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**Subject:** Proposed Base Services for Next Collection Contract

**Report to:** Public Works Committee

**Report date:** Tuesday, January 8, 2019

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## Recommendations

1. That, based on the results of the stakeholder engagement process, the Request for Proposals for Niagara Region's next garbage, recycling and organics collection RFP **BE APPROVED** to be issued with the following, subject to final comments from Local Area Municipalities:
  - a) Pricing for the following garbage collection frequency options:
    - i) Every-other-week (EOW) garbage collection for all residential properties and for those Industrial, Commercial & Institutional (IC&I) and Mixed-Use (MU) properties located outside Designated Business Areas (DBAs), as a base service (weekly recycling and organics to continue, and current garbage container (bag/can) limits would double for affected sectors, on an EOW basis), and
    - ii) Status quo – weekly base garbage collection service.
  - b) Establishment of a four (4) item limit per residential unit, per collection, for large item collection at Low-Density Residential (LDR) properties, as a base service.
  - c) Discontinuation of appliances and scrap metal curbside collection at LDR properties, as a base service.
  - d) Change the weekly garbage container (bag/can) limits for Industrial, Commercial & Institutional (IC&I) and Mixed-Use (MU) properties located inside Designated Business Areas (DBAs) from seven (7) containers to four (4) containers per property, as a base service.
  - e) Change the weekly garbage container limit for MU properties located outside DBAs from six (6) containers to four (4) containers per property, as a base service.
2. That Report PW 3-2019 and Council's resolutions, along with the Metroline stakeholder consultation report, when finalized, **BE CIRCULATED** to the Local Area Municipalities, for their review, and comments to be provided by February 1, 2019 or no later than February 20, 2019.

3. That staff **BE DIRECTED** to provide a follow-up report on the position of the Local Area Municipalities on the base and enhanced services to be included in the next garbage, recycling and organics collection contract Request for Proposals.

## Key Facts

- Niagara Region's next garbage, recycling and organics collection contract is set to begin by March 8, 2021.
- The preparation for the next collection contract provides an opportunity to complete a service delivery review to improve program effectiveness (i.e. increase diversion of waste from disposal) and efficiencies (i.e. mechanisms to reduce costs and changes to service to reflect usage).
- On April 12, 2018, Regional Council approved WMPSC-C 9-2018, which identified the proposed base collection services options to be included in the stakeholder consultation and engagement process.
- The purpose of this report is to seek Council's approval of the proposed base collection services being recommended for inclusion in Niagara Region's next collection RFP, based on the results of input received during the stakeholder consultation and engagement phase, subject to further input from Local Area Municipalities (LAMs).
- Niagara Region is consulting with LAMs on the proposed base collection service changes and to confirm which enhanced collection services they would like included in the next collection RFP.

## Financial Considerations

It is estimated that without any changes to the existing collection service levels to be provided in Niagara Region's next contract, the annual contract cost could be greater than \$25 million in 2021. This is based on an average of the bids received for the current collection contract, plus annual escalation of 1.9%. Factors such as, but not limited to, the increase in minimum wage and driver shortages will more than likely impact pricing.

The primary financial implications of implementing the proposed recommendations include:

- Final consideration of inclusion of EOW garbage collection in the next collection contract would occur after pricing is received for this option. As a point of reference:
  - In response to Niagara Region's last collection contract RFP, excluding one submission anomaly, on average bidders priced a cost reduction of approximately \$1.2 million annually for EOW garbage collection.
  - Region of Waterloo's implementation of EOW garbage collection in their 2017 contract resulted in an annual contract savings of approximately \$1.5 million.

- Elimination of Niagara Region's annual contract cost to provide appliance and scrap metal curbside collection, which currently is approximately \$130,000.
- Incremental cost avoidance for the proposed weekly large item and garbage container limit changes, which would likely be offset by incremental increases in the organics and recycling collection costs, based on anticipated increased participation in diversion programs.
- Extended site life for open Regional landfills, and more revenue generating capacity from the reduction of divertible materials being landfilled by residents and other service users who are participating in the curbside recycling and organics collection programs.
- Cost avoidance/cost reduction in the landfill contract with Walker Environmental due to an increase in the diversion of waste from disposal.
- Increased tonnages of food and organic waste collected at the curb from improved participation and capture rates would result in increased processing contract costs, unless the tonnages are offset by food waste avoidance and other reduction initiatives.
- Reduced methane emissions due to the reduction of organics being landfilled will result in less leachate generated, thereby reducing costs associated with care and control of these landfill sites.

## **Analysis**

### **A) BACKGROUND**

#### **Current Collection Contracts:**

Niagara Region's current collection contracts with Halton Recycling Ltd., doing business as Emterra Environmental, and Waste Connections of Canada Inc. expire March 7, 2021. Niagara Region recently awarded a new collection contract for the municipalities of Lincoln and West Lincoln to Canadian Waste Management Inc. from January 2, 2019 until March 7, 2021. These contracts include provision of base and enhanced collection services, which are defined as follows:

#### **i) Base Collection Services**

Niagara Region currently provides base collection services (i.e. weekly garbage, recycling, and organics) to all property types, including IC&I and MU properties located inside and outside DBAs, in all 12 Local Area Municipalities (LAM). Each LAM pays a proportional share of this cost, based on their total household units, as a percentage of the Region's total household units.

Appendix 1 provides a comparison of the current vs. proposed base collection services for each property type.

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**ii) Enhanced Collection Services**

Niagara Region also provides enhanced collection services (i.e. street litter, front-end garbage, additional garbage container limits, increased garbage or recycling collection frequency, etc.), at the request of each LAM. Each LAM directly pays for the cost associated with providing their enhanced collection services. Each LAM was requested to verify which enhanced collection services they would like included as part of Niagara Region's next collection RFP.

Appendix 2 provides a detailed comparison of the current vs. previous enhanced collection services provided in each LAM.

**Current Residential Diversion Rate:**

Over the past seven years, Niagara Region's residential diversion rate has increased from 42% (2010) to 56% (2017), however this rate may be plateauing. In preparation for the next contract, Niagara Region is investigating options to increase participation in the recycling and organics diversion programs, such as EOW garbage collection and mandatory use of clear garbage bags. Experience in other Ontario jurisdictions demonstrates that EOW garbage collection is an effective mechanism to increase diversion. It is a best practice in Ontario and the highest residential diversion rate primarily attributable to EOW was in York Region (66% in 2016). While Niagara has achieved its 2016 residential diversion target of 56%, additional mechanisms are needed to achieve the 2020 target of 65%. These mechanisms also include improved recognition of waste reduction and reuse efforts, which traditionally are more difficult to measure.

**Estimated Landfill Capacity:**

At the time of this report, approval for the Humberstone Landfill expansion is expected to be finalized before the end of 2018. This landfill expansion will provide capacity for an estimated 25 years or more, based on serving the southern Niagara municipalities. The current remaining capacity at the Niagara Road 12 Landfill is 48 years, based on serving the municipalities of Pelham, Grimsby, Lincoln and West Lincoln. Niagara Region's current disposal contract with Walker Environmental for the remaining Niagara municipalities ends in February 2031, or just over 12 years.

In order to ensure long term disposal capacity is available, Niagara Region staff are:

- i) Initiating the RFP for the Long Term Waste Management Strategic Plan in 2019-2020.
- ii) Participating in the Municipal Mixed Waste Processing (MWP) Working Group, which has the objective to "identify collaboration opportunities and specific information needs, actions and timelines, in order to determine the feasibility of jointly implementing waste management policies, programs and/or facilities", which includes alternative technology facilities.
- iii) Continuing to engage other neighbouring municipalities in discussions related to available capacity at their current/future alternative waste management technology

facilities and future needs that could be addressed by partnering on alternative technologies.

#### B) PROPOSED BASE COLLECTION OPTIONS

The following proposed base collection options were included as part of the stakeholder consultation and engagement phase for Niagara Region's next collection contract:

- 1) Change the weekly garbage container (bag/can) limits for IC&I and MU properties located inside DBAs from seven (7) containers to four (4) containers per property.
  - 2) Change the weekly garbage container limit for MU properties located outside DBAs from six (6) containers to four (4) containers per property.
  - 3) Every-other-week (EOW) collection for garbage only (weekly recycling and organics to continue) for all sectors outside DBAs:
    - Current garbage container limits would double for all sectors (i.e. LDR properties would be allowed to set out two (2) garbage containers, on an EOW basis).
- and/or
- 4) Mandatory use of clear bags for garbage, with the option of allowing an opaque privacy bag to be placed inside the clear bag:
    - The clear bag program will be for all sectors (both inside and outside DBAs).
  - 5) Establishment of a four (4) item limit per residential unit, per collection, for large item collection at LDR properties, and, if requested by LAMs, as an enhanced collection service at eligible Multi-Residential (MR) and MU properties.
  - 6) Discontinuation of appliances and scrap metal collection at LDR properties.

#### Rationale for Proposed Base Collection Options:

The following rationale was taken into consideration when determining which collection options were recommended for consultation:

- 1) Increasing participation and capture rates in the Region's recycling and organics diversion programs and extending existing landfill site capacity;
  - Nearly 50% of low density residential garbage is organic waste and only 48% use the residential Green Bin program;
  - IC&I and MU audits show diversion programs underutilized.
- 2) Benchmarking collection services, based on the best practices and/or major trends observed from the service levels provided at Niagara's 13 municipal comparators that would result in financial, environmental and/or social benefit e.g. contract cost avoidance and increased diversion through the implementation of EOW garbage collection.
- 3) Reflecting actual service usage based on results of curbside audits and other collection monitoring/measurements and contract cost avoidance for services with limited usage:
  - 99% of properties using the large item service set out 4 items or less and 92% of the total bookings were for 4 or less items.
  - Appliances and scrap metal:
    - Tonnages have decreased by 94% since 2007;

- Items can be recycled, at no cost, at the Region's Drop-off Depots, or by scrap metal haulers/dealers;
  - Only 6% of properties are using the service.
- 4) Standardizing base garbage collection limits across similar sectors to improve service delivery and program communication, increase participation and capture rates in diversion programs, potentially avoid contract costs for a service level which is not needed and reduce contract complexity – this specifically includes consistent base garbage collection container (bag/can) limits for the IC&I and MU sectors inside and outside DBAs;
- Average number of garbage containers placed out per week:
    - IC&I properties inside DBAs was 2.1;
    - MU properties inside DBAs was 2.0;
    - MU properties outside the DBA is 2.4.
  - Proposed four (4) garbage container limit should meet the set-out needs of the IC&I and MU properties, based on these audit results, particularly if diversion services are utilized. IC&I properties outside DBAs already have a base four (4) garbage container limit in place.

The associated rationale for each proposed base collection option and the curbside set-out audit data for the IC&I and MU sectors are included in more detail in Appendix 3.

### C) STAKEHOLDER CONSULTATION AND ENGAGEMENT PHASE

The stakeholder consultation and engagement phase was referred to as “Let's Talk Waste Niagara”.

Stakeholder consultation and engagement began in May 2018 and was carried out in two phases:

- 1) Targeted Stakeholder Consultation
- 2) Broad-based Community Consultation

#### 1) Targeted Stakeholder Consultation:

Various stakeholder groups were targeted for consultation to provide input on the proposed collection options being considered for Niagara Region's next contract. These stakeholder groups included:

- a) Regional Departments and Agencies, Boards and Commissions (ABCs) (i.e. Niagara Region's Planning and Development Services Department, Niagara Regional Housing, and Niagara Region's Economic Development);
- b) Waste Management Advisory Committee (WMAC);
- c) Organizations Representing Businesses (i.e. Business Improvement Associations, Chambers of Commerce, Niagara Tourism Agencies, and Niagara Industrial Association);
- d) LAMs (i.e. municipal staff and Councillors).

The formal input on the proposed collection options was received from the following targeted stakeholder groups:

a) Regional Departments and ABCs:

i) Niagara Region's Planning and Development Services:

Niagara Region's Planning and Development Services noted the proposed options align with and support policy 4.2.9.1 d) i) of the Growth Plan, which relates to waste management. Staff also reviewed the proposed container limit changes pertaining to MU properties inside and outside DBAs, to ensure alignment with broader Corporate initiatives, including the objectives of Growth Management policies. Based upon their review, it was anticipated that smaller MU developments would not be affected by the proposed change in container limits.

ii) Niagara Regional Housing:

Niagara Regional Housing reviewed the relevant proposed collection options and indicated they would not be in support of EOW garbage collection, or mandatory use of clear bags for garbage at their properties.

iii) Niagara Region's Economic Development:

Niagara Region's Economic Development indicated that their work generally revolves around larger industrial companies, which would not use the Region's curbside garbage collection service, and would not be impacted by the proposed collection options.

b) Waste Management Advisory Committee (WMAC)

A meeting was held with members of the WMAC on November 21, 2018 to discuss the proposed collection options and obtain their formal comments. The WMAC members voted all in favour or majority in favour of all of the proposed collection options.

c) Organizations Representing Businesses (ORBs):

Meetings were held with representatives from each of Niagara's local Business Improvement Associations (including LAM staff), Chambers of Commerce, Niagara Tourism Agencies, Niagara Economic Development Corporation, and Niagara Industrial Association, during the months of July, August and September. The dates of these meetings can be found in Appendix 5.

The purpose of these meetings was to:

- Discuss the proposed collection options;
- Obtain their preliminary input on these options;
- Obtain their input on how to further engage their members; and,
- Request their formal comments on the proposed collection options by November 30, 2018.

The following ORBs provided formal comments on the proposed collection options for the next contract:

- Queen Street BIA, Niagara Falls
- Victoria Centre BIA, Niagara Falls
- St. Catharines Downtown Business Association
- Port Dalhousie Business Association
- Grimsby Downtown Improvement Association
- Pelham Business Association

A copy of the ORB's comments were provided to the respective LAM, for their consideration, and are included in Appendix 4.

Based on the comments received, there was limited support for the mandatory use of clear bags for garbage, or the reduction in the garbage container limits for IC&I and MU properties inside the DBAs.

d) Local Area Municipalities (LAMs)

Correspondence on the proposed collection options and enhanced collection services was sent to LAM Clerks and Public Works Officials (PWO) in May 2018, for their review and comment.

Niagara Region made presentations on the proposed collection options at several PWO meetings during 2018. In addition, Region staff offered to attend LAM Committee or Council meetings to make a presentation. As of December 19, Region staff were requested to present at the following LAM Committee or Council meetings:

- Grimsby Council (December 17, 2018)
- Niagara-on-the-Lake Council (January 7, 2019)
- Lincoln Council (January 14, 2019)
- Niagara Falls Council (January 15, 2019)
- Fort Erie Council (January 21, 2019)
- West Lincoln Council (January 21, 2019)
- Welland General Committee (January 22, 2019)

Town of Grimsby

Town of Grimsby Council, at its December 17, 2018 meeting, approved the eight recommendations, which were included in Report DPW18-42:



- 1) Implement EOW garbage collection for all residential properties and for those IC&I and MU properties located outside the Grimsby DIA area, as a base service.
- 2) Do not implement clear garbage bags.
- 3) Establish a four-item limit for large item collection, per residential unit.
- 4) Provide large-item collection at MR buildings with 7 or more residential units and MU properties with 1 or more residential unit.
- 5) Discontinue appliances and scrap metal curbside collection at LDR properties.
- 6) Reduce the number of garbage bags/containers for IC&I and MU properties inside the DIA area from 7 to 4 per week, as a base service.
- 7) The Town's enhanced service and extra payment for collection inside the Grimsby DIA area remain at two collection days per week but changed to Tuesdays and Fridays and that the number of garbage bags/containers be reduced from 12 per pick-up day to 6 per pick-up day (12 per week), resulting in the Town's Enhanced service payment being reduced from 17 bags/containers per week to 8.
- 8) The number of garbage bags/containers for MU properties outside the Grimsby DIA area be reduced from 6 to 4 per week, or 8 containers under EOW garbage collection, as a base service.

Formal comments from the remaining LAMs on the proposed base collection options and which enhanced services are to be included in Niagara Region's next contract are requested by February 1, 2019 or no later than February 20, 2019.

2) Broad-based Community Consultation:

In addition to targeted stakeholder consultation, a broad-based community consultation was undertaken with the following stakeholder groups:

- LDR households;
- MR property owners, groups and associations (i.e. property management companies);
- IC&I and MU property owners

This broad-based community consultation included the following activities and approaches:

- a) Promotion & Outreach;
- b) Surveys;
- c) Public Open Houses and Community Booths;
- d) Social Media; and
- e) Waste Management Info-Line and Website.

a) Promotion & Outreach:

The following mediums were used during the last week of October and the entire month of November to promote community consultation on the proposed collection options:

- (i) Niagara Region's Website

- (ii) Social Media (i.e. Facebook paid ads and posts and Twitter posts) with a link to the “Let’s Talk Waste” webpage;
- (iii) Letters sent to IC&I, MU and MR properties, which use Region’s curbside garbage;
- (iv) Newspaper Advertisements (i.e. print and on-line);
- (v) Media Coverage (i.e. Cogeco YourTV, 610 CKTB, newspaper articles);
- (vi) Postcards (Regional and Municipal offices)

Details on each of the various promotional mediums can be found in Appendix 5.

b) Surveys:

A Request for Proposal was awarded to Metroline Research Group to undertake quantitative research to determine whether there was sufficient support for recommending the proposed collection options. The following surveys were completed:

- (i) On-line surveys were completed by 6,639 LDR households, 38 MR and 166 IC&I and MU properties (86 outside DBAs and 80 inside DBAs);
- (ii) Telephone survey of 1,253 LDR households;

Based on preliminary results, as of December 17, 2018, strong support for the following options occurred:

- Establishment of a four (4) item limit per residential unit, per collection, for large item collection at LDR properties, as a base service.
- Discontinuation of appliances and scrap metal curbside collection at LDR properties, as a base service.

However, no clear LDR support for EOW garbage collection or mandatory use of clear garbage bags was demonstrated in the survey results:

- LDR households were roughly split on supporting EOW garbage collection with slightly more leaning towards continuing their weekly collection.
- Opposition to the mandatory use of clear garbage bags was apparent, particularly from the on-line survey (73% of LDR households opposed).

In order to determine the order of preference for clear garbage bags versus EOW garbage collection (or both), all survey respondents were asked to make a program choice. The below table highlights the results from all stakeholder groups, with the exception of IC&I and MU inside DBAs who would not receive EOW garbage collection, and in many cases receive enhanced services.

	LDR		MR	IC&I and MU Outside DBAs
	Telephone	On-line	On-line	On-line
Clear Bag	33%	17%	29%	36%
EOW	27%	33%	13%	15%

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	LDR		MR	IC&I and MU Outside DBAs
Both Clear Bag and EOW	21%	12%	18%	7%
Neither <sup>1</sup>	19%	38%	40%	42%

1. In the telephone survey, LDR households could not see the option of 'neither' and the interviewer worked to obtain a choice, which is why this option has a much lower response than in the on-line surveys.

In the case of the IC&I and MU sectors:

- Majority of those property owners (58% of 43 respondents) receiving base garbage collection inside the DBAs indicated they can manage if the container limit is reduced from seven (7) containers to four (4);
- Majority of those property owners (65% of 43 IC&I respondents and 74% of 35 MU respondents) outside the DBAs support continuing the current level of service.

A more detailed description of results is provided below.

(i) On-line Surveys:

On-line surveys were developed to obtain formal input from various stakeholder groups (i.e. LDR, MR, IC&I and MU) on the proposed collection options. These on-line surveys were open to all residents and businesses receiving Niagara Region's curbside garbage collection service.

A total of 6,639 on-line surveys were completed by LDR households, 38 on-line surveys by MR households, and 166 on-line surveys by IC&I and MU properties. There were no controls to limit the regions or populations for survey participants. However, Metroline monitored and deleted any duplicate survey submissions.

The highlights of the on-line survey results for each sector are included below.

- LDR:
  - 43% would be able to manage with EOW garbage collection;
  - 62% would not support mandatory use of clear bags for garbage;
  - 33% would choose the option of EOW garbage collection; 17% clear bags; 12% both EOW and clear bags; and 38% neither option;
  - 72% would not be impacted with placing a maximum limit of four large items per weekly collection;
  - 61% would not be impacted with the elimination of curbside collection of appliances/scrap metal
- MR:
  - 37% would be able to manage with EOW garbage collection;

- 42% would not support mandatory use of clear bags for garbage;
  - 13% would choose the option of EOW garbage collection; 29% clear bags; 18% both EOW and clear bags; and 40% neither option
  - IC&I and MU Inside DBAs (Base Collection):
    - 58% could manage if the weekly base container limit was reduced from seven to four containers;
    - 46% of IC&I and 49% of MU properties would not support mandatory use of clear bags for garbage
  - IC&I and MU Inside DBAs (Enhanced Collection):
    - 66% feel they need to maintain their current container limits;
    - 87% feel they need to continue with their current frequency of collection
  - IC&I and MU Outside DBAs (Base Collection):
    - 66% of MU properties could manage if the weekly base container limit was reduced from six to four containers;
    - 35% of IC&I and 26% of MU properties would be able to manage with EOW garbage collection
    - 38% of IC&I and 63% of MU properties would not support mandatory use of clear bags for garbage
- (ii) Telephone Survey:  
Metroline conducted a random telephone survey of residents living in LDR properties. In total, 1,253 surveys were conducted, which can be considered statistically accurate to within +/-2.8%, 19 times out of 20 (95% Confidence Interval). The sample was divided between the 12 LAMs, with minimum of 75 surveys was completed in each.

The highlights of the telephone survey results are included below:

- LDR:
  - 46% would be able to manage with EOW garbage collection;
  - 38% would not support mandatory use of clear bags for garbage;
  - 27% would choose the option of EOW garbage collection; 33% clear bags; 21% both EOW and clear bags; and 19% neither option;
  - 89% would not be impacted with placing a maximum limit of four large items per weekly collection;
  - 75% would not be impacted with the elimination of curbside collection of appliances/scrap metal

Additional details on the LDR on-line and telephone survey results can be found in Appendix 8.

c) Public Open Houses and Community Booths:

Niagara Region conducted one public open house and one community booth event in each of Niagara's 12 LAMs during the month of November. The dates and locations of these events can be found in Appendix 6.

The purpose of these events was to engage participants on the proposed collection options and request their input on the proposed collection options through completion of the on-line survey. There were over 500 participants that attended these various events held across the region.

The majority of comments received were related to the options for EOW garbage collection and mandatory use of clear garbage bags. Participants attending the community booths and open houses were divided about every-other-week garbage collection. While approximately half of the participants expressed their support, there were some specific concerns that were repeated throughout the consultation process. There was less support for clear bags, with the majority of participants expressing opposition to this option.

A minority of the feedback and conversations at these events dealt with the options to introduce a four-item limit on large item collection and the discontinuation of appliances and scrap metal curbside collection, but of those commenting, there was a high level of support to implement these changes.

Appendix 4 provides a summary of the more commonly-repeated concerns raised during these events.

d) Social Media:

Facebook was the primary social media platform used by stakeholders to comment on the proposed collection options for the next contract. The majority of comments were related to the proposed options for the mandatory use of clear garbage bags and every-other-week garbage collection. Of all the comments documented that were related to every-other-week garbage collection, 22% of comments were in support of this proposed option. For clear garbage bags, 10% of comments related to this option were supportive.

Overall, the majority of commenters used this platform as a means of communicating their concerns. The comments posted on the Region's paid Facebook advertisement were reviewed, categorized and tallied. As of November 30, 2018, there were 1,467 Facebook comments were posted.

Appendix 4 provides a summary of the ten most frequently reported concerns, in order of the frequency that they appeared in the comments section.

e) Comments from Niagara Region's Waste Management Info-Line and Website:

A total of 65 comments/inquiries on the proposed collection options were received and responded to by staff through Niagara Region's Waste Management Info-Line, Website or by email in either June, October, or November.

D) OVERVIEW OF KEY RECOMMENDATIONS

1. Base Collection Service Changes

As a result of the stakeholder engagement and consultation process, the following key recommendations are being made:

a) EOW Garbage Collection

Based on best practices and experience with EOW garbage collection in Niagara's municipal comparator group (municipalities with populations greater than 300,000) and the potential for significant cost reduction, it is recommended that this option be included for pricing in the next collection contract RFP, for comparison with weekly garbage collection frequency. Although there was no clear stakeholder support and Niagara Regional Housing expressed opposition to this option, municipalities who have implemented this change note that residents do adapt and increase their diversion efforts, as a result.

EOW garbage collection would apply to all residential properties and those Industrial, Commercial & Institutional (IC&I) and Mixed-Use (MU) properties located outside Designated Business Areas (DBAs), as a base service (weekly recycling and organics to continue, and current garbage container (bag/can) limits would double for affected sectors, on an EOW basis).

b) Limit on Large Item Collection

Establishment of a four (4) item limit per residential unit, per collection, for large item collection at LDR properties, as a base service is recommended, based on actual usage statistics and responses from a majority of survey respondents.

c) Discontinuation of Appliances and Scrap Metal

Discontinuation of appliances and scrap metal curbside collection at LDR properties, as a base service is recommended based on actual usage statistics and responses from a majority of survey respondents.

d) Weekly Base Garbage Container Limits Inside DBAs

Changing the weekly garbage container limits for IC&I and MU properties located inside Designated Business Areas (DBAs) from seven (7) containers to four (4) containers per property, as a base service, is recommended, based on actual usage statistics and responses from a majority of base service user on-line survey respondents. Although the base garbage container limit would decrease, eligible IC&I and MU properties inside the DBAs have unlimited organics and recycling collection once weekly, but currently

these diversion programs are underutilized. It should be noted that of the six (6) ORBs that provided formal comment, only one (1) supported this change.

e) Weekly Base Garbage Container Limits Outside DBAs

Changing the weekly garbage container limit for MU properties located outside DBAs from six (6) containers to four (4) containers per property, as a base service, is recommended, based on actual usage statistics and to achieve a standardized base collection service across all similar sectors (in combination with option d) above). This will reduce service and contract complexity and improve program communication across the region. This change is also expected to result in increased diversion efforts, as the current unlimited recycling and organics program for all eligible IC&I and MU properties are currently underutilized. The IC&I sector outside the DBAs has had four (4) container limit per property, as a base service since March 2011. However, it should be noted that out of the 43 MU survey respondents, only one third felt they could manage if this change was made.

While the initial list of all proposed options is supported by WMAC and Niagara Region's Planning and Development Services noted the options align with and support policy 4.2.9.1 d) i) of the Growth Plan, which relates to waste management, one of the options is not recommended for implementation based on the general lack of support from survey respondents. The use of mandatory clear garbage bags will continue to be monitored for potential future implementation but based on existing data from Ontario jurisdictions, EOW garbage collection is expected to have more of a positive financial and diversion performance impact.

In order to address the concerns and comments received on the proposed options being recommended for inclusion in the next collection contract, Appendix 7 proposes potential solutions to minimize impact of the change(s) on the service user. This appendix will continue to be developed and expanded, as required.

## 2. Enhanced Collection Service Changes

Niagara Region is requesting that LAMs confirm existing or new enhanced services that should be provided as part of the next collection contract. There are three areas that should be specifically addressed:

- a) In those LAMS that provide enhanced garbage collection service to DBAs, Regional staff have been engaged in discussions with Local Public Works Officials on one or more of the following proposals for the IC&I and MU sectors, based on usage of current garbage collection service and underutilization of the diversion programs:
- Reducing DBA garbage container limits;
  - Reducing frequency of DBA garbage collection; and
  - Increasing recycling and/or organics collection service to align with frequency of garbage collection.

- b) Provision of enhanced bulky goods collection to those households in MR buildings with seven (7) or more residential units (garbage limit of a maximum of 12 containers per week with no tags) and MU properties with one (1) or more residential unit (garbage limit of a maximum of seven (7) containers per week outside the DBA and a maximum of six (6) containers per week inside the DBA), that receive the Region's curbside base garbage collection and/or to those MR building receiving enhanced Regional containerized front end garbage collection service:
- These properties must be participating in the Region's diversion programs (i.e. recycling and organics) in order to qualify to receive this service.
  - This service would be provided in a manner that is parallel to the approved service for the LDR sector.
- c) Verification if any municipality would like to include a per stop price for in-ground public space recycling and litter bins and/or for in-ground IC&I, MR and/or MU properties (all streams), as an enhanced service under provisional items.

### 3. Contract Service Improvements

As outlined in Report WMPSC-C 9-2018, staff will be pursuing the following service improvements in the next collection contract RFP:

- a) Potential changes to how the Region collects leaf and yard waste (L&YW) and brush at LDR households, which would be a seamless change to residents:
- In addition to the current service level, the Region would obtain pricing to provide an additional four weeks of dedicated L&YW and branch collection in the spring and the fall seasons, in the urban areas only, or potentially expanding a dedicated L&YW and brush collection to approximately ten (10) months of the year in urban areas;
  - This change would result in lower organics processing costs by separating L&YW material from green bin material, thereby removing this material from the GORE system;
  - This change would result in increased organics collection costs associated with providing these additional L&YW and branch collection service;
  - Staff will need to complete a cost-benefit analysis to determine whether the organics processing cost savings outweigh the increased collection costs before determining whether to proceed with these changes.
- b) Elimination of a current restriction that impacts IC&I properties with private garbage collection. Currently, these properties, which would otherwise have been eligible to receive curbside garbage collection, are restricted from using this service.
- These properties must be participating in the Region's diversion programs (i.e. recycling and organics), in order to qualify to receive the curbside garbage collection service.



## E) NEXT STEPS

The Region is requesting receipt of the following from LAMs by February 1, 2019 or no later than Feb 20, 2019:

- Comments/position on proposed base collection service options;
- Verification of current or additional enhanced services - this would include:
  - Services to IC&I and MU properties inside DBAs;
  - Provision of enhanced large item collection service to MR and MU residential units, in a manner parallel to the service provided to the LDR sector (i.e. if LDR has a 4 item limit per unit per collection day, this would also apply to MR and MU residential units);
  - Inclusion of a per stop price for in-ground public space recycling and litter bins and/or for in-ground IC&I, MR and/or MU properties (all streams), as an enhanced service under provisional items.

The milestones for the collection contract RFP development are outlined below:

- Report to Public Works Committee (PWC) and Council on results of stakeholder consultation and engagement (PWC January 8, 2019 and Council January 17, 2019);
- Receipt of each LAM's position on base and enhanced services (no later than February 20, 2019);
- Council approval of service levels to be included and RFP development initiated (Q2 to Q3 2019);
- RFP issuance (early Q4 2019);
- Award of new collection contract (Q1 2020);
- One year for successful bidders to order/receive their fleet of collection vehicles (Q1 2020 to Q1 2021);
- Start of new contract (March 8, 2021).

## **Alternatives Reviewed**

Niagara Region investigated the option of switching over to cart-based collection for the next collection contract. Under the Province's Environmental Plan, waste diversion programs, such as the Blue Box Program, may be moving to the producer responsibility model. As a result, Niagara Region would no longer be responsible for providing collection and processing of Blue Box materials. This would be the responsibility of the Blue Box industry stewards. Therefore, at this time, staff did not believe implementing major program changes was advisable.

Also, based on the experiences of other municipalities that implemented a cart-based collection program, this option was not recommended for further consideration for the following reasons:

- 1) Significant capital costs to purchase and distribute the carts

- 2) On-going annual maintenance and replacement costs associated with the carts
- 3) Higher contamination rates of the recycling and organics streams associated with the use of carts. As a result, there would be a decrease in the Region's revenues and difficulty with marketing the recyclables.
- 4) Additional costs associated with retrofitting Niagara Region's Materials Recycling Facility from the current two-stream operation to a single-stream operation, if all recyclables are collected in one cart.

Based on the results received during the stakeholder consultation and engagement phase, the following proposed collection option is not being recommended for implementation, as part of Niagara Region's next collection contract:

- 1) Mandatory use of clear bags for garbage, with the option of allowing an opaque privacy bag to be placed inside the clear bag

### **Relationship to Council Strategic Priorities**

The recommendation to approve the proposed base collection services for Niagara Region's next collection contract supports Council's Strategic Priority of Investment, Innovation and Entrepreneurship.

### **Other Pertinent Reports**

- CWCD 357-2018 Let's Talk Waste Niagara – Stakeholder Consultation and Engagement Activities for the Proposed Waste Collection Options
- CWCD 216-2018 Fact Sheet – Consultation and Engagement Strategy for Proposed Service Level Collection Options Under Consultation
- WMPSC-C 9-2018 Stakeholder Consultation and Engagement on Proposed Collection Service Changes for Next Collection Contract
- WMPSC-C 34-2017 Schedule for the Next Regional Waste, Recycling and Organics Collection Contract
- PW 42-2014 A Matter of the Security of the Property of the Municipality – Bulky/White Goods Collection Service for Multi-Residential and Mixed-Use Properties
- WMPSC-C 44-2013 Bulky/White Goods Collection Service for Multi-Residential and Mixed-Use Properties
- WMPSC-C 2-2013 Large Item Collection Service for Multi-Residential Buildings and Mixed-Use Properties
- PW 47-2012 Consultation Results on Proposed Clear Bag Pilot for Industrial, Commercial and Institutional Properties
- WMPSC 24-2011 Clear Bag for Garbage Pilot for Industrial, Commercial and Institutional Properties

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*This report was prepared in consultation with Susan McPetrie, Waste Management Services Advisor and reviewed by Sara Mota, Program Financial Specialist, and Catherine Habermebl, Director, Waste Management Services.*

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