



Hamilton

INFORMATION REPORT

TO:	Chair and Members Public Works Committee
COMMITTEE DATE:	October 15, 2024
SUBJECT/REPORT NO:	Blue Box Service Agreement with Circular Materials Ontario for Community Recycling Centres (PW24066) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Glenn Watt, (905) 546-2424, Ext. 5439
SUBMITTED BY:	Angela Storey Director, Waste Management Public Works Department
SIGNATURE:	

COUNCIL DIRECTION

N/A

INFORMATION

The purpose of this report is to inform Council about the City entering into an agreement with Circular Materials Ontario. This agreement will allow the City to continue accepting eligible recyclables at its three Community Recycling Centres from April 1, 2025, to December 31, 2025, following the transition of the City's Blue Box Program.

The report outlines the final agreement, called the Depot Collections Statement of Work, with Circular Materials Ontario, which will provide funding to maintain Blue Box collection services at the three recycling centres during the transition period. It also highlights any changes in services needed to meet the updated list of eligible Blue Box materials because of the transition.

Background

On June 3, 2021, the Ministry of Environment, Conservation and Parks introduced O. Reg. 391/21, transitioning the Blue Box Program to Individual Producer Responsibility. Hamilton's transition is set for April 1, 2025, and will last until December 31, 2025. By

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

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January 1, 2026, producers of paper products and packaging will take over full responsibility and costs of the program. Key changes include:

- A uniform curbside Blue Box system across Ontario;
- Expanded list of material accepted as recyclable; and,
- Service to eligible sources which includes single family homes, multi-unit homes, not for profit retirement homes, and schools.

Some properties, such as businesses, city facilities, and special events, are not eligible for the producer-funded program.

Decisions to Date

On January 11, 2021, Council approved negotiations with Producer Responsibility Organizations (PROs) for transitioning various waste programs to Individual Producer Responsibility (Report PW21004).

On August 12, 2022, the City decided to opt out of being the collection and processing service provider to eligible properties under the Blue Box Program during the transition period (Report PW22064).

On April 2, 2024, Council agreed that the City would continue Blue Box collection services for about 3,000 non-eligible properties during transition (Report PW24021).

Continuation of accepting recyclables at the Community Recycling Centres

After reviewing operations and consulting with Circular Materials Ontario, it was decided that the City would keep accepting Blue Box materials at the Community Recycling Centres during transition. An agreement with Circular Materials Ontario, including a Master Services Agreement and related documents, outlines the City's obligations as a contractor during this period.

The Circular Materials Ontario Agreement lets the City do the following:

- Keep allowing residents to drop off Blue Box materials at the existing Community Recycling Centres during the transition period;
- Receive payment from Circular Materials Ontario for continuing Blue Box services from residents at these centres during the transition period; and,
- Transport Blue Box materials from the Community Recycling Centres to Circular Materials Ontario's facility for processing

The City will also need to do its best to meet Circular Materials Ontario's rules on contamination limits.

Compensation

In the agreement with Circular Materials Ontario, the City will be compensated at least the same amount than it currently costs to collect and move eligible Blue Box materials from Community Recycling Centres to a Circular Materials Ontario facility. More specifically, it is estimated that the City will receive \$147,000 to continue this service during transition in 2025.

Delegated Authority to Enter into Agreements related to Transition

On January 11, 2021, Report PW21004 gave the General Manager, Public Works the authority to make agreements with Circular Materials Ontario about changing waste programs to Individual Producer Responsibility. This authority would include the nine-month agreement to accept residential Blue Box materials at Community Recycling Centres as a convenience depot for Circular Materials Ontario. The Waste Management Division and Legal Services have reviewed the agreement, and there have been many discussions with Circular Materials Ontario to finalize it.

Staff have carefully reviewed the options and decided the best option is to sign the agreement with Circular Materials Ontario. This will allow residential Blue Box material collection to continue at Community Recycling Centres until December 31, 2025.

Non-Eligible Sources

The City does not currently accept Blue Box materials from businesses or institutions at the Community Recycling Centres as this is the residential side of the site. If the City was to accept this material from these sources, there would be a deduction in the compensation from Circular Materials Ontario, which would reduce the amount of funding used to fully fund the program.

Currently, the City accepts cardboard from commercial vehicles at the Transfer Stations for a tipping fee. Effective April 1, 2025, the City will stop accepting cardboard from businesses at the Transfer Stations as the cardboard from both the Community Recycling Centres and Transfer Stations is combined before being processed and would result in a deduction from the funding received by Circular Materials Ontario. Table 1 shows the amount of commercial cardboard and paper that is received at the Transfer Stations and represents approximately 15% of the total cardboard / paper hauled from the sites each year.

Table 1: Commercial Fibre / Paper received at Transfer Stations

	2021	2022	2023	2024*
Tonnes of commercial paper	237	226	220	101

*January 1 to June 30, 2024

Bulky Rigid Plastic

Bulky rigid plastic, like plastic furniture, toys, and buckets, is currently accepted at our three Community Recycling Centres. However, it is not deemed an accepted recyclable item after transition as these types of items are not considered packaging.

Starting April 1st, 2025, bulky rigid plastic will no longer be accepted at the Community Recycling Centres, as it will not be part of the recycling program anymore. Table 2 shows the amount of bulky rigid plastic collected at the Community Recycling Centres each year.

Table 2: Bulky Rigid Plastic collected at Community Recycling Centres

	2021	2022	2023	2024*
Amount of tonnes of bulky rigid plastic	307	319	256	174

*January 1 to June 30, 2024

Service Continuity during Transition

By keeping recycling services open at the Community Recycling Centres during the transition, the City shows it is committed to being a leader in waste management. This sets a good example for residents and reminds them how important recycling and sustainability are. It also meets public expectations, lowers the risk of recyclables going to the landfill, and helps protect the environment. Keeping these services going during the transition shows the City's dedication to responsible waste management and encourages others to do the same.

APPENDICES AND SCHEDULES ATTACHED

N/A