



THE REGIONAL MUNICIPALITY OF NIAGARA  
PUBLIC WORKS COMMITTEE  
FINAL AGENDA

PWC 10-2019

Tuesday, October 8, 2019

9:30 a.m.

Council Chamber

Niagara Region Headquarters, Campbell West

1815 Sir Isaac Brock Way, Thorold, ON

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	Pages
1. <u>CALL TO ORDER</u>	
2. <u>DISCLOSURES OF PECUNIARY INTEREST</u>	
3. <u>PRESENTATIONS</u>	
4. <u>DELEGATIONS</u>	
5. <u>ITEMS FOR CONSIDERATION</u>	
5.1 <u>PW 58-2019</u> Extension to Material Recycling Facility Operations and Processing Contracts	3 - 9
5.2 <u>PW 56-2019</u> Niagara Regional Transit Service Expansion Update	10 - 16
6. <u>CONSENT ITEMS FOR INFORMATION</u>	
6.1 <u>PWC-C 25-2019</u> Transportation Infrastructure Means Protection Update	17 - 19
6.2 <u>PWC-C 26-2019</u> Emterra Collection Contract Update	20 - 25
7. <u>OTHER BUSINESS</u>	

**8. CLOSED SESSION**

**8.1 Confidential PW 57-2019**

A Matter Respecting Litigation or Potential Litigation and A Matter of Advice that is Subject to Solicitor-Client Privilege under s. 239(2) of the Municipal Act, 2001 – Burgoyne Bridge Update

**9. BUSINESS ARISING FROM CLOSED SESSION ITEMS**

**10. NEXT MEETING**

The next meeting will be held on Tuesday, November 5, 2019 at 9:30 a.m. in the Council Chamber, Regional Headquarters.

**11. ADJOURNMENT**

If you require any accommodations for a disability in order to attend or participate in meetings or events, please contact the Accessibility Advisory Coordinator at 905-980-6000 (office), 289-929-8376 (cellphone) or [accessibility@niagararegion.ca](mailto:accessibility@niagararegion.ca) (email).

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**Subject:** Extension to Material Recycling Facility Operations and Processing Contracts

**Report to:** Public Works Committee

**Report date:** Tuesday, October 8, 2019

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## Recommendations

1. That the end date for the Agreement for the Processing and Marketing of Recyclable Materials with Niagara Employment Agency Inc., doing business as Niagara Recycling, be amended from March 5, 2021 until the Region fully transitions to producer responsibility or proceeds with a direction based on the outcome of the Material Recycling Facility (MRF) Opportunity Review **BE APPROVED**;
2. That an extension of the Fibre Processing Contract (P2013-41) with the Region of Waterloo to such date that Waterloo transitions to full producer responsibility or until the end of Waterloo's existing curbside collection contract (March 2024), whichever comes first, **BE APPROVED**;
3. That staff **BE AUTHORIZED** to negotiate terms of the extension with the Region of Waterloo in a matter mutually beneficial to both parties in the opinion of the Commissioner of Public Works and in a form acceptable to the Director of Legal & Court Services;
4. That the Director of Legal & Court Services **BE DIRECTED** to prepare the agreements; and,
5. That the Regional Chair and CAO **BE AUTHORIZED** to execute an amending agreement with the Region of Waterloo for the processing of fibre material and Niagara Recycling for the processing and marketing of recyclable material, as approved by the Commissioner of Public Works.

## Key Facts

- The purpose of this report is to seek approval from Committee regarding contract extensions with the Region of Waterloo (Waterloo) and Niagara Recycling.
- On August 6, 2019 the Minister of the Environment, Conservation and Parks released its next steps for improving the Blue Box Program, including a transition of responsibility from municipalities to producers over a three-year period from 2023 to 2025.

- Niagara Recycling has operated and processed recyclable materials at Niagara Region's Material Recycling Facility (MRF) since 2004.
- Niagara Recycling's current Contract with Niagara Region expires on March 5, 2021. In light of the pending changes by the Province, staff are recommending a contract extension, with Niagara Recycling, to align with the transition of the Blue Box Program to the producers. Niagara Recycling has agreed to an extension under the same terms and conditions, with the exception of a marginal increase to their Management Fee.
- Since April 6, 2009, Niagara Region has processed approximately 273,939 tonnes (25,698 tonnes annually) of curbside fibre material from Waterloo under successive Contracts P2008-53 and P2013-41 for the transportation, processing and marketing of mixed fibres.
- On November 5, 2019, Waterloo will be seeking approval from its Council for an extension of the current contract with Niagara Region until the end of Waterloo's existing curbside collection contract (March 2024) or until Waterloo transitions to full producer responsibility, whichever comes first.
- On average, the Contract with Waterloo has provided an annual net revenue to Niagara Region of \$583,662 between 2014 and 2018.

## **Financial Considerations**

The average annual net revenue for the transportation, processing and marketing of Waterloo's mixed fibre material between 2014 and 2018 has been \$583,662. Though revenue fluctuates depending on market conditions, staff anticipates a net revenue throughout 2020, with improvements in 2021 to 2024. The revenue generated from this Contract helps to offset the costs of delivering waste management programs to Niagara taxpayers.

As part of the amending agreement with Niagara Recycling, the Management Fee paid to them by the Niagara Region will be increased by \$25,000 to \$125,000, effective March 2021. Since 2014, Niagara Recycling has been subject to a Management Fee of \$100,000 annually or 12% of net revenue, whichever is greater. On average, this value has equated to 1.6% of total expenditure.

The annual cost for labour for the operation of the MRF will be subject to CPI increases, and does not include any fluctuations of the market or labour requirements.

The 2020 Waste Management draft operating budget includes expenses and revenue associated with both the Waterloo and Niagara Recycling contracts.

## **Analysis**

### Background

On August 6, 2019, the Ministry of Environment, Conservation and Parks (MECP) released its next steps report for improving the Blue Box Program to reduce costs, increase diversion rates and reduce plastic waste and litter. The report detailed the MECP's recommendations, including a six-year transition period from 2019 through 2025 that includes a one to one-and-a-half-year period for consultation and regulation development and a two-year period for producer preparation, followed by a phased three-year period from 2023 to 2025 for transfer of responsibility from municipalities to producers.

It also outlined that as producers assume responsibility, collection must be provided to every low-density residential property and similar location that had previously received municipal Blue Box service. There will be no expansion of services during the transition period and afterward, collection should expand in multi-residential properties, parks and public spaces, but would not include Industrial, Commercial and Institutional (ICI) properties.

Regulations, not yet developed, will provide the details needed by all stakeholders and the report highlights the complexity of this requirement. The MECP's special advisor suggested that the regulation-making process begin with collection and analysis of information on the existing Blue Box Program and recycling system in Ontario, with finalization of the regulations complete by early 2021.

As such, it is expected that the first group of municipalities or First Nations will transfer responsibility of programs to producers starting in January 2023, with producers fully responsible for Blue Box service province-wide by 2025. The MRF Opportunity Review (Confidential WMPSC-C 27-2019) will help position Niagara Region for transition to full producer responsibility.

### Niagara Recycling

Niagara Region owns a MRF for the purpose of processing Blue and Grey Box material collected within the Niagara region, as well as the material received through enterprising initiatives such as the processing of material from Waterloo Region and Haldimand County. Niagara Region currently has an agreement with Niagara Employment Agency Inc. (Niagara Recycling), an independent contractor, for the operation and maintenance of the MRF. Niagara Recycling's responsibilities include, but are not limited to, the supply of labour and the marketing of recyclables to end markets, as well as special collection services. The agreement with Niagara Recycling expires March 5, 2021; however, the Region may terminate the agreement with the provision of six (6) months written notice.

With the recommendations set forth in this report, Niagara Recycling has asked that the amending agreement include a one-time change to the Management Fee, effective March 2021, from \$100,000 to \$125,000 for the remaining year(s) of the contract term. At their May 24, 2018 meeting, Regional Council authorized staff to proceed with Phase 4 of the MRF Opportunities Review, which is currently underway. This review may result in the early termination of the MRF agreement between Niagara Recycling and Niagara Region.

The annual cost of operational services will be subject to CPI increases, and does not include any fluctuations of the market or labour requirements. The extension will be executed under the same terms and conditions of the Agreement for the Processing and Marketing of Recyclable Materials.

#### Waterloo

In August 2019, staff received a request from the Region of Waterloo for a Contract extension for the transportation, processing and marketing of mixed fibres. The proposed extension will be from March 5, 2020 until such time that Waterloo transitions to full producer responsibility or their collection contract ends (March 2024). Waterloo Council will be receiving the recommendations at their November 5, 2019 meeting. Waterloo has been satisfied with Niagara Region's ability to provide effective services under the Contract.

Niagara Region, along with Niagara Recycling, the Region's MRF contractor, and their hauling partner Source Warehousing Inc., have been providing transportation, processing and marketing of mixed fibres for Waterloo since April 6, 2009. The original contract (P2008-53) was a five-year term from April 6, 2009 to April 7, 2014. Niagara Region was successful in a second bid and was awarded a thirty-five (35) month contract from April 7, 2014 to February 27, 2017, and an additional extension to March 5, 2020. Since 2009, Niagara Region has received and processed a total of 273,939 metric tonnes of mixed fibres from Waterloo, which is an average of 25,698 MT annually.

The average annual net revenue for the contract between 2014 and 2018 has been approximately \$583,662, which considers the revenue received from the sale of processed materials to the market less the cost to purchase the material from Waterloo, freight and direct processing costs. The revenue generated from this Contract helps offset the costs of Niagara Region's waste management programs.

It should be noted that the revenue received per tonne fluctuates based on market conditions and operational factors. Overall, staff is satisfied that the extension of this Contract will provide sustainable revenue for Niagara Region until March 2024. The

2020 Waste Management draft operating budget includes both expenditures and revenues associated with this Contract.

Waterloo is looking to approve the extension under the existing terms and conditions; however, they would like the Niagara Region to be responsible for maintaining receipt and ownership of the mixed fibres and plastic film in accordance with the terms and conditions under Contract P2013-41, regardless if Niagara transitions to full producer responsibility sooner than Waterloo, assigns or succeeds ownership of the MRF or assigns its processing agreement to a different vendor. There are ongoing negotiations to the aforementioned, and staff believe there are many details to be decided upon that will determine our position for processing Waterloo material until they transition to full producer responsibility or until the end of their existing curbside collection contract (March 2024), whichever comes first. As such, staff have provided options for consideration to ensure continuity of contracted services of the mixed fibres for Waterloo to consider, and both Waterloo and Niagara Region will continue to work towards terms and conditions that will ensure the contract is beneficial to both parties. As a result of the extension, Niagara Recycling will also extend the agreement with their hauling partner, Source Warehousing, for the same term.

### **Alternatives Reviewed**

The alternative considered was not to pursue contract extensions with Waterloo or Niagara Recycling. Given that on average, the Waterloo contract has provided sustainable net revenue for Niagara Region and the MRF has capacity to continue to process and market the fibre for Waterloo, this alternative was not pursued. Also, given that the Niagara Region has a long-standing, mutually beneficial relationship with Niagara Recycling, the Region is currently undergoing a MRF Opportunity Review, and the MECP has provided an approximate transition timeline to full producer responsibility between 2023 and 2025, the alternative was not pursued.

### **Relationship to Council Strategic Priorities**

This recommendation aligns with Council's strategic priority of Responsible Growth and Infrastructure Planning, specifically around Environmental Sustainability and Stewardship. By extending contracts with the Region of Waterloo and Niagara Recycling, the Region will sustain strong community partnerships, and optimize its recycling operations, allowing us to increase the quantity of recyclable material processed, resulting in increased net revenue to offset waste management program costs for taxpayers.

### **Other Pertinent Reports**

- PW 35-2016

- PW 54-2017
- WMPSC-C 32-2019



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**Prepared by:**

Allison Tyldesley  
Associate Director, Waste Management  
Public Works Department

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**Recommended by:**

Catherine Habermehl  
Acting Commissioner  
Public Works Department

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**Submitted by:**

Ron Tripp, P.Eng.  
Acting Chief Administrative Officer

*This report was prepared in consultation with Sara Mota, Program Financial Specialist, Corporate Services, reviewed by Sterling Wood, Legal Counsel, Corporate Services and reviewed by Lydia Torbicki, Acting Director, Waste Management Services.*

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**Subject:** Niagara Regional Transit Service Expansion Update

**Report to:** Public Works Committee

**Report date:** Tuesday, October 8, 2019

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## **Recommendations**

1. That Transit Service Expansion **BE REFERRED** for consideration as part of the 2020 budget;
2. That this report **BE DISTRIBUTED** to Local Area Municipalities for their information.

## **Key Facts**

- The purpose of this report is to provide an update on the 2019 approved multi-year inter-municipal transit (IMT) service implementation strategy outlined in LNTC-C 21-2018.
- The approved 2019 budget allocated \$7.97 million which included a 1.4% separate transit levy of \$4.85 million plus a one-time transfer from Reserve of \$3.12 million (0.9% over the 2018 consolidated levy).
- The 2020 budget will request the balance of the investment of \$1.6 million for a total investment of \$9.5 million plus the funding to replace the one-time transfer from reserve.
- The 2018 and 2019 Niagara Regional Transit (NRT) service implementation strategy eliminated the need for duplicate post-secondary student charter routes. Student-driven incremental transit service costs account for roughly 30% of all expenditures and over 80% of all ridership.
- U-Pass negotiations with Brock University and Niagara College for the 2019-2020 academic year resulted in a net increase of \$1.0 million to fund IMT which reduced the two year net transit investment from \$10.5 million to \$9.5 million.
- The 2020 Budget request of \$4.7 million or 1.3% increase over the 2019 budget includes the permanent funding to replace the 2019 one time transfer from Reserve of \$3.12 million (0.9%) plus an additional \$1.6 million (0.4%) for the completion of phase 2 service expansions.

## **Financial Considerations**

The approved 2019 budget provided \$7.97 million towards a strategic two-year IMT investment strategy. The 2019 funding included a 1.4% separate transit levy of \$4.85 million plus a one-time transfer from Reserve of \$3.12 million (0.9% of the 2018 levy). The NRT implementation strategy outlined in LNTC-C 21-2018 phased in service enhancements over two years. However, due to greater than expected demand

pressures servicing post-secondary students in particular, many of the route enhancements were implemented earlier to meet this demand.

The 2018 and 2019 NRT implementation strategy provided sufficient service levels to meet growing post-secondary demand thereby eliminating the need for duplicate post-secondary student charter routes. Student-driven incremental service costs account for roughly 30% of all transit expenditures and over 80% of all ridership.

Niagara College students comprise 85% of NRT student ridership and utilize more than a million more rides on local transit systems. The 2019-2020 U-Pass negotiations with Niagara College and NCSAC were led by Niagara Region on behalf of all transit operators and resulted in a substantial increase in funding from \$4.2 million to \$6.2 million in support of both local and inter-municipal transit.

Brock University students predominately reside within St. Catharines and therefore, BUSU maintains a separate contract with St. Catharines Transit (SCT). However, a small portion of Brock students generate 15% of NRT student ridership primarily utilizing two NRT routes. The 2019-2020 agreement, excluding SCT, increased funding for NRT and other local transit services by 25% (\$0.3 million).

The 2019-2020 U-Pass negotiations, combined, generated an additional \$1.0 million towards NRT services thereby reducing the two year net transit investment from \$10.5 million to \$9.5 million. The revised 2020 incremental net operating cost of \$1.6 million requires a 0.4% separate levy plus 0.9% to fund the 2019 one-time transfer from Reserve. The total 2020 funding requirement of \$4.8 million represents 1.3% of the general levy.

**Table 1: Niagara Regional Transit Budget Strategy**

	2018	2019	2020
Net Operating Costs	3.6M	10.1M	11.7M
Debt Financing		1.4M	1.4M
Total Operating Costs	3.6M	11.5M	13.1M
Incremental cost (incl. debt)		7.9M	1.6M
Separate Transit Levy		2.3%	1.3%
<i>including One Time Transfer from Reserve</i>		3.1M	
Capital Request	3.3M	13.9M	3.5M
ICIP Requested Funding			(2.5M)

\* 2020 Separate Transit Levy incl. 2019 one-time transfer from reserve (0.9%) plus incremental cost of 0.4%

The financial implications of this report should be considered along with the following budget items (Table 2). Budget pressures have been outlined by staff in the following table to illustrate the levy increase impact expected for the 2020 budget, but does not

necessarily represent all budget pressures. These increases are being referred for consideration as part of the 2020 budget process.

**Table 2: Previously Identified 2020 Budget Considerations**

	Council Report	Levy Amount (M\$)	Levy Increase %
Previously identified reports			
Suicide Prevention Initiative	PHD 8-2019	0.200	0.05%
Niagara Airports	CSD 62-2019	TBD	TBD
Waterfront Investment Program – Base funding	CSD 40-2019	1.000	0.27%
Smarter Niagara Incentive Program – Base funding	CSD 40-2019	0.600	0.16%
Brock LINC request for funding	ED 9-2019	1.500	0.41%
Niagara Regional Transit - phase in cost	PW 56-2019	4.754	1.30%
NRPS 2019 position hiring deferral	BRC-C 7-2019	0.706	0.19%
Long-Term Care Home Redevelopment capital funding	COM 32-2019	5.899	1.62%
GO Project - Station Operations	CSD 17-2019	1.410	0.39%
EMS Central Hub capital funding	CSD 40-2019	0.390	0.11%
<b>Total of previously identified reports</b>		<b>16.459</b>	<b>4.50%</b>

## Analysis

The *Niagara Transit Service and Governance Strategy Report, 2017* by Dillon Consulting (Dillon Report) outlined a strategy to optimize and improve existing IMT services by reducing duplication between the NRT and the services chartered by the post-secondary institutions. Discussions between staff from Niagara Region, the municipal transit operators, and NCSAC determined that all remaining IMT U-Pass funded post-secondary charter services would be consolidated and replaced with enhancements to existing NRT fixed route services. The increased service hours on existing NRT routes provide better service to all residents within Niagara region in addition to serving the needs of post-secondary students. It is worth noting that students comprised roughly 80% of NRT ridership and approximately 65% of total revenue in 2018.

The annual net operating cost estimate relies heavily on revenue and ridership projections. The non-post-secondary ridership forecasts have assumed steady, modest growth based on historical data, while post-secondary ridership has realized substantial growth over the last three years and is estimated to continue to grow faster than non-

post secondary ridership. The 2017-2018 U-Pass contract with NCSAC allocated revenue equivalent to \$20/month per student (87% discount on a regular monthly pass of \$160). Students were given unlimited access to NRT and provided an alternative to the charter service overflow. NCSAC also allocated revenue for local transit usage in Niagara Falls, Welland and St. Catharines through a per ride tap rate. These contracts were negotiated independently by each municipality at various discount rates in excess of 79%.

In 2018-2019, transit operators moved away from independent negotiations and worked collaboratively with NCSAC. The joint negotiations were successful in securing additional NRT funds equivalent to \$30/month per student as well as a standardized tap rate of \$0.65 per ride (79% discount rate). NCSAC continued to purchase a number of 100%-funded chartered services in addition to the demand pressures on existing NRT routes. The unexpected demand surge on NRT routes in September 2018 pushed forward service enhancements that were expected to begin in September 2019; however, additional funding from NCSAC ensured service changes were within the approved NRT budget.

The Inter-Municipal Transit Working Group (IMTWG) agreed to further streamline the U-Pass contract process and directed Niagara Region to represent all transit operators during the 2019-2020 NCSAC & BUSU negotiations (St. Catharines Transit, and Thorold by proxy, maintain their own separate U-Pass agreement with BUSU). In the spring of 2019, Niagara Region began negotiations with NCSAC and the Niagara College Administration as well as with BUSU. Thorough analysis of both local and regional student demand, along with the differentiation between base Regional service costs and incremental student driven service costs (which in essence is equivalent to traditional chartered services), identified the direct transit costs and benefits for Niagara College and Brock students (Table 3).

**Table 3: Niagara Regional Transit Operating Cost and Revenue Breakdown**

		Actual 2018 Operating Cost	Rev. Forecast 2019 Operating Cost	Proposed Budget 2020 Operating Cost
<b>A=B+C</b>	<b>Niagara Region Transit Total Operating Cost</b>	<b>\$5,549,126</b>	<b>\$14,653,365</b>	<b>\$18,230,671</b>
B.1	Base Service Costs*	\$4,633,355	\$8,544,304	\$13,221,282
B.2	Capital Financing		\$2,178,905	
<b>C=D+E</b>	<b>Direct Post Secondary Driven Incremental Cost</b>	<b>\$715,771</b>	<b>\$3,930,156</b>	<b>\$5,619,773</b>
D	Niagara College <i>share</i>	\$715,771	\$3,770,113	\$4,893,051
E	Brock University <i>share</i>	\$0	\$160,043	\$726,722
<b>F=G+H+I</b>	<b>Niagara Region Transit Total Operating Revenue</b>	<b>\$1,912,765</b>	<b>\$4,504,000</b>	<b>\$6,511,144</b>
	G NRT Cash, Pass & Link Routes	\$654,403	\$746,000	\$884,000
	H NC Allocation to NRT	\$1,036,287	\$3,415,000	\$5,170,944
	NC <u>Estimated</u> Total Transit Funding**	\$3,392,618	\$5,109,467	\$7,511,289
	I Brock Allocation to NRT	\$222,075	\$343,000	\$456,200
	Brock <u>Estimated</u> Total Transit Funding**	\$4,264,914	\$4,478,159	\$4,702,067
<b>A-F</b>	<b>Niagara Region Transit Total Net Operating Cost</b>	<b>\$3,636,361</b>	<b>\$10,149,366</b>	<b>\$11,719,527</b>

\* assumes base service is 60min all day plus 6 hrs of peak 30 min service mon-fri plus all Feeder Routes

\*\*estimates provided for calendar year may vary slightly from school year contracts; fall 2020 assumes a 5% increase based on Ancillary fee maximum increases

Niagara Region, local transit operators, NCSAC and the Niagara College Administration established a two year timetable to reach appropriate funding levels and secured an additional \$2.0 million from Niagara College for the 2019-2020 school year. In addition, the alignment of tap rates in 2018-2019 of \$0.60 were increased to \$0.75 for the 2019-2020 school year. Consistent with all previous reports and discussions during the IMTWG, the incremental revenue, or net operating surpluses to local transit operators would be re-invested back into the enhancement of local services or used to mitigate the increasing cost of regional transit services in the 2020 budget.

Negotiations with BUSU for Brock University student U-Pass privileges was facilitated by Niagara Region on behalf of the local transit operators (excluding St. Catharines). The Brock student demand for transit relies heavily on St. Catharines service, with only a small portion of students requiring Regional and other local transit services. Recognizing the value of the inter-municipal services, BUSU aligned their local tap rates with the previously negotiated rates at Niagara College of \$0.75 and increased their funding towards IMT services by 25% for the 2019-2020 school year.

## **Alternatives Reviewed**

An alternative timeline or delay in the approval of the second separate transit levy would result in a reduction in service enhancements already implemented as well as a delay in service enhancements expected to begin in early 2020. The delays or service reductions would most notably be felt in Niagara West, Wainfleet, Fort Erie and Port Colborne where demand is low and the routes are not directly tied to the U-Pass contract revenue. Alternative timelines are not recommended due to the necessity of enhanced inter-municipal service delivery required to support the arrival of daily GO Rail expansion to Niagara on or before 2021. With Niagara actively and assertively pursuing an acceleration of the timelines for introduction of GO Rail service from Metrolinx and the Government of Ontario, it is critical to have local transit available and established well in advance of the arrival of more frequent daily GO Rail service.

## **Relationship to Council Strategic Priorities**

The NRT investment strategy directly aligns with several Council strategic priorities: Economic Growth and Development through the enforcement of strategic planning and leveraging partnerships with post secondary institutions; Responsible Growth and Infrastructure Planning through advancing regional transit and GO rail services and facilitating the movement of people and goods.

## **Other Pertinent Reports**

LNTC-C 09-2019 Niagara Transit Governance Review  
CSD 01-2019 2019 Capital Budget  
CSD 22-2019 2019 Levy Operating Budget  
LNTC-C 21-2018 - IMT Service Implementation Strategy  
LNTC-C 22-2018 - IMT Financial Impact Analysis  
LNTC-C 23-2018 - IMT Capital Plan, 2019  
CAO 8-2017 - Niagara Region's Transit Service Delivery and Governance Strategy

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**Prepared by:**

Heather Talbot  
Financial & Special Projects Consultant  
Financial Planning and Management,  
Enterprise Resource Management  
Services

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**Prepared by:**

Matt Robinson, Director  
GO Implementation Office  
Public Works Department

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**Recommended By:**

Catherine Habermehl  
Acting Commissioner  
Public Works Department

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**Submitted by:**

Ron Tripp, P.Eng.  
Acting Chief Administrative Officer

*This report was prepared in consultation with the Transit Operators and the Inter-Municipal Transit Working Group; Robert Salewytsch, Program Manager, Transit Services; and reviewed by Helen Chamberlain, Director, Financial Management & Planning/Deputy Treasurer*



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## **MEMORANDUM**

**PWC-C 25-2019**

**Subject: Transportation Infrastructure Means Protection Update**

**Date: October 8, 2019**

**To: Public Works Committee**

**From: Frank Tassone, C.E.T., Associate Director Transportation Engineering**

The purpose of this memo is to provide an update to Public Works Committee as follow-up to report PW 24-2019, April 16, 2019.

Design has been ongoing with staff, the consultant (Parsons) and specialized sub-consultants (RWDI) related to the infrastructure means protection.

Parsons, along with RWDI, has completed wind engineering studies related to the means protection system and the potential affects on the structure. The results of the studies have proven that the means protection will not adversely affect the structure.

As a follow up to Public Works Committee report PW 24-2019, staff was to report back, via memo, on the selection of the material for construction, once the appropriate testing was completed and a decision on the material solidified.

Additional reviews have been completed regarding the feasibility of utilizing aluminum as the primary material for the fabrication of the means protection versus galvanized steel. It has been determined that aluminum will require some minor vibration dampening measures to be designed into the means protection system. This vibration dampening is not expected to be cost prohibitive and the design team has assured staff that aluminum is a viable option for this application. The Region's consultant has confirmed that the cost of the means protection is currently in line with our anticipated budget.

Given the information above, the design team will now move forward with specifying aluminum as the primary material for the fabrication of the means protection system.

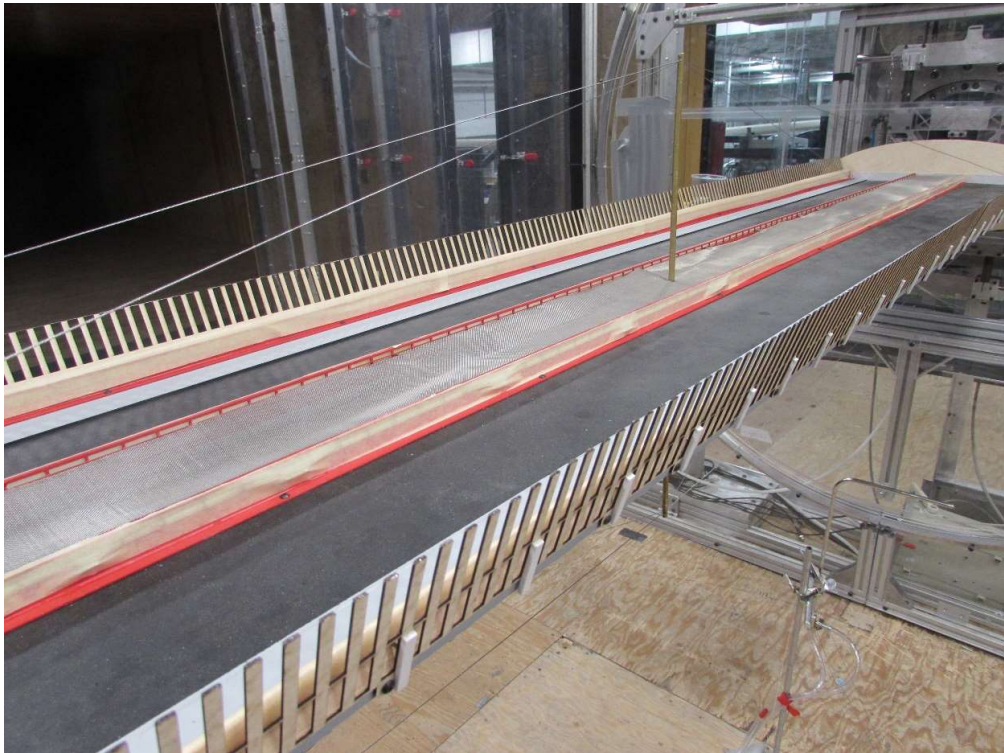
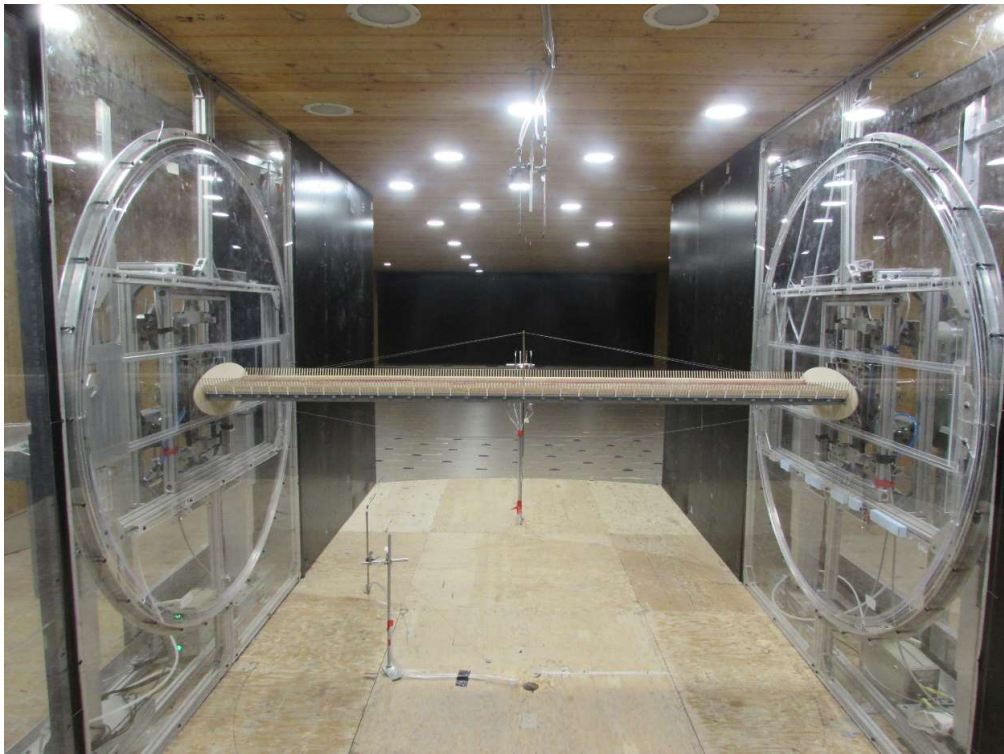
The design team is to move along expeditiously with a target date of early October for tendering of the project. The construction schedule for this work will undergo further refinement in the next three (3) to four (4) weeks; however, it is expected that once the tender is awarded and the contractor mobilizes on site, the work will progress continually until full completion of the means protection system. Staff will report back to Committee once a completion date is known.


Respectfully submitted and signed by

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Frank Tassone, C.E.T.  
Associate Director, Transportation Engineering

Appendix 1 – Wind Tunnel Testing Photos



<b>Sectional Model Test</b> As Built Section with Means Prevention Barrier and Horizontal Mesh Full Icing Condition  Burgoyne Bridge - St. Catharines, Ontario	Figure No. 3-2	
	May 31, 2019	

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## MEMORANDUM

**PWC-C 26-2019**

**Subject: Emterra Collection Contract Update**

**Date: Tuesday, October 8, 2019**

**To: Public Works Committee**

**From: Nicholas Lidstone, Contract Supervisor, Waste Management Services**

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The purpose of this memorandum is to provide members of the Public Works Committee with an update on the curbside waste and recycling contract with Emterra Environmental (Emterra) since the last verbal update provided on May 7, 2019, and to respond to the Councillor Information Request from Councillor Insinna at the September 10, 2019 Public Works Committee for an update on the number of days collection is being completed. The information contained within this memorandum covers the time period between May 6, 2019 and September 13, 2019.

### Key Facts

- Between May 6 and September 13, 2019, Emterra has completed collection on 35 of 94 (38%) days.
- 275,097 properties were missed between May 6 and September 13, 2019, representing a daily average of 4,743 properties (15%) not receiving collection on their regular collection day.
- Incidents of missed collection reported to the Niagara Region's Waste Info-Line during May 6 to September 13 have increased by 54% in 2019, compared to 2018.
- Niagara Region has issued \$1,004,400, in liquidated damages, since the beginning of the Contract. \$131,350 was issued between May 6 and Sept 13, 2019, which included spring leaf and yard waste collection.
- In an effort to support Emterra's mitigation plan for the ongoing collection delays across the region, collection days will be changing in select areas of Wainfleet, effective November 4, 2019.

### Incomplete Collections

Completion of daily routes has not been consistent (i.e. entire or partial routes) between May 6 and September 13, 2019. Emterra has completed collection on 35 of 94 days (38%). However, collection completion has improved between this timeframe. Refer to Appendix 1.

275,097 properties did not receive collection on their regular collection day between May 6 and September 13, 2019, representing a daily average of 4,743 properties (15%) not collected on their regular collection day (Appendix 1).

The key factors contributing to the inability to consistently finish daily collection, as identified by Emterra, have been labour stabilization issues and truck breakdowns. Emterra has indicated that, by the start of October 2019, they will have decommissioned four (4) existing trucks, deemed beyond repair, and they are currently in the process of securing four (4) used trucks.

To date, Emterra has committed to increasing fleet uptime through truck maintenance improvements, focused on strategies to support labour stabilization and reinforced their dedication to a high level of service delivery. Unfortunately, these commitments and changes have not had a sustainable impact on the overall contract performance.

### **Customer Relations - Missed Collections**

From May 6 to September 13, 2019, 2,193 incidents of missed collection were reported to Niagara Region's Waste Info-Line, compared to 1,599 during the same period in 2018, which represents a 37.1% increase in incidents of missed collection. Missed collections will continue to be monitored by Niagara Region staff. Refer to Appendix 1, Table 2 for further analysis on reported missed collections.

### **Event of Default**

Niagara Region has issued \$1,004,400 in liquidated damages since the beginning of the contract for failure to comply with the Contract terms and conditions. Liquidated damages in the amount of \$580,000 were issued between January 1, 2018 to November 7, 2018. Between November 8, 2018 and September 13, 2019, \$239,400 has been issued in which \$131,350 was issued between May 6 and September 13, 2019. It should be noted that the second amending agreement, signed November 7, 2018, resulted in changes to the structure of liquidated damages.

### **Next Steps**

#### **Wainfleet Collection Day Change**

Emterra identified an opportunity for route optimization with collection in Wainfleet and requested collection day changes in the area. By re-routing approximately 1,750 homes in Wainfleet from Monday collection to Tuesday and Thursday, it will create operational efficiencies and allow Emterra to redeploy four additional trucks on Mondays to support completing collection throughout the entire week for the Region.

In an effort to support Emterra's mitigation plan for the ongoing collection delays across the region, collection days will be changing, effective November 4, 2019, in select areas of Wainfleet. The Township of Wainfleet has indicated that they are happy with their current collection day (Monday), however they support the Region as they move forward towards improving service. The Region believes that we have an obligation to continue to work with Emterra in effort to improve service delivery and that the collection day change will help to alleviate the number of properties affected by collection delays.

Given this temporary disruption to some Wainfleet residents, , Emterra has informed the Region that they will endeavor to ensure that collection in Wainfleet is made a priority for the remainder of their Contract, should they experience collection delays.

### Mitigating Efforts

As referenced in the incomplete collection section above, Emterra decommissioned four (4) existing trucks, deemed beyond repair, and purchased four (4) used 2015 trucks.

Emterra is currently in the process of developing their Fall Dedicated L&Y Operations Collection Plan. This plan shall be submitted to the Region by end of day September 27, 2019. Emterra continues to hire collection staff to ensure current business needs are met, with a goal of hiring up to ten (10) additional staff by the start of dedicated L&Y collection.

The request for proposal (RFP) for the next collection contract closed on September 17, 2019. Staff anticipate the RFP to be awarded by November 14, 2019, with an estimated start date in October 2020.

Niagara Region continues to meet with Emterra on a regular basis to discuss operational details and performance. Niagara Region will continue to enforce the Events of Default and Remedies Clause in the Contract to ensure compliance by Emterra.

Niagara Region will continue to explore the option of removing additional work if Emterra continues to be in default of their Contract.

Respectfully submitted and signed by

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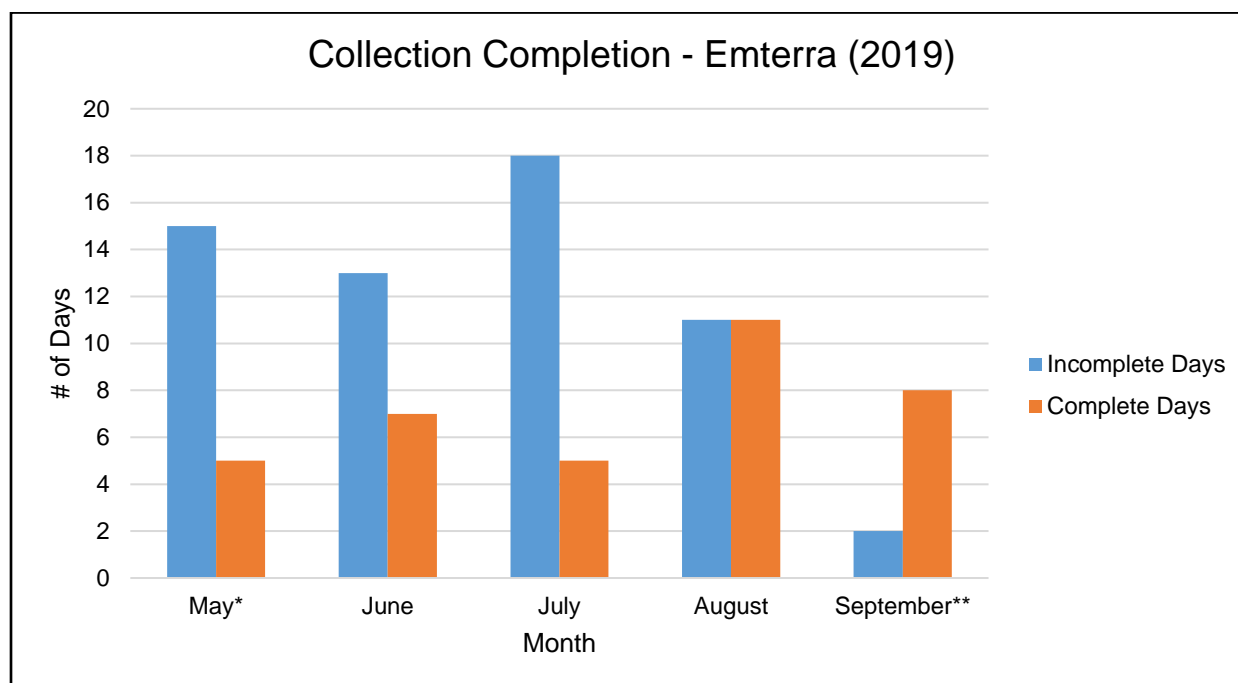
Nicholas Lidstone,  
Contract Supervisor, Waste Management Services

### **Appendices**

Appendix 1

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## Appendix 1



**Figure 1 - # of Complete and Incomplete Collection Days – Emterra May to September 2019.**

\*Includes dates from May 6, 2019 to May 31, 2019

\*\*Includes dates from start of month to September 13 2019

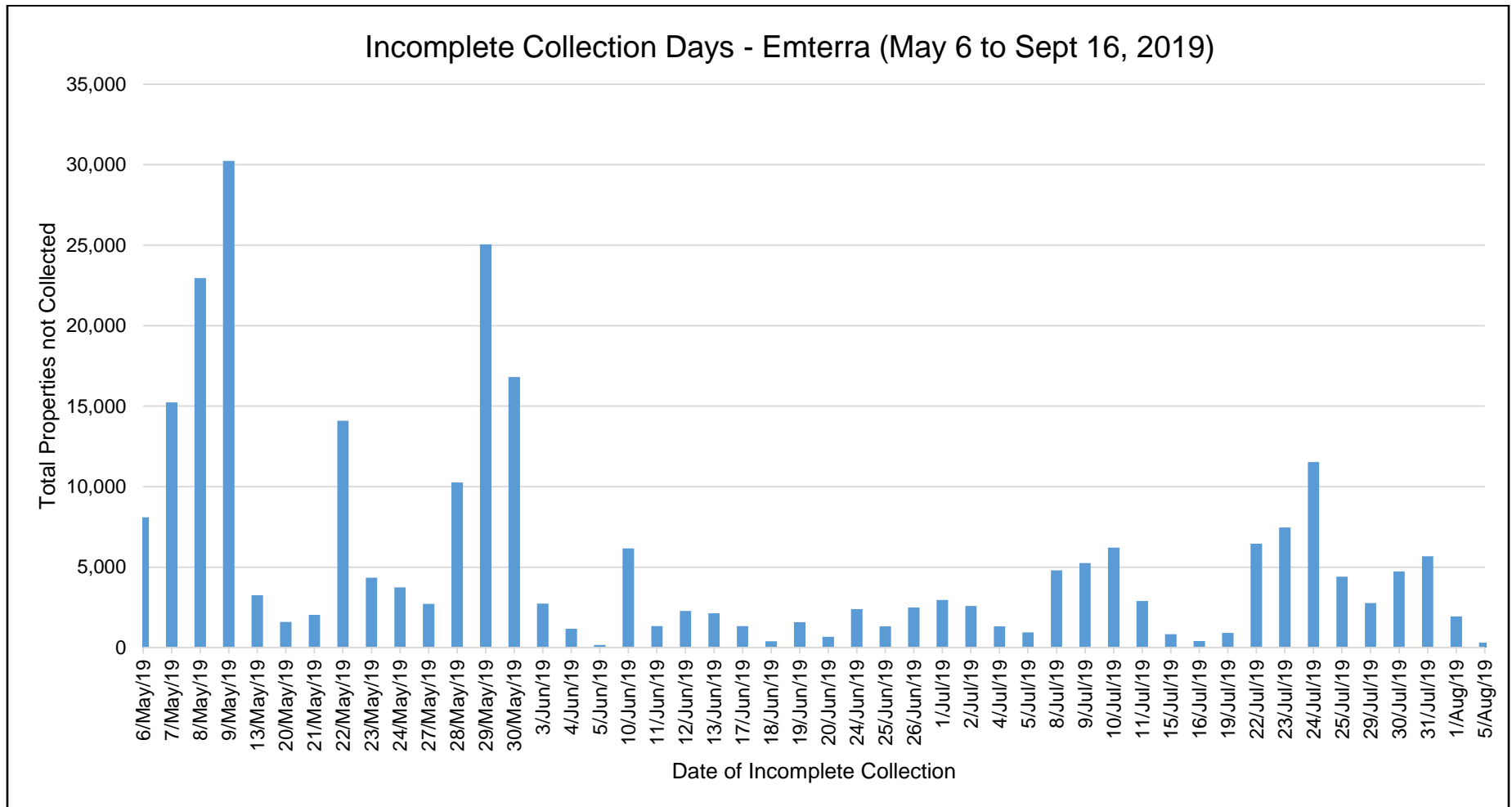
**Table 1 - # of Complete and Incomplete Collection Days – Emterra May to September 2019.**

Month	Incomplete Days	Complete Days	Total Days	% Complete	% Incomplete	Total
May*	15	5	20	25%	75%	100%
June	13	7	20	35%	65%	100%
July	18	5	23	22%	78%	100%
August	11	11	22	50%	50%	100%
September**	2	8	10	80%	20%	100%
<b>Total</b>	<b>59</b>	<b>36</b>	<b>95</b>	<b>38%</b>	<b>62%</b>	<b>N/A</b>

\*Includes dates from May 6, 2019 to end of month

\*\*Includes dates from start of month to September 13, 2019





**Figure 2 – Properties affected by incomplete collection – Emterra - May 6 to September 16, 2019.**



**Table 2 – Incidents of Missed Collections Reported to the Region’s Waste Info-Line (Emterra)**

<b>Timeframe</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
January 2- March 8	147	746 (407.5% increase from 2017)	943* (26.4% increase from 2018)
March 9 – April 12	156	118 (24.4% decrease from 2017)	382* (223.7% increase from 2018)
April 13 – May 5	142	125 (12.0% decrease from 2017)	240* (92% increase from 2018)
May 6 – September 13	693	1,599 (130.7% increase from 2017)	2,193* (37.1% increase from 2018)
September 14 – December 31	1,290	1,126 (12.7% decrease from 2017)	N/A
<b>TOTAL</b>	<b>2,429</b>	<b>3,714 (52.9% increase from 2017)</b>	<b>3,758** (1% increase from 2018)</b>
*West Lincoln and Lincoln related incidents removed in 2019 as serviced under separate contract. **Incidents of missed collections from January 1 to September 13, 2019			