



INFRASTRUCTURE SERVICES COMMITTEE
Thursday, June 20, 2019
SCRD Boardroom, 1975 Field Road, Sechelt, B.C.

AGENDA

CALL TO ORDER 9:30 a.m.

AGENDA

1. Adoption of Agenda

PRESENTATIONS AND DELEGATIONS

REPORTS

- | | |
|---|-----------------------|
| 2. General Manager, Infrastructure Services
Water Supply Update
(Voting – All) | VERBAL |
| 3. General Manager, Infrastructure Services
Water Emergency Declaration
(Voting – All) | Annex A
pp 1 - 3 |
| 4. Interim Chief Administrative Officer
Managing Growth to Address Water Supply Deficit
(Voting – All) | Annex B
pp 4 - 12 |
| 5. Manager Solid Waste Programs
Green Waste Program - Overview
(Voting – All) | Annex C
pp 13 - 18 |
| 6. Manager Solid Waste Programs
SCRD Recycling Depots – Overview
(Voting – B, D, E, F) | Annex D
pp 19 - 72 |
| 7. General Manager, Infrastructure Services
Commercial Recycling – Update
(Voting – All) | Annex E
pp 73 - 85 |
| 8. Manager Solid Waste Programs
Single-Use Plastics Ban Considerations
(Voting – All) | Annex F
pp 86 - 93 |

9. Manager Utility Services
South Pender Harbour Watermain Replacement Project Update and Budget Increase
(Voting – A, B, D E, F, Sechelt) Annex G
pp 94 - 99
10. General Manager, Planning and Community Development Services
Sunshine Coast Rotary Offer of Donation - AED and Flotation Devices
(Voting – A, B, D, E and F) Annex H
pp 100 - 105

COMMUNICATIONS

11. Email dated June 9, 2019 from Southern Sunshine Coast Farmers
Institute
Regarding water needs on the Sunshine Coast Annex I
pp 106 - 108

IN CAMERA

That the public be excluded from attendance at the meeting in accordance with Section 90 (1) (k) of the *Community Charter* – “negotiations and related discussion respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public”.

ADJOURNMENT

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Infrastructure Services Committee – June 20, 2019

AUTHOR: Remko Rosenboom, General Manager, Infrastructure Services

SUBJECT: WATER EMERGENCY DECLARATION

RECOMMENDATION(S)

THAT the report titled Water Emergency Declaration be received.

BACKGROUND

At its April 25, 2019 meeting the Board adopted the following recommendation:

127/19 **Recommendation No. 13** *Water Emergency Declaration (part)*

THAT the following resolution be referred to staff for refinement and brought to a future Committee for further consideration:

WHEREAS the SCRD only has about half as much stored water in the Chapman system as is required to get through a dry summer without going past Stage 2 water restrictions;

AND we have no prospect of bringing additional water supplies online in 2019;

AND going to Stage 4 water restrictions in three of the four past summers has caused hardship to the community, especially to food producers;

AND in March 2019 the Sunshine Coast experienced record high temperatures and extremely low rainfall;

AND the Tetrahedron snow pack level is below average;

THEREFORE BE IT RESOLVED that the SCRD declare an immediate Water Emergency;

FURTHER, that to address the short term water supply shortage we strike a drought management task force and invite major water users to the table to advise and assist with water conservation measures to prevent reaching Stage 4;

AND FURTHER, that to address our long term water supply situation we convene a Water Summit of community stakeholders to make recommendations on revisions to the comprehensive regional water plan.

The purpose of this report is to bring forward an updated resolution for the Committee's consideration.

DISCUSSION

Description of Current Water Supply Deficit

The Water Demand Analysis report received by the Board in December 2018 included calculations of the Water Supply Deficit (WSD) for 2025, 2035 and 2050. Those calculations were based on several assumptions including:

1. Climate change would result in no significant rainfall events between May 1 and October 31; and
2. A population growth compared to 2017 of 2%, resulting in a population of 26,000 receiving water from the Chapman Creek water supply system.

The current population served by the Chapman System is close to 23,000 and the climate change impacts are not yet at the level predicted for post 2025. Consequently, the current WSD will be less than the 2025 WSD. Also, the December 2018 WSD calculations did not account for current supply through the use of the siphon system at Chapman Lake. It would therefore be factually correct to indicate that the available water supply is about 80 percent of the amount required to stay at Stage 2 throughout the entire summer of 2019.

Emergency Declaration

An emergency can be defined as a “serious, unexpected, and often dangerous situation requiring immediate action” (Oxford Dictionaries). While the current water supply situation is serious in nature, it would be difficult to qualify it as unexpected. A crisis, on the other hand, can be defined as “a time of intense difficulty or danger” (Oxford Dictionaries) and more accurately describes the nature of the current water supply situation. The declaration of an emergency by a local government could also be confused with the declaration of a Local State of Emergency under the provincial *Emergency Program Act* and result in undesired consequences. Therefore, it is suggested that the word crisis be used instead of emergency.

Impacted Commercial Operations

A variety of commercial operations are significantly impacted when Stage 3 or 4 are called. The updated Drought Management Plan for 2019 will result in different impacts to commercial operations than in prior years. It is therefore suggested that types of commercial operations not be listed specifically.

Drought Management Task Force

Given the significance of the expected WSD for this summer, additional water conservation efforts by the community might delay the need to declare Stage 4 watering regulations, but would not prevent it as implied in the original resolution.

The report titled 2018 Water Use And Water Users Analysis presented at the April 2019 Committee meeting concluded that the top 20 commercial and institutional users are responsible for approximately 3% percent of the total daily consumption during the summer months. Therefore the initiation of a Drought Management taskforce is not expected to have a noticeable impact to the water supply situation this summer. A taskforce may have greater impact in the context of designing or refining initiatives following the Water Summit. In the meantime, staff will continue to engage with the larger water users to reduce their individual

water use this summer. There is concern about committing staff resources to a taskforce and the reduced ability for these resources to work on other demand reduction and supply expansion projects, as well as the day-to-day implementation of the Drought Management Plan.

Water Summit

Staff will bring forward a recommendation on the timing and scope of a Water Summit together with the results of the Water Dialogue events.

Updated Water Emergency Declaration recommendation

Staff recommend that the Committee consider the following updated recommendation:

WHEREAS the SCRD has approximately 80 percent of the water supply available in the Chapman System that is required to get through a dry summer without going past Stage 2 water regulations;

AND there is no prospect of bringing additional water supplies online in 2019;

AND going to Stage 4 water regulations in three of the four past summers has caused hardship to the community;

AND the 2019 spring was drier than normal and the weather forecast for the summer of 2019 is warmer and drier than normal;

AND the Tetrahedron snow pack level at the end of the winter was well below average;

THEREFORE BE IT RESOLVED THAT the SCRD declare an immediate Water Crisis;

AND BE IT FURTHER RESOLVED THAT to address our long-term water supply situation a Water Summit of community stakeholders be convened to make recommendations on revisions to the Drought Management Plan and Comprehensive Regional Water Plan.

STRATEGIC PLAN AND RELATED POLICIES

N/A

CONCLUSION

At the April 25, 2019 Board meeting, a recommendation was made that the Water Emergency Declaration be referred to staff for refinement and the updated resolution be brought forward for the Committee's consideration. Staff provided some analysis and text edits to clarify and refine the resolution for the Committee to consider.

Reviewed by:			
Manager		Finance	
GM		Legislative	
Interim CAO	X – I. Hall (Acting)	Other	

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Infrastructure Services Committee – June 20, 2019

AUTHOR: Angie Legault, Interim Chief Administrative Officer

SUBJECT: **MANAGING GROWTH TO ADDRESS WATER SUPPLY DEFICIT**

RECOMMENDATION(S)

THAT the report titled Managing Growth to Address Water Supply Deficit be received.

BACKGROUND

Following discussion at the May 16, 2019 Infrastructure Services Committee meeting, the following resolution was adopted at the May 23, 2019, regular Board meeting:

158/19 **Recommendation No. 9** *Managing Growth to Address Water Supply Deficit*

THAT the report titled Managing Growth to Address Water Supply Deficit be referred to the June Infrastructure Services Committee meeting for further discussion.

DISCUSSION

As per the Board resolution, the previous staff report titled Managing Growth to Address Water Supply Deficit is included as Attachment A, for further discussion.

STRATEGIC PLAN AND RELATED POLICIES

N/A

CONCLUSION

At the May 16, 2019 Infrastructure Services Committee meeting, staff were requested to bring back the report titled Managing Growth to Address Water Supply Deficit for further discussion.

Attachment:

Attachment A: Managing Growth to Address Water Supply Deficit – May 16, 2019

Reviewed by:			
Manager		Finance	
GM	X – R. Rosenboom X – I. Hall	Legislative	
Interim CAO		Other	

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Infrastructure Services Committee, May 16, 2019

AUTHOR: Angie Legault, Interim Chief Administrative Officer
Ian Hall, General Manager, Planning & Community Development
Remko Rosenboom, General Manager, Infrastructure Services

SUBJECT: MANAGING GROWTH TO ADDRESS WATER SUPPLY DEFICIT

RECOMMENDATION(S)

THAT the report titled Managing Growth to Address Water Supply Deficit be received for information.

BACKGROUND

The SCRD Board adopted the following resolution at the January 10, 2019 Board meeting:

003/19 **Recommendation No. 10** *Growth Management Options*

THAT staff provide a report to a Committee in Q1 2019 regarding tools, options, and approaches related to the management of growth and development on the Sunshine Coast in the context of a water supply deficit.

At the December 13, 2018 Planning and Community Development Committee the report titled Regional Growth Strategy - Options Report was received for information. The purpose of that report was to outline “the current framework [for regional growth management] contained in the *Local Government Act*, a chronology of discussions on the Sunshine Coast and current practices”.

The purpose of this report is to provide an overview of tools, options and approaches to manage growth to address the water supply deficit and to seek direction on next steps.

DISCUSSION

As stated in the Regional Growth Strategy - Options Report there are growth pressures facing the Sunshine Coast beyond water supply management, many of which are external to SCRD authority. Highway capacity, ferry service, housing prices and availability, residential and forestry interfaces are examples of additional growth pressures. A comprehensive regional review of growth trends and pressures in co-operation with other levels of government would be beneficial for the SCRD. Such a review could inform the development of a more comprehensive regional growth management approach.

Issue Definition

There is a community narrative that growth and water demand are directly linked. This linkage is implied in the question considered by this report. In order to ensure that any growth management strategy that is applied in an effort to ensure adequate community water supply meets its aim, the scope and nature of this link should be explored.

Key considerations:

- Recent growth trends: 2016 Census data shows continued moderate (less than 1.1% annually) growth in the resident population of the entire Sunshine Coast from 2011. The District of Sechelt had a 10% growth in population over this time period (2% per year).
- Exact seasonal population and tourism figures are unknown but are a factor requiring further analysis.
- Despite the above-mentioned resident and tourism growth the recent trends in water demand are: Over the last 8 years, the annual average daily water use remains at 13,500m³ per day. The maximum daily demand during the summer months has fallen from 28,000m³ per day in 2009 to 21,500m³ per day in 2017 – a reduction of 23% that can largely be attributed to water conservation initiatives.
- Based on the best available information about local water use, significant water demands not related to new residential or business growth are (in no particular order) – (1) water use by tourist and seasonal residents, (2) water used for residential irrigation, especially of ornamental lawns, (3) water demand associated with leaks on private properties (especially in unmetered areas), (4) potable water used for applications where alternatives may be available.
- Presently only areas served by the Chapman Creek and Eastbourne water systems are impacted by a water supply deficit. These service areas include areas within the District of Sechelt, Town of Gibsons, Islands Trust, and Sechelt Indian Government District (all lands not under SCRD planning and development jurisdiction), as well as four of the five rural electoral areas.

Based on these considerations it can be concluded that while every individual development results in an increased water demand, the total water demand on the Chapman Creek Water System has declined in the summer months over the last decade. The current water supply deficit is caused by a significantly longer period of little or no rain during the summer months and an improved protection of aquatic ecosystems during those months.

Combined, the above factors point to the need for a nuanced approach to looking at how growth relates to water demand. For example, a subdivision leading to development of new dwellings that are water efficient, and which replaces a former sprinkler-based irrigation system with xeriscaping or with tree plantings may result in a net increase year-round but a decrease in water demand during dry summer months.

Legislative Authority

The ability of local governments to manage growth is a complex consideration that depends, in large part, on the nature of the growth to be managed. There is no specific authority available to local governments through the *Local Government Act*, *Community Charter* or other legislation for a blanket moratorium on development approvals.

By considering specific categories of development applications it is possible to identify potential growth management mechanisms. Broadly speaking, these are:

1. Building permits – an applicant for a building permit is entitled, as of right, to a building permit if they comply with the zoning bylaw, building bylaw and building code and so one would have to look to any provisions in the two building enactments regarding water supply as a basis to refuse a building permit. Staff suggest this would be an especially challenging approach to regulation.
2. Development permits – the only authority for refusal of a development permit relates to conditions or guidelines set out in the Official Community Plan and in the absence of that, there is no general discretion on a broad level to refuse based on water supply issues. See below for additional discussion of development permit areas and Development Cost Charges.
3. Zoning amendments – land use decisions are within the discretion of the Board and so a concern over water supply would be an acceptable rationale for not approving rezoning to a more water-intensive use or amending the zoning to a less water-intensive use.
4. Subdivision approval – a refusal to approve a subdivision based on clear statutory grounds (for example excess cost to local government) or the residual discretion (contrary to the public interest) by an approving officer would have a reasonably strong chance of withstanding any judicial challenge. SCRD is not the subdivision authority for electoral areas; staff provide input to the Ministry of Transportation and Infrastructure Approving Officer.
5. Water Service Application for subdivisions – an applicant for new water service connections resulting from a subdivision has to meet all terms and conditions of Subdivision Servicing Bylaw No. 320. Not meeting all these terms and conditions could be grounds for the SCRD to refuse a water service connection associated with a subdivision within the water supply service area. The current bylaw includes a section 302 (1) (1.1) which states that:

“An extension to a water system shall only be connected to an existing community water system if the water sources used for the combined system are adequate to serve each parcel to be served by the combined system with at least 2,500 litres of water per day year round.”

To date no new service connection has been refused based on this bylaw provision. While the intent of this section is to balance growth with water supply availability, the wording of this section is considered to be insufficient to withstand a judicial challenge.

Water Service for undeveloped property for which the water parcel tax is being paid, could not be refused as long as all technical requirements are met.

6. Water Rates and Regulations – Bylaw No. 422 regulates the actual allowable use of water provided by the SCRD, including during drought conditions. While the allowable water uses during drought conditions are reviewed annually (Drought Management Plan), this is not the case for the more general water use provisions.

Precedents

There is precedent in other jurisdictions for managing growth to maintain water service levels.

The **North Salt Spring** Waterworks District Board of Trustees (improvement district) significantly restricted all new, large-scale development in 2014. Undeveloped properties paying parcel taxes are limited to one 19mm service connection for a single residential or single commercial unit, regardless of zoning. Given the impact to the community this moratorium is not supported by the local municipality.

The **Town of Okotoks**, Alberta has a Water Allocation Policy to maintain service levels while accommodating growth. Developers are required to transfer a provincial water license to the Town with sufficient capacity to support increased population prior to development approvals. The Water Allocation Policy applies to lands that have not yet been serviced by municipal water service but considered for expanding urban development.

The **Municipality of Gig Harbor** through authority of Washington State's Growth Management Act, requires all developments and redevelopments to empirically show there is water, sewer, and transportation capacity available to serve their needs. Should capacity be lacking, applicants are required to provide service expansion (for example, develop and licence a ground water source) prior to the granting of land use approvals or building permits.

Considerations Related to Approach

With regard to regulating development, generally, key considerations are:

- Transparency – any policy or regulation respecting ability/restriction of development should be clear, easy to understand, and widely known.
- Equity – consistent, fair treatment must be provided for all citizens, property owners, or water users (as applicable) based on defensible criteria and established process.
- Unintended Consequences – restricting growth generally, or in a specific area, or of a specific type may have unplanned results including impacts on property values, economic effects, social effects, etc. Consideration of possible impacts and mitigating strategies may be required.

These considerations are variously prescribed by legislation, core values of good governance and/or prudent risk management to avoid legal challenges.

Specific Tools to Consider

Beyond the ability to plan for growth through Official Community Plans and Regional Growth Strategies, local government tools to manage growth include:

1. **Water Conservation Development Permit Area:** In 2008 the Province of BC adopted the *Local Government (Green Communities) Statutes Amendment Act*, which added additional development permit area possibilities including the establishment of development permit areas to promote water conservation. This particular development permit area has not yet been utilized on the Sunshine Coast specifically and would only apply to the areas within the planning jurisdiction of the SCRD while the majority of the growth is occurring outside of the SCRD jurisdiction.
2. **Development Cost Charges:** The Development Cost Charges Bylaw No. 693 allows the SCRD to collect Development Cost Charges (DCCs) for approved subdivisions or issued building permits which impose a capital cost burden on the regional water system. This bylaw applies to the entire regional water supply service area and is hence not restricted to the area the SCRD has planning jurisdiction over. Updating this bylaw would not allow for a direct regulation of the water use of new developments but could do so indirectly. It could promote water conservation through financial incentives for low water use developments or location-based fees that could result in increased DCC revenue to support development of water service(s).
3. **Regulating Water Use:** Expanding water use regulations within Water Rates and Regulations Bylaw No. 422 could impact both new use resulting from growth as well as existing uses. Updates could include a review of both the Zoning Bylaw and Bylaw 422 to look at a combination of blanket restrictions on certain allowable uses and/or placing terms and conditions on other uses e.g. establishing a maximum allowable volume per residential property or a ban on using water for certain commercial uses like water bottling or cannabis production. Bylaw 422 applies to the entire water supply service area and is hence not restricted to the area the SCRD has planning jurisdiction over. If this option was pursued, a careful review of the issues that might arise would be required to avoid any legal challenges.
4. **Subdivision Servicing Standards:** Updating Subdivision Servicing Bylaw No. 320 could result in additional terms and conditions to be set for applicants for new water service connections associated with subdivisions. This bylaw applies to all water supply service areas and is hence not restricted to the area the SCRD has planning jurisdiction over.
5. **Resolution for Comments on Subdivision:** The SCRD could develop a standard resolution for comments on subdivision referrals indicating that subdivision applications within the water supply service area should not be approved by the Approving Officers as that would result in excessive cost to the SCRD in water supply management and also not be in the general Public Interest.

Analysis of Tools

Aspects that should be considered in the selection or design of any of these tools are:

- Time to develop
- Cost to develop
- Cost to administer
- Jurisdiction – SCRD rural electoral areas only or shared with member/other Local Governments
- Enforceability
- Complexity / possibility of unintended consequences
- Effect on cost of housing
- Effect on economic development
- Community acceptance
- Precedent/proven/legally acceptable
- Fairness/equity
- Effectiveness and efficiency in achieving water demand reduction, especially during dry months

Developing a recommendation or making a decision on a preferred approach requires intergovernmental dialogue and would benefit from public participation. Questions to explore are:

1. What is the specific water demand target(s) in a service area?
2. What interest is there in cooperating/coordinating tools across jurisdictions? Would tools that are fully within the SCRD's jurisdiction be preferred?
3. From the community perspective, what are the costs and benefits associated with tools that change (1) allowable land use (planning-driven); (2) water use (infrastructure-driven) or (3) development costs?
4. What level of impact on the cost of housing and/or economic development is acceptable?
5. What are the costs and benefits of an approach that applies to all development versus a specific focus on subdivisions?

Staff recommend that if the Board directs that growth management to address the water supply deficit be further explored then these and other relevant questions form part of upcoming public participation opportunities related to water. Subsequently they can be discussed with other local governments on the Sunshine Coast.

Organizational and Intergovernmental Implications

Recent amendments were made to SCRD rural area official community plans for density strategies to promote affordable housing. This was a consistent policy applied to several official community plans. A similar consistent approach across OCPs could be undertaken to create a development permit area for water conservation. It would have to be determined under which condition this would apply; building permit, subdivision, etc. and whether it would apply to both rural area and municipal OCPs. SCRD does not have authority to amend municipal OCPs, however this initiative could be undertaken concurrently by local governments if each agrees.

In addition to policy development of when, where and how to apply any of the described tools, consideration must also be given to the additional resource pressure associated with these proposed changes, such as review of applications, record management and enforcement.

Financial Implications

Changes to growth trends/patterns could have financial implications for SCRD related to revenue from permits, DCCs and applications. Additional lenses/requirements applied as part of any of the growth related application processes could require additional staff time with commensurate impacts to fees, per SCRD's Financial Sustainability Policy.

Further financial analysis should be undertaken as part of considering application of any particular tool.

Timeline for next steps or estimated completion date

To be determined based on Board direction.

Communications Strategy

Refining of options, specific tools, and recommendations for action related to growth management could have significant impact for a broad constituency of stakeholders. SCRD's Public Participation Framework would support a participation strategy prior to decision making.

STRATEGIC PLAN AND RELATED POLICIES

The SCRD has a mission of providing leadership and quality services to our community through effective and responsive government. Prioritizing water uses in a way that respects the organization's values of collaboration, environmental leadership, and transparency contributes to this mission.

The SCRD's strategic priority to Embed Environmental Leadership is supported by the Region's overall water supply strategy, as outlined in the Comprehensive Regional Water Plan (2013) and furthering the SCRD's goal to reduce water consumption by 33% relative to 2010 levels by 2020.

CONCLUSION

There are nuances to the linkage between growth and water demand. As well, local government authority to manage/restrict growth is provided through a variety of tools that have specific and different constraints on application, areas of jurisdiction, social impacts, etc.

If the Board directs further exploration of growth management to address water supply deficit, intergovernmental dialogue and public participation are recommended to occur. There are possible financial implications to the selection of any particular approach.

Reviewed by:			
Manager	X - A. Allen X - S. Walkey	Finance	
GM	X - I. Hall X - R. Rosenboom	Legislative	X - A. Legault
Interim CAO	X - A. Legault	Other	

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Infrastructure Services Committee – June 20, 2019

AUTHOR: Robyn Cooper, Manager, Solid Waste Programs

SUBJECT: GREEN WASTE PROGRAM - OVERVIEW

RECOMMENDATION(S)

THAT the report titled Green Waste Program - Overview be received;

AND THAT the required procurement processes to continue the current Green Waste program be initiated.

BACKGROUND

In 2004, the SCRD initiated a pilot program for free green waste (“brush”) drop off for residents at the Pender Harbour Landfill and Sechelt Landfill (Resolution 597/04 #12). The purpose for eliminating the \$30 per tonne tipping fee was to discourage illegal dumping and provide an incentive not to burn by providing a disposal option.

Utilizing scale data from the landfills, the pilot resulted in increased tonnage of residential green waste being delivered to both sites when compared to the tonnage received when there was a tipping fee.

The pilot continued in 2005 and in 2006 the SCRD Board decided to permanently eliminate the tipping fee for green waste drop-off by residents at the Pender Harbour and Sechelt Landfills. Service was effectively incorporated into the budget funded by the tipping fees from other materials (611/05 #7).

There was no change or direction to eliminate the tipping fee for green waste hauled by the commercial sector.

The SCRD's green waste program grew to include a third drop-off site for residential green waste located on the South Coast. The South Coast residential drop-off site is located at the Town of Gibsons Public Works Yard and is operated by the Town of Gibsons. This site originally was for Town of Gibsons' residents only, to provide a disposal option in support of their burning ban. Over time, there was recognition that the site was being utilized by SCRD Electoral Area residents and in 2004, the SCRD started contributing funds towards the operations (597/04 #11) until when, in 2013, the SCRD funded 100% of the operations (110/13 26). Commercially hauled green waste is not accepted at the South Coast site as there is not a scale to weigh the green waste and no mechanism to charge the tipping fee for commercial green waste.

Based on rising costs to the residential green waste program and in support of the SCRD's Financial Sustainability policy, in 2015, taxation was introduced to fund the program (406/15).

At the May 23, 2019 Board meeting, the following resolution was adopted:

158/19 **Recommendation No. 2** *Green Waste Collection*

THAT staff provide a report on green waste collection to a future Committee that identifies benefits, financial implications and an analysis of the impact to the current residential green waste drop-off service.

The purpose of this report is to provide an overview of the SCRD's current green waste program. As well, the report provides the impacts to the residential green waste drop-off program should a collection program for green waste be initiated.

DISCUSSION

Overview

Currently, the SCRD's green waste program includes the following:

- Three locations for drop-off of residential self-hauled green waste up to 5 tonnes
 1. Pender Harbour – Pender Harbour Transfer Station
 2. Sechelt - Salish Soils
 3. South Coast - Town of Gibsons Public Works Yard in Elphinstone
- Two locations for drop-off of commercial green waste
 1. Pender Harbour – Pender Harbour Transfer Station
 2. Sechelt – Sechelt Landfill
- Hauling from the drop-off locations to the processing facility at Salish Soils
- Processing of green waste into compost

The program includes contracted services for processing, hauling, and the operation of the South Coast residential drop-off site as follows.

- Salish Soils for processing
- Indian Isle for hauling from the Pender Harbour Transfer Station to the processor
- Waste Management for hauling from the Sechelt Landfill and the South Coast residential drop-off site to the processor
- Town of Gibsons for the operations of the South Coast residential drop-off site

Tonnage

The green waste tonnage has been relatively consistent from 2016 to 2018. A summary is included in Table 1.

Over the first four months of 2019 the total green waste tonnage was in the same order of magnitude the 2018 tonnage for same time period.

Table 1 – Annual Tonnage for the Green waste Program

Site	Tonnage (t)		
	2016	2017	2018
Pender Harbour Transfer Station	328	302	375
Salish Soils	2,023	2,152	2,072
Sechelt Landfill	60	51	48
South Coast	1,932	1,691	1,681
Total	4,343	4,196	4,176

Financial Implications

The total annual cost for the green waste program is variable based on the tonnage of green waste received: an increase in green waste results in an increase in costs for processing and hauling. This is because the SCRD pays per tonne for processing and per truck for hauling. However, the cost for operating the South Coast Site is fixed. Staff continue to seek opportunities to increase the cost-efficiency of the overall delivery of this service.

Commercial green waste has a tipping fee of \$86¹ per tonne, which is full cost recovery. Board direction has been to not charge for residential green waste, up to a maximum of five tonnes, delivered to the sites and funded from taxation.

The total annual cost for the green waste service ranged from approximately \$347,000 in 2016 to almost \$364,000 in 2018. In each of the four years, the taxation amounts were less than operating costs resulting in a deficit position for green waste. The deficits were funded from surpluses from the Regional Solid Waste function [350].

Given the total green waste tonnage received to date in 2019, a similar deficit position as 2018 is projected.

A summary of total green waste program costs and taxation amounts from 2016 to 2018 is provided in Table 2.

Table 2 – Total Green waste Program Costs

Site	Amount (\$)		
	2016	2017	2018
Processing	\$204,116	\$197,207	\$195,655
Hauling	\$67,118	\$67,445	\$74,354
South Coast Site Operations	\$80,000	\$80,750	\$99,940
Revenue from Commercial Green Waste	(\$3,781)	(\$4,369)	(\$6,037)
Total	\$347,453	\$341,033	\$363,912
Taxation	(\$272,000)	(\$322,750)	(\$322,750)
Deficit/(Surplus)	\$75,453	\$18,283	\$41,162

¹ \$86 per tonne as of June 1, 2018; previously, the commercial green waste tipping fee was \$45 per tonne.

Residential Green Waste Collection Considerations

Many other municipal and regional residential curbside collection services include the collection of green waste. Some of the benefits of curbside collection of green waste include convenience, helps to reduce the incidence of illegal dumping, as well as shifts the costs for hauling and processing to user pay instead of taxation.

The types of green waste materials collected curbside typically include tree and hedge prunings, garden plants and grass clippings. The same materials are accepted at the drop-off sites. The green waste program does not include hogweed, leafy spurge, knotweed or scotch broom.

Typical manual curbside collection methods include using a reusable container, a paper bag or bundles with twine.

For the residences currently receiving garbage collection in SCRD Electoral Areas B, D, E and F, implementing curbside collection of green waste is an option that the SCRD could consider.

If green waste was collected curbside in Electoral Area B and D², these residences would not be delivering to Salish Soils directly, and thus tonnage at this site should decrease, resulting in decreased processing costs funded by taxation.

If green waste was collected curbside in Electoral Areas D, E and F, these residences would not be delivering green waste to the South Coast drop-off site and thus tonnage at this site conceivably would decline, resulting in decreased hauling and processing costs funded by taxation.

It is anticipated that curbside collection of green waste would be utilized primarily for garden and grass clippings and that green waste from larger yard clean-ups would still be taken directly to the drop-off sites.

The actual reduction in tonnage and thus the reduction in processing and hauling costs that may be realized if a curbside collection is initiated is unknown. Scenarios with a 10%, 15% and 20% reduction are summarized in Table 3.

Table 3 – Potential Financial Impacts to Residential Green Waste Drop-off with Curbside Collection

	Salish Soils Direct Drop-off processing costs 2018	South Coast Drop-off Site Hauling Costs 2018	South Coast Drop-off Site Processing Costs 2018	Total	Difference
No reduction	\$97,000	\$53,000	\$79,000	\$229,000	-
10% reduction	\$88,180	\$48,180	\$71,820	\$208,180	\$20,820
15% reduction	\$84,350	\$46,090	\$68,700	\$199,140	\$29,860
20% reduction	\$80,830	\$44,170	\$65,830	\$190,830	\$38,170

² It is assumed that 50% of Electoral Area D residents deliver to Salish Soils and 50% deliver to the South Coast drop-off site.

The costs for curbside collection of green waste are unknown at this time and the costs would vary depending on the frequency of collection. Some residential green waste collection programs are weekly, bi-weekly or monthly. An additional factor is whether the collection frequency is year-round or seasonal. To determine the costs, further scoping of the service requirement and a procurement process would be required.

If a curbside collection program was included for Areas B, D, E & F for green waste, it would likely be funded through user fees through the Refuse Collection function [355].

Operational Implications

Given the expiry dates of several contracts to support the current Green Waste program, staff are considering initiating a competitive bidding process for the following services:

- Green waste hauling to processing facility.
- Operations of South-Coast green waste drop off facility.
- Processing of green waste into compost.

The initiation of a green waste curbside collection service would reduce the green waste tonnages that the competitive process would be based on.

Timeline for next steps

Should the Board wish to consider initiating curbside collection service of green waste for Electoral Areas B, D, E and F, the competitive process could be combined with the upcoming weekly food waste collection competitive process. Staff could present a report with options for the scope of a green waste curbside collection service at a July 2019 committee meeting.

The timing of the initiation of the competitive process associated with continuation of the current green waste program depends on if curbside collection service will be initiated and its scope.

Staff provide updates to the Committee regarding tonnage and costs via the quarterly Infrastructure Services Departmental and variance reports. The variance report for Q3 will include an analysis of a potential deficit and financial impacts, should the 2019 tonnage continue on-trend with 2018.

STRATEGIC PLAN AND RELATED POLICIES

N/A

The green waste program supports the existing landfill ban for green waste and supports the SCRD's Solid Waste Management Plan's goal of 65%-69% diversion.

CONCLUSION

The SCRD's green waste service provides three drop-off locations for residential self-hauled green waste and two drop-off locations for commercial green waste. The service includes contracted services for hauling from the drop-off locations to the processing facility, processing of green waste into compost as well as the operation of the South Coast residential drop-off site.

The total annual cost for the green waste service is variable based on the tonnage of green waste received and costs ranged from approximately \$347,000 in 2016 to almost \$364,000 in 2018. The majority of service costs are funded from taxation as there is no tipping fee for residential green waste delivered directly to the sites.

The SCRD could consider initiating curbside collection of green waste for those residences currently receiving garbage collection in Electoral Areas B, D, E and F. Collection of green waste provides convenience and reduces likelihood of illegal dumping.

The costs of green waste collected curbside would be funded from a user-pay model. To determine the cost for a curbside collection program for green waste, a procurement process would be required which could be combined with the upcoming food waste collection procurement.

The initiation of a green waste curbside collection program would delay the initiation of procurement processes to support the current green waste processes.

Reviewed by:			
Manager		CFO/Finance	X- T. Perreault
GM	X - R. Rosenboom	Legislative	
Interim CAO	X – I. Hall (acting)	Other	X – V.Cropp

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Infrastructure Services Committee – June 20, 2019

AUTHOR: Robyn Cooper, Manager, Solid Waste Programs

SUBJECT: **SCRD RECYCLING DEPOTS – OVERVIEW**

RECOMMENDATION(S)

THAT the report titled SCRD Recycling Depots – Overview be received for information.

BACKGROUND

At the February 28, 2019 Board Meeting, the following resolution was adopted:

061/19 (part) **Recommendation No. 6** *Recycling*

THAT a report be provided to Committee reviewing the current recycling depot model and identifying the impacts of curbside collection on recycling depots;

AND THAT a report on the current agreement with Recycle BC be brought to a Committee for consideration.

The purpose of this report is to provide an overview of the SCRD's recycling depot service including the current contract with Recycle BC. Impacts of initiating curbside recycling services for Electoral Areas B, D, E and F on recycling depots are included.

DISCUSSION

Recycle BC Program and Contracts Overview

The BC Recycling Regulation (Regulation) under the authority of the *Environmental Management Act* sets out the requirements for product stewardship in BC. There are over twenty product stewardship programs in BC for materials such as paint, batteries and tires.

In 2011, the Regulation was amended to include residential packaging and paper products (PPP). Recycle BC (formerly MMBC) developed a stewardship plan to meet the requirements of the Regulation and launched the program in 2014, which changed the landscape of recycling in BC and has resulted in improved recycling for the residential sector.

Although the Regulation dictates broadly what PPP is to be collected, it is Recycle BC who identifies the specific materials accepted based on their ability to market the recycling. Recycle BC has secured markets in BC, North America and globally to ensure the material they collect is recycled. To date there have not been any reductions in what material is accepted. Collection has expanded to include other flexible plastic packaging at all Recycle BC depots and London Drugs locations as of January 1, 2019.

For additional information about Recycle BC, a copy of their 2017 Annual Report is included as Attachment A. Their 2018 Annual Report is anticipated for July, 2019.

Many British Columbia local governments, including the SCRD, signed on to the Recycle BC program for depot recycling, curbside recycling or both.

The SCRD signed onto Recycle BC for depot collection in 2013. The District of Sechelt signed onto Recycle BC for curbside collection in 2019. The Sechelt Indian Government District's curbside collection of recycling is not part of Recycle BC, and the Town of Gibsons does not provide recycling services.

In October 2018, the SCRD renewed its agreement with Recycle BC to provide PPP depot recycling services in Gibsons, Pender Harbour and Sechelt for a five year term expiring in November 2023. The SCRD contracts these services to Gibsons Recycling, GRIPS and Salish Soils respectively and all three depot contracts were also extended for two 1 year-terms, aligned to conclude on November 30, 2020.

Commercial sector recycling is not permitted at the depots because the provincial program is currently for residential materials only. The commercial sector is required to hire their own recycling service provider. Additional information regarding commercial recycling is included in a report on the Agenda for this Committee.

Materials Collected

When the PPP program launched in 2014, the materials collected, broadly, included paper and paper packaging; metal, glass and plastic packaging; polystyrene foam and plastic bags and overwrap.

Starting January 1, 2019, a new category of material is collected at all Recycle BC depots: other flexible plastic. This includes materials such as crinkly plastic, zipper lock bags, chip bags and mesh produce bags.

A summary by material category including examples as well as whether or not the material is accepted at depots or curbside is provided as Table 1.

Table 1 – Recycle BC Accepted Materials Summary

Material Category	Examples	Accepted at Depots	Accepted Curbside
Printed papers	office paper, newspaper	✓	✓
Cardboard	cardboard box	✓	✓
Other paper packaging – containing liquids when sold	ice cream container, coffee cup, frozen juice concentrate, cartons for soup or milk	✓	✓
Other paper packaging – not containing liquids when sold	cereal box, cookie or cracker box	✓	✓
Metal packaging	soup can, aerosol can, foil take out container, aluminum cans	✓	✓
Plastic packaging	plastic bottles, jars and jugs e.g. mayo, laundry detergent, plastic take-out bowl, cup or lid	✓	✓
Glass packaging	Glass bottles and jars – clear & coloured e.g. pickle jar	✓	x
Polystyrene foam - white	packaging around electronics, take-out cups or trays	✓	x
Polystyrene foam – coloured	meat trays, egg cartons	✓	x
Plastic bags and overwrap	shopping bags, bread bag	✓	x
Other flexible plastic packaging	chip bags, candy bar wrappers, mesh produce bags, zipper lock bags	✓	x

Tonnage

The total tonnage received at depots in the three year period of 2016 to 2018 is summarized in Table 2.

Table 2 – Depot Recycling Tonnage Summary (t)

Depot	2016	2017	2018
Gibsons	793	813	848
Pender Harbour	130	144	125
Sechelt	256	247	261
Total	1,179	1,204	1,234

Financial Implications

Prior to Recycle BC (2014), depot operators were responsible for all transportation costs and arranging the marketing of the materials received at each depot. This included keeping any revenue received and, if applicable, paying tipping fees.

For the Recycle BC program, the costs and coordination for the transportation and marketing of the materials collected at the depots is covered by Recycle BC.

To support the operations of depots, Recycle BC provides revenue to local governments based on a per tonne rate by material type, with a higher rate for depots in communities without curbside collection. Recycle BC also provides a fixed revenue amount based on a per-household rate (non-material incentives) for administration and education. A summary of the financial incentives by material type is provided in Table 3.

Table 3 – Recycle BC Financial Incentives for Depot Recycling Summary

Material Category	Rate per tonne (without curbside)	Rate per tonne (with curbside)
Printed papers	\$80	\$60
Cardboard	\$80	\$60
Other paper packaging – containing liquids when sold	\$130	\$90
Other paper packaging – not containing liquids when sold	\$80	\$60
Metal packaging	\$130	\$90
Glass packaging	\$90	\$90
Polystyrene foam – white or coloured	\$800	\$800
Plastic packaging	\$130	\$90
Plastic bags and overwrap	\$500	\$500
Other flexible plastic packaging	\$500	\$500

The total financial incentives for the materials received at each depot is variable based on the tonnage and type of material received. The tonnage revenue received by the SCRD ranged from approximately \$120,000 in 2016 to \$123,000 in 2018. A summary of tonnage revenue is provided Table 4.

The fixed non-material revenue is approximately \$28,700 annually and is utilized for administration and education (resolution 068/15).

Table 4 – Depot Recycling Tonnage Revenue Summary

Depot	2016	2017	2018
Gibsons	\$84,400	\$76,150	\$85,380
Pender Harbour	\$12,750	\$14,870	\$15,960
Sechelt	\$23,100	\$21,100	\$21,590
Total	\$120,250	\$112,120	\$122,930

For the depot operations contracts, each contract is negotiated separately, and has a different rate. All three contracts were reviewed in 2016 and again in 2018 and both reviews resulted in increases to the contract rate. The total annual operating costs for 2019 are approximately \$608,000.

With 2019 anticipated tonnage revenue of approximately \$157,000, taxation in the amount of \$451,000 was required to fund depot operations.

A summary of operating costs, budgeted tonnage revenue and tax requisition amounts for 2016 through 2019 are summarized in Table 5.

Table 5 – Depot Recycling Annual Operating Costs Summary

Annual Contracts Operating Budget	2016	2017	2018	2019
Gibsons	\$ 254,000	\$ 264,000	\$269,600	\$331,200
Pender Harbour	\$ 105,600	\$ 112,800	\$115,243	\$142,112
Sechelt	\$ 122,385	\$ 129,480	\$129,980	\$135,480
Total	\$ 481,985	\$ 506,280	\$514,823	\$608,792
Budgeted Tonnage Revenue	\$ 99,662	\$ 99,662	\$108,000	\$156,601 ¹
Tax Requisition	\$ 382,323	\$ 406,618	\$396,050	\$450,661

*Operating costs only. Does not include additional overhead and administrative costs.

*Tonnage revenue not including tax.

Recycle BC also offers an incentive for baled materials. The baling incentives are paid directly to the depots in addition to the monthly depot contract rates. In 2018, Gibsons Recycling Depot received approximately \$68,000 and GRIPS received approximately \$4,000. Salish Soils does not bale.

Impacts of Curbside Collection on Depots

The implementation of a Recycling Curbside Collection service in Areas B and D would reduce the incentives the SCRD receives from Recycle BC to support the Sechelt depot service by an estimated \$10,000 annually. This is based on reduced tonnages of accepted materials as well as lower incentive rates.

Implementation in Areas E and F would not impact incentive rates but would result in reduced depot volumes. It is estimated this would result in a \$20,000 to \$40,000 reduction based on a 20% to 40% reduction in volume.

Based on current service levels and contract commitments, any decrease in incentive revenue will need to be offset by higher taxation.

\$30,000 to \$50,000 in additional taxation to offset the reduction in incentives equates to approximately \$1.45 to \$2.40 per household based on the average home on the Sunshine Coast being valued at approximately \$726,000².

Additional considerations include the potential impacts to landfill life. The SCRD's 2014 residential waste composition study showed that approximately 8% of garbage was paper and 4% was rigid plastic containers, both which could be collected curbside. Implementing curbside collection provides a convenient option for recycling and could reduce the incidence of recyclables being disposed in the garbage.

¹ January 1, 2019, Recycle BC increased their depot incentive rates and added OFPP material category resulting in an estimated revenue increase of approx. \$49,000.

² \$30,000 taxation equates to \$0.20/\$100,000 in assessed value; \$50,000 taxation equates to \$0.33/\$100,000 in assessed value

Intergovernmental and Stakeholder Implications

All three SCRD depots accept residential PPP self-hauled by residents who reside in any of the SCRD Electoral Areas, District of Sechelt, SIGD and the Town of Gibsons.

Timeline for next steps

Should the Board wish to proceed with curbside recycling collection, a Request for Proposal (RFP) would be required.

Given the recent Board direction for residential collection services for food waste and the need to issue a Request for Proposals, curbside recycling services could be included in this RFP or a separate RFP could be issued but with aligned timing. The earliest anticipated start date would be spring 2020.

STRATEGIC PLAN AND RELATED POLICIES

SCRD's Solid Waste Management Plan's target of 69% diversion identifies bi-weekly recycling collection services for households in Electoral Areas B, D, E and F currently receiving garbage collection services.

CONCLUSION

The SCRD has a five year contract with Recycle BC to provide depot recycling services for residential PPP in Gibsons, Pender Harbour and Sechelt. This contract expires on November 30, 2023. The SCRD contracts depot services to Gibsons Recycling Depot, GRIPS and Salish Soils. The current depot contracts are for two 1-year terms, aligned to conclude on November 30, 2020.

Depot services are funded from taxation with incentive revenue used to offset taxation.

Should the SCRD consider proceeding with curbside recycling services for Electoral Areas B, D, E and F, there will be decreases to the incentive revenue received at the Sechelt and Gibsons depots that will need to be offset by higher taxation. Additional considerations include the potential impacts to landfill life. Implementing curbside collection provides a convenient option for recycling and could reduce the incidence of recyclables such as paper and ridged plastic containers being disposed in the garbage.

Attachments:

Attachment A - Recycle BC 2017 Annual Report

Reviewed by:			
Manager		CFO/Finance	X – T.Perreault
GM	X – R. Rosenboom	Legislative	
Interim CAO	X – I. Hall (Acting)	Other	



Annual
Report **2017**



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Introduction

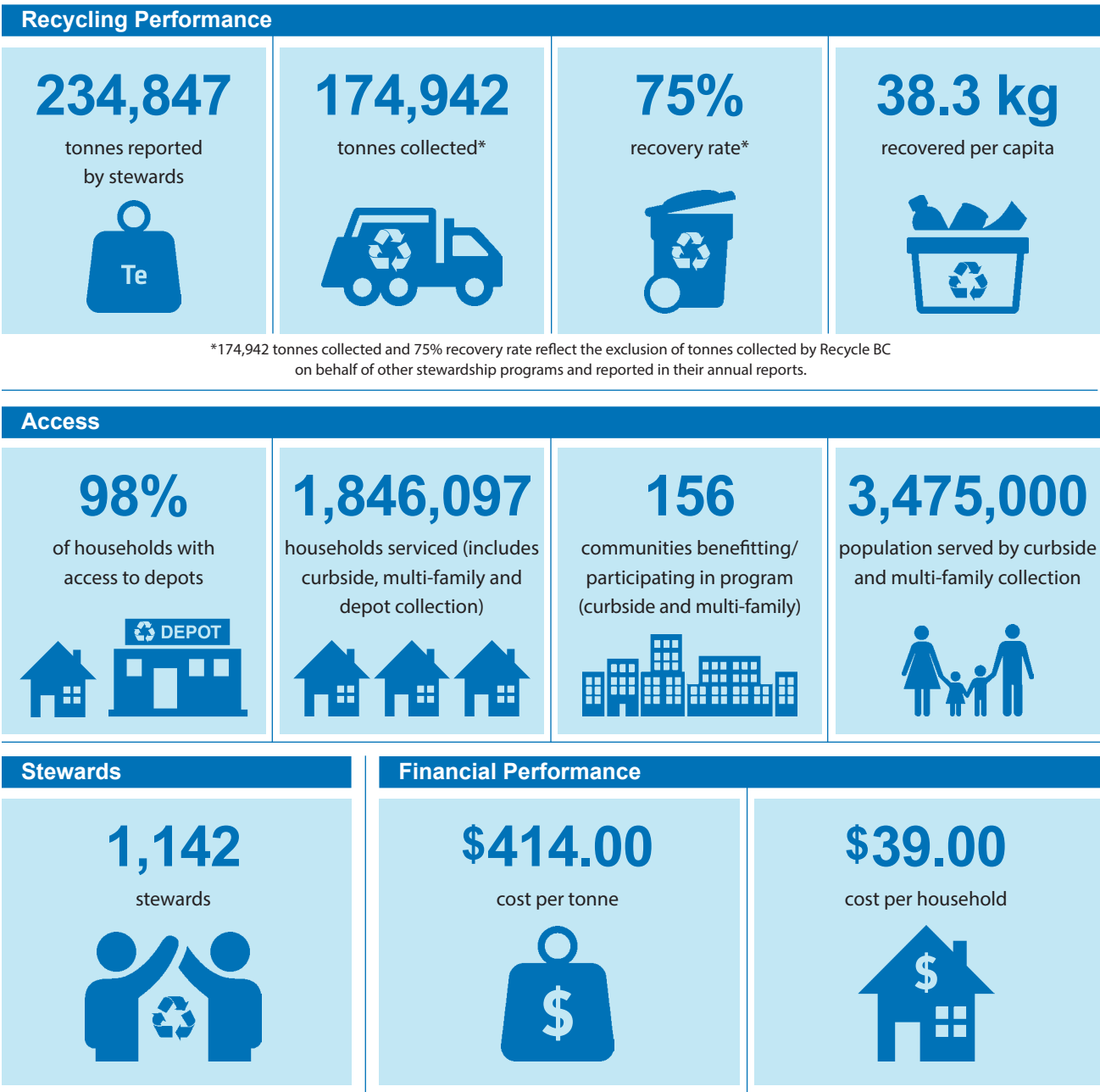
About Recycle BC

Recycle BC is a not-for-profit organization responsible for residential packaging and paper recycling throughout British Columbia. We ensure packaging and paper is collected from households and recycling depots, processed and recycled responsibly.

Our program is financed by businesses, such as retailers, manufacturers and restaurants that supply packaging and paper to BC residents. Recycle BC was originally launched in 2014 as Multi-Material BC (MMBC).

2017 Highlights

In its third full year of operation, Recycle BC continued to provide comprehensive recycling services accessible to 98% of BC households. 2017 also saw the development of the Recycle BC brand, improving the organization's ability to connect with consumers in a more meaningful and intuitive way.



Message to Stakeholders

2017 was a year marked by significant change for packaging and paper recycling programs across Canada, including Recycle BC.

There is growing recognition, signified by increasing attention to the ubiquitous presence of plastics in the environment, that patterns of consumption must evolve quickly from a linear, disposable framework to an engaged, circular and responsible model of resource use. In the months ahead, stewards, including those around the Recycle BC Board table, may be expected to take a leadership role in the search for solutions. Moreover, in June 2018, at the G7 meeting in Quebec our federal government introduced a Plastics Charter calling for near universally reusable, recyclable or compostable plastic packaging in the drive toward packaging standardization and increased recovery.

Recycle BC is well positioned to make significant progress toward a circular economy for plastics and other materials. As the only packaging and paper recycling program in Canada that is fully financed and operated by the businesses that sell products to consumers, we have an opportunity to help achieve the economies of scale necessary to support a circular economy for plastics. Recycle BC is also privileged to be collaborating with a range of international leaders and brand owners through the Ellen McArthur Foundation's (EMF) New Plastics Economy, an ambitious initiative that is building momentum toward closed-loop plastics system across the world. Applying the principles of the circular economy, EMF is bringing together key stakeholders to rethink and redesign the future of plastics. We look forward to continued collaboration on this critical work.

Tightening commodity markets have also been driving significant change as China imposed much stricter rules on foreign recycling imports. While the vast majority of Recycle BC's plastics are directed to end markets in the province of British Columbia, our mixed paper, including paper, boxboard, newspaper and cardboard, has historically been sold to Chinese markets. It is becoming increasingly challenging to meet China's new specifications for paper recycling, despite BC having one of the lowest contamination rates in North America. For now, Recycle BC continues to ship materials to overseas markets and is working with our partners to innovate and plan for what the future holds.

Meanwhile, here at home, supported by our stewards, our Advisory Committee and our Board members, Recycle BC made significant strides forward on projects that included the launch of a new name and brand, the continued development of powerful partnerships, and an expansion of services.

Rollout of Rebrand

On March 28, 2017, we launched our new brand, officially becoming Recycle BC. The clearly-defined name reflects our ongoing mandate to promote recycling best practices and the environmental benefits of recycling to residents through effective promotion and education campaigns. With this new brand came an increase in resident awareness. Our 2017 resident awareness research indicated 38% of BC residents were aware of Recycle BC, up from 16% aware of Multi-Material BC in our 2016 research.

Expanded Partnerships

We continue to build on our solid network of over 160 collection and post-collection partners to support recycling in BC. We expanded our partnership with London Drugs to include more stores where residents can conveniently take their plastic bags, overwrap and foam packaging for recycling.

We continued our partnership with the Vancouver Whitecaps FC and engaged in a new partnership with the Vancouver Canucks, providing the opportunity to engage with the teams' huge fan base about recycling in their communities.

Through our Community Champions program, we continued to provide funding to local environmental organizations that promote waste reduction and recycling goals in their communities. The Community Champions approach to reaching people with targeted recycling messages has been so successful that the program will be carried out in 2018 and beyond.

Recycle BC participated in a number of conferences and events across North America and internationally, over the last year, where we had the opportunity to share learnings from our program and gain insights from other Extended Producer Responsibility (EPR) programs. Ongoing dialogue helps to build on our knowledge and ensures that we are staying abreast of the emerging trends in recycling around the world.

Program Growth

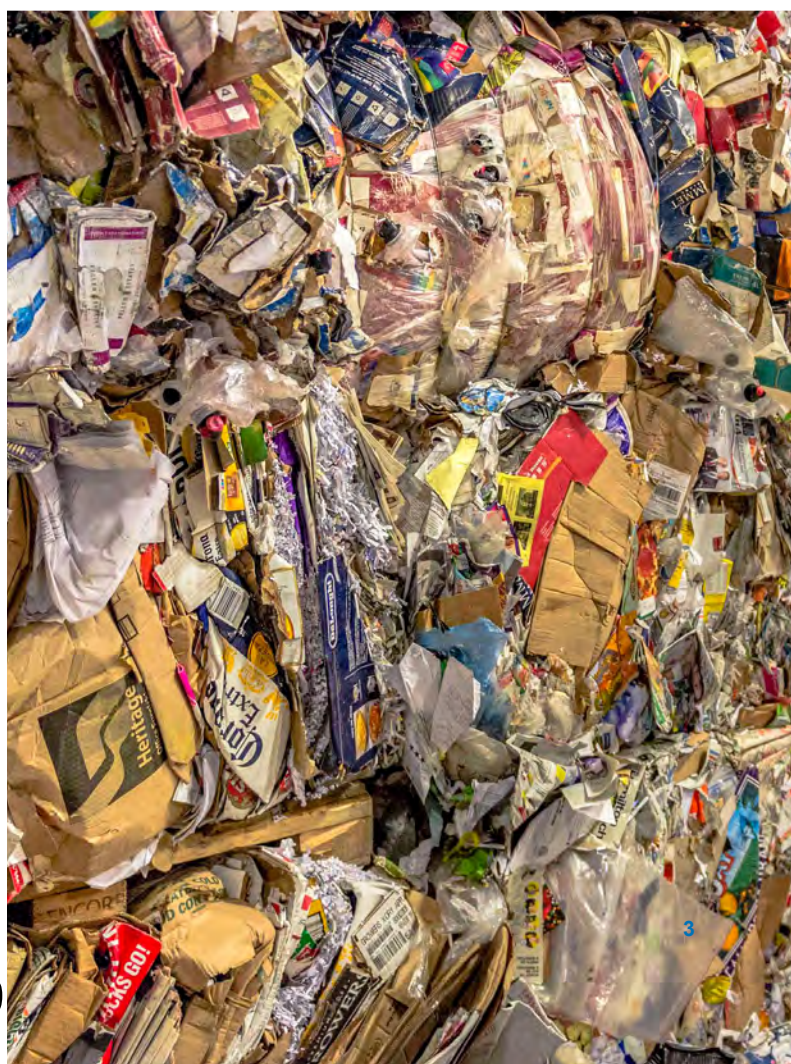
In 2017, Recycle BC welcomed Kamloops, Abbotsford, Mission, Chilliwack and Comox, adding over 102,000 households receiving curbside and multi-family service to the Recycle BC program. We continued our nine-month pilot for on-street recycling in one of BC's busiest areas, Vancouver's West End neighbourhood. In keeping with program plan commitments, we placed 31 on-street residential recycling bins along an 11-block area to test a unique bin design and whether this would assist residents in properly sorting paper and containers for recycling. A [report was released](#) on the findings of the study in October.

Resident Promotion and Education

Informed residents are essential to ensuring we capture and recover a clean stream of targeted materials. In 2017, Recycle BC launched education campaigns targeted at specific aspects of resident recycling, including: depot materials, cartons recycling, holiday recycling 'dos and don'ts' and overall awareness on which materials are accepted for recycling. The promotion and education campaigns were supplemented by the Community Events Team. This high energy team travelled across the province during the summer months attending community events where they used a variety of interactive games and activities to build greater understanding of how recyclables should be sorted and what happens to them as they go through the recycling process and take on a second life.

Exciting Road Ahead

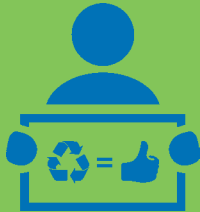




I would like to thank our board members, all our dedicated staff, our stewards, and our many partners and stakeholders for their support and engagement in the past year. We look forward to working together in 2018 and beyond to lead the way in delivering excellent residential recycling and doing our part to preserve and protect beautiful British Columbia.



John Coyne
2017 Board Chair
Vice President, Legal & External Affairs and
General Counsel, Unilever Canada Inc.



Executive Summary

Public Education Materials and Strategies 	<ul style="list-style-type: none"> • Launch of new Recycle BC brand – a more relevant and engaging name allowing Recycle BC to connect with residents in a more meaningful way. • 38% of BC residents are aware of the Recycle BC brand. • Targeted campaigns were undertaken to raise resident awareness of how to properly recycle specific materials – what goes in the blue bin and what goes to the depot. • Partnered with the Whitecaps and the Vancouver Canucks in 2017 to reach a broad audience with key recycling messages. • The Summer Events Team visited 11 communities with interactive activities to educate residents on how to properly sort their recyclables. • Recycle BC had more than 6,800,000 impressions on social media and added an Instagram account to reach even more residents with helpful recycling tips. 		
Collection System and Facilities 	<ul style="list-style-type: none"> • 1,390,000 single-family and multi-family households received curbside or multi-family collection services from 78 local governments, First Nations, or private collectors. • Residents in 156 incorporated municipalities, electoral areas, and First Nations communities have access to curbside and/or multi-family collection services under the Recycle BC program. • 201 depots throughout BC accept Recycle BC materials, operating in 28 regional districts. 		
Product Environmental Impact Reduction, Reusability and Recyclability 	<ul style="list-style-type: none"> • Recycle BC members continue to innovate and explore new technologies to reduce the environmental impact of their packaging and paper materials. Recycle BC member company, Lush, worked with BC-based recycler Merlin Plastics for 100% locally-sourced recycled plastic for its sample-sized plastic pots. • Recycle BC continues to work with the Ellen McArthur Foundation on the New Plastics Economy for ideas to create a circular economy for plastics. 		
Pollution Prevention Hierarchy and Product/Component Management 	181,514 Tonnes of collected material managed by recycling	4,647 Tonnes of collected material managed by recovery (alternative fuel: an engineered material manufactured to specifications)	11,568 Tonnes of collected material managed by disposal
Product Sold, Collected and Recovered 	234,847 Tonnes of material supplied by Recycle BC stewards	174,942* Tonnes of material collected *2017 tonnes of material collected reflect the exclusion of tonnes collected by Recycle BC on behalf of other stewardship programs and reported in their annual reports.	75% Recovery rate

Program Overview

Recycle BC has completed three successful years of managing and financing recycling services for packaging and paper for the residents of British Columbia. Entirely funded by business, the Recycle BC program is recognized as one of the most successful Extended Producer Responsibility (EPR) programs for packaging and paper in North America. In 2017, its services provided more than 1.3 million households in 156 communities with curbside or multi-family collection, with 98% of BC residents having access to Recycle BC depots.

Recycle BC has more than 1,100 member companies that

Recycle BC's mission is to be a trusted environmental advocate and community partner offering equitable, effective and efficient residential recycling services. This guides all the work we do in communities throughout BC. We ensure packaging and paper is collected from households and recycling depots and then sorted and recycled responsibly.

include manufacturers, retailers, restaurants and first importers that supply packaging and paper to BC residents. On behalf of its member companies, Recycle BC has over the past three years successfully established a sophisticated province-wide network of supply chain partners that efficiently collects and processes the packaging and paper distributed by Recycle BC members.

Recycle BC is based in North Vancouver with local staff members managing its program operations. Recycle BC is supported in its work by Canadian Stewardship Services Alliance (CSSA), a national, non-profit organization dedicated to providing support services to stewardship programs across Canada. Recycle BC is governed by a Board of Directors representing brand owners and retailers. Recycle BC also consults with an Advisory Committee on core elements of its program. The Advisory Committee includes representatives from stakeholder groups interested in the success of the program, including local governments, the waste management industry, steward industry associations, and the Recycling Council of BC.

Consultation on Program Plan:

Section 6 of the province's Recycling Regulation requires that a stewardship organization must review its approved Program Plan at least every five years and conduct a thorough review of its performance to identify any potential changes that will ensure ongoing success. In 2017, Recycle BC began that process by initiating a review of its plan and performance in consultation with its many stakeholders.

In November, 2017 Recycle BC hosted two days of workshops with representatives from our contracted collectors, government, industry, other stewardship organizations, educators and community champions. The process of reviewing and revising the program plan in conversation with our stakeholder community continues in 2018 as Recycle BC considers how it can make significant progress toward achieving a circular economy for plastics and other materials. During the summer of 2018, our stakeholder community will be asked to consider important revisions to the program plan that are designed to increase plastic recovery rates and prevent leakage into our environment. Watch [Recycle BC's website](#) for details.

Packaging and Paper Product

Under BC's Environmental Management Act, "packaging is a material, substance or object that is used to protect, contain or transport a commodity or product, or is attached to a commodity or product or its container for the purpose of marketing or communicating information about the commodity or product."

Section 5 of the Recycling Regulation was amended in 2017. Amongst the amendments was a change in the definition of printed paper. Printed paper is now referred to as "paper product" and is defined as: paper of any description, including: flyers, brochures, booklets, catalogues, telephone directories, newspapers, magazines, paper fibre, and paper used for copying, writing or any other general use.

Board of Directors

Recycle BC is supported by a Board of Directors representing the steward members. The members of the Board bring the experience, skills and oversight to ensure the ongoing success of the Recycle BC program. Current members of the Recycle BC board are:

- John Coyne, Unilever Canada Inc. (Board Chair)
- Bob Chant, Loblaw Companies Limited (Vice Chair)
- Debbie Baxter, Deloitte (Independent Director)
- Paul Hazra, Save-On-Foods

Members of the Finance & Audit Committee are Debbie Baxter (Chair) and Paul Hazra.

The Recycle BC Board met four times in 2017. The following table summarizes attendance:

Board Member	Comments	March 30	June 29	September 26	December 11
Debbie Baxter	Joined MMBC Board on March 30, 2017	n/a	Yes	Yes	-
Bob Chant		Yes	Yes	Yes	Yes
John Coyne		Yes	Yes	Yes	Yes
Paul Hazra		Yes	Yes	Yes	Yes

Recycle BC Advisory Committee

The Recycle BC Advisory Committee includes local stakeholders with an interest in the performance and success of Recycle BC's packaging and paper stewardship program. The committee serves as a forum through which stakeholders are kept informed about program developments. In addition, the Advisory Committee is consulted on core elements of Recycle BC's program to identify issues and provide input on how issues might be addressed. Involvement of the Advisory Committee fosters collaborative problem-solving, two-way communication, and facilitates feedback on the operation of the program. Recycle BC's Advisory Committee members in 2017 included:

- Brock Macdonald, CEO, Recycling Council of B.C. (Advisory Committee Chair)
- Will Burrows, Executive Director, Coast Waste Management Association
- Andrew Doi, Environmental Planner, Metro Vancouver
- Rob C. Gay, Board Chair, Regional District of East Kootenay
- Bill Hardy, General Manager, Northwest Landscape Supply
- Jozef Hubburmin, CFO, Fresh Direct Produce Ltd.
- Paul Ives, Mayor, Town of Comox
- Dan Rogers, Executive Director, Kelowna Chamber of Commerce
- Dan Wong, Executive Director, BC Dairy Council

Recycle BC Members

The steward companies that make up the Recycle BC membership are organizations that supply packaging and paper to BC consumers, as defined by the Recycling Regulation. These obligated materials generally encompass the materials that are provided to consumers and are taken home for recycling or disposal. In order to meet their stewardship obligations, Recycle BC's members report the quantities of obligated materials they supply into the BC marketplace each year and pay fees based on supplied quantities. The fees are used to deliver residential recycling services to BC residents. In 2017, 1,142 Recycle BC members contributed over \$86 million to provide these services. Recycle BC operates this recycling system on behalf of its members which include companies that span a breadth of business sectors including:

- Food and consumer goods manufacturers
- Retailers (grocery, general merchandise, convenience, drug stores)
- Financial institutions (banks, credit unions, insurance companies)
- Quick-service restaurants
- Magazine publishers
- Nurseries and garden centres

[Click here](#) or visit the Recycle BC website for a full list of members or for more information about becoming a member.



Public Education

In 2017, Recycle BC launched its new brand – a more intuitive, relevant and engaging name and identity that allows residents to recognize and better understand the services provided by Recycle BC. The new brand is the first step in developing a deeper and more meaningful connection with residents to inform, educate and empower them to recycle and reduce waste.

Education Campaigns

Take us to the Depot

Prior to launching the new brand, Recycle BC (then Multi-Material BC) welcomed Abbotsford, Chilliwack, Mission, and Kamloops to the program. By joining the Recycle BC program, residents in Abbotsford, Chilliwack, and Kamloops could no longer put plastic bags and glass into their collection containers. Recycle BC launched a campaign directed at those communities to raise awareness of the changes and directing these materials to depots.

Thanks for taking us to the depot!

Plastic bags and glass no longer belong in your curbside recycling

HELP US RECYCLE MORE

Find your nearest depot at [RecyclingInBC.ca](https://www.RecyclingInBC.ca)

MULTI MATERIAL BC

WHIPEEE!

Recycle BC is your residential packaging and printed paper recycling program.

MAKING A DIFFERENCE TOGETHER

Find out everything you can recycle at [RecycleBC.ca](https://www.RecycleBC.ca)

RECYCLEBC

Get in the Bin

An integrated education campaign to reinforce the new brand and recycling with fun and engaging creative ran during the spring and fall and included television, online, social media and out-of-home advertising. Characters, such as a metal can, milk carton and whip cream container were used to help residents understand what Recycle BC does and what materials can be included in their home recycling.

Recycle your Cartons

Recycle BC partnered with the Carton Council of Canada for the second consecutive year to raise awareness of carton recycling in BC. The campaign focused on province-wide digital communications and the campaign creative reinforced the message that residents can recycle cartons in their blue box.

THERE'S A PARTY IN YOUR BIN

AND CARTONS ARE INVITED!

RECYCLEBC

CARTON COUNCIL



Holiday Recycling

The holidays are a busy time for packaging and paper recycling. Recycle BC's holiday campaign focused on common holiday materials and what can and cannot be included in recycling. The campaign featured a holiday recycling guide, as well as material specific creative for online and social media.

Community Events Team

Recycle BC expanded its Community Events Team in 2017 to include two groups in order to participate in more events and reach more residents. The team focused on educating residents on proper sorting of materials, but also on what happens to the materials when they are collected from their homes so that residents better understand the full recycling process. Interactive elements included a sorting game, virtual reality experience of the recycling process, recycling museum showing items made from recycled material and a soccer shoot.

From May to October, the Recycle BC Summer Events team engaged with residents a total of 45 days at 25 events across BC. It is estimated that over 228,650 residents visited the display and the team had more than 38,000 unique interactions with participants. Communities included:

- Richmond
- Surrey
- Cloverdale
- Vancouver
- Victoria
- Coquitlam
- Maple Ridge / Pitt Meadows
- Abbotsford
- Penticton
- Prince George
- Armstrong / Vernon

Partnerships

Whitecaps

Recycle BC continued its partnership with the Vancouver Whitecaps FC to engage and educate residents about recycling in BC. Partnership elements included in-stadium signage, social media outreach, contests and prizes and on-site engagement with the public to inform and educate attendees through fun, interactive activities. The partnership was especially relevant in 2017, as Recycle BC took over recycling services in the City of Vancouver in the fall of 2016, so the partnership was an effective way to reach Vancouver residents.



Canucks

Recycle BC also partnered with the Vancouver Canucks to increase awareness in markets within Metro Vancouver, but also in communities around the province. Recycle BC had in-stadium and television exposure through traditional and virtual rink boards. Other partnership elements include contesting and social media exposure to reinforce key recycling messages to residents.

Community Champions

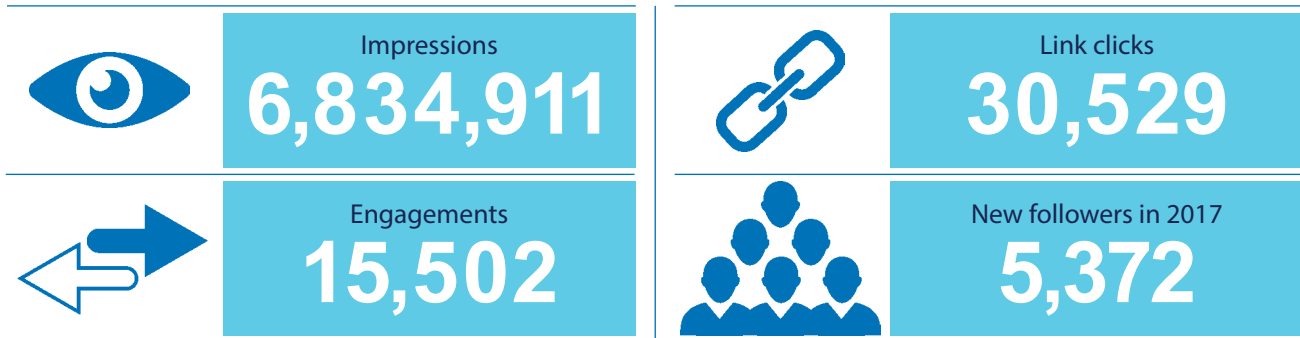
Recycle BC continued its partnerships with local environmental organizations that work to promote waste reduction and recycling goals in their communities through the Community Champions program. Recycle BC provided education materials, grant money to be applied toward the promotion of packaging and paper recycling and ongoing resident outreach and education about what materials are accepted in Recycle BC's program. 2017 community partners included:

- Recycling and Environmental Action Planning Society (REAPS), Prince George
- Ridge Meadows Recycling Society, Maple Ridge
- Let's Talk Trash, Powell River Regional District
- Master Recyclers, Vancouver

Social Media

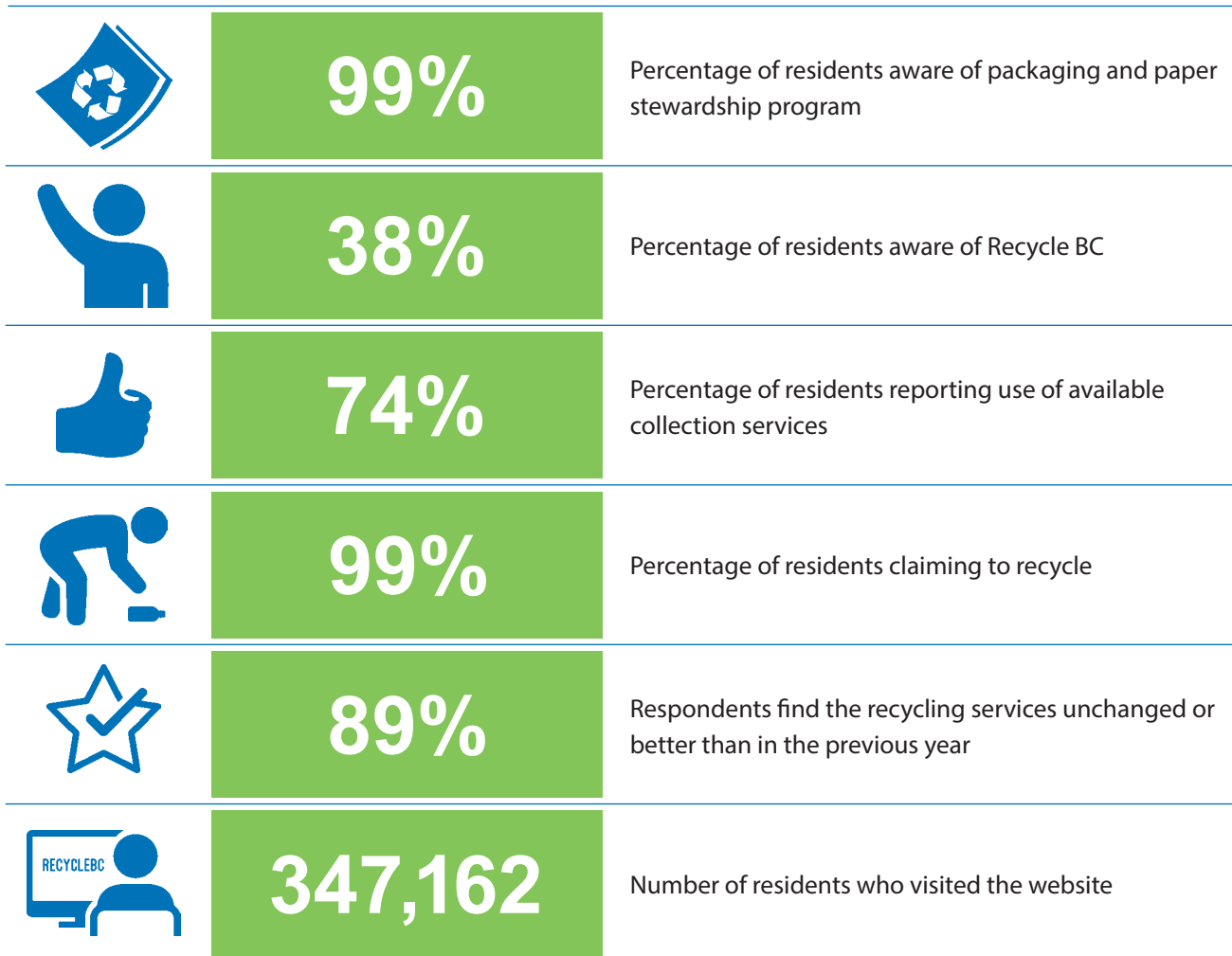
Recycle BC's social media channels continued to provide useful tips and reminders to BC residents, along with contests and program news in 2017. On March 28, 2017 (the day Multi-Material BC rebranded to Recycle BC), the program also launched an Instagram account to further promote recycling information to residents.

The below represent the total combined data for all three of Recycle BC's social accounts: Twitter, Facebook and Instagram:



Resident Awareness

Recycle BC continues to measure resident awareness of the program through consumer research and by measuring the number of people visiting the website. Resident awareness of Recycle BC in 2017 increased to 38% from 16% in the previous year. Recycle BC will continue to conduct consumer research in 2018 to compare and measure program awareness and recycling behaviour of BC residents.





Collection Systems and Facilities

The Recycle BC program uses three collection methods:

- curbside collection from residences (e.g. single family homes) that each set out material for pick up
- multi-family collection from a central location in buildings with five or more residential units
- depot collection where residents drop off packaging and paper

Together, Recycle BC has over 160 collection partners throughout BC.

Expanded Direct Recycling Services

Recycle BC continued to provide a financial incentive to local governments delivering recycling services and resident education under contract to Recycle BC. Under this model, the costs of recycling are transferred from taxpayers to businesses.

In other cases, communities have elected to have Recycle BC directly manage their curbside recycling service, meaning local governments are no longer responsible for oversight or management of recycling services or the resident communication in these communities.

On July 1, 2017, Recycle BC added the Boundary Region of the Regional District of Kootenay Boundary (RDKB) to its direct service operations. The Kootenay Region of the RDKB had transitioned to direct service in 2016. The Boundary Region of RDKB encompasses the communities of Grand Forks, Christina Lake, Eholt, Greenwood, Midway, Kettle Valley, Rock Creek, Westbridge, Beaverdell and Carmi. The addition of these communities increased the number of households serviced directly by Recycle BC from 380,000 households in 2016 to approximately 385,000 households by the end of 2017.

Communities serviced directly by Recycle BC:

- City of Coquitlam
- City of Langley
- City of Pitt Meadows
- City of Prince George
- City of Quesnel
- City of Revelstoke
- City of Vancouver
- Regional District of Central Kootenay (Areas H, I, J)
- Regional District of Kootenay Boundary (Boundary Region)
- Regional District of Kootenay Boundary (Kootenay Region)
- Regional District of North Okanagan
- University Endowment Lands
- Village of Anmore

Other Service Expansions

In 2017, five new communities were welcomed into the Recycle BC program: Kamloops, Abbotsford, Mission, Chilliwack and Comox. With the addition of these communities, 102,213 new curbside and multi-family households now take advantage of Recycle BC's comprehensive recycling services.

Recycle BC also expanded its partnership with London Drugs, which offers a convenient option for residents to return plastic bags, plastic overwrap and foam packaging to its stores for recycling. These materials are best recycled when kept separate from other recyclables. In 2017, 39 London Drugs stores around BC joined the Recycle BC program to accept plastic bags, overwrap and foam packaging for recycling. This is in addition to the 11 stores in Vancouver that joined in 2016. All BC London Drugs Stores are now part of the program.



Merlin Plastics

Merlin Plastics is widely recognized as a pioneer in plastics recycling in North America due to its advanced processing facilities and its innovative research and development team based in Delta, BC. It is also a key partner in Green by Nature (GBN), Recycle BC's post-collection partner for the processing of recyclables.

In 2014, Merlin Plastics invested \$20 million in a container recovery facility (CRF) which is able to sort all the mixed containers collected by Recycle BC into the different material types, such as metal containers, cartons and paper cups, and the various types of plastic, as part of the GBN post-collection network. Of these different materials, Merlin Plastics, as an end market, further processes the plastics by grinding, washing, and melting into plastic pellets which can then be sold to manufacturers to be created into new packaging or products.

Merlin Plastics is committed to ongoing innovation and investment in new technology and has collaborated with Recycle BC and its members to explore technological and process innovations that allow the ever growing assortment of plastics distributed into the marketplace to be properly recycled.

As a key partner in the Green by Nature organization, Merlin Plastics is part of the reverse supply chain designed as an efficient network of receiving, consolidation and transfer facilities (RCTs), pre-conditioning facilities (PCFs) and the container recovery facility (CRF). This regional approach to the movement of collected materials across BC where fibres are separated from containers at the RCTs and PCFs is both logistically and financially efficient in that it eliminates the need for the investment in expensive sorting technologies in each facility across the province. Merlin Plastics, as a part of the post-collection network, assists in the efficient consolidation and sorting of all containers captured from BC residents.



Ensuring Responsible Management of Recyclables Overseas

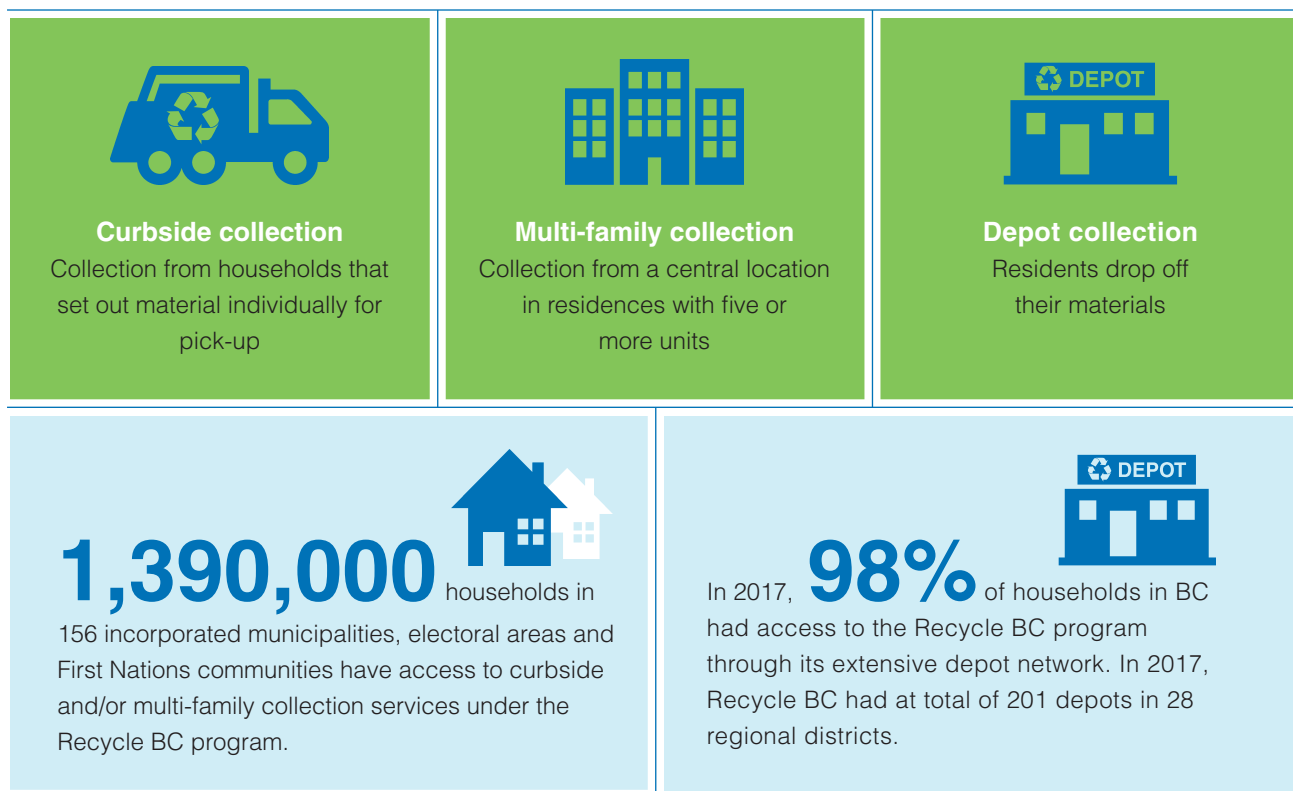
In 2017, representatives from Recycle BC and Green by Nature (GBN), visited end-markets in China and South Korea to see first-hand the facilities that process and recycle British Columbia's cartons, paper and foam packaging. In addition to ensuring Recycle BC materials are being managed responsibly, the facility visits provided an opportunity to better understand the increasingly stringent material standards being implemented by overseas markets. Recycle BC also saw how its recyclables are made into new items and given a second life — including plastic foam packaging that is recreated into picture frames and then sold in Canadian stores. While a better understanding of foreign recyclables markets is useful, Recycle BC favours domestic or North American markets when possible. Recycle BC's plastic containers, metal cans, glass, and plastic bags and overwrap are sold to end-markets in BC, other parts of Canada or North America.





- 33 Receiving Consolidation and Transfer Facilities
- 11 Pre-Conditioning Facilities
- 1 Container Recovery Facility

Collection Summary



Curbside/Multi-Family Service Areas and Depot Facilities

	SERVICE AREA FACILITIES	CHANGE
Alberni-Clayoquot	8	–
Curbside	2	
Alberni Clayoquot Regional District	1	
Toquaht Nation	1	
Depot	5	
Alberni Valley Landfill	1	
Bamfield Transfer Station	1	
Port Alberni Recycling Depot	1	
Sonbird Refuse & Recycling	1	
Westcoast Recycling Depot	1	
Multi-family	1	
City of Port Alberni	1	
Bulkley-Nechako	7	–
Curbside	3	
Nak'azdli Whut'en	1	
Town of Smithers	1	
Village of Telkwa	1	
Depot	3	
Bulkley Valley Bottle Depot	1	
Burns Lake Return-It Depot	1	
Nak'azdli Recycling Depot	1	
Multi-family	1	
Nak'azdli Whut'en	1	

	SERVICE AREA FACILITIES	CHANGE
Capital	13	–
Curbside	1	
Capital Regional District	1	
Depot	10	
Bottle Depot (Saanich)	1	
Bottle Depot (Victoria)	1	
Galiano Island Recycling Depot	1	
Hartland Recycling Depot	1	
Mayne Island Recycling Depot	1	
Oak Bay Public Works	1	
Pender Island Recycling Depot	1	
Port Renfrew Transfer Station	1	
Salt Spring Island Recycling Depot	1	
Saturna Island Recycling Depot	1	
Multi-family	2	
Capital Regional District	1	
City of Victoria	1	

	SERVICE AREA FACILITIES	CHANGE
Cariboo	20	–
Curbside	4	
Cariboo Regional District	1	
City of Quesnel	1	
City of Williams Lake	1	
District of 100 Mile House	1	
Depot	15	
150 Mile House Transfer Station	1	
Baker Creek	1	
Central Cariboo Transfer Station	1	
Forest Grove Transfer Station	1	
Frost Creek Transfer Station	1	
Gold Trail Recycling Ltd	1	
Horsefly	1	
Interlakes Landfill	1	
Lac La Hache	1	
Lone Butte Transfer Station	1	
Nimpo Lake	1	
Quesnel Landfill	1	
Watch Lake Landfill	1	
Wells	1	
Wildwood Transfer Station	1	
Multi-family	1	
City of Williams Lake	1	
Central Coast	3	–
Curbside	1	
Bella Bella	1	
Depot	2	
Bella Bella Eco Depot	1	
Thorsen Creek Landfill and Recycling Centre	1	
Central Kootenay	8	–
Curbside	5	
City of Castlegar	1	
City of Nelson	1	
Regional District of Central Kootenay	1	
Village of Kaslo	1	
Village of Nakusp	1	
Depot	1	
Zion Trucking	1	
Multi-family	2	
Central Kootenay	1	
City of Nelson	1	

	SERVICE AREA FACILITIES	CHANGE
Central Okanagan	14	–
Curbside	5	
City of Kelowna	1	
City of West Kelowna	1	
District of Lake Country	1	
District of Peachland	1	
Regional District of Central Okanagan	1	
Depot	9	
Boucherie Self Storage & Bottle Depot	1	
Columbia Bottle Depot - Central	1	
Columbia Bottle Depot - Rutland	1	
Columbia Bottle Depot - St. Paul	1	
Glenmore Landfill Recycling Depot	1	
Northwestside Recycling Depot	1	
Planet Earth Recycling Ltd.	1	
Traders Cove Recycling Depot	1	
Westside Residential Waste Disposal and Recycling Centre	1	
Columbia-Shuswap	22	–
Curbside	3	
City of Revelstoke	1	
City of Salmon Arm	1	
Town of Golden	1	
Depot	18	
Bill's Bottle Depot	1	
Falkland Transfer Station	1	
Glenemma Transfer Station	1	
Golden Bottle Depot	1	
Golden Landfill	1	
Malakwa Depot	1	
Parson	1	
Revelstoke Bottle Depot	1	
Revelstoke Landfill	1	
Salmon Arm Landfill	1	
Scotch Creek Transfer Station	1	
Seymour Arm Transfer Station	1	
Sicamous Downtown Depot	1	
Sicamous Landfill	1	
Skimikin Transfer Station	1	
Sorrento Fire Hall Depot	1	
Tappen Co-Op Depot	1	
Trout Lake Transfer Station	1	
Multi-family	1	
City of Revelstoke	1	

	SERVICE AREA FACILITIES	CHANGE
Comox Valley	10	2
Curbside	4	
City of Courtenay	1	
Town of Comox	1	
Comox Valley Regional District	1	
Village of Cumberland	1	
Depot	5	
Comox Return Centre	1	
Comox Valley Waste Management Centre	1	
Courtenay Return-It Depot	1	
Denman Island	1	
Hornby Island	1	
Multi-family	1	
City of Courtenay	1	
Cowichan Valley	13	–
Curbside	6	
City of Duncan	1	
Cowichan Tribes	1	
Cowichan Valley Regional District	1	
District Municipality of North Cowichan	1	
Town of Ladysmith	1	
Town of Lake Cowichan	1	
Depot	5	
Bings Creek Recycling Centre	1	
Island Return-It Duncan	1	
Junction Bottle Depot	1	
Meade Creek Recycling Centre	1	
Peerless Road Recycling Centre	1	
Multi-family	2	
Town of Ladysmith	1	
Town of Lake Cowichan	1	
East Kootenay	1	–
Depot	1	
Cranbrook Bottle Depot	1	
Fraser Valley	16	6
Curbside	4	
City of Abbotsford	1	
City of Chilliwack	1	
District of Mission	1	
Seabird Island Band	1	
Depot	8	
Abbotsford Bottle Depot	1	
Aldergrove Return-It Depot	1	
Chilliwack Bottle Depot	1	
City of Abbotsford (ACS)	1	
Mission Recycle Centre	1	
R&T Recyclables & Bottle Depot	1	
Sardis Bottle Depot	1	
*Seabird Island Eco Station	1	
Multi-family	4	
City of Abbotsford	1	
City of Chilliwack	1	
District of Mission	1	
Seabird Island Band	1	

*This depot was dormant as of December 31, 2017

	SERVICE AREA FACILITIES	CHANGE
Fraser-Fort George	4	–
Curbside	1	
City of Prince George	1	
Depot	2	
Hart Return-It Centre	1	
P.G. Recycling and Return-It Centre	1	
Multi-family	1	
City of Prince George	1	
Metro Vancouver	74	2
Curbside	17	
City of Burnaby	1	
City of Coquitlam	1	
City of Langley	1	
City of New Westminster	1	
City of North Vancouver	1	
City of Pitt Meadows	1	
City of Port Coquitlam	1	
City of Port Moody	1	
City of Richmond	1	
City of Surrey	1	
City of Vancouver	1	
City of White Rock	1	
District of Maple Ridge	1	
District of North Vancouver	1	
District of West Vancouver	1	
University Endowment Lands	1	
Village of Anmore	1	
Depot	41	
Biggar Bottle Depot	1	
Bridgeview Bottle & Return-It Depot	1	
Burnaby Eco-Centre	1	
City of Richmond Recycling Depot	1	
Coquitlam Return-It Depot	1	
East Hastings Bottle Depot	1	
Edmonds Return-It Depot	1	
Fraser Valley Bottle & Return-It Depot	1	
Guildford Bottle Depot	1	
Haney Bottle Depot	1	
Ironwood Bottle & Return-It Depot	1	
Jenill Recycling	1	
Kensington Square Return-It Centre	1	
Kitchener Bottle Depot	1	
Ladner Bottle Depot	1	
Lee's Bottle Depot	1	
London Drugs Depot	1	
Lonsdale Bottle & Return-It Depot	1	
Lougheed Return-It Depot	1	
Maple Ridge Bottle Depot	1	
Maple Ridge Recycling Depot	1	
Metrotown Return-It Centre	1	
New Westminster Recycling Depot	1	
Newton Bottle Depot	1	
North Shore Bottle Depot	1	
North Vancouver Bottle & Return-It Depot	1	

Metro Vancouver continued next page

	SERVICE AREA FACILITIES	CHANGE
Metro Vancouver (continued)		
Panorama Village Return-It	1	
Pitt Meadows Bottle & Return-It Depot	1	
Powell Street Return-It Bottle Depot	1	
Queensborough Landing	1	
Sapperton Return-It Depot	1	
Scott Road Bottle Depot	1	
Semiahmoo Bottle Depot	1	
South Van Bottle Depot	1	
Tsawwassen Return-It Centre	1	
Vancouver Central Return-It Depot	1	
Vancouver Landfill	1	
Vancouver South Transfer Station	1	
Walnut Grove Bottle & Return Centre	1	
Willowbrook Recycling	1	
North Shore Recycling Transfer Station	1	
Multi-family	16	
City of Burnaby	1	
City of Coquitlam	1	
City of Langley	1	
City of New Westminster	1	
City of North Vancouver	1	
City of Port Coquitlam	1	
City of Port Moody	1	
City of Richmond	1	
City of Surrey	1	
City of Vancouver	1	
City of White Rock	1	
District of Maple Ridge	1	
District of North Vancouver	1	
District of West Vancouver	1	
University Endowment Lands	1	
City of Pitt meadow	1	
Kitimat-Stikine	5	-
Curbside	1	
City of Terrace	1	
Depot	4	
Border Town Recycling	1	
Do Your Part Recycling	1	
Hazelton Bottle Depot	1	
Kitimat Bottle Depot	1	
Kootenay Boundary	11	-
Curbside	2	
Kootenay Boundary Regional District - Boundary Region	1	
Regional District of Kootenay Boundary - East Sub Region	1	
Depot	6	
Christina Lake Transfer Station	1	
Grand Forks Landfill	1	
McKelvey Creek Landfill	1	
Rock Creek Transfer Station	1	
Trail Bottle Depot	1	
West Boundary Landfill	1	

	SERVICE AREA FACILITIES	CHANGE
Kootenay Boundary (continued)		
Multi-family	3	
City of Rossland	1	
City of Trail	1	
Village of Fruitvale	1	
Mount Waddington	15	-
Curbside	4	
District of Port Hardy	1	
Regional District of Mount Waddington	1	
Town of Port McNeill	1	
Village of Alert Bay	1	
Depot	10	
7 Mile Landfill And Recycling	1	
Cormorant Island Recycling Depot	1	
Island Foods Bottle Depot	1	
Malcolm Island Recycling Depot	1	
Port Alice Recycling Depot	1	
Port Hardy Return It Centre	1	
Quatsino Recycling Depot	1	
Tsulquate Recycling Depot	1	
Winter Harbour Recycling Depot	1	
Woss Recycling Depot	1	
Multi-family	1	
Regional District of Mount Waddington - Coal Harbour	1	
Nanaimo	9	(2)
Curbside	2	
City of Nanaimo	1	
Regional District of Nanaimo	1	
Depot	5	
Alpine Disposal	1	
Nanaimo Recycling Exchange	1	
Old Victoria Regional	1	
Parksville Bottle & Recycling Depot Ltd	1	
Qualicum Bottle Depot	1	
Multi-family	2	
City of Nanaimo	1	
City of Parksville	1	
North Okanagan	9	-
Curbside	1	
Regional District of North Okanagan	1	
Depot	4	
Armstrong Bottle Depot	1	
Interior Freight and Bottle Depot	1	
Venture Bottle Depot	1	
Venture Training Centre	1	
Multi-family	4	
City of Armstrong	1	
City of Enderby	1	
City of Vernon	1	
Village of Lumby	1	

	SERVICE AREA FACILITIES	CHANGE
Northern Rockies	1	–
Depot	1	
Widesky Disposals	1	
Okanagan-Similkameen	19	–
Curbside	7	
City of Penticton	1	
District of Summerland	1	
Penticton Indian Band	1	
Regional District of Okanagan-Similkameen	1	
Town of Oliver	1	
Town of Osoyoos	1	
Town of Princeton	1	
Depot	9	
Campbell Mountain Landfill	1	
J & C Bottle Depot	1	
Keremeos Transfer Station	1	
Oliver Landfill	1	
Osoyoos Bottle Depot	1	
Osoyoos Landfill	1	
Princeton Landfill	1	
Summerland Landfill	1	
T2 Market Recycle Depot	1	
Multi-family	3	
City of Penticton	1	
District of Summerland	1	
Town of Oliver	1	
Peace River	10	(1)
Depot	10	
Buick	1	
Cecil Lake	1	
Kelly Lake	1	
Moberly Lake	1	
Prespatou	1	
Rolla Transfer Station	1	
Rose Prairie	1	
Tomslake	1	
Tumbler Ridge Transtor	1	
Wonowon	1	
Powell River	6	–
Depot	6	
Augusta	1	
Gillies Bay Community Depot	1	
Lund Community Depot	1	
Powell River South (Black Point)		
Community Depot	1	
Slammon Community Depot	1	
Town Centre Depot	1	

	SERVICE AREA FACILITIES	CHANGE
Skeena-Queen Charlotte	3	–
Curbside	1	
Gitxaala Nation	1	
Depot	2	
Kitkatla	1	
Mainland (Regional) Recycling Depot	1	
Squamish-Lillooet	11	–
Curbside	2	
Seton Lake Band	1	
Squamish Nation	1	
Depot	6	
Carney's Waste Systems	1	
Function Junction Depot	1	
Lillooet	1	
Nesters Depot	1	
Pemberton	1	
Pemberton Recycling Centre	1	
Multi-family	3	
District of Squamish	1	
Resort Municipality of Whistler	1	
Village of Pemberton	1	
Strathcona	11	–
Curbside	3	
City of Campbell River	1	
Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nation	1	
Strathcona Regional District	1	
Depot	7	
Campbell River Waste Management Centre	1	
Cortes Island	1	
Gold River	1	
Island Return-It Campbell River	1	
Sayward	1	
Tahsis	1	
Zeballos	1	
Multi-family	1	
City of Campbell River	1	
Sunshine Coast	3	–
Depot	3	
Gibsons Recycling Depot	1	
Pender Harbour Recycling Depot	1	
Sechelt Recycling Depot	1	
Thompson-Nicola	5	2
Curbside	1	
City of Kamloops	1	
Depot	3	
General Grant's - Northshore	1	
General Grant's - Sahali	1	
Lorne Street Bottle	1	
Multi-family	1	
City of Kamloops	1	

Grand Total	331	9
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Managing Environmental Impacts

Producer Innovations

Recycle BC works with its steward members to explore ways to reduce the environmental impact of their packaging and paper materials. Because Recycle BC manages the entire recycling system of this material in British Columbia, from collection to processing and sale of material to end markets, it is well positioned to coordinate efforts across the supply chain and foster innovation with its member companies and the processors of collected materials.

Recycle BC has been able to facilitate pilot projects with a number of its members in an effort to expand the range of materials that can be successfully collected and recycled. Much can be done by manufacturers and others in the design and distribution of their packaging and paper products, with efforts that include:

- The use of new technology adhesives that facilitate the removal of labels from containers in the recycling process
- Packaging innovations that reduce food residue on packaging
- Simplification of packaging components to facilitate easier recycling
- Clearer recycling labelling so that consumers understand which materials are and are not recyclable
- Allowing consumers to bring their own refillable containers when purchasing bulk products
- Encouraging consumers to use reusable bags at retailers
- Utilizing stickers, tape or other “paid purchase” identifiers in lieu of plastic bags for large items
- Incorporating up to 100% recycled materials in packaging and paper products, stimulating the market for recycled materials.

Lush, a Recycle BC member, is reducing the environmental impact of its packaging by sourcing 100% recycled plastic from Merlin Plastics for some of its packaging formats. Lush purchases recycled plastic from Merlin for their black sample-sized pots allowing them to be made from plastic sourced from BC residents’ recyclables. Lush is also testing the feasibility of producing their larger, regular-sized pots with the same BC-sourced 100% recycled plastic. To encourage consumers to become part of their closed recycling loop, they also operate a reward system whereby for every five clean black pots returned to their shop, the customer can enjoy a free, fresh facemask.

Ellen McArthur Foundation New Plastics Economy

As more companies commit to reducing the environmental impact of their packaging and paper products, the Ellen McArthur Foundation is working toward the creation of a circular economy at a global level. Recycle BC is a partner in the Foundation’s New Plastics Economy (NPEC) initiative, an ambitious, three-year effort to create a circular economy specifically for plastics. The initiative brings together key stakeholders from around the world to re-think and re-design the future of plastics. In 2017, Recycle BC created a video available [here](#) to raise awareness and understanding of the NPEC. The video features an interview by Managing Director,



Allen Langdon with Michiel De Smet, Project Manager for the New Plastics Economy at the Ellen MacArthur Foundation that details the initiative,

its purpose and its vision for the future of plastics.





On-Street Recycling Pilot Project Update

Not all packaging and paper is disposed of at home and Recycle BC wants to make recycling convenient for BC residents when they are out in their communities. As it is important to minimize contamination that compromises recyclability of collected materials, Recycle BC, in partnership with the City of Vancouver, undertook a nine-month pilot project during 2016 and 2017 to determine the best way to provide streetscape (or on-street recycling) bins to collect packaging and paper outside the home. The full study report can be found [here](#).

The specific objectives of the project were to:

- Increase diversion of solid waste disposed of in public spaces
- Communicate, reinforce and support waste diversion behaviors
- Test opportunities for organics recovery in key locations
- Assess adequacy and effectiveness of communications approaches
- Determine opportunities and challenges with on-street recycling systems to determine the best course of action for future planning

What is a streetscape?

Streetscape venues refer to municipal property that is not industrial, commercial or institutional property and comprises the following:

- Sidewalks which are municipal property, which adjoin buildings in an urban commercial area and which are used for pedestrian traffic;
- Plazas or town squares which are municipal property and which are available to the public; or
- Parks which are municipal property.

How was the Project Implemented?

Metro Vancouver held a design competition in partnership with the Emily Carr University of Art + Design to select the bins that would be used for pilot projects. The bin colours aligned with the colours residents were familiar with for curbside collection containers and multi-family cart decals in the City of Vancouver: yellow for paper and blue for containers. After two smaller tests by Recycle BC in three communities, in August 2016, recycling bins were installed along sidewalks in Vancouver's West End, and at Second Beach in Stanley Park so that residents and visitors could recycle single-use items such as hot and cold beverage cups and plastic or paper fast food packaging. A total of 31 recycling stations were included in the project. At each recycling station, pedestrians found either three or four bins:

- a garbage bin for items that could not be recycled and would be disposed of in a landfill;
- a mixed paper bin to collect materials such as newspapers, flyers, paper bags, and paper take-out containers;
- a bin for recyclable containers such as hot or cold drink cups, plastic take-out containers, as well as other beverage containers; and
- in a few select locations, an organics bin was provided for food scraps, food soiled paper containers and napkins.

The pilot project was supported with a media launch, transit shelter advertising and a Facebook campaign, all targeted at residents in downtown Vancouver.

What did the Pilot Project Tell Us?

The full study results ([available here](#)) indicate that the collection of marketable packaging and paper from streetscape locations can be very challenging due to the highly contaminated nature of this material. These challenges are further exacerbated by increasingly strict end-market specifications. The inability to find end markets for mixed waste material is now a global issue as many recycling programs strive to meet increasingly tighter restrictions such as China's requirement for a contamination level of no more than 0.5%. Recycle BC's Streetscape pilot often resulted in a contamination level of greater than 30%, suggesting that streetscape packaging and paper collection may not be recoverable under current market conditions.

What's Next?

The pilot project recycling stations will be left in place for 2017 and beyond so that residents can continue to recycle in these areas and Recycle BC and the City of Vancouver can continue to collect data. Recycle BC will continue to perform further research through streetscape collection projects to determine if a viable recovery of packaging and paper can occur under the new restricted global marketing conditions.

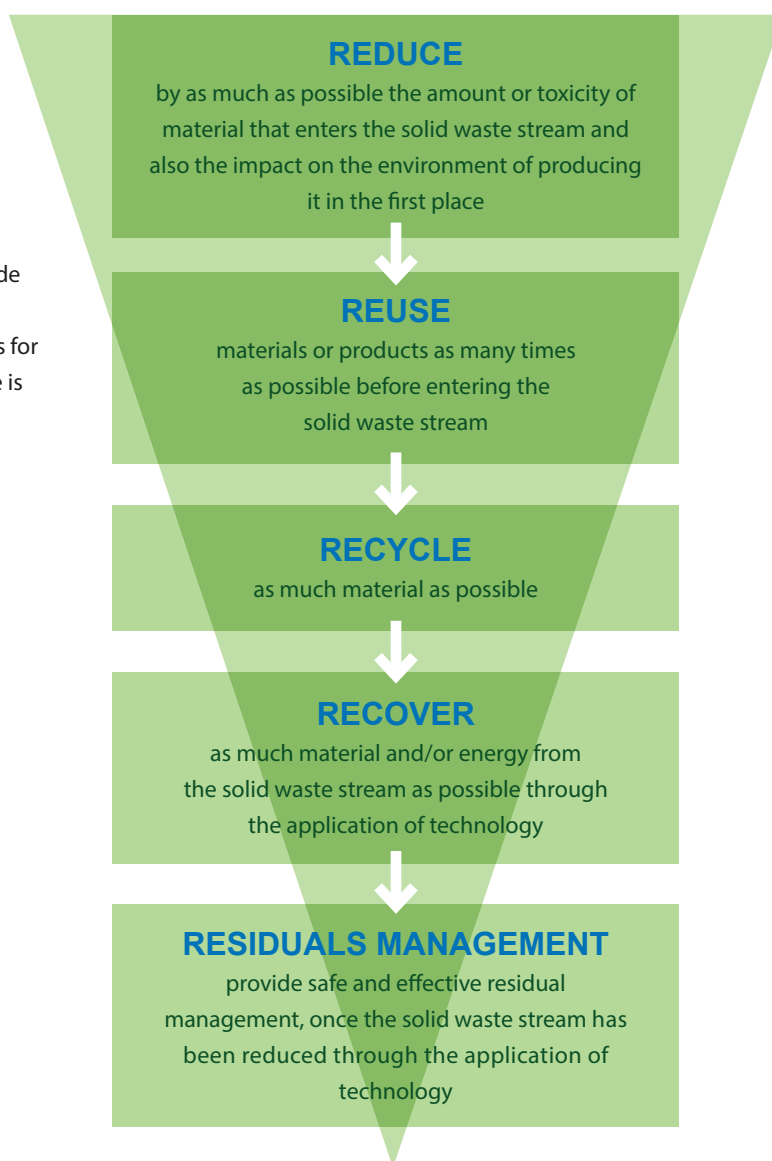
Material Management

Pollution Prevention Hierarchy

Recycle BC's Stewardship Plan includes reference to the pollution prevention hierarchy, which is a tiered approach to the preferred management of waste. It is often simply referred to as "reduce, reuse, recycle, recover". The graphic below provides a visual representation and explanation of Recycle BC's interpretation of the pollution prevention hierarchy.

Recycle BC's involvement in the hierarchy includes:

- Reducing the environmental impact of producing the product: member fees are based on the amount and the kind of packaging they supply to BC residents.
- Recycling the product: fees pay for the collection and recycling of packaging and printed paper in BC.
- Recovery: where recycling options are not available for material placed in a resident's recycling container, provide that material for alternative fuel products.
- Residual Management: material collected from residents for which there is no recycling or recovery options available is sent for disposal



2017 collected material in relation to the pollution prevention hierarchy:

181,514*

Tonnes of material
managed by recycling

4,647

Tonnes of material
managed by recovery
(alternative fuel: an engineered material
manufactured to specifications)

11,568

Tonnes of material
managed by disposal

92%**

Percentage of
collected tonnes
managed by recycling

Data above represents audited data from processor on quantities of materials shipped. Prior year-end inventory shipped in the current year and unprocessed and unshipped inventories at year end are both considered.

*Gross tonnes managed by recycling in the Recycle BC system, including newspaper

**Based on gross tonnes collected in Recycle BC system of 197,949 tonnes.

Material supplied, collected and recovery rate:

	2017	2016
Tonnes of Material supplied by members	234,847	238,062
Tonnes of Material Collected*	174,942	185,477
Recovery Rate**	75%	78%

*Tonnes of material collected reflect the exclusion of tonnes collected by Recycle BC on behalf of other stewardship programs and reported in their annual reports

**Recycle BC's recovery rate is determined by dividing collected tonnes by steward-reported tonnes and shows a decrease from 2016 due to the exclusion of newspaper for the first time in 2017 and going forward

Recycling End Markets

When selecting end-markets for materials, Recycle BC gives priority to those located in countries that are members of the Organization for Economic Co-operation and Development (OECD). Recycle BC will allow marketing to packaging and paper end-markets located in countries that are not members of OECD only if the end-market meets or exceeds environmental, health and safety standards equivalent to OECD standards.

In 2017, materials were directed to market destinations as follows:

- Plastics – Sold to end-markets in BC (except polystyrene foam to China and Spain)
- Paper/Fibres (including aseptic/polycoat containers) – The majority was sold to end-markets in China, with the rest either remaining in BC or going to end-markets in Indonesia and South Korea
- Glass – Sold to end-markets in BC
- Metals – Largely sold to end-markets in Ontario, with the rest either remaining in BC or going to end markets in the United States



Material Collected by Regional District (2017)

REGIONAL DISTRICT	TONNES	SERVICED POPULATION	KG PER CAPITA (SERVICED)
Alberni-Clayoquot	1,240	30,981	40.0
Bulkley-Nechako	548	35,518	15.4
Capital	20,470	383,291	53.4
Cariboo	1,831	60,459	30.3
Central Coast	66	3,197	20.8
Central Kootenay	748	41,693	17.9
Central Okanagan	11,419	194,882	58.6
Columbia-Shuswap	2,471	51,330	48.1
Comox Valley	2,787	66,527	41.9
Cowichan Valley	5,375	82,092	65.5
East Kootenay	773	44,718	17.3
Fraser Valley	8,955	295,318	30.3
Fraser-Fort George	1,962	85,365	23.0
Kitimat-Stikine	670	34,358	19.5
Kootenay Boundary	833	31,390	26.5
Metro Vancouver	110,486	2,462,550	44.9
Mount Waddington	363	10,909	33.3
Nanaimo	8,339	151,310	55.1
North Okanagan	3,934	84,354	46.6
Northern Rockies	28	5,112	5.5
Okanagan-Similkameen	4,576	82,986	55.1
Peace River	183	62,014	3.0
Powell River	640	19,623	32.6
Skeena-Queen Charlotte	511	13,123	38.9
Squamish-Lillooet	1,878	42,507	44.2
Stikine	-	-	-
Strathcona	1,689	42,093	40.1
Sunshine Coast	1,216	29,649	41.0
Thompson-Nicola	3,959	119,022	33.3
Gross	197,949*	4,566,371	43.3
Less tonnes collected on behalf of other stewardship programs	(23,008)	-	-
Net	174,942	4,566,371	38.3

*Gross tonnes collected by Recycle BC

Program Performance

Year-Over-Year Performance

	2017	2016	YOY VARIANCE %
Gross Collected Tonnes	197,949	n/a	--
Recycled Tonnes	181,514	170,711	6%
Collected Tonnes*	174,942	185,477	(6%)
Recovery Rate*	75%	78%	(4%)
Provincial Recovery Target	75%	75%	0%
Population serviced by PPP Program	4,566,371	4,560,457	0
Recovered KG per Capita *	38.3	40.7	(6%)
Number of Households Serviced (Single-Family & Multi-Family)	1,390,000	1,271,000	9%
Percent of Households with Access to Depots	98%	98%	0%
Number of Stewards	1,142	1,114	3%
Consumer Awareness of Recycle BC Program	38%	16%	138%

*Figures reflect the exclusion of tonnes collected by Recycle BC on behalf of other stewardship programs and reported in their annual reports.

Performance Against Stewardship Plan Targets

PLAN TARGET	2017 RESULTS	STRATEGIES FOR IMPROVEMENT
1. Annually maintain, at a minimum, the overall provincial collection rate of 208,700 tonnes as assessed during preparation of the report titled Current System for Managing Residential Packaging and Printed Paper (March 2012).	Recycle BC collected 174,942 tonnes of material in 2017, which represents 75% of the tonnes supplied into the residential marketplace by our member-stewards.	Recycle BC continues to add more communities to the program and use promotion and education efforts to improve recycling performance by residents.
2. Recovery/Collection Reporting	<ul style="list-style-type: none"> • Tonnes of packaging and paper collected within each Regional District and kilograms per capita of packaging and paper collected within each Regional District: See summary table "Material Collected by Regional District" at page 22 • Tonnes of packaging and paper recycled and collected: page 23 • Kilograms per capita of packaging and paper recycled and recovered for the province: page 23 • Recovery rate expressed as a percentage for the province: 75% 	Recycle BC continues to add more communities to the program.

PLAN TARGET	2017 RESULTS	STRATEGIES FOR IMPROVEMENT
3a. Annually maintain, at a minimum, single-family and multi-family household service levels, where these households currently receive packaging and paper collection.	968,310 single-family households and 421,646 multi-family households received curbside and multi-family collection services from Recycle BC. The adjusted targets (less local governments that did not participate) are 967,000 single-family households and 420,000 multi-family households.	Household service levels are expected to continue growing with population growth and as more communities and stewards join the program.
3b. Annually provide curbside collection of packaging and paper to the approximately 102,000 households currently receiving garbage collection service.	Recycle BC provided curbside collection of packaging and paper to 38,000 households previously only receiving curbside garbage collection service through both RFPs and service via local governments/First Nations.	Local governments representing the remaining households either: 1. Did not respond by the deadline; 2. Indicated they prefer depot collection; or 3. The bid price received by Recycle BC was higher than Recycle BC's offer.
3c. Annually maintain depot collection of packaging and paper for the approximately 165,000 single-family households and the approximately 91,000 multi-family households without collection services.	Recycle BC added 7 new depot sites and closed 5 sites in 2017, for a net increase of 2 sites. Collectively, the 201 depots serve in total close to 456,192* households to which Recycle BC does not provide single-family or multi-family curbside collection services.	Recycle BC will add more depots as more stewards join the program.
3d. Annually provide depot collection of packaging and paper for the approximately 17,000 multi-family households currently without depot collection service.	Recycle BC added 7 new depot sites and closed 5 sites in 2017, for a net increase of 2 depot sites. Collectively, the 201 depots serve in total close to 456,192* households to which Recycle BC does not provide single-family or multi-family curbside collection services.	Recycle BC plans to add additional depots in 2018.
3e. Implement streetscape collection services.	Recycle BC undertook a streetscape pilot in the City of Vancouver for nine months between 2016 and 2017 to better understand residents' streetscape recycling behaviour.	Nine-month pilot project launched in 2016 with composition audits in 2016 and 2017. Insights received on resident behavior and how the bins performed. Study results can be found here .
4. Single-family and multi-family households receiving household collection services, and number and location of depots accepting packaging and paper.	968,310 single-family households and 421,646 multi-family households received curbside or multi-family collection services from Recycle BC. 201 depots accepted packaging and paper.	

*Based on estimated households covered using depot-based accessibility standards less curbside and multi-family households under contract.

PLAN TARGET	2017 RESULTS	STRATEGIES FOR IMPROVEMENT
5. Establish a resident awareness benchmark.	Recycle BC carried out consumer research in June 2017 to continue to inform promotion and education strategies, and resident awareness of the program.	Launch of new Recycle BC brand allows Recycle BC to better connect with residents on correct recycling behaviours. Brand awareness research indicated an increase of brand awareness from 16% in 2016 to 38% in 2017.
6. Consumer awareness reporting.	<p>Percentage of residents aware of packaging and paper stewardship program:</p> <ul style="list-style-type: none"> In 2017, 99% of people were aware of the availability of packaging and printed paper recycling and claim to recycle. <p>Percentage of residents reporting use of available collection services:</p> <ul style="list-style-type: none"> 74% make an effort to recycle, and 25% recycle only if it is convenient. <p>Visits to the 'resident' section of the Recycle BC website:</p> <ul style="list-style-type: none"> In 2017, 347,162 residents visited the website, resulting in 781,235 total page views. 	Recycle BC re-brand is increasing consumer engagement with the organization given the dramatic increase in website visits and total page views between 2016 and 2017.
7a. Target packaging and paper for which recycling end-markets exist for collection.	Recycle BC uses promotion and education materials to highlight for residents those packaging and paper materials for which sustainable and/or commercially viable recycling end-markets exist. In 2017, Recycle BC undertook the work necessary to pilot a new material collection category in 2018 - other flexible plastic packaging - shifting this current unrecyclable material up from disposal to recovery through an R&D recycling project.	Recycle BC will continue to provide promotion and education materials to educate residents on the materials accepted in its program.
7b. Direct 85% to 90% of collected packaging and paper to recycling commodity markets.	In 2017, 181,514 tonnes of Recycle BC's material were shipped to recycling end markets while 197,949 gross tonnes were collected (92%).	
8. Pollution Prevention Hierarchy Reporting.	<ul style="list-style-type: none"> Tonnes of material managed by recycling: 181,514 Tonnes of material managed by recovery (alternative fuel: an engineered material manufactured to specifications): 4,647 Tonnes of material managed by disposal: 11,568 Examples of environmental impact measures to characterize actions intended to reduce the environmental impacts of packaging and paper by producers, members of Recycle BC, and by Recycle BC 	
9. Conduct research and develop a data tracking and modeling system for greenhouse gas emissions (GHG).	Recycle BC is responsible for completing its research and development of a data tracking and modeling system for greenhouse gas emissions by the end of 2016.	Recycle BC undertook research on greenhouse gas emission reporting in 2016. Full data tracking system functional by 2019.
10. Other reporting metric: program cost.	<ul style="list-style-type: none"> Total program cost (net) per tonne recovered: \$414.00 Total program cost per household (single-family and multi-family only): \$39.00 	

Additional Information and Third Party Assurance

Operational Effectiveness Indicators:

KG per capita of material recycled for the province:..... 39.8

Operational Efficiency Indicators:

Total program cost (net) per tonne recovered\$414.00

Total program cost per household \$39.00



Independent Assurance Report

To the Directors of the MMBC Recycling Inc.:

We have been engaged by the management of MMBC Recycling Inc. ("MMBC", trade name "Recycle BC"), to undertake a reasonable assurance engagement in respect of MMBC's recycling program "Recycling Program" which are comprised of the following disclosures within Recycle BC's Annual Report to the Ministry of the Environment for the year ended December 31, 2017:

- The location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of BC Regulation 449/2004 (the Recycling Regulation);
- The description of how the recovered product was managed in accordance with the pollution prevention hierarchy in accordance with Section 8(2)(d) of the Recycling Regulation;
- The total amount of the producer's product sold and collected and, if applicable, the producer's recovery rate in accordance with Section 8(2)(e) of the Recycling Regulation; and,
- Performance for the year in relation to approved targets under Section 8(2)(b), (d) and (e) in accordance with Section 8(2)(g) of the Recycling Regulation.

RESPONSIBILITIES

In Appendix A MMBC has provided an assertion about the preparation and fair presentation of the Recycling Program in accordance with the evaluation criteria in Appendix B. Management is also responsible for such internal control as management determines necessary to enable the preparation of the Recycling Program such that it is free from material misstatement. Furthermore, management is responsible for preparation of suitable evaluation criteria in accordance with the Guide to Third Party Assurance for Non-Financial Information in Annual Reports - 2017 Reporting Year, dated October 2017 ("Assurance Requirements") as specified under Section 8(2)(h) of the Recycling Regulation of the Province of British Columbia.

Our responsibility is to express an opinion on the Recycling Program based on the procedures we have performed and the evidence we have obtained.

SCOPE OF THE AUDIT

We carried out our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000) published by the International Federation of Accountants ("IFAC"). This Standard requires, amongst other things, that the assurance team possesses the specific knowledge, skills and professional competencies needed to understand and audit the information included within the Recycling Program, and that they comply with the independence and other ethical requirements of the IFAC Code of Ethics for Professional Accountants.

This standard requires that we comply with independence requirements and other ethical requirements IESBA Code and plan and perform the engagement to obtain reasonable assurance about whether the Recycling Program is free of material misstatement.

The firm applies Canadian Standard on Quality Control 1, which is at least as demanding as the International Standard on Quality Control 1, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

A reasonable assurance engagement includes examining, on a test basis, evidence supporting the amounts and disclosures within the Recycling Program. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement in the Recycling Program due to omissions, misrepresentation and

errors. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the Recycling Program in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion on the effectiveness of the entity's internal control. A reasonable assurance engagement also includes assessing the evaluation criteria used and significant estimates made by management, as well as evaluating the overall presentation of the Recycling Program.

The main elements of our work were:

- understanding and evaluating the design of the key processes and controls for managing and reporting the Recycling Program used by management in preparing the Annual Recycling Program;
- responding to assessed risks through testing, on a test basis, the Recycling Program used by management;
- procedures such as inquiring, inspecting, observing, vouching to independent sources, recalculating and re-performing procedures were performed to obtain corroborating evidence to address assessed risks linked to the Recycling Program; and
- evaluating the sufficiency and appropriateness of the evidence obtained.

INHERENT LIMITATIONS

Due to the nature of non-financial information, there are inherent limitations to this information and it cannot be tested with the same level of precision and clarity as financial and quantitative information. Further, there are varying approaches in how non-financial reporting can be tested and audited, whereas for financial reporting rigorous and standardized procedures have been established. As such, the relevance, completeness, reliability, neutrality and understandability of the criteria selected are dependent on the reader's perception. As such, this report should be read keeping in mind the specific evaluation criteria that has been identified in Appendix A.

CONCLUSION

In our opinion, the Recycling Program within Recycle BC's Annual Report for the year ended December 31, 2017 presents fairly, in accordance with the evaluation criteria presented in Appendix B, in all material respects:

- The location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of the Recycling Regulation;
- The description of how the recovered product was managed in accordance with the pollution prevention hierarchy in accordance with Section 8(2)(d) of the Recycling Regulation;
- The total amounts of the producer's product sold and collected and, if applicable, the producer's recovery rate calculated in accordance with Section 8(2)(e) of the Recycling Regulation; and,
- The description of the performance for the year in relation to approved targets under Section 8(2)(b), (d) and (e) in accordance with Section 8(2)(g) of the Recycling Regulation.

Our report has been prepared solely for the purposes of management's stewardship under the Recycling Regulation and may not be suitable for another purpose. Our duties in relation to this report are owed solely to MMBC Recycling Inc., and accordingly, we do not accept any responsibility for loss incurred by any other party acting or refraining from acting based on this report.

Chartered Professional Accountants

Toronto, Ontario
June 29, 2018

Appendix A

MANAGEMENT ASSERTION

We have prepared the description the Recycling Program which are comprised of the following disclosures within Recycle BC's Annual Report to the Ministry of the Environment for the year ended December 31, 2017:

- The location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of BC Regulation 449/2004 (the Recycling Regulation);
- The description of how the recovered product was managed in accordance with the pollution prevention hierarchy in accordance with Section 8(2)(d) of the Recycling Regulation;
- The total amount of the producer's product sold and collected and, if applicable, the producer's recovery rate in accordance with Section 8(2)(e) of the Recycling Regulation; and,
- Performance for the year in relation to approved targets under Section 8(2)(b), (d) and (e) in accordance with Section 8(2)(g) of the Recycling Regulation.

We confirm, to the best of our knowledge and belief, that:

- (a) the description fairly represents the Recycling Program in accordance with the evaluation criteria in Appendix B.
- (b) we are responsible for implementing internal controls necessary to enable the preparation of the Recycling Program such that it is free from material misstatement.
- (c) We are responsible for preparation of suitable evaluation criteria in accordance with the Guide to Third Party Assurance for Non-Financial Information in Annual Reports - 2016 Reporting Year, dated March 2017 ("Assurance Requirements") as specified under Section 8(2)(h) of the Recycling Regulation of the Province of British Columbia.



Kathleen Kennedy, Chief Financial Officer
Canadian Stewardship Services Alliance Inc.
June 29, 2018

Appendix B

EVALUATION CRITERIA

1. Assessment of the location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of the Recycling Regulation

Specific Disclosures in the Annual Report for which evaluation criteria were developed:		
Disclosed information per Annual Report	Text of data claim in the Annual Report	Reference
Collection Systems and Facilities - Location of Collection Facilities	Table of locations of collection facilities, totaling 331 collection facilities comprised of 201 depots, 80 curbside and 50 multi-family location facilities.	Pages 13 through 17

Evaluation Criteria

The following evaluation criteria were applied to the assessment of the location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of the Recycling Regulation:

- The list of active, terminated and dormant collection facilities is obtained as of December 31;
- The changes in the number of collection facilities is outlined with a breakdown by the types of collection facilities (curbside, multi-family and depot);
- The calculation of the number of collection facilities is performed by adding up to total number of collection facilities in the listing;
- The collection facilities are listed as active, terminated or dormant; the status of facilities are tracked on a listing; and
- The number of collection facilities disclosed in the Annual Report is supported by evidence that is neutral and understandable.

2. Assessment of the description of how the recovered product was managed in accordance with the pollution prevention hierarchy under Section 8(2)(d) of the Recycling Regulation

Specific Disclosures in the Annual Report for which evaluation criteria were developed:		
Disclosed information per Annual Report	Text of data claim in annual report	Reference
Pollution Prevention Hierarchy and Product / Component Management	Tonnes of material managed by recycling: 181,514 Tonnes of material managed by recovery (alternative fuel: an engineered material manufactured to specifications): 4,647 Tonnes of material managed by disposal: 11,568 Percentage of collected tonnes managed by recycling: 92%	Page 21

Evaluation Criteria

The following evaluation criteria were applied to the assessment of the description of how the recovered product was managed in accordance with the pollution prevention hierarchy under Section 8(2)(d) of the Recycling Regulation:

- The calculation of the percentage of collected tonnes managed by recycling is determined by dividing the tonnes of material managed by recycling by the total tonnes of materials disposed (sum of tonnes of material managed by recycling, alternative fuel, and landfill disposals);
- A monthly reasonability check is performed on the source data used in the percentage of collected tonnes managed by recycling calculation;
- The reasonability check is supported by detailed review of source data to ensure completeness and accuracy of tonnes collected;
- A listing of approved end-markets is maintained; and
- All end-market shipments of processed materials are validated to the listing of approved end-markets.

3. Assessment of the total amounts of the producer's product sold and collected and, if applicable, the producer's recovery rate calculated in accordance with Section 8(2)(e) of the Recycling Regulation

Specific Disclosures in the Annual Report for which evaluation criteria were developed:		
Discloses information per Annual Report	Text of data claim in the Annual Report	Reference
Product Sold and Collected and Recovery Rate	<u>2017 Operating Year (Reflecting 12 months):</u> Amount of product sold (supplied by MMBC stewards)(te): 234,847 Amount of product collected (not inc. tonnes collected by Recycle BC on behalf of other stewardship programs (te): 174,942 Recovery rate: 75%.	Page 21

Evaluation Criteria

The following evaluation criteria were applied to the assessment of the total amounts of the producer's product sold and collected and, if applicable, the producer's recovery rate calculated in accordance with Section 8(2)(e) of the Recycling Regulation:

- Product sold has been calculated using the source data from independent sources;
- Product recovered has been calculated using the source data from independent sources;
- Source data for sold and recovered is complete;
- The product units sold and collected, and the recovery rate reconcile to the numbers published in the annual report; and
- The calculation of the recovery rate is determined by dividing the amount of product collected by the amount of product sold (as supplied by MMBC Stewards) using the appropriate source data to ensure calculation is arithmetically accurate.

4. Assessment of the description of performance for the year in relation to targets in the approved stewardship plan under Section 8(2)(b), (d) and (e) in accordance with Section 8(2)(g) of the Recycling Regulation

Specific Disclosures in the Annual Report for which evaluation criteria were developed:		
Disclosed information on Targets per Annual Report	Text or data claim in relation to Targets	Reference
<p>Performance Against Stewardship Plan Targets, Plan Target 1:</p> <p>Annually maintain, at a minimum, the overall provincial collection rate of 208,700 tonnes as assessed during preparation of the report titled Current System for Managing Residential Packaging and Printed Paper (March 2012).</p>	<p>Recycle BC collected 174,942 tonnes of material in 2017, which represents 75% of the tonnes supplied into the residential marketplace by our member-stewards.</p>	Page 23
<p>Performance Against Stewardship Plan Targets, Plan Target 3a:</p> <p>Annually maintain, at a minimum, single-family and multi-family household service levels, where these households currently receive PPP collection.</p>	<p>968,310 single-family households and 421,646 multi-family households received curbside and multi-family collection services from Recycle BC. The adjusted targets (less local governments that did not participate) are 967,000 single-family households and 420,000 multi-family households.</p>	Page 24
<p>Performance Against Stewardship Plan Targets, Plan Target 3b:</p> <p>Annually provide curbside collection of PPP to the approximately 102,000 households currently only receiving garbage collection service.</p>	<p>Recycle BC provided curbside collection of PPP to 38,000 households previously only receiving curbside garbage collection service through both RFPs and service via local governments/First Nations.</p>	Page 24
<p>Performance Against Stewardship Plan Targets, Plan Target 3c:</p> <p>Annually maintain depot collection of PPP for the approximately 165,000 single-family households and the approximately 91,000 multi-family households without collection services.</p>	<p>Recycle BC added 7 new depot sites and closed 5 sites in 2017, for a net addition of 2 sites. Collectively, the 201 depots serve in total 456,192 households to which Recycle BC does not provide single-family or multi-family curbside collection services.</p>	Page 24
<p>Performance Against Stewardship Plan Targets, Plan Target 3d:</p> <p>Annually provide depot collection of PPP for the approximately 17,000 multi-family households currently without depot collection services.</p>	<p>Recycle BC added 7 new depot sites and closed 5 sites in 2017, for a net addition of 2 sites. Collectively, the 201 depots serve in total 456,192 households to which Recycle BC does not provide single-family or multi-family curbside collection services.</p>	Page 24

Evaluation Criteria

The following evaluation criteria were applied to the assessment of the description of performance for the year in relation to targets in the approved stewardship plan under Section 8(2)(b), (d) and (e) of the Recycling Regulation:

- Targets in the stewardship plan have been identified, and reported on by management in the annual report;
- The list of targets is complete;
- The targets are neutral and consistent with the targets approved in the stewardship plan; and
- The performance of the targets are supportable by independent evidence.



Financial Performance

In 2017, Recycle BC incurred \$72.5 million in net operating expenses to manage 174,942 tonnes of packaging and paper material. Material management, which includes the cost to collect and process materials, net of commodity revenues, accounted for 85% of annual expenses. The remainder of Recycle BC's operating expenses were used to support program management and the delivery of promotion and education materials.

The total cost per tonne to deliver services increased slightly in 2017 to \$414.00 due primarily to a small increase in households being served by Recycle BC.

Recycle BC maintained a strong financial position in 2017, supporting growth with onboarding more interested communities. While the impact of dynamic end-markets and reduced commodity prices began to be seen later in the year, operating reserves are in place to meet Recycle BC's cash flow requirements and ensure sufficient funds are always available to pay the hundreds of local governments, small businesses and other private operators who rely on us for regular and prompt payment for their services.

Independent Auditor's Report

To the Member of MMBC Recycling Inc. (O/A Recycle BC)

We have audited the accompanying financial statements of MMBC Recycling Inc. (O/A Recycle BC), which comprise the balance sheet as at December 31, 2017, and the statements of changes in net assets, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of MMBC Recycling Inc. (O/A Recycle BC) as at December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

March 28, 2018
Toronto, Ontario

**MMBC Recycling Inc.
(O/A Recycle BC)
Balance Sheet**

December 31 **2017** **2016**

Assets

Current

Cash	\$ 69,616,259	\$ 57,938,814
Accounts and other receivables (Note 2)	7,015,437	6,416,416
Due from related party (Note 3)	10,334	-
Prepaid expenses	76,065	80,785

76,718,095 **64,436,015**

Capital assets (Note 4)

26,666 **26,306**

\$ 76,744,761 **\$ 64,462,321**

Liabilities and Net Assets

Current

Accounts payable and accrued liabilities	\$ 11,570,907	\$ 7,097,688
Deferred revenue (Note 5)	1,304,000	5,000,000
Due to related party (Note 6)	578,603	725,097

13,453,510 **12,822,785**

Net Assets

Invested in capital assets	26,666	26,306
Unrestricted	18,264,585	11,613,230
Internally restricted (Note 7)	45,000,000	40,000,000

63,291,251 **51,639,536**

\$ 76,744,761 **\$ 64,462,321**

On behalf of the Board:



Director



Director

MMBC Recycling Inc.
(O/A Recycle BC)
Statement of Changes in Net Assets

For the year ended December 31, 2017

	Invested in Capital Assets	Unrestricted	Internally Restricted	Total
Balance, beginning of year	\$ 26,306	\$ 11,613,230	\$ 40,000,000	\$ 51,639,536
Excess (deficiency) of revenue over expenses for the year	(12,524)	11,664,239	-	11,651,715
Investment in capital assets	12,884	(12,884)	-	-
Transfer to operating reserve (Note 7)	-	(5,000,000)	5,000,000	-
Balance, end of year	\$ 26,666	\$ 18,264,585	\$ 45,000,000	\$ 63,291,251

For the year ended December 31, 2016

	Invested in Capital Assets	Unrestricted	Internally Restricted	Total
Balance, beginning of year	\$ 26,270	\$ 1,398,316	\$ 40,000,000	\$ 41,424,586
Excess (deficiency) of revenue over expenses for the year	(9,542)	10,224,492	-	10,214,950
Investment in capital assets	9,578	(9,578)	-	-
Balance, end of year	\$ 26,306	\$ 11,613,230	\$ 40,000,000	\$ 51,639,536

The accompanying notes are an integral part of these financial statements.

**MMBC Recycling Inc.
(O/A Recycle BC)
Statement of Operations**

For the year ended December 31	2017	2016
Revenue		
Fee revenue	\$ 83,398,409	\$ 83,648,174
Investment income	766,465	398,503
	<u>84,164,874</u>	<u>84,046,677</u>
Expenses		
Material management costs (Note 5 and 8)	61,346,863	63,012,718
Program management (Note 6)	9,173,000	9,137,457
Promotion and education	1,824,395	1,467,374
Research and program development	168,901	214,178
	<u>72,513,159</u>	<u>73,831,727</u>
Excess of revenue over expenses for the year	<u>\$ 11,651,715</u>	<u>\$ 10,214,950</u>

**MMBC Recycling Inc.
(O/A Recycle BC)
Statement of Cash Flows**

For the year ended December 31	2017	2016
Cash provided by (used in)		
Operating activities		
Excess of revenue over expenses for the year	\$ 11,651,715	\$ 10,214,950
Adjustments to reconcile excess of revenue over expenses for the year to cash provided by operating activities		
Amortization of capital assets	12,524	9,542
Changes in non-cash working capital balances:		
Accounts and other receivables	(599,021)	(1,488,097)
Prepaid expenses	4,720	(8,951)
Accounts payable and accrued liabilities	4,473,219	451,048
Deferred revenue	(3,696,000)	5,000,000
Due to / from related parties	(156,828)	57,944
	11,690,329	14,236,436
Investing activities		
Purchase of capital assets	(12,884)	(9,578)
Increase in cash during the year	11,677,445	14,226,858
Cash, beginning of year	57,938,814	43,711,956
Cash, end of year	\$ 69,616,259	\$ 57,938,814

The accompanying notes are an integral part of these financial statements.

MMBC Recycling Inc.
(O/A Recycle BC)
Notes to Financial Statements

December 31, 2017

1. Significant Accounting Policies

The following is a summary of significant accounting policies of the Organization:

(a) Business Organization and Operations

MMBC Recycling Inc. (the "Organization") or ("Recycle BC") was incorporated under the Canada Not-for-profit Corporations Act on September 7, 2016 to undertake responsibility for the stewardship of the packaging and printed paper environmental management program under provincial legislation.

The Packaging and Printed Paper Stewardship Plan ("Program Plan") was approved by the BC Ministry of Environment in April 2013 and the program was launched in May 2014 through Multi-Material BC Society ("MMBC").

On December 31, 2016, the Organization entered into an asset purchase agreement with MMBC whereby the Organization purchased all assets, assumed all obligations, and continued operations of the program under federal legislation.

The Organization is a not-for-profit organization and as such is not subject to income taxes.

(b) Basis of Accounting

The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

(c) Revenue Recognition

Fee revenue is based on reported tonnages for members with signed Membership Agreements with the Organization. Revenue is recognized when tonnage is reported, fees are received or receivable and collection is reasonably assured. Revenue arising from member reported tonnages or adjustments for prior years' obligations and revenues resulting from compliance and enforcement activities are recognized when the amount can be reasonably estimated and collection is reasonably assured.

The Organization follows the deferral method of accounting for revenues. Amounts received for programs are recognized as revenue when the related expenses are incurred.

(d) Financial Instruments

Unless otherwise noted, the Organization initially measures its financial assets and liabilities at fair value and subsequently measures its financial assets and liabilities at amortized cost.

**MMBC Recycling Inc.
(O/A Recycle BC)
Notes to Financial Statements**

December 31, 2017

1. Significant Accounting Policies - (Continued)

(e) Capital Assets

Capital assets are recorded at cost less accumulated amortization and is amortized on the following basis:

Computer equipment	-	3 years straight line
Furniture and fixtures	-	5 years straight line

(f) Impairment of Long-Lived Assets

When a long-lived asset no longer has any long-term service potential to the Organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

(g) Use of Estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accounting estimates include estimates of unreported tonnages and collectability of steward fees, accrued post collection costs and the valuation of accounts receivable. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. Accounts and Other Receivables

	<u>2017</u>	<u>2016</u>
Fee revenue	\$ 4,317,935	\$ 1,432,159
Outstanding credits for indexed value of commodities processed, net	1,340,288	3,139,182
Other	1,506,606	1,900,419
Allowance for doubtful accounts	(149,392)	(55,344)
	<u>\$ 7,015,437</u>	<u>\$ 6,416,416</u>

MMBC Recycling Inc.
(O/A Recycle BC)
Notes to Financial Statements

December 31, 2017

3. Due from Related Party

Multi-Material Stewardship Western Inc. ("MMSW") is a not-for-profit organization established under The Saskatchewan Non-Profit Corporations Act to undertake responsibility for the stewardship of the packaging and printed paper environmental management product under provincial legislation. During the year, the Organization shared common management with MMSW and \$120,000 was charged by the Organization to MMSW. These charges have been offset against program management costs.

The Organization and MMSW are under common control of CSSA (Note 6).

All transactions between the Organization and MMSW are in the normal course of operations and are recorded at their exchange amount as agreed upon by the parties.

4. Capital Assets

	2017		2016	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 16,726	\$ 4,456	\$ 9,578	\$ 786
Furniture and fixtures	49,519	35,123	43,784	26,270
	66,245	39,579	53,362	27,056
	\$ 26,666		\$ 26,306	

5. Deferred Revenue

In 2016, the Organization received a prepayment of \$5,000,000 from the Province of British Columbia, represented by the Minister of Environment ("Province"), pursuant to an agreement whereby the Province would pay Steward Fees to the Organization equivalent to the estimated fees that Newspaper Producers would otherwise pay. In 2017, \$3,696,000 of these funds were taken into income and offset against the costs of collecting and processing newspaper print in the material management costs expense.

MMBC Recycling Inc.
(O/A Recycle BC)
Notes to Financial Statements

December 31, 2017

6. Due to Related Party

Effective June 2013, the Organization entered into a 5 year Management Service Agreement with Canadian Stewardship Services Alliance Inc. ("CSSA") for management services including administrative and technical support, other services and facilities for administrative, technical and reporting activities. During the year, charges totaling \$6,373,160 (2016 - \$6,373,160) were paid to CSSA pursuant to this contract, which includes reimbursement of costs paid by CSSA on behalf of the Organization, and \$204,980 (2016 - \$nil) was paid to CSSA for shared management costs. These costs are included in program management expenses.

The Organization's board of directors consists of 50% (2016 - 67%) who are also members of the CSSA board of directors and CSSA has the ability to elect board members; therefore, the CSSA board of directors has control over the Organization.

All transactions between the Organization and CSSA are in the normal course of operations and are recorded at their exchange amount as agreed upon by the parties.

7. Internally Restricted Net Assets

The directors authorized the establishment of the Operating Reserve to provide for an appropriate level of working capital and to satisfy all of its obligations for a reasonable period of time. During the year, the Organization internally restricted an additional \$5,000,000 (2016 - \$nil) for this purpose.

8. Material Management Costs

Material management costs include all costs related to the collection, transportation and processing of materials managed through the program, net of credits for indexed value of commodities processed.

9. Commitments

Under the terms of a realty lease agreement, the Organization is committed to pay basic rent approximately as follows:

2018	\$ 48,100
2019	<u>8,000</u>
	<u>\$ 56,100</u>





230-171 Esplanade West
North Vancouver, BC V7M 3J9

778-588-9504
Toll Free: 1-855-875-3596
info@recyclebc.ca

Stewards:

1-888-980-9549
stewards@recyclebc.ca

Collectors:

778-588-9504
Toll Free: 1-855-875-3596
info@recyclebc.ca

RecycleBC.ca



@RecycleBC



RecycleBC



@RecycleBC

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Infrastructure Services Committee – June 20, 2019

AUTHOR: Remko Rosenboom, General Manager, Infrastructure Services

SUBJECT: COMMERCIAL RECYCLING – UPDATE

RECOMMENDATION(S)

THAT the report titled Commercial Recycling - Update be received;

AND THAT the SCRD send a letter to the Minister of Environment and Climate Change Strategy to request that the BC Recycling Regulation be amended to expand the scope for Packaging and Paper Products to include the Industrial, Commercial and Institutional sector.

BACKGROUND

On May 6, 2019, the SCRD received a request from qathet Regional District to write a letter to the Minister of Environment and Climate Change Strategy (MoE) to ask that the scope of the Recycling Regulations for Packaging and Paper Products (PPP) be expanded to include the Industrial, Commercial and Institutional (ICI) sector. A copy of qathet's letter is included as Attachment A. A draft letter to the Minister has been prepared for consideration (Attachment B).

DISCUSSION

Background

In 2011, the BC Recycling Regulation (Regulation) was amended to include residential packaging and paper products (PPP). Recycle BC (formerly MMBC) developed a stewardship plan to meet the requirements of the Regulation and launched the program in 2014 changing the landscape of residential recycling in BC and has resulted in improved recycling for the residential sector.

Many British Columbia local governments, including the SCRD, signed on to the Recycle BC program for depot recycling, curbside recycling or both.

The transition to the provincial program for PPP resulted in Recycle BC being responsible for the costs and coordination for the transportation and marketing of the materials collected. Whereas prior to the provincial program the private sector was responsible for securing markets and all transportation costs for the all recycling materials they collected.

Although the Regulation dictates broadly what PPP is to be collected, it is Recycle BC who identifies the specific materials accepted based on their ability to market the recycling. Recycle BC has secured markets in BC, North America and globally to ensure the material they collect is recycled.

For the ICI sector, which includes schools, recreational facilities, hospitals, restaurants and grocery stores, the materials collected are outside the scope of the Recycle BC program because the Regulation stipulates residential PPP only. The ICI sector also includes residential collection programs that did not or cannot sign on to the current provincial program such as Regional District electoral areas.

The ICI sector is required to hire their own recycling service provider. The service provider is responsible for securing a private sector recycling facility to accept the materials. The private sector recycling facility is responsible for the processing and marketing of the materials and thus dictates what can be collected. If a material does not have a market for recycling then the material is not collected. This results in varying access and availability of recycling for the ICI sector across BC.

ICI Provision within Recycle BC

When the Recycle BC program launched, there was a provision that depots could accept material from the ICI sector with the following penalties:

- Payment of transportation costs for ICI sector material
- Payment of processing costs for ICI sector material
- No tonnage incentive received for ICI sector material

Based on the penalties, most communities in BC, including the SCRD, chose to restrict the depots to residential only. However, there are some who chose to include ICI and fund the costs from either user fees or taxation, thus subsidizing ICI sector recycling.

As of May 2019, Recycle BC has communicated that they are not considering any new requests to accept ICI material to the depots (Attachment C).

Commercial Recycling on the Sunshine Coast

The Sunshine Coast has one private sector recycling facility. It is the operator of the recycling facility who dictates what can be accepted for recycling based on their ability to market the materials through various processors in the lower mainland. Additionally, the operator also dictates who has access to bring their recycling to their facility.

Access to global markets for recycling have changed significantly since China implemented restrictions on receiving materials destined for recycling, known as the National Sword. This has resulted in a volatile recycling market and has reduced or limited access to recycling for the ICI sector. Should this volatility continue, ICI recyclables are at risk of being landfilled?

Materials being landfilled instead of recycled not only take up valuable landfill space and impact landfill life, they also affect SCRD's ability to meet reduction and diversion targets identified in the Solid Waste Management Plan (SWMP). The effects are twofold in that the SCRD becomes restricted in their ability to ban and prevent ICI recycling from being landfilled if the materials are not accepted for recycling.

The operator of the local recycling facility has recently made changes to what recyclable material is accepted locally from the ICI sector. Based on discussions with the operator, further

changes are anticipated. Table 1 summarizes the currently accepted materials at the local recycling facility from the Sunshine Coast ICI sector as compared to the SCRD's depots operating within the provincial program.

The changes to ICI recycling affects the entire ICI sector on the Sunshine Coast and as mentioned previously, also includes any residential recycling collected outside of the provincial depot program. This currently includes all SCRD Electoral Areas, SIGD or the Town of Gibsons curbside recycling collected via a private hauler. These materials cannot be delivered to the SCRD depots and must be taken to the private recycling facility or a recycling facility located outside the Sunshine Coast. Depot operators have reported to SCRD staff that they are actively turning away ICI sector recycling.

Depot operators are not restricted from accepting commercial sector recycling. However, the depot operator would be responsible for keeping ICI sector materials separate from the residential sector as well as responsible for all transportation costs and securing a recycling facility to accept the materials. At this time, none of the depot operators have set up an ICI recycling program.

The District of Sechelt's curbside recycling service is part of the provincial program and is not subject to the ICI sector restrictions as noted in this report. A summary of what is accepted in their curbside program was provided in a report on this Committee's agenda.

Table 1 – Accepted Materials for Recycling Summary

Material Category	Examples	Accepted Recycle BC Depots Residential only	Accepted ICI Sunshine Coast
Printed papers	office paper, newspaper	✓	✓
Cardboard	cardboard box	✓	✓
Other paper packaging containing liquids when sold	ice cream container, coffee cup, frozen juice concentrate, cartons for soup or milk	✓	No coffee cups
Other paper packaging not containing liquids when sold	cereal, cookie or cracker box	✓	✓
Metal packaging	soup can, aerosol can , foil take out container, aluminum cans	✓	✓
Plastic packaging	plastic bottles, jars and jugs e.g. mayo, laundry detergent, plastic take-out bowl, cup or lid	✓	Rigid plastic with #: 1, 2, 4, 5, 6 only
Glass packaging	Glass bottles and jars – clear & coloured e.g. pickle jar	✓	X
Polystyrene foam white or coloured	packaging around electronics, take-out cups or trays	✓	X
Plastic bags and overwrap	shopping bags, bread bag	✓	X
Other flexible plastic packaging	chip bags, candy bar wrappers, mesh produce bags, zipper lock bags	✓	X

Amendment to the BC Recycling Regulation to include ICI PPP

Given the SCRD cannot accept ICI sector recycling at the depots, one approach to improve access to recycling for the ICI sector would be that the ICI sector recycling be included in the provincial program. This requires an amendment to the Regulation.

The SCRD could send a letter to the MoE asking the Province to amend the Regulation to expand the scope to include PPP from the ICI sector. This would result in the ICI sector being able to self-haul to the depots and given access to the range of materials collected by Recycle BC. ICI materials collected by a hauler may or may not be able to be delivered to the existing depots and would require further investigation should the Regulation be amended.

Additionally, amending the Regulation would remove the penalties and costs borne by those local governments whose depots accept ICI material, and instead the costs would be covered by Recycle BC who recover their costs from the producers of the PPP. Currently, ICI sector PPP is not paid for by the producers because the materials are not included in the Regulation.

Locally, and throughout BC, improving ICI sector recycling will reduce the risk of recyclables being landfilled and help SCRD meet reduction and diversion targets in the SWMP.

This approach is aligned with qathet Regional District's letter and their request for support from other BC Regional Districts to submit similar letters to the MoE. Based on discussions with qathet staff, it was indicated that qathet Regional District will be bringing this Regulation amendment request forward to the Union of BC Municipalities this year. It is recommended that the SCRD send a similar letter and a draft letter to the Minister has been prepared for consideration (Attachment B).

Operational and financial implications

Depending on if and how the Recycling Regulation will get changed to include ICI recycling there will be operational and financial implications to the SCRD. At that time staff will provide an analyses of those implications and options to address them for the Committees' consideration.

STRATEGIC PLAN AND RELATED POLICIES

This report is in support of the SCRD's Solid Waste Management Plan.

CONCLUSION

Residential recycling for packaging and paper products (PPP) is included in the MoE's Regulation and this provincial stewardship program is managed by Recycle BC. Launched in 2014, this provincial program changed the landscape of recycling in BC and has resulted in improved recycling for the residential sector.

The transition of residential recycling from the private sector to the provincial program, resulted in Recycle BC being responsible for the costs and coordination for the transportation and marketing of the materials collected. Recycle BC has secured markets in BC, North America and globally for the materials they collect without reducing the types of materials collected.

The ICI sector, including residential recycling collected outside the scope of the provincial program, is reliant on the private sector and is subject to the changes in the global recycling

markets. This has resulted in instability of what is collected and varies based on each recycling facility and their ability to secure markets for the materials they collect. This is negatively impacting the Sunshine Coast's ICI sector's ability to recycle.

The ICI sector could have improved access to recycling by being included in the provincial program. This would require an amendment to the Regulation to expand the scope to include ICI sector PPP. This could decrease the risk that ICI recyclables are landfilled, transfer the costs to the producers of ICI PPP and help meet SWMP reduction and diversion targets.

The SCRD could send a letter to the MoE requesting that the Regulation be amended to expand the scope for PPP to include the ICI sector. It is recommended to send this letter and a draft letter has been prepared for consideration (Attachment B).

Attachments:

Attachment A – Letter from qathet Regional District dated April 29, 2019

Attachment B – Draft letter from the SCRD to the MoE

Attachment C – May 2019 Communication from Recycle BC

Reviewed by:			
Manager	X – R. Cooper	Finance	
GM		Legislative	
Interim CAO	X – I. Hall (Acting)	Other	



April 29, 2019

The Honourable George Heyman
Minister of the Environment and Climate Change Strategy
Room 112 Parliament Buildings
Victoria, BC V8V 1X4

Dear Minister:

BC is known across Canada and North America as a leader in Extended Producer Responsibility (EPR).

Most recently, in 2014, the BC Recycling Regulation was expanded to include Packaging and Paper Products (PPP) which changed the landscape of recycling in BC and has resulted in improved recycling for the residential sector.

However, there is a gap in service and the qathet Regional District is writing to ask that the Ministry of Environment and Climate Change Strategy (MOECCS) expand the scope of the Recycling Regulation for PPP to include the Industrial Commercial and Institutional (ICI) sector.

In 2014, many British Columbia local governments signed on to the Multi Materials BC (now Recycle BC) program. The program is only responsible for residential PPP, leaving the ICI sector, including schools, hospitals and entertainment events, dependent on the private sector or local governments for access to recycling and does not hold the producers of the ICI PPP accountable to fund the costs for recycling.

With recent changes in the global commodity market, as a result of the Chinese National Sword, local governments and the private sector are facing challenges that include reduced access or lack of access to recycling for the ICI sector.

Without being included in the Recycling Regulation, ICI recyclables such as cardboard, paper, metal, plastic and glass containers run a huge risk of being landfilled.

Additionally, Regional Districts, through their Solid Waste Management Plans, are required to set waste diversion targets which rely on restricting recyclable material from the garbage from both the residential and ICI sectors. This shortfall in ICI recycling services will delay local government's ability to meet diversion targets and implement key initiatives such as landfill bans. As well, in many cases the current PPP EPR programs have local government taxpayers

subsidizing the ICI sector. The qRD's Solid Waste Management Plan, approved by the MOECCS in 2018, outlines a Zero Waste Strategy for our region. This strategy outlines waste diversion targets, including increasing ICI recycling. Working with ICI to increase recycling is scheduled to start in 2019 and is supported by the qRD waste Bylaw 532 which restricts recyclable material from the garbage.

Being an isolated community (only accessible by ferry or plane), the only ICI materials accepted for free by the one private local recycler, Sunshine Disposal and Recycling, was paper, cardboard and #2 plastics. In response to small businesses expressing frustration by the lack of recycling options available to them in 2016, the qRD worked with Recycle BC and Green By Nature to conduct a 3 month audit at our central recycling depot to determine the percentage of ICI materials being collected. With the percentage of ICI materials weighing in at 8%, the qRD allowed small businesses to bring limited amounts of PPP materials to our central recycling depot at a cost to the qRD of \$266 per tonne. The tipping fee for municipal solid waste is currently at \$225 per tonne.

With commodity market prices in freefall, Sunshine Disposal is currently losing money requiring them to implement a tipping fee to clients for cardboard and paper. Sunshine Disposal advised that they anticipate 80% of their customers will opt out of this paid service, which, including bin rental, will be a similar fee to garbage. The qRD can only accept a small amount of ICI at our central depot, otherwise we will be over 8%, which will be cost prohibitive.

The qRD and the rest of the province need a solution to avoid valuable resources like cardboard ending up in the landfill.

We are not coming to you in exasperation expecting the province to give us the answer. No, quite the opposite, we want to be a part of the solution and have developed some options for you to consider which would require cooperation and collaboration with the province to make any of them a reality.

Immediate:

- Expand the Recycling Regulation to include PPP from the ICI sector

The Ministry may recall that back in 2014 our Regional District met with the then Minister and Ministerial staff during the annual UBCM Convention. Our meeting included a 'show and tell'. We demonstrated that the products taken from retail shelves by consumers were produced by the very same manufacturers who distribute their products to the various wholesalers, major sporting and entertainment events, restaurants, coffee shops, hotels, schools, universities, hospitals and the like. The irony of it all is that their shipping and consumer packaging enters every market sector, whether you are a residential, institutional, commercial or industrial consumer. This solution will ensure that ICI recyclables are recycled instead of landfilled. It will shift costs to

the producers of the PPP and will help local government jurisdictions province-wide meet waste diversion targets.

Short-term:

- Relax burning permits in places like Paper Excellence Canada - Powell River

Currently, Paper Excellence burns wood hog fuel in a biomass boiler to generate steam for heat and power production. They do this under Permit 3149. With the onslaught of excess cardboard not being able to go to foreign market, relax or modify the burning permits to allow cardboard to be incinerated as a fuel source. In places like ours, we will reduce the carbon footprint of shipping out cardboard by barge or ferry from our remote and isolated community. Other communities may also have compelling factors to minimize shipping costs and transport cardboard to regionally located biomass boilers at other paper mills or industry.

Mid-term:

- Provide seed funding to create an economically efficient re-purposing industry

After markets for expended recyclables must be resilient and insulated from off-shore market economies. This could be achieved with added-value industries. Cardboard for instance, could have alternate uses. If shredded, cardboard could be used in the agriculture industry as bedding. But for safety and protection to animals, contaminants such as staples should first be removed. Capital start-up for sophisticated equipment of this nature is required. If economies of scale could be driven down, eventually strategic locations throughout the province could be established to serve local economies in various regions. This again is an attempt at reducing the carbon footprint for transporting cardboard. Invariably, the product will re-enter the ecosystem as manure and be spread on farming fields. Or it may enter the system directly as a compost feedstock.

Long-term

- Mandate recycling content in finished products

Stabilization is a responsibility of upper tier governments. Market systems are characterized by economies that can create extremes of prosperity and business cycles that produce great decline (University of Alberta/Dalhousie University, 2005). Such is the case with the policy of the Chinese National Sword. This is where upper tier governments need to step in and take measures to correct the market. Upper tier governments have the tools and the resources to do this. "Since capital and labour generally flow freely across governmental jurisdictions within a country, much of the impact of stabilization policies of one government unit will likely spill over into other jurisdictions" (Bird & Slack, 1993, p. 16). The proposed mid-term option above is also an upper tier government intervention for the good of the whole. This long-term option is to

mandate recyclable material as a percentage into feedstock for finished products such as writing paper, toilet paper, facial tissue, paper towels, packaging, etc. Some of these products are proven examples of including recyclable materials in production, but these and more products need to be expanded upon. Eliminating virgin feedstock will reduce the carbon footprint and revitalize the already consumed cardboard and packaging waste. Additionally, eliminating subsidies on virgin materials such as oil will create a more level playing field.

Thank you for your time. We respectfully ask that you move expediently on these solutions to assist in promoting a healthy and sustainable environment.

Yours sincerely,



Patrick Brabazon, Chair

cc Nicholas Simons, MLA - Powell River-Sunshine Coast

References

Local government finance. (Spring 2005). (2005). Edmonton, AB: University of Alberta.

Bird, R.M. & Slack, N.E. (1993). *Urban public finance in Canada*. Toronto, ON: John Wiley & Sons

June XX, 2019

The Honourable George Heyman
Minister of the Environment and Climate Change Strategy
Room 112 Parliament Buildings
Victoria, BC V8V 1X4

Dear Minister,

BC is known across Canada and North America as a leader in Extended Producer Responsibility (EPR).

Most recently, in 2014, the BC Recycling Regulation was expanded to include Packaging and Paper Products (PPP) which changed the landscape of recycling in BC and has resulted in improved recycling for the residential sector.

However, there is a gap in service and the Sunshine Coast Regional District is writing to ask that the Ministry of Environment and Climate Change Strategy (MoE) amend the BC Recycling Regulation to expand the scope for Packaging and Paper Product (PPP) to include the Industrial Commercial and Institutional (ICI) sector.

In 2014, many British Columbian local governments, including the Sunshine Coast Regional District (SCRD) signed on to the Multi Materials BC (now Recycle BC) program. The program is only responsible for residential PPP, leaving the ICI sector including schools, hospitals, restaurants and grocery stores dependent on the private sector or in some cases, local governments for access to recycling and does not hold the producers of the ICI PPP accountable to fund the costs for recycling. ICI also includes residential sector recycling collected outside the provincial program, which is the situation for many of the rural residences of the Sunshine Coast.

Regional Districts, through their Solid Waste Management Plans are required to set waste diversion targets and restrict recyclable material from the garbage. With recent changes in the global commodity market, as a result of the Chinese National Sword, local governments are facing challenges that include reduced access or lack of access to recycling for the ICI sector. Without being included in the Recycling Regulation, ICI recyclables such as cardboard, paper, metal, plastic and glass containers run a risk of being landfilled.

This shortfall in services will delay the ability of local governments to meet diversion targets set out in their Solid Waste Management Plans and Provincial waste reduction targets. As well, if landfilled, landfill site life is decreased, of which the SCR D's only landfill has less than eight years remaining.

The SCR D is proposing a solution, to amend the Recycling Regulation to expand the scope for PPP to include the ICI sector. This amendment will avoid ICI recyclables from being disposed of in the landfill, shifts the costs to the producers of ICI PPP and allows the SCR D to implement initiatives such as recycling bans to help reach diversion targets in our SWMP.

Thank you for your time. We respectfully ask that you move expediently on this amendment request to assist in promoting a healthy and sustainable environment.

Sincerely,

Lori Pratt
Chair, Sunshine Coast Regional District

cc/xxxx, Chair, qathet Regional District



May 2019

Looking Back: 2019 Collector Conference

Thank you to those who attended our Collector Conference, April 8 and 9, in New Westminster. In addition to hearing from a number of industry experts, we celebrated Recycle BC's five-year anniversary and recognized five partners who best exemplified our values of innovation, trust, knowledge, service and respect with the Blue Star Awards. [Read our blog post.](#)

ICI Materials and Deductions

We have been receiving requests to expand the number of collectors managing institutional, commercial or industrial (ICI) materials through the Recycle BC program with appropriate ICI deductions. We appreciate that there is interest on the part of some collectors to accept these materials.

These materials pose a challenge to the collection of residential packaging and paper products, most saliently creating issues related to contamination and transportation volume, as well as being materials that are not covered by the Recycle BC program plan. While we appreciate that there is interest in expanding this, we are currently taking the time required to fully evaluate this issue.

We are committed to communicating further on this subject when we have completed our review of this issue. Recycle BC will continue to honour any existing arrangements for ICI deductions with applicable collectors; however, we do remind these collectors to ensure that the ICI is packaging and paper material and not plastic products or foam products for example. We appreciate your patience as we consider all options.

Recycle BC Open House

After five years of operation, we've moved - down the street. On Thursday, May 23, we're hosting an open house to celebrate our anniversary and invite you to join us in our new sustainable space, meet new team members and get reacquainted with friends. [RSVP here](#)

Note: Our new address is 405-221 West Esplanade, North Vancouver, V7M 3J3

Other Flexible Plastic Packaging

We launched the research and development project for collection of Other Flexible Plastic Packaging in June 2018. Since that time, we've onboarded all current Recycle BC depot locations and London Drugs locations in BC to collect this new category. We continue to collect this material so we can run recycling tests at-scale. To support the collection, we've developed promotion and education resources which are available on our website. Find the latest resources, including an updated accepted materials list (PDF) in the [Collector Resources](#). Additional information can be found at RecycleBC.ca/FlexiblePackaging.

Cost Study

Just one year after our 2018 collection cost study, Recycle BC is gearing up for another cost study. We will be issuing an RFP in Summer 2019, seeking an independent financial consultant to conduct this study. Using an independent consulting firm ensures collector cost data is provided to Recycle BC in aggregate. Recycle BC does not see individual cost details. We will be selecting a province-wide representative random sample of curbside, multi-family and depot collectors to participate and we also encourage collectors (local government, private, not-for-profit, First Nations) to volunteer to participate in the study so we can obtain enough data to ensure accurate collection costs are reflected in the study. The study will be complete in early 2020. The cost study will determine whether any fundamental changes are needed to the existing incentives and will be presented for consultation.

Spring Campaign

Our spring campaign focused on promotion and education around hard plastics is currently in market. The campaign uses elements from our previous fall campaign and include a new video asset. All are available in the [Collector Resources](#).

Community Champions

We're pleased to continue to provide funding to local environmental organizations that work to promote waste reduction and recycling goals in their communities. Read about this year's community champions on [our website](#):

- Abbotsford Mission Recycling Program (AMRP)
- Squamish Climate Action Network (Squamish CAN)
- Ridge Meadows Recycling Society
- Let's Talk Trash
- Master Recycler Vancouver
- Association of Whistler Area Residents for the Environment (AWARE)
- Recycling and Environmental Action Planning Society (REAPS)

Questions?

If you have any questions or need any assistance or information, please don't hesitate to contact me.

Lyndsey Chauhan

Director, Marketing Communications

lchauhan@recyclebc.ca

778-588-9505

Recycle BC, 405-221 West Esplanade, North Vancouver, British Columbia V7M
3J3 Canada

[Forward this email](#) | [Update Profile](#) | [About our service provider](#)

Sent by communications@recyclebc.ca

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Infrastructure Services Committee – June 20, 2019

AUTHOR: Robyn Cooper, Manager Solid Waste Programs

SUBJECT: SINGLE-USE PLASTICS BAN CONSIDERATIONS

RECOMMENDATION(S)

THAT the report titled Single-Use Plastics Ban Considerations be received for information.

BACKGROUND

Single-use plastics are generally packaging or items that are designed and manufactured to be used briefly then disposed. They can be made of plastic film, rigid or semi-rigid plastic or polystyrene foam. Some examples are: shopping bags, straws, utensils, take-out or to-go beverage and food containers.

Typically these items are easy and inexpensive to attain and widely used in the food service industry. Recycling options exist for some, plastic bags, beverage and food containers can be recycled at depots. However, others are not recyclable; e.g. straws and utensils. As well, accessing available recycling options is not always convenient, resulting in materials being disposed of either in the garbage or as litter; e.g. public spaces may have recycling for take-out containers but not for plastic bags.

However, the convenience of single-use plastics has its benefits for medical applications and can be a necessity for members of our community with musculoskeletal and oral health care needs. Any decisions to reduce, restrict or ban single-use plastics should take into account the benefits of their use in certain applications.

The Sunshine Coast Regional District (SCRD) currently does not have any external (community) or internal (corporate) policies regarding single-use plastics.

The following resolution was adopted at the July 26, 2018 Board meeting:

237/18 **Recommendation No. 2** *Potential Ban on Single-Use Plastics*

THAT staff report to a future Committee regarding the potential for a ban on single-use plastics.

The purpose of this report is to provide information about the tools and strategies available to the SCRD when considering a ban on single-use plastics.

DISCUSSION

There are several tools and strategies available to governments to reduce the usage of single-use plastics which include:

- Education: raise the awareness of the negative impacts of single-use plastics and promote reduction, reuse and alternatives.
- Advocacy: lobby senior levels of government to establish programs that limit their use or production.
- Voluntary action: invite governments and businesses within the region to voluntarily reduce their use.
- Fees or Levies: apply to sale or manufacture of single-use plastic items and packaging.
- Bans: prevent use and/or sale of single-use plastics.

The type of tool or strategy that can be used by governments is dependent on legislative authority. All levels of government can utilize education and are able to advocate or develop strategies around reducing the usage of single-use plastics but not all are able to apply fees, levies or bans.

The following sections outline available legislative options at each level of government and examples of current actions.

Federal Governance

The Government of Canada has the ability to use most of the available tools or strategies. Collaboration with all provinces and territories would be needed to ensure bans, fees or levies across the country are effective.

The Government of Canada on June 10, 2019 announced that it will be looking to ban single-use plastics as early as 2021 across the country. It was not announced which specific products will be banned but scientific evidence will be examined to identify and determine which plastics should be targeted. Possible items listed by news sources include shopping bags, straws and utensils.

It was also announced that by working with provinces and territories to establish standards for Extended Producer Responsibility (EPR) programs, the companies that produce plastic products or sell items with plastic packaging will be responsible for the collection and recycling.

Additionally, jurisdiction of oceans is the responsibility of the Federal Government. The Federal Government is in the best position to work collaboratively with international entities.

As such, the Federal Government has recognized the contribution of plastics to ocean litter and has developed the *Canada's Oceans Agenda* that outlines the government of Canada's responsibility to take steps to ensure a safer, clean and healthier ocean. Along with other countries around the world, Canada has signed the *Ocean Plastics Charter* that commits Canada towards a more resource efficient and sustainable approach to the management of plastics.

Provincial Governance

The Province of BC, through the Ministry of Environment and Climate Change Strategy (MoE), has legislative authority to regulate management, protection and enhancement of the environment under the *Environmental Management Act* ([SBC 2003], Chapter 53. The potential of this legislative authority is to impose bans or levies on single-use plastics that may end up in the environment and waste stream.

MoE could amend the BC Recycling Regulation (Regulation) to include restrictions on specific single-use plastics. Currently, the province has used its legislative authority under the Regulation to implement a number of EPR programs. EPR programs are an approach that aim to put the responsibility of the lifecycle of a product onto the producers that make the material or item. Currently, some single-use plastics are covered under EPR:

- Recycle BC manages residential packaging and paper products that includes: single-use plastic bags, take-out food containers, hot beverage cups, chip bags and candy wrappers.
- Return-It (Encorp) includes: single-use refundable beverage containers such as plastic bottles.

Canadian Council of Ministers of the Environment (CCME)

CCME is an inter-governmental forum of environment ministers from federal, provincial and territorial governments. In 2018, the CCME developed the Strategy on Zero Plastic Waste which was approved in principle by the environment ministers to work collectively toward a common goal of zero plastic waste. An action plan to tackle the Strategy's goals of addressing changes to plastic lifecycle from design to collection, clean-up, recovery and opportunities for driving innovation, opportunities for businesses and technologies is anticipated in 2019.

Federation of Canadian Municipalities (FCM)

The FCM wrote a letter on April 26, 2019 to the House of Commons, Standing Committee on Environment and Sustainable Development asking for strong federal leadership and federal-municipal partnership to reduce plastic waste and move toward a circular economy for plastics.

Union of BC Municipalities (UBCM)

The UBCM Resolutions Committee has endorsed the following resolutions related to single-use plastics:

- B29-2006: request the provincial and federal governments mandate reduction of excessive packaging through product stewardship recycling programs for packaging which included plastic shopping bags, disposable cups and dishes, Styrofoam packing, bubble wrap packing and plastic film packaging (2006 UBCM Resolutions).
- B88-2008: to ban thin film plastic grocery bags (2008 UBCM Resolutions).
- B28-2016: to prohibit distribution of thin film plastic shopping bags by businesses (2016 UBCM Resolutions).

- B126-2018: resolved that the Province of British Columbia engages packaging industry to develop a provincial Single-Use Item Reduction Strategy as part of a provincial Zero Waste Strategy, which includes the single-use plastic items addressed in this report but excludes items that are needed for medical use or for people with disabilities (2018 UBCM Resolutions).

Municipal Governance

In BC, municipalities have authority under the *Community Charter* to regulate business (sections 8(6)). Through this authority, the sale of single-use plastics could be regulated.

Municipalities may have the ability to restrict or reduce multiple types of single-use plastics by implementing bylaws for straws, utensils, plastic bags, disposable drink cups and food take-out containers. Municipalities could apply bans and levies or call for voluntary actions by members of their community to reduce single-use plastics.

The bylaws currently being considered by municipalities in BC include restrictions that do not inhibit mobility-impaired members of the community and target instead common sources of litter. For example, the City of Vancouver received feedback on their Single-Use Item Reduction Strategy (2018) that a durable, bendable plastic straw is a necessity for people with musculoskeletal and oral health care needs.

The City of Victoria passed a bylaw to ban plastic bags effective July 1, 2018. Their bylaw was challenged in the B.C. Supreme Court by the Canadian Plastic Bag Association (CPBA). The City of Victoria won the case (*Canadian Plastic Bag Association v. Victoria (City)*, 2018 BCSC 1007, June 19, 2018). The decision of this case is being appealed by CPBA. The result of this decision may or may not impact the ability of other municipalities in the province to restrict the sale of single-use plastic bags.

The Town of Qualicum Beach recently passed a bylaw that comes into effect July 1, 2019 to ban the sale of plastic bags and straws. The Districts of Tofino, Ucluelet, and Saanich also recently passed bylaws to ban the sale of plastic bags with effective dates of June 8, 2019 for Tofino and Ucluelet and January 1, 2020 for Saanich.

As part of the City of Vancouver's Single-Use Item Reduction Strategy, bans for foam cups and take-out containers will come into effect January 1, 2020 and a ban on the unnecessary use of plastic straws is targeted for April 2020. Effective dates for bans on plastic and paper shopping bags, disposable cups and single-use utensils are to be determined.

There are several other municipalities in BC that are either partway through the process of reading bylaws, are drafting bylaws or are considering to start the process to regulate single-use plastic bags or other single-use plastics. These include City of Nanaimo, Township of Esquimalt, District of Sooke, and City of Parksville.

Regional District Governance

In British Columbia the powers delegated to Regional Districts (RD) by the *Local Government Act* do not allow for RD's to regulate business which by extension result in not having the authority to ban or impose fees on the sale or usage of single-use plastics. A Regional District has the ability to educate, advocate and may wish to consider voluntary actions that are not legislated (e.g. straws and utensils are made available only by request).

Another tool available to a Regional District is to ban materials from disposal at regional landfills. This option has not been pursued by other Regional Districts as it does not prevent the sale of the items in the community. A landfill ban could be pursued to support recycling of single-use plastics that are currently accepted for recycling (e.g. plastic bags for groceries, dry cleaning, bread, produce, dry bulk, plastic and plastic foam take-out food containers and beverage containers). However, these recycling options are only available to the residential sector as part of EPR (e.g. Recycle BC). Based on the lack of current recycling options for single-use plastics, such as, straws and utensils, and limited access by the commercial sector for recycling single-use plastics, it is not recommended to implement landfill bans on these materials at this time.

Currently Regional Districts in British Columbia are supporting municipalities by developing model bylaws and developing toolkits or strategies to educate the members of their community. The Regional District of Nanaimo, Cowichan Valley Regional District, Alberni-Clayquot Regional District and Metro Vancouver are some Regional Districts that are working on strategies or toolkits.

Available Approaches for the SCRD

As outlined, Regional Districts are not able to employ fees, levies or bans on sales as a regulatory approach to preventing use of single-use plastics. The SCRD can approach reduction through the tools and strategies of education, advocacy or promotion of voluntary actions.

- Modify or expand existing education campaigns around reduction of single-use plastics or items.
- Review SCRD corporate guidelines and practices to reduce single-use plastics at SCRD facilities.
- Advocate through Association of Vancouver Island and Coast Communities (AVICC), UBCM and FCM.
- Advocate to senior levels of government around reduction of single-use plastics. The Regional Districts of Comox Valley and Fraser-Fort George recently sent letters to the Honorable Minister Heyman from MoE requesting a province-wide regulation to reduce single-use plastic bags and disposable plastic packaging (Attachment A and Attachment B).

Organizational and Intergovernmental Implications

Staff confirmed that none of the local governments on the Sunshine Coast are currently actively working on the implementation of tools or strategies to reduce single-use plastics. Prior to the announcement of the federal ban, the Town of Gibsons indicated they will consider initiating a ban. The District of Sechelt then indicated that they will await the outcomes of the legal proceedings between the CPBA and the City of Victoria before considering action.

Recommended approach

The SCRD will develop an outreach and education plan to support the implementation of the federal government's ban once details are released regarding which items will be targeted and when.

STRATEGIC PLAN AND RELATED POLICIES

N/A

CONCLUSION

There are several tools and strategies available to ban single-use plastics. Available approaches vary based on jurisdiction.

The SCRD as a Regional District cannot pursue a ban on single-use plastics such as action is outside of legislative authority. Available approaches include, education campaigns, advocating to senior levels of government and reviewing corporate practices.

The Federal Government announced on June 10, 2019, that they are looking to ban single-use plastics as early as 2021. Once details are released regarding which items will be targeted and when, the SCRD can align its outreach and education.

Attachments:

Attachment A – Letter from Comox Valley Regional District dated May 3, 2019

Attachment B – Letter from Regional District of Fraser-Fort George dated June 3, 2019

Reviewed by:			
Manager		Finance	
GM	X – R. Rosenboom	Legislative	
Interim CAO	X – I. Hall (acting)	Other	X – A. Patrao

Office of the Chair

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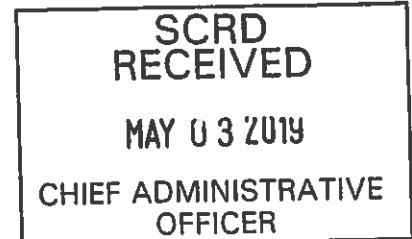
Comox Valley
REGIONAL DISTRICT

File: 5280.01

May 3, 2019

Sent via email only: ENV.Minister@gov.bc.ca

Honourable George Heyman
Minister of Environment and Climate Change Strategy
PO Box 9047 Stn Prov Gov
Victoria, BC V8W 9E2



Dear Minister:

Re: Single-Use Plastics Ban

I am writing to request your support for bringing forward province-wide regulations to reduce single-use plastic bags.

The impact of single-use plastics on the environment and water systems is well understood and documented. Single-use bags and other items are now widely regarded as an ecological danger, leaching into soils, groundwater, and the ocean and harming marine wildlife as well as entering our food systems. As a coastal community, the Comox Valley is deeply connected to the natural environment economically, ecologically, socially and culturally. In short, a healthy environment vital for the well-being of all local residents.

While some municipalities are moving forward with checkout bag regulations to restrict their use, regional districts do not generally have legislated authority to regulate businesses and are therefore unable to meaningfully address this issue. Given the current trend, this will create a patchwork of regulations across the province that will impact our ability to collectively reduce this harmful plastic waste.

The Comox Valley Regional District Board, in response to a delegation from the Comox Valley Nurses for Health and the Environment, is advocating for such changes and seeking your support to work with your ministerial colleagues to bring forward uniform regulations that would apply across the Province of British Columbia.

Reducing single-use plastic bags and disposable plastic packaging is vital for protecting our oceans, lakes, waterways and natural environment and we ask that your ministry take a leadership role in this matter.

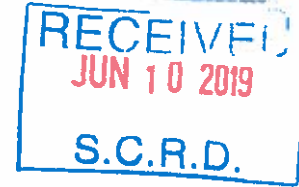
Sincerely,

Bob Wells
Chair

cc: Claire Trevena, MLA, North Island
Ronna-Rae Leonard, MLA, Courtenay-Comox
Scott Fraser, MLA, Mid-Island Pacific Rim
Comox Valley Nurses for Health and the Environment
Chair and Directors, BC Regional Districts



REGIONAL DISTRICT of Fraser-Fort George



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Prince George, BC
V2L 1P8

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(250) 960-4400
Long Distance
from within
the Regional District:
1-800-667-1959

Fax: (250) 563-7520

<http://www.rdfg.bc.ca>

Municipalities:

McBride
Mackenzie
Prince George
Valemount

Electoral Areas:

Chilako River-Nechako
Crooked River-Parsnip
Robson Valley-Canoe
Salmon River-Lakes
Tabor Lake-Stone Creek
Willow River-Upper Fraser
Woodpecker-Hixon

June 3, 2019

File No. COM 2.0

MASTER FILE COPY

Honourable George Heyman
Minister of Environment and Climate Change Strategy
PO Box 9047 Stn Prov Govt
Victoria, BC V8W 9E2

Dear Minister Heyman:

RE: Single Use Plastics Ban

The Regional District of Fraser-Fort George wishes to express its support for the call from the Comox Valley Regional District to consider provincial regulations that would reduce single-use plastic bags and disposable plastic packaging.

According to statistics, 3 billion single-use plastic bags are used in Canada each year. Less than 11 per cent of Canada's plastics is estimated to get recycled. The rest end up in landfills, lakes, parks and oceans, posing significant risks for animals and the environment.

There are some municipalities in BC that have begun to implement bylaws that restrict or reduce the use of single-use plastics by businesses. However, Regional Districts do not have the same authority to impose those restrictions on businesses and the resulting impact is inconsistent rules about single-use plastics, depending on the area you live.

We support the Comox Valley Regional District's call for the Provincial Government to introduce regulations that would diminish the use of single-use plastics throughout the province, regardless where you live or operate a business.

Providing a province-wide regulation will provide a level playing field for business operators and go a long way in protecting our environment from the many harmful effects of single-use plastics.

Sincerely,

Lara Beckett,
Chair, Environment and Parks Standing Committee

CC:

Shirley Bond, MLA, Prince George-Valemount
Mike Morris, MLA, Prince George-Mackenzie
Chair and Directors, BC Regional Districts

LB:RM:dh

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Infrastructure Services Committee – June 20, 2019

AUTHOR: Shane Walkey, Manager, Utility Services

SUBJECT: SOUTH PENDER HARBOUR WATERMAIN REPLACEMENT PROJECT UPDATE AND BUDGET INCREASE

RECOMMENDATION(S)

THAT the report titled South Pender Harbour Watermain Replacement Project Update and Budget Increase be received;

AND THAT the contract to BA Blacktop Ltd. for the South Pender Harbour Watermain Replacement work be increased up to \$1,849,732;

AND THAT the contract to Onsite Engineering Ltd. for the North and South Pender Harbour Watermain Replacement – Engineering Design be increased up to \$242,940;

AND THAT the delegated authorities be authorized to execute the increases to both the overall contract prices;

AND THAT the South Pender Harbour watermain replacement project budget be increased by \$188,680 to \$2,038,412 with the additional increase of \$188,680 funded from operating reserves;

AND THAT the 2019-2023 Financial Plan be amended accordingly;

AND FURTHER THAT this recommendation be forwarded to the June 27, 2019 Board Meeting for consideration of adoption.

BACKGROUND

On March 22, 2017 the Sunshine Coast Regional District (SCRD) was notified by the Ministry of Community, Sport and Cultural Development that the Regional District's application for funding of the North and South Pender Harbour watermain replacement projects was successful under the Clean Water and Wastewater Fund (CWWF) grant program. This project targeted watermains within the North Pender and South Pender water systems to be upgraded to improve fire flows and overall system reliability. At the April 27, 2017 regular Board meeting, the following resolution was adopted:

152/17 (part) **Recommendation No. 6** *Clean Water and Wastewater Fund (CWWF) 2016 Grants*

THAT the report titled Clean Water and Wastewater Fund 2016 Grants be received;

AND THAT the North Pender Harbour [365] watermain upgrades (Garden Bay Road and Claydon Road/Lane) project in the amount of \$1,650,000 funded \$1,369,500-CWWF Grant and \$280,500-Capital Reserves be approved;

AND THAT the South Pender Harbour [366] watermain upgrades (Francis Peninsula Road) project in the amount of \$1,650,000 funded \$1,369,500-CWWF Grant and \$280,500-Capital Reserves be approved;

Initial construction tender submissions received were substantially over the project budgets, therefore the scope of work for both projects were amended and Invitations to Tender (ITT) for the revised scopes were posted on March 9, 2018 and closed on April 6, 2018. After negotiations with the individual bidder, BA Blacktop Ltd., a contract for both projects was signed in August 2018 in the amount of \$2,534,173 excluding taxes.

The following Board resolution was adopted at the June 28, 2018 regular Board meeting:

215/18 THAT the North and South Pender Harbour Watermain Replacement contract be awarded to BA Blacktop in the amount of \$2,534,173 (plus GST);

AND THAT the delegated officials be authorized to execute the contract.

During the course of watermain construction in the South Pender Harbour region, blasting and ground disturbance was greater than anticipated, and associated paving expenses were required which resulted in staff requesting additional funding to complete the project. The following Board resolution was adopted at the March 14, 2019 regular Board meeting

075/19 **Recommendation No. 14** *North and South Pender Harbour Watermain Replacement Financial Update*

THAT the staff report titled North and South Pender Harbour Watermain Replacement Financial Update be received;

AND THAT the contract to BA Blacktop Ltd. for the North and South Pender Harbour watermain replacement work be increased up to \$3,071,640;

AND THAT the delegated authorities be authorized to execute the increase to the overall contract price;

AND THAT the North Pender Harbour watermain replacement project budget be decreased by \$103,092 to \$1,546,908 funded from the CWWF grant of \$1,283,934 and \$262,974 from capital reserves;

AND THAT the South Pender Harbour watermain replacement project budget be increased by \$199,732 to \$1,849,732 funded from the CWWF grant of \$1,455,066 and \$394,666 from capital reserves;

AND THAT the 2019-2023 Financial Plan be amended accordingly.

DISCUSSION

Construction of the North and South Pender Harbour watermain replacement project began in October 2018 and as of April 2019 the watermain installation work was complete. The North Pender Harbour section of this project completed within the project budget of \$1,546,908.

During the course of the South Pender Harbour project, Contractors and Engineers encountered much higher than anticipated quantities of rock on the site which resulted in a significant amount of additional blasting required to properly complete the installation work which resulted in damage to the existing road surface. As existing watermain locations were unknown in several locations this caused conflicts with the installation and re-alignment of the new watermains which increased costs. Final site cleanup work is currently underway as well as substantial paving to remediate and restore the asphalt.

Staff and Engineers have met on site with representatives from the Ministry of Transportation and Infrastructure (MOTI) to review the required paving plan. The SCRD is responsible for repairing road damage caused by this project to meet MoTI standards. The SCRD's paving contract with BA Blacktop Ltd was/is a quantity based contract determined by an estimated surface area of paving work established prior to the majority of watermain installation work. Cracks and damage to the roadway caused by blasting and construction has resulted in many more than anticipated locations of roadway requiring half lane or entire lane paving rather than patching the area that was excavated. This paving plan will provide approximately 700 meters of half lane and 1.5 kilometers of full lane paving.

Approximately 1.1 kilometers of single lane paving has been completed but the existing budget for this project is not sufficient to fund the additional paving costs. In order to substantially complete the project and adhere to MOTI's specification standards for roadway construction, it is recommended that the contract value with BA Blacktop Ltd be amended.

Financial Implications

The initial project budget included in the Financial Plan for the South Pender Harbour Watermain Replacement Project was \$1,650,000.

This initial project budget included a contingency allowance much smaller than is common for these kind of projects. This allowance was nevertheless considered to be adequate based on the anticipated amount of rock blasting and paving required. On March 14, 2019 the Board approved the increase of the overall project budget for the South Pender Harbour Watermain Replacement Project by \$199,732 to \$1,849,732.

After consultation with Onsite Engineering Ltd., the engineering company under contract with the SCRD to provide ongoing consultation and management services for this project, a thorough evaluation of incurred expenses and estimated schedule of quantities and associated costs to complete the planned work was undertaken and initial change order values were determined (see Table 1). Based on current analyses and updated estimates provided by Onsite, staff are recommending that an additional change order (#3) be issued to BA Blacktop Ltd. in the amount of \$165,000 in order to complete the additional paving work now required.

Table 1: BA Blacktop Contract Analysis

	South Pender Harbour ITT 18 328
Contract Value	\$1,340,677
Change Order #1	\$244,055
Change Order #2	\$100,000
Change Order #3 (recommended)	\$165,000
Total	\$1,849,732

Onsite Engineering Ltd.'s initial proposal for construction management and engineering services included a construction schedule of 16 weeks. Due to the additional construction duration (22 weeks) and additional compaction and asphalt density testing services, their fees have increased by approximately \$23,680 for the South Pender project, which will need to be addressed through an increase to Onsite's contract price. Onsite Engineering Ltd.'s engineering services for the North Pender Harbour Watermain Replacement project have also increased by \$23,650 due to similar reasons, primarily a considerably longer than anticipated construction schedule. The overall increase to the engineering services with Onsite Engineering Ltd. is \$47,330, which brings the revised contract price to \$242,940.

Staff have reviewed the impact on the overall project budget of the recommended additional increases to the BA Blacktop Ltd. construction contract as well as other current and projected expenditures to complete this project (i.e. engineering fees). The overall project budget as included in the Financial Plan for the South Pender Harbour water system will need to be amended, as well as budgeted funding sources due to the above mentioned reasons. The North Pender Harbour project budget can accommodate the increases in engineering fees within the existing approved budget for this project.

The details of this analysis for South Pender is outlined in Table 2, Table 3, and Table 4 below.

Table 2: South Pender Harbour Watermain Replacement Budget Analysis

	South Pender Harbour Project Budget
Approved Project Budget	\$ 1,849,732
Additional Budget Required	\$ 188,680
Proposed Project Budget	\$2,038,412

Current budgeted funding for this project is made up of CWWF provincial/federal grant funds and capital reserves. Due to the existing commitment of capital reserves to fund this project and other 2019 approved projects, it is recommended that operating reserves are utilized to fund this additional project budget increase. Reserve balances and committed transfers are shown in Table 3.

Table 3: South Pender Harbour Reserve Fund Balances and Commitments

	Capital Reserves	Operating Reserves
2019 Opening Balance	\$735,930	\$753,975
2019 Budget Commitments	(472,599)	0
Change Order #1 & 2	(114,165)	0
Change Order #3 (recommended)	0	(188,680)
Balance	\$149,166	\$565,295

Based on the analysis performed it is recommended that the South Pender Harbour watermain replacement project budget and funding be increased to accommodate higher than originally estimated construction costs, primarily due to increases related to blasting and paving as well as associated engineering increases. Staff recommend that the project budget increase of \$188,680 be funded by operating reserves.

Table 4 identifies the breakdown of the initial project budget funding as well as updated funding sources.

Table 4: South Pender Harbour Watermain Replacement Funding Analysis

	South Pender Harbour Project Budget
Initial Project Budget	\$1,650,000
CWWF Grant Funding	\$1,369,500
Capital Reserves	\$ 280,500
Revised Project Budget #1	\$1,849,732
CWWF Grant Funding	\$1,455,066
Capital Reserves	\$ 394,666
Revised Project Budget #2	\$2,038,411
CWWF Grant Funding	\$1,455,066
Capital Reserves	\$394,666
Operating Reserves	\$188,680

Timeline for next steps or estimated completion date

Primary construction is complete and final paving and site remediation efforts for this project are currently in progress. The increase in the construction and engineering contract price, and amendments to the project budgets and associated funding will allow for the completion of the outstanding paving work in South Pender in July 2019.

STRATEGIC PLAN AND RELATED POLICIES

This project reflects objectives as outlined in the Financial Sustainability Policy.

CONCLUSION

The SCRD is currently under contract with BA Blacktop Ltd. to construct replacement watermain piping within the South Pender Harbour water service areas. Due to unanticipated site conditions, resulting in a significant amount of unanticipated paving requirements, the estimated cost to complete the work exceeds the original contract price. Staff recommend that the contract with BA Blacktop Ltd. be increased up to a maximum allowable amount of \$1,849,732.

The initial project budget for the South Pender Harbour watermain replacement project was funded by a combination of CWWF grant funding and capital reserves. Due to revised construction costs and engineering expenditures, it is recommended that the project budget and associated funding for the South Pender Harbour system be amended to reflect current estimates and actual costs, as detailed in Table 4. This will result in a net estimated increase of \$188,680 to the overall project budget and associated funding for the South Pender Harbour water system.

Reviewed by:			
Manager	X – S. Walkey	CFO/Finance	X – T. Perreault
GM	X – R. Rosenboom	Legislative	
Interim CAO	X – I. Hall (Acting)	Other	X – V. Cropp

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Infrastructure Services Committee – June 20, 2019

AUTHOR: Ian Hall, General Manager, Planning and Community Development

SUBJECT: SUNSHINE COAST ROTARY CLUB OFFER OF DONATION - AED AND FLOTATION DEVICES

RECOMMENDATION(S)

THAT the report titled **Sunshine Coast Rotary Club Offer of Donation - AED and Flotation Devices** be received;

AND THAT the SCRD work with the Sunshine Coast Rotary Club toward the donation of up to seven AEDs and up to six rescue tubes for priority locations identified in this report.

BACKGROUND

At the Regular Board meeting of April 25, 2019, Laurean Reid, Sunshine Coast Rotary Club, appeared as a delegation regarding the Rotary Club's safety project to donate AEDs and rescue tube flotation devices for placement in various locations throughout the Regional District. The Rotary Club offered to acquire, install and provide training on the equipment. The Rotary Club is seeking the support of the SCRD to identify locations and to assume responsibility for ongoing maintenance and care once installed.

The SCRD Board adopted the following resolution:

125/19 THAT staff provide a report on the process for and implications of installing AEDs and rescue tube flotation devices in locations throughout the Regional District as part of the Sunshine Coast Rotary Club's project.

Following Board direction, staff communicated further with the Rotary Club and undertook analysis of prospective SCRD sites for AED and/or rescue tube installation.

The purpose of this report is to seek direction on responding to the Rotary Club's offer.

DISCUSSION

Analysis

Considerations related to accepting a donation of AEDs and/or rescue tubes include service levels, location, liability risk and financial implications. Each are discussed below.

Service Levels

SCRD has not yet established comprehensive service levels for all parks and trails. Generally, park services are guided by the Parks and Recreation Master Plan, which speaks to Destination Parks as key recreation attractors and to enhancing sports field facilities. Adding further amenity to SCRД's existing higher-amenity facilities has proven a cost efficient way to develop the community park system. One reason for this is that these more developed parks tend to attract more visitors, and so investments have greater reach and community impact.

The Rotary Club's offer would increase the service levels provided.

There is an increasing expectation/normalization that AEDs are provided in public gathering places, particularly in urban settings.

Locations

Locations to install lifesaving equipment should consider:

- Volume of visitors
- Prevalence of high-risk activities (e.g. physical exertion)
- Availability/time for EHS response (with 5 minutes as a threshold often used for planning)
- Visibility and accessibility
- Security and crime prevention through environmental design consideration

Liability Risk

In committing to provide lifesaving equipment to the public, SCRД would bear responsibility for reasonably inspecting the equipment and maintaining it in good working order. Signage respecting the use of the equipment and a process for replacing damaged or missing equipment should be in place.

Ongoing Financial Implications

See discussion below.

Options

Considering the factors above, staff suggest that initial priority locations for the installation of lifesaving equipment are:

AEDs

1. Pender Lions Field
2. Katherine Lake Campground (seasonally)
3. Dan Bosch Park
4. Connor Park
5. Cliff Gilker Park
6. Shirley Macey Park

Rescue Tubes

1. Katherine Lake Park
2. Dan Bosch Park
3. Coopers Green Park
4. Trout Lake (Provincial Use, Recreation and Enjoyment of the Public Reserve Area managed by SCRD)
5. Roberts Creek Pier Park

Additionally, one spare AED and one spare rescue tube are recommended in order to have a backup/ replacement unit on hand should repairs, service, or replacement be needed. This would enable more in-service time for the equipment in the field.

Staff recommend acceptance of up to 7 donated AEDs and up to 6 donated rescue tubes to be installed at the locations above.

Organizational and Intergovernmental Implications

The Rotary Club's offer of donation is a valued community contribution to the Regional District for broad community benefit.

Member municipalities have also been approached by the Rotary Club and are benefiting from the offer.

Input/support would be requested from SCRD protective services / area Fire Chiefs regarding installation locations prior to deployment.

Final donation agreement terms will be reviewed by SCRD Chief Financial Officer and Risk Manager.

Financial Implications

The acceptance of a donation from the Rotary Club would be managed in accordance with SCRD's Donation Policy. This Policy ensures all Canada Revenue Agency requirements for donations are followed and authorized the Chief Administration Officer or Chief Financial Officer to accept.

The Rotary Club's offer includes support for cabinet supply and installation and training at the time of donation, as well as the potential for ongoing support for monitoring equipment. Should the donation proceed, the specific terms of donation would be clarified. Any arrangement for volunteer support beyond the time of donation would be confirmed in, for example, a memorandum of understanding.

Once installed, SCRD would bear costs for:

1. Inspection/monitoring – monthly suggested by manufacturer (to be reviewed further); can be integrated with regular park inspections – requires staff time
2. Maintenance, such as battery and electrode replacement (at least every 2 years; \$125 per replacement). AEDs are covered by an 8-year manufacturers' warranty
3. Replacement, should equipment be stolen, lost, damaged or reach the end of its useful life (assuming service level is to be maintained)
4. Supply of signage and required AED first aid kits (razor, scissors, etc.)
5. Signage, promotion, communication and documentation associated with owning and maintaining – requires staff time

The approximate value of AEDs with installation infrastructure and signage is \$1,700 each. Rescue tubes with installation have a value of approximately \$150 each.

As an increase to the service level of SCRD parks, these costs would drive an incremental increase in operating budget and capital replacement requirements. These costs would only be borne following the acceptance of donation and installation of equipment (as early as 2020). An operating budget increase of approximately 50 hours (0.03 FTE) of staff time per year is estimated to be required (based on number of locations noted above) and \$800 per year to cover battery and electrode replacement, first aid kits and signage; with an annual capital replacement contribution of \$1,500.

Some staff time may be offset through ongoing partnership with Rotary Club, and inspection frequency will be confirmed based on further risk review – staff will provide further information should financial impacts be materially lesser or greater than estimated.

The durability and the prevalence of use/damage/vandalism of these items is somewhat site-specific and hence unknown. Staff will monitor and provide further information as needed.

Should staff receive direction to proceed with accepting the donation, an amendment to the [650] Community Parks base budget, coinciding with equipment being in place (2020 budget year), would be required to fund the increased service level. This approach would adhere to SCRD's Financial Sustainability Policy.

The projected base budget increase is detailed in the table below:

Line Item	Amount	Description
Wages & Benefits	\$2,000	0.03 FTE Increase to HR Plan – 50 hours (Parks Worker)
Operating Expenses	\$800	Materials & supplies (battery & electrode replacement); signage
Contribution to Capital Reserves	\$1,500	For AED replacement (based on estimated useful life of 7 years)
Total Required Annual Funding Increase	\$4,300	Funded through increased taxation

Staff recommend proceeding with the donation from the Rotary and if the Board approves, that the following motion be added:

AND THAT the [650] Community Parks base budget funding from taxation be increased by \$4,300 annually, coinciding with acceptance of the lifesaving equipment, to fund additional staff time (0.03 FTE increase to HR Plan), operating expenses and capital replacement costs associated with the increased service level;

AND FURTHER THAT the 2020-2024 Financial Plan and HR Plan be amended accordingly.

Timeline for next steps or estimated completion date

The Sunshine Coast Rotary Club has requested a response to their offer as soon as possible in order to be able to initiate fundraising in summer 2019.

The Rotary Club has advised staff that should the project proceed with positive results, a further/future phase with another round of donations may be considered.

Communications Strategy

Staff shared this report with the Rotary Club on publication.

STRATEGIC PLAN AND RELATED POLICIES

Relevant policies:

- Parks and Recreation Master Plan
- SCRD Donation Policy

CONCLUSION

The Sunshine Coast Rotary Club approach SCRD with an offer to donate AEDs and rescue tubes if the Regional District would assume maintenance responsibility. The donation aligns with recent/emerging expectations for the availability of lifesaving equipment in public places.

Staff have considered priority locations for installation by applying standard lifesaving equipment planning criteria and recommend working with the Rotary Club toward acceptance of up to 7 AEDs and 6 rescue tubes. A financial plan amendment of \$4,300, funded from taxation, is required to reflect the costs of maintaining equipment. This amendment would coincide with donation (2020 budget year).

The Rotary Club has requested a response as soon as possible to enable fundraising during summer 2019.

Reviewed by:			
Manager	X - K. Robinson	CFO/Finance	X-T.Perreault
GM		Legislative	
A/CAO	X- I. Hall (Acting)	SCEP	X - R. Michael
		Risk	X – V. Cropp

From: Raquel Kolof [<mailto:raquelko@telus.net>]

Sent: Sunday, June 9, 2019 9:17 AM

To: Andrew Allen <Andrew.Allen@scrd.ca>; Donna McMahon <donna@donnamcmahon.ca>; Donna McMahon <donna@everythingelphinstone.ca>

Subject: SSCFI Drought Management Plan letter to SCRD

Hi Andrew and Donna,

The SSCFI, on behalf of our membership of 104 farmers and food growers, have written this letter in regards to their water needs on the Sunshine Coast. We are requesting \$1000 water saving grants per farm to be available in the fall of 2019. Is this request best delivered via the AAC or directly to another SCRD department/committee?

Cheers,
Raquel

Southern Sunshine Coast Farmers Institute members discussed the Drought Management Plan at our March 26, 2019 General Meeting.

SSCFI Members concluded that all food production, regardless of farm status, be exempt from stage 4 water restrictions. We arrived at this conclusion for the following reasons:

1. SCRD identifies a triage plan for water use in times of drought, with human health identified as the first priority. It is critical to human health that citizens be allowed to grow their own food, not only for food security but also food sovereignty. Our membership consists not only of farmers that rely on food production for income, but also low income families and seniors on fixed incomes. Growing food throughout the year, especially during the prime summer growing season, is vital to everyone's health and welfare.
2. The Comprehensive Regional Water Plan identified major water deficits in 2013 and since that time there has been no significant additions to water catchment infrastructure. In 2018, the SCRD hired a consultant to complete a water demand analysis. Results of this study made clear that even with 20% reduction in use, by 2030, we would still need 2.4 million cubic meters of water, more than any reservoir could hold. Clearly, our water issues will not be resolved with reduction in use. Added drilled wells are needed to meet the needs of our growing community. Farm water demand should be incorporated into future water infrastructure plans as food security is a critical issue given climate change and the reduction of food growing capabilities of our cross-border suppliers (Midwest, California etc.) that we currently rely on. A robust local food economy on the coast would benefit everyone, not just farmers.
3. It is unjust to expect citizens to go without water to grow food when the issue is not lack of water but lack of adequate water infrastructure. Chapman creek overflows for most

of the year. Given our annual rainfall, we should not be in the untenable and perilous position of decimating local food production.

4. Expecting farmers alone to reduce reliance on municipal water supply is discriminatory. Farmers pay their fair share of taxes and SCRD utilities, and are owed the same delivery of utilities as all other businesses. Will all businesses that rely on municipal water, such as campgrounds, golf courses, concrete facilities, restaurants, hotels, breweries etc. be similarly expected to wean off the municipal water supply? According to Government of Canada statistics, the manufacturing sector uses double the water withdrawal of agriculture. Households, as well as commercial and institutional water consumption are also greater than agriculture, <https://www.canada.ca/en/environment-climate-change/services/environmental-indicators/water-withdrawal-consumption-sector.html> The top 20 water users in the SCRD in 2018, on page 21: 8 are Commercial, 5 are Housing/Campgrounds, 5 are Public Facilities (pools) and 2 are Institutional. <https://www.scrd.ca/files/File/Administration/Agendas/2019/2019-APR-18%20ISC%20Agenda%20Package.pdf>
5. Farmers are committed to conserving water but would need support, education and funding to build appropriate and effective farm water infrastructure.

With the increase in large housing developments on the coast, fragility of the global food supply, and problematic connection to the mainland, local food production should be encouraged and supported. Coastal food production is integral to our local food security, economy and our community's health and wellness.

The SSCFI membership request that:

1. all food production be exempt from stage 4 water restrictions.
2. all lawn watering be banned starting at stage 2.
3. lawn watering permits expire once water begins to be drawn down on Chapman Lake. New lawns should be established in spring and fall. Grass is resilient and goes dormant in the summer. Grass will grow back once rain returns.

SSCFI membership also request that both commercial and small-scale farmers have access to additional water saving grants of \$1000 in addition to the current rainwater harvesting rebate program. The SSCFI currently has 104 members 70% of whom actively farm and there are more farmers that do not belong to the SSCFI. 50 grants for the entire SCRD population of 29,000 is inadequate and not reflective of a commitment to support people in efforts to reduce reliance on Chapman Creek as a water source. Farmers ask for SCRD support in the form of a designated rebate of \$1000 grant for rain water harvesting systems of 2000 gallons or more

that they could access without competing with non-food producing home owners. Farmers ask that this \$1000 water saving grant be used for any of the following water saving systems that work for their particular farm; rainwater harvesting cisterns of 2000 gallons or more, micro/drip irrigation systems, pond digging or well drilling. We ask that this grant be made available in fall 2019 so farmers can install systems in time to collect enough rainwater over winter. Farmers have found that rainwater harvesting systems set up in the spring have not filled enough in time to be effective for the summer.

Lastly, we need to confirm that potable water for livestock will be protected and accessible at all times. Failure to do so would be illegal under the Criminal Code of Canada which prohibits causing “unnecessary pain, suffering or injury” to an animal including failing to provide suitable and adequate food and water. Lack of access to water would further be in contravention of the SPCA’s Prevention of Cruelty to Animals Act which states a person must protect an animal from being in distress. Distress includes, being deprived of adequate food, water, shelter. <https://spca.bc.ca/ways-to-help/take-action/farm-animals/on-the-farm/laws-for-animals/>

The Ministry of Agriculture, The National Farm Animal Care Council, The Canadian Veterinary Medical Association, BC Farm Animal Care Council and Provincial Livestock Associations all have clear codes of practice that require ready access to palatable and clean water.

Our farmer’s thank you for your consideration of these issues and we look forward to further engagement with the SCRD in the near future to advance our shared goals of solving our water issues and food security concerns on the Sunshine Coast.

Regards,

Raquel Kolof

President

Southern Sunshine Coast Farmers Institute

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