SUBJECT: Glanbrook Landfill Coordinating Committee (GLCC) Motion Regarding Renewing Contract to Operate the Glanbrook Landfill (PW08015) - (City Wide)

RECOMMENDATIONS:

(a) That the minutes of the November 26, 2007 Glanbrook Landfill Coordinating Committee (GLCC) be received;

(b) That the Director of Waste Management continue with the review of best practices and preparation and release of a Request for Proposals (RFP) for the operation and maintenance of the Glanbrook Landfill as part of the Transfer and Disposal Operations Review that is currently in progress.

Scott Stewart, C.E.T.
General Manager
Public Works

EXECUTIVE SUMMARY:

The City of Hamilton (City) currently contracts out the operations of the Glanbrook Landfill Site to Waste Management of Canada Corporation (WMCC). This contract will expire on December 31, 2009 and the City is currently working towards the issuance of a Request for Proposals ("RFP") for the Landfill Site operations in 2008.

At the November 26, 2007 GLCC meeting, a motion was put forward recommending that the City should attempt to negotiate an extension of the existing contract for the landfill operation / management with Waste Management of Canada Corporation.
However the contract with WMCC is not limited to the operation of the Glanbrook Landfill Site. WMCC also operates the City’s leaf and yard waste composting facility, three (3) transfer stations and the haulage of garbage and leaf and yard waste from the transfer stations to the landfill. Contracts with other operators relating to the operation of the Community Recycling Centres also expire or can be extended to expire at the same time as the WMCC contract. This provides the City with an opportunity to review best practices for the more effective and efficient management of these waste management facilities and the process presently is underway. It is also consistent with federal and provincial policies and agreements that there be a competitive procurement process for larger projects. In addition, the existing contract with WMCC does not provide the operational and environmental control that the City needs to maximize the performance of the Glanbrook Landfill Site. For these reasons, it is recommended that Council not support extending the existing contract and the City continue with the Request for Proposals process for the operation of the relevant waste management facilities.

**BACKGROUND:**

The information and recommendations in this report have City Wide implications. At the November 26, 2007 meeting, the GLCC indicated that they were satisfied with the service provision of WMCC for landfill operations. In addition, concern was expressed with regard to having a new contractor operate the landfill once the contract expires in December 31, 2009. The GLCC then decided to put forward the following motion:

“Whereas the current contract between the City of Hamilton and Waste Management of Canada Corporation for the management of the Glanbrook Landfill is nearing completion.

And whereas there will be many changes at the landfill in the next few years e.g. Stage 3.

And whereas the present contract seems to be working well.

Therefore it is the opinion of the GLCC that based on past and present experiences at the landfill that the City of Hamilton should attempt to negotiate an extension of the contract for the landfill management with Waste Management of Canada Corporation.”

The motion was moved by Sheila May and was seconded by Brook Ryan. The motion was carried. The motion is contained in the meeting minutes, which have been reviewed by the GLCC.

The City currently contracts out the services related to the operation of the Glanbrook Landfill Site to WMCC under contract # RHW 95-05. The operation of the landfill is a component of a larger contract for the operation of the transfer stations and waste haulage. This contract will expire on December 31st, 2009 which already encompasses a three (3) year extension to the original contract as a result of closing SWARU four (4) years early.
In addition the contract with Thompson Metals for the operation of the Community Recycling Centres expires on December 31st, 2009 and the contract with Community Living Hamilton for the operation of the reuse store expires September 18, 2008 but can be extended to December 31, 2009 under the terms and conditions of the existing contract.

The pending end of these contracts has provided the City with an opportunity to undertake a comprehensive review of the operation of the landfill, leaf and yard waste composting facility, transfer stations, community recycling centres, reuse store and waste haulage activities. Staff is currently undertaking a Transfer and Disposal Operations Review to examine best practices for these operations with a view to improving efficiency and cost-effectiveness. Issuing a Request for Proposals for operational activities in 2008 will provide the City an opportunity to address operational and environmental concerns that currently exist with the present contracts. The RFP process will include a new contract document, which will include specific terms, conditions and targets to maximize compaction rates and therefore expand the landfill operating life, while minimizing off-site impacts such as odours, dust and litter. The review will also include consideration of the potential opportunities to operate some of the facilities with in house staff.

**ANALYSIS/RATIONALE:**

The preferred approach to the contract for the operation of the Glanbrook Landfill Site is for it to be part of the on-going comprehensive review of contracts for the landfill, leaf and yard waste composting facility, transfer stations, community centres, reuse store and the waste haulage. Staff has been discussing operational practices with other municipalities to determine what the best practices are for Hamilton’s operation of these waste management facilities.

From the review, one or more Requests for Proposals will be issued in 2008 with the goal to be the maximization of efficiencies at the best price. The terms of reference will also be used to determine whether or not some of the work can be undertaken internally. The objective is to report back to Council before the end of 2008 on a preferred approach to allow the calendar year 2009 to prepare for the contract commencement in January 2010.

The RFP process will enable contract terms and conditions to be updated for all operations including the Glanbrook Landfill Site and will also provide the opportunity to integrate community recycling centre and transfer station operations. The landfill operations component will contain specific terms, conditions and targets to maximize compaction rates and therefore expand the landfill operating life, while minimizing off-site impacts such as odours, dust and litter.

This approach promotes the competitive bidding process and provides the City with maximum flexibility to determine the most efficient and cost-effective way to operate the subject facilities.
ALTERNATIVES FOR CONSIDERATION:

There are two (2) alternatives presented for consideration regarding the operation of the Glanbrook landfill.

The first alternative would be to negotiate a renewal of the existing contract with WMCC. This negotiation would also involve the operation of the leaf and yard waste composting facility, transfer stations and the haulage of waste to the landfill. This may be a difficult negotiation as the City would like to change the conditions of the contract to maximize efficiencies and minimize costs and not simply extend the contract. Renewing the current contract with WMCC could compromise the City’s position around these conditions and would limit a more comprehensive review of facility operations. In addition, given that the existing contract has been in force since 1996, it is prudent to conduct a competitive procurement process. As such staff is not recommending this option.

The second alternative is the continued comprehensive review of current operations relative to best practices for the operation of the landfill, leaf and yard waste composting facility, transfer stations, community recycling centres, the reuse store and waste haulage to maximize efficiencies. This would lead to the issuance of one or more RFPs that address the City’s needs. This is the preferred approach that staff is recommending to Council.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

If the City extends the existing contract with WMCC, this would be considered a single source procurement. The City’s Purchasing Policy requires that a single source procurement be recommended when doing so is more cost effective or beneficial for the City. Similarly federal and provincial policies and agreements discourage single source procurements except in limited circumstances where there are legitimate reasons for doing so. The new contract can be cheaper or more costly to the City, and the associated financial impacts cannot be anticipated until we compare the lowest proposal with the existing contract or consider costs of operating facilities internally. Further, the benefits of proceeding with a single source procurement are not clear. Therefore City staff are not in a position to recommend a single source procurement at this time.

Undertaking the Transfer and Disposal Operations Review and preparing and issuing a Request for Proposals in 2008 will have no additional staffing impacts to the City because Waste Management has the necessary staff and resources in place.

POLICIES AFFECTING PROPOSAL:

The recommendations being put forward in this report are aligned with the following statements, plans and policies:

- The City of Hamilton’s new mission is to “provide high quality services in a fiscally and socially responsible, environmentally sustainable and compassionate manner in order to ensure a healthy, safe and prosperous community (environment)”.

• Public Works Strategic Plan is to “provide safe, strategic and environmentally conscious services that bring our communities to life”.

• Solid Waste Management Master Plan, Recommendation 2 states that “The Glanbrook landfill is a valuable resource, and the City of Hamilton must optimize the use of its disposal capacity to ensure that there is a disposal site for Hamilton’s residual materials that cannot be otherwise diverted”.

• Purchasing policies must be followed, including Policy # 5.5 (Policy for Request for Proposals).

RELEVANT CONSULTATION:
Legal Services Division, City Manager’s Office and the Purchasing Section, Corporate Services Department were consulted and are in support of the recommendations contained in this report.

CITY STRATEGIC COMMITMENT:
By evaluating the “Triple Bottom Line”, (community, environment, and economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. ☑ Yes ☐ No
The Glanbrook landfill operations can be improved to minimize off-site impacts, such as odours, dust and litter.

Environmental Well-Being is enhanced. ☑ Yes ☐ No
The Glanbrook landfill operations can be improved to minimize off-site impacts, such as odours, dust and litter. Leachate can also be minimized.

Economic Well-Being is enhanced. ☑ Yes ☐ No
Extending the operating life of the Glanbrook landfill would save money in the long run because it would postpone the City to find more costly alternatives to dispose the waste that is currently landfilled.

Does the option you are recommending create value across all three bottom lines?
☑ Yes ☐ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants?
☐ Yes ☑ No
Reviewing the motion has low impact on staff at this time.
Review of Minutes from Previous Meeting

Allan Freeman asked the members if there were any comments on the previous minutes and stated that the previous minutes have already been circulated and have been approved. There were no additional comments.

ITEM Action

1. Tour of landfill gas energy generators and enclosed flare
   Members of the GLCC were given a tour of the generators, enclosed flare and blowers that were recently delivered on site.

2. Landfill Gas Project Update
   Fabiano Gondim updated the GLCC on the progress of the construction of the landfill gas collection project. Fabiano showed the committee pictures of the generators being delivered on November 14, 2007. Most of the equipment has been delivered on site.
and are being installed. The well field is almost completed on schedule and only the west side of the collector pipes are remaining, which should take around 2 weeks to complete.

- Sheila May asked why there are areas on the plan that do not have any gas collection pipes. Fabiano indicated that the reason is because the design engineers decided that no gas collection would be required because those specific areas are older and therefore no significant gas is being generated on those specific areas.

- The City has most approvals in place, except for Hydro One approvals. The project completion date is scheduled for August 2008 and we are on target as long as there are no problems with Hydro One approvals and physical works.

- Once the enclosed flare comes on-line, we will disconnect the temporary flares because the new flare can handle the gas that is currently combusted by the temporary flares.

- The total cost of the project is $8 million dollars and the payback is four years. Hamilton Renewable Power Inc. will be getting 11 cents per kilowatt-hour and an additional 3 cents per kilowatt-hour incentive to produce the electricity on peak hours.

- Brook Ryan asked if the waste removal to install the trenches is completed and if City staff is still on site monitoring the construction. Frank Falcone indicated that City staff is not on site as much as before because the remaining construction is shallow and very little waste is being excavated. We will be completing the remaining shallow excavations in waste within 2 weeks.

- Mike Caruso asked what the annual revenue of the gas collection system would be and Fabiano Gondim said it would be around 2.5 million dollars annually.

- Frank Falcone indicated that when we go into Stage 3 of the landfill the gas collection pipes will be constructed as part of the operation of the landfill and there will be no digging into old waste and there will be no odours associated with excavations to install landfill gas collection system.

2. Air Purifier Units

- Fabiano Gondim said that all the 82 units were delivery to residents and we had an additional request for 2 units from one resident that delivered the waiver but got lost in our files. The City then found the waiver and had already delivered the units, so the final total was 84 air purifier units.

- Brook Ryan said the City may want to consider giving units to the residents who refused to sign the waivers. Fabiano Gondim said that the budget was totally spent and to get additional budget the City would have to go to council to do that.

3. Daily Cover

- Frank Falcone said the daily cover that we imported on site was around 14,000 cubic metres and has been almost used up because the material is wet with a high clay content, making challenging to spread thin layers of daily cover.
The City has received frequent enquiries from developers that want to dispose soils, so the City should be able to import more soils in 2008.

Fabiano Gondim said that another reason that we are currently using more clay is because we are placing interim clay cover on areas that we will not return for a while.

We will have additional clay when we expand Pond 3. The material can be used as daily and interim cover. We have around 20,000 cubic metres when we excavate Pond 3.

The City is preparing a C of A application to the Ministry of the Environment to expand the service area to accept soil. The GLCC agreed this C of A amendment will increase our chances to import the amount of soil that is needed.

4. Status of Leachate Mound

Frank Falcone indicated the leachate levels have not changed substantially over the years and asked the GLCC if it was necessary to produce the sections every meeting. The committee agreed to only produce the sections once a year at the February meetings.

Fabiano Gondim said the City is currently lowering the leachate levels in Cell 4. The City started to construct stone sinks in the vicinity of LM4. It was discovered when the gas collection system was being installed that there was a high level of leachate and this would decrease the collection of landfill gas in that particular area. The City decided to install stone sinks below the gas collection system in an attempt to lower the leachate level. The City applied for a C of A amendment to build stone sinks because this is a modification to the proposed gas collection design. The stone sinks consist of digging trenches as deep as 6 metres and filling them with clear stone.

Sheila May asked Ron Wright if all the sludge that came to the landfills was placed in Cell 4 and Ron indicated that the sludge was actually placed in Cells 5 and 6.

Frank Falcone said the best way to lower the leachate level in the landfill is to cap the landfill, shed the clean storm water to the ponds, minimizing the water from entering into the waste, and in turn produce less leachate. It is the City’s plan to build the waste to final grade and place final cover, so less water will infiltrate into the waste. Currently, there is no final cover on part of the top of the landfill in Stage 2 and that can be one of the reasons that we have high leachate levels in isolated areas of the landfill.

Sheila May asked if there is any way the leachate would break out and Frank Falcone said that to date it hasn’t and if the leachate level was high across the entire landfill we would probably have much more seeps than we historically have had. The City feels that the leachate level in LM4 is localized because of the fact that we do not see any seeps along the slope beside LM4.

Sheila May said that in the past the leachate collection system in Cell 4 was not installed properly. Frank Falcone said that the City installed a new leachate collection system in 2003 and if the new system did not work then the leachate would be high throughout the entire site, which is not the case.

City
Fabiano Gondim said that Sheila May had a question last meeting about the maximum leachate mound that is allowed in the landfill. The City has found reference in the old 1978 design and operation report that states that leachate would start to be pumped out of the landfill when the leachate mound reaches 3 metres. It was clarified that this 3 metre limit was not related to environmental protection or maximum allowed hydraulic head, it was strictly an operational trigger for pumping.

Sheila May quoted from a hearing report that the leachate mound would not be higher than the surrounding water table so there would always be an inward gradient towards the middle of the landfill.

Frank Falcone advised the inward gradient is what exists since the installation of the new perimeter collection system in 2003. The perimeter pipes draw down the leachate around the edge of the landfill so there is always an inward gradient towards the middle of the landfill at the waste limits.

5. Pond Data

Frank Falcone handed out the pond data and indicated that there has been no discharge of water since the last meeting. Latest pond data indicated that the ponds are cleaner due to the City’s cover restoration program, placement of interim cover and other best management practices that have been improved.

6. Tree Planting Program

Fabiano Gondim said that the City has set up a tree-planting program with the City’s Forestry department to do regular tree planting and watering trees every year, which started this Fall. A total of 150 trees will be planted by spring 2008.

7. Landfill Operations contract

Allan Freeman asked when the current contract with Waste Management of Canada Corporation expires and Fabiano Gondim said that would be in December 2009.

Allan Freeman remarked that he feels the current contractor is doing a good job and brought the following motion.

Whereas the current contract between the City of Hamilton and Waste Management of Canada Corporation for the management of the Glanbrook Landfill is nearing completion.

And whereas there will be many changes at the landfill in the next few years e.g. Stage 3.

And whereas the present contract seems to be working well.

Therefore it is the opinion of the GLCC that based on past and present experiences at the landfill that the City of Hamilton should attempt to negotiate an extension of the contract for the landfill management with Waste Management of Canada Corporation.

Sheila May said that the residents are concerned about a new contractor coming in and running the landfill. She feels that it is a critical time with the new gas collection system being installed and that the existing contractor dealt with odour complaints in a timely manner.
<table>
<thead>
<tr>
<th>ITEM</th>
<th>ACTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>☰️ Brook Ryan said that it is his opinion that the existing contractor is doing a great job and they should not be replaced.</td>
<td>City</td>
</tr>
<tr>
<td>☰️ Fabiano Gondim stated that the City’s Legal Services opinion is that if we do not issue a Request for Proposals other contractors may potentially take actions against the City because we would be preventing their ability to bid on the contract. Secondly, the City’s Waste Management would also not support extending the existing contract, as it is old and does not provide the control that the City should have.</td>
<td></td>
</tr>
<tr>
<td>☰️ Andy Fevez said that recommending that the City should renew the contract with WMCC is beyond the GLCC role. The GLCC role should be to provide an opinion on performance of the existing contractor.</td>
<td></td>
</tr>
<tr>
<td>☰️ Councillor Mitchell said that Scott Stewart and Beth Goodger could recommend sole source the contract but they probably will not do it. Through past experiences Council does not like to recommend sole source for any reason as it also sends out a bad signal to other contractors who wish to bid on the contract. In addition, contract extensions should not be longer than a couple of weeks or months, as a temporary basis, while a new contract is tendered/negotiated.</td>
<td></td>
</tr>
<tr>
<td>☰️ Allan Freeman stated that the motion is that the GLCC recommend that the City should attempt to negotiate WMCC to extend the contract, and whether any result will come out of the negotiation would be decided by the City’s Waste Management Division.</td>
<td></td>
</tr>
<tr>
<td>☰️ Andy Fevez said he would support a motion that they are pleased with WMCC but would not go any further.</td>
<td></td>
</tr>
<tr>
<td>☰️ Sheila May stated that the residents should review the terms of the new contract as they are the ones that are affected by landfill operations.</td>
<td></td>
</tr>
<tr>
<td>☰️ Councillor Dave Mitchell said the challenge of preparing a RFP is addressing all the concerns of the residents and the GLCC and expressing the satisfaction in the past. We need to make sure that just because one contractor bids low does not necessarily mean that you have to replace WMCC. There is quite an art to writing an RFP so the City is not exposed to a lawsuit.</td>
<td></td>
</tr>
<tr>
<td>⚫ The motion was moved by Sheila May. Seconded by Brook Ryan. The motion was carried.</td>
<td>City</td>
</tr>
</tbody>
</table>

8. Waste Reduction Task Force Update

Mike Carusos updated the GLCC on the WRTF issues and said that the biggest issue right now is the one container limit. The feeling is that most councillors want a phased in approach but the way it is worded right now is that it is not a phased approach. Most residences put out 1.2 containers per household so we are not far off the 1.0 limit. 

Sheila May asked if information can be distributed in various languages. Mike Carusos responded by saying that this suggestion was discussed in the past, but he was not sure about the outcomes. 

Mike Carusos said that if we did go to one container limit it would probably put pressure on the manufacturing companies to minimize packaging. |
Mike Caruso said that this will be his last meeting since he has reached the maximum 2 terms on the WRTF and would not be attending GLCC meetings.

9. **New Business**
   - No new business

**NEXT MEETING** – Monday, February 25th, 2008 @ 4:30 pm

Minutes prepared by Frank Falcone, reviewed by Fabiano Gondim and approved by the GLCC on December 19, 2007.