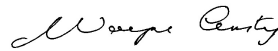


TO: Mayor Kelly and Members of Halifax Regional Council



SUBMITTED BY:

Dan English, Chief Administrative Officer



Wayne Anstey, Deputy Chief Administrative Officer - Operations

DATE: April 22, 2009

SUBJECT: By-Law S-605 to Amend Solid Waste By-Law S-600

ORIGIN

At the February 3, 2009 Regional Council meeting, a motion was passed requesting staff:

1. Prepare an amendment to By-Law S-600 requiring the separation of cardboard at ICI properties, to become effective July 1, 2009, to be supported by an HRM education/communications campaign;
2. Subject to local private paper recycling companies not accepting mixed ICI paper after March 31, 2009, that staff secure a contract with MIRROR NS for the Otter Lake facility to, on a thirty-day automatic renewal contingency basis, take receipt, sort and bale ICI paper;
3. Should it be required for the Otter Lake facility to receive, sort and bale mixed ICI fibre after May 15, 2009, that staff issue an Expression of Interest for the same service;
4. Within the 2009/10 Solid Waste operating budget, include an amount less than \$70,000 increase in expenditures with a corresponding amount recovery, resulting in a net zero change to the overall budget; and
5. Continue discussions between HRM and industry stakeholders.

RECOMMENDATION

It is recommended that Regional Council give first reading to By-Law S-605, as contained in attached Appendix "A", and set a date for a Public Hearing.

BACKGROUND

Commencing in the fall of 2008, the price of commodities (including recyclable corrugated cardboard and paper) began to decline significantly along with the overall downturn in the world economy. This resulted in a major change in the local and international markets for mixed fibre (i.e. corrugated cardboard mixed with other paper). Local private recyclers and others, advised that the world demand for recyclable fibre has significantly contracted. During times of low demand and/or over supply, only the highest quality material is marketable (i.e. corrugated cardboard separate from paper). Corrugated cardboard mixed with other paper has a lower inherent value even during good economic times. In comparison to separated fibre materials, products made from mixed fibres are limited.

In discussions with industry stakeholders in January 2009, including both ICI collectors and local private recyclers, there was general agreement that a By-Law amendment is desired as a long term solution to maintaining a market for corrugated cardboard and paper. A By-Law amendment requiring separation of corrugated cardboard from other paper at ICI properties is intended to provide certainty, consistency and a higher quality of product and price, both currently and when the fibre markets rebound. A By-Law amendment will also assist the local ICI collectors to communicate the requirements to ICI property owners/managers, and enable preparation for the most effective and cost efficient collection methodology.

DISCUSSION

A) Item # 1 - motion approved on February 3, 2009 by Regional Council

The following is a brief explanation of the proposed Amendments as per Appendix "A" - Items 1 through 11:

1. *Section 2.1, DEFINITIONS:*

Definitions of "corrugated cardboard" and "paper" are introduced as separate items to ensure clarity of the two referenced materials.

A definition of "common area containers" has been added to provide bins for the source-separation of materials in public areas of ICI properties such as sports arenas, malls, quick service restaurants, etc.

2. *Section 6.1, COLLECTIBLE MATERIAL - PREPARATION AND RESTRICTIONS:*

A housekeeping item related to the last amendments made to By-Law S-600 in Fall of 2007, where section 6.1 (b) was inadvertently missed when Regional Council approved a reduction from ten (10) bags/cans of refuse for residential collection to six (6) bags/cans.

3. ***Section 12.2, INDUSTRIAL, COMMERCIAL, INSTITUTIONAL OR CONSTRUCTION WASTE:***

Provision is made here to update By-Law S-600 to facilitate adequate space to be provided for collection of source-separated materials, including paper separate from corrugated cardboard at ICI properties.

An update is included here to provide for adequate signage to direct occupants to the paper and corrugated cardboard recycling arrangements at ICI properties.

4. ***Section 12.3, INDUSTRIAL, COMMERCIAL, INSTITUTIONAL OR CONSTRUCTION WASTE:***

An amendment has been made in this section to require the occupant of an ICI property to source-separate paper and corrugated cardboard.

5. ***Section 12.4, INDUSTRIAL, COMMERCIAL, INSTITUTIONAL OR CONSTRUCTION WASTE:***

Amendment to require the property owner to provide separate containers for organics, blue bag recyclables, paper and refuse in the common area of ICI properties where the public is responsible for depositing waste materials.

6. ***Section 13.1, COMMERCIAL CONTAINERS:***

Provision is made here for the proper signage of paper and corrugated cardboard bins.

Amendment to provide for flexibility of smaller lettering to be placed on smaller commercial containers such as organic carts or totes.

7. ***Section 13.1, COMMERCIAL CONTAINERS:***

Amendment provided here to allow for flexibility in the type of containers used for the storage of paper at ICI properties, as long as it facilitates separation and collection of paper separate from corrugated cardboard.

8. ***Section 13.1, COMMERCIAL CONTAINERS:***

Amendment to ensure that bins at ICI properties are designed and constructed so as to keep paper separate from corrugated cardboard.

9. ***Section 15.2, VEHICLES CARRYING WASTE:***

Amendment to update the requirement to maintain material in a source-separated condition during collection and transport from ICI properties - to include corrugated cardboard separate from paper and separate from blue bags.

10. Section 20.1, PENALTIES (MINIMUM FINE):

Amendment of the minimum fine from \$100 to \$200 will serve as an incentive for compliance with the By-Law. A minimum fine of \$200 is consistent with other HRM By-Laws.

11. Section 20.2, PAYMENT OF \$50 TO CHIEF OF POLICE - (DELETION):

The deletion of this provision as it is no longer relevant or required. Payment is administered through a Summary Offense Ticket.

Education/Communication Campaign

As requested by Council, the introduction of this By-Law change to require corrugated cardboard to be separated from paper at ICI properties, is to be supported by an HRM education/communication campaign. The campaign will, at the minimum, include the following elements:

1. Recyclable Market Conditions Updates as prepared by staff and distributed to industry stakeholders (Attachment # 2 is the April edition of the Recyclable Market Conditions Update, which has been provided to local collection companies who have distributed to ICI property owners/manager);
2. information provided at meetings with ICI property owners/managers;
3. correspondence to ICI sector associations, i.e. Chamber of Commerce, Business Commissions, IPOANS, BOMA;
4. issuance of Public Service Announcement;
5. notice/ad in the local newspaper;
6. information through the Corporate Call Centre 490-4000; and
7. on HRM's website.

B) Items # 2, 3, & 4 of motion approved by Regional Council on February 3, 2009

Staff has not actioned items # 2, 3 and 4 of the motion approved by Regional Council on February 3, 2009, as the local private paper recycling industry has agreed to accept ICI cardboard mixed with other paper to the end of June 2009.

C) Item # 5 - motion approved on February 3, 2009 by Regional Council

Staff continues to meet monthly with industry stakeholders, leading up to July 1, 2009.

BUDGET IMPLICATIONS

The public education campaign, advising residents of the upcoming amendments, will be accommodated within the existing Solid Waste Resources Operating Budget, account number R333-6912 “C&E - Advertising/Promotion”.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

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

ALTERNATIVES


No alternatives are recommended. Local industry stakeholders have agreed the amendment of By-Law S-600 is the desired long-term solution. The local paper recycling industry has agreed to extend the acceptance of ICI cardboard mixed with other paper until June 30, 2009.


ATTACHMENTS


1. Appendix “A” Halifax Regional Municipality proposed By-Law S-605.
2. Recyclable Market Conditions Update - dated April 15th.

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.

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Appendix "A"

HALIFAX REGIONAL MUNICIPALITY BY-LAW NUMBER S-605

Respecting Amendments To By-Law No. S-600, Solid Waste Resource Collection and Disposal By-Law

BE IT ENACTED by the Council of the Halifax Regional Municipality, that By-Law S-600, the Halifax Regional Municipality Solid Waste Resource Collection and Disposal By-Law, be amended as follows:

1. (1) Section 2.1 of said By-Law S-600 is amended by adding immediately after clause (i) the following clause:
 - (ia) "common area containers" means separate containers for the source-separation of organic materials, blue bag recyclables, paper and ICI waste located in a common area at industrial, commercial and institutional premises.
- (2) Said Section 2.1 is further amended by adding immediately after clause (j) the following clause:
 - (ja) "corrugated cardboard" means a paper-based material generally consisting of a fluted corrugated sheet and one or two flat linerboards. It is widely used in the manufacture of corrugated boxes, corrugated shipping containers and other similar products.
- (3) Said Section 2.1 is further amended by adding immediately after clause (ffa) the following clause:
 - (ffb) "paper" means mixed paper, newsprint, magazines, catalogues, flyers, telephone books, soft cover books, and paper egg cartons or other similar items designated by Council from time to time.
2. (1) Section 6.1 (b) of said By-Law S-600 is amended by deleting the words "ten (10)" and substituting therefor the words "six (6)" in the second sentence.
- (2) Said Section 6.1 (b) of said By-Law S-600 is further amended by deleting the words "Section 6.1 (a) (ii)" and substituting therefor the words "Section 6.1 (a) (i)" in the second sentence.
3. (1) Section 12.2 (a) of said By-Law S-600 is amended by deleting the semi-colon after the word "premises" and adding a period, and then adding the following sentence, "For recyclable materials, adequate space shall be provided to maintain blue bag recyclables, paper and corrugated cardboard all separate from each other."

- (2) Section 12.2 (b) of said By-Law S-600 is amended by adding the words “(i.e. paper separate from corrugated cardboard)” after the words “fibre recyclables” in both the first and second sentences of said Section 12.2 (b).
 - (3) Section 12.2 (c) of said By-Law S-600 is amended by adding the words “(i.e. paper separate from corrugated cardboard)” after the words “fibre recyclables” in both Section 12.2 (c) (i) and Section 12.2 (c) (ii).
 - (4) Section 12.2 (d) of said By-Law S-600 is amended by adding the words “(i.e. paper separate from corrugated cardboard)” after the words “fibre recyclables” in the fourth line of said Section 12.2 (d).
4. Section 12.3 (a) of said By-Law S-600 is amended by inserting a comma after the words “organic materials”, by deleting the words “and recyclable materials”, and substituting therefor the words “blue bag recyclables, paper and corrugated cardboard” in the third line of this Section 12.3 (a).
 5. Said By-Law S-600 is further amended by adding immediately after Section 12.3 (b), the following Section:
 - 12.4 At industrial, commercial and institutional premises where the public is responsible for depositing waste materials such as an enclosed or exterior shopping centre, mall, food court, quick service restaurant, sports arena, office complex or other commercial premises, the property owner will provide common area containers at such premises which shall be located in a common area within such premises, that is readily and reasonably accessible to the public, tenants, employees and occupants where the contents of said containers are to be collected and placed in commercial containers as required in Sections 13.1 (m) (i), (ii) and (iii) of this By-Law.”
 6. (1) Clause (x) of Section 13.1 (a) of By-Law S-600 is repealed and the following substituted therefor:

(x) has displayed thereon the following message “PAPER” where paper is to be deposited in the commercial container, and has displayed thereon the following message “CARDBOARD ONLY” or “CARDBOARD” where corrugated cardboard is to be deposited in the commercial container;
 - (2) Clause (xiii) of Section 13.1 (a) of By-Law S-600 is repealed and the following substituted therefor:

(xiii) any message required by this section that is placed directly on commercial container(s) of less than 365 litres volume shall use lettering that is not less than 5 cm in height and 2.5 cm in width and any message required by this section that is placed on larger commercial container(s) or posted within 3 metres of the

commercial container(s) shall use lettering that is not less than 10 cm in height and 4 cm in width.

7. Clauses (i) and (ii) of Section 13.1 (j) of By-Law S-600 are repealed and the following Section 13.1 (j) substituted therefor:
 - (j) The owner of any industrial, commercial or institutional premises may make use of aerated or other commercial container(s) specifically designed for containing organic materials and commercial container(s) such as wheeled totes for containing blue bag recyclables, transparent plastic bags to contain paper or such other commercial container(s) specifically designed to contain materials and approved by the Administrator for the storage and collection of source-separated organic or recyclable materials from industrial, commercial or institutional premises provided that the owner shall not use any commercial container provided for pursuant to this section for the storage of ICI waste and provided that the owner complies with the other applicable requirements of this Section 13.1.
8. Clause (ii) of Section 13.1 (m) of By-Law S-600 is repealed and the following substituted therefor:
 - (ii) are designed and constructed such that the waste (i.e. ICI waste, organic materials, blue bag recyclables, paper and corrugated cardboard) remains in a source-separated condition; and
9. Section 15.2 of said By-Law S-600 is amended by deleting the words “recyclable materials” and substituting therefor the words “blue bag recyclables, paper, corrugated cardboard” in the first and third line of this Section 15.2.
10. Section 20.1 of said By-Law S-600 is amended by deleting the amount “\$100.00” and substituting therefor the amount “\$200.00” in the first sentence.
11. By-Law S-600 is further amended by deleting Section 20.2 in its entirety.

RECYCLABLE MARKET CONDITIONS UPDATE

April 15, 2009

As indicated in the last Recyclable Market Conditions Update, the Municipality will be amending its municipal bylaw to require the separation of recyclable cardboard from paper at industrial, commercial (includes apartment buildings greater than six units) and institutional (ICI) properties effective July 1, 2009.

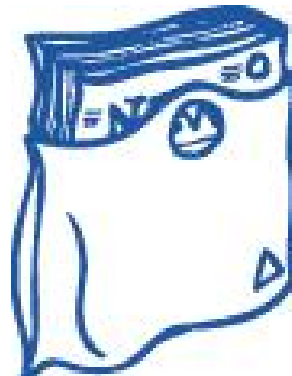
Municipal staff have written an initial draft of the planned amendment to the bylaw. This amendment will ensure the marketability of cardboard and paper when markets are down and after they recover. It is expected that this amendment to HRM By-Law S-600 will be introduced at Regional Council in late April or early May, 2009. Look for upcoming Council agendas and reports on the HRM's website at www.halifax.ca/council/index.html

The By-Law change will require that corrugated cardboard and paper be maintained separate at ICI properties from the point of generation of the recyclable materials through storage, collection and transport by your ICI hauler.



(Corrugated Cardboard)

Separate From



(Newspapers, office paper, flyers,
envelopes, magazines, telephone books, etc)

Further updates will be provided as more information is available.

HRM Solid Waste Resources