

## **Lanark County Municipal Waste Group**

### **Continuous Improvement Fund Program # 153 Agreement**

#### **“Final report”:**

Seven Lanark County Municipalities joined together to achieve overall cost savings via the economies of scale involved in entering into one multi-municipal recycling contract/program. The past five-year multi-municipal service agreement expired on May 31, 2010. The original goal was to coordinate the development of a cooperative RFP for the provision of recycling collection and processing. The host municipality, Carleton Place, took the lead roll in the administration of this project at the request of the other Municipal partners.

The Waste Management Group (MWG) is comprised of the five Lanark County municipalities of Mississippi Mills, Carleton Place and the Townships of Drummond/North Elmsley, Beckwith and Montague.

The Group felt that because each municipality in this group was located in close proximity to all the others group members in a clustered manner, a multi-municipal integrated plan would provide significant cost savings. Contactors would be able to organize their collection routes in the most efficient and effective manner and the result is reduced costs for the contactor and thus lower collection costs for all of the municipalities in the group. The one common complaint from the taxpayers of all the participating municipalities was that only some plastics were part of the recycling program and not all regarding the existing recycling contract

The five municipalities were approached by the present recycling contractor “Waste Management” who requested an opportunity to deliver an “extension proposal” to the group. At a subsequent meeting in September 2009, the contractor made a presentation to the group who listened to the proposal and indicated that it would be considered. The group was reasonably pleased with the proposal with a few exceptions and directed the group’s Coordinator, Mr Wayne Fraser, to meet with Waste Management and attempt to negotiate an extension to the existing multi-municipal recycling contract that would be acceptable to all parties.

After several meetings with Waste Management a tentative agreement for a three year extension of the existing recycling contract was negotiated. This proposed contract was then reviewed by representatives of the Municipal Waste Group who approved the agreement subject to the approval of the members’ councils also

approving. All of the involved municipal councils have since approved the agreement by motions of council and as of January, 2010 all six parties to the agreement have signed it. As of March 2010 the Contractor also signed the agreement.

The approved three year recycling contract extension involves the following changes to the existing contract:

- No contract price increase excepting an annual CPI increase as is in existing contract
- #2 large mouth HDPE will start to be collected as of June 1, 2010 with the regular collection at no additional collection charge.
- As of June 1, 2010, bins will be placed in the five Municipalities to collect #3 - #7 plastics with no additional collection or processing charges. The number and location of bins in each Municipality will be as per directive of the individual municipalities
- A fuel adjustment clause which was in the existing agreement but never used by Waste Management was slightly modified and added to the contract extension.

On June 1, 2010 there was a seamless transition from the old to the new contract. This was possible because of an intensive advertising campaign in a local newspaper with a coverage spreading over all five Municipalities. All members of the municipal group shared in the cost of this advertising.

The Lanark County Municipal Waste Group feels that because of the excellent past service, the free additional plastics involvement in the program, the fact that the only small local murf (and the jobs it creates) would remain open for at least another three years made the decision to strike a deal with the existing contractor to extend the existing contract was a good one. They are also convinced that the economies of scale by working together on such a project were undeniable.

This project was made possible by the financial assistance provided to the Lanark County Municipal Waste Group by the Continuous Improvement Fund.

For further information on this project please call:

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