Agenda – Council – September 30, 2015

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – September 21, 2015

Item No. 2 Agreement with the Government of Manitoba Regarding the Manitoba Composting Support Program

STANDING COMMITTEE RECOMMENDATION:

On September 23, 2015, 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 enters into agreement with the Province of Manitoba as represented by Green Manitoba Eco Solutions (GMES) so it may receive payments under the Manitoba Composting Support Program (MCSP) to financially support the City of Winnipeg's composting programs.

2. That authority be delegated to the Chief Administrative Officer to approve the terms and conditions of this agreement and any future agreements with the Province of Manitoba as represented by GMES 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.

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – September 21, 2015

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 23, 2015, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On September 21, 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: **AGREEMENT WITH THE GOVERNMENT OF MANITOBA REGARDING THE MANITOBA COMPOSTING SUPPORT PROGRAM**

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	G. K. Patton, P. Eng. Acting Director, Water and Waste Department	Paul Olafson A/CFO	M. Jack COO

RECOMMENDATIONS

1. That the City enters into agreement with the Province of Manitoba as represented by Green Manitoba Eco Solutions (GMES) so it may receive payments under the Manitoba Composting Support Program (MCSP) to financially support the City of Winnipeg's composting programs.

2. That authority be delegated to the Chief Administrative Officer to approve the terms and conditions of this agreement and any future agreements with the Province of Manitoba as represented by GMES 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 an agreement with the Province of Manitoba as represented by GMES and to delegate authority to the Chief Administrative Officer, to negotiate (if required) and approve future agreements with the Province of Manitoba as represented by GMES so it may continue involvement in the MCSP program.

EXECUTIVE SUMMARY

Funding is available from the Province of Manitoba represented by Green Manitoba Eco Solutions (GMES) that will support the City of Winnipeg's Leaf and Yard Waste Composting Program.

IMPLICATIONS OF THE RECOMMENDATIONS

In order for the City to take advantage of the Province of Manitoba, Manitoba Composting Support Program (MCSP), the program agreement must be endorsed by Council. This funding will allow the Leaf and Yard Waste Composting program to be sustainable by reducing the net operating cost of the annual program.

HISTORY

On October 19, 2011 City Council adopted the Comprehensive Integrated Waste Management Strategy (Garbage and Recycling Master Plan), including Recommendation 11 and 14 as follows:

11 That, subject to Recommendation No. 1, a leaf and yard waste collection program using approved compostable bags and/or hard-wall containers (e.g., old garbage cans) be implemented for 7 months per year on a bi-weekly collection basis and the existing Leaf-It Depots be closed in 2013.

14 That all organics collected through the above programs be composted at composting facilities to be developed at Brady Road Landfill site, subject to capital budget approval.

In the fall of 2013, a nine hectare composting processing site located at BRRMF, was commissioned and began accepting leaf and yard waste material from residential properties via the curbside collection program.

In June, 2014, the Province of Manitoba implemented the Manitoba Compost program to support public and private sector composting operations to encourage the diversion of organic waste from landfills. The program goal is to annually divert 100,000 tonnes of organic waste from landfill within five years.

In September 2014, the Water and Waste Department submitted an application form to register for the Manitoba Composting Support Payment.

On November 18, 2014, the Water and Waste Department received a letter of compliance from Manitoba Conservation and Water Stewardship-Environmental Compliance and Enforcement Branch, stating the compost facility at the BRRMF is in compliance with Environmental License #3081 R, and thus eligible for the MCSP.

The City of Winnipeg operates a Composting program that composts material collected in the Leaf and Yard Waste residential curbside collection program. The processing site which is 9 hectares in size is located at the Brady Road Resource Management Facility (BRMMF). In 2014, the composting site processed over 29,000 metric tonnes of yard waste which produced close to 15,000 metric tonnes of finished compost that was used as final cover on the finished disposal cells at the facility.

The Manitoba Compost program was established under the Waste Reduction and Recycling Support (WRARS) Program to support public and private sector composting operations to encourage the diversion of organic waste from landfills.

Manitoba Composting Support Payment (MCSP) provides funding to qualified municipal composting facilities that provide processing services for residential, industrial, commercial, and institutional (ICI) sectors. A $10 per tonne incentive payment is provided to registered compost facilities processing 2,500 tonnes of incoming organic waste or more per year. MCSP also provides funding for capital and research projects, and market development to support collection systems, compost facility enhancement, equipment purchases, research, training, promotion and market development.

Upon the endorsement of this agreement, which is in effect from January 1, 2014 to December 31, 2016, the Water and Waste Department will receive funding support of approximately $290,000 for the yard waste material collected and composted in 2014. Funding in subsequent years will be based on the amount of material collected and composted in the respective year.

Organic materials eligible for program funding include food waste, leaf and yard waste, chipped wood waste, and animal manure and bedding (from ICI sources) used in the composting process. It should be noted that biosolids (sewage sludge) is not eligible under this program for funding incentives.

To be eligible for program funding, a composting facility must:

- have certified compost facility operators for on-site operations,
- be in compliance with environment licence/permit requirements.
- produce compost that meets Canadian Council of Ministers of the Environment (CCME) Category “A” end-use parameters and/or be in compliance with the Compost Quality Alliance (CQA) criteria within two years of registration.
- develop and submit a plan for the use/distribution and/or marketing of the final product.

The Water and Waste Department has demonstrated that the composting facility at the BRRMF has or will meet the above requirements. Recent material testing has revealed that the finished compost produced at the facility does meet the CCME Category “A” end-use parameters. Also, the Solid Waste Services Division has engaged R. Alexander Associates Inc. to conduct research in the Manitoba market for the disposition of finished compost produced in the City’s program. Results of this research are expected by August 2015.

The length of the agreement with GMES is three years at which time a new agreement will be drafted by GMES to effectively disburse incentive funds.

FINANCIAL IMPACT

Financial Impact Statement **Date:** July 18, 2015

Project Name:

AGREEMENT WITH THE GOVERNMENT OF MANITOBA REGARDING THE MANITOBA COMPOSTING SUPPORT PROGRAM

COMMENTS:

There is no financial impact associated with the recommendations in this report.

The agreement will cover the fiscal years of 2014 - 2016. grant amounts received for 2014 and 2015 are reflected in the actual results for each fiscal year and an estimate for 2016 has been included in the department's operating budget submission.

"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)

OURWINNIPEG POLICY ALIGNMENT

The 4R Winnipeg Depot Program is consistent with:

1. Section 02-2 Environment – "*Incorporate sustainable practices into internal civic operations and programs and services*"
By entering into an agreement with the Province of Manitoba, the City will receive annual payments equal to $10 per metric tonne of Yard Waste collected in the annual Leaf and Yard Waste Composting program. This annual payment will ensure the sustainability of the program.

2. Section 02-2 Environment – "*set long range goals for solid waste diversion*"
With the funding received from this Provincial program, the Leaf and Yard Waste Composting Program will be able to not only sustain its operation, but will be allowed to expand.

SUBMITTED BY

Water and Waste Department
Solid Waste Services Division
Prepared by: R. Park
Date: August 17, 2015
File No. G-201