

Northern Six Waste Collection Contract Award Recommendation

December 7th, 2016

Background

- Current contract 2007 – 2017 (September)
- Directors of the N6 started discussing new contract in February 2014 and met at least quarterly since then
 - Discussions also included Richmond Hill and York Region
- Expert Consultant to assist with process
 - RFP released and closed May, 2015
 - RFP Awarded to exp. June, 2015 (same consultant as last contract)
- Meetings with N6 CAOs
 - August 27th, 2015
 - January 28th, 2016
 - October 24th, 2016
- RFP released June 28th, 2016
- RFP Closed September 13, 2016 (three proposals submitted)
- RFP Evaluation, Site visits and Reference checks October-November 2016
- Report Recommending Award December 7th, 2016

Previous Reports

OED 2015-0006 N6 Waste Collection Contract (beyond 2017) Renewal Update	March 25, 2016
OED-2016-0004 N6 Waste Collection Contract RFP Preparation Update	January 20, 2016
OED-2016-0009 Council Lobbying Framework N6 Waste Collection Contract Renewal	March 2, 2016

Selection Process

- Fair, open and competitive bidding process (weighting of evaluation criteria known)
- Municipal Representatives from all N6 Directors on Evaluation Team with assistance from Expert Consultant and Newmarket Procurement, Legal and Customer Service
- Two Envelope System
- Best Overall value with 60% Technical and 40% cost
- Detailed reference checks
- Site visits regarding Customer Service



Due Diligence

- During Evaluation
 - Set high standards
 - Customer Service
 - CVOR
 - Information collection and communication
 - GPS, Website, CS Reporting
 - Detailed reference checks
 - Customer Service site visits
 - Consultant recommendation
- Cost comparisons to other municipalities

Due Diligence

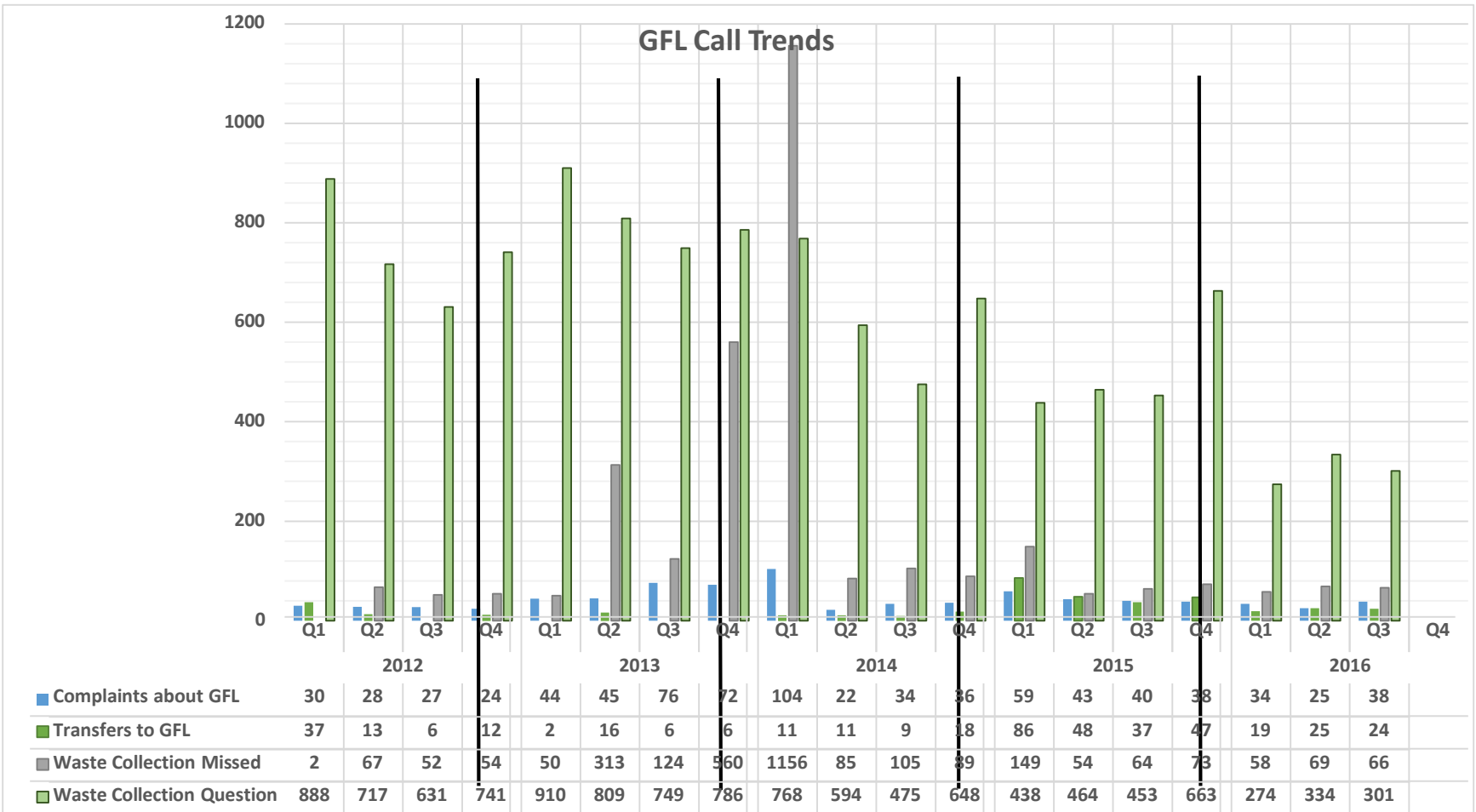
- During Contract
 - N6 Operational Group quarterly meetings
 - Processes and communication
 - Bi annual Audits
 - Customer Service real time access
 - Liquidated Damages
 - Incentives
 - Contractor performance policy (annual)
 - Curbside Waste Inspector
 - Strong termination rights related to poor performance

Liquidated Damages

No.	Service Performance Failure	Unit
1.	Failure to clean up spillage of material from Collection Vehicles and/or other Equipment	Per incident
2.	Collecting untagged waste beyond Municipal Garbage Bag limit	Per location
3.	Prohibited Acts carried out by Contractor's staff	Per incident
4.	Failure to return to collect materials as directed by the Designated Municipal Official	Per incident
5.	Allowing Waste streams to become cross contaminated	Per incident
6.	Recyclable Material compacted to a ratio greater than 2.5 to 1.	Per load
7.	Failure to complete Work within the specified hours of operation	Per Late route
8.	Incomplete route.	Per route
9.	Failure to have a Supervisor available to respond to site or inquiries from Designated Municipal Official	Per incident
10.	Failure to follow up and resolve complaints/issues within two (2) business days.	Per incident
11.	Failure to answer 75% of customer calls within 20 seconds (for the previous month).	Per month of non-compliance
12.	Failure to maintain a customer call abandonment rate of no more than 10% per month.	Per month of non-compliance
13.	Failure to maintain vehicles as described in the Contractor's approved preventative maintenance schedule	per month and per vehicle
14.	Failure to repaint Vehicles (six months from the 5 th year)	Per month and per vehicle
15.	Failure of the AVL system to operate in 90 % percent of the fleet at a given time	Per incident

Incentive

Service Expectation	Municipalities Total Annual Incentive Amount	Unit
All loads of Recyclable Material compacted less than 2.5 to 1 ratio verified by the Regional Municipality York.	\$10,000	Consecutive 6 month period
Maintain Customer Service Key Performance Indicators (KPIs)	\$1,000	For the previous month
All routes completed satisfactorily by 5 pm daily	\$ 500	For each consecutive week



Note: Average cost per household for the curbside collection contract will be \$8.84 per month based on 2016 tonnage. Up from \$7.00

Highlights of the Contract

- Customer Service Enhancement
- Frequency of Collection – As is
- Annual Adjustment– Based on CPI (max 5%)
- GPS – Tracking of trucks
- Bin Delivery – By contractor when called + As is
- Option to add dry cell battery collection service up to twice a year
- Fleet – new at the start of the term, never more than 10 years old, 5 year repaint
- Length of contract – 8 years with possible two -1 year extensions

Next Steps

- Extension of existing contract to December 2017 (1/2 cost increase for four months)
- Council Reports
 - Presented December 6th East Gwillimbury
 - Presented December 6th Aurora
 - Presented December 6th Whitchurch-Stouffville
 - Presenting December 7th Georgina
 - Presenting December 12th King
- Sign Memorandum of Understanding
- Sign Contract
- Contractor order trucks – approximately 12 months
- Contractor upgrade Customer Service Centre
- 2017 - Promotion and Education
- January 2018 – Commencement of new Services

