

To: Members of the Committee of the Whole

From: W.H. Jackson, Director of Utility Services

Meeting Date: November 2, 2015

Subject: Report USWM15-009

**Extension of Recycling Collection Contract** 

## **Purpose**

A report to recommend the extension of the City's Recycling Collection contract, held by Progressive Waste Solutions Canada Ltd. (formerly BFI Canada), to December 31, 2019.

### Recommendation

That Council approve the recommendation outlined in Report USWM15-009 dated November 2, 2015, of the Director of Utility Services, as follows:

That the existing contract with Progressive Waste Solutions Canada Ltd., 2345 Whittington Drive, Cavan-Monaghan, ON K9J 0G5, for the collection of blue box recyclables from within the City of Peterborough be extended from January 1, 2017 until December 31, 2019; and

# **Budget and Financial Implications**

Progressive Waste Solutions Canada has agreed to extend their existing recycling collection contract under the same terms and conditions as presently exist. There will continue to be an annual increase to the unit price based on the Consumer Price Index. All funding requirements will be included in the yearly budget proposal submitted to Council as part of the overall Operating Budget.

# **Background**

### **Current Situation**

Progressive Waste Solutions Canada is the current recycling collection contractor with the City until December 31, 2016.

### **Rational for Extension**

On-going changes to the provincial legislation governing blue box programs has created uncertainties around what these changes will ultimately mean for the City. Consequently, this has made issuing a Request for Proposal for any new recycling contract risky at this time.

In consideration of this, at its meeting of September 8, 2015, Council approved the extension of the recycling processing contract with HGC Management for three additional years, from January 1, 2017 until December 31, 2019.

In order to synchronize the City's recycling contracts (collection and processing), extension of the existing recycling collection contract with Progressive Waste Solutions Canada to December 31, 2019 is necessary.

#### **Terms of Extension**

Progressive Waste Solutions is willing to extend their recycling collection contract for three years. During that time they will continue to provide the same service as they presently do under the same terms and conditions. This is an excellent opportunity for the City, as it is expected that 2016 rates would be substantially higher than the 2008 rates we currently operate under. An amendment to the Progressive Waste Solutions Canada agreement would include a "Change in Law" clause to cover any potential legislative changes which might cause the City to stop or alter its collection services between January 2017 and December 31, 2019.

#### **Timelines**

If the recommendation is approved, an agreement will be prepared for signature by the Mayor and Clerk, under their delegated authority to do so.

### Purchasing By-law Exemption from Need for Competitive Bid

Section 9.1.2 (d) of Purchasing By-law 14-127 allows, with the permission of the Director of Corporate Services, a non-competitive process for the award of a contract. The Director of Corporate Services has reviewed this situation and agrees that Section 9.1.2 (d) of Purchasing By-law 14-127 applies and that awarding this contract does not require a competitive procedure.

# **Summary**

Progressive Waste Solutions Canada is willing to match the contract extension which was approved by Council on September 8, 2015 for our processing contractor, thereby keeping all waste management service contracts synchronized. This would allow us to issue an RFP(s) for a comprehensive new package of services to commence January 1, 2020, based on what the new legislation dictates. This extension will serve to minimize any risk to the City during current times of change and uncertainty, with no cost increase.

Submitted by,

W. H. Jackson, P. Eng. Director Utility Services

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