



TOWNSHIP OF NORTH HURON

REPORT

Item No.

REPORT TO: Reeve Vincent and Members of Council
PREPARED BY: Jeff Molenhuis
DATE: 21/02/2017
SUBJECT: Letter of Request – Manchester Farms
ATTACHMENTS: Letter from Manchester Farms Ltd.
Agreement for Half-Load Exemption

RECOMMENDATION:

THAT the Council of the Township of North Huron hereby accepts the letter from Manchester Farms provided for information purposes;

AND FURTHER THAT the Director of Public Works is authorized to proceed with issuing a discount of 10% (\$4,760) to help with the costs associated to the fire;

AND FURTHER THAT the Reeve and Clerk be authorized to execute an agreement with Manchester Farms for half-load exemption during the construction of their new facility at the same location in early spring for traveling on Donnybrook Line and Westfield Road.

EXECUTIVE SUMMARY

In December, Manchester Farms had a fire at their pig barn facility on Westfield Road. With approval from the MOECC and our landfill engineers R.J. Burnside, North Huron accepted their concrete waste at the Wingham Landfill. Staff opened the landfill to accept the waste, to which a total of 560 tonnes were received. The total cost of the waste invoiced to Manchester Farms was \$47,670. They submitted a letter in January requesting that the costs be reduced.

As Manchester Farms looks to re-establish their facility, they would like to begin rebuilding in the spring at the same location. They have requested an exemption from the half-load requirements during the spring season.

DISCUSSION

Discount Request

Between December 8th and December 9th the Wingham Landfill received thirty two (32) loads of concrete from the fire site weighing a total of approximately 560 tonnes. An invoice was generated in the amount of \$47,670.

In 2016, the anticipated revenue from tipping fees was \$64,000. The actual tipping fees generated in 2016 was \$166,000, including the fees generated from Manchester Farms. Total budgeted revenues for 2016 were \$204,000. The actual revenues, including Manchester Farms, are in the order of \$325,000. There appears to be an outstanding revenue from recycling that has not yet been included in the reported actual revenue in this report, with the additional value anticipated to increase the revenues by \$35,000 for a projected actual revenue of \$360,000. Typically, for context,

the solid waste department has approximately \$200,000-\$250,000 operational deficit, as shown in 201, 2015 Actuals and 2016 Budget. 2016 Actuals were much less in deficit conditions than anticipated, partially from revenue from Manchester Farms disposal.

	2014 Actual	2015 Actual	2016	
			Budget	Actual
Revenues	\$202,200	\$205,900	\$204,000	\$360,000
<i>Tipping Fees</i>	<i>\$70,700</i>	<i>\$79,500</i>	<i>\$64,000</i>	<i>\$166,000</i>
Expenditures	\$415,800	\$460,800	\$436,300	\$380,400
Balance	-\$213,600	-\$254,900	-\$232,300	-\$20,400

Council could consider a one-time discount, considering the situation, without a significant operational budgetary impact. A discount in the order of 10% of the fees generated from the Manchester disposal would result in a revenue reduction of \$4,760. This would be credited back to Manchester Farms (or their invoice reduced accordingly).

As with any waste disposed at the site, there are short term and long term operational costs that are the basis of the tipping fee. In this case, a discount would be supported by staff considering the status of the tipping fee revenues in 2016 as well as the singular request for charity.

Half-Load Exemption

Section 122 of the Highway Traffic Act gives Road Authorities the ability to restrict loads during seasonal timeframes. In rural areas, this is done to help protect the integrity of the road structure during the spring because of wet conditions or freeze/thaw conditions. In this case, staff would support a half-load exemption with particular conditions. To formalize this, an agreement has been negotiated between the Township and Manchester Farms Ltd. to clarify conditions (route, load, etc) and outline responsibilities of each party. The executed agreement is attached for consideration.

FINANCIAL IMPACT

Other than the \$4,760 discount outlined in the report, no other financial impact is anticipated at this time. Any damage encountered as a result of the half-load exemption would be the responsibility of Manchester Farms Ltd to repair and resolve.

FUTURE CONSIDERATIONS

No future considerations at this time. It should be noted that the requests of Manchester Farms Ltd is being supported by staff due to the one-off nature and because of the circumstances of the unexpected event at their facility.

RELATIONSHIP TO STRATEGIC PLAN

Goal #2 the Township's residents are engaged and well informed. Goal #4 the Township is fiscally responsible.



Jeff Molenhuis, Director of Public Works



Sharon Chambers, CAO