



FORMAL REPORT

To:	Mayor Strathdee and Members of Council
Prepared by:	Dave Blake, Environmental Services Supervisor
Date of Meeting:	12 June 2018
Subject:	PW 36-2018 Industrial Waste Surcharge Program

PURPOSE

The Town has completed a thorough review of the Industrial Waste Surcharge Agreement Program which is administered for the wastewater system in accordance with Section 15.1.1 of Municipal By-Law 46-2014. This report is to advise Council of the outcome of the “Consultation Period” with interested stakeholders regarding the proposed program changes and for Council to provide direction to Staff regarding the next steps.

RECOMMENDATION

THAT Report PW 36-2018 Industrial Waste Surcharge Program be received; and
THAT Council direct Staff to proceed with the Industrial Waste Surcharge Program transition.

BACKGROUND

On March 7, 2017, staff delivered report **PW 10-2017, Optimization of the Wastewater Treatment Plant** to the Strategic Priorities Committee for discussion. The report touched on several items related to the wastewater treatment plant, and system as a whole. Most notable, *Discussion No. 2, “Facility Effluent Loading Capacity”* and *Discussion No. 3, “What should be done regarding the Industrial Waste Surcharge Program”* resulted in a review of the existing Industrial Waste Surcharge program. As a follow-up report, on February 20, 2018, staff delivered report **PW 07-2018, Wastewater Industrial Waste Surcharge Program** to the Strategic Priority Committee for discussion. The report provided information related to the currently administered program, difficulties or concerns with its administration and a proposed modified program which could be considered.

As a result, Resolution 2018-02-20-04 was passed which stated the following:

THAT report PW 07-2018, Wastewater Industrial Waste Surcharge Program be received for discussion; and,

THAT the Strategic Priorities Committee recommends to Council:

THAT Council support an updated wastewater surcharge program as recommended by Staff in report PW 07-2018 and staff be directed to proceed with industry consultations in regards to the updated wastewater surcharge program with a report back to Council.

Since that time, staff have provided current and potential program users with an opportunity to review and comment on the proposed program modifications, draft Agreements and summary of changes.

REPORT

On April 13, 2018, Town Staff released a **“Stakeholder Consultation Package”** to industrial stakeholders in relation to the Industrial Waste Surcharge Program. The package that was provided consisted of an overview of why the material was being circulated, the work that has been completed

as part of the program review, and some of the key changes or modifications which are being considered. Also within the package was a copy of the DRAFT Agreement which was proposed, as well as a summary of changes which detailed the various proposed changes to the Agreement under a modified program. The consultation period was noted from April 13, 2018 to May 4, 2018.

The Town received one (1) inquiry as a result of the stakeholder consultation package which requested a few different scenarios be derived to depict the financial implications which could be expected as a result of the program transition. This information was subsequently provided by staff.

A follow-up correspondence was subsequently provided to program stakeholders on May 18, 2018 requesting any additional comments on the proposed program modifications. No additional responses were received.

Based on the lack of comments received as part of the stakeholder consultation, staff is recommending that the program transition move forward as proposed in report **PW 07-2018**.

The next phase of a program transition would include individual meetings with program users to review current agreements and termination processes, develop meaningful and sustainable capacity allocations based on current allotments, uses and processes and ultimately agree to a new Agreement that would be permitted under by-law from Council.

SUMMARY

Based on the information detailed within this report, it is recommended that staff receive direction from Council to implement the next phase of the Industrial Waste Surcharge Program transition. The next phase is to consist of meeting with current program users, advising of the program transition and developing new Agreements under the modified program.

FINANCIAL IMPLICATIONS

None at this time.

STRATEGIC PLAN

- ☒ This initiative is supported by the following priorities, outcomes, and tactics in the Plan.
- Pillar #2 – Communication & Marketing, Engagement:
 - Outcome: St. Marys is committed to engaging and informing residents and stakeholders in key decisions.
 - Tactic(s): Conduct internal and external surveys as necessary.
- Pillar #3 & 5 – Balanced Growth & Economic Development, Industrial Strategy:
 - Outcome: Industry has played, and continues to play, a key role in the life of the Town in providing employment and economic stability. Seeking new opportunities to attract small, medium and large industry is in the Town's best interest as part of its growth strategy.
 - Tactic(s): Align industrial strategy with both positioning, strategy and marketing / promotions plan. Ensure strategy is up to date with changing and new trends.
- Pillar #3 & 5 – Balanced Growth & Economic Development, Business attraction, retention & expansion program:
 - Outcome: A key to growth is to ensure a vibrant and sustainable commercial sector. Economic development needs to rest on three pillars, beyond the traditional business attraction. It should also focus attention and resources to ensure both business retention and expansion.
 - Tactic(s): Encourage existing businesses to optimize on their existing buildings / spaces

- Pillar #5 – Economic Development, Incubators:
 - Outcome: Future industrial success will require the ability to create and grow local businesses as well as attracting new enterprises to the community.
 - Tactic(s): Research the possibility of introducing business incubator(s) as part of the industrial strategy, including potential partners, budget, utilizing existing facilities, governance model, etc.

OTHERS CONSULTED

Interested Stakeholders

- Gourmet Dairy
- Cascades
- Perth County Ingredients
- Delmar Foods

Jed Kelly, Director of Public Works – Town of St. Marys

ATTACHMENTS

None

REVIEWED BY

Recommended by the Department

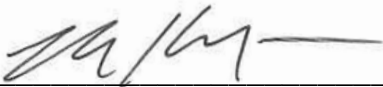


Dave Blake, C.E.T.
Environmental Services Supervisor



Jed Kelly
Director of Public Works

Recommended by the CAO



Brent Kittmer
CAO / Clerk