SUBJECT: Transit Ends-of-Line Litter Control Agreement - Community Living Hamilton (PW08108) - (City Wide)

RECOMMENDATION:

(a) That the Director of Transit be authorized and directed to renew the HSR Ends-of-Line Litter Control Agreement with Community Living Hamilton for the years 2008 through 2010 at a total three year cost of $248,952 plus GST;

(b) That the 2008 incremental cost totalling $7,128, plus GST, be funded from account # 55916-530200 Contractual Services;

(c) That the 2009 and 2010 incremental cost ($2,919 and $4,938 respectively) be included as an operating pressure to the 2009 and 2010 Transit operating budget submission.

John Mater, C.E.T.
Acting General Manager
Public Works

EXECUTIVE SUMMARY:

Community Living Hamilton (CLH) provides litter control and cleaning services to the Transit Division through their Employment Access Program. CLH clients work in mobile crews, supervised by a job-skills coach. The crews make seventy visits per week to bus loops, ends-of-line and terminals to perform litter pick-up, sweeping and cleaning tasks. The crews consist of workers who, through Council direction, were accommodated when the transit shelter agreement between Viacom Outdoor (now CBS Outdoor) and the City was implemented in 2001.
The scope of work and fee schedule is specified in a written agreement between the Transit Division and CLH and is summarized in Table 1 of this report. The agreement has expired and must be renewed.

The expired agreement had an annual fee of $73,264 plus GST, fully funded through the Transit operating budget. The renewed three-year agreement contains a fee increase of 8% in 2008, 4% in 2009 and 6% in 2010. This will increase 2008 Transit expenditures by $6,128.

Staff is recommending that the agreement with CLH continue because it provides the Transit Division with a cost effective solution to manage litter and cleaning at route ends-of-line. Additionally, the program provides a social and economic benefit through the provision of employment opportunities and job training for intellectually handicapped adults.

**BACKGROUND:**

The information/recommendations contained within this report have City wide implications.

For more than twenty years, the Transit Division and Community Living Hamilton (CLH) have enjoyed a strong working relationship through the operation of a program that allows intellectually handicapped adults to receive job skills training and provides the Transit Division with a cost-effective approach to dealing with the litter generated at bus loops and transit terminals.

When the Hamilton transit shelter agreement extension with Viacom Outdoor (now CBS Outdoor) was approved by Council on June 26, 2001 (Committee of the Whole Report 01-021, item 27), Transit staff were directed to ensure that CLH workers no longer required by Viacom would be accommodated for the life of the agreement. Negotiations with CLH continued through 2002 and, in 2003, these workers were subsequently incorporated into the CLH litter control program and the program was expanded to provide litter control in the downtown and janitorial duties at Lime Ridge Terminal.

The three year agreement negotiated between Transit and CLH in 2003 has expired. In addition to litter control at ends-of-line and bus loops, it provided for cleaning services at the Lime Ridge Terminal bus operator washrooms, periodic sweeps of the sidewalk areas that comprise the downtown bus transfer points and regular litter pick-up from the grounds of the Mountain Transit Centre.

During 2007, negotiations between Transit and CLH were on going, with Transit requesting CLH to consider a modified program that would potentially reduce service levels in order to minimize the impact on the Transit budget or otherwise reduce the magnitude/timing of their requested price increases. During this period, CLH continued to provide service on a month-to-month basis, under the terms of the expired agreement.

**ANALYSIS/RATIONALE:**

The problem of litter is not unique to Transit. The provision of clean transit facilities reflects positively on the bus service and is important in maintaining the image necessary to retain existing passengers and attract new riders.
The previous agreement covering the period April 2003 through April 2006 was priced at a fixed rate of $73,264 per year, plus GST. Recently, CLH operations have been subject to cost increases, driven mainly by escalating prices for fuel and cleaning supplies.

The proposed agreement encompasses the same scope of work as was contained in the 2003 to 2006 fixed-price agreement. The 2008 to 2010 agreement provides for an initial 8% price increase in the first year and increases of 4% and 6% in years two and three. CLH has requested this change in the agreement in order to cover increases in their operating costs. Given the overall nature of the work, these increases are considered reasonable.

The proposed annual price increases contained in the new agreement will allow CLH to continue to deliver quality service in a financially sound manner. Table 1 displays the annual prices to be charged, broken down by task area.

### Table 1

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<tr>
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<td>TOTAL</td>
<td>$73,264</td>
<td>$79,392</td>
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<td>$87,249</td>
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**ALTERNATIVES FOR CONSIDERATION:**

Staff attempted to negotiate a reduced service level with CLH, in order to mitigate the budget impact. However, CLH advised that they were unable to accommodate this within their business plan model. The present service level supports the minimum number of staff to ensure the viability of their Community Options Program.

The recommendation for a contract renewal represents the best value relative to the service being provided in-house or privately.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

Financial

The program’s annual cost has remained at $73,264 from 2003 to 2007. The renewed agreement for the 2008 to 2010 period provides for an initial 8% price increase in the first year and increases of 4% and 6% in years two and three (2008 - $79,392, 2009 - $82,311, 2010- $87,249). Additionally, CLH has requested a one-time charge for cleaning supplies of $1,000 in the first year. Internally, CLH has made supplier and budgetary arrangements to secure cleaning supplies on a longer-term basis, such that
they do not anticipate additional charges for cleaning supplies in the second and third years. The proposed agreement will result in an increase in Transit’s 2008 litter control expenditures of $7,128. These costs can be funded from account #55916-530200, Contractual Services in 2008.

POLICIES AFFECTING PROPOSAL:

Public Works Vision for 2017 is to be recognized as the centre of environmental and innovative excellence in Canada. The Transit Ends-of-Line Litter Control Agreement with Community Living Hamilton (CLH) aligns with the four drivers that support this vision. The agreement extends the services that have been provided by a trusted community partner for more than a generation. During this time, CLH crews have developed a high degree of expertise to deal with the challenges of litter control. CLH provides a service level that keeps the ends-of-line looking clean and tidy, which helps to enhance Transit’s image in the community. The services are provided at a reasonable cost and the agreement provides the certainty to allow Transit to budget for this expense over a three year period.

RELEVANT CONSULTATION:

Public Works Operations and Maintenance have advised that their litter control programs are at full capacity. Consequently, they are unable to provide this service to Transit.

CITY STRATEGIC COMMITMENT:

By evaluating the “Triple Bottom Line”, (community, environment, 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
Partnerships are promoted.

Environmental Well-Being is enhanced. ☑ Yes  ☐ No
Waste is reduced and recycled.

Economic Well-Being is enhanced. ☑ Yes  ☐ No
A skilled, innovative and diverse workforce is attracted and retained.

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