



Regional Board Report

Request for Decision

To: Regional Board

From: Director of Engineering Services

Date: February 2, 2023

Subject: Recycle BC Update

Voting Entitlement: All Directors – Unweighted Corporate Vote – Simple Majority (LGA s.208)

Purpose: To advise the Board on the state of Recycle BC programs within the Regional District, including opportunities for advocacy.

Executive Summary:

Recycle BC is responsible for residential packaging and paper recycling in BC. The Regional District and Member Municipalities collect recycling at curbside and at transfer stations on behalf of Recycle BC in return for financial compensation via a service agreement. As part of this agreement, contamination rates within collected recycling must be below 3%.

Contamination includes items such as garbage, books, textiles, electronics, scrap metal, hazardous waste, and construction debris that end up in recycling. 2021 through to mid-2022, the RDCO and Member Municipalities developed and worked through Contamination Remediation Plans with Recycle BC. Each plan persisted for approximately 12 months, after which Recycle BC determined if penalties would apply for future contamination. After consideration, Recycle BC determined penalties would apply for Kelowna and West Kelowna for future contamination beyond approximately 6%. Q4 2022, RDCO member municipalities lost \$40,000 in Recycle BC revenue through financial penalties levied by Recycle BC for contamination.

In 2022 due, in part to the risk of financial penalties, the Regional District and Member Municipalities formally requested transition to Direct Service with Recycle BC. Transition to Direct Service is planned to occur April 2026. Once transitioned, the RDCO and Member Municipalities will no longer be responsible for curbside recycling collection, or associated contamination and penalties.

In January 2023, Recycling Regulations expanded in BC, including new recyclable products and reducing contamination potential by including packaging-like and single-use items. This has expanded the types of recyclables that are acceptable at curbside and at regional recycling depots.

On September 29, 2022 Recycle BC released, for consultation, the draft “Packaging and Paper Product Extended Producer Responsibility Plan” (Draft Plan). The Draft Plan, as written, could exclude many existing depots in our communities. This would potentially eliminate funding for recycling depots, effectively shifting costs for the collection of EPR products onto Central Okanagan local government.

The Regional Solid Waste Technical Advisory Committee, containing expert staff resources from each Central Okanagan Municipality and the RDCO, opposed the changes to eligibility criteria through the normal consultation process. RDCO staff also recommend that the Board consider advocacy against the proposed changes.

Recommendation(s):

THAT the Regional Board receive the report from the Director of Engineering Services titled Recycle BC Update, dated February 2, 2023;

AND THAT the Regional Board authorize the Chair to send a letter to the Ministry of Environment opposing the changes proposed by Recycle BC that would eliminate existing Recycle BC Depots within the Central Okanagan, and shift costs for the collection of Extended Producer Responsibility onto local governments.

Respectfully submitted by: Travis Kendel, Manager of Engineering Services

Approved by:



David Komaika
Director of Engineering Services

Attachment(s):

1. Recycle BC Consultation Draft
2. PowerPoint Presentation

Strategic Plan Alignment:

Priorities: Environment, Sustainable Communities

Values: Collaboration, Regional Perspective

Background:

Recycle BC is a not-for-profit organization responsible for residential packaging and paper product recycling throughout British Columbia, servicing over two million households or over 99% of BC.

Recycle BC ensures 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.

The Recycle BC program is funded by businesses, like retailers, manufacturers and restaurants that supply packaging and paper products to BC residents, shifting costs away from homeowners.

The Regional District collects recycling at curbside and transfer stations on behalf of Recycle BC in return for financial compensation. The terms of service, compensation, and penalties for non-performance are outlined within a formal agreement. That agreement requires that the recycling collected contain less than 3% contamination, should contamination rise beyond that, financial penalties would apply.

Contamination includes items such as garbage, books, textiles, electronics, scrap metal, hazardous waste, and construction debris that end up in recycling.

2021 through to mid-2022, the RDCO and Member Municipalities developed and worked through Contamination Remediation Plans with Recycle BC. Each plan persisted for approximately 12 months, after which Recycle BC determined if penalties would apply for future contamination. After consideration, Recycle BC determined penalties would apply for Kelowna and West Kelowna for future contamination beyond approximately 6%.

Q4 2022, RDCO member municipalities lost \$40,000 in Recycle BC revenue through financial penalties levied by Recycle BC for contamination; \$30,000 in penalties applied to the City of West Kelowna (6 penalties), and \$10,000 in penalties applied to the City of Kelowna (2 penalties). Other communities in BC are also being penalized for contamination, with one lower mainland community receiving 24 penalties in 2022.

In 2022 due, in part because of the risk of financial penalties, the Regional District and Member Municipalities formally requested transition to Direct Service with Recycle BC. Transition to Direct Service is planned to occur April 2026. Once transitioned, the RDCO and Member Municipalities will no longer be responsible for curbside recycling collection, or associated contamination and penalties.

Expanded Recycling

In January 2023, Recycling Regulations expanded in BC, including new recyclable products and reducing contamination potential by including packaging-like and single-use items. Previously disposed of materials such as paper pinatas, plastic solo cups, coat hangers, plastic flowerpots, and plastic utensils are now recyclable at curbside.

At Recycle BC depots, the program was improved to consolidate flexible plastics into a single category. Depots now accept the following additional items under the regulation expansion:

- Reusable Plastic Shopping Bags
- Styrofoam Cups
- Squishy, non-Styrofoam packaging
- Zipped Bags

Proposed Changes:

On September 29, 2022 Recycle BC released, for consultation, the draft “Packaging and Paper Product Extended Producer Responsibility Plan” (Draft Plan).

Under the Draft Plan, the District of Peachland and District of Lake Country would become eligible for depots; however, the Draft Plan could exclude many existing depots in our communities. Additionally, although Peachland would be eligible for a depot under the new criteria, the criteria does not guarantee

that a depot would be sited in Peachland. Loss of depot eligibility in West Kelowna could mean Peachland residents would have to travel a minimum of 18 km to the nearest eligible depot in Kelowna

The following is a summary of which existing depots would continue to be eligible and which would no longer be eligible under the proposed Draft Plan (as provided by Recycle BC):

Depot	Community	Meets New Criteria
Glenmore Landfill Depot	Kelowna	Yes
North Westside Depot (NWS)	RDCO – Electoral Area West	Yes, if Trader's Cove removed
Traders Cove Depot	RDCO – Electoral Area West	No
Westside Transfer Station Depot	West Kelowna	No
Planet Earth Recycling	West Kelowna (private depot)	No
Boucherie Bottle Depot	West Kelowna (private depot)	No
Columbia Bottle Depots	Kelowna (private depots)	Yes

RDCO Administration and other communities throughout the province have voiced concern with the Draft Plan as part of the normal engagement process.

Given the significance of these changes to the Central Okanagan, and the potential that the funding changes will effectively shift costs for the collection of EPR products onto Central Okanagan local government, staff are recommending the Board consider opposing the proposed eligibility criteria within the Draft Plan.

Considerations:

Organizational/External:

- Proposed changes by Recycle BC for Recycle Depots may impact the viability of some community Recycling Depots, both RDCO and small business run.

Financial:

- Proposed changes by Recycle BC for Recycle Depots may shift service costs onto Local Governments, if services are maintained.
- Financial Penalties levied by Recycle BC in response to Recycling Contamination reduce revenue paid by Recycle BC to the RDCO and Member Municipalities for residential recycling programs.

Alternate Recommendation:

THAT the Regional Board receive the report from the Director of Engineering Services titled Recycle BC Update, dated February 2, 2023, for information.

Considerations not applicable:

- Legal/Statutory Authority

Approved for Agenda



Brian Reardon, CAO