



DEVELOPMENT & INFRASTRUCTURE SERVICES – PUBLIC WORKS SERVICES  
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January 13, 2014

**DEVELOPMENT & INFRASTRUCTURE SERVICES REPORT  
PUBLIC WORKS SERVICES 2014-05**

TO: Committee of the Whole  
SUBJECT: Garbage and Recycling Service Level Update  
ORIGIN: Director, Public Works Services

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**RECOMMENDATIONS**

**THAT Development and Infrastructure Services Report Public Works Services – ES 2014-05, dated January 13, 2014 regarding Garbage and Recycling Service Level Update, be received and the following recommendation(s) be adopted:**

- 1. THAT staff continue to work with the Contractor (GFL) and the other municipal partners in good faith to resolve all issues and improve the Level of Service for collectible waste and;**
- 2. THAT staff review any costs, losses and remedies of the municipality as a result of the issues encountered with the Contractor, and that staff be authorized to pursue any appropriate legal remedies provided for in the GFL Contract to recover those losses.**

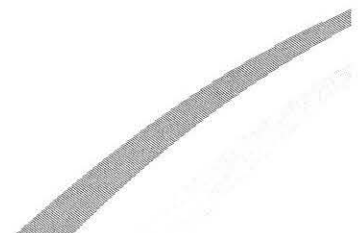
**BACKGROUND**

This report has been prepared to address the recent serious deficiencies experienced by Newmarket residents in the waste collection services provided through our contractor.

In June 2007 Turtle Island Recycling Corporation (Turtle Island) entered into a contract to provide collectible waste services to the Towns of Aurora, King, Georgina, Newmarket, East Gwillimbury and Whitchurch-Stouffville. The Service started in September of that year which included garbage, recycling, yard waste, bulky items, Christmas tree and organic collection. In January 2012 Green For Life Environmental Corporation (GFL) purchased Turtle Island, agreed to honour the existing contract and continued providing collection service.

Service levels remained constant until April 2013 when large volumes of yard waste from the previous year and mechanical problems caused missed collection. Once the yard waste collection was caught up to normal levels, services complaints decreased again.

In November 2013 Customer Service started receiving a disproportionate amount of calls with respect to missed collections. This continued into the next month with calls spiking the week of December 15th. For the first full week of January over 750 complaints were received. Anecdotally, most of the complaints were for missed green bin and blue bin collection as garbage pick-up was near normal levels.



## **COMMENTS**

### **Review of Services with GFL**

Staff has been in discussion with GFL regarding the drastic decrease in the level of service over the past number of weeks. The contractor was requested to outline the issues they believe have contributed to the current problem. They have advised that in their opinion weather has been a major variable in the drop in service levels. The recent ice storm followed by the large amount of snowfall generated windrows and snowbanks that have caused injury for drivers when the materials were placed on top of the snowbanks.

They have also advised that extreme cold weather also caused mechanical breakdowns of vehicles such as air breaks and hydraulic system failure. In certain instances parts were not available from suppliers as they were closed for the holidays. They also advised that the cold weather also creates a health and safety issue for drivers, requiring additional breaks creating slower routes.

Other issues affecting the level of service include additional material from the holidays, staff turn around and a recent departure of several veteran staff members.

The contractor was also requested to explain what measures have been taken to maintain or improve services. Since January 2013 GFL has created an additional route for collection in Newmarket therefore shortening routes from approximately 1200 collections/route to 1000 collections/route. GFL is also in the process of replacing "walking floor" organic collection trucks with "lift and dump" type trucks that will reduce the amount of breakdowns in cold weather conditions and more efficient unloading at the processing facility.

To deal with the recent service level problems GFL has also contracted a staffing agency in November to recruit workers, hopefully reducing staffing shortages and, as of January 2<sup>nd</sup> hired additional diesel mechanics so the fleet garage can be operating 24 hours a day reducing downtimes. Knowing that additional materials would need to be collected during the holiday season, GFL also brought in some additional trucks for collection routes.

Lastly, GFL has added a midnight shift in their garage for the repair of their fleet. They have advised that their repair garage now operates on a 24 hour basis.

### **Analysis of GFL Response**

Unfortunately the failure of GFL to foresee and plan properly for regular staffing issues, holiday volume, schedule changes and winter weather delays has created a decrease in the level of service, especially over the past eight weeks. Contractor related delays were not experienced in other jurisdictions outside of the N6 collection area.

Some of the solutions presented by GFL, as noted above were reactionary. Although this may help in the future, delays in collection due to the underestimation of factors and the failure to plan has caused great confusion, frustration and anger with residents, Councilors and Town staff.

Missed collection complaints received by Customer Service have increased by seven times the volume from October to end of December with January numbers more than doubling that. Although some of the calls/emails were due to confusion on holiday schedule set out dates, the majority of them were due to late or missed pick up.

The Services Contract for Collectible Waste outlines the Quality of Service and obligations that the Contractor is expected to provide. The recent Service Levels do not meet the contractual responsibilities within the Contract.

Because of the recent issues noted above creating many instances of late collection of waste materials after the specified time, staff are in the process of reviewing the terms of the Contract and the Town's remedies for non-performance. Staff from the other five municipalities within the N6 Contract are also proceeding in the same manner.

It is not recommended that the Contract be terminated at this time as the Town continues to work with all partners to raise the level of service back to contractual standards. The replacement of a solid waste collection contractor often takes 18-24 months to complete due to the complexity of the contract and the level of service could decrease even more substantially within that timeframe. There are also financial penalties relating to termination.

### **Future Actions**

In addition of a review of contract performance in conjunction with the N6 municipalities, the Town will be reviewing the communication protocols between GFL Staff and Town Staff and GFL and the public. Currently GFL operates a customer service call center for enquiries from the residents in the N6 municipalities. The Communications Department, Customer Service Manager and Manager of Operations of the Town of Newmarket have several suggestions for improving the timeliness, accuracy and availability of information to our residents on a real time basis. Staff will be working with GFL on those matters and reporting back to Committee of the Whole.

In addition the various Town departments will conduct a review of the additional expenses incurred to deal with the recent service problems. Discussions will be held with the other N6 municipalities regarding these expenses and a common approach to the issue.

### **PUBLIC CONSULTATION**

To get messaging on the issues out to the public, the Corporate Communications department:

- Issued a Public Service Announcement to regional and local television, print and radio media
- Tweeted 187 waste collection relation messages through the Town Twitter account from January 1 to January 10
- Posted information on the homepage of the Town website
- Placed info on marquees and LCD screens at Town facilities
- Created a radio PSA on the collection delays for two separate radio stations
- Conducted a call-out to all residents through Newmarket Hydro's IVR system
- Included an ad in the January 9 Town Page regarding the delays
- Sent out push notifications through the Town's 'my-waste' app (802 subscribers)
- Created a full page print ad for the January 12 Era newspaper

Corporate Communications and Customer Service have been receiving messages directly from GFL on issues as they arise and are relaying the information provided by GFL to the public as it becomes available. As situations in the field change, Communications pushes new information out and is working with GFL to provide more timely and accurate information and Customer Service to continue to provide frequent updates to residents.

Staff will be reviewing with GFL, other ways updates can be provided in a timelier, appropriate and clear manner and include, various staff, Council members and residents within the process to maximize the extent and understanding of any messages.

### **BUSINESS PLAN AND STRATEGIC PLAN LINKAGES**

Deliver affordable, efficient and effective water distribution, wastewater and solid waste collection services that meet or exceed provincially mandated requirements, Council and the public's expectations, while:

- a) ensuring that the systems capital assets retain their value and are managed/funded accordingly to sustainable, lifecycle based principles and practices; and
- b) promoting and encouraging solid waste diversion through recycling, composting, rethinking, reusing, reducing and implementing programs to achieve a realistic diversion rate and environmental protection.

### **HUMAN RESOURCE CONSIDERATIONS**

No impact to current staffing levels.

### **IMPACT ON BUDGET**

#### Operating Budget (Current and Future)

The cost of collection per household is approximately \$7.32/month for 2014. This is incorporated in the approved budget. The length of the current contract and efficiencies realized in coordinating with the other municipal partners have kept comparative cost down for this specific service.

#### Capital Budget

No impact to the Capital Budget.

### **CONTACT**

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