



WRS Collection Services Review

Stakeholder Report Back: What we Heard

October 2019

1 Project overview

At the Combined Meeting of Council on 2019 February 4, Council received report UCS2019-0113: Waste & Recycling Services (WRS) 2018 Residential Collection Services Review (the report). The following Council direction was adopted with reference to that report:

That Council direct Administration to solicit feedback from the waste and recycling collection services industry regarding the *2018 Collection Services Review* report and to assess and pursue service efficiency opportunities identified in that same report and return to Utilities and Corporate Services Committee by Q2 2020 with findings.

2 Engagement overview

In support of the above Council direction, we conducted the following engagement activities:

- **Private Waste Collection Industry Workshop:** We hosted a workshop for representatives from the private waste collection industry on June 26, 2019, at Fort Calgary. Representatives from 42 businesses and organizations involved in waste and recycling collection were invited. Nine industry representatives from seven organizations attended.
- **Private Waste Collection Industry Online Survey:** At the request of workshop participants, an online survey including the same questions as the June 26 workshop was open from June 26 to September 20, 2019, for those members of the private waste collection industry who did not attend the workshop. There were two responses to the online survey.

3 What we asked

While both the workshop and online survey allowed for discussion of the full report, we prioritized the following aspects of the report to ensure the greatest value from engagement.

1. Cost Impact (report attachment 4)
2. Industry Scan (report attachment 3)
3. WRS Efficiency and Effectiveness (report attachment 2)
4. Benchmarking (report attachment 5)
5. Summary, mainly focusing on the Collection Services Value Framework as new information (report attachment 1)

For each of these sections, we asked the following questions:

1. What do you support and/or agree with regarding this report?
2. What concerns do you have regarding this report?
3. What new information would you like The City to know in addition to what is in this report?



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4 What we heard

In general, participants felt that the report did not accurately represent the advantages of the private waste collection industry. Specifically, participants indicated that the cost savings of moving to a private waste collection model could result in much higher cost savings than indicated in the report, and that many of the issues of a private model identified in the report were not a fair representation of the private waste collection industry and could be managed through the RFP and contract process.

- For a detailed summary of the input that was provided, please see the [Summary of Input](#) section.
- A verbatim listing of all the input that was provided can be found here:
<https://www.calgary.ca/UEP/WRS/Pages/Commercial-Services/Services/Collection-Services-Review.aspx>

5 Next steps

WRS will report back to the Standing Policy Committee on Utilities and Corporate Services regarding the results of this engagement program before the end of June 2020.



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6 Summary of Input

6.1 Attachment 4 – Cost Impact for Alternative Service Delivery

Theme	Description
Contradictory recommendations	Participants were frustrated that the report often spoke to the benefits of private waste collection, but that the conclusion of the report contradicted this in its recommendation to continue using public services.
Cost savings	Participants indicated that the report underestimated the potential savings of moving to private collection service, and that savings would likely be closer to 15-25%. In addition, participants shared that The City would see additional economic benefits through tax revenue paid by private waste haulers.
Efficiency	Participants shared several ways in which private waste haulers could improve efficiency of waste collection, including cutting the number of vehicles required, working five-day weeks, reducing the need for overtime and private waste haulers working to stay within the costs quoted as part of their contract.
Cost accounting	Participants wanted more information regarding how costs were determined within the report to allow for a more balanced comparison of private versus public waste collection. Examples included details on worker compensation costs, fleet replacement costs and maintenance costs.

6.2 Attachment 3 – Industry Scan and Strategic Analysis

Theme	Description
Service levels	Participants did not support the report's conclusions that private waste haulers have lower service levels in areas such as environmental performance and customer service, stating that other studies have shown the private industry to outperform public waste collection. Examples include results of private waste collection in Edmonton being similar to public services, but at a cost savings. In addition, participants noted that service levels are typically worked into their contracts, and that if they fail to perform, they will lose the work.
New technologies	Participants indicated that some private waste haulers already use better technologies than The City, such as compressed natural gas (CNG) vehicles, and are better able to update to new technologies as they come available.
Accountability	Participants indicated that the report did not consider the impact of shareholder accountability and brand reputation. Private waste haulers are accountable to their shareholders and are motivated to maintain high customer satisfaction to win new contracts.



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6.3 Attachment 2 – Efficiency and Effectiveness

Theme	Description
Request for proposals (RFP)	Participants indicated that the best way to compare City services against those of private waste haulers would be to release an RFP and assess the bids. Participants suggested that this RFP include clear standards for environmental performance, customer service, safety and costs. As written, participants felt the report did not allow for an “apples to apples” comparison between private and public services.
Missed pickups	Participants wanted greater clarity around how the comparison of missed pickups between municipalities was conducted.
Administrative process	Participants indicated that private collection services would reduce the administrative burden on The City in areas such as vendor management and human resources.

6.4 Attachment 5 – Benchmarking and Performance Measurement

Theme	Description
Need for data	Participants suggested contacting private waste haulers as well as municipalities who have moved to private waste collection to get more robust benchmarking data for consideration in the report.

6.5 Attachment 1 – 2018 Residential Collection Services Review Summary

Theme	Description
Report bias	Participants indicated that, because of the way the report was written, and the missing or inaccurate data used, the report tends to favor public waste collection, even though private haulers could meet or exceed City performance.