Minutes – Executive Policy Committee – April 22, 2015

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – April 14, 2015

Item No. 2 Agreements for Supply of Collection and Handling Service to Producer Responsibility Organizations

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submitted the following to Council:

1. That the City enter into agreements with the following Producer Responsibility Organizations (PROs) and any other PROs that are not currently approved but who receive approval from the Province of Manitoba in the future to manage specific materials under the Waste Reduction and Pollution Prevention Act ("WRAP Act"), which agreements will outline the terms and conditions under which the services will be delivered:

   A. Call2Recycle Canada, Inc. (consumer batteries);
   B. CleanFARMS Inc. (commercial pesticide and fertilizer containers);
   C. Electronic Product Recycling Association (electronic waste);
   D. Health Products Stewardship Association (pharmaceuticals and "sharps");
   E. Canadian Wireless Telecommunications Association (cell phones);
   F. Tire Stewardship Manitoba Inc. (tires);
   G. Manitoba Association for Resource Recovery Corp. (automotive fluids);

   with agreements being entered into only when the applicable PRO agreement meets the following conditions:

   i. adhere to the principles of the Comprehensive Integrated Waste Management Strategy (Garbage and Recycling Master Plan);

   ii. have a positive 10 year net present value to the City;

   iii. have a duration not exceeding 10 years with allowances for early termination if the agreements change substantially in either financial or environmental requirements or if there is a substantial change to the operations of garbage and recycling collection or handling which makes the continuation of the agreement impracticable;

   iv. contain such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

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2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of all agreements with the listed PROs and any other PROs that are not currently approved but who receive approval from the Province of Manitoba in the future to manage specific materials under the WRAP Act, in accordance with terms and conditions similar to those set forth herein and such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

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DECISION MAKING HISTORY:

Moved by Councillor Lukes,

That the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On April 14, 2015, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: **AGREEMENTS FOR SUPPLY OF COLLECTION AND HANDLING SERVICE TO PRODUCER RESPONSIBILITY ORGANIZATIONS**

Critical Path: **Standing Policy Committee on Infrastructure Renewals and Public Works- Executive Policy Committee - Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
R. Park, C.E.T. Acting Manager, Solid Waste Services	D. P. Sacher, P. Eng. Director, Water and Waste Department	M. Ruta	M. Jack A/CAO

RECOMMENDATIONS

1. That the City enter into agreements with the following Producer Responsibility Organizations (PROs) and any other PROs that are not currently approved but who receive approval from the Province of Manitoba in the future to manage specific materials under the Waste Reduction and Pollution Prevention Act ("WRAP Act"), which agreements will outline the terms and conditions under which the services will be delivered:

    a) Call2Recycle Canada, Inc. (consumer batteries);
    b) CleanFARMS Inc. (commercial pesticide and fertilizer containers);
    c) Electronic Product Recycling Association (electronic waste);
    d) Health Products Stewardship Association (pharmaceuticals and "sharps");
    e) Canadian Wireless Telecommunications Association (cell phones);
    f) Tire Stewardship Manitoba Inc. (tires);
    g) Manitoba Association for Resource Recovery Corp. (automotive fluids);

    with agreements being entered into only when the applicable PRO agreement meets the following conditions:

    i. adhere to the principles of the Comprehensive Integrated Waste Management Strategy (Garbage and Recycling Master Plan);
    ii. have a positive 10 year net present value to the City;
    iii. have a duration not exceeding 10 years with allowances for early termination if the agreements change substantially in either financial or environmental requirements or if there is a substantial change to the operations of garbage and recycling collection or handling which makes the continuation of the agreement impracticable;
    iv. contain such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of all agreements with the listed PROs and any other PROs that are not currently approved but who receive approval from the Province of Manitoba in the future to manage specific materials under the WRAP Act, in accordance with terms and conditions similar to those set forth herein and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Approval of Council is required to enter into agreements with the PROs and to delegate authority to the Chief Administrative Officer, to negotiate and approve agreements with the PRO's, as the next step flowing from the Garbage and Recycling Master Plan adopted by Council in October 2011.

IMPLICATIONS OF THE RECOMMENDATIONS

Environmental
An unknown quantity of hazardous wastes (electronic waste, used automotive fluids, batteries, tires etc). is disposed at the Brady Road Resource Management Facility (BRRMF) through the residential cart program and materials self-hauled by residents and commercial haulers. These materials represent a significant environmental liability within the landfill.

Hazardous wastes disposed in the landfill release chemicals into collected leachate which must be treated at the City's sewage treatment plants. Higher levels of chemicals could cause the treatment plant to become out of compliance with licence discharge requirements.

Finally these materials, if disposed of in the landfill, contribute to a poorer waste diversion rate.

Operational
The City will collect regulated hazardous wastes at 4R Winnipeg Depots (formerly "CRRCs") from the public for disposal. Staffing of these facilities is expected to be consistent with the approved Garbage and Recycling Master Plan. Transportation and disposal services will be provided by PROs in accordance with Industry Stewardship Programs approved by the minister as defined under the WRAP Act.

The PROs will compensate the City for the collection and handling services provided in accordance with the agreements with each individual PRO. Each PRO agreement will have a positive net present value to the City of Winnipeg. Reporting and auditing of materials collected will be made to the affected PRO and Manitoba Conservation as required under the PRO agreements and the Industry Stewardship Program Plans. The intent of this Report is to put a structure in place in order to enter into agreements with PROs.

Economic
Currently hazardous wastes that are illegally left by site users at the Brady Road Resource Management Facility must be managed by the City.

The collection of some materials may require capital investment to meet safety and regulatory requirements. Capital contributions and revenue from PROs will offset the cost of construction of required facilities, and collection and handling of the materials.

Safe disposal of this material will reduce landfill operating costs over the long term.

Social and Health
Currently Winnipeg does not have a comprehensive facility where all materials can be disposed of safely by residents. The collection of hazardous wastes by the City increases the convenience to residents for disposal of these materials, which in turn will lead to reduced stockpiles that are stored in residents' homes. When stored at home, these waste materials can be hazardous to children and pets, as well as to first responders in the event of a fire.

Regulatory
All parties to these agreements will be obliged to comply with the Waste Reduction and Prevention Act and its Regulations.

HISTORY

On October 19, 2011 City Council adopted the Comprehensive Integrated Waste Management Strategy (Garbage and Recycling Master Plan), including Recommendations 15 and 16 as follows:

> *15. That, subject to the approval of capital budgets, beginning in 2013, up to 4 Community Resource Recovery Centres (CRRCs) be developed in strategic locations, with initial sites at Brady Road Landfill and in the north area of the city (location to be determined), and that an access fee of $5.00 be applied for all material except those covered under other programs, such as household hazardous waste, electronic waste or recycling.*
>
> *16. That non-profit organizations and product stewards be considered for partnership at CRRCs to divert material rather than disposing of it.*

FINANCIAL IMPACT

Financial Impact Statement **Date:** **March 17, 2015**

Project Name:

CONTRACTS FOR SUPPLY OF COLLECTION AND HANDLING SERVICE TO PRODUCER RESPONSIBILITY ORGANIZATIONS

COMMENTS:

There is no financial impact associated with the recommendation in this report.
Contracts will not be entered into unless there is a positive 10 year net present value.

"Original signed by M. L. Geer, CA"
Moira L. Geer, C. A.
Manager of Finance and Administration

CONSULTATION

In preparing this report there was consultation with:

Legal Services (as to legal issues)
Materials Management
Green Manitoba

SUBMITTED BY

Water and Waste Department
Solid Waste Services Division
Prepared by: A. Singbeil/R. Park
Date: March 18, 2015
File No. G-135