



TO: Solid Waste Management Select Committee
MEETING: September 10, 2020

FROM: Larry Gardner
Manager Solid Waste Services
FILE: 5365-02

SUBJECT: Zero Waste Recycling Funding

RECOMMENDATIONS

1. That the Board endorse expanded access to the Solid Waste Management Plan Zero Waste Recycling funding under the eligibility criteria set out in this report.
2. That the Board direct issuance of a call for innovative zero waste proposals in October 2020, in order to allocate 2021 funds.
3. Subject to the Board's endorsement of expanded access to Zero Waste Recycling funding, that the Board direct notification to the Ministry of Environment and Climate Change Strategy of this change to the Solid Waste Management Plan.

SUMMARY

The Regional District of Nanaimo (RDN) Solid Waste Management Plan (SWMP) is targeting a waste diversion rate of 90 percent over the next ten years. The recently provincially approved SWMP allocates \$300,000 per year between 2019 to 2023 to the Nanaimo Recycling Exchange (NRE) to act as a research and recycling hub for hard to recycle materials. The NRE ceased operations of their facility in March 2018 and has only recently applied for a portion of the available funding.

At the regular Board meeting of July 28, 2020, staff were directed to prepare a report:

- *“to allow the Zero Waste Recycling Funding earmarked for the Nanaimo Recycling Exchange to be made available for project proposals from other agencies with options for funding criteria that prioritizes proposals from non-profits and those that include partnerships between organizations (government, non-profit and private)”*
- *“with options for eligibility criteria to access Zero Waste Recycling Funding that includes language for innovative programs that increase diversion through the development of a circular economy, not only through recycling, but through actions further up the zero waste hierarchy of highest best use such as reduction, redesign, re-use, repair and reprocessing of materials.”*

This report outlines:

- a framework to encourage and evaluate submissions of innovative ZWR proposals that advance the goals of the SWMP, specifically, to advance a circular economy through application of the zero waste hierarchy; and,
- the requirement to notify the Ministry of Environment and Climate Strategy of any changes to the SWMP such as extending the Zero Waste Recycling (ZWR) funds to other agencies.

BACKGROUND

The SWMP sets out a ten-year vision on how the RDN will manage municipal solid waste and recyclable materials with a goal of 90 percent waste diversion from the 1980's baseline of disposal rate of 1,084 kg per capita per year,. On March 5, 2020, the Honourable George Heyman, Minister of Environment and Climate Change Strategy (MOECCS) approved the SWMP.

The SWMP recognizes that there are a number of waste types that can be recycled, however, they are not part of a stewardship program, nor are there established commercial markets for these materials. The SWMP proposes to target these materials through funding to NRE with the objectives of:

1. Maximizing waste diversion;
2. Encouraging non-profit and private sector innovation to develop markets and processes; and
3. Improving convenience for recycling materials.

The SWMP Zero Waste Recycling (ZWR) strategy includes funding to the NRE in the amount of \$300,000 between 2019 and 2023 to act as a research/recycling hub for recycling items currently not commercially marketable. The NRE ceased operations of their facility in March 2018 and has only recently applied for a portion of the available funding.

On July 28, 2020, the Board passed the following motions:

1. *It was moved and seconded that staff prepare a report to allow the Zero Waste Recycling Funding earmarked for the Nanaimo Recycling Exchange to be made available for project proposals from other agencies with options for funding criteria that prioritizes proposals from non-profits and those that include partnerships between organizations (government, non-profit and private).*
2. *It was moved and seconded that staff prepare a report with options for eligibility criteria to access Zero Waste Recycling Funding that includes language for innovative programs that increase diversion through the development of a circular economy, not only through recycling, but through actions further up the zero waste hierarchy of highest best use such as reduction, redesign, re-use, repair and reprocessing of materials.*

Motion 1: Broadening access to ZWR funding to other agencies

It is anticipated that other non-profit organizations may have beneficial programs that meet the objectives of the SWMP. Two examples of similar funding programs in neighboring regional districts are:

- Capital Regional District – administers a non-profit Recycling Initiative that is equally dispersed between ten qualifying organizations.
- Comox Valley Regional District – provides a 50 percent tip fee reduction for all non-profits performing fundraising events.

Fostering healthy competition and innovative ideas are potential benefits of broadening the organizations eligible for funding under this strategy, further increasing overall waste diversion.

The SWMP is a “living document” and contemplates it will be amended from time to time to reflect new considerations as they arise. Expanding eligibility for ZWR funding does not deviate from the SWMP objectives but rather casts a wider net to other agencies with the aim of soliciting innovative and competitive proposals to advance the goals of the SWMP. The proposed amendment does not fall under a “major change” category as defined in the SWMP (which would require a public consultation process and submission of a revised plan to the MOECCS). Should the Board endorse such an amendment to the SWMP, MOECCS must be notified of the change including the rationale for the change.

Motion 2: Zero Waste Recycling Funding Evaluation Criteria

Eligible Projects

The RDN proposes to provide ZWR funding for innovative programs that increase waste diversion through the development of a circular economy, not only through recycling, but through actions further up the zero waste hierarchy of highest best use such as reduction, redesign, re-use, repair and reprocessing of materials.

Eligible Organizations

Proposals to be considered are from all agencies but preference is to be given to non-profits, including partnerships between organizations (government, non-profit and private), with a focus on targeting specific materials or processes that do not have local commercial markets.

Submission Timeline

2021 Funding: The deadline for proposal submissions is proposed to be November 30, 2020 for access to 2021 funding.

2022 – 2023 Funding: The deadline for proposal submissions is proposed to be June 30 in the year prior to fiscal year where funding is applied.

Evaluation Criteria

The RDN will compare and evaluate applicants based on their proposals to identify proposals that the Board, in its discretion, judges to be the most advantageous to the RDN and its diversion goals, using the following criteria and weightings:

- (a) Technical (50%) – expect to focus on following but not limited to:
 - i. the type of organization (i.e. non-profit, public charity, private, etc.);
 - ii. partnerships between non-profit, private and government;
 - iii. organization’s qualifications and experience;
 - iv. experience, depth and strength of personnel;
 - v. demonstration ability to:
 - 1. develop methods, markets and collaborations for hard-to-recycle materials;
 - 2. investigate barriers to recycling hard-to-recycle materials; and develop recycling program(s) to benefit the RDN;
 - vi. approach and methodology to successfully deliver the project deliverables through the development of a circular economy in accordance with the Zero Waste Hierarchy of highest and best uses and consideration of:
 - 1. Innovation;
 - 2. Potential as a catalyst for a future sustainable program that does not rely on ongoing funding;
 - 3. Amount of waste diverted from the waste stream.
- (b) Financial (50%) – expect to focus on following but not limited to:
 - i. quality and value of the project deliverables including any proposed innovations;
 - ii. demonstrated financial strength/ fundraising efforts to match requested funds; and,
 - iii. Proponents contribution such as matching funds or in-kind contribution (e.g. staff time).

The RDN will rank the proposals on a comparative basis, evaluating proposals by comparing one applicant’s proposal to another applicant’s proposal, to determine the proposal judged to be most advantageous to the RDN based on the aforementioned criteria and weighting.

Request for Proposal Recommendation to the Board

- 1. Qualifying proposals will be presented to the RDN Board for review and consideration.
- 2. Proposals from non-profit organizations that include partnerships between government, non-profit and private organizations will be prioritized.
- 3. The proposals will be ranked and the \$300,000 eligible funds will be distributed amongst highest ranked successful proposals in the order of their ranking until the funds are drawn down.

Award

Upon approval from the Board, the approved submissions will be made public.

ALTERNATIVES

1. That the Board endorse expanded access to the Solid Waste Management Plan Zero Waste Recycling funding under the eligibility criteria set out in this report.
2. That the Board direct issuance of a call for innovative zero waste proposals in October 2020, in order to allocate 2021 funds.
3. Subject to the Board's endorsement of expanded access to Zero Waste Recycling funding, that the Board direct notification the Ministry of Environment and Climate Change Strategy of this change to the Solid Waste Management Plan.
4. Provide alternate direction to staff.

FINANCIAL IMPLICATIONS

The RDN SWMP includes \$300,000 per year for 2019 through 2023. This budget allocation is included in the Board approved Solid Waste Services Asset Management Plan.

STRATEGIC PLAN IMPLICATIONS

Environmental Stewardship - Achieve the 90% waste diversion target as per the Solid Waste Management Plan.

This program support the 90% waste diversion target by supporting waste reduction initiatives and promoting increased waste diversion.



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August 18, 2020

Reviewed by:

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- J. Bradbrne, Director of Finance
- P. Carlyle, Chief Administrative Officer