



AUDITOR GENERAL

Halifax Regional Municipality

Management of Solid Waste Operations Audit

February 17, 2022

Audit Overview

- Effectively manages certain aspects of solid waste operations
- Monitors many key aspects of contracts, improvements needed
- Operations generally consistent with legislation requirements
- Effectively manages waste diversion activities
- Vendor selection process fair and consistent with Procurement Policy



Management of Solid Waste Operations Audit – Detailed Results

- Reasonably monitors many key aspects of contracts
- Sampled six ongoing and recently-expired contracts
 - Tracked customer complaints
 - Applied payment penalties
 - Observed roadside waste collection activity
 - Daily and monthly tonnage tracking



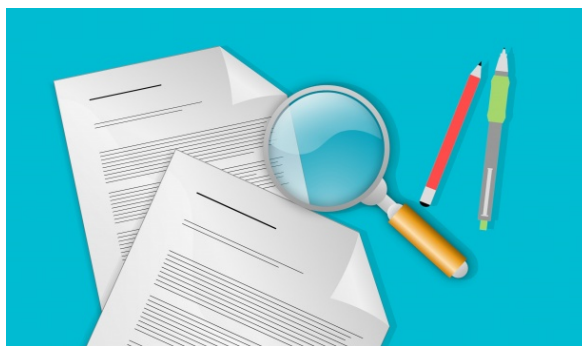
Management of Solid Waste Operations Audit – Detailed Results

- Solid Waste relies on reports from contracted experts engaged by facility operators to assess environmental impacts
 - Management told us they review reports
 - Evidence of review for two of four
 - Looked at three environmental reports
 - No significant concerns



Management of Solid Waste Operations Audit – Detailed Results

- Site visits and operational meetings with most contractors
- Management meet with landfill operator on specific issues
- HRM and operator – joint operating permit holders
- Otter Lake – large contract valued at \$170 million over 20 years
- Expected monitoring for all significant aspects of Otter Lake facility contract



Management of Solid Waste Operations Audit – Detailed Results

- Contracts have reasonable terms and conditions to:
 - Achieve value-for-money
 - Protect public interest



Management of Solid Waste Operations Audit – Detailed Results

- Waste management operations generally complied with applicable provincial legislation and guidelines
- Reviewed four facility operating permits
 - Three permits – HRM sole permit holder
 - HRM submitted required reports to Nova Scotia Environment
 - One joint permit – HRM and operator
 - Operator prepared Nova Scotia Environment reports

Management of Solid Waste Operations Audit – Detailed Results

- Processes to comply with:
 - Nova Scotia Otter Lake Landfill Act
 - Nova Scotia Solid Waste-Resource Management Regulations
- Two composting facilities not in compliance
 - Management aware
 - New facility expected to meet the guidelines



Management of Solid Waste Operations Audit – Detailed Results

- Waste diversion plans established
 - Implemented
 - Monitored



Management of Solid Waste Operations Audit – Detailed Results

- Reviewed vendor selection process
 - Fair and consistent with HRM Procurement Policy



Wrap Up

2 Recommendations

Both accepted
by management

Review all consultant reports &
document results

Perform additional monitoring of
Otter Lake facility contract

Follow up in 18 months



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Questions?