

<b>TO:</b>	<b>CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON APRIL 15, 2020</b>
<b>FROM:</b>	<b>KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR ENVIRONMENTAL &amp; ENGINEERING SERVICES AND CITY ENGINEER</b>
<b>SUBJECT:</b>	<b>OPERATION OF THE CITY'S MATERIALS RECOVERY FACILITY: NEXT STEPS IN THE TRANSITION TO INDUSTRY RESPONSIBILITY FOR RECYCLING SERVICES</b>

### RECOMMENDATION

That on the recommendation of the Managing Director, Environmental & Engineering Services and City Engineer and with the support of the Managing Director, Corporate Services & City Treasurer, Chief Financial Officer, the following actions **BE TAKEN** with respect to the provision of Material Recovery Facility (MRF) Operations services:

- a) The Civic Administration **BE DIRECTED** to negotiate a single source agreement for the procurement of MRF Operations services as per Section 14.4(d) and (e) of the Procurement of Goods and Services Policy with Miller Waste Systems Inc. for a term of two years and four months (28 months), with two, one-year extension options at the sole discretion of the City, IT BEING NOTED that the final contract will be subject to approval by municipal council and Civic Administration will report back on the outcome of the negotiations;
- b) The Mayor **BE AUTHORIZED** to advise the Ontario Ministry of the Environment, Conservation and Parks (MECP) and the Association of Municipalities of Ontario (AMO) that the Corporation of the City of London would like to transition the processing and marketing of recyclables to full producer responsibility on January 1, 2023 and would be interested in examining the opportunities of working with producers (industry) on the future role of London's Regional MRF; it being noted that a comprehensive response and rationale as requested by AMO will be provided by June 30, 2020.

### PREVIOUS REPORTS PERTINENT TO THIS MATTER

Relevant reports that can be found at [www.london.ca](http://www.london.ca) under City Hall (Meetings) include:

- Additional Short-Term Contract Amendment for Recycling Services (May 14, 2019 meeting of CWC, Item #2.6)
- Short-Term Contract Amendment for Recycling Services (October 30, 2018 meeting of CWC, Item #2.9)
- Exercise Renewal Options Curbside Collection & Material Recovery Facility Operations Contracts – Miller Waste Systems (September 7, 2016 meeting of CWC, Item #2.5)

### COUNCIL'S 2019-2023 STRATEGIC PLAN

Municipal Council has recognized the importance of solid waste management in its 2019-2023 - Strategic Plan for the City of London as follows:

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

London has a strong and healthy environment (Increase waste reduction, diversion and resource recovery)

### **Growing our Economy**

London is a leader in Ontario for attracting new jobs and investments (Increase partnerships that promote collaboration, innovation and investment)

### **Leading in Public Service**

Londoners experience exceptional and valued customer service (Increase community and resident satisfaction of their service experience with the City)

## **BACKGROUND**

### **PURPOSE**

The purpose of this report is to:

- Obtain direction for the Civic Administration to negotiate a single source agreement with Miller Waste Systems Inc., to continue to operate and maintain the City-owned Materials Recovery Facility (MRF) and market the recyclable materials; and
- Indicate to the Ontario Ministry of the Environment, Conservation and Parks (MECP) and the Association of Municipalities of Ontario (AMO) that the Corporation of the City of London would like to transition the processing and marketing of recyclables to full producer responsibility on January 1, 2023.

### **CONTEXT**

In June 2019, the Minister of Environment, Conservation and Parks appointed Mr. David Lindsay, as Special Advisor on Recycling and Plastic Waste and to facilitate a discussion on transitioning the Blue Box program to full producer responsibility. This appointment has been viewed positively by municipalities as it has restarted the transition process which had been stalled since before the last provincial election.

Under a full producer responsibility program, industry would pay the full cost of municipal Blue Box programs, instead of the approximate 50% that is currently paid by industry in the form of quarterly financial grants to municipalities. This also includes taking operational responsibility for recycling and making sure materials are recycled. Also included in this new program will be the onus on industry stewards to make packaging decisions that deliver better environmental outcomes.

The Special Advisor's work is to be guided by the following policy objectives (which are reflective of the interests municipalities have advocated for):

- Standardization across the province of what can be recycled in homes, workplaces and public;
- Improve diversion rates and increase what materials can be recycled;
- Reduce litter and waste in communities and parks;
- Improve Ontario's Blue Box program by requiring producers to pay for the recycling of the products they produce, through achieving producer responsibility; and,
- Maintain or improve frequency of Blue Box collection.

The Special Advisor's Report with recommendations was submitted on July 20, 2019. The Association of Municipalities of Ontario (AMO) has been assured that municipal governments will be very involved in the transition process but these details are not known yet.

On August 15, 2019, the Minister of the Environment, Conservation and Parks announced the next steps for transitioning the costs and operations of the Blue Box Program away from municipalities to make the producers of products and packaging fully responsible.

The announcement stated that Blue Box services will transition to producers in phases over a three-year period, starting January 1, 2023 and ending December 31, 2025. The Minister directed Stewardship Ontario to submit a plan to outline how the current program will operate over the three-year period by June 30, 2020 (Appendix A). Further, a letter was issued to the Resource Productivity and Recovery Authority (RPRA) to approve the plan no later than December 31, 2020.

Currently the Province is developing regulations and a framework as part of the *Resource Recovery and Circular Economy Act, 2016* to make all these actions possible.

### **Transition of Operational and Financial Responsibility of Blue Box Program to Producers of Packaging and Paper Products**

As noted, the letter requires producers of packaging managed in the Blue Box Program to take over operational and financial responsibility of the program over the period of January 1, 2023 through January 1, 2025. It is anticipated that one or two of the larger collection programs will transition first and London is expected to transition in either 2024 or 2025. Facilities that process and market recyclable materials will likely be handled separately as industry's goal is to have fewer and larger processing facilities.

To summarize, when the transition process occurs the following key items will likely result:

- Industry stewards will pay between 95% and 100% of the cost of Blue Box/Blue Cart recycling services or the system of choice for the recovery of designated paper and packaging products. This will represent about \$3 million per year saved for the City of London.
- Industry stewards will be responsible for 100% of the operations versus the current system whereby municipalities have 100% responsibility for recycling services in the residential sector. The municipal role in recycling services will be determined by industry in consultation and final negotiations with municipalities.
- Municipal assets such as MRFs may or may not be part of the future system. Industry will decide this based on unknown factors as this time. London's MRF is well positioned in southwestern Ontario and is likely to be part of the future system that will see fewer MRFs and consolidated recycling programs.

### **Process to be Ready for Transition**

Based on existing information, it is understood that industry is pursuing two separate paths for transition; one dealing with collection programs and one dealing with processing and marketing arrangements.

To assist with transition, the Association of Municipalities of Ontario (AMO) is asking that Councils select preferred transition dates, rationale and potential services to offer by June 30, 2020 (Appendix B). This item is further elaborated on under the Discussion section in this report and will be subject of a future report to CWC.

In 2019, through a competitive process, Council awarded a contract to Miller Waste Systems Inc., to provide collection services including a methodology for early termination of the contract should industry desire to release new contracts versus acquiring the existing competitive contracts. The new contract starts August 31, 2020. The contract duration is four (4) years with four (4) possible one (1) year options at the sole discretion of the City.

The City needs to secure an operator for its City-owned MRF that will manage the facility until a transitioned processing arrangement is in place as follows:

- If transitioned January 1, 2023, then a MRF contract would be required for two years and four months (28 months)

- If transitioned January 1, 2024, then a MRF contract would be required for three years and four months (40 months); or
- If transitioned January 1, 2025, then a MRF contract would be required for four years and four months (52 months).

## DISCUSSION

The discussion below is divided into two parts:

Part A: Rationale for a single source agreement

Part B: Notifying the Province and the Association of Municipalities of Ontario of London's Transitions Intentions

### **PART A: RATIONALE FOR A SINGLE SOURCE AGREEMENT**

#### **Current MRF Arrangements**

Miller Waste Systems Inc., was the winner of the Design, Build & Operate RFP for the City's MRF, the design and build portion of the RFP was completed in the summer of 2011. Miller has been operating and maintaining the City's asset since construction was complete. All contract extensions permitted under that contract have been acted upon by the City. The current contract ends August 28, 2020.

The City's asset is 10 years old. Based on the above transition dates, it will likely remain City-owned for another 2 to 4 years (from September 2020). The price to build the facility was \$22.4 million in 2010. Industry contributed \$4 million of this amount. The MRFs current depreciated value is estimated to be between \$8 and \$10 million.

#### **Rationale for Negotiating Single Source MRF Operational Contract Extension with Miller Waste Systems**

Given the known transition dates, it is prudent to ensure stable, reliable and knowledgeable services in MRF processing and marketing of recyclable materials as London prepares for transition.

Continuing to contract Miller to operate the City's MRF on a single source basis is recommended because:

- Miller is in the best position to maintain the value of the asset in the short term. The value of the MRF as part of the future recycling system in southwestern Ontario and/or to be sold (on leased land) will be based on the condition of the asset. Currently the facility is in very good shape because it has been well maintained by Miller. A 2018 comprehensive inspection of the MRF confirmed that the facility, especially the equipment, is in very good shape. It is in the City's best interest to continue with the original designer and operator of the MRF in order to maintain it such that it will command the greatest possible value in the upcoming, industry led recycling system.
- Miller is in the best position to minimize capital investment to maintain the MRF. The MRF will require lower capital investments from the City prior to transition if the current operator remains in place than if a new operator is contracted for the MRF. Capital costs are recovered by successful proponents through the contract. Miller and City staff have not identified many new investments as being required, with the exception of upgrades and repairs to the fire suppression system that are required to be undertaken as a result of the necessity to use onsite storm water management pond water to provide the pressure required for adequate fire suppression. That upgrade is already budgeted under maintenance.

- Miller is in the best position to continue to maximize material revenues in weak market conditions for the City of London. The market for recovered materials is the most unstable and value-depressed it has been in at least 10 years. Miller's operation of the facility to produce quality products that remained in demand, along with their long term end market relationships was a significant factor in delaying the effects of the market downturn in London. The continuation of this process will be key as London prepares for the transition.
- Miller has a permanent, skilled workforce, with the vast majority being London residents. These workers are very familiar with the equipment, the material feedstock and the City's requirements. Miller staffs its operations with its own employees rather than those from a temporary agency.
- Miller is in the best position to optimize collection and processing. Having the same operator that collects recyclables and processes the materials is always advantageous because the same operator can optimize the collection and processing from a system's perspective. This avoids the conflicts that occur when there are different operators that each try to maximize profit from an individual service versus the combined service (i.e., the material delivered was too contaminated and is impacting the efficient operation of the MRF).
- Miller is in the best position to continue to meet the needs of the nine municipalities using the MRF under agreement or contract with the City of London. London has arrangements with nine smaller local municipalities (e.g., St Thomas, Aylmer, etc.) to process their recyclables. Most are on-going agreements without defined end-dates. All municipalities, including London, have benefitted through these arrangements. Like London, these municipalities will be planning their own Blue Box recycling transition strategy, and a continued stable relationship with the same MRF processing contract will be of benefit to these municipalities for many of the reasons noted above. The continued relationship with regional municipalities will also benefit London when industry considers the advantages of a MRF to service regional processing demand.
- Given the current situation with COVID19, Miller is in the best position to bring as much stability (e.g., human resources, program knowledge, facility knowledge) as possible to the entire recycling program, from collection through processing and marketing materials.

### Estimated Price of Processing and Marketing Recyclables

The MRF operations contract is estimated to cost approximately \$3.5 to \$4.0 million (gross cost) per year with a Net Cost to Taxpayers of about \$250,000 to \$850,000 per year (Table 1).

**Table 1: Estimated MRF Operating Costs Per Year**

	Low Estimate	High Estimate
Processing costs (gross) (a)	\$3,500,000	\$4,000,000
Material Revenues	\$2,300,000	\$3,000,000
Net Costs (b)	\$500,000	\$1,700,000
Payment from Industry (c)	\$250,000	\$850,000
Net Cost to Taxpayers	\$250,000	\$850,000

**Notes:**

(a) The processing cost is based on a processing fee per incoming tonne.

(b) Determined as follows: Low estimate = \$3.5 - \$3 million; High estimate \$4 - \$2.3 million.

(c) Industry (producers) cover approximately 50% of the current recycling program cost after material revenues.

## Examples of Recent Single/Sole Source Contracts in Ontario

In recent years, a number of Ontario municipalities have elected to negotiate single/sole source contracts for recycling services for the purpose of better alignment with proposed, and then confirmed, transition dates (Table 2). These municipalities determined and their Council's approved that it was advantageous to stay with the existing service provider as local and provincial transition plans are being prepared.

**Table 2: Ontario Municipalities that have Recently Awarded Single/Sole Source Recycling Contracts**

Municipality	2019 Population	Type of Service	Length of Contract (including option years)
Region of Durham	700,000	MRF	3 years
City of Markham	350,000	Collection	4 years
City of Ottawa	950,000	Collection	3 years(a)
Region of Peel	1,460,000	MRF	4 years
City of Richmond Hill	205,000	Collection	8 years
City of Toronto	2,800,000	Collection	3 years(a)
City of Toronto	2,800,000	MRF	5 years
Region of Waterloo	560,000	MRF	2 & 4 years(b)

Notes:

- (a) Represents one contract covering a portion of Ottawa's and Toronto's population.  
 (b) Represents two different MRF related contracts.

## PART B: NOTIFYING THE PROVINCE AND ASSOCIATION OF MUNICIPALITIES OF ONTARIO (AMO) OF LONDON'S TRANSITION INTENTIONS

AMO is asking that a Council resolution be passed by June 30, 2020 and be directed to AMO and the MECP that specifies (Appendix B):

1. Council's preferred date to transition based on exiting service provision (between January 1, 2023, and December 31, 2025);
2. Rationale for transition date;
3. Whether London is interested in potentially continuing to provide services (e.g. contract management, collection, haulage, processing services, etc.) or not; and,
4. Key contacts if there are any follow-up questions.

AMO has made it clear that the preferred transition dates may not be the final determination of London's transition dates, nor is London obligated in any way by the date that is specified. The dates are to help the Province and industry plan an orderly and seamless transition.

For this purpose of this report, City staff are recommending that Council indicate now that the City of London would like to transition the processing and marketing of recyclables to full producer responsibility on January 1, 2023 and would be interested in examining the opportunities of working with producers (industry) on the future role of London's Regional MRF. The rationale for this date is it sends an early signal to the Province, producers (industry) and municipal partners using the MRF that the City of London:

- Can move quickly to full producer responsibility for processing and marketing;
- Is prepared to examine opportunities for the role of the existing MRF to serve southwestern including direct (administration) participation to leasing the MRF and land to selling the MRF and leasing the land; and
- Is prepared to examine opportunities that create economic benefit to London and southwestern Ontario.

A comprehensive response and rationale as requested by AMO will be provided to Committee to meet the date of June 30, 2020.

<b>PREPARED BY:</b>	<b>PREPARED AND SUBMITTED BY:</b>
<b>MICHAEL LOSEE, B.SC. DIVISION MANAGER, SOLID WASTE MANAGEMENT</b>	<b>JAY STANFORD, M.A., M.P.A. DIRECTOR, ENVIRONMENT, FLEET &amp; SOLID WASTE</b>
<b>CONCURRED BY:</b>	<b>RECOMMENDED BY:</b>
<b>ANNA LISA BARBON, CPA, CGA MANAGING DIRECTOR CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER</b>	<b>KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL &amp; ENGINEERING SERVICES AND CITY ENGINEER</b>

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Appendix A Provincial Direction to Transition Ontario's Blue Box Program from Municipal Responsibility to Industry Financial and Operational Responsibility

Appendix B Association of Municipalities of Ontario: Call to Action to Pass a Resolution about Transition of the Blue Box to Full Producer Responsibility

C Ian Collins, Director, Director, Financial Services  
John Freeman, Manager, Purchasing and Supply

## Appendix A

# Provincial Direction to Transition Ontario's Blue Box Program from Municipal Responsibility to Industry Financial and Operational Responsibility

Ministry of the Environment,  
Conservation and Parks

Ministère de l'Environnement,  
de la Protection de la nature et des  
Parcs

Office of the Minister

Bureau du ministre

777 Bay Street, 5th Floor  
Toronto ON M7A 1N3  
Tel.: 416-314-6790

777, rue Bay, 5<sup>e</sup> étage  
Toronto (Ontario) M7A 1N3  
Tél. : 416.314.6790



August 15, 2019

Mr. John Coyne  
Chair  
Stewardship Ontario  
1 St Clair Ave. West, 7<sup>th</sup> Floor  
Toronto, ON M4V 1K6

Dear Mr. Coyne:

The Blue Box program has been providing Ontarians with a convenient option for collecting and recycling printed paper and packaging for many years. In recent years, it has become apparent that the growing challenges in delivering and funding the program must be addressed. After hearing from many interested parties, I believe the time has come to modernize and improve Ontario's Blue Box services by transitioning from the existing program that provides industry funding to reimburse a portion of municipalities' costs to a full producer responsibility model where industry will be responsible for both funding and operations. The transition to producer responsibility will ensure Ontarians' experience and access to existing Blue Box services will not be negatively impacted and that there are province-wide services available, including for Northern, rural and Indigenous communities.

As a necessary complementary step to transitioning to a producer responsibility model, pursuant to Section 14 of the Waste Diversion Transition Act, 2016 (WDTA) I am directing Stewardship Ontario (SO), to develop a plan in respect of the funding program for blue box materials under the WDTA (the SO Program) and for SO itself. SO must submit the plan to the Resource Productivity and Recovery Authority (the Authority) for approval no later than June 30, 2020.

This direction will begin the process by which Ontario will implement a modern, producer-operated system that will provide consistent province-wide recovery of Blue Box materials under the Resource Recovery and Circular Economy Act, 2016, and ensure there is no disruption to Blue Box services.

The development of the plan must be conducted in accordance with this direction as well as the provisions of the WDTA and its regulations, including O. Reg. 357/17.



I am directing that the plan describe a mechanism for determining the steward fees necessary to provide for payments to municipalities and First Nation communities until the time they transfer responsibility for providing Blue Box services to producers. The plan will establish criteria for a three year period in which municipalities and First Nation communities will no longer be eligible to receive funding under the SO Program, starting on January 1, 2023 and ending on December 31, 2025, which is the date that SO Program will end and the new producer responsibility framework will be fully implemented.

It is in the public interest that the plan is consistent with the following principles:

Demonstrate transparent communications and meaningful consultation

- Parties affected by the transition should be consulted and have opportunities for meaningful engagement during the development and implementation of the plan.
- The public, Indigenous peoples and affected stakeholders, including stewards, municipalities and service providers (e.g. collectors, haulers, processors, recycled product manufacturers) will receive transparent and clear communications from SO on a regular basis during development and implementation of the plan.

Support competition and prevent conflict of interest

- The plan shall support competition in, and not adversely affect, Ontario's current and future marketplace for the collection and recovery of paper products and packaging. The plan shall not provide for unfair or preferential treatment of the public or any affected parties, or barrier to competition during or following the transition of the program.
- SO shall take all necessary steps to ensure there is no real, potential or apparent conflict of interest when developing and implementing the plan.
- SO's sharing of data and information to parties other than the Resource Productivity and Recovery Authority (the Authority) must be done through a fair, open and transparent process that does not result in preferential treatment of one person or group over another or release of any confidential information.

Demonstrate Fairness to Stewards and Protect Consumers

- The assets, liabilities, rights and obligations of SO related to the SO Program must be dealt with in a fair, open and transparent process in accordance with applicable law.
- All monies held in trust by SO related to the SO Program shall be treated appropriately in accordance with the WDTA and its regulations.

Maintain Program Performance

- There shall be no disruption in payments made by SO to a municipality or First Nation community under the SO Program until the time when that municipality or

First Nation community is no longer eligible to receive funding based on criteria established in the plan.

- Ontarians' access to and experience with the Blue Box program shall not be negatively impacted. It is my expectation that, while allowing for natural growth of Blue Box services to new residential development or redevelopment, municipalities and First Nation communities shall not reduce or expand existing levels of Blue Box services that are eligible for funding under the SO Program.

An addendum to this letter provides specific direction related to the details that SO must include in its plan for the SO Program and for SO.

The implementation of the plan shall begin on the date on which the Authority approves the plan. It is my expectation that the Authority will approve the plan no later than December 31, 2020.

It is expected that SO will engage and work cooperatively with the Authority in implementing any policy direction issued to the Authority pursuant to Section 29 of the *Resource Recovery and Circular Economy Act, 2016* (RRCEA). This includes ensuring that real, potential or apparent conflict of interest concerns have been addressed prior to and during the development of the plan.

If it is in the public interest to do so, I will provide further direction or clarification at a later date related to the matters set out in this direction.

Lastly, SO shall make publicly available on SO's website this direction letter, as well as the complementary policy direction letter issued to the Authority.

Sincerely,



Jeff Yurek  
Minister

c: Mr. Serge Imbrogno, Deputy Minister, Ministry of the Environment, Conservation and Parks  
Ms. Glenda Gies, Chair, Resource Productivity and Recovery Authority



### **Addendum to the Minister's Direction Letter for the Blue Box Waste Diversion Program and Stewardship Ontario**

Stewardship Ontario (SO) is directed to develop a plan for the funding program for blue box materials (the SO Program) under the Waste Diversion Transition Act, 2016 (WDTA) and for SO itself that includes the following:

- A description of the designated wastes that are covered in the Blue Box program.
- A description of how the SO Program will be operated while the plan is being implemented, acknowledging the following:
  - The funding for municipalities and First Nation communities to participate in the SO Program shall end over a three-year period between January 1, 2023 and December 31, 2025.
  - SO's role in transferring payments to a municipality or First Nation community under the SO Program shall end on the date that obligated producers have assumed full responsibility for the collection and management of blue box materials from that municipality or First Nations community.
  - The plan shall recognize, and be responsive to, the fact that a future regulation under the *Resource Recovery and Circular Economy Act, 2016* will set the criteria and process by which municipalities and First Nation communities will transfer to full producer responsibility.
  - The calculation of the funds due to be paid to each municipality and First Nation community under the SO Program shall be proportional to the number of months in a calendar year in which the municipality or First Nation community remains under the SO Program.
  - The Continuous Improvement Fund shall receive no additional contributions and shall end as soon as practical prior to December 31, 2025.
- A proposed timeline according to which key aspects of the plan will be implemented.
- A description of and a proposal for dealing with the assets, liabilities, rights and obligations of SO in relation to the SO Program including:
  - All monies held in trust by SO related to the SO Program pursuant to Section 35 of the WDTA.
  - An approach that outlines how SO will deal with any information technology systems related to the SO Program to ensure fair and equitable access to all users, as an alternative to disposing of these assets for fair market value.
  - Any other assets of SO related to the SO Program, including, and without limitation, any intellectual property, physical assets or real property.

- Any liabilities incurred by SO during the development and implementation of the SO Program and anticipated to be incurred during the development and implementation of the plan.
- A detailed account of anticipated costs arising from the plan, and a detailed account of how SO will finance these costs.
- A detailed account of how SO proposes to equitably apportion its assets, liabilities, rights and obligations among stewards of Blue Box materials.
- The plan shall set out a proposal to deal with any residual funds after the SO Program has ended and SO has finished its final financial reconciliations for the program and organization.
- A description of all data and information that is within SO's custody or control and that is related to the operation of the SO Program since the Minister's program request letter of September 23, 2002, and a proposal for transferring all data and information to the Resource Productivity and Recovery Authority (the Authority), including:
  - The process for transferring all the data and information to the Authority within any timeframes specified by the Authority.
  - The data and information that is to be transferred to the Authority, including, but not limited to:
    - A list of all registered stewards, including their business addresses and contact information; the nature of each steward's designation under the WDTA (e.g. whether designated because the steward is a brand holder, a first importer, or other person); the type and amount of Blue Box materials supplied by the steward into the Ontario marketplace; and,
    - Other additional data and information requested by the Authority.
  - Data and information related to the SO Program that is in SO's custody or control shall not be for sale.
- A proposal for identifying confidential or personal data and information and indicating how such data and information will be supplied in confidence when transferring it to the Authority, which will assist the Authority in determining its treatment of such data and information based on applicable law and policies.
- Demonstration and documentation that any party currently having access to SO data and information only retain data that is equivalent to the information that will be shared through a fair, open and transparent process
- The procedures that SO is putting in place to ensure there is no real, potential or apparent conflict of interest in respect of the plan's development, contents or implementation. Without limiting the scope of these procedures, the plan should address:
  - Any real, potential or apparent conflict of interest in respect to SO's relationship with the Canadian Stewardship Services Alliance (CSSA)



- Any necessary steps to ensure that the CSSA does not receive preferential treatment over other potential market participants in respect of Blue Box resource recovery markets that may be created under the RRCEA.
- A description of changes to the SO Program that are anticipated to be necessary to implement the plan.

I am further directing that the plan include the following:

- A detailed report of SO's communications with affected parties and the public during the development of the plan.
- A detailed proposal for a communications plan for all affected parties and the public during the implementation of the plan, if approved, including:
  - The process by which SO will provide information to the affected parties and the public on a regular basis.
  - A description of the key steps that will be taken related to the plan and show how affected parties and the public will be affected by the transition.
- A detailed report of how SO has met the consultation requirements of subsection 14(13) of the WDTA during the development of the plan, including:
  - A list of the stewards, municipalities, Indigenous peoples, service providers and other affected parties that were consulted during the development of the plan.
  - A summary of comments received by SO from affected parties.
  - A report of how the comments were considered by SO in the development of the plan.

**Appendix B**  
**Association of Municipalities of Ontario: Call to Action to Pass a  
 Resolution about Transition of the Blue Box to Full Producer  
 Responsibility**

**From:** AMO President  
**Sent:** December 18, 2019 6:39 PM  
**Subject:** Call for Action to Pass a Resolution about Transition of the Blue Box to Full Producer Responsibility

Dear Mayor/Head of Council:

**RE: Call for Action to Pass a Resolution about Transition of the Blue Box to Full Producer Responsibility**

I would ask your Council to pass a resolution outlining your municipal government's preferred date to transition your Blue Box program to full producer responsibility if provided the opportunity to self-determine (between January 1, 2023 and December 31, 2025). While the Province has not yet determined what mechanism will be used to choose when municipalities will transition, AMO believes your Councils are in the best position to decide when the best time to transition your Blue Box program is based on your specific circumstances (e.g. assets, contracts, integrated waste management system).

**AMO is asking that a Council resolution be passed by June 30, 2020, be directed to AMO and the Ontario Ministry of Environment Conservation and Parks, that specifies:**

1. Your Council's preferred date to transition based on existing service provision (between January 1, 2023, and December 31, 2025);
2. Rationale for transition date;
3. Whether your municipal government is interested in potentially continuing to provide services (e.g. contract management, collection, haulage processing services etc.) or not; and,
4. Key contacts if there are any follow-up questions.

**NOTE: Your Council's stated preference may not be the final determination of your transition date, nor are you obligated in any way by the date that is specified.** Please read the rationale for self-determination (**Attachment 1**), and the example resolution (**Attachment 2**) for more details.

Thank you for your attention and assistance in this matter. If you have any questions or require further information, please contact Dave Gordon, Senior Advisor, at 416 389 4160 or [dgordon@amo.on.ca](mailto:dgordon@amo.on.ca) or Amber Crawford, Policy Advisor, at 416 971 9856 extension 353 or [acrawford@amo.on.ca](mailto:acrawford@amo.on.ca).

Sincerely,

Jamie McGarvey  
 AMO President  
 Mayor of Parry Sound

Attachment 1: Background on Transition to Full Producer Responsibility  
 Attachment 2: Example Resolution on Transition to Full Producer Responsibility

[Note: the attachments referred to above are not included with this CWC report]