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<b>TO:</b>	<b>CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON JUNE 2, 2015</b>
<b>FROM:</b>	<b>JOHN BRAAM, P.ENG. MANAGING DIRECTOR, ENVIRONMENTAL &amp; ENGINEERING SERVICES AND CITY ENGINEER</b>
<b>SUBJECT:</b>	<b>HOUSEHOLD SPECIAL WASTE PROGRAM UPDATE – FUNDING FOR PAINTS AND COATINGS</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Managing Director, Environmental & Engineering Services and City Engineer the following actions **BE TAKEN** with respect to the Household Special Waste Program:

- a) the attached proposed By-law (Appendix A) **BE INTRODUCED** at the Municipal Council meeting of June 16, 2015 to approve the agreement with Product Care Association to fund a portion of the City’s Household Special Waste Program; and
- b) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this matter.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
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Relevant reports that can be found at [www.london.ca](http://www.london.ca) include:

- Household Special Waste Program Update (April 8, 2015 meeting of Civic Works Committee (CWC), Item #4)
- Update – Key Solid Waste Management Initiatives (December 16, 2014 meeting of the CWC, Item #12)
- Status Report: Update of Road Map to Maximize Waste Diversion 2.0 (July 22, 2013 meeting of the CWC, Item #14)
- Household Special Waste Program Update (May 27, 2013 meeting of CWC, Item #4)
- Stewardship Ontario Funding of the City’s Household Special Waste Program (April 2, 2012 meeting of the CWC, Item #3)
- Stewardship Ontario Funding of the City’s Household Special Waste Program (August 16, 2011 meeting of the Community and Neighbourhoods Committee (CNC), Agenda Item #6)

<b>BACKGROUND</b>
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**PURPOSE**

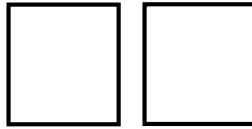
The purpose of this report is to seek approval to enter into a new agreement with the Product Care Association (PCA) for funding of a portion of the City’s Household Special Waste (HSW) program. This agreement requires Council approval as it has a value of greater than \$100,000 per year. Waste Diversion Ontario (WDO) has approved the PCA Industry Stewardship Plan (ISP) for the management of end-of-life paints and coatings with a start date of June 30, 2015.

**CONTEXT**

**Overview of Ontario’s Municipal Hazardous or Special Waste (MHSW) Program**

(A detailed overview of the MHSW Program was provided in a report to the April 8, 2015 CWC meeting.)

In brief, beginning in June 2008, stewards (companies responsible for bringing MHSW into the market place) and the Province (Ministry of Environment & Climate Change) have been responsible for a portion of the costs associated with MHSW materials. Prior to this time



municipalities were responsible for all aspects of collecting and managing MHSW and 100% of the associated costs.

The role and responsibilities of the stewards, the Province and municipalities have changed many times over the years as have the amounts funded to municipalities. In addition there have been many changes to the organizations that represent various industry groups. Unlike the Blue Box program, for which Stewardship Ontario represents all stewards, for MHSW there is not one Industry Funding Organization (IFO) to represent the stewards. Stewardship Ontario has historically been the largest single IFO for MHSW; going forward this will be Product Care Association.

Waste Diversion Ontario (WDO) approved the NEW Product Care Association (PCA) Industry Stewardship Plan (ISP) for the management of end-of-life paints and coatings with a start date of June 30, 2015. Current agreements between municipalities and Stewardship Ontario must now be changed to an agreement between PCA and the municipality.

### **2015-2019 - Strategic Plan for the City of London**

Municipal Council has recognized the importance of solid waste management including household special waste management in its 2015-2019 - Strategic Plan for the City of London ([2015 – 2019 Strategic Plan](#)). With respect to this CWC Report, 3 of the 4 Areas of Focus address the management of household special waste:

#### **Building a Sustainable City**

- Strong and healthy environment

#### **Growing our Economy**

- Urban regeneration
- Local, regional, and global innovation
- Strategic, collaborative partnerships

#### **Leading in Public Service**

- Collaborative, engaged leadership
- Excellent service delivery

## **DISCUSSION**

### **Product Care Association (PCA) Funding Agreement**

Paints and coatings consist of latex, oil and solvent-based architectural coatings, including paints and stains. This program will be managed by Product Care Association and will replace the current program managed by Stewardship Ontario with a start date of June 30, 2015. Stewardship Ontario will still be managing solvents, pesticides, fertilizers, batteries, pressurized containers and empty automotive containers.

The result of this change in responsibility requires a new agreement between London and PCA. London currently has an agreement with Stewardship Ontario. The agreement with Stewardship Ontario allows municipalities to sign agreements with other organizations with an approved ISP.

Under the new plan, PCA will cover 100% of the cost of paints & coatings (and containers) currently collected plus compensate for the collection of additional types of paint (e.g., aerosol paint). London will also be reimbursed for a portion of our HSW Depot operation. Changes to the current program, as a result of the new program, include:

- Municipalities will be reimbursed for paint reuse, and
- Paints previously excluded will be included in the program (e.g., all aerosol paint cans and marine paints included)

Higher capture rates are expected under the new plan. PCA projected the capture rate of unwanted paint will increase from 50% to 76% in the province over the next five years as a result of increasing the number of collection points and increased promotion.

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**Cost Implications**

There will be minimal financial change for London. This is because PCA will replace the existing program funded by SO, with little change. Funding from PCA to support London's program is summarized in the table below.

<b>Program Element</b>	<b>Annual Funding by PCA</b>	<b>Note</b>
Collection and packing of material at HSW Depot	\$85,000	PCA pays London based on number of Depot hours of operation. This is the same arrangement and equal to the funding currently paid by SO.
Material Processing by Contractor (Hotz Environmental Services)	\$400,000 (estimate of fee paid by PCA)	PCA directly pays London's service provider. City of London does not see the amount paid to the service provider. This is the same arrangement as the SO program.
Additional payment to the municipality for paint reuse	Minimal	As a new program the amount is not known and is expected to be minimal.

In 2014, 283 tonnes of paint was collected at the HSW Depot. This represented 65% of all HSW material received.

**ACKNOWLEDGEMENTS**

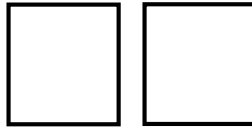
This report was prepared with assistance from David Mounteer, Solicitor; Jason Wills, Manager, Risk Management; Mike Losee, Manager, Solid Waste Engineering & Planning and Wesley Abbott, Division Manager, Solid Waste Management.

<b>PREPARED BY:</b>	
<b>ANNE BOYD, B.A., B.E.Sc.</b> <b>COORDINATOR, WASTE DIVERSION</b> <b>SOLID WASTE MANAGEMENT</b>	
<b>PREPARED AND SUBMITTED BY:</b>	<b>RECOMMENDED BY:</b>
<b>JAY STANFORD, M.A., M.P.A.</b> <b>DIRECTOR, ENVIRONMENT, FLEET &amp; SOLID WASTE</b>	<b>JOHN BRAAM, P.ENG.</b> <b>MANAGING DIRECTOR,</b> <b>ENVIRONMENTAL &amp; ENGINEERING SERVICES &amp; CITY ENGINEER</b>

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Appendix A: By-law to Approve an Agreement for Paints and Coatings Funding of the City of London's Household Special Waste Program with the Product Care Association

c. Martin Hayward, City Treasurer & Chief Financial Officer



**APPENDIX A**

Bill No.  
2013

By-law No.

A By-law to approve an Agreement for Paints and Coatings Funding of the City of London's Household Special Waste Program with the Product Care Association; and to authorize the Mayor and Clerk to execute the Agreement.

WHEREAS subsection 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001*, as amended, provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS subsection 10 of the *Municipal Act, 2001*, as amended provides that a municipality may provide any service or thing that the municipality considers necessary or desirable for the public, and may pass by-laws respecting same, and respecting economic, social and environmental well-being of the City, and the health, safety and well-being of persons;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Product Care-Municipal ISP Materials Service Agreement to be entered into between The Corporation of the City of London and Product Care Association regarding funding for the City of London's Household Special Waste Program, attached hereto as Schedule 'A' to this By-law, is hereby approved.
2. The Mayor and City Clerk are authorized to execute the Agreement approved under section 1 of this by-law.
3. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on June 16, 2015

Matt Brown  
Mayor

Catharine Saunders  
City Clerk

First reading – June 16, 2015  
Second reading – June 16, 2015  
Third reading – June 16, 2015