



**City of Kingston
Report to Council
Report Number 21-252**

To: Mayor and Members of Council

From: Sheila Kidd, Commissioner/Acting Director, Public Works and Solid Waste

Resource Staff: None

Date of Meeting: October 19, 2021

Subject: Hazardous and Special Products Regulation – Depot Operations and Producer Agreements

Council Strategic Plan Alignment:

Theme: Corporate business

Goal: See above

Executive Summary:

Since the start-up of the Municipal Hazardous or Special Waste Program in 2008, producers of designated products have been required to pay fees towards the cost of collecting and disposing these waste products. The program has been evolving since 2016 when the Resource Recovery and Circular Economy Act was legislated. The final regulation for the Hazardous and Special Waste Program was released in June 2021, with a requirement to transition to full producer responsibility on October 1, 2021.

In accordance with the final regulations, as of October 1, 2021, municipalities are no longer required to continue providing depot collections for the products identified in the HSP regulation, as collection of these products shifted to the producers. Producers are required to establish and operate at least as many collection sites in each local municipality as the number of sites that were operated on September 30, 2021 and to make reasonable efforts to hold at least as many collection events (service frequency). At this time, it is understood this requirement will last at least until the end of 2022.

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There is a great degree of uncertainty regarding how the HSP regulations will be implemented and the timeline between the release of the final regulation (June 8, 2021) and effective date (October 1, 2021) was very short. Furthermore, some products such as motor oil and gasoline that are collected under the City's current Household Hazardous Waste Program will no longer be required to be collected by the producers.

To allow time for producers and the municipality to understand the impact of the regulations and provide continuity of service to residents, staff is planning to continue operating the Hazardous Waste Depot by providing the same service levels for the remainder of the 2021 season and the full 2022 season (April through November). The additional time will help inform a future recommendation for Council consideration.

To enable continuation of the service, staff is seeking authorization to amend the existing contract for depot operations and to enter into a new revenue contract for funding of some product lines.

Recommendation:

That Council authorize the Mayor and Clerk to execute an amending agreement with Drain-All, in a form satisfactory to the Director of Legal Services, to extend the term of the contract to December 31, 2022, and execute such other documents as required to give effect to this extension; and further

That Council authorize the Mayor and Clerk to execute a new revenue generating agreement with Product Care Association (PCA), in a form satisfactory to the Director of Legal Services, for the recovery of funds related to the management of designated products as outlined in Report Number 21-252.

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Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER

**Sheila Kidd,
Commissioner/Acting Director,
Public Works and Solid Waste**

ORIGINAL SIGNED BY CHIEF
ADMINISTRATIVE OFFICER

**Lanie Hurdle, Chief
Administrative Officer**

Consultation with the following Members of the Corporate Management Team:

Paige Agnew, Commissioner, Community Services	Not required
Craig Desjardins, Acting Commissioner, Corporate Services	Not required
Peter Huigenbos, Commissioner, Business, Environment & Projects	Not required
Jim Keech, President & CEO, Utilities Kingston	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	Not required
Brad Joyce, Commissioner, Transportation & Public Works	Not required

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Options/Discussion:

The Waste Free Ontario Act was legislated in November 2016. The intent of the Act and other supporting legislation is to build a circular economy whereby products and packaging are designed to minimize waste and then be recovered, reused, recycled, and reintegrated back into production.

In a circular economy, products and packaging are designed to minimize waste and then be recovered, reused, recycled, and reintegrated back into production. A key driver of the circular economy is Individual Producer Responsibility (IPR). IPR means that producers are responsible and accountable for collecting and managing their products and packaging after consumers have finished using them.

The Province is responsible for determining which materials will transition to Individual Producer Responsibility (IPR) and the transition of designated products such as electronics, tires, and batteries have occurred over the past several years.

The 4 main categories of material to transition to IPR include:

- Tires - producers became responsible for ensuring used tires are collected and recycled or reused as of January 1, 2019.
- Electronic Equipment - transitioned to IPR in January 2021 and lighting equipment will transition January 1, 2023.
- Hazardous or Special Products (HSP) – transitioned to IPR on October 1, 2021, except for single-use batteries which transitioned in July 2020.
- The Blue Box Program Plan - will transition to the new regulatory framework for resource recovery starting on July 1, 2023 through to December 31, 2025.

Final regulations for the Blue Box Program (BBP) and the Hazardous and Special Products Regulation (HSP) were released in June 2021. An overview of the regulations for both programs and the anticipated impacts was presented to the Environment, Infrastructure and Transportation Policy Committee in August 2021. For reference purposes, the report is included as Exhibit A – [Report Number EITP-21-018](#).

The purpose of this report is to provide information regarding the Hazardous and Special Products Regulation and seek approval to execute agreements to continue the operation of the City's Hazardous Waste Depot and recover funds for certain designated products, through to December 2022.

For several years, the City of Kingston has operated the Household Hazardous Waste Depot as a central location for residents to drop off specified hazardous waste products. The Depot is open two days per week from April to November each year. It is operated by a contracted service provider who is responsible for the operation, transportation, and disposal services of the household hazardous waste products collected. These costs are partially offset by funding received from Individual Funding Organizations (IFO). The 2021 net budget for the Household

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Hazardous Waste Disposal Program is approximately \$180,000. Based on 2018/19 actuals, the municipality recovers approximately 67% of the cost to provide the depot service and only 14% of the costs to manage and dispose the products.

In accordance with the final regulations, as of October 1, 2021 municipalities are no longer required to continue providing depot collections for the products identified in the HSP regulations as collection of these products shifted to the Producers.

The regulations require producers to establish and operate at least as many collection sites in each local municipality as the number of sites that were operated on September 30, 2021 and make reasonable efforts to hold at least as many collection events (service frequency). At this time, it is understood this requirement will last at least until the end of 2022.

There is a great degree of uncertainty regarding how the HSP regulations will be implemented and the timeline between the release of the final regulation (June 8, 2021) and effective date (October 1, 2021) was very short. Furthermore, some products such as motor oil and gasoline that are collected under the City's current Household Hazardous Waste Program will no longer be required to be collected by the producers. Full details of the products currently collected and those not covered under the regulation are provided in [Report Number EITP-21-018](#).

Municipalities who wish to continue to collect these non-designated products will be required to cover the full cost for collection and disposal.

Historically, the City has received funding from Industry Funding Organizations (IFO) for the collection of the hazardous waste material. These IFOs will be transitioning to Producer Responsibility Organization (PRO) by October 1, 2021, at which point, they will be focusing only on the products listed in the regulations. As Industry Funding Organizations transition to Producer Responsibility Organizations, they are requesting new agreements with municipalities who wish to continue collection of the materials on their behalf.

As a result of these changes, the City will have agreements with two Producer Responsible Organizations (PROs) under the HSP program, to recover funding for the various product streams. These are revenue generating agreements that are not subject to the purchasing by-law. The agreements are summarized below.

- Automotive Materials Stewardship (AMS) – This agreement provides funding to the City for the collection and management of automotive products such as oil filters, oil containers, and anti-freeze. An amended agreement with AMS will be executed under the authority granted in a December 2019 Council Report Number 20-051.
- Product Care Association (PCA) – The current agreement covers paints, pesticides, solvents and fertilizers. A new agreement needs to be executed that removes the responsibility for fertilizers as this product is no longer covered under the regulations. Also, the new PCA agreement will cover pressurized containers that were previously covered by an agreement with Stewardship Ontario (SO). PCA is drafting a new

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agreement for the city to consider. Once received, it will be reviewed by Legal Services and executed as per the recommendation in this report.

The operation of the City's HHW Depot, including transportation and disposal of materials, is contracted to Drain-All. The current contract expires December 31, 2021 and needs to be extended through 2022, as per the recommendation in this report.

The current level of service offered at the City's HHW Depot will be maintained through the end of the 2021 season. The draft budget submission for 2022 also proposes maintaining the status quo for next year. This will allow time for staff to understand the full implications of the regulations and present options/recommendations to Council for 2023 and future years.

Based on the limited information available at this time, options could include the following:

- Discontinue the operation of the municipal Household Hazardous Waste Depot. Producers will be required to establish depot locations for collecting designated materials. This would likely mean different products would be dropped at individual locations. Materials not regulated would not be collected so would not be diverted from the municipal waste stream.
- Operate a Household Hazardous Waste Depot in partnership with established PROs with newly negotiated compensation agreements. Council may consider funding the collection of products that are in the current program but no longer covered in the new regulations.
- Operate a Depot or event-based program to collect and dispose only the products in the current program that are no longer covered in the new regulations. This approach would require a review to understand an appropriate level of service that would balance program costs with the objective to continue diverting hazardous materials that are not regulated.

Existing Policy/By-law:

None

Notice Provisions:

None

Accessibility Considerations:

None

Financial Considerations:

The recommendations in this report provide for a continuation of the operation of the City's Hazardous Waste Depot at least until December 2022. The net cost to operate this service are included in the approved 2021 Solid Waste budget and future year forecasts.

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Other City of Kingston Staff Consulted:

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Exhibits Attached:

None