



The Corporation of the City of Courtenay

Staff Report

To: Council
From: Director of Operational Services
Subject: CleanBC Organics Funding Program

File No.: 5360-07
Date: January 15, 2025

PURPOSE:

The purpose of this staff report is to seek Councils support for an application for the provincial CleanBC Organics Funding Program.

BACKGROUND:

The Province has recently launched the CleanBC Organics Funding Program (OFP), an application-based grant program to help keep organic waste out of landfills and reduce greenhouse gas emissions. Eligible projects include the purchase of curbside carts for residential organics collection. The residential curbside collection grant provides funding for up to 66% of eligible costs for the development of new, or an expansion of existing residential curbside organics collection programs. The application deadline for the program is February 13, 2025 and as with most provincial granting opportunities, Council support, in the form of resolution, for the project is requirement of the application process.

A similar funding program was offered in 2021, which the City did not apply for at the time, as this was before direction of Council was provided to staff to seek a transition from manual collection to a fully automated collection service and prior to the opening of the CSWM organics composting facility. The City was also amidst a full financial review of the solid waste service and the outcome of said review, including financial impactions, would not have been realized until the end of the 2021 calendar year. While the City did have a yard waste collection program at the time, the service offering was based on manual collection and processing with a private composting company organized through the City's curbside collection contractor, Emterra Environmental, at a low cost to the City. A combination of administrative, environmental and contractual factors ultimately led the City to miss the 2021 CleanBC Organic Funding opportunity and these factors were further exacerbated by the economic impacts of the COVID19 pandemic. Additionally, British Columbians' across the province were also impacted by multiple heat dome events. During these events the City was subject to regular service failures in the yard-waste collection stream and in conjunction with significant uncertainty in the global economy the City quickly turned to the development of fully automated organics collection service through its commitment to a fulsome and inclusive procurement strategy in late 2021.

At the same time, the Town of Comox was participating in the food and yard waste trial program with CSWM, prior to the organics processing facility becoming fully operational. Based on the data available to the Town, a grant application was successful with the Town receiving \$396,917 for their organics collection service.

The City launched its organics (food and yard waste) curbside collection program in January 2023, followed by the change to the automated collection service in January 2024.

DISCUSSION:

In discussions with provincial Ministry staff, the recommendation has been to apply for the grant in 2025 only for any future expansions of the system, citing their interpretation of the eligibility criteria in the CleanBC Organics Funding Program intake. Such a grant would be small considering the limited opportunity for growth of the current service, and a missed opportunity for reimbursement for the cost of the current organic's carts.

Applying retroactively to this funding program in the 2025 intake, using costs from the 2024 launch of the automated curbside collection program, the City could be reimbursed for 66% of the approximately \$1.5M attributable to the eligible organics collection costs.

In the application the City will highlight the actual reduction in garbage tonnages in 2024 (40%), the reduction in landfill greenhouse gas emissions, and the transition to a fleet of electric collection trucks – the first of its kind in Canada.

A Council resolution is required as part of the application documents.

Understanding that provincial staff have noted that this impending application does not meet the intention of the granting parameters and the City's application may likely be denied, staff remain steadfast in recommending an application be submitted. This submission would at a minimum seek to raise awareness of the City's interest for financial support in recognition of its actions and policy commitments to reducing waste to landfill volumes, increasing organic diversion and overall GHG reduction strategies. To summarize, the achievements thus far have been:

- In 2024, a **40% reduction** in garbage going to the landfill from the Courtenay curbside solid waste collection service;
- Achieving an annual waste disposal rate in the curbside service of **100 kg/person**, which is below the current provincial goal of 350 kg/person and well below the 2022 average of 479 kg/person.
- Potentially reducing GHG emissions by **44 tonnes of CO₂** from the curbside service with the conversion of the service fleet to full Electric Vehicles (collection trucks).

FINANCIAL IMPLICATIONS:

Carts were initially purchased by Emterra Environmental. The City is invoiced a monthly cart cost with full ownership after ten years. If the City is successful with the grant application, the funds could be used to reduce future years' annual fees by approximately \$13 per household, per annum over the term of the ten (10) year contract. Alternatively, if approved by the granting authority, the funds could be moved to the Solid Waste Reserve for the purchase of replacement carts in the future.

ADMINISTRATIVE IMPLICATIONS:

Reporting requirements of the funding program, if successful, will be completed by Solid Waste Services staff.

STRATEGIC PRIORITIES REFERENCE:

This initiative addresses the following strategic priorities:

- Financial Sustainability - Review City Financial processes: Review fees, charges, and fines

PUBLIC ENGAGEMENT:

Staff would inform the public based on the IAP2 Spectrum of Public Participation:

http://c.ymcdn.com/sites/www.iap2.org/resource/resmgr/imported/IAP2%20Spectrum_vertical.pdf

OPTIONS:

1. THAT based on the January 15, 2025 staff report “Clean BC Organics Funding Program”, Council direct staff to submit an application for the City of Courtenay Curbside Organics Carts through the February 2025 intake of the CleanBC – Organics Funding Program, and

THAT City of Courtenay Council supports the project and commits its one-third share of eligible project costs of \$1.5M including any ineligible costs and cost overages of the project, from the 2023/2024 launch of the program. The source of one-third share of eligible project costs will be from fees collected.

2. THAT Council receive the CleanBC Organics Funding Program report for information and take no further actions.
3. THAT Council provide alternative direction to staff.

ATTACHMENTS:

Attachment 1: Letter from City of Courtenay Council to CleanBC Organics Funding Program

Prepared by: Chris Thompson, Manager of Public Works Services
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Concurrence: Geoff Garbutt, M.Pl., MCIP, RPP, City Manager (CAO)