

Town of Whitby

Staff Report

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Report Title: Blue Box Transition to Full Extended Producer Responsibility – July 1, 2024

Report to: Committee of the Whole

Date of meeting: April 15, 2024

Report Number: CMS 06-24

Department(s) Responsible:

Community Services Department

Submitted by:

John Romano, Commissioner,
Community Services,

**Acknowledged by M. Gaskell,
Chief Administrative Officer**

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1. Recommendation:

1. That Report CMS 06-24 be received for information;
2. That staff be directed to continue the collection of batteries through a pilot program utilizing the Town of Whitby's curbside waste and organics collection program; and,
3. That the Commissioner, Community Services and the Commissioner, Financial Services/Treasurer be authorized to execute an Agreement for promotional and education services with Circular Materials Ontario, in a form as approved by the Commissioner of Legal Services/Town Solicitor, or their designate.

2. Highlights:

- Under the Extended Producer Responsibility framework, Circular Materials Ontario has been identified as the Producer Responsibility Organization responsible for the Blue Box collection program in Ontario.

- Blue Box collection programs in the Town of Whitby and all other local area municipalities within Durham Region will transition from the Region to Circular Materials Ontario effective July 1, 2024.
- In advance of July 1, 2024, staff will update all communications, Waste Buddy App. etc. as needed to reflect these changes to facilitate a seamless transition.
- The Town has been negotiating an agreement with Circular Materials Ontario to receive revenue for promotional and educational material related to the Blue Box collection program.
- Producers will not be able to make any program changes until January 1, 2026. After this date, changes to the frequency of collection, types of materials accepted, etc. may be made.
- Effective January 1, 2026, businesses located in Business Improvement Areas will no longer be eligible for curbside blue box collection through the Extended Producer Responsibility framework.
- Town staff have entered into a tentative agreement with the Region of Durham to collect batteries as part of the curbside waste and organics program as the Region will no longer have contractors available to facilitate this collection.

3. Background:

The Province of Ontario passed the *Waste-Free Ontario Act (WFOA)* in 2016, which includes *The Resource Recovery and Circular Economy Act (RRCEA)* and *Waste Diversion Transition Act (WDTA)*.

The RRCEA and its associated regulations focus on strengthening Extended Producer Responsibility for various waste diversion programs. RRCEA regulations have been established for designated wastes such as used tires, batteries, electronics, and household hazardous or special waste (HSP). This ensures that producers are responsible for recovering and managing their products at the end of their useful life.

In November 2020, Staff provided comments to the Ministry of the Environment, Conservation and Parks regarding the (then) proposed Blue Box Regulations. These comments were highlighted for Council through Report **PW 29-20** which asked the Province for clarity on:

- Recycling collection for eligible and non-eligible sources
- Service level standards post-2026
- Management of Blue Box complaints
- Enforcement responsibilities

In 2022, the Province and Resource Productivity and Recovery Authority named **Circular Materials Ontario (CMO)** as the Producer Responsible Organization (PRO) for the Blue Box program. CMO has officially assumed responsibility for operating the Blue Box program across Ontario on behalf of all producers of recycled materials. Ontario municipalities and First Nation communities began transitioning their Blue Box programs to the new Extended Producer Responsibility framework in July 2023.

The Region of Durham has “opted out” of the collection program, and as a result CMO will be taking on all responsibilities for the collection of Blue Box recyclables.

For the Town of Whitby and other municipalities within Durham Region, the Blue Box transition will take effect **July 1, 2024**. After this date, the Region of Durham will no longer be responsible for the Blue Box collection and recycling program in our community.

4. Discussion:

Preparing for the July 1, 2024 Blue Box Collection and Recycling Transition

Up until July of this year, the Region of Durham has managed/will manage all elements of the Blue Box program, including communications, public education, collections, processing, and marketing of materials.

While the Town has not been directly involved with managing this program, the Town has an interest in ensuring that all diversion programs are successful within our community. Blue Box materials that are not captured properly in the recycling stream ultimately become the Town's responsibility to manage as residual garbage. This is counterproductive to the Town's waste diversion goals and increases operating costs.

To help ensure a successful transition, the Town will be supporting communication needs in advance of the July 1 transition date. A Town website audit will be completed this spring to update any contact information for all Blue Box related inquiries. Operations Clerks will be provided with an FAQ page to help re-direct residents to proper channels for missed collections or replacement bins.

Staff will also work closely with the Region of Durham to ensure that both organizations are providing consistent information to residents, ensuring that residents are able to resolve their Blue Box service inquiries with the correct organization.

The Agreement with Circular Materials

Staff have engaged with and are continuing to negotiate an agreement with CMO. The agreement is to secure funds of up to \$3,000 in 2024 and up to \$10,000 in 2025 for promotional and educational materials regarding the new Blue Box program. These materials are planned to include information regarding collection schedules, contact information, etc. on the Town's Waste Buddy App. The initial term of the agreement is for 2024-2025, however CMO and the Town may mutually agree to extend the agreement for three (3) periods of one (1) year each.

Post Transition:

Eligible and Ineligible Sources – From July 1, 2024, to December 31, 2025, CMO is required to maintain all aspects of the existing Blue Box program so that there is a seamless transition to the new Extended Producer Responsibility framework. As of January 1, 2026, Producers will be able to make changes to the Blue Box program such as implementing a standardized list of accepted items that is consistent in every community in Ontario or make changes to the frequency of collection.

Also, beginning in 2026, certain eligible residences or facilities that are currently not serviced by the Region's Blue Box program will be able to request Blue Box service free of charge from CMO. These new eligible sources include schools, municipal parks, not-

for-profit long-term care, and all multi-residential developments not already serviced by the Region.

Conversely, some facilities will become ineligible for blue box collection beginning in 2026. The new facilities which are ineligible for CMO blue box collection include businesses located in Business Improvement Areas (BIA) and other small businesses currently receiving municipal recycling services. These locations will continue to receive Blue Box recycling collection services from CMO only during the transition period. The Region is currently exploring options for how to support these ineligible sources after January 1, 2026. Staff are awaiting further information from the Region on this topic.

Impacts to Curbside Battery Program – Up until July 1, 2024, the Region will continue to utilize its contractors for the collection of batteries through the curbside blue box collection program. Batteries are collected by the Region twice annually, once in the spring and fall. After the transition date, the Region will not have any collection contractors in Whitby or Oshawa but will continue its battery recycling program. Town staff are proposing to continue the collection of batteries on behalf of the Region through a pilot program utilizing the existing curbside waste and organics collection program.

Town staff have been in discussions with the Region and are looking to collect batteries in the fall of this year and again in the spring of 2025. Any incurred costs are expected to be negligible as the collection of batteries will occur on-route with existing staff and equipment. As a part of the pilot program, all costs and/or operational impacts will be tracked to help determine the feasibility of this service level increase for the long term.

A communications strategy will be developed to ensure that residents are informed of the appropriate battery set-out procedure in advance of the Fall battery collection week.

Bringing on New Developments and Diversion Kits – Currently, the Town has a process for reviewing and approving site plans for waste collection services.

Presently, the Town works closely with the Region to coordinate service delivery to new developments, which includes delivery of diversion kits (blue boxes, green bin, and kitchen catchers). After July 1, 2024, the Region will no longer have the ability to use its curbside Blue Box collection contractor to deliver diversion kits to Whitby or Oshawa. The Region has indicated that after July 1, 2024, they will continue to deliver the green bin and kitchen catcher portion of the diversion kits through a separate contractor. After July 1, 2024, CMO be responsible for providing blue boxes to new residences and facilities eligible for blue box collection.

Changes to Waste Collection By-law – Staff are working with Legal Services to review what changes are needed to update the Town's [Waste Collection By-Law #7812-21](#) to ensure language is consistent with the new Extended Producer Responsibility framework. Staff will bring forward a report to Council later this year to update the By-law accordingly.

5. Financial Considerations:

Subject to Council approval of this report, Town staff will finalize an agreement with CMO, where the Town will assist in the transition of the Blue Box program from the

Region of Durham to CMO. The assistance will be in the form of promotional and educational materials of the new Blue Box program, (including collection schedules, contact information, on the Town's Waste Buddy App), where the Town is expected to receive \$13,000 over two years (i.e., \$3,000 in 2024 and \$10,000 in 2025). Additional revenue beyond 2025, if any, will be dependent upon whether CMO and the Town mutually agree to exercise up-to three (3) renewal terms of one (1)-year, each.

Following finalization of the agreement, to the satisfaction of the Commissioner of Community Services and Commissioner of Legal and Enforcement Services/Town Solicitor, it is recommended that the Mayor and Clerk be authorized to execute.

While the blue box program is currently a service that the Region of Durham provides, the transition to a full extended producer responsibility (i.e., collection by CMO) later this year may have a net on-going financial impact for the Town related to the following:

- Incremental costs of the Town taking over the battery collection program from the Region within the Town. The Operations Division reports that incremental costs are not anticipated to be significant at this time; and,
- Starting in 2026: Potentially incremental Town costs should the Town decide to continue to provide blue box collection services for businesses within the BIA and other small businesses currently receiving municipal blue box collection services from the Region. As noted above, the Region is currently exploring options.

The on-going financial impacts of this transition will be included in future budget discussions.

6. Communication and Public Engagement:

CMO will be ultimately responsible for informing residents about the transitioned Blue Box program beginning July 1, 2024. With that said, in the interest of maintaining good customer service and strong waste diversion in our community, staff are already preparing a communications plan so that we are prepared for any incoming Blue Box calls/inquiries during this time.

7. Input from Departments/Sources:

Waste Services Staff have been working closely with Legal Services, Communications and Creative Services, as well as with the Region of Durham's Waste Management Department.

8. Strategic Priorities:

This Report supports the Town's Community Strategic Plan, meeting multiple objectives under:

Pillar 2: Whitby's Natural & Built Environment, Objective 2.1: Demonstrate environmental leadership in sustainability and addressing climate change - through supporting Blue Box and battery collection in our community, we are supporting waste diversion thus reducing impacts to our natural environment.

Pillar 4: Whitby's Government, Accountable & Responsive,

- Objective 4.1: Address Community needs through collaboration and strategic partnerships, Action 4.1.2: Strengthen existing and build new relationships – building a new relationship with CMO and partnering with the Region to ensure continuity of blue box service.
- Objective 4.3: Deliver exceptional customer service and community engagement, Action 4.3.1 & 4.3.2 Continually improve the customer experience through the use of technology / Identify, establish, and report on service levels of interest to the community- continually improving the customer experience by ensuring that program changes are communicated effectively through various means to the residents of Whitby, as well as maintaining services (battery collection) that residents currently benefit from.
- Objective 4.4: Ensure fiscal accountability and responsibly plan for growth, Action 4.4.1: Deliver services that respond to community needs while balancing the impact to taxpayers – supporting the transition of waste collection to CMO moves the cost of blue box collection away from the Town's residents, while maintaining the blue box collection service overall.

9. Attachments:

N/A