



Committee of the Whole Report

Report Number: WM2024-005
Meeting Date: March 5, 2024
Title: **Proposed Organic Diversion Program - Detailed Recommendations**
Description: Recommendations on program details for the proposed diversion of Source Separated Organics
Author and Title: David Kerr, Manager of Environmental Services

Recommendation(s):

That Report 2024-005, **Proposed Organic Diversion Program - Detailed Recommendations**, be received

That the curbside collection of source separated organics commence within Lindsay in 2025;

That Staff review, evaluate and report to Council on the effectiveness of the program and provide recommendation(s) for future program rollout and improvements; and

That these recommendations be brought forward to Council for consideration at the next Regular Council Meeting.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

At the Council Meeting of June 20, 2023, Council adopted the following resolution:

CW2023-183

That Report WM2023-009, **Source Separated Organic Diversion Request for Information Submission and Options**, be received;

That curbside collection of source separated organics in urban areas be recommended as the preferred option for source separated organics diversion;

That the necessary amendment to By-Law 2016-144, being the By-Law for Collection and Management of Waste and Recyclables be brought forward to Council for consideration; and

That, dependent on the results of the curbside collection in urban areas, consideration be given to progressively expand the collection of source separated organics to rural areas.

Carried

This report addresses that direction.

Since the resolution provided via CW2023-183, staff have been working to establish details for a Source Separated Organics program that meets the intent of the Provincial Policy Statement and Council's preferred option above while maintaining fiscal responsibility. Although the expense of the program is partially offset by landfill space cost avoidance, the annual waste operating budget will experience a direct increase due to this added service.

Due to the significant expense of a curbside organics program, staff reviewed the feasibility of phasing in the program over several years. Phasing in the cost over several years is fiscally responsible and is less impactful on the annual budget in any given year. At the same time, the phased approach allows staff to evaluate and adjust the program during the implementation phases to ensure the optimal long-term outcomes are achieved. As part of a phased in approach, staff reviewed implementing the program in Lindsay in 2025 followed by Bobcaygeon, Fenelon Falls and Omeme in subsequent years.

To be consistent with the Ministry of the Environment Conservation and Parks (MECP) Policy Statement, the program is to begin in 2025. It is possible that the MECP target of 50% reduction in organics generated by single family residences in the collective urban areas of the City will be met in the first year after initial rollout in Lindsay. The actual

reduction in organics will be monitored and assessed after initial rollout. Any operational adjustments to the program to improve efficiencies and diversion will be implemented (where feasible) before rolling out to Bobcaygeon, Fenelon Falls and Omemee. Staff have consulted with the MECP on this approach without objection.

Staff are currently working to confirm a curbside collection contractor by Q3, 2024 allowing collection to start in 2025. The start date in 2025 will be dependent on contractual commitment and availability.

Also, through 2024, staff will procure delivery of collection bins to qualifying residences. Manual Collection Carts of approximately 45 liters with 7-liter Kitchen Catcher bins are proposed for each stop. The 2025 start date will also be subject to the receipt of bins by the supplier.

As further background, staff are in the midst of selecting a processing facility for the organics. Staff are following the procurement policy to select a facility best suited to deliver this service. A recommendation will be brought back to Council for the preferred facility prior to Q3. Selection of a facility is a separate process to that of selecting the collection contractor.

The following Rationale section further outlines the timing for the roll-out of the curbside program and a description of the recommended phases.

Rationale:

Staff are recommending a phased approach in establishing an organics collection program for urban areas. This will allow incremental budget costs to be phased in, lessening the budget impact in any given year. Additionally, this will allow collection of data throughout the progressive implementation. That data will assist in evaluating the program and empowering Council to make improvements to the program where necessary. The goal is to ensure the program is successful in meeting both MECP and the City's Integrated Waste Management Strategy targets. The data evaluation will specifically assist in overall program planning, optimum collection routing and determining whether consolidation between pickup locations and the processor is necessary. As required within the Provinces' Food and Organic Waste Policy Statement (Appendix A), the program will target a 50% reduction in organics within the urban areas.

Implementation of an organics diversion program in the rural areas will be more fully evaluated following successful implementation in the urban areas. As the program is

being implemented in the urban areas, staff will continue to evaluate and recommend options for all residences and businesses in the municipality to improve in organics diversion.

Phase 1 (2024) –Public Education and Outreach/By-Law changes

Although collection will not commence until 2025, a robust education and outreach campaign will be initiated in the latter part of 2024 to prepare the public for the launch of the program. The purpose of the campaign will be to educate the public in why participation in a program such as this is so valuable to the community. Tips in reducing organics will be provided to both urban, rural and business communities. Waste staff will be working closely with Corporate Communications to ensure good messaging is delivered through the website and social media and that a forum is available to answer any questions from the public.

Prior to the implementation of the program, the Waste Management By-Law 2016-144 will be revised to incorporate curbside requirements for organics collection.

Phase 2 (2025) – Curbside collection within Lindsay

Green Carts and the smaller “Kitchen Catcher” bins will be procured and delivered to residences within the collection area. The collection area is based on the most current urban boundaries of the City defined in the Growth Plan. Operating instructions on how to use the cart and what is acceptable to be collected will be provided along with each cart. The procurement and delivery of the carts will be progressing in the coming months. Curbside collection of organics will occur on a weekly basis. To make the program as convenient as possible for the public, collection will be the same day as waste pickup. The 2024 Budget included a special project titled “Source-Separated Organics Bins” that set money aside in the Contingency Reserve of \$466,963 to prepare for the procurement of these bins.

The Lindsay Pilot will collect the organics and haul directly to the processing plant. The tonnages collected will be audited and reviewed to evaluate participation and overall success of the program in meeting diversion targets. The collection costs and efficiencies will be reviewed, and operational changes made as needed. An assessment will be made in 2026 regarding the need and cost feasibility of a consolidation site for the organics before final delivery to the processing facility. If a consolidation site proves to be logical, the siting, design and approvals will be proposed in the 2027 capital budget and the construction included in the 2028 capital budget.

Phase 3 (2027)- Rollout to other urban areas

The other urban areas within CKL that qualify within the Policy Statement are Bobcaygeon, Fenelon Falls and Omemee. Green Carts and “Kitchen Catcher” bins will be procured and dispatched in bulk to a central location(s) then delivered to individual residences within each of these urban areas. Similar to Lindsay, the program will involve weekly collection on the same day as waste. Metrics will be collected and evaluated with recommendations for improvement where required. Also based on analyses of metrics collected, consideration will be given for future rollout to non-urban areas.

The Lindsay phase will collect the evidence to determine if a consolidation site is required or if hauling directly to the processing facility will continue.

Other Alternatives Considered:

An alternative to the phased approach would be to implement collection in the urban areas simultaneously in 2025. The initial budget pressure and burden to the tax base would be greater than phasing the program over several years. Phasing in the costs over several years is good fiscal management and is a process which is commonly adopted for larger municipal projects. In addition, the phasing in of a program allows efficiencies to be realized earlier in the program. Should Council opt to implement collection for all four (4) urban areas in 2025, the resolution would be:

Delete:

That the curbside collection of source separated organics commence within Lindsay in 2025;

Add:

That curbside collection of source separated organics within the urban centres of Lindsay, Bobcaygeon, Fenelon Falls and Omemee commence in 2025; and

Alignment to Strategic Priorities

The Phased program, as recommended above, will meet our Strategic Plan by creating a Healthy Environment by following the Integrated Waste Management Strategy through diversion of waste from our landfills and utilizing waste as a resource.

As well, this report meets the priority of following good government process involving mindful fiscal management and spreading out of costs over a longer term to minimize budget pressures in any given year to lessen impact to other municipal services.

Financial/Operation Impacts:

Early Cost Estimates based in Report WM2023-009

Report WM2023-009 explored SSO alternatives and provided preliminary cost estimates for the various programs within Appendix A. WM2023-009 is attached to this report as Appendix B.

The preferred option resulting from that report, being collection from the four Urban centres was estimated as follows:

- Initial capital for construction of consolidation site - \$1.5M
- Initial capital for procurement and distribution of bins - \$500k
- Annual operating budget increase of \$1.2M, based on using a consolidation site.

In summary, the first-year financial commitment to deliver that program is estimated at \$3.2M, with an ongoing annual operating cost of \$1.2M. Partial funding for procurement of carts and bins was approved within the 2024 capital expenditure (\$466,963). Similar to historical practices in recycling, the City will retain an inventory of carts and bins for residents to purchase for servicing new homes and replacement as necessary. The capital costs of a consolidation site of an estimated \$1.5M, together with the annual operating costs of \$1.2M would be pressures to the 2025 operating budget.

Cost estimates of the Recommended Phased in Approach

Currently costs are estimates only. Budgeting will be refined once costs from the processing facility, collection contractor and bin procurement have been confirmed. The processing and collection costs will be incorporated into future annual waste operational budgets starting in 2025.

Based on those preliminary cost estimates, by phasing in the program starting with Lindsay (2025) and implementing collection and transfer direct to the processing facility without the use of a consolidation/transfer site, first year costs can be substantially reduced. The City would avoid, at least initially, the construction of a consolidation site, and therefore not request the estimated \$1.5M in the 2025 capital budget.

Phasing will allow staff to evaluate the cost of the program and determine if the efficiencies gained through consolidation justify the \$1.5M capital investment required. It will also align with the City's obligations as we transition to producer responsibility for recycling. The repurposing of the existing recycling transfer station can be considered through the phased approach.

Staff will report back in 2026 after the Lindsay phase in with the costing model scenario including the cost benefit of building the consolidation site vs continuing hauling to the processing facility. The phase in of Bobcaygeon, Fenelon Falls and Omemee will continue in 2027.

Costs for the Recommended Phased in approach (collection of SSO within Lindsay without consolidation) as recommended by Staff:

Phase 1 (2024) - Public Education and Outreach/By-Law changes- \$20,000 (already budgeted)

Phase 2 (2025) - Rollout to Lindsay (est. 9,000 stops excl. multi-residential)

- \$375,000 capital (bins) included in 2024 Special projects budget
- \$1,000,000 annual operating impact
- No capital cost for a consolidation site of \$1.5M required at this point

Phase 3 (2027) - Rollout to other Urban Areas (Bobcaygeon, Fenelon Falls and Omemee) (est. 3,000 stops excl. multi-residential)

- \$125,000 capital for bins included in 2024 Special projects budget
- \$400,000 annual operating impact
- Potential for capital cost of consolidation site for \$1.5M if hauling direct to processing facility proves not feasible

The annual operating cost estimates are slightly higher than report WM2023-009 due to the anticipated increase in transportation costs in lieu of a transfer station.

Further phases, being rollout to the remainder of the City will be evaluated after completion of Phase 3.

Attachments:

Appendix A – Ontario’s Food and Organic Waste Policy Statement



Appendix A -
Ontario's Food and

Appendix B – Report WM2023-009 Source Separated Organic Diversion Request for Information Submission and Options



WM2023-009
Source Separated O

Consultations:

Director of Public Works

Supervisor of Procurement

Supervisor, Environmental Capital Project Management

Director, Corporate Services

Ministry of Environment Conservation and Parks

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