

### REPORT OF THE CHIEF ADMINISTRATIVE OFFICER

Re: Eligible Community\* Depot Operations Agreement (Recycling)

\*All Ontario communities outside of the Far North, including First nation Communities

### RECOMMENDATION

That report of the Chief Administrative Officer be received;

And that Council approve the execution of the agreement between the City of Elliot Lake (COEL) and Circular Materials Ontario (CMO) as it relates to recycling depot operations;

And That Council pass the appropriate By-Law in support of this agreement.

### BACKGROUND

In 1994 the Government of Ontario passed legislation that required communities of a population over 5,000 to implement a recycling program. At the time of implementation, the entire cost of the recycling program (operational and financial) was borne by the municipality. Over time, the costing model was reviewed and amended to where a portion of the financial obligation to run recycling programs was shifted to the producers (brand holders, importers or retailers of products that contain blue box material). From that time, until present day, operations of the recycling program remain the full responsibility of the municipality and the financial obligation is shared 50/50 between the municipality and the producers. Producer contributions have been managed through Stewardship Ontario, an organization that collects monies from producers to provide dollars to subsidize municipal recycling costs. In 2024 the City of Elliot Lake will receive \$103,174 in support of the recycling program.

In 2021 the Government of Ontario introduced a new regulation under the Resource Recovery and Circular Economy Act. The design of this new regulation requires that both operations and financing of municipal recycling programs now become the full responsibility of the producers. The legislation allows for organizations/entities, referred to as Producer Responsibility Organization (PRO) to represent producers of paper and other packaging products. PROs will work with producers to help them meet their responsibilities with regard to the new legislation. The PRO we will be working with through this transition to totally producer funded recycling programs is Circular Materials Ontario (CMO). The transition period began in 2023 and will continue on until the end of 2025.

As of January 2026 producers will be responsible for operating and financing the blue box program in all Ontario Municipalities, as well as, be responsible for communications, replacing blue boxes and dealing with complaints/concerns from residents.

Elliot Lake along with many other neighbouring communities (Blind River, Espanola, and Huron Shores) will transition in 2025.

## **ANALYSIS**

The agreement identifies the relationship that will exist between the COEL and CMO with regard to recycling depot operations. Currently the COEL operates four depot, one staffed depot on Scott Road (landfill) and three unstaffed depots located at South Bay, Stanrock and Dunlop Shores Roads. This agreement outlines the roles and responsibilities that each party will undertake in this initiative as well as sets out rates of compensation for duties performed under the scope of work.

## **FINANCIAL IMPACT**

Compensation that will be received from this initiative is broken down into two streams;

1. \$428.00/month – represents \$1 for each of the 5141 households that received promotion and Education Services for each calendar month.
2. Approximately \$485.00/month less Non Eligible Source Deduction\*

This revenue will help offset the costs of providing promotional and educational information regarding the blue box program to the community i.e. mailers as well as assist with the maintenance of the existing depots i.e. snow clearing to maintain bin accessibility during the winter months.

\*industrial, commercial, institutional etc.

## **LINKS TO STRATEGIC PLAN**

This project directly relates to the following key section of the strategic plan:

- Commitment to environmental stewardship.

## **SUMMARY**

By executing this agreement we will be engaging our community in the province's plan to not only improve recycling but ensure that recycling programs remain viable over the long term.

