

1. SOLID WASTE COLLECTION CONTRACT DEVELOPMENT
LEVELS OF SERVICE

COMMITTEE RECOMMENDATIONS

That Council approve the following service level changes to the next Solid Waste Collection Contract beginning in June 1999:

- 1. The implementation of a program to collect and compost organic materials from curbside households, to be phased in over the life of the next collection contract;**
- 2. The alternate week collection of blue box materials (glass, metal, plastic and polycoat containers) on one week and all paper materials on the next week;**
- 3. The provision of an additional box to all curbside service households for storage and set out of all paper materials (hereinafter referred to as a fibre box);**
- 4. The following changes be made in the Contract;**
 - a) The collection of leaf and yard waste during peak periods to occur over an extended work day (additional two hours per day);**
 - b) The modification of the levels of service for bulky materials, such as sofas and mattresses, to allow for pick up on the day following the scheduled collection day;**
 - c) The discontinuation of curbside collection of tires, as residents now have the option of the Regionally sponsored "Take It Back" product stewardship program.**

DOCUMENTATION:

1. Director, Solid Waste Division, Environment and Transportation department report dated 27 Mar 98 is immediately attached.
2. Extract of Minutes, 28 Apr 98, immediately follows the report and includes a record of the vote.

REGIONAL MUNICIPALITY OF OTTAWA CARLETON
MUNICIPALITÉ RÉGIONALE D'OTTAWA CARLETON

REPORT
RAPPORT

Our File/N/Réf. **50 16-97-0062-H**
Your File/V/Réf.

DATE 27 March 1998

TO/DEST. Coordinator, Planning and Environment Committee

FROM/EXP. Director, Solid Waste Division
 Environment and Transportation Department

SUBJECT/OBJET **SOLID WASTE COLLECTION CONTRACT DEVELOPMENT
 LEVELS OF SERVICE**

DEPARTMENTAL RECOMMENDATIONS

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 - b) The modification of the levels of service for bulky materials, such as sofas and mattresses, to allow for pick up on the day following the scheduled collection day;**
 - c) The discontinuation of curbside collection of tires, as residents now have the option of the Regionally sponsored "Take It Back" product stewardship program.**

BACKGROUND

In January 1995, the Regional Municipality of Ottawa-Carleton (RMOC) assumed responsibility for the collection of solid waste from the municipalities of Ottawa, Nepean, Gloucester, Kanata, Cumberland, Vanier, Goulbourn, West Carleton, Rideau and Rockcliffe. During the current collection contract that expires on 31 May 1999, the levels of service provided to Regional residents were standardized and generally enhanced with respect to garbage, recyclables and leaf and yard waste, including Christmas trees.

As recommended in the 3Rs Study, approved by Regional Council in 1995, the Region's Solid Waste Division (SWD) staff examined a number of programs during the current contract period that will increase waste diversion activity and optimize the current waste collection system. These programs were evaluated according to their diversion potential, cost-effectiveness, public acceptability and technical viability.

Further impetus for this work was provided with the approval of the Regional Official Plan and Council's adoption of a new waste diversion target of 475 kilograms per household per year by the year 2000. Current recycling and composting activities presently take the Region to about 230 kilograms per household per year (curbside plus apartment programs).

DISCUSSION

Goals

The recommended changes to the solid waste collection contract, which will affect the levels of service, will help the Region achieve the following goals: increased waste diversion, customer convenience, and fiscal responsibility.

Organics

In the Organics Diversion Strategy, see Annex A, SWD staff recommend that a program to collect a broad range of organic material be implemented over the life of the next contract. The start of the proposed phase-in schedule is illustrated in Annex B.

The blue box program was also phased in throughout the Region, beginning with the most cost-effective areas. Over a five-year contract, based on current plans, organics collection would reach over 140,000 households. In the following years, SWD staff would work towards full implementation.

Diversion: This diversion program, which is Option #37 in the 3Rs Study, was recently piloted in five RMOC neighbourhoods, from October 1996 to October 1997, with great success. Based on the pilot results, an organics program would move the Region substantially towards its diversion target by more than doubling the diversion of leaf and yard (now 20,000 tonne per year) to 48,000 tonnes per year of organic material.

Customer Convenience: In terms of service levels, organics diversion would simply be an extension of the leaf and yard program for each area as it is phased in. To facilitate participation in the program, each curbside household would be provided with a 240 litre (64 gallon) wheeled cart and a 6 litre “kitchen catcher”. The specially designed cart minimizes potential odours. Pilot surveys showed strong support for the catcher which is used to transfer kitchen food waste to the cart, while the cart itself is big enough for food scraps, non-recyclable paper and garden waste. The pilot also suggests that over 80 percent of residents would participate (current blue box participation rate is 77 percent).

Fiscal Responsibility: Collection would take place every other week all year round. To minimize collection costs, St. Thomas, Caledon, Halifax, Lunenburg, Montreal and Laval collect organic materials in wheeled carts every second week. The pilot indicated that this was an acceptable schedule especially with the large cart. The carts have 10-year warranties.

Leaf and Yard Waste

Solid Waste Division staff recommend that the hours of operation be extended during the peak collection periods from eleven hours per day to thirteen, requiring completion by 8:00 p.m. To accommodate the proposed schedule change, the Region’s leaf and yard waste composting facility would also have to extend its hours to enable the haulers to maximize their on-route collection time.

Customer Convenience: The longer collection day represents a change to current levels of service and householders would need to be well informed since trucks would be on the road later than usual (and therefore pick up may be later than usual). The annual leaf and yard waste calendar would make program modifications, such as extended collection hours, perfectly clear. The longer day would ensure that these materials are picked up on the designated collection day and it would increase fiscal responsibility as outlined below.

Fiscal Responsibility: Haulers bidding on the collection of leaf and yard waste typically charge a premium because of the seasonal fluctuations in quantities generated; trucks are either over or under-utilized depending on the time of year. At the very peak of the fall collection, the current contractor uses three times as many trucks than during the summer bi-weekly period – with financial implications to the Region. By extending collection hours during the peak periods, fewer trucks will be required and therefore capital costs should be reduced.

Recycling

The next collection contract provides an opportunity for the RMOC to improve the way recyclable materials are managed. Recycling programs can now be more efficient, less labour intensive on the street, more convenient to both the householder and collector, and therefore potentially less costly. Many of the new recyclable materials added to the system for the last contract are light and voluminous with various flattening and bundling requirements. Seventeen

different kinds of recyclable material are now recovered instead of the previous seven. With the advancement of processing systems, the need to manually sort recyclables into a multi-compartment truck has diminished. Since collection costs currently represent about 65 percent of the total blue box program (and 35 percent is processing cost), introduction of these measures should improve efficiencies that will reduce costs. A summary of three integrated program changes that relate to levels of service are provided in the following sections. They are:

- collect blue box materials one week and paper materials the next week;
- provide a second household collection box to all curbside customers for paper materials;
- compact recyclable material on trucks to provide residents with the convenience of not having to flatten cardboard boxes or any other voluminous material.

1. Alternate Week Collection

With the introduction of a two-stream system and the provision of a second box, the next step is to collect blue box material one week and fibre box material the next week (alternate week collection). The provision of the extra household collection box makes this program change viable.

Customer Convenience: Since the set out of residential recyclable material would change, a short transition period and/or extensive promotion and education would be required. Since the RMOC produces an annual calendar for leaf and yard waste collection, the mechanism already exists for identifying blue box weeks and fibre box weeks.

Fiscal Responsibility: Alternate week collection would increase collection efficiencies and should provide the RMOC with significant cost savings. This is the primary reason for considering this program change.

2. Second Household Collection Box

To ensure that savings are actually realized as a result of two stream collection and to maximize public convenience, state-of-the-art programs provide residents with a second box (usually grey or brown) for the storage and set out of paper materials.

Diversion: Municipalities in Metro Toronto that provided a separate box for paper realized an overall recovery rate increase of 15 percent while the City of North York reported a 37 percent increase in paper recovery.

Customer Convenience: The fibre box provides all curbside households with added storage and set out capabilities. The extra box simplifies the separation of recyclable materials into two streams.

Fiscal Responsibility: Partners or sponsors will be sought out to reduce the cost of the second boxes. In North York, the end market for that program's paper material provided the fibre boxes for free.

3. Compaction of Recyclable Materials

In a two-stream collection system, recyclable materials can be compacted to maximize the load, extend route sizes and reduce truck requirements. The fibre stream can be fully compacted while the blue box stream can be lightly compacted.

Diversion: In the current program, boxes that are not flattened are left behind by the hauler (to prevent their trucks from filling up with “air”). With compaction, all boxes would be collected and this would result in increased recovery.

Customer Convenience: The added convenience of not having to flatten or bundle cardboard boxes reduces the need for material preparations typically required of the householder. When asked if less flattening/bundling and a two box system were more convenient than the status quo, 80 percent agreed (and 60 percent strongly agreed).

Fiscal Responsibility: The compaction of recyclable materials should provide the RMOC with significant cost savings because the collection routes will be extended (i.e., more households served per load), fewer trips to the recycling facility will be required and, therefore, fewer trucks should be required.

Garbage

The following program changes are recommended to reduce collection costs but are highlighted in this levels of service report given the impact they would have on Regional households.

1. Collection of Bulky Goods

Collection requirements have been designed to promote side loading, single person trucks able to pick up various material streams (garbage, organics, recyclable containers and paper products). The collection of large waste items or bulky goods, however, cannot be collected in the same truck by one person. Therefore, bulky goods may not be picked up until the end of the following day. The regular collection truck can report the address of uncollected bulky items to a dispatcher who then schedules a pick-up for the following day using a rear loading truck. Separate collection of bulky goods promotes the use of one-person garbage trucks.

Customer Convenience: Residents would have to be informed of this system as it affects the way materials are set out or brought back from the curb.

Fiscal Responsibility: By allowing the hauler to schedule the collection of bulky goods a day later should result in collection cost savings. The hauler would be able to address this material stream with a dedicated bulky goods truck and crew thereby maintaining an efficient collection system for “regular” garbage.

2. Automotive Tires

As part of the emerging trend to foster more direct producer/consumer product responsibility, the Region recently launched a “Take It Back” product stewardship program for tires and other items. To help promote and support this new, convenient program and to avoid

needless collection and disposal costs, the Region should ban tires from future curbside collection contracts.

Diversion: Automotive tires represent about 1 percent of the residential garbage stream, or approximately 1,500 tonnes per year. Since the generation of used tires is estimated to be one per capita per year, it is evident that most tires are already appropriately managed. The successful diversion of the remaining tires would not have a significant impact on overall diversion levels.

Customer Convenience: In this program, worn out tires, used motor oil, empty propane tanks, antifreeze, batteries and pharmaceuticals are now accepted at twenty “Take It Back” sites and many other locations across the Region and this number is expected to grow. Many residents are already using this system.

Fiscal Responsibility: Given the “Take It Back” program option now available to customers across the Region, the need to maintain a parallel collection service for tires represents a discretionary use of tax dollars.

CONSULTATION

To assist in determining appropriate levels of service, SWD staff updated previous public consultation work that was done to identify various 3Rs options, by conducting two surveys summarized in the next two sub-sections:

1. RMOC Recycling Survey

Over a one-week period, starting 15 January 1998, a telephone survey about blue and fibre boxes and different collection frequencies reached two hundred and eighty residents of the RMOC, excluding the Township of Osgoode. The survey results are accurate within a range of plus/minus 5.9 percent, nineteen times out of twenty.

When asked about the convenience of a blue and fibre box system, 80 percent of respondents thought that such a system would be more convenient than a single box and that it would improve the current program. Almost 90 percent of respondents thought that storage of a second box would not be a problem. Another 88 percent said a two box system was a good idea if it did not cost more.

With respect to an alternate week collection service, 75 percent of surveyed residents said they would support such a system if it would save the Region an estimated \$1.5 million per year (staff project even greater savings potential).

2. Organic Diversion Pilot Surveys

In another telephone survey, conducted in October 1997, that excluded organic pilot households, 80 percent of residents surveyed said they were at least somewhat likely to

use a curbside organics collection program. The survey results are accurate within a range of plus/minus 4.6 percent, nineteen times out of twenty.

During the one-year pilot, three other surveys were conducted with participants to help Regional staff assess public acceptance for source separation, storage and set out of food and yard waste. The final survey (door-to-door and mail-in) generated a 67 percent response rate from a total of 2,355 households. In summary, the residents who were provided with the wheeled carts, in particular, indicated their satisfaction with the program by providing an 80 percent positive response to questions regarding separation of organics, container storage, size, handling and cart appearance.

Although surveys indicated that monthly wintertime collection in the cart areas would be acceptable, cost savings would actually be minimal since the fleet size would still have to be maintained even if parked. Provision of the larger cart makes every other week collection possible. Almost half of the residents had a preference for bi-weekly or monthly collection in the summer. Other programs have gone with every-other-week collection to minimize costs and residents have adapted to the schedule. In mature programs, virtually no calls are received involving residential complaints or questions.

3. Communications Plan

In order to ensure a smooth transition from the current program to the next, SWD staff will report back to Planning and Environment Committee with a communications plan that will support the recommended service level changes required to increase waste diversion, minimize customer disruption and maintain fiscal responsibility. Development of the plan will be based, in part, on lessons learned in the organics pilot in which calendars, newsletters, tags and other communication instruments were used.

FINANCIAL IMPACT

A number of service elements have changed, some resulting in cost decreases and others in increases. The proposed program is projected to stay within the funding range of existing programs but enhances diversion allowing us to meet the Regional Official Plan goal. Cost projections of various curbside collection alternatives are provided in Annex C.

Revisions to the recycling part of the Solid Waste Collection Contract should result in considerable cost savings to the Region. Longer collection hours for leaf and yard waste during peak periods and simplification of certain other collection procedures should reduce the number of vehicles required to perform the contract.

Since the collection of organic material represents an expansion of existing service levels, a slightly higher program cost is anticipated for this component. In the long run, the financial benefits of increasing waste diversion will be realized in the form of savings associated with deferral of costs to replace existing landfill capacity.

CONCLUSION

After managing the RMOC's first collection contract, SWD staff has identified a number of ways to improve collection efficiencies and increase waste diversion. The contract tender process is an ideal opportunity to assess system options and compare program costs. Proposed changes to the Region's waste collection programs would require some modification of current levels of service but with an overall positive impact in terms of diversion, customer convenience and fiscal responsibility.

In summary, it is proposed that the recommended service level changes contained in this report, be approved by the Planning and Environment Committee and Council so that the next Solid Waste Collection Contract Tender can be revised as required.

*Approved by
P. McNally, P.Eng.*

RS/mm

Attach. (3)

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON ORGANICS DIVERSION STRATEGY

The Regional Municipality of Ottawa-Carleton's Organics Diversion Strategy has been developed in order to address a significant part of the residential waste stream. However, this strategy document represents staff recommendations only and is subject to Regional Council review and approval.

The strategy is based on a variety of inputs: one-year Regional Municipality of Ottawa Carleton (RMOC) organics pilot, consultation with potential composting operators¹, discussion with other municipal officials, literature review and careful consideration by staff. Further impetus for preparing this strategy is the Region's 3Rs Study which was received and approved by Council in 1995: The Study's Option #37 identifies a "residential 3 stream collection system" as a primary waste diversion option.

1.0 BACKGROUND

The Regional Council's Official Plan specifies a diversion target of 475 kilograms per household per year by 2000. Current blue box and leaf and yard waste (LYW) programs fall short of the target by 245 kg/hh/yr. Based on the pilot results, the inclusion of residential organics would enable the Region to reach the Official Plan target, assuming full program implementation. However, given the proposed implementation timeframe, the target will not be met across the whole Region until approximately 2005.

Pilot data suggest that a region-wide program would divert 60,000 tonnes/year of residential food and garden waste (assuming 292 kg/household/year). It is estimated that an additional 40-60,000 t/yr are available in the commercial sector.

2.0 STRATEGY

The Region's organics management strategy has three specific goals: (i) maximize waste diversion; (ii) maximize cost-effectiveness; and (iii) maintain customer convenience. With a view towards these goals, the following organic program elements are specified:

- Implement curbside collection of organics over a 4-6 year period.
- Support the development of multiple composting facilities across the Region.
- Award long term contracts to private sector operators.
- Establish a Regional composting facility at Trail Road Landfill Site for organics (while maintaining the existing LYW program).
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The following sections discuss each of these elements in greater detail:

¹ Use of the term "composting" in this document is meant to include "organics processing" for those vendors whose systems involve anaerobic digestion, fermentation or some other method.

2.1 Four-Six Year Implementation

The Region proposes to phase-in the first part of the curbside organics collection over the life of the next collection contract years starting in 1999 (see Section 3.0 for proposed schedule). A relatively long implementation period allows for the development of compost markets, effective management of cart distribution and the development, refinement and maintenance of an effective and efficient promotional and education campaign.

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| <u>advantages</u> | <ul style="list-style-type: none"> • implementation costs are spread out. • “big bang” approach would be logistically difficult. • incorporate lessons learned from initial phases. |
| <u>disadvantages</u> | <ul style="list-style-type: none"> • diversion of material from landfill disposal is delayed. • the phase-in approach means some communities would wait longer for the program than others. |

2.2 Multiple Composting Facilities

Based on vendor input (Dec-97), there is considerable disagreement regarding optimal facility size. Notwithstanding Regional staff's preference for multiple operators, facility capacity and methods of operation are MOE Certificate of Approval issues. To satisfy its own requirements, however, the Region can simply tender multiple contracts for residential organics. The primary benefit of strategically located, multiple facilities is that they would minimize haulage distance and costs.

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| <u>advantages</u> | <ul style="list-style-type: none"> • minimizes hauling distances and costs. • promotes competitive pricing structure. • avoids single facility reliance and associated risks. |
| <u>disadvantages</u> | <ul style="list-style-type: none"> • presents private sector siting challenges. • administratively more complex (e.g. tendering). • risk of too much composting infrastructure. |

2.3 Long Term Contracts

The Region plans to keep composting facility tenders separate from collection activities. Tendering would be staggered to accommodate the phase-in of households and to allow sufficient time for qualified vendors to get Certificates of Approval and to establish their operations. Based on operator input, typical facility capitalization time is estimated to be 1-2 years although some firms could be ready much sooner. Composting contracts will be tendered out for 5 and 10 years and awarded according to best bid.

- advantages
- longer contracts may provide better bids per tonne.
 - Regional contract provides steady cash flow while private operators develop commercial organic clients.
 - allows for development of long term markets.

- disadvantages
- longer contracts make it difficult to adopt to future technical improvements or to take advantage of potential cost reduction opportunities.

2.4 Regional Composting Facility

The organic diversion strategy recommends that the Region become an active composting player. This approach enables the Region to act as a back up facility for private sector operators that may close for unforeseen or unavoidable reasons. In this regard therefore a facility at Trail Road Landfill Site (TRLS) with excess capacity should be established as soon as possible. A Regional facility can effect tip fees in the same way that TRLS allows the Region to influence garbage disposal fees.

- advantages
- Regional composting operation provides baseline costs with which to assess private sector bids.
 - establishes back up requirement for Regional collection program.
 - provides the Region with its own compost supply.
 - by operating its own facility, the Region becomes an “educated” purchaser of services.

- disadvantages
- public versus private costing issues.
 - the Region requires time to develop appropriate expertise.

A full organics composting facility at TRLS would likely be an outdoor windrow system for several reasons: (i) minimal capital investment, (ii) lower operating cost and (iii) the existing equipment, maintenance programs and weigh scale systems can be used. With windrows, the Region retains the flexibility to close, expand or upgrade the facility in the future. Moreover, SWD staff have been directed by Council to fully assess a low tech., low cost approach – the jury is still out on the efficacy of windrow composting in this area. While most higher tech. vendors are very critical of windrow composting of food waste, certification of the site and the system used is an MOE responsibility.

2.5 Other Composting Issues

Private vs. Regional Operator at TRLS

Since full organics is different than leaf and yard waste composting, the Region will require some technical assistance from an experienced operator. Towards that end, a Request for Proposals will be released shortly to solicit private sector interest. Such a contract may involve setting up the site, operational assistance for a limited period of time, followed by transfer of operations to SWD staff and then interim troubleshooting.

There are two sides to the issue of private composting assistance at TRLS:

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| <u>pros</u> | <ul style="list-style-type: none"> • public/private partnership to develop expertise and optimize operations. • may fast-track facility implementation. • potentially greater MOE and public acceptance. • sets benchmark for efficiency. • spreads out the risk/cost of failure. |
| <u>cons</u> | <ul style="list-style-type: none"> • cost impact unknown. • need to coordinate with regular landfill activities. • level playing field issue. |

Residential vs. Commercial Organics at TRLS

For the duration of the residential program phase-in, the Region will not process non-residential organics unless a private sector service provider is unavailable. Since multiple composting facilities will eventually be required, the Region does not want to compete with or inhibit the development of private sector operations. It is expected that private facilities will address commercial organic waste using Regional leaf and yard waste as an amendment which could be tendered out. At the end of the phase-in period, the Region will review the situation with respect to commercial organics in order to assess whether the private sector tip fees for this material are encouraging or discouraging diversion activity.

Compost Ownership

When the Region tenders out future composting operations, three variations on compost ownership are proposed: (i) the Region keeps the finished product, (ii) the operator keeps the finished product, or (iii) some kind of product/revenue sharing arrangement may be proposed. The preferred option would depend on the bids received. Typical compost revenues from the sale of compost in Ontario are about \$10 per tonne.

2.6 Other Collection Issues

Collection Elements

The basic features of the recommended organics collection program are as follows:

- 240 litre carts (and possibly 140 litre carts as well) – special design to minimize odour
- year round bi-weekly collection
- other trucks required to help with LYW peak in the fall (weekly collection)
- preferred launch phase launch time is September-October
- implement in cost-effective areas first

Service Areas

The general intent of the implementation plan is to bring on the most cost-effective service areas first. That is, (i) based on recent time-motion studies the most efficient collection is presently conducted in the suburban areas (i.e. the highest kilograms per collection hour); and (ii) bring on areas that are closest to composting facilities.

In rural areas, given the lower housing densities and the longer distances, curbside collection is likely more expensive. It may be more cost-effective to provide rural households with an alternative service option but further consultation with them will assist the RMOC in making this assessment. Highly dense urban areas (e.g. multi-family residences) present their own challenges especially the lack of cart storage space and/or the absence of LYW.

To reach the Regional diversion target, SWD staff are recommending that Council endorse curbside collection of organics. However, all households will still be encouraged to continue backyard composting since it is the cheapest and most environmentally friendly option. The Regional “compost doctor” support program will be continued.

3.0 IMPLEMENTATION SCHEDULE

As discussed in the previous section, the most cost-effective areas would be included in the first four phases of the program. The first phase would include about 20,000 households while the second, third and fourth phases would each represent another 30-40,000 households.

The recommended date for the implementation of phase one of the organics program is Sep./Oct. 1999 following the start-up of the next solid waste collection contract in June 1999. Other than Council preference/approval, several issues influence the start date:

- co-ordination with the timing of the second collection contract tender call;
- provision of a large cart in the fall would be well-received by residents during the peak generation period for leaf and yard waste and odours would be minimized by lower seasonal temperatures;
- sufficient time is required to deliver an extensive open house, outreach program to inform and educate residents about the organics program.

Should the organics program receive approval from Council, the tender for solid waste collection which is expected to be released this April will specify the timing and proposed location of the organic program phases.

The implementation of phases 1 through 4 would be completed by the year 2002. Phases 5 and 6 involving urban and rural areas would be implemented under the third Regional collection contract pending lessons learned in the first four phases.

The number of households potentially involved in an organics collection program are estimated as follows: Phase 1 = 20,260; Phase 2 = 43,590; Phase 3 = 38,800; and Phase 4 = 37,700. Household counts for the last two phases are more difficult to make. Since the plan is to share residential organics between multiple facilities (assuming reasonable prices), every attempt will be made to eventually assign collection areas to the closest composting site.

4.0 TENDERING AND CONTRACTS

The planned 4-6 year phase-in of the organics collection program impacts both collection and composting operations. In both cases it would have a staggered effect as discussed in the following two sections.

4.1 Collection Contracts

Should the organics program receive Council approval, the next collection contract tender will identify which areas convert to organics collection and when. Two examples:

- The hauler that wins Zone X and starts LYW collection in Jun-99 will know that 20,620 households with organic carts will have to be serviced beginning in Sep-99.
- The hauler who wins Zone Y will collect LYW from Jun-99 until Sep-00; at that time, carts will be distributed to targeted households, trucks will be retrofitted and collection service provided.

When the next collection contract is tendered, it is intended that haulers bid one price for the collection of LYW and organics so that the cost of the cart tippers can be spread out over the full contract period.

4.2 Composting Contracts

With Council approval in hand, the Region will tender out Phase 1 material as soon as possible. In order to attract vendor attention and to allow competition to develop, a long capitalization period is required – that is, time for land purchase, C. of A. work and facility development. In the event of a non-competitive, high bid environment, the Region may retain the right to compost Phase 1 organics at TRLS.

The tender will be open to all firms with a private sector facility. The contract could be awarded to a firm without a Certificate of Approval from the MOE; however, the successful contractor will be responsible for composting organics collected whether its facility is ready or not. In other words, should the successful contractor not be able to compost organics at its own site when the collection program starts, it shall transfer that material to a certified processing facility at no extra cost to the Region.

A key part of the multiple facility approach would be their geographical distribution across the Region as discussed in previous sections. With particular reference to more populated areas, facilities should be strategically located to minimize travel times. To help make this happen, the Region should control the flow of residential organic material and be able to direct it to the most logical site.

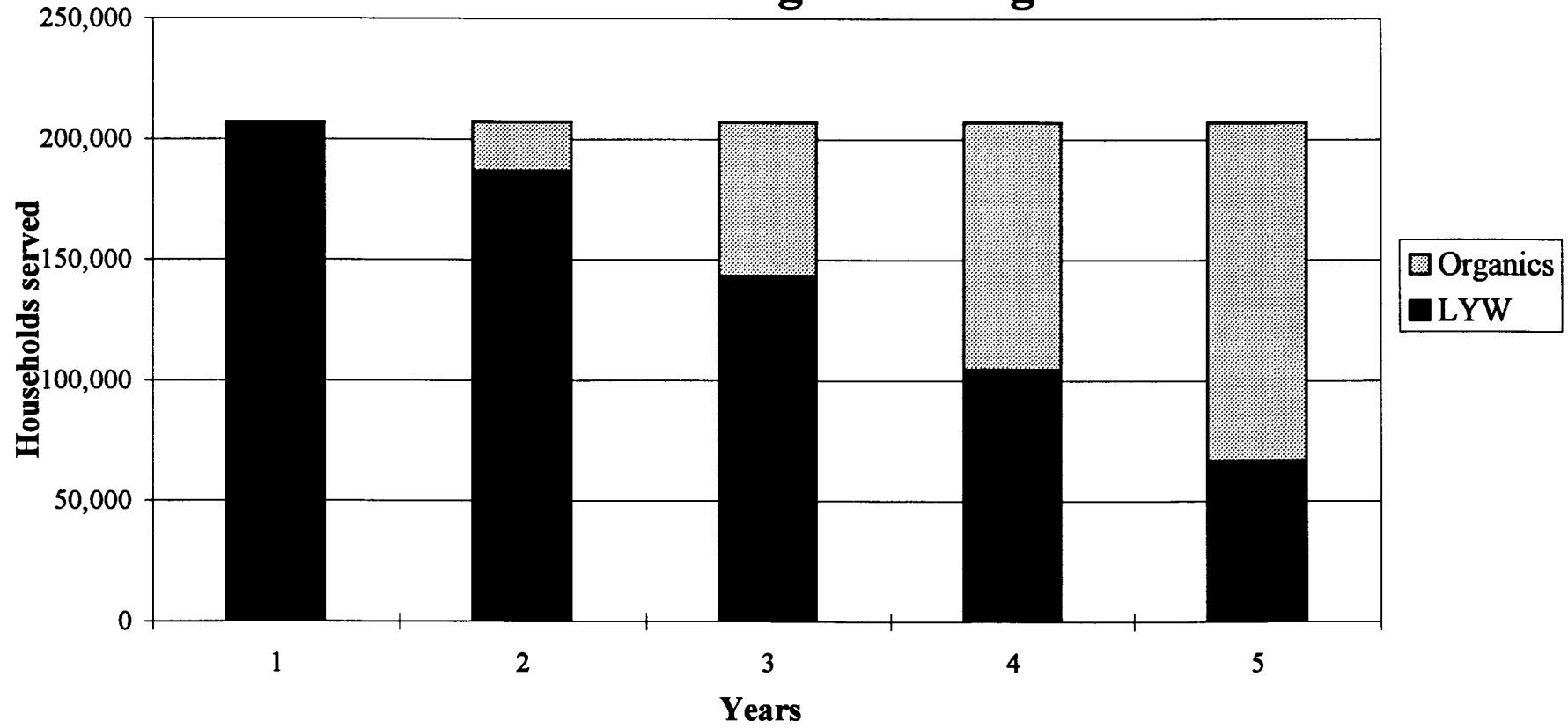
To summarize, the goal of the Region's organics management strategy is to establish multiple facilities for a sustainable composting infrastructure that encourages efficiency and maximizes Regional diversion benefits. To achieve this goal and to ensure that composting capacity is always available, the infrastructure should be comprised of both public (i.e., RMOC) and private sector players.

**RMOC Organics Diversion Strategy
Private Sector Feedback**

Composting vendors had a chance to review a preliminary Strategy draft and submit their comments to the Regional staff. The strategy was subsequently revised. This table summarizes vendor comments, indicates whether the text was changed or not and gives the rationale for the decision.

Issue	Vendor Comment	Strategy change	Rationale
Implementation period	no consensus; mixed views	no change	mostly a Regional issue re collection
Size of composting facilities	do not limit facility size	“limits” not actually specified but text modified in any case	it’s an MOE Certificate of Approval issue
Number of facilities	why specify the number of facilities?	specific number out; benefits of multiple facilities emphasized	competition; back up capacity; transportation issue
Contract length	strong preference for 20 year contracts	no change	avoid technology and/or poor price lock ups; most systems are modular anyway
Regional composting facility	uncertainty about RMOC role/intent; widespread critique of windrow system	text clarified; low tech, low cost approach for RMOC maintained	windrow system still a viable and permitted technology
Other composting issues	process/odour control claims for in-vessel technologies; operators prefer to own compost	no change	cost competitive issue will be resolved with tender; bids will be taken if RMOC retains compost as well
Collection issues	some questions about the rationale of fall start up times	specific start date for Phase One specified	Sep-Oct preferred implementation period; coordinated with collection contract
Tendering and contract schedule	tender out Phase One and discard bids if too high	change made	Regional back up facility will be developed in parallel

Phase In of Organics Program



Cost Estimates of Various Curbside Collection Alternatives

<i>Alternative</i>	<i>Contract Costs</i>
Current Estimated Annual Cost	\$17.9
Retendered Existing Contract	\$19.3
1999 tender - weekly garbage, alternate week recycling, bi-weekly organics	\$17.4
1999 tender - weekly garbage, alternate week recycling, bi-weekly organics, one zone operated by RMOC (via managed competition)	\$16.9

Extract of Minute
Planning and Environment Committee
28 April 1998

SOLID WASTE COLLECTION CONTRACT DEVELOPMENT
LEVELS OF SERVICE

- Director, Solid Waste Division, Environment and Transportation department report dated 27 Mar 98

Pat McNally, Director, Solid Waste Division, ETD, gave a brief overview of both staff reports.

Councillor Beamish asked for clarification regarding the number of zones the Region would operate - one slide said one zone, another said minimum of one.

Mr. McNally indicated the report states "minimum of one zone", however, in September, once prices from the private sector are in, a final decision will be made on the number of zones the Region would operate, if any.

Mr. Sheflin indicated his views on the value of having some private sector involvement. He explained the Region is getting involved at this point because of the lack of competition in the industry and he believes competition is good. He felt this report would ensure competition is reintroduced into the marketplace and the Region is sending a message to the private industry. His recommendation would be to always keep the private sector involved in the process.

Councillor Stewart recalled at the briefing there was some discussion of a minimum of 20% for either the private or public sector involvement and noted she did not see this reflected in the reports. Mr. McNally indicated the reports on the agenda are the same as presented at the Briefing Session on April 6, 1998, however, the Committee may amend the recommendations to define the percentage of involvement by the RMOC and private industry.

Councillor Stewart requested clarification on the increased costs of expanding the solid waste collection contract to include improved recycling and organics collection.

Mr. McNally explained the new solid waste collection contract will save about 1 million in garbage collection, however, approximately 1.1 million will be added to expand to organics collection. He said some savings will also be realized in the recycling part of the contract and there are financial benefits of increasing waste diversion to be realized in the form of savings associated with deferral of costs to replace existing landfill capacity.

Councillor van den Ham noted the Region would pick up one zone which would be to the best financial advantage of the Region and questioned how ETD staff would determine that. Mr. McNally explained staff will have to go through a costing process to develop estimates on the different zones as they have different characteristics and distances from the landfill site and facilities.

Extract of Minute
Planning and Environment Committee
28 April 1998

Regarding revenues for recyclables, Councillor van den Ham noted the Region receives these revenues in the current contract and have suffered because of the collapse of the market, he wondered if staff have considered the option of allowing the processors to keep the revenues and give the Region a lower contract cost.

Mr. Sheflin pointed out that Council had looked at that option and made a policy decision to keep the revenue based on the knowledge that the markets are cyclical and overall in the long term it would average out. He noted that it is difficult to expect the private industry to bid on a contract that might see them operating at a loss.

Councillor van den Ham noted his concern about composting sites, taking into consideration the experiences with Huneault, and he does not want to end up with a company that will compost on a site close to residential areas.

Councillor Legendre inquired where the organics pilots were located. Mr. McNally indicated five different wards were selected in cooperation with the Councillors. Staff listed the five areas: Monday-Britannia, Tuesday-Munster Hamlet, Wednesday-Rideau Gardens, Thursday-Carlinton and Friday-Borden Farm.

Mr. McNally described the two different programs built in Guelph, a two stream, wet/dry facility at a cost of 36 million dollars; and in Edmonton, a wet/dry combined facility at a cost of 80 million in response to Councillor Legendre's questions. He noted staff are proceeding as outlined in the original 3R's Study with a lot of this work continuing to try and do as much as staff can with low cost and low tech solutions.

Councillor Legendre, regarding bidding, questioned why Council could not just say the Region will bid and leave it at that. Mr. McNally explained this was a policy decision. He felt if the Region submitted a bid, questions may arise as to the level of experience at the Region to generate the numbers. He felt that initially, if the Region were to bid staff would have to bid on the whole contract, but felt it would be fairest to get in with just one zone on a policy basis.

Mr. McNally confirmed, in response to Councillor Legendre, the Region will be starting in a few weeks to collect garbage for a 12 month commitment, making due with what equipment can be found, which is a different approach than how staff would approach it for a longer term commitment. He also noted with the tender closing on July 7, 1998, staff would have had no operating experience on which to bid.

Councillor Legendre declared his disappointment with the number of zones being increased from three to five. He felt a more significant increase was in order.

Mr. McNally commented the increase to five zones was decided based on information received from supplies and analysis work done. He noted in the 30-40,000 range requires approximately 20 trucks and staff felt that if those numbers were broken down even more

Extract of Minute
Planning and Environment Committee
28 April 1998

it would have a negative impact on the price. Staff attempted to break it down small enough to let smaller companies in, however, without losing the economies of scale. He advised the apartment zones are split into four zones and will allow for a much smaller operation.

Due to the differences in equipment used, Mr. McNally explained to Councillor Legendre the 800 apartment buildings in the Region are split into two areas (400 buildings) for garbage and two areas (400 buildings) for recycling; not four geographic zones. He further explained a contractor with a residential zone has garbage, leaf and yard waste and recycling. Staff found that best to help remove any disputes i.e. if something is left at the curb it is one contractor's responsibility.

Councillor Legendre felt that there should be 10 residential zones instead of five for approximately 20,000 residences per zone.

Committee Chair Hunter halted the questions to allow a public delegation.

Phil Kerrigan from WCI Waste Conversion Inc., an Ottawa-based environmental engineering firm, addressed the Committee. Mr. Kerrigan indicated his company has been developing plans to get into the composting business to serve the Region and providing feedback to the Region on the evolution of this process. He commended the Region on the organics initiative and believed it is not only environmentally responsible but is financially sound. He pointed out this organics strategy will create additional jobs, tax revenues and valuable products.

Mr. Kerrigan felt there was not a lot of detail provided on the actual organic strategy. The report defined a role for composting at the Region; a role for Trail Road Landfill Site that uses the term "active player"; an objective to assert some leverage over the tipping fees that private facilities might offer. He felt this clearly suggests an element of competition between the private sector and the Region, which is fine as long as there are terms of reference. He felt if the Region is trying to encourage private sector involvement in composting the industry must be able to determine how much is the Region prepared to offer to the private sector. Without this knowledge it will be difficult to justify the kind of investment the industry has to make. He believes the best leverage in terms of tip fees is good competition. The concept of multiple facilities will result in competition on the tipping fees and that provides more leverage than any facility the Region may set up at Trail Road. He requested further clarity on what the Region's plans are for Trail Road before his company could make the required investment.

He commented on the role the Region has defined for the private sector recommending that multiple private sector sites be awarded contracts, however, it is not clear how many private facilities the Region is trying to encourage. There are economies of scale to be gained i.e. the larger the facility the lower the unit price cost is. The appetite to bid is different for 10 facilities than if 2 or 3 involved. He believed 2 or 3 facilities is reasonable.

Extract of Minute
Planning and Environment Committee
28 April 1998

He noted the strategy for Trail Road involves open windrow composting which is a very low level technology; the organics are left in a pile on the ground. This provides no control over the composting process, over odours, and the effects of the elements and results in a lower quality product. He informed the Committee virtually all other municipalities in Ontario involved, or to be involved, in composting have recognized the importance of some form of in-vessel system. There are significant problems associated with open windrow composting that are hopefully recognized by the Committee. He felt exposure to this type of technology should be minimized.

In summary, Mr. Kerrigan felt the best scenario for the Region's taxpayers is to have competing private facilities, geographically spread throughout the Region which could provide backup facilities if one failed. The facilities should be large enough to be viable and attractive for investors in the private sector, offer economies of scale for the taxpayers, provide a composting service with quality, modern, controlled and reliable composting technologies that can be provided at a tip fee that is below the current landfill rates. The role of Trail Road should be well defined before any private sector initiatives can be expected.

Councillor Stewart requested clarification on whether the Region will be using open windrow composting as she understood the Region had a more sophisticated type of composting.

Mr. McNally noted in the original draft of the report the first phase of the organics program would be handled at Trail Road. In response to consultation with the private sector, the first phase has been eliminated and indicated what the other phases will be. As noted in the report and Mr. McNally's presentation the four different steps would be phased in. He advised staff are still looking at open air windrow composting; it is currently being used for leaf and yard waste. Staff are aware of the possible problems with the technology and have not ruled it out for organics yet.

Mr. McNally introduced Keith Watson, Manager, Landfill Operations to provide comments on open air windrow composting. Mr. Watson informed the Committee the process of composting can be done in many different ways. He noted, as has been proven in several sites in Ontario, that open air windrow composting can be successfully done with various different kinds of materials. He confirmed the need to kill the pathogens in the waste and the method of doing that is to ensure the temperature within the biomass reaches a height of approximately 55 - 60 degrees celsius for a period of time. He explained there are various methods, machines and technologies to achieve this including open air windrow composting. Although thorough monitoring is required, it can and has been done in Ontario.

In response to questions from Councillor Munter, Mr. Kerrigan confirmed his view is that the larger the facility the lower the unit cost and if the industry is looking at startup

Extract of Minute
Planning and Environment Committee
28 April 1998

facilities, the rules of the game need to be known, i.e. clearly defining the range of facilities the Region is looking to encourage.

Councillor Munter stated the Region's goal is to receive as much productivity for the lowest price, therefore, the determining factor on the number of facilities should be what is most economical for the Region. Mr. Kerrigan pointed out that if the package is so unattractive, the private sector will not want to get involved.

Councillor Legendre felt Mr. Kerrigan had a valid point and felt staff should define the rules more clearly without removing the element of competition.

Mr. McNally, referred the Committee to page 14, where the implementation phases are defined. Mr. Kerrigan noted that although the number of households for each phase is defined, the number of contracts that may be awarded or number of facilities anticipated at the end of the five years is not.

Mr. Kerrigan confirmed in response to questions from Councillor Legendre that WCI can design any size facility.

Mr. McNally indicated the total cost to the Region will be a combination of the processing cost at the composting site as well as the travel to get there, so both would have to be looked at, however, it is the intention to award one phase in its entirety, with no restrictions on the successful proponents to compete for subsequent phases.

Mr. Kerrigan felt the Region's strategy suggests the Region wants Trail Road to be an active player and asked how that falls into any of the four phases. Mr. Sheflin pointed out that the Region sees the role for Trail Road to be a fail-safe position and noted staff's desire would be to have the private sector providing the service.

There being no further questions to Mr. Kerrigan, Committee Chair Hunter thanked the speaker for his comments.

Councillor Bellemare inquired about the public consultation undertaken with respect to these reports. He asked what other public consultation had taken place, other than the surveys.

Mr. McNally informed the Councillor a lot of the recommendations in the report were based on the pilot studies in five different communities. There were open houses, hot lines, meetings for the residents and at the end of the pilot there were 80% of the households in those areas participating in the organics program. In addition to that telephone surveys were conducted contacting approximately 800 people with positive results.

Extract of Minute
Planning and Environment Committee
28 April 1998

Councillor Bellemare felt these reports pose radical changes in levels of service and he was not convinced the public support is out there. He asked for the participation rates for the current blue box program to which Mr. McNally responded was 78%.

In response to questions from Councillor Bellemare, Mr. McNally provided the following information. The large cart costs about \$70 per household and the small cart is about \$6. During the pilot, a number of scenarios were tried regarding the pick up schedule, however, predominantly it was a two week collection.

Mr. McNally indicated the report suggests starting with 20,000 households in the first year with the ultimate goal of 140,000 households over five years in response to Councillor Bellemare requesting the costs for the carts in the first year.

The Councillor then asked for the costs for the second recycling box to which Mr. McNally responded staff are currently seeking out sponsorship for the second blue box. The Region is currently buying the blue boxes for approximately \$2.50. He noted staff would also be seeking out sponsorship for the organics carts as well.

Mr. McNally confirmed the total cost of the organics program, as noted in the slide presentation, would be 1.3 million. He also indicated the reason for the composting facility and recycling contracts be tendered for 5 or 10 years, when the industry would prefer a 20 year contract, was that staff felt 20 years might lock the Region into a technology that might not be effective in the long run, outdated and no longer cost effective.

In response to further questions from Councillor Bellemare, Mr. McNally indicated to maintain weekly collection of both blue boxes and implementing the organics program would cost approximately 21 million dollars from 19 million dollars which would not include purchasing the second blue box if sponsorship cannot be found. He noted the second blue box would not be phased in.

Regarding the collection schedule, Councillor Bellemare noted his preference for a permanent Monday to Friday collection schedule and asked if staff have looked into the other scheduling possibilities such as the one noted above and permanent five day rotating schedule, similar to a school schedule, all to avoid collection on Saturdays.

Mr. McNally indicated staff have looked into different possibilities and reviewed the various drawbacks such as: straight Monday to Friday collection (collecting on the holiday Monday) puts trucks in residential areas on the holiday Monday as opposed to Saturday and residents who wish to go away for the long weekend must put their garbage out early indicating no one is at home; the rolling five day schedule which has ongoing communications costs and the double up proposal where contractors have purposely scheduled lighter routes on Monday and Tuesday therefore collecting for two days in one when there is a holiday Monday, which results in inefficient use of the trucks. He

Extract of Minute
Planning and Environment Committee
28 April 1998

informed the Councillor once staff evaluated these schedules against the goals set with respect to the holiday schedule, they recommended no change, recognizing there are some difficulties with the current schedule, however, there are similar problems with any of the scenarios discussed.

Councillor Legendre noted the report mentioned the Region would want to get into a composting facility as a backup, however, he felt that should good bids come in from the private sector the Region would not have to get into composting as in his opinion if the facility breaks down, the organics could be dumped into the landfill site if needed.

Mr. Wayne Beaudoin, Canadian Waste Inc. (CWI), addressed the Committee and wished to note there are parts of the report CWI supports and areas CWI do not support; however, he would not be bringing those issues to the table today. There was a certain rationale indicated in the report that a single supplier should supply all of the services to the given curbside zones. He noted that rationale is not present in the apartment zones. There is a further impact in terms of the apartment zones in that apartments will have a waste and recycling stream and its a fairly small segment. If you have both segments and the volume of recyclables that was predicted or expected vis a vis the tender document do not materialize, then the revenue stream takes a major hit, but on the other hand it ends up in the waste stream so by collecting the waste you help compensate for the revenue. He suggested that had the apartments in the current tender been broken up the way it is now suggested, there would have been a big time problem with the revenue stream from the recyclables; the volumes were not nearly there in the quantities that were estimated and the revenue from the recyclable streams is way down, and so consequently, the Region could have found itself in a difficult situation as the revenue stream would not carry the service.

Mr. Beaudoin's next point regards the number of collection zones. He noted as a private contractor CWI certainly understands the rationale, however, do not understand the logic. He said if six different contractors were successful, that would mean six garage facilities, six administrations, more spare vehicles than if there were fewer facilities, lots of duplication and increased administration costs to the Region. He believed there are many economies of scale to be gained with larger zones. He gave the example of Laval, Quebec where they increased the number of zones from three to nine and have recently changed back to two zones.

Regarding organics, Mr. Beaudoin agreed this will add to cost to the waste management bill for the Region. He noted the report infers organics will be collected as part of the leaf and yard waste collection, likely using the same trucks. He informed the Committee when CWI was participating in the organics pilot, side loading vehicles with cart tippers were used and currently leaf and yard waste collection uses rear packer trucks. He noted that if the contractor will be doing both collections with one truck, it will be at expense of efficiency of one system or the other. He felt that the concept of organics should be challenged.

Extract of Minute
Planning and Environment Committee
28 April 1998

He agreed with Mr. Kerrigan's comments regarding multiple contracts in the private sector and will they be encouraged to get into it with the Region inferring they will be a backup facility. He questioned how a person with a high tech system, which may be more efficient could compete with a person with a low tech system with low costs.

Mr. Beaudoin's final comment refers to the Region entering into the waste system business. He suggested Committee members should challenge this idea as municipalities in all of North America are going in the opposite direction, not just for waste management but for many other services. He quoted from the report "the municipal team understands they must win the bid to remain in game. This motivation coupled with non-profit status makes the municipal sector very competitive." He noted two issues; the recommendation in the report before Committee is that the RMOC take a zone, not bid competitively and they will have five to seven years of practice before they ever have to bid. The private sector sees this as unfair. How does the Region know which zone to pick to represent the greatest collective savings for the RMOC. The Region admits they have no experience and the private sector has decades of experience. The report says the Region does not have to report its own costs for two years, then it will report annually. From a private sector point of view, Mr. Beaudoin questioned how will the private sector ever know if all of the associated costs are there. He thinks the Region should expect to make a profit and it should be an objective to make a return on the capital dollars that are spent. He commented that if public sector can do the business as well as the private sector and not make a profit than why don't they do everything; history has proven that it tends not to work.

Councillor Munter noted the existing contracts with CWI have a renewal option for two years and inquired why the contract was not being renewed. Mr. Beaudoin explained the inquiry was made and his staff reviewed their costs and revenue carefully and returned a proposal indicating acceptance of a renewal with a 10% increase as the revenue as far as return on their investment is inappropriate. Corporately CWI was unwilling to continue with the current contract for two more years tying up the capital for the revenue that is being generated.

Mr. Beaudoin indicated CWI will bid the next contract at a level that that they feel is profitable and meets their expectations.

Councillor Munter noted Regional staff indicated that the lack of competition, only a few big players, drives up the price, however, Mr. Beaudoin disagreed. He noted for the previous tender CWI expected more bidders and had performed a competitor analysis and dealt with the expectation that smaller bidders would take part in the process.

Mr. Beaudoin confirmed that there is nothing preventing CWI from submitting a bid for all zones as well as bids for the separate zones in response to Councillor Munter's questions. Mr. Beaudoin further pointed out the if the Region will be picking a zone, it should be

Extract of Minute
Planning and Environment Committee
28 April 1998

picked now and the industry informed; otherwise bidders would waste time and money formulating bids for a zone in the various combinations.

Councillor Stewart questioned why the costs are higher in Ottawa-Carleton than in southern Ontario. Mr. Beaudoin indicated that some areas, i.e. Peel, have more urban areas than rural which increases the costs and noted CWI has the contract for Peel and is also not making a profit.

The Councillor, referring to Mr. Beaudoin's comments on the incompatibilities with leaf and yard waste and organics collection with respect to the type of trucks used, asked staff if they have looked into this.

Mr. McNally indicated through work staff have done, staff believe the use of side load vehicles would work and believe the contract is designed so that all streams can be picked up with the same vehicle; if the waste is down and the organics is up the same type of vehicle can be used. That is part of the contract structure staff have put together to try to address the fiscal responsibility aspect of the goals.

Mr. Beaudoin acknowledged what Mr. McNally has said and some changes in the contract have improved that situation; however, he still has some concerns regarding the thought that the organics and leaf and yard waste collection be done by the same truck, whereas it is his view one truck works better for one system and another truck works better for the other system; therefore, putting them together means the efficiency of one system will suffer.

Mr. McNally pointed out that Tomlinson, who have recently been awarded the leaf and yard waste collection in Zone C, have procured side load vehicles.

Committee Chair Hunter asked if CWI used the same trucks for landfill as for organics when participating in the organics pilot.

Mr. Beaudoin indicated that some trucks were two stream recyclable and some two stream organics and garbage among various other combinations during the pilot to assess which would work best. However, he noted once the division was made in the body of the truck (60/40 split), there were times when one side was full and the other empty and he felt co-collection is not the way to go.

There being no further questions of Mr. Beaudoin, Committee Chair Hunter thanked him for his comments.

Councillor Beamish requested a list of other areas where managed competition is being done and Mr. Sheflin indicated staff could approach the Solid Waste Association for such a list.

Extract of Minute
Planning and Environment Committee
28 April 1998

In response to questions from Councillor Beamish, Mr. McNally indicated staff will estimate costs for each zone to be used when the analysis is done to determine the least cost combination and confirmed that those estimates be made public at the tender opening.

Councillor Stewart put forward a motion to amend Recommendation 3 to have a minimum and maximum for the private sector and Regional involvement in terms of the number of zones.

Committee Chair Hunter felt the “will” should be changed to “may” in Recommendation 3 of Report 3 to be clearer in the intention that it may be possible the Region not take any zones if the bids come in low enough.

Committee Chair Hunter read a motion put forward by Councillor Beamish that Recommendation 3 be amended to read: may operate one or more curbside collection zones to be monitored and evaluated according to the protocol as set out in Annex D; and that the RMOC provide estimates for its costs for each zone at the time of opening the bids.

Councillor Legendre disagreed with Councillor Beamish in that he felt the Region should bid on the curbside collection zones and all bids are opened at the same time and he put forward a motion to that effect. He felt that would establish a more level playing field and would be more transparent.

Committee Chair Hunter read the three motions put forward and indicated if Councillor Beamish’s motion passes the other two would be redundant.

Councillor Stewart felt that Councillor Beamish’s motion should be amended to add “to a maximum of no more than four”. Councillor Beamish agreed to amend his motion. Due to this amendment, Councillor Stewart withdrew her motion.

Mr. McNally indicated, in response to Councillor Legendre’s requesting clarification on the difference between staff preparing estimates or bidding, there would be a significant difference in that there is no experience to base a bid on and a group of staff would need to be separated. At this point in time, staff are working on the contract and getting Zone C up and running and resources would not be available so the staff bidding would be separated from the staff working and answering questions on the contract. Based on this, Councillor Legendre withdrew his motion.

There being no further discussion, the Committee then considered Councillor Beamish’s motion.

Extract of Minute
Planning and Environment Committee
28 April 1998

Moved by D Beamish

That Recommendation No. 3 be amended to read: The RMOC may operate one or more to a maximum of four curbside collection zones to be monitored and evaluated in accordance with the protocol set out in Annex D; and that the RMOC provide estimates of its costs for each zone at the time of opening of bids.

CARRIED

Councillor Hunter questioned staff's intention with respect to the apartment zones and the recommendation to split the zones by landfill and recyclables.

Mr. McNally indicated it provides opportunities for different contractors to get involved as there are different types of equipment used to collect the materials.

Committee Chair Hunter introduced two motions from Councillor Bellemare.

Speaking to his motions, Councillor Bellemare noted Council will have the option to make decisions on the tender in September and he felt the decision should be made with all the information possible. He has serious misgivings about the organics diversion program as he is not convinced we can expect such a high participation rate as staff are suggesting. He noted the Region is already making residents jump through hoops in terms of waste diversion and more stability is needed.

Councillor Bellemare felt the Committee should consider an additional report from staff regarding the level of participation in the Region for backyard composting, with respect to raising the level of participation. Referring to his motion with respect to different schedules, he supports the permanent Monday to Friday collection and would like staff to incorporate in the tender document the various scheduling scenerios. He said his intention is to have all possible information in front of Council in order to properly evaluate the various options. He would like to look at cost and convenience to residents.

In his second motion, the Councillor wants to see what costs are for maintaining the status quo and he would like to hear from the contractors on the cost for recycling on weekly a basis and on maintaining regular hours for leaf and yard waste. He felt there is too much confusion for the residents to incorporate additional changes at this time. He felt that the report should be circulated to the area municipalities and local community associations to provide feedback. He urged the Committee to support the motion in order to receive the most amount of information before making a decision.

Councillor Munter asked staff if there are costs associated with the different collection schedules outlined in Councillor Bellemare's motion. Mr. McNally felt for the permanent Monday to Friday or rolling schedule there are no cost implications, however, the double

Extract of Minute
Planning and Environment Committee
28 April 1998

up schedule would increase costs as it would be a less efficient use of the trucks on the Monday and Tuesday for the weeks when there is no statutory holiday.

Mr. Sheflin indicated, in response to Councillor Munter, that the contractor would have to know the possible schedule scenarios and would have to bid accordingly. Mr. Beaudoin confirmed the contractor would need to know the specifications at the time of the bid. There are cost implications with the contractors bidding on different scheduling scenarios.

Councillor Munter asked staff to comment on Councillor Bellemare motions.

Mr. McNally informed the Committee that with respect to a permanent Monday to Friday option this moves the problem from Saturday to Monday; the rolling option would need investigation as to the costs of communicating the ongoing changing schedule. He noted the possible drawback to the contractors is the significant cost increases for the contractor to bid on a multitude of schedules when they will already be bidding on numerous zone combinations.

Committee Chair Hunter cautioned the Committee to make the decision now regarding options and be very definitive in what is expected from the private sector or change it from a tender to an RFP and allow the contractors to come forward with the options that provide the best level of service. He felt with having a matrix of options there would be more chance contractors may make a clerical error, etc.; a mistake which would disqualify the bid.

Councillor Beamish felt staff could get a rough idea of the costs by going outside the tender format and asking contractors the cost implications of the different schedules and come back to the Committee and have a policy discussion on this topic. He indicated he will be moving that Councillor Bellemare's motion be referred to staff to investigate the various schedules.

Moved by D. Beamish

That Councillor Bellemare's motion that the tender provide for obtaining cost estimates on the following possible collections schedules: the current schedule, a permanent Monday to Friday schedule, a rolling five day schedule and a double-up schedule, be referred to staff to report back to Planning and Environment Committee at their next meeting.

CARRIED

(M. Bellemare, A. Munter and
R. van den Ham dissented)

There being no further discussion, the Committee considered Councillor Bellemare's motion.

Extract of Minute
Planning and Environment Committee
28 April 1998

Moved by M. Bellemare

That the tender provide for obtaining cost estimates on the current level of service (i.e. weekly collection of all recyclables and no organic diversion and same hours for collecting leaf and yard waste.

LOST

NAYS: P. Hume, J. Legendre, G. Hunter, R. van den Ham....4

YEAS: D. Beamish, M. Bellemare, A. Munter....3

Councillor Legendre put forward a motion to increase the zones from five to nine. He felt the experience from the last collection contract showed an increase in number of zones would be necessary. Regarding the delegation's comment that economies of scale can be achieved with larger zones, Councillor Legendre felt the industry could bid on any combination of zones, however, this also opens it up to the much smaller contractor. Smaller zones allows for contractors to enter the business who are not currently in it, whereas they may not do so if the zones are larger. He felt the smaller the zones, the more competitive the process and the market is.

Committee then considered Councillor Legendre's motion.

Moved by J. Legendre

That the RMOC seek tenders for curbside collection based on a nine zone scenario.

CARRIED

YEAS: D. Beamish, M. Bellemare, J. Legendre, R. van den Ham....4

NAYS: P. Hume, G. Hunter, A. Munter....3

Councillor Beamish confirmed staff indicated they would provide examples of managed competition and requested these examples be received prior to this item going before Council.

Councillor Munter requested staff provide a memo on the issue of going from the current three zones to nine zones outlining the pros and cons before this item goes before Council.

There being no further discussion, the Committee carried the staff recommendations as amended, with dissents noted.

Extract of Minute
Planning and Environment Committee
28 April 1998

That the Planning and Environment Committee recommend that Council approve the following service level changes to the next Solid Waste Collection Contract beginning in June 1999:

- 1. The implementation of a program to collect and compost organic materials from curbside households, to be phased in over the life of the next collection contract;**
- 2. The alternate week collection of blue box materials (glass, metal, plastic and polycoat containers) on one week and all paper materials on the next week;**
- 3. The provision of an additional box to all curbside service households for storage and set out of all paper materials (hereinafter referred to as a fibre box);**
- 4. The following changes be made in the Contract;**
 - a) The collection of leaf and yard waste during peak periods to occur over an extended work day (additional two hours per day);**
 - b) The modification of the levels of service for bulky materials, such as sofas and mattresses, to allow for pick up on the day following the scheduled collection day;**
 - c) The discontinuation of curbside collection of tires, as residents now have the option of the Regionally sponsored “Take It Back” product stewardship program.**

CARRIED

(G. Hunter dissented on
Recommendation No. 1.)