



REPORT TO COUNCIL

To: **Mayor and Councillors**

Subject: Solid Waste & Organics Collection Services –
Contract Award

File #: 5210.00

From: David Pollock P.Eng.
Director of Engineering, Parks & Environment

Date: October 2, 2024

RECOMMENDATION:

1. THAT the Proposal submitted by Emterra Environmental for “Solid Waste & Organics Collection Services (January 2025 – December 2031)”, dated July 26, 2024 be endorsed, and
 2. THAT the Director of Engineering, Parks & Environment be authorized to finalize the contract prices with Emterra Environmental for solid waste and organics collection and disposal services for residential dwellings and civic facilities, and
 3. THAT the Corporate Officer and the Director of Engineering, Parks & Environment be authorized to execute the contract between Langley City and Emterra Environmental for solid waste and organics collection and disposal services for residential dwellings and civic facilities based on Emterra’s proposal.
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PURPOSE:

The purpose of this report is to seek authorization to select Emterra Environmental (Emterra) for a contract duration of seven (7) years to collect and dispose of garbage and organic waste from individual households as well as eight civic facilities. The City may choose to extend the Contract term for up to three additional one-year terms, subject to negotiation during the initial term.

POLICY:

Purchasing Policy FN-12: City Council approval required for entering contracts for goods or services over \$375,000.

COMMENTS/ANALYSIS:

Background

The City's current residential Solid Waste and Organics Collection Contract with Emterra is scheduled to expire at the end of December 2024. Emterra collect garbage and organic waste at all single family dwellings, duplexes and non-strata multi-family properties less than seven units, as well as eight (8) civic facilities. Residents supply their own containers and the contractor collects the material manually.

Tipping fees for the garbage and organic waste are invoiced directly to the City by Metro Vancouver and the organics processing company to avoid any financial mark-ups.

Langley City does not collect curbside recycling materials such as paper, cardboard or glass. Since 2015 this service has been provided directly by Recycle BC at no cost to the City.

RFP Analysis

The components of the Levels of Service (LOS) noted in the Request for Proposal (RFP) document were established in consultation with Council and based upon multiple criteria including:

- Service area and land uses - single family dwellings, duplexes, non-strata multi-family properties less than seven units, eight civic facilities
- Semi-automated Collection vehicle configuration
- Alternate fuel
- Supply and maintenance of carts for garbage and organics
- Additional services such as large item pickup and an annual Household Hazardous Waste event.

As per the existing contract the RFP did not include the tipping fees for garbage or organic waste, nor did it include collection services within multi-family complexes where centralized solid waste collection services are provided privately.

The RFP was posted on BC Bid on June 17, 2024 and closed on July 26, 2024. Two proposals were submitted, from Emterra Environmental and GFL Environmental Inc. and the proposals were evaluated by a multi-disciplinary staff team.

	Emterra	GFL
Bid Form 1A – Curbside Garbage Services	416,310.28	334,264.32
Bid Form 1B – Curbside Organic Services	551,853.16	772,986.40
Subtotal: Bid Forms 1A + 1B	968,163.44	1,107,250.72
Bid Form 2 – Supply of carts		
120 litres – default organics (M/F, T/H)	33,587.20	33,617.92
240 Litres – default garbage (S/F)	518,122.70	527,561.50
Subtotal: Bid Form Two	551,709.90	561,179.42
Bid Form 3 – Large Items Collection	54,375.00	43,298.11
Bid Form 4 – Annual HHW Event	13,090.68	21,165.00
Bid Form 5 – Civic Facilities Garbage and Organics	52,607.33	24,319.44

1. All values are estimated only based on estimated quantity in the schedule.
2. All prices are exclusive of taxes.
3. Prices are for the first year of service with allowance for CPI adjustments for subsequent years.
4. The cost of the totes will be a single charge to residents in the first year. The totes are expected to last the duration of the contract.

The financial values noted are based on estimated quantities in the RFP from 2023. The exact values will be confirmed and included in the contract but will not vary significantly from the estimated figures.

The tipping fee is not included in the annual rates shown above and the City will receive the monthly invoices directly from Metro Vancouver and the organic processing facility utilized by the successful proponent. For reference, the combined tipping fee for garbage and organics in 2023 was \$316,000.

Both RFP submittals were of good quality and the evaluation team selected Emterra as the preferred proponent.

Emterra has confirmed that the contract rates incorporate the Living Wage rate for Metro Vancouver.

The annual cost per household for the new contract in 2025 is projected to be \$309 and the annual cart payback to Reserves is \$27 per household.

Staff contacted municipalities across Metro Vancouver to ascertain the range of solid waste collection charges for 2024, a list of which is noted below:

Municipality	Annual Solid Waste Rate (2024)
Port Moody	\$222
Langley City (Proposed 2025)	\$309
Surrey	\$337
Vancouver	\$346
White Rock	\$346
Coquitlam	\$371
Langley Township	\$372
New Westminister	\$650
Richmond	\$428
Average (Excluding Langley City Proposed 2025)	\$384

Implementation

The RFP stated that the new contract is to be implemented on January 01, 2025. Emterra has proposed that the existing contract rates be extended until April 30, 2025 to facilitate a smooth transition to the new methodology and collection system. This will also allow the City to develop a robust communication, education and implementation campaign. The total annual cost for the new contract would be pro-rated accordingly, and this would also facilitate a transition rate in the first year to reduce the impact to residents. This approach is advantageous in ensuring a smooth changeover to the new collection methodology.

Emterra has confirmed that the collection schedule will be based upon a five (5) day cycle and will match the Recycle BC schedule for consistency. The collection vehicles will be equipped with GPS for route optimization and tracking, multiple on-board cameras and the carts will have RFID tags that will assist in data collection as well as dealing with missed collection queries.

Single family households will receive two (2) 240 litre carts for garbage and organics while townhouses will each receive two (2) 120 litre carts. Residents will have the option to exchange the assigned carts for a different size within sixty days of the commencement of service but it is expected that there will be a minimal number of requests. Emterra will be responsible to maintain the carts over the life of the contract.

The RFP did require that proponents would supply new semi-automated collection vehicles for the contract and that the vehicles would run on alternate types of fuel such as biodiesel, LNG, CNG or EV. Emterra has stated their vehicles on the residential collection routes will run on CNG while the other vehicles will be powered by biodiesel or CNG.

BUDGET IMPLICATIONS:

The Emterra proposal does reflect an increase in current rates but this is expected that the existing contract has been in place since 2015.

As noted previously, the financial values noted are based on estimated quantities from 2023. The exact values will be confirmed and included in the contract but are not expected to vary significantly from the estimated figures.

With the switch to the new collection methodology scheduled for May 01, 2025 the estimated cost for the first year of the contract is \$799,851.54 excluding taxes. The total cost shall be reviewed each year to reflect inflation. The City may consider price adjustments at any point in the year based upon fuel pricing and additions/deletions to the customer base.

The estimated cost to provide separate carts for garbage and organics to every household is \$551,709.90 excluding taxes and will be charged in the first year of the contract.

The annual cost for collecting from the eight (8) civic facilities is estimated at \$52,607.33 excluding taxes.

The provision to collect two large items from each residence per year is estimated at \$43,298.11 excluding taxes.

The annual Household Hazardous Waste (HHW) event is estimated to cost \$21,165.00 excluding taxes.

SUMMARY:

Langley City has a contract with Emterra Environmental to collect and dispose of solid waste and organics in residential areas as well as certain civic facilities and the contract expires on December 31, 2024.

A RFP was issued for a seven (7) year contract for Collection Services with an option to extend if desired. The RFP specified a LOS that included the collection frequency, vehicles, disposal as well as certain added value items such as Large Item Pick-up and a Household Hazardous Waste event.

Two proposals were received and reviewed in detail by staff with the highest ranked proposal being offered by Emterra Environmental. As Emterra is the current service provider it is recommended that the existing contract be extended to May 01, 2025 which will represent a cost savings in 2025 and should simplify the transition to the new collection methodology. Emterra has agreed to this change.

It is therefore recommended that Council authorize staff to negotiate a contract with Emterra Environmental for the period from January 1, 2025 to December 31, 2031.

Respectfully Submitted,



David Pollock P.Eng.
Director of Engineering, Parks & Environment

CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:

I support the recommendation.



Francis Cheung, P. Eng.
Chief Administrative Officer