

COLLECTION SERVICE REVIEW: OPERATIONAL PERFORMANCE AND FLEET MANAGEMENT STATUS UPDATE

EXECUTIVE SUMMARY

Waste & Recycling Services (WRS) engaged consultant CH2M HILL to conduct a review of The City's residential collection services. In 2014 November, WRS presented the consultants findings and recommendations which resulted in Council directing Administration to report back to the Standing Policy Committee on Utilities and Corporate Services with two reports. The first (UCS2015-0220) was presented on 2015 March 20 and provided a review of collection service delivery model and; this report, which provides an update on the current status of the operational performance and fleet management recommendations.

The CH2M HILL report identified 25 recommendations with regards to operational performance and fleet management. WRS has reviewed these opportunities and is implementing ten of the operational performance recommendations in 2015 and is working with Fleet Services to implement three additional recommendations before year end. The status of all 25 recommendations is included in Attachment 1. As well, Utilities and Environmental Protection (UEP) is taking a departmental approach and collaborating with Fleet Services to address additional opportunities prior to the development of the 2019 to 2022 Action Plan.

ADMINISTRATION RECOMMENDATION(S)

That the Standing Policy Committee on Utilities and Corporate Services receive this report for information.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2014 November 3, Council approved Report UCS2014-0262 Waste & Recycling Service Collection Service Delivery Review, and directed Administration report back to SPC on UCS no later than 2015 March with a recommended collection service delivery model for black, blue and green cart service commencing in 2018; and to review the consultants' recommendations on fleet management and operational performance and bring a status update to SPC on UCS no later than 2015 June.

On 2015 March 30, Council approved UCS2015-0220 Waste & Recycling Services: Collection Service Review and directed administration to provide city-wide black, blue and green cart residential collection services through a public service delivery model for the remainder of the 2015-2018 business cycle and to consider alternative service delivery models in alignment with the 2019-2022 business cycle.

BACKGROUND

CH2M HILL conducted a comprehensive review of Calgary's collection service delivery model by obtaining and analyzing financial and operational data from WRS, as well as information from Fleet Services. The consultant used this analysis to evaluate opportunities for increased efficiency and effectiveness both within current operations.

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CH2M HILL provided a variety of operational performance and fleet management recommendations to improve efficiencies of the current waste and recycling operations. Attachment 1 provides a progress update on the Consultant's recommendations.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

WRS is currently implementing ten of the operational performance recommendations and will continue to focus on:

1. Improving service efficiencies with households serviced per day and volumes collected;
2. Updating staff training on operating collection vehicles; and
3. Enhancing customer communications and education on cart placement, collection days and materials collected in each cart.

WRS and Fleet Services are focusing on the areas that will have the greatest impact to both operations and costs. The areas of focus will be completed by the end of the year and include:

1. Improve fleet availability by completing inspections and maintenance when the fleet is not required for normal operations;
2. Improve commissioning process to reduce the time required to get new vehicles prepared for frontline service and retire older vehicles with high maintenance costs; and
3. Increased transparency in vehicle maintenance billing/reporting.

WRS is also coordinating efforts with the Utilities to take a UEP departmental approach to identify opportunities and ensure operational efficiencies are realized with Fleet Services. Implementing improvements identified through this departmental initiative will allow UEP to better manage vehicle maintenance costs in future business cycles.

Stakeholder Engagement, Research and Communication

WRS has engaged Fleet Services, Supply Management, Water Resources, Water Services and WRS operations in developing the recommendation and the key areas of focus.

Citizen satisfaction with waste and recycling services continues to be consistently highly valued and scored by our residents. In 2014, 96 per cent of citizens were satisfied with residential garbage collection, and 92 per cent of citizens were satisfied with City-operated recycling programs (Ipsos Reid survey, November 2014).

Strategic Alignment

There are a number of key commitments that WRS has incorporated into the Action Plan 2015 - 2018 that will have a direct impact on improving Calgary's environmental performance through increased waste diversion, efficiency of WRS' operations and financial sustainability. The recommendations align with Council Priorities; A well run city, A healthy and green city and A city of inspiring neighbourhoods.

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Social, Environmental, Economic (External)

Social

The Collection Service Delivery Review supports A city of inspiring neighbourhoods through the provision of efficient and effective services.

Environmental

Implementing collection systems that extract recyclables and compostable materials from the waste stream conserves resources, produces value-added commodities and reduces the environmental risks and long-term liabilities associated with landfills.

Economic

Ongoing evaluation of WRS' collection system to identify efficiencies minimizes the cost of the services WRS provides to Calgarians.

Financial Capacity

Current and Future Operating Budget:

Budget amounts in WRS 2015-2018 operating budget are insufficient to fund current vehicle maintenance cost escalations. Variances will be funded through operational savings realized in the Collection Service Review performance and fleet management work, as well as elsewhere in the WRS budget.

Current and Future Capital Budget:

There are no direct capital budget implications related to the Collection Services Delivery Review.

Risk Assessment

There are no significant risks associated with this report.

REASON(S) FOR RECOMMENDATION(S):

The recommendation will enable Waste & Recycling Services to continue to implement the recommendations to improve the efficiency and effectiveness in WRS' current collection operations.

ATTACHMENT(S)

1. Operational Performance and Fleet Management Recommendations Status Updates