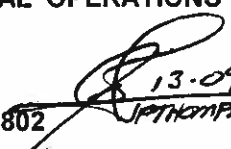
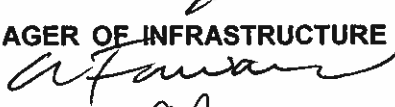

TO: GENERAL COMMITTEE


SUBJECT: AWARD OF FIN 2013-055P COLLECTION OF GARBAGE, RECYCLABLE MATERIAL, SOURCE SEPARATED ORGANICS AND YARD WASTE AND PROCESSING OF SOURCE SEPARATE ORGANICS AND PROCESSING AND MARKETING OF RECYCLABLE MATERIAL

WARD: ALL

PREPARED BY AND KEY CONTACT: SANDY COULTER, MANAGER OF ENVIRONMENTAL OPERATIONS
Ext. 5826

SUBMITTED BY: JOHN F. THOMPSON, P ENG., PMP
DIRECTOR OF ENVIRONMENTAL SERVICES , Ext. 4802  13-09-13
JFTHOMPSON

GENERAL MANAGER APPROVAL: RICHARD FORWARD, GENERAL MANAGER OF INFRASTRUCTURE & GROWTH MANAGEMENT 

CHIEF ADMINISTRATIVE OFFICER APPROVAL: CARLA LADD, CHIEF ADMINISTRATIVE OFFICER 

RECOMMENDED MOTION

1. That Contract FIN 2013-055P, collection of garbage, recyclable material, source separated organics and yard waste and processing of source separated organics and processing and marketing of recyclable material including City Facilities front-end service be awarded to BFI Canada Inc. to provide every other week garbage collection, every week collection of recyclables and source separated organics and related processing and seasonal yard waste collection on a five (5) day collection cycle in accordance with the BFI Canada Inc. submission dated Thursday, June 13th, 2013.
2. That the Mayor and the City Clerk be authorized to execute an eight (8) year agreement reflecting Contract FIN 2013-055P commencing on April 7, 2014 with an option to extend the terms of the agreement for two (2) additional one (1) year terms with BFI Canada Inc. subject to the satisfaction of the Director of Legal Services.
3. That the Industrial, Commercial, and Institutional sector bag/container limits be amended by reducing the garbage bags/containers limit for the Industrial, Commercial, and Institutional sector from 10 bags/containers per week to 6 bags/containers per week, to commence on April 7, 2014 concurrent with the start of Contract FIN 2013-055P.

PURPOSE & BACKGROUND

4. The purpose of this Staff Report is to provide Council with details recommending the award of FIN 2013-055P Request for Proposal Collection of Garbage, Recyclable Material, Source Separated Organics and Yard Waste and Processing of Source Separated Organics and Processing and Marketing of Recyclable Material.
5. Under Authorization By-Law No. 2005-091, passed by the Council of the Corporation of the City of Barrie on April 25, 2005, Collection Contract 2005-07 for the provision of Waste Management Services was awarded to Waste Services Inc / Frith Regional Waste (Frith/WSI). The Contract

- Agreement was executed on June 30th, 2005 and services commenced on July 2nd, 2005. These firms were subsequently purchased and performed the latter part of the contract as BFI Canada Inc.
6. The initial expiry date of this contract was June 30th, 2010 with an option for two additional one year extensions. Services under Waste Collection Contract 2005-07 initially included:
 - Single family residential weekly garbage collection of two bags/cans, weekly unlimited curbside blue and grey box recycling.
 - Multi-residential weekly collection of 95 gallon recycling carts on a dedicated route and truck and permitted curbside collection of garbage (maximum 2 bags per unit).
 - Weekly collection of garbage and recycling from public space bins and special event 95 gallon recycling cart services were provided for scheduled events.
 - Commercial curbside garbage collection limits of 10 bags/cans weekly, 4 standard size blue boxes for containers, up to one paper recycling box and 1 bundle of cardboard/week.
 - Central Business District garbage collection provided twice weekly on Tuesday and Fridays and recycling and yard waste collection on Tuesday only.
 - Unlimited yard waste collection to all sectors weekly during January, April, May, June, September, October and November. Bi-weekly yard waste collection was in effect during July, August and December. Yard waste collection did not occur during February and March.
 - All City of Barrie facility, garbage, recycling and cardboard services.
 7. Under the current contract, the City offers curbside garbage collection service to multi-residential complexes however due to aesthetics, and practicality, some multi-residential properties have chosen to contract privately with a waste hauler to provide them with front-end bin service. These complexes can apply to the City for the Multi-Residential Tipping Fee Exemption Program, which exempts them from the landfill tipping fees. In order to be eligible for this program, property owners and building managers must agree to specific terms and conditions prescribed by the City. Council motion 12-G-315, which approved the Sustainable Waste Management Strategy in principle, included direction for staff to investigate waste collection options for all types of multi-residential dwellings through the development of the new Waste Services Contract and report back to General Committee on service delivery costing and funding options.
 8. Historically, Barrie had a large proportion of mid-sized industries with several hundred employees each. These industries typically managed their own waste; however, cafeteria and office waste generally went to the curb for municipal collection. The residential bag limit was not sufficient for these industries and on February 9th, 1998, Council confirmed the continuation of a ten bag/week limit for the IC&I sector through Resolution 98-A-70. This IC&I Sector limit was originally established in 1997 through Motion 97-G-202 as a pilot.
 9. The services in the 2005-07 Contract were structured on a serviced unit price. These serviced unit counts were provided by the City of Barrie for residential and commercial curbside units, Central Business District units, multi-residential building units, public space bins, special event bins and City facility locations. The unit count was adjusted each year to reflect growth trends in the City of Barrie initially at 4% and due to reduced growth in the City, 2% in 2011 and a 1.5% increase for both 2012 and 2013.
 10. Under the 2005-07 Contract quoted prices per serviced units were firm for the first three years of the contract and for the subsequent 2 years (and the two optional years) the unit prices were adjusted annually in July, based on the Ontario All Items CPI Index. The most recent CPI increase for 2013-2014 was 1.3%. (The CPI increase for the 2012-2013 period was 1.2%).

11. In June 2005, Council approved Motion #05-G-322 Waste Management Plan in an effort to maximize Barrie's Landfill life span, by introducing a number of waste management initiatives. These initiatives included the implementation of an organics collection program for single family residences and a reduction of the garbage limit from two to one, effective May 1st, 2006. This Plan also resulted in the increase in garbage tag fees from \$1.00 to \$2.00 effective September 1st, 2005 and the elimination of free disposal to charitable organizations, at the Barrie Landfill, as of November 2005.
12. In 2008, The City of Barrie negotiated the addition of certified compostable liners to the Organics Collection program with the collection contractor, Frith/WSI, because of numerous requests from residents and to improve the organics program participation rate. The City agreed to extend the contract to include the two optional years with Frith/WSI to offset the costs and risks associated with accepting the Certified Compostable Liners, resulting in the collection contract expiry date of June 30th, 2012.
13. March 5th, 2012, under Motion #12-G-040 Council approved an extension to the existing collection contract, to May 5th, 2013 to allow City staff to develop a Collection RFP that incorporated waste collection services levels that aligned with the Sustainable Waste Management Strategy recommendations (in development).
14. On May 1st, 2012, the fee for garbage tags for bags above the weekly limit was increased from \$2.00 to \$3.00. This increase was approved in the 2012 Business Plan.
15. Barrie's Sustainable Waste Management Strategy, Motion #12-G-315, was approved, in principle by Council on November 19th, 2012, as follows:
 - That the City of Barrie Sustainable Waste Management Strategy, dated October 30th, 2012, prepared by Golder Associates, be adopted in principle as Barrie's framework/master planning document for the management of solid waste over the next 20 years to promote waste diversion, preserve landfill capacity and extend the lifespan of the landfill to 2035.
 - That staff investigate the implementation of First Priority (2012-2016) Initiatives as outlined in the proposed Sustainable Waste Management Strategy including; Modifying the Collection of Waste, Implementing Multi-Family Green Bin Program, Improving Waste Diversion and Reducing Costs and report back to General Committee on the feasibility, financial implications and potential impacts of each initiative.
 - That staff investigate waste collection options for all types of multi-residential dwellings through the development of the new Waste Services Contract and report back to General Committee on service delivery costing and funding options.
 - That staff undertake scheduled updates to the Sustainable Waste Management Strategy in five (5) year increments.
 - That the Waste Recycling Strategy for the City of Barrie prepared by 2cg Waste Management Consulting Services, dated December 2011, be adopted to satisfy Waste Diversion Ontario requirements for report funding and to maximize annual reimbursements from Stewardship Ontario for the delivery of the municipal blue box program.
16. Barrie's Sustainable Waste Management Strategy results recommended the consideration, adoption and implementation of the following collection service levels, as First Priority Initiatives (2012-2016):
 - Every other week collection of garbage (weekly collection of recycling and SSO);

- Reduce bag limit in IC&I sector from 10 to 6 per week;
 - Four day collection cycle per week;
 - Implement organics recycling in multi-residential sector; and,
 - Add plastic film, empty paint cans and aerosol cans to the blue box system
17. In June 2012, the Environmental Operations Branch engaged exp Services Inc. to collaborate with the Finance and Environmental Services Departments to produce an RFP document that could result in the optional investigation and implementation of several of the recommendations and initiatives identified in Barrie's Sustainable Waste Management Strategy.
 18. On May 3rd, 2013 approval was granted under By-Law 2013-073, to extend the Collection Contract 2005-07 from May 5th, 2013 to May 5th, 2014. This allowed sufficient time for the successful bidder to procure and supply new equipment prior to the commencement of the new collection contract.
 19. FIN 2013-055P Request for Proposals (RFP) for the Collection of Garbage, Recyclable Material, Source Separated Organics, and Yard Waste and Processing and Marketing of Recyclable Material went to market on April 15th, 2013 and closed on June 13, 2013.
 20. A participation study and waste audit of the City of Barrie's curbside collection programs was conducted in June and July of 2013 with the follow results:
 - participation in the City of Barrie's SSO program is currently at 27%;
 - participation in the blue box program is at 72%;
 - participation in the grey box program is at 77%;
 - SSO material makes up 40% of material in the garbage; and
 - Diapers represent 4.4% of material in the garbage.
 21. Under Ontario Regulation 101/94, Recycling and Composting of Municipal Waste, municipalities with a population of 5,000 or more, that provide collection or disposal services of municipal waste are required to establish, operate and maintain and blue box waste management systems. Regulation 101/94 also requires municipalities with a population of 50,000 or more to implement a Leaf and Yard Waste System that is reasonably convenient to the generators of leaf and yard waste in the municipality.
 22. 2013 Budgeted costs associated with the waste services provided under the existing collection contract with BFI (formerly, WSI/Frith) are as follows:

Waste Service	2013 Budgeted Cost (includes 1.76% HST)
Recycling Collection and Processing (includes multi-residential, public space and special events)	\$1,572,500.00
Garbage (includes Central Business District, Public Space, and Curbside)	\$1,770,095.88
Organics Collection and Processing	\$801,000.00
Yard Waste Collection	\$293,500.00
Total	\$4,437,095.88

ANALYSIS

23. A Request for Proposal (RFP) was developed to solicit qualified solid waste management companies to submit proposals to provide waste collection and processing services to the City. The RFP consisted of a 2 envelope system whereby, proponents are required to submit their technical submission in envelope 1 and their financial submission in a second envelope. A thoughtfully selected team of City representatives evaluated and scored the technical submissions. The technical submissions were evaluated based on the following criteria elements:
- Company Profile;
 - Applicable waste collection and processing experience;
 - Experience of staff assigned to administrate the contract and service delivery;
 - The company's Health and Safety practices;
 - The extent of the company's staff training plan;
 - The type and size of facilities required to management the contract services;
 - Type, capacity and number of vehicles used to service the contract;
 - The extent of the implementation plan for transition and start up of the contract;
 - The extent of the proponent's operating plan to provide the expected daily level of service;
 - The extent of environmental considerations that will be provided for the contract;
 - The intended communication plan;
 - The company's Quality Control Plan and Business Interruption and Contingency Plan to ensure that the services are provided as required; and
 - The company's complaints management plan.
24. Proponents were required to provide pricing for an 8 year and 10 year contract term commencing April 7th, 2014. The Contract also included the option to extend the term of the contract for 2 additional 1 year terms based on satisfactory performance and the continuing competitiveness of pricing and services provided by the contractor.
25. The RFP set out a number of solid waste collection and processing options for Proponents to bid. The options were developed based on the current and future waste management program requirements and service options identified by the City's Sustainable Waste Management Strategy such as every other week collection of garbage and collecting solid waste on a 4 day schedule (Tuesday to Friday) to assess where cost savings could be achieved. Proponents were required to bid the following service levels and collection frequencies for the collection of garbage and yard waste, and the collection and processing of recycling and source separated organics (SSO) , including front-end garbage and cardboard service for City facilities:
- Weekly garbage, recycling and SSO, and seasonal yard waste collection on a 5 day collection schedule;
 - Every other week garbage collection, every week recycling and SSO, and seasonal yard waste collection on a 5 day collection schedule;
 - Weekly garbage, recycling and SSO, and seasonal yard waste collection, on a 4 day collection schedule; and
 - Every other week garbage collection, every week recycling and SSO, and seasonal yard waste collection on a 4 day collection schedule.

Furthermore, to assess where service changes and associated cost savings might be achieved and the cost of potential future solid waste collection services the City may want to provide, proponents were also asked to bid the following service levels:

- Collection only of garbage, recycling, SSO and yard waste without processing of recyclable material;

- Processing and marketing of recyclable material (no collection);
 - Front end garbage collection service for multi-residential buildings;
 - Collection and processing of source separated organic material for multi-residential buildings; and
 - Single stream collection of recyclable material.
26. The contract prices identified in the RFP are to be adjusted on an annual basis, after the second year's term starting January 1st, 2016 and adjusted thereafter on the first of January, in direct proportion to the annual cost of living increase stipulated by the Ontario "All Items CPI Index".
27. Payment for this contract is based on a per tonnage rate as opposed to the previous collection contracts which were compensated on a serviced unit rate. Compensation based on weight promotes diversion and fairness for all parties involved in a collection contract.
28. The estimated tonnages provided in the RFP and used to calculate annual costs were based on years of historical data. The actual tonnages collected and processed in 2014 and subsequent years of the contract may vary and could potentially create variances between forecasted costs and actual costs.
29. Included in the specifications of the RFP is a revenue sharing arrangement for the blue and grey box recyclables recovered under the program with an 80/20 split between the contractor and the City respectively. The current collection contract does not provide a revenue sharing arrangement with the City for recyclables, and as such the contractor currently retains all revenue and risk associated with the sale of marketed materials.
30. Also included in the specifications of the RFP were new materials to be collected in the recycling program, in addition to what is accepted under the current contract. These materials consist of empty paint cans, empty aerosol cans, and film plastic (such as plastic bags).
31. The RFP specified that all primary collection vehicles be equipped with a GPS tracking system with a web-based interface capable of allowing Municipal staff to track the location of contracted vehicles on a real time basis. This requirement will enhance customer service by significantly reducing the uncertainties associated with uncollected curbside waste.
32. This RFP provides flexibility throughout the term of the contract and once awarded, allows for evolutionary change in the City of Barrie's waste collection programs and service levels, as new technology is developed or as circumstances and conditions change.
33. Five companies submitted proposals as follows:
- BFI Canada Inc.
 - Canadian Waste Management Inc.
 - GFL Environmental Inc.
 - Mid Ontario Disposal
 - Miller Waste Systems Inc.
34. Of the five (5) companies that submitted proposals, only three (3) met the technical threshold and, had their financial submissions opened for evaluation.

After evaluation of the three proposals, it was determined that BFI Canada Inc. had the most attractive scores for all options, with the exception of Processing and Marketing of recyclable material (no collection) both 8 year, and 10 year options. Although investigated, the separate award of the collection and processing are not being considered as the combined costs for each

option were higher than the all-in proposals. The lowest compliant total annual bid price received for each service level option is outlined in Appendix A.

The cost of collection of a non compacted front end garbage container and for non-compacted container for Old Corrugated Cardboard (OCC) was \$77, 623.84 and \$16,465.48 respectively, under all options. Facilities have confirmed that this price is acceptable.

35. Recommended Level of Service

Staff recommends awarding the option to provide the collection of garbage every other week, recycling and SSO every week, and seasonal yard waste collection on a 5 day collection schedule over an eight (8) year term based on the following rationale:

- This service level option scored the highest through the evaluation process;
- It is the lowest cost option;
- This recommendation is consistent with Council Motion 13-G-167, 2014 Budget Directions by considering the cost of maintaining current service levels and by taking a focused approach to service changes;
- Municipal experience has shown that every other week garbage collection effectively increased waste diversion;
- The garbage limit would remain the same under this option, with two bags/cans being collected from each household every other week;
- This option is also in line with the Sustainable Waste Management Strategy which includes every other week garbage collection as a First Priority Initiative to be implemented in the 2012-2016 period to decrease the cost of waste collection programs and increase the amount of waste diverted by residents through recycling and SSO programs; and
- Collection of garbage on a frequency less than that of recycling is considered an industry best practice.

Every other week garbage collection sends the message to residents that diversion of waste through recycling and organics is more important and more convenient than garbage. According to a July 18th, 2013 Technical Memorandum: Bi-weekly Garbage Collection Survey For The City of Barrie prepared by Golder and Associates, there are currently fifteen large to medium sized municipalities in Ontario that have successfully implemented every other week garbage collection; including the City of Toronto, the City of Ottawa, Halton Region and City of Markham. It was found that all municipalities that had implemented every other week garbage collection with weekly collection of recycling and SSO saw an increase in diversion, despite initial resistance to the change and confusion from residents. Three of the 15 municipalities (Durham Region, Halton Region, and the Region of Peel), do not accept diapers or pet waste in their SSO program, yet two of these municipalities have seen significant increases in diversion since the implementation, and Peel expects to see the same when the pilot program is expanded to the remainder of the region. All municipalities reported that they would implement the program again, but emphasised that extensive promotion and education is key to the success of the program. In addition at the OMBI April 17th, 2011 Spring Forum, the Solid Waste Expert Panel reported that member municipalities who implemented every other week garbage collection reported increases of at least 10% in waste diversion.

Due to storage constraints, garbage collection in the Downtown BIA would continue on a weekly basis.

The following table compares the cost for recommended option to the current contract, and the 2014 base budget which maintains the current service levels and identifies costing obtained through this RFP process. As the contract is set to commence April 7th, 2013, the new pricing

would only apply to the second through fourth quarter of the year. The full annual cost savings of the new contract would be realized in 2015 with a full year under the new contract.

2013 Contract Cost (including 1.76%HST)	*2014 Base Budget Cost (including 1.76%HST)	2014 Cost Recommended Option (including 1.76%HST)	2015 Cost Recommended option (including 1.76%HST)
\$4,437,095.88	\$4,447,500	\$4,245,700.27	\$4,012,456.23

* The 2014 base budget represents 3 months under the current contract, and 9 months under the new contract at a service level consistent with the current contract.

36. Industrial, Commercial and Institutional Sector Service Level Adjustment

The Sustainable Waste Management Strategy recommended as a First Priority Initiative that the Industrial, Commercial, and Institutional garbage bag be reduced from 10 bags to 6 bags per week. Today, the abundance of mid-sized industries employing hundreds of people has been significantly reduced in Barrie. As a result, the ten bag/week limit established to accommodate the domestic waste generated from these facilities is not as necessary as it once was. Additionally a reduction in the bag limit may incentivize the IC&I sector to divert more recyclables. Staff concurs with the Sustainable Waste Management Strategy's recommendation to reduce the IC&I garbage bag limit from 10 bags per week to 6 bags per week.

37. Multi-Residential Front-end Garbage Collection Service Level Option

As directed through Council Motion #12-G-315, Request for Proposal FIN 2013-055P identified front end garbage collection service as a potential desired service and pricing for this service was obtained. The provision of this service would eliminate the administration of the Multi-Residential Tipping Fee Exemption program; provide the City of Barrie with greater control of multi-residential garbage and recycling. In addition this service would further promote waste diversion through system alignment. Subject to Council approval, this service level option would be phased in gradually as many multi-residential complexes have existing contracts in place with various waste haulers. Some multi-residential properties through site plan agreements have forfeited access to curbside collection services and would not be entitled to receive this service.

38. Concurrent with the consideration of the Sustainable Waste Management Strategy, the City received petitions from the boards associated with several condominiums expressing concern with the current service level. After discussion with the Finance Department it was determined that a rebate would not be feasible. A brief survey of other municipalities conducted by Environmental Services staff, found that only three out of the eighteen municipalities that responded provided a property tax rebate to multi-residential properties that used a private hauler for garbage collection services. Eight of the respondent municipalities indicated that they provide front-end garbage collection services to multi-residential properties.

39. Due to the magnitude and complexity of the service level changes associated with the recommended motions and consistent with Council's direction regarding property tax increases for 2014, it is recommended that this service level change be considered during the 2015 Business Plan development process.

40. Multi-Residential Source Separated Organics Collection Service Level Option

As a First Priority Initiative of the Sustainable Waste Management Strategy, an option for Collection and Processing of Source Separated Organic Material for Multi-residential Buildings was included in the Request for Proposal. A multi-residential SSO program was recommended to

align multi-residential diversion opportunities in those of single-family households, and increase waste diversion. It is estimated that implementation of SSO program for Multi-residential complexes will increase waste diversion by 2.8%. Multi-residential SSO programs are rare when compared to single family programs; however a number of municipalities in Ontario have developed programs or initiated pilot programs, including, the City of Toronto, City of Hamilton, Halton Region, City of Markham, Town of Richmond Hill, and Region of Waterloo.

41. Due to the magnitude and complexity of the service level changes associated with the recommended motions and consistent with Council's direction regarding property tax increases for 2014, it is recommended that this service level change be considered during the 2015 Business Plan development process.
42. Communications and Public Education
- Successful implementation of the recommended motion will require comprehensive communications with the public, concerning the City wide changes to the existing garbage collection schedule and the promotion of municipal waste diversion programs such as organics recycling. Access Barrie and the Environmental Services Department are currently collaborating on the development of an appropriate communications plan. These communication activities will be commenced in 2013 and funded through total budget management. Funding in the amount of \$135,000 for 2014 communications to address associated communications and public education requirements will be funded from the contract savings relating to every other week garbage collection in the following manner:
 - i) \$80,000 for advertising and communications related to system revisions.
 - ii) \$55,000 for public education and promotion of related waste diversion programs.

ENVIRONMENTAL MATTERS

43. The following environmental matters have been considered in the development of the recommendation:
- BFI's submission included the use of compressed natural gas collection vehicles which will result in a reduction of greenhouse gas emissions over the life of the contract when compared to using standard diesel powered collection vehicles.
 - The implementation of every other week garbage collection with weekly collection of recycling and SSO has been shown to effectively increase waste diversion, which ultimately extends the lifespan of the site.
 - The RFP included new materials to be accepted in the City of Barrie's recycling program, diverting material from the City of Barrie Landfill Site and increasing diversion.

ALTERNATIVES

44. Several alternatives to the recommended option could be considered, these alternatives include changes to the collection schedule, garbage collection frequency and contract duration.
45. Of the eight (8) most attractive service level proposals, the two options for every other week garbage collection on a 5 day collection schedule and the option for weekly garbage on a 5 day collection schedule over 8 years are less expensive than the 2013 contract costs and are further outlined in this section. These three (3) options are equal to or less expensive than the estimated

cost for this contract that was developed exp Services. The options for Weekly garbage, recycling and SSO, and seasonal yard waste collection on a 5 day collection schedule, both 8 and 10 year terms, maintain the same service levels as the current contract.

46. The Sustainable Waste Management Strategy recommended the consideration of a four (4) day collection schedule to reduce the requirement to shift collection days to accommodate observed holidays. Bid submissions related to this service level option showed that the provision of this service level is considerably more expensive when compared to the five (5) day collection schedule as outlined in Appendix C.
47. Additional alternatives available for consideration by General Committee are listed in Appendix "C":

Alternative #1

General Committee could choose to award the second most attractive option to BFI Canada Inc. to provide the collection of garbage every other week, recycling and SSO every week, and seasonal yard waste collection on a 5 day collection schedule over a ten (10) year term. This option is in line with the Sustainable Waste Management Strategy which includes every other week garbage collection as a First Priority Initiative to be implemented in the 2012-2016 period. Every other week garbage collection is proven to effectively promote waste diversion.

This alternative is not recommended as the bid price is 1% or \$22,604.36 more expensive than the recommended option. In addition, the lifespan of a waste collection vehicle is typically in the range of 10 years. Awarding a longer contract with options to extend increases the risk of service delivering disruptions due to mechanical problems associated with the collection vehicles and potentially increases the costs to execute the options to extend.

Alternative #2

General Committee could choose to maintain the existing service level and award the third most attractive option to BFI Canada Inc. to provide weekly garbage, recycling and SSO, and seasonal yard waste collection on a 5 day collection schedule over an eight (8) year term.

This alternative is not recommended as the bid price is 5% or \$191,582.21 more expensive than the recommended option and does not effectively promote waste diversion and sustainable waste management. The 2014 cost for this alternative is reflected in the 2014 base budget, which is \$201,799.73 more expensive than the 2014 cost for the recommended option.

FINANCIAL

48. The recommended motions do not impact the 2013 Business Plan.
49. A financial analysis of the various service level option costs compared to the 2013 budgeted costs is provided in Appendix B.
50. **2014 Business Plan Implications**
 - The savings associated with recommended motion in the amount of \$201,800 will be used to offset 2014 communication costs of \$135,000 and the 2014 base budget will be reduced by the remaining \$66,800.

- The 2014 base budget reflects new annual revenue estimated to be \$257,000 which represents the revenue sharing requirement from the sale of blue and gray box recyclables. Revenue will vary with market pricing and is not tied to the recommended motion.

LINKAGE TO 2010-2014 COUNCIL STRATEGIC PLAN

51. The recommendation(s) included in this Staff Report support the following goals identified in the 2010-2014 City Council Strategic Plan:
 - Manage Growth and Protect the Environment
 - Strengthen Barrie's Financial Condition
52. The recommendations support the goal of Managing Growth and Protecting the Environment by the inclusion of system changes consistent with the recommendations of Barrie's Sustainable Waste Management Strategy that result in enhanced effectiveness and efficiency of the City's Waste Management System.
53. The recommendations Strengthen Barrie's Financial Condition by providing the most attractive option, that is less expensive than the current contract.

APPENDIX "A"

Bid Prices

	Service Proposal	Contract Duration	Bid Price (not including City Facilities front end service)	Difference from Recommended option
Recommended Option	Every other week garbage collection, every week recycling and SSO, and seasonal yard waste collection on a 5 day collection schedule	8 year + two 1 year optional extensions	\$4,012,456.23	N/A
Alternative #1	Every other week garbage collection, every week recycling and SSO, and seasonal yard waste collection on a 5 day collection schedule	10 year + two 1 year optional extensions	\$4,035,060.59	\$22,604.37
Alternative #2	Weekly garbage, recycling and SSO, and seasonal yard waste collection on a 5 day collection schedule	8 year + two 1 year optional extensions	\$4,204,038.44	\$191,582.21
Alternative #3	Weekly garbage, recycling and SSO, and seasonal yard waste collection on a 5 day collection schedule	10 year + two 1 year optional extensions	\$4,229,625.86	\$217,169.63
Alternative #4	Every other week garbage collection, every week recycling and SSO, and seasonal yard waste collection on a 4 day collection schedule	8 year + two 1 year optional extensions	\$4,525,028.04	\$512,571.82
Alternative #5	Every other week garbage collection, every week recycling and SSO, and seasonal yard waste collection on a 4 day collection schedule	10 year + two 1 year optional extensions	\$4,539,840.97	\$527,384.74
Alternative #6	Weekly garbage, recycling and SSO, and seasonal yard waste collection, on a 4 day collection schedule	8 year + two 1 year optional extensions	\$4,727,160.83	\$714,704.60
Alternative #7	Weekly garbage, recycling and SSO, and seasonal yard waste collection, on a 4 day collection schedule	10 year + two 1 year optional extensions	\$4,758,139.45	\$745,683.23

APPENDIX "B"

Financial Analysis of Alternatives Compared to 2013 Budgeted Costs

	Annual Cost	Difference from 2013 contract costs (excluding facilities costs)	% difference from 2013 contract costs (excluding facilities costs)
Recommended option	\$4,012,456.23	-\$424,639.65	-8.7%
Alternative #1	\$4,035,060.59	-\$402,035.29	-8.3%
Alternative #2	\$4,204,038.44	-\$233,057.44	-4.8%
Alternative #3	\$4,229,625.86	-\$207,470.02	-4.3
Alternative #4	\$4,525,028.04	+\$87,932.16	+1.8%
Alternative #5	\$4,539,840.97	+\$102,745.09	+2.1%
Alternative #6	\$4,727,160.83	+\$290,064.95	+6.0%
Alternative #7	\$4,758,139.45	+\$321,043.57	+6.6%

APPENDIX "C"

Additional Alternatives

Alternative #3

General Committee could choose to award the fourth most attractive option to BFI Canada Inc. to provide weekly garbage, recycling and SSO, and seasonal yard waste collection on a 5 day collection schedule over a ten (10) year term. The service levels in this option are consistent with the service level of the current collection contract.

This alternative is not recommended as it is 5% or \$217,169.63 more expensive than the recommended option and does not promote increased waste diversion and there is a potential of experiencing increased equipment related collection issues near the end of the contract as the life span of a collection vehicle is typically seven (7) to eight (8) years.

Alternative #4

General Committee could choose to award the fifth most attractive option to BFI Canada Inc. to provide every other week garbage collection, every week recycling and SSO, and seasonal yard waste collection on a 4 day collection schedule over an eight (8) year term. This option is in line with the Sustainable Waste Management Strategy which includes every other week garbage collection and four day collection as First Priority Initiatives to be implemented in the 2012-2016 period. A four day collection was recommended to reduce the inconvenience (particularly to residents in the Friday collection area) of changing the collection schedule due to statutory holidays. Every other week garbage collection promotes increased waste diversion.

This alternative is not recommended as it is 13% or \$512,571.82 more expensive than the recommended option. Four day collection with collection of garbage occurring every other week is more expensive than five day every other week collection as more collection vehicles are required to accommodate the greater number of serviced units per day.

Alternative #5

General Committee could choose to award the sixth most attractive option to BFI Canada Inc. to provide every other week garbage collection, every week recycling and SSO, and seasonal yard waste collection on a 4 day collection schedule over an ten (10) year term. This option is in line with the Sustainable Waste Management Strategy which includes every other week garbage collection and four day collection as First Priority Initiatives to be implemented in the 2012-2016 period. A four day collection was recommended to reduce the inconvenience (particularly to residents in the Friday collection area) of changing the collection schedule due to statutory holidays. Every other week garbage collection promotes increased waste diversion.

This alternative is not recommended as it is 13% or \$527,384.74 more expensive than the recommended option, and there is a potential of experiencing increased equipment related collection issues near the end of the contract as the life span of a collection vehicle is typically seven (7) to eight (8) years.

Alternative #6

General Committee could choose to award the seventh most attractive option to BFI Canada Inc. to provide weekly garbage, recycling and SSO, and seasonal yard waste collection on a 4 day collection schedule over an eight (8) year term. This option is in line with the Sustainable Waste Management Strategy which includes every other week garbage collection and four day collection as First Priority Initiatives to be implemented in the 2012-2016 period. A four day collection was recommended to reduce the inconvenience (particularly to residents in the Friday collection area) of changing the collection schedule due to statutory holidays.

This alternative is not recommended as it is 18% or \$714,704.60 more expensive than the recommended option and does not promote increased waste diversion.

Alternative #7

General Committee could choose to award the seventh most attractive option to BFI Canada Inc. to provide weekly garbage, recycling and SSO, and seasonal yard waste collection on a 4 day collection schedule over a ten (10) year term. This option is in line with the Sustainable Waste Management Strategy which includes every other week garbage collection and four day collection as First Priority Initiatives to be implemented in the 2012-2016 period. A four day collection was recommended to reduce the inconvenience (particularly to residents in the Friday collection area) of changing the collection schedule due to statutory holidays.

This alternative is not recommended as it is 19% or \$745,683.23 more expensive than the recommended option, does not promote increased waste diversion and there is a potential of experiencing increased equipment related collection issues near the end of the contract as the life span of a collection vehicle is typically seven (7) to eight (8) years.

Alternative #8

General Committee could choose not to authorize staff to implement the reduction in the IC&I garbage bag limit. This alternative is not recommended as it does not promote diversion and does not support the recommendations of the Sustainable Waste Management Strategy.