

STAFF REPORT



TO Planning & Building, Engineering and Environment Committee

SERVICE AREA Planning, Building, Engineering, and Environment

DATE August 5, 2014

SUBJECT 2013 Solid Waste Resources Annual Report

REPORT NUMBER

EXECUTIVE SUMMARY

PURPOSE OF REPORT

To inform Council and Guelph residents of the operations and successes of the Solid Waste Resources Department during 2013.

KEY FINDINGS

1. Operated all aspects of Solid Waste Resources in compliance with all applicable legislation;
2. Attained a residential diversion rate of 69% (unaudited);
3. Successfully implemented Phase 2 of the conversion to automated cart-based waste collection;
4. Initiated the five year review of the Solid Waste Management Master Plan to build on Guelph's leadership in waste minimization and diversion for a sustainable, service focussed and economically viable future.

FINANCIAL IMPLICATIONS

N/A

ACTION REQUIRED

That Council receive the 2013 Solid Waste Resources Annual Report for information.

RECOMMENDATION

1. That report from Planning, Building, Engineering and Environment dated August 5, 2014 entitled "2013 Solid Waste Resources Annual Report" be received.

REPORT

The Solid Waste Services Annual report provides an overview of operations and activities relating to the management of solid waste at the City of Guelph. The 2013 Annual Report has been modified to provide a high level summary of the successes and learnings of the Solid Waste Resources Department, opportunities for future improvement, and year-over-year comparisons, where applicable.

STAFF REPORT

The new format divides the report into four sections highlighting:

- Introduction and Overview;
- The Solid Waste Services scorecard;
- 2013 Selected Highlights and Review; and
- Preparing for 2014.

The newly developed scorecard provides a snapshot of our strategic focus and provides clarity on our key business drivers.

CORPORATE STRATEGIC PLAN

Strategic Direction # 2.3: To ensure accountability, transparency and engagement.

DEPARTMENTAL CONSULTATION

N/A

COMMUNICATIONS

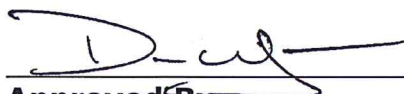
N/A

ATTACHMENTS

Attachment 1 2013 Solid Waste Resources Annual Report

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Give Waste
a New Life

SOLID WASTE RESOURCES

Annual Report

2013

Table of Contents

Introduction & Overview.....	1
SWR Scorecard	3
2013 Selected Highlights & Review.....	5
Preparing for 2014	10

Introduction & Overview

The Solid Waste Resources (SWR) Annual report provides an overview of the operations and activities related to the management of waste at the City of Guelph. This report provides an operational summary related to the collection, processing and disposition of waste, providing year-over-year comparisons where applicable. This year's report features a significant shift from past reports submitted to Council and attempts to combine elements to better educate our stakeholders regarding our business and metrics. The report contains four sections:

1. Introduction and Overview
2. Solid Waste Resources Scorecard
3. 2013 Key highlights and review
4. Preparing for 2014

Solid Waste Resources plays a vital role in facilitating the processing, diversion and disposal of waste generated within the City of Guelph and delivers public services better by finding innovative ways to manage Guelph's organic, recyclable, household hazardous and other solid waste. The department provides waste management services to residential and commercial customers in compliance with all provincial legislation and regulations that build on Guelph's leadership in waste management for a sustainable, service focused and economically viable future. Key activities at SWR include:

- Providing three-stream, yard waste and bulky item collection services to residential clients in Guelph
- Operating Guelph's Material Recovery Facility (MRF), Organic Waste Processing Facility (OWPF), Public Drop-Off facility (PDO), Household Hazardous Waste Recovery Facility, and Transfer Station
- Planning and implementing waste reduction and diversion programs
- Monitoring and maintenance of the former Eastview Landfill and operation of a Methane Gas Collection System

A high level summary of the SWR operations is shown in Figure 1.

DESTINATION

PROCESSING

STREAMS

SOURCE

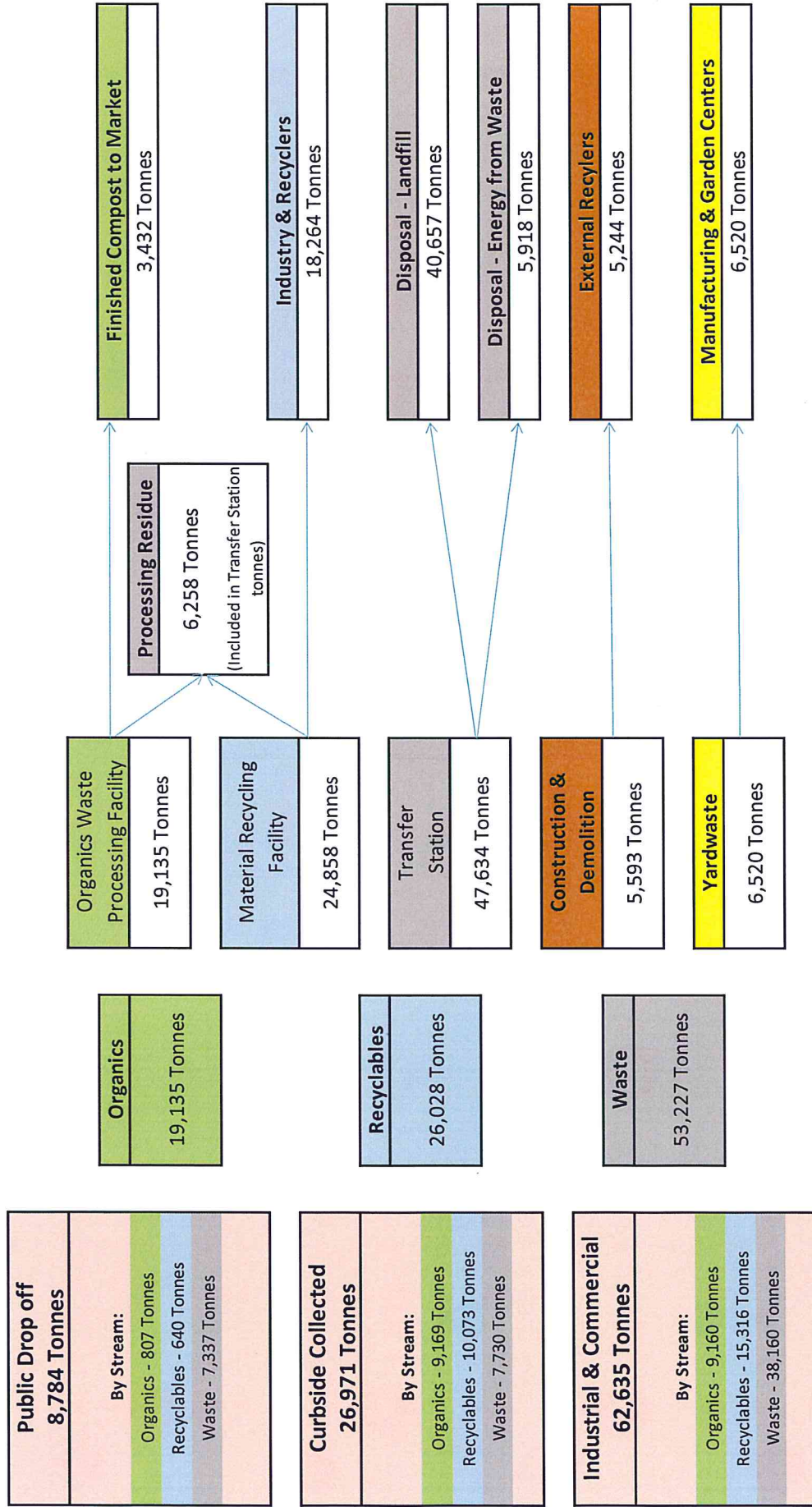


Figure 1: Summary of 2013 SWR Operations

SWR Scorecard

In 2013, SWR began work on a balanced scorecard, which would provide guidance on how the business is performing against its strategy. The scorecard metrics followed from the understanding that the SWR strategy focused around three key themes:

1. Maintaining compliance with regulations
2. Maximizing diversion of incoming waste away from landfill while minimizing operating costs
3. Reviewing, monitoring and promoting programs to reduce waste generation to both residential and commercial customers

The metrics that are monitored in the scorecard are grouped into three key areas of performance:

- Regulatory compliance
- Operational Excellence
- Customer Service and Community Engagement

The scorecard, shown on the next page, provides information on:

- 2013 Actuals
- 2014 Targets
- Explanatory notes, where applicable
- Status with Trend using the following legend:

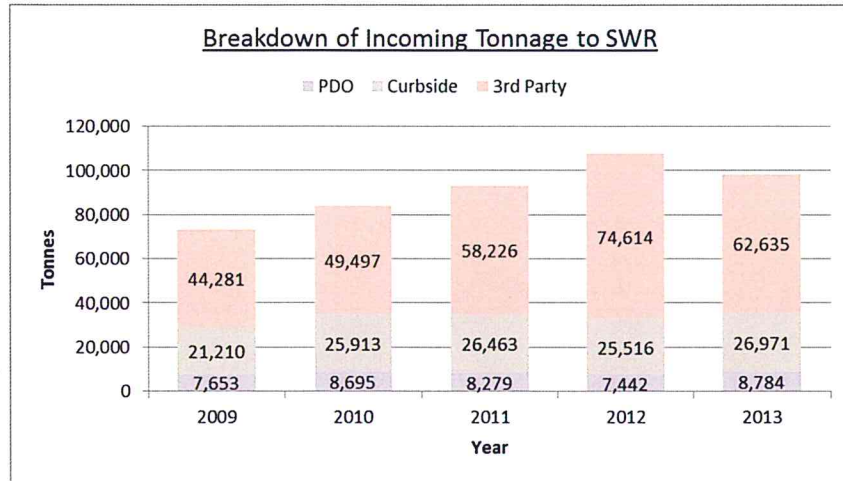
	Indicates that 2013 goal was met or exceeded.
	Indicates that the metric is new and a 2013 goal was not defined.
	Indicates that 2013 goal was not met.
+	Indicates a positive trend; the metric is moving in the right direction as planned.
-	Indicates a negative trend; the metric is moving in the wrong direction than planned.
=	Indicates a stable trend; the metric is being maintained.

Table 1: 2013 Solid Waste Resources Performance Scorecard

		Indicator	Measure	2012 Actuals	2013 Target	2013 Actuals	2014 Target	Trend	Notes
Operational Excellence	Financial Viability	To be within 5% of the approved operating budget (- is favourable)		5.1%	+/- 5%	0.0%	+/- 5%	+	
		Increase volume of third party waste into Transfer Station (tonnes/month)		2,888	3000	3,180	3,339	+	Increase by 5% over previous year
	Minimize operating costs of waste processing	Total SWR department costs funded by tax base per household per week		\$4.30	\$4.08	\$4.07	\$4.05	+	Based on 49,966 houses
		Cost per Tonne processed – Materials Recovery Facility		\$111.56	\$140.00	\$118.25	\$117.00	+	
Customer Service & Community Engagement	Customer Service	Cost per Tonne collected - Collections		\$189.87	\$185.00	\$179.44	\$175.00	+	
		Unplanned employee absenteeism at SWR (hours)		6293 hours	4000 hours	3762 hours	3375 hours	+	
		Customer collection complaints per 1000 households		14	10	9	10	+	Includes waste not collected and driver complaints only.
	Maximize diversion of incoming waste away from landfill.	Wait time for residents at PDO		No Data	NA	No Data	TBD		New Performance metric for 2014 - developing plan to gather current baseline to set target
		Annual residential diversion rate %		68%	68%	69%	69%	+	From 2013 Data call (not audited by WDO)
		SWR Work Well Audit Score		39%		77%	80%	+	Measures the effectiveness of our H&S program based on WSIB work well program standards, which requires 75% to obtain a passing score.
Regulatory Compliance	Maintain compliance with environmental and labour regulations	Number of verified odour complaints per year		0	0	0	0	=	4 complaints were received and investigated, however, source was not traced back to WRIC
		Charges from MOE or MOL		0	0	0	0	=	

2013 Selected Highlights & Review

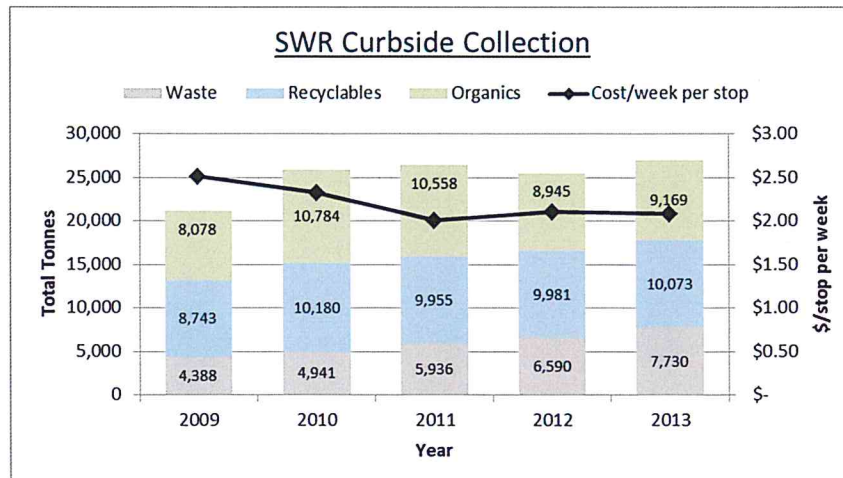
In 2013, Solid Waste Resources (SWR) saw a total of 98,390 tonnes of material cross its scales. This material was brought in by SWR collections staff, Guelph residents and third party commercial haulers.



Consistently, over the last five years, SWR has received two thirds of its waste from third party haulers. This third party volume is critical in helping SWR generate revenue to offset operating costs and also highlights our ability to build relationships and partner with commercial haulers as the waste management facility of choice. The significance of this is seen in our new metric where we have set our goal to increase third party waste tonnage into the transfer station by 5% each year.

SWR Collection Operations

Residential waste, collected by SWR at curbside and dropped off by the residents at our Public Drop Off facility, has been a stable one third of the total waste processed at our facility. While total tonnes of waste collected at curbside have been trending upwards, the collection costs have been trending downwards, staying within the range of \$2.00 to \$2.51 per stop per week over the last five years.



Curbside collection can be broken down into three streams: Waste (Grey), Recyclables (Blue), and Organics (Green). Based on annual tonnage, we can estimate the amount of each stream that is generated and collected in Guelph, together with the quality of the sorting efforts. The breakdown of residential collected materials is shown in the figure below.



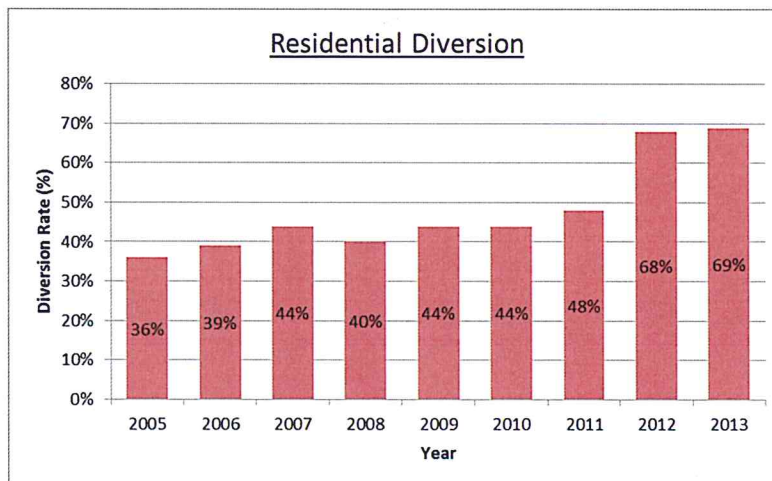
These numbers provide a high level understanding of incoming material. From the chart above, it is interesting to note that waste has been trending higher since 2010, where the organics numbers have been in decline. The recyclables appear to be relatively stable, with a slight decrease in tonnage over the last year. While the weight of the recyclable stream has slightly increased, the volume has increased significantly. This volume increase is reflected in a change of material being collected in the blue cart – there is significantly less glass and fibre comprising the recyclable stream and the thickness of plastic bottles/containers has been reduced (“light-weighting”). Due to the importance of understanding incoming material composition and quality on reducing sorting costs to produce high quality and higher premium sales, plans are being developed to better understand these trends by doing comprehensive audits by waste stream. These audits will help us to drive additional programs to help reverse the trends and ensure high quality material coming into SWR.

Carts Rollout

In 2013, SWR successfully completed the second phase of the carts rollout program which began in 2012. In 2013, SWR staff coordinated delivery of over 42,000 carts to residents. The third and final phase, which will complete the transition from bags to carts, will begin in fall 2014. Once completed, the City will realize the \$460,000 in operating savings through a reduction in FTEs and vehicles. To date, 1 of 3 FTEs and 2 of 4 trucks have been eliminated from the SWR base budget. The remainder will be reduced during the SWR 2015 budget.

Residential Diversion

Diversion is a term used to measure the amount of waste that was diverted away from landfill. SWR receives funding from Waste Diversion Ontario based on its collection and processing of recyclables. The City of Guelph achieved the highest residential waste diversion rate in 2012 with an overall residential waste diversion rate of 68 per cent, well above the 2012 provincial average of 47 per cent. In 2011, Guelph's residential waste diversion rate was 49 per cent. The 19 percent increase over 2011 can be largely attributed to 2012 being the first full year of reporting of composting at Guelph's new Organic Waste Processing Facility. Guelph became the first recipient of the annual Ron Lance Memorial Award announced in November 2013. A historical look at Guelph's diversion rate going back 9 years is shown in the graph below.



The 2013 data call, submitted in April 2014, showed a continuing trend upward for Guelph's diversion rate. The 2013 reported diversion rate was at 69% (subject to audit by Waste Diversion Ontario).

Solid Waste Management Master Plan

SWR began a five year review of the Solid Waste Management Master Plan (SWMMP) in 2013 that when completed will make recommendations that build on Guelph's leadership in waste minimization and diversion for a sustainable, service focused and economically viable future.

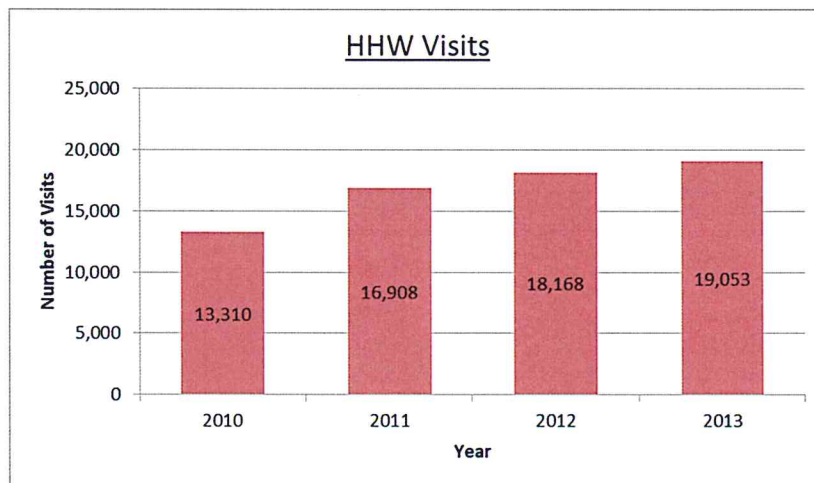
The review showed the City has made significant progress with the recommendations of the 2008 SWMMP. Findings from the review indicate that Guelph is doing well with respect to existing waste diversion and reduction programs and targets when compared with communities across Ontario, the United States and Europe.

The focus of the 2014 plan will be on developing and enhancing waste minimization and diversion initiatives to meet the plan's waste diversion target of 70% by 2021. The revisions to the plan were

developed through extensive research, analysis, and community and stakeholder engagement. Feedback from over 680 residents and stakeholders was obtained through various engagement opportunities, including open houses, focus groups and surveys. The recommendations for the 2014 SWMMMP were endorsed by Council in June 2014.

SWR Processing Operations

Our continuing success with achieving a high residential diversion rate is due to the partnership between Guelph residents and SWR processing operations. SWR processes recyclables and organics in the SWR Material Recovery Facility (MRF) and the Organic Waste Processing Facility (OWPF) respectively. In addition, we also receive different types of waste at our Public Drop Off site and at our convenient Household Hazardous Waste (HHW) facility. In 2013, a total of 19,053 residents made a visit to the PDO to drop off Household Hazardous Waste, which has seen an increasing trend since 2010 as seen in the chart below.



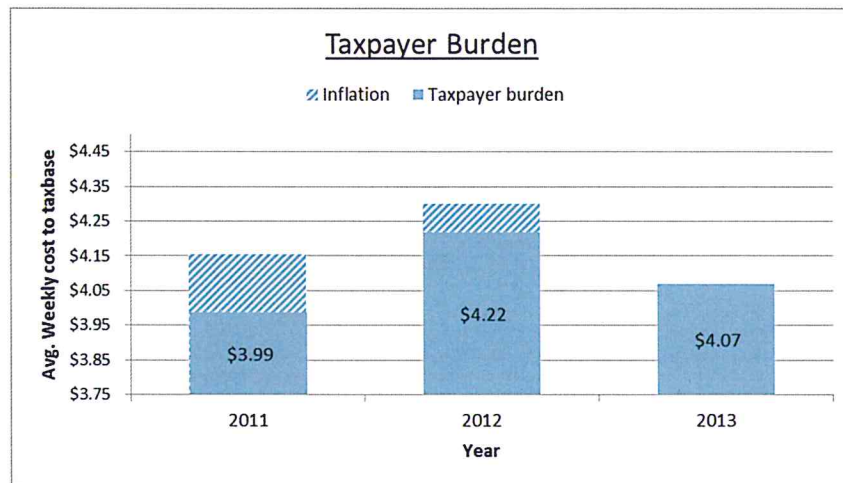
Compliance

Maintaining compliance with Ministry of Environment and Ministry of Labour standards are a critical part of the operations at SWR.

At Solid Waste Resources (SWR) we are continuously committed to meeting Environmental and Occupational Health and Safety compliance. We have strategically scheduled and executed safety activities and are changing our safety culture to become more proactive. SWR's demonstrated commitment and improvement to health and safety management to prevent workplace injuries directly affects the corporation's bottom line. Similarly, SWR is also committed to ensuring that our operations do not have a negative impact on our neighbors in the community through ongoing training and monitoring to ensure that we are exceeding the requirements set out in our Environmental Compliance Approval. During 2013, we received four odour complaints; however investigations did not trace the source of these odours to our operations.

Net burden on Guelph Tax base

The net cost to provide the varied SWR services to Guelph’s residents and industries is shown in the chart below. The chart shows the actual net costs incurred by SWR spread over the total households in City. To enable us to do an appropriate year over year comparison, we have added 2% (assumed inflation rate) to the 2011 and 2012 numbers.



The chart shows that we have been able to keep costs down year-over-year to less than the cost of inflation to provide the service. As we continue to gain efficiencies in our operations, we would expect this number to keep decreasing, provided that there are no unexpected changes to our operating environment.

Preparing for 2014

In 2014, SWR will continue to search for innovative methods to drive continuous improvement activities in our daily operations. Some key activities include:

- Seek Council endorsement of recommendations arising from community engagement and review of Solid Waste Management Master Plan and begin implementation
- Rollout third and final phase of automated cart collection
- Complete construction of new Public Drop-Off facility to improve customer service and address health and safety concerns

We will also be operationalizing our new scorecard to ensure that we are focusing on the appropriate metrics to drive our strategic plan, namely to continue to maximize diversion of incoming waste from landfill, minimize operating costs while maintaining compliance with regulations and continuing to review, monitor and promote programs to reduce non-recyclable waste generation.