



To: Council
From: Mohammed Alsharqawi, Director of Public Works
Date of Meeting: December 13, 2023
Subject: Purchase of 30 FoodCycler Units

Recommendation:

That Council approve the purchase of 20 municipal subsidized FoodCycler™ FC-30 units and 10 FoodCycler™ Eco 5 units at a cost of \$4,200 to the municipality from within the 2023 budget.

Executive Summary:

In 2021, Council approved the first implementation of an organic material waste diversion incentive in the Township through a pilot program in partnership with Food Cycle Science. Based these units, the Township diverted 46.02MT of food waste from the landfill in 2022. A second pilot program was conducted in the summer of 2023 with 75 units. These 75 units diverted an additional 15.14MT of food waste from the landfill.

The 275 existing units are estimated to divert 61.16MT from the landfill per calendar year. This saved the Township approximately \$4,295.88 in curbside garbage tipping fees in 2023.

Recently, Food Cycle Science has launched their new product called the Eco 5 (Maestro). This product is similar to the FC-30 however, it is double the size (5L capacity).

Since the implementation of two pilot programs in the Township, multiple residents have indicated to staff they also would like the opportunity to purchase a municipal subsidized FoodCycler.

Background:

Food Cycle Science is a finalist of Impact Canada's Food Waste Reduction Challenge, which is a three-stage initiative from the Government of Canada through Agriculture and Agri-Food Canada to support business model solutions that prevent or divert food waste at any point from farm to plate

As a finalist, Food Cycle Science is the recipient of a \$400,000 grant that is being 100% redistributed to our Canadian municipal partners in support of their FoodCycler initiatives and pilot programs. The Township of South Stormont was an early "Implementation Partner" therefore, Food Cycle Science will contribute a portion of this grant money towards offsetting the costs of the program.

Due to the success of the FoodCycler™ pilot program in 2022 and 2023, the Township put out a survey to South Stormont residents to collect data on how many additional residents would be interested in purchasing a subsidized FoodCycler™ FC-30 unit or FoodCycler™ Eco 5.

Based on the survey results, staff feel it is appropriate to purchase 20 FoodCycler™ FC-30 units and 10 FoodCycler™ Eco 5 units.

Food Cycle Science has provided the Township with the same subsidized pricing model that was seen for the pilot program and will honour the federal funding portion on orders made within the calendar year.

Alignment with Strategic Action Plan:

Goal 1: Safe and Reliable Infrastructure

Objective 1.3: Optimizing the delivery of essential services by maintaining and upgrading

Risk and Asset Management Considerations:

There is no financial risk as there is a buyback option available should all units not sell. FoodCycler™ will buyback any unsold units after a period of 1 year from the delivery date. All units must be in new and unopened condition. The municipality is responsible for return shipping to the warehouse in Cornwall, ON plus a \$25/unit re-stocking fee.

Options:

1. That Council approve the purchase of 30 FoodCycler™ units. This is the recommended option.
2. Other as suggested by Council.

Financial Impact:

There will be no financial implications as this cost was included in the 2023 Operating Budget.

The purchase of 30 additional FoodCycler™ units is proposed based on the financial contributions as follows:

\$9,000.00 plus HST and shipping costs for 30 Foodcycler™ Units. \$4,800.00 plus HST to be reimbursed to the Municipality through purchases of the 30 units by residents. Average cost per household per Foodcycler™ FC-30 unit is \$150.00 plus HST for the FC-30 and \$300.00 Plus HST for the Eco 5.

	Eco 5	FC-30	TOTAL
Units	10	20	30
Unit Price	\$400.00	\$250.00	
Purchase Cost:	\$4,000.00	\$5,000.00	\$9,000.00
Return from Sales:	\$2,700.00	\$2,100.00	\$4,800.00
Cost after Sales:	\$1,300.00	\$2,900.00	\$4,200.00

Additional Financial Implications to Consider:

Replacement filter packs may be purchased at a price of \$22.12 plus HST per filter pack. Filter packs are packaged in boxes of 20 and must be purchased in increments of 20 with no additional freight cost provide they are included in the initial order. Additional filters and other accessories may be purchased from FoodCycler™ at wholesale rates for resale to residents under the pilot program.

Others Consulted:

Director of Finance/Treasurer

Prepared by:

Bailey McBride, Public Works Coordinator