

STAFF REPORT: ENGINEERING & PUBLIC WORKS DEPARTMENT

REPORT TO: Infrastructure & Recreation Committee
MEETING DATE: September 13, 2011
REPORT NO.: EPW.11.082
SUBJECT: Municipal Hazardous or Special Waste Agreement
PREPARED BY: Jeffery Fletcher, Manager of Solid Waste and Environmental Initiatives

A. Recommendations

THAT Council receive Staff Report EPW.11.082, "Municipal Hazardous or Special Waste Agreement"; and

THAT Council authorize the Mayor and Clerk to execute the "New Municipal Hazardous or Special Waste Services Agreement", between the Town and Stewardship Ontario, upon approval by the Town Solicitor and the Director of Engineering and Public Works.

B. Background

The Town has been operating a Municipal Hazardous and Special Waste (MHSW) depot at the Town Landfill since 2009. The Town has operated under an agreement with Stewardship Ontario (SO) which provided funding support for post-collection management. This funding support is made available by regulations within the Waste Diversion Act. The funding model has recently gone through some changes which have resulted in the need for new agreements to be put into place with all municipalities including the Town.

The changes to the funding involved a full extended producer stewardship concept; whereby the Stewards (producers of hazardous) would be responsible for the full cost of recovering MHSW out of the municipal waste stream. The first two years of the program funded only phase 1 products, the extended responsibility was to include 2 new phases of products. Before the full stewardship program could be put into place the provincial government made a number of alterations to the funding formula due to public and industry pressure.

These changes now leave the stewards responsible for phase 1 and the Province and the Municipalities responsible for phase 2 and 3, respectively. Although, the Town will benefit overall from the Steward and Provincial funding, the municipality will pay for the phase 3 materials. However, phase 3 makes up on average only 25% of the total MHSW waste stream in both volume and cost of management. This positions approximately 75% of the collection, transport and post-collection (disposal and recycling) costs of MHSW with the Stewards and the Province.

The new agreement sets out a new payment structure, reporting requirements and the responsibility of the Stewards for payments related to Phase 1 materials. The new funding structure will now provide the municipality with funds to support the collection costs, not just the post-collection costs of phase 1 and phase 2. The Town will receive \$22.75 for every hour the depot is open, which is intended to support the collection costs associated with phase 1 materials.

Town Staff recommend executing the agreement with SO, diversion of hazardous materials is an important part of the Town's integrated solid waste system and this source of funding provides an additional revenue stream for the landfill operational budget.

There are many aspects of the Provincial side of the funding for phase 2 materials that are undetermined. However, the understanding is that Stewardship Ontario (for the time being) will collect the municipal data for phase 1, 2 and 3 and distribute the provincial funding as it becomes available.

Defining Municipal Hazardous Waste

Under the Waste Diversion Act the following are designated as MHSW:

- Batteries;
- Pressurized containers;
- Aerosol containers;
- Portable fire extinguishers;
- Fertilizers, pesticides and their containers;
- Paints, coatings and their containers;
- Lubricating oil containers 30L or less;
- Oil filters
- Fluorescent tubes and bulbs;
- Pharmaceuticals;
- Syringes;
- Mercury switches;
- Mercury thermostats and other measuring devices;
- Antifreeze and their containers; and
- Solvents and their containers.

This list is very general and is further classified into phase 1 and 2 materials. Phase 3 materials truly lack definition and are generally described as everything not phase 1 or 2. Detailed definition of phase 2 and 3 materials has not been released by the Province, which leaves the financial responsibility of some materials unclear.

The municipality has the authority to decide which MHSW materials it will manage. The municipality can also decide to apply user fees on non-residential generators for materials in phase 1 or non-phase 1. Currently, the Town does not charge user fees for any MHSW, however only small quantity generators are permitted to use the Town's MHSW depot.

C. The Blue Mountains' Strategic Plan

The diversion of hazardous waste aligns with goal 2 of the Strategic Plan, "addressing the Town's municipal infrastructure needs" and goal 3, "preserving and enhancing natural and environmental features of the community".

D. Environmental Impacts

MHSW diversion has been a well received service at the Disposal Site. Almost 13 tonnes were managed in 2009 and 13.5 tonnes were managed in 2010. Diversion of the hazardous associated with this stream of waste from the Town landfill greatly benefits the local environment. The majority of the collected hazards are recycled into new products. Only approximately 3% by volume of the hazardous products are disposed of in a landfill or incinerated. And, the landfills utilized are specifically designed for containment of hazardous waste materials.

E. Financial Impact

The tables below outline the anticipated Provincial and Stewardship funding compared against the Town's estimated costs associated with MHSW management.

Town Costs (All Phases)	Costs \$
Collection Costs <i>Staff, Communications, Training, Materials, Utilities, Equipment, Insurance, Property Tax, Depreciation, Overhead.</i>	\$25,745
Post-Collection <i>Transport, Recycling/disposal</i>	\$12,500
Total Cost	\$38,245

Stewardship Ontario Funding (Phase 1 Materials)	Funding \$
Collection	\$9,100
Post-Collection	\$8,437
Provincial Funding (Phase 2 Materials)	
Collection	TBD
Post-Collection	\$937
Phase 3 Materials	\$0.00 (Municipal cost)
Total Funding	\$18,475

The total cost is approximately \$20,000 more than the estimated funding for one year. When the Province determines the amount of funding to be provided for phase 2 collection costs, the gap between funding and cost will reduce. However, the additional funding will only be in the order of \$1,000.

All the above costs and funding estimates are included in the 3 year operational budget, therefore executing the agreement with Stewardship Ontario is not expected to impact the existing operational budget.

F. Attached

None

Respectfully submitted,

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