

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MARCH 20, 2018

Item 3, Report No. 12, of the Committee of the Whole (Working Session), which was adopted without amendment by the Council of the City of Vaughan on March 20, 2018.

3 WASTE LEGISLATION UPDATE ON AMENDED BLUE BOX PROGRAM PLAN

The Committee of the Whole (Working Session) recommends:

- 1) That the recommendation contained in the following report of the Deputy City Manager, Public Works, dated March 7, 2018, be approved; and**
- 2) That the presentation by the Manager, Solid Waste Management, and communication C3 titled “Waste Legislation Update”, dated March 7, 2018, be received.**

Purpose

To update Council on the draft Amended Blue Box Program Plan put forward by Stewardship Ontario December 22, 2017.

Recommendations

- 1. That this report be received for information.**

Report Highlights

- Stewardship Ontario was directed by the MOECC to produce an Amended Blue Box Program Plan, requiring the private sector to provide for residential Blue Box recycling collection, processing and marketing.
- Environmental Services staff have reviewed the plan and have provided comments through the consultation process.
- Stewardship Ontario has requested an extension to their submission deadline.

Background

New provincial legislation has put forward a system of full producer responsibility, where private sector companies will be responsible for the recovery and management of their products and packaging.

An overview of the Waste Free Ontario Act was provided as Item 9, Report 3, at Committee of the Whole on February 2, 2016. Based on this report, Council recommended that staff continue to collaborate with York Region and the Association of Municipalities of Ontario (AMO) throughout the legislative process. Since that time, the

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MARCH 20, 2018

Item 3, CW (WS) Report No. 12 – Page 2

Waste Free Ontario Act has been enacted, replacing the Waste Diversion Act (2002). The new Act is comprised of two schedules, 1) the Waste Diversion Transition Act (WDTA) and 2) the Resource Recovery and Circular Economy Act (RRCEA). The legislation passed on June 1, 2016.

The Waste Diversion Transition Act (WDTA) provides an interim step to wind-up and transition existing diversion programs (Blue Box, Waste Electronic and Electrical Equipment (WEEE), Municipal Hazardous or Special Waste (MHSW), and Used Tires), with the goal of minimizing disruptions to recycling services.

The Resource Recovery and Circular Economy Act (RRCEA) ultimately creates a system of full producer responsibility where private sector companies are responsible for the recovery and management of their products and packaging. Through the new authority created under the WDTA, the Resource Productivity and Recovery Authority (RPRA) holds delegated authority for oversight, compliance and enforcement in support of the new Extended Producer Responsibility (EPR) regime. They oversee the various Industry Funding Organizations (IFO), made up of the private sector companies, brand holders, and other related commercial parties. Stewardship Ontario, as the IFO for paper products and packaging, continues to collect fees from private sector actors, and provide municipal grants which account for approximately 50 percent of net Blue Box program costs submitted annually by municipalities.

Previous Reports/Authority

[Waste Legislation and Waste Division Program Update - October 10, 2017](#)

[Waste Free Ontario Legislation Review - Comments from City of Vaughan – February 16, 2016](#)

Analysis and Options

The Minister of Environment and Climate Change requested a proposal be put forward for early transition of the Blue Box program to full producer responsibility.

The Minister of Environment and Climate Change (MOECC), directed RPRA and, Stewardship Ontario in August 2017, to produce a proposal to amend the Blue Box Program Plan (a-BBPP) in consultation with key stakeholders, that would outline the interim step to a full transition. This proposal was to be provided to the Minister by February 15, 2018.

Consultation on the proposed a-BBPP was held throughout the province between October and December 2017. Environmental Services staff attended an in-person session with Stewardship Ontario on October 12, and submitted written comments on November 24, 2017 and January 15, 2018, responding to elements of the draft

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MARCH 20, 2018

Item 3, CW (WS) Report No. 12 – Page 3

proposal. In response to the a-BBPP, staff comments highlighted the need for fair and reasonable terms and a timely transition following the Minister's proposed timeline of 2023.

The draft proposal offered a mechanism and timeline for municipalities to transition from providing Blue Box recycling collection, processing and marketing of designated paper and packaging materials, to allow Stewardship Ontario to take over this responsibility.

The a-BBPP outlined three options for municipalities to transition. These options are not finalized and still subject to discussion.

1. Municipalities could amend/tender their collection contract using Stewardship Ontario terms and conditions and act as a contract manager. In this case, producers would fund up to 100 per cent of the costs using benchmarked fees. These costs could include the contract cost, a contract admin fee and the cost of outreach and education. The municipality would be required to meet standards set out in the contract terms and conditions, such as contamination rate (non-recyclables in the Blue Box).
2. The second option was to give Stewardship Ontario the sole responsibility to deliver the Blue Box program. In this case, the municipality no longer pays for this service, and would amend existing contracts that provide for Blue Box collection.
3. The third option was to continue to provide Blue Box services as we do today, and receive 50 per cent of verified Blue Box program costs from Stewardship Ontario using the current calculation.

Although the municipal sector was very responsive and involved in the consultation process, few of our recommended solutions were incorporated into the a-BBPP as drafted.

The drafted amended Blue Box Program included reduced service levels, unacceptably long timelines, and lacked detail on terms and conditions of service contracts and handling of stranded assets. Based on these and other unresolved issues, the plan did not achieve broad municipal support.

Stewardship Ontario and RPRA have requested an extension to the Minister's deadline, and stakeholders will continue to negotiate on the content and terms of the a-BBPP.

In early February, RPRA met with the Municipal 3Rs Collaborative (M3RC), which has

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MARCH 20, 2018

Item 3, CW (WS) Report No. 12 – Page 4

representation from the Association of Municipalities of Ontario, Regional Public Works Commissioners of Ontario, Municipal Waste Association, and the City of Toronto. This group, and other affected stakeholders, reviewed concerns and opposition to elements of the draft a-BBPP proposed by Stewardship Ontario. As a result of these discussions, Stewardship Ontario and RPRA requested an extension to the Minister's deadline. During this extension, City staff will continue to work with our partners in York Region, and other stakeholder groups to advocate in the interests of our residents on this issue, and support a collaborative, timely process that recognizes municipal input. As well, staff will support a parallel process led by the M3RC which examines possible future regulation under the RRCEA.

Financial Impact

Adoption of this report will have no financial impact. As the City of Vaughan complies with the Waste Free Ontario Act, financial impacts will be brought forward for Council's consideration as part of future budget processes.

Broader Regional Impacts/Considerations

As Blue Box recycling becomes the responsibility of private sector companies, municipalities will no longer have legislated responsibilities to collect and process Blue Box materials. The City of Vaughan will continue to provide Blue Box collection service to residents through the transition period. The legislation does not impact resident services for garbage, organics, and leaf and yard waste collection, and we will maintain our existing relationship with York Region to process these materials.

Conclusion

City staff will continue to advocate in the interests of our residents during the extension to the a-BBPP consultation process, and support a collaborative, timely outcome that recognizes municipal recommendations. As well, staff will monitor and support a parallel process led by the M3RC which examines possible future regulation of the Blue Box program under the RRCEA legislation.

For more information, please contact: Jennifer Rose, Director, Environmental Services ext. 6116

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MARCH 20, 2018

Item 3, CW (WS) Report No. 12 – Page 5

Attachments

1. Module 1 Comments submitted November 24, 2017
2. Module 2 Comments submitted November 24, 2017
3. City of Vaughan Staff Comments on Amended Blue Box Program Plan,
January 15, 2018

Prepared by

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(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)