

March 22, 2010

To: His Worship the Mayor
and Members of City Council

Re: Waste Plan Regina – Supplemental Report

**RECOMMENDATION OF THE PUBLIC WORKS COMMITTEE
- MARCH 16, 2010**

1. That City Council adopt, in principal, the Waste Plan Regina's Residential Option #2 – Enhanced Services.
2. That the Administration be instructed to examine viability of recyclable materials and service delivery models as well as funding mechanisms to achieve Residential Option #2 – Enhanced Services.
3. That City Council set a waste diversion target of 40% by 2015.
4. That City Council set a total waste diversion target of 65% by 2020.
5. That the Administration prepares a report by the fourth quarter of 2010 on the full administrative and overhead cost for the implementation of Option #2 – Enhanced Services.
6. That City Council adopt of Waste Plan Regina's Industrial, Commercial and Institutional Option #2 - Extended Services.
7. That City Council adopt Waste Plan Regina's Construction and Demolition Option #2 - Extended Services.
8. That the Administration prepare a report for the Public Works Committee on the issue of how to create regional landfill partnerships and that this report be presented in conjunction with landfill fees.
9. That the Administration prepare a report for discussion at the Public Works Committee in the fourth quarter of 2010 that examines baseline diversion values for the Industrial, Commercial, and Institutional and the Construction and Demolition Sectors.

PUBLIC WORKS COMMITTEE – MARCH 16, 2010

The following addressed and answered questions of the Committee:

- John Jory, Jocelyn Crivera and Chris Johnson, representing the City of Regina's Environment Advisory Committee;
- Brady Burnett, representing the Heritage Community Association; and
- John Hopkins, representing the Regina & District Chamber of Commerce

The Committee adopted the following resolutions. Recommendation #10 does not require City Council approval.

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3. That City Council set a waste diversion target of 40% by 2015.
4. That City Council set a total waste diversion target of 65% by 2020.
5. That the Administration prepares a report by the fourth quarter of 2010 on the full administrative and overhead cost for the implementation of Option #2 – Enhanced Services.
6. That City Council adopt of Waste Plan Regina's Industrial, Commercial and Institutional Option #2 - Extended Services.
7. That City Council adopt Waste Plan Regina's Construction and Demolition Option #2 - Extended Services.
8. That the Administration prepare a report for the Public Works Committee on the issue of how to create regional landfill partnerships and that this report be presented in conjunction with landfill fees.
9. That the Administration prepare a report for discussion at the Public Works Committee in the fourth quarter of 2010 that examines baseline diversion values for the Industrial, Commercial, and Institutional and the Construction and Demolition Sectors.
10. That Item PW09-2 be removed from the list of outstanding items for the Public Works Committee.

Councillors: Louis Browne, Sharron Bryce, Fred Clipsham, John Findura and Jocelyn Hutchinson were present during consideration of this report by the Public Works Committee.

The Public Works Committee, at its meeting held on March 16, 2010, considered the following report from the Administration:

RECOMMENDATION

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2. That the Administration be instructed to examine viability of recyclable materials and service delivery models as well as funding mechanisms to achieve Residential Option #2 – Enhanced Services.
3. That the Administration prepares a report by the fourth quarter of 2010 on the full administrative and overhead cost for the implementation of Option #2 – Enhanced Services.
4. That City Council adopt of Waste Plan Regina's Industrial, Commercial and Institutional Option #2 - Extended Services.
5. That City Council adopt Waste Plan Regina's Construction and Demolition Option #2 - Extended Services.
6. That Item PW09-2 be removed from the list of outstanding items for the Public Works Committee.

CONCLUSION

The overall results of Waste Plan Regina's (WPR) public consultations show satisfaction with current garbage service and dissatisfaction with current recycling services offered by the City. The majority of respondents prefer moving to an Enhanced service; however, cost was a common issue. The public would like to have property line recycling and move to a level of service that is consistent with the rest of Canada.

Administration concludes that increasing service for the residential sector to the Enhanced level by providing property line collection and diversion of recyclable materials will be consistent with virtually all other major municipalities in Canada.

Administration also concludes that increasing control of material from the Industrial, Commercial and Institutional (IC&I) and Construction and Demolition (C&D) sectors to optimize diversion from the landfill will impact landfill longevity and also reflect industry best practises. This would have the most impact on reducing the amount of material delivered to the landfill and would represent equality between residential and non-residential sectors with respect to waste minimization.

BACKGROUND

On August 15, 2006, the Works and Utilities Committee approved report WU06-32. This report proposed plans to renew the current Solid Waste Management Plan approved by City Council in 1999, which endorsed maintaining services and programs without significant change. In 2008, the Administration undertook a review of municipal solid waste management to address changes in industry practises and standards, community expectations and political interest.

In Regina, residential solid waste services are provided by the City of Regina to more than 60,000 homes. Collection of non-residential solid waste (ICI and C&D) is provided by the private sector. The City operates the Big Blue Bin program, a depot based paper recycling program, performs Tinsel Mulch, Christmas tree collection and mulching, and promotes backyard composting through school and public classes. These services were designed to augment and compliment provincial services (e.g. SARCAN) and private sector services (depot recycling of tin/milk jugs and subscriber blue box). The residential services are very economical, costing about \$110/household/year. Resident satisfaction (as measured by solid waste polling and Omnibus 2009 Summer Survey) is very high for basic garbage services but low for diversion/recycling services.

All municipal solid waste not diverted in the Regina region is disposed of at the City of Regina landfill. The city landfill is the only landfill in the Regina area and is very well utilized accepting about 500,000 tonnes of material a year through more than 150,000 transactions; of which approximately 200,000 tonnes of material is waste. The tipping fees are among the lowest for larger municipalities in Canada.

Waste Plan Regina was done to identify direction for solid waste services and programs to the whole community (residential and non-residential). An external consultant (Genivar) was retained to complete technical work and provide options for the future waste management practises for Regina. This component of the project was done from April 2008 to June 2009.

The technical report was tabled with Public Works Committee in June 2009. Committee adopted the recommendation to have the Administration complete a public consultation process and bring a final report in early 2010 with the results of the consultation and specific recommendations for direction on integrated solid waste management in the following three areas:

- Residential programs and services;
- Industrial, Commercial and Institutional services and regulation; and
- Construction and Demolition (C&D) services and regulation

The guiding principles of the Solid Waste Management plan are:

- provide programs and services to meet the needs and expectations for the community;
- provide residential services fairly and equitably to all homes in Regina;
- provide a level playing field for ICI and C&D sectors; and
- utilize numerous and appropriate funding sources to achieve financial sustainability.

DISCUSSION

Waste Management is a core municipal service that impacts the community (households and businesses) by:

- maintaining public health,
- protecting the environment; and
- providing programs and services to customers

WPR set out to identify multiple options for residential and non-residential solid waste management and aid a decision on a direction for future programs and services that can be implemented within three years.

Residential:

The resulting work from the consultants narrowed a lengthy list of features into three options; Current Plus, Enhanced and Comprehensive. When utilized for public consultations, Status Quo was also an option presented to the public. Each option has a potential diversion rate and an estimated cost and is summarized as follows:

Current Plus	Enhanced	Comprehensive
<p>Service Options:</p> <ul style="list-style-type: none"> ▪ Curbside Garbage & Landfill Active promotion of Backyard composting ▪ Expanded Recycling Depots Leaf & Yard Waste Depots ▪ Christmas Tree Collection & Processing ▪ Household Hazardous Waste (HHW) events ▪ Additional Promotion and Education <p>Supporting Mechanisms:</p> <ul style="list-style-type: none"> ▪ Promotion & Education ▪ Goods Exchange Events ▪ Customer Reward Program ▪ Voluntary Grasscycling 	<p>Service Options:</p> <ul style="list-style-type: none"> ▪ Curbside Garbage & Landfill ▪ Active Promotion of Backyard Composting ▪ Single Family Curbside Recycling ▪ Multi-Family Recycling ▪ Curbside Seasonal Leaf & Yard (+ Christmas Tree) collection ▪ Permanent HHW Facility (less frequent operation) ▪ Curbside Bulky/White Goods Collection <p>Supporting Mechanisms:</p> <ul style="list-style-type: none"> ▪ Promotion & Education ▪ Goods Exchange Events ▪ Customer Reward Program ▪ Grass Ban ▪ Green Procurement Education ▪ Outreach Program ▪ User Pay for Garbage 	<p>Service Options:</p> <ul style="list-style-type: none"> ▪ Curbside Garbage & Landfill ▪ Single Family Curbside Recycling ▪ Multi-Family Recycling ▪ Curbside Bi-weekly Leaf & Yard (+ Christmas Tree) collection ▪ Curbside Food Waste Collection ▪ Permanent HHW Facility (more frequent operation) ▪ Curbside Bulky/White Goods Collection <p>Supporting Mechanisms:</p> <ul style="list-style-type: none"> ▪ Promotion & Education ▪ Goods Exchange Events ▪ Customer Reward Program ▪ Grass Ban ▪ Green Procurement Education ▪ Outreach Program ▪ User Pay for Garbage ▪ Reduced Frequency of Garbage collection ▪ Mandatory Recycling
<p>Current Plus</p> <ul style="list-style-type: none"> ▪ Potential diversion – 16% to 20% (current 16% diversion) ▪ Cost - \$120 to \$140 /hhld/year (current \$110 /hhld/year) 	<p>Enhanced</p> <ul style="list-style-type: none"> ▪ Potential Diversion – 30% to 40% ▪ Cost - \$220 to \$240 /hhld/year 	<p>Comprehensive</p> <ul style="list-style-type: none"> ▪ Potential Diversion – 50% to 65% ▪ Cost - \$280 to \$320/hhld/year

Industrial, Commercial and Institutional and Construction and Demolition:

Options were also identified for the IC&I and C&D sectors. They generally use engagement (e.g. education, consultation), incentives, and control and pricing at the landfill to achieve greater segregation and diversion of waste materials from these sectors. They are summarized in the charts below:

<p style="text-align: center;">IC&I Basic:</p> <ul style="list-style-type: none"> ■ City-Based Green Procurement ■ Promoting Green Procurement in other Sectors ■ Voluntary Diversion at Special Events ■ School Waste Diversion Programs ■ Diversion Assistance Program ■ IC&I Sector Working Group Market Development 	<p style="text-align: center;">IC&I Extended: Basic +</p> <ul style="list-style-type: none"> ■ Voluntary LEED/BOMA Best Certification ■ Voluntary Take Back ■ Voluntary Food Waste ■ Differential Tipping Fee (premium and discounted fees) ■ Landfill Bans 	<p style="text-align: center;">Items for Future Consideration:</p> <ul style="list-style-type: none"> ■ Landfill Permits for Waste Haulers and Recyclers ■ Mandatory IC&I Waste Audits and Waste Reduction Plans ■ Mandatory Recycling (covered under landfill bans) ■ Packaging Bans
<p style="text-align: center;">C&D Basic:</p> <ul style="list-style-type: none"> ■ Green Building Technical Assistance ■ C&D Sector Working Group ■ Market Development ■ Differential Tipping Fees 	<p style="text-align: center;">C&D Extended: Basic +</p> <ul style="list-style-type: none"> ■ C&D Material Recycling Facility (MRF) ■ LEED for Municipal Buildings ■ LEED Certification for Private Sector Developments ■ Landfill Bans 	<p style="text-align: center;">Items for Future Consideration:</p> <ul style="list-style-type: none"> ■ Mandatory Recycling (covered under landfill bans) ■ Landfill Permits for Waste Haulers and Recyclers ■ Mandatory Waste Reduction Plans ■ Mandatory C&D Recycling Targets ■ Refundable Deposits on C&D Projects

Public Engagement:

The Administration lead extensive community consultations in the fall of 2009 to obtain input on four residential service level options, two IC&I options and two C&D options to ensure the recommended options meets the needs of residents, stakeholders, and the community. (Full list of Public Engagement listed in Appendix A.)

The objectives of the public engagement strategy was to inform residents and stakeholders of the service level options, to solicit input on issues and opportunities within the options, and involve them in the decision making process. Methods to support the strategy included the following:

- Public opinion polling
- Focus groups
- Web site with online feedback mechanism
- Public meetings
- Displays in key public locations with comment cards

Proposed Next Steps

Upon approval of adoption of Waste Plan Regina's Option #2 – Enhanced Services, Administration would conduct a detailed implementation strategy regarding residential recycling services addressing the following:

- types of materials to be collected, including market availability, and processing requirements.
- type of collection (automated/manual, single or two streams, frequency) and to be completed by internal sources or external contract.
- funding of services (General Fund, Waste Utility); and
- Communication Strategy and delivery implantation strategy.

With adoption of the recommended options for all three areas, there are components which can be implemented in 2010 such as:

- Residential increased education regarding composting options, green procurement education and outreach programs.
- IC&I differential tipping fees, engagement of Sector Working Group, City Based green procurement
- C&D differential tipping fees, engagement of Sector Working Group

RECOMMENDATION IMPLICATIONS

Financial Implications

Regina employs a traditional municipal cost and revenue allocation structure, with revenue from outside sources, such as landfill tipping fees, flowing directly into the General Fund and solid waste management costs, along with other departmental costs such as social services, flowing directly out of the General Fund.

Following the adoption of a preferred waste management system for Regina, the City may face significant increases in costs associated with provision of its new waste management and diversion services. At this point it may be practical for the City to move away from the traditional funding model towards a utility type model.

The enhanced residential service delivery option would cost approximately \$220 to \$240 per household per year (currently at \$110 per household per year).

Under a utility type model, the City would establish its waste management area into a “business unit” that captures all waste management revenues and costs. The City could apply a variety of approaches for funding residential waste management services including:

- an annual flat fee
- market based landfill tipping fees
- deposit refund materials
- government funding
- variable volume based fees
- recycled materials sales
- general fund

Appendix B provides a summary of the various approaches for charging for residential waste management services that are available for consideration by Regina.

Public Sector providing the enhanced residential service for property line recycling has the potential for needing to capitalize both trucks and recycling carts. Capital expenditures may be minimized by the use of the private sector for enhanced residential services.

With adoption of Option #2 for IC&I and C&D, there are current financial implications with components that can be implemented immediately such as resources to:

- implement differential tipping fees,
- initialization and engagement of Sector Working Groups,

Environmental Implications

With implementation of the recommended options for Residential, IC&I and C&D has the following diversion potentials:

- Residential Option #2 - Enhanced - 30% to 40% diversion of generated wastes (current diversion rate is 16%).
- IC&I Option #2 - Extended - 21% to 85% diversion of generated wastes
- C&D Option #2 - Extended - 13% to 87% diversion of generated wastes

Diversion of materials can increase significantly landfill longevity and the reduction of such materials as Household Hazardous Waste and leaf and yard waste diminish harmful material in the landfill and the gas production from the landfill.

Strategic Implications

Strategic direction is required for a new waste plan for Regina. Public health, environmental protection and customer service are foundational to the plan. Waste Plan Regina touches on all four of the corporate strategic priorities.

Other Implications

Another study is currently underway to conduct an environmental assessment and design for the new landfill. This study has a separate consultant and public involvement step as required under the Ministry of Environment's environmental assessment procedures. Both studies will be co-ordinated so that public and stakeholder input on common issues arising from provincial consultations are co-ordinated.

Accessibility Implications

There is none with respect to this report.

COMMUNICATIONS

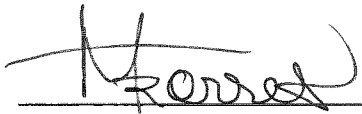
Once a service level option has been approved by City Council, the public and stakeholders will be informed through use of the media, the City's website and social media tools. Consultations with stakeholder groups will continue for feedback regarding the implementation of the option. Communication of the actual implementation will form part of the work going forward.

DELEGATED AUTHORITY

This report requires ratification by City Council.

Respectfully submitted,

PUBLIC WORKS COMMITTEE



Mavis Torres, Secretary

APPENDIX A

Public Consultations

The options were made public once the Genivar report was finalized in June 2009. The options were highlighted on the City of Regina website and a mass email was sent to approximately 100 citizens who signed up to receive updates.

Consultation Process

The consultation process included a mix of qualitative and quantitative research.

Qualitative research

Three focus groups were held on September 9 and 10 to uncover common perceptions of City waste services, the environmental perspective and the taxpayer perspective, and testing preferences and reactions to the options.

Results:

- Enhanced service most favoured
- Current system is good with exception of recycling services
- Participants want easy to understand evidence that changes to the system are necessary, workable and cost-effective.

Quantitative research

A telephone survey was conducted with a sample of 1000 residents November 11 to 25 to measure the extent of the perceptions and preferences among the general population.

Results:

- The majority of respondents endorse curbside recycling but oppose paying between \$100 and \$200 a year for services.
- A large majority are willing to sort household waste to enable recycling.
- More support for more drop offs than City-supplied curbside pick-up due to cost.
- Preference to keep on tax bill rather than a utility.

Advertising

Tools used to inform the public of various opportunities to provide their comments included:

- Public service announcements
- Print ads in the Leader Post and other publications
- Regina.ca website
- Radio ads
- Global T.V. billboard
- City of Regina Facebook page
- Regina Downtown calendar of events
- Displays with background information sheets and open house dates
- Emails to current Let's Talk Trash email user group

Outreach

A total of five open houses were held throughout the city with a total of 151 attendees. The Let's Talk Trash cut-out displays were placed in the lobby at City Hall, Fieldhouse and Sandra Schmirler with information sheets and comment cards. Waste minimization had displays at the Green Home Show, University of Regina and SIAST.

Results:

Open houses

1. South Leisure Centre – 27 people
2. City Hall – 50 people
3. Glencairn – 16 people
4. Cathedral – 30 people
5. Northwest – 28 people

Comprehensive service was most favoured option:

- Current Plus – 15 %
- Enhanced – 39%
- Comprehensive – 47%

Social Media

A mix of social media tools were used to reach a large audience and to allow other opportunities for residents to provide their comments who may not be interested or have time to attend an open house.

Results:

Online survey (November 21 to present)

- 546 responses received (numbers below are based on 510 responses)
 - 156 Comprehensive
 - 201 Enhanced
 - 82 Current Plus
 - 63 Maintain status quo
 - 14 Unable to make a decision
- Let's Talk Trash email user group
 - 366 people have requested to sign up for updates since November 21.
- Facebook
 - The City of Regina Facebook page advertised open houses and promoted the online survey. The ad received 9,977,692 impressions (number of times it could be seen) with a target market of 128,740.
- Mayor's YouTube Video Address
 - Viewed 63 times

Common Themes

- The Enhanced option was the most popular choice.
- Support for enhancements drop when cost for services is considered.
- More details about what the options entail are desired to make informed decisions.

A clear definition of why we are doing this and answering the 'what's in it for me' question for the public is required moving forward.

APPENDIX B

Summary Funding Options

Issue	Assessment Based (Property Taxes)	Flat Annual Fee	Fixed Fee for Chosen Service Level (Garbage)	Variable Fee for Chosen Service Level (Garbage)
Factor determining cost of waste management service to householder	Assessed value of property	All households pay the same	Size of container	Cart size and frequency of tips
Mechanism for collecting revenue	Tax Notice	Incl on tax notice as separate line item	Sep invoice; on water bill; or on tax notice as line item	Micro-chip carts; automatic read
Administrative effort required to implement	None (status quo)	Small	Medium	Medium
Suitability for financing new diversion initiatives	Not well suited	Well Suited	Well Suited	Well Suited
Incentive for additional diversion from disposal	None	None	Yes, major incentive	Yes, major incentive
Potential for illegal dumping	None	None	Some	Some
Uncertainty of revenue stream	Minimal	Minimal	Minimal	Some
Constraints to implementation	None (status quo)	Small	Medium	Medium
Early Public acceptance	Not applicable (Status quo)	Low, regressive nature an issue	Medium residents can choose container size and control fee	Medium residents control service use and cost
Need for Strong Council support and communication	None (Status quo)	High	High	High