TORONTO

REPORT FOR ACTION

Joint Collection Schedule Discussions with Circular Materials

Date: June 23, 2025

To: Infrastructure and Environment Committee

From: General Manager, Solid Waste Management Services

Wards: All

SUMMARY

The purpose of this staff report is to provide City Council with an update on their direction for staff to engage Circular Materials in discussions on the feasibility of collaborating on a cost-shared joint waste collection schedule to include recycling collection information for residential curbside collection customers in 2026 and/or future years. This report seeks delegated authority for the General Manager, Solid Waste Management Services, to enter into an agreement with Circular Materials for a joint collection schedule, should negotiations be successful.

RECOMMENDATIONS

The General Manager of Solid Waste Management Services recommends that:

1. City Council authorize the General Manager, Solid Waste Management Services to negotiate and execute any agreements and related documents necessary with Circular Materials (the Blue Box Program Administrator) and/or their designate to receive payment for incorporating curbside recycling collection day information provided by Circular Materials and/or their designate into the City of Toronto's waste collection schedule for up to 5 years starting with calendar distribution year 2026 on terms acceptable to the General Manager, Solid Waste Management Services, and in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

There are no immediate financial impacts resulting from adoption of this report. Joint collection schedule discussions with Circular Materials are ongoing and financial details have yet to be addressed. Should negotiations with Circular Materials result in an agreement to proceed with a joint collection schedule, the City of Toronto will receive revenue from Circular Materials to partially offset the production and delivery costs associated with its waste collection schedule.

Future financial impacts resulting from direction(s) received through this report will be reported back to City Council as part of future budget processes.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information as presented in the Financial Impact Section.

DECISION HISTORY

At its meeting on April 23 and 24, 2025, City Council adopted item IE20.5 titled "Transition of the Blue Box Program to Extended Producer Responsibility: Post-Transition Update". Amongst other decisions, City Council directed the General Manager, Solid Waste Management Services, to report back to the Infrastructure and Environment Committee on the feasibility of a collaborative cost-shared joint calendar with Circular Materials for 2026 and/or future years.

The City Council Decision document can be viewed at: https://secure.toronto.ca/council/agenda-item.do?item=2025.IE20.5

COMMENTS

As result of the *Resource Recovery & Circular Economy Act, 2016,* and *O. Reg. 391/21: Blue Box*, management of blue box materials (also referred to as recycling) from eligible sources (including low-rise residential properties, City-serviced multi-rise residential properties, schools and long-term care facilities) is now a producer administered and provincially regulated program, distinct from Green Bin organics and garbage bin that the City still administers and regulates through by-laws. Circular Materials is a Producer Responsibility Organization (or "PRO") and the recycling program administrator, acting on behalf of all PROs and their producer members, to ensure that blue box materials from eligible sources in Toronto is managed.

The City was contracted by Circular Materials to provide recycling collection, receipt, transfer, haulage, customer service, and promotion and education services during the transition to Extended Producer Responsibility from July 1, 2023 until December 31,

2025. As of January 1, 2026, producers will become fully responsible for the management of all Blue Box Materials from eligible sources across Ontario.

Following the expiration of the City's Transition Agreement with Circular Materials on December 31, 2025, from 2026 onwards, Circular Materials is responsible for developing and circulating printed recycling collection information annually, including, amongst other requirements, the dates on which collection will occur for residential households and other eligible sources. Circular Materials approached the City, with an agreement to include recycling collection day information in the City's garbage, organics, and yard waste residential curbside collection schedule for 2026, in exchange for paying the City for costs incurred.

As directed by City Council at their April 23 and 24, 2025 meeting, Solid Waste Management Services staff are currently in discussions with Circular Materials to examine the feasibility of incorporating Circular Materials' recycling collection day information into the Division's waste collection schedule for 2026. For other aspects of this transition and future residential recycling operations, City Council has directed staff to keep City involvement and identify (e.g. Toronto logo) separate from that of Circular Materials.

The possibility of issuing a joint collection schedule is dependent on reaching an agreement with Circular Materials and that Circular Materials can finalize their recycling collection schedule to align with the City's schedule for design, printing, and distribution of the collection schedule.

Negotiations and agreement execution must be complete by August 1, 2025. Furthermore, Circular Materials' confirmation and supply of their collection schedule details must be complete by August 1, 2025 to meet the City's critical design and printing deadlines, as it will be an essential term in the agreement. If these actions cannot be reached by this time, the City will be unable to incorporate the recycling day information into its collection schedule for 2026. The City must move ahead with the production of schedules to ensure residents receive their collection information prior to January 1, 2026.

Due to the limited timeframe to complete negotiations, staff are seeking delegated authority for the General Manager, Solid Waste Management Services, to enter into an agreement with Circular Materials. However, execution of an agreement is contingent on successful negotiations being completed by August 1, 2025.

Staff will report back to City Council in Q4 2025 on the outcome of negotiations and the associated financial impact, if an agreement was reached.

CONTACT

Charlotte Ueta, Director (Acting), Policy, Planning & Outreach, Solid Waste Management Services, Telephone: 416-392-8506, Fax 416-392-4754, Email: Charlotte.Ueta@toronto.ca

Michael Skaljin, Project Director (Acting), Business Transformation, Extended Producer Responsibility, Policy, Planning & Outreach, Solid Waste Management Services, Telephone: 416-392-8517, Fax: 416-392-4754, Email: Michael.Skaljin@toronto.ca

SIGNATURE

Matt Keliher General Manager Solid Waste Management Services