

## Report to Civic Works Committee

**To:** Chair and Members  
Civic Works Committee

**From:** Kelly Scherr, P.Eng., MBA, FEC  
Deputy City Manager, Environment & Infrastructure

**Subject:** Operations and Management of Three City of London  
EnviroDepots

**Date:** September 10, 2024

## Recommendation

That, on the recommendation of the Deputy City Manager, Environment & Infrastructure, the following actions **BE TAKEN**:

- a) Civic Administration **BE DIRECTED** to negotiate a single source agreement for the procurement of Oxford Street and Clarke Road EnviroDepots Operations and Management services as per Section 14.4(d) and (e) of the Procurement of Goods and Services Policy with Try Recycling Inc. for a term of one (1) and a one (1) year extension option at the sole discretion of the City starting January 1, 2025, IT BEING NOTED that the award and final contract will be subject to approval by Council;
- b) Civic Administration **BE DIRECTED** to negotiate a sole source agreement for the procurement of the continued use of the North end EnviroDepot located at Try Recycling, 21462 Clarke Rd. and for the Operations and Management services as per Section 14.3(c) of the Procurement of Goods and Services Policy with Try Recycling Inc. for a term of three years with two (2), one (1) year options at the sole discretion of the City starting January 1, 2025, IT BEING NOTED that the award and the final contract will be subject to approval by Council; and
- c) Civic Administration **BE DIRECTED** to prepare a Request for Proposal for the EnviroDepot Operations and Management Program (Oxford Street and Clarke Road) starting January 1, 2026 for four (4) years plus three (3), one (1) year option years at the sole discretion of the City.

## Executive Summary

### Background

The City of London administers four multi-material EnviroDepots including operating the one located at the W12A Landfill. Try Recycling won competitive bids on three previous occasions through the RFP process (2002, 2009, 2016). Including these contracts they have been the City's EnviroDepot service provider since 2003, and they have demonstrated excellent customer service throughout this period.

### Purpose and Rationale for the Actions in this Report

The purpose of the actions and recommendations are to address these circumstances:

1. EnviroDepot Operations in 2025 will have to be adjusted to accommodate a construction project at the Clarke Road EnviroDepot
2. North end EnviroDepot location is currently only available at the current location at Try Recycling (Figure 1)
3. Future Request for Proposal for EnviroDepot Services may need to accommodate potential changes associated with extender producer responsibility regulations that are not known yet

## Next Steps

This report recommends proceeding with single source and sole source negotiations with Try Recycling for EnviroDepot operations and management. Procurement and Supply has reviewed the rationale for both the single source and sole source negotiations and supports the decision.

## Financial Impact/Considerations

The budget to operate and maintain the EnviroDepots is contained within the adopted 2024-2027 Multi-Year Budget. The financial matters associated with the negotiated agreements will require Council approval.

## Linkage to the Corporate Strategic Plan

Municipal Council continues to recognize the importance of waste management and the need for a more sustainable and resilient city in the 2023-2027 Strategic Plan for the City of London. Specifically, London's efforts in waste management address the following Areas of Focus; Climate Action and Sustainable Growth and Well-Run City.

On April 12, 2022, Municipal Council approved the Climate Emergency Action Plan which includes Area of Focus 5, Transforming Consumption and Waste as Part of the Circular Economy. In addition, the 60% Waste Diversion Action Plan, including EnviroDepot services, addresses various aspects of climate change mitigation within the waste management services area including greenhouse gas (GHG) reduction.

## Analysis

### 1.0 Background Information

#### 1.1 Previous Reports Related to this Matter

Relevant reports that can be found at [www.london.ca](http://www.london.ca) under Council meetings include:

- Short-term Contract Amendment for EnviroDepot Operation and Management Program (October 4, 2022 meeting of the Civic Works Committee (CWC), Item #2.3)
- RFP 16-37 EnviroDepot Operations and Management Program Contract Award (October 4, 2016 meeting of the CWC, Item #11)
- Update: Interim Waste Diversion Plan (2014-2015) and Additions for 2016 (February 2, 2016 meeting of the CWC), Item #15)
- RFP 15-42 Yard Material Composting, Irregular Bid, (November 3, 2015 meeting of the CWC, Item #14)

#### 1.2 Background

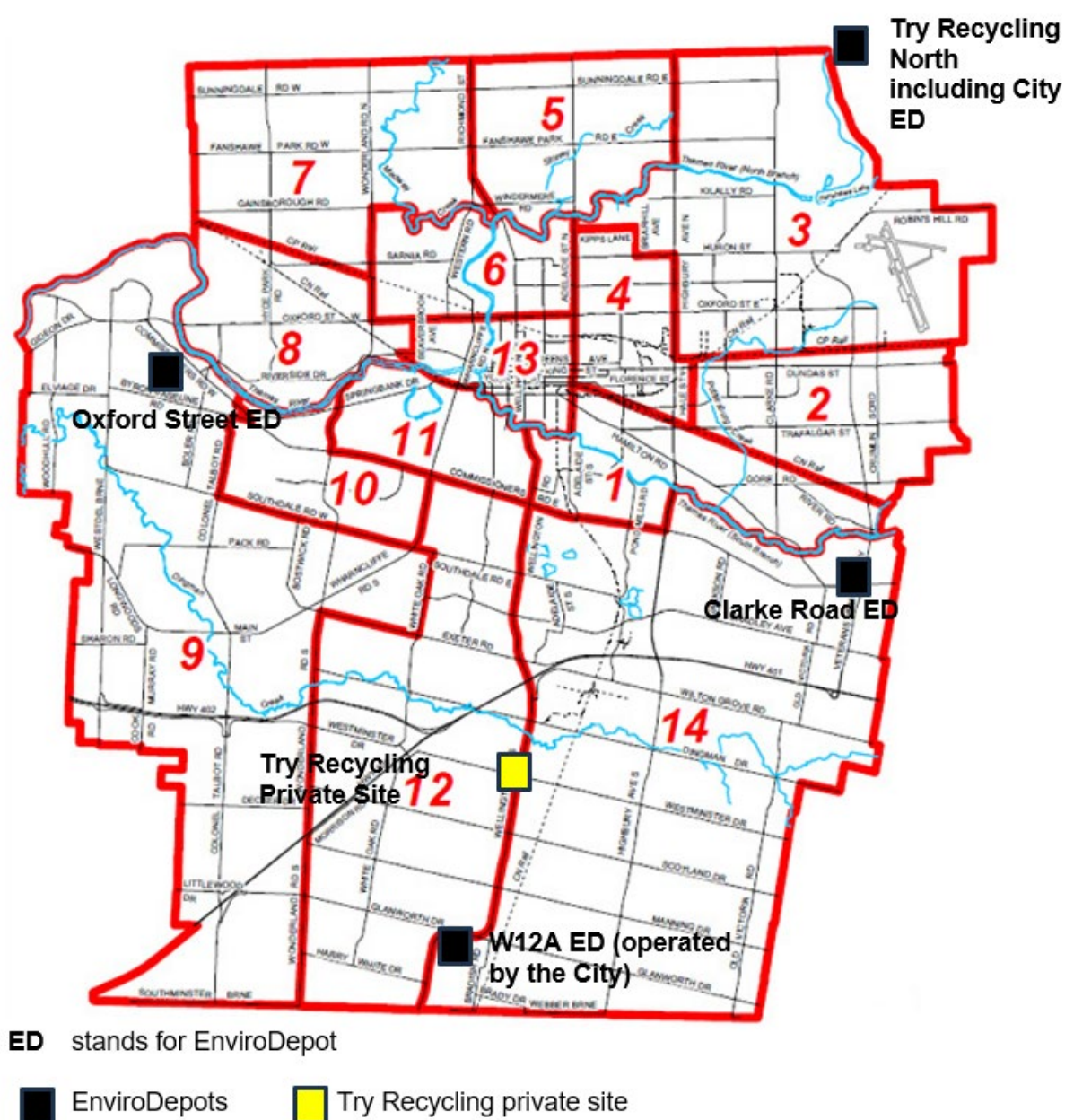
The City of London administers four multi-material EnviroDepots including operating the one located at the W12A Landfill (Table 1).

**Table 1: Location and Operations of London's EnviroDepots**

Area	Location	Operated by
North	A separate location at the Try Recycling facility at 21462 Clarke Rd., just north of Sunningdale Road East	Try Recycling
South	A separate location as part of the W12A Landfill, 3502 Manning Drive	City of London
East	28 Clarke Road, just north of Hamilton Road	Try Recycling
West	1450 Oxford Street West, just west of Sanatorium Road	Try Recycling

The location of the four EnviroDepots is shown on the next page (Figure 1).

Figure 1: Network of EnviroDepots in Relation to the Ward Boundaries



Try Recycling was the successful proponent of Request for Proposal (RFP) 16-37 awarded by Municipal Council in October 2016. The contracted service includes all aspects of the daily operation of the EnviroDepots at Oxford Street and Clarke Road locations, including staffing, on-site management and transportation of many depot materials (i.e., there are separate contracts for transport and processing of other materials such as electronics, tires).

At the same time, Municipal Council approved the submission for Try Recycling to operate a North end EnviroDepot at Try Recycling's Operations Yard located at 21462 Clarke Road (works yard located Middlesex Centre, on the boundary of London). This is on private property with special arrangements made for public access to the EnviroDepot area.

Materials handled at the EnviroDepots are listed on Table 2.

**Table 2: Materials Currently Managed and Services Provided at EnviroDepots**

No Charge	Fee Charged
<ul style="list-style-type: none"> <li>• Bikes (repairable)</li> <li>• Batteries</li> <li>• Blue Box recyclables</li> <li>• Compact fluorescent light bulbs and tubes</li> <li>• Electronics</li> <li>• Empty oil and anti-freeze containers</li> <li>• Fats, vegetable oil and grease</li> <li>• Goodwill donations (Oxford only)</li> <li>• Propane tanks</li> <li>• Scrap metal</li> <li>• Tires</li> <li>• Yard materials (except grass clippings)</li> </ul>	<ul style="list-style-type: none"> <li>• Appliances (fees may apply)</li> <li>• Construction and Renovation materials \$29 minimum load, \$57 per car/SUV load, \$79 per pick-up truck/van load, \$79 per single axle trailer load</li> <li>• Grass clippings, \$2.00 per bag</li> <li>• Household bagged garbage, \$2.00 per bag</li> </ul>
Sales and/or Items Provided	
<ul style="list-style-type: none"> <li>• Blue Boxes</li> <li>• Composter and digesters</li> <li>• Garbage tags</li> <li>• Fats oil and greases (FOG) Cups</li> <li>• Landscaping materials (small volumes)</li> </ul>	

Since the start of the current contract with Try Recycling, customer visits to all EnviroDepots have increased year over year (Table 3). Between 2017 and 2023, the number of visits has increased at Oxford EnviroDepot by over 185% and Clarke South by over 160%. During this same period, the use of the North end Try EnviroDepot increased by 77%.

**Table 3: EnviroDepot Customer Visits and Annual Increase**

	2017	2018	2019	2020	2021	2022	2023
Oxford Street Visits	185,097	219,617	236,521	375,007	439,728	489,714	532,189
Increase		19%	8%	59%	17%	11%	9%
Clarke Road Visits	100,668	119,716	126,189	190,359	229,819	250,448	263,456
Increase		19%	5%	51%	21%	9%	5%
North end Try Site Visits	19,865	23,213	25,823	29,582	33,344	34,030	35,244
Increase		17%	11%	15%	13%	2%	4%

### 1.3 Purpose and Rationale for the Actions in this Report

The purpose of the actions and recommendations in this report are to address the following circumstances:

1. EnviroDepot Operations in 2025 - A major reconstruction at the Clarke Road EnviroDepot in 2025 will result in the EnviroDepot being closed for about six months. This will impact customers that currently use this location. Access to an interim location will be needed.
2. North end EnviroDepot Location - There are currently no approved public or private locations in the north end of London that can accept the materials handled at the

EnviroDepots other than at Try Recycling (works yard located in Middlesex Centre, on the boundary of London). The City is undertaking a review of opportunities to locate a North end EnviroDepot as part of a proposed north end works yard similar to the Exeter Road Operations Centre (EROCC) however this timing is a few years away and subject to discussion in the next Multi-Year Budget deliberations.

3. Future RFP - In 2026, the EnviroDepots may handle more of these materials, the same amount or less. However, what mix of materials to be handled will not be known until sometime in 2025; therefore more time is required to finalize the EnviroDepot requirements for an RFP for services.

## **2.0 Discussion and Considerations**

### **2.1 EnviroDepot Operations in 2025 - Continue Services with Try Recycling for Oxford Street and Clarke Road EnviroDepot Operations**

As noted above, in 2025, the Clarke Road EnviroDepot will require a 6 month closure to accommodate a major construction (rebuild) project. Also, in 2025, several repair projects will be undertaken at Oxford EnviroDepot that will require re-alignment of customer service areas within the Enviro Depot.

To accommodate the Clarke Road closure, users would be re-directed to the North end EnviroDepot (subject to Council's approval) and one other "equivalent EnviroDepot" that is currently owned and operated by Try Recycling on Dingman Drive (see Figure 1 for location). This will minimize disruption to customers and minimize potential consequences such as illegal dumping.

Working with the existing contractor (Try Recycling) that is very knowledgeable about site operations and customer behaviour having operated the EnviroDepots for more than 25 years will be very advantageous to the City.

City staff recommend negotiating a one year contract with a one year option year using the existing contract terms as the basis of the new contract noting that that some clauses may require adjustments due to inflationary impacts on certain items (e.g., fuel charges, additional labour rates). The cost to operate three EnviroDepots in 2023 was approximately \$1,350,000 which included operations, management and transportation services.

### **2.2 North end EnviroDepot Location - Continue Services with Try Recycling**

Try Recycling represents the only current approved location in the north end to have a north end EnviroDepot. The City, through Fleet and Facilities and Realty Services, are reviewing options for a north end City-owned works yard that may have room for an EnviroDepot. It is expected that this project, including financing, would not be approved until 2028.

Should Council wish to continue providing easier access to the growing north end population, there are no other choices available for 2025 as approved facilities do not exist. The ability to operate a North end EnviroDepot as a stand alone operation would be costly for other businesses unless it was part of larger complex where shared facilities, equipment and resources exist. Should a contractor wish to enter this business area, it would require about one or two years for Provincial approvals, municipal approvals and construction meaning the earliest another private operator could be available would be January 1, 2027.

During this proposed Sole Source period of January 1, 2025 to December 31, 2027, the City will have further details on a proposed north end location for a Works Yard as alternative arrangements will be needed should a works yard not be acquired. This creates additional uncertainty for potential private operators.

Due to the current situation in the north end of London, City staff recommend negotiating a three year contact with two, one year options at the sole discretion of the City using the existing contract terms as the basis of the new contract. Some clauses may require adjustments due to inflationary impacts on certain items (e.g., fuel charges, additional labour rates). The amount charged to use the EnviroDepot at Try Recycling was approximately \$85,000 in 2023 and included in the overall amount above. The same services are provided noting that the location is not open on Sundays as per Try Recycling operating permit.

### **2.3 Future RFP – EnviroDepot Operations and Management Program**

The EnviroDepots currently handle materials that are part of Extended Producer Responsibility (EPR) regulations from the provincial government including Blue Box materials, electronics, tires, empty oil and antifreeze containers, fluorescent bulbs & tubes, propane tanks, etc.

As noted above, in 2026, the EnviroDepots may handle more of these materials, the same amount or less. However, what mix of materials to be handled will not be known until sometime in 2025; therefore more time is required to finalize the EnviroDepot requirements.

In 2025, the City will likely hear about the plans of industry to provide additional services equivalent to those provided at Hazardous and Special Products Depot located at the W12A Landfill. A new facility or improved arrangements closer to the population of London is possible. This would require additional materials handling need opportunities at other locations in the City (e.g., at EnviroDepots).

A final technical (operating) specification for an RFP in London is not possible at this point due to the uncertainty that exists. More time is required to understand the next steps for industry and the province (regulated through Resource Productivity and Recovery Authority [Home - RPPRA](#)).

### **2.4 Procurement Process – Next Steps**

Procurement and Supply has reviewed the rationale for both the single source and sole source negotiations and supports these approaches. In accordance with the Procurement of Goods and Services Policy, a single source award with Try Recycling for the continuation of services at the Oxford Street and Clarke Road EnviroDepots would be in accordance with section 14.4 Single Source where;

- d. There is a need for compatibility with goods and/or services previously acquired or the required goods and/or services will be additional to similar goods and/or services being supplied under an existing contract (i.e., contract renewal); and
- e. The required goods and/or services are to be supplied by a particular supplier(s) having special knowledge, skills, expertise or experience.

For the North end EnviroDepot located at Try Recycling, a sole source award with Try Recycling for the continued use would be in accordance with section 14.3 Sole Source where;

- c. The complete item, service, or system is unique to one supplier and no alternative or substitute exists.

Given anticipated changes in the industry expected to be announced in 2025, undertaking a competitive process through a Request for Proposal at that time for the operations and management services at Oxford Street and Clarke Road would be more informed as requirements set out by the Resource Productivity and Recovery Authority would be better known and understood.

### 3.0 Financial Impact/Considerations

The budget to operate and maintain the EnviroDepots is contained within the adopted 2024-2027 Multi-Year Budget.

#### Conclusion

This report recommends proceeding with single source and sole source negotiations with Try Recycling for EnviroDepot operations and management. It also recommends a timeframe for proceeding with the future RFP for these services.

Try Recycling has an experienced team that has been operating in the London area for more than thirty years. Try Recycling won competitive bids on three previous occasions through the RFP process (2002, 2009, 2016). Including these contracts they have been the City's EnviroDepot service provider since 2003, and they have demonstrated excellent customer service throughout this period. Their experience with similar programs in neighbouring municipalities illustrates a thorough understanding of the programs goals and objectives of operating the EnviroDepots.

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