

September 13, 2013
Our File: 11-5380-01/000/2013-1
Doc #: 1547049.v1

The Honorable Mary Polak
Minister of Environment
PO Box 9047
Stn. Prov. Govt.
Victoria BC V8W 9E2

Dear Minister Polak:

RE: Multi-Material BC Packaging and Printed Paper Stewardship Plan

I write to you on behalf of City of Coquitlam Council regarding a number of aspects of the Packaging and Printed Paper (PPP) Stewardship Plan that Multi-Material BC (MMBC) is currently in the process of implementing. For your reference, I have included a copy of our previous letter to you, dated August 1, 2013, which summarizes some of the City's concerns regarding the implementation of the PPP Stewardship Plan. Coquitlam City Council also recently received a comprehensive report from staff on this issue that includes a number of recommendations, all of which were unanimously supported by Council at its Regular Meeting held on September 9, 2013. A copy of this report is enclosed for your reference, and Council's resolutions are provided as follows:

1. Write to the Minister of Environment to express Council's:
 - a. Appreciation for implementing changes to the Recycling Regulation which have resulted in producers of packaging and printed paper becoming responsible for funding the recycling programs that capture these materials; and
 - b. Disappointment over the lack of meaningful consultation throughout the development of the Packaging and Printed Paper Stewardship Plan and the Ministry's lack of support for ensuring local governments' concerns are adequately addressed; and,
 - c. Concern that the Province is enabling the implementation of this Stewardship Plan without adequate input, which could lead to a deterioration in the level of service to the public during both the transitional phase and the ongoing implementation of the program; and,



2. Direct staff to:
 - a. Decline the offer from Multi-Material BC for the City to provide curbside collection services for single family dwellings or centralized collection services for multi-family dwellings under contract to Multi-Material BC; and,
 - b. Accept the offer from Multi-Material BC for the City to provide depot collection services to residents under contract to Multi-Material BC , provided that an agreement satisfactory to the City can be reached with Multi-Material BC; and,
3. Request the Minister of Environment to:
 - a. Mandate Multi-Material BC to require the collection of glass containers to a similar standard as the rest of the City's residential curbside collection program, preferably without the need to segregate glass containers from other acceptable products; and,
 - b. Require Multi-Material BC to work with the City to ensure the collection schedule for recyclable materials from curbside sources is complementary to, and does not interfere with, the City's collection of solid waste and organic materials, in order to minimize confusion and ensure public convenience.
4. Direct staff to:
 - a. Approach MMBC directly to determine whether MMBC will reconsider its current position not to negotiate the commercial terms of its offer, in light of the many concerns and suggestions that have been raised both collectively and individually by local municipalities, and advise MMBC that if it is willing to work collaboratively to reach mutually agreeable terms and conditions, then Coquitlam will be willing to reconsider its decision to decline the offer for curbside and multi-family collection services.

The City would first like to reiterate its appreciation for the leadership demonstrated by you and your Ministry in amending the Recycling Regulation to require Producers of PPP to assume responsibility for collecting and managing their packaging and printed paper products within the residential sector. The result of this legislative change will provide direct benefits to municipalities, including Coquitlam, that currently absorb the significant costs of providing these residential collection services in support of important solid waste reduction and recycling goals. Unfortunately, as outlined in our August 1 letter, Coquitlam has significant concerns with the implementation strategy of the

Stewardship Plan that have not been adequately addressed, either by the Province or by MMBC. The City is also aware that many other local governments, both individually and collectively, have expressed similar concerns to the Ministry and to MMBC, including the July 31, 2013, letter from the Regional Engineers Advisory Committee.

Unlike other stewardship programs that the Ministry has approved (such as, used oil, batteries, tires, etc.), residential recyclables are already collected in most B.C. municipalities, particularly in the Lower Mainland. Curbside collection has historically been a core responsibility for many local governments, and over the past twenty to thirty years, millions of tax payer dollars have been invested across the Province to effectively deliver these services.

Adopting residential recyclables as a product category within the Recycling Regulation has the potential for many positive outcomes, including, fostering an onus of responsibility among industry producers to not only manage their packaging materials, but also to reduce the use of these materials in the first place. Unfortunately, however, the Stewardship Plan and corresponding implementation strategy that has been established by MMBC, and supported by the Ministry, is a one-sided approach that favours industry's interests only, and does not appear to support the overarching goal to reduce product packaging nor recognize the significant contribution local government can make toward successful program implementation. As such, the City of Coquitlam would like to reiterate its concerns regarding the following fundamental issues:

- **Consultation:** The consultation process for the Stewardship Plan and associated implementation strategy has been inadequate and ineffective. Although there have been numerous meetings between local government and MMBC that have resulted in some clarification of MMBC's requirements there has not been any meaningful resolution of the fundamental concerns being raised. The lack of meaningful negotiations with MMBC on the program design and the terms of the sample agreements have prevented a positive working relationship from developing between local governments and MMBC. The City believes that MMBC's approach has not facilitated a spirit of cooperation with local governments and is disappointed in the Ministry's lack of support during this process. The Ministry has not yet responded to correspondence from the City, and has declined invitations to attend meetings between local governments and MMBC, either to observe the interactions or to assist with clarifying and addressing key issues and concerns. As such, the City is concerned that the Province is facilitating the implementation of the Stewardship Plan without adequate input and this could lead to unintended deterioration in the level of service during both the transitional phase and ongoing implementation of the program. This has the potential to directly adversely affect residents of Coquitlam and the City.

- **Financial Incentives and Service Agreements:** As part of the implementation strategy, MMBC has offered financial incentives to local government to provide residential recycling services on its behalf. MMBC has unilaterally determined what it is willing to pay for these services, and has established one provincial rate for each type of collection (curbside, multi-family, and depots) without adequate regard for local and regional influences that impact pricing, and without adjustments for variables such as inflation and fuel cost. In all cases, the price structure established by MMBC does not cover existing costs for any Lower Mainland municipality. This is inconsistent with the Regulation, which requires the Producer to “adequately” pay for the cost of collection. Further, the unreasonably low offer by MMBC reduces the incentive for producers to: a) reduce, b) redesign or 3) eliminate the use of paper and packaging, which is expressly identified as the top three primary goals within the hierarchy established by the Regulation.

The financial incentive offer from MMBC is contingent upon local governments agreeing unconditionally to MMBC’s Service Agreements and associated Statements of Work. The directive tone of these documents clearly indicates MMBC is seeking to establish an employer/employee relationship with a contractor, rather than a partnership agreement with local government. The terms and conditions within these documents are not possible for the City to agree to as written, as they appear to conflict with other provincial legislation and contain a level of risk that far outweighs any financial benefit that could be realized by accepting the financial incentives being offered. Further, the timeframe under which local governments have been given to respond to MMBC’s offer is unacceptable and does not adequately consider the local government decision making process.

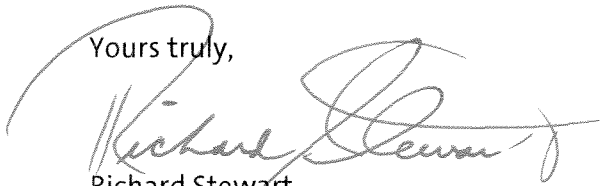
- **Service Level:** Although MMBC’s plan has many positive elements, and expands on the type of recyclables that will be available for residential collection, there are key exclusions from the Plan that represent degradation from current service levels. Of primary concern is the exclusion of glass containers from curbside recycling. MMBC has indicated that glass may be collected from the curb if it is segregated from all other recyclables; however, this is not a reasonable option. There needs to be a commitment to pick glass up at the curb. Not only are residents accustomed to putting glass in their current blue box bin, but requiring it to be segregated and picked up separately is cost prohibitive and not feasible. MMBC’s current incentive will only cover 2% of the City’s costs to provide this service separately. This has the effect of excluding glass from the program which is a direct contradiction of MMBC’s overarching objective as stated in their Stewardship Plan, which is to provide: “...continuous improvement in recovery effectiveness and efficiency ***without undermining existing PPP recovery efforts*** in British Columbia” (emphasis added).

On September 16th, 2013 the City of Coquitlam will be rejecting MMBC's offer to continue providing curbside and multi-family residential collection services based on the unacceptable commercial terms of MMBC's offer. It is with great reluctance and disappointment that the City will hand over this service to MMBC after more than twenty years of effectively delivering this service to a standard that the residents of Coquitlam have come to expect. Despite the City's decision, the City remains open to establishing a partnership agreement with MMBC, if such a constructive relationship can be fostered on mutually satisfactory terms and conditions. Despite MMBC's current approach, and lack of interest in negotiation, the City remains hopeful that an improved implementation strategy can be developed. To this end, the City requests the Minister of Environment to provide assistance and support to local governments to ensure the issues identified by the City are resolved, and specifically ensure that the following actions are taken by the Ministry:

- Mandate MMBC to develop a partnership framework that contains appropriate commercial terms that local government can reasonably agree to; and
- Mandate MMBC to establish a pricing structure that is fair, transparent, based on generally accepted accounting principles, and meets the test of "adequacy" as required by the Regulation.
- Mandate MMBC to maintain the collection of glass containers to a similar standard as the rest of the City's residential curbside collection program, preferably without the need to segregate glass containers from other acceptable products;
- Provide assurance that there is a plan and sufficient resources in place to oversee MMBC's transition and ongoing service delivery, and specifically, to monitor and enforce the performance measures in the Stewardship Plan;
- Ensure MMBC works collaboratively with municipal governments to provide effective delivery of recycling services, to at least the standard that is currently expected by residents; and in the case of Coquitlam where recycling services will be severed from the rest of the City's waste collection services, require MMBC to work directly with the City to ensure the collection schedule for curbside recyclables is complementary to, and does not interfere with, the City's ongoing collection of waste and organics;

Thank you in advance for your time and consideration. Please do not hesitate to contact me at 604.927.3001 should you have comments or questions.

Yours truly,



Richard Stewart
Mayor

Attachments:

Letter dated August 1, 2013, from City of Coquitlam to Honorable Mary Polak, Minister of Environment, doc# 1513231.v1

September 9, 2013 Report to Council, "Multi-material BC Packaging and Printed Paper Collection Offer", doc # 1542804.v4

c - Hon. Premier Christy Clark
Coquitlam Council
Lower Mainland Municipal Councils
Chair, Metro Vancouver Board
Chair, Regional Engineers Advisory Committee
City Manager
Deputy City Manager
City Clerk
General Manager, Engineering and Public Works
Manager, Environmental Services Division
City Solicitor

August 1, 2013

Our File: 11-5380-01/000/2013-1

Doc #: 1513231.v1

The Honorable Mary Polak
Minister of Environment
PO Box 9047
Stn. Prov. Govt.
Victoria BC V8W 9E2

Dear Minister Polak:

RE: Multi-Material BC Packaging and Printed Paper Stewardship Plan

I write to you on behalf of Council for the City of Coquitlam regarding the current status of the implementation of the Packaging and Printed Paper (PPP) Stewardship Plan (Plan). This Plan was developed by Multi-Material BC (MMBC), acting as the agent for the producers, and is intended to comply with the requirements of the Provincial Recycling Regulation (Regulation). The City certainly supports the Ministry's direction to apply the principles of Extended Producer Responsibility to require producers of PPP to be responsible for the end-of-life management of these materials within the residential sector.

The City has been very hopeful that a mutually beneficial partnership would develop between the City and MMBC to bring the Ministry's vision to fruition. However, as documents related to the implementation of the Plan are released by MMBC, Council is becoming increasingly concerned as to the nature of the proposed partnership. In general, the approach being taken by MMBC appears to favour MMBC's interests only, and conflicts with existing local government processes and policies. Given that the City has committed significant resources over many years to develop a respected and comprehensive residential recycling program, it is of critical importance that any new program going forward will at least maintain, if not enhance, the high standards of service our residents actively support and have come to expect. MMBC's approach does not facilitate a spirit of cooperation, and Council requests the assistance of your Office and staff to help ensure a healthy process can be established respecting our shared goals of efficiently and effectively improving the diversion of recyclables from the waste stream, and increasing the recovery rates of PPP.



I would like to outline only a few key issues to illustrate the nature of Council's concern with the current direction being taken by MMBC to implement the Plan:

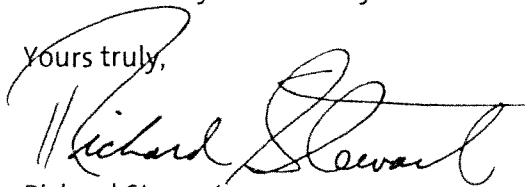
Financial Incentives: The Regulation calls for producers to pay for the costs of collecting and managing the products covered by the Plan. In this case, MMBC has determined what it is prepared to pay collectors, including municipalities who wish to become qualified as collectors. The proposed financial "incentives" do not cover the City's costs with respect to curbside, multi-family or depot collection, let alone accounting for inflationary cost increases that are normally included in the provision of this type of service. MMBC has declared these "incentives" to be non-negotiable. This approach does not meet a fundamental principle of the Plan, which is to have producers accept responsibility for the costs of collecting and managing their products. Further, MMBC has unilaterally determined the value of the incentives for the entire Province, without adequate consultation or apparent consideration for regional or geographic influences.

Proposed Service Agreements: There are numerous examples throughout the draft Master Service Agreement and the draft Statements of Work where the arbitrary, biased and prescriptive terms and conditions laid out in these documents will put the City, or any municipality, at a level of risk that would far outweigh any financial benefits that could be realized by accepting the incentives offered. Some of the areas of particular concern to the City include the provisions for substantial penalties for service level failures, unrealistic expectations of contaminant limits, intrusive labour termination clauses, exclusive rights in favour of MMBC with respect to confidentiality and ownership of intellectual information, and overly prescriptive terms for managing the service operations.

Taken collectively, these issues are not conducive to achieving a mutually beneficial agreement between the City and MMBC. Moreover, if there is no agreement with the City, Coquitlam Council is gravely concerned that no reputable collector would concede to these conditions and this would inevitably lead to an unacceptable degradation of the existing quality of service collection and a failure of the process that created this program.

In closing, I would like to reiterate that Coquitlam Council strongly supports the goals and intent of the Stewardship Plan, and wants to see it be successful. However, there are significant issues outstanding, particularly with regard to the establishment of financial incentives and the terms of any potential agreement between MMBC and the City. Therefore, the assistance of your Ministry is urgently needed to resolve these issues so the successful commencement of this program can be achieved by the deadline set by the Ministry.

Yours truly,

A handwritten signature in black ink, appearing to read "Richard Stewart". The signature is fluid and cursive, with a large initial "R" and "S".

Richard Stewart
Mayor

c - Hon. Premier Christy Clark
Lower Mainland Municipal Councils
Coquitlam Council members
City Manager
Deputy City Manager
City Clerk
General Manager Engineering and Public Works
Manager Environmental Services
City Solicitor

Coquitlam

For Council

September 9, 2013

Our File: 11-5360-01/000/2013-1

Doc #: 1542804.v4

To: City Manager

From: Acting General Manager, Engineering and Public Works

Subject: **Multi-Material BC Packaging and Printed Paper Collection Offer**

For: **Council**

Recommendation:

That Council:

1. Write to the Minister of Environment to express Council's:
 - a. Appreciation for implementing changes to the Recycling Regulation which have resulted in producers of packaging and printed paper becoming responsible for funding the recycling programs that capture these materials; and
 - b. Disappointment over the lack of meaningful consultation throughout the development of the Packaging and Printed Paper Stewardship Plan and the Ministry's lack of support for ensuring local governments' concerns are adequately addressed; and,
 - c. Concern that the Province is enabling the implementation of this Stewardship Plan without adequate input, which could lead to a deterioration in the level of service to the public during both the transitional phase and the ongoing implementation of the program; and,
2. Direct staff to:
 - a. Decline the offer from Multi-Material BC for the City to provide curbside collection services for single family dwellings or centralized collection services for multi-family dwellings under contract to Multi-Material BC; and,
 - b. Accept the offer from Multi-Material BC for the City to provide depot collection services to residents under contract to Multi-Material BC, provided that an agreement satisfactory to the City can be reached with Multi-Material BC; and,

3. Request the Minister of Environment to:
 - a. Mandate Multi-Material BC to require the collection of glass containers to a similar standard as the rest of the City's residential curbside collection program, preferably without the need to segregate glass containers from other acceptable products; and,
 - b. Require Multi-Material BC to work with the City to ensure the collection schedule for recyclable materials from curbside sources is complementary to, and does not interfere with, the City's collection of solid waste and organic materials, in order to minimize confusion and ensure public convenience.
4. Direct staff to:
 - a. Approach MMBC directly to determine whether MMBC will reconsider its current position not to negotiate the commercial terms of its offer, in light of the many concerns and suggestions that have been raised both collectively and individually by local municipalities, and advise MMBC that if it is willing to work collaboratively to reach mutually agreeable terms and conditions, then Coquitlam will be willing to reconsider its decision to decline the offer for curbside and multi-family collection services.

Report Purpose:

To provide an analysis and make recommendations on the offer made by Multi-Material BC to the City for the collection of packaging and printed paper from the residential sector.

Strategic Goal:

This report supports the corporate strategic goal of *Enhancing the Sustainability of City Services and Infrastructure*.

Executive Summary:

The Provincial government amended the BC Recycling Regulation (Regulation) to require producers of packaging and printed paper (PPP) to be responsible for the life cycle management of their products. The producers subsequently created a not-for-profit agency called Multi-Material BC (MMBC) to develop a Stewardship Plan (Plan) to manage these recyclable materials from residential sources (single family dwellings, multi-family buildings, and recycling depots) throughout the Province.

While the title of the Stewardship Plan specifically refers to packaging and paper, the Plan includes all of the recyclable materials collected by the City under the Blue Box/Yellow Bag/Blue Bag program, as well as a number of additional types of recyclable materials the City program does not currently accept.

MMBC has offered financial incentives to the City in return for providing PPP collection services to single family dwellings, multi-family dwellings, and recycling depots. MMBC requires a response to their offer by September 16, 2013. This report considers the benefits and risks of accepting or declining the offer from MMBC.

In general, the Provincial requirement that producers of a wide variety of recyclable materials become responsible for funding the programs needed to collect and manage these materials, commencing in May 2014, is very much appreciated. In Coquitlam's case, by having the producers pay for the collection of recyclables from single family and multi-family dwellings will save the City over \$1 million per year in recycling collection costs.

The City will benefit financially from the MMBC program, whether the City continues to collect recyclables from single family and multi-family sources or defers the collection to a contractor selected by MMBC. However, there are financial risks associated with accepting the offer and becoming a contractor to MMBC for residential collection. The City's net financial benefits would not be guaranteed and could be substantially reduced due to penalties associated with "service level failures", including the unintentional collection of non-PPP materials, as defined and determined by MMBC. If the City declines the offer from MMBC, residents will still benefit by receiving the collection of recyclables from curbside and multi-family sources at no cost through an independent contractor selected by MMBC, while any contractual risks will reside with that contractor and not the City. As such, in considering the balance of risk and financial benefit to both the City and its residents, staff recommends the City not accept the offer to provide residential PPP recycling collection services to single family or multi-family dwellings. This means the City will only be responsible for the existing collection program for solid waste and organics. Recyclables will continue to be collected, but these will be collected by a contractor authorized and monitored by MMBC.

By contrast, staff believes there are fewer financial and operational risks associated with accepting the MMBC offer to provide depot collection services, compared to the curbside and multi-family collection offer, and accepting the MMBC offer could lead to a better standard of care and level of service being provided at the depots. Therefore, staff recommends that the City accept the offer from MMBC to provide depot collection services, but only if an agreement satisfactory to the City can be achieved. To meet the MMBC criteria, additional staff costs will be incurred to adequately supervise the operation of the depots and this issue will be addressed in a subsequent report if the recommendation to accept the MMBC offer for depot collection services is supported by Council.

As previously stated, Staff supports the concept of PPP Stewardship and the obligation on producers to be responsible for the life cycle management of their products; however, unlike other stewardship models that have preceded this PPP Stewardship Plan (e.g. tires, used oil, batteries), in the case of PPP there are already existing blue box or similar services in place for residential collection of these materials in most BC municipalities. Rather than working collaboratively with BC municipalities to enhance these services and apply the producer pays model, the Province has empowered MMBC to take over these existing services, and unilaterally determine the financial value of these services without regard for existing costs. The terms and conditions that have been established by MMBC are dictatorial rather than collaborative, and staff believes this approach goes far beyond the intent of the Regulation and has created a one-sided situation that strongly favours the interests of MMBC and industry, and one that does not respect the long standing role local governments have had in providing residential recycling services. Further, there has been no consultation with the general public on the matter, and consultation with local governments has not led to any meaningful negotiations or changes to improve the program. As a result, in addition to considering the financial and operational impacts of the MMBC program, this report also makes several recommendations regarding the process involved in the development of the program and concerns about its successful implementation.

Background:

On May 19, 2011, the Provincial Government amended the B.C. Recycling Regulation (Regulation) to include Packaging and Printed Paper (PPP) as a new product category within the Regulation. As a result, producers of PPP are responsible for the life cycle management of their products, which

includes collection, processing and marketing for PPP from residential sources throughout the Province. The Regulation does not apply to PPP from the industrial, commercial, or institutional sectors. Multi-Material BC (MMBC) is the not-for-profit agency established to represent PPP producers and MMBC submitted the final version of their stewardship plan for the management of these materials to the Ministry of Environment on April 13, 2013. The proposed Stewardship Plan was approved by the Province on April 22, 2013, and the program is scheduled to commence on May 19, 2014.

Under the PPP Stewardship Plan, MMBC will pay qualified collectors a financial incentive for PPP collected from single-family and multi-family residences, as well as from recycling depots that meet MMBC criteria. In June 2013, MMBC released information regarding the financial incentives they will offer for the collection of PPP materials and issued sample service agreements for consideration by local governments and private companies. MMBC indicated to local governments that they required a response to their offer of incentives by September 16, 2013. Both the financial incentives and the terms and conditions of the draft service agreements have created significant concerns among Metro Vancouver municipalities. On behalf of the Regional Engineers Advisory Committee, Metro Vancouver sent a letter to senior staff at the BC Ministry of Environment conveying a number of these concerns. For reference, a copy of the letter is included as Attachment A. Further, Council endorsed a resolution that the Mayor send a letter to the Minister of Environment identifying some of the key issues of concern with MMBC's program. A copy of the Mayor's letter, dated August 1, 2013, is included as Attachment B. The City has not received a response to this letter, and these concerns remain outstanding, despite the continuing and concerted efforts of a delegation of local government staff, who have acted on behalf of all Metro Vancouver municipalities, to present these concerns and to engage Ministry of Environment staff and MMBC officials in discussion of these important issues.

The dialogue that has occurred at the meetings involving local government, MMBC and the Ministry has resulted in some clarification of MMBC's requirements, but it has not produced any meaningful resolution of the fundamental concerns. As such, local governments have found it difficult to build a positive working relationship with MMBC. The time required to develop such a relationship is growing short; especially in view of the September 16th deadline imposed by MMBC for receiving responses from

prospective collectors to their incentive offers. The draft Master Service Agreements, and associated Statements of Work, will form the core documents to any agreement with MMBC. The directive tone of these documents clearly indicates that MMBC is seeking to establish an employer/employee relationship with a contractor, rather than a partnership agreement with local government. In addition, MMBC has indicated that acceptance of their financial incentives and terms and conditions must be unconditional in order to be considered as the basis for a contract with MMBC.

Discussion/Analysis:

Overview of the Program and Financial Incentives

Under the Regulation, the producers of PPP materials are required to pay for the collection and processing of these materials. Through its Stewardship Plan, MMBC has established qualification standards and financial incentives for collectors to provide free collection services to residents. This change in the Regulation will bring significant financial benefits to local government in shifting the costs of recyclables collection onto the producers of these materials. Staff believes this important fact should not be overlooked and the Minister of Environment should be congratulated for this bold new initiative in extended producer responsibility (as presented in Recommendation 1a of this report).

The types of materials that are covered by the program include an expanded list of all of the materials currently found in the City's existing blue box/yellow bag/blue bag program, except for glass, which must be segregated under the MMBC program. For reference, the list of eligible PPP materials under the MMBC program, and materials currently collected under the City's program, is included as Attachment C. MMBC has offered different financial incentive rates, on a per household basis, for collection of PPP from curbside sources and multi-family sources. The rates vary, depending on whether the collector uses the multi-stream (i.e. Blue Box system) or single-stream method (i.e. single recycling cart). MMBC has set their rates for annual payments based on what they believe the costs of collection should be and they range from \$32 to \$35 per single family household and \$17 to \$20 per multi-family dwelling. The rates established by MMBC are non-negotiable, and have been set consistent for the whole province without regard for factors such as, existing program costs, geography, population density, etc., that can impact costs at a local or regional level. The implications of these rates are discussed below.

Options Available to Local Government

With respect to the collection incentives offered by MMBC, the options available to the City include the following:

1. **Accept the offer** - Accepting the offer means the City intends to enter into a written agreement with MMBC that will define the terms and conditions of the service. MMBC has proposed a 5-year term, which MMBC may extend for up to two further periods of one year each. The City is eligible to accept the offer for all or any of the three service options; curbside, multi-family and/or depots. Currently, the offer for curbside collection is open only to local governments, so if the City accepts this offer, the City will continue to be the sole service collector for single family dwellings. The offers for multi family and depots are currently open to any interested bidder, so by accepting these offers the City will have the option to provide these services, but will not have preferred status over any other contractor who may wish to provide these services under contract to MMBC.
2. **Reject the offer** - In the case of curbside collection, if the City rejects the offer this means MMBC will implement a competitive procurement process (i.e. Request for Proposals) to select an independent service provider to take over the existing blue box program. In this case, MMBC will pay the preferred contractor the full cost of collection services as agreed to through a bid process. For PPP collection from multi-family buildings and recycling depots, it simply means that other qualified service providers that meet MMBC's criteria and accept the financial incentives being offered will provide these services in Coquitlam.
3. **"Opt Out"** - The City has the option to "opt out" of the MMBC Stewardship Plan and financial incentive, and advise MMBC that the City wishes to continue to provide the PPP collection service. This "opting out" of the MMBC program altogether means that the City would continue to collect PPP, but would not receive any payments from MMBC, MMBC would not be responsible for the management of these PPP materials, and there would be no savings passed on to the residents. If the City wishes to rejoin the MMBC program, the City would need to wait until the next round of post-collection contracts are issued, likely in 2018 or 2020 for services that will

commence in 2019 or 2021. Staff has rejected this as a viable option as this option would not put the cost of PPP collection / recycling onto product producers, as intended by the Regulation, and there would be no savings passed on to residents. Further, MMBC's program allows for an expanded list of recyclables to be collected (including products such as Styrofoam and film plastic bags) compared to the City's existing program, which is a benefit that would also not be available to residents if the City was to "Opt Out".

Effects on Curbside and Multi-family Collection

As noted above, MMBC has set the rates in their offer based on what they are prepared to pay and not what the actual collection costs may be for a municipality. Staff is not aware of any municipality in the Lower Mainland that has indicated the MMBC rates will cover their full costs. In Coquitlam's case, if the City accepts MMBC's offer, staff has estimated the MMBC rates would cover approximately 75% of the City's anticipated cost for curbside collection of recyclables from single family dwellings and 60% of the anticipated cost for recyclables collection from multi-family dwellings. The discrepancy between what MMBC is prepared to pay and the City's actual collection costs would need to be recovered from the City's residents through the solid waste utility fee. This is contrary to the Regulation, which requires "adequate" payment for these services, and MMBC's guiding principle of "free collection for residents". By contrast, if the City rejects the offer, MMBC will enter into a competitive bid process to select an independent contractor to provide collection services in Coquitlam, and will pay the contractor the full costs negotiated through the bid process. Although this negotiated rate could be higher or lower than the financial incentives currently being offered to local governments, the primary difference is MMBC will pay the full amount to the contractor and no additional charges will be passed on to residents, which, in effect, means residents will receive free recycling as intended by the Regulation.

The financial incentive offer from MMBC is also contingent upon local governments agreeing to MMBC's Service Agreements and associated Statements of Work, which contain terms and conditions that are onerous and prescriptive and require local governments to relinquish control over services they currently provide. Municipalities will also be responsible for delivering these services on MMBC's terms, which may not align fully with

existing service levels or resident expectations. Rather than creating a partnership with local governments, this creates instead, a non-negotiable contractual arrangement that contains a level of risk that may outweigh any financial benefits that could be realized by accepting the financial incentives.

As previously noted, all of the Lower Mainland municipalities and Metro Vancouver have been unified in their efforts to try to engage MMBC and the Province to address a variety of issues with MMBC's program. However, the decision to accept or reject the MMBC offer will vary according to the specific circumstances that exist within each municipality. Given the pressure that many municipalities will face in considering impacts to existing contracts, labour and capital investments, it is anticipated that many municipalities will attempt to negotiate with MMBC (despite MMBC indicating it will not negotiate). Coquitlam, however, is in an advantageous position as the City is currently in the process of redesigning many elements of its solid waste collection program and this allows for more flexibility in considering the MMBC offer. Based on the financial risks associated with service level failures defined and determined by MMBC, along with the rigidity of MMBC's terms and conditions and lack of opportunity for negotiation, staff recommends the financial incentives offered by MMBC to provide curbside collection services for single family dwellings or centralized collection services for multi-family dwellings be rejected (as presented in Recommendation 2a of this report).

Overall, rejecting the MMBC offer for curbside and multi-family collection would allow the City and its residents to maximize the financial benefits available under the MMBC program. By rejecting the offer and eliminating collection of recyclables as a City service, the City's overall collection costs will be lower, while residents will still receive collection of their recyclables through a third party contracted by MMBC. Not only will residents realize savings on their overall solid waste collection, but they will also be able to receive collection of their recyclables free of charge as MMBC will pay the full costs to a third party contractor.

Despite Staff's recommendation to reject MMBC's current offer, and MMBC's assertion that the financial incentives and terms and conditions of its offer are non-negotiable, many municipalities, including Coquitlam, remain hopeful that MMBC will change its position and be willing to work collaboratively with local governments to reach mutual agreement. To this

end, it is recommended that staff approach MMBC directly to determine whether MMBC will reconsider its current position not to negotiate the commercial terms of its offer, in light of the many concerns and suggestions that have been raised both collectively and individually by local municipalities, and advise MMBC that if it is willing to work collaboratively to reach mutually agreeable terms and conditions, then Coquitlam will be willing to reconsider its decision to decline the offer for curbside and multi-family collection services (as presented in Recommendation 4 of this report).

Depot Collection Services

For the provision of depot collection services, MMBC will pay guaranteed rates to any potential contractor that accepts the financial offer and can meet MMBC's terms and conditions. The post-collection processor will be responsible for providing transportation of the depot materials to the processing facility. It is recognized the City would not receive exclusive rights from MMBC to operate recycling depots within the City. Following the September 16, 2013 deadline, it will become known if any other entities wish to be qualified to provide depot collection services. If one or more viable operators are identified through this process, staff will re-evaluate the need for the City to provide this service. In evaluating the options available to the City, staff has found the requirements and potential penalties pertaining to the agreements applicable to curbside and multi-family collection services present a much greater magnitude of risk to the City than managing recyclables collected at depots, and overall, staff considers the offer to operate depot collection services to be more attractive than the offer to operate curbside or multi-family collection services.

Based on current recyclable volumes collected at the depots, and the transportation costs to the processing facility, the value of the MMBC offer to provide depot collection services is estimated to be approximately \$85,000 per year. However, the overall costs of operating the depots would increase due to MMBC's requirements to provide security fencing and staffing when the depots are open. The savings and revenues resulting from the City acting as a contractor for MMBC in providing depot collection services would help offset the initial costs of upgrading the depots to the standard required by MMBC, but would not cover all of the costs associated with upgrading the depots. Provided that an agreement satisfactory to the

City can be reached with MMBC, including an acceptable termination clause, staff are recommending that the incentive offer from MMBC to provide depot collection services be accepted (as presented in Recommendation 2b of this report). If Council supports this recommendation, staff will report back at a later date on the details of upgrading the recycling depots to ensure the City will meet the MMBC criteria, including the staff costs to adequately supervise the operation of the depots.

Glass Collection

Glass containers are included in the MMBC program as a PPP product category; however, unlike the other categories of PPP, MMBC does not require the collection of glass from residential curbside or multi-family sources. Instead, MMBC has left this as an option that the collection contractor may consider, but has stipulated that if glass is collected at the curbside, it must be segregated from all other types of PPP. Alternatively, if curbside collection of glass is not offered, residents can take glass to MMBC approved recycling depots. A separate financial incentive of \$80/tonne is being offered by MMBC for the curbside collection of segregated glass; however, based on the City's current weekly collection frequency this amount only covers approximately 2% of the City's estimated cost for the collection of glass. If the City declines the offer from MMBC, there is no guarantee that the contractor selected by MMBC will include glass collection from curbside sources and this would be a deterioration of the present level of service. Glass containers are not currently required to be segregated from other materials under the city's existing curbside "Blue Box" collection program. Staff are concerned that residents in single family dwellings will find it inconvenient and frustrating to segregate glass from other PPP, or take glass containers to depots, and will simply discard glass containers into the waste stream.

Since co-mingled PPP, including recyclable glass PPP, is currently collected in the Blue Box and is part of the City's existing PPP recovery efforts, staff believes the MMBC requirement to segregate glass from other PPP directly contradicts MMBC's overarching objective stated in their Stewardship Plan, which is to drive towards: "...continuous improvement in recovery effectiveness and efficiency ***without undermining existing PPP recovery efforts*** in British Columbia" (emphasis added). Therefore, staff recommends that Council request the Minister of Environment to mandate Multi-Material BC to require the collection of glass containers to a similar

standard as the rest of the City's residential curbside collection program, preferably without the need to segregate glass containers from other acceptable products (as presented in Recommendation 3a of this report).

Potential Collection Schedule Changes

If the City declines the MMBC offer to fund part of the cost to collect recyclables from curbside and multi-family sources, MMBC will retain an independent third party contractor through a competitive bid process, to provide recycling collection services on behalf of MMBC in Coquitlam. As such, the collection of recyclables will no longer be under the City's control, and collection may no longer align with the City's current solid waste collection schedule. This means the collection of recyclables could occur on a different day of the week than the collection of solid waste and organics. There could be both advantages and disadvantages to this, and further evaluation is needed before such a change is implemented. In order to minimize confusion and ensure the public is not inconvenienced, staff recommends Council request the Minister of Environment to require MMBC to work closely with the City to ensure the collection of residential recyclable materials is complementary to, and does not interfere with, the City's collection of solid waste and organics materials (as presented in Recommendation 3b of this report).

Local Government Engagement in the Process

As described earlier in this report, local government and regional staff have experienced a high degree of frustration in trying to productively engage MMBC and Ministry staff in considering practical solutions to MMBC's program design and have these agencies recognize relevant municipal concerns. There is also concern that the Province is facilitating the implementation of the Stewardship Plan without adequate input and this could lead to unintended deterioration in the level of service during both the transitional phase and ongoing implementation of the program. Therefore, staff recommends that Council advise the Minister of Environment of Council's disappointment over the lack of meaningful consultation throughout the development of the PPP Stewardship Plan and the Ministry's lack of support for ensuring local governments' concerns are adequately considered and addressed (as presented in Recommendation 1b and 1c of this report).

Providing Information to the Public

The City has strongly supported programs intended to reduce the creation of waste and to enhance the diversion of organic and recyclable materials away from traditional forms of waste disposal. Coquitlam residents are well aware of the City's existing role in promoting recycling, and providing for the collection of recyclable materials from residential curbside and multi-family sources. Since one of the key recommendations in this report represents a significant shift in the status quo, this report releases to the public the rationale for recommending changes to the City's existing recycling services.

Financial Implications:

The recommendation to decline the offer from MMBC for the collection of recyclable materials from residential curbside and multi-family buildings means that MMBC will need to engage a collection contractor to provide these services. Allowing MMBC to take responsibility for these services would reduce the City's recycling collection costs by over \$1 million per year.

Accepting the offer from MMBC to provide recycling depot collection services would result in the City receiving guaranteed revenues for all of recyclable materials collected at the depot and would eliminate the City's existing costs of transporting these materials from the depots to the processor. These revenues and savings are estimated to total approximately \$85,000 per year and would help offset some of the costs associated with upgrading the depots to the standard required by MMBC. To meet the MMBC criteria, additional staff costs will be incurred to adequately supervise the operation of the depots and this issue will be addressed in a subsequent report if the recommendation to accept the MMBC offer is supported by Council.

Conclusion:

This report describes the unreasonable financial and administrative risks the City would encounter if the offer to work under contract to MMBC for the provision of residential curbside and multi-family recycling collection services is accepted. As such, the report recommends the City reject MMBC's offer for residential collection of recyclables, and turn this responsibility over to MMBC for implementation. Conversely, staff believes the City would be at a much lower level of risk and could benefit from the financial incentives offered by MMBC for providing depot collection services to residents. As

such, the report recommends the City accept the offer for depot services, subject to City reaching mutually agreeable terms with MMBC.

With respect to the curbside collection of glass containers, staff believes the Ministry of Environment should mandate MMBC to require the collection of glass containers to a similar standard as the rest of the City's residential curbside program, preferably without the need to segregate glass containers from other acceptable products, to prevent any deterioration of the current level of curbside service.

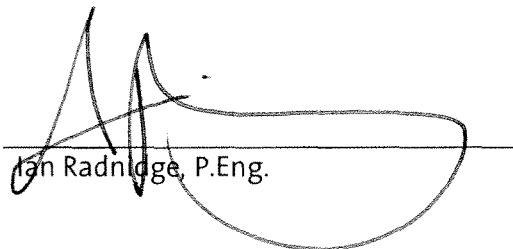
The lack of meaningful negotiations with MMBC on the program design and the terms of the sample agreements have prevented a positive working relationship from developing between local governments and MMBC. In addition, the lack of support from the Ministry of Environment to help manage the process and ensure valid municipal concerns are appropriately addressed has been extremely disappointing and frustrating.

With respect to the above issues, staff therefore recommends that Council:

1. Write to the Minister of Environment to express Council's:
 - a. Appreciation for implementing changes to the Recycling Regulation which have resulted in producers of packaging and printed paper becoming responsible for funding the recycling programs that capture these materials; and
 - b. Disappointment over the lack of meaningful consultation throughout the development of the Packaging and Printed Paper Stewardship Plan and the Ministry's lack of support for ensuring local governments' concerns are adequately addressed; and,
 - c. Concern that the Province is enabling the implementation of this Stewardship Plan without adequate input, which could lead to a deterioration in the level of service to the public during the transitional phase and the ongoing program; and,
2. Direct staff to:
 - a. Decline the offer from Multi-Material BC for the City to provide curbside collection services for single family dwellings or

centralized collection services for multi-family dwellings under contract to Multi-Material BC; and,

- b. Accept the offer from Multi-Material BC for the City to provide depot collection services to residents under contract to Multi-Material BC, provided that an agreement satisfactory to the City can be reached with Multi-Material BC; and,
3. Request the Minister of Environment to:
 - a. Mandate Multi-Material BC to require the collection of glass containers to a similar standard as the rest of the City's residential curbside collection program, preferably without the need to segregate glass containers from other acceptable products; and,
 - b. Require Multi-Material BC to work with the City to ensure the collection schedule for recyclable materials from curbside sources is complementary to, and does not interfere with, the City's collection of solid waste and organic materials, in order to minimize confusion and ensure public convenience.
 4. Direct staff to:
 - a. Approach MMBC directly to determine whether MMBC will reconsider its current position not to negotiate the commercial terms of its offer, in light of the many concerns and suggestions that have been raised both collectively and individually by local municipalities, and advise MMBC that if it is willing to work collaboratively to reach mutually agreeable terms and conditions, then Coquitlam will be willing to reconsider its decision to decline the offer for curbside and multi-family collection services.



Ian Radnidge, P.Eng.

Attachments:

- Attachment A: Copy of letter, dated July 30, 2013, from Metro Vancouver on behalf of REAC to Ministry of Environment
- Attachment B: Copy of letter, dated August 1, 2013, from Mayor Stewart to Minister of Environment
- Attachment C: List of Materials to be Collected under the MMBC Program

This report was prepared by Steffanie Warriner, Manager Environmental Services, and Verne Kucy, Environmental Services Consultant.



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Greater Vancouver Regional District • Greater Vancouver Water District • Greater Vancouver Sewerage and Drainage District • Metro Vancouver Housing Corporation

Executive Offices

Tel. 604 432-6215 Fax 604 451-6614

July 30, 2013

File: CR-24-03-EPR-12

Ref: RT 4742

Mr. David W. A. Lawes, Director
Environmental Standards Branch
Ministry of Environment
PO Box 9341 Stn Prov Govt
Victoria, BC V8W 9M1

Dear Mr. Lawes:

Re: Multi-Material BC Packaging and Printer Paper EPR Program Implementation

On behalf of the Metro Vancouver Regional Engineers Advisory Committee (REAC), I am writing to express REAC's concerns regarding the current direction of the Multi-Material BC (MMBC) program for Packaging and Printed Paper (PPP).

Metro Vancouver and member municipal staff fully support the principles of EPR and recognize the critical importance of MMBC's Stewardship Plan for Packaging and Printed Paper. We also support BC Reg 449/2004 (Recycling Regulation) and many elements in the Stewardship Plan approved by the Ministry on April 15, 2013.

Throughout MMBC's planning process, Metro Vancouver and member municipalities expressed serious concerns about the lack of detail in MMBC's PPP Stewardship Plan, particularly with respect to service levels, multi-family collection, the lack of a transition plan and overall implementation. These concerns were expressed during five meetings with MMBC (Dec. 7, Feb. 19, Mar. 4, Mar. 22, Jul. 3), and several written submissions through Metro Vancouver and individual member municipalities. Metro Vancouver and some municipal staff also met with the Ministry on March 4, 2013 and April 10, 2013 to express these concerns. Throughout the consultation process, Metro Vancouver and municipalities were advised by both MMBC and the Ministry to wait until the implementation period for these details to be resolved.

MMBC recently provided some of these details when it released the pricing information and sample contractual documents on May 31, 2013 and June 14, 2013, respectively.

At its meeting on July 5, 2013, REAC identified the following seven areas of concern relating to MMBC's contractual approach.

- Price and penalties
- Contamination
- Labour and personnel

- Termination and change clauses
- Confidentiality and intellectual property
- Collection service operations
- Accountability

Upon further review, REAC believes that MMBC's overall contract and pricing methodology are so problematic that a clause-by-clause negotiation would not be the best way to reach agreement, and could potentially be long, expensive, and adversarial. The REAC Solid Waste Sub-Committee respectfully requests a meeting with MOE to discuss an alternative implementation approach and timeframe that addresses our concerns.

MMBC is stipulating that a local government must make an election by September 16, 2013 with respect to PPP collection between one of three options:

1. enter into a contract with MMBC by which a local government agrees to be MMBC's collection contractor by:
 - a. accepting the market-clearing prices for the collection as determined by MMBC; and
 - b. accepting the contractual terms and conditions as written by MMBC for a Master Services Agreement and Statements of Work for collection of PPP from Curbside, Multi-Family and Depot ;and under that contract continue the collection of PPP (using the local government's staff or third party contractor);
2. decline to accept MMBC's offer and transition all responsibility for the collection of PPP to MMBC, or
3. decline to accept MMBC's offer (price and terms) and continue the collection of PPP without any involvement of MMBC.

These options do not give local governments a legitimate and fair election as to how to reasonably move forward nor a clear mechanism for transitioning from a public service to a privately managed PPP collection system.

We believe that an approach modeled more around a public private partnership where there is adequate allocation of risk and reward, coupled with a clearly articulated transition plan is a more effective model for system development rather than a commercial contract with a drop dead date for a change. We believe that more time will be required by Metro Vancouver municipalities and MMBC to work collaboratively in determining alternatives which may include, but not be limited to, the following:

- Option of local governments collecting on behalf of MMBC: Work with MMBC to establish a transparent, fair, and equitable methodology to set pricing and contamination levels, along with a more flexible agreement between MMBC and local government collectors.
- Option of local governments transitioning collection to MMBC: Work with MMBC to ensure they publish a publicly available policy on service level details, and an agreement to indemnify local governments and taxpayers from any costs should MMBC's program fail to deliver these services and the performance requirements in the plan. Ensure they have a transition plan in place prior to municipalities being required to make a decision on accepting or declining MMBC's payment and agreement.

In all cases, we ask the Ministry to provide assurance it has a plan and sufficient resources in place to oversee MMBC's transition and ongoing service delivery, specifically to monitor and enforce the performance measures in the PPP Stewardship Plan for coverage for all residential dwelling units before MMBC submits its first annual report in July 2015.

If Metro Vancouver municipalities and MMBC are unable to resolve these issues by a mutually acceptable date, we will request that the Ministry of Environment a) be in a position to make decisions on points of dispute, and if the Ministry is unable to support this then b) require MMBC to appoint a third party adjudicator that is mutually agreeable to MMBC and municipalities.

We respectfully request the Ministry's urgent attention to support MMBC and local governments in working through this process. In pursuing this new approach, we invite Ministry staff to meet Metro Vancouver member municipal staff to discuss how the Ministry can support both MMBC and local governments through this transition process.

Sincerely,



Vincent Lalonde, P.Eng.
Chair, Regional Engineers Advisory Committee

VL/SS/ad

cc: Wes Shoemaker, Deputy Minister, Ministry of Environment
Allen Langdon, Managing Director, Multi-Material BC
Marylyn Chiang, Senior Policy Analyst, Union of BC Municipalities
Regional Engineers Advisory Committee
Regional Administrators Advisory Committee



August 1, 2013
 Our File: 11-5280-01/000/2013-1
 Doc #: 1513231.v1

The Honorable Mary Polak
 Minister of Environment
 PO Box 9047
 Stn. Prov. Govt.
 Victoria BC V8W 9E2

Dear Minister Polak:

RE: Multi-Material BC Packaging and Printed Paper Stewardship Plan

I write to you on behalf of Council for the City of Coquitlam regarding the current status of the implementation of the Packaging and Printed Paper (PPP) Stewardship Plan (Plan). This Plan was developed by Multi-Material BC (MMBC), acting as the agent for the producers, and is intended to comply with the requirements of the Provincial Recycling Regulation (Regulation). The City certainly supports the Ministry's direction to apply the principles of Extended Producer Responsibility to require producers of PPP to be responsible for the end-of-life management of these materials within the residential sector.

The City has been very hopeful that a mutually beneficial partnership would develop between the City and MMBC to bring the Ministry's vision to fruition. However, as documents related to the implementation of the Plan are released by MMBC, Council is becoming increasingly concerned as to the nature of the proposed partnership. In general, the approach being taken by MMBC appears to favour MMBC's interests only, and conflicts with existing local government processes and policies. Given that the City has committed significant resources over many years to develop a respected and comprehensive residential recycling program, it is of critical importance that any new program going forward will at least maintain, if not enhance, the high standards of service our residents actively support and have come to expect. MMBC's approach does not facilitate a spirit of cooperation, and Council requests the assistance of your Office and staff to help ensure a healthy process can be established respecting our shared goals of efficiently and effectively improving the diversion of recyclables from the waste stream, and increasing the recovery rates of PPP.



I would like to outline only a few key issues to illustrate the nature of Council's concern with the current direction being taken by MMBC to implement the Plan:

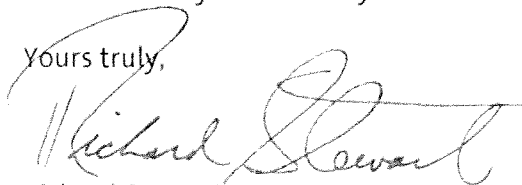
Financial Incentives: The Regulation calls for producers to pay for the costs of collecting and managing the products covered by the Plan. In this case, MMBC has determined what it is prepared to pay collectors, including municipalities who wish to become qualified as collectors. The proposed financial "incentives" do not cover the City's costs with respect to curbside, multi-family or depot collection, let alone accounting for inflationary cost increases that are normally included in the provision of this type of service. MMBC has declared these "incentives" to be non-negotiable. This approach does not meet a fundamental principle of the Plan, which is to have producers accept responsibility for the costs of collecting and managing their products. Further, MMBC has unilaterally determined the value of the incentives for the entire Province, without adequate consultation or apparent consideration for regional or geographic influences.

Proposed Service Agreements: There are numerous examples throughout the draft Master Service Agreement and the draft Statements of Work where the arbitrary, biased and prescriptive terms and conditions laid out in these documents will put the City, or any municipality, at a level of risk that would far outweigh any financial benefits that could be realized by accepting the incentives offered. Some of the areas of particular concern to the City include the provisions for substantial penalties for service level failures, unrealistic expectations of contaminant limits, intrusive labour termination clauses, exclusive rights in favour of MMBC with respect to confidentiality and ownership of intellectual information, and overly prescriptive terms for managing the service operations.

Taken collectively, these issues are not conducive to achieving a mutually beneficial agreement between the City and MMBC. Moreover, if there is no agreement with the City, Coquitlam Council is gravely concerned that no reputable collector would concede to these conditions and this would inevitably lead to an unacceptable degradation of the existing quality of service collection and a failure of the process that created this program.

In closing, I would like to reiterate that Coquitlam Council strongly supports the goals and intent of the Stewardship Plan, and wants to see it be successful. However, there are significant issues outstanding, particularly with regard to the establishment of financial incentives and the terms of any potential agreement between MMBC and the City. Therefore, the assistance of your Ministry is urgently needed to resolve these issues so the successful commencement of this program can be achieved by the deadline set by the Ministry.

Yours truly,

A handwritten signature in cursive script, appearing to read "Richard Stewart".

Richard Stewart
Mayor

c - Hon. Premier Christy Clark
Lower Mainland Municipal Councils
Coquitlam Council members
City Manager
Deputy City Manager
City Clerk
General Manager Engineering and Public Works ✓
Manager Environmental Services
City Solicitor

Materials to be Collected under the MMBC Program

Material Type to be collected under PPP Program	Examples of PPP Accepted	Accepted at curbside, MF and depot	Accepted at depot only	Currently accepted under Coquitlam's Blue Box Program?
Category 1 - Printed Papers				
Newspapers	Daily and community newspapers	Y		Y
Newspaper Inserts	Newsprint advertising inserts and flyers	Y		Y
Magazines	Daily, weekly, monthly magazines; travel or promotional magazines	Y		Y
Catalogues	Retailer product catalogues; automotive and real estate guides/catalogues	Y		Y
Telephone Directories	Phone books; newsprint directories	Y		Y
Other Printed Media	Notepads; loose leaf paper; non-foil gift wrap	Y		Y
Residential Printed Paper	White or coloured paper for general use, printers and copiers	Y		Y
Miscellaneous Printed Papers	Blank and printed envelopes; greeting cards	Y		Y
Category 2 - Old Corrugated Cardboard (OCC)				
Old Corrugated Cardboard	Grocery store/liquor store boxes; pizza boxes	Y		Y
Category 3 (a)– Other Paper Packaging (containing liquids when sold)				
Paper Cup (hot) (polycoated liner)	Non-foam paper cups	Y		N
Paper Cup (hot) (biodegradable liner)	Non-foam paper cups	Y		N
Paper Cup (cold) (waxed)	Non-foam paper cups	Y		N
Paper Cup (cold) (2-sided polycoated)	Non-foam paper cups	Y		N
Polycoated Milk Cartons	Milk, soy, rice milk and cream cartons	Y		N
Aseptic Containers	Milk, soy, rice milk, cream, soup, broth and sauce containers, typically about 1 litre in size	Y		N
Multi-laminated Paper Packaging	Microwavable paper containers; paper bowls/cups for soup	Y		N

Materials to be Collected under the MMBC Program

Material Type to be collected under PPP Program	Examples of PPP Accepted	Accepted at curbside, MF and depot	Accepted at depot only	Currently accepted under Coquitlam's Blue Box Program?
Category 3 (b)– Other Paper Packaging (not containing liquids when sold)				
Old Boxboard (OBB)	Cereal boxes; shoe boxes; tissue boxes; paper towel and toilet paper tubes; detergent boxes	Y		Y
Wet Strength Boxboard	Carrier boxes for soft drink containers; some frozen food paper packaging	Y		Y
Moulded Pulp	Egg cartons; formed coffee take put trays	Y		Y
Kraft Papers	Paper bags	Y		Y
Polycoated Boxboard	Some frozen food packaging	Y		Y
Category 4 - Polyethylene (PE) Film Packaging				
HDPE Films	Some retail bags; some frozen vegetable bags	N	Y	N
LDPE/LLDPE Films	Grocery bags; newspaper bags; dry cleaning bags; bread bags; frozen vegetable bags; soft drink case over-wrap; garden product bags; paper towel over-wrap; diaper and feminine hygiene product outer bags	N	Y	N
Category 5 - Polystyrene (PS) Foam Packaging				
PS Clamshells (EPS)	Egg cartons	N	Y	N
PS Trays/Plates (EPS)	Deli and take-out food trays	N	Y	N
PS Meat Trays (EPS)	White and coloured meat trays	N	Y	N
PS Hot Drink Cups (EPS)	Foam drink cups	N	Y	N
PS Cushion Packaging (EPS)	White foam cushion packaging used for appliances, computers, TVs, printers	N	Y	N
Category 6 - Other Plastic Packaging				
PETE Bottles (non-beverage)	Salad dressing bottles; edible oil bottles; dish soap or mouthwash bottles; window cleaners	Y		Y

Materials to be Collected under the MMBC Program

Material Type to be collected under PPP Program	Examples of PPP Accepted	Accepted at curbside, MF and depot	Accepted at depot only	Currently accepted under Coquitlam's Blue Box Program?
PETE Jars	Peanut butter containers; wide-mouth jars for nuts	Y		Y
PETE Clamshells	Bakery trays; pre-made fruit and salad packages; egg cartons	Y		Y
PETE Trays	Single serve meals; deli and bakery items; housewares and hardware products	Y		Y
PETE Tubs & Lids	Plastic lids for some containers	Y		Y
PETE Cold Drink Cups	Take-out drink cups	Y		Y
HDPE Bottles (non-beverage)	Shampoo bottles, milk jugs; spring water containers; bleach containers; vinegar containers; windshield washer fluid containers; pill bottles	Y		Y
HDPE Jars	Personal care products; pharmaceuticals, vitamin and supplements containers	Y		Y
HDPE Pails	Laundry detergent, ice cream pails	Y		Y
HDPE Trays	Single serve meals; deli and bakery items; housewares and hardware products	Y		Y
HDPE Tubs & Lids	Plastic lids for spreads and dairy containers	Y		Y
HDPE Planter Pots	Plastic garden pots	Y		Y
PVC Bottles	Water bottles; travel sized personal and hair care	Y		N
PVC Jars	Peanut butter containers	Y		N
PVC Trays	Housewares and hardware products	Y		N
PVC Tubs & Lids	Plastic lids for some containers	Y		N
LDPE Bottles (non-beverage)	Hygienic, cosmetics and hair care containers	Y		Y
LDPE Jars	Cosmetics containers	Y		Y
LDPE Tubs & Jars	Plastic lids for spreads and dairy containers	Y		Y

Materials to be Collected under the MMBC Program

Material Type to be collected under PPP Program	Examples of PPP Accepted	Accepted at curbside, MF and depot	Accepted at depot only	Currently accepted under Coquitlam's Blue Box Program?
PP Bottles (non-beverage)	Butter and margarine containers; translucent squeeze bottles; travel sized personal and hair care product bottles	Y		Y
PP Jars	Cosmetics containers	Y		Y
PP Clamshells	Hinged containers e.g. sanitary wipes	Y		Y
PP Trays	Single serve meals; deli and bakery items; housewares and hardware products	Y		Y
PP Tubs & Lids	Large yogurt tubs; kitty litter containers; ice cream containers	Y		Y
PP Cold Drink Cups	Some cold drink cups	Y		Y
PP Planter Pots	Garden planter pots	Y		Y
PS Bottles (non-beverage)	Pharmaceuticals, vitamin and supplements containers	Y		N
PS Clamshells (rigid)	Clear clamshell containers such as berry, muffin and sandwich containers	Y		N
PS Trays (rigid)	Clear rigid trays used for deli foods	Y		N
PS Tubs & Lids (rigid)	Dairy product tubs and lids	Y		N
PS Tubs & Lids (high impact)	Single serve yogurt containers	Y		N
PS Cold Drink Cups (rigid)	Clear rigid plastic drink cups	Y		N
PS Planter Pots	Some garden pots and trays	Y		N
Other Plastic Bottles (non-beverage)	Bottles without a resin code or with resin code # 7	Y		N
Other Plastic Jars	Jars without a resin code or with resin code # 7	Y		N
Other Plastic Clamshells	Clamshells without a resin code or with resin code # 7	Y		N
Other Plastic Trays	Trays without a resin code or with resin code # 7	Y		N
Other Plastic Tubs & Lids	Tubs & lids without a resin code or with resin code # 7	Y		N
Other Plastic Cold Drink Cups	Cold drink cups without a resin code or with resin code # 7	Y		N

Materials to be Collected under the MMBC Program

Material Type to be collected under PPP Program	Examples of PPP Accepted	Accepted at curbside, MF and depot	Accepted at depot only	Currently accepted under Coquitlam's Blue Box Program?
Other Plastic Planter Pots	Planter pots without a resin code or with resin code # 7	Y		N
Category 7 – Metal Packaging				
Steel Cans (non-beverage)	Steel dog food and vegetable cans; metal lids and closures	Y		Y
Steel Aerosol Cans	Food spray cans; solvent spray cans	Y		Y
Spiral Wound Cans (steel ends)	Spiral wound containers for frozen juice, chips, cookie dough, coffee, nuts	Y		Y
Aluminum Cans (non-beverage)	Cat food and other food cans	Y		Y
Aluminum Aerosol Cans	Air freshener, deodorant and hairspray containers; food spray cans; wax and polish spray cans	Y		Y
Aluminum Foil and Foil Containers	Foils wrap; pie plates; aluminum food trays	Y		Y
Bimetal Containers/Aerosols	Lubricating oil spray cans; insulating foam spray cans; pesticide spray cans	Y		Y
Category 8 – Glass Packaging				
Clear Glass Bottles and Jars (non-beverage)	Food containers; ketchup bottles; pickle jars; jam and jelly containers; cosmetic jars	Yes, if segregated at curbside separately		Y
Coloured Glass Bottles and Jars (non-beverage)	Cooking oils; vinegar bottles; cosmetic containers	Yes, if segregated at curbside separately		Y

From: Jones, Carol [mailto:CJones@coquitlam.ca]
Sent: Monday, September 16, 2013 10:27
Subject: Sept. 13 Letter to Minister Polak - MMBC Packaging and Printed Paper Stewardship Plan

Please see the attached letter dated September 13, 2013 from the City of Coquitlam to The Honourable Mary Polak, Ministry of Environment. The following two attachments referenced in the letter are also included:

- 1) Letter dated August 1, 2013 from the City of Coquitlam to Minister Polak
- 2) September 9, 2013 Report to Coquitlam Council, Multi-material BC Packaging and Printed Paper Collection Offer

Regards,

Carol Jones
Executive Assistant to Mayor and Council
City of Coquitlam / 604-927-3008



September 12, 2013

The Honourable Christy Clark, Premier of British Columbia
West Annex
Parliament Buildings
Victoria, BC
V8V 1X4

Dear Premier:

Re: Multi-Material BC (MMBC) Local Government Financial Incentives

The North Cariboo Joint Planning Committee (NCJPC), comprised of Quesnel City Council and the Northern Directors of the Cariboo Regional District, reviewed the proposed Multi-Material B.C. (MMBC) financial incentives for recycling depots on September 10th, 2013. NCJPC passed a resolution to accept the incentives for their satellite recycling depots, but also passed a resolution to send a letter to the Premier, Minister of Environment and MMBC objecting to the haste and lack of process involved in the roll out of the MMBC program.

NCJPC is concerned that the limited time frame provided to respond to the financial incentives has given local government insufficient time to:

- conduct a full and complete analysis of the program;
- undertake a public consultation process regarding the program and the changes it will require to the current recycling depot services; and
- have detailed discussions and negotiations with both MMBC and their current recycling contractors.

NCJPC is also concerned that the financial incentives offered do not adequately cover the costs of the recycling program and taxpayers will be subsidizing the recycling of residential packaging and printed paper.

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The Committee requests that the Province extend the deadline to allow local government time to consult with residents and stakeholders and to allow for more detailed analysis of the program and its impacts on current recycling services and to negotiate with MMBC and our current recycling contractors to ensure that the needs of local taxpayers are met.

Yours Sincerely,



Co-Chair: Ted Armstrong
North Cariboo Joint Planning Committee



Co-Chair: Mary Sjoström
North Cariboo Joint Planning Committee

cc Honorable Mary Polak, Minister of Environment
Allen Langdon, Managing Director of Multi Material BC



September 30, 2013

Ted Armstrong and Mary Sjostrom, Co-Chairs
North Cariboo Joint Planning Committee
Suite D, 180 N Third Avenue
Williams Lake, BC V2G 2A4

Dear Mr. Armstrong and Ms. Sjostrom:

Thank you for your letter regarding Multi-Material BC Local Government Financial Incentives (MMBC). I appreciate receiving notice of your Committee's resolutions on this matter and I see that you have shared your correspondence with the Honourable Mary Polak, Minister of Environment.

I note that the Committee has accepted the incentives for satellite recycling depots but is concerned about a lack of process in the roll-out of the program.

I can assure you that Minister Polak will see to it that your Committee is sent a response to your MMBC concerns on my behalf.

Again, thank you for writing.

Sincerely,

Christy Clark
Premier

pc: Honourable Mary Polak