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# REPORT FOR COMMITTEE CONSIDERATION

TO:Chair and Members, Environment and Parks Standing CommitteeFile No.: CONT 1.1FROM:Laura Zapotichny, General Manager of Environmental ServicesDATE:February 7, 2024SUBJECT<br/>SUMMARY:Multi-Material Recycling Services – Future Considerations<br/>Purpose: Consideration of Service Provision for Multi-Material Recycling<br/>Attachments: Backgrounder – Multi-Material Information<br/>Previous Reports: Item No. 6.6, February 2021

### **RECOMMENDATION(S):**

THAT the report dated February 7, 2023 regarding "Multi-Material Recycling Services – Future Considerations" be received for information.

## ISSUE(S):

In May 2023, Cascades Recovery+ approached Environmental Services Administration with the announcement that they are restructuring their Northern British Columbia operations and will be curtailing refuse and recycling bin hauling services. Cascades Recovery+ currently has a Service Agreement with the Regional District of Fraser-Fort George (RDFFG) to provide Multi-Material Recycling Services, which includes bin provision, bin hauling, processing and marketing of the thirty-eight multi-material recycling bins throughout the RDFFG's transfer station network. This Service Agreement expires on May 31, 2024, and will not be renewed by Cascades Recovery+.

There are three options for the Board to consider for this service:

Option One – Public Tender Process.

- Environmental Services Administration puts out a public tender to secure bin rental and hauling services for multi-material recycling bins. Environmental Services Administration would also need to negotiate a separate processing and marketing agreement for collected recyclables.

Option Two – Recycle BC.

- Environmental Services Administration would enter into negotiations with Recycle BC, the stewardship agency approved to manage the Printed Paper and Packaging waste stream under the Recycling Regulation.

Option Three - No Service.

- The Board could discontinue the Multi-Material Recycling Service.

The Committee is being asked to provide Environmental Services Administration with direction on the preferred option for service delivery for multi-material recycling services. Once direction is given, Environmental Services Administration will return to the Board with costing, program information and timelines for implementation of the preferred option.

## **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.

ENTITLEMENT	HOW VOTE COUNTED		
All 1 Director/1 vote	Majority		

- 2. Recycling Regulation 449/2004
  - establishes implementation of extended producer responsibility (product stewardship) programs
- 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:

$\boxtimes$	Climate Action	Economic Health	Indigenous Relations	$\square$	Strong Communities
	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. The Multi-Material Recycling Service is consistent with the 2015 Regional Solid Waste Management Plan.

# FINANCIAL CONSIDERATION(S):

The operation and delivery of the Multi-Material Recycling Services provided in the electoral areas and member municipalities (excluding the City of Prince George) are funded through the sub-regional (3307) Waste Reduction Services budget. Multi-material Recycling Services provided at the Foothills Boulevard Regional Landfill, Vanway Regional Transfer Station and the Quinn Street Regional Recycling Depot are funded through the region wide (3305) Solid Waste Management budget.

Due to the contract ending with Cascades Recovery+, and the unknown service delivery model for the collection, hauling, processing and marketing of these materials, the cost of this service is currently unknown.

# OTHER CONSIDERATION(S):

The Multi-Material Recycling Service was established to provide collection of printed paper and packaging to residential customers throughout the Regional District. In the member municipalities, recyclable material is also accepted from industrial, commercial, and institutional (ICI) customers, due to limitations in local alternatives.

The RDFFG remains one of the only regional districts without a service agreement with Recycle BC, the stewardship agency that is responsible for the collection of Printed Paper and Packaging. Recycle BC has made two formal offers to join their program, (2013 and 2017) both of which have been turned down by the RDFFG Board.

## **DECISION OPTIONS:**

- 1. Approve recommendations.
  - that the report be received.

## **COMMENTS:**

As the service agreement with Cascades Recovery+ is set to expire on May 31, 2024, consideration needs to be given for the future provision of Multi-Material Recycling Services at the Regional District transfer station facilities. With

direction from the Committee, Environmental Services Administration will report back to the Board with costing and timelines for the preferred option.

Respectfully submitted,

"Laura Zapotichny"

Laura Zapotichny General Manager of Environmental Services

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# BACKGROUNDER – MULTI-MATERIAL INFORMATION

The Multi-material Recycling Services is a long-standing service that has seen various iterations over twenty-nine years of service delivery. In 2014, the delivery of the Multi-material Recycling Services was reconfigured to include rural transfer station sites that had not previously provided recycling services.

Cascades Recovery+ has been the primary service provider (formerly Cascades Recovery Inc, formerly Metro Paper). This long-standing business relationship with Cascades Recovery+ has allowed the Regional District to maintain the service provision for multi-material recycling through market uncertainties. The current Multi-material Recycling Services provides collection of printed paper and packaging to rural communities which includes both residential and commercial sources.

The Multi-Material Recycling Services Agreement with Cascades Recovery+ expires on May 31, 2024. Cascades Recovery+ had stated that they will not be renewing this contract. A new service provision model will have to be undertaken for the continuation of this service.

There are three possible options for the Board to consider for this service.

#### Option 1: Public Tender for continuation of current service delivery model

In this option, Environmental Services Administration would tender a contract for the provision of the multi-material recycling bins and hauling of bins to the multi-sort recycling facility in Prince George. This option would most closely resemble the current service agreement.

Unlike the past contracts where all aspects of this service were provided by one service provider, Environmental Services Administration would need to enter into a separate agreement for the processing and marketing of the collected recyclables.

There are currently thirty-eight multi-material recycling bins in service. Replacement of thirty-eight specialized bins could be expensive and time consuming. It is likely that there would be a disruption in service to allow for a new contractor to be able to provide all the bins required to meet the service standards in the contract.

It is possible that an interested contractor could enter into negotiations with Cascades Recovery+ to purchase the multimaterial recycling bins they own; therefore, reducing the cost to provide new ones, but there are no guarantees that any contractor will undertake this, nor that Cascades Recovery+ is willing to sell the bins.

If new bins are required, they will take time to manufacture.

There is also the possibility that no contractor would bid on either the provision of bins and hauling contract, or the processing and marketing of recyclables contract.

This option would likely significantly increase the cost of this service, although the transfer stations with recycle bins would remain the same. It is also likely that this option would result in a delay of service, as the RDFFG moved from Cascades Recovery+ to a new service provider. The full cost of the bin replacement/purchase would likely be factored into a five-year contract, thus increasing the price to the overall contract from where it has traditionally been.

#### Option 2: RDFFG enters negotiations with Recycle BC

Under this option, Environmental Services Administration would explore entering a partnership with Recycle BC to provide services for Printed Paper and Packaging (PPP) under the Recycling Regulation's Extended Producer Responsibility.

Past negotiations with Recycle BC have indicated an on-boarding time of anywhere between 18 to 24 months, however no timelines have currently been established. Additionally, Recycle BC has recently made changes to their service provision model and there are no guarantees which transfer station sites would be selected for a depot of the current transfer stations that operate a RDFFG multi-material recycling bin.



If the RDFFG were to sign on with Recycle BC, all five identified recyclable steams for Recycle BC would have to be collected, including Styrofoam and soft plastics. All sites that operate Recycle BC depots must have staff and at a minimum a bin collection system that is secured.

Under Recycle BC's contracts, no commercial recyclables are allowed in the waste stream.

If Recycle BC is the option that is preferred, the RDFFG would look to continue to operate the cardboard compactors at the three member municipalities of Valemount, Mackenzie, and McBride for industrial, commercial, and institutional drop off. These compactors were installed in 2021 and would require a hauling, processing and marketing contract separate from Recycle BC.

There will need to be oversight of these collection programs to ensure a low rate of contamination to avoid penalties from Recycle BC, as well as an educational campaign.

This option would likely increase operational costs at sites selected for a Recycle BC depot but reduce hauling costs, as Recycle BC is responsible for hauling costs from their principal depot sites.

This is the only option that expands the current list of materials accepted. While it would likely result in a reduction in the number of depot locations, the expansion of products such as glass, Styrofoam and soft plastics are desired by residential users of the facilities and would expand the current list of materials for diversion and is in alignment with the Regional Solid Waste Management Plan.

If this is the option Board would like to pursue, Environmental Services Administration would begin talks with Recycle BC and report back to Board with more information.

#### Option 3: Cease multi-material recycling bin service within the RDFFG transfer station network.

This option would see Board make the decision to cease the provision of this service within the rural transfer station network. This option goes against the Regional Solid Waste Management Plan which is committed to providing waste reduction services throughout the RDFFG.

#### **Conclusion**

Environmental Services Administration is looking for direction from the Board on how to proceed with the Multi-Material Recycling Service. Cascades Recovery+ has committed to providing service for this contract until May 31, 2024, giving time to explore options for service delivery.

Environmental Services Administration will return to Board with more information based on the direction given by Board at the February 2024 meeting. This information will include operational costs, capital costs and staffing costs, as well as timelines for service implementation.