Personal messaging/download fees,
- Personal services (shoe shines, valet, spa treatments, hair styling, internet fees for access to for-fee sites),
- Personal vehicle costs (maintenance, repair costs, towing fees, car washes),
- Movie or cable/satellite television fees charged by hotels or airlines,
- Sporting events,
- Side trips including stopover charges and additional accommodation costs for personal or other business reasons,
- Sightseeing tours,
- Traffic and parking fines.

Municipal Government Organization – Includes such entities as the Canadian Urban Institute, the Institute on Governance, Municipal Government Institute, ICLEI-Municipal Governments for Sustainability, Ministry of Municipal Affairs & Housing, Community Heritage Ontario, etc.

Municipal Association – Includes the Federation of Canadian Municipalities or the Association of Ontario Municipalities, and sub-groups of these associations.

ALLOCATION FOR ATTENDANCE AT MUNICIPAL GOVERNMENT EVENTS

Each City Councillor will be allocated an equal share of the approved budget for attendance at municipal government events. Allocations are not transferrable, and if not used during the calendar year, cannot be accumulated and carried over into subsequent budget years. City Councillors will be permitted to exceed their allocation only with the prior approval of Guelph City Council.

HOSPITALITY

City Councillors attending municipal government events, may offer hospitality on behalf of the City where necessary and reasonable. Such hospitality is limited to meals, and the maximum daily meal expense limit will apply. Receipts are required for reimbursement.

MEALS AND INCIDENTALS

Meal expenses will be reimbursed at actual costs upon submission of appropriate receipts. Councillors will be reimbursed for meal expenses up to a maximum of \$70.00 per day, at the following rates:

\$15.00 – Breakfast
\$20.00 – Lunch
\$35.00 – Dinner
\$70.00 – TOTAL

Individual meal limits may be exceeded, as long as the \$70.00 daily total limit for meals is not exceeded.

A separate amount is available each day for incidental expenses in addition to the regular meal allowance. Such items would include parking meters, public transit, or internet access connection and/or usage fees away from home, where internet access is necessary for City business. The current rate is \$10.00 per day. Where possible, original receipts should be obtained and submitted for reimbursement.

The above limits are in Canadian dollars for expenses incurred in Canada or the equivalent foreign currency for travel outside of Canada. Tips and gratuities would be in addition to the above rates.

Receipts are to be submitted within 30 days of return from the function for reimbursement. Claims for expenses must include receipts, and be submitted within 30 days of return from the event. Claims for expense incurred in one year, but not submitted until the next budget year will only be paid upon the approval of the Director of Finance.

OVERNIGHT ACCOMMODATION

If an overnight stay is required, accommodation will be reimbursed at a rate in

accordance with the single room rates charged for the function, or the hotel's rate for a standard single room, whichever is less. Reimbursement of accommodation expense for additional days may be approved. The reason for the approval (e.g., lower air fare, time change) must be documented on the expense claim form.

TRANSPORTATION

Transportation costs include:

- Air, rail, bus fare or automobile at the most cost and time effective rate, e.g., mileage will not be reimbursed if air travel is less expensive,
- Parking,
- Travel cancellation insurance,
- Incidental travel by taxi, subway, bus,
- Departure taxes from transportation terminals,
- Travel to and from public transportation terminals, provided such transportation is actually used by the traveler,
- Toll highway charges,
- Expenses incurred when using a personal vehicle for travel to functions located outside the City of Guelph will be reimbursed at the standard car allowance rate established for City staff, currently \$0.45 per km,
- Expenses associated with the use of a rented automobile for travel to and from the function, provided the expense does not exceed the cost of taxi fares for the same purpose (use of the automobile for personal business is not an allowable expense),
- Long-term parking for air travel exceeding 24-hours.

END