

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON
MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

REPORT
RAPPORT

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DATE 23 April 1998

TO/DEST. Co-ordinator
 Planning and Environment Committee

FROM/EXP. Director, Solid Waste Division
 Environment and Transportation Commissioner

SUBJECT/OBJET **DEVELOPMENT OF A CONSTRUCTION AND DEMOLITION
WASTE DIVERSION INFRASTRUCTURE CREDIT POLICY**

DEPARTMENTAL RECOMMENDATION

That the Planning and Environment Committee recommend that Council approve the Solid Waste Division staff policy to provide a pilot financial incentive program to encourage construction and demolition waste diversion in the Regional Municipality of Ottawa-Carleton (RMOC).

BACKGROUND

In the RMOC, 24 percent, or approximately 162,000 tonnes based on 1996 data, of the waste landfilled comes from construction and demolition (C&D) activities. Although some C&D waste diversion takes place for metal and inert materials such as concrete, large scale C&D waste diversion facilities have not been successful in the Ottawa-Carleton area.

Due to its composition, this waste stream has historically been difficult to divert. As well, there are three competing private landfills in Ottawa-Carleton that will accept this waste stream and an abundance of local natural resources such as aggregate. Further, an estimated 50,000 tonnes of C&D waste is allegedly illegally shipped to Quebec for disposal. All of these factors combined makes it difficult for bona fide C&D waste diversion businesses in the RMOC to remain viable. This is unlike other material recycling operations which can utilize source separation, develop markets and have proven technology presently available.

The Ministry of Environment and Energy, now the Ministry of the Environment (MOE), passed the 3Rs Regulations in March 1994. Regulation 103/1994, Industrial, Commercial and Institutional Source Separation Programs requires C&D projects of 2,000 square metres or more to source separate recyclable materials. Where feasible, C&D projects must separate concrete, wood, and steel. In addition, construction projects must also separate corrugated cardboard and

drywall. These regulations, however, have not been enforced by the MOE, and are currently under review. This has resulted in a high quantity of mixed waste material that is difficult to process.

As identified in the 3Rs report Option #5 (January 1995), the RMOC has previously encouraged C&D waste diversion in several ways. For example, by funding waste audits for two construction projects and an environmental demolition project, by holding a waste management seminar for the C&D sector, and conducting a waste composition study in 1997 at the only C&D facility in Ottawa-Carleton, located on the Huneault Landfill Site in Navan. This study was done to determine what materials could potentially be diverted from landfill and to confirm the make-up of this waste stream.

Efforts of other governments include Environment Canada's seed money for the Sustainable Construction Information Network which is a multi-disciplinary advisory committee with a primary focus on the sustainability in the C&D sector. In addition, the MOE supported the development of a construction waste reduction course by the Ottawa Construction Association (OCA).

Private groups are also making an effort to educate C&D contractors on the benefits of diversion. The Green Building Information Council is a new national organization established to advance the energy and environmental performance of buildings through the creation, exchange and application of appropriate and timely information. The Used Building Materials Association is another new organization established to help companies gather and redistribute used building materials in a financially sustainable way.

Private sector recycling initiatives have included ECO-MAT Recycling and Telluride Waste Management Inc. which established two separate wood recycling facilities. ECO-MAT handled all C&D wood waste, whereas Telluride intended to handle clean construction wood. Neither facility was able to become financially sustainable. Recently, Osgoode Recycling Centre Ltd. has attempted to set up a processing facility to handle a mixed C&D stream in co-operation with Tomlinson Environmental Services. This facility has not yet proven it can effectively divert material; however, the companies are optimistic they will be successful.

The "re-store" concept has also been and still is a concept that is trying to establish a foothold in Ottawa-Carleton. The Ottawa Re-Store, a non-profit retail store handling reusable hardware and building supplies was established and ran for two years prior to closing. Recently, Habitat for Humanity and Renocycling Depot Inc. have opened re-stores that will accept saleable material from C&D activities. Although a "re-store" does not divert large volumes of waste from landfill, it effectively serves as a promotional and educational tool for the industry and educates consumers regarding the value of re-used goods.

In its effort to further support and encourage a C&D waste diversion infrastructure, Solid Waste Division staff recommend a policy to outline a pilot financial incentive program be developed to promote and increase a bona fide C&D waste diversion infrastructure in Ottawa-Carleton.

DISCUSSION

A diversion incentive in place for C&D waste is the Compensation charge of \$10 per tonne. This fee effectively makes it more expensive to dispose of C&D waste, with the intention to encourage more material to go to recycling options as opposed to cheap landfill. The private sector has not taken advantage of this incentive. There is also some argument that the fee simply increased the illegal flow of material to Quebec.

Staff recommend that a pilot financial incentive program be provided to encourage and assist development of local certified C&D diversion facilities. This program would be assessed annually and will be fully reviewed in the next term of Council. In essence, C&D recycling facilities that achieved a specified diversion rate will receive a refund of the monies paid into the Compensation Fund. The diversion rate will be established based on a facility's incoming tonnage, waste stream composition, service area, material processing technology, and local end market conditions. This program would be available for up to three years, and each year a higher diversion rate would be expected.

FINANCIAL IMPACT

The main financial implication in this policy is that it would rebate the Compensation fees paid, or an equivalent amount for recycling operations in the Township of Osgoode via consent fees under the *Regional Municipalities Act*, section 155. These monies would be foregone in order to stimulate waste diversion in the Region. Financial approval for utilization of Compensation Fund monies is required under By-law 234. The impact on the Compensation fund balance is more than offset by the value of landfill space preserved.

CONCLUSION

Although some C&D waste diversion takes place for metal and inert materials such as concrete, to date, large scale C&D waste diversion facilities have not been successful in Ottawa-Carleton. Factors such as competitive landfill prices, export to Quebec and/or lack of Provincial Regulation enforcement, has made it very difficult to establish recycling for materials such as wood, asphalt shingles and drywall.

In order to further promote C&D waste diversion, it is recommended that the Planning and Environment Committee and Council approve this Solid Waste policy to provide a pilot financial incentive program to encourage bona fide construction and demolition waste diversion infrastructure development.

Approved by
P. McNally, P.Eng.

TJC/JRH/mm