

North Committee Room,  
Council Building, Winnipeg.  
July 8th, 1992.

His Worship the Mayor and Councillors:

Your Committee on Works and Operations submits the following Report and recommends:

Multi-Material Recycling Depots  
File WT-1.3

1. On July 11th, 1990, Council approved a Waste Minimization and Recycling Action Plan which includes support to recycling projects.

On March 10th, 1992, a recommendation to award a contract for a system of depots to a private contractor was denied by the Committee on Works and Operations.

On May 12th, 1992, the Committee on Works and Operations concurred in principle with a set of principles and a framework for a depot program, pending a further report.

On June 17th, 1992, Council instructed that the final decision relating to recycling programs proposed to be City-wide or pilot in nature in the City, including any contracts awarded, be a decision of Council.

At its special meeting on June 23rd, 1992, the Committee on Works and Operations received as information an administrative report dated June 18th, 1992, which outlined the consensus of the Special Working Group on Waste Minimization and Recycling at its meeting on June 8th, 1992, as well as a brief submitted by Councillor Golden entitled "A Recycling Strategy for Winnipeg". Several other delegations were also heard.

At another special meeting on July 8th, 1992, the Committee on Works and Operations gave further consideration to a multi-material depot recycling program for the City.

Your Committee indicated its preference for some recycling service to be implemented by mid-September. The Administration advised that a system of approximately four to six depots could be developed by the City, and the City could construct and operate depots utilizing the automated collection system. It was projected that the locations could be operational in September, 1992, provided additional resources are made available to undertake the equipment procurement, site developments, and implementation. It was also proposed that the initial depots could be located at shopping centres such as St. Vital, Kildonan, Unicity and Grant Park. The estimated cost of developing and operating the City-run sites for a period of six months would be approximately \$214,000.00.

Regarding the Administration's advice as to a short term plan, your Committee on Works and Operations expressed interest in having each of the districts served by a depot, (as reflected in Recommendation 1).

During its meeting on June 23rd, 1992, the Committee on Works and Operations had expressed concern that the private sector be provided an opportunity to participate in the recycling system for the City. The Administration advised that a proposal call could be developed for approximately 16 multi-material depots, to include depot construction, material collection and marketing to the private sector. Some of the elements of this system include:

- City to approve site locations (i.e. shopping centres)
- City to specify characteristics of sites
- Contractor to obtain agreements with property owners, to be approved by the City
- Depots to collect multi-materials (newspaper, plastic and aluminum beverage containers) with capability to expand to other materials
- RFP to specify site conditions, including: aesthetics of site, site layout, detail of minimum acceptable bins to be provided by contractor. These bins must be compatible with existing bins/equipment/systems presently available in the City in both the private and public sectors. This will allow re-tendering of the collection at the end of the contract term to the business community at-large
- Contractor to be responsible for all marketing arrangements, to be secured at the proposal stage
- Lease agreements with the property owners be assigned to the City at the end of the contract

Promotion and advertising for the proposed system would be undertaken by the City of Winnipeg. Distributors should be pursued for cost-sharing agreements for the system. It would be the contractor's responsibility to secure these agreements at the bid stage. It is estimated that the timing for an RFP process (including specification development (two months), tendering (two months), response evaluation and award (two months)) is approximately six months.

Regarding the Administration's advice as to a proposal call, your Committee expressed interest in including Versatech Industries Inc. in the context of the principles and framework concurred in at its May 12th, 1992 meeting, (as reflected in Recommendation 2).

The Administration has provided the following information on marketing of materials collected at the depots:

1) Old Newspaper (ONP)

The ONP can be marketed through a request for proposals to the private sector. Alternatively, the ONP can be provided to Versatech with a processing subsidy of approximately \$13.00/tonne; however, Versatech has indicated they are not able to process additional ONP until they are relocated in a larger facility. Granting of the ONP directly to Versatech without competition requires Council approval. Furthermore, Versatech has also advised that they presently can accept ONP only if it is delivered in gaylords. The proposed short-term plan would not facilitate delivery in this fashion. Versatech is, however, willing to store the material until their new facility is operational, if the City provides a storage facility and assumes the cost of special handling required. The old newspaper quantities for Versatech are as follows:

1991 Actual

RECEIVED	3,700 tonnes (1,500 tonnes from publishers)
*SHIPPED	3,500 tonnes

\*Includes No. 9 ONP to Pine Falls 2,400 tonnes



1992 Projected

RECEIVED	4,000 tonnes (1,500 tonnes from publishers)
*SHIPPED	3,600 tonnes

\*Includes No. 9 ONP to Pine Falls 2,400 tonnes

New Facilities/Full Operation Projected

RECEIVED	9,600 tonnes (1,500 tonnes from publishers)
*REQUIRED RECEIPT FROM CITY OF WINNIPEG DEPOTS	5,000 tonnes

\*65% processed No. 9 ONP destined for Pine Falls, balance of No. 9 to Kenora and Thunder Bay.

2) Beverage Containers

The beverage containers can be marketed through a request for proposals to the private sector. Alternatively, the beverage containers could be provided to Manitoba Soft Drink Recycling Inc. (MSDR); however, granting of the beverage containers directly to MSDR without competition requires Council approval. A second alternative in the event that no acceptable marketing agreement is negotiated with MSDR is to collect only ONP at the depots.

Regarding the initial five depots, your Committee on Works and Operations has indicated its preference for the ONP to be marketed through a request for proposals and the beverage containers through MSDR (as reflected in Recommendation 1).

It is intended that the long term plan for material marketing will be reported on further by the Administration in relation to the request for proposals.

In accordance with the resolution of Council adopted June 17th, 1992, with respect to recycling matters, your Committee on Works and Operations submits the above report for favourable consideration and recommends:-

- ~~(1) That the Administration be instructed to immediately commence the construction of five to six recycling depots, with a minimum of five, a regional chopping centre, with one in each district, and (in this regard) that an agreement be made with Manitoba Soft Drink Recycling Inc. (MSDR) and a proposal call be put out for quotes on Old Newspaper (ONP).~~
- (2) That the Administration be instructed to prepare a request for proposals (RFP) from the private and public sector, for approximately 16 recycling depots, based on the attached principles concurred in, in principle, by the Committee on Works and Operations at its meeting on May 12th, 1992.
- ~~(3) That the Proper Officers of the City do all things necessary to implement~~
- (4) the foregoing.

~~Your Executive Policy Committee recommends that recommendation (1) above be deleted in its entirety and the following inserted thereto:-~~

"(1) That the Administration be instructed to immediately commence the construction of five to six recycling depots at a cost of \$214,000.00 (\$150,000.00 fixed costs and \$64,000.00 operating costs), chargeable to the Waste Minimization Account, with a minimum of five depots, at regional shopping centres, with one in each district, and in this regard, that an agreement be made with Manitoba Soft Drink Recycling Inc. (MSDR)."

~~Your Executive Policy Committee further recommends that the above recommendation (3) be renumbered (4) and that the following be inserted as (3), namely:~~

← "(3) That all old newspaper (ONP) from the five/six depots be delivered to Versatech Industries Inc. at no cost to The City of Winnipeg."

Your Executive Policy Committee recommends that the above recommendations, as amended, be approved subject to a verification of the cost in developing the sites, which verification shall be submitted to the Committee on Works and Operations and further that an evaluation be completed immediately following the six months of operation.

AMENDED BY EXECUTIVE POLICY  
COMMITTEE RECOMMENDATION AND  
ADOPTED BY COUNCIL -  
July 29th, 1992

Attachment referred to in Clause 1 of the Report of the Committee on Works and Operations, dated July 8th, 1992.

On May 12th, 1992, the Committee on Works and Operations concurred in the following principles and framework for the depot program:

- \* City to establish a depot collection system.
- \* The depots to be multi-material, in cooperation with Manitoba Soft Drink Recycling Inc. (MSDR) - materials ONP and beverage containers.
- \* City to own ONP collected through its depot system.
- \* Versatech Industries to be offered first call on ONP collected for the purpose of supplying the Pine Falls Mill with #9 grade ONP.
- \* Private processors to be offered ONP collected in excess of Versatech's requirements - a proposal call will be used to select the private processors.
- \* If possible, clients of the Social Services Department to be offered employment in the collection and processing activities if feasible.
- \* Establish 10 to 20 permanent high quality unstaffed, multi-material depots within two years.
- \* Capital and operating costs shared with MSDR.
- \* No capital subsidy to Versatech or Private processors.
- \* Maintenance and operation of depots by Operations Department; or by private contractors via a proposal call; or combination of public and private.
- \* Administration and promotion by Waterworks, Waste and Disposal Department.
- \* Processing:
  - first call share to Versatech for Pine Falls needs for ONP
  - remainder to private processors chosen by proposal call
  - shares to be flexible, to reflect changing circumstances such as market price
  - contracts with all processors (including Versatech) to be negotiated based on a business plan
  - criteria by proposal call to include:
    - preference for Manitoba markets
    - cost per tonne to City for processing
    - contractor reliability (facilities, equipment, management, financial resources)
    - evaluation process to be put in place
- \* Establish an ONP recycling partnership with publishers, processors, ONP users and the City to continue the evolution of the recycling system under the provision so the Manitoba WRAP Act.