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The Municipalities of Annapolis and Kings and the Towns of Annapolis Royal, Berwick, Kentville, Middleton and Wolfville: Partners in Waste Reduction

**Valley Region Solid Waste-Resource Management Authority
Special Meeting
February 1, 2017
9:00am
Valley Waste-Resource Management Office – Boardroom**

Attendees

Members/Alternates: Wendy Elliott, Martha Roberts, Jane Bustin, Brian Hirtle, Gail Smith, John Kinsella, and Megan Hodges (Alternate from Kings)

Staff: Jeff Martin, Andrew Garrett, Grace Proszynska, Glenda Clark, Michael Coyle and Brenda Davidson

Guests: Geoffrey Breen, Cox and Palmer, for In-Camera Session only

Agenda Item No. 1 - Call to Order

Chair Bustin called the meeting to order at 2:00pm welcoming everyone and expressing her appreciation to all for adjusting schedules to allow for the Special Meeting of the Authority being held today. Chair Bustin then introduced Geoffrey Breen, Cox and Palmer, who will be participating in the In-Camera session.

Agenda Item No. 2 – Approval of Agenda

Chair Bustin called for the Approval of the Agenda with Martha Roberts indicating that she did have one item she would like to add if possible. A short discussion arose where it was indicated that normally Special Meetings are called for one specific purpose and that items are not usually added to the agenda in this circumstance; however, the final decision would remain with the Authority and that it may be helpful if the topic was known. Ms. Roberts then noted a concern that arose as she reviewed the Authority's policy policies that she came across an outdate reference to the Town of Annapolis Royal having observer status at Authority meetings. This lead her to question whether Annapolis Royal has voting rights at the at meetings of the Authority. In response to the question, Mr. Coyle explained that the Town of

Annapolis Royal is a full voting member of the Authority as per Amendment to the Intermunicipal Services Agreement and further that the Intermunicipal Services Agreement serves as the Authority's "constitution" and supersedes any outdated wording that may be found in any other Policy or document.

ON MOTION OF GAIL SMITH AND SECONDED BY WENDY ELLIOTT THAT THE VALLEY REGION SOLID WASTE-RESOURCE MANAGEMENT AUTHORITY APPROVE THE AGENDA AS CIRCULATED.

MOTION CARRIED.

Agenda Item No. 3 – In-Camera Session – Re: Personnel Matter

ON MOTION OF MARTHA ROBERTS AND SECONDED BY BRIAN HIRTLE THAT THE VALLEY REGION SOLID WASTE-RESOURCE MANAGEMENT AUTHORITY MOVE TO AN IN-CAMERA SESSION FOR THE PURPOSES OF DISCUSSING A PERSONNEL MATTER.

MOTION CARRIED.

Mr. Coyle was asked to leave for the in-camera session.

The Special Meeting of the Valley Region Solid Waste-Resource Management Authority was called back to order at 3:51pm.

Chair Bustin noted that the Authority discussed and received legal advice on a personnel matter during the In-Camera session.

Agenda Item No. 4 – Approval of the Minutes of January 18, 2017

It was the consensus of the Authority that the approval of the Minutes of the January 18, 2016 be deferred to the next meeting.

Agenda Item No. 5 – 2017-2018 Operating and Capital Budget

Acting General Manager Coyle took the floor advising that he wanted to raise a couple of issues with the Authority that arose from and since the last meeting.

The first issue is to address the question posed during the last meeting regarding the impact on the budget if the salary review recommendations were phased in over 2 years instead of the full implementation approved by the Authority on September 19, 2016. Mr. Coyle explained

that the answer is approximately \$58,000.00 or roughly 0.5 of a percent. Mr. Coyle noted that staff do not recommend taking that approach for a few reasons, as follows:

- The budget was developed based on the findings of the consultant flowing from a comprehensive salary review process. The process resulted in a recommended shift in salary scales, as was approved by the Authority for implementation. The results of the salary review should not be confused with a general salary increase (cost of living based on the CPI).
- Some of the adjustments in salary scales are very minimal for specific individuals (amounting to only a few hundred dollars per year), while others are more significant, because the external salary survey found these employees are being underpaid for the work they are doing. The new salary scales mean that employees will move within those scales based on merit. All were reminded as well that there is a cost of living component (1.3%) included in the budget in keeping with the normal practice, which is not the same thing as an adjustment to the organization's salary scales for certain jobs.
- 2017-2018 is a good year to implement the salary review scale adjustment recommendations as the Authority could experience increases in future years as major supplier contracts come up for renewal during this fiscal year, but there are contracts that will awarded for the next (2018-19) fiscal year.
- Since difference between implementation of the full salary scale revision this year is, in the scheme of things, a relatively minor percentage (.5%) of the Authority's overall budget, Mr. Coyle was concerned about the message that it might send to employees who have been told by an outside consultant that they are being underpaid and who would now be told that they will have to wait another year to be brought up to standard, when there is no budgetary reason for the Authority to do that, in light of the projected budget surplus.

Mr. Coyle then addressed the 2nd issue that requires the Authority's attention reminding all that during the last meeting the Authority passed a motion to extend the current organics processing contract with Northridge Farms for a 9-month period to March 31, 2018. Since that time, and in response to his letter indicating the terms of the extension, Northridge Farms has communicated they are not now in agreement with the terms of the extension. As a result, staff surveyed municipalities in surrounding regions regarding their organics processing costs, and based on those findings, are suggesting that a Request for Quotations be prepared and released for organics processing services for the period of July 1, 2017 to March 31, 2018. Staff remain confident in the organics processing costs as projected in the draft 2017-2018 budget, but, if it should become necessary, the Authority can always prepare a supplementary budget, as per the Inter-municipal Services Agreement. Mr. Coyle further noted that, while the work is underway during that nine month period, a full Request for Proposals for the long-term provision of the organics processing services will be prepared and released.

A question was posed about the ability of the Authority to enter into negotiations with a contractor and a short discussion arose where it was stressed that the Authority always, as a

public body, has the obligation to seek the best possible pricing for services on behalf of its partner municipalities.

The discussion then turned back to the budget with questions around the salary review and 1% increase in pension plans contributions by both the employer and the employees raised and explained.

ON MOTION OF MARTHA ROBERTS AND SECONDED BY JOHN KINSELLA THAT THE VALLEY REGION SOLID WASTE-RESOURCE MANAGEMENT AUTHORITY APPROVE THE JANUARY 18, 2017, DRAFT 2017-2018 OPERATING AND CAPITAL BUDGET FOR FORWARDING TO THE COUNCILS OF THE PARTNER MUNICIPALITIES.

Discussion resumed with explanations again provided regarding the allowable uses of the existing Capital Reserve Account and in follow-up to the discussions during the last meeting, the fact that the existing reserve account is not going to meet the targeted values at the time of its development. Discussions also arose around the outstanding item of the Authority's becoming a customer-member of VCFN and it being unclear as to whether or not there are enough funds provided for in the budget to move forward with the project at this particular time.

Mr. Coyle explained that VWRM does not have in-house IT expertise, rather we contract IT services from the Municipality of Kings, whose expertise we rely on when it comes to VCFN. Mr. Coyle noted that the Authority had reserved \$20,000, based on a previous estimate, for hooking up to the VCFN network, if a business case can be made for it. Mr. Coyle noted that there was apparently some differences of views on whether that business case exists and that discussions are on-going. After discussion, it was agreed that Mr. Hirtle would invite the appropriate person from Kings County to attend the next Authority Meeting to brief the Authority on the matter.

Acting General Manager Coyle noted that the apparent deficiency in the Capital Reserve Account is a long-term planning issue that cannot realistically be addressed in a single annual operational budget. Mr. Coyle noted, however, that this proposed budget, in keeping with recent annual budgets, projects a surplus of some \$300,000 that is earmarked to be returned to the partners. He suggested that a careful consideration of the long-term financial requirements of the organization needs to take place. He noted that the Authority has a Capital Reserve Policy and a Building Replacement policy and sub-committee devoted to managing the Capital Reserve Fund and making long-term planning recommendations.

A call for the question was heard.

MOTION CARRIED.

Votes against the motion were heard from the Martha Roberts, the representative of the Municipality of Annapolis County and Brian Hirtle, representative the Municipality of the

County of Kings. All other members present voted in favour of the motion. No amendments were proposed to the draft budget by any member.

There was brief discussion about the effect of the vote on the motion. Martha Roberts then left the meeting and the meeting lost its quorum. The Chair noted that the next Regular Meeting is scheduled for February 15, 2017.

Respectfully Submitted,

Brenda Davidson
Office Coordinator
Valley Waste-Resource Management