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REPORT FOR COMMITTEE CONSIDERATION

TO:	Chair and Members, Environment and Parks Standing Committee	File No.: RECY 1.23
FROM:	Laura Zapotichny, General Manager of Environmental Services	
DATE:	April 8, 2024	
SUBJECT SUMMARY:	Recycle BC Principal Depot Offer Purpose: Consider Offer from Recycle BC for Three Principal Depots <u>Attachments:</u> 1. Backgrounder 2. Depot Onboarding Offer Letter dated April 5, 2024 3. Recycle BC Depot Onboarding Guide 2022 <u>Previous Reports:</u> Item 6.3, February 2024	

RECOMMENDATION(S):

- 1. THAT the report be received.
- 2. THAT the Committee recommend to the Board that the Regional District of Fraser-Fort George (RDFFG) accept the offer from Recycle BC to operate three principal depots at the Quinn Street Regional Recycling Depot, the Valemount Regional Transfer Station, and the Mackenzie Regional Transfer Station.
- 3. THAT the Committee recommend to the Board that the Chair and Corporate Officer be authorized to execute the contractual agreement with Recycle BC by signing the Master Service Agreement and Statement of Work with Recycle BC.

ENTITLEMENT	HOW VOTE COUNTED
All 1 Director/1 vote	Majority
All 1 Director/1 vote	Majority
All 1 Director/1 vote	Majority

ISSUE(S):

At the February 22, 2024 Board Meeting, Environmental Services Administration (ESA) presented three options for consideration for the future administration and operations of the Multi-Material Recycling Service as the current service provider announced that they would not be continuing this service after the contract expires May 31, 2024.

At this meeting, ESA was authorized to enter into negotiations with Recycle BC for the collection, management and marketing of Packaging and Paper Product (PPP) recycling in the Regional District of Fraser-Fort George under the *Recycling Regulation's Extended Producer Responsibility (EPR)* policy.

Recycle BC has two types of service provision: curbside collection and depot operations. Recycle BC has operated the curbside collection model in the City of Prince George since 2014 and will continue to do so independent of the City of Prince George and the RDFFG.

There are two types of depots under the Recycle BC model: principal depots and satellite depots. With a principal depot, Recycle BC is responsible for:

- the provision of bins for collection;
- the hauling of collected recyclables to a multi-sort facility; and,
- the processing and marketing of all collected recyclables.

Satellite depots operate similarly, though the depot operator (the RDFFG if offer is accepted) is responsible for bin provision and hauling costs to the closest principal depot.

The offer from Recycle BC is for the RDFFG to become a principal depot collector at three sites: Quinn Street Regional Recycling Depot, Valemount Regional Transfer Station and the Mackenzie Regional Transfer Station.

If the offer from Recycle BC is accepted, Environmental Services Administration will work with Recycle BC to sign a Master Services Agreement and a Statement of Work. These two documents would form the contractual relationship between Recycle BC and the RDFFG.

The Committee is being asked to recommend to the Board that the Regional District of Fraser-Fort George accept the offer from Recycle BC to operate three principal depots at the Quinn Street Regional Recycling Depot, the Valemount Regional Transfer Station, and the Mackenzie Regional Transfer Station and that the Chair and Corporate Officer be authorized to execute the contractual agreement with Recycle BC by signing the Master Service Agreement and Statement of Work with Recycle BC.

Environmental Services Administration will be in attendance to provide a presentation on the service proposal and the agreement arrangements.

RELEVANT POLICIES:

- 1. Environmental Management Act
 - establishes the requirement for regional districts to undertake solid waste management planning; and
 - provides authority for the Minister to regulate extended producer responsibility (product stewardship) initiatives.
- 2. Recycling Regulation 449/2004
 - establishes implementation of extended producer responsibility (product stewardship) programs in British Columbia.
- 3. 2015 Regional Solid Waste Management Plan
 - establishes stewardship programs as waste management tool; and
 - maintain multi-material drop depots as residential recycling services.
- 4. RD-23-22: Extended Producer Responsibility Programs
 - establishes a framework that defines the Regional District's role in providing waste diversion collection services for Extended Producer Responsibility (EPR) programs.
- 5. Waste Reduction Services Establishment Bylaw No. 2901, 2014
 - establishes the sub-regional service which supports the delivery of the multi-material recycling program.

STRATEGIC ALIGNMENT:

Climate Action Economic Health Indigenous Relations Strong Communities	\ge	Climate Action		Economic Health		Indigenous Relations	\boxtimes	Strong Communities
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None – Statutory or Routine Business

SERVICE RELEVANCE:

The Regional District provides solid waste services for the entire Regional District of Fraser-Fort George including waste diversion opportunities and is committed to supporting waste diversion strategies outlined in the 2015 Regional Solid Waste Management Plan including the opportunity to receive funding through designated EPR organizations.

FINANCIAL CONSIDERATION(S):

The Multi-Material Recycling Service program is funded from the 3305- Solid Waste and the 3307- Waste Reduction budgets. In the 2024 budget, \$459,000 was approved for multi-material recycling services at the Vanway Regional Transfer Station, Quinn Street Regional Recycling Depot and the Foothills Boulevard Regional Landfill and \$510,000 was approved for the rural transfer stations that operate multi-material recycling bins.

OTHER CONSIDERATION(S):

The first step in the new service delivery model with Recycle BC is accepting the offer for three principal depot locations. The anticipated timeline for the implementation and operation of the three principal depots identified is December 31, 2024. Once these depots are established, Environmental Services Administration can work with Recycle BC to identify approved satellite depots within the transfer station network.

There is no proposed timeline for when satellite depots will be operational; however, the RDFFG will work with Recycle BC to expedite the high priority sites, including the McBride Regional Transfer Station, the Foothills Boulevard Regional Landfill, the Vanway Regional Transfer Station and the Cummings Road Regional Transfer Station. Any decision for a transfer station to become a satellite depot would come back before the Board.

DECISION OPTIONS:

- 1. Approve recommendation:
 - a recommendation will be made to the Board that the Regional District of Fraser-Fort George accept the offer from Recycle BC to operate three principal depots at the Quinn Street Regional Recycling Depot, the Valemount Regional Transfer Station and the Mackenzie Regional Transfer Station
 - a recommendation will be made to the Board that the Chair and Corporate Officer be authorized to execute the contractual agreement with Recycle BC by signing the Master Service Agreement and Statement of Work with Recycle BC

Other Option:

a. do not accept Recycle BC's offer for three principal depots in the RDFFG's solid waste services network.
this would result in no multi-material recycling services within the RDFFG's solid waste services network

COMMENTS:

With the Multi-Material Recycling Service Agreement set to expire, a new service delivery model must be found if this service is to continue within the RDFFG transfer station network.

The *Extended Producer Responsibility Policy* under the BC *Recycling Regulation* is intended to shift the cost of recycling away from local governments and taxpayers and onto producers and consumers. Recycle BC is the appointed stewardship agency in British Columbia that is mandated to manage packaging and paper product recycling.

Partnering with Recycle BC would see a change in how the service is delivered in the RDFFG's transfer station network, with a reduction of this service at some sites, but an expansion at others. Further, it would shift some of the costs of this program from the RDFFG to Recycle BC as is intended under the *Recycling Regulation*.

Environmental Services Administration recommends that the Committee recommend to the Board to accept the offer from Recycle BC to operate three principal depots at the Quinn Street Regional Recycling Depot, the Valemount Regional Transfer Station and the Mackenzie Regional Transfer Station and authorize the Chair and Corporate Officer to execute the contractual agreement with Recycle BC by signing the Master Service Agreement and Statement of Work with Recycle BC.

Respectfully submitted,

"Laura Zapotichny"

Laura Zapotichny General Manager of Environmental Services

LZ:jt



BACKGROUNDER

Recycle BC is the not-for-profit stewardship agency that is responsible for residential packaging and paper product recycling throughout British Columbia. Recycle BC ensures packing and paper product is collected from households and recycling deports, sorted and responsibly managed and recycled.

Under the Recycle BC model, there are two types of depots: principal and satellite. All depots must collect a minimum of six collection categories. The individual categories chosen by the depot are approved once included in the Statement of Work between Recycle BC and the depot operator.

Numeric Category Name	Material Type
Category 1	Printed Paper
Category 2	Corrugated Cardboard
Category 3 (a)	Cartons and Paper Cups
Category 3 (b)	Paper Packaging
Category 4	Flexible Plastics
Category 5	White Foam Packaging
Category 5	Coloured Foam Packaging
Category 6	Plastic Containers
Category 7	Metal Containers
Category 8	Glass Bottles and Jars
Categories 1, 2 & 3(b)	Mixed Paper and Cardboard
Categories 3 (a), 6 & 7	Mixed Containers

In the current Multi-Material Recycling Service model, the RDFFG only collects cartons and containers, mixed paper, and cardboard.

Becoming a Recycle BC depot would increase the number of material categories that are collected including foam packaging, flexible plastics, and glass bottles and jars. There is currently nowhere to recycle these materials in the three member municipalities (Mackenzie, Valemount and McBride).

In each depot model, the same amount of material categories must be collected and the same criteria for operating a depot apply; however, at a satellite depot, the owner of the depot is responsible for bin provision and hauling to a principal depot. Once material from a satellite depot arrives at the principal depot, Recycle BC is responsible for the hauling, processing, and marketing of those materials.

A local government wishing to partner with Recycle BC must first establish principal depots with them. Once those depots are established, the RDFFG would work with Recycle BC to identify potential sites that could become satellite depots, including cost modelling for bringing those sites onboard.

CRITERIA FOR OPERATING A RECYCLE BC PRINCIPAL DEPOT

To qualify as a principal depot operator, the following criteria must be met:

- a minimum population of 1000 permanent residents within the service catchment area of the community;
- an already established garbage collection;

- a permanent grocery store, that the community is located more than a 40 km drive from an incorporated municipality with a minimum population of 10,000 permanent residents, as measured by the distance between a central location within the commercial center of the municipality to a central location within the commercial center of the municipality to a central location within the commercial center of the municipality and
- that the community is located more than a 40 km drive from a Recycle BC depot, as measured from the closest Recycle BC depot to a central location within the commercial center of the community (or its closest approximation).

Recycle BC ultimately makes the decision as to which sites they will provide an offer to become a principal depot.

When operating a principal depot for Recycle BC, there are several criteria that depot operators must meet. They include:

- establishing set hours of operation;
- fully staffing the depot collection area when open;
- securing the depot when closed to customers;
- clean up of spilled materials;
- ensuring collected materials are protected from the elements;
- identifying and diverting 'out of scope' materials from institutional, commercial and industrial (ICI) sources; and,
- mitigating contamination to 3% or less, which is determined by conducting random audit samples.

The Quinn Street Regional Recycling Depot, the Valemount Regional Transfer Station, and the Mackenzie Regional Transfer Station all meet these criteria. Additional training for staff and contractors will be required.

CURRENT COSTS FOR THREE PRINCIPAL DEPOT LOCATIONS

The 2023 costs to operate the three sites that have been identified as principal depots are tabulated below:

Site	Hauling	Processing	Bin Rental	Total
Quinn Street Regional Recycling Depot	\$84,084	\$46,266	\$11,025	\$141,375
Mackenzie Regional Transfer Station	\$120,056	\$13,814	\$11,025	\$144,895
Valemount Regional Transfer Station	\$53,161	\$17,926	\$4,410	\$75,497
Totals	\$257,301	\$78,006	\$26,460	\$361,767

The costing provided above is based on market prices from three years ago. If the RDFFG were to tender for the same service, it is likely that the costs for the services listed above would be higher than in the table.

If the RDFFG agrees to these three sites becoming principal depots these are costs borne by Recycle BC.

POTENTIAL OPERATING IMPACTS WITH RECYCLE BC PARTNERSHIP

<u>STAFFING</u>

One of the biggest potential impacts to a partnership with Recycle BC is ensuring that there are adequate staffing levels at the depots.

"A Depot is considered to be "fully staffed" when there are a sufficient number of staff members that the staff are able to (i) regularly check the Containers into which Customers place In-Scope PPP throughout the period of time the Depot is open to Customers, (ii) instruct and direct Customers to place In-Scope PPP in the appropriate Containers or locations, (iii) promptly and regularly remove items that are not In-Scope PPP, (iv) promptly and regularly remove items which Customers or locations, (v) communicate with Customers about contamination problems or improperly sorted In-Scope PPP and (vi) otherwise comply with the requirements of this Agreement."

There are also numerous Customer Service requirements including:

• contractor being responsible for placing signage to assist Customers;

- contractor providing a phone number for customers to call during regular working hours with in-person service and an answering voice mail service for after-hours inquiries;
- maintaining a 24-hour emergency telephone number for use by Recycle BC;
- maintaining sufficient staff to answer phone calls and handle complaints;
- maintaining a log of the complaints and requests of customers;
- responding to complaints within 24 hours of receipt; and,
- ensuring that the complaint logs are available for inspection by Recycle BC during office hours.

In the Statement of Work, Recycle BC outlines their reporting requirements including a complete inventory of the equipment being used by the Contractor to perform the Depot Collection Services, inspections records of each Depot with tonnages and dates on which the Designated Post-Collection Service Provider removed the In-Scope PPP from the Depot, Customer Communications to the Depot Collection Services, provide two reports on associated collection metrics and provide four ad-hoc reports at the request of Recycle BC.

The three identified sites are all currently staffed, with set operational hours. These hours may be adjusted if demand requires, as well as additional staff or contractors may be required to meet the staffing requirements in the Statement of Work. Additionally, there is administrative staff that could potentially take on some of the work outline in the reporting and customer services expectations, but it is possible that an additional staff member may be required to manage the reporting requirements.

HOURS OF OPERATION

All three sites currently operate reduced hours during the winter, with the Mackenzie site only open five days a week. If the offer from Recycle BC is accepted, it may be necessary to open the sites six or seven days a week to maximize the amount of product recovered and ensure the sites are safe for site users.

QUINN STREET: LONG-TERM SITE VIABLITY

Establishing the Quinn Street Regional Recycling Depot as a principal depot for Recycle BC will require an evaluation of the long-term viability of the Quinn Street site. There are concerns about the increased traffic to the site from residential users as well as the site layout, capacity, and the desire of the City of Prince George to have that site back for expansion of their Public Works yard.

Additionally, if other transfer station sites within the region were to become satellite depots, all materials collected within the Prince George region would come to the Quinn Street site as it is the principal depot for storage before collection. The post-consumer collector would pick up all the collected recyclables from this site, increasing the commercial traffic in and out of the Quinn Street site.

Collaboration with the staff at the City of Prince George would be key in developing a new location for a regional or principal recycling depot in the downtown core as well as determining the capital investment necessary for such a site from each organization.

FEES AND EDUCATIONAL TOP UP

In the Statement of Work for Depot Collection Service, Recycle BC will pay Contractors the following amounts for Household In-Scope PPP collected, pursuant to the Statement of Work and made available to the Designated Post-Collection Service Provider for pick-up at a Principal Depot.

(a) The selected (as indicated by an x in the associated check box) per tonne amounts (including, if selected, the additional baled amount), to be invoiced and paid pursuant to the claims submission process in accordance with the terms of the Agreement.

		Depot Collection Financial Incentive					
PPP Description Categories	Materials	PPP	Depot in a munity Without Curbside/Multi- mily Collection	PPP	Depot in a mmunity With Curbside/Multi- mily Collection		Additional ncentive If Baled
			(\$/tonne)	(\$/tonne)		(\$/tonne)	
Category 1	Printed Paper						
Category 2	Corrugated Cardboard		\$138.16		\$94.20		+ \$115.50
Category 3(b)	Paper Packaging						
Category 3(a)	Cartons and Paper Cups						
Category 6	Plastic Containers		\$265.33		\$141.30		+ \$115.50
Category 7	Metal Containers						
Category 4	Plastic Bags and Overwrap		\$1,250.00		\$1,250.00		+ \$660.00
Category 5	White Foam Packaging		\$2,000.00		\$2,000.00		
Category 5	Coloured Foam Packaging		\$2,000.00		\$2,000.00		
Category 8	Glass Bottles and Jars		\$90.00		\$90.00		
Category 9	Other Flexible Plastic Packaging		\$1,250.00		\$1,250.00		+ \$660.00

Under this fee structure, the Mackenzie and Valemount sites would qualify for the "Depot in a community without PPP curbside/Multi-Family Collection" pricing since neither community has curbside Recycle BC pickup. The Quinn Street site would qualify for financial incentives in the second column.

Currently, the RDFFG is paying the full cost to process and market recyclables collected through the Multi-Material Recycling Services program. Under the Recycle BC model, the RDFFG would receive financial compensation for materials collected.

There is also the opportunity for the RDFFG to apply for additional funds to help offset the education of residential users. While many users are familiar with the three waste streams currently collected – mixed paper, cardboard and cartons and containers – a partnership with Recycle BC would include additional waste streams.

(b) If selected (as indicated by an x in the associated check box) the Resident Education Top Up amount as set out in the table below times the Depot Only Baseline to be invoiced and paid in arrears, in equal quarterly payments, provided that Contractor has submitted all applicable claims. The Depot Only Baseline will initially be [●] and may be adjusted from time to time as set forth below.

Top Up available to local governments accepting Depot Collection incentive	\$ per Depot Only Household per Year	
Resident Education Top Up	\$0.75	

In this Attachment 5:

"Depot Only Baseline" means the number of Depot Only Households in Contractor's jurisdiction.

"Depot Only Household" means a self-contained residential dwelling unit located in Contractor's jurisdiction that (i) in the case of a curbside household, does not receive curbside collection from any entity or (ii) in the case of a multi-family household, does not receive multi-family collection from Contractor or Recycle BC (including, for the avoidance of doubt, any contractor who has entered into an agreement to provide multi-family collection for or on behalf of Recycle BC).

On an annual basis on a date to be determined by Recycle BC, and at such other time as the parties may agree, Contractor will, in good faith, report and attest (in a form acceptable to Recycle BC) as to the then-current Depot Only Baseline. Recycle BC may also provide evidence of the then-current Depot Only Baseline. Based on Contractor's attestation and the evidence provided by Recycle BC, Recycle BC and Contractor will work in good faith to mutually agree on the Depot Only Baseline. Any Dispute in establishing the foregoing will be resolved by the Dispute resolution process under the Agreement.

Without limiting Contractor's obligations under this Statement of Work (including without limiting the cost Contractor is required to incur to perform such obligations), the Resident Education Top Up amount must be used for the purpose of providing resident education in respect of the Depot Collection Services.

Requesting educational top ups will be a priority for Environmental Services Administration to help off-set these costs when bringing on this program and new material categories. There will be significant work to educate the public about the acceptance of residential versus industrial, commercial, and institutional waste as ICI is not accepted in the Recycle BC program and ensure compliance so that RDFFG avoids Service Level Failures with Recycle BC as a Depot Collector.

SERVICE LEVEL FAILURES

Recycle BC is the appointed stewardship agency responsible for the collection of residential packaging and paper product recycling. As such, they do not collect or accept material from the industrial, commercial, or institutional waste stream.

The Statement of Work outlines the Service Level Failures and penalties associated with the identified failures by the Contractor.

Contractor will incur the following Service Level Failure Credits on the following Service Level Failures; provided, however, that the aggregate amount of Service Credit Level Failures in respect of any calendar year shall not exceed the aggregate amount of Fees payable to Contractor in respect of such calendar year:

	Service Level Failure	Service Level Failure Credit
1	Failure to clean-up or collect materials that have spilled outside the Depot boundary within 2 hours.	Twice the cost of cleanup incurred by Recycle BC (if Recycle BC performs the cleanup) and \$500 per incident (regardless of who performs the cleanup).
2	Pick up by the Designated Post-Collection Service Provider of materials that contain more than 3% by weight of Not Accepted Materials.	\$5,000 per weigh-scale ticketed load, provided that the aggregate Service Level Failure Credit for this Service Level Failure in respect of any calendar year shall not exceed \$120,000.
3	Contractor delivers In-Scope PPP collected at a Depot to any person or facility (including without limitation a landfill, incinerator or energy recovery facility) other than the Designated Post-Collection Service Provider or otherwise disposes of any In-Scope PPP collected at a Depot without the prior written authorization of Recycle BC.	\$25,000 per incident.

The RDFFG intends to continue to provide an ICI cardboard collection option in Mackenzie, McBride and Valemount in the form of the cardboard compactors. These compactors were installed in 2021 and will provide service to ICI customers in those locations.

In Prince George, commercial customers are already directed to return their cardboard to the Cascades Recovery+ plant.

FUTURE OPTIONS: SATELLITE DEPOTS

Once principal depots are established, the RDFFG can negotiate with Recycle BC for the inclusion of other locations as satellite depots. At satellite depot locations, the RDFFG would have all the same responsibilities and obligations as they do operating principal depots, but additionally, the RDFFG would be responsible for the bin provision at the depot locations, as well as the transportation costs of collected In-Scope materials to a principal depot.

The table tabulates the tonnage collected at the other twelve locations that had multi-material recycling bins in 2023. There are no guarantees that Recycle BC would accept any or all of these locations and they would be evaluated on a site-by-site basis and the capital cost to Recycle BC to accept additional In-Scope materials at the principal depots.

Some locations do not meet the Recycle BC depot standards because of lack of staffing and security. Other locations are too small to expand.

The possibility of expanding Recycle BC would have to be considering in terms of capital costs (providing bins and collection containers), tonnage, hauling costs to the nearest principal depot, infrastructure upgrades and staffing requirements.

Location	2023 Tonnage Collected
Vanway Regional Transfer Station	263
Foothills Boulevard Regional Landfill	193
Cummings Road Regional Transfer Station	57
McBride Regional Transfer Station	53
Shelley Regional Transfer Station	45
Chief Lake Regional Transfer Station	24
Buckhorn Regional Transfer Station	31
West Lake Regional Transfer Station	11
Willow River Regional Transfer Station	7.6
Berman Lake Regional Transfer Station	5.9
Hixon Regional Transfer Station	5.1
Dunster Regional Transfer Station	1.2

Environmental Administration has identified the top six potential sites that could be considered for satellite depots, but discussions with Recycle BC would have to take place to determine their acceptance of these sites.

The Buckhorn Regional Transfer Station has no room for expansion and no space for additional product categories.

The Dunster Regional Transfer Station is not staff, fenced, gated or secured and does not have regular operating hours.

The Chief Lake Regional Transfer Station is only fifteen minutes from the Foothills Boulevard Regional Landfill and the Hart Return-it Depot. The Hart Return-it Depot is already an established Recycle BC depot and it may be possible to secure the Foothills site as a satellite. It is unlikely that Recycle BC would accept another depot in such close proximity to two others.

Similarly, the Shelley Regional Transfer Station and the Cummings Road Regional Transfer Station are less than 20km apart.

With the Quinn Street Regional Recycling Depot operating at a Principal Depot, as well as three private depot locations and curbside collection, ESA is unsure if Recycle BC would agree to two additional satellite depots within the City of Prince George (Vanway and Foothills).

Recycle BC has expressed high interest in bringing the McBride Regional Transfer Station on as a satellite depot. The site meets all the requirements for depot service. Materials collected here would be hauled to the Valemount Regional Transfer Station, a reduction in the current hauling by 118km per trip from the current service provision model.

Any satellite depots would have to be determined once the principal depots are established and fully operational. A decision to pursue satellite depots would come back before the Board before Environmental Services Administration proceeded with those negotiations.



405-221 West Esplanade North Vancouver, BC V2L 1P8

April 5, 2024

RE: Recycle BC Depot Onboarding Offer

Laura Zapotichny General Manager of Environmental Services Regional District of Fraser-Fort George 155 George Street Prince George, BC V2L 1P8

Recycle BC has determined that the Regional District of Fraser-Fort George (RDFFG) is eligible for Recycle BC depot service.

Recycle BC is a not-for-profit organization responsible for residential packaging and paper product recycling throughout British Columbia, servicing close to 2 million households or over 99% of BC through curbside, multi-family and/or depot services. At present, there are over 230 depots collecting residential packaging and paper product under the Recycle BC program.

Recycle BC completed an analysis of our provincial depot system to formalize criteria to guide priorities for additional expansion of depot service. This analysis reviewed rural and remote, as well as urban communities in BC that do not presently include Recycle BC depots, and considered factors such as population, the inclusion of other relevant services, distance to a larger service center and distance to an existing Recycle BC depot.

Recycle BC has concluded that the RDFFG is approved for a Recycle BC depot in 2024 at the following locations, provided that all program requirements and collection standards are met:

- Mackenzie Select Waste Landfill & Regional Transfer Station
- Quinn Street Regional Recycling Depot
- Valemount Regional Transfer Station

Such a depot would need to be staffed, secure during non-operating hours, accept all applicable categories of packaging and paper product, have the capacity to ensure only material from residential sources is collected under the Recycle BC program, and meet all other Recycle BC depot requirements. The Master Service Agreement and Statement of Work are the contractual documents between Recycle BC and collection partners. A sample of the collection agreements can be reviewed here if you are interested in learning more:

Sample Master Service Agreement Sample Depot Statement of Work

405-221 West Esplanade North Vancouver, BC V7M 3J3 778-588-9504

RecycleBC.ca





If the RDFFG is interested in this partnership opportunity or if you require further information, please reach out at your earliest convenience. Note that Recycle BC requires a minimum of 90 days from agreement signature to program launch. We look forward to hearing from you and exploring a depot partnership with the RDFFG.

Thank you.

Sincerely,



Martin Dickson, Collection Specialist, Collection, Interior & North, Recycle BC

cc:

Brendan McShane, Director, Collection, Recycle BC Carmen Fennell, Manager, Collection, Interior & North, Recycle BC



1.0 Background

Recycle BC is a not-for-profit organization, established in 2014 and responsible for residential <u>packaging and paper</u> <u>product recycling</u> throughout British Columbia, servicing over two million households or over 99% of BC through curbside, multi-family and/or depot services.

We ensure packaging and paper product is collected from households and recycling depots, sorted and responsibly managed and recycled. Recycle BC provides recycling services either directly to communities or by working in partnership with local governments, First Nations, private companies, and other not-for-profit organizations. 183 communities participate in our recycling collection program, and more are serviced by our recycling depots. In 2021 over 214,000 tonnes of residential packaging and paper was collected through the Recycle BC program.

Our program is <u>funded by businesses</u>, like retailers, manufacturers and restaurants that supply packaging and paper products to BC residents, shifting costs away from homeowners.

2.0 Purpose

This document is intended to inform prospective and new depot collectors on the onboarding process, time frames, and program requirements when joining the Recycle BC program. Understanding these requirements will assist depot operators in establishing and operating a successful depot collection program in partnership with Recycle BC.

3.0 Depot Network Overview

The depot network consists of depots that are privately owned and operated, managed by local governments, First Nations, non-profit groups, and retail outlets (return to retail model). There are approximatly 230 principal depots located throughout the province in parternship with Recycle BC, collecting in scope residential Packaging and Paper Products (PPP). These depots are located province wide, from very large communities of BC (such as Metro Vancouver) to very rural, remote and island communities. Material transportation, processing, and marketing is provided by the Recycle BC Post Collection Service Provider Green for Life (GFL).

To learn more on the scope of the depot network, follow the link to the Recycle BC Depot Finder Tool:

https://recyclebc.ca/where-to-recycle/find-depot/

Regardless of the size of the community the depot is located in, the collection requirements and standards are the same throughout all depots in the Recycle BC network. The way individual depots operate and engage with residents is largely at the discretion of the depot, pending alignment with program requirements. Understanding the requirements of operating a depot, and the different collection options available to depot operators will aid in the efficient and effective management of the depot program.



4.0 Depot Agreement Requirements

Once a depot is approved, after meeting program criteria and requirements, the owner of the depot is required to enter into a contractual agreement with Recycle BC by signing a Master Services Agreement (MSA) and Statement of Work (SOW). These two documents form the contractual relationship between the depot and Recycle BC.

The MSA is a standard document that outlines the legal requirements of entering into an agreement with Recycle BC, including service standards, insurance requirements and resolution protocols. Specifically, the insurance requirements include:

• Comprehensive General Liability coverage with limits of not less than \$5,000,000

million dollars) per occurrence

- Workers' Compensation Insurance or Workplace Safety & Insurance coverage
- Recycle BC named as additional insured

The requirements in the SOW are for services and performance standards and operational requirements, which are the same for all depot collectors, and include, but are not limited to:

- Establishing set hours of operation
- Fully staffing the depot collection area when open
- Securing the depot when closed to customers
- Cleanup of spilled material
- Ensuring collected materials are protected from the elements
- Identifying and diverting out of scope materials and materials from Institutional, Commercial, and Industrial (ICI) sources
- Mitigating contamination to 3% or less, which is determined by conducting random audit samples

4.1 Understand the SOW

All staff, not just the owners or managers of the depot, should be aware of the contractual obligations in the SOW. Knowing the reason why certain actions must be taken will help staff gain a sense of ownership and responsibility in the program. For example, if staff appreciate that there could be Service Level Failure Credits imposed on the depot because contamination is too high, they may take more care to remove contaminants, especially when they know how detrimental contamination is to the program. Another example is the SOW requirement prohibiting scavenging from collection containers. If staff are aware of this requirement, they can act accordingly by not permitting residents to salvage items, and be able to provide informed reasons why.

5.0 Timing and Expectations for Joining the Recycle BC Program

All depots in the Recycle BC collection network must first be approved for inclusion by Recycle BC as per the criteria and parameters outlined in the Recycle BC Program Plan. Approval is considered based on annual budget allocation



and fulfilling onboarding and criteria requirements. Appendix B outlines the onboarding expectations and associated timelines.

5.1 Accepted Materials

Recycle BC is responsible for managing in scope PPP materials from residential sources only. Segregation of the various PPP categories is a requirement of all depots in the Recycle BC program, and there are two options for what a depot may include in collection:

- 1) Accept all PPP categories
- 2) Accept "depot only" PPP

For collectors that wish to accept all PPP categories, a minimum of six collection categories must be collected. Further segregation is an option if the depot prefers, and the individual categories chosen by the depot are approved once included in the SOW. These material categories include:

Numeric Category Name	Material Type
Category 1	Printed Paper
Category 2	Corrugated Cardboard
Category 3 (a)	Cartons and Paper Cups
Category 3 (b)	Paper Packaging
Category 4	Flexible Plastics
Category 5	White Foam Packaging
Category 5	Coloured Foam Packaging
Category 6	Plastic Containers
Category 7	Metal Containers
Category 8	Glass Bottles and Jars
Categories 1, 2 & 3(b)	Mixed Paper and Cardboard
Categories 3 (a), 6 & 7	Mixed Containers

Depot only materials are the PPP categories that are not accepted in curbside collection programs. If a depot is located in a region with curbside recycling collection servicing the majority of the population, this subset of material collection is an option. A depot that only wishes to collect depot only materials must accept:



Category 4	Flexible Plastics
Category 5	White Foam Packaging
Category 5	Coloured Foam Packaging
Category 8	Glass Bottles and Jars

5.2 Incentive Rate

There are two variations in the SOW informing the incentive rate provided for the collection of the PPP. The incentive rate depends on whether there is curbside collection within the municipality, and whether the material will be collected loose or baled. All material categories are eligible for baling, with the exception of foam packaging.

Depots in municipalities without curbside collection receive more compensation per material type than municipalities with curbside recycling. Depots that choose to bale materials also receive an additional incentive for those materials than depots that choose to ship materials loose. Depots are provided incentives based on a per tonne rate by material type.

Local government depots are provided a resident education top up fee to be used to create signage, brochures, etc. Private depots are supplied with signs and brochures from Recycle BC, and do not receive this top up.

To obtain a full understanding of the Recycle BC Depot SOW, please review the link to the Standard Depot SOW:

https://recyclebc.ca/wp-content/uploads/2021/11/Recycle-BC-Depot-SOW-SAMPLE-2022.pdf

5.3 Satellite Depots

A depot listed on a depot SOW, in which all collection containers are provided by Recycle BC and all collected materials are managed by Recycle BC's Post Collection Service Provider, is considered a principal depot. Some local government collectors also have satellite depots. A satellite depot is an approved depot that collects in scope PPP from residents, which is then transported to a principal depot at the expense of the principal depot owner. A satellite depot must be approved by Recycle BC and must be owned by the collector that owns the principal depot. The material is comingled to the material collected at the principal depot and managed by the dedicated transporter from the principle depot. While satellite depots must be approved by Recycle BC, they are not listed as depots in the collection network and not identified on the Recycle BC website as drop-off locations. Satellite depots are still required to align with collection requirements as per the depot SOW, with one variation. As satellite depots are not recognized depots in the network, satellite depots can choose which material categories are accepted. However, segregation of the categories is still required as per the SOW along with acceptance of in scope material from residential sources only.

6.0 Depot Collection Model

The basic depot collection standard is that collected PPP must be segregated, at a minimum, as outlined in the SOW. Material that is delivered to a depot must be from residential sources only, must be monitored for contamination, and not accepted PPP must be rejected or removed from the collection containers. Depots must be staffed, have designated hours of operation, and be inaccessible when closed.



The approved and provided collection containers for materials are super sacks for the majority of material categories, and liner bags, used solely for the collection of foam packaging, but variations of the collection containers are permitted upon approval by Recycle BC and the post collection service provider GFL. In special situations, or based on large volume generation GFL may suggest alternative options for collection, which may include:

- Overhead bins-for outdoor collection areas that have higher volumes of material. Overhead bins provide covered, enclosed separated storage for PPP that provides more capacity than super sack collection.
- Roll off containers-outdoor collection option for large volumes of material. Ideally roll off containers have lids to keep material dry and contained.
- Compactor bins-for significant volumes of material typically collected outside. Compaction maximizes the space available in the bin by compacting the material as it is being deposited.

6.1 PPP Management

Acceptance criteria of PPP is very important, and staff should receive continual training about accepted PPP. The Recycle BC program accepts only packaging and paper products from individual residents. Which category PPP belongs to is also important and should be reinforced with staff. Signage, brochures, and the Recycle BC website material list are available to assist staff with accepted PPP training.

6.2 Hazardous Materials

Depots must be especially vigilant about monitoring for hazardous items, which can endanger the safety of depot staff as well as staff at receiving facilities. Hazardous items may include:

- Sharps (needles)
- Knives
- Razor blades
- Butane or propane cannisters
- Batteries (including products which contain batteries)

Hazardous materials pose significant challenges not only to depot staff but also transporters and receiving facility staff and machinery. Diligence is needed to ensure these materials are diverted from collection.

6.3 Material Transportation

GFL is the designated service provider chosen by Recycle BC to manage all transportation, processing, and marketing of collected PPP. Depot staff are responsible for contacting GFL when transport of collected PPP is required. Super sacks, liner bags, and bales must be labelled with a dedicated barcode sticker (provided by GFL, and unique to each depot location) that is affixed to the collection container by depot staff prior to pick up. Transporters use this sticker to scan the container and upload data into tracking and reporting software that identifies what the material is, what type of container it is collected in, and where it came from. This sticker is scanned again once the material reaches the receiving facility, the container or bale is weighed, and added to the database for proper reporting.



Payment to the depot is based on weight by material type, so ensuring barcode stickers are affixed to containers and checking that transporters are scanning the barcode stickers prior to containers being removed from the depot is important to guarantee correct compensation for the material collected. Transporters are responsible for the loading of the materials collected from the depot, however they may request assistance if the depot is equipped with a pallet jack or a forklift. It is up to the depot manager if they wish to supply equipment use and staff time to assist with loading.

6.4 Customer Service

Residents are generally happy to have a facility to recycle their packages, and appreciate assistance with sorting and understanding the program requirements. As in any business, there are the occasional customers that are unhappy, and may be argumentative, or disregard staff instructions. Staff should attempt to explain the program requirements to residents in a calm and friendly manner, and offer to assist them with their sorting, or provide them with education materials such as brochures, so they can take the information home with them to learn the requirements.

6.5 Information Management

Once a depot is onboarded with Recycle BC, a Depot Contact and Reference Manual will be provided with all contact information, and details for technical depot operations. A Field Services Specialist is assigned to all depot collectors in the network, and is the main contact person for the depot to answer questions, and direct inquiries to the appropriate department.

All depot owners are given the option to receive log in access to a Collector Resource Portal on the Recycle BC website. The portal contains a variety of information including:

- Brochure and sign templates
- Holiday campaigns
- News items and blogs
- Annual report highlights
- Education videos
- Hazardous item campaigns

6.6 Reporting Requirements

Depot collectors are required to submit reports to Recycle BC as requested, which may include:

- Collection metrics necessary for the calculation of greenhouse gas emissions
- Customer communications related to Depot Collection Services including telephone calls, letters, e-mails, text messages
- Data relating to collection tonnages
- Inventory of collection equipment
- Service Disruption Templates



For any of the above listed reports, the Recycle BC Field Services team is able to provide assistance or further context.



Appendix A: Depot Onboarding Time Frame and Expectations

Phase	Process	Timing
Offer to Join the Recycle BC Program	A prospective depot owner reaches out to Recycle BC to express interest to join. Pending capacity, the depot may be placed on a waitlist for future onboarding. Or;	Ongoing
	On a regular basis, Recycle BC implements a provincial analysis to determine gaps in depot service. When Gaps are identified, Recycle BC will reach out to provide an offer to join.	
Assessment	Review of geographical area and service need is assessed internally	When requests are received
	Upon review, if the depot is viewed as a possible fit, a site visit will be conducted by a Recycle BC representative to walk through program requirements and the onboarding process, assess the depot location and meet the depot owner and staff	Site visits will occur on an agreed upon and beneficial timeframe for all parties



Administrative	Pending a successful site visit, Recycle BC will provide a collector Information Template which will capture all relevant information to develop the contract base. The required information includes:	If all parties agree to proceed with partnership, the information template will be sent shortly after
	 a. Address and contact information b. Material to be collected and how (i.e. baled, loose, roll off containers, super sacks, etc.) c. Whether the depot is in a community with or without curbside collection d. Proposed start date e. Proof of insurance 	
	Additional site changes or development of a Transition Plan may be required pending site observations from the Recycle BC representative.	
	Once the Information Template and the Transition Plan (if required) is completed and returned, Recycle BC will develop an MSA and SOW, inclusive of all provided information for signature, which includes a proposed service commencement date	Timing contingent on receiving the completed information template
	Once fully executed, an agreed upon commencement date will be determined. This will be a minimum 90 days from signed documents being received	Minimum 90 days
Operational	Leading up to commencement, Recycle BC signs and depot brochures will be delivered to the depot	Within 30 days of commencement
	A dedicated Receiving Facility and transporter will be established and communicated to the depot owner	
	The new depot will be added to the Recycle BC website and depot finder tool	Days before commencement
	Prior to service commencement in partnership with Recycle BC, appropriate collection supplies will be delivered for use in collecting Recycle BC materials	Days before commencement



Commencement	Depot begins collection of agreed upon PPP	Agreed upon Commencement date
	Dedicated Field Services Representative checks in on	Shortly after commencement
	operations	



Appendix B: Depot Operation Tips

1. Collectors should consider their corporate procurement policies well in advance of the implementation date to ensure all aspects of depot onboarding have received approval from depot owners, council or board of directors, as required.

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- 2. Recycle BC requires a minimum of ninety (90) days from the date the signed MSA and SOW are received to the launch of the depot collection. This is to ensure adequate time to secure a transporter, designate a receiving facility, and set up data management systems and financial information.
- 3. Allow adequate time to procure collection infrastructure:
 - a. Sorting tables
 - b. Covered collection/storage areas
 - c. Staff to oversee the collection area
- 4. Have signs installed, including sorting signs and hours of operation, in preparation for launch.
- 5. Ensure all collection areas are able to be secured during closed hours (i.e. locked building, fencing, locks on bins as required).
- 6. Promotion of the depot launch in advance of the actual launch date through newspaper ads, social media pages, informing member municipalities, etc., will require preparation of ads and information to be sent out.