

Standing Committee Report

REPORT NUMBER 356-2025-Infrastructure & Operations-Environment

DATE

PREPARED

December 3, 2025

FILE

STANDING

COMMITTEE

December 16, 2025

MEETING DATE

SUBJECT

Update - Recycling Depot Operations

PURPOSE – To provide an update on the City’s Recycling Depots because of regulatory changes and to obtain endorsement from the Standing Committee – Quality of Life to include Recycling Depot Operations in the draft 2026 Operating Budget.

WITH RESPECT to Report 356-2025-Infrastructure & Operations-Environment, we request endorsement of the Standing Committee for inclusion of Recycling Depot Operations in the draft 2026 Operating Budget for City Council’s consideration;

AND THAT Administration continue to work with Circular Materials to confirm the continued operation of the City’s 900 Walsh Street recycling depot or an alternate local site to meet their service level obligations under the Blue Box regulations;

AND THAT the City funds the operation of all three existing recycling depots until March 31, 2026 or until a decision is made by Circular Materials on the location of the required Producer operated depot;

AND THAT from April 1, 2026 to December 31, 2026 the City funds the operation of recycling depots at the Landfill Site and one of the two urban locations;

AND THAT Administration report back to Standing Committee by the end of March 31, 2026 on the status of recycling depot operations in the City, and provide an additional update by September 30, 2026 on the future of recycling depot operations in 2027 and beyond;

AND THAT any necessary by-laws be presented to City Council for ratification.

EXECUTIVE SUMMARY

The City of Thunder Bay transitioned its residential Blue Box (blue bag) recycling program to full producer responsibility on July 1, 2024, in accordance with the

requirements of O. Reg 391/21 “Blue Box”. Producers have been required to maintain depot collection services for Blue Box materials in the City of Thunder Bay during the province wide transition period which occurred between July 1, 2024, and December 31, 2025.

As of December 31, 2025, the Producers, represented by Circular Materials, are obligated to maintain one recycling depot in the community to service multi-residential residents only. Administration has recently confirmed that starting January 1, 2026, Circular Materials will no longer operate all three depots in the community. They will continue to only operate one depot, at a location that is yet to be determined.

The Province has repeatedly indicated that Ontario residents were not to experience a reduction in residential Blue Box recycling services because of the transition to full producer responsibility.

Given the uncertainty around the City’s recycling depot operations, and to maintain continuity of this valuable service, Administration is proposing several measures to maintain adequate depot service for residents in 2026 until a more informed decision can be made for 2027 and beyond.

KEY CONSIDERATIONS

The City of Thunder Bay, in accordance with O. Reg 391/21 “Blue Box”, transitioned its residential Blue Box (blue bag) recycling program to full producer responsibility on July 1, 2024. All Ontario communities will have their residential Blue Box programs transitioned to full producer responsibility by the end of 2025. Circular Materials (CM) now manages the program. CM is the administrator of the common collection system in Ontario on behalf of Producers and contracted GFL Environmental (GFL) to continue providing residential Blue Box collection services to Thunder Bay residents.

Current Depot Operations

The City owns three residential recycling depots located at 900 Walsh Street, 85 Front Street and the City’s Landfill Site. Producers have been required to maintain depot collection services for Blue Box materials in the City of Thunder Bay during the regulatory transition period between July 1, 2024, and December 31, 2025. The depots have been licensed/leased to GFL during this timeframe and operated under contract with CM.

The depots currently collect approximately a quarter of the City’s residential Blue Box recyclable material and receive well over 100,000 vehicles annually at all three locations combined. The depots are an important part of the City’s waste diversion efforts, and the data indicates the sites are well used by residents.

Future of Depot Operations

Operation of the City's recycling depots beyond December 31, 2025, has been subject to review and change by the Producers. CM has recently informed Administration that starting January 1, 2026, it will no longer operate all three depots in the community. CM has indicated they will continue to operate only one depot and expressed an interest in the 900 Walsh Street location but is still in discussions with the Province to confirm its regulatory obligations related to depot operations. Given the uncertainty around the City's depot operations, and to maintain continuity of this valuable service, Administration is proposing the following:

- Continue to work with CM to confirm if they intend to continue to use the 900 Walsh Street depot to meet its regulatory obligations. Under this model, the City would continue to license/lease the site to GFL.
- Fund the operation of all three existing depots until March 31, 2026. GFL would continue to operate the sites under contract to the City. This is a backstop if CM does not choose one of the City's locations as its obligated site to ensure the continuity of service until transitional matters are resolved.
- April 1, 2026 to December 31, 2026 the City would fund the Landfill Site location and one of the two urban locations, for a total of two depots under full municipal control. GFL would operate the sites under contract to the City. This allows the City to fully assess its depot operations, in conjunction with the CM site, engage in advocacy efforts with the Province, and provide a more informed decision to Council on the future of depot operations for 2027 and beyond.

Provincial Advocacy

The Province has repeatedly indicated that Ontario residents were not to experience a reduction in residential Blue Box recycling service because of the transition to full producer responsibility for residential Blue Box services. Reducing the number of Producer-operated depots in the community from three to one is a reduction in service. Administration, through its member associations, will continue advocacy efforts to have the Province amend the Regulation to require Producers to continue to offer the depot services residents are accustomed to. Administration will also be bringing this item to Council's Inter-Governmental Affairs Committee to recommend advocacy from the City to our provincial representatives to re-establish the City of Thunder Bay's three depots and have the City reimbursed for costs incurred in the interim by Producers.

FINANCIAL IMPLICATION

Continuing to fund the depot operations as identified in this report will result in an increase of \$400,000 to the Solid Waste and Recycling Services operating budget in 2026. A Quality of Life Standing Committee endorsement will see this item included in the draft 2026 Operating Budget for City Council's consideration.

BACKGROUND

At May 5, 2025 Committee of the Whole Meeting, Report No. 149/2025 - update on the Solid Waste Management Strategy was provided for information.

At the June 3, 2024 Committee of the Whole Meeting, Report No. 193/2024 - update on the Solid Waste Management Strategy was provided for information.

At the May 6, 2024 Committee of the Whole Meeting, Report No. 151/2024 – update on Provincial Blue Box transition in the City was provided for information.

At the May 1, 2023 Committee of the Whole Meeting, Report No. 148/2023 - update on the Solid Waste Management Strategy was provided for information.

At the July 18, 2022 Committee of the Whole Meeting, Report No. R120/2022, Council approved opting out of providing service for all components of the municipal residential recycling program effective on its transition date of July 1, 2024.

At the April 4, 2022 Committee of the Whole Meeting, Report No. R48/2022 - update on the Solid Waste Management Strategy was provided for information.

At the September 22, 2021 Committee of the Whole Meeting, memo on regulatory updates to the Provincial Blue Box Program was provided for information.

At the May 3, 2021 Committee of the Whole Meeting, Report No. R54/2021– update on the Solid Waste Management Strategy was provided for information.

At the September 14, 2020 Committee of the Whole Meeting, Report No. R108/2020 - update on the Solid Waste Management Strategy was provided for information.

At the August 12, 2019 Committee of the Whole Meeting, memo was provided on Provincial Solid Waste regulatory changes for information.

REFERENCE MATERIAL ATTACHED

None

REPORT PREPARED BY

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REPORT SIGNED AND VERIFIED BY

Kayla Dixon, Commissioner – Infrastructure & Operations
December 8, 2025