

Staff Report

Report To: Operations Committee
Report From: Heidi Jennen, Supervisor of Environmental Services
Meeting Date: April 17, 2025
Report Code: OP-25-012
Subject: Product Care Association of Canada – Municipality Services Agreement

Recommendations:

THAT in consideration of Staff Report OP-25-012 respecting Product Care Association of Canada – Municipality Services Agreement, the Operations Committee recommends that City Council direct staff to bring forward a by-law to authorize the Mayor and Clerk to execute the Services Agreement with Product Care Association of Canada for the collection and processing of hazardous and special products as outlined in the report.

Highlights:

- Product Care has provided a new agreement with the City, effective January 1, 2025, to December 31, 2026, with automatic one-year renewals and updated pricing for collected materials.
- Pressurized non-refillable containers and refillable propane tanks are no longer classified as HSP products under the HSP Regulation (O. Reg. 449/21), resulting in the loss of funding for these materials.
- Product Care will provide a one-time supplementary retroactive payment equal to 4% of the total 2024 Collection Services payments, estimated at \$1,200, which will be distributed among participating municipalities on a prorated basis.

Strategic Plan Alignment:

This report supports the delivery of Core Service.

Climate and Environmental Implications:

This supports the City's Climate Mitigation Plan objective to reduce waste produced at City facilities by reducing packaging, reusing items and diverting waste from landfills, including the diversion of organic waste.

Previous Report/Authority:

[OP-21-033 Service Agreements for Municipal Hazardous and Special Products](#)

[OP-23-049 Product Care Ontario Lighting 2023 Municipal Agreement](#)

Background:

The City provides hazardous and special products (HSP) collection and disposal services in partnership with surrounding municipalities. All funding received through agreements with Producer Responsibility Organizations (PROs) is distributed among participating municipalities based on their proportional rate in the events.

The City has agreements with the following PROs for designated materials:

- Product Care for paints, solvents, pesticides, and flammables.
- Call2Recycle for batteries.
- Automotive Materials Stewardship (AMS) for antifreeze, oil filters, and oil containers.
- Product Care for lighting (an additional agreement approved in 2024).

Following the transition to the Individual Producer Responsibility (IPR) framework, municipalities believed that PROs would fully fund HSP events or that producers of hazardous products would be obligated to take back hazardous materials.

In 2023, the Resource Productivity and Recovery Authority (RPRA) launched a 'Where to Recycle' [website](#) that allowed residents to enter the material they wished to dispose of, along with their location and preferred driving distance, to find drop-off sites for items such as paint, pesticides, and batteries - all at no charge. Over time, the list of available drop-off locations

has significantly decreased, with some materials, such as waste paint, no longer having any designated drop-off sites. This has increased the importance of the City's HSP collection events.

In addition to the materials covered under PRO agreements, the City also collects acids, caustics, fertilizers, pharmaceuticals, oxidizers, and bulk oil at HSP events. The collection and disposal of these materials are not currently funded by any PROs.

Analysis:

The City's most recent Amending Agreement with Product Care was approved in 2021, with a one-year term and automatic renewal. In March 2025, Product Care approached the City to propose a new agreement with updated pricing.

The proposed agreement will be in effect until December 31, 2026, with automatic one-year renewals unless terminated with 90 days' notice. While the general terms and conditions remain unchanged, the agreement introduces revised pricing for materials collected.

Financial Implications:

Under the proposed agreement, the City will receive the following updated rates:

| Material | New Rate (per kg) | 2022 Rate (per kg) | Increase per kg |
|---------------------|-------------------|--------------------|-----------------|
| Paints and Coatings | \$1.56 | \$1.20 | \$0.36 |
| Pesticides | \$2.21 | \$1.20 | \$1.01 |
| Solvents | \$1.94 | \$1.20 | \$0.74 |

Under the HSP Regulation (O. Reg. 449/21), Pressurized non-refillable containers and refillable propane tanks are no longer classified as HSP products. Funding for these materials ended in late 2023 under the previous agreement.

As part of the new agreement, Product Care will provide a one-time supplementary retroactive payment to the City, equivalent to 4% of the total payments made for HSP materials in 2024. This payment will be issued

within 60 days of the agreement's execution, pending any necessary verification by Product Care. The City anticipates receiving approximately \$1,200, which will be distributed to each participating municipality on a prorated basis.

Communication Strategy:

Public communication and awareness of this new agreement will be facilitated through the publication of Council and Committee agendas and minutes.

Consultation:

N/A

Attachments:

N/A

Recommended by:

Heidi Jennen, Supervisor of Environmental Services

Lara Widdifield, Director of Public Works and Engineering

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.