Claystone Waste Proposal: Status and Summary

Claystone Waste Proposal Refresher

The Beaver Regional Waste Management Services Commission, also known as Beaver Municipal Solutions, was created in 1992 and provides waste management services to the residents and businesses of its member municipalities which include **Beaver County, the Village of Holden, the Village of Ryley, the Town of Tofield and the Town of Viking.**

As the size and complexity of operations have grown so have the benefits to the **municipal members and community residents**. Since 2014, Beaver Municipal Solutions has provided over \$14.3 million in dividends to its member municipalities.

Municipal members of the Commission have been studying the need to transition from a **regional services commission** to a new corporate structure of a **municipally controlled corporation**. Regional Services Commissions allow Alberta municipalities to deliver municipal services on a cost-recovery model while municipally controlled corporations are a forprofit entity that is owned by a municipality or group of municipalities designed to provide dividends back to member communities.

Under Alberta law, regional services commissions are not intended to provide dividends back to member municipalities, but municipally controlled corporations are. In order to **protect and grow** community benefits to residents, **promote** municipal sustainability, and **enable** future waste management operations to be conducted in a more flexible manner, Beaver Municipal Solutions and its shareholding municipalities are now formally proposing to transition to a municipally controlled corporation called **Claystone Waste Ltd**.

Consultation Update & Next Steps

In the fall of 2019, Beaver Municipal Solutions and its member municipalities held **public information sessions** across the Beaver region regarding the proposal to transition to a municipally-controlled corporation. These sessions were held to gain initial community feedback on the Claystone Waste proposal and consider any changes that residents requested,

Beaver Municipal Solutions took action to respond to community concerns and released a **Response to Consultation** report in February 2020. Some aspects of the Claystone Waste business plan were changed as a result of the information sessions. For instance, a component of the Claystone Waste business plan included provisions that would allow for out-ofprovince waste to be transported to the landfill site in Ryley. Residents stated strong opposition to this potential at the public information sessions. In response to this community feedback, the Claystone Waste business plan has been amended to no longer allow for the potential of out-of-province waste to be transported to the landfill site in Ryley.

The next steps for public consultation are **public hearings** to be held by each municipal member council in June 2020. Several draft legal agreements and documents, including the Claystone Waste business plan, have been finalized and approved for public consultation by municipal member councils.

These agreements, and their summaries, can be **read in full online on municipal websites**. The relationship between these agreements and information on the accountability structure of the proposed Claystone Waste Ltd. municipally controlled corporation are described below.









Claystone Waste Proposal: Legal Agreements

There are a number of draft legal agreements that have been approved for public consultation. This graphic below describes how the agreements relate to one another and what their purposes are. These agreements can be viewed in full on municipal websites or at beavermunicipal.com and claystonewaste.ca.

Claystone Waste Business Plan

Overview of the proposed municipally controlled corporation, including its operating plan, management structure, revenue forecasts and capital spending plans.

Unanimous Shareholder Agreement (USA)

Establishes terms of control of Claystone Waste Ltd. by Beaver County, the Village of Holden, the Village of Ryley, the Town of Tofield and the Town of Viking.

Limited Partnership Agreement

Establishes Claystone Waste Ltd as general partner. Shareholding municipalities become limited partners.

Claystone Trust Deed

Creates a non-profit society to collect and safeguard the funds required to effectively remediate the landfill site.

Mandate and Roles Document

Clearly defines the corporation's purpose, how it's run, by whom and with what oversight.

Operating Agreement

Ensures a smooth transition of landfill services, employees and assets during the period in which Claystone Waste is operational but Beaver Municipal Services is not yet formally dissolved.

Master Transfer Agreement

Formally dissolves Beaver Municipal Solutions as a waste management services commission and transfers lands, permits, and other remaining assets to Claystone Waste Ltd.



Claystone Waste Proposal: Accountability Structure

One of the benefits of the municipally controlled corporation structure is it allows for a significant degree of municipal control over the direction of Claystone Waste. This graphic describes how Claystone Waste would be structured from a management and accountability perspective.

Municipal Shareholders

Elected councils are responsible for approving Claystone Waste business plans; waste management service rate structures; new services or service changes; business opportunities not preauthorized by a business plan; and appointing the Claystone Waste Board of Directors.

Claystone Trustee Association

Established by the Claystone Trust Deed, the Trustee Association is the non-profit society created to manage the trust in which remediation and closure funds of the landfill are held. The Claystone Trustee Association would be made up of the Chief Administrative Officers (CAOs) of the shareholding municipalities.

Claystone Waste Board of Directors

Has overall responsibility for the governance of Claystone Waste and oversees management of the business. The Board guides Claystone Waste's strategic direction, evaluates the performance of its management, ensures approved business plans are implemented and remains accountable to the municipal shareholders. Board members have a fiduciary duty to Claystone Waste and must act honestly and in good faith to advance the interest of Claystone Waste.

Claystone Waste Management

Responsible for the day-to-day management of Claystone Waste and implementation of approved business plans and strategic direction outlined by the Board of Directors.

Public Advisory Committee

This committee would include residents of the Beaver region and is responsible for bringing forth issues and community concerns directly to the Board for resolution.



Claystone Waste Proposal: Public Hearing Dates

Formal public hearings and discussion will be held in June 2020 to consider the Claystone Waste proposal.

Please visit municipal websites for confirmed dates and times of public hearing.



June 2020

Claystone Waste proposal documents accessible at: beaver.ab.ca



June 2020

Claystone Waste proposal documents accessible at: tofieldalberta.ca



June 2020

Claystone Waste proposal documents accessible at: <u>viking.ca</u>



June 2020

Claystone Waste proposal documents accessible at: village.holden.ca



June 2020

Claystone Waste proposal documents accessible at:

ryley.ca

