Minute No. 808
Report – Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – September 9, 2022

Item No. 2 Financial Incentives for Composting

COUNCIL DECISION:

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 2022 Compost Support Program grant in the amount of up to $65,000 in cash and/or in-kind advertising credits (through News Media Canada) is approved for Green Action Centre – Compost Winnipeg to support its Compost Support Program (as set out in Appendix A).

2. That the City enter into, execute and deliver a grant agreement with the Green Action Centre – Compost Winnipeg and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

3. That authority be delegated to the Chief Financial Officer to negotiate and approve the terms and conditions of the grant agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

4. 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 Water and Waste, Riverbank Management and the Environment – September 9, 2022

DECISION MAKING HISTORY:

Moved by Councillor Mayes,

That the recommendation of the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment be adopted.

Carried

David Grant submitted a submission in opposition to the matter.

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 14, 2022, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On September 9, 2022, the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: FINANCIAL INCENTIVES FOR COMPOSTING

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

AUTHORIZATION

Author	Department Head	CFO	CAO
M. Gordichuk, CCLP, Manager of Solid Waste Services	T. W. Shanks, M. Eng., P. Eng. Director, Water and Waste	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

On January 27, 2022, Council approved the introduction of a compost support program up to a total of $65,000 in cash or in-kind advertising credits through News Media Canada for qualified residential food waste collection service providers who can provide services equivalent to those offered through the City's Residential Food Waste Collection Pilot Program. To qualify, service providers must demonstrate that they meet at least one of the following conditions:

- They provide a subsidy for low-income residents who wish to participate in compost collection but are financially unable to;
- They assist in developing new programs for residents whose dwellings do not currently qualify for compost programs (e.g. multifamily); and/or,
- They can demonstrate other measures to offset costs of their program for the benefit of City residents.

The Public Service provided an online application form for the compost support program, closing on April 30, 2022. Through the application process, the Green Action Centre – Compost Winnipeg was the only responsive applicant that met the requirements of the program, achieving a score of 81 out of a possible 100 points for their application.

RECOMMENDATIONS

1. That the 2022 Compost Support Program grant in the amount of up to $65,000 in cash and/or in-kind advertising credits (through News Media Canada) is approved for Green Action Centre – Compost Winnipeg to support its Compost Support Program (as set out in Appendix A).

2. That the City enter into, execute and deliver a grant agreement with the Green Action Centre – Compost Winnipeg and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

3. That authority be delegated to the Chief Financial Officer to negotiate and approve the terms and conditions of the grant agreement and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

4. 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 January 27, 2022, Council approved an introduction of an annual compost support program of up to a total of $65,000 in cash and/or in-kind advertising credits through News Media Canada for qualified residential food waste collection service providers who can demonstrate that they meet one or more of the following conditions:

- They provide a subsidy for low-income residents who wish to participate in compost collection but are financially unable to;
- They assist in developing new programs for residents whose dwellings do not currently qualify for compost programs (e.g., multifamily); and/or,
- They can demonstrate other measures to offset costs of their program for the benefit of City residents.

Council approval also required recipients of the compost support grant to provide food waste collection services that are equivalent to those provided through the City's own Residential Food Waste Collection Pilot Program.

As per the City of Winnipeg Charter, individual grants authorized under a grant program require Council approval in the absence of a program by-law.

IMPLICATIONS OF THE RECOMMENDATIONS

Funds are available in the 2022 operating budget through account 445-521020-201906-999 – Non-Professional Services.

HISTORY/DISCUSSION

On October 19, 2011, Council approved the Comprehensive Integrated Waste Management Strategy (CIWMS), which includes a waste diversion rate target of 50 percent. CIWMS was developed through an extensive public engagement process where more than 2,500 people participated over a six-month period. A review of CIWMS was completed in 2019 and identified that the waste diversion rate target of 50 percent could not be achieved without a City-wide

Residential Food Waste (RFW) collection program and other investments to Winnipeg's waste management system. The 50 percent waste diversion target was deferred by Council on June 20, 2019 until completion of an RFW collection pilot project and a ten-year financial plan for the solid waste utility was complete for Council consideration.

In addition to CIWMS, the importance of diverting organic waste to meet Winnipeg's sustainability goals was supported with Council's adoption of Winnipeg's Climate Action Plan in 2018. This was further emphasized on May 26, 2022, when Council adopted OurWinnipeg 2045 and its goal of achieving net zero greenhouse gas emissions by 2050.

On January 27, 2022, Council approved an introduction of a compost support program, starting in 2022, of up to a total of $65,000 per year in cash or in-kind advertising credits through News Media Canada. The support program would be offered to qualified residential food waste collection service providers that meet at least one of three criteria: they provide a subsidy for low-income residents who wish to participate in compost collection but are financially unable to; they assist in developing new programs for residents whose dwellings do not currently qualify for compost programs (e.g., multifamily); and/or they can demonstrate other measures to offset costs of their program for the benefit of City residents. A qualified recipient under this program would also be required to provide food waste collection services that are equivalent to those provided through the City's Residential Food Waste Collection Pilot Program.

The program was launched on April 1, 2022, and applications were due by April 30 using an online form. As part of the submission, applicants were required to provide the prior fiscal year's financial statements, annual report and annual general meeting minutes to qualify for funding.

Completed applications were evaluated using a process that included minimum criteria (pass/fail) to ensure all applicants met the core objectives of the program. The process also rewarded applicants' innovative approaches and evidence that the applicant is advancing composting for the City.

The Public Service received two applications.

- Green Action Centre – Compost Winnipeg
- University of Manitoba – Sustainability Office (Non-responsive)*

*Did not submit prior fiscal year's financial statements, annual report and annual general meeting minutes.

The applications were evaluated by the Public Service using the process outlined above. Green Action Centre – Compost Winnipeg achieved 81 out of a possible 100 points. As the Green Action Centre – Compost Winnipeg is the only qualified applicant, it is recommended that the entirety of the 2022 compost support program amount of $65,000 in cash and in-kind advertising (through News Media Canada) be provided to Green Action Centre – Compost Winnipeg.

FINANCIAL IMPACT

Financial Impact Statement

Date: June 10, 2022

Project Name:
FINANCIAL INCENTIVES FOR COMPOSTING

First Year of Program **2022**

	2022	2023	2024	2025	2026
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 65,000	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 65,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	65,000	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:
Funds for this individual grant are included in the approved annual Current Budget identified as – Solid Waste Disposal Fund – Non Professional Services – Account Distribution No. 445 521020 201906 999.

Lucy Szkwarek, CPA, CGA
Lucy Szkwarek, CPA, CGA
Manager of Finance and Administration

mb
18-May-22

CONSULTATION

This Report has been prepared in consultation with:
Legal Services (as to legal issues)

OURWINNIPEG POLICY ALIGNMENT

This report aligns with OurWinnipeg 2045, Policy 2.1 Climate Action Targets, by pursuing GHG reduction targets with a sense of urgency through meaningful climate action.

Objective: Prioritize the transition to a resilient, low-carbon future through demonstrated organizational and community leadership, and collaborative actions that mitigate and adapt to a changing climate.

This report aligns with OurWinnipeg 2045, Policy 2.16 Waste Minimization, by focusing on avoiding landfill waste rather than waste disposal efficiency.

Objective: Minimize and divert waste from landfill.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

This report is in accordance with Winnipeg's Climate Action Plan through Strategic Opportunity #6 Waste Reduction and Diversion, and supports the following key directions:

6.1 Reduce Consumption and Increase Waste Diversion from Residential, Commercial and Industry (Primary Responsibility: Water and Waste Department).
6.2 Advance Winnipeg's Circular Economy to Support Waste Reduction (Primary Responsibility: Water and Waste Department)

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

One of the guiding principles of the Poverty Reduction Strategy is to promote and maintain the welfare of all residents. By introducing a Compost Support Program, the City is encouraging more waste diversion, which subsequently reduces landfilled waste and harmful emissions, and therefore, supports the efforts to clean up the environment and protect the welfare of Winnipeg residents.

SUBMITTED BY

Department: Water and Waste Department
Division: Solid Waste Services
Prepared by: Duy Doan, C.E.T.
Date: June 17, 2022
File No.: G-275

ATTACHMENTS:
Appendix 1: Compost Support Payment Application for Green Action Centre