



Public Works Committee REPORT 11-014

9:30 a.m.

Monday, November 21, 2011

Council Chambers

Hamilton City Hall

71 Main Street West

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- Present:** Councillor R. Powers (Chair), B. McHattie (Vice-Chair)
Councillors C. Collins, S. Merulla, T. Jackson,
T. Whitehead
- Absent With
Regrets:** Councillors S. Duvall, L. Ferguson, R. Pasuta – Vacation
- Also Present:** Mayor B. Bratina
Councillors M. Pearson, J. Farr
G. Davis, General Manager Public Works
J. Mater, Senior Director of Transportation, Energy & Facilities
B. Goodger, Senior Director of Operations & Waste Management
D. McKinnon, Director of Water and Wastewater Operations
P. Parker, Director of Support Services
C. Murdoch, Director of Environmental Services
C. Gallimore, Supervisor, Operations Support
E. Filippone, Solicitor
A. Grozelle, Legislative Assistant, City Clerk's Office

THE PUBLIC WORKS COMMITTEE PRESENTS REPORT 11-014 AND RESPECTFULLY RECOMMENDS:

- 1. Full Scope Entire Drinking Water Quality Management System (DWQMS)
Accreditation For City's Drinking Water Systems (PW11084)(City Wide)
(Item 5.1)**

That Report PW11084 respecting, Full Scope Entire Drinking Water Quality Management System (DWQMS) Accreditation For City's Drinking Water Systems, be received.

2. Public Delegation by Elio Borchetta - (PW11087) - (Ward 5) (Item 5.2)

That Report PW11087 respecting, Public Delegation by Elio Borchetta, be received.

3. Dust Fall Outs Resulting from Unpaved Parking Lots and Roads Within Industrial Properties - (PW11091) - (City Wide)

That Report PW11091 respecting Dust Fall Outs Resulting from Unpaved Parking Lots and Roads Within Industrial Properties, be received.

4. Waste Collection and Recycling Processing Procurement Processes for 2013 - 2020 - Waste Collection System Refinements (PW11030c) - (City Wide)(Item 7.1)

That Report PW11030c respecting Waste Collection and Recycling Processing Procurement Processes for 2013 - 2020 - Waste Collection System Refinements, be received.

5. Recycling Processing Procurement Process - Contract Extension Negotiations with Canada Fibers Limited 2013 - 2020 - (PW11030b) - (City Wide) (Item 8.1)

- (a) That Contract C11-74-02 between Canada Fibers Limited and the City of Hamilton for the operation and maintenance of the City of Hamilton's Material Recycling Facility be extended for a fixed term period of seven (7) years from April 1, 2013 to March 31, 2020 in accordance with the contract provisions outlined in Appendix A of Report 11-014;
- (b) That Canada Fibers Limited be retained to design, supply, install, operate and maintain new front end equipment for the container line at a cost not to exceed \$1.91 million (excluding taxes), subject to the funds being approved as part of the 2012 Capital budget process;
- (c) That Canada Fibers Limited be authorized to market container processing line materials from the City of Hamilton's Material Recycling Facility in addition to fibres and this be incorporated into the Contract outlined in recommendation (a) of Report PW11030b ;
- (d) That staff be directed to seek out and enter into partnerships with both private and public entities for the sale of excess merchant capacity at the City of Hamilton's Material Recycling Facility;
- (e) That the Mayor and City Clerk be authorized and directed to execute all necessary documents to implement recommendations (a), (b) and (c) with content acceptable to the General Manager of Public Works and in a form acceptable to the City Solicitor;

6. **Transit Tires Leasing Approval and Approval for Purchasing to Release a Tender for the Supply of Leased Transit Tires (PW11083) - (City Wide) (Item 8.2)**
- (a) That the consultant's report entitled "Lease vs. Buy Analysis for Bus Tires" attached as Appendix A attached to report PW11083, be received;
 - (b) That Report PW11083 respecting Transit Tires Leasing Approval and Approval for Purchasing to Release a Tender for the Supply of Leased Transit Tires, be approved;
 - (c) That Purchasing be authorized and directed to tender for the supply and delivery of leased Transit tires.
7. **2012 Budget Request - Public Works Volunteer Committee - Hamilton Cycling Committee - (PW11089) - (City Wide) (item 8.3)**
- (a) That the Hamilton Cycling Committee's 2012 Volunteer Committee Budget Submission (Appendix "A" to Report PW11089) in the amount of \$8,000 be approved and forwarded to the 2012 budget process;
 - (b) That the use of \$7,000 from the Hamilton Cycling Committee Reserve, to offset the additional Hamilton Cycling Committee 2012 budget request, be approved and forwarded to the 2012 budget process.
8. **2012 Volunteer Committee Budget - Clean City Liaison Committee (PW11090) - (City Wide) (Item 8.4)**

That the Clean City Liaison Committee's 2012 base budget submission (as outlined in Appendix "A" attached to Report PW11090), in the amount of \$18,250, be approved and forwarded to the 2012 budget process (GIC).

FOR THE INFORMATION OF COUNCIL:

(a) CEREMONIAL ACTIVITIES (Item A)

(i) Drinking Water Quality Management System Accreditation

Chair Powers outlined the importance of the Drinking Water Quality Management System Accreditation under the Safe Drinking Water Act. He indicated that Hamilton's Mayor and Council are identified as "Owners" of the City's five residential drinking water systems and one of their key responsibilities is to ensure the Operating Authority is accredited.

Chair Powers indicated that the Operating Authority is comprised of Public Works staff in the Water and Wastewater section and congratulated them on the recently received Drinking Water Quality Management System accreditation.

Mayor Bratina presented accreditation certificates to Rosa Gonzalez, Charlene McKay and Wendy Jackson of the Compliance and Regulation team in the Water and Wastewater section

(b) CHANGES TO THE AGENDA (Item 1)

The Committee Clerk advised of the following change to the agenda:

DELEGATION REQUEST

- 4.1 Delegation Request from Atul Nanda of Recyclable Materials Marketing respecting agenda Item 8.1 Report PW11030b, Recycling Processing Procurement Process - Contract Extension Negotiations with Canada Fibers Limited 2013 – 2020.

The November 21, 2011 Public Works Committee Agenda was approved, as amended.

(c) DECLARATIONS OF INTEREST (Item 2)

None

(d) APPROVAL OF MINUTES (Item 3)

(i) November 7, 2011 (Item 3.1)

The Minutes of the November 7, 2011 Public Works Committee were approved, as presented.

(e) DELEGATION REQUESTS (Item 4)

- (i) Delegation Request from Atul Nanda of Recyclable Materials Marketing respecting agenda Item 8.1 Report PW11030b, Recycling Processing Procurement Process - Contract Extension Negotiations with Canada Fibers Limited 2013 – 2020. (Added Item 4.1)**

The Delegation Request by Atul Nanda of Recyclable Materials Marketing respecting agenda Item 8.1, was approved and the rules of order were waived to allow the delegation to be heard today.

(f) CONSENT ITEMS (Item 5)

(i) Hamilton Cycling Committee – September 7, 2011 (Item 5.3)

The Minutes of the Hamilton Cycling Committee meeting dated September 7, 2011 were received for information.

(g) DELEGATIONS/PUBLIC HEARINGS (Item 6)

(i) Delegation by Atul Nanda of Recyclable Materials Marketing respecting agenda Item 8.1 Report PW11030b, Recycling Processing Procurement Process - Contract Extension Negotiations with Canada Fibers Limited 2013 – 2020 (Added Item 6.1)

Mr. Nanda addressed the Committee with the aid of a PowerPoint Presentation and handout. A copy of the presentation has been included in the official record.

Discussed how his company, Recyclable Materials Marketing, has been providing the marketing for recyclable materials to the City since 2002. Discussed the 1.7 million savings to the City of Hamilton achieved over their nine year relationship and that in discussions with City Staff indicated there would be further savings if their contract was extended. Mr. Nanda discussed his displeasure with the process, indicating that he was not aware that the contract would be going to another provider until the week prior to the Committee meeting and City staff did not meet with him after informing him of this.

Chair Powers clarified for the Committee members that Mr. Nanda was not informed prior to the agenda being printed as the report was not yet a public report and pertained to contractual matters.

Committee members asked the Committee Clerk for advice on convening in Closed Session for discussions.

On a Motion the delegation by Atul Nanda of Recyclable Materials Marketing respecting, agenda Item 8.1 Report PW11030b, Recycling Processing Procurement Process - Contract Extension Negotiations with Canada Fibers Limited 2013 – 2020 was received.

(h) PRESENTATIONS (Item 7)

(i) Waste Collection and Recycling Processing Procurement Processes for 2013 - 2020 - Waste Collection System Refinements (PW11030c) - (City Wide) (Item 7.1)

Pat Parker, Director of Support Services and Christina Gallimore Supervisor, Operations Support addressed the Committee with the aid of a Power Point Presentation. A copy of this presentation has been included in the official record.

Staff discussed the past history of the issue and the direction provided by the General Issues Committee in July, 2011. Discussed in detail the various options that staff have been investigating such as large recycling boxes, container limits, tag systems, smaller green carts. Staff discussed the next steps in the process, indicating that the cost evaluation will be moving forward as well as discussions with Councillors prior to this issue coming back to Committee in early 2012.

Committee members asked several questions for clarification and requested that their comments be taken into consideration when staff report back in the 2012.

The staff presentation respecting Report PW11030c Waste Collection and Recycling Processing Procurement Processes for 2013 - 2020 - Waste Collection System Refinements, was received.

(i) DISCUSSION ITEMS (Item 8)

(i) Recycling Processing Procurement Process - Contract Extension Negotiations with Canada Fibers Limited 2013 - 2020 - (PW11030b) (City Wide)(Item 8.1)

On a Motion agenda item 8.1 respecting Report PW11030b respecting Recycling Processing Procurement Process - Contract Extension Negotiations with Canada Fibers Limited 2013 - 2020 was deferred to the Private and Confidential Section of the agenda.

(j) GENERAL INFORMATION/OTHER BUSINESS (Item 11)

(i) Outstanding Business List (Item 11.1)

(a) The following Items were removed from the Outstanding Business List

(i) Item B - Control measures to stop dust fall outs resulting from unpaved parking lots and roads on industrial properties

- (ii) Item N - Delegation by Elio Borchetta
- (iii) Item L(i) - Waste Collection and Recycling Processing Procurement Processes for 2013-2020
- (iv) Item L(ii) - Waste Collection and Recycling Processing Procurement Processes for 2013-2020

(k) PRIVATE AND CONFIDENTIAL (Item 12)

(i) Closed Session Minutes – November 7, 2011 (Item 12.1)

- (a) The Closed Session Minutes of the November 7, 2011 meeting of Council were approved, as presented.
- (b) The November 7, 2011 Minutes of Council remain confidential and restricted from public disclosure, in accordance with exemptions provided in the Municipal Freedom of Information and Protection of Privacy Act.

(ii) Recycling Processing Procurement Process - Contract Extension Negotiations with Canada Fibers Limited 2013 - 2020 - (PW11030b) (City Wide)(Item 8.1)

On a Motion Committee move into Closed Session to consider item 8.1 respecting Report PW11030b, Recycling Processing Procurement Process - Contract Extension Negotiations with Canada Fibers Limited 2013 - 2020, pursuant to Section 8.1, Sub-section (f) of the City's Procedural By-law 10-053; and, Section 239, Sub-section (f) of the Ontario Municipal Act, 2001, as amended, as the subject matter pertains to advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

The Committee reconvened in Open Session.

The Main Motion as presented CARRIED on the Following Vote:

Yeas:	R. Powers, B. McHattie, T. Jackson, C. Collins, S. Merulla
Total:	5
Nays:	T. Whitehead - opposed to sub-section (c)
Total:	1
Absent:	S. Duvall, L. Ferguson, R. Pasuta
Total:	3

For disposition on this item refer to Item 5.

(k) ADJOURNMENT

There being no further business, the Public Works Committee adjourned at 11:35 a.m.

Respectfully submitted,

Councillor R. Powers, Chair
Public Works Committee

Andy Grozelle
Legislative Assistant
November 21, 2011

Material Recycling Facility Contract Extension Negotiations

Outline of Negotiated Contract Provisions – Contract C11-74-02

CFL agrees to:

1. The term of the agreement extension will be for seven (7) years from April 1, 2013 to March 31, 2020.
2. Design, supply, install, operate and maintain front end container line processing equipment which includes a drum feeder, glass breaker and clean-up system, all associated conveyors, and the controls and instrumentation required to operate this equipment. The City of Hamilton (City) will be the owner of this equipment at all times. Maintenance costs will be the responsibility of Canada Fibers Limited (CFL), the same as set out in the current contract.
3. A blending of all processing costs into a single outgoing per tonne rate which includes fibre and container line processing costs, rolling stock costs, LCBO deposit / return adjustment, and cost of manual sorting of polystyrene and non-recyclable plastic bags containing recyclables.
4. A general contractual clause requiring CFL to produce marketable material based on market requirements at the time and to allow for changes based on market development and feedstock changes.
5. Market container material on behalf of the City with many of the same terms and conditions of the City's current marketing contract.
6. General updating of standard contract conditions and removal of any outdated references as a result of the negotiated contract extension.

City agrees to:

1. The term of the agreement extension will be for seven (7) years from April 1, 2013 to March 31, 2020.
2. Pay to CFL the cost associated with the design, supply and installation of a drum feeder, glass breaker and clean-up system, all associated conveyors, and the controls and instrumentation required to operate this equipment with an upset limit of \$1.91 million excluding contingency costs and inclusive of all applicable taxes, subject to the 2012 Capital budget process.

3. Incorporate into the contract the ability for the City to actively seek out and enter into partnerships with both private and municipal entities for the sale of excess merchant capacity at the MRF. CFL may approach the City with potential third party partnerships.
4. Incorporate into the contract a change of laws clause which considers legislative changes that may impact the contract. Such a clause will serve to protect the contract should, for example, Waste Diversion Ontario assume responsibility of the Blue Box program.
5. Amend the contract to reflect the new per tonne processing rate (adjusted for CPI based on 2011 dollars) when the contract begins April 2013.