

Subject: The Town of Pelham's Enhanced and Optional Enhanced Waste Collection Services and the Niagara Region's new Waste Management Collection Contract

Recommendation:

BE IT RESOLVED THAT Council receive and approve Report #2020-0044-Public Works and;

AND THAT Council endorse the proposed recommendations from Town staff regarding the Town of Pelham's Enhanced and Optional Enhanced Waste Collection Services for the Niagara Region's new Waste Management Collection Contract.

AND THAT, Niagara Region be advised that the Town of Pelham requests to continue with its current Enhanced Services, as follows:

- a) Two (2) Days-per-Week for Public Space Litter Bin and Public Space Recycling Bin Collection inside Designated Business Areas (DBA) and one (1) day-per-week for Public Space Litter Bin and Public Space Recycling Bin Collection outside DBAs, at an annual estimated cost of \$18,825.60 (including Net HST);**
- b) Containerized Garbage Collection at Multi-Residential (MR) Buildings and Municipal Facilities (MF), at an annual estimated cost of \$14,195.52 (including Net HST), and**

AND THAT, Niagara Region be advised that the Town of Pelham is not interested in the Optional Enhanced Services of:

- a) Bulky Goods Collection at MR buildings with seven (7) or more units and Mixed-Use (MU) properties with one (1) or more residential unit, at an annual estimated cost of \$41,009.28 (including Net HST);**
- b) In-ground Collection at Municipal Facilities (i.e. Town Hall, the Meridian Community Centre (MCC), and Centennial Park), at an**

estimated cost of \$122.11 (plus HST) per receptacle/stop for crane collection

AND THAT Council endorse the recommendation from Town staff to continue with the Town's existing in-ground collection service provider until further investigation on alternative in-ground collection systems are explored.

Background:

The Regional Municipality of Niagara (i.e. the 'Region') has requested the Town of Pelham (i.e. the 'Town') to confirm the respective Enhanced and Optional Enhanced Services that the Town wishes to have for the start of the Region's new Waste Management Collection Contract. The contract will commence on Monday, October 19th 2020. The enhanced collection services (i.e. street litter, front-end garbage, additional downtown litter or recycling, etc.) include additional services to the base collection services (i.e. every-other-week garbage, weekly recycling and organics, etc.) to each Local Area Municipality (LAM). The cost of both base collection and enhanced services, along with all processing, disposal and planning, and administrative net costs, are apportioned to the Town through a requisition for the Town's waste management levy.

During the February 18th 2020 Committee of the Whole Meeting, Council directed staff through the Report #2020-0018-PW to explore cost-effective alternatives for litter bin collection, in-ground services, and containerized garbage collection. Town staff were also advised to explore best municipal practices regarding the placement and necessity of residential street bins, along with the recyclability of materials. The cost-effective alternatives have been received as information to Council during the March 23rd 2020 Regular Council in-camera session (Report #2020-0043-PW). The alternatives have no affiliation with the Region's upcoming Waste Management Collection Contract.

Analysis:

The Town of Pelham's 2019 waste management levy was \$1,204,753. This cost includes both base and enhanced services. The base services account for \$1,181,194 and the enhanced services account for \$23,559. Currently, the Town's existing enhanced services include public space curbside recycling and street litter bin collection in Designated Business Areas (DBA), containerized garbage collection at multi-residential (MR) buildings and municipal facilities (MF), and enhanced disposal waste costs.

In respect to the Region's new upcoming waste management collection contract, the Region obtained pricing for the Town's new waste management costs, as well as, the Town's requested Enhanced and Optional Enhanced services related to waste management. The Town is currently receiving the Enhanced services from the Region. The Optional Enhanced services are new services being offered as part of the Region's waste collection contract. There were a number of factors, which contribute to an overall increase in costs from the previous contract, including: labour, insurance, fuel, and vehicle/technology costs. Municipalities across the Province have experienced price increases ranging from 20% to 114%.

The estimated waste management levy based on the new contract for 2020 is \$1,342,681. This includes the base waste collection services plus the requested enhanced services the Town has been receiving (including litter bin collection at various locations and containerized garbage collection for 9 Multi-Residential and Municipal Facilities). The base services are estimated to account for \$1,309,660 and the enhanced services account for \$33,021. In total, this represents an 11.5% increase for the 2020 calendar year for the same services provided in 2019. The Region has already included the above cost increases in the 2020 waste management levy to the Town. In the event that a municipality may withdraw from the Region's new Waste Management Collection Contract, the pricing for the Town's Enhanced and Optional Enhanced services will have no impact, however, the waste management levy for the Town's base waste collection services will experience an increase in costs.

The prices submitted by the Region's contractor are subject to a diesel fuel price adjustment at the contract commencement date, to offset fluctuations from the time of the Region's RFP submission. Also, there will be additional price increases in subsequent years to account for inflation based on the Consumer Price Index (CPI) and diesel fuel price adjustments. These

increases are included in the Region's waste management contract and will be included as part of future tax levy's to the Town.

The summary of pricing for Enhanced and Optional Enhanced Services can be found in Appendix 1 of this report.

In respect to the best practices for residential street bins, a recent study from the Continuous Improvement Fund (CIF) determined that the most efficient and effective practices include the following: effective signage for participation and low contamination purposes, side-by-side placement of garbage and recycling bins in high traffic areas to avoid unnecessary travel to sort materials, as well as, easy visibility of the bins with convenient access, and high container durability to increase usage and reduce likelihood of weather-related damage. Town staff have strategically provided garbage receptacles at select trail heads along the Steve Bauer Trail, and garbage and recycling bins in parks and down town business areas, where there is a requirement for food and beverage container disposal. Receptacles at trail heads receive service through the Niagara Region's waste disposal contractor once a week at an extra cost to the Town. If it is found that a receptacle is being utilized for household waste to supplement or replace the Region's curbside waste collection program, staff will conduct a waste audit, and if feasible, staff will reach out to the homeowner(s) that have misused the receptacle. Continue misuse of a receptacle may lead to its removal entirely, however, staff have not found any increase in litter in areas where receptacles have been relocated or removed. In addition to the Town's personal efforts to mitigate illegal dumping by conducting waste audits, it is evident that the Town's waste management practices relative to residential street bins do align with the CIF's best street bin practices.

In addition to the Town's ongoing effort to uphold best waste management practices relative to residential street bins, in 2011 the Region launched their Public Space Recycling Program project with the goal to divert the commonly generated recyclables in areas of higher pedestrian traffic. When extrapolated across all public space locations, results determined that the annual average contamination rate for "all acceptable Blue Box recyclables" was 9.95%. The study also concluded that there was minimal illegal dumping or litter found in or around the public space bins.

Purpose:

The purpose of this report is to seek Council's approval for the proposed Enhanced Services which are to be included in the Niagara Region's upcoming waste management collection contract. In respect to the current Enhanced services, the Town of Pelham requests to continue with the following services:

- a) Two (2) Days-per-Week for Public Space Litter Bin and Public Space Recycling Bin Collection inside Designated Business Areas (DBA) and one (1) day-per-week for Public Space Litter Bin and Public Space Recycling Bin Collection outside DBAs.
- b) Containerized Garbage Collection at Multi-Residential (MR) Buildings and Municipal Facilities (MF). The Town is currently servicing three (3) MR Buildings through the Region's waste management levy. The properties are identified as follows: 190 Hwy 20 West, 200 Hwy 20 West, and 1600 Pelham Street.

In addition to the confirmed Enhanced Services, Town staff are recommending not to proceed with the Optional Enhanced Services of:

- a) Bulky Goods Collection at MR buildings with seven (7) or more units and Mixed-Use (MU) properties with one (1) or more residential unit. This type of service has never been provided to residents, by the Town, and is not recommended by Town staff to offer this service. The Region has confirmed that there have been no requests for this service to be provided within the last 5 years.
- b) In-Ground Collection at Municipal Facilities (MF), MR, Industrial, Commercial and Institutional (IC&I), and Mixed-Use Properties. The current cost to service the in-ground containers with the Town's existing contractor at MF is economical, however, it is recommended that Town staff should investigate alternative in-ground collection systems and report best practices back to Council for further consideration.

Should the Town wish to opt into the Region's contract for the In-Ground Collection Optional Enhanced Service, 30 days notice is required. This can be completed at any time in the future for the duration of the contract.

Financial Considerations:

In respect to the current Enhanced Services offered by the Region to the Town are as follows:

a) Two (2) Days-per-Week for Public Space Litter Bin and Public Space Recycling Bin Collection inside Designated Business Areas (DBA) and one (1) day-per-week for Public Space Litter Bin and Public Space Recycling Bin Collection outside DBAs, at an annual estimated cost of \$18,825.60 (including Net HST).

b) Containerized Garbage Collection at Multi-Residential Buildings (MR) and Municipal Facilities (MF), at an annual estimated cost of \$14,195.52 (including Net HST).

In addition to the confirmed Enhanced Services, the Town is not interested in the Optional Enhanced Services of:

a) Bulky Goods Collection at MR buildings with seven (7) or more units and Mixed-Use (MU) properties with one (1) or more residential unit, at an annual estimated cost of \$41,009.28 (including Net HST). This type of service has never been provided to the residents, by the Town, and is not recommended by Town staff to offer this service.

b) In-Ground Collection at Municipal Facilities (i.e. Town Hall, the Meridian Community Centre (MCC), and Centennial Park), at an estimated cost of \$122.11 (including Net HST) per receptacle/stop for crane collection. Based on the number of pickups in 2019, it is anticipated that to service Town Hall, the annual estimated cost will be \$1,200 (plus HST), the MCC will have an annual estimated cost of \$25,000 (plus HST), and Centennial Park will have an annual estimated cost of \$1,100 (plus HST). The approximate annual cost, therefore, to service all in-ground collection at municipal facilities is estimated at \$27,300 (plus HST).

The Town's current contractor services the in-ground containers at \$79.50 per waste receptacle, \$67.50 per recycling receptacle, and \$64.00 per cardboard receptacle, and \$115.00 per organics receptacle. In 2019, the cost to service Town Hall was approximately \$780.00 (plus HST), the MCC had an estimated cost of \$14,680.00 (plus HST) and Centennial Park had an

estimated cost \$667.00 (plus HST).

In total, the cost to service all of the in-ground containers at the respective locations in 2019 was \$16,133.50 (refer to Appendix 2 for a further breakdown on the total cost and total number of pickups per location in 2019). Though the cost to service the containers is more economical with the Town's current contractor, Town staff will investigate alternative in-ground collection systems and will determine best practices through a separate report to Council for further consideration.

Alternatives Reviewed:

Council could choose to not accept the enhanced services being offered by the Region under the upcoming Waste Management Contract. Staff have provided alternative options for providing Litter Bin collection, containerized garbage collection at municipal facilities and In-ground collection at municipal properties from other contractors in Report #2020-0043-PW. This course of action, however, is not recommended by staff due to the lack of staff resources available to perform these additional tasks and based on pricing received from third party contractor's.

Strategic Plan Relationship: Strong Organization

Properly sorting waste materials provides environmental and economic benefits to both the Town of Pelham and Niagara Region.

Consultation:

Consultation with Niagara Region Waste Management Staff, along with representatives from private waste management companies were completed in preparation of this report.

Other Pertinent Reports/ Attachments:

Appendix 1 – Summary of Pricing for Enhanced and Optional Enhanced Services

Appendix 2 – Breakdown of Costs in 2019 to Service In-Ground Containers at Municipal Facilities by the Town's Current Service Provider

Report #2020-0043-PW "An Economic Analysis on the Town's Enhanced and Optional Enhanced Waste Collection Services"

Report #2020-0018-PW "The Town of Pelham's Enhanced and Optional Enhanced Waste Collection Services for the Niagara Region's new Waste Management Collection Contract"

Prepared and Recommended by:

Deanna Allen, Climate Change Coordinator

Jason Marr, Director of Public Works

Approved and Submitted by:

David Cribbs, Chief Administrative Officer