

Regional Contract for Residential Recycling & Waste Drop-off Depot

Waste Management Steering Committee
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Presentation Overview

Agenda

- Background
- Current Contract Terms & Conditions
- Available Options
- Collaborative Discussion with Walker Environmental
- Assessment of Alternative Facility Options
- Path Forward: Recommendation

Background



Closure of Glenridge Landfill (2001) – Service gap: Niagara Falls, NOTL, St. Catharines, Thorold



2001 – agreement with Walker Environmental Group (WEG) - build / operate drop-off depot in Thorold



Annually – 85,000 customers / 26,000 tonnes



Material - household waste, construction mats, soils, leaf & yard waste, electronics, blue / grey box materials

Current Contract Terms & Conditions

Contract Terms

- Term 1: 2001 – 2011
- Term 2: 2011 – 2020
- Term 2 Ext. – Jan. 1, 2021 – Dec. 31, 2025



Conditions

- WEG's Responsibility - Operations & maintenance, capital upgrades
- Region's Obligation - Supply of blue/grey box bins, education & promotion for drop-off depot
- WEG Tipping Fees - Region approved, CPI provision
- Royalty - Region receives 4% of gross revenues – ~\$140K (2024)

Available Options - Renegotiation

	Contract Management, Maintain Cost Control + Revenue
	Addresses Geographic Service Gap
	Service Continuity, Maintains Operational Stability
	Non-alignment with Region Diversion Programs i.e. Less Extensive
	Physical Site Challenges + Constraints

Available Options - Tender

	Pricing Potential for Competitive Pricing (Not Guaranteed)
	Uncertainty in Vendor Response – Risk of Receiving No Bids, Less Favourable Contract Terms
	Customer Considerations - Requires Proactive Communication & Planning to Manage Customer Adjustments
	Operational & Strategic Impact – May Introduce Service Level Changes or Require Additional Time to Implement

Available Options – No Contract

	No Contract Management Requirements
	Service Gaps and Disruption May Lead to Complaints, Dumping
	Customers – Remove Cost Certainty, Lack of Service Standards
	Revenue Loss for Niagara Region

Discussions w. Walker Environmental

Key Points

- Five-year extension with possible ext. options
- Capital investment required by WEG ~\$1.32M
 - Bins, new loader, pushwalls + railings, road grading, scales
- Tip fee increase
 - 2026 - \$10 increase (\$140.55/tonne), min. fee unchanged (\$10/70Kg)
 - \$1.83 increase to average residential customer
- Region to review / approve annual CPI increase
- Region royalty payment maintained at 4% of gross revenues

Assessment of Alternate Facilities

Reviewed Available Alternate Facilities

- Limited facility options within geographic area
- Options not designed for volume of residential customers
- Will require up to 24 months to reconfigure

Recommendation

Finalize New Contract with WEG

- Established Long-Term Contract – proven history of quality service
- Strong Performance – consistently meets or exceeds expectations
- Trusted Partnership – demonstrated collaboration & commitment
- Financial & Contractual Considerations – customer cost control & revenue generation, maintain Terms & Conditions
- Ensures service continuity
- Creates opportunity for a strategic review to assess our future needs

Next Steps

- Report to Public Works Committee in July 2025
- Pending Council approval, finalize new agreement with WEG

Thank You