Agenda – Executive Policy Committee – September 11, 2013

REPORTS

Item No. 6 Costs and Benefits Analysis - Corporate Waste Reduction Strategy

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

That the following be received as information:

- Funding of approximately $50,000 for the initiation of the Corporate Waste Reduction Strategy has been identified in the PP&D 2013 Operating Budget, and strategy initiation shall proceed per EPC direction.

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On June 12, 2013, the Executive Policy Committee laid over the matter for 60 days.

On April 17, 2013, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works with the following amendment:

- Add the words “and report back to Executive Policy Committee in 60 days” after the words “Corporate Waste Reduction Strategy”.

STANDING COMMITTEE RECOMMENDATION:

On April 16, 2013, the Standing Policy Committee on Infrastructure Renewal and Public Works did not concur in the recommendation of the Winnipeg Public Service and recommended to the Executive Policy Committee:

1. That the Chief Administrative Officer be directed to identify the appropriate source of funding to approve and initiate the Corporate Waste Reduction Strategy.

ADMINISTRATIVE REPORT

Title: **Initiation of a Corporate Waste Reduction Strategy**

Critical Path: **Executive Policy Committee, Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Smith	B. Thorgrimson	N/A	P. Sheegl

RECOMMENDATIONS

That the following be received as information:

- Funding of approximately $50,000 for the initiation of the Corporate Waste Reduction Strategy has been identified in the PP&D 2013 Operating Budget, and strategy initiation shall proceed per EPC direction.

REASON FOR THE REPORT

On June 12th, 2013, Executive Policy Committee laid over the matter 60 days.

On April 17, 2013, Executive Policy Committee concurred in the April 16th, 2013 recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works:

"That the Chief Administrative Officer be directed to identify the appropriate source of funding to approve and initiate the Corporate Waste Reduction Strategy."

With the following amendment:

Add the words "and report back to Executive Policy Committee in 60 days" after the words "Corporate Waste Reduction Strategy".

IMPLICATIONS OF THE RECOMMENDATIONS

Budget Implications:

- Scoping work and a competitive process are required to determine costs for initial consulting work, but based on experiences of other large Manitoba organizations, it would be reasonable to assume costs of approximately $50,000. Once a program is established, it should be able to be managed using a combination of internal resources and short-term staff time (e.g. students and interns).
- Implementation costs cannot be estimated at this time but will be assessed during strategy development.

Waste Reduction Program Costs:

- Program development – estimated at $50,000 (see above)
- Ongoing management – estimated at $12,000 every 2-4 years
- Measurement costs – current ability to measure waste volumes is limited (proxies and multipliers would need to be used).
- Implementation costs (beyond the scope of current analysis)

HISTORY

- On October 2, 2012, Standing Policy Committee on Infrastructure Renewal and Public Works directed: *"That the Winnipeg Public Service report back on the costs and benefits of a strategy to measure and reduce the total volume of all waste, including recycled waste, generated in all City-owned facilities."*
- On April 16, 2013, the Standing Policy Committee on Infrastructure Renewal and Public Works did not concur in the recommendation of the Winnipeg Public Service and recommended to the Executive Policy Committee: "*That the Chief Administrative Officer be directed to identify the appropriate source of funding to approve and initiate the Corporate Waste Reduction Strategy."*

FINANCIAL IMPACT

Financial Impact Statement **Date:** August 19, 2013

Project Name:

Initiation of a Corporate Waste Reduction Strategy

COMMENTS:

There are no financial implications associated with this report.

"Original Signed By"
Mike McGinn, CA
Manager of Finance

CONSULTATION

In preparing this report there was consultation with:

N/A

SUBMITTED BY

Department: Planning, Property and Development
Division: Urban Planning
Prepared by: Sean Madden, Climate Change Coordinator
Date: August 20, 2013
File No.

o:/reportsdirective/planningandlanduse/environmentandsustainability/initiationofacorporatewastemanagementstrategy2013

ADMINISTRATIVE REPORT

Title: **Costs and Benefits: Corporate Waste Reduction Strategy**

Critical Path: **SPC Infrastructure Renewal and Public Works**

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Smith	B. Thorgrimson	N/A	D. Joshi, COO

RECOMMENDATIONS

That the cost benefit analysis provided for a corporate waste reduction strategy be received as information.

REASON FOR THE REPORT

On October 2, 2012, Standing Policy Committee on Infrastructure Renewal and Public Works directed:

"That the Winnipeg Public Service report back on the costs and benefits of a strategy to measure and reduce the total volume of all waste, including recycled waste, generated in all City-owned facilities."

IMPLICATIONS OF THE RECOMMENDATIONS

Policy Implications:

- Although the City of Winnipeg has a broad range of waste reduction and waste diversion programs in place (examples include civic "blue box" recycling program, composting of tree trimmings, Xerox print study/paper reduction, scrap metal recycling, motor oil and tire recycling, re-selling used assets rather than retiring them), no overarching waste reduction strategy is in place for the organization.
- *A Sustainable Winnipeg* includes Direction 05-02: "Incorporate sustainable practices into internal civic operations, programs and services" and the specific enabling strategy "create a

corporate waste diversion strategy for the organization, including baselines and benchmarks."

- Waste reduction and diversion (reuse and recycling) are slightly different activities, but are generally allied in waste management plans, with the former typically being the primary objective and the latter being a secondary objective when reduction isn't possible. Both activities require a common foundation: (1) an understanding of the organization's waste stream (a baseline), typically established through a waste audit process; (2) a set of objectives and targets; (3) processes for measuring progress; (4) a strategic plan for action.
- The level of detail that is considered through a waste audit is important for the following:
    - Having detailed knowledge of what is being disposed of would assist in any reduction strategies that may be employed
    - The greater the detail of what is being disposed would increase the space and labour requirements for sorting which would also increase associated costs
- Many organizations choose to retain an outside consultant specializing in waste management to establish these foundation items. Once established, a corporate waste management program can be administered by an internal resource (e.g. Environmental Coordinator) with limited and periodic support for activities like waste audits (e.g. in other large organizations, this kind of work is often conducted by summer students every few years during strategic plan review).
- Corporate waste reduction is currently a goal of the City's *Purchasing Policy with respect to Sustainable Development and Environmental Issues*. A procurement policy review is currently underway and provides an opportunity to expand or clarify objectives in this area (subject to future Council approval).

Budget Implications:

- Scoping work and a competitive process are required to determine costs for initial consulting work, but based on experiences of other large Manitoba organizations, it would be reasonable to assume costs of approximately $50,000. This work is not planned for in current budgets. Once a program is established, it should be able to be managed using a combination of internal resources and short-term staff time (e.g. students and interns).
- Costs of implementation are not possible to estimate. Costs could include new collection containers or changes to product procurement (note: waste reduction-related procurement changes could potentially result in savings – e.g. purchasing products in bulk).
- Industry stewardship groups such as the *Recycle Everywhere* program (beverage containers) could be approached for funding or in-kind assistance, since they may have waste diversion goals that overlap with corporate direction.

Waste Reduction Program Costs:

- Program development – estimated at $50,000 (see above)
- Ongoing management – estimated at $12,000 every 2-4 years
- Measurement costs – current ability to measure waste volumes is limited (proxies and multipliers would need to be used).
- Implementation costs (beyond the scope of current analysis)

Summary of Benefits:

Note: It is impossible to quantify value of benefits without a baseline, targets and strategy. Many benefits are contingent on planned (and realized) initiatives.

- Reducing waste may lead to reduced consumption/more efficient use of materials, generally associated with reduced costs (e.g. paper waste reduction targets may reduce consumption

of paper; composting tree trimmings may reduce demand for certain types of mulch or fertilizer).
- Potential reduced waste collection costs (e.g. reducing the frequency of pickups).
- Potential increased flow of recyclable commodities (City able to sell more tonnes of plastic, aluminum and paper) .
- Reputational: for efficiency and sustainable development reasons it is considered good business to have a waste reduction strategy.
- Having regular waste audits would assist in the process of obtaining third party sustainability or green building certifications (such as BOMA BEST certification for City Hall complex)
- Culture change and innovation: behaviors and techniques piloted within the corporation may be able to be flowed into the residential and commercial waste management systems, with community-wide benefits in areas of environmental protection, creating economic development opportunities and greenhouse gas emissions reduction.
- At the corporate level, waste reduction is a greenhouse gas emissions reduction opportunity, and contributes to Council's 20% reduction target and to overall climate protection goals. Diversion of organic materials from corporate waste stream contributes directly to target achievement. Overall waste reduction contributes indirectly.
- Waste reduction aligns with objectives of sustainable procurement, since it helps reduce resource consumption.

HISTORY

- A wide range of corporate waste reduction and diversion activities exist within the City of Winnipeg, including but not limited to civic "blue box" recycling program, composting of tree and yard waste trimmings, Xerox print study/paper reduction, scrap metal recycling, motor oil and tire recycling, re-selling used assets rather than retiring them. Nonetheless, no overarching waste management strategy is in place for the organization.
- *A Sustainable Winnipeg*, endorsed by Council in 2010, supports corporate waste management.
- Recent introduction and expansion of expanded producer responsibility programs, such as Recycle Everywhere (beverage container recycling) and Call2Recycle (cell phone and battery recycling) have created new opportunities for corporate and public waste diversion. As well, the introduction of corporate waste measurement is planned as part of contract renewals starting 2015. Together these recent developments create new opportunities for corporate waste reduction and diversion.

FINANCIAL IMPACT

Financial Impact Statement Date: February 25, 2013

Project Name:

Costs and Benefits: Corporate Waste Reduction Strategy

COMMENTS:

There are no financial implications associated with this report.

"Original Signed By"
Mike McGinn, CA
Manager of Finance

CONSULTATION

In preparing this report there was consultation with:

Water and Waste Department

SUBMITTED BY

Department: Planning, Property and Development
Division: Urban Planning
Prepared by: Sean Madden, Environmental Coordinator
Date: February 26, 2013
File No.

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