

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON
MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

REPORT
RAPPORT

Our File/N/Réf. 31 57-96-0005-H
Your File/V/Réf.

DATE 30 September 1996

TO/DEST. Co-ordinator
 Planning and Environment Committee

FROM/EXP. Environment and Transportation Commissioner

SUBJECT/OBJET **RESPONSE TO OUTSTANDING INQUIRY NO. P & E - 20**
SOLID WASTE COLLECTION CONTRACT

DEPARTMENTAL RECOMMENDATION

That the Planning and Environment Committee receive this report for information.

INTRODUCTION

On 10 September 1996 at Planning and Environment Committee, Councillor Beamish requested a response to nine questions pertaining to the Solid Waste Collection Contract CE-5244.

BACKGROUND

Regional Council approved changes in waste collection services that would promote greater waste diversion and standardization of services levels across the municipalities. Since June of this year, the Region and its contractors have been implementing major changes in solid waste collection practices in Ottawa-Carleton. Many of the changes have been implemented with the start of Contract CE-5244, but in a number of cases the existing contractors agreed to early implementation of enhanced service levels to promote the standardization and facilitate information to the public. Early implementation of some or all of the improved services has taken place in Goulbourn, West Carleton, Kanata, Vanier and Cumberland.

In an effort to pursue the goals of the 3Rs Study, Blue Box collection has been increased from the basic materials to a much more comprehensive list of 14 materials and diversion of leaf and yard material has increased with the implementation of bi-weekly collection across the Region. During the transition, quantities of materials in the various waste streams have changed

significantly and, in fact, have at times greatly exceeded the changes anticipated by staff at the time the above-noted tender was prepared and quantities were estimated. In addition to the unanticipated quantities of materials, the changes in collection days, collection routes, equipment and contractors have also presented challenges for the those who provide the waste collection services and the residents of Ottawa-Carleton who receive these services.

We have undergone an enormous transformation in waste management services that had remained unchanged and generally untendered for approximately ten years. We chose this course to meet the economic and environmental challenges that lie ahead. Based on projected cost savings and early material diversions, we are progressing towards our goals.

RESPONSES TO QUESTIONS

Question 1: Is Exel Environmental meeting all performance criteria as set out in the terms of our contract with them?

Answer: Exel's performance to date has not met all the pick-up requirements. With respect to the pick-up of materials by 6:00 p.m., Exel is meeting this requirement for garbage and leaf and yard materials. This is confirmed by the data in Chart 1 (data up to 17 September 1996), attached as Annex A. The chart indicates the number of vehicles which arrived at the Trail Road Landfill Site later than the stated closing time. It should be noted that generally closing time is 6:00 p.m. It is possible that trucks which may have completed collection prior to 6:00 p.m. could appear as "late" on the Chart. The Trail Road data is the best available indicator we have at this time for leaf and yard material and garbage, and presents an accurate trend.

With respect to Blue Box pick-ups, Exel has had a problem meeting the 6:00 p.m. requirement on the Wednesday and Friday routes. In early September, completion of pick-up was running 2 to 3 hours late. By the end of the month, collection was within 1 to 1 ½ hours of the 6:00 p.m. requirement.

Question 2: Is Laidlaw meeting all of the same performance criteria?

Answer: Laidlaw's performance to date has not met all the pick-up requirements. As noted above, Chart 1 generally indicates performance with respect to garbage and leaf and yard. In addition, we are aware that Blue Box occasionally runs late on Tuesdays.

Question 3: Several reports have been brought to my office that Exel is dumping recyclables at the landfill site. What measures are being taken to curtail this problem and ensure that recyclables and compost materials are not picked up with the regular garbage?

Answer: Through the start-up of the new contract, various techniques have been used to collect material including the use of rear packer trucks to collect fibre material. As the public traditionally perceives rear packer trucks as garbage trucks, we initially received a number of reports of fibre material being picked-up by garbage trucks, when it was actually being compacted in these vehicles and recycled.

We continue to receive a small number of comments about both contractors putting recyclable material into garbage trucks. We have reviewed this matter with all contractors. On occasion, Blue Box put-out is contaminated with non-recyclable materials that the recycling vehicles will not collect. In an effort to provide complete service to the public, the recycling vehicle is often followed by the garbage pick-up vehicle and the garbage handler will empty the unacceptable Blue Box material into the garbage truck. In our discussions with Exel, we have pointed out that this sends the wrong message to residents because (1) they mistakenly believe their Blue Box put-out was correct, and (2) they conclude that the Region is not serious about recycling because the material was collected as garbage.

This is a difficult issue to measure exactly. We have told Exel to instruct their recycling staff that when a Blue Box is set out incorrectly that the box be tagged and left for the homeowner, not emptied by the garbage truck. In addition, staff at the landfill site regularly watch for the quantity and quality of material being unloaded from the garbage trucks to ensure recyclable materials are not being included.

Question 4: How widespread is the theft of Blue Box materials (i.e., aluminium cans) and what measures are being taken to counteract this problem?

Answer: Theft of material from the Blue Box continues to be a problem. During the summer months, with the start-up of the new collection contracts, our inspection staff focused on the start-up of the collection programs. This month, we have accumulated all of our previous complaints of scavenging and are continuing a blitz in an effort to reduce the problem. It should be noted that staff members have been successful in summoning and charging a number of violators who have stolen from the Blue Box. We have now reached the point where those being found guilty are facing increasing fines.

Question 5: What percentage of complaints are logged at Window on the Region from Exel's zone in comparison to Laidlaw's three zones?

Answer: The following table (Table 1) summarizes the complaints received by the Solid Waste Division. Both contractors inform us that some of these complaints are a result of late put-out by the residents.

Table 1

	Exel	Laidlaw
Weekend ending - Sept. 16	30	25
Sept. 17	11	18
Sept. 18	6	29
Sept. 19	17	21
Sept. 20	<u>24</u>	<u>21</u>
Total	88	114
Weekend ending - Sept. 23	22	24
Sept. 24	7	27
Sept. 25	8	30
Sept. 26	32	25
Sept. 27	<u>22</u>	<u>18</u>
Total	91	124
Estimated Households served per week	70,000	104,000
Complaint Frequency per households	1 per 780	1 per 870
Complaint Frequency per stops*	1 per 1,950	1 per 2,175

*Service per household includes 2.5 stops per week - 1 for garbage, 1 for Blue Box, and 0.5 for leaf and yard.

Question 6: Did Council reduce the bonding requirements for Exel?

Answer: Council did not formally reduce the bonding requirements for Exel. Council granted Exel additional time to meet the bonding requirements of the Contract.

Question 7: What exactly is the bonding requirement for Exel and is this bonding in place now? If not, what is the deadline for it to be in place?

Answer: The tender documents required successful bidders to provide performance security in the form of a combination of letters of credit and a performance bond. Both the letters of credit and the performance bond were required to be in the amount of 25 percent of the annual value of the contract. In the case of Exel, the original requirement was for a letter of credit in excess of \$1,000,000 and a performance bond in excess of \$1,000,000. Council approved an initial letter of credit of \$700,000, which the Region currently possesses, as well as retaining \$25,000 per month from contract payments until a total of \$1,000,000 is reached.

This \$1,000,000 amount will be retained for the balance of the contract term. As previously stated, Council granted Exel additional time to meet its bonding requirements. The bonding company has now issued a \$250,000 bond and details are being worked out to increase that bond to \$700,000.

Question 8: Is the Region still contracting with haulers other than Exel to pick up waste within Exel's zone?

Answer: The Region is no longer contracting with haulers other than Exel to pick-up waste in Zone C. This measure was taken while Exel awaited delivery of their full fleet of vehicles. Exel has now received that full fleet and, in fact, they have purchased extra vehicles, although from time to time they have supplemented their fleet with rental vehicles. Our initial consultation with local waste management firms suggested that we had allowed adequate time for purchase of vehicles between the award of the contract and the phased-in start-up, our experience has proved otherwise.

Question 9: How many tonnes have been picked up by these haulers and at what cost? How does this cost, per tonne, compare to the cost if Exel picked up the waste?

Answer: During the period when other contractors were assisting with the pick-up in Zone C, approximately 5 percent of the total tonnage was picked up by contractors other than Exel. That total tonnage was approximately 830 tonnes. Although final review of the charges from the other contractors is not complete, the amount is approximately \$155,000. Exel has been advised of the charges and review and reconciliation is in progress. Any extra cost will be absorbed by Exel Environmental.

*Approved by
M.J.E. Sheflin, P.Eng.*

PM/AMF/GC/md

Attach. (1)

Chart 1

