

September 29, 2006

Mayor and Members of Council
HAMILTON, CITY OF
71 Main Street East
Hamilton, ON L8P 4Y5

RE: Second Quarterly Installment Payment of 2006 Stewardship Ontario Funding—Investing with Municipalities in our Successful Blue Box Recycling Program

Dear Mayor and Members of Council:

Stewardship Ontario and Waste Diversion Ontario (WDO) are pleased to enclose the **second** quarterly payment for 2006 from industry - investing as equal partners with municipalities in our residential Blue Box recycling program.

The payment is provided under the auspices of the Blue Box Program Plan (BBPP) which provides funding directly from the companies, called “stewards,” who do business in Ontario and produce packaging and printed materials that are managed through the municipal waste management system. Under the *Waste Diversion Act, 2002*, these companies report the amount of packaging and printed paper they put into the Ontario residential marketplace and pay fees to Stewardship Ontario.

Stewardship Ontario is the industry funding organization that distributes the funds from industry to municipalities.

This payment will be followed by two more payments for 2006; one will be sent to you at the end of December, and then a final will be forwarded at the end of March, 2007. In total, Stewardship Ontario will distribute \$48.6 million to Ontario municipalities that operate residential recycling programs for the 2006 program year. This brings the total amount of industry’s share of Blue Box programs in Ontario over the past four years to nearly \$130 million.

In addition to the direct cash payments, a further \$5.4 million has been made available this year (for a total of \$14.4 million to date) through the Effectiveness and Efficiency (E&E) Fund. Each year, 10% of the stewards’ financial obligation to municipalities is placed in the E&E Fund to provide competitive grants to municipalities to increase the effectiveness and minimize the cost of municipal recycling programs. So far, a total of 62 municipal projects valued at \$11.8 million in support have been awarded.

The provincial total net system cost is approved by the WDO which calculates the amount each municipality receives based on information your municipality provides through the annual waste management datacall. Funding for the 2006 year is based on:

- quantity of each type of Blue Box material marketed by each municipality


- population density of each municipality, and
- size of operation of each program.


In addition to the above factors, funding for 2006 also was based on the cost-effectiveness of a program relative to other municipal programs in its municipal group.

The funding allocated to each municipality is published on the WDO website, www.wdo.ca. Questions concerning the Blue Box Program and the calculation of funding can be directed to Glenda Gies at wdo@wdo.ca.

For information about the E&E Fund and how to apply, please visit the Stewardship Ontario website, www.stewardshipontario.ca. Questions concerning the Fund can be directed to Guy Perry at info@stewardshipontario.ca.

Sincerely


Dennis Darby
Chair
Stewardship Ontario


Gemma Zecchini
Chair
Waste Diversion Ontario

Stewardship ONTARIO

26 WELLINGTON STREET EAST, SUITE #601
TORONTO, ONTARIO M5E 1S2
(416) 594-3456 FAX (416) 594-3463

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CANADIAN IMPERIAL
BANK OF COMMERCE
1 QUEEN STREET EAST
TORONTO, ONTARIO M5C 2W5

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PAY

TO THE
ORDER
OF

CITY OF HAMILTON

Accounts Receivable
Standard Life Bldg
120 King Street West, Suite 900
HAMILTON, ON L8P 4V2
CANADA

DATE
09/19/2006

AMOUNT
***350,006.58

PER *[Signature]* STEWARDSHIP ONTARIO
PER *[Signature]*

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STEWARDSHIP ONTARIO

CITY OF HAMILTON

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SEPTEMBER 30, 2006 09/30/2006

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Fall 2006
Ontario Recycler Workshop and Webcast
Toronto, Ontario

Waste Diversion Ontario (WDO), Stewardship Ontario and the Association of Municipalities of Ontario (AMO) are hosting the third "Ontario Recycler Workshop" (ORW) in Toronto in November 2006. Municipal councilors with responsibility for and interest in waste management and recycling, municipal waste management staff, steward company representatives and private sector service providers are invited to attend this session.

This continues to be an excellent opportunity to get up to date on Blue Box waste diversion issues that affect your community and your waste management budget. The previous two workshops have each attracted approximately 100 participants who took part in person with another 50 or more participating online.

These workshops offer a valuable opportunity to network with other stakeholders who are involved in Blue Box recycling, consider new strategies to optimize WDO funding for your community's recycling program and find out about initiatives that are shaping the future of recycling in Ontario.

ORW at a Glance

Date: Thursday, November 2, 2006
Time: 12:00 p.m. – Networking Lunch and Poster Sessions
12:45 to 4:30 p.m. (approx.) – Workshop Presentations
Location: Novotel Toronto Center, downtown Toronto or online via webcast.
Cost: Free of charge

Summary Agenda

This ORW will highlight 11 different E&E Fund projects and special initiatives with speakers representing diverse communities from across the province in four sessions.

- ◆ *Session 1:* E&E Fund Program Update
Blue Box Assistance Team Report
- ◆ *Session 2:* Inside the MRF: addressing collection and processing issues
- ◆ *Session 3:* Achieving better and best practices in municipal residential Blue Box recycling
- ◆ *Session 4:* Key issues and emerging interests

Registration

Please be sure to register online to attend in person or via webcast, at www.stewardshipontario.ca/eeefund.

Information

Workshop details will be posted as they become available at the E&E Fund pages at www.stewardshipontario.ca.

For more information contact: Margot Beverley, Communications
Telephone: 647-777-3362 or mbeverley@stewardshipontario.ca



Waste Diversion Ontario (www.wdo.ca)

Waste Diversion Ontario (WDO) is a non-profit, non-government corporation created under the *Waste Diversion Act (2002)* to develop, implement and operate waste diversion programs for a range of materials that have been designated by the Minister of the Environment.



Stewardship Ontario (www.stewardshipontario.ca)

The Minister of the Environment designated Stewardship Ontario as the industry funding organization (IFO) for Blue Box Wastes. All packaging and printed paper that fall within these categories are included in the Blue Box Program Plan and in the fees calculation. Companies designated as stewards for Blue Box Wastes can discharge their legal obligations under *the Waste Diversion Act* through membership in Stewardship Ontario and by paying the applicable steward fees. Steward fees vary based on the types, amounts and recyclability of packaging materials and printed papers used.

Ten percent of this funding is directed to the Effectiveness and Efficiency (E&E) Fund which offers financial support to Ontario municipalities to implement activities to reduce system costs and increase tonnes recovered in residential Blue Box recycling programs. Through the first two years of the Blue Box program, the total value of the fund is approximately \$9 million. To date, 62 projects have been approved for funding for a total project value of \$11.8 million.



Association of Municipalities of Ontario

Association of Municipalities of Ontario

The Association of Municipalities of Ontario (AMO) is a non-profit organization representing municipal governments and provides support through a variety of services and products offered to members and non-members.

For more information about WDO, please see www.wdo.ca
For more information about Stewardship Ontario and the Ontario Recycler Workshop,
please see www.stewardshipontario.ca.