



CITY OF KINGSTON
REPORT TO COUNCIL

Report No.: 10-192

TO: Mayor and Members of Council
FROM: Jim Keech, President & C.E.O., Utilities Kingston
RESOURCE STAFF: John Giles, Manager, Solid Waste Department
DATE OF MEETING: 2010-07-20
SUBJECT: Assigning Disposal/Recycling Services for the Household Hazardous Waste Facility to Stewardship Ontario

EXECUTIVE SUMMARY:

Municipal hazardous or special waste (MHSW) has been designated under the Waste Diversion Act. Phase 1 started July 1, 2008. Phases 2 and 3 started July 1, 2010 which requires that stewards pay for collection costs in addition to transportation & processing costs for most MHSW.

Stewardship Ontario is the industry funding organization for MHSW. Their representatives met with municipal staff to fulfill their funding obligations post July 1, 2010. They are looking for program efficiencies for both stewards and municipalities and have made an offer that will pay Kingston a monthly fee that covers all collection activities associated with MHSW materials under the program. A contract is being prepared by Stewardship Ontario for review by the City in this regard.

Quarterly claims were made under Phase 1 whereby transportation and processing expenses for a limited amount of MHSW was recovered from the stewards through a Shared Responsibility Agreement between Stewardship Ontario and each municipality.

Rather than making claims to recover transportation and processing expenses, Stewardship Ontario has offered to take over payment directly for Phases 2 and 3. This will require our existing agreement with Buckham Transportation to be assigned to Stewardship Ontario.

RECOMMENDATION:

THAT the contract with Buckham Transport Ltd. under RFP No. F31-PW-SW-1-2009 for the Supply of Disposal/Recycling Services for the City of Kingston Household Hazardous Waste Facility and the requirements for payment be assigned to Stewardship Ontario.

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AUTHORIZING SIGNATURES:

ORIGINAL SIGNED BY PRESIDENT & CEO, UTILITIES KINGSTON _____ Jim Keech, President and CEO, Utilities Kingston
ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER _____ Gerard Hunt, Chief Administrative Officer

CONSULTATION WITH THE FOLLOWING COMMISSIONERS:

Cynthia Beach, <i>Sustainability & Growth</i>	N/A
Terry Willing, <i>Community Services</i>	N/A
Denis Leger, <i>Transportation, Properties & Emergency Services</i>	N/A
Jim Keech, <i>President and CEO, Utilities Kingston</i>	✓

(N/R indicates consultation not required)

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OPTIONS/DISCUSSION:**Background:**

Under the Waste Diversion Act the Minister of the Environment can designate materials and require that waste diversion programs be developed. The purpose of the legislation is to ensure that stewards (i.e. manufacturers or importers of the product that becomes waste) take responsibility for disposal of their product to the degree stipulated by the Minister. Four material streams have been designated to date: blue box materials; used tires; waste electronics & electrical equipment; and municipal hazardous or special waste (MHSW) also known as household hazardous waste. The legislation requires that an industry funding organization (IFO) be created to represent stewards.

Municipal Hazardous or Special Waste Program:

The Minister directed that a waste diversion program for MHSW be developed in three phases.

Phase 1 began July 1, 2008 at which time transportation and processing costs for a limited amount of MHSW was recovered from the stewards through a Shared Responsibility Agreement between Stewardship Ontario (the IFO) and each municipality. Recovery for Phase 1 costs has been through quarterly claims requiring a submission that includes invoices, hazardous waste shipment manifests, summaries of who took what from our re-use table, item-by-item summaries of materials collected (whether paid by stewards or not), records of how waste is managed (recycled, incinerated, treated for sanitary landfill, blended for fuel, etc.), promotion & education summaries, and population and household data. Claims must be verified and signed off by the Clerk, Treasurer or CAO as proof of accuracy.

The Minister directed that Phases 2 & 3 be implemented together on July 1, 2010. This requires that stewards pay for collection costs in addition to transportation & processing costs for most MHSW. The only items that we collect but won't be covered under the plan are oil, automotive batteries and mercury containing thermostats.

City of Kingston Program:

The City manages MHSW using one collection contractor to receive and pack MHSW and another to transport the MHSW for processing. Transportation and processing costs vary depending on the type and volume of MHSW materials.

Phase 2 & 3:

Stewardship Ontario representatives met with municipal staff to fulfill their obligations for funding the program costs post July 1, 2010. They are looking for program efficiencies for both stewards and municipalities and are in the process of rebranding the program to be called "Orange Drop" and encouraging residents to "Make the Drop" at facilities that will be called "Drop Zones". The City of Kingston household hazardous waste facility will be a Drop Zone.

Stewardship Ontario has made an offer that will pay Kingston a monthly fee that covers all collection activities associated with MHSW materials under the program. A contract is being prepared by Stewardship Ontario for review by the City in this regard. Rather than making quarterly claims for recovery of transportation and processing expenses, Stewardship Ontario has offered to take over payment directly. This will require our existing agreement with Buckham Transportation to be assigned to Stewardship Ontario.

Transportation & Processing Agreement:

The existing agreement between our transportation and processing contractor and the City of Kingston reserves the right, without cause and without penalty, for the City to assign the contract and the requirements for payment to Stewardship Ontario with a minimum 60 days notice.

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It is recommended that the contract with Buckham Transport Ltd. under RFP No. F31-PW-SW-1-2009 for the Supply of Disposal/Recycling Services for the City of Kingston Household Hazardous Waste Facility and the requirements for payment be assigned to Stewardship Ontario.

EXISTING POLICY/BY LAW: N/A

NOTICE PROVISIONS: N/A

ACCESSIBILITY CONSIDERATIONS: N/A

FINANCIAL CONSIDERATIONS:

The anticipated savings under Phase 2 and 3 were incorporated into the 2010 operating budget.

CONTACTS:

John Giles, Manager, Solid Waste Department – 613-546-4291 Ext. 2701

OTHER CITY OF KINGSTON STAFF CONSULTED:

Mark McLaughlin, Legal

EXHIBITS ATTACHED: N/A