Staff Report



| Report To: | Council |
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| Report From: | Nicole Heber, Environmental Officer |
| Meeting Date: | December 3, 2024 |
| Subject: | IPW-2024-37 – Blue Box Transition Update |

Recommendations:

THAT in consideration of staff report 'IPW-2024-37 – Blue Box Programs Update', Council receives the report for information purposes.

Highlights:

- Waste Diversion Transition Act (WDTA) 2016 signaled the beginning of Extended Producer Responsibility (EPR) in Ontario. West Grey's Blue Box recycling program will transition to producer responsibility beginning January 1, 2025. Full producer responsibility will take effect across the province on January 1, 2026.
- In August, Circular Materials Ontario (CMO) awarded the contract for curbside and depot collections of blue box eligible materials for Grey and Bruce Counties to Waste Management Canada (WM) (West Grey's existing contractor).
- As part of the EPR transition, the blue box collection will change from manual pick-up to automated, bi-weekly cart collection in mid-2025.
- West Grey will continue to be responsible for all other diversion programs at depots going forward, including the administration of non-eligible blue box services in the transition year of 2025.
- West Grey staff will work closely with Waste Management to communicate the changes of the Blue Box curbside collection to residents, to provide a smooth transition to the mandatory collection system.

Previous Report/Authority:

IPW-2024-16 Blue Box Transition to Producer Responsibility. April 2, 2024

IPW 2024-32 Circular Materials Depot Operations. Sept 3, 2024

Analysis:

The Waste Diversion Transition Act, 2016, in combination with the Resource Recovery and Circular Economy Act (O.Reg 391/21) requires the producers of consumer goods (designated products and packaging) that enter the Ontario market take responsibility for their end of life. Many of these materials have already transitioned to producer responsibility, including: tires; batteries; waste electrical and electronic equipment; municipal hazardous and special waste (MHSW); lighting.

Blue box program transition to Extended Producer Responsibility (EPR) began July 1, 2023, and will be completed December 31, 2025. During this period municipalities and first nations across Ontario have transitioned at different times, West Grey is part of the last group to transition on January 1, 2025.

West Grey's existing recycling and waste collection contract took effect July 1, 2016, and is valid for a 10-year period expiring on June 30, 2026. This contract currently includes:

- Curbside municipal waste collection transferred to Bentinck landfill and a small portion of curbside waste directly to WM facility.
- Curbside municipal recycling collection
- Bentinck depot recycling collection
- Durham depot recycling collection
- Durham depot waste transfer to WM facility

Eligible Sources - Curbside

CMO is responsible for transitioning the blue box recycling program, and on January 1, 2025, will assume administrative and financial responsibility of the blue box recycling program for eligible sources in West Grey. In August 2024, CMO awarded the collections contract for Catchment Area 17, including Grey and Bruce Counties, to Waste Management, effective January 1, 2025. After that date, West Grey will act as a contractor for depot operations while CMO handles administrative and financial responsibilities.

The collection method will shift from manual pickup to automated cart collection in mid-2025, allowing time for public education and cart distribution by Waste Management. The carts will have a 436-liter (96-gallon) capacity, with costs covered under the contract between Waste Management and CMO.

Switching to carts reduces injury risks for collection staff, improves collection times, and requires fewer trucks. Collection will remain bi-weekly but may occur on different days, as it will now span five days instead of three to increase efficiency. Waste Management has yet to finalize the collection zones, which will be communicated once determined.

The move to carts is dependent on both recycling and waste collections adopting the cart system.

Eligible Sources - Depot

West Grey has entered into an agreement with CMO in which West Grey will continue to manage the blue box portion of its depot services and receive compensation from CMO. CMO has indicated that depot service will not be available in 2026, as West Grey's blue box depots are classified as convenience depots due to the provision of curbside collection for residents. Some municipalities have expressed concerns about the importance of blue box depot service, creating uncertainty about the availability of this service beyond 2025.

Non-Eligible Sources

2025 is a transition year for the collection of non-eligible sources. Staff will monitor the curbside and depot non-eligible services in 2025 and present options to Council on whether these services should be continued in 2026 and beyond.

Contract Amendments

West Grey will continue to be responsible for all other diversion programs at depots going forward, including the administration of non-eligible blue box services in the transition year of 2025.

Given the legislative changes at the provincial level, the West Grey collections contract will require amendments. This will involve removing the curbside and depot collection of blue box materials effective January 1, 2025, and adding non-eligible source recycling service for the transition year 2025.

Financial Implications:

Collection of eligible blue box service at curbside and depot will no longer be a cost to the municipality in 2025.

The unknown item at this point is the net cost of waste collection as Waste Management has advised that there is a mandatory requirement to move to the cart system for both recycling and waste.

Currently, the cost of waste collection is partially offset by bag tag revenues. The transition to a cart system will mean the elimination of bag tag revenues.

There will be additional revenue from the depot operations agreement with CMO. It is anticipated that this will offset any blue box costs absorbed by West Grey.

Communication Plan:

CMO will be administering a provincial communications plan providing customized municipal contact information for inquiries regarding blue box collection curbside including accepted and not accepted materials. The communications plan will include a website, printed material, email, and phone number to call for information as well as information for the Municipality's website. Staff have started discussions with CMO to ensure the unique needs of West Grey are addressed.

Consultation:

Circular Materials Ontario Waste Management Canada Continuous Improvement Fund Chief Administrative Officer Director, Infrastructure and Public Works

Attachments:

Exhibit "A" Blue Box Recycling and Waste Collection Service Summary

Recommended by:

Nicole Heber, Environmental Officer

Geoff Aitken, Director, Infrastructure and Public Works

Submission approved by:

Michele Harris, Chief Administrative Officer

For more information on this report, please contact Nicole Heber, Environmental Officer at <u>environmment@westgrey.com</u> or 519-369-2200 Ext. 252.