Agenda – Executive Policy Committee – March 8, 2017

Report – Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – February 27, 2017

Item No. 2 Garbage, Recycling and Organic Waste

STANDING COMMITTEE RECOMMENDATION:

On February 27, 2017, the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment concurred in the recommendation of the Winnipeg Public Service and recommended to Council:

1. That the Winnipeg Public Service undertake a review of the Comprehensive Integrated Waste Management Strategy (CIWMS) and report back to Council in 2018.

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

Agenda – Executive Policy Committee – March 8, 2017

Report – Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – February 27, 2017

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On February 27, 2017, the Standing Policy Committee on Water and Waste, Riverbank Management concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

On January 30, 2017, the Standing Policy Committee on Water and Waste, Riverbank Management laid over the matter for 30 days in order to have the Chief Administrative Officer present to answer questions on process and conflicts of interest with respect to requests for proposals.

On November 28, 2016, the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment granted a further extension of time of 60 days for the Winnipeg Public Service to report back on the matter.

On October 31, 2016, the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment granted an extension of time of 30 days for the Winnipeg Public Service to report back on the matter.

On September 8, 2016, the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment granted an extension of time of 60 days for the Winnipeg Public Service to report back on:

1. That the Winnipeg Public Service be directed to:

    B. i. Develop a broader public consultation plan for opportunities for organic programs in Winnipeg.
    ii. Consult with the newly created Climate change working Group to explore funding partnerships and opportunities.
    iii. Report back to the Standing Policy Committee on the above in 120 days.

COUNCIL DECISION:

On April 27, 2016, Council concurred in the recommendation of the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment and adopted the following:

1. That the Winnipeg Public Service be directed to:

Report – Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – February 27, 2017

DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

A. Immediately conduct a comprehensive review of the existing autobin garbage/recycling program as approved by Council in the CIWMP 2011 report and report back to Council before the last Council meeting of 2016. The said review shall include a full analysis of the existing program, failures to meet promised levels of service, as well as comprehensive recommendations and steps required, that are fully costed, to improve the existing program/service;

B. i. Develop a broader public consultation plan for opportunities for organic programs in Winnipeg.
ii. Consult with the newly created Climate change working Group to explore funding partnerships and opportunities.
iii. Report back to the Standing Policy Committee on the above in 120 days.

C. Develop a City Wide program to reduce organics waste from commercial, industrial and institutional waste and report back to Council in 180 days;

D. Develop a City Wide organic diversion program that would be community based and work with existing not-for-profit groups and organizations and report back to Council in 180 days;

E. Improve the existing program of subsidized organic bins for Winnipeg residents, by reviewing and potentially increasing the bin cost subsidy, increasing the times and locations when bins will be made available, and by increasing the options for the type of models of compost bins being made available at the subsidized rate, and report back to Council in 180 days.

F. That the City School Board Liaison be authorized, in consultation with city staff, to discuss with Winnipeg Area School Boards a potential organics collection program.

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

ADMINISTRATIVE REPORT

Title: Garbage, Recycling and Organic Waste

Critical Path: Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
D. Doubleday Manager of Solid Waste Services	M. L. Geer, CPA, CA Acting Director, Water and Waste Department	n/a	D. McNeil

EXECUTIVE SUMMARY

The purpose of this report is to respond to the April 27, 2016 Council recommendations regarding garbage, recycling and organic waste.

The City has made significant progress implementing the 2011 Comprehensive Integrated Waste Management Strategy (CIWMS). The citizens of Winnipeg are recycling much more, with the waste diversion rate having increased from 18.6% in 2011, to 31.4% in 2015. This period has seen immense changes to Winnipeg's garbage and recycling services, including automated cart collection, leaf and yard waste pick-up, and the establishment of 4R Winnipeg Depots, which is ongoing. It is important to ensure that existing programs and services are working effectively for residents, and that the operational and financial parameters of any proposed new initiatives are properly planned.

To ensure sustainable progress in the City's garbage, recycling and organic waste programs, the Public Service is recommending a review and potential refinement of current programs and services outlined in CIWMS, before implementing further changes to waste diversion services. The 2017 Council-approved Operating Budget includes $200,000 for consulting services to undertake this review.

The review will help validate whether the City's diversion targets, programs, services and timelines are appropriate and sustainable, given the City's experience over the past five years and its future needs. The review will include recommended plans to address the remainder of the April 27, 2016 Council motion.

The review will also include an evaluation of the federal and provincial approach to carbon pricing/climate change, and its impact on City garbage and waste diversion services, as well as availability of funding from other levels of government to undertake green initiatives.

RECOMMENDATIONS

1. That the Public Service undertake a review of the Comprehensive Integrated Waste Management Strategy (CIWMS) and report back to Council in 2018.
2. 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

On April 14, 2016, the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment recommended to Council that the Winnipeg Public Service be directed to:

A. Immediately conduct a comprehensive review of the existing autobin garbage/recycling program as approved by Council in the CIWMP 2011 report and report back to Council before the last Council meeting of 2016. The said review shall include a full analysis of the existing program, failures to meet promised levels of service, as well as comprehensive recommendations and steps required, that are fully costed, to improve the existing program/service;

B. i) Develop a broader public consultation plan for opportunities for organic programs in Winnipeg.
ii) Consult with the newly created Climate change working Group to explore funding partnerships and opportunities.

iii) Report back to the Standing Policy Committee on the above in 120 days.

C. Develop a City Wide program to reduce organics waste from commercial, industrial and institutional waste and report back to Council in 180 days;

D. Develop a City Wide organic diversion program that would be community based and work with existing not-for-profit groups and organizations and report back to Council in 180 days;

E. Improve the existing program of subsidized organic bins for Winnipeg residents, by reviewing and potentially increasing the bin cost subsidy, increasing the times and locations when bins will be made available, and by increasing the options for the type of models of compost bins being made available at the subsidized rate, and report back to Council in 180 days.

F. That the City School Board Liaison be authorized, in consultation with city staff, to discuss with Winnipeg Area School Boards a potential organics collection program.

On April 27, 2016, Council concurred with the recommendations of the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment. The Public Service requested an extension of 30 days to report back on item B at the September 8, 2016 meeting of the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment. At the October 31, 2016 meeting, the Public Service was granted an

additional 30 days to report back on the matter. At its November 28, 2016 meeting, the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment granted a further extension of 60 days to report back on the matter.

This report is in reply to all items, A-F, identified above.

IMPLICATIONS OF THE RECOMMENDATIONS

A review of CIWMS will allow the Public Service to potentially refine/enhance existing programs and services, prior to introducing new waste diversion initiatives.

Funds in the amount of $200,000 for consulting services are included in the approved 2017 Operating Budget for consulting services.

HISTORY / DISCUSSION

Comprehensive Integrated Waste Management Strategy (CIWMS)

At its October 19, 2011 meeting, Council adopted the following recommendations:

1. *That in order to achieve a greater than 50% waste diversion rate, the Comprehensive Integrated Waste Management Strategy, consisting of the following recommendations, be approved for implementation starting in 2012:*

   <u>Garbage Collection System</u>
   1. *That all single family residential premises served with manual and AutoBin collection be served with the automated garbage cart system consisting of one 240-litre cart collection per cycle, consistent with the existing automated garbage cart collection system in the northwest area of the city.*
   2. *That replacement garbage carts for lost carts be provided to residents at cost.*
   3. *That bulky waste service be provided at a charge of $5.00 per item, up to a maximum of 10 items per collection.*
   4. *That surplus waste be collected consistent with the bulky waste charge ($5.00 per pickup of up to 3 standard size garbage bags).*
   5. *That the abandoned waste collection service continue.*
   6. *That collection system changes be initiated in 2012.*

   <u>Diversion (including Recycling)</u>
   7. *That all single family residential premises be served with the automated recycling cart system, consisting of one 240-litre cart collection per cycle.*
   8. *That replacement recycling carts for lost carts be provided to residents at cost.*
   9. *That additional or larger recycling carts be provided to residents at cost, with no limit on collection volume, where quantities justify.*
   10. *That near term and longer term recycling processing capacity be secured to accommodate the growth in recycling.*
   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.*

12. *That a source separated organics (kitchen organics) trial be conducted for residential households in 2014, subject to approval of capital budgets, and based on the results, recommendations be brought forward regarding a full-scale program with an implementation by 2017.*
13. *That, based on results of the source separated organics trial program and subject to capital budget approval, a full scale source separated organics program be implemented.*
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.*
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.*
17. *That discussions with the multifamily residential sector be ongoing for future program improvements including, but not limited to, improved recycling and possible future source separated organics.*

<u>Brady Road Landfill/Brady Road Resource Management Facility</u>

18. *That the focus of Brady Road Landfill area be changed from waste burial to resource recovery, and therefore be renamed as the Brady Road Resource Management Facility.*

<u>Implementation Requirements and Ongoing</u>

19. *That staffing for 2012 to carry out the foregoing programs per Table 6 – Proposed Staff Plan be approved in advance of approval of the 2012 Operating Budget.*
20. *That the program costs be funded through a combination of property tax support and a user fee collected on the water bill, with property taxes supporting the diversion programs and the user fee funding the balance of garbage collection costs.*
21. *That a user fee charge of $4.17 per single-family dwelling unit per month, as defined by the Solid Waste By-law No. 1340/76 of seven or less dwellings per property, billed quarterly ($12.50/3 months) on the water bill, be approved, to be implemented no earlier than October 1, 2012, and that a waste diversion reserve fund be established where all surplus monies collected through this user fee be dedicated to waste diversion programs.*
22. *That a first charge on the 2012 Capital Budget be authorized in an amount of $16.6 million in accordance with Subsection 288(2) of The City of Winnipeg Charter to allow timely contract award for the development and purchase of automated recycling and garbage carts for delivery in 2012 as recommended in No. 1 and No. 7 above and that the related financing requirements be referred to the 2012 Capital Budget Process, broken down as follows:*
    A. $9.35 million for recycling carts in the Solid Waste Utility's 2012 Provision for Implementation of the Waste Management Strategy capital project and
    B. $7.25 million for a new 2012 capital project - Provision for Implementation of the Waste Management Strategy – Automated Garbage Carts in the General Revenue Fund.
23. *That a first charge on the 2012 Capital Budget be authorized in an amount of $400,000 in accordance with Subsection 288(2) of The City of Winnipeg Charter to allow for timely contract award for the development and implementation of the billing system changes as recommended in No. 20 for the Solid Waste Utility's 2012 Provision for Implementation*

of the Waste Management Strategy capital project and that the related financing requirements be referred to the 2012 Capital Budget process.

24. *That authority be delegated to the Chief Administrative Officer, in order to shorten the time-period for approval of contracts critical for 2012 implementation such as, garbage collection services estimated at $7,300,000, recycling collection services estimated at $4,700,000 and yard waste collection services estimated at $2,500,000 per year to allow time for the successful bidder(s) to order equipment*
25. *That a communication plan, as well as a promotion and education and enforcement plan, be developed to support these recommendations as well as existing programs.*
26. *That the Solid Waste By-law No. 1340/76 be updated with recommendations from the master plan and be approved by City Council no later than September 2012.*
27. *That small commercial establishments eligible for garbage collection service under the Solid Waste By-law No. 1340/76, be charged the same user fee as single-family dwelling units and therefore be eligible for the same waste diversion services.*
28. *That the Winnipeg Public Service publish an annual report on the status of the Master Plan.*
29. *That discussions with industrial, commercial and institutional sectors, and construction and demolition sectors be ongoing for future program improvements.*
30. *That a Waste and Diversion Advisory Committee of knowledgeable volunteer citizens (similar to the Active Transportation Advisory Committee) be created to work with the Public Service to provide advice and recommendations for the completion, implementation, and continual improvement of the Garbage and Recycling Master Plan.*

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

Within the consultant's report attached to CIWMS, it was recommended that the "City conduct periodic reviews and updates to the CIWMP *(sic)* at various times throughout the planning period (2011-2031)", with the first review suggested for 2016.

As a result of CIWMS, the Public Service has focused on the following major changes to solid waste services over the past five years:

- Changing all single-family residential premises from manual or AutoBin collection to automated cart collection for garbage and recycling.
    - This required the development and monitoring of a new five-year collection contract (October 2012 – September 2017), including the delivery of 345,000 carts to all single-family dwellings.
    - On October 26, 2016, Council concurred in the recommendation of the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment and adopted the following:
        1. That a contract for Request for Proposal No. 302-2016 be awarded to GFL Environmental Inc. for Area Two, the proponent that submitted the most advantageous offer meeting the specifications, in the amount of $9,772,433.52 per year (GST and MRST extra as applicable and subject to an annual CPI adjustment), for work that includes the collection and delivery of garbage, recyclables, yard waste and surplus waste for the period from October 1, 2017 to January 31, 2025.
        2. That a contract for Request for Proposal No. 302-2016 be awarded to Miller Waste Systems Inc. for Area One, the proponent that submitted the second most advantageous offer meeting the specifications, in the amount of $14,995,847.69 per year (GST and MRST extra as applicable and subject to an annual CPI adjustment),

for work that includes the collection and delivery of garbage, recyclables, yard waste and surplus waste for the period from October 1, 2017 to January 31, 2025.

- Introducing and monitoring residential bi-weekly leaf and yard waste curbside collection starting October 2012, as part of the new curbside cart collection contracts.
- Building and operating a leaf and yard waste composting facility at the Brady Road Resource Management Facility (BRRMF).
- Negotiating a contract change notice to provide for an upgrade to the Material Recovery Facility, to allow for the processing and marketing of an increased amount of recyclables.
- Building and operating 4R Winnipeg Depots (referred to Community Resource Recovery Centres in CIWMS), which has resulted in the closing of the residential tipping face at the BRRMF.

The Public Service has also been working on other key initiatives to deal with greenhouse gas (GHG) emissions and reduce the impact of solid waste operations on the environment, such as:

- Ensuring that the Brady Road Resource Management Facility is operated per Manitoba Environment Act Licence No. 3081 R, which required the development of several different plans (i.e., operations, leachate management, ground and surface water management, landscaping)
- Building and operating a biosolids composting facility at the BRRMF (on a pilot basis)
- Developing a landfill methane gas capture system and exploring alternate energy possibilities

Since CIWMS was implemented in 2012, the residential waste diversion rate has increased from 18.6% (2011) to 31.4% (2015), with the overall strategy of the plan being to increase the diversion rate to 35% by 2016, and to greater than 50% by 2020 and thereafter. The City surpassed the 2015 targeted diversion rate of 30%, as set out in the strategy, however, it is expected that the diversion rate will not increase significantly going forward without increased organics diversion.

The Public Service is recommending that a review of CIWMS be undertaken to allow the Public Service to evaluate the initial plan and schedule, to ensure that existing programs and services are working effectively for residents, prior to introducing new initiatives. This will also provide an opportunity in the future to work more closely with the Climate Change Working Group. The review will include recommended plans to address the remainder of the April 27, 2016 Council motion.

In October 2016, the Government of Canada announced a climate change plan and the “Pan-Canadian Approach to Pricing Carbon Pollution”, whereby all Canadian jurisdictions will be required to have carbon pricing in place by 2018. The Province of Manitoba is currently working on a made-in-Manitoba climate action plan. These frameworks could impact future programming, as the Brady Road Resource Management Facility is the second largest greenhouse gas (GHG) emitter in the province (according to Environment Canada’s 2014 GHG facility data for Manitoba).

The Public Service will also review the availability of funding from other levels of government for green initiatives.

FINANCIAL IMPACT

Financial Impact Statement

Date: January 20, 2017

Project Name: **First Year of Program** **2017**

GARBAGE, RECYCLING AND ORGANIC WASTE PROGRAMS

	2017	2018	2019	2020	2021
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other -	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 200,000	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 200,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	200,000	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: The Public Service will hire an external consultant to assist with the 5-year review of the Comprehensive Integrated Waste Management Strategy (CIWMS). Funds in the amount of $200,000 are included in the 2017 approved operating budget for consulting services account distribution number 445-521010-201901-999.

"Original signed by L. Szkwarek, CPA, CGA"
Lucy Szkwarek, CPA, CGA
Acting Manager of Finance and Administration

CONSULTATION

In preparing this report there was consultation with:

Corporate Communications

OURWINNIPEG POLICY ALIGNMENT

This report is in accordance with the OurWinnipeg policies through:

02-2 Environment Directions
>Set long range goals for solid waste diversion.

SUBMITTED BY

Department: Water and Waste Department
Division: Solid Waste Services Division
Prepared by: Y. Cenerini/D. Doubleday
Date: January 20, 2017
File No.: G-145