

**Municipality Of Chatham-Kent**  
**Infrastructure and Engineering Services**  
**Drainage, Asset and Waste Management**

**To:** Mayor and Members of Council

**From:** Rick Kucera, B.E.S.  
Manager, Waste and Recycling Services

**Date:** April 20, 2021

**Subject:** Waste Connections of Canada Refuse and Recycling Collection Contract

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**Recommendations**

It is recommended that:

1. The term of the existing Waste and Recycling Services contract with Waste Connections of Canada (WCC) be extended by 24 months from January 1, 2022 to December 31, 2023 with no CPI for the above period as per the existing contract with WCC.
2. In the event that the Ministry of Environment, Conservation and Parks (MECP) decision on the Blue Box transition is delayed, Waste and Recycling Services be authorized to negotiate an extension for the recycling collection and processing portion of the contract effective January 1, 2024.
3. \$45,000 annually continue to be allocated from the Blue Box/Environmental Reserve for both years of the extension (2022 and 2023) for the purpose of Community Engagement/Promotion and Education related to designing the next Request for Proposal (RFP) for Curbside Waste Collection Services.

**Background**

In June 2013, Waste and Recycling Services (WRS) completed a Service Sustainability Review Process (SSRP) at the request of Council. This included an extensive review of the service level and delivery method associated with the provision of waste and recycling collection services in the existing curbside communities and at eight municipally operated waste transfer stations. Due to the requirements and complexity of the RFP plus recommendations adopted by Council from the SSRP, administration solicited expert advice from The Emerald Group using funding from Stewardship Ontario's Blue Box Continuous Improvement Fund. This review resulted in the implementation of a three-bag limit for garbage and a two-stream recycling program in 20 curbside communities effective in 2015. This represented 75% of all households. The remaining 25% of rural residents

were to continue to use one of eight municipally operated waste transfer stations for their waste and recycling needs.

In 2014, the RFP was developed and circulated publically and the successful contractor was WCC. WCC has successfully provided the curbside and waste transfer station services to the residents of Chatham-Kent to date. The RFP included an option to extend the contract with the same terms and conditions for two additional one-year terms primarily to lifecycle the existing fleet associated with the required services. The option to extend and maintain costs ensures a fixed rate per metric tonne for all garbage and recycling collected with no CPI.

### Transition of the Blue Box to Full Producer Responsibility

On August 6, 2019, the Province announced the next steps to improve recycling in Ontario and designed to eventually save taxpayers money and divert more blue box waste from landfills. The announcement by the MECP ensures that municipal Blue Box programs will be transitioned to full producer responsibility in three groups between 2023 and 2025 according to a “Blue Box Transition Schedule” referenced in the Regulation and based on the recommendations from the Special Advisor’s report titled, “Renewing the Blue Box: Final report on the blue box mediation process.” These recommendations broadly reflected the positions advocated by the Association of Municipalities of Ontario (AMO) on behalf of Ontario municipalities.

Council was asked to pass a resolution by June 30, 2020 specifying their preference for transitioning. Although Council requested a transition date of January 2023 in order to transition early and eliminate recycling collection and processing costs as soon as possible, the MECP posted their Blue Box Schedule in October 2020 indicating that Chatham-Kent would be grouped with four other Southwestern Ontario communities set to transition in 2024.

The goal of the transitioned program is to ensure that the Blue Box system is affordable for producers, workable for the waste processing sector, and effective and accessible for residents. AMO and municipal representatives continue to be involved in the consultation process to develop a new regulation for the Blue Box program. The Province intends to finalize the Regulation this year.

### Ontario’s Food and Organic Waste Policy Statement

Ontario is moving forward with its plan to reduce the amount of food waste going to landfills by proposing changes to its Food and Organic Waste Policy Statement. In October of 2020, the MECP proposed changes to address the current inconsistencies in how waste is managed throughout the province, and to foster more innovation in compostable products and packaging. Although consumers and businesses are interested in cutting down waste and composting food and other organic materials, there is a lot of confusion about what goes into green bins and other collection systems. There are also varying waste management practices and available infrastructure from community to community.

The proposed changes will hopefully provide greater clarity to municipalities and processing facilities on both the level of flexibility they have in how they choose to meet targets identified in the statement as well as the categories of food and organic waste and types of efforts prescribed for achieving targets for those categories. The current changes are meant to encourage municipalities and processing facilities to continue taking action to meet their targets beyond 2025.

As part of the updated policy statement, the MECP is developing guidance to help municipalities meet these targets. This guidance has yet to be released but is expected in 2021. What this tentatively means for Chatham-Kent is that, by 2025, 50% of food and organics generated by single-family dwellings in “an urban settlement area” shall be diverted from landfill. The current selection criteria used by the Province to designate certain municipalities was population (greater than 50,000) and population density (less than 300 persons per square kilometre). Until further notice by the MECP of a change in criteria, Chatham-Kent would not be obligated to provide curbside collection of food and organics but instead would be required to provide a transfer station and/or depot for residents to attend in order to dispose of their food and organic wastes. Should a decision be made to require Chatham-Kent to offer a curbside collection program for these wastes, this would need to form a part of a long-term waste collection contract.

### **Comments**

WCC currently provides refuse and recycling collection services to approximately 34,000 households plus all institutional, commercial and industrial (ICI) properties in 20 curbside communities. WCC also collects all refuse and recycling generated by approximately 12,000 households at the eight municipal transfer stations. The services provided by WCC to-date have been exceptional considering the many positive changes since the beginning of the contract. This is also reflected in the number of Active Citizen Report (ACR) issues received by administration. Please note there are approximately 51,000 properties that receive curbside garbage and recycling collection every week, which is equivalent to nearly 2.6 million properties each year. Since January 2015, the total number of recorded missed collections has equalled 307 for an average of only 51 misses per year. These figures demonstrate WCC’s knowledge for the current program and the unique collection routes that exist in all 20 communities. Despite record high waste volumes collected in 2020 due to COVID-19, WCC has continued to service our needs at the curb and at all transfer stations safely and without significant delays. This benefits everyone including the downtown core areas, which receive multiple collections each week.

WRS continues to monitor developments with respect to both the Blue Box Transition and the anticipated requirements in the Food and Organic Waste Policy Statement. The current Pandemic and record high waste volumes continue to challenge all of us including WCC who is intimate with our program requirements and respective communities and waste transfer station operations. With the Blue Box program being transitioned to the private sector in 2024 and the uncertainty as to exactly how we will be expected to achieve food and organic waste targets in 2025 and beyond, an extension is required in order to provide adequate time for the development of a new RFP resulting in a new long-term waste collection contract. It is important to note that regardless of the direction of the

RFP, new fleet will be required for all curbside services especially if organics collection is to be included. Equipment of this nature is currently requiring, at a minimum, 12 months in terms of delivery time.

In addition, public input is valued and therefore administration has developed a plan which is designed to engage all interested parties in providing their feedback prior to the development of an RFP. The timelines indicated below demonstrate another reason to extend the current contract.

### Community Engagement

In designing the next RFP for Curbside Waste Collection Service, WRS is proposing to implement the following activities, which will engage the public in multiple ways to achieve a widely supported level of service.

#### 1. Public Survey:

A survey will be designed to gather input from members of the public regarding the current and desired levels of service. Input will be requested on curbside waste service components such as:

- frequency of garbage collection
- garbage limit per dwelling unit
- bulk item collection service
- organics/green bin collection program
- extent of curbside collection service
- cost of providing waste collection services

The survey will be made available to the public via the Let's Talk Chatham-Kent platform in the fall of this year.

#### 2. Service Review:

A comprehensive service review will be implemented by a Service Review Committee (Committee of Stakeholders), including a member of the public. The Committee will be established by November of this year with the goal of reviewing current service levels and comparing them to Provincial best management practices. The Committee will then provide recommendations on the design of the next Curbside Waste Collection Services RFP before April 2022. As part of the review, the Committee will consider the pros and cons of shifting the responsibility of all compliance issues as part of the curbside program to the service provider rather than in house staff. The Committee's findings will be summarized and recommended to Council in a report no later than May 2022 allowing 18 months for preparation and implementation prior to 2024.

#### 3. Promotion and Education:

Starting later this year and throughout 2022, WRS will leverage several communication channels to educate the public on Chatham-Kent's Curbside Waste Collection Services including the timing of the Blue Box recycling transition and will

seek input on the current and desired levels of service as well as the associated costs. The communication channels to be used will include:

- Recycle Coach Mobile Application
- 2022 and 2023 Recycling & Waste Collection Guides
- Chatham-Kent Website
- Chatham-Kent’s Facebook Page
- Chatham-Kent’s Twitter platform

	2021					2022											
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Public Survey</b>																	
Public Survey Design			■	■													
Public Survey Release					■	■											
<b>Service Review</b>																	
Establishing Service Review Committee (SRC)			■														
Service Level Review by SRC				■	■	■	■										
Report on SRC Recommended Service Level								■	■								
<b>Promotion &amp; Education</b>		■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
<b>Request For Proposal (RFP)</b>																	
RFP Design										■	■	■					
RFP Launch and Award													■	■			

Climate Change Impacts

There have been recent requests from the public and several members of Council for increasing the current service levels of the curbside waste collection program. At the same time, there have been increasing inquiries and concerns regarding the climate impacts of waste collection and disposal.

The Green House Gas (GHG) emissions resulting specifically from the operations of the Curbside Waste Collection Service are included in accounting for Chatham-Kent’s corporate GHG emissions. As a result, changes to such components as garbage limits, collection frequency, new waste streams collected (i.e. organics) or the serviced geographical area will likely increase Chatham-Kent’s corporate GHG emissions. Nonetheless, so that the change or increase in corporate emissions relative to that of community emissions can be understood, a GHG assessment will need to be conducted for multiple service level scenarios. This exercise will help provide a quantitative climate analysis to the value of proposed service level changes. Such an undertaking will require time and financial resources to be allocated.

Areas of Strategic Focus and Critical Success Factors

The recommendations in this report support the following areas of strategic focus:

- Economic Prosperity:  
Chatham-Kent is an innovative and thriving community with a diversified economy
- A Healthy and Safe Community:  
Chatham-Kent is a healthy and safe community with sustainable population growth
- People and Culture:  
Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community
- Environmental Sustainability:  
Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendations in this report support the following critical success factors:

- Financial Sustainability:  
The Corporation of the Municipality of Chatham-Kent is financially sustainable
- Open, Transparent and Effective Governance:  
The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership
- Has the potential to support all areas of strategic focus & critical success factors
- Neutral issues (does not support negatively or positively)

### **Consultation**

Waste Connections of Canada has been consulted regarding the terms of the contract extension and are in agreement with our recommendation and two-year term.

### **Financial Implications**

There are no financial implications since costs associated with the extension of this contract will remain the same based on the approved collection rates for the current contract period January 1, 2015 to December 31, 2021.

The 2021 approved budget for garbage and recycling services are:

<b>Service</b>	<b>2021 Approved Budget</b>
Curbside Garbage Collection	\$1,980,070
Curbside Recycling Collection	\$359,251
Transfer Station Garbage Collection	\$432,570
Transfer Station Recycling Collection	\$143,622
<b>Total</b>	<b>\$2,915,513</b>

Prepared by:

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 Rick Kucera, B.E.S.  
 Manager  
 Waste and Recycling Services

Reviewed by:

\_\_\_\_\_  
 Tim Dick, C.E.T.  
 Director,  
 Drainage, Asset and Waste Management

Reviewed by:

\_\_\_\_\_  
 Thomas Kelly, P. Eng., MBA  
 General Manager  
 Infrastructure and Engineering Services

C: None

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