

Bill No. 346
2014

By-law No. A.- _____

A By-law to approve Amending Agreements for Blue Box Collection, Blue Box and Garbage Collection and Blue Box Processing contracts; and to authorize the Mayor and the City Clerk to execute the Amending Agreements.

WHEREAS subsection 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001*, as amended, provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS subsection 10 of the *Municipal Act, 2001*, as amended, provides that a municipality may provide any service or thing that the municipality considers necessary or desirable for the public, and may pass by-laws respecting same, and respecting economic, social and environmental well-being of the City, and the health, safety and well-being of persons;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Amending Agreement for the Blue Box Collection Contract between The Corporation of the City of London and Miller Waste Systems Inc., dated October 10, 2008, attached hereto as Schedule 'A', is hereby approved.
2. The Amending Agreement for the Blue Box and Garbage Collection Contract between The Corporation of the City of London and Miller Waste Systems Inc., dated February 13, 2012, attached hereto as Schedule 'B', is hereby approved.
3. The Amending Agreement for the Blue Box Processing Contract between The Corporation of the City of London and Miller Waste Systems Inc., dated July 8, 2011, attached hereto as Schedule 'C', is hereby approved.
4. The Mayor and the City Clerk are hereby authorized to execute the Amending Agreements approved under sections 1, 2 and 3 of this by-law.
5. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on July 29, 2014.

J. Baechler
Mayor

Catharine Saunders
City Clerk

First reading – July 29, 2014
Second reading – July 29, 2014
Third reading – July 29, 2014

SCHEDULE A
AMENDING AGREEMENT
BLUE BOX COLLECTION SERVICES AGREEMENT

WHEREAS:

1. The Corporation of the City of London and Miller Waste Systems Inc. (collectively, the "Parties") entered into an agreement concerning collection of Blue Box recyclables dated October 10, 2008 (the "Agreement");
2. The parties wish to make certain amendments to the Agreement as set out herein.

THE PARTIES THEREFORE AGREE AS FOLLOWS:

1. The Agreement is hereby amended effective August 1, 2014 as set out in Appendix "A" hereto.
2. Any section marked as "Intentionally Deleted" in the Agreement remains "Intentionally Deleted" and is not replaced by or amended by anything in Appendix "A".
3. All other provisions of the Agreement remain unamended and in full force and affect.

IN WITNESS WHEREOF the Parties have signed this AMENDING AGREEMENT as of August 1, 2014.

THE CORPORATION OF THE CITY OF LONDON

by: _____
J. Baechler, Mayor

by: _____
Catharine Saunders, City Clerk

MILLER WASTE SYSTEMS INC.

by: _____
Denis Goulet, General Manager
I have the authority to bind the Corporation

APPENDIX A

1. **Term.** The Parties agree that Section 2.0 of the Agreement is deleted in its entirety and replaced with the following:

2.0 Term

The contract will commence December 1, 2008 for an eight (8) year and eleven (11) month period ending October 30, 2017.

2. **Renewal:** The Parties agree that Section 2.1 of the Agreement is deleted in its entirety and replaced with the following:

2.1 Renewal

The City, at its absolute sole discretion, has the option to renew the contract of an additional four (4) six (6) month terms.

3. **Scope of Service:** The Parties agree that Section 3.0 of the Agreement is amended by adding the following paragraph at the end of the existing text:

The materials collected by Miller for the fees listed in Section 4.0 FEES will include:

Material	Description
newsprint	includes all newspaper flyers, magazines, catalogues and telephone directories
mixed household paper	includes envelopes, writing paper and books with hard cover removed
cardboard boxes	
boxboard	including moulded pulp and excluding waxed paperboard
aluminium	liquid, food or beverage containers; empty aerosol cans
aluminium foil	includes rigid foil containers (e.g., pie plates)
rigid household plastic	liquid, food and beverage containers up to 25 litres in size; plant pots and trays; and blister packaging (rigid plastic around toys, hardware)
glass	liquid, food or beverage containers
polycoated paperboard containers	containers made primarily of paperboard and coated with low density polyethylene and/or aluminum, and used for food and beverages. Includes gabletop (e.g., milk and juice containers), drinking boxes, hot and cold beverage cups, ice cream containers and frozen microwave meal containers
spiral sound (Cardboard) cans	Composite (cardboard) can with a single wrap rigid body involving several layers of materials (including paper, foil and plastics) with at least one steel end (e.g., frozen juice containers)
Steel	Liquid, food or beverage containers; empty paint cans; empty aerosol cans

SCHEDULE B

**AMENDING AGREEMENT
BLUE BOX AND GARBAGE COLLECTION SERVICES AGREEMENT**

WHEREAS:

1. The Corporation of the City of London and Miller Waste Systems Inc. (collectively, the "Parties") entered into an agreement concerning collection of Blue Box recyclables and garbage dated February 13, 2012 (the "Agreement");
2. The parties wish to make certain amendments to the Agreement as set out herein.

THE PARTIES THEREFORE AGREE AS FOLLOWS:

1. The Agreement is hereby amended effective August 1, 2014 as set out in Appendix "A" hereto.
2. Any section marked as "Intentionally Deleted" in the Agreement remains "Intentionally Deleted" and is not replaced by or amended by anything in Appendix "A".
3. All other provisions of the Agreement remain unamended and in full force and affect.

IN WITNESS WHEREOF the Parties have signed this AMENDING AGREEMENT as of August 1, 2014.

THE CORPORATION OF THE CITY OF LONDON

by: _____
J. Baechler, Mayor

by: _____
Catharine Saunders, City Clerk

MILLER WASTE SYSTEMS INC.

by: _____
Denis Goulet, General Manager
I have the authority to bind the Corporation

APPENDIX A

1. **Term.** The Parties agree that Section 2.0 of the Agreement is deleted in its entirety and replaced with the following:

2.0 Term

The contract will commence November 1, 2011 for a six (6) year period ending October 30, 2017.

2. **Renewal:** The Parties agree that Section 2.1 of the Agreement is deleted in its entirety and replaced with the following:

2.1 Renewal

The City, at its absolute sole discretion, has the option to renew the contract of an additional four (4) six (6) month terms.

3. **Scope of Service:** The Parties agree that Section 3.0 of the Agreement is amended by adding the following paragraph at the end of the existing text:

The materials collected by Miller for the fees listed in Section 4.0 FEES will include:

Material	Description
newsprint	includes all newspaper flyers, magazines, catalogues and telephone directories
mixed household paper	includes envelopes, writing paper and books with hard cover removed
cardboard boxes	
boxboard	including moulded pulp and excluding waxed paperboard
aluminium	liquid, food or beverage containers; empty aerosol cans
aluminium foil	includes rigid foil containers (e.g., pie plates)
rigid household plastic	liquid, food and beverage containers up to 25 litres in size; plant pots and trays; and blister packaging (rigid plastic around toys, hardware)
glass	liquid, food or beverage containers
polycoated paperboard containers	containers made primarily of paperboard and coated with low density polyethylene and/or aluminum, and used for food and beverages. Includes gabletop (e.g., milk and juice containers), drinking boxes, hot and cold beverage cups, ice cream containers and frozen microwave meal containers
spiral sound (Cardboard) cans	Composite (cardboard) can with a single wrap rigid body involving several layers of materials (including paper, foil and plastics) with at least one steel end (e.g., frozen juice containers)
Steel	Liquid, food or beverage containers; empty paint cans; empty aerosol cans

SCHEDULE C

**AMENDING AGREEMENT
BLUE BOX COLLECTION SERVICES AGREEMENT**

WHEREAS:

1. The Corporation of the City of London and Miller Waste Systems Inc. (collectively, the "Parties") entered into an agreement concerning the processing of Blue Box recyclables dated July 8, 2011 (the "Agreement");
2. The parties wish to make certain amendments to the Agreement as set out herein.

THE PARTIES THEREFORE AGREE AS FOLLOWS:

1. The Agreement is hereby amended effective August 1, 2014 as set out in Appendix "A" hereto.
2. Any section marked as "Intentionally Deleted" in the Agreement remains "Intentionally Deleted" and is not replaced by or amended by anything in Appendix "A".
3. All other provisions of the Agreement remain unamended and in full force and affect.

IN WITNESS WHEREOF the Parties have signed this AMENDING AGREEMENT as of August 1, 2014.

THE CORPORATION OF THE CITY OF LONDON

by: _____
J. Baechler, Mayor

by: _____
Catharine Saunders, City Clerk

MILLER WASTE SYSTEMS INC.

by: _____
Denis Goulet, General Manager
I have the authority to bind the Corporation

APPENDIX A

1. **Recyclable Material.** The Parties agree to add the following after section 3.013 of the Agreement:

3.0.14 Materials Processed

The materials will be sorted into the following categories by Miller for the fees listed in Section 4.0 PRICING will include:

Material	Description
newsprint	includes all newspaper flyers, magazines, catalogues and telephone directories
mixed household paper	includes envelopes, writing paper and books with hard cover removed
cardboard	
Boxboard/hardback	including moulded pulp and excluding waxed paperboard
aluminium	liquid, food or beverage containers; empty aerosol cans
aluminium foil	includes rigid foil containers (e.g., pie plates)
PET (#1) plastic	liquid, food and beverage containers; plant pots and trays; and blister packaging (rigid plastic around toys, hardware); up to 10 litres in size
HDPE (#2) plastic	liquid, food and beverage containers; plant pots and trays; and blister packaging (rigid plastic around toys, hardware); up to 10 litres in size
mixed (#3 to #7) plastic	liquid, food and beverage containers; plant pots and trays; and blister packaging (rigid plastic around toys, hardware); up to 10 litres in size
oversized (#1 to #7) plastic	liquid, food and beverage containers; plant pots and trays; and blister packaging (rigid plastic around toys, hardware); between 10 to 25 litres in size
mixed glass	liquid, food or beverage containers
polycoated paperboard containers	containers made primarily of paperboard and coated with low density polyethylene and/or aluminum, and used for food and beverages. Includes gabletop (e.g., milk and juice containers), drinking boxes, hot and cold beverage cups, ice cream containers and frozen microwave meal containers
steel	Liquid, food or beverage containers; empty paint cans; empty aerosol cans; composite (cardboard) cans with a single wrap rigid body involving several layers of materials (including paper, foil and plastics) with at least one steel end (e.g., frozen juice containers)
film plastic	Limited to plastic bags used to contain recyclable material including shredded paper

3.0.15 Promotion and Education Funding

Miller will provide up to \$5,000 per year in funding towards the promotion and education of the Corporation's Blue Box recycling program.

2. **Maximum Non-Recyclable Material Level.** The Parties agree to add the following after the first paragraph of section 4.0.1 of the Agreement:

The maximum non-recyclable material level to be used with the pricing sheets in Schedule B to determine the per-tonne Processing Fee is 4.9%.

The parties acknowledge that additional compensation will be negotiated should another municipality or organization using the Facility have non-recyclable material levels greater than those of the Corporation.

3. **Oversized Plastics Recycling.** The Parties agree to add the following after section 4.0.2 of the Agreement:

4.0.3 Oversized Plastics Sorting Area

Miller Waste will construct an oversized plastics storage area, including a second container return line on the north side of the residue belt, for \$85,000.

4. **Disposal of Residue**: The Parties agree that Section 5.0.6 of the Agreement is deleted in its entirety and replaced with the following:

5.0.6 Disposal of Residue

Miller Waste may dispose of Residue at the W12A landfill at no charge.

5. **Disposal of Liquid Septage Waste**: The Parties agree that Section 5.0.9 of the Agreement is deleted in its entirety and replaced with the following:

5.0.9 Disposal of Liquid Septage Waste

The City will connect the existing septage holding tank to City's sewer system to eliminate the need to haul septage. The City will be responsible for septage haulage costs if the connection to the City's sewer system is not completed by January 1, 2015.

6. **Disposal of Other Solid or Liquid Waste**: The Parties agree that Section 5.0.10 of the Agreement is deleted in its entirety and replaced with the following:

5.0.10 Disposal of Other Solid or Liquid Waste

Miller Waste is responsible for the cost of lawful and appropriate disposal of any other solid or liquid waste materials that result from performing the Work in accordance with the Contract Documents except as noted in Clauses 5.0.6, 5.0.7 and 5.0.9.

7. **Schedule A**: The Parties agree that Schedule A of the Agreement is deleted in its entirety and replaced with the following:

Schedule A

Residue Auditing Protocol for Material Recovery Facility

Overview

1. Miller Waste Systems Limited (“Miller Waste”) will conduct and the City will witness audits on a regular basis to determine the facilities capture rate of recyclables and the overall contamination rate of incoming material.

The City, when conducting a full audit to determine the capture rate of recyclables and contamination rate, will request the audit date giving sufficient notice for Miller Waste to prepare.

The City, when conducting an audit to only determine the capture rate of recyclables, is not required to give any notice to Miller Waste. An audit to determine the capture rate of recyclables only requires an audit of the residue and excludes collecting cross contamination that is normally placed directly into the correct material bunker or processing line (Sections 18 and 19).

2. The audit dates will be chosen during relatively “dry” times so as to not introduce moisture issues.
3. Miller Waste and the City warrant that the Residue samples chosen for the monthly audits shall be accepted as representative, in both nature and composition, of the Residue generated at the Materials Recovery Facility that month.
4. Miller Waste or the City may ask for an additional audit to replace one of the mandatory audits if the percentage of Residue on the audit day(s) or during the collection of the sample is significantly higher or lower than normal. A new audit would likely be required if the difference in the Residue between the audit sample and normal operations is more than 15%. For example, if the Residue rate is typically 8 % and the Residue rate during the audit was 10%, a new audit may be required. Each additional audit will be at the expense of the party that requested the additional audit.
5. The City may conduct additional audits to confirm the composition of the Residue.
6. During normal operations:
 - cross-contamination captured, placed in bins and sent to the tipping floor for reprocessing is weighed (primarily from the pre-sort room)
 - all residue sent for disposal is weighed
 - cross-contamination captured and placed directly into the correct material bunker or processing line is not weighed (primarily from the container and fiber sort rooms)

Residue Audit Objectives

7. Confirm:
 - the Recoverable Fibre Materials Required Recovery Rate of 98% is met;
 - the Recoverable Container Materials Required Recovery Rate of 94% is met; and
 - the Recoverable Glass Materials Required Recovery Rate of 95% is met.
 - See the Agreement for the list of materials making up each of the three (3) material categories identified above.
8. Determine the % Non-Recyclable Material (including Cross-Contamination) and % Recyclable Material Not Practical to Recover level applicable for the month.

Residue Auditing Methodology

Audit Sample Size and Source

9. In the case of Fibres,

- It is assumed 100% of paper fiber products are captured because all paper fibres are negatively sorted into bunkers.
- Non-recyclables will be positively sorted and placed on the residue conveyor
- Cross-contamination (recyclable containers) captured and normally placed directly into the correct material bunker or processing line will be placed into large pails (lined with clear plastic bags). When a pail becomes full, the bag of recyclable containers will be removed from the pail and taken to the audit area for identification and weighing. Spare pails/bags should be available at each positive Residue sort station to minimize disruption to processing.

10. In the case of Mixed Containers,

- Cross-contamination (recyclable fibres) normally captured and placed directly into the correct material bunker or processing line will be placed into large pails (lined with clear plastic bags). When a pail becomes full, the bag of recyclable fibres will be removed from the pail and taken to the audit area for identification and weighing. Spare pails/bags should be available at each positive Residue sort station to minimize disruption to processing.
- Mixed containers are a combination of positive sorted items and negative sorted material.
- It is assumed 100% of glass is captured because glass is negatively sorted into bunkers.
- Residue from the container line, which includes missed recyclables, non-recyclables and cross-contamination that was not captured, is negatively sorted and will accumulate in a dedicated compactor bin.
- The residue compactor bin is to be empty at the start of the audit day. After the audit day is complete, the Residue bin is to be weighed again (the bin is to be tared so that the total Residue sample weight is determined). The contents of the bin are then discharged onto a suitable, clean floor area and, using a loader, a representative sample of the total Residue is isolated for auditing. The size of this representative sample shall be such that the total Residue sample for auditing, including positive sorted items, is approximately 200 kg.

Recyclable Material Not Practical to Recover

11. The following items are considered Recyclable Materials Not Practical to Recover:

- program bags used to contain recyclables (e.g., clear plastic bags, translucent plastic bags and grocery sacs)
- glass less than 64 mm (2 ½") in length and width at its longest/widest points
- fibre products less than 150 mm (6") in length and width at their longest/widest points
- containers less than 64 mm (2 ½") in length and width at their longest/widest points
- individual materials compounded together (i.e., separate recyclable materials that have become entwined/bound together and as a result causes them to act as one physical object)
- "spiral wound" containers (e.g., cardboard cans such as: frozen juice cans, Pringles containers, refrigerated dough containers, powder drink mixes, baby formula containers)
- waxed boxes (e.g. frozen food boxes) or paper
- foil coated boxes (e.g., dishwasher detergent boxes) or paper
- dark coloured or construction paper
- metallic foil wrapping paper
- Containers containing product (i.e., bottles, tubs and jugs that contain at least 10% (by volume of the container) retained product)

12. Recyclable Material Not Practical to Recover shall not be included in the determination of the % Recyclable or % Non-Recyclable Material each month. The weight of these items is to be included in any throughput calculations.

Determination of Residue Component Weights

13. All weigh scales intended to be used for the audits will be checked prior to the audit to confirm accuracy.
14. Each audit sample will be spread out onto a clean, open floor area at the MRF and separated into the following components:
 - Missed Recyclables (limited to Mixed Containers as any paper fibres are assumed to be cross contamination)
 - Non-Recyclable Material
 - Recyclable Material Not Practical to Recover
 - Cross Contamination (limited to Fibres as any containers are assumed to be missed recyclables)
15. Miller Waste is to provide audit sort staff to sort the Residue into the above components.
16. Each of the above components will be collected in clear plastic bags then weighed (using the 1.5m x 1.5m weigh scale) and recorded directly into an audit details spreadsheet. The clear plastic bags containing materials should be set aside until the audit spreadsheet is confirmed to have correct/accurate entries. The clear plastic bags make for easy identification of materials by those doing spreadsheet weight entries and also easy re-weighing if necessary.
17. With each audit the following information will be recorded into the audit details spreadsheet:
 - the weight of audit sample;
 - the weight of missed Recoverable Containers in the audit sample;
 - the weight of Cross Contamination (Fibers) in the audit sample;
 - the weight of Recyclable Material Not Practical to Recover in the audit sample; and
 - the weight of Non-Recyclable Material in the audit sample.
18. The audit data will be used to determine the weight of missed Recoverable Containers, Cross Contamination (Fibers), RNPR and Non-Recyclable Material in the Residue for the month as follows:
 - Missed Recoverable Containers = (weight of missed Recoverable Containers in the audit sample/ weight of audit sample) X weigh of Residue for the month
 - Cross Contamination (Fibers) = (weight of missed Cross Contamination (Fibers) in the audit sample/ weight of audit sample) X weigh of Residue for the month
 - RMNRP = (weight of RMNRP in the audit sample/ weight of audit sample) X weigh of Residue for the month
 - Non-Recyclable Material = (weight of missed Non-Recyclable Material in the audit sample/ weight of audit sample) X weigh of Residue for the month

Determination of Cross-Contamination Weight Cross-Contamination Captured Placed Directly into the Correct Material Bunker or Processing Line

19. With each audit the following information will be recorded into the audit details spreadsheet:
 - the weight of the container cross-contamination (recyclable containers in the fiber stream) captured and be placed into large pails (lined with clear plastic bags);
 - the weight of the fiber cross-contamination (recyclable fibers in the container stream) captured and be placed into large pails (lined with clear plastic bags);
20. The audit data will be used to determine the weight of cross-contamination captured and placed directly into the correct material bunker or processing line for the month as follows:
 - *Container Cross-contamination Placed Directly into the Correct Material Bunker or Processing Line = (weight of the container cross-contamination during the audit/ weight of material processed during the audit) X Material Processed during the month*
 - *Fiber Cross-contamination Placed Directly into the Correct Material Bunker or Processing Line = (weight of the fiber cross-contamination during the audit/ weight of material processed during the audit) X Material Processed during the month*

Determination of Recovery Rates

21. Required Recovery Rates will be assessed based on the recovery rates achieved during the audits only. Each material category's recovery rate achieved will be determined based on the following formula (expressed as a percentage):

- *Recovery rate of all fibres = 100%*
- Recovery rate of mixed glass = 100%
- Recovery rate of mixed containers (excluding glass) = $\frac{\text{Quantity of Recovered Material shipped for the month}}{\text{Quantity of Recovered Material shipped for the month category} + \text{quantity of missed Recoverable Containers for the month}}$

Determination of % Contamination

22. The % Contamination for the month will be determined based on the following formula (expressed as a percentage):

- $\frac{\text{Weight of Non-Recyclable Material in the Residue} + \text{Weight of Cross Contamination in the Residue} + \text{Weight of Cross-contamination (Fiber and Container) Placed Directly into the Correct Material Bunker or Processing Line} + \text{Weight of Cross-contamination Captured and Sent to the Tipping Floor for Reprocessing}}{\text{Total Weight of Shipped Material}}$

Reporting

23. Miller Waste is to prepare an Audit Summary Report outlining the audit results with all spreadsheets and other supporting material appended.