



**STAFF REPORT
ACTION REQUIRED
with Confidential Attachment**

Settlements Related to Collection Contracts

Date:	July 5, 2007
To:	City Council
From:	General Manager, Solid Waste Management Services City Solicitor, Legal Services
Wards:	11, 12, 15, 17, 21
Reason for Confidential Information:	This report contains advice or communication related to litigation or potential litigation that affects the City.
Reference Number:	

SUMMARY

This report advises on the results on the negotiations with Turtle Island Recycling Company Inc. and Miller Waste Systems, regarding the cancellation of the York Waste Collection Contracts, and seeks authority to enter into settlements in that regard. The report also seeks authority to settle litigation with Turtle Island Municipal Services Inc. and Turtle Island Recycling Company Inc., all as described in the Confidential Attachment, Attachment 1.

RECOMMENDATIONS

The Solid Waste Management Services Division recommends that:

1. Council adopt the confidential instructions to staff in Attachment 1; and
2. Council authorize the public release of the recommendations in Attachment 1 once the settlement and appropriate documentation are finalized to the satisfaction of the City Solicitor.

Financial Impact

The proposed settlement with Turtle Island Recycling can be accommodated in the current 2007 Operating Budget, Account No. SW0584 and SW0577. There is no additional financial impact as a result of extending the Miller Waste contract and the proposed contract extensions for Miller Waste will be incorporated within the 2008 and 2009 Operating Budget submission of the Solid Waste Management Services.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

City Council, at its meeting of May 23, 24 and 25, 2006 adopted the confidential report of the City Solicitor, Clause 18 of Report 3 of the Works Committee entitled “Turtle Island Litigation”. This report provided background and sought authority to defend Turtle Island Municipal Services Inc.’s claim.

<http://www.toronto.ca/legdocs/2006/agendas/council/cc060523/wks3rpt/cl018.pdf>

City Council at its meeting of September 25, 26 and 27, 2006 adopted Works Committee Report 6, Clause 6, the confidential report of the City Solicitor. This report authorized the continuation of the legal proceedings against Turtle Island Recycling Company Inc.

<http://www.toronto.ca/legdocs/2006/agendas/council/cc060925/wks6rpt/cl006.pdf>

City Council at its meeting held on March 5, 6, 7, and 8, 2007 adopted Item 3.2 of the Wrks and Infrastructure Committee report entitled “Etobicoke, York, Multi-unit Residential and White Goods Collection Contracts”. This report provided the background information on the cancellation of the York Curbside Collection Contract No. 121-2000 contract extensions and authorized staff to negotiate a settlement of claims arising from that contract termination. These settlement discussions were to involve both Turtle Island York and Miller Waste Systems, a Division of Miller Paving Limited (“Miller Paving”).

<http://www.toronto.ca/legdocs/mmis/2007/pw/reports/2007-02-14-pw03-cr.pdf>

ISSUE BACKGROUND

Formal negotiations with Turtle Island Recycling and Miller Waste Systems have been ongoing since Council decided to cancel the contract extensions. In those discussions, the City and the Turtle Island companies incorporated efforts to settle the above litigation as well.

COMMENTS

These negotiations have resulted in proposed settlements with Miller Waste and the Turtle Island companies as noted in Attachment 1. The settlement offer to the Turtle Island companies includes a resolution not only of their claim for compensation due to early contract cancellation, but also of the outstanding litigation referred to above.

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SIGNATURE

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ATTACHMENTS

Attachment 1: Settlements related to Collections Contracts