

October 7, 2020

Report To: Mayor and Council

From: Travis Rob, Manager of Operations and Facilities

RE: Extension Agreement with Emterra for Recycle Processing and Transportation Services

At the September 9, 2020 meeting of the Operations and Facilities Executive Committee an extension to our recycle processing and transportation was brought forward. Administration was given direction to reach out to the service provider to better understand the steep increase in cost as well as see if the costs could be reduced in any way.

Attached to this report you will find an email from Paulina Leung, VP of Corporate Strategy and Business Development for Emterra which outlines the factors leading to the increase in costs over the past years. Emterra has come forward with an alternative offer of \$128.00 per tonne for processing for a term of September 14, 2020 to December 31, 2024 with an option to extend for an additional 2 one year terms to take us through the intended Blue Box Transition and one additional year. This arrangement will buy us the opportunity to have coverage regardless of when we transition, even a year beyond the proposed end of the transition period if the transition does not proceed as anticipated. All other terms of the current contract will still apply.

The Town currently has an agreement with Emterra, however there is no extension provision in that agreement. With the rates being paid by neighboring municipalities, and with the upcoming changes in the recycle world in Ontario, going through a full tender process would not result in a lower cost for processing and would likely result in a higher rate. As a result, the proposed agreement with Emterra would be entered into through a process outside of the Town's Procurement Policy.

It is the recommendation of the Operations and Facilities Executive Committee that the town enter into an extension agreement with Emterra for recycle transportation and processing services to December 31, 2024 with two options to extend for a period of 1 year each and further that Mayor and Clerk be authorized to execute the agreements on behalf of the corporation.

Respectfully Submitted



Travis Rob, P.Eng
Manager of Operations and Facilities

Council approval of this report will agree with the recommendation of the Operations and Facilities Executive Committee that the town enter into an extension agreement with Emterra for recycle transportation and processing services to December 31, 2024 with two options to extend for a period of 1 year each and further that Mayor and Clerk be authorized to execute the agreements on behalf of the corporation.