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BACKYARD COMPOSTER DISTRIBUTION PILOT

The Solid Waste Management Committee recommends the adoption of the recommendation contained in the following report, August 31, 2004, from the Commissioner of Transportation and Works:

1. RECOMMENDATION

1. It is recommended that the following report be received for information by Committee and Council.

2. PURPOSE

This report will summarize the results of a co-operative effort between the Region and local municipalities to improve local promotion of backyard composting and increase participation rates.

3. BACKGROUND

Household organic waste represents over 30% of the total amount of waste discarded by typical residents. On April 5th of this year, the Honourable Minister of the Environment, Leona Dombrowsky announced the Province's intention to set a goal of 60% waste diversion from landfill by 2008. Diversion of organic waste through backyard composting represents one of the least expensive means of managing what is otherwise a costly and complex material to collect and process.

4. ANALYSIS AND OPTIONS

The local municipalities in York Region have been involved in the distribution of backyard composters for many years to varying extents and with varying levels of success. In the spring of this year, discussions were held among Regional and local municipal staff to determine what could be done to improve composter uptake by local residents.

Several issues were identified as key factors affecting the success of composter distributions including:

- Budget limitations
- Purchasing power of smaller municipalities
- Staff resources to host distribution events
- Sale price to residents
- Promotion of distribution events

Depending on local priorities, local municipal staff have varying levels of resources available to run backyard composter distribution programs. This limitation affects their ability to purchase and host public distribution events. Several municipalities in the Region have no composter distribution program whatsoever. The buying power of individual municipalities also affects the final unit cost they obtain from a given supplier. This in turn limits the total number of units that can be purchased and the resulting price at which municipalities can afford to sell composters to residents.

For other municipalities, the availability of staff resources to organize events presented an additional barrier to progress. To overcome these issues, Regional and municipal staff from participating municipalities agreed to make a combined purchase of composters through the Region, share the cost of procurement and sell composters at a reduced and consistent price to residents. The Towns of East Gwillimbury, Georgina, Markham, Newmarket and Richmond Hill opted to participate in the joint venture.

It was also the contention of the selected supplier of composters (i.e., Norseman Plastics) that expanded promotion of public events is a key factor in their success in other jurisdictions. A separate pilot was therefore run in co-operation with the City of Vaughan to test this concept.

4.1 Bulk Purchase of Composters

A bulk purchase of 1,500 composters was initially made by the Region at a negotiated price of \$22.50/unit. Norseman Plastics, the current supplier of composters to the majority of participating municipalities, was selected as the vendor for this joint project because of competitive pricing and to maintain continuity amongst the participants. An additional 725 units were subsequently purchased to accommodate everyone's needs. For some municipalities, this price represented a reduction of almost 30% over what they were previously paying for composters. The units were subsequently sold to residents at a discounted price of \$6.00/unit except in Markham where they were sold for \$5.00/unit. The difference in cost was split equally between the Region and local municipalities. The local municipalities were also responsible for organizing, promoting and distributing the composters. For residents, the new price represented a reduction of as much as 50% over what some local municipalities could previously offer. The lower price was also intended to test residents' sensitivity to pricing.

4.2 Promotional Pilot

To test the need for additional promotion of composter distribution events, Norseman Plastics was contracted to promote and run a single-day public event at four locations throughout the City of Vaughan. A total of 1,244 units were ordered for this event and the supplier was required to remove unsold units at no cost to the City or Region. The cost of this service was \$33.00/unit (i.e., \$22.50/unit for each composter plus \$10.50/unit for promotion and support costs). As with the bulk purchase arrangement, composters were sold to residents at a discounted price of \$6.00/unit. The cost of the composters was split equally between the City and Region. The Region covered the additional costs of promotion and support services provided by the supplier. The City co-ordinated organization of the event with the supplier.

4.3 Project Results to Date

Public distribution events were run in Georgina on June 5th, 2004; Markham on August 10th and 12th, 2004; Newmarket, May 29th and 30th, 2004; and Richmond Hill, May 15th, 2004. Composters were also made available throughout the year in the East Gwillimbury, Georgina, Newmarket and Vaughan. To date, a total of 3,469 units have been allocated and/or sold as shown in Table 1 below. It should be noted that these sales are over and above those made by participating municipalities through their regular composter distribution programs.

The Vaughan composter event was held Saturday, June 26th, 2004. The entire order of 1,244 composters, equivalent to a full tractor-trailer load, was sold out in less than 2 hours. Feedback received from the public indicated overwhelming support for subsequent events. Residents also indicated that additional flexibility is required to meet the needs of groups such as the Orthodox Jewish community who were unable to take advantage of the event.

Table 1
Pilot Composter Allocation by Municipality

Municipality	Composters Sold/Ordered to Date
East Gwillimbury	50
Georgina	100
Markham	1,000
Newmarket	450
Richmond Hill	625
Vaughan	1,244

Note: Does not include composters sold through regular municipal composter distribution programs.

5. FINANCIAL IMPLICATIONS

The Region has incurred a net cost of approximately \$50,000 through this initiative as indicated in Table 2 below. Additional costs before year-end are not expected to be significant. Funds for the initiative have been allocated under the approved New Waste Management Initiatives budget for 2004.

Table 2
Regional Expenditures To-Date

Backyard Composter Initiative	Unit Cost	Regional Cost per Unit	Units Order/Sold	Regional Expenditure to Date
Bulk Sales	\$22.50	\$9.94	2,225	\$22,100
Promotional Pilot	\$33.00	\$22.01	1,244	\$27,400

A study completed by the Region of Waterloo (Backyard Composter Utilization Study) in 2000 demonstrated that the average backyard composter diverts approximately 159 kg of organic waste annually and will be utilized for in excess of 10 years. The 3,469 composters distributed to-date this year will therefore divert an estimated 548 tonnes of waste annually. Assuming the price of \$33/unit is representative of the majority of costs associated with distributing composters to residents, the amortized cost of diverting organic waste through backyard composters can be estimated to be approximately \$21/tonne. This cost compares very favourably with the current cost of \$100/tonne (excluding associated collection costs) to dispose of source separated organics to Halton Recycling Ltd.

6. LOCAL MUNICIPAL IMPACT

Based on the success of the pilot run in Vaughan, strong consideration is being given by City and Regional staff to running a similar event next spring or summer but with sufficient composters to meet the projected demand.

Several local municipalities have also suggested that the joint purchase and funding of backyard composters be continued in 2005. Regional staff supports this concept and has allocated funds for this purpose in the 2005 Solid Waste Management branch operating budget. Staff propose to meet with the local municipalities to review the results of the Vaughan pilot and bulk sales by participants and determine what approach might be taken next year and what level of support by the Region is warranted. It is proposed that the Region continue to provide equal levels of support to participating municipalities (on a per composter basis) provided there is consensus on the type of composter to be sold and a consistent sale price to residents with pilots treated on an exceptional basis.

7. CONCLUSION

The success of this project to-date has already exceeded the expectations of many of those involved. Public support has been strong and suggests that expanded distribution of backyard composters in 2005 is warranted.

The Senior Management Group has reviewed this report.