



### **Staff Report**

**To:** Municipal Council

**From:** Marcia d'Eon Director of Operations & Protective Services

**Approved by:** Warren Macleod – CAO

**Date:** July 9, 2025

**Subject: Information Only-C&D Facility Closure Update**

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#### **ORIGIN**

Council's decision to close the C&D Transfer Station. See attached Press Release.

#### **BACKGROUND AND CURRENT STATUS**

##### **Background**

Following the implementation of mandatory permitting standards set by Nova Scotia Environment and Climate Change (NSECC) a review of the Municipality's C&D Transfer Station was triggered. The analysis concluded that the substantial upgrades required to meet the standards are cost-prohibitive, in the estimated range of \$800,000 - \$1,000,000. Furthermore, the new regulations will add additional water monitoring expenses to the operating costs, which in turn will increase the annual operating deficit.

Subsequently, the Municipality of the District of Shelburne announced the planned closure of the Regional Materials and Recovery Facility, located at 4571 Highway #3, West Green Harbour, scheduled to take effect at the end of 2025. A specific closure date will be confirmed and communicated in the coming months but is anticipated to be some time in December 2025. This facility is a transfer station that handles construction and demolition (C&D) waste and its closure will not have an impact on curbside collections, including household garbage, compost and recycling.

## **Regulations**

Since the implementation of the mandatory permitting standards the C&D Site has been operating under a conditional permit due to expire on March 31<sup>st</sup>, 2026. Prior to 2023 the site was not required to be permitted as a transfer station with no disposal. These new rules require:

- Strict separation of waste within the drop points (no comingling),
- Leachate control measures (Such as a roof canopy over the drop points), and
- A provincially approved water monitoring plan and water sampling program.

In addition to the regulatory upgrades required by NSECC, the site requires safety upgrades.

Key regulatory changes include:

- New and expanded water sampling requirements
- Lower limits on stockpiling of materials
- Stricter management of treated and pressure-treated wood, such as material from wharves, fences, decks, retaining walls, old telephone/power poles, and railway ties
- Increased and documented load audits
- Potential additions to the list of banned landfill materials

The site is currently not in compliance with these new standards, and significant upgrades are required for continued operation past March 31, 2026. The original deadline for compliance was March 31, 2025. The Municipality asked for and was granted a one-year extension to allow more time to explore and implement improvements to meet the requirements. The Municipality has implemented some of the simpler and less expensive compliance requirements over the last two years, however it should be noted that these short-term solutions, such as the management of treated and pressure treated wood, have resulted in increased costs for the C&D site which is reflected in the financials.

## **RFP Process**

As part of the review process, the Municipality issued a Request for Proposals (RFP) for the necessary upgrades to the C&D site to become fully compliant with the mandatory permitting standards on March 27, 2025, with a deadline of May 1, 2025.

Unfortunately, no submissions were received, and no extensions were requested.

One late, non-compliant proposal (excluded roof for leachate control over drop points) was received in the amount of \$751,260. This submission would not result in full compliance with the RFP and would require service interruption and closure of the site while upgrades are completed.

## Financial Overview

- **Upgrade Costs:**

With a non-compliant proposal of \$751,260, that does not include a roof to prevent leachate, the cost of a fully compliant solution is estimated to be at least \$800,000 to \$1,000,000 to implement the scope of work outlined in the RFP (attached), as based on feedback from industry professionals with similar work experience. The significant cost estimate aside, the lack of any responses to our RFP has resulted in a situation whereby the Municipality would not have enough time to issue a second RFP and implement the required upgrades prior to the expiry of the extended operating permit.

- **Annual Deficit:**

Should the Municipality invest the funds to make the C&D site compliant, the additional future water monitoring costs required are anticipated to add approximately ~\$50,000/year for a forecasted annual operating deficit at the C&D site of approximately \$366,073.

Current forecast and historical operating deficits of the C&D site are: Fiscal Year 2025-2026; **\$316,073** (Forecast) 2024–2025: **\$233,084.94** 2023-2024: **\$160,998.19** 2022-2023: **\$ 127,057.75**. See attached financial summary.

Although it is not a direct line item in the C&D budget, administration, oversight and components of other employees' positions contribute to the operation of the site, impact the financial and staffing resources of the Municipality.

## Funding Opportunities

In the event that the Municipality decided to continue operating the C&D site, it would have up to \$410,000 that could be used from the Municipality's Sustainable Services Growth Fund if certain criteria were met. Given that the Municipality has decided to close the C&D site, there are two options for this funding, the first is to return the funding to the Province if not spent by March 31, 2026, or secondly, the Municipality has the ability to re-direct the funding to another qualifying project that will be able to use this funding by the deadline.

## Advocacy & Provincial Challenges

- Municipal waste management staff and regional representatives from waste groups have been pushing back against the province's strict permitting requirements, which are placing unrealistic financial burdens on small rural sites.
- Facilities across Nova Scotia have been making changes and increasing fees due to these same regulatory pressures, highlighting this as a province-wide issue, not unique to Shelburne. See attached service notice Town of St. Mary's.

## **Taxpayer Impact**

- Here are some conceptual tax rate and tipping fee implications based on the data:
  - If the Municipality funded up to \$1M in upgrades this would reduce our reserves significantly.
  - Even with upgrades, the site would continue to run at an annual operating loss estimated to be \$366,073. This would equate to approximately 6.7 cents of the current tax rate.
  - To fully offset the site's annual operating deficit, significant increases in tipping fees would be required.
    - Tipping fees in the range of \$405/MT vs current \$80/MT to \$100/MT are necessary to break even. Calculated using a four-year average for income and costs.
- Operating costs for a transfer station are generally much higher than for a landfill site due to the trucking and disposal costs.

## **Other Considerations**

### **Site Usage**

- Only a small portion of the residential population (not commercial) regularly uses the C&D Site.
- This suggests a potential inequity in cost burden if all taxpayers are funding a service used by a minority.
- The majority of the business generated at the site is by local contractors or businesses, there have been concerns expressed about residents subsidizing businesses for this service.

### **Shared Services Considerations**

- The Town of Shelburne currently contributes ~24% of funding and the Town of Lockport contributes ~12% through a Shared Services Agreement towards the C&D site.
- In 2024, the Town of Shelburne expressed its interest in exploring exiting this portion of the Shared Services Agreement, which would further reduce financial support if the site remained open. Increasing the Municipality's and Town of Lockport's contribution to the annual budget and necessary upgrades.

## **Other**

The Municipality acknowledges that reducing, eliminating or altering existing services to residents and local businesses may have inadvertent consequences.

- Many contractors rely on this site as part of their business operations and may pass on any increased costs to the consumer.
- Residents use the site when completing household renovations and may have to seek out alternative disposal options.
- Illegal dumping may increase, resulting in additional staff workload.
- Elimination of two staff positions.

## **Options Considered & Why They Were Rejected**

- Go to 3 Days/Week: Still requires full permit compliance (similar costs).
- Use Roll-off Containers - requires substantial groundwork, requires ownership of assets and/or contract for containers and service delivery, doesn't fix pressure treated lumber issue, would still require water monitoring infrastructure, plan and annual sampling. Estimate at similar or greater costs.
- Expand Site: This option would require new permit applications with the potential for even stricter requirements and costly upgrades, community consultations, additional contracts and/or equipment purchases, staffing, and significant environmental assessments.
- Complete all required upgrades and continue operations:
  - From a Municipal perspective, the capital cost would significantly drain the current capital and operating reserves.
  - From a tax perspective, it's not a financially feasible solution, creates an unfair burden on residents who do not use the site or only use it minimally.
  - From a user fee perspective, it's not a financially feasible solution, because the tipping fees would need to be so high that users would likely go elsewhere.
  - Funding opportunity has essentially been lost.

## **Options Being Considered for a Path Forward**

- Explore alternative options, such as:
  - Twice-annual C&D drop-off events at a compliant private or public site

- Keeping the C&D site open at reduced capacity twice-per-month for drop-off of accepted unregulated materials (brush, white metal, lobster traps) at the current site. No permit required.
- Potential curbside collection of some of the regulated materials.
- Seek expressions of Interest for the creation of a private C&D site.
- Possible partnership opportunities with programs and outside organizations for certain materials, i.e. Rope.
- Possible subsidies or cost sharing agreements with neighbouring units for regional solutions for C&D materials.

### **Next Steps**

- Continue exploring private or community-based alternatives to replace municipal C&D services, especially for regulated waste items.
- Investigate more precise cost-sharing models, service use data, and user demographics to inform future decisions.
- Meet with neighbouring units to brainstorm and research alternative service delivery options.
- Keep public informed of progress as any decisions are made.

### **The Municipality's Commitment**

Fiscal responsibility with public tax dollars is the number one responsibility of any municipality. Forces such as inflation, increased complexity in infrastructure technology, and increased regulatory requirements place continual upward pressure on municipal government operating costs and, subsequently, public taxes and services. Finding solutions to best allocate tax dollars is an essential part of accountability to the public. Council and staff continually look for opportunities to provide efficiencies and process improvements to provide the best services for the best value. We will continue to do so to benefit all the residents we serve.

	<b>2025/2026 Budget</b>	<b>2024/2025 YTD Actual</b>	<b>2023/2024 YTD Actual</b>	<b>2022/2023 YTD Actual</b>
<b>REVENUE</b>				
C & D WASTE - TIPPING FEES	\$ 70,000.00	\$ 61,733.41	\$ 51,620.95	\$ 55,673.04
SCRAP METALS	\$ 45,000.00	\$ 43,506.68	\$ 39,620.94	\$ 39,855.85
<b>REVENUE TOTAL</b>	<b>\$ 115,000.00</b>	<b>\$ 105,240.09</b>	<b>\$ 91,241.89</b>	<b>\$ 95,528.89</b>
<b>EXPENSES</b>				
*C&D TRUCKING AND DISPOSAL FEES TOTAL	\$ 160,000.00	\$ 126,492.67	\$ 93,973.37	\$ 82,303.94
C&D FACILITY MTCE & REPAIRS	\$ 110,280.00	\$ 68,246.46	\$ 29,541.62	\$ 23,518.57
C&D OFFICE EXPENSE	\$ 9,700.00	\$ 2,505.49	\$ 2,223.00	\$ 3,363.41
C&D ADVERTISING & PROMOTIONAL	\$ 4,000.00	\$ -	\$ -	\$ 513.87
C&D MISCELLANEOUS EXPENSE	\$ 5,000.00	\$ 3,773.02	\$ 3,388.74	\$ 3,949.03
C&D SCALE MTN & REPAIRS	\$ 4,000.00	\$ 7,051.24	\$ 902.86	\$ 948.60
C & D SITE - ELECTRICITY	\$ 1,600.00	\$ 1,466.99	\$ 1,451.08	\$ 962.98
C&D EQUIPMENT MAINTENANCE	\$ 1,500.00	\$ -	\$ -	\$ -
*C&D STAFFING & RELATED FEES TOTAL	\$ 134,993.00	\$ 128,789.16	\$ 120,759.41	\$ 107,026.24
<b>TOTAL EXPENSES</b>	<b>\$ 431,073.00</b>	<b>\$ 338,325.03</b>	<b>\$ 252,240.08</b>	<b>\$ 222,586.64</b>
<b>NET INCOME/LOSS</b>	<b>-316,073.00</b>	<b>-\$ 233,084.94</b>	<b>-\$ 160,998.19</b>	<b>-\$ 127,057.75</b>

\* These two sections have been consolidated to protect private information (Staffing & Contracts).  
Expenses do not include capital expenditures nor other staff costs; ie Administration, Director, Waste Diversion.

July 7, 2022

To Whom It May Concern

Dear Sir/Madam:

The Government of Nova Scotia has approved changes to the how construction and demolition (C&D) debris is managed in Nova Scotia. These new measures will help to ensure that C&D debris disposal sites do not cause adverse environmental impacts and that businesses storing, transferring or processing C&D debris are regulated. You can find the regulatory update here: [https://novascotia.ca/exec\\_council/oic/19855](https://novascotia.ca/exec_council/oic/19855)

Environment and Climate Change (ECC) completed a review of C&D debris management in response to fires and groundwater impacts that occurred at existing C&D debris disposal facilities, and in response to community concerns about businesses that store, transfer or process these materials. The review included targeted stakeholder consultation with municipalities, the construction industry, industry/professional associations, and provincial government departments.

Amendments to the Activities Designation Regulations and the Solid Waste Resource Management Regulations mean that, starting on July 5, 2023, chemically treated timbers will no longer be accepted for disposal at C&D debris facilities. Instead, these materials can be reused or can be disposed of in municipal solid waste landfills. In addition, businesses storing, transferring, or processing C&D debris will now require an operating approval from ECC. Previously, only C&D debris disposal facilities required an approval.

Several other enhancements will also be included within updated departmental guidelines for C&D debris management facilities, along with the development of new or revised terms and conditions for operating approvals. While work to update these documents is ongoing, changes are expected to include enhanced water and leachate analysis, additional site selection criteria, and stockpiling/cell construction requirements. These changes are based on previous consultation and are being made to protect the environment, particularly groundwater and surface water, and to decrease the risk of fires at these facilities. Prior to finalizing the guidelines, we will reach out to you for your input.

Current approval holders will receive amended approvals while facilities dedicated for the purpose of storing, transfer and processing will require an approval. If you have any questions about this initiative contact Don MacQueen at [Donald.macqueen@novascotia.ca](mailto:Donald.macqueen@novascotia.ca) or (902) 499-3271.

Sincerely,



Maylia K. Parker, P.Geo.  
Director  
Air Quality & Resource Management

/MP

c: Don MacQueen



## Municipality of the District of St. Mary's

8296 Highway 7 Sherbrooke NS B0J 3C0

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### **Service Announcement: Update on municipal waste disposal services**

Update: Due to recent changes in provincial regulations by the Department of Environment and Climate Change regarding the disposal of Construction and Demolition Waste (C&D), the municipality is suspending the acceptance of Construction and Demolition Waste, effective beginning **January 12, 2024**, until further notice.

Details: Construction and Demolition will be the only services affected. Specifically, this means that all waste from home or building demolition and renovations will not be accepted at this time.

All other municipal waste services, including services provided via the Municipal Transfer Station and all curbside collection services, including bulky item collection will continue as normal.

Next Steps: The municipality recognizes and understands the need for an easy-to-access service for the handling of renovation and construction demolition debris. We are actively working to identify solutions and timelines to implement solutions to resume related services. We apologize for any inconvenience this may cause.

Questions: For additional information regarding the Municipal Transfer Station, please contact The Municipal Office at (902)522-2049 or email [council@saint-marys.ca](mailto:council@saint-marys.ca)

FYI Background: The suspension of C&D disposal services is needed to allow the municipality to adapt to new provincial environment standards. C&D waste is stored in buried cells at waste sites such as the municipal transfer station. Constructing and managing waste storage cells in the ground that will meet the new environmental requirements represents a significant change to our processes, and time is needed to develop a cost-effective new way to receive and store materials.

Sincerely,  
The Municipality of the District of St. Mary's.

# Construction and Demolition Debris Management

Targeted engagement on proposed  
Guideline amendments

NOVEMBER 16, 2022

# Background

Public concerns about storage/transfer/processing start-ups as well as groundwater impacts and fires prompted Departmental audits of approval holders and a public consultation in 2018 on C&D waste management.

The Department's current guidelines were developed in the 1990s and now require updating to bring them into line with recognized scientific advice for the protection of groundwater and prevention of fire.

# Background

Regulation changes to *Solid Waste-Resource Management Regulations* and the *Activities Designation Regulations* will come into effect July 5, 2023, that will:

- ✓ ban treated wood from disposal at C&D facilities;
- ✓ require approvals for facilities that process, transfer and store C&D material.

# C&D Guideline amendments

Current Guidelines outline minimum requirements for C&D debris management at facilities.

Updates to Guidelines are required to fully address groundwater and fire risks and so that stakeholders have clarity on compliance expectations with the treated wood ban.

Guidelines to be amended:

- ✓ Solid Waste Management Facility Guidelines for Construction and Demolition Debris Storage, Transfer, Process and Disposal;
- ✓ Solid Waste Management Facility Guidelines for Municipal Waste Transfer.

## Purpose of today

- Share proposed amendments to the Guidelines.
- Share proposed requirements for how approval holders will meet compliance with the treated wood ban.
- Answer questions and prompt for feedback on timelines and the phasing-in of new Guidelines requirements.

Next step: Accepting written feedback until **Friday, December 9, 2022**

# Proposed changes to Guidelines

Would apply to all facilities

# 1. C&D stockpile size limits to mirror National Fire Code

- ✓ **Addresses** Fire
- > **From current ECC Guidelines:** no current restrictions regarding stockpile size

Stockpiled Material		Max Base Area, m <sup>2</sup>	Max Height of Storage, m	Clear Space Around each stockpile (m)	Clear space between stockpile(s) and building(s)
A)	Mixed C&D debris, dimensional <u>lumber</u> or brush piles	1 000	≤ 3	6	15
			>3 but ≤6	twice the height of storage to a max of 12	
B)	Wood Chips	15 000	18	9	15
C)	Pallets	1000	3	15	15

Would  
apply to  
C&D  
disposal  
sites

## 2. Soil to be applied as monthly cover

✓ **Addresses** Fire

> **From current ECC Guidelines:** Application of soil monthly was not required.

- Alternative cover still permitted in addition to monthly soil cover.
- Compacted soil cover to be applied at least once per month to a depth of 15cm.
- Approval holders to maintain a record of the quantity of soil used monthly.
- Treated wood is prohibited from use as cover material at the C&D Facility.

Would  
apply to  
C&D  
disposal  
sites

### 3. Final cap design parameters

- ✓ **Addresses** Fire & Groundwater
- > **From current ECC Guidelines:** No current specifications

Minimum design requirements:

- 300mm grading pad;
- 750mm low hydraulic conductivity layer of  $10^{-6}$  cm/s;
- 300 mm vegetative layer of topsoil.

Would  
apply to  
all facilities

## 4. Water sampling requirements

✓ **Addresses** Water impacts

> **From current ECC Guidelines:** Does not reflect parameters at risk of leaching from C&D debris or being mobilized by leachate

- Schedule 1 updated to include expanded parameters for surface, groundwater and leachate.
- The hydrogeologic assessment to include a standardized Baseline Survey Report (BSR) of existing water supply wells.
- Sampling would occur quarterly; potential to move to semi-annual for groundwater after 2 years.
- Selected wells would be sampled on an annual basis for enhanced parameters.

Would  
apply to  
all facilities

## 5. Annual report changes

- ✓ **Addresses** Fire & Groundwater
- > **From current ECC Guidelines:** Does not require spatial and temporal analysis of groundwater sampling results

For inclusion in annual report to the Department:

- Current and historical groundwater and surface water quality including an analysis of spatial and temporal trends with comparison to applicable water quality objectives and historical (baseline) data in tabular format, as applicable.

Would  
apply to  
new or  
expanded  
C&D  
disposal  
facilities

## 6. Disposal cell design

✓ **Addresses** Groundwater

> **From current ECC Guidelines:** Currently 1 m of soil at  $10^{-5}$  cm/s; no required separation between water table and bottom of liner.

The disposal cell shall have a minimum of 1 m of soil (or alternate) with a maximum hydraulic conductivity of  $1 \times 10^{-6}$  cm/sec.

The base of the liner shall be a minimum of 1 m above the maximum seasonal high elevation of the water table. Prior to construction, water table elevations must be measured over a one-year period by hydrogeological testing methods submitted for review and acceptance by the Department.

Would apply to new or expanded C&D disposal facilities

## 7. Leachate collection

- ✓ **Addresses** Groundwater
- > **From current ECC Guidelines:** Not currently required

Leachate collection layer situated immediately above the soil liner and constructed with:

- Layer with minimum hydraulic conductivity of  $1 \times 10^{-3}$  cm/sec;
- Slope allowing leachate to drain;
- Adequate protection to prevent clogging of the drainage layer.

Would apply to new or expanded facilities

## 8. Additional siting distances

✓ **Addresses** Groundwater

> **From current ECC Guidelines:** Current Guidelines include siting distances from adjacent roads, water courses and offsite buildings only.

Feature	Horizontal Distance (m)
A) Watercourse (top of bank) and Wetland (boundary) or marine water body	30
B) Property line of Facility (PID(s))	30
* C) Municipal drinking water supply	See section (5) below
D) Any off-site structure	90
* E) Any area zoned for residential, commercial, park, or recreational use.	360

(5) Outside municipal drinking water supply's Source Water Protection Area or boundary of provincial designated Protected Water Area.

# Summary of proposed changes

Proposed amendments	Risks addressed		C&D debris facilities impacted
	fire	ground -water	
1. C&D stockpile size limits to mirror National Fire Code	✓		all facilities
2. Soil to be applied as monthly cover	✓		disposal sites
3. Final cap design parameters	✓	✓	disposal sites
4. Water sampling requirements		✓	all facilities
5. Annual report changes	✓	✓	all facilities
6. Disposal cell design		✓	disposal facilities that are new or expanding
7. Leachate collection		✓	disposal facilities that are new or expanding
8. Additional siting distances		✓	all new or expanded facilities

- Do you have any questions about the Guideline amendments as proposed?



# Determining compliance with the treated wood C&D disposal ban

# Definition

“treated wood” means chemically treated during manufacturing for the purpose of resisting decay

# Year 1: starting July 5, 2023

Approval holders to establish an **educational program** for the treated wood ban, that includes but is not limited to:

- Educational material;
- Signage;
- Notice on the Approval Holder's webpage and/or other online platforms.

# Year 2: starting July 5, 2024

Auditing protocol to be developed before July 5, 2024.

- Year 1 requirements continue
- Loads not permitted to arrive at the disposal cell if exceeding **20% of treated wood** by weight.
- Loads visually estimated to approach or surpass the compliance to be **sorted and/or redirected**.
- Physical **auditing** to measure compliance:
  - <5,000 tonnes/year = 2 audits/yr.
  - Equal or > 5,000 tonnes/yr = 4 audits/yr.
- **Records** must be kept for failed loads including how it was addressed.

# Year 3: starting July 5, 2025

The acceptable percentage of treated wood could be changed from 20% in future years

- Year 1 and 2 requirements continue except with an increased frequency of physical **audits**:
  - <5,000 tonnes/year = 4 audits/yr;
  - Equal or > 5,000 tonnes/yr = 8 audits/yr.
- ECC inspection staff may require the **audits** of selected loads at any time.
- **Compliance and enforcement action** may be taken in response to treated wood disposal ban.

# Thank you!

## **Feedback**

We are accepting written feedback until December 9, 2022 via email to: [swrm@novascotia.ca](mailto:swrm@novascotia.ca)

## **Contact info for follow-up questions:**

Don MacQueen

[donald.macqueen@novascotia.ca](mailto:donald.macqueen@novascotia.ca)

- Do you have any questions about the proposed ban compliance level for treated wood at C&D disposal sites?

