

John Livey, Deputy City Manager

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May 1, 2014

Ulli S. Watkiss  
City Clerk  
13<sup>th</sup> Floor West Tower  
100 Queen Street West  
Toronto ON M5H 2N2

Dear Madam Clerk:

**Re: Administrative Inquiry Regarding Curbside Collection for District 1 (Former Etobicoke)**

Please accept this letter in response to the Administrative Inquiry Councillor Layton sent to you on April 24, 2014, regarding the reasons for the District 1 collection contract not being extended.

The current term of the contract with Green for Life (GFL) for the curbside collection of material in District 1 is for seven years which began July 1, 2008 and is ending June 30, 2015 with the option to extend for 2 one-year terms. The option to extend the 2 one-year terms was at the sole discretion of the General Manager of Solid Waste Management Services (SWMS).

There are three main reasons for the decision not to extend the contract for an additional 2 one-year terms:

1. The replacement and automation of green bins
2. The increase of complaints in District 1 due to aging vehicles; and
3. Amending the current contract language to better meet needs.

**1. Green Bins Automation**

The current residential Green Bin Program commenced in the District 1 area in 2002, and the existing bins are nearing the end of their life expectancy.

SWMS is implementing the next generation green bin to curbside collected residents commencing in the Fall of 2015. The new green bins will no longer be collected manually and will be collected with automated lifters. GFL currently collects the green bins with trucks designed for manual collection which are approaching the end of their lifespan. In order to collect the new green bins, these trucks would have to be replaced with new trucks with automated collection arms. Purchasing these new automated trucks, is not financially feasible under the existing contract terms.

## **2. Increased complaints**

Over the last several months, staff have seen an increase of complaints in District 1. This is primarily due to the age of the existing fleet that the contractor has in District 1. When the fleet ages, there are inherently more break downs, which cause later pick up times. This results in residents calling into 311 to state that their garbage has not been picked up.

## **3. Amending the Contract**

The existing Request for Quotations (RFQ) for the current contract in D1 was issued in 2007, and since that time, the City has implemented several new waste diversion programs, observed material composition changes, and has placed more emphasis on customer service. These changes are challenging to manage under the existing terms of the current contract. To resolve these issues, a new RFQ and future contract will include clauses that will:

- Allow for the collection of bulky items (furniture, mattresses, electronics, etc.). The current contract did not contain provisions for bulky item collection and was negotiated after the contract was awarded.
- Allow for a blended price for all material streams as opposed to the variable pricing that is contained in the current contract.

- Improve customer service request standards by requiring the contractor to close service requests -- the current contract has no such provision.
- Require the contractor to purchase new equipment which will reduce breakdowns and address the automation of green bin collection.

Yours truly,

Jim Harnum, CET, MBA  
General Manager  
Solid Waste Management Services



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