

Staff Report

Report To: City Council

Report From: Heidi Jennen, Supervisor of Environmental Services

Meeting Date: May 27, 2024

Report Code: OP-24-031

Subject: Miller Waste Systems Transfer Station Recycling

Convenience Depot

Recommendations:

THAT in consideration of Staff Report OP-24-031 respecting Miller Waste Systems Transfer Station Recycling Convenience Depot, City Council directs staff to provide formal notice to Miller Waste Systems Inc. that, effective June 30, 2024, the City of Owen Sound will discontinue funding the recycling convenience depot at the Miller Waste Systems Transfer Station.

Highlights:

- From January 1, 2024, to April 30, 2024, 35.74 tonnes of recycled materials were processed at the recycling convenience depot at the Miller Waste Transfer Station, at a total cost of \$5,654.
- Township of Georgian Bluffs Council supported cost-sharing based on a three-way agreement between the City, Georgian Bluffs and the Municipality of Meaford.
- Meaford staff expressed reluctance to participate in such an arrangement.
- City Staff will follow City Council's direction by issuing a formal letter to Miller Waste advising that City funding will cease for the recycling convenience depot at Miller Waste Transfer Station as of June 30, 2024.

Strategic Plan Alignment:

Strategic Plan Priority: This report supports the delivery of Core Service.

Climate and Environmental Implications:

This supports the objectives of the City's Corporate Climate Change Adaptation Plan by strengthening the resiliency of City infrastructure or services.

Previous Report/Authority:

OP-24-002 Recycling Convenience Depot Miller Transfer Station

OP-23-014 Blue Box Transition Opting Out

OP-24-010 City of Owen Sound Recycling Convenience Depot at Miller Transfer Station – Follow-Up Report

Background:

At the January 18, 2024, Operations Committee meeting, staff brought forward a report recommending Council approve financial contributions toward the recycling convenience depot at the Miller Waste Transfer Station until at least December 31, 2025. At that meeting, Committee recommended that City Council direct staff to negotiate a cost-sharing agreement with the Township of Georgian Bluffs and the Municipality of Meaford prior to approving the financial contributions towards the convenience depot at the Miller Waste Transfer Station. Council approved this recommendation at their January 29, 2024, meeting. However, due to timing constraints and the need for approval from Georgian Bluffs and Meaford, securing approval within the short timeline was not feasible.

In February, staff brought forward a second report recommending that the City fund the recycling convenience depot from January 1, 2024, to June 30, 2024, at a rate of \$140 per tonne of recycled materials dropped off, plus HST, with an upset limit of \$10,000 for this six-month period.

This short extension was intended to allow staff to formally approach the Township of Georgian Bluffs and the Municipality of Meaford for potential cost sharing and renewal of the Agreement until the end of 2024. Based on Council direction given to staff, it was understood that should a cost-sharing

agreement not be achieved, the City would discontinue funding the recycling convenience depot at the Miller Waste Transfer Station as of July 1, 2024.

This timeline was also intended to allow Miller Waste the opportunity to explore alternatives, such as increasing service fees. If the preferred alternative was to remove the convenience depot, the reprieve would allow time to notify businesses and residents relying on the site that the recycling depot would be closing and make alternative arrangements.

Analysis:

In April, Township of Georgian Bluffs staff took the following recommendation to their Council, which was endorsed:

"That (Township of Georgian Bluffs) staff be directed to respond to the City of Owen Sound that Georgian Bluffs is interested in exploring a Cost Sharing Agreement, subject to further details, with the City of Owen Sound and the Township (sic) of Meaford to support the continued provision of a recycling convenience drop off at the Miller Waste Transfer Station, and

That entering into the Cost Sharing Agreement be only on the basis of all three parties being willing partners."

City staff have received feedback from the Municipality of Meaford staff that given the uncertainty of Meaford residential usage and the availability of weekly curbside recycling services for their residents, allocating \$5,000 annually to secure the recycling convenience depot at the Miller Waste Transfer Station, especially when residents are still required to pay a fee for site access, is not warranted.

Given that the Township of Georgian Bluffs Council supported entering into cost-sharing on the basis of a three-way agreement and that Meaford has indicated that it is not willing to enter into such an agreement, City staff intend to follow Council's previous direction by issuing a letter to Miller Waste Systems Inc. advising that City funding for the recycling convenience depot will cease as of June 30, 2024.

At the time of writing this report, Miller Waste Systems had not yet determined its course of action in response to the City's potential withdrawal of support.

Data on which businesses currently use the Miller Transfer Station for recycling drop-off is not tracked. Larger commercial and industrial businesses

typically have private contracts for recycling collection with service providers such as Miller Waste or Waste Management. However, businesses that are not eligible for curbside recycling collection but lack sufficient recycling volume to justify a removal contract are expected to "fall through the cracks."

Under the existing contract between the City and Miller Waste for the collection of non-eligible sources, smaller existing businesses within the City still have access to curbside recycling collection until December 31, 2025, under a "grandfathering" exemption. These ineligible sources are still collected curbside as was done before the Circular Materials conversion but are billed separately to the City.

However, it is important to note that <u>new businesses are not able to be</u> <u>added to the ineligible curbside collection list</u>. As legislated by the Blue Box Regulation (Ontario Regulation 391/21), new businesses within the City cannot be added to the list of non-eligible sources for curbside collection and will, therefore, have to find an alternative disposal method.

Both the Mandatory Recycling By-law and the Waste Management By-law recognize the presence of the recycling convenience depot at the Waste Transfer Station. Upon City Council approval of ceasing funding for the recycling convenience depot, a public notice will be issued advising that, effective June 30, 2024, the City will discontinue funding the recycling convenience depot, and its continued operation will be subject to the discretion of Miller Waste Systems.

If Council opts to extend the Agreement for the recycling convenience depot, a by-law will be required to execute an Agreement between the City of Owen Sound and Miller Waste Systems Inc.

Financial Implications:

Miller Waste Systems charges a rate of \$140 per tonne of recycled material dropped off at the recycling convenience depot. Council approved an expenditure of up to \$10,000 to maintain the site until June 30, 2024. From January 1, 2024, to April 30, 2024, there have been 35.74 tonnes of recycled material processed at a total invoiced cost of \$5,654.

Communication Strategy:

A public notice will be issued advising that, effective June 30, 2024, the City of Owen Sound will no longer fund the recycling convenience depot, and its operation will continue at Miller Waste Systems' discretion.

Consultation:

Township of Georgian Bluffs CAO

Municipality of Meaford Director of Operations

Manager of Legislative Services

Attachments:

None.

Recommended by:

Heidi Jennen, Supervisor of Environmental Services Chris Webb, Manager of Engineering Services

Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact Heidi Jennen, Supervisor of Environmental Services at hjennen@owensound.ca or 519-376-4440 Ext. 3223.