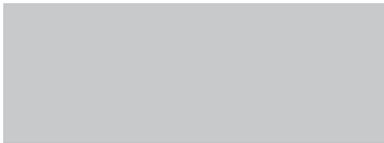




City Clerk's Department • Bureau du Greffier

July 18, 2016



Re: Your request for access to information under Part 2 of *The Freedom of Information and Protection of Privacy Act*: Application Number 16 06 562



On June 16, 2016, the City of Winnipeg received your request for access to the following records:

Copy of the briefing note prepared for CAO Doug McNeil labeled 'BN Organics Diversion Strategy and Pilot Feb 26 2016.doc'

I am pleased to inform you that your request for access to this record has been granted in part. In particular, access is granted with severing under s. 23(1)(a) and s.28(1)(c)(iii) of *The Freedom of Information and Protection of Privacy Act*.

Advice to a public body

23(1) The head of a public body may refuse to disclose information to an applicant if disclosure could reasonably be expected to reveal

(a) advice, opinions, proposals, recommendations, analyses or policy options developed by or for the public body or a minister

Disclosure harmful to economic and other interests of a public body

28(1) The head of a public body may refuse to disclose information to an applicant if disclosure could reasonably be expected to harm the economic or financial interests or negotiating position of a public body or the Government of Manitoba, including the following information:

(c) information the disclosure of which could reasonably be expected to



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2016, ANNÉE DE LA RÉCONCILIATION**



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(iii) interfere with or prejudice contractual or other negotiations of,

a public body or the Government of Manitoba;

As required by subsection 7(2) of the Act, we have severed information that is excepted from disclosure and have provided you with as much information as possible. On page 1, the recommendations have been severed under s.23(1)(a), as they pertain to a proposed plan prepared by the department for the CAO in addition to recommendations that are still being considered. On page 2, two points were severed under s. 23(1)(a) and s.28(1)(c)(iii) because they contain information prepared by the department advising the CAO about an ongoing negotiation. On page 4 and page 5, under the authority of s.23(1)(a), we elected to sever detailed information prepared by the department for the CAO which pertains to a proposed plan. On page 6 and 7, the information that has been severed under s.28(1)(c)(iii) contains information that, if disclosed, would interfere or prejudice ongoing contractual negotiations. And, finally, on page 11, under s.23(1)(a), we have chosen to sever a recommendation that is still being evaluated.

As you requested a copy of these records, and as they can reasonably be reproduced, in accordance with clause 14(1)(a) of *The Freedom of Information and Protection of Privacy Act* a copy of the records is enclosed.

Subsection 59(1) of The Freedom of Information and Protection of Privacy Act provides that you may make a complaint about this decision to the Manitoba Ombudsman. You have 60 days from the receipt of this letter to make a complaint on the prescribed form to:

Manitoba Ombudsman
750 - 500 Portage Avenue
Winnipeg MB R3C 3X1
982-9130
1-800-665-0531

Sincerely,



Denise Jones
Access and Privacy Coordinator

cc: Janet Thomas

Confidential Briefing Note

To: Doug McNeil, Chief Administrative Officer
From: Moira Geer, Acting Director, Water and Waste
Date: February 25, 2016
Re: Organics Diversion Pilot Strategy



Recommendation:

- 23(1)(a)
-
-

Background:

CIWMS (Garbage and Recycling Master Plan)

- Council adopted the Comprehensive Integrated Waste Management Strategy (CIWMS) on October 19, 2011, with the overall strategy of the plan being to increase the waste diversion rate to 35% by 2016 and to greater than 50% by 2020 and thereafter.
- Organics make up approximately 40% of Winnipeg's residential waste stream and are the main source of greenhouse gas emissions from landfills.
- The expansion of organics diversion programs to include food waste will be necessary to reach the target of 50% waste diversion.
- The CIWMS Stantec Report recommended mid-term implementation of organics and reference that the Waste Diversion Fee would have to roughly double to fund the program.
- CIWMS was never implemented as a "user pay" funding model. The recommended and adopted Waste Diversion Fee never had a variable component where residents could subscribe to a "level of service/consumption".
- CIWMS Waste Diversion Fee was levied on the utility bill – at the time it was not an acceptable alternative to add to the property tax bill.

Organics Pilot/Full-Scale Program and Funding – Specific Recommendations of the CIWMS:

12. That a source separated organics (kitchen organics) trial be conducted for residential households in 2014, subject to approval of capital budgets, and based on the results, recommendations be brought forward regarding a full-scale program with an implementation by 2017.
13. That, based on results of the source separated organics trial program and subject to capital budget approval, a full scale source separated organics program be implemented.
14. That all organics collected through the above programs be composted at composting facilities to be developed at Brady Road Landfill site, subject to capital budget approval.

Budget History

- The 2012 Adopted Capital Budget included the project CIWMS – Source Separated Organics. \$400,000 was included in the 2014 forecast, \$65 million in the 2015 forecast and \$11.4 million in the 2016 forecast. The project description explained that funding was for a full-scale organics program, including the provision of organics collection carts to all single-family households and all costs associated with the construction of a composting facility, and that the findings of a pilot collection program in 2015 were to help in determining the best means of processing the material.
- The 2013 Adopted Capital Budget again included the project CIWMS – Source Separated Organics, with \$200,000 adopted for 2013 and \$400,000 included in the 2014 forecast. The project description introduced the need to develop an Organics Diversion Strategy:
 - “A study will be conducted to design collection pilot, determine ownership and procurement model, develop concept design, class estimate and business case. The findings from the pilot collection program in 2014 will help in determining the best means of collecting this material. Approval for full organics implementation will be requested based upon the pilot’s finding. Costs for full implementation may be as high as \$85 million depending on the recommended option.”
- The Department’s 2014 capital budget submission also included this project, in the amount of \$416,000 (the original \$400,000 in the 2014 forecast adjusted for inflation). On October 24, 2013, at an EPC Budget Planning Session, funds for the organics pilot program were deleted from the capital program.

23(1)(a)

Organics Diversion Strategy – Work to Date

- In late 2014, a Request for Proposals was issued to develop an Organics Diversion Strategy, to identify a framework and potential options to manage all types of organic material that arrive at the Brady Road Resource Management Facility (BRRMF), including kitchen waste, leaf and yard waste, biosolids, landscaping waste, animal waste, and wood waste. A contract was awarded for the development of an Organics Diversion Strategy to HDR Corporation on April 7, 2015.

23(1)(a)

- On July 7, 2015, the Water and Waste Department submitted a briefing note which advised that it was proceeding with its public engagement process related to the development of the City's Organics Diversion Strategy and that it anticipated the Organics Diversion Strategy report would be completed for Council consideration by June 2016. It was originally anticipated that the Organics Diversion Strategy report would be completed in early 2016; however, the timelines were revised to accommodate a comprehensive public engagement process.
- On September 9, 2015, a symposium was held to solicit public feedback for the Organics Diversion Strategy. The objectives of the symposium were to provide the public with a greater understanding of the project, its importance and context, as well as ways that organics diversion could be managed, and to hear from stakeholders what was important to them when creating an organics diversion strategy.
- On September 10, 2015, a workshop was held that included the Waste and Diversion Advisory Committee (WDAC). WDAC is comprised of knowledgeable, environmentally conscious volunteer citizens who provide advice and recommendations for the completion, implementation, and continual improvement of the Garbage and Recycling Master Plan. The objectives of the workshop were to provide and discuss organics options, and to identify and discuss scope of evaluation criteria and options.
- Feedback heard during Phase 1 of public engagement included:
 - Programs need to be accessible, inclusive, convenient, easy to use, and cost-effective.
 - The environmental impacts of waste need to be reduced, while a valuable product should be produced.
 - Education and communication are essential to program success.
 - Phasing in implementation should be considered.
- In late 2015, a Request for Proposals was issued to develop a Multi-family diversion strategy. Detailed implementation of organic and additional waste diversion programs for the multi-family sector will be identified through this strategy. Award of the contract is anticipated in spring 2016, with work to commence once the Organics Diversion Strategy has been finalized.
- On January 19, 2016, the Water and Waste Department submitted a briefing note to request a Council Seminar to allow the Public Service to explain to Members of Council the various organics collection and processing options that were going to be presented to the public in late February 2016, as part of the public engagement process supporting the development of the Organics Diversion Strategy. The briefing note included a description of the program options and associated costs.
- A Council Seminar was held on February 4, 2016.

Public Engagement Process – Phase 2

- The second phase of public engagement will allow the Department to collect more in-depth feedback from the broader public and will involve an extensive program to ensure that the project receives adequate input and engagement with stakeholders.

- Citizens will:
 - learn why an Organics Diversion Strategy is beneficial, results of the first phase of public engagement and the timelines for the strategy and program/pilot implementation.
 - provide feedback on the program options that were designed for the City, specifically around accepted materials and cost.
 - offer input on how to address odour and nuisance issues, carts/storage, frequency of collection, and roll out of the pilot and program.

- The Public Service plans to use a multi-pronged approach to reach as extensive an audience as possible (see Appendix A for timelines):
 - News release/ads/public service announcements and media event(s).
 - Pop up events in high traffic areas (i.e., Winnipeg Home and Garden Show, major retail malls, recreation centres, The Forks).
 - Proactive media outreach.
 - Direct email to Water and Waste News subscribers.
 - Social media strategy: MyWaste App, Facebook, Twitter.
 - WWD Engage website – educational blog posts, FAQs.
 - Discussion guide/survey.
 - Rapid response to fact-correct inaccurate media/social media stories.

23(1)(a)

Key Issues:

Organics Program Estimated Costs/Timelines

- The annual cost per single-family household is estimated to be between \$55 to \$100, depending on materials collected and the type of processing facility required, and is based on generating sufficient revenues to cover the cost of the capital investment and annual operating and maintenance costs. See Appendix B for program options and costs.

23(1)(a)

- The estimated time to procure, construct, and commission a composting facility would take approximately 36 to 42 months. The current assumption that the plan would be implemented in 2017 is inaccurate. While the collection could be awarded in 2017, there is lead time to develop a facility to accept this material.

23(1)(a)

Organics Programs in Other Cities

- Winnipeg is behind other cities in terms of curbside organics collection. See Appendix C for a description of organics programs in other cities.
- Programs in other cities are funded in different ways (i.e., flat fee like the waste diversion fee, property taxes). The benchmarking of rates in other jurisdictions will be included in the Council report.
- Preliminary benchmarking review suggests the estimated costs of a Winnipeg program would be comparable to other jurisdictions.

Existing Contracts for Residential Collection:

- The collection contract 864-2011 expires September 30, 2017, and is divided into four zones:
 - Zone 1A – Old AutoBin area, North of the Assiniboine River, west of the Red River
 - Zone 1B – North of the Assiniboine River, west of the Red River
 - Zone 2 – East of the Red River
 - Zone 3 – South of the Assiniboine River, west of the Red River
- Emterra Environmental collects recycling and yard waste in all zones, and garbage in Zones 1A, 2 and 3.
- The collection contract 570-2009 expires January 31, 2017, and is for garbage collection in Zone 1B. Progressive Waste Solutions collects garbage only in Zone 1B.

Procurement Strategy for Residential Collection Contracts:

- The Public Service will be issuing a Request For Proposal for the new residential collection contract (versus the traditional Bid Opportunity) in the next few months, as the current

contracts will be expiring in January 2017 and September 2017 respectively and the new RFP will amalgamate both contracts. This will allow more flexibility for bidders and there will be a little less emphasis on cost (Emterra was, by far, the lowest bid last time contracts were tendered).

- The new residential collection contract will be split into two zones – east and west of the Red River, with an equalization of the number of homes due to growth in the southwest area of the City. Early market sounding indicates this to be the optimal split for service providers.
- It is the recommendation of the Department that the Request for Proposal, subject to approval from Materials Management and Legal Services, not permit any one contractor to have both sections, 28(1)(c)(iii)
- Proponents will be asked to bid on three options:
 - 7 years – garbage, recycling and yard waste (end date of Jan 2025)
 - 7 years – garbage, recycling, yard waste and organics (end date of Jan 2025) (for comparative cost purposes)
 - 5 years – garbage, recycling and yard waste (end date of Jan 2023)
- There is a risk that proponents may not bid on all options.
- The new collection contracts will end in January versus September, which will eliminate the risk of changing contractors during the yard waste peak season.
- The Public Service will be bringing forward a report to extend the residential garbage cart collection contract with Progressive Waste Solutions to September 2017, to coincide with the end of the Emterra contract.
- In order for contractors to earn a reasonable return, the minimum contract term that would be attractive in the marketplace is 5 years.
- The proponents will be asked to bid with “split body” trucks for a program that would include organics collection. The 70/30 split could be used for garbage only or garbage and organics. This will be requested for “comparative cost information purposes”.
- Opening up a contract mid-term to include organics would be much more costly – 28(1)(c)(iii)
- The original intent was to have an organics strategy approved by Council before awarding the contracts in September 2016.
- Other improvements to the contract will include the ability to authorize the use of sub-contractors to deal with deficiencies, as well as Friday collection days in the arson-prone areas of the City.
- A Briefing Note will be submitted to the CAO before the Residential Collection Contract Request for Proposal is posted.

Materials Recovery Facility (MRF) Strategy

- The existing MRF contract expires September 2017.
- In 2013, Emterra completed a \$10 million upgrade to enable the facility to process up to 80,000 metric tonnes of recyclables annually. Subsequently, a new unit rate for processing service was negotiated.
- The City has acquired Dillon Consulting Limited to conduct a review of applicable recycling processing and marketing options and to assist in the selection of the appropriate system that will handle the City's recyclables beyond 2017. The cost of the study is \$96,000.
- Option recommendations will be based on industry best-practices, market conditions, emerging trends, stakeholder input and the evaluation of multiple scenarios/models.

28(1)(iii)

Media/Councillor/Resident Inquiries

- Although the material presented at the February 4th Council Seminar was not made available electronically or through hard copy, a lot of the information was shared with the media, which has resulted in heightened debate on what the City should do with respect to dealing with organics, even in the absence of complete information. In some cases, this is leading to misinformation, confusion and frustration.
- The Mayor's Office, Councillors and the Water and Waste Department continue to receive inquiries from residents, interest groups and the media on a daily basis for more specific information, however, this information has not yet been released to the public.
- As part of the Public Engagement process, a series of informational blogs and FAQs are being prepared to help educate stakeholders on the benefits of organic composting, as well

as the various options available for collection and processing. It may be beneficial to release some of this information ahead of the actual Public Engagement process.

Cautionary Notes:

Emerging Targets

- There are no existing federal or provincial regulations with respect to banning organics from landfills.
- In December 2014, the Provincial Government released the Government of Manitoba Discussion Paper – Recycling and Waste Reduction, which included a goal for a full landfill ban on organic waste by 2020.
- In December 2015, the Provincial Government released Manitoba’s Climate Change and Green Economy Action Plan, which contained the following goals:
 - Goal of diverting 100,000 tonnes of organic waste in Manitoba by 2020
 - Goal of reducing greenhouse gas emissions from Manitoba’s waste sector by 340,000 tonnes of CO₂ equivalent (CO₂e) by 2020.

Current Status/Next Steps:

- Mid March – EPC briefing on organics strategy and collection tender strategy
- March 24: Launch of public engagement activities and timelines
- April 1 - 14: Public engagement activities conducted
- April 14 – report to WWRE on motion from Council meeting on February 24, 2016
- April 27: Report to Council to extend the Progressive Waste Solutions residential garbage cart collection contract
- May 1: Residential Collection Contracts Request for Proposal(s) released
- September 28: Reports to Council – Residential Cart Collection Awards, Organics Diversion Strategy

APPENDIX A – Organics Diversion Strategy - Phase 2 Public Engagement Timeline

Week	Activities
Mar 24	<ul style="list-style-type: none"> • Launch Phase 2 Organics PE: website, survey, discussion guide • Send out invites, emails, newsletters, posters, mailings, social media
Mar 29-31	<ul style="list-style-type: none"> • Proactive media outreach • Advertisements
Apr 1-13	<ul style="list-style-type: none"> • In-person pop-up engagement events (<i>to be confirmed</i>) <ul style="list-style-type: none"> ○ Winnipeg Home & Garden Show (Convention Centre) ○ North Centennial Recreation Centre ○ Kildonan Place Shopping mall, Pembina Trails Library ○ Dakota Community Centre ○ Cindy Klassen Recreation Centre ○ Scotiabank 'lobby', Winnipeg Square ○ The Forks • Continue to receive feedback online, through discussion guides
April 14	<ul style="list-style-type: none"> • Closing date for public engagement

APPENDIX B – Organics Diversion Strategy Options

System Options

What		Processing Technology	Environmental Benefit (by 2025)	Diversion Rate Increase	Annual Cost (per Single Family Household)
Vegetative Food Waste	Raw fruit and vegetable scraps; paper fiber (napkins, cardboard)	Turned Windrow (Outdoor)	13,000 tonnes of material 12,400 tonnes of CO2e	3.4%	\$55-65
All Food Waste	All above; meat, fat and dairy; processed/ packaged foods; compostable containers	Forced Aerated Covered Windrow (Outdoor)	33,700 tonnes of material 32,300 tonnes of CO2e	8.9%	\$60-70
All Food Waste + Pet Waste	All above; kitty litter, etc.	Forced Aeration (Indoor)	35,900 tonnes of material 34,400 tonnes of CO2e	9.5%	\$90-100

APPENDIX B – Organics Diversion Strategy Options

Processing Options

What	Processing Technology	Description & Benefits
Vegetative Food Waste	Turned Windrow (Outdoor)	<ul style="list-style-type: none"> • Only recommended for vegetative food waste • Composting take place outdoors in long rows • Turned periodically to introduce oxygen for the composting process • System is currently used to compost leaf and yard waste • Simple and reliable process • Indoor receiving and mixing building with bio-filter to control odour
All Food Waste	Forced Aerated Covered Windrow (Outdoor)	<ul style="list-style-type: none"> • Allows for the composting of all food waste • Composting take place outdoors in long rows • A cover is placed over each windrow to help minimize odours and assist the composting process • Air is pulled into the windrow and forced through a bio-filter to control odour • Indoor receiving and mixing building with bio-filter to control odour
All Food Waste + Pet Waste	Forced Aeration (Indoor)	<ul style="list-style-type: none"> • Can handle all food and pet waste • Composting takes place indoors in tunnels • Indoor receiving and mixing area • Strongest odour control as everything takes place indoors. • Least affected by extreme cold weather • Once composted, material is placed on outdoor curing pad to stabilize and mature the material.

23(1)(a)

APPENDIX B – Organics Diversion Strategy Options

Costs

- Costs include collection, processing, communication, education and enforcement, and amortized capital costs for a processing facility and residential organics carts.

Collection

- All single family households provided with a small kitchen container and animal-resistant automated organics cart (approximately 100L in volume)
- Accepts optional compostable liners (paper or plastic)
- Collection of organics would be weekly
- Garbage and Organics would be co-collected at the same time in a truck with two separate components.
 - Reduces total number of vehicles required, environmental impact of collection vehicles and cost of collecting organics
 - Significant cost savings vs a separate fleet to collect organic material
- Collection of leaf and yard waste would continue as a separate seasonal service.
 - Allows large volumes in spring and fall to be collected.
 - Material can be stockpiled to help balance the food waste composting process over winter.
 - Leaf and yard waste can be composted using a simpler and cheaper process compared to food waste.
- Multi-family organics diversion is being studied under the Multi-family Diversion Strategy taking place in 2016-2017.
 - Phased in after single family
 - Multi-family organics would be part of an overall strategy to improve waste diversion services to the sector.

Communication

- Program rollout would be supported by a comprehensive communication and education program.
- An organics pilot would help to test and refine communication and education material.

Future Considerations

- Depending on the processing technology chosen, other materials (e.g. diapers) could be considered for phasing in at a later date.
- Once the organics program is mature, garbage collection volumes and patterns would be studied.

Appendix C – Organics Programs in Other Cities

TABLE 1 - ORGANICS PROGRAMS IN OTHER CITIES				
Municipality	Tonnes Generated	Tonnes Managed at Processing Facilities	Technology	Notes
City of Toronto	131,587 (SSO)	75,000 tpy Anaerobic Digester (AD) recently constructed. Another 55,000 tpy expanded facility expected to come on line in 2018.	Anaerobic Digestion (BTA Technology)	Organics are collected weekly, separately from LYW. Organics are co-collected, week 1 with garbage and week 2 with recyclables.
	101,342 (LYW)	Private sector processing capacity manages ~ 64,000 tonnes while second digester undergoing expansion.		Organics may be placed out in plastic bags. Diapers, pet waste and sanitary products are accepted along with food waste.
		City owns both anaerobic digestion facilities.		Bi-weekly garbage collection.
York Region	74,079 SSO	Utilizes private sector processing capacity.	Aerobic composting (in-vessel concrete tunnels, aerated covered windrow)	Organics are collected weekly, separately from LYW. Organics may be placed out in plastic bags. Diapers, pet waste and sanitary products are accepted along with food waste.
	40,059 LYW			Bi-weekly garbage collection.
City of Hamilton	31,367 (SSO), 18,129 (LYW)	60,000 tpy	In-vessel aerobic composter (concrete tunnels)	Organics are collected weekly, separately from LYW. Paper or compostable liner bags allowed in Green Bin.
		City-owned facility. Facility processes material from other municipalities.		Weekly garbage collection.
Durham Region	27,486 (SSO)	Utilizes private sector processing capacity.	In-vessel aerobic composter (wide bed Ebara technology)	Organics are collected weekly, separately from LYW. LYW collection frequency determined by lower tier municipality. Paper or compostable liner bags only.
	24,965 (LYW)			Bi-weekly garbage collection
City of Ottawa	69,403 (SSO)	Utilizes private sector processing capacity.	In-vessel aerobic composter (concrete tunnels)	Organics are collected weekly, separately from LYW. Excess LYW may go in Green Bin. Paper liner bags only allowed.
	15,976 (LYW)			Bi-weekly garbage collection.
City of Edmonton	246,896 tonnes of waste collected from SF and MF homes (2013)[1]	200,000 tonnes of residential waste and 25,000 dry tonnes of biosolids annually.	In-vessel, mass bed (windrow) and aerated static pile composting.	The City does not have a green bin program; instead the garbage stream is processed at a co-composting facility for waste and biosolids. Non-recyclable and non-compostable waste is made into refuse derived fuel for the waste-to-biofuels facility (Enerkem). Garbage is collected weekly. No LYW program is provided.
Surrey, BC	60,862 (SSO – residential)	60,862 tpy total, Privately owned and operated facility.	Developing a biofuel facility to process up to 115,000 tpy using dry anaerobic digestion.	Weekly collection of organics, only paper liner bags allowed. Garbage is collected bi-weekly.

Municipality	Tonnes Generated	Tonnes Managed at Processing Facilities	Technology	Notes
Halifax Regional Municipality, Nova Scotia	34,173 (SSO – residential)	2 - 25,000 tpy facilities	Open channel in-vessel aerobic composting (Ebara) and enclosed aerated container composting (each 25,000 tpy)	Nova Scotia has a provincial ban on organics disposal in landfill. HRM has a by-law which prohibits garbage and organic waste generated within HRM to be exported from HRM. Green bins are collected biweekly from January to July, and September to December. Green bins are collected weekly in July and August. Only paper compostable liners allowed. LYW is collected separately. HRM is moving to a clear garbage bag program in August 2015.
	16,615 (SSO – ICI)	Privately owned and operated facilities.		
		Facilities are at capacity, additional private sector capacity used for excess.		
Peel Region	30,963 (SSO)	~68,000 tpy total	One in-vessel aerobic composter – 60,000 tpy, one 8,000 tpy Herhof technology.	Currently, SSO is collected weekly along with garbage and recycling. LYW collected separately on a weekly basis from April to June and October to November (rest is biweekly). The City is moving to automated cart collection in January 2016. Green Bins will be co-collected with garbage and recycling on alternating week schedule.
	40,195 (LYW)	The Region owns both facilities.		
City of Guelph	9,169 (SSO), 7,334 (LYW)	30,000 tpy	In-vessel aerobic composting.	The City recently switched to a cart-based program. Organics collected weekly, carts can be topped up with LYW. Two seasonal yard waste collection events (spring and fall). Garbage is collected bi-weekly.
		The City owns this facility. Facility processes material from other municipalities.		
Source: for all Ontario Municipalities - Waste Diversion Ontario, 2013 Organic Waste Tonnes Residential.				
[1] City of Edmonton, Waste Management Utility 2013 Annual Report				