

## **Non-Competitive Contract with RouteSmart Technologies Inc. for the Continued Use of Collection Route Management and Service Planning Software for Solid Waste Management Services**

**Date:** May 19, 2026  
**To:** General Government Committee  
**From:** General Manager, Solid Waste Management Services, and Chief Procurement Officer  
**Wards:** All

### **SUMMARY**

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The purpose of this report is to seek City Council approval to transition from the currently authorized on-premises RouteSmart for ArcGIS software, which is approved until 2030 but had its technical support and maintenance ended by RouteSmart in March 2026, to the cloud-based RouteSmart Online solution for the same time period.

To accomplish this staff are seeking authority to enter into a non-competitive agreement with RouteSmart Technologies Inc. (RouteSmart) for a subscription to the cloud-based version of RouteSmart Online, for a period up to five (5) years, with options to opt-out at the sole request of the City, for a total contract value not to exceed \$850,000 net of all applicable taxes and charges (\$864,960 net of HST recoveries).

In 2010, Solid Waste Management Services (SWMS) purchased licences for RouteSmart for ArcGIS, a critical operational software that is used to design, optimize, and manage collections routes, day-to-day operations, and service planning. After purchasing the licenses, SWMS paid for annual support and maintenance for the software from RouteSmart. SWMS was subsequently authorized by Council to continue purchasing annual maintenance and support from RouteSmart for consecutive five (5) year periods in 2015, 2020, and 2025, the most recent of which was intended to cover the period of 2026 to 2030.

RouteSmart has since terminated support and maintenance for RouteSmart for ArcGIS as of March 1, 2026, and migrated all of its services to a new, cloud-based platform called RouteSmart Online. While SWMS can continue to use RouteSmart for ArcGIS, the absence of ongoing maintenance and support from RouteSmart introduces a significant risk that the software could, at any point, stop functioning due to incompatibility with the City's software environment. As a result, transitioning to

RouteSmart Online imminently is necessary to ensure continued access to RouteSmart's operationally critical functionality.

Since early 2025 SWMS, in collaboration with Technology Services Division, has been developing the business case and specifications to competitively procure a new, long-term technology solution, with the aim of bringing the procurement to market in the fourth quarter of 2026. A non-competitive agreement with RouteSmart for use of the cloud-based RouteSmart Online platform, for the same five (5) year period Council previously authorized SWMS to purchase annual maintenance and support for RouteSmart for ArcGIS, will mitigate operational risk and ensure the City has continued access to the operationally critical functionality of the software until such time as the new long-term solution can be competitively procured and implemented.

## **RECOMMENDATIONS**

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The General Manager of Solid Waste Management Services and the Chief Procurement Officer recommend that:

1. City Council authorize the General Manager of Solid Waste Management Services to negotiate and execute a non-competitive agreement with RouteSmart Technologies Inc. for the use of the RouteSmart Online cloud-based platform, which is used to plan and manage collection routes and operations, for a total contract value not to exceed \$850,000 net of all taxes and applicable charges (\$864,960 net of HST recoveries) for a period of five (5) years, with options to opt-out of the contract at the end of year one (1), or year two (2), or year three (3), or year four (4) at the sole request of the City, on terms and conditions satisfactory to the General Manager of Solid Waste Management Services and in a form satisfactory to the City Solicitor.

## **FINANCIAL IMPACT**

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The total potential contract award identified in this report is not to exceed \$850,000 CAD, net of all applicable taxes and charges or \$864,960 net of HST Recoveries. This value reflects the total anticipated service provider fees charged by RouteSmart over the full five (5) years of the contract period starting in 2026, assuming the City does not choose to opt-out of the contract after year one (1), year two (2), year three (3), or year four (4).

Funding for the initial term of the contract is available within the 2026 Operating Budget for SWMS in Funds Centre SW0701, Commitment Item 5020038. Funding for future year contracts will be included in future SWMS Operating Budget submissions.

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

## DECISION HISTORY

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In October 2025, City Council adopted the recommendation to authorize the annual maintenance and support for RouteSmart for ArcGIS software, in accordance with City policies and procedures, for a period of up to five (5) years from 2026 – 2030. [Agenda Item History - 2025.GG24.9](#)

In October 2020, City Council adopted the recommendation to authorize the annual maintenance and support for RouteSmart for ArcGIS software, in accordance with City policies and procedures, for a period of up to five (5) years from 2021 – 2025. [Agenda Item History - 2020.GL16.5](#)

In December 2015, City Council adopted the recommendation to authorize the annual maintenance and support for RouteSmart for ArcGIS software, in accordance with City policies and procedures, for a period of up to five (5) years from 2016 – 2020. [Agenda Item History - 2015.GM8.8](#)

## COMMENTS

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RouteSmart, through the RouteSmart for ArcGIS software, provides a critical operational tool for SWMS. The software is used to design, optimize, and manage collection routes for garbage, recycling, organics, yard waste, and bulk collection in a highly efficient and data-driven manner. It enables staff to sequence stops, balance workloads across crews, and account for complex urban constraints such as one-way streets. Beyond day-to-day operations, RouteSmart software plays a key role in scenario modeling and service planning, allowing SWMS to assess the impacts of various operational changes and evaluate staffing needs, fleet needs, and cost implications. Its optimization capabilities ensure routes remain efficient as service demand evolves, reducing fuel consumption and vehicle wear while improving safety. RouteSmart is a crucial system that bridges planning and field operations to enable SWMS to deliver consistent, safe, and cost-effective waste collection services across the City.

SWMS has been using RouteSmart for ArcGIS since licenses for the software were purchased in 2010. SWMS was subsequently authorized by Council to continue purchasing annual maintenance and support from RouteSmart for consecutive five (5) year periods in 2015, 2020, and 2025, the most recent of which was intended to cover the period of 2026 to 2030.

RouteSmart, however, terminated support for RouteSmart for ArcGIS as of March 1, 2026, and migrated all of its services to a new, cloud-based platform called RouteSmart Online. While City staff are still able to use RouteSmart for ArcGIS, without ongoing support and maintenance from RouteSmart there is a significant risk that the software could stop functioning as a result of a future Windows update, security software patch, or change in the City's software environment. Due to RouteSmart's discontinuation of support for the existing application, the City will be unable to restore the functionality of the software if this occurs.

SWMS, in collaboration with Technology Services Division, has begun to develop the business case and specifications to competitively procure a new, long-term technology solution, with an aim of bringing the procurement to market in the fourth quarter of 2026. If the City continues to rely on RouteSmart for ArcGIS rather than transitioning to RouteSmart Online while this new technology solution is procured and implemented, the City will be exposed to significant risk of losing access to RouteSmart for ArcGIS and all of the critical functionalities which SWMS depends on to support its operations.

To mitigate risk and ensure operational continuity, SWMS is seeking Council authority to enter into a non-competitive agreement with RouteSmart for the use of the cloud-based RouteSmart Online platform for a period of five (5) years, with options to opt-out of the contract the end of year one (1), year two (2), year three (3), and year four (4) at the sole request of the City.

While RouteSmart Online, as a full service, cloud-based platform, is a different product than RouteSmart for ArcGIS, it will provide a familiar and proven tool for SWMS users, while also offering more advanced features, many new functions, and a more robust architecture. Crucially, RouteSmart Online will allow SWMS to maintain its service levels while a long-term solution is procured. The five (5) year length of the contract aligns with the same five (5) year period Council previously authorized SWMS to purchase annual maintenance and support from RouteSmart for the continued use of RouteSmart for ArcGIS, while also providing sufficient time to complete the procurement and implementation of a long-term solution. Additionally, the option to opt-out of the contract, at the City's sole discretion, will provide SWMS with the flexibility needed to transition from RouteSmart Online to the long-term solution once it is procured.

A non-competitive procurement may be undertaken where both the proposed procurement and supplier can be justified in good faith based on an exception set out in Toronto Municipal Code Chapter 195, Procurement. This procurement will be proceeding under the exception related to Exclusive Rights, where RouteSmart Technologies Inc. and the City have determined in good faith that both the proposed procurement and the selected supplier, along with the terms and conditions of the contract, are beneficial to the City (Toronto Municipal Code, Chapter 195, Procurement, Section 7.1.C).

City Council approval is required in accordance with Municipal Code Chapter 195, Procurement, where the current request exceeds the Chief Procurement Officer's authority of the cumulative five-year (5) commitment for each supplier, under Article 7, Section 195-7.3 (D) of the Procurement By-Law or exceeds the threshold of \$500,000 net of HST allowed under staff authority as per the Toronto Municipal Code, Chapter 71 Financial Control, Section 71-11A.

## **CONTACT**

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**SIGNATURE**

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Geneviève Sharkey  
Chief Procurement Officer