



# Recycling Collection from Non-Eligible Sources

**Public Works Committee**

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# Background – Why Are We Here?

- Ontario Regulation 391/21 shifted responsibility for residential Blue Box program from municipalities to Producers
- Currently, recycling collection is offered to both eligible and non-eligible sources (residential and small business, respectively)
- Material is co-collected on the same truck and routes
- Both property types will have Blue Box service until Dec. 2025
- Starting Jan. 1, 2026, management of the Blue Box program transitions to Producers and recycling is no longer a municipal responsibility
- Starting Jan. 1, 2026, Producers will not collect recycling materials from non-eligible sources

# Eligible vs Non-Eligible Sources

## Eligible Sources



Single-family homes



Seasonal dwellings



Multi-unit residential bldgs



Public & Private schools



Specified retirement & long-term care homes

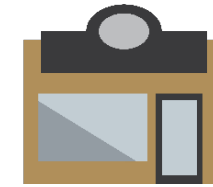


Specified public spaces

## Non-Eligible Sources



Municipal bldgs. / facilities (e.g. libraries, arenas)



Industrial / commercial incl. in mixed use bldgs



Not-for-profits



Campgrounds/ trailer-parks (w/o perm. / seasonal households)

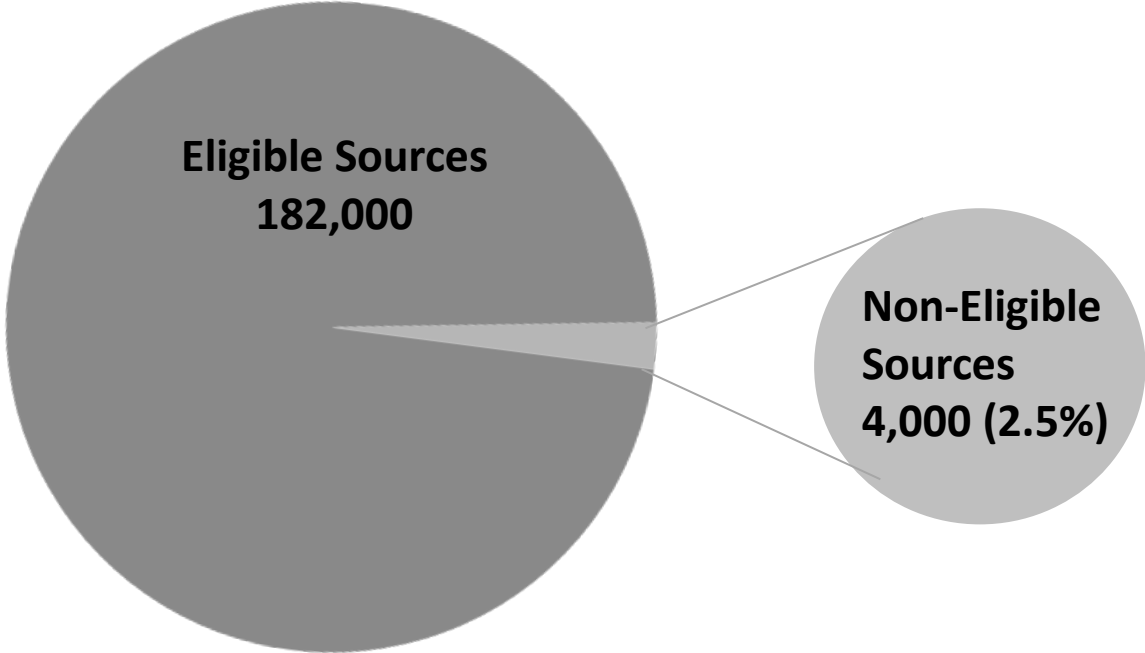


Commercial Farms



Places of worship

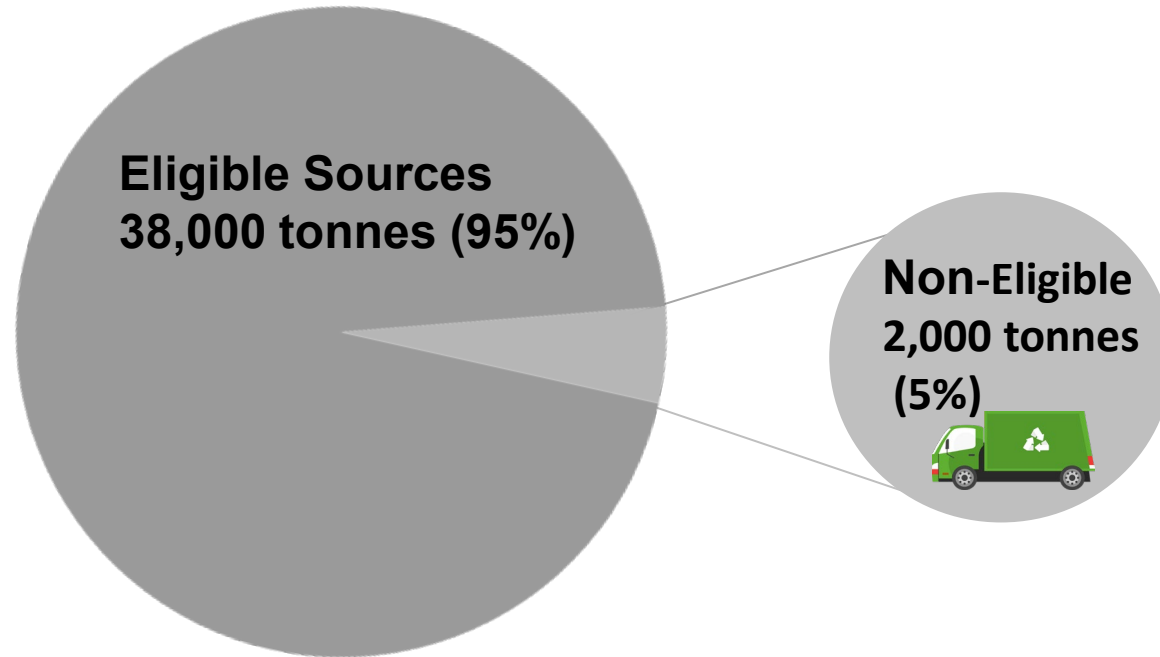
# Niagara Region Non-Eligible Sources



Half of Non-Eligible Sources use public recycling services today.

- 2/3<sup>rd</sup> NES outside DBA
- 1/3<sup>rd</sup> NES inside DBAs

# Niagara Region - Non-Eligible Source Recycling Tonnes



Non-Eligible source recycling equates to one truckload per day

**Total tonnes: 40,000**

# Service Level Options After 2025

- Provide Separate Collection with no Collection Day Changes
- Provide Separate Collection with Route Optimization – recycling collected on different days than garbage & organics outside the DBA
- Provide Separate Collection Inside DBA Only
- Local Area Municipalities Pay – continue to provide the current enhanced collection services to four municipalities only
- Allow recycling services to lapse when recycling collection fully transitions to Producers

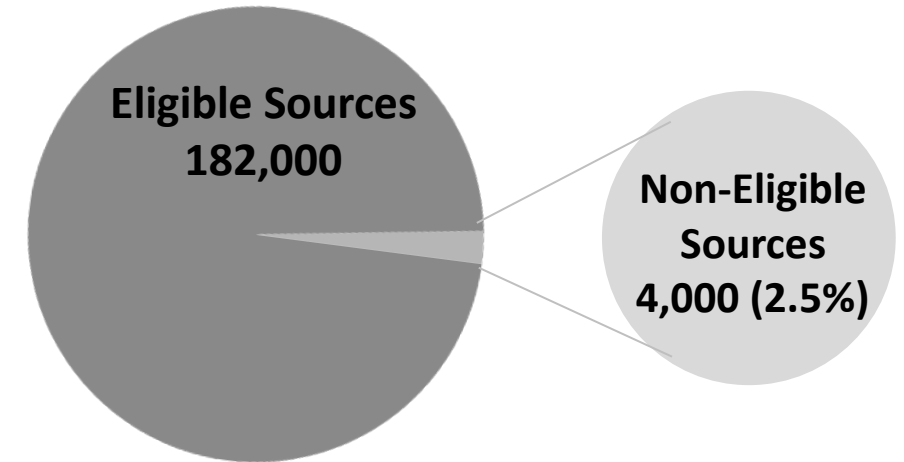
# Comparison of Annual Cost to Collect & Process NES Recycling

Option	New Cost	Current Cost	Change (\$)	Change in Cost (%)
Provide separate collection w/ no collection day changes	\$3,452,529	\$1,461,600	\$1,990,929	+136%
Provide separate collection w/ route optimization	\$2,858,957	\$1,461,600	\$1,397,357	+96%
Provide separate collection - Inside DBAs Only	\$854,323	\$1,461,600	(\$607,277)	-42%
LAMs pay – Pricing only covers four (4) municipalities currently receiving service	\$231,580	\$1,461,600	(\$1,230,020)	-84%
Allow recycling service to lapse after 2025	\$59,936	\$1,461,600	(\$1,401,664)	-96%

# Budget Impacts – Options for NES

2026 Forecast per CSD 44-2024	2026
Net Budget Requisition (in millions of dollars)	\$47.9
% Increase	5.2%

2026 Forecasted Net Budget Requisition Based on Options for Non-Eligible Sources	2026
Separate Collection w/ No Change	9.6%
Separate Collection w/ Route Optimization	8.3%
Separate Collection Inside DBA Only	3.9%
Allow Services to Lapse after 2025	2.1%





# Outreach to Non-Eligible Sources

1. Staff hosted two (2) webinars to engage local chambers of commerce, DBA associations and other community partners
2. Staff participated in one Regional BIA meeting
3. Presentation providing background information and a call to action to address service gap with province
4. Some participants expressed concerns with services being discontinued
5. Participants dissatisfied with regulations that would affect their services

# Recommendation: Allow recycling collection services to lapse

## Rationale

- Cost increase of ~140% to continue - mitigate high costs and the impact on the taxpayer, starting in 2026
- Future cost avoidance of \$3.5M / yr. until 2029
- Timing - Opportunity to remove discretionary service; focus on mandated programs e.g. green bin
- Province should be addressing service gap
- Avoid creating different service levels (inside vs. outside DBA). Option remains for LAMs to fund higher service levels in targeted areas

# Next Steps

- Develop a comprehensive communications plan
- Continue advocacy to include businesses in EPR program
- Continue to promote programs under Region's mandate
- Report to PWC later this year with recommendations on Blue Box collection; additional services not provided by the Producer program after Jan. 1, 2026
  - Drop off depots
  - Special events
  - Public space recycling collection