

**Rural Collection – South**

**Blue Box Recycling Program**  
**Best Practice Assessment Report**

**November, 2009**

Prepared for:  
The Continuous Improvement Fund  
[Based on a Program Assessment performed for a  
municipal program in the Rural Collection – South  
category. Municipal references removed]

Prepared by:  
GENIVAR Consultants LP  
600 Cochrane Drive, 5<sup>th</sup> Floor  
Markham, Ontario L3R 5K3

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## Executive Summary

In October of 2009 staff from a Rural Collection - South program (the program) were provided with an opportunity to review and comment on proposed revisions to the “Best Practice” questions that will appear on Waste Diversion Ontario (WDO) Municipal Datacall in the spring of 2010. The answers to these questions will have a bearing on the amount of funding made available to individual municipal programs. Over a three year period the percentage value to overall funding will escalate from a starting point of 5%, to 15% and finally to 25%. Under the model to be implemented by the WDO, funding will be awarded based on a three part formula, with the Best Practice questions forming the first, a performance factor (possibly the E&E Factor) forming the second, and cost making up the final portion.

The program asked GENIVAR to assist in an assessment of the program against each of the Best Practice question categories, the objective being to position the program to maximize their performance against each. The questions, and there relative value, are as follows:

1. Blue box recycling plan as part of an integrated waste management plan – 12.5%
2. Established performance measures – 25%
3. Multi-municipal planning approach – 8.3%
4. Optimization of collection and processing operations – 12.5%
5. Training of staff in key competencies – 8.3%
6. Appropriately planned, designed and funded communications program – 8.3%
7. Established and enforced policies that induce waste diversion – 25%

The program is in a strong position to receive credit for most of the questions in the Municipal Datacall. There were, however, some opportunities to improve performance against questions # 4: Optimization of collection and processing: a detailed review is required every two years for municipally operated program components, and # 6: Appropriately planned, designed and funded communications program, where there is a requirement to establish a monitoring and evaluation plan.

For those in areas where the program is strong, a formal report should be made to the program Board to fulfil the WDO reporting requirement identified in the questions and to identify and assess program opportunities.

This assessment performed by GENIVAR is modelled on the Continuous Improvement Fund (CIF) program assessment model, which also uses the best practice questions to examine all areas of program performance. The CIF developed a recycling program assessment to provide an objective and thorough assessment of the participating program’s blue box program. Using the CIF

approach will also enhance the potential to obtain CIF funding to cover a portion of the costs associated with the review.

Observations, conclusions and potential opportunities for improvement outlined in this report are developed primarily as a result of a brief site visit, which was conducted on November 9, 2009. The output of the process is a high-level analysis: prior to implementing any of the potential opportunities it will be necessary to examine their appropriateness and practicality in more detail. Where initiatives call for capital investment, a cost/benefit and/or payback analysis is required, as might be a feasibility review.

The program faces some challenges in a number of the cost categories when compared to other municipalities within their WDO municipal grouping. When compared to a number of other Ontario counties, which are not all in the same grouping but are selected based on similar attributes, the comparison is more balanced. Regardless, the program still reports a high net cost per tonne and has the highest E&E factor, a performance measure used by WDO and Stewardship Ontario.

On the basis of a question by question assessment and analysis, a number of recommendations are enclosed in the report. These are:

- augmenting the existing master plan with more defined diversion and material capture targets
- assuring transparent public reporting, for example making sure board reports including program targets are posted on the program website
- exploring measures to acquire additional blue box tonnage
- performing a review of labour impacts on cost
- review the collection tendering process to see if it can be altered to attract more competition, and
- adopting a monitoring and evaluation process to evaluate the effectiveness of the communications plan.

This Project has been delivered with the assistance of Waste Diversion Ontario's Continuous Improvement Fund, a fund financed by Ontario municipalities and stewards of blue box waste in Ontario. Notwithstanding this support, the views expressed are the views of the author(s), and Waste Diversion Ontario and Stewardship Ontario accept no responsibility for these views.

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## Introduction

In October of 2009 staff from the Rural Collection - South program (the program) were provided with an opportunity to review and comment on proposed revisions to the “Best Practice” questions that will appear on Waste Diversion Ontario (WDO) Municipal Datacall in the spring of 2010. While these questions, in some form, have appeared in previous editions of the datacall, in 2010 the answers to the questions will have a bearing on the amount of funding made available to individual municipal programs. Over a three year period the percentage value to overall funding will escalate from a starting point of 5%, to 15% and finally to 25%. Under the model to be implemented by the WDO, funding will be awarded based on a three part formula, with the Best Practice questions forming the first, a performance factor (possibly the E&E Factor) forming the second, and cost making up the final portion<sup>1</sup>.

Given the increasing significance of the Best Practices portion of the funding distribution model, the program asked GENIVAR to assist in an assessment of the program against each of the Best Practice question categories, the objective being to position the program to maximize their performance against each question, since each will have a point value and will be tabulated to arrive at an overall score that will determine how much of the Best Practice question portion will be made available to the municipal program operator.

Specifically, values for each section are as follows:

1. Blue box recycling plan as part of an integrated waste management plan – 12.5%
2. Established performance measures – 25%
3. Multi-municipal planning approach – 8.3%
4. Optimization of collection and processing operations – 12.5%
5. Training of staff in key competencies – 8.3%
6. Appropriately planned, designed and funded communications program – 8.3%
7. Established and enforced policies that induce waste diversion – 25%

More detail is provided in Appendix A, a Powerpoint presentation made at the October 15, 2009 Municipal Waste Association Fall Workshop held in Toronto. The questions as published by the WDO appear in Appendix B.

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<sup>1</sup> The WDO website indicates that program funding will decrease for 2010, but this would not be impacted by the institution of the best practice questions. 2010 funding is based on verified 2008 figures and, at that time, no values were assigned to the best practice questions. Other factors, such as WDO cost containment formulas and relative position within the municipal groupings, negotiated amounts of total cash funding available (versus CIF allocation and in-kind), and program cost all contribute to the funding amount and the challenge of predicting funding with certainty.

After completing the proposed revised questions it was clear that the program is in a strong position to answer affirmatively, and therefore receive credit for, most of the questions in the Municipal Datacall. There were, however, some opportunities to improve performance against question 4 and 6, namely:

Question 4, optimization of collection and processing: a detailed review is required every two years for municipally operated program components, and

Question 6, appropriately planned, designed and funded communications program: There is a requirement for an established monitoring and evaluation plan.

The program position with respect to the Municipal Datacall questions, even those in areas where the program is strong, is not fully qualified until a formal report is made to the program board. It is the intention of this review and report to help the program staff fulfil the reporting requirement as well as identify status and assess program opportunities.

As a CIF funded project this review must be available for viewing on the CIF website. It should be noted, however, that for the purpose of sharing this report with a broader municipal audience all direct references to the program are removed. The CIF version of the report will be converted into a generic report.

## **The Program Assessment and Best Practices Review**

An assessment of program status against every best practice question would at first seem to strictly be an assessment of the program practices. Since question 6 calls for a program review, however, it is necessary also to discuss program performance as well.

In order to accomplish both, this assessment process is modelled on the Continuous Improvement Fund (CIF) program assessment model, which also uses the best practice questions to examine all areas of program performance. The CIF developed a recycling program assessment to provide an objective and thorough assessment of the participating program's blue box program.

The approach is partly based on the site visit and assessment process utilized as part of the Blue Box Program Enhancement and Best Practices Assessment Project (Best Practices Project).

There are a number of goals and objectives associated with the CIF approach, including:

- Recommending, for implementation, recycling program effectiveness and efficiency improvements through examination of program components , and

- Providing municipal recycling programs with timely and objective input to aid decision making about program improvements, upgrades, contracts, tenders and any other program development issues.

The format of the CIF approach and the CIF goals are consistent with the purpose of the program review. Using this approach will also enhance the potential to obtain CIF funding to cover a portion of the costs associated with the review.

Observations, conclusions and potential opportunities for improvement outlined in this report are developed primarily as a result of a brief site visit, which was conducted on November 9, 2009. The output of the process is a high-level analysis: prior to implementing any of the potential opportunities it will be necessary to examine their appropriateness and practicality in more detail. Where initiatives call for capital investment, a cost/benefit and/or payback analysis is required, as might be a feasibility review.

## **Preliminary Review and Analysis**

It is important to note that the overall funding formula employed by the WDO contains two elements other than the best practice questions. In total, funding will be distributed according to a combined model: best practice questions, a performance factor (possibly the E&E factor or a modified version of same), and program cost. It is important for all program operators to assess and improve program cost and performance measures in a system where *relative* position regarding program performance may have a direct bearing on funding. This means that the broad assessment undertaken here is much more than an exercise to confirm practices; programs will be driven to examine cost and recovery in order to maximize funding eligibility.

The program has no control of the process or rationale used by WDO to categorize the program within a WDO municipal grouping, which in this case is referred to as the Rural Collection – South category. There are 70 municipalities in this grouping with widely divergent characteristics in terms of population, geographic size, location, and program delivery. Reporting of data also varies depending on contract structures and operating relationships. Regardless, the WDO uses municipal groupings as part of a cost containment strategy and poor performers within a municipal grouping can lose a portion of their funding.

A review of Table 1 indicates that, within their municipal grouping, the program faces some challenges. Collection, processing and gross and net program cost all exceed the averages for the grouping. While net program cost is slightly above the average, gross program cost far exceeds the average. It may be that the time and effort spent by the program in collection and processing to obtain high quality material results in high revenues that offset the extra cost. Ultimately

the E&E factor for the program is almost exactly at the average, and percent recovery is better than average.

Compared to program performance in 2005, processing, net and gross costs have increased significantly partly because total tonnage has decreased. Interestingly, while tonnage has decreased the reported recovery level has increased from 47 to 55%.

**Table 1 - Comparative Analysis: The program within its WDO Municipal Grouping**

**WDO Datacall Information Summary**

		The program	Group* Average	Group Range	The program
	Year	2008	2008	2008	2005
	Households	19094			22,872
	Tonnes Reported or Calculated	3,017.09			3252
Residential	Collection Cost/Tonne	\$252.02	\$224.40	0 - 453	\$261.49
	Processing Cost/Tonne	\$311.00	\$40.48	0 - 381	\$190.78
	Depot-Transfer Cost/ Tonne	\$48.73	\$62.89	0 - 631	\$12.16
	Promotion and Education Cost/tonne	\$25.91	\$5.61	0 - 40	\$24.35
	Calculated Administrative and Interest on Municipal Capital/Tonne	\$62.87	\$14.45		\$20.53
	Gross cost/tonne	\$700.53	\$347.83	72 - 5524	\$539.27
	Net Cost/tonne	\$440.92	\$419.64	72 - 5524	\$336.19
	% Recovery	55	47.57	7 - 94	47.12
	E&E Factor**	8.27	8.21	.62 - 34.45	7.13

\* The WDO Municipal Grouping for the program is the Rural Collection - South grouping which included 70 Municipalities

\*\*The Efficiency and Effectiveness Factor (E&E Factor) is expressed by dividing a recycling program's efficiency (net cost per tonne) with its effectiveness (percent of materials recovered). Better performing programs have a relatively low cost per tonne in the numerator combined with a relatively high recovery rate in the denominator, resulting in a low E&E factor. The figure of record with the WDO at the time this report was prepared was from the previous year. While the E&E Factor is considered to be a reasonable measure, it has limitations. For instance, a poor performing program with a very low cost per tonne could possess a low E&E factor



**Table 2 - Comparative Analysis versus selected Counties in Ontario**

Program Name	Calculated Blue Box Tonnes Marketed	Total Gross Costs	Gross Costs Per Tonne	Total Gross Revenue
County A	3,904.90	\$1,976,304.46	\$506.11	\$604,203.96
County B	4,658.22	\$1,868,893.10	\$401.20	\$776,533.85
County C	4,935.57	\$1,600,759.97	\$324.33	\$30,004.99
County D	2,942.35	\$1,764,870.38	\$599.82	\$461,747.88
The program	3,017.09	\$2,113,558.11	\$700.53	\$783,256.63

Program Name	Material Revenue / Per Tonne	Other Revenue/Per Tonne	Total Net Cost	Net Cost Per Tonne	E&E Factor
County A	\$154.73	\$0.00	\$1,372,100.50	\$351.38	6.53
County B	\$160.82	\$5.88	\$1,092,359.25	\$234.50	5.23
County C	\$5.84	\$0.24	\$1,570,754.98	\$318.25	7.25
County D	\$156.93	\$0.00	\$1,303,122.50	\$442.88	5.53
The program	\$185.56	\$74.04	\$1,330,301.48	\$440.92	8.27

To obtain another perspective, a number of other Ontario Counties were selected for the purpose of comparison. The attributes used to make the selection included population and program tonnage, the general construct of the County in that it represents a large rural area with urban settlements throughout, and usually (not always) a mixed curbside/depot collection system.

While the program remains somewhat high in certain cost areas, and has the highest E&E factor, the comparison is far more balanced and reveals excellent performance in the area of material revenue recovery.

## **Program Analysis using the Best Practice Question Review**

The best practices questions in final form have been posted on the WDO website and appear here in Appendix B. In the following section, a general finding is documented for all WDO headings, with additional narrative offered on those questions and specific sub-questions that either require attention by the program, or have been identified in the program assessment.

### **1. Development and implementation of an up-to-date blue box recycling plan as part of a Waste Diversion System or Integrated Waste Management System**

- a. Does the municipality have a blue box recycling plan that has been prepared or revised between the years of 2005 and 2009?
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The WDO defines the key elements of a blue box recycling plan as: (1) collection method rationale/efficiencies (2) processing method rationale/efficiencies (3) promotion and education plan (4) enforcement methods (5) capture rate targets, and (6) diversion targets.

The program currently affirms to WDO that in fact such a plan is in place, and based on the Final Report for the Business and Master Plan (April 2006). The program's plan was written as a business plan, addresses planning issues that fall within the realm of the program, and the program is an integrated facility. The program's plan, however, functions more as a facility business plan than a waste management master plan and a number of issues – enforcement and diversion targets, to name two – are either peripheral to the discussion or almost non-existent within the current document.

One can only speculate whether a WDO audit would agree that the plan completely serves the intent of the question, but at the same time it would be premature for the program to launch into a new planning process. The CIF currently recognizes that many small municipalities are unable to answer this question affirmatively, and further that resources to engage in this type of planning are limited. As a result the CIF is developing a planning template, for execution in 2010, which it is intending to support with funding for municipalities in need. At that time the program should review the CIF template against their existing plan and engage, if required, the CIF in order to update the existing plan.

For the remaining sub-questions in this section the program staff are able to provide specifics and/or provide “yes” answers. Much of this accomplished through quarterly reporting to the board. There remains some potential to augment current information by clarifying some items, such as diversion targets, through Board reports, and to further enhance accessibility of the plan and related reports by posting these documents on the internet.

## **2. Establishing defined performance measures including diversion targets, monitoring objectives and a continuous improvement program**

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According to the WDO, defined performance measurements include capture rates, participation rates, residue rates, set-out rates, and waste audits/composition studies. Program staff collect, compile and report on program performance to the Board on an ongoing basis, and are generally able to

demonstrate a structured process (including budgeting and reporting) using complete data for the purpose of analyzing performance. Added measures, such as four-season waste audits, have been performed in the past to augment existing performance and financial data. Again, wherever possible, establishing links to documents on the website increases the transparency of the process, which tends to gain favour with the WDO.

### **3. Multi-municipal planning approach to collection and processing of recyclables**

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As a municipal partnership operating under a multi-municipal agreement the program is able to reply affirmatively to these questions. Although the program does not directly provide collection services it does report collection costs for the partners, who engage in collective tendering in an effort to attract competition. As a result the program is able to report municipal co-operation across both collection and processing operations.

### **4. Optimization of operations in collections and processing by following generally accepted principles (GAP) for effective procurement and contract management**

a. Are your collection services municipally operated?

If so, has your program conducted a comprehensive assessment of collection inefficiencies within the past two years?

If so, have the recommendations been documented and assessed, or are the recommendations being added to a future collection contract?

Have you worked with, or applied for funding through the Effectiveness and Efficiency Fund or the Continuous Improvement Fund pertaining to collection optimization projects?

Has your municipality undertaken a review of your Blue Box program in relation to the Blue Box Program Enhancement and Best Practices Assessment Project Report?

If so, provide the by-law resolution, committee or Board report, or council resolution number of the document containing the review of your Blue Box program

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The applicable portion of Question 4a) pertains to Depot collections only, a minor aspect of the overall operation. It is not clear what the WDO intends to do with questions about the CIF or the comprehensive assessment requirements, and as a result difficult to recommend any action other than for staff to do what they already do: assess program performance and look for funding opportunities as need dictates.

b. Are your processing services municipally operated?

If so, has your program conducted a comprehensive assessment of MRF inefficiencies within the past two years?

If so, have the recommendations been documented and assessed, or are the recommendations being added to a future processing contract?

Have you worked with, or applied for funding through the Effectiveness and Efficiency Fund or the Continuous Improvement Fund pertaining to MRF optimization projects?

Has your municipality undertaken a review of your Blue Box program in relation to the Blue Box Program Enhancement and Best Practices Assessment Project Report?

If so, provide the by-law resolution, committee or Board report, or council resolution number of the document

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Processing cost is the heart of the issue for the program. Based on the figures shared in Table 1, which compares the program against the 70 programs found in its WDO municipal category, processing cost of \$311/tonne significantly exceeds the group average of \$40. While it is fair to say that the municipal grouping is divergent in nature, and the reporting limitations cited previously limit the assessment, the processing cost per tonne is the principal contributor to a high gross cost per tonne. The net cost per tonne, in relative terms, is still above average but not nearly to the same extreme, primarily because staff have managed to obtain and report excellent revenues for recycled materials.

Using the four other counties cited in Table 2, the issue of gross cost is reinforced. As noted before these were chosen to represent counties with larger areas, similar tonnages and populations, and in most cases similar curbside/depot collection scenarios based on an urban/rural settlement mix. In that case the average processing cost per tonne is \$107 and the range is \$0 to \$162. A reported value of \$0 indicates that the program reports processing costs under collection as their contract for both services is likely “all in”. Regardless, this assessment is telling and requires attention.

Based on observations made at the site and on the historical information, the high per tonne cost exists because the facility was designed and built to manage about twice as much material as currently passing through the operation. In effect it was to be a County wide facility. The obvious outcome is that the program is unable to spread labour and capital across adequate volumes that would reduce the cost per tonne into a more acceptable range. More tonnage is required and staff are taking steps to increase facility throughput by obtaining additional tonnes. While staff have reported that they would like to make system improvements, and potentially install some additional equipment to improve the operation, they indicated that they are reluctant to recommend additional capital given the current high cost, even with payback periods that would satisfy the CIF from a funding application perspective.

The program has begun to address the issue and make some changes since the 2007 KPMG Best Practices Assessment Report, most notably by establishing a recycling processing fee that does not encumber users with a partnership requirement. This may help to increase tonnage.

It would be prudent, too, for all players in the County to consider longer term options for recycling processing, which is currently split between two operators. Without biasing the discussion, the issue should be considered with the knowledge that best practice and performance issues will continue to influence program funding, and even in a full extended producer responsibility regime municipalities may still find that performance dictates receipt of “100%” funding. Without transitional details it is difficult to say more about this at this time, but there are discussions occurring at the provincial level provide insight to the longer term.

Specifically, at the November 24, 2009 WDO consultation with respect to revisions to the Blue Box Program Plan, and in relation to the WDO [Report on Greater Consistency of Recyclable Material Collection](#) , the WDO addressed plans for all programs to collect and process a consistent list of blue box recyclables throughout the province. This approach, according to the WDO, will result in material increases for two reasons: 1) some programs will be adding materials that were not previously part of their program, and 2) consistency from program to program will permit high-level province-wide promotional campaigns to support recycling. The WDO expects that the combination of these two things will increase recycling tonnages throughout Ontario. The detailed ranges for potential increases in recycling tonnages can be found in the WDO paper and are material specific, but the some material recovery is expected to increase more than 30%.

A salient point made by the WDO during the presentation is that their vision would suggest that processing of the increased material and material types will favour the development of larger, automated Material Recycling Facilities. This

could mean that, in the context of Renfrew and surrounding community, the program will find itself in a position to compete for regional status and may also, at the right time, be in a position to favourably consider necessary capital expenditures.

In the meantime, relative to the current funding and operating environment, the MRF offers unused and relatively new recycling capacity that could serve a larger geographical area given a well planned transfer/haul system. Given the tremendous job already done on obtaining revenues for recyclable material, the extra tonnage stands a good chance of getting processing costs into line.

One of the factors that impacts municipally operated MRFs more than private or contracted operations is the relatively high cost of sorting labour. As the site visit for this assessment was a one-day event, discussions about specific program alterations are offered with caution and the understanding that more detailed study is required. Observations at the facility are limited by what time the visit is made since, in this case, only one line (the fibre line) was in operation. Observations pertaining to the operation of the container line were not available.

While staff have identified potential capital improvements that might provide some efficiencies and have reasonable pay back times, capital improvements will add cost to what is basically an underutilized facility. In essence the program is currently in a "Catch 22" situation: staff have identified and assessed potential capital improvements that will improve operating efficiency but relative cost per tonne will still be high until tonnages increase. The contemplated capital improvements will have more appeal when tonnages increase.

The labour component, however, is one of the few program elements available for review that might have potential to generate immediate per tonne cost savings. Since observations at the time of the visit did not reflect a typical operating condition (some OCC bales were in the process of being rebaled), the prudent thing would be to engage in a more detailed and long term assessment of labour requirements. It is noted, however, that staff have already built in some flexibility to adjust labour levels according to need. This would suggest that the prime area for action continues to be tonnage.

In general, with respect to the WDO best practice question 4b), the program is able to answer positively that program assessments are ongoing (evaluations concerning new equipment like the backscraping drum, actions and changes made with respect to the KPMG Best Practices Assessment Report regarding processing outside material). The question regarding CIF funding presents a conundrum faced by all Ontario municipalities: CIF funding generally covers around 50% of the capital expenditure. Some municipalities are now balking at applying for CIF funding and talking openly about deferring capital improvements on the basis of impending full extended producer responsibility. In other words, why spend now and only recover 50% when somebody else will be 100%

responsible for recycling processing costs in the future? Without more explicit information from the Province about what a transition might look like, or when it might happen, it is almost impossible to recommend an appropriate strategy. This assessment, however, qualifies for CIF funding and will meet the intent of this question.

Going forward, assuming improvements in material volumes, the program may wish to continue to approach CIF for system funding on a case by case basis. Efforts to consolidate the program as a regional recycling centre would improve the chances of obtaining CIF funding.

c. Are your collection services provided by a contractor?

If so, was your last tender/RFP developed using a recycling tender/procurement tool such as the Stewardship Ontario Model Tender Tool?

If so, provide the tender/RFP number or the council resolution number of the latest tender/RFP successfully issued

If so, provide the award date of the latest RFP successfully tendered using the Stewardship Ontario Model

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Question 4c) is problematic for the program in that while the organization reports curbside collection costs for its partners, it is not directly responsible for the collection activity. While those individual municipalities do work collectively to tender for collection services, it is felt that in general there is a lack of competition and this impacts the ability to further reduce collection costs. Regardless, it is necessary to put collection costs in perspective.

Based on the figures shared in Table 1, which compares the program against the 70 programs found in its WDO municipal category, collection cost of \$252/tonne appears to be slightly above the average of \$224. The municipal grouping is divergent in nature, and the reporting limitations cited previously limit the assessment.

Using the four other counties cited in Table 2, the picture is a little different. Again, these were chosen to represent counties with large geographical areas, similar tonnages and populations, and in most cases similar curbside/depot collection scenarios based on an urban/rural settlement mix. In that case the average collection cost per tonne is \$288 and the range is \$197 to \$415.

In the case of the program, there is more good news in that the collection cost per tonne has dropped since the 2007 KPMG report, which used 2005 data. In an environment where the actual recycling stream is changing, and generally seen to be getting lighter (continuing trend to plastic packaging) therefore reducing the overall tonnes available to the program, this is a very positive development.

Regardless, any element of cost has a potential impact on the WDO funding status of any organization. Pressure to reduce cost remains.

The partner municipalities might investigate, for instance, a broader collection partnership regardless of whether the other municipalities are part of the program partnership. If the contract term is harmonized, for instance for all municipalities in the County of Renfrew, no municipality is precluded from including specific terms. The point of the exercise is to bundle the collective value presented to the bidders with the intention of attracting lower cost bids. The model works whether the municipal partners are part of or separate from the program partnership, and even if they are outside the County. The bundling includes all collection services as well – garbage, recycling, and if applicable bulk, leaf and yard waste and green cart organics. Inclusion of other services, such as any MHSW and WEEE collection schemes supported by the program and any other participating municipality, adds to the weight of the tender. An example to follow might be the York Region “North 6” municipalities, who tendered collectively by putting all collection services up for bids. The end result was an increase in recycling service, the introduction of a green cart organics program, the reduction of garbage collection to once every two weeks, and an across the board savings between all six municipalities of about \$1M annually. Information about this effort can be found at

<http://www.stewardshipontario.ca/bluebox/eefund/projects.htm#214> .

In general the last questions in 4 offset each other, depending on service delivery model. Given 4 b), 4 f) seems redundant in the case of program staff. Staff are often in touch with CIF staff to explore funding opportunities and as a result can generally meet the intention of the recurring CIF question.

## **5. Training of key program staff in core competencies**

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There are no deficiencies or issues to report with respect to Question 5. Program staff, in fact, have been active in the development and implementation of the 3 Year Ontario Blue Box Recyclers Training Program, an E&E funded program for all Ontario programs. The question is prescriptive in its requirements and staff are fully able to plan training to meet the requirement in the future.



## **6. Appropriately planned, designed, and funded promotion and education program**

- a. Does your program currently have a communications plan, with identified goals and measurable objectives that is regularly updated?
- b. Does your plan include a monitoring and evaluation component (an example would be: identification of 'spikes' in recovery or overall annual tonnages coinciding with specific P&E efforts)?

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WDO defines the key elements of a communications plan to be: (1) a multi-tiered approach to promotion and education which includes radio components, TV, calendars, or website offerings, (2) measurements of the effectiveness of the communications plan, (3) a work plan that will be monitored and revised annually. Some of the high cost elements, namely TV, apply only where appropriate (as noted in the header for these questions: "Appropriately planned, designed, and funded promotion and education program").

The program has a well defined communications plan, and dedicates resources to public education that meet and exceed the best practice value of \$1 per household per year. This value, found in the 2007 KPMG Best Practices Assessment Report, represents the average amount spent by municipal programs that reach the 60% recycling recovery goal.

The issue for the program is part b) of the question, and specifically the matter of monitoring and evaluating the effectiveness of specific P&E efforts. This question, in fact, will be universally problematic from the perspective of what such an evaluation might reveal. Most programs in Ontario are mature in nature and have been supported over time through progressive policies and layered promotional and educational activities. Reinforcement to encourage participation has come from different sources and individual municipal messages "bleed over" into other jurisdictions. Policies have been developed to further promote and support participation. Add seasonal influences to the equation and the ability to assess and confidently attribute spikes in tonnage, or gradual increases, can at times be speculative.

Regardless, a plan to do so is required to meet the spirit of the WDO question, and the program collects and regularly analyses the very tonnage data required to make such an assessment. As a result, attached as Appendix C, a monitoring and evaluation plan is attached for use by the program.

## 7. Established and enforced policies that induce waste diversion

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As a mature program this program is in a position to reply affirmatively to many of these questions. The program advised the WDO that as initially posed these questions inadvertently penalized progressive programs. For instance, the question “Has your program commenced a reduction in garbage collection frequency or requirement for clear bags in the last year?” omitted the prospect that policies were enacted prior to last year. WDO has since changed the questions to reflect this concern and will recognize progressive policies from previous years.

The general question also assumes to have prescribed every single potential policy option that would support recycling. It is unclear whether a program has to answer affirmatively to every single prescribed policy approach, such as the recycling incentive program. The notion of providing incentives is a substantial issue that requires a detailed cost/benefit analysis, and again for mature programs may in fact produce only marginal increases.

## Conclusions and Recommendations

Program staff demonstrate a high degree of competency and dedication to the task of operating an integrated waste management facility. Of note is the level of data collection and information at hand to assist the organization to perform informed decision making. There is a high degree of understanding about operational and funding issues and an expressed desire to function in a cost efficient manner.

The program is in a strong position to answer the WDO Municipal Datacall questions affirmatively, and therefore should receive credit for most of the questions. Having tested the questions for the WDO, staff influenced a number of the questions in a manner that improves the organization’s position in this respect.

### Recommendations

Program managers should review the current master plan against the components cited by WDO and adopt recommendations, such as waste diversion targets and capture targets, to augment the existing document where it is potentially deficient.

The principal influence on cost per tonne, which is the key performance measure that affects program funding, is material throughput. All efforts should be made to increase the tonnage received and processed at the facility.

In order to meet the requirements of the WDO Municipal Datacall best practice questions 4 and 6, the program should adopt and post this program assessment including Appendix C or a modified version thereof, the plan to measure communications effectiveness.

The degree to which labour impacts the cost per tonne is not easily determined in a high level assessment as performed here, but should be assessed in more detail to evaluate whether adjustments can be made to reduce program cost.

The program may wish to continue to approach CIF for system funding on a case by case basis. Efforts to consolidate the program as a regional recycling centre would improve the chances of obtaining CIF funding and position what is a relatively new MRF that has room to incorporate capital improvements for increases in material recovery, and therefore processing capacity, as envisioned by the WDO.

The program and other local and regional partners should explore ways to increase competition, and therefore reduce costs, for collection services. This could be done in a number of ways: increasing the geographic and population base of the contract; bundling several collection contracts; increasing the length of the contract term; or any combination of the previous approaches. The main principal is to find a way to add value (more scope, more households, more tonnes, more security) to attract more bidders.

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## **Appendix A**

Blue Box Program Plan  
Update on Funding for Municipal Programs

Presentation made at the October 15, 2009  
Municipal Waste Association Fall Workshop

## **Appendix B**

Final Version  
WDO Municipal Datacall Questions for 2010

Posted on the WDO Website

## **Appendix C**

### Measuring Effectiveness of Communication Plan

## **Proposed Communication Plan – Measuring Effectiveness**

**Subject:** Measuring the effectiveness of promotion and education approaches used by the Rural Collection - South program for elements of the Communication Plan relating to the Blue Box Recycling Program.

**Date:** Annual

**Purpose:** To track and measure the effectiveness of promotional and educational material, and specifically materials related to the blue box program, to meet the requirements as set out in the WDO municipal datacall question 6b), Does your plan include a monitoring and evaluation component?

**Background:** As do all Ontario municipalities, the program is required to fill in the WDO Municipal Datacall each spring. As part of the Datacall the WDO asks municipalities to answer a number of program related “best practice” questions including a set of questions concerning program promotion and education. Question 6 b) asks “Does your plan include a monitoring and evaluation component?”

**Method:** Since we have always tracked program performance for the purpose of informed decision making, the tools for tracking promotion and education impacts are in place. The model adopted for direct measurement is based on the process developed by Stewardship Ontario, for use by local partners, to measure impacts from both television and radio advertising campaigns. This approach consists of three steps:

- 1) populating worksheets to track program performance (which is already done),
- 2) completing an annual report that provides comment on the information, and
- 3) providing a summary of other measures – call in centre data, website hits, user surveys – generated during and after any discrete promotional event.

We will consolidate annual data, starting for 2009, tracked in an excel spreadsheet, for tonnes collected, and will also review for the reporting period the number of households served, for the purpose of analyzing the impact of the various approaches described in the annual communications plan.

**Analysis:** The data will be reviewed to determine whether there is any impact at a household level: tonnage data in the worksheet will be converted into kilograms per household.

The worksheet will contain:

- Annual tonnage collected data

- A conversion of this data, based on the input of total households served, into kilograms per household
- A calculated percentage change in kg/hhld
- Spreadsheet data (both tonnes collected and kilograms per household) will be charted for comparison against the previous two years (by quarter) of similar data.

Data will be reviewed to determine whether any trends are evident, including data spikes noted during and after any discrete recycling promotional campaign elements (radio ads, print advertising). The analysis will address quarter-to-quarter and year-to-year trends against the previous two years, and account for other influences and seasonal factors that result in spikes or increases appearing in the data. These could include:

- other P&E programs or major campaigns
- introduction or revision of any policies that support recycling, such as bag limits
- addition of households, single family or multi family, or new subdivisions
- addition of materials to the program
- media driven events
- collection or processing system changes

On the basis of this review the analysis will strive to determine measurable effects generated by the promotion and education program.

Beginning in 2010, we will dedicate a proportion of the promotion and education budget, up to 5% or approximately \$3,800, to evaluate the effectiveness of the communications strategy. The 3 Year Ontario Blue Box Recyclers Training program, P&E Course, recommends that 5 to 10 percent of P&E budget be dedicated to monitoring and evaluation. Staff will select an appropriate measuring tool, such as public surveys, media analysis, waste studies and/or other available methods to augment the annual data review.

In 2010 we will also send a staff member to take the P&E training offered through the E&E Fund (currently offered free of charge) in order to receive additional training in communications and communications evaluation.

A final report will provide commentary on all inputs – spreadsheet data, website hits, survey results (if any), call in traffic – to determine whether any trends in the data are directly attributable to promotion and education efforts.



## **Appendix D**

### Key Industry Contacts

Continuous Improvement Fund  
92 Caplan Avenue, Suite 511  
Barrie, Ontario L4N 0Z7  
<http://www.wdo.ca/cif/contact.html>

Waste Diversion Ontario  
45 Sheppard Avenue East, Suite 920,  
North York, Ontario, M2N 5W9  
Telephone: (416) 226-5113  
E-mail: [nicolelewis@wdo.ca](mailto:nicolelewis@wdo.ca)

Stewardship Ontario c/o StewardEdge  
attn: John Dixie  
26 Wellington Street E, Suite 601  
Toronto, ON M5E 1S2  
(647) 777-3367  
E-mail: [Jdixie@stewardedge.ca](mailto:Jdixie@stewardedge.ca)  
Customer Service- 1-888-288-3360

Association of Municipalities of Ontario (AMO)  
<http://www.amo.on.ca>  
393 University Ave., Suite 1701  
Toronto, Ontario M5G 1E6  
Telephone direct : (416) 971-9856  
Voicemail: (416) 971-8099  
Toll-free in Ontario: 1-877-426-6527

Municipal Waste Association (MWA)  
attn: Vivian Di Giovanni  
127 Wyndham St. N., Suite 100  
Guelph, ON. N1H 4E9  
Tel: (519) 823-1990  
E-mail: [vivian@municipalwaste.ca](mailto:vivian@municipalwaste.ca)