

COMMITTEE OF THE WHOLE - SEPTEMBER 20, 2004

WASTE AND RECYCLING COLLECTION CONTRACTS

Recommendation

The Commissioner of Engineering and Public Works recommends that Council approve the proposed terms and service levels for the forthcoming waste and recyclable materials collection tender.

Purpose

To seek Council approval with respect to the waste and recycling collection contract options concerning collection types and frequencies, that are proposed to be included in the new tender documents.

Background - Analysis and Options

The City's Municipal Waste and Recyclables Collection Contract (T99-132) was tendered out in late 1999 and awarded on January 27, 2000. The 33-month contract, that included an additional one-year extension, commenced in April 2000. The duration of the contract (33 months) was premised on the closure of Keele Valley Landfill site on December 31, 2002 and the subsequent opening of the Region of York's new waste management facility on January 1 of 2003.

The Region's timelines were not realized, accordingly, the City exercised the one-year contract extension clause within T99-132 (Council- Aug 26, 2002). This took the City's collection services to the end December 31, 2003.

With the Region's facility still not up and running, on May 25, 2003 Council directed staff to negotiate with the current collection contractors to extend the collection contract for another year. This second one-year contract extension commenced January 1, 2004 and will end December 31, 2004. Accordingly, the existing collection contracts expire as of December 31, 2004.

The Region has stated as recently as September 14, 2004, that their new waste management facility will be operational by July 2005. The opening of this facility coincides with the start time of the 3-stream collection program that the Region has directed all municipalities to undertake.

Presentations on the new 3 stream program were made at two Working Sessions (April 27 and May 11, 2004), with the purpose of seeking Council's input into the new program, its timing, and to discuss the concerns with the timing of the 3 stream program and the expiration of the existing collection contracts on May 25, 2005. Council approved the recommendations attached as Attachment No. 1, however, did not provide direction regarding further negotiation or tender.

Further to the confidential memo of September 15, 2004, concerning the waste and recycling collection contracts, there is no longer sufficient time to negotiate with the existing collection contractors and put out a tender if negotiations could not be successfully concluded. Staff have prepared a tender document that will be finalized after Council approval is given on the proposed collection frequencies and duration of contract.

The following outlines the proposed terms of the contract and collection frequencies that will be contained in the tender document:

1. Length of Contract

The tender form will ask for prices on 1, 3, and 5 year contract options, with a 1 year extension on each option. Notwithstanding the fact that the Region expects area municipalities to take part in the 3 stream Source Separated Organics (SSO) program in 2005, if the City cannot afford to do so, the 1 year "status quo" option will allow the City to carry on "as is" for the duration of 2005.

Given the short duration of a 1 year contract, and the fact that fall (September or October) is the best time to commence a SSO collection program, introducing SSO collection in 2005 would not be feasible with that option. However, the 1 year contract option would provide time to properly advertise and set up the program for a fall 2006 start date.

However, if the City is determined to implement a SSO collection program in the fall of 2005, the 3 or 5 year option would be the only options to consider. The fall 2005 date is a very ambitious timeline, considering the amount of work that would need to be done, and the necessary approvals for additional staff and funding that would also need to take place.

2. Collection Frequencies

Waste

Prices will be sought on once per week collection for curbside residential.

Recycling

Prices will be sought for two options:

- 1) every other week collection, and;
- 2) once per week collection of blue box materials.

Yard Waste Collection

Prices will be sought for the following three options:

- 1) a 34 week program of every other week collection from the beginning of April to the end of November;
- 2) a 34 week program with weekly collection from the beginning of April to the end of November; and,
- 3) a 34 week period with 8 weeks in the spring (April & May) and fall (October & November) of weekly collection, and every other week collection throughout the summer (status quo).

Provisions for separate collections in the Asian Long-horned Beetle Regulated Area are also contained in the tender document. Due to increasing restrictions in place at Michigan landfills, the old 16 week collection period (8 in the spring and 8 in the fall), is no longer feasible as too much of this type of organic material would end up in the waste stream under that scenario.

Bulky Items

Bulky items, such as chairs, mattresses, furniture etc. are to be collected with the regular waste stream (status quo).

White Goods (Appliance Collection)

Recyclable metal appliances will be collected on a weekly basis, with residents still being required to call in to the Public Works Department for an appointment (status quo). Currently, residents are charged \$25 per appliance for this collection service. Depending on the prices obtained as a result of the tender call, the Fees and Charges By-law may need to be amended at a later date to capture the full cost of this collection.

Source Separated Organics

Source Separated Organics (3 stream) will not be considered for the 1 year contract term. To request the contractor to implement such a program with only 3-4 months left in the contract may result in prohibitive costs or perhaps a no bid situation.

However, prices will be sought in the 3 and 5 year contracts for an every other week collection (similar to the service level most municipalities use who provide this service), as well as a once per week collection.

For the 3 year contract term, prices will be sought with start dates of September 2005 and September 2006. In the 5 year option, prices will be sought with start dates of September 2005, 2006, and 2007. This way, Council will be aware of the cost of implementing the SSO (3 stream) program should it decide to do so some time over the next three years.

Multi-Residential

No changes in collection frequency (waste or recyclable materials) are planned for the multi-residential unit component of the collection contract, and implementation of a SSO collection for these types of dwelling units is not anticipated within the term of the agreements.

Relationship to Vaughan Vision 2007

This report is consistent with the priorities previously set by Council; however, the necessary resources to cover any increased collection costs have not been allocated or approved, as the impact of new prices will be in year 2005 and beyond.

Conclusion

Should Council wish to proceed based on the proposed terms and collection frequencies, the tender document can be ready to go out immediately after Council approval. It is expected to close in October, with results being brought to Council as soon as possible thereafter for award. The overall impact to the 2005 operating budget will not be known until tender results are in and the level of service and the duration of the contract is selected. Also to be considered, is the timing of when the SSO collection will commence.

Once the tenders have closed, staff will prepare a report to Council outlining the financial impacts of each option.

Attachments

Council Extract – May 25, 2004

Report prepared by:

Brian T. Anthony, CRS-S, C. Tech

Respectfully submitted,

Bill Robinson, P. Eng.
Commissioner of Engineering and Public Works

Brian T. Anthony
Director of Public Works

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MAY 25, 2004

Item 1, Report No. 45, of the Committee of the Whole (Working Session), which was adopted without amendment by the Council of the City of Vaughan on May 25, 2004.

1 **PRESENTATION ON THE 3 STREAM WASTE COLLECTION PROGRAM**
(Referred from the Committee of the Whole (Working Session), Meeting of April 27, 2004)

The Committee of the Whole (Working Session) recommends:

- 1) That the recommendation contained in the following report of the Commissioner of Engineering and Public Works, dated April 27, 2004, be approved; and
- 2) That the presentation of Mr. Andrew Campbell, Director of Solid Waste Management, Transportation and Works Department, The Regional Municipality of York, 17250 Yonge Street, Newmarket, L3Y 6Z1, be received.

The Committee of the Whole (Working Session), at its meeting of April 27, 2004, recommended:

- 1) That this matter be referred to the Committee of the Whole (Working Session) meeting of May 11, 2004 and that the Region of York be requested to make a presentation;
- 2) That the memorandum from the Commissioner of Engineering and Public Works, dated April 27, 2004, be referred to the Committee of the Whole meeting of May 3, 2004; and
- 3) That the presentation material, be received.

Report of the Commissioner of Engineering and Public Works with respect to the above dated April 27, 2004

Recommendation

The Commissioner of Engineering and Public Works recommends:

- 1) That the presentation of staff be received;
- 2) That any comments or recommendations arising from the presentation be forwarded to the Regional Municipality of York (the Region) for their consideration in the design and implementation of the 3 stream waste processing program and/or facilities;
- 3) That the City plan to implement a 3 stream collection program no sooner than July 2005, subject to:
 - a) confirmation from the Region that by July 2005, there is sufficient capacity at Halton Recycling Inc.'s Newmarket facility to handle Source Separated Organics from the City of Vaughan,
 - b) the Region's new Materials Recovery Facility on Bales Drive, to which fully commingled recycling materials can be delivered, being fully operational,
 - c) sufficient funding being approved to cover the additional administrative and collection costs of this new program, and,
 - d) new collection contracts being finalized and the necessary collection equipment being available to commence collection.

Purpose

To inform Council about the upcoming 3 stream waste collection program.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MAY 25, 2004

Item 1, CW(WS) Report No. 45 – Page 2

Background - Analysis and Options

As part of the Region's overall waste disposal and diversion plans, and to comply with the new provincial target of 60% waste diversion by 2008, a 3 stream waste collection and processing program is being introduced. Area municipalities are expected to be participating in this program by July 2005.

The presentation today by staff outlines further the 3 stream program, its impact on collection, and provides items for discussion concerning collection frequency and existing collection contracts.

Relationship to Vaughan Vision 2007

This report recommends a change from the priorities previously set by Council and the necessary resources have not been allocated.

Conclusion

Waste is a shared responsibility, with the Region responsible for waste processing and disposal, and the City responsible for collection. The City's collection programs must not only meet the needs of the residents, but also contribute towards the Province's overall goal of 60% waste diversion by 2008. The 3 stream program, and other initiatives, will help Vaughan achieve this goal.

Attachments

N/A

Report prepared by:

Brian T. Anthony, CRS-S, C. Tech