ICI Waste Diversion – Approved Program Elements

At its meeting on January 27, 2020, <u>City Council approved requirements</u> to enhance waste diversion in the Industrial, Commercial, and Institutional sector. The following is an excerpt from the report on the option approved by City Council.

Required Materials	Match what is accepted in residential recycling and (future) organics programs.
Phased Implementation	A phased implementation timeline is intended to allow businesses and organizations to prepare for the changes and ensure that recycling comes first.
Program Cost for Businesses and Organizations	The costs for waste management and diversion will vary for businesses and organizations based on the types and amounts of waste they generate and will be paid directly to a service provider of their choosing (if applicable).
Education and Support	A comprehensive education and support program will be put in place by the City that is tailored to the specific option and aims at increasing compliance by making the process easy to understand, offer resources for the business, and reduce administrative burden for the business.
Home-based Businesses Excluded	These options are for commercial businesses and organizations that are responsible for managing their own waste and do not have curbside or multi-unit residential waste diversion available. As is the case now, mixed-use properties will be responsible for contracting additional collections that exceed the capacity provided through the residential programs.
Regulatory Exemptions	The Waste Bylaw will lay out a process where case-by-case exemptions may be made to the City's requirements for recycling and organics under certain circumstances: if recyclable or organics waste is demonstrated as not being generated; if there are risks that cannot be mitigated to the satisfaction of local waste processors (such as contamination with medical waste); or if a large generator of a single type of organic waste cannot find a processor (since organics processing requires specific material input balances). This is a common approach in Canadian jurisdictions that have regulated ICI recycling and organics.

Option 1 - Separate Waste Containers

The implementation of this option proposes the following mandatory requirements for the ICI sector and the City:

Requirements for ICI sector

- Containers and Labelling The following must be in place:
 - 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 selfmanage the removal of waste and recoverable materials from your property or on-site processing to be taken to an appropriate facility.

Verification (Responsibility of the City)

The City will verify that there are appropriate labelled containers and services in place using one of the following approaches:

- Complaint follow-ups The City would follow-up on complaints of non-compliance through the 24-hour customer service centre or with a site visit; or
- Complaint follow-ups and education blitz There, in addition to complaint follow-ups, the City would make site-visits to certain areas of the City or to certain sectors, providing education first with the potential of issuing tickets if compliance is not achieved.

Regular site visits (visiting each business every few years to ensure compliance) were considered but have been removed from consideration since they were not preferred by stakeholders and would take significantly more resources by the City to implement.

Environmental Implications

Each of the recycling and organics options are estimated to result in similar levels of waste diversion; the method of enforcement is expected to influence diversion. For this option, education blitzes are expected to result in slightly higher diversion than complaint follow-up only approaches.

All of the options estimate that 2,400 tonnes of recyclables and 3,000 tonnes of organics could be 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 area landfills.

Landfilling 38,000 tonnes of recyclables and organics generates 38,000 tonnes CO₂e of greenhouse gas (GHG) emissions each year. This amounts to 1% of the total community emissions reduction commitment of the LEC Plan. By the 2050 anniversary of the Plan, the cumulative GHG's would be 1,140,000 tonnes CO₂e.

Social Implications

Each option has been designed to respond to stakeholder preference and this option was the most preferred of the mandatory options considered.

One concern that was identified during engagement was that specific groups (i.e. small businesses, non-profits, and those with very low or very high waste generation) might be disproportionally impacted by the requirements. This option responds to that concern by requiring only those in the ICI sector that generate food or yard waste as part of their operations to have an organics container.

Legal Implications

An update to Bylaw No. 8310, The Waste Bylaw will be required.

Financial Implications

The capital costs for program development between 2020 and 2023 is estimated to be between \$790,000 and \$910,000 for project management, bylaw revisions, education and communications planning and implementation, and the additional staff resources (above what will be required for ongoing operations) that will be required during the phase-in and first year of implementation for both recycling and organics. \$550,000 would be required from the 2020 and 2021 approved capital budget P1964 – Waste Reduction Initiatives of the \$700,000 allocated for ICI and Multi-unit waste diversion projects.

Program operations will start in 2021 with recycling phase-in the second half of the year. Annual operating cost is projected to be \$220,000 to \$340,000 (depending on level of enforcement) and includes 1.2 to 2.2 FTEs for administration and enforcement officers, plus ongoing communications. In 2021, the program will only operate for the second half of the year, requiring half the operating budget. A budget request for additional program development (capital) and ongoing operations will be included in the 2022-2025 budget.

The diversion of 5,400 tonnes of recyclable and organic waste from the City's landfill is estimated to result in a revenue reduction of \$567,000 in tipping fees and up to a \$25,000 reduction in entry fees per year. The diversion would also result in extending landfill life by approximately 5% and preserving approximately \$362,000 of landfill airspace value per year (based on 2018 landfill airspace values).

Advantages

- Most preferred regulatory option by ICI sector stakeholders of regulatory options presented.
- Easiest to understand by stakeholders during engagement.
- Implementation should be relatively straightforward by businesses and organizations.
- Provides businesses and organizations with flexibility and ability to control costs as they have control over the hauler or can haul themselves. Businesses and organizations without organics will not be required to have organics bins.
- Will require the fewest FTEs to operate.
- Two Canadian jurisdictions have implemented this option and one is planning to implement in 2020.
- Will meet resident expectations that the ICI sector is required to divert waste.

<u>Disadvantages</u>

- May result in a slightly elevated risk of conflict in the field during site verifications, this will be mitigated through existing safety procedures.
- Less flexibility for businesses and organizations to develop innovative waste diversion solutions and less flexibility for the City to expand the program to accommodate additional materials.