

<b>Meeting Date</b>	April 8, 2025
<b>Subject</b>	Post Transition Non-Eligible Recycling
<b>Road to 2035</b>	Continue to foster waste diversion and effective waste management, including necessary improvements and best practices at the landfill and will curbside collection programs.
<b>Recommendation</b>	That Committee of the Whole recommend that Council provide appropriate direction to staff based on the options noted.
<b>Originator</b>	Amanda Springer, MEd., C.Tech – Manager of Environmental Services
<b>CAO Review</b>	<p>There are several decisions that will need to be made, as detailed in this report. There are ways of establishing an area rate that applies to just the properties that are impacted by these decisions if the services are continued (for cost allocations). If Council wishes to seek more time or direct input from those properties that would be specifically impacted (non-eligible sources), Council could choose to defer a decision at this time until communications have occurred with stakeholders.</p> <p>Gloria Raybone, CPA, CA, Dipl.M.A. – Chief Administrative Officer.</p>
<b>Financial Comment</b>	<p>For 2025 the only impact will be staff time. In 2026 any costs will be budgeted for at that time.</p> <p>Charlene Jackson – Treasurer/Director of Finance and Corporate Services.</p>
<b>Committee and Council Timing</b>	To be considered on April 8, 2025 for final adoption by Council on April 22, 2025.
<b>Background</b>	Starting July 1, 2023, under Provincial Regulation 391/21, individual, municipal led recycling programs began to transition to the Producer Responsibility Framework where persons/companies that produce/supply recyclable packaging are responsible for that packaging’s end of life management when recycled at “eligible sources”. Producers have chosen to form Producer Responsibility Organizations (PROs) which are required by law to administer and pay for the recycling program across the province. The Town of Renfrew was one of the first municipalities to transition occurring on July 29, 2023, and our program is administered by a PRO called Circular Materials Ontario (CMO). The new program is still transitioning across

the Province and will be fully transitioned as of December 31, 2025, after which the Province will move to a Common Collection System (CCS). The CCS is expected to result in a consistent program throughout the province with stricter collection requirements and higher diversion rates. However, the new program is required to provide recycling collection only for residential sources, schools and some long-term care facilities (eligible sources) and not for commercial, industrial, and most institutional properties (non-eligible sources). The Town of Renfrew has approximately 319 non-eligible stops, however it is believed that some non-eligible stops do not utilize curbside recycling (e.g. large industrial, and big-box stores).

At the April 25, 2023 Regular Meeting, Council passed Resolution 23-04-19 directing staff to arrange for a separate contract with the CMO service provider (Topps Environmental Solutions) to continue curbside recycling collection for non-eligible sources throughout the “transition period” which concludes on December 31, 2025. Co-collection of eligible and non-eligible recycling is not permitted beyond the transition period. Additionally, under Resolution 23-04-19, Council approved contracts with CMO for the operation of a recycling depot at the Renfrew Landfill site. The contract details with Topps Environmental Solutions were presented to Council at the June 13, 2023 Regular Meeting and passed by Resolution 23-06-05. In 2024 non-eligible recycling cost approximately \$70,000 a year.

As co-collection of eligible and non-eligible recycling is not permitted beyond December 31, 2026 the Town of Renfrew will have to decide if it will continue collecting non-eligible recycling post transition, and if so, the logistics regarding how to go about this collection and how to fund it. These are questions that every Municipality in Ontario are facing. Staff have been in discussion with some of our neighbouring municipalities regarding their approach. Additional discussions with a larger group of Municipalities are being scheduled for April/early May.

The following information has been gathered to date:

<b>Municipality</b>	<b>Status of non-eligible recycling service</b>
Town of Carleton Place	Discontinued service as of their transition date in July 2023
Town of Arnprior	Are providing service during the transition period. Council has not provided formal direction for post-transition but is leaning

	towards providing service. Arnprior has a separate waste levy to fund service for users only. Arnprior would be interested in a joint procurement.
Township of McNab/Braeside	Are providing service during the transition period. Council has not provided formal direction for post-transition but is leaning towards providing service. McNab/Braeside has separate waste levy to fund service for users only. McNab Braeside would be interested in a joint procurement.
Town of Smith Falls	Currently provide limited non-eligible collection in downtown areas only. Council direction not yet provided for post-transition. Developing a Waste Master Plan which will inform future services.
Municipality of Mississippi Mills	Is providing service during transition, has received direction from Council to proceed with getting pricing for post-transition collection in order to better understand financial implications. Preliminary pricing was quoted at \$65/stop/month. A waste levy is being proposed to cover the non-eligible recycling costs. Mississippi Mills would be interested in a joint procurement.
Township of Whitewater Region	Will transition on July 1, 2025 and will be providing service through to the end of the year. Has not received direction from Council for post-transition.

Of the municipalities reviewed above, the Town of Carleton Place stopped recycling collection service to non-eligible sources as of their transition date of July 1, 2023. Prior to this, collection was offered to businesses, however the amount they were able to set out had to be equivalent to residential properties. The decision to stop service was made due to the uncertainties regarding the transition and cost increases.

Public notice was issued 6 months in advance of the transition with the help of the BIA and Chamber of Commerce. Private collection services local to Carleton Place offered small volume collection for those that could not accommodate traditional private service using a dumpster. Although Carleton Place encouraged businesses to explore private collection, Carleton Place did not organize or arrange for any private

collection options. Overall negative reactions were minimal and Carleton Place has not seen an increase in their tonnages collected from curbside waste collection, but are planning on a waste audit in the next year or two to better understand the impact. Of note, Carleton Place does not have a landfill, their waste goes to a private landfill, thus they have less to lose should non-eligible recycling not be diverted. Additionally a private transfer station is located just outside Carleton Place that acts as a recycling depot, however it is likely that this is a paid service.

In addition to the above the following is known:

- Miller Waste Systems (Miller) will be CMO's prime contractor for post-transition eligible collection in this area.
- Collection costs for non-eligible sources will significantly increase due to the loss of economies of scale.
- The local processing facility is no longer processing recycling on site, rather is acting as a transfer station. The facility is unlikely to accept new material. The next closest facilities are in Pembroke and Ottawa which will increase the hauling distance needed.
- Separate collection for eligible and non-eligible sources will be logistically challenging given the difficulty of differentiating set outs from mixed-use properties.
- Should Council opt to proceed with non-eligible recycling, consideration should be given to a recycling levy for non-eligible sources such that only those benefiting from the service pay for the service, however the Town may receive push back from businesses that choose to undertake private recycling.
- Without providing convenient recycling options it is likely that this waste will end up in the Town's Landfill.
- It is unknown if the recycling drop off (depot) at the Landfill will remain. CMO is not obligated to continue to have a depot in the Town of Renfrew post-transition, however they may choose to continue to have one for eligible sources only. The Town should hear back from CMO on this matter in the coming weeks.
- The Town of Renfrew currently provides additional recycling collection in the form of weekly fibre collection to businesses in the downtown core, whereas the rest of the Town receives rotating bi-weekly fibre and comingled container collection.

- The disposal of recyclable material as waste is prohibited by the Town's Waste Management By-Law.

Staff are seeking direction from Council in each of the subject areas below.

## **Options**

The options available to the Town for this position are noted below:

### 1. Level of Service:

- a. Maintain the same level of service non-eligible properties currently receive;
- b. Investigate the potential for a drop-off depot at the landfill for non-eligible sources, in addition to or instead of curbside collection; or
- c. Establish a different level of service, including increased or reduced collection frequency, or eliminating the service entirely, requiring commercial entities to obtain private recycling collection. If eliminating service is selected, staff would need direction to begin the work required for stopping service to non-eligible sources as of 2026, and businesses would need time to adjust their operations as well.

### 2. Intermunicipal Coordination:

- a. Investigate the potential for collaboration with neighbouring municipalities on joint procurement of curbside collection, or providing depot drop-off services; or
- b. Procure and operate/fund a strategy for managing recycling from non-eligible sources without neighbouring municipalities.

### 3. Procurement:

- a. Investigate the potential for a sole source agreement with Miller Waste, where permitted by the Town's procurement policy, based on their provision of eligible source collection in the Town beyond 2025; or
- b. Utilize a Request for Proposal process.

### 4. Such other direction as Council deems appropriate.

## **Impact of Options**

Various considerations for each of the three options are noted by option number below:

## 1. Level of Service:

The Town of Renfrew currently provides curbside collection for sorted recycling to businesses on a weekly rotating (co-mingled containers vs fibre) schedule. Additionally, fibre collection occurs weekly in the downtown core area (Raglan St, S., Argyle St. S. and Plaunt St. S. from Hall Ave to Munroe Ave.). To Staff's knowledge the additional fibre collection is not provided in other municipalities. A reduced level of service is likely to result in cost savings. As noted in the report, a variety of options are available, including amending, reducing or eliminating the service entirely, which would require commercial, industrial and most institutional entities to transition to private collection. A drop-off depot could be investigated at the landfill in tandem with private collection or a Town contractor.

The Town could provide a recycling drop off (depot) for non-eligible sources at the Renfrew landfill. The current depot can be used by both eligible and non-eligible sources, but post transition it is unknown if CMO will want to establish a depot at the Renfrew Landfill, and if they do, it will not be permitted to be used by non-eligible sources. Thus, if the Town wishes to continue depot service to non-eligible sources a separate drop off area will be required and use of the respective depots will need to be enforced, which current staffing levels do not permit with much effectiveness. Should the Town establish a non-eligible source recycling depot, we would have to secure a bin provider, hauler and processor. The depot is currently free to use. Costs to operate a depot for non-eligible recycling are likely to be less than curbside collection, however more inconvenient for businesses and factoring in their staff costs to bring recycling to the landfill, most businesses will likely opt to dispose of their recycling as waste. Thus, consideration to enforce recycling may be required such as a clear bag policy.

## 2. Intermunicipal Coordination

Area municipalities have expressed a desire to coordinate on the procurement of post-transition collection services, similar to the process for securing the current waste collection contract. Coordination could take place with each procurement option, including sole source negotiations, and RFP.

## 3. Procurement

Given that Miller Waste will be operating in the Town for the collection of eligible recycling starting in 2026, it is likely that procuring their services for continued contractor collection will be a cost-effective option, and other municipalities have indicated their preference to obtain a sole source agreement with Miller. Miller comes highly recommended for their quality of service and professionalism and will be the prime collection contractor in this area for CMO in 2026. A sole source agreement with Miller would permit some coordination between the eligible and non-eligible collection and provide the opportunity for the Municipalities to have flexibility in creating the new collection program in the face of many perceived logistical challenges. Miller also has the capability to find recycling processors to manage the recycling post collection.

Should an RFP be opted for, staff will proceed to prepare the required RFP documents for issue as soon as possible, as it can take months to prepare, post, evaluate, and award, and the successful contractor requires enough lead time to plan the work including hiring additional staff, purchasing additional equipment if required. Miller can still bid on the RFP, however it is unclear whether proceeding through this process will yield better results than direct negotiations. If coordinating with other municipalities, their evaluation and procurement processes will have to be accounted for, and there may be different outcomes for each municipality based on the RFP results.

4. Council may provide alternate direction as it sees fit.

Respectfully submitted for your consideration.