



CITY OF CALGARY
RECEIVED
IN COUNCIL CHAMBER
NOV 19 2019
ITEM: 13.1 C2019-1467
DISTRIBUTION
CITY CLERK'S DEPARTMENT

Report Number: C2019-1467

Meeting: Combined Meeting of Council

Meeting Date: 2019 November 18

NOTICE OF MOTION

RE: RESIDENTIAL WASTE COLLECTION MIXED SERVICE DELIVERY PILOT

Sponsoring Councillor(s): Cllr Sutherland, Cllr Davison, Cllr Magliocca, Cllr Chu, Cllr Keating, Cllr Jones, Cllr Gondek, Cllr Demong, Cllr Farkas, Cllr Chahal

WHEREAS The City of Calgary provides Black, Blue, and Green Cart Programs for residential single detached dwellings, and collections for these programs which are delivered through a public-sector service delivery model;

AND WHEREAS a mixed-service delivery model of private and public-sector collection services would foster competition, and could lead to a more cost-effective way of doing business;

AND WHEREAS Waste & Recycling Services engaged consultants to conduct a Collection Services Review (the Review) (UCS2019-0113, Waste & Recycling Services 2018 Residential Collection Services Review);

AND WHEREAS the possible benefits and risks associated with contracting out a portion of collection services cannot be definitively settled without undertaking a mixed service delivery model;

AND WHEREAS contracting-out a portion of collection services would allow The City to objectively evaluate the performance of private-sector service delivery in comparison to public-sector delivery;

AND WHEREAS contracting-out a limited portion of services would allow The City to maintain oversight of the overall customer experience and mitigate risks associated with a change in service provider;

AND WHEREAS the Review found that:

- Estimated annual savings of \$850,000 (\$425,000 to \$1,275,000) may be achieved through a one-third mixed service delivery model, equating to approximately \$2.59 (\$1.30 to \$3.90) per household per year, and
- The pay rate for Waste & Recycling residential collection drivers is approximately 10% above the market median, and
- It is likely private companies would pay less for fleet due to a lower fleet labour rate, greater standardization of vehicles and lean operational practices.

NOW THEREFORE BE IT RESOLVED that Council Direct Administration to:

1. Report back to the SPC on Utilities and Corporate Services no later than April 2020 on the scoping and development of a RFP to contract out up to 25% of residential black cart collection services; and
2. Report back to the SPC on Utilities and Corporate Services no later than Q4 2020 on the results of the RFP and a timeline for an implementation goal of Q1 2022.