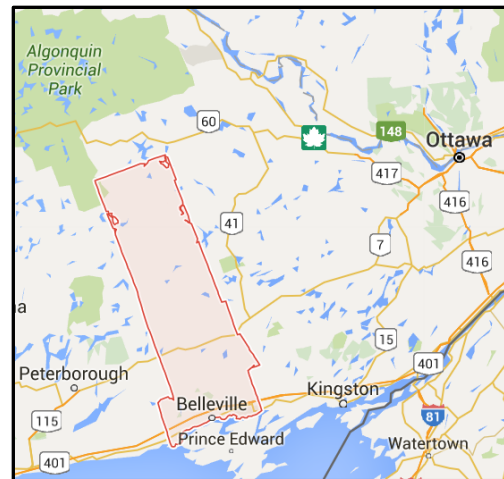


CIF Project #607.8 - Hastings County Cooperative Transfer and Processing

Project Background

Hastings County is located in Eastern Ontario, roughly 250 km west of Ottawa. The County consists of 14 municipalities with a total population of about 40,000.

In 2013, eight of the northern municipalities, generating 1,725 total tonnes per year, mostly from depot collection, agreed to work together to explore methods of reducing recycling program operating costs. The municipalities of Bancroft, Carlo/Mayo, Faraday, Highlands East, Hastings Highlands, Limerick, Tudor Cashel and Wollaston applied to CIF for funding a study and subsequently acting on any favourable results.



The study, conducted by RRS Consulting examined options to coordinate and optimize depot and curbside collection systems and secure a more competitive processing price. Options considered included direct haul, front end loader (FEL) service and construction of a 'hub and spoke' transfer system with haulage to various MRFs in Eastern Ontario.

Summary of Results

Results of the initial study identified collective savings in excess of \$50,000 annually and the municipalities requested CIF staff take the lead in completing a more detailed analysis. Subsequent research projected group savings in excess of \$200,000 annually provided a transfer facility was constructed in the Bancroft area and compacted recyclables were hauled via roll-off train to a MRF within 225km of the transfer station.

Councils of the participating municipalities passed resolutions authorizing the joint issue of an RFP for hauling, processing and for design/build of the central transfer facility. CIF staff wrote the two RFP's which closed Nov. 30, 2015 and assisted in the evaluation of the proposals received.

Pricing submitted by the proponents confirmed that group savings could yield up to \$222,000 annually with a potential project payback of 4 years notwithstanding the concept design/build cost submitted was approximately \$400,000 higher than initial projections. Preliminary value engineering discussions with the design/build proponent produced little opportunity to reduce the project costs and suggested final costs would likely be higher. The results also showed that Bancroft's landfill was the preferred site for the facility.

The RFP results and financial analysis were presented to a special joint councils meeting along with the recommendations to cost share construction of the proposed facility to be built at the Bancroft landfill. However, shortly after the council meeting, Bancroft notified the CIF of its decision declining to act as host for the facility. As a result, the working group disbanded and project 607.8 was terminated. A number of the municipalities have since reached out to CIF to explore opportunities to reduce individual municipal costs.

Learnings

1. Harmonization/regionalization projects are complex multi-year efforts

Although municipalities are cooperating more than ever in joint ventures designed to save taxpayer dollars, when multiple municipalities are involved, long periods can pass with little forward progress due to differences in political priorities and relationship challenges. CIF staff can move the project forward in increments at a cost of significant amounts of staff time, but the extended period of time required to secure 'buy in' puts these projects at risk of shifts in individual municipal priorities and support.

2. A local champion and project lead is a necessity

The collapse of this project demonstrates the importance of municipal project 'ownership'. In this case, the municipal staff that was driving the project retired and their replacements were unwilling and/or unable to act as the project lead and local champion. CIF staff has concluded, in hindsight, that the CIF's role should be limited to providing technical and financial support to municipalities and a key factor in deciding whether to fund similar projects should be strong evidence of municipal commitment. The lead municipality must be identified as being fully invested in the success of the project before CIF commits to allocate the significant resources required to achieve a successful result.