

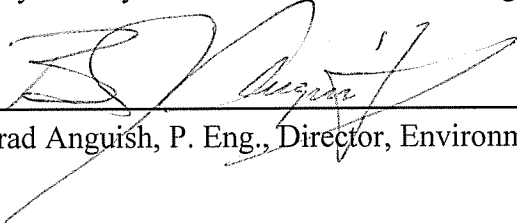


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Halifax Regional Council
September 28, 2004

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: 
Brad Anguish, P. Eng., Director, Environmental Management Services

DATE: September 17, 2004

SUBJECT: **Collection and Transportation of Source-Separated Solid Waste - Contractor Performance in Halifax (Area 1)**

INFORMATION REPORT

ORIGIN

Request at the August 31, 2004, Session of Regional Council for a report on the service performance of the source-separated solid waste collection contractor in Halifax (Area 1) for the period around August 19th to August 24, 2004, including contingency plans, communications protocols and penalties applicable for unsatisfactory service.

BACKGROUND

On Thursday, August 19, 2004, Enviro Care Services (the collection contractor for Halifax, Area 1) began to experience delays in completing refuse, organics and recyclables collection. Initially, organics collection for residents in the Fairview - Clayton Park area (Thursday's collection area) was delayed to Friday, August 20th. Collection of refuse, organics and recyclables for residents in the Armdale-Spryfield area to be serviced Friday, subsequently experienced significant delays in service into Saturday, August 21st and beyond. Some recyclables collection from Friday was not completed until Tuesday morning, August 24th. Recyclables collection for residents of southend Halifax with collection on Monday, August 23rd was also delayed until Tuesday morning, August 24th.

DISCUSSION

**1) Contractor Incident of Significant Collection Delays August 19th to 24th -Halifax
(Area 1)**

Staff have had discussions and correspondence with Enviro Care with regards to the recent incidents of significant delays in collection service from the period August 19th to the 24th in Halifax. Enviro Care have advised that a combination of factors occurred together to cause this incident including:

- ▶ a number of driver staff being off work unexpectedly;
- ▶ fleet equipment breakdowns;
- ▶ inability to access trained back-up drivers; and
- ▶ inability to obtain subcontracted fleet.

Enviro Care have indicated that the simultaneous occurrence of these issues resulted in the unacceptable delay in the collection services in Halifax.

a) Applicable Penalties

The contract for residential collection service requires that Enviro Care "... supply whatever additional collection vehicles are necessary to adequately handle weekly and/or seasonal variations in the amount of material placed for collection." The contract also states "... there will be periods of the year when considerable amounts of materials will be placed out and it will be the Contractor's responsibility to provide sufficient vehicles, cart lifters, personnel and labour to handle these seasonal peaks with each Area to be completed on its scheduled day."

The contract provides for the application of liquidated damages to the payment amount of a contractor for each incident and category of non-performance. Two of the categories of non-performance are "Late collection after time specified" and "Failure to complete collection route or street(s) on day required". For the period from August 19th to the 24th, Enviro Care was assessed liquidated damages (per the contract) in the amount of \$7,450.

b) Contractors' Contingencies - Equipment and Personnel

Enviro Care's normal contingencies failed, particularly for the collection service on Friday, August 20th in the Armdale-Spryfield area. Normal contingencies, if collection is not progressing to meet service times, are to engage spare fleet or subcontracted fleet, with trained back-up drivers and helpers available. As noted above, Enviro Care has advised that a combination of factors occurred together with respect to equipment and personnel to cause their contingency plan to fail.

c) **Communications Protocols**

Normal procedures for communication of late pick-up on collection days are:

- Contractor advises HRM staff by mid-afternoon of their service status, and whether they expect to be late in completing collection for refuse, organics or recyclables;
- relay specific areas affected, i.e. streets;
- the Contractor's customer service line is available to respond to calls from the public regarding service times and collection issues;
- if there are collection delays, the contractor also directly contacts the HRM Call Centre to update the status of collection throughout the evenings and/or weekends.

When HRM staff are aware of expected late collection incidents, HRM staff communication protocols are:

- notification to the Call Centre, Councillors' Office and Councillors as to the collection status and expected completion time;
- the HRM Call Centre Customer Service number (490-4000) is advertised as the central contact for providing information on HRM public services;
- **the contractor also updates the HRM Call Centre after hours "Control Line" to advise of status in the evenings and on weekends.**

Solid Waste staff work very closely with the Call Centre staff, providing timely and accurate information for the customers we serve. When customers call and the Call Centre staff require additional information, they have access to both an HRM Solid Waste Resources staff member's cell phone (after hours) to contact, and the contractor's contact numbers.

Generally, in instances of lateness, the contractor engages enough extra fleet, drivers and helpers on a collection day to help mitigate the lateness and complete the collection early in the evening of the same day. In typical instances of late collection caused by such things as truck breakdown, delays from street construction, unusual quantities, etc., this has worked reasonably well in responding to the public when they call.

For the period from August 19th to the 24th, Enviro Care did not provide:

- accurate information as to the extent of their fleet and staff issues that began on August 19th;
- the degree to which they would be late;
- actual realistic expected completion times; or
- realistic updates (over time) about collection completion in the areas.

In the majority of past occurrences of late collection with this contractor and other contractors, the contractor has generally provided reasonably accurate and realistic information about expected completion times. Certainly, this has been the usual case as it seems to be in the contractor's best interest to communicate realistic service delivery times so that HRM and the public will know what to expect.

2) Action Plan to Address Contingency and Communications

Staff have followed up with Enviro Care and the following action plan has been developed to address contingency and communications for collection services:

- a) Enviro Care has:
 - purchased an additional collection vehicle to add to their fleet;
 - committed to hiring an additional driver/manager to assist in handling seasonal peaks and additional collection services like weekly summer organics collection;
 - committed to recruiting additional drivers to have a total of 13 regular drivers on staff, plus managers with driving capability who will provide more staffing contingency.
- b) HRM staff will:
 - continue to be in contact with the contractor staff several times a day with respect to collection services;
 - if delays are expected in service times due to issues identified early in the day, a general notification will be issued indicating this and advising updates will occur later in the day;
 - formally assess collection progress by 2:00 p.m. each day, to accurately identify and communicate any issues that will result in a collection delay. Enviro Care will then provide a realistic update on the issues (including accurate information on the extent of any equipment or personnel shortages and what is occurring to mitigate) and a realistic estimate of collection completion times;
 - in addition to the regular communications channels, including the Contractor's customer service line, HRM Solid Waste Resources staff, Call Centre, Councillors' office and Councillors, if it is expected that there will be significant delays, a PSA will be prepared and issued outlining the expected service delays, the expected collection times and areas; and
 - an updated assessment will occur again at 4:00 p.m.
- c) HRM has met with, and is having Enviro Care prepare an updated and acceptable communications plan and protocols for their firm's delivery of collection services to HRM. The plan and protocols will stress timeliness and accuracy of service delivery information.
- d) HRM has notified Enviro Care of the portions of the contract that relate to and address failures in service delivery and has requested a longer term plan from Enviro Care to ensure service times are met consistently.
- e) HRM staff have also developed some back-up contingency fleet capacity to assist in completing collection in Halifax should Enviro Care experience significant delays. As per the contract, charges for this back-up contingency fleet, if it were engaged by HRM to complete collection services, would be at Enviro Care's cost.

Collection and Transportation of Source-Separated Solid Waste - Contractor Performance in Halifax (Area 1)

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September 28, 2004

- f) The contract allows for changes in collection day boundaries, as approved by the Manager, based generally on improved service delivery and balancing daily tonnages and route and fleet requirements. Fairview-Clayton Park (Thursday collection) and Armdale-Spryfield (Friday collection) have grown more significantly over the last number of years than other areas of Halifax. Enviro Care has proposed potential changes to collection day boundaries to balance route and fleet requirements and improve service delivery.

HRM will review these potential scenario(s) with Enviro Care with the potential for introduction in the coming months with comprehensive communications pieces, including a notice delivered to each house, as a requirement of the contract to notify residents and Council of any changes in day boundaries. Subject to the acceptability as determined by staff, the changes in collection days would not be implemented until the new year.

3) City Watch

At the August 31, 2004, Regional Council meeting, Councillor Warshick enquired if it would be possible to utilize City Watch to provide information to residents in situations like these.

This request was previously addressed in a Council Report dated September 9, 2003 (report attached) which advised that staff had followed up with City Watch program administrators and were advised that the program's focus is to provide information and notices to residents respecting issues of public safety. Notification respecting waste collection is not consistent with the City Watch program goals and objectives and was not recommended. *Staff has revisited the above and have been advised the status of the program has not changed and therefore would not recommend this communication vehicle at this time.* HRM does have, however, direct entry to the Community Radio FM station 97.9 for municipal notices respecting operational items such as HRM Transit services, construction delays, and can include information on significant Solid Waste Collection delays.

Summary

During the period of August 19th to 24th, Enviro Care failed to provide satisfactory service. Enviro Care has committed to securing additional resources (i.e., collection vehicles, staff) to ensure satisfactory service levels for the remainder of the contract.

It is noted that July and August of 2004 was the first summer that weekly green cart service was provided in urban/suburban HRM. Many residential collection contractors, not knowing if the service is required for the remaining three summers of the contract, utilized existing back up collection vehicles or rented, leased or shared collection vehicles, rather than purchase a fleet that may not be required for the remaining three summers of the five-year contract. Clarity of the provision of weekly summer green cart collection in future summers would enable the collectors to solidify their capital equipment requirements for the remainder of the contract.

Enviro Care has been penalized \$7,450 in liquidated damages for the incidents of poor service in August. Staff has developed a contingency plan, at Enviro Care's cost, should future incidents be experienced. Staff will ensure that the HRM corporate theme "Excellence in Customer Service" is upheld during the remainder of the contract.

BUDGET IMPLICATIONS

The \$7,450.00 in penalties levied against Enviro Care Services will be retained in Solid Waste Resources collection account # R322-6399.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN IMPLICATIONS

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

There are no recommended alternative.

ATTACHMENTS

Staff report dated September 9, 2003.

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Robert Orr and Laurie Lewis, HRM Solid Waste Resources at 490-5960

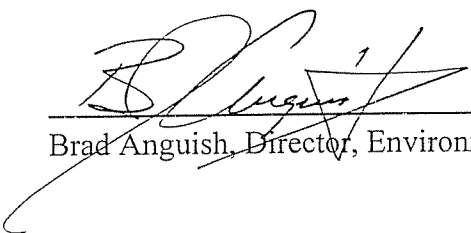
Report Approved by: Jim Bauld
Jim Bauld, Manager, Solid Waste Resources at 490-6606



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Halifax Regional Council
September 9, 2003

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: 
Brad Anguish, Director, Environmental Management Services

DATE: August 29, 2003

SUBJECT: Questions - Collection Services Contract

INFORMATION REPORT

ORIGIN

At the Regional Council meeting on August 19, 2003, Councillor Warshick requested a staff report to address questions with respect to the collection services contract.

- Question #1: What plan of action is in place to inform residents when refuse pickup is missed?
- Question #2: Has HRM started implementing fines for nonperformance under the contract?

BACKGROUND

Implementation of the new 5 year collection contracts began on July 2, 2003. Expectations for performance are built into this new contract.

HRM conducts daily monitoring of Contractor's performance for compliance with the works and service delivery requirements of the Contract. The tools used to review contractor's performance includes:

- a) Daily collection logs and records from receiving facilities (provides details as to the collection completion times);

- b) Hansen reports by collection Area (reveals the number and nature of public complaints/inquires received by HRM);
- c) Notifications received from facilities (shows the noncompliance with operational and safety procedures upon delivery of materials); and
- d) Audits conducted at both the compost and recycling plants (monitors contamination and the level of stickering activity in each collection area).

DISCUSSION

Question #1: What plan of action is in place to inform residents when refuse pickup is missed?

When materials (including refuse/organics/recyclables) are missed due to equipment breakdowns, new drivers unfamiliar with routing and/or weather related issues, the hauler responds by contacting the HRM Customer Service Call Centre and Solid Waste staff to advise residents to keep their materials curbside for collection the same day or within 24 hours. HRM Solid Waste personnel notify the respective District Councillor when the hauler will return to collect. The HRM Call Centre Customer Service line (490-4000), upon receiving notification from the hauler or Solid Waste staff, then relay to the customer calling that collection will occur, however it is delayed.

The HRM 490-4000 customer service line is included in all HRM advertising via radio, TV campaigns, all newspaper advertisements and is included in every communication and education brochure (Householders 4 stream waste/resource guide) and collection calendars distributed to all households in HRM. In the case of complaints or inquiries received by the call centre agents, where they have not received any notification with respect to lateness or missed collection by the hauler, the agent from the call centre can contact Solid Waste staff for advice. The customer will receive a phone call back and the hauler will return to collect the same day or within 24 hours.

Staff will emphasize the 490-4000 phone line for residents with solid waste questions in the next edition of the Naturally Green Newsletter slated for distribution in October 2003. This will include a "Did You Know" for residents experiencing delays or missed collection to call 490-4000.

Staff has been asked by Councillor Warshick to look into how solid waste collection notifications could be integrated into the "CityWatch" program. Staff followed up with CityWatch program administrators and were advised that this program's focus is to provide information and notices to residents respecting issues of public safety. Notification respecting waste collection does not fit with the CityWatch program goals and objectives and was not recommended at this time.

Question #2: Has HRM started implementing fines for nonperformance under the contract?

Deductions for nonperformance are provided in the new collection contract. During the first six week period (July 2 - August 8), Solid Waste provided the haulers with a transition period whereby deductions were not used. During this period both the collectors and HRM residents became accustomed to the new routes and collection times. The collectors worked with HRM and returned to collect where streets were missed or residents missed collection in not having materials placed for collection by collection start times: 7:30 a.m. in Halifax and Dartmouth; 7:00 a.m. in the rest of HRM.

The transition period concluded on August 8th and staff have applied deductions in one collection area where incidents of noncompliance have occurred.

Deductions in the contract are referred to as Liquidated Damages which are applied to the monthly invoice. The contract refers to categories of performance and key deliverables that are important to HRM respecting collection, lateness, education (i.e. stickering) and customer service.

BUDGET IMPLICATIONS

N/A

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN


This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

N/A

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Laurie Lewis, Collection Processing Coordinator 490-7172

Report Approved by: 
Jim Bauld, Acting General Manager, Solid Waste Resources 490-6606