

# Successful Municipal Practices: Responding to New Challenges



## *Tools for Change*

### **SERVICE SHARING:**

### **Regional Waste Management**

### **The Towns of Carberry, Minnedosa and Neepawa and the RMs of Elton, Langford, Minto, North Cypress and Odanah**

Development of a regional waste management site led by the Town of Neepawa began in 2001. The project is a partnership between eight municipalities (Towns of Carberry, Minnedosa, and Neepawa, and the RMs of Elton, Langford, Minto, North Cypress and Odanah). Construction of the facility, located in the RM of Odanah between Minnedosa and Neepawa, began after the Environmental Act Licence was issued in August of 2003 and opened for business on March 21<sup>st</sup>, 2004.

Environmental protection is a priority for all local governments, and was a strong factor in the desire to build a state-of-the-art waste management facility. However, a number of different drivers were behind the decision to pursue a regional solution.

Landfills had been closed in the Town of Carberry and the RM of North Cypress because of environmental concerns pertaining to groundwater contamination, and the possibility of similar closures in Minnedosa and Minto seemed very real. Neepawa's facility was reaching the end of its projected life span, and the other municipalities involved, Elton, Langford and Odanah, did not have local sites. The municipalities without sites, or with sites that had been closed, were paying expensive hauling fees to have waste transferred to regional sites in other parts of the province.

Recognizing a common need amongst their neighbours, Neepawa and Langford invited other municipalities to discuss the possibility of a shared facility, resulting in the eventual formation of a steering committee comprised of one elected official from each participating municipality. The CAO and the Director of Operations for Neepawa/Langford acted as the group's initial project managers, a role which was later assumed by West-Can Human Resource Solutions.

The steering committee developed a plan for a shared facility that would also include composting and recycling facilities. During the development of the plan, the committee worked through three major issue areas related to the facility: siting, construction, and operation. A consultant was contracted to assist with assessing potential sites and to prepare cost projections and cost-benefit analyses.

*Although there were a number of different drivers behind the decision to pursue a joint development, all of the municipalities involved shared a common goal.*



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Siting was a key issue, especially since poor siting (and closure of facilities) was driving many of the partners to investigate participating in this new project. From an environmental perspective, an area in the RM of Odanah was an ideal site, but nearby ratepayers expressed concern about the effect that the facility would have on their property values.

Odanah council met with ratepayers to discuss their concerns and came to an agreement regarding compensation for decreased land values resulting from their proximity to the new facility. This compensation will be funded by a user charge of \$4.50 payable to the RM of Odanah on each tonne of waste entering the facility for the first 20 years of operation. Odanah council has formulated a policy for distribution to property owners within a one-mile buffer zone of the site and based on decreased land values over a five-year period commencing February 1, 2003. As the host municipality for the waste management site, Odanah will also receive the tax revenue from the site, to be paid by the waste management corporation (a joint corporation of the eight municipal partners) that will own the site.

The municipal partners agreed to share the municipal portion of the consulting, engineering and construction costs on a per capita basis (\$560,000 of total \$1.96M project cost, with \$1.4 M contributed by Canada/Manitoba Economic Development Partnership Agreement). Each municipality's contribution is being paid to the Town of Neepawa, who is serving as the lead on the project. The establishment of a joint corporation to administer the regional facility is something the partners are planning for the future.

In the facility's formalized operating agreement, the eight municipalities have agreed to set a tipping fee that covers the costs of operating the waste management site. This tipping fee will be adjusted up or down on an annual basis to ensure the site breaks even. A 20-year review will also be included in the operating agreement.

By working together, these progressive municipalities will have a state-of-the-art waste management site that no single community could have afforded to develop on its own. For ratepayers in these municipalities, inter-municipal co-operation means reduced service costs and the security of knowing that their environment is protected.

***Compensation will be paid to landowners within a one-mile buffer of the new facility.***

***For more information on service sharing, Successful Municipal Practices, and the Tools for Change program, see the Association of Manitoba Municipalities' website, at [www.amm.mb.ca](http://www.amm.mb.ca).***