



To: **Committee of the Whole**

Agenda Section: Corporate Services
Division: Engineering, Planning and Environment
Department: Solid Waste Management

Item Number: **CCW - 2023-082**

Meeting Date: June 13, 2023

Subject: **Hazardous Waste Program Update**

Recommendation

That Item CCW 2023-082, dated June 13, 2023, regarding the Hazardous Waste Program Update, be received; and

That a budget be proposed for managing household hazardous waste (HHW) materials, both those designated and non-designated by Ontario Regulation (O.Reg.) 449/21: Hazardous and Special Products (HSP); and

That staff negotiate with producer responsibility organizations (PROs) to maximize potential compensation; and

That staff negotiate and finalize new agreements with the City of Barrie and the City of Orillia for continued use of their HHW depots by County residents; and

That subject to successful negotiations and approval of the final agreement by the County's Solicitor, that the Warden and County Clerk execute the necessary documents.

Executive Summary

The County of Simcoe currently accepts residential hazardous waste at five household hazardous waste (HHW) depots and limited commercial hazardous waste at two of our HHW depots. The City of Barrie and the City of Orillia also accept HHW from County residents at their respective HHW depots.

The province regulates hazardous waste through the Hazardous and Special Products (HSP) program (Ontario Regulation 449/21), which sets the standards for managing

hazardous waste in the province. Under this regulation, producer responsibility organizations (PROs) are required to set up a network of collection sites, and/or collection events to provide this service on a municipal basis (minimum one per municipality and potentially more if a large municipality).

The HSP regulation identifies hazardous materials as either designated, wholly or partially covered by a particular PRO, or non-designated, those not eligible for funding through the new HSP model. Therefore, should we continue to accept these non-designated materials at our HHW depots there will continue to be no funding for roughly 20% (by weight) of the materials we collect. The HSP funding model makes the PROs responsible for setting up and funding the HHW Depots or Events. There is a concern that the minimum accessibility requirements that PROs must meet will not maintain the current level of access and service for County residents. Should the County wish to continue in this line of business (collection of HHW through our depot system), the County would receive compensation from the PROs. To date our discussions with the PROs have been successful in getting funding but not to a level that would cover our costs. Given this, staff are seeking direction from Council to either get the best deal with the PROs and continue collecting HHW and subsidizing that which should be the PROs responsibility for funding or ceasing management of HHW at our Depots and leaving the PROs to set up their required systems in our municipalities.

Background/Analysis/Options

Household Hazardous Waste (HHW) Depots

The County operates five HHW Depots 8:30 am – 4:30 pm Monday - Saturday at the following locations:

- Site 10 – Nottawasaga Landfill
- Site 11 – Oro Landfill (with Commercial approvals)
- Site 13 – Tosorontio Transfer Station (with Commercial approvals)
- Site 16 – Bradford Transfer Station
- Site 52 – North Simcoe Transfer Station

The depots offer residents free, safe disposal of acceptable HHW during regular operating hours. In addition, these five depots help ensure proper disposal of HHW material is maintained, and the material does not end up in places like curbside garbage, recycling or going down the drain to septic or municipal wastewater treatment systems. The five HHW Depots had 44,420 visits from County residents in 2022.

Commercial Hazardous Waste

Under special licencing provisions, the County accepts small quantities of hazardous waste generated by commercial businesses at the Oro Landfill and the Tosorontio Transfer Station.

The commercial program requires some paperwork (as required by provincial regulations) to be completed online through the new HSP waste tracking software. Businesses are allowed to drop off up to 100 kg of commercial waste per month. Currently, ten companies utilize this service consistently, as well as member municipalities and other County departments.

Municipal Partnerships

The County has agreements with the City of Barrie and Orillia to collect hazardous waste from County residents who border their respective cities. The material collected through the cities HHW depots is billed back to the County based on quantity.

Based on a recent analysis of car counts that attend these depots, the City of Barrie receives relatively negligible amounts of HHW from County residents. In contrast, the City of Orillia can process up to 30 percent of its total customers per month of HHW from County residents, mainly from the residents of Ramara and Severn.

Currently, the City of Barrie is not charging the County for the small percentage of County of Simcoe residents that use their HHW Depot. However, City staff have indicated that they would like to consider renewing the agreement and charge the County a percentage of their operating costs based on the total number of County residents using their facility.

The City of Orillia charges the County quarterly a percentage of their operating costs, on the basis of the total number of County residents using their facility. In 2022, the City of Orillia invoiced the County approximately \$20k for this service; however, it should be noted that staff are currently in negotiations with city staff due to a request to increase the current charges due to upgrades to their HHW facilities required to accommodate increased users of the depot. The City of Orillia has estimated this cost to be an additional \$10K per year.

It is recommended and anticipated that the County will enter into new agreements with both cities to continue these services in 2023 unless further direction is received from County Council.

Funding Program

In 2006, the Ontario Minister of the Environment directed Waste Diversion Ontario to develop a waste diversion program for HHW, with Stewardship Ontario overseeing the program. Municipalities fully funded their HHW programs until 2008, when various producer responsibility funding programs began to take effect. These programs helped municipalities cover a portion of their costs to manage HHW, however the requirement of maintaining a waste diversion program for HHW was the sole responsibility of the municipality.

On July 2021, the Hazardous and Special Products (HSP) program (Ontario Regulation (O.Reg.) 449/21) became enacted under the Resource Recovery and Circular Economy Act, 2016 (RRCEA).

The regulation transitioned the Municipal Hazardous or Special Waste (MHSW) program to a full producer responsibility model to make producers of some hazardous materials environmentally accountable and financially responsible for managing Hazardous and Special Products (HSP) at end-of-life in Ontario. New regulatory requirements under [O. Reg. 449/21](#) for producers took effect on January 1, 2023. New accessibility targets came into effect January 1, 2023 as described in Section 13-24 of the Regulation.

Under the new HSP program (formerly Municipal Hazardous and Special Waste (MHSW)), Household Hazardous Waste (HHW) collection sites are required to sign contracts with Producer Responsibility Organizations (PROs) for various hazardous material types collected through the collection sites. Signing agreements with PROs has been a requirement in the past as PROs work with the producers to provide collection, management and administrative services to help producers meet their regulatory obligations under the HSP framework.

In addition, PROs work with the collection site, like those operated by the County, to provide funding for the collection costs of designated Household Hazardous Waste (HHW) items only. The regulation sets out accessibility targets requiring a certain number of collection sites (i.e., depots, return-to-retail locations, or events) to be established within a specific area to serve a particular population. Meeting these accessibility targets is the responsibility of the PROs. While the County's current HHW depots would form part of the accessibility requirements, the County is not obligated to continue to provide the service of collecting hazardous waste.

There is a serious concern that proper staffing and infrastructure must be in place for the PROs to manage HHW effectively. In addition, these accessibility targets are very complex and problematic to define as the number of drop-off locations can be reduced based on a combination of depots, events, collections and use of return-to-retail locations.

Based on the County's experience more than the current minimum number of collection sites established are required to allow proper access for residents and maintain the current level of service. For example, there may be a reduction in the hours the HHW facilities are open in comparison to County facilities currently open Monday to Saturday, 8:30 am to 4:30 pm. In addition, residents can now drop off all of their HHW materials at a single County HHW Depot, whereas the new HSP model may force residents to drop off different hazardous materials at a number of separate locations. In discussions with other municipalities, the majority will continue to assist in collecting and managing HHW to ensure these products and containers are safely managed to avoid environmental impacts. In some municipalities, minimum accessibility requirements would only require a single depot or single day collection event. The regulation indicates that a maximum of 30% of municipalities can be serviced by an event, however PROs are trying to change this 30% maximum upward.

The funding model through the HSP regulation identifies hazardous materials as either designated, wholly or partially covered by a particular PRO, or non-designated, those

materials that are not eligible for funding through the new HSP model. In 2022, the County operated HHW depots collected 511,167 kg of designated materials and 133,342 kg of non-designated materials.

Non-Designated materials comprise a significant percentage (over 20%) of material collected at the County's HHW depots. Therefore, if Council approves the program's continuation at its current level, the County will continue covering all non-designated HHW material costs. Table 1 lists the HHW materials included and not included in the funding model.

Table 1 - HSP Designated (Included) vs. Non-designated (Not Included) materials

Included	Not Included
<ul style="list-style-type: none"> • Antifreeze • Oil containers • Paints and coatings • Pesticides • Non-refillable and refillable pressurized containers • Solvents • Barometers, thermometers and thermostats • Fertilizers (limited requirements) 	<ul style="list-style-type: none"> • Pharmaceuticals and sharps • Automotive additives and cleaner's automotive additives and cleaner containers • Fuels – gasoline, diesel, cooking fuels • Miscellaneous flammable materials • Oxidizers, corrosives – acids, reactive chemicals • Fertilizer – used for commercial or agricultural purposes; inoculants, coated seeds or uncoated seeds; supplied in a container greater than 30 litres or 30 kilograms • Non-refillable pressurized container – aerosol container; fire extinguisher; cylinder that must be punctured for use; greater water capacity than 109 litres • Paint – non-aerosol paints intended for automotive or industrial applications or crafts; paints or wood preservatives that are registered as a pesticide under the Pest Control Products Act (Canada); stuccos and spackling compounds; polishes and waxes; caulking and sealants, capacity greater than 30 litres or 30 kilograms • Pesticides – Insect repellents intended for personal use; sanitizers, disinfectants and antimicrobial products; pool chemicals; diatomaceous earth; pet products; ant traps; products regulated under the Food and Drugs Act (Canada); insecticidal soaps; commercial, agricultural and restricted classifications registered under the Pest Control Products Act (Canada); capacity greater than 30 litres or 30 kilograms • Refillable pressurized container – a fire extinguisher; an aerosol container; a reservoir tank intended for air compressors; a cylinder that must be punctured for use; water capacity greater than 109 litres • Solvents – capacity greater than 30 litres • Lubricating oil

There are currently five PROs in the marketplace: Product Care Association (PCA), Automotive Materials Stewardship (AMS), Ryse Solutions, Heating, Refrigeration and Air Conditioning Institute (HRAI) and Mobius PRO Services. However, these commercial agreements with PROs only partially cover municipal costs to manage the designated materials on the producer's behalf.

Each PRO has transitioned to the HSP program. For this program to be successful, there needs to be more competition among PROs for most designated materials. In addition, the current material designations do not fund 20% of the materials received at the HHW Facilities. The lack of funding for hazardous waste items collected through the County has been an issue over the years. Funding has slowly been eliminated as compensation has not kept pace with inflation, supply chain and other financial pressures, additional County HHW Facility requirements or increased hours of work. As a result, the County is bearing the responsibility of covering more and more HHW costs. In addition, capital costs required to upgrade and increase capacity at HHW Depot buildings are not covered by the PROs.

Since the list of designated materials in the HSP regulation represents only a portion of what the County collects, the County will continue to be responsible for collecting and managing non-designated materials. This responsibility means that the County will need to cover the total cost associated with managing non-designated materials, estimated to cost \$ 190K/ year for disposal alone, in addition to a portion of the staffing and administration costs. The County's decision to handle these materials ensures that proper disposal and treatment of hazardous materials is maintained and does not end up in places like curbside garbage, recycling or down the drain. Since the implementation of the HHW program, there was an 83% decrease in the amount of hazardous waste found in curbside waste collected from 2006-2018.

The County is also responsible for managing designated materials, estimated at approximately \$390K in 2022. Staffing and administration costs related to the management of HHW are estimated at approximately \$680K in 2022. Therefore, the County's costs to manage the designated materials are estimated at least \$995K/year. The funding received from PROs is to compensate the County for staffing and administration costs associated with the management of HHW. As noted above, the County receives partial compensation for managing these materials; the 2022 payments received from PROs was approximately \$315K. Revenues (in the form of subsidies from the PROs) for 2023 have been budgeted at \$325K, however, staff are in the process of finalizing agreements with the PROs for 2023 and depending on the new funding model implemented and actual tonnages of materials revenues may exceed \$400K.

The County's estimated cost to manage HHW is provided in Table 1. It is noted that these do not include the capital costs associated with construction or upgrades to County HHW facilities. The County is currently undergoing Site Plan Approval to upgrade the County's Bradford West Gwillimbury Transfer Station and HHW Depot; the cost for the new HHW building is estimated to be \$975K.

Table 2 – County Costs for Management of HHW

HHW Management Item	2022 Actual	2023 Budget
Staffing and Administration	\$680K	\$704K
Designated Materials Collection, Haulage and Processing	\$390K	\$404K
Non-Designated Materials Collection, Haulage and Processing	\$190K	\$197K
Additional HHW Management Fees, Including Municipal Agreements	\$85K	\$88K
Total Cost	\$1.35M	\$1.39M
Compensation from PROs	\$315K	\$325K
Net Cost	\$1.03M	\$1.07M

As shown in table 2, the compensation provided by the PROs does not cover all costs, and the County must cover over 75 percent of the costs to manage the HHW program at the waste facilities. However, there is a benefit to the County providing this service as it provides easy, one stop access to residents and helps to ensure these materials are correctly disposed of and not thrown in the garbage, down the sink, or illegally dumped. The County will continue to advocate for the province to broaden the HSP program to include additional material not designated under the program.

It is recommended that staff be directed to continue to budget for managing hazardous waste materials, both those designated and non-designated by O.Reg. 449/21, despite the HSP funding model not fully covering County costs to manage these materials. In addition, staff be directed to continue to negotiate with the PROs to maximize potential compensation. Lastly, that staff be directed to negotiation and finalize new agreements with the City of Barrie and the City of Orillia for continued use of their Household Hazardous Waste (HHW) depots by County residents. Should there be issues, staff would report back to council.

In the alternative, should Council not support the recommendation for the County to continue to manage HHW materials, staff be directed to indicate to the PROs the County will no longer be managing HHW effective at the end of 2023. This decision would leave PROs to set up their required systems in our municipalities with a potential increased risk of environmental impacts and potential risk that the current level of service for County residents is reduced.

Financial and Resource Implications

As shown in table 2, the approximate cost for the County to continue the management of HHW is approximately \$1.39M. Revenues have been budgeted at \$325K, however, depending on the new funding model implemented and actual tonnages of materials revenues could exceed \$400K. Sufficient funds and resources for this program have been

