

# Waste Diversion Regulation for the Industrial, Commercial and Institutional Sector – Implementation Update

## ISSUE

COVID-19 has impacted Saskatoon’s Industrial, Commercial and Institutional (ICI) sector and delayed implementation of the regulatory approach for recycling and organics. This report provides an update on implementation and updated timelines.

## BACKGROUND

During the 2020–2021 multi-year budget process \$700,000 was allocated to P.01964 - Waste Reduction Initiatives. The project scope included the implementation of the ICI sector regulation as well as the continued development of a multi-unit organics program, initiation of a school organics pilot, a plan for Leading by Example waste diversion at City of Saskatoon (City) facilities, and a 2020 and 2021 contribution of \$10,000 to the Environmental Cash Grant for waste reduction and diversion community projects.

At its meeting on January 27, 2020, City Council approved the following motion regarding regulatory approaches to enhance waste diversion in the Industrial, Commercial and Institutional sector:

“That Option 1 - Waste Bylaw Enforcement plus Separate Waste Containers be approved for implementation; and that the City Solicitor amend Bylaw No. 8310, The Waste Bylaw to enact Option1.”

Option 1 included the following requirements for the ICI sector:

- Containers and Labelling:
  - Garbage Container and Recycling Container – applies to all businesses and organizations, and
  - Organics Container – applies to all businesses and organizations that generate food or yard waste as part of their operations;
- Education: Provide information about recycling and organics each year to employees and tenants; and
- Removal of waste and recoverable materials: Contract a hauler and/or self manage the removal of waste and recoverable materials from your property or on-site processing to be taken to an appropriate facility.

Option 1 required an estimated \$550,000 from the capital budget P.01964 – Waste Reduction Initiatives for 2020 and 2021.

## CURRENT STATUS

Implementation of the ICI recycling and organics regulation is underway. The following deliverables are ongoing or have been completed:

- Update the Waste Bylaw;
- Launch the ICI Working Group;
- Develop a communications plan; and
- Establish operating service levels and 2022/2023 budget submission.

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**DISCUSSION/ANALYSIS**

In March 2020, public health restrictions due to the COVID-19 pandemic were put in place in Saskatoon. These restrictions have impacted the resourcing available to implement this new program and the economic situation of the ICI sector.

COVID-related delays in hiring meant that work on this project did not start until September 2020. While the update to The Waste Bylaw is on schedule, other parts of the project are delayed. This includes establishing an ICI sector working group, developing communication and education resources, and outlining internal processes necessary for program operations. With the current project resource plan, phase-in by Q3 2021 cannot occur.

COVID-19 is having ongoing operational, financial, and resourcing impacts to businesses and organizations in Saskatoon. For example, as of writing this report, Saskatoon Regional Economic Development Authority’s [Saskatoon Economic Recovery Tracker](#) indicates that the local economy is only 58.5% recovered compared to before the pandemic. As cases of COVID-19 continue in Saskatoon, there is a risk of continued impacts to businesses and organizations through 2021. Engagement with the ICI sector, completed prior to the pandemic, had already identified concerns about the additional cost of adding recycling and organics collections, since management of materials would be the responsibility of individual businesses and organizations.

Based on the timeline impacts discussed above, the implementation schedule has been revised as follows:

<b>Milestone</b>	<b>Previously Reported Schedule</b>	<b>Revised Schedule</b>
Draft Waste Bylaw updates.	2020 – Q2-4	2020 – Q4
Develop communication and education plan and materials. Begin ICI external working group.	2021 – Q1-2	2021 – Q1-2
Approval report to Council for Waste Bylaw changes. Finalize education materials and operational implementation plans.	2021 – Q3	2021 – Q3 -Q4
Phase-in period of 1 year for ICI recycling begins.	2021 – Q3	2022 – Q1
Enforcement begins for ICI recycling.	2022 – Q3	2023 – Q1
Phase-in period of 1 year for ICI organics begins.	2022 – Q3	2023 – Q3
Enforcement begins for ICI organics.	2023 – Q3	2024 – Q3

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The most recent industry survey indicated that most businesses (72%) currently have a recycling service in place and an additional 17% self-haul material to a depot. Based on this data it is anticipated that the recycling regulation will not significantly impact the majority of the ICI sector and can proceed in 2022. The same survey showed that only 11% of the ICI sector that produce organic waste was diverting it from the landfill. The implementation of the 'Organics Regulation' will therefore have a more significant impact and, in some cases, require additional resources to put the new service in place.

The updated schedule provides additional time for the ICI sector to recover from the impacts of COVID-19. The Administration will continue to monitor impacts of the pandemic to the ICI sector. The implementation dates for recycling and organics will be a topic of discussion with the ICI Working Group and consideration for a longer phase-in period based on the impacts of COVID-19 may be brought forward through future reporting.

### **FINANCIAL IMPLICATIONS**

The overall capital budget for this project will not be impacted by the revised schedule. The timing of cost distribution for 2021, 2022, 2023 and 2024, will reflect the dates of deliverables described above.

There is adequate capital funding in P.01964 to complete the ICI regulation implementation in the revised timeline as well as to complete the development of a multi-unit organics program, initiation of a school organics pilot, a plan for Leading by Example waste diversion at City facilities, and a 2020 and 2021 contribution of \$10,000 to the Environmental Cash Grant for waste reduction and diversion community projects.

The 2022/2023 business plan and budget will include the full operational costs of the program, estimated at approximately \$285,000 per year.

### **OTHER IMPLICATIONS**

#### Environmental Implications

Based on 2019 values, the regulation is expected to result in an estimated 2,400 tonnes of recyclables and 3,000 tonnes of organics diverted from the City's landfill per year, contributing an additional 5% to the City's waste diversion rate. A total of 17,000 tonnes of recycling and 21,000 tonnes of organics could be diverted from other landfills in the region. It has been suggested that business and organization waste has decreased during the COVID 19 pandemic due to closures, limitations on operating, and employees working from home. This data has not been quantified for Saskatoon.

The delay resulted in this material being landfilled and generating the related CO<sub>2</sub>e of greenhouse gas emissions.

### **NEXT STEPS**

The Waste Bylaw update and report on operating service levels is scheduled for Q3 2021. Following that report, Administration will launch an ICI specific webpage on Saskatoon.ca with information, tools and resources related to the recycling regulation.

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Business cases, to progress various initiatives under development, are being brought forward under a separate report to prepare for the 2022/2023 multi-year budget, including:

- Multi-Unit Organics Pilot Program;
- Sustainable Food Pilots;
- Green Teams and Leading by Example Waste; and
- Waste Reduction and Diversion Program Sustainment.

### Report Approval

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