



Report to: Council

Meeting Date: August 25, 2020

SUBJECT: Award of Contract 089-R-19 Residential and Multi-residential Waste Management Collection

PREPARED BY: Phoebe Fu, Director, Environmental Services, Ext. 3010
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RECOMMENDATION:

1. THAT the report entitled “Award of Contract 089-R-19 Residential and Multi-residential Waste Management Collection” be received;
2. AND THAT the Contract for Residential and Multi-residential Waste Management Collection services be awarded to the highest ranked, second lowest priced proponent, Miller Waste Systems Inc. for a term of eight (8) years, from September 1, 2021 to August 31, 2029 in the amount of \$114,340,912 (incl. of HST), subject to annual adjustments for growth and Consumer Price Index (CPI);
3. AND THAT the Contract include an option for the City (in its sole discretion) to extend the Contract term for up to two (2) additional one (1) year terms on the same terms and conditions, including pricing, and that the Chief Administrative Officer be authorized to exercise this option to extend the Contract for such additional one (1) year terms on behalf of the City, upon the recommendation of the Director, Environmental Services (or successor);
4. AND THAT the 2021 Waste Management Operating budget be increased by \$2,885,637 inclusive of CPI and growth. The budget shortfall is to be included as part of the 2021 Operating budget, subject to Council approval of the 2021 Operating budget;
5. AND THAT the City Solicitor be authorized to prepare the Contract in consultation with Staff from Environmental Services and Finance substantially in accordance with the terms, rates, and conditions outlined in this report;
6. AND THAT the Mayor and City Clerk be authorized to execute the Contract (and any other documentation necessary to give effect to the Contract) in a form satisfactory to the Chief Administration Officer and City Solicitor;
7. AND THAT future Purchase Orders for Waste Management collection services be revised to reflect the Council approved contract amounts;
8. AND THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

- The City's current collection contract was extended to August 31, 2021 and a Request for Proposal (RFP) was issued to the market to secure a new long term collection contract starting September 1, 2021 to August 31, 2029;
- The RFP process is complete and the Waste Management RFP Project Team is recommending award of a new eight (8) year collection contract to Miller Waste Systems Inc. ("Miller Waste Systems"), beginning September 1, 2021 with an option for the City (in its sole discretion) to extend the Contract term for up to two (2) additional one (1) year terms on the same terms and conditions, including pricing;
- **The operating budget impact from 2020 to 2021 is an increase of \$2,885,637 from \$9,723,983 (2020) to \$12,609,620 (2021) inclusive of CPI and growth;**
- The new contract changes the co-collection configuration from recyclables and organics to the co-collection of waste and organics in one collection vehicle and the separate collection of recyclables;
- Based on the new co-collection arrangement and separate collection of recyclables, it is now financially advantageous for the City to transition as early as possible in 2023 to realize potential collection savings;
- The new co-collection arrangement will enable the City to maximize the future financial benefits of transition, either through the Product Producers taking over the Blue Box collection program entirely, or providing a significant rebate to the City (currently estimated by the City to be in the range of 70-80% of recycling collection costs);
- The total contract cost over eight (8) years is \$114,340,912 excluding CPI, growth and potential Blue Box transition impact;
- The annualized cost of the recommended contract award is \$14,292,614, which is \$2,370,318 higher than the annualized cost of the Council approved contract extension of \$11,922,296. This represents an increase of 19.9%;
- While collection costs have increased, the new rates are in line with increases being experienced across the Waste Management industry as a result of the proposed Blue Box transition, increased fleet costs, driver shortages, and higher insurance costs;
- In addition to price, the RFP evaluation criteria prioritized important factors such as good performance and safety, proven customer service, innovation, worker retention, and health and safety;
- The award of the City's collection contract is time sensitive to allow sufficient lead-time for the recommended proponent to acquire a new fleet in time for a September 1, 2021 start date;
- The new collection contract provides several enhanced services such as additional compost giveaway events, cart tippers to accommodate the emptying of a larger raccoon proof green bin, a pilot project to reduce GHG emissions, new technology that will contribute to higher diversion rates, and improved customer service;

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- Taking into account the City's high service level and multiple value-added service requirements, the new contract rates, although higher than the current rates, provide good value to the City and are in line with other recent municipal contract awards;
 - According to the Fairness Monitor (Optimus SBR) retained to monitor the RFP process, the process was conducted in a fair, open and transparent manner and consistent with the RFP document. The final report noted the cooperation, diligence, and professionalism of all of the Waste Management RFP Project Team members and Procurement Division Staff;
 - The collection of residential waste and recycling material is an essential municipal responsibility. A community's health and safety depend on a well-functioning waste management system that ensures high waste diversion rates, excellent customer service, clean streets, and sustainability.

PURPOSE:

The purpose of this report is to obtain Council approval to award a long-term contract for residential and multi-residential waste management collection services.

BACKGROUND:**Decision history for long-term collection contract renewal**

In 2010, Council approved an eight (8) year collection contract with Miller Waste Systems with an expiry date of November 30, 2018.

In late 2016, the Provincial government passed the *Waste Free Ontario Act* that included a framework to transition the municipal Blue Box recycling system to Product Producers. Under the new system, Product Producers will be responsible for costs related to Blue Box collection and processing from both residential and multi-residential units, providing municipalities with cost relief for these services.

In May 2018, Staff received approval for two (2) one-year contract extensions of the Miller Waste Systems collection contract (until November 30, 2020) in order to prepare for any potential impacts of the new legislation.

On May 14, 2019, as a result of delays in the planned Blue Box program transition process, Staff recommended a RFP process be started to secure a long-term collection contract. General Committee directed Staff to report back with more information following the Regional Governance review.

On June 12, 2019, Council approved an additional extension of the Miller Waste Systems collection contract to May 31, 2021, to ensure sufficient time for Staff to report back and secure direction on long term contract options.

On December 10, 2019, Council approved proceeding with an RFP process for the procurement of long-term waste management collection services. The Project Team developed an aggressive schedule designed to complete the RFP process as quickly as possible.

On July 14, 2020, Council approved an additional extension of the Miller Waste Systems collection contract (to August 31, 2021) to provide Staff with additional time to conclude the RFP

and contract award process, and allow sufficient time for the new service provider to order and deliver a new collection vehicle fleet.

RFP Process

The RFP for collection services was designed to solicit proposals from all qualified waste management companies based on an eight (8) year contract term commencing September 1, 2021, with an option (at the sole discretion of the City) to extend the Contract term for up to two (2) additional one (1) year terms, based on the same terms and conditions of the Contract, including pricing.

In addition to a comprehensive Scope of Work, proponents were requested to address Blue Box recycling system transition, co-collection scenarios, and future recycling collection service termination costs should the City proceed with Blue Box transition at any time during the eight (8) year contract term.

Scope of Work

The RFP Scope of Work included the current base-level collection services provided to residential homes, multi-residential buildings, recycling depots, municipal facilities, BIAs, and selected churches and schools:

- Clear Bag Garbage & Bulky Items (Bi-weekly)
- Curbside Blue Box (Weekly)
- Curbside Green Bin (Weekly)
- Co-collection of any two of the three primary waste streams (Recycling & Organics, Recycling & Garbage, Organics & Garbage)
- Curbside Leaf & Yard Material (Bi-weekly, Weekly in Nov-Dec)
- Christmas Trees (Two weeks in January)
- Super Mailbox Recycling Collection
- Assisted Collection (Side Door)
- BIA Garbage Service (Weekly)
- Curbside Collections for schools/churches
- Weekly Multi-residential Collection of Garbage, Recycling & Organics
- Recycling Depot Collection
- Spring & Fall Clean-up Days
- Appliance and Scrap Metal Collection (by appointment with Freon removal for Appliances)

The Project Team retained the services of a Waste Management industry consultant from EXP Services Inc. to ensure that the Scope of Work reflected current municipal best practices. In addition, comparable municipal RFP documents were reviewed to benchmark and guide the development of deliverables and project specifications.

The RFP Scope of Work requested proponents to provide contract improvements designed to enhance customer service, integrate Smart City technology, incorporate best practices and optimize collection efficiencies including:

- Provision of all new collection vehicles for execution of core services as close as possible to the contract start date (Recycling, Organics and Garbage)
- Increased compost giveaway events (8 locations)

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- Contract start-up, contingency/emergency and wind-down plans
 - New collection vehicle hardware to allow for the use of larger Green Bins (raccoon proof)
 - Specific compaction rates for Blue Box materials to ensure compliance with recycling facility requirements
 - Smart technology like GPS, RFID tags and on-board truck scales on collection vehicles for tracking data
 - Green Fleet pilot for the use of alternative fuels and/or technology
 - Non-compliant set-out imaging (send pictures of rejected set-outs throughout service day)
 - Enhanced route supervision requirements and customer service procedures
 - Collection worker recognition program
 - New compactor for the Markham Depot
 - Public messaging on collection vehicles

Project Team/Technical Evaluation Team/Fairness Monitor

A Waste Management RFP Project Team (the “Project Team”) of senior Staff from Waste and Environmental Management, Financial Services, and Legal Services was created to develop and oversee the RFP process. The RFP process was facilitated by Staff from the Procurement Department. The Project Team reported to the Executive Leadership Team on a regular basis to provide updates and to obtain direction, as required.

The Technical Evaluation Team was comprised of the same Staff as the Project Team.

The City also retained an external third party Fairness Monitor to provide independent oversight throughout the RFP process, and to ensure transparency and fairness in both the preparation of the RFP document and in the evaluation of proposals. The Fairness Monitor observed the entire RFP process, assessed all procurement documentation, monitored the technical evaluation process, and reviewed all correspondence with proponents. A copy of the Fairness Monitor’s final report is attached to this report as Attachment A.

RFP Proposals

RFP #089-R-19 was released on June 4, 2020 and there were eight (8) registered bid takers.

The RFP was open to the market for 34 days and proposals were received from four (4) proponents:

- Ferrovial Services Canada Ltd.
- GFL Environmental Inc. (Green for Life)
- Halton Recycling Ltd. (dba Emterra Environmental)
- Miller Waste Systems

RFP Proposal Evaluation Process

To ensure all proponents had the necessary qualifications and experience to carry out the required work, the City conducted the evaluation of proposals using a four-stage process:

- Stage One – Mandatory Criteria
- Stage Two – Technical Evaluation
- Stage Three – Interview

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- Stage Four – Financial Evaluation

Stage One – Mandatory Evaluation Criteria (Pass / Fail)

In Stage One, proponents were required to comply with the following mandatory requirements:

- Level II (2) CVOR (Commercial Vehicle Operators Registration) Abstract from the Ministry of Transportation (i.e. safety record) reflecting a Safety Rating of “Satisfactory” or “Satisfactory Unaudited” or better on the RFP Submission Deadline
- Ministry of the Environment Conservation and Parks Certificate of Approval (approval for collection system)
- Agreement to Bond in the amount of \$5 Million Dollars (CDN)
- One (1) active or completed waste collection contract for a municipality with a population >200,000 people within the last ten (10) years

The mandatory evaluation criteria addressed important issues such as the proponents driving/vehicle safety record, Provincial operating approvals, financials, and relevant experience. All four (4) proponents met the mandatory evaluation criteria and advanced to Stage Two – Technical Evaluation.

Stage Two – Technical Evaluation

In Stage Two, proponents were assessed against pre-determined technical evaluation criteria as outlined in the RFP document. Proponents had to achieve a minimum technical evaluation score of 49 out of 70 points (70%) or higher in order to advance to the next stage. Proponents not achieving a technical evaluation score of 49 out of 70 (70%) did not advance.

Proposals were evaluated against the following eleven (11) pre-determined technical evaluation criteria:

- Company Profile, Understanding of Scope and Blue Box Transition Plan
- Customer Service and Service Delivery
- References and Past Performance
- Fleet & Facilities
- Staffing Plan and Labor Retention
- Contract Start-up, Contingency and Wind-down Plans
- Commitment to Community Sustainability
- Health & Safety and Training Programs
- Innovation and Use of Smart City Technologies
- Quality Assurance and Quality Control
- Financial Sustainability

Three proponents achieved the minimum required technical score of 49 out of 70 (70%) or higher and advanced to the next stage.

Stage Three – Interview

Proponents that scored a minimum of 70% following Stage Two were invited to participate in an interview process to provide clarification and demonstrate an understanding of the Work as described in the RFP document. The results of Stage 3 were used to verify the

appropriateness of the technical evaluation of the proponent's proposal under Stage 2 and to allow the Technical Evaluation Team to revisit / revise technical evaluation scores as necessary, using the same evaluation criteria and weighting. Proponents had to achieve a minimum technical evaluation score of 52.5 out of 70 points (75%) in order to advance to Stage 4. The following proponents achieved a minimum technical evaluation score of 52.5 out of 70 points, and advanced to Stage 4.

Proponent	Technical Score (out of 70)
Miller Waste Systems	61.67
GFL Environmental Inc.	52.73

Stage Four – Financial Evaluation

The Stage 4 – Financial Evaluation was based on the Total Probable Cost of the proponent's proposal determined by the unit prices submitted and three different possible Blue Box Program transition scenarios, and corresponding likelihoods for each scenario for each year of the Contract term. A financial model was developed to interpret the variables indicated above and produce a Total Probable Cost for evaluation. The financial proposal was evaluated out of 30 points based on the financial evaluation formula outlined in the RFP document. The proposal with the lowest Total Probable Cost received the maximum score of 30 points.

Following Stage 3 – Interview, both GFL Environmental Inc. and Miller Waste Systems qualified to advance to Stage 4, at which time their financial proposals were opened and analyzed. The financial submissions from Halton Recycling Ltd. (dba. Emterra Environmental) and Ferrovia Services Canada Ltd. remained unopened in the City's Bids & Tenders system.

Proponent	Financial Score (out of 30)
GFL Environmental Inc.	30.00
Miller Waste Systems	27.74

Overall scoring results

The scores from Stages 1 – 4 were combined to formulate the final overall scoring. The highest ranked proponent was invited to negotiate and finalize a contract with the City.

Miller Waste Systems received the highest score overall. The Project Team found the Miller Waste Systems proposal to be very detailed and thorough in addressing the City's requirements. Miller Waste Systems demonstrated a good understanding of the work, had excellent references, and illustrated a comprehensive plan and methodology for meeting the collection needs of the City. The final overall scores are summarized below:

Proponent	Technical Evaluation (70 Points)	Financial Evaluation (30 Points)	Total Score (100 Points)	Total Probable Cost over 8 Years
Miller Waste Systems	61.67	27.74	89.41	\$104.1M
GFL Environmental Inc.	52.73	30.00	82.73	\$96.8M

The Total Probable Cost is lower than the Contract Award Amount, as it is expected that once responsibility for the Blue Box Program is transitioned to Product Producers, the City will realize an annual cost reduction through either the Product Producers taking over the program entirely, or providing a significant rebate (currently estimated by the City to be in the range of 70-80%) of the costs incurred by the City to administer the Blue Box recycling program to single-detached homes, multi-residential properties, and the recycling depots.

The highest ranked proponent was invited to finalize a contract with the City for the provision of the work subject to the process rules contained in the Terms and Conditions of the RFP.

Negotiation with the Highest Ranked Proponent

The RFP process allowed the City to initiate negotiations to explore opportunities for improved pricing and performance terms with the highest ranked proponent, Miller Waste Systems.

The parties identified potential opportunities and entered into negotiations in three key areas:

- Co-collection configuration
- Multi-residential collection efficiencies
- Annual price adjustment (CPI)

A complete analysis of the negotiated opportunities and alternative delivery models determined that the proposed financial and non-financial benefits offered to the City by Miller Waste Systems were cost neutral over the contract term and did not provide sufficient benefits for the associated risks. As a result, it is recommended that the City proceed based on the proposal submitted by Miller Waste Systems.

Blue Box Transition and New Fleet Configuration

A unique aspect of this RFP is the stated intent by the Province of Ontario to transition the Blue Box recycling program to Product Producers at some point between 2023 and 2025 during the 8 year contract term.

The Blue Box transition process provides the opportunity for municipalities to be compensated by Product Producers, either through the Product Producers taking over the Blue Box collection program entirely, or providing a significant rebate (currently estimated by the City to be in the range of 70-80%) of all costs related to Blue Box collection for residential homes, multi-residential buildings and Recycling Depots.

At the request of the Association of Municipalities of Ontario (AMO), Council, in conjunction with York Region and other local municipalities, indicated a 2025 preferred transition date. The Council resolution also indicated that the City reserves the option to amend their preferred transition date if earlier transition would be financially beneficial for the City.

In the RFP, the City outlined three potential transition scenarios that AMO has indicated could occur as a result of transition:

Transition Scenarios	Potential Impacts
1. No transition – “status quo”	<ul style="list-style-type: none"> • Transition process deferred or abandoned by Province

2. City delivers Blue Box collection service for Product Producers	<ul style="list-style-type: none"> • Collection paid by Product Producers • Estimated at 70-80% cost recovery of recycling collection costs • Need to ensure collected recyclables meet strict standards related to contamination and are not over-compacted during the collection process to allow for efficient material sorting.
3. Product Producers deliver collection services	<ul style="list-style-type: none"> • City would need to be able to reduce fleet size to only collect garbage and Green Bins.

The RFP allowed proponents to provide costing for any combination of co-collection arrangements indicated below to address transition:

- Recycling and Organics
- Recycling and Garbage
- Organics and Garbage
- Separate collection of Blue Box

The goal was to obtain transition costs that would allow the City to determine the best transition options to take advantage of Blue Box collection cost-savings as early as possible, and provide the City with more cost certainty for the future. Staff developed a financial model to analyze the impacts of each collection scenario in conjunction with potential transition for each year of the contract.

To accommodate the future Blue Box transition scenarios and minimize risks, Miller Waste Systems proposed to co-collect organics with garbage and separately collect recycling. The current fleet configuration for the existing contract co-collects recycling and organics, and garbage is collected separately.

From a transition management perspective, the new proposed co-collection arrangement has several advantages:

- Increased asset flexibility for the service provider as the collection vehicles dedicated for recycling have market value if no longer required
- Higher anticipated cost recovery from Product Producers as a result of reduced contamination and compaction;
- Lower transport/loading costs if delivery location for recyclables changes due to transition

Based on the new co-collection arrangement and separate collection of recycling, it is financially advantageous for the City to transition as early as possible in 2023 to realize potential collection savings. As details on the Blue Box transition process are unknown, the Project Team will be reporting back to Council this Fall with recommendations on transition timing and cost impacts once the regulations are finalized by the Province.

In addition, the new fleet of collection vehicles features improved technology, enhanced GPS capabilities, is lighter in weight and is equipped with added safety features such as back-up cameras. As noted below, there is an increase in vehicle passes per week related to the co-collection method proposed, however it is not anticipated to impact roadway wear and tear.

Miller Waste Systems also acknowledges and agrees that collection routes will be designed for maximum public safety and to avoid collection services during school drop-off and pick-up of students from City schools over the term of the contract.

Changing to the newly proposed co-collection configuration will increase the average number of weekly collection vehicle passes from 1.5 to 2. This will result in an increase of annual GHG emissions from waste collection services. In order to reduce the anticipated increase and to help move us towards our target of net zero emissions by 2050, City Staff will work with Miller Waste Systems to identify emission reduction opportunities through their green pilot plan including alternative fuel technologies and route optimization.

As part of their technical proposal submission, Miller Waste Systems indicated that regardless of the final transition requirements, they commit to assisting the City with transitioning in its preferred year and that they will work in collaboration with the City to make the transition process as smooth as possible.

Summary of Service Enhancements for New Contract

The City currently receives multiple service enhancements such as the deployment of a GPS tracking system and the use of FleetMind technology. The new contract will provide additional enhancements listed below:

Service Enhancement	Impact/Benefit
New Collection Vehicle Fleet	<ul style="list-style-type: none"> • Increased fuel efficiency and reduced GHG emissions • Camera technology • GPS-connected button system (allows for driver to digitally track collection events)
Cart Tippers for Larger Green Bins	<ul style="list-style-type: none"> • City can begin to provide a larger Green Bin for residents generating higher amounts of organic waste • Bins are considered to be raccoon proof • Residents will be able to purchase from recycling depots
Annual Compost Program	<ul style="list-style-type: none"> • Increase from 350 yards to 800 yards of compost • Increase from three delivery locations to eight delivery locations
New Compactor for the Markham Depot	<ul style="list-style-type: none"> • Replace old unit at end of lifecycle
Non-compliant Set-out Imaging	<ul style="list-style-type: none"> • Contractor to provide images of non-compliant set-outs to Contact Centre during service delivery • Contact Centre and Waste Staff can proactively respond to resident complaints
RFID System and On-board Scales	<ul style="list-style-type: none"> • Both systems will enable more comprehensive reporting and analysis of collection data from multi-residential, institutional and municipal properties
Alternative Fuel and Green Fleet Pilot Plan (for future implementation)	<ul style="list-style-type: none"> • Sustainable, scalable solution to reduce GHG emissions from one or more collection vehicles

As a part of the RFP process, proponents were required to provide pricing for three provisional items. Staff recommend that the following provisional items be included in the recommended contract award to Miller Waste Systems:

- Porcelain Item Collection (sinks/toilets) by paid appointment with full-cost recovery
- Future Green Fleet Pilot Plan (GHG reduction)

CONTRACT AWARD FINANCIAL IMPACT:

In July 2020, Council approved a nine (9) month extension of the Miller Waste Systems collection contract, for the period of December 1, 2020 to August 31, 2021. The annualized cost of the extension is \$11,922,296.

The annualized cost of the recommended contract award is \$14,292,614, which represents an increase of \$2,370,318 (\$14,292,614 - \$11,922,296) or 19.9% over the contract extension, exclusive of growth.

Contract Extension Annualized	Recommended Contract Award Annualized	Variance (\$)	Variance (%)
\$11,922,296	\$14,292,614	\$2,370,318	19.9%

OPERATING BUDGET FINANCIAL IMPACT:

The 2020 budget of \$9,723,983 will increase to an estimated amount of \$12,609,620 in 2021, inclusive of Consumer Price Index (CPI) and growth. This is an incremental increase of \$2,885,637 (\$12,609,620 - \$9,723,983) to the 2020 budget.

The 2021 budget is comprised of eight (8) months based on the Council approved contract extension, approved by Council in July 2020, from January 1 to August 31, 2021 and four (4) months, from September 1, 2021 to December 31, 2021, based on the recommended contract award. This increase will be included as part of the 2021 Operating Budget, subject to Council approval of the 2021 Operating Budget.

The 2022 budget represents the first full year of annualized cost for the new RFP. It is estimated that the total cost will be \$14,292,614 (incremental increase of \$1,682,994 over the 2021 budget) inclusive of growth.

All future contract years will include a CPI and growth component.

Comparison with Recent Municipal Collection Contract Awards

When comparing the current contract (pre-extension) to the recommended contract award there is a 43.8% overall price increase.

As outlined in previous Staff reports, the Waste Management industry is experiencing unprecedented challenges due to the risks associated with Blue Box transition uncertainties. Service providers have also attributed significant cost increases to:

- Poor recycling markets and declining revenues
- Increased curbside tonnages
- Increased labour costs and shortage of licensed DZ drivers
- Significantly higher insurance costs

- Increased vehicle purchase costs and stronger US dollar as collection trucks are mainly manufactured in the US
- Covid-19 impacts (incl. staffing, personal protective equipment, changes in volume of collections)

These factors have resulted in significant cost increases in recent collection contract awards in Ontario. Municipalities have seen fewer bid responses and price increases ranging from 20% to 114%.

When compared to Vaughan and Richmond Hill, Markham's newly proposed per unit rates are higher due to recent significant changes in the market, as well as the inclusion of fixed transition costs (to reduce risk and provide cost certainty for the City). Collection contracts awarded prior to 2020 typically indicate that transition costs will be negotiated at a future date and not reflected in the contract rates, leaving those affected municipalities vulnerable to potentially significant cost impacts with limited opportunity for negotiation.

The table below shows some recently reported municipal contract awards in Ontario.

Municipality	% increase over previous contract
City of Hamilton	15%
City of London	20%
Region of Niagara	36%
City of Orillia	65%

Taking into account the City's high service level, value added services, and unique programs, the City's contract rates in the recommended contract award are in line with recent contract awards outlined herein and provide good value to the City.

CONCLUSION:

Following industry best practices, the Project Team developed the RFP process for collection services that was designed to attract proposals from all qualified waste management companies.

Four RFP proposals were received and evaluated. The Project Team is recommending that the collection contract be awarded to Miller Waste Systems as the highest ranked proponent. Miller Waste Systems is well qualified to fulfill the requirements of the contract.

The RFP process allows for the evaluation of proposals based on both technical qualifications (70%) and price (30%). This allows for the selection of a service provider who will provide quality service to residents.

The third party Fairness Monitor retained by the City concluded that the RFP procurement process was conducted in accordance with the process set out in the RFP and all applicable policies and procedures as well as the principles of openness, fairness, consistency and transparency.

As details of the Blue Box transition process are unknown, the Project Team will be reporting back to Council with recommendations on transition timing and cost impacts once the regulations are finalized by the Province.

It is anticipated that there will be a seamless transition to the new contract and Markham residents will not experience any change in service or standards when the new contract commences on September 1, 2021.

LEGAL CONSIDERATIONS:

The City is subject to the following trade agreements, which apply to public sector procurements above a certain dollar threshold: the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) and the Canadian Free Trade Agreement (CFTA).

The recommended contract award complies with the CETA and CFTA trade agreements.

HUMAN RESOURCES CONSIDERATIONS:

Not Applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

The proposed service reflects the City's goal of providing better quality services to the public and is consistent with the Building Markham's Future Together strategic priorities related to "Growth Management" and "Environment" as it considers sustainability on the built environment.

BUSINESS UNITS CONSULTED AND AFFECTED:

The Legal and Finance Departments have been consulted and their comments have been incorporated.

RECOMMENDED BY:

Phoebe Fu
Director Environmental Services

Joel Lustig
City Treasurer

Trinela Cane
Commissioner, Corporate Services

Claudia Storto
City Solicitor and Director of Human Resources

Andy Taylor
CAO

ATTACHMENTS:

Attachment A – Fairness Monitor Report