

HALIFAX

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Item No. 1

Halifax Regional Council
October 18, 2022

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed by 

SUBMITTED BY:

Jacques Dubé, Chief Administrative Officer

DATE: August 29, 2022

SUBJECT: Management of Solid Waste Operations Audit – Action Plan

INFORMATION REPORT

ORIGIN

February 17, 2022, Audit and Finance Standing Committee, Item 12.1.1.

MOVED by Councillor Deagle Gammon, seconded by Councillor Morse

THAT the Audit and Finance Standing Committee recommend that Halifax Regional Council direct the Chief Administrative Officer to prepare a staff report regarding an action plan to address the recommendations outlined in the Management of Solid Waste Operations Audit report within one year.

March 1, 2022, Regional Council, Item 15.2.3

MOVED by Councillor Mancini, seconded by Deputy Mayor Lovelace

THAT Halifax Regional Council direct the Chief Administrative Officer to prepare a staff report regarding an action plan to address the recommendations outlined in the Management of Solid Waste Operations Audit report within one year.

MOTION PUT AND PASSED

LEGISLATIVE AUTHORITY

50 (1) The Auditor General is responsible for assisting the Council in holding itself and the Municipality's administrators accountable for the quality of stewardship over the public funds and for achievement of value for money in the Municipality's operations.

(2) The Auditor General shall examine, in the manner and to the extent the Auditor General considers necessary, the accounts, procedures and programs of the Municipality and any municipal body of the

Municipality, as that term is defined in Section 461 of the Municipal Government Act, or person or body corporate receiving a grant from the Municipality, to evaluate:

- (a) whether the rules and procedures applied are sufficient to ensure an effective control of sums received and expended, adequate safeguarding and control of public property and appropriate records management;
- (b) if money authorized to be spent has been expended with due regard to economy and efficiency;
- (c) if money has been spent with proper authorization and according to an appropriation;
- (d) if applicable procedures and policies encourage efficient use of resources and discourage waste and inefficiency; and
- (e) whether programs, operations and activities have been effective.

BACKGROUND

In Fiscal 2021/22, the Office of the Auditor General completed an audit of Management of Solid Waste Operations.

Below are the Recommendations from the Auditor General report “Management of Solid Waste Operations Audit” dated February 14, 2022:

Recommendation 1

Transportation and Public Works should review all consultant reports assessing the environmental impact of composting and landfill facilities. Results of this review should be documented, along with any action taken to address significant issues.

Management Response

Solid Waste Resources staff review all consultant reports assessing the environmental impact of composting and landfill facilities. Staff acknowledge that improvements can be made to document the reviews of the reports. Staff will ensure future reviews are documented including identifying any action items.

Agree with Recommendation 1.

Recommendation 2

Transportation and Public Works should perform additional monitoring of the Otter Lake facility contract, including assessing the operator’s compliance with key contract terms and operating permit obligations; and carrying out regular site visits. Monitoring results should be documented.

Management Response

Staff conducts comprehensive contract administration associated with Otter Lake. Additionally, HRM funds the Community Monitoring Committee \$90k/year to independently oversee the operation in accordance with HRM’s agreement with Halifax Waste Resource Society.

While the contract provides that HRM and the Operator (MIRROR NS) are joint holders of the operating permit, the Operator alone is contractually responsible for ensuring the facility is operated in accordance with the permit and other applicable laws. Accordingly, staff were not formally conducting operational oversight (e.g., inspections of components of the operations).

Staff agrees with the Auditor’s recommendation. Staff intends to initiate quarterly meetings and semi-annual inspections with the Operator to review facility operations with reference to contract terms. All operational oversight activities will be documented.

DISCUSSION

Recommendation 1 – *Management needs to review and document follow-up from environmental reports prepared by consultants.*

Actions - Staff has actioned this recommendation from the audit. Beginning in the fourth quarter of Fiscal 2021/22 and continuing in Fiscal 2022/23 and onward, Solid Waste is tracking all environmental and other reporting requirements for facilities in the solid waste system. This includes:

- Information for the facility/site
- The permit reference (as applicable)
- The environmental and other report requirements
- The date the draft report or the report is received, the date HRM staff reviewed (and by whom) and the date comments were provided (if applicable)
- Any follow-up actions
- The date the report was submitted to Nova Scotia Department of Environment and Climate Change (NSECC)

In addition, Staff is keeping documentation of their review of consultant reports and any applicable comments provided for draft reports or other follow-up actions.

Below is a summary table of facility environmental reporting requirements and other related information.

Table 1 – Summary of Environmental Reporting Requirements

Facility/Site	Environmental Reporting	Prepared By	Submission/ Review	Timelines
Otter Lake Landfill	Environmental Monitoring report for quarterly monitoring submitted annually	Environmental consultant engaged by Facility operator	Facility operator (Mirror NS) submits; HRM solid waste reviews and comments	Submit to NSECC by April 30 th each year
Ragged Lake Composting Facility	Environmental Monitoring report for quarterly monitoring submitted annually	Environmental consultant engaged by Facility operator	Facility operator (AIM HCR) submits; HRM solid waste reviews and comments	Submit to NSECC by March 15 th each year
Burnside Composting Facility	Environmental Monitoring report for quarterly monitoring submitted annually	Environmental consultant engaged by Facility operator	Facility operator (AIM HCR/Miller) submits; HRM solid waste reviews and comments	Submit to NSECC by March 31 st each year
Closed Highway 101 Landfill	Environmental Monitoring report for quarterly monitoring submitted annually	Environmental consultant engaged by HRM Solid Waste	HRM Solid Waste reviews and comments to consultant then HRM submits	Submit to NSECC by March 31 st each year

Facility/Site	Environmental Reporting	Prepared By	Submission/ Review	Timelines
HSW Depot	Environmental Monitoring report for quarterly monitoring submitted annually	Environmental consultant engaged by Facility operator	HRM submits after review and comment to Facility operator (GFL)	Submit to NSECC by February 15 th each year
Sheet Harbour & Middle Musquodoboit Refuse Depots	Environmental Monitoring reports for annual monitoring submitted annually	Environmental consultant engaged by HRM Solid Waste	HRM Solid Waste reviews and comments to consultant then HRM submits	Submit to NSECC by February 28 th each year
Mengoni Closed Soils Disposal Cells	Environmental Monitoring reports for semi-annual monitoring submitted semi-annually	Environmental consultant engaged by HRM Solid Waste	HRM Solid Waste reviews and comments to consultant then consultant submits	Submit Spring and Fall semi - annually

Recommendation 2 – *Perform additional monitoring of the Otter Lake facility contract, including assessing the operator’s compliance with key contract terms and operating permit obligations; and carrying out regular site visits. Monitoring results should be documented.*

Actions – Staff have actioned this recommendation from the audit. Beginning in the fourth quarter of Fiscal 2021/22 and continuing in Fiscal 2022/23 and onward, quarterly operations meetings are scheduled between HRM Solid Waste and the Facility Operator (Mirror NS). These regular meetings include such agenda topics as:

- Material management
- Health and safety
- Site approval (permit)
- Reports
- Staffing and personnel
- Complaints
- Load monitoring
- Litter management
- Equipment and maintenance
- Facility documents (e.g., scale calibrations, insurance, etc.)

Meeting notes (records) are kept for these operations meetings. The first two of these meetings were held March 10, 2022, and June 13, 2022, with September and December meetings to follow. Site meetings between HRM Solid Waste and Mirror NS regarding permit renewals or other specific facility or operational items also are scheduled when needed (in addition to the quarterly operations meetings).

Commencing in second quarter of Fiscal 2022/23, Solid Waste staff is instituting semi-annual inspections with the Operator to review Otter Lake facility operations with reference to contract terms and operating permit obligations. These inspections and follow-up will be documented.

Additional contract monitoring initiatives: Commencing in August 2021, HRM instituted regular operations updates (typically biweekly) to be sent via e-mail from the Otter Lake Facility Operator Manager to HRM Solid Waste management. As well, video spot checks of traffic entering the Otter Lake facility to review in comparison to the scale transactions occurs monthly.

Below is a summary table of Otter Lake facility monitoring activities.

Table 2 – Summary of Environmental Reporting Requirements

Contract Monitoring Activity	Frequency	Documentation
Operations Meetings between HRM Solid Waste and Mirror NS	Quarterly	Meeting Notes Record
Site Meetings – Specific Facility or Operational items (HRM SWR & Mirror NS)	Scheduled when needed	Follow-up actions or additional actions, documents, as needed
Site Inspections – Contract Terms, Permit Obligations	Semi-Annual	Master tracking spreadsheet
Regular Operations Updates from Mirror NS	Biweekly (typically)	E-mailed operations update
Video checks of traffic and scale transactions	Monthly	Master tracking spreadsheet

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

RISK CONSIDERATION

No risk considerations were identified.

COMMUNITY ENGAGEMENT

No community engagement was required.

ATTACHMENTS

N/A

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

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