


Item No. 10.1.6
Halifax Regional Council
November 16, 2010

TO: Mayor Kelly and Members of Halifax Regional Council

Original Signed by 

SUBMITTED BY: _____
Wayne Anstey, Acting Chief Administrative Officer

Original Signed by _____
Mike Labrecque, Deputy Chief Administrative Officer

DATE: October 14, 2010

SUBJECT: Memorandum of Understanding, Vending Machine Energy Efficiency

ORIGIN

Regional Council, May 4, 2010: Energy Efficiency Initiative: Vending Machines
MOVED by Councillor Hum, seconded by Councillor McCluskey, that Halifax Regional Council direct staff to develop a Memorandum of Understanding with Refreshments Canada whereby the vending industry shall voluntarily improve energy efficiency of its entire fleet by 25% over the next three (3) years.

RECOMMENDATION

It is recommended that the Mayor execute the Memorandum of Understanding between Refreshments Canada and the Halifax Regional Municipality.

BACKGROUND

At the May 4th session of Regional Council, staff were directed to complete a memorandum of understanding with Refreshments Canada related to energy efficiency on Vending Machines.

DISCUSSION

In the summer of 2010, staff and the Refreshments Canada representative quickly reached an agreement on a draft memorandum of understanding and agreed to arrange for final execution in the fall of 2010. This would provide the refreshments industry with an opportunity to demonstrate its environmental sustainability initiatives to Regional Council, the community at large, and the media.

The members of Refreshments Canada have laudable Corporate Social Responsibility goals.

This opportunity to engage industry has culminated in a positive outcome for residents of the Halifax Regional Municipality. The results will be lower electricity costs and lower greenhouse gas emissions.

BUDGET IMPLICATIONS

This initiative has no budget implication to the Halifax Regional Municipality's Operating or Capital Budgets. Costs and Savings are to Industry and the Community at large.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

COMMUNITY ENGAGEMENT

None.

ALTERNATIVES

None recommended.

ATTACHMENTS

Memorandum of Understanding

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Richard MacLellan, Manager, Sustainable Environment Management Office, 490-6056

Report Approved by: Phillip Townsend, Director, Infrastructure and Asset Management, 490-7166

Original Signed



MEMORANDUM OF UNDERSTANDING

BETWEEN

THE HALIFAX REGIONAL MUNICIPALITY

as represented by Richard MacLellan
Sustainable Environment Management Office

(hereinafter referred to as "HRM"),

- and -

REFRESHMENTS CANADA ASSOCIATION and

Refreshments Canada members who operate vending machines within the borders of the HRM

(hereinafter referred to, collectively, as "Refreshments Canada")

INTRODUCTION:

In December 2009 the Halifax Regional Municipality, through the Sustainable Environment Management Office, began to investigate options on how to improve the energy efficiency of vending machines operated in the boundaries of the Municipality. After discussions with Refreshments Canada (Canada's national non-alcoholic beverage association) whose members operate approximately One thousand three hundred (1300) vending machines in Halifax, it was agreed to adopt an industry initiatives to improve the energy efficiency of the fleet of vending machines by Twenty-Five Percent (25%) over a three (3) year period. Based on an assessment of the vending machine fleet undertaken in March of 2010, the average kWh usage of the fleet and therefore the starting benchmark is 9.4 kWh per day.

NOW THEREFORE the following represents the understandings of the participants to this memorandum:

1. Within three (3) years from the date of this agreement coming into force Refreshment Canada will undertake such steps as necessary to improve the average energy efficiency of the vending machine fleet operated within the boundaries of the HRM by twenty-five percent (25%) from the starting benchmark rate.
2. This agreement covers the vending machines owned and operated by Refreshments Canada members.
3. The HRM and Refreshments Canada agree that the starting benchmark is an average 9.4 kWh per day over the approximately one thousand three hundred (1300) machines operated in the region.
4. Refreshments Canada will undertake this energy efficiency improvement by taking such steps as replacing existing vending machines, retro-fitting existing vending machines, adding external or internal energy saving devices, or whatever other measures may be required in order to achieve the agreed to improvement.
5. Refreshments Canada agrees to annually, on the anniversary of the agreement coming into force, conduct an inventory of the vending machine fleet in the HRM, identify the benchmark rate at the time of the inventory, quantify average kWh improvements and document any key learning's during that period. This information shall be submitted to the HRM in the form of a report in a format agreed to by both Refreshments Canada and the HRM
6. The HRM retains the right to conduct spot audits to verify the completeness and accuracy of the information provided in each year's report
7. Within the first year of signing of the agreement Refreshments Canada agrees to develop and submit to the HRM a best practice document that can be circulated to non-participants of this agreement.



8. Within the first year of signing of the agreement Refreshments Canada agrees to use all best efforts to enlist support and participation for the agreement by the Canadian Automatic Merchandising Association.
9. The HRM and Refreshments Canada agree to use all best efforts to work collaboratively to resolve any issues that may arise during the term of this agreement and as a result of any of the afore mentioned/agreed to items.
10. That best efforts are necessary by all participants to this memorandum to work, as expeditiously as possible, towards improved energy efficiency of Refreshments Canada vending machines in the HRM. However, it is understood that nothing contained in this memorandum is to be interpreted, either expressly or impliedly, to fetter or restrict the HRM from carrying out its regulatory authority under any by-law of the region.
11. That this memorandum is not intended to have any legal or binding effect but is intended to form the basis on which the participants would establish a process that reflects their understandings of this purpose of this memorandum.
12. This memorandum contains the entire understandings between the participants pertaining to the subject matter hereof and supersedes and cancels all prior understandings, communications and discussions between the participants, whether verbal or written. There are no representations, undertakings, or agreements between the participants in connection with the subject matter of this memorandum.
13. The primary contacts for day-to-day communications related to this memorandum are as follows:

(a) On behalf of HRM

Sustainable Environment Management Office

Attention: Richard MacLellan, 902- 490-6056, maclelri@halifax.ca

(b) On behalf of Refreshments Canada

Refreshments Canada Association

20 Bay Street WaterPark Place, 12th Floor Toronto ON M5J 2N8

Attention: Justin Sherwood, 416-362-2424, justin@refreshments.ca

SIGNED by the authorized signatories of the participants, each on the dates noted below.

Peter J Kelly
Mayor
Halifax Regional Municipality

Justin Sherwood
Refreshments Canada Association

Date

Date