

Recommendation:

That the report C.A.O.-2025-25, dated December 2, 2025, regarding the future of recycling and non-eligible source materials be received; and

That Council approve the change order received from Circular Materials Ontario(CMO) regarding Depot Operations Agreement authorized in By-law 2023-51; and

That Council direct the Mayor and Clerk to sign the change order as requested by Circular Materials Ontario (CMO); and

That Council approve By-law Number 2025-43 to authorize the lease agreement with Waste Connections Canada Inc., at the appropriate time during the meeting; and

That staff be directed to work with Waste Connections Canada Inc. to ensure that they are accepting Non-Eligible Source materials at their leased site at 348 County Road 6.

Overview:

Ontario's shift towards full Producer Responsibility for dealing with recyclable materials begins January 1, 2026. At that time, recycling programs in Douro-Dummer will be impacted in the following ways:

- Curbside collection of eligible sources (Residential properties) will continue in the same way it is being done currently.
- Non-eligible source recycling materials from Industrial, Commercial or Institutional properties that were being collected curbside will no longer continue to be collected.
- Hall's Glen Transfer Station will continue as recycling drop-off point for 248 Residential properties that are not included in the curbside collection program because they are located on private roads or islands.

In 2023, Circular Materials Ontario (CMO) reached an agreement with the Township to use our existing Depot at the Hall's Glen Transfer Station as a recycling drop-off point as it transitioned to full responsibility in 2026. The Township of Douro-Dummer entered into a Depot Operations Agreement (DOA) with CMO through By-law 2023-51 (**Attachment 1**), which allowed for the use of the Hall's Glen Transfer Station as a recycling drop-off point. During this contract, the co-mingling of eligible and non-eligible source material was allowed with a small payment to the Township for both the hosting the receptacles and to provide education to residents. This agreement has been positive to date and in Q3 of this year CMO indicated it would like to extend the contract for eligible source materials through to 2028. To this end, the Township recently received a Change Order (**Attachment 2**) from CMO as per the Change Management clause from the DOA.

The change notice includes the following:

- Extension to use the current depot at the Hall's Glen Transfer Station from 2026 through 2028 to ensure residents continue to have access to Blue Box services where they rely on a depot for garbage disposal.
- Removal of references to Non-Eligible Sources.
- Referenced Blue Box material as defined in the regulation.
- Scope of Promotion and Education Services.
- Compensation for Depot Operation Services effective January 1, 2026, which would reduce our payments from \$3,699 to \$2,226.

As a result, the Hall's Glen Transfer Station will no longer be able to accept non-eligible source materials as the Township would be responsible for dealing with these materials should they come to our site. Instead, staff are proposing that the Township work with Waste Connections Canada to have them receive non-eligible source materials at their leased depot located at 348 County Road 6. These materials would be collected for a small tipping fee passed on to the user. Currently, in many instances, the end consumer who is recycling non-eligible source materials already pays for the removal of the materials and only a small few receive curbside collection, including the Township office in Warsaw. Now all non-eligible source materials will no longer be eligible for curbside collection. The Township will have to manage disposal at a limited number of our sites (including Townhall) and it is projected that the costs associated will be negligible.

The lease for the depot located at 348 County Road 6, recently came up for renewal. Township staff along with the Township's legal team have crafted a new lease for the depot which has been presented to Waste Connections Canada Inc. This new lease provides compliance with all updated waste management legislation, sets out clear direction on the responsibilities of both parties, steps for dispute resolution along with updates to emergency response directives and site security measures. A By-law is included on the agenda for Council to review and direct staff to execute the new lease.

Conclusion:

With full producer responsibilities taking effect on January 1, 2026, CMO requires an update to their current DOA to extend the use of the Hall's Glen Transfer Station to allow for the collection of eligible source materials from Residential locations in Douro-Dummer not serviced through the curbside collection program.

Financial Impact:

Minor costs associated with managing the non-eligible source materials generated at Township sites that have previously enjoyed curbside collection.

There will be an estimated 30% reduction in revenues associated with the change order for the DOA. This is generally passive revenue for the Township, and it helps to offset our responsibilities for educating the public about recycling. Most of this education was provided in 2023 to residents about the changing nature of recycling in Douro-Dummer and the Province of Ontario has projected that the cost to deliver future educational materials and information should be less.

The new lease for the County Road 6 depot if approved, will be a continuing source of revenue for the Township.

