

COMMITTEE ON CONTRACTING
OUT GARBAGE COLLECTION

The Committee on Contracting Out of Garbage Collection met in the Committee Room of the Municipal Hall, 1111 Brunette Avenue, Coquitlam, B.C., on Wednesday, January 6th, 1982 with the following persons present :-

Alderman L. Garrison, Chairman
Alderman B.T.H. Robinson
Mr. D. Cott, C.U.P.E., Local 386
Mr. R. Bradley, C.U.P.E., Local 386

Also present were

Mr. N. Nyberg, Municipal Engineer
Mr. R.A. LeClair, Municipal Manager
Mr. T. Klassen, Municipal Clerk

Mr. Nyberg, the Municipal Engineer reviewed with the Committee the report prepared by the Operations Division of the Engineering Department entitled "Solid Waste Collection In Coquitlam" dated November 2nd, 1981.

During the review of the report, the following observations were made :-

- (1) Land fill charges will increase from between 300% to 400% in late 1982 or early 1983 when the Terra Nova Land Fill operation is closed which will require a transfer station to be established for trucking of garbage to a new land fill site, yet to be determined.
- (2) The actual number of residential units from which garbage is being collected will be known shortly as a result of a count done by the Sanitation Department, however, it would appear that the figure used in the report will be quite close to the actual figure.
- (3) Mr. Cott observed that Delta did not have a strike during 1981, but did use temporary land fill sites because they were unable to gain access to the permanent site. He further advised that the operator in Surrey did continue to operate, but with some difficulty, during the civic workers strike.
- (4) Mr. Nyberg advised that the report did not take into consideration new equipment costs for 1982 and a 30% or better increase in charged rates is expected.
- (5) Mr. Nyberg stated that in Kamloops container collection is handled by the Municipality on the basis of a bid in competition with private collection services.

- (6) Mr. Cott informed the Committee that the City of Vancouver handles about 35% of container collection on the basis of a bid in competition with private collectors and the balance is split between two private collection services.
- (7) With respect to number of cans collected from a residence, Mr. Cott advised that Delta has a limit which is strictly adhered to. Vancouver has a limit of 2 cans with a charge for any additional cans. It is his understanding that the Vancouver limit is not too strictly enforced.

Following review of the report, the Chairman opened the meeting for comments from all members with the following comments being made :-

Mr. Cott

- (1) Did not believe it would be necessary for the Municipality to proceed to a tender call, but that the Committee could obtain necessary information on costs without an actual tender.
- (2) There are only two companies capable of submitting a tender, these being Haul-Away Disposal Ltd and Smithrite Disposal Ltd, and of these two, only Haul-Away has experience with residential collection.
- (3) The bids received by the District of West Vancouver and the City of Port Moody were :-
- (A) West Vancouver
- \$43.86 per unit
\$60.00 additional where door step service required for Senior Citizens or Handicapped.
- (B) Port Moody
- \$41.92 per unit
- (4) Mr. Cott tabled with Council a report entitled "Civic Affairs" produced by the "Bureau of Municipal Research" which deals with the contracting of municipal services to the private sector. A copy of the report is attached and forms a part of these minutes. Mr. Cott stated that in the first two years a municipality will save funds by contracting out, but by the fourth year the costs have escalated so that the Municipality is being charged more.

- (5) Mr. Cott felt that the Municipality should examine closely the level of service currently being provided and a revision of the bylaw governing collection.
- (6) With respect to container service, Mr. Cott advised :-
- (A) West Vancouver does have problems with container service, and has withdrawn from providing the service allowing private companies to provide the service.
- (B) The bid for container service in Port Moody was :-
- \$15.00 rental - per container - per month
 - \$11.00 per dump - per container
- (C) If Coquitlam were to remain in the container business it should switch to front end loaders.
- (D) In Vancouver all difficult container pick-ups are handled by the City, with the private haulers handling the easy-to-get-at-ones.
- (E) In West Vancouver where multi-family units produce more than one cubic yard a week the pick-up is handled by container.
- (7) Mr. Cott also expressed concern that an accurate count be in hand related to individual pick up points as a contractor figures a duplex or four-plex as individual units, and not as a single pickup.
- (8) Contractors basically make profit on commercial business and a bid to handle only residential may be significantly different.
- (9) Collection in Burnaby is based upon the "task" system and they have rear loading, mostly 25 c.y. Dempster packers, with two man crews.
- (10) Municipality should be aware that contracting out may not relieve them of concern about a strike, because the Contractor could be unionized and at the present time Smithrite are organized and Haul-Away drivers are seeking some sort of certification.
- (11) C.U.P.E. already represent private collection company employees in Ottawa and St. Catherines, and if a service is contracted out in this area they may very well seek to organize a company receiving the contract.

- (12) There are ways of improving the current service by :-
- (a) better routing
 - (b) newer, more efficient equipment
 - (c) use of garbage bags only and not allowing any cans.

Alderman Garrison

- (1) Inquired of Mr. Cott if changes would be required to the Collective Agreement if the Municipality were to implement "Alternative B" in the report, and was advised that a separate agreement would be required.
- (2) Inquired of Mr. Cott if the Union would be prepared to present a proposal to the Committee based upon "Alternative B" and Mr. Cott stated that the Union would be prepared to work with the Committee on this proposal.
- (3) Inquired of Mr. Nyberg what lead time would be involved should Council decide to seek tenders and Mr. Nyberg advised that it would be at least three to four weeks after a decision by the time prices would be available.

Alderman Robinson

- (1) Inquired as to whether or not West Vancouver impose a Business Tax, and Mr. LeClair advised that they do not.
- (2) Stated that in his opinion Coquitlam offers a very high level of service and the Committee will have to come to grips with the level of service that will be provided to the community.

Specifications for Tender

Mr. Nyberg presented to the Committee a set of specifications which could be used for a tender call, and a copy of these specifications is attached hereto and forms a part of these minutes.

Mr. Nyberg requested input from Committee members on the specifications submitted and especially with respect to Items 2.01, 2.06, 2.07 and 2.08. Some direction related to an annual clean-up week was also requested.

Specifications for "Plan B"

Alderman Garrison requested that the Engineer prepare more information related to specifications for Plan B and that possibly this subject could be discussed at the mid-February meeting of the Committee. Mr. Nyberg did advise that more information relative to level of service will be required in order for him to deal fully with Plan B.

Public Input on Contracting Out

Alderman Garrison advised that some arrangement will be made to allow for public input to the Committee and this will most likely occur two to three weeks prior to the Committee making its report to Council.

Additional Information

- (1) Mr. Cott advised that he will supply copies of memoranda of agreements related to garbage collection from Delta and Richmond.
- (2) Mr. Nyberg advised that more definitive direction on container service is required.

Agenda for January 20th, 1982 meeting

- Item No. 1 - Specifications for Solid Waste Collection as submitted by the Municipal Engineer.
- Item No. 2 - Policy for level of service.

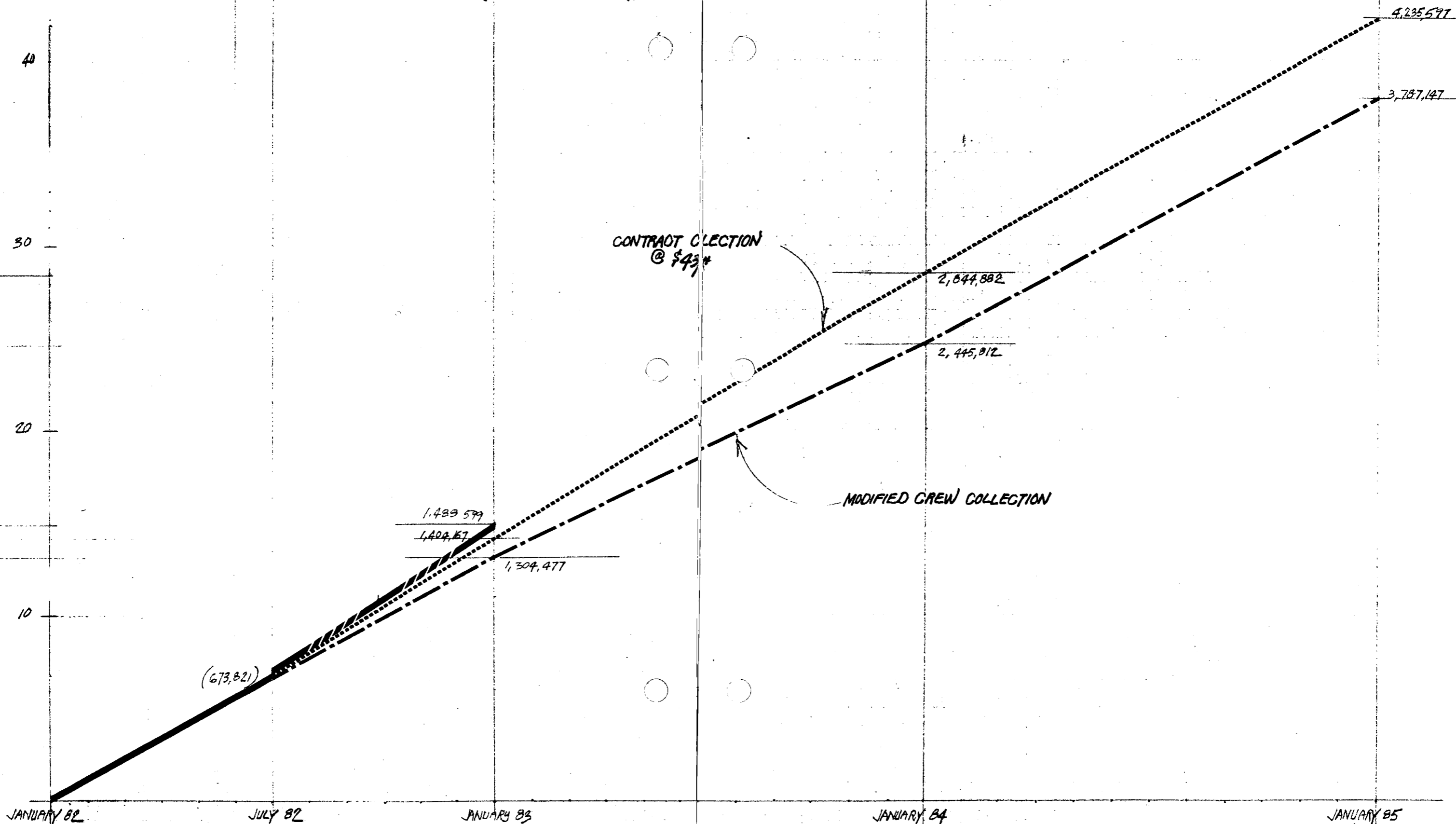
Adjournment

The Chairman declared the meeting adjourned at 9.05 p.m.

CHAIRMAN

TK/ll
Attachments:

TOTAL COST PROJECTION ALTERNATIVE FOR SOLID WASTE COLLECTION BASED ON 1982 DOLLARS



DISTRICT OF COQUITLAM

Specification for Solid Waste Collection

I N D E X

SPECIFICATION FOR SOLID WASTE COLLECTION

<u>Section</u>	<u>Description</u>
1.00	Scope of Work
2.00	Description of Contract Services
3.00	Scheduling and Routing
4.00	Administration of Contract Services
5.00	Method of Payment

1.00 SCOPE OF WORK

- | | |
|--------------------------------------|---|
| Collect, remove, dispose of garbage | 1.01 Collect and remove garbage and household waste each week from all residential premises within the District of Coquitlam in accordance with By-law Number 625 and amendments thereto. |
| Convey to landfill | 1.02 Convey the garbage and household waste to a designated sanitary land fill and dispose of same. |
| Administer the contract requirements | 1.03 Execute the contract requirements for customer notification, reporting of statistics, resolution of complaints, reporting of infractions and all other requirements of this specification. |
| | 1.04 The term of the contract shall be five years. |

2.00 DESCRIPTION OF CONTRACT SERVICES

- | | |
|---------------------------------|---|
| Weekly collection required | 2.01 Provide weekly collection of an unlimited number of refuse containers, bags and bundles placed at curbside, roadside, or adjacent to lanes in the District of Coquitlam at all residential premises by 0800 h on the designated day of collection. |
| Cleanup spills | 2.02 Invert emptied containers at the location of pickup. Collect spilled or scattered refuse from the immediate area of the containers. Collect refuse spilled from the truck. |
| Notify for infractions | 2.03 Attach notification cards of a pattern approved by the Municipal Engineer to refuse which fails to meet the by-law criteria and therefore cannot be collected. Report infractions to the Municipal Engineer. |
| Reporting | 2.04 Record and report the number of pickups and daily weigh slips for each truck by date, zone, and route. |
| X-mas trees | 2.05 Collect Christmas Trees which have been cut to 1 m maximum dimension and deposited for collection at the regular location of pickup. |
| Special collections residential | 2.06 Provide special weekly collection from pre-determined locations for designated residential dwellings occupied by the infirm. |
| Special collections commercial | 2.07 Provide special weekly collection from designated commercial premises, including neighborhood convenience stores and similar establishments using conventional garbage containers. |
| Annual cleanup | 2.08 Carry out an oversize or high volume cleanup collection at each premises once per annum. Advertise in advance. Maintain separate records. |

3.00 SCHEDULING AND ROUTING

- | | |
|--------------------|--|
| Establish Schedule | 3.01 Establish a schedule of zones and routes for the District of Coquitlam and obtain approval of the Municipal Engineer prior to implementation. |
|--------------------|--|

- Maintain locations 3.02 Routing shall maintain existing collection locations, either curbside or laneside.
- Collection days 3.03 Restrict collections to Monday through Saturday, between the hours of 0800 h and 1900 h each day.
- Public holidays 3.04 On the listed public holidays, suspend collection; collect one day later for each holiday provided that all garbage to be collected in that week shall be collected not later than Saturday of that week. The listed public holidays are:
- | | |
|---------------|----------------------|
| New Years Day | British Columbia Day |
| Good Friday | Labour Day |
| Easter Monday | Thanksgiving Day |
| Victoria Day | Remembrance Day |
| Dominion Day | Christmas Day |
| | Boxing Day |
- and such other holidays as designated by resolution of the Municipal Council.
- Information brochure 3.05 Compile an information and schedule brochure, obtain the approval of the Municipal Engineer and cause one brochure to be delivered to each residential and special service premises within the District of Coquitlam once per annum prior to the commencement of the scheduled year.
- Route change requests 3.06 Submit requests for changes in routing to the Municipal Engineer no less than six weeks prior to proposed implementation.
- Maintain schedules 3.07 Maintain schedule under all weather conditions and circumstances excepting official District of Coquitlam temporary road closure for reasons of safety, repair or construction.
- Disposal location & routes 3.08 Disposal location shall be the Braid Street landfill (Terra Nova) in the District of Coquitlam or a transfer station immediately thereto.
- 4.00 ADMINISTRATION OF CONTRACT SERVICES
- Business premises 4.01 Establish and maintain a proper place of business within the District of Coquitlam with a telephone service and a competent representative to be continuously available between 0830 h and 1630 h from Monday to Friday of each week. Publish the location, telephone number and hours of operating twice per year in local newspapers or in one or more daily regional newspapers.
- Receive, record, resolve complaints 4.02 Receive, record, and resolve complaints courteously and expeditiously. Permanently record the identity of each caller or visitor, the date, time and subject matter of the contact and the action taken to resolve the enquiry. Submit the record to the Municipal Engineer each month of the contract. Investigate missed pickups within 24 hours of reporting.
- Identify vehicles 4.03 Identify vehicles used for collection and transport via an attractive and distinctive colour scheme. Display the contractor's name, telephone number, business address and a vehicle identification number prominently on each vehicle.
- Meet sanitary conditions 4.04 Maintain vehicles in a clean and attractive appearance sufficient to meet health or sanitary regulations established by the District of Coquitlam or by the Medical Officer of Health of the Simon Fraser Health Unit.

- Maintain vehicles 4.05 Maintain an adequate number of regular operating and standby vehicles in good operating condition. Remove unserviceable vehicles from District streets by 1900 h on the day of breakdown.
- Private services 4.06 The Contractor may arrange privately with persons requiring removal of garbage or trade waste.

5.00 - METHOD OF PAYMENT

- Basis for payment 5.01 Payment to the Contractor by the District made monthly and shall be for the amount of one-twelfth of the accepted tendered price. The Contractor shall be required to invoice the District for the work done in the preceding month and the District shall prepare a certificate for payment and it shall become due and payable to the Contractor on or before the twenty-fifth day of each month.

It is not expected that the number of pick-up locations determined by the Initial Count shall significantly change throughout the year.

The prices tendered shall be considered to include the collection regardless of the number of any additional premises which qualify for garbage collection and which may be necessary after the Initial Count has been established for the remainder of that year.

The payment to the Contractor shall be the sum of:
 The unit residential collection charge times the number of residential units counted prior to April 1, 1982; AND
 The unit special collection charge times the number of special units counted prior to April 1, 1982.

- Initial count of 5.02 Prior to commencement of collection, a count of the number of pickup locations and the number of special collection and residential dwelling units tributary to each shall be completed by a counting team comprising: one representative of the Contractor, and one representative of the District.
- Annual recounts required 5.03 Recounts of the number of residential dwelling units and special collection dwelling units shall be made each year to determine the number of units which shall apply for the following year.

Amend unit charges
by special index

5.04 The unit residential collection charge and special collection charge shall be adjusted annually by a special index. The special index shall be deemed to be 1.00 as of April 1, 1982. The special index shall be increased or decreased by the change in the Consumer Price Index for Vancouver, expressed as a percentage, between April 1, 1982 and April 1, of subsequent years.

Estimate of
dwellings

5.05 The best current estimate of numbers of residential dwellings to be collected in the first year is approximately 16,943 which includes single family, two family and three family dwellings.

The quantity in the Form of Tender for "Special Collection Residential" indicates a provisional quantity only, and may or may not be used.

Reject services

5.06 It is understood that, pursuant to the Municipal Act, persons in the District have the right to reject the garbage collection service provided by either the District or the Contractor.

DISTRICT OF COQUITLAM

Specification for Solid Waste Collection

I N D E X
SPECIFICATION FOR SOLID WASTE COLLECTION

<u>Section</u>	<u>Description</u>
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Estimate of dwellings 5.05 The best current estimate of numbers of residential dwellings to be collected in 1982 is approximately:
new count available
- 14,000 single family dwellings;
- 820 two-family dwellings; and
- 1,000 to 2,000 dwellings on multiple-family or apartment sites.

Reject services 5.06 It is understood that, pursuant to the Municipal Act, persons in the District have the right to reject the garbage collection service provided by either the District or the Contractor.

CIVIC AFFAIRS

**Providing Municipal Services —
Methods, Costs and Trade-Offs**



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**Providing Municipal Services —
Methods, Costs and
Trade-offs**

February, 1981

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CIVIC AFFAIRS IN BRIEF

In this CIVIC AFFAIRS we examine recent developments of increased contracting of municipal services to the private sector. Traditionally, services have been provided by municipal departments except where economies of scale dictated otherwise. In that case, regional government or some other government level has assumed responsibility. Contracting out has been used primarily to avoid outlay for expensive capital equipment or where expertise is not available within the municipality.

Recently, the practice of contracting to the private sector for services normally provided by municipal forces has increased in the belief that services can be provided more efficiently by the private contractor. The cause of seeking this alternative has been the fiscal squeeze in which most municipalities find themselves. Consequently, they are attempting to achieve cutbacks in spending and to show cost savings.

Although there are a number of ways services can be provided, the main focus of the study is on contracting versus in-house production. On the surface, contracting appears to be less expensive. However, our research shows that this is not necessarily the case. Furthermore, trade-offs occur in the decision to adopt an alternate method of service delivery.

The philosophy of council plays an important role in choosing between in-house production and the private sector. The Councils of the cities of North York and Toronto demonstrate this.

The Bureau believes that a number of factors and not only the cost must be taken into consideration by municipal decision-makers when faced with the question of whether or not to contract out. These criteria are reflected in our recommendations.

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I INTRODUCTION

The traditional and major role of municipal governments has been to provide public services. Public demands have called for increased and improved services for which the municipalities have drawn on the property tax as their main source of independently generated revenue. This source is finite, however, making provision of public services more difficult. In fact, a wide variety of public service industries provide services. No longer do we have only "the government" supplying the public with services.

Public goods and services moreover are distinct from private goods which makes it more difficult to deliver them. Services may be provided without satisfactory knowledge about demand or user preference and their use pattern is difficult to regulate. For example, the more people there are enjoying the facilities of a park, the less desirable it becomes to the individual and more parks must be provided to restore the enjoyment of use. The users of a service often lose sight of the monetary value of that service since they pay for it indirectly. This results in such problems as over-use, under-use and even abuse, through negligence or vandalism of public facilities or property. Factors of this nature make the previously simple task of providing services no longer simple.

When financial constraints are added to the inherent problems of supplying public goods and services, municipal governments are caught in a dilemma. They are faced with meeting increased needs yet keeping property taxes at acceptable levels. With only limited relief through provincial monies, municipalities are seeking new ways of cutting service costs.

Municipalities are reviewing their own productivity and are trying to improve their service delivery. Some are entering into agreements with other municipalities or other levels of government to provide services. This would be particularly true of those areas where metropolitan, regional or county governments have assumed responsibility for certain services over a wider geographic area.

Another option being used is contracting out to the private sector. In this case the municipality articulates the demand and the private sector provides the service through a contractual agreement with the municipality. It is this last option which is the focus of this report.

II THE PROVISION OF MUNICIPAL SERVICES

Municipalities contract for a wide variety of services. These can be divided into areas of special expertise and of labour intensive work. The former encompasses management consulting, planning and legal work. Contracting is entered into when expertise is not available within the municipal corporation's staff or when demands for special projects or studies exceed the existing staff's capacity. Labour intensive work is usually found in the public works department or in maintenance. We will be concerned with contracting of this latter type of work.

City Department vs. Contracted Services

In 1980 the Bureau of Municipal Research undertook a survey to determine which services are most frequently contracted out by Canadian municipalities, and secondly, whether municipalities intended to expand the practice. We contacted 84 cities and received replies from 47 - a response rate of close to 56%. Responding cities ranged in size from 35,000 to 500,000 in population. 87% contract out, ranging from minor components of municipal services to making it a rule to consider contracting when budget decisions are made.

The Bureau's survey showed that refuse collection, street construction and maintenance, and snow removal are the services most frequently contracted to the private sector. 55% contracted out refuse collection and/or disposal, 46.8% contracted street construction and maintenance, and 29.8% did so for snow removal. Street construction is an area demanding heavy investment in machinery and for this reason is often contracted out. Other services contracted out, in decreasing order of frequency are: utility construction; street lighting; public health and welfare functions; street cleaning; equipment maintenance; park maintenance; public protection; parking meter collection; animal control; and landfill maintenance. Six municipalities or 14.6% of respondents did not contract out any services.

A recent survey of 96 Canadian municipalities with populations of 20,000 or higher conducted by Canadian Union of Public Employees on the practice of contracting for refuse collection, determined that 46 municipalities or 47.9%

of all respondents used private contractors for this public service.¹

A 1973 International City Managers' Association Survey in the United States found that 61% of responding municipalities had formal or informal agreements for providing services by other governmental units or private firms and that a wide range of services was provided by contracting.²

These statistics indicate that the majority of municipalities in Canada and the U.S. contract out. They also identify labour intensive work in the areas of refuse collection, street construction and maintenance and snow removal which are the top three services to be contracted in Canada.

The extent of contracting in California is documented in a survey directed at City managers for which responses from 84 cities were received. City governments accounted for only half of the provision of services in these cities, the other half being provided by other measures. Among these, private contractors and county governments ranked of equal importance. 20% of all cities were classified as contracting cities, in that more than 10% of their total budget was contracted out.³

The U.S. survey also investigated the effects on performance. California city managers felt that city departments performed efficiently in zoning, planning, parks, building and safety and law enforcement services. These functions are all related to local control. Residential garbage collection was felt to be most efficiently performed by franchise arrangement or private contract. Four other services that City departments did not provide efficiently were: street cleaning; traffic signal maintenance; animal control; and fire protection. However, the city department was rated as most responsive to citizens and the best means of assuring municipal control over quality. The predominant factor in contracting out such labour intensive services as garbage collection and snow removal are labour costs. Employee costs are not significantly different between large scale and small scale

¹"Unions fight use of private firms for municipal work", The Globe and Mail, July 15, 1980, p.3.

²E.S. Savas, Ed., Alternatives for Delivering Public Services, Diebold Institute for Public Policy Studies Inc., Westview Press, Boulder, Colo., p. 16.

³Ibid., p. 11.

producers, but differ markedly between the private and public sectors.¹ Government employees are protected by more legislation and regulations concerning hiring, firing, work rules and wages. The important finding of this survey is that city departments can be differentiated in terms of performance.²

Diverse Municipal Perspectives

The Bureau's survey indicated that 63.8% of responding municipalities had investigated providing various services by alternate means in the recent past. 40.4% are actively considering going ahead. We interviewed politicians and administrators in Ottawa, Kingston, Toronto and North York for details.

Ottawa contracts out all private residential refuse collection, janitorial services for city buildings and security services. Snow removal is partially contracted, as well as a substantial quantity of minor work in areas such as painting, landscaping, building maintenance and mechanics' jobs. The decision to do so for work up to \$25,000 rests with the Purchasing Department which calls all tenders, in conjunction with the department in which the job originates. Questions as to whether work above that amount is contracted are decided by Council. Experience has taught some lessons. Specifically, the necessity for municipal supervision was realized and for contracts assuring some measure of control of work standards by stipulating adequate remuneration to private sector employees.

North York's major contracts are refuse collection from apartment buildings larger than 30 units in three quarters of the City's area, janitorial services in city buildings, security services, snow ploughing (in 1980 without contract but by pricing only), road salting, plus a variety of work accounting for approximately 39% of the total Public Works Department expenditures for 1979.³ To cut its own labour costs, the practice of hiring

¹ Sidney Sonenblum, et al, How Cities Provide Services, Ballinger Publishing Co., Cambridge, Mass. (1977), pp. 21 and 47.

² Ibid., p. 47.

³ Calculated from 1979 Public Works Department Expenditures, City of North York.

casual labour for short periods up to six months has evolved. This saves on wages and benefits. North York is committed to a policy of contracting out if the job can be done in the private sector. Board of Control is authorized to accept the lowest tender which Council can overrule only by a two-thirds majority. Generally, contracts call for the application of wage rates set by the Metropolitan Toronto Fair Wage Officer after being approved by the Board of Control and Council of North York. Work for various departments contracted for less than \$10,000 proceeds by informal tender which draws on a pool of contractors known to the City and does not involve a Board of Control or Council decision. The decision is based on price, service and quality and is struck by the Department of Purchasing and Inventory Control and the individual City department and buyer involved.¹

The City of Kingston, on the other hand, has made the decision to limit the practice of contracting out. At the same time it remains acutely concerned with costs. Save for extremely minor work, Kingston is operating its municipal services under complete restrictions of contracting. An agreement with CUPE came about in negotiations some seven or eight years ago between the Union and the Clerk Controller, Treasurer, Personnel Officer and Department heads representing the City. Aldermen at that time felt that they lacked expertise to decide on matters concerning municipal employees. It is now perceived that this situation limits the City's options and flexibility in terms of cost savings, although Kingston has not come under any pressure for high taxes.² However, Kingston has directed its attention to management practices and the efficiency of its own operations. For example, \$100,000 has been saved each year for the past four years in refuse collection expenses. Operations were made more efficient with the use of modern equipment, streamlined procedure and employee incentives in the form of time completion. These measures cut the number of staff by one-third (through attrition) and overall increased productivity has resulted. Other examples are a cost-sharing arrangement between Kingston and three neighbouring rural townships and the local Chamber of Commerce. An Area Economic Development Commission has been formed which means that Kingston has

¹"Integrating Municipal and Contractor Work Forces", Address by B. Ruddy to the American Public Works Association (Ontario Chapter) Convention, 1977.

²According to a 1979 and 1980 survey of 34 Ontario municipalities conducted by Royal Trust Co., Kingston's taxes ranked among the five lowest in both years.

not replaced its own retired Industrial Commissioner. As of January 1981 Kingston will have an annual performance review system in place for all city departments.

The City of Toronto has demonstrated yet another approach. Its decision-making criteria are generally predicated on what is best service for dollar, coupled with non-monetary considerations. These include such characteristics as goals, nature of output, source of revenue, nature and structure of the workforce and type of technology used. A council decision in 1974 reflected consideration of non-monetary values. Refuse collection by private contract in one part of the City was terminated in favour of city employees performing the service. A cost differential of 4.9% after one year of operation by the City was considered palatable in favour of an improved service.¹ Save for some minor maintenance of equipment, work is contracted out generally only in the Works Department in connection with street construction and maintenance. The policy governing recommendations by the Commissioner of Public Works for carrying out work by private contractor is based on four factors:

- (1) that the work is of a seasonal or occasional nature;
- (2) that it is varied in type, fluctuates in quantity and is paid for in whole or in part by other agencies;
- (3) that the construction equipment required to carry out the work is high in capital and maintenance cost;
- (4) that there is a well organized, productive, skilled and competitive industry available to carry out the work.²

A breakdown of public works expenditures and type of work performed by contract and city forces for 1979 showed 60.44% to have been carried out by full-time city employees, and 39.56% by contract.³

¹ Report to the Committee on Public Works, from R.M. Bremner, Commissioner of Public Works, April 3, 1975.

² Report to the City of Toronto Executive Committee from R.M. Bremner, April 2, 1980. This report was issued in response to a request initiated by Alderman D. Heap, directed to the Mayor and Members of the Executive, February 13, 1980.

³ Ibid., p.3.

In interviews, the advantage of flexibility was mentioned. A municipality is able to "shop around" for what is best work for tax dollars in the absence of constraints prohibiting contracting out. At the same time the element of comparison and competition between private and public sectors was considered to make for a positive situation. It was also suggested that contracting need not be confined to the worker level alone, but might extend to the managerial sphere and that top administrative personnel be hired on a contract basis; in the same vein, one alderman felt that planning should be done on a contract basis to achieve distance from political considerations and influence and to save costs.

As an employer, the City of Toronto is perceived as sympathetic to its employees which carries positive spin-off effects in terms of morale and quality of working life considerations. Decisions regarding contracting involve fiscal as well as other considerations. When contracting, it is considered important to encourage employers to pay fair wages which is stipulated in contracts.

These four cities illustrate the diversity with which contracting is handled by municipalities and what the experience with contracting has been. Kingston demonstrates that a municipality can achieve savings by examining its own operations. Ottawa shows the need for proper municipal supervision and control of work standards. North York demonstrates the philosophy of contracting whenever possible, and Toronto serves as an example where other considerations besides costs come into play.

III COST EFFICIENCY OF CONTRACTING - TWO CASE STUDIES

It frequently is the decision of municipal councils to contract out services because it appears to be cheaper. Decisions are based on tender quotations. However, research in the U.S. found that more extensive contracting, which occurs in Los Angeles County, California, does not result in L.A. County cities having different levels of expenditure than other cities in California.¹

Two case studies are presented here. They focus on municipal vs. contractor collected garbage, a service that is frequently contracted out, as was reflected in the Bureau's survey. Also, data is readily available and the examples include the experience of an American and a Canadian city.

Minneapolis

The study of garbage collection undertaken in Minneapolis analyzes a situation in which public and private producers of a public service were placed in a competitive situation. The experiment was conducted between 1971 and 1975. Refuse collection was divided between the city and a consortium of 50 small private firms that formed a single corporation for purposes of administration. The private firm collected from about 60% of the total area. The city carefully monitored performance of each service provider.² Economic performance was measured in terms of cost per ton and cost per household. Output was measured in tons of refuse collected per truck per shift.

The results, shown in Table I (see p. 9), indicate economic performance to be more efficient when performed by contract. However, the gap between municipal and contract collection costs narrows considerably over the 5-year period. When cost of monitoring the contractor is included at 3% of annual cost per household, municipal collection proves to be less expensive by year four.

Performance of municipal workers measured in terms of tons of refuse collected per shift increased steadily, whereas private crew performance

¹ S. Sonenblum et al, How Cities Provide Services, p. 47.

² Contractors compliance with contract stipulations was also monitored and the cost of administration to the City of Minneapolis was calculated at 3% of total contract cost.

TABLE I

Performance of Municipal Versus Contract Collection
of Residential Refuse in the City of Minneapolis

Year	Cost Per Ton ¹			Annual Cost Per Household			Tons per Shift	
	City	Corp.	% Difference City/Corp.	City	Corp.	% Difference City/Corp.	City	Corp.
1971	\$32.08	\$28.91 ²	+11.0%	\$35.16	\$30.60 ²	+14.9%	5.74	6.11
1972	32.52	32.36	+ 0.5%	33.20	32.04	+ 3.6%	5.95	5.96
1973	33.75	32.75	+ 3.1%	33.52	33.12	+ 1.2%	5.95	5.96
1974	36.38	35.96	+ 1.2%	35.22	34.80	+ 1.2%	7.12	6.20
1975	37.97	37.44	+ 1.4%	37.78	38.23	- 1.2%	7.35	6.69

¹Not including the city's cost of monitoring the contractor.

²Large initial decline due to change from separated to combined collection.

Source: E. S. Savas, "An Empirical Study of Competition in Municipal Service Delivery" in Public Management Forum, Nov./Dec. 1977, p. 721.

remained relatively static. It must be kept in mind, however, that city crews consisted of 3 workers whereas corporation trucks had only one man crews. A substantial increase in city crew productivity is indicated by the fact that the city initially used 34 3-man crews which were reduced to 27 3-man crews by 1975 and the number of households served increased by 51% over the five year period. No change in technology took place over the period, but the city provided an incentive system in 1974 whereby workers could leave the job after completing their routes. This in turn prompted a redesign of routes. The union representing the municipal workers agreed to both these productivity improvements. Despite these changes, the city crews still had much spare time available. A plan for 1976 therefore called for increasing the city department's share of the work to 50% of households in the City of Minneapolis from the previous 39.5% in 1974. Overall productivity analysis of the municipal crews between 1971 and 1975 indicates that direct labour hours per household per year have declined by 35% and tons collected per man-hour have increased by 37%. Projected improvements when city crews will be fully utilized are for a reduction of 45% and an increase of 68% for the aforementioned productivity indicators and for an increase of 82% of the number of households serviced.¹

The private sector agency having been made conscious of work performance of the city crews added more services at no extra cost, such as free pick up of bulky objects, and agreed to a 4% price reduction in 1975. Comparative performance data are issued annually by the City of Minneapolis and have created competitive tensions between the private and public operations.

The conclusions drawn by the study attribute increased productivity and cost effective service delivery for the citizens of Minneapolis to the competitive climate which was deliberately created. However, no claim to universal applicability of this approach is made. A single entrenched system of one kind or another in other cities would be more difficult to restructure. Prior to reorganization a system of split responsibility for refuse collection existed in Minneapolis which was divided by type of refuse collected. Thereafter, private and public sectors took on equal tasks and performance could be compared. Judicious monitoring and reporting played the key role in assessing performance under competitive conditions.

¹ E. S. Savas, "An Empirical Study of Competition in Municipal Service Delivery" Public Management Forum, Nov./Dec. 1977, p. 718.

North York

Our second example is taken from the City of North York.¹ In 1973 North York's Council was faced with the question of whether or not to purchase special vehicles and to add to its employees in order to carry out collection of refuse from apartment buildings consisting of more than 30 units. These apartments were using special compactors and required specific equipment for collection.

Tenders went out for bids by private firms and prices quoted by half a dozen firms ranged from a low of \$0.84 per apartment suite per month to a high of \$2.15. On the basis of the lowest bid the estimated cost came to \$554,400 for the year. If the Borough provided the service it was estimated that 10 vehicles, 16 workmen and one foreman at a cost of \$546,820 would be required. The two estimates were considered roughly equivalent and the Commissioner recommended division of the Borough into four parts. Each contained a similar number of apartment units. Three areas were to be serviced by two different contractors at the lowest bid; the fourth by the Borough in order to establish comparisons and to establish "competence and financial capability of a contractor to carry out the work."²

The contract covered a period of five years beginning in 1974, and provided for annual adjustment of the original unit price. According to the formula in the contract, the following cost escalations resulted:

1st year	- \$0.84	per month per apt. unit
2nd year	- \$0.93967	" " " " "
3rd year	- \$1.04238	" " " " "
4th year	- \$1.12478	" " " " "
5th year	- \$1.20647	" " " " "

A review in 1976 indicated a 10.93% increase in the three year period between 1974-1976. The contractors were approached by the Borough for a possible reduction of 1976 prices. They were indeed willing to accept no increase for 1976 providing that a new 5 year contract would be entered into, at a base rate of \$0.93967 per apartment unit per month, subject to the same terms and

¹Until 1978 the City of North York was known as the Borough of North York.

²Report to the Works Committee, Borough of North York, from B. Ruddy, P. Eng. Commissioner of Public Works, June 21, 1973.

conditions as the original contract.¹ Council decided to let the original contract run the full term and subsequent costs are shown in Table II (see p.13). Compared with Borough costs per apartment unit (Area 4), the cost for private provision averages out at \$1.03066 per unit per month over the 5 year period and at \$1.00690 for Borough provided service.

A cost comparison to determine savings had the other three areas been served by Borough forces was also made. This exercise reflected a potential saving of \$136,082 over the period (see Table III, p.14).²

One member of Board of Control questioned how Borough costs were calculated, and if these were indeed comparable with calculations for contracted services.

Cost for private collection did not include administration by the Borough but was simply the lowest bid plus yearly escalations. The calculations of refuse collection by the Borough allowed for office overhead, a calculation of foreman's time at 25% of annual payroll cost, and vehicle costs which included depreciation. A recalculation of Borough work by Controller Greene based on the advice of a senior budget analyst of Metropolitan Toronto showed that the per unit cost would have averaged \$.8269 and had the Borough undertaken services in all areas, a saving of at least \$581,373 would have resulted over contractor costs in the 5-year period.³ Additional savings would have resulted from better organization of routes and economies of scale.

Despite these apparent differences between costs, North York Board of Control in 1979 again recommended and Council subsequently approved private garbage collection for three-quarters of the City's apartment buildings. The same cost escalation clause remained in the contract. Markham Disposal, Division of Miller Paving Ltd., submitted the lowest bid for the entire contractor area. The City's own forces continue to service the same remaining quarter.

¹ Report to the Works Committee, Borough of North York, from the Commissioner of Public Works, July 9, 1976.

² Report to Mayor and Members of Council, from the Commissioner of Public Works, Feb. 5, 1979, "Summary of Apartment Garbage Collection Costs 1974-1978 Inclusive".

³ Memo to all Members of Council from Controller Barbara Greene, City of North York, February 19, 1979.

TABLE II

North YorkSummary of Apartment Garbage Collection Costs - 1974 - 1978 inclusive

Year	<u>AREA 1</u> (Private Contractor)			<u>AREA 2</u> (Private Contractor)			<u>AREA 3</u> (Private Contractor)			<u>AREA 4</u> (Borough)		
	Total Cost \$	Average No. units per Month	Unit Cost** \$	Total Cost \$	Average No. units per Month	Unit Cost** \$	Total Cost \$	Average No. units per Month	Unit Cost** \$	Total Cost \$	Average No. units per Month	Unit Cost \$
*1974	54,630	6,504	0.84	100,481	11,962	0.84	77,595	9,238	0.84	90,005	7,645	1.11730
1975	94,224	8,356	0.93967	163,992	14,543	0.93967	130,941	11,612	0.93967	134,196	10,274	1.08847
1976	136,556	10,968	1.04238	219,470	17,829	1.04238	177,040	14,392	1.04238	139,310	12,632	0.91902
1977	154,291	11,549	1.12478	248,532	18,641	1.12478	210,928	15,808	1.12478	152,570	13,839	0.91872
1978	166,535	11,756	1.20647	273,892	19,323	1.20647	238,008	16,629	1.20647	172,992	14,547	0.99099

*10 months-only

**Unit cost price based on contract year (March-February) and not on calendar year

Source: Borough of North York, Report to Mayor and Members of Council Re: Apartment Garbage Collection, from Brian Ruddy, P.Eng., and R.H. Davie, Dept. of Public Works, February 5, 1979.

TABLE III .

North York

Cost Comparison of Private vs. Public Service Delivery of Refuse Collection

	Total Units, Areas <u>1, 2, & 3</u>	Total Contract <u>Cost</u>	Equivalent Borough Unit <u>Cost</u>	Equivalent Borough <u>Cost</u>	<u>Difference</u>
1974	27, 704	\$232, 706	\$1.11730	\$309, 537	\$+ 76, 831
1975	34, 502	389, 156	1.08847	450, 748	+ 61, 592
1976	43, 189	533, 066	0.91902	476, 298	- 56, 768
1977	45, 998	613, 751	0.91872	507, 111	- 106, 640
1978	47, 708	678, 435	0.99099	567, 338	- 111, 097
		\$2, 447, 114		\$2, 311, 032	\$- 136, 082

Source: Borough of North York, Report to Mayor and Members of Council Re: Apartment Garbage Collection, from Brian Ruddy, P.Eng., and R.H. Davie, Dept. of Public Works, February 5, 1979.

The lowest average bid for all three areas in North York was \$.7852 per unit per month, considerably lower than the lowest bid of \$.84 made five years earlier. Other average bids were recorded at \$.988, \$.94 and \$.938.¹ Markham's staff is not unionized and trucks consist of one-man crews. According to opinions of unionized firms involved in the bidding, such underbidding may mean poorer service. Lower quotes and smaller returns can only be absorbed because of Markham's diversification in other areas of business.

In contrast to the Minneapolis experiment the element of competition in North York is now severely reduced. Also, no effort was made by North York to monitor efficiency of its own forces or of the contractor. No accurate comparison can therefore be made between contractor and city costs. It is not known for example how many vehicles and crews are necessary to perform the Borough's portion of the work efficiently. Forecasts for the entire Borough cannot accurately reflect estimates at the most cost efficient level. The accuracy of calculating savings will depend on how well performance in both the private and public sectors can be assessed. Work may appear to be more efficiently performed by the private contractor. However, all costs to the municipality are seldom included. Contracting therefore will appear as an attractive alternative to administrators and politicians who see it as a way of assuring efficiency of operations, or who are reluctant to expose municipal inefficiencies.

The results achieved in Minneapolis are attributable not only to competitive supply, but also to efficient management. A rigorous system of monitoring and assessing productivity was established and conscientiously carried out. Productivity incentives were offered to workers and new routes mapped out and adopted when those in use were shown to be inefficient. The private sector, operating at greater levels of efficiency initially, was forced to follow suit when it became clear that municipal forces were catching up in productivity and therefore cost efficiency. The contractors provided additional service at no cost and reduced cost by cutting into profit. The Minneapolis experiment points out that municipal services are inefficient when they are poorly managed and that this condition can be rectified by introducing monitoring and assessment functions and subsequently altering the method of operation. Therefore, just how efficiently a municipal

¹ Extract from Board of Control Report No.1; dated December 13, 1978, Borough of North York.

service is operating will depend on how efficiently it is managed. By the same token, a municipality must be aware of output and cost of municipal services in order to be in a position to assess efficiency in the private market and it must be willing to assume costs connected with it.

An analysis of production efficiency in Swiss cities states that "it may appear to be advisable to switch from public to private production. This conclusion is, however, warranted only if private production is organized so as to guarantee the efficiency properties pertaining to the model of competitive supply."¹ Diversified large corporations who can outbid the small producer will eventually result in a situation of monopolistic conglomerates dominating the market and in control of price setting.

Quality of Service and Local Control

The Bureau chose quality of a service as an indicator to assess whether loss of control occurs when a municipal service is assumed by the private sector. No scientific survey was undertaken but we felt it would be interesting to determine if opinions expressed by City Managers in California could be borne out by opinions of municipal administrators here. Interviews were conducted in the cities of Ottawa, North York and Toronto. In addition we were able to draw on the results of a consumer sample survey conducted for the City of Toronto.

The City of Ottawa contracts to the private sector for many of its services or components of services. For example, garbage collection from private residences has been carried out by private contractors for as long as 15 years. Another major area of contracting is janitorial service for city buildings. The City switched from municipal to private provision of janitorial services when the City of Ottawa occupied its new city hall quarters. Municipal employees were absorbed by the private firms. Subsequently poor service became evident to city inspectors and a great many complaints by municipal employees were noted. City Council decided two years

¹ Werner W. Pommerehne and Bruno S. Fry, "Public Versus Private Production Efficiency in Switzerland: A Theoretical and Empirical Comparison" V. Ostrom and Frances Pennell Bish, Comparing Urban Service Delivery Systems, Sage Publications, Beverley Hills, California, 1977, p. 225.

ago to require the contractor to pay higher wage levels than the provincial minimum. The quality of service subsequently improved and complaints have been virtually eliminated. The City of Ottawa, however, maintains its own janitorial staff at community centres, field houses and for maintenance of indoor pools since these facilities require an increased amount of responsibility and stringent standards of cleanliness.

In North York difficulties with theft have been experienced with private contractors for office cleaning services. Security personnel is also contracted at minimum wages without benefits. High turnover of staff occurs in both areas indicating worker dissatisfaction. No incremental salary schedule is built into contracts to provide incentive for employees to stay and poor service is the result. Another comment was that there was no evidence of discrepancy in quality of service. The Commissioner of Public Works indicated that continuity in the performance of work is lost when tendering is extensive and that an attempt is made by the Department to obtain the same operators for the same areas to overcome the problem.

Perceptions in the City of Toronto generally were that service quality is better when work is performed by the City's own forces.¹

The City of Toronto commissioned a quality of service survey in 1975 after residential garbage collection in one area of the city had been switched from contractor collection to the City's own forces. The same amount as previously paid to the contractor was budgeted to maintain the same level of service. A sample survey of household opinions showed that 77.3% of respondents felt that level of service had remained the same, 6.2% indicated that it had deteriorated, and 16.5% felt the service had improved. It was concluded that residents of the area were receiving improved service from the City.²

It appears from the foregoing that people generally felt that the quality of service is poorer when it is contracted out. This agrees with the perceptions of California City Managers who ranked a city department

¹ Memo to The Mayor and Members of the Executive of City Council Re: Contracting Out, From Alderman Dan Heap, Feb. 13, 1980.

² Memo to Committee of Public Works, City of Toronto, from R. M. Bremner, Commissioner, Department of Public Works, April 3, 1975.

structure most effective for quality control and responsiveness to citizen demands. Evidence also arose that quality can be controlled by a contracting municipality with the use of specific contract stipulations such as fair wages and monitoring of performance. A municipality can therefore assure a continued measure of control by exercising these options. Its involvement does not end with the decision to contract and it must set conditions which will assure qualitative as well as cost efficient functioning of the private producer over the long run.

IV POLITICAL IMPLICATIONS AND TRADE-OFFS

The Public Service Unions

The most vocal opponents to contracting to the private sector have been the labour unions.¹ Canadian Union of Public Employees considers contracting out at all levels of government a long-standing, chronic problem which has increased in the past few years. It set up a National Task Force in 1979 to begin a program of action to protect and expand public sector employees. A second objective of the Task Force was to provide citizens with efficient citizen-oriented programs. CUPE has incorporated a number of clauses on contracting in agreements across the country, ranging from minor provisions to prohibitive statements. Complete restrictions on contracting, such as the agreements with the City of Kingston, are found in only about 100 cases protecting approximately 5% of the union's total membership. The next safeguard is to guarantee the jobs of all present union members of a municipality or some of its members, for example those with a certain length of service. A large percentage of members (approximately 80%) are covered under these provisions. Another clause which covers 17.6% of members is that a municipal employer may contract out, but will have to try to find alternate work for displaced employees. Further union provisions require consultation with or notification to unions prior to contracting out work; or requirements by the municipal employer for certain levels of pay and benefits to be provided by subcontractors.

The reasons for union opposition to contracting are numerous. They range from an obvious concern about a diminished membership, job security and mobility of its members, to quality of service and tensions between the municipality and its taxpayers. Among additional concerns that were mentioned are loss of control over hiring by the municipality and assuring qualified employees; hidden costs when considering only contract price; price fixing and increasing monopolization by certain service industries which means decreased competition and a compounding of problems concerning poor

¹For some recently voiced concerns see: "Unions fight use of private firms for municipal work", Globe and Mail, July 15, 1980; "Contracting out work is wasteful, corruptive, civil service unions say", Globe and Mail, August 12, 1980.

municipal management; decreased administrative control; an increase of the private consultant's influence over public institutions; poor treatment of employees in the private sector; and insecurity within the civil service. Furthermore it has been observed that tenders can easily be manipulated to assure contract awards going to specific companies.

Other considerations voiced by CUPE were a responsibility towards improving service to the public which it feels is not incompatible with the concern for the welfare of its members. CUPE feels that in the past it has concerned itself little with inefficiency or waste in the public sector but is now beginning to take a broader view of economics and the part of the public sector in it.¹

CUPE is actively organizing around the issue of contracting out and a policy guideline in the form of a manual is scheduled for publication in the near future for national distribution. Individual campaigns for locals that are facing particular problems in cities such as Vancouver, Kitchener and Sydney will also be organized.

The position of the Labour Council of Metropolitan Toronto is that it is opposed to the contracting out of work traditionally performed by municipal employees. It also opposes contracting of jobs to non-union employers and is on record in support of fair wage policies being included in contracts to the private sector.

The question arises - what is value for money? Is it a contract awarded to the lowest bidder? Without knowledge of efficient performance and assurance of proper functioning of market competition, it is not possible to determine just how much should be paid to private contractors. Is it local control over responsiveness to citizens and levels of quality of service?

Politicians like to point to figures of comparative savings to enhance their public image. However, costs of administering tenders, paying the contractor and supervision and assessment of comparative efficiency are seldom calculated when contracting is the case.

¹ See also "Summary and Recommendations", in "Productivity and Quality of Working Life - Two Sides of the Same Coin", BMR TOPIC No.12, November 1979.

The responsibility rests with elected representatives as decision-makers to determine the criteria on which to base a decision and to formulate policy. Such criteria should weigh all the consequences of costs, efficiency and quality of service as well as factors which differentiate public goods and services from their private counterparts. For example who profits from tax dollars spent? Obviously the citizens at large. But additionally, a contractor is in the business to make a profit and governments as employers and providers of services have obligations such as employee morale and citizen confidence.

The perspective of labour unions injects human considerations into the decision-making process about contracting out. The concern is with the satisfaction of the individual municipal employee and overall morale within the municipal organization, fair wages to employees who perform work for the municipality in the private sector, and more recently, the image of municipal employees in the eyes of the taxpayer and meeting his concerns. Trade union demands require delicate balancing by politicians because strike action may reduce their re-election chances.

All these considerations relate to the characteristics of government operation and form an integral part of a holistic view of government. They encompass meeting human needs and satisfactions, public goals, the nature of the output, sources of revenues, nature and structure of the work force, type of technology employed, size of the operation, as well as maximizing input/output ratios.

Who Decides and How?

Whether a given service is provided in house or is contracted out, is a decision that is consciously determined by cities in California. The reason for the choice of a particular method is related to performance characteristics of the method as well as to performance preferences of cities. The selection of the method of providing a given service is therefore a critical municipal decision.

The question of who makes these decisions and the trade-offs involved in these decisions remains to be examined. Ostensibly, elected representatives make decisions affecting citizens. However, lines of decision making powers

are not always so neatly drawn. Administrators have considerable influence which is based on their expertise. They are often relied upon for information because of their experience and day-to-day involvement with the subject at hand, and can have considerable influence on Council decisions. Notwithstanding these considerations, let us look at the composition of Council of two municipalities whose philosophies differ on the question of contracting out.¹ (See Tables IV and V, pages 23 and 24)

Considering the number of Controllers and Council members of North York Council who came from a business background vis-a-vis those with professional associations and labour sympathies, it can easily be seen that a business philosophy would predominate.

City of Toronto Council (including members of the Executive Committee) presents a different picture. Backgrounds of members of Council are rather diverse and over 40% of Council is sympathetic to labour.

Municipal councils have frequently opted for contracting in the belief that it costs less and that municipal government should function more like a business. It appears, however, Council decisions on the issue of contracting out are in large part determined by the philosophy and sympathies of those making the decisions. North York contracted out garbage collection despite its apparent greater cost, and the City of Toronto based decisions not solely on cost, indicating a concern for a variety of considerations.

Certain trade-offs occur in relation to control over staff and quality of service. When contracting out is the decision, the municipality no longer has full charge over staff. This may erode morale within the municipal corporation and most certainly will bring union opposition. Quality of work may be jeopardized and citizen satisfaction lowered. Relinquishing certain control measures may be an acceptable trade-off in some instances if it means significant cost savings. However, priorities must be determined in each individual case, and only after all factors have been considered.

¹Refers to Council members elected for the 1979/1980 municipal term.

TABLE IV .

City of Toronto
Professional/Business Background of 1979/1980 Council
(including Executive Committee)

		Total #	%
Council members with present or past business affiliations:	F. Beavis)	
	W. Boytchuk)	4
	T. Clifford)	17.4%
	J. Piccininni)	
Council members with present or past professional affiliation:			
Professions (law, accounting, engineering, consulting, education, social work, religious, volunteer work)	B. Adams	A. Johnston)	
	G. Cressy	T. O'Donohue)	
	A. Eggleton	A. Paton)	
	S. Fish	J. Rowlands)	
	M. Gee	T. Ruprecht)	19
	R. Gilbert	J. Sewell)	82.6%
	D. Heap	P. Shepphard)	
	Y. Hope	A. Sparrow)	
	J. Howard	T. Wardle)	
		D. White)	
TOTAL		23	100%
LABOUR AFFILIATION (10/23 or 43.5%)			

TABLE V

City of North York
Professional/Business Background of 1979/1980 Council
and Board of Control

			Total #	%	
Council/Bd. of Control members with present or past business affiliations:	M. Berger	A. Heisey)		
	E. Caplan	M. Lastman)		
	I. Chapley	I. Paisley)	12	63.2%
	P. Clarke	M. Sergio)		
	N. Gardner	E. Shiner)		
	M. Gentile	R. Yuill)		
Council/Bd. of Control members with present or past professional affiliation: (education, religious, legal aid, volunteer, or community work)	B. Burton)		
	M. Foster)		
	B. Greene)		
	M. Labatte)	7	36.8%
	H. Moscoe)		
	P. O'Neill)		
	B. Sutherland)		
TOTAL			19	100%	
LABOUR AFFILIATION (4/19 or 21.1%)					

V CONCLUSIONS AND RECOMMENDATIONS

Contracting as an alternative to municipally provided services is used for a number of reasons. Smaller municipalities may contract to larger jurisdictions on a regional basis to achieve economies of scale and to avoid purchasing costly equipment. The private contractor may, in some instances, be able to furnish expertise that is not available within the municipality. Contracting as an alternative is frequently seen as providing flexibility at peak work periods and as a method of introducing competition into government bureaucracy, making it more efficient.

Recently, fiscal restraints have placed emphasis on cost savings. Contracting out has been seen as saving money when tender quotes have been considered the total cost. However, research shows that when all costs are taken into consideration, contracting to the private sector does not necessarily make it less expensive. North York's apartment garbage collection by private contract is an example. Public production under efficient management, however, can reduce costs. This has been shown in the case of Minneapolis. Kingston is striving in the same directions in the absence of private contracting.

When considering contracting out, it is important for municipalities to include factors such as responsiveness to citizens, responsibility to employees, a certain loss of control over the operation, as well as costs. Municipalities must also be able to gauge the efficiency of their own forces in order to compare efficiency with the private sector. The free market mechanism is rapidly lost in an era of increasing monopolization by certain service industries. Maintaining control mechanisms is important, since municipal responsibility does not end with contracting out.

Council policies in respect to contracting are governed by philosophical and political considerations. They may be based on a business philosophy and result in decisions favouring private enterprise. Or, they may encompass more complex aspects of productive activity which cannot be measured in monetary terms.

The Bureau recommends that municipalities:

- 1) examine the efficiency of their own management and monitor productivity of publicly produced services prior to decisions about contracting to the private sector;
- 2) maintain comparative evaluations with contractor produced work where the decision to contract out has been taken;
- 3) not consider tender quotations the single criterion on which to base cost decisions but to include quality considerations and such hidden costs as administering the tendering process, supervision of work and administration of the contract;
- 4) consider elements in addition to cost when its own forces are capable of performing at comparable efficiency. This includes service quality, local control and consumer satisfaction;
- 5) maintain control by including contract clauses affecting quality of work and quality of working life and supervise the execution of the contract and monitor efficiency;
- 6) assure themselves of competitive market conditions in areas where public production is unfeasible;
- 7) consider creating a competitive environment among public sector units or jurisdictions;
- 8) investigate cooperative buying and/or leasing within its own organization and in cooperation with other municipalities.

(c)

Bureau of Municipal Research February 1981

Mary Lynch, Executive Director

*Ute Wright, Research Associate

*Principal Author

CORPORATION

Algoma Central Railway
 Allstate Insurance of Canada
 Bank of Montreal
 Bank of Nova Scotia
 Bell Canada
 Board of Trade, Metro Toronto
 Brascan Limited
 British American Bank Note Co. Limited
 Cadillac Fairview Corporation Limited
 Canada Malting Company Limited
 Canada Packers Foundation
 Canada Permanent Trust Company
 Canadian Imperial Bank of Commerce
 Canadian Tire Corporation Limited
 Confederation Life Insurance Company
 Consumers' Gas Company
 Consumers Glass Company Limited
 Costain Limited
 Crown Life Insurance Company
 Davis & Henderson Limited
 Donlee Manufacturing Industries Ltd.
 Dominion of Canada General Insurance Company
 Eastern Construction Co. Ltd.
 General Mills Canada Ltd.
 Greater Canada Corporation S.A.
 Group R
 Guaranty Trust Company of Canada
 Guardian Insurance Company of Canada
 Gulf Realty Co. Ltd.
 H.U.D.A.C. (Ontario)
 I.B.M. Canada Ltd.
 The Imperial Life Assurance Co. of Canada
 Independent Order of Foresters
 Jackman Foundation
 Kodak Canada Ltd.
 John Lahatt Limited
 A.E. LePage Limited
 Lever Brothers Limited
 Maclean-Hunter Limited
 Manufacturers Life Insurance Co.

Maple Leaf Mills Limited
 Marathon Realty Company Ltd.
 L.J. McGuinness and Co., Ltd.
 McLean Foundation
 McLeod, Young, Weir Limited
 Midland Doherty Limited
 Misener Properties Ltd.
 Molson Companies
 The National Life Assurance Company of Canada
 Noranda Mines Limited
 North American Life Assurance Co.
 Northern & Central Gas Corporation Limited
 Northern Telecom
 Olympia & York Developments Limited
 The Oshawa Group Limited
 Parking Authority of Toronto
 Rio Algom Limited
 The Royal Bank of Canada
 Royal Insurance Company of Canada
 Royal Trustco Limited
 Shaw Industries Limited
 Sheraton Centre
 Simpson-Sears Limited
 Southam Inc.
 The Steel Company of Canada, Limited
 Sunoco Inc.
 Texaco Canada Inc.
 The Toronto-Dominion Bank
 3M Canada Limited
 Toronto Star Ltd.
 Trans Canada Pipelines Limited
 Travelers Canada
 Turner and Porter Funeral Directors Ltd.
 Union Gas Limited
 Valleydene Corporation Limited
 Victoria & Grey Trust Co.
 Hiram Walker & Sons Limited
 George Weston Limited
 Wood Gundy Limited
 Xerox of Canada Limited

PROFESSIONAL

H.H. Angus & Assoc. Ltd.
 Ernest Annau, Architect
 Armstrong & Molesworth
 Arthur Andersen & Company
 John Bousfield Associates
 Costa, Thurley, McCalden and Palmer
 Currie, Coopers & Lybrand Ltd.
 Deacon (F.H.) Hodgeson Inc.
 DelCan
 Development Engineering (London) Ltd.
 M.M. Dillon Limited
 Govan, Kaminker, Architects and Planners
 Eric Hardy Consulting Ltd.

I.B.I. Group
 Jarrett, Goad & Elliott
 Judicial Valuation Co.
 Marshall, Macklin and Monaghan
 Russell J. Morrison
 Norman Pearson, Planning Consultant
 Osler, Hoskin and Harcourt
 Peat, Marwick and Partners
 Price Waterhouse & Co.
 Proctor and Redfern Group
 P.S. Ross & Partners
 Smith, Auld & Associates
 Weir and Foulds

GOVERNMENTAL

City of Chatham
 Canada Mortgage and Housing Corporation
 Regional Municipality of Durham
 Borough of Etobicoke
 Township of Gloucester
 City of Hamilton
 Regional Municipality of Hamilton-Wentworth
 Metropolitan Toronto
 Metropolitan Toronto Separate School Board
 Ministry of Intergovernmental Affairs
 City of Mississauga
 Township of Nepean
 Regional Municipality of Niagara
 City of North York

City of Oshawa
 City of Ottawa
 Regional Municipality of Ottawa/Carleton
 Regional Municipality of Peel
 Town of Richmond Hill
 City of St. Catharines
 City of Sarnia
 County of Simcoe
 City of Sudbury
 City of Toronto
 Town of Vaughan
 City of Windsor
 Borough of York
 Regional Municipality of York

LABOUR

Ontario Federation of Labour
 Sudbury and District Labour Council

200 Personal/Academic Memberships,
 including Libraries

Founded in 1914 as a non-profit research agency, the Bureau of Municipal Research undertakes a wide range of studies into the problems facing municipalities in Ontario.

An advocate of responsive and responsible government, the Bureau has gained wide recognition for the high calibre of its *Civic Affairs*, its *BMR Comment/Topic*, its information and the participation of its staff in the public discussion of issues.

The Bureau is an independent agency supported by a broad cross-section of business and professional firms, organizations, governments, and individuals.

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Civic Affairs

School Closures:

- Are They the Solution? *November 1980*
- Questions for Electors, *October 1980*
- Cost Saving Innovations in Canadian Local Government: A More in-Depth Look, *June 1980*
- Cost Saving Innovations in Canadian Local Government *September 1979*
- Directory of Governments in Metropolitan Toronto, *1979/1980, March 1979*
- Teaching Local Government: A Responsibility of the Educational System, *May 1978*
- Should the Island be an Airport?, *November 1977*
- Food for the Cities, *June 1977*
- Directory of Governments of Metropolitan Toronto, *1977/78, May 1977*
- Be it Ever So Humble: The Need For Rental Housing in the City of Toronto, *March 1977*
- Legislative Attempts to Control Urban Growth in Canada, *November 1976*
- The News Media and Local Government, *August 1976*
- Pet Control in Urban Ontario: The Municipal Role, *May 1976*
- *Fire Protection Services in Metro: Is Unification the Answer?, *November 1975*
- Metro Toronto Under Review: What are the Issues?, *June 1975*
- Directory of Governments in Metropolitan Toronto 1975/76, *June 1975*
- Citizen Participation in Metro Toronto: Climate for Cooperation?, *January 1975*
- The Development of New Communities in Ontario, *September 1974*
- *Property Taxation and Land Development, *No. 2, 1973*
- *Land Banking: Investment in the Future, *No. 1, 1973*
- *The Toronto Region's Privately Developed New Communities, *No. 2, 1972*
- *Reorganizing Local Government: A Brief Look at Four Provinces, *No. 1, 1972*
- Landlord-Tenant Relationships: Time for Another Look, *Autumn 1971*
- *Urban Open Space: Parks, People and Planning, *Summer 1971*

* Out of print but available in the Bureau's Library.

Topics

- 13 Municipal Services: Who Should Pay?, *February 1980*
- 12 Productivity and Quality of Working Life —Two Sides of the Same Coin, *November 1979*
- 11 Understanding Metro's Transit Problems *July 1979*
- 10 Proceedings Governmental Research Association Conference, *June 1979*
- *9 The Public Interest and the Right to Know, *March 1979*
- 8 Transportation Planning in London: Can London Catch the Bus?, *December 1978*
- 7 Should the Province Help Save Ontario's Downtowns?, *November 1978*
- 6 Questions for Electors, *October 1978*
- 5 What Can Municipalities do About Energy? *March 1978*
- 4 The Public Library as Community Information Centre: the Case of the London Urban Resource Centre, *January 1978*
- 3 Changing the Planning Act: Risks and Responsibilities, *November 1977*
- 2 In Response to the Robarts Report, *October 1977*
- 1 School Vandalism: An Emerging Concern, *September 1977*

BMR Comment

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- 165 Disappearing Farmland: So What?, *March 1977*
- 164 Is Metroplan A Gamble Worth Taking? *February 1977*
- 163 Restraint Without Hardship: How Do We Know?, *November 1976*
- 162 Questions for Electors, 1976, *October 1976*
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- 159 The Role of the Municipal Auditor, *July 1976*
- 158 The News Media and the Metro Toronto Teacher's Strike, *April 1976*
- 157 Low Voter Turnout in Municipal Elections—No Easy Solutions, *February 1976*
- 156 County Schools: The Effects of the County School Takeover on One Ontario Township, *December 1975*
- 155 The Teaching of Local Government in Our Schools, *October 1975*
- 154 Report on Leisure Time Patterns of Apartment Dwellers in the City of London, *July 1975*
- 153 Metro Toronto Under Review: What Are The Issues? *March 1975*
- 152 Should the Metro Toronto Chairman be Directly Elected? *January 1975*
- 151 The Politics of Waste Management, *January 1975*

your inquiries are invited:



BUREAU OF MUNICIPAL RESEARCH

73 Richmond St. West #404, Toronto, Canada M5H 2A1
Telephone (Area Code 416) 363-9265

COMMITTEE ON CONTRACTING
OUT GARBAGE COLLECTION

The Committee on Contracting Out of Garbage Collection met in the Committee Room of the Municipal Hall, 1111 Brunette Avenue, Coquitlam, B.C. on Wednesday, January 20th, 1982 at 7.30 p.m. with the following persons present :-

Alderman L. Garrison, Chairman
Alderman L. Sekora
Mr. D. Cott, C.U.P.E., Local 386
Mr. R. Bradley, C.U.P.E., Local 386

Also present were :-

Mr. N. Nyberg, Municipal Engineer
Mr. R.A. LeClair, Municipal Manager
Mr. T. Klassen, Municipal Clerk

REVIEW OF SPECIFICATIONS - CALL FOR TENDER

The Chairman reviewed the "Specification for Solid Waste Collection" on an item by item basis in order to receive comments on all aspects of the specifications. The following comments were recorded :-

<u>Item No.</u>	<u>Comment</u>
1.01	None
1.02	Why is a designated land fill site mentioned. Mr. Nyberg indicated that once the Terra Nova Land Fill operation is closed, Coquitlam will, together with other Municipalities in the G.V.R.D., continue to co-operate on the matter of disposal of garbage and the construction of a transfer station and the locating of a land fill site.
1.03	None
1.04	Municipality limited to a contract of no longer than five years.
2.01	Members of the Committee expressed a desire that the same level of service be maintained as currently existed.
2.02	None
2.03	None
2.04	None
2.05	None
2.06	The Engineer indicated that at present no such service exists in Coquitlam.

<u>Item No.</u>	<u>Comment</u>
2.07	The Engineer explained that this section was included to cover local convenience stores and at present no limit on cans is made and it is proposed that such service would be continued.
2.08	The Chairman indicated that a time limit of some sort would probably be needed on "Annual Clean-up"
3.01	None
3.02	None
3.03	The Engineer explained that this section would allow for a six day collection week, but would not necessarily mean such would be the case.
3.04	None
3.05	The question of whether this would be a significant cost item was raised.
3.06	None
3.07	None
3.08	None
4.01	None
4.02	None
4.03	None
4.04	None
4.05	None
4.06	The Engineer explained that the cost of disposal was an integral part of the contract in order that the Municipality would not have included as an expense any garbage deposited at the land fill site by the contractor for which he had made private arrangements.
5.01	None
5.02	None
5.03	None
5.04	None
5.05	The Engineer indicated that he had obtained new census figures for Coquitlam which indicated a population of 60 to 61 thousand with a population occupancy rate per dwelling of just under three persons. He further indicated that a count of 1, 2, 3 and 4 unit family dwellings indicated a figure of 16,483 for 1981 and a figure of 16,9943 for 1982.
5.06	None

MANDATE OF COMMITTEE

Mr. Cott questioned whether the Committee had a mandate to prepare tender specifications for the contracting out of garbage collection based upon the resolution adopted by Council on June 22nd, 1981 which was as follows :-

"That a Committee be struck comprising three members of Council and two members of C.U.P.E., Local 386 to study the implications and evaluate the proposal of Contracting Out the Garbage Collection service, and report back to Council".

Mr. Nyberg advised that the former Chairman of the Committee, Alderman Parks, had instructed that the Specifications be prepared.

Mr. Cott stated that he was of the opinion that the Committee should be looking at the implications of the proposal submitted by Haul-Away Disposal Ltd, and at the two alternatives of Municipal Collection these being those referred to in the Engineer's report as alternatives A and B.

LEVEL OF SERVICE

Mr. Nyberg distributed to the Committee a document entitled "Operating Budget - Solid Waste Collection and Disposal", a copy of which is attached hereto and forms a part of these minutes.

The Engineer advised that the budget was prepared based upon the following :-

- (1) 1982 wage rates
- (2) 33% benefit costs
- (3) New equipment rates adopted by Council on January 18th, 1982
- (4) Proposed increased rates to \$20.00 a tonne on land fill charges to take effect in mid 1982

Mr. Cott advised that he would like to see a breakdown of the 33% benefit costs and the Engineer agreed that a spread sheet should be prepared to indicate factors involved in the benefits figure, and this should be available for the next meeting.

Mr. Cott inquired of the Engineer why the budget indicated a four week period for "Annual Clean-up" when it may be more advisable to maintain a five week "Cleanup" with one week set aside for each of the five zones. The Engineer indicated that the "Cleanup" would most likely be done on a zone basis, however, for budget purposes a four week period of time would be required to accomplish the task.

Alderman Garrison inquired if the "Operating Budget" as presented included any improvement in service, and the Engineer indicated that it did not and that this really represented "Alternative A" of his original report.

The Engineer indicated that "Alternative B" could not be analysed without knowing specifics related to how any "redundant jobs" would be dealt with, namely :-

- (1) Layoff per the Collective Agreement
- (2) Reduction by attrition
- (3) Transfer to other municipal tasks
- (4) A combination of the above three approaches

Alderman Garrison stated that it would appear on the surface that the productivity level of our operation is low compared to other municipalities, and this could be due mainly to our operation using three-man crews and the use of smaller packers.

The Engineer referred the Committee to Appendix C of the report, which showed municipal equipment to comprise mainly "Dempster Packers". Mr. Cott stated in his experience the "Hile Packers" have a fair amount of electrical problems which leads to down time and a less efficient operation.

Mr. Cott distributed to the Committee copies of "Memorandum of Agreement related to Refinements in the Collection of Refuse Services" for Richmond and Burnaby and copies of these memoranda are attached hereto and form a part of these minutes.

METHOD OF COLLECTION

(1) Contract Out - Call for Tender

Mr. Cott again stated that a tender call would not be needed because tender comparison costs could be obtained from Port Moody, and West Vancouver. He stated that in Richmond it was possible to arrive at a method of collection without the necessity of a tender call.

The Engineer stated that he would be unable to evaluate the economic impact of contracting-out without a formal tender call to provide reliable contract costs for the District.

The Chairman inquired of Mr. Cott what the harm would be to have a tender call, and was advised that present employees would feel that a decision had been made to contract out which would lead to morale problems and, as well, it would not be fair to bidding companies having to prepare bids unless a decision on method had been made. He stated that this could also lead to other pressures being brought to bear by both the companies and outsiders to proceed with the awarding of a contract on the basis of bids received.

The Engineer advised that in Port Moody the decision to not "Contract Out" was made after receiving tenders, and this action was taken with full facts being known to the Council.

(2) Revised Municipal Collection System

The Engineer wondered if it would be possible to compress the study related to "Method B" by forming a Sub-Committee consisting of Engineering, together with Mr. Cott and Mr. Bradley, and a Sub-Committee was agreed to by the Committee.

The Engineer then stated that the Sub-Committee would require direction from the Committee on the basis for study of "Alternative B". The cost of Alternative B would depend upon Council policy with regard to layoff.

(3) Basis for Tender Call

Mr. Cott stated that in his opinion, once the Committee has reported on its deliberations to Council, the Municipal Council would be the body to make a decision as to whether to proceed with a tender call.

The Engineer advised that specifications are prepared for a tender call and this could be issued within seven working days of a decision by Council to proceed with such a call.

DIRECTION OF COMMITTEE ON REPORT TO COUNCIL

The Committee agreed that "Alternatives A and B" would be examined by the Committee with "Alternative C" left to Council for a decision following the report of the Committee.

FUTURE AGENDA

- (1) Meeting of February 3rd, 1982
- Study of "Alternative A".

- (2) Study of "Alternative B" to be undertaken upon completion of report of "Sub Committee".

DIRECTION OF STUDY OF "ALTERNATIVE B"

The Engineer indicated that direction was required from the Committee on how the Committee should be dealing with the matter of redundant jobs, and the Committee agreed the study should deal with two scenarios, these being :-

- (1) Lay-off per the Collective Agreement;

- (2) Reduction by attrition.

The Engineer also indicated that if a reduction was to take place by any other method than by lay-off, the cost of reduction by attrition or transfer to other municipal tasks should possibly be included as a cost.

The Engineer also indicated that a report would be required from the Personnel Department on the jobs affected by layoff of existing garbage collection staff. The possible reduction of jobs through attrition requires analysis as well.

ADJOURNMENT

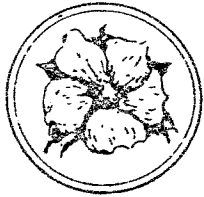
The Chairman declared the meeting adjourned at 8.48 p.m.

CHAIRMAN

PRELIMINARY

OPERATING BUDGET

SOLID WASTE
COLLECTION AND DISPOSAL



district of COQUITLAM

operating budget

department.... ENGINEERING
 co-ordinator... W. ERWOOD, SURFACE OPS. SUPT.
 program..... SURFACE OPERATIONS
 sub-program... SOLID WASTE COLLECTION & DISPOSAL

OBJECTIVES:

TO COLLECT & DISPOSE OF 16,950 TONNES OF RESIDENTIAL WASTE FROM WEEKLY COLLECTIONS OF 16,743 SINGLE FAMILY, TWO FAMILY & THREE FAMILY IN 1982.

TO COLLECT & DISPOSE OF 2800 TONNES OF RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL WASTE FROM 2116 CUSTOMERS, COMPRISING:

- 39 INDUSTRIAL BINS;
- 15 INSTITUTIONAL BINS;
- 97 MULTI-FAMILY BINS (2009 UNITS);
- 53 LOOSE REFUSE INDUSTRIAL COLLECTIONS; AND,
- NO MULTI-FAMILY LOOSE REFUSE COLLECTIONS

TO REVISE THE GARBAGE COLLECTION BYLAW 625 (1972) IN 1982.

TO IMPROVE PRODUCTIVITY THROUGH NEW WORK METHODS FOR COLLECTION BY OCTOBER 1982.

TO COMPLETE A SEMI HEURISTIC ROUTE STUDY & DRIVER TRAINING PROGRAM BY OCTOBER 1982.

TO REDUCE LOOSE REFUSE COLLECTION FROM INDUSTRIAL, COMMERCIAL & MULTI-FAMILY PREMISES FROM 63 TO 53 IN 1983.

TO REDUCE TWICE-WEEKLY BIN COLLECTIONS TO ONCE PER WEEK BY INCREASING NUMBER OF CONTAINERS.

TO RE-EQUIP BRANCH BY REPLACING TWO 16 CY SINGLE AXLE PACKERS.

TO REDUCE "VEHICLE UNSERVICEABLE" INCIDENTS FROM 154 PER YEAR TO 140.

ADDITIONAL PROGRAMS:

ALT. 1. TO CARRY OUT A 5 WEEK COLLECTION OF MISCELLANEOUS RUBBISH AND DEBRIS DEPOSITED ON CITY BOULEVARDS DURING "CLEAN-UP" WEEK.

ALT. 2. TO PAY FOR DUMPING CHARGES FOR COQUITLAM RESIDENTS WHO DEPOSIT WASTE AT THE TERRA NOVA LANDFILL DURING TWO WEEKS OF APRIL 1982.

STATISTICAL DATA

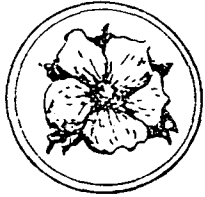
	1980	1981	1982
NUMBER OF RESIDENTIAL COLLECTIONS	14302	16483	16943
NUMBER OF INDUSTRIAL BINS	25	39	39
NUMBER OF INSTITUTIONAL BINS	15	15	15
NUMBER OF MULTI-FAMILY BINS	50	85	97
NUMBER OF MULTI-FAMILY UNITS		1761	2009
NUMBER OF LOOSE REFUSE INDUSTRIAL		61	53
NUMBER OF MULTI-FAMILY LOOSE REFUSE		2	0
TONNAGE: RESIDENTIAL	16144	16950	17425
TONNAGE: COMMERCIAL, INDUSTRIAL	2442	2560	2800

COST BREAKDOWN

	1980	1981	1982
ADMINISTRATION & OVERHEAD			\$ 125598
COMMERCIAL COLLECTION & DISPOSAL			214170
RESIDENTIAL COLLECTION & DISPOSAL			1024576
TOTAL	\$ 975 746	\$ 1044878	\$ 1364039
ALT. 1			\$ 71658
ALT. 2			14735

UNIT COST PROJECTION: 1982

RESIDENTIAL: _____ \$ 60/TONNE; \$ 60.47/HOUSEHOLD
 COMMERCIAL: _____ \$ 76/TONNE; \$ 14.24/LIFT
 ADD: ALT 1 _____ \$ 4.22/HOUSEHOLD
 ADD: ALT 2 _____ \$ 0.87/HOUSEHOLD
 % INCREASE OVER 1981 30.5 %
 % ATTRIBUTABLE TO DISPOSAL 10.8 %

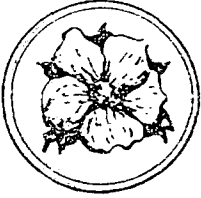


district of COQUITLAM

operating budget

department..... ENGINEERING
 co-ordinator.... W. ERWOOD, SURFACE OPS. SUPT.
 program..... SURFACE OPERATIONS
 sub-program.... SOLID WASTE COLLECTION & DISPOSAL

WORK ORDER NUMBER	TASK SUMMARY	LABOUR	EQUIPMENT	MATERIAL	CONTRACT SERVICES	TOTAL
	TO PLAN, ORGANIZE, MANAGE & EVALUATE THE OPERATIONS OF THE SANITATION BRANCH IN 1982.	SUPT. 1/2 @ 3730 = 1865 S Fmn 1 @ 3021 = 3021 <u>4886</u>	VEH. ALLOWANCE = 70 1/2 T TRUCK = 610 <u>680</u>	MAPS & STN - 200	SEMI-HEURISTIC STUDY = 8000 SYCCENTRE ALLOCATION = 30275	
					ENG. SVCS. ALLOCATION = 42000 <u>80275</u>	86041
	TO IMPROVE PERFORMANCE THROUGH EMPLOYEE TRAINING & PROFESSIONAL AFFILIATION.	SUPT. 1/4 @ 3730 = 933 Fmn 1/2 @ 3021 = 1510 <u>2443</u>	VEH. ALLOWANCE = 35 1/2 T TRUCK 1/2 @ 610 = 305 TRAVEL EXP. GRGDA = 200 <u>540</u>	SUBSCRIPTIONS = 30	GRGDA 2 @ 60 = 120 VTC = 500 TRAINING CASES 2 @ 100 = 200 <u>14000</u> 14820	17833
	ESTABLISH & MAINTAIN GOOD CUSTOMER & PUBLIC RELATIONS THROUGH PUBLIC CONTACT & LIAISON (1200 ENQUIRIES) DISTRIBUTION OF PAMPHLETS & SCHEDULES, DETECTION & RESOLUTION OF BYLAW INFRACTIONS.	S Fmn 1/2 @ 3021 = 4531 TDR 2 1/2 @ 2430 = 1215 LAB 2 2 1/2 @ 2281 = 5703 <u>11449</u>	1/2 T TRUCK 1 1/2 @ 610 = 915 3/4 T TRUCK 1/2 @ 610 = 305 <u>1220</u>	ADVERTISING OF CLEANUP WEEK & BYLAW REGULATIONS = 1200 CALENDARS = 3600 BYLAW NOTICES = 200 <u>5000</u>		17669
	BUDGET PREPARATION & WORK PLANNING	SUPT. 1/2 @ 3730 = 1865 S Fmn 1/2 @ 3021 = 1510 <u>3375</u>	VEH. ALLOWANCE = 70 1/2 T TRUCK 1/2 @ 610 = 305 <u>375</u>			3750
		22153	2815	5230	95075	125293

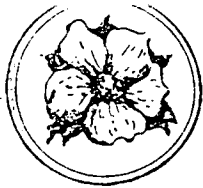


district of COQUITLAM

operating budget

department ENGINEERING
 co-ordinator . . . W. ERWOOD - SURFACE OPERATIONS SUPT.
 program SOLID WASTE COLLECTION AND DISPOSAL
 sub-program

WORK ORDER NUMBER	TASK SUMMARY	LABOUR	EQUIPMENT	MATERIAL	CONTRACT SERVICES	TOTAL																
	<u>COMMERCIAL COLLECTION AND DISPOSAL</u> TO COLLECT, TRANSPORT AND DISPOSE OF 2800 TONNES OF REFUSE FROM 2116 CUSTOMERS AS FOLLOWS: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="text-align: center;"><u>BINS</u></td> <td style="text-align: center;"><u>LOOSE REFUGE</u></td> </tr> <tr> <td>INDUSTRIAL</td> <td style="text-align: center;">39</td> <td style="text-align: center;">53</td> </tr> <tr> <td>INSTITUTIONAL</td> <td style="text-align: center;">15</td> <td style="text-align: center;">0</td> </tr> <tr> <td>MULTI-FAMILY</td> <td style="text-align: center;">97</td> <td style="text-align: center;">0</td> </tr> </table>		<u>BINS</u>	<u>LOOSE REFUGE</u>	INDUSTRIAL	39	53	INSTITUTIONAL	15	0	MULTI-FAMILY	97	0	SFMN 2 @ 3021 = 6042 TRDR2 3 @ 2426 = 7278 LAB 2 30 @ 2251 = 67530 TRDR1 12 @ 2398 = 28776 1096210	1/2 T 2 @ 610 = 1220 TRUCKER 3 @ 2973 = 8919 SA PACKER 12 @ 2272 = 27264 37403	REPLACE COVERALLS 5 @ 20 = 100 REPLACE GLOVES 40 @ 6 = 240 SMALL TOOLS = 100	LAUNDER OVERALLS 5 x 52 x 2 = 520					
	<u>BINS</u>	<u>LOOSE REFUGE</u>																				
INDUSTRIAL	39	53																				
INSTITUTIONAL	15	0																				
MULTI-FAMILY	97	0																				
		<u>OVERTIME</u> SFMN 1/8 @ 6042 = 755 TRDR1 1/8 @ 4796 = 600 LAB 2 1/4 @ 4562 = 1140 2495	STANDBY SA. PACKER 12 @ 2272 = 27264	440	1400T @ 5.73 = 8022 1400T @ 20" = 28000																	
	<u>PICK UPS / WEEK</u> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;"></td> <td style="text-align: center;"><u>ONE</u></td> <td style="text-align: center;"><u>TWO</u></td> <td style="text-align: center;"><u>THREE</u></td> </tr> <tr> <td>INDUSTRIAL</td> <td style="text-align: center;">28</td> <td style="text-align: center;">73</td> <td style="text-align: center;">-</td> </tr> <tr> <td>INSTITUTIONAL</td> <td style="text-align: center;">0</td> <td style="text-align: center;">11</td> <td style="text-align: center;">1</td> </tr> <tr> <td>MULTI FAMILY</td> <td style="text-align: center;">5</td> <td style="text-align: center;">84</td> <td style="text-align: center;">-</td> </tr> </table>		<u>ONE</u>	<u>TWO</u>	<u>THREE</u>	INDUSTRIAL	28	73	-	INSTITUTIONAL	0	11	1	MULTI FAMILY	5	84	-				DISTRICT CONTAINER REPAIRS 10 @ 40 = 5400	
	<u>ONE</u>	<u>TWO</u>	<u>THREE</u>																			
INDUSTRIAL	28	73	-																			
INSTITUTIONAL	0	11	1																			
MULTI FAMILY	5	84	-																			
		112121	64667	440	36942																	
NOTE	<u>METHOD OF WORK</u> ONE SA ROUTE 5 DAYS PER WEEK TWO TANDEM 4 HOURS PER WEEK																					
NOTE	<u>OVERTIME ASSIGNMENTS</u> 5 ASSIGNMENTS OF 4 HOURS FOR WEATHER CONDITIONS AND BREAK DOWNS.																					
		112121	64667	440	36942	214170																

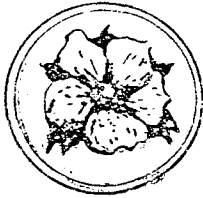


district of COQUITLAM

operating budget

department ENGINEERING
 co-ordinator. W. ERWOOD SURFACE OPERATIONS SUPT.
 program. SOLID WASTE COLLECTION & DISPOSAL
 sub-program

WORK ORDER NUMBER	TASK SUMMARY	LABOUR	EQUIPMENT	MATERIAL	CONTRACT SERVICES	TOTAL
	<u>RESIDENTIAL COLLECTION AND DISPOSAL</u> TO COLLECT, TRANSPORT AND DISPOSE OF 16950 TONNES OF REFUSE FROM 16943 SINGLE FAMILY, TWO FAMILY, THREE AND FOUR - PLEX RESIDENTIAL UNITS					
		S.F.M.N. 6 1/2 @ 3021 = 19637 TR. DR. 2 69 @ 2426 = 167554 TR. DR. 1 5 @ 2398 = 11990 LAB. 2 161 @ 2251 = 362411 261432	1/2 TR. 6 1/2 @ 610 = 3965 TR. PACKERS 69 @ 2973 = 205137 SA. PACKERS 5 @ 2272 = 11360 220462	REPLACEMENT COVERALLS 14 PR @ 20 = 280 GLOVES 240 PR. @ 6 = 1440	LAUNDER OVERALLS 14/WK @ 2'00 = 1456.	
				MISC. SMALL TOOLS (BROOMS & SHOVELS) 300	8475T @ 5.73 = 48562 8475T @ 20 = 169500	
				REPLACE GARBAGE CANS 50 @ 15 ⁰⁰ = 750.		
NOTE	METHOD OF WORK - 5 ZONES SIX TANDEMS 3 DAYS PER WEEK SEVEN TANDEMS 2 DAYS PER WEEK	OVERTIME S.F.M.N. 1/4 @ 6042 = 1510 TR. DR. 2 14 @ 4796 = 11999 LAB. 2 1/2 @ 4562 = 2221 4490	STANDBY SA. PACKER 7 @ 2272 = 15904			
		565922	236366	2770	219518	\$1024576

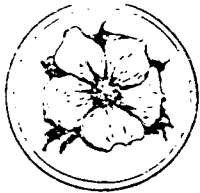


district of COQUITLAM

operating budget

department... ENGINEERING
 co-ordinator... WILKWOOD SURFACE OPERATIONS SUPT.
 program... SURFACE OPERATIONS
 sub-program... ALTERNATE ONE : CLEAN-UP MONTH

WORK ORDER NUMBER	TASK SUMMARY	LABOUR	EQUIPMENT	MATERIAL	CONTRACT SERVICES	TOTAL
	<u>ALTERNATIVE ONE</u> ADVERTISE, COLLECT, DISPOSE OF ALL OVERSIZE ARTICLES EXCLUDING SOIL AND BUILDING MATERIALS, STUMPS, DEMOLITION DEBRIS.					
	<u>LEVEL OF SERVICE</u> : SIMILAR TO 1980 ADVERTISE 3 WEEKS IN ADVANCE - DESIGNATE ONE WEEK FOR DEPOSIT - FOUR WEEKS TO COLLECT.	SFMN. 1 @ 3021 = 3021 EO5 2 @ 2746 = 5492 EO4A 1 @ 2579 = 2579 TR.DR.3 2 @ 2426 = 4852 TR.DR.2 4 @ 2328 = 9312	1/2 T 1 @ 610 = 610 GRAD. 2 @ 3470 = 6940 B*E 1 @ 1048 = 1048 TA TRK. 2 @ 2128 = 4256 SA TRK 4 @ 1944 = 7776	MISC TOOLS 200 GLOVES - 32 PKG @ 6. = 192 392	ADVERTISING \$1200	
	<u>RESOURCES</u> FOREMAN AND 15 MAN CREW 1/2 T PICKUP, 2 GRADALLS, 6 DUMP TRUCKS	LAB2 6 @ 2251 = 13506 39042	20630		DISPOSAL 1814 TONNES @ 5.73 = 10394	
		39042	20630	392	11594	\$71658
						422 you have that
	<u>ALTERNATIVE TWO</u> ADVERTISE FREE DISPOSAL OF TERRA NOVA FOR COQUITLAM RESIDENTS HAULING ARTICLES TO THE LANDFILL SIGHT. PRESENTATION OF IDENTIFICATION DURING A 10 DAY PERIOD QUALIFIES FOR FREE DISPOSAL. MAIL OUT CREDIT CARD TO EACH HOUSE-HOLDER.			CREDIT CARDS 800	DISTRIBUTION 1350	
		LAB2 @ 2251 = 1125			DISPOSAL 2000 TONNES @ 5.73 = 11460	
		1125		800	12810	\$ 14735



district of COQUITLAM

operating budget

department ENGINEERING - OPERATIONS AND
 co-ordinator. WATERHOOD - SURFACE OPERATIONS SUPT.
 program. SOLID WASTE COLLECTION AND DISPOSAL
 sub-program

classification	years	costs						total
		PREVIOUS YEAR 1981	1982	1983	1984	1985	1986	
EXPENDITURES	labour		500 190					
	materials and supplies		5440					
	equipment		303 848					
	contracts		351 555					
	work orders: other departments							
	debt servicing							
	capital from revenue							
TOTAL EXPENDITURE			1 364 039					
REVENUES	general taxation		1 364 039					
	water utility fund							
	sewer utility fund							
	grants							
	revenue from operations							
TOTAL REVENUE			1 364 039					

THE CORPORATION OF THE DISTRICT OF BURNABY

SCHEDULE "D" - OUTSIDE DIVISION - 1979/1980

MEMORANDUM OF AGREEMENT

Re: REFINEMENTS IN THE OPERATION OF THE RESIDENTIAL AND COMMERCIAL
REFUSE COLLECTION SERVICES

THIS AGREEMENT made and entered into 1977 January 27.

BETWEEN: THE CORPORATION OF THE DISTRICT OF BURNABY
(hereinafter called the "Corporation")

AND: THE CANADIAN UNION OF PUBLIC EMPLOYEES, LOCAL 23
(hereinafter called the "Union") on behalf of its
Outside Workers' Division

WHEREAS the Corporation and the Union desire that the residential and commercial refuse collection services be conducted in the most efficient and economical manner possible;

AND WHEREAS they wish to cooperate in the development of a practical operational plan that is acceptable to both parties;

AND WHEREAS it has been decided that a task system approach and a partial incentive system be introduced to meet the aforementioned objectives;

AND WHEREAS the collective agreements between the parties do not provide for these systems;

THEREFORE, the undersigned bargaining representatives acting on behalf of the Corporation and the undersigned bargaining representatives acting on behalf of the Union agree to recommend to the Municipal Council and to the Union membership respectively that the 1975-1976 Collective Agreement shall be amended effective the date of ratification by the parties, by the addition of this Memorandum of Agreement as a Schedule appended to and forming a part of the said Collective Agreement in the following terms:

1. The term of this Agreement shall run from 1977 January 01 to 1977 December 31, both dates inclusive, and shall terminate on the latter date unless expressly renewed by the parties for a further term.
2. All of the provisions of the Collective Agreement shall apply except as specifically varied by the terms of this Memorandum.
3. A Task System shall be instituted in the Commercial Refuse Collection Service. An employee engaged in this service will be assigned a daily work schedule and will work each day until his individual task is completed. Otherwise stated, he shall work a flexible work day from Monday to Friday inclusive, the length of the work day being determined by the time required to complete pick-up on the particular route assigned.

SCHEDULE "D" - OUTSIDE DIVISION (Cont'd.)

4. A Modified Task System shall be instituted in the Residential Refuse Collection Service. An employee engaged in this service will be a member of a group of employees which is assigned a group work schedule and a zone and which will work until the group task is completed. Otherwise stated, he shall work a flexible work day from Monday to Friday inclusive, the length of the work day being determined by the time required for the group to complete pick-up within the residential zone.
5. The zones, routes and work schedules referred to in paragraphs 3 and 4 shall be determined by the Corporation from time to time, and shall be communicated by the Corporation to the Union.
6. Subject to the exceptions listed in paragraph 7 and 8 herein, the employees engaged in driving and swamping tasks covered by the Task System referred to in paragraph 3 and the Modified Task System referred to in paragraph 4, shall be classified as Truck Driver - Swamper 1 (Burnaby Class Specification #453) and Truck Driver - Swamper 2 (Burnaby Class Specification #452).
7. The Corporation and the Union realize that certain of the present truck drivers in the classifications of Truck Driver 1 - Scavenging and Truck Driver 2 - Scavenging in the Sanitation Division may not be physically capable of performing the duties of the Truck Driver - Swamper 1 and 2 classes having regard both to the reduced crew sizes established under the proposed reorganization, and also to the manual labour involved. Therefore, the Corporation and the Union will identify and hereby agree to protect such truck drivers as follows:
 - (a) Such truck drivers will continue working with their present crews (i.e. unreduced as to size), and will retain their present classifications and pay rates, provided however, that the Corporation and the Union will make every effort to identify on a continuing basis vacant positions with a classified rate above the Labourer 2 rate of pay within the bargaining unit for which such employees are already qualified or for which such employees might be expected to become qualified with only a reasonable amount of additional training or experience gained by way of occupancy of any such position; and
 - (b) Each such truck driver in inverse order of seniority (i.e., the most junior such employee first) will be required to accept the first such vacant position for which he shall be paid at the appropriate rate for such position, or if he should refuse to accept such position, such truck driver shall be laid off by the Corporation in accordance with the lay-off provisions contained in the Collective Agreement.

SCHEDULE "D" - OUTSIDE DIVISION (Cont'd.)

8. The Corporation and the Union realize the possibility that at various times, e.g., prime vacation time or abnormal sick leave incidence, there may result a shortage of qualified replacements for the employees normally engaged as Truck Driver - Swampers 1 and 2. In any case, and for whatever reason, where a Truck Driver - Swamper 1 or 2 is replaced by swampers, they shall be classified as Labourers 2 and the remaining Truck Driver - Swamper shall revert to the appropriate class of Truck Driver - Scavenging.
9. A productivity premium separate and apart from the classified rate, and in the amount of 5% of the classified rate, shall be paid to those employees of the Residential and Commercial Refuse Collection Service in the classifications of Truck Driver - Swamper 1 and Truck Driver - Swamper 2 for each hour worked with a reduced crew, i.e. where the previous regular crew size has been reduced by one, either from 3 to 2 or from 2 to 1; provided, however, that subject to the provisions of paragraph 12 herein, whenever the majority of the hours actually worked in a day is with a reduced crew, the productivity premium shall apply to the entire day.
10. All employees engaged in Task System or Modified Task System operations, regardless of whether or not they are eligible for, or have received the productivity premium referred to in paragraph 9, shall be paid for 40 hours each week at their respective classified rates without any payment for hours worked in excess of eight in a day or 40 in a week, and without penalty for hours worked less than eight in a day or 40 in a week. However, if any employee works in excess of 160 hours during the course of two successive bi-weekly pay periods, overtime shall be paid at time and one half for the first 16 hours in excess of 160 hours and double time thereafter, but neither of such bi-weekly pay periods may be taken into account subsequently for the purposes of computing overtime. In addition, pursuant to paragraph 9, a productivity premium shall be paid for overtime hours actually worked.
11. Notwithstanding the provisions for the payment of overtime contained in paragraph 10, overtime payments will be made pursuant to the provisions of the Collective Agreements in specific cases for exceptional reasons not related to the operation of the Task and Modified Task System.
12. Annual vacations, statutory holidays, authorized leaves of absence and sick leave transactions for employees engaged in the Task System and Modified Task System operations shall assume an eight hour work day and 40 hour work week and shall utilize each employee's classified rate of pay exclusive of the productivity premium referred to in paragraph 9.
13. Shift differential shall only be paid when the majority of the time worked falls between the hours of 16:30 h and 08:30 h, and then the shift differential shall apply to the entire shift.

SCHEDULE "D" - OUTSIDE DIVISION (Cont'd.)

- 14. Overtime payments made pursuant to paragraphs 10 or 11, and shift differential payments made pursuant to paragraph 13, shall be based upon an employee's classified rate of pay exclusive of any productivity premium.
- 15. In the event of a disagreement over the implementation of the Task System or Modified Task System, including questions as to the fairness of the task, the refuse collection service shall nevertheless continue uninterrupted, and the grievance procedure shall be followed to settle the disagreement. In the event that a problem occurs that is not provided for by this Agreement, it shall be resolved by the parties hereto and the Agreement shall be amended to the extent necessary to resolve the problem. Changes to this agreement may be required as a result of changes in the hours of work and overtime provisions contained in the 1977 Collective Agreements and therefore, amendments to this agreement may be made by mutual consent.

Dated 1977 January 27 at the District of Burnaby in the Province of British Columbia.

"R. SHORE"

"O. DYKSTRA"

PERSONNEL OFFICER

PRESIDENT, LOCAL 23

"D. F. HICKS"

"T. W. URSULAK"

PERSONNEL DIRECTOR

CHAIRMAN, OUTSIDE DIVISION

Bargaining Representatives for the Corporation.

Bargaining Representatives for the Union.

Draft Memorandum of Agreement

Re: Refinements in the Operation of the Residential,
Commercial and Container Refuse
Collection Services

WHEREAS the Corporation and the Union desire that the residential, commercial and container refuse collection services be conducted in the most efficient and economical manner possible;

AND WHEREAS they wish to co-operate in the development of a practical operational plan that is acceptable to both parties;

AND WHEREAS it has been decided that a task system approach and a partial incentive system be introduced to meet the aforementioned objectives;

AND WHEREAS the Collective Agreements between the parties do not provide for these systems;

THEREFORE, the undersigned bargaining representatives acting on behalf of The Corporation of the Township of Richmond, and the undersigned bargaining representatives acting on behalf of the Union, CUPE Local 394, agree to respectfully recommend to the Municipal Council and to the Union membership that the 1981-1982 Collective Agreement shall be amended, effective on the date of ratification by the parties, by the addition of this Memorandum of Agreement as a Schedule appended to and forming part of the said Collective Agreement in the following terms:

February 28, 1980

Modified 2/June/81

TERM:

1. An initial trial period of 30 days shall be first implemented. At the end of the trial period recommendations for continuance, abandonment or change consistent with the intent of ensuring an effective and efficient service may be made by either party to the agreement.

Thereafter, the term of this Agreement shall run from the first day of June, 1981 to the 31st day of December, 1982, both dates inclusive, in 30 day review cycles and shall terminate on the latter date unless expressly renewed by the parties for a further term. Future term of Agreement shall coincide with the term of the Collective Agreement.

Modified Mar. 3,
Mar. 19, May 1/80

Agreed May 1/80

Modidied 2/June/81

TERM:

2. All of the provisions of the Collective Agreement shall apply, except as specifically varied by the terms of this Memorandum.

Agreed Feb. 28/80

3. A Task System shall be instituted in the Commercial Refuse Collection Service. An employee engaged in this service will be assigned a daily work schedule and will work each day until his individual task is completed. Otherwise stated, he shall work from Monday to Friday inclusive, excluding statutory holidays, the length of the work day being determined by the time required to complete pick-up on the particular route assigned, weigh and dump all garbage collected, fuel and check garbage truck at end of day, and wash vehicle exterior and interior, once per week, or more frequently if conditions so dictate.

Any garbage that is missed, bypassed, etc., on its regular collection day shall be picked up later the same day, or the next day by the crew assigned to the particular route, unless it is evident that the garbage was not placed out for collection in compliance with the Richmond Garbage By-law.

If Commercial truck does not work satutory holidays, route to be completed within the following four working days.

Washing of trucks for purposes of this Agreement shall commence immediately following completion of new facilities at the Westminster/Lynas New Works Yard, scheduled for end June/81.

Modified Mar. 3/80
and Mar. 19/80

Agreed May 1/80

Modified 2/June/81

4. A Modified Task System shall be instituted in the Residential Refuse Collection Service. An employee engaged in this service will be a member of a group of employees who are assigned a group work schedule and a zone and who will work until the group task is completed. Otherwise stated, he shall work from Monday to Friday inclusive, excluding statutory holidays, the length of the work day being determined by the time required for the group to complete pick-up within the residential zone, weigh and dump all garbage collected, fuel and check garbage trucks at the end of the day, and wash a minimum of two different trucks at the end of each day. Each truck in the garbage fleet to be washed, exterior and interior, a minimum of once per week, or more frequently if conditions so dictate.

when necessary

Any garbage that is missed, bypassed, etc., on its regular collection day shall be picked-up later the same day or the next day by the crew assigned to the particular route, unless it is evident that the garbage was not placed out for collection in compliance with the Richmond Garbage By-law.

Washing of trucks for purposes of this Agreement shall commence immediately following completion of new facilities at the Westminster/Lynas New Works Yard, scheduled for end June/81.

Each truck crew is required to pick up their equal share of the daily refuse to be collected.

For example, if 120 Tons of refuse are collected on a particular day by ten trucks (2 men per truck) each truck is required to collect 12 tons for that day.

On a monthly basis, the Foreman will monitor this requirement. If any crew is consistently below this task sharing rule; which results in other crews having to bear the burden, and this lack of performance continues for a period of three months then the crew responsible will be removed from the garbage collection department.

Modified Mar. 3/80 and Mar. 19/80

Agreed May 1/80

Modified 2/June/81

5. A Modified Task System shall be instituted in the Container Refuse Collection Service. An employee engaged in this service will be assigned a daily work schedule and will work each day until his individual task is completed. Otherwise stated, he shall work from Monday to Friday inclusive, excluding statutory holidays, the length of the work day being determined by the time required to complete pick-up on the particular route assigned, weigh and dump all garbage collected, fuel and check garbage trucks at the end of the day, and wash each truck, exterior and interior, a minimum of once per week, or more frequently if conditions so dictate.

Any container that is missed, bypassed, etc., on its regular collection day shall be picked-up later the same day or the next day by the crew assigned to the particular route, unless it is evident that the garbage was not placed out for collection in compliance with the Richmond Garbage By-law.

Washing of trucks for purposes of this Agreement shall commence immediately following completion of new facilities at the Westminster/Lynas New Works Yard, scheduled for end June/81.

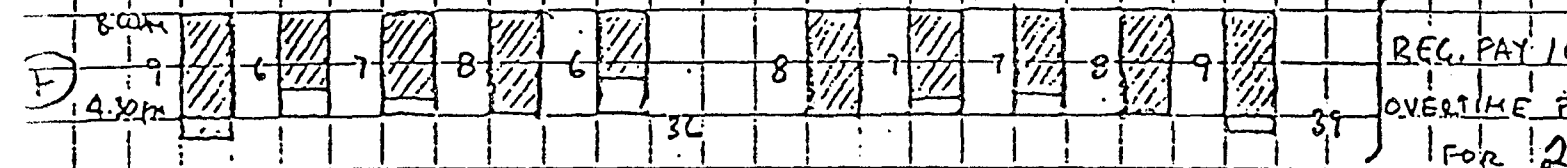
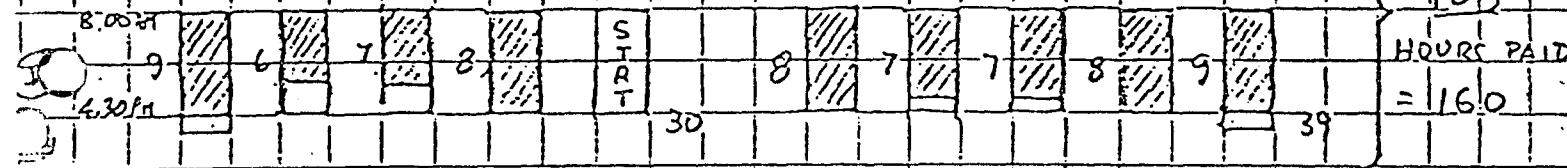
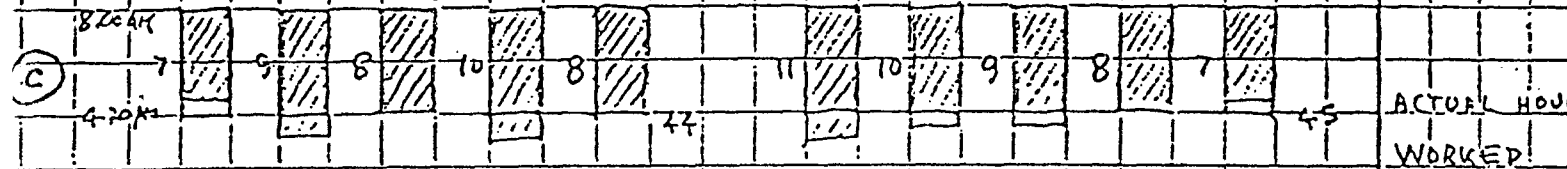
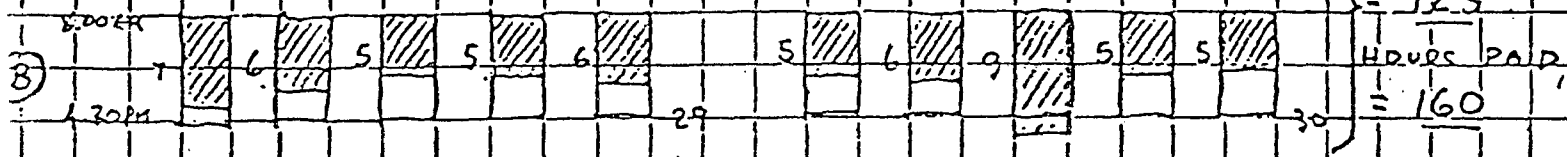
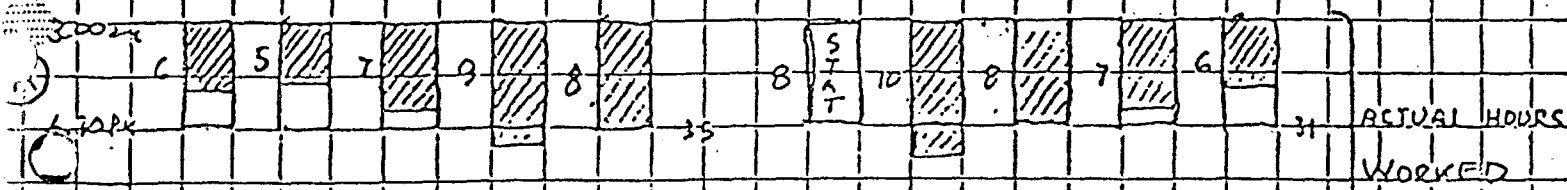
Modified Mar. 3/80
and Mar. 19/80

Agreed May 1/80

Modified 2/June/81

OVERTIME CALCULATION

M I T W T F M T W T F



(A) (B) (C) (D) (E) (F) are biweekly pay periods.

Overtime is computed for (A)+(E), (C)+(D), (E)+(F)

BED

6. Regardless of time of completion, the Residential, Commercial or Container Groups may leave work when their respective group task is completed. No individual crew shall leave work until its respective group task is finished.

Agreed Feb. 28/80

7. All employees engaged in the Task System or Modified Task System operations shall be paid for 40 hours each week at their respective classified rates, without any payment for hours worked in excess of eight (8) in a day or forty (40) in a week, and without penalty for hours worked less than eight (8) in a day or forty (40) in a week.

However, if any employee works in excess of 160 working hours during the course of two successive bi-weekly pay periods, overtime shall be paid at time-and-one-half for the first 16 hours (see current 1981 - 82 collective agreement) in excess of 160 working hours, and double time thereafter.

Overtime remuneration shall be paid out in total at the end of the two successive pay periods. The overtime hours accumulated during the two successive pay periods will not be considered when calculating overtime pay for the next two successive pay periods.

Modified Mar. 3/80

Agreed May 1/80

8. Notwithstanding, the provisions for the payment of overtime contained in paragraph 7, overtime payments will be made pursuant to the provisions of the Collective Agreement in specific cases for exceptional reasons not related to the operation of the Task System or Modified Task System.

Agreed Feb. 28/80

9. Permanent crews shall be assigned to specific collection vehicles. It shall be the crew's responsibility to report all mechanical problems with respect to their vehicle and to ensure that periodic vehicle inspections are done.

Exception to the same crew, same truck principle may occur in the event of sickness, vacation, absentee replacement, periodic training and vacancy occasioned by any worker holding a relief position outside the disposal department.

Modified Mar. 3/80
and Mar. 19/80

Agreed May 1/80

11. Annual vacations, statutory holidays, authorized leaves of absence, and sick leave transactions for employees engaged in the Task System and Modified Task System operations shall assume an eight hour work day and 40 hour work week, and shall utilize each employee's classified rate of pay.

Agreed Feb. 28/80

12. To ensure a fully staffed complement of crews is available every collection day, six extra Labourers shall report to the Garbage Department before the commencement of the working day. The extra Labourers shall be assigned to collection vehicles as required to replace regular crew members who are sick or absent, etc. When all vehicles are staffed, surplus Labourer I's may be assigned to other departments, but shall at all times be paid at the prescribed rate of pay for the work to which they are assigned.

The regular department staff plus the six extra labourers will not be increased for high frequency-short duration absenteeism. Otherwise stated, the regular staff plus six extra labourers shall be responsible for completing the task system during unscheduled absences of department staff, of one to three days' duration. This does not apply for replacement occasioned by WCB, vacation, longer term (in excess of three-day) sickness, or department employees fulfilling relief positions in other departments.

The present afternoon shift shall be eliminated following occupation of the New Works Yard (scheduled for end of June/81). The afternoon shift comprising two employees shall be assigned to daily duties with the garbage department, with no loss in pay.

Modified Mar. 3,
Mar 19, & May 1/80

Agreed May 1/80.

Modified 2/June/81

- 13. In the event of vehicle breakdown, or larger than normal volumes, the Foreman in charge shall decide whether or not an extra vehicle is required.

Equitable work loads shall be ascertained through comparison with task systems Public and Private in place in other Public jurisdictions and shall be on the basis of tons/crew hour.

Modified Mar. 3/80

In Richmond, a minimum task level for residential service shall be a monthly average of 1.5 Tons/crew hour, or 12 Tons/crew day.

Example, increasing volumes:

Daily volume = 108 Tons	- Trucks required = 108/12 = 9
Daily volume = 114 Tons	- Trucks required stays at 9
Daily volume = 120 Tons	- Add extra truck 10
Daily volume = 132 Tons	- Add extra truck 11, etc.

The Foreman II or I of the garbage department shall be the sole authority to determine the number of trucks required on any specific collection day.

The Foreman II or I shall determine the times for lunch breaks.

Modified Apr. 29/80

Agreed May 1/80

Modified 2/June/81

14. Expansion or reduction of the refuse collection fleet, on a permanent basis shall occur only after a complete and thorough comparison with collection statistics of other Public & Private Collection agencies. Such comparisons shall take into account level of service, terrain, type of equipment, frequency of service, and unit costs. The objective of any expansion or reduction of the refuse collection fleet shall remain the provision of effective and efficient refuse collection service within The Corporation of the Township of Richmond. All statistics gathered and their sources shall be made available by the Corporation to the Union.

Modified Mar. 3/80

Agreed May 1/80

Modified 2/June/81

15.

Classifications - Garbage Collection Crews
as at December, 1979

Truck Driver III Scavenging	-	3
Truck Driver II Scavenging	-	9
Truck Driver I Scavenging	-	2
Truck Driver III	-	1
Swamper Operator	-	10
Labourer III	-	1
Labourer II	-	5
Labourer I	-	6
Foreman I	-	1
Subforeman	-	<u>1</u>
		39

Corrected May 1/80

Foremen revise to reflect
current classifications,
2/June/81

16. Qualifications - Garbage Collection Crews

- Annual testing, standard to be maintained.
- Role of the Safety/Training Officer.

Qualifying as Truck Driver-Scavenging, Swamper Operator will be subject to training and testing as defined by the Safety/Training Officer.

*Specify the minimum
on night shifts*

Modified Mar. 3/80

Agreed May 1/80

17. The Corporation and the Union further agree that, in the event of a disagreement over the implementation of certain hours, the hours, nevertheless, will be implemented to ensure no interruption of service, and the grievance procedure will be used to determine the reasonableness of these hours. If it is found that the change is unreasonable, the Corporation and the Union will change the hours so it will be fair and reasonable for the employees and operationally feasible for the refuse collection service.

7/00 - [unclear]

Agreed Mar. 3/80

18. In the event of a disagreement over the implementation of the Task System or Modified Task System, including questions as to the fairness of the task, the refuse collection service shall, nevertheless, continue uninterrupted, and the grievance procedure shall be followed to settle the disagreement. In the event that a problem occurs that is not provided for by this Agreement, it shall be resolved by the parties hereto and the Agreement shall be amended to the extent necessary to resolve the problem. Changes to this Agreement may be required as a result of changes in the hours of work and overtime provisions contained in the current Collective Agreement and, therefore, amendments to this Agreement shall be made by mutual consent.

For the purposes of this section interruption of service includes cessation of work, refusal to work, refusal to continue to work or any act or omission that is intended to, or does, restrict or limit production of services.

Modified May 1/80
Agreed May 1/80
Modified 2/June/81

Wednesday, February 3, 1982

COMMITTEE ON CONTRACTING
OUT GARBAGE COLLECTION

The Committee on Contracting out of Garbage Collection met in the Committee Room of the Municipal Hall, 1111 Brunette Avenue, Coquitlam, B.C. on Wednesday, February 3, 1982 at 7:30 p.m. with the following persons present:

Ald. L. Garrison - Chairman
Ald. L. Sekora
Ald. B.T.H. Robinson
Mr. D. Cott, C.U.P.E., Local 386
Mr. R. Bradley, C.U.P.E., Local 386

Also present were:

Mr. N. Nyberg, Municipal Engineer
Mr. R.A. LeClair, Municipal Manager
Mr. R. Boyd, C.U.P.E., Local 386
Mr. T. Klassen, Municipal Clerk

Study of Alternative A

Mr. Nyberg went through the operating budget related to the study on Alternative A.

Mr. Nyberg stated that production, in terms of an average, tends to be lower in Coquitlam than minimum levels established in Burnaby and Richmond and the operation in Coquitlam cannot be allowed to drift along on the present course.

In the opinion of Mr. Nyberg it is necessary to do the following related to Alternative A:

1. A review of the Garbage Collection Bylaw
2. An analysis of the routes
3. Replacement of two of the smaller units with 2 Dempster Packers which would allow reduction of stand-by units
4. Study of problems related to tires and electrical systems on the vehicles.

With respect to the route study, Mr. Nyberg advised that such should be undertaken involving the people working on the routes.

In response to a request from Mr. Cott, a breakdown of Salary and Wage Overhead Burden was presented to the Committee and is attached to and forms a part of these Minutes.

Mr. Cott stated that any comparison of costs should be made on the cost of collection only and not include the cost of disposal.

With respect to revision of the Collection Bylaw the following points were made:

1. Encourage the use of flexible bags and containers
 - at present it was reported that about 50% of collection is in plastic bags
 - a problem of cleanup from broken bags was also mentioned.

2. Look at number of cans permitted
 - the Committee indicated it did not wish to set a limit
 - 50% of garbage is paper products and could look at advising people of alternative methods of disposing of such products
 - User charges for additional containers was discussed and it was generally agreed that such a system does not work well.
3. The disposal of garden refuse and recyclable items and alternative methods of handling and disposing of such manner of garbage was discussed - this could include a weight and size limit for handling purposes.
4. The use of a bin where a large number of bags appear evident on a consistent basis.
5. The instituting of a charge for a pickup during "Spring Cleanup" and the limiting of items which will be picked up - possibly refuse to pick up construction materials from home renovations.

Mr. Nyberg raised the matter of placing a high volume restriction limit on pickups to cut down on the use of bags and encourage use of containers when volume reaches 1 cu. metre. Mr. Cott stated that this can cause complaints at multi-family units as they are required to pay additional charges for container pickup.

Ald. Garrison stated that the Committee can recommend the Route Study and the Engineer advised that such a study would involve selecting a consultant familiar with the area to do:

1. a quick survey of existing routes,
2. conduct a short course on how route selection occurs for supervisors to allow them to understand basis for route planning to allow for changes as routes develop and areas grow.

The matter of use of side loading vehicles was discussed and Mr. Cott advised that some problems do exist with such vehicles, one of which is a high lift required by employees when placing the garbage in the packer.

Study of Alternative B - Subcommittee

Mr. Nyberg submitted a memo dated 1982 02 03 entitled "Planning for a Modified Waste Collection System", a copy of which is attached and forms a part of these minutes.

Mr. Nyberg advised that if Alternative B could be achieved an in-depth study of the change would be required and such a change could take 8 to 10 months to institute, mainly because of the time required to obtain equipment.

The makeup of the subcommittee was agreed to as follows:

1. The Deputy Engineer
2. Mr. Stelter
3. The Engineer would attend as time permits
4. Mr. R. Bradley
5. Mr. D. Cott

The meetings of the subcommittee would commence on the afternoon of February 10, 1982 and each Wednesday afternoon for three weeks to complete the task.

Tender Call

Alderman Garrison again raised the matter of the possibility of a call for tenders on the collection of garbage by private firms and Mr. Cott again advised that this should be a Council decision but he did not feel it was necessary because he was of the opinion costs of Alternative A and Alternative B could be quite readily arrived at and comparisons made to know costs of contracting out.

Alderman Garrison then asked about the possibility of going out to tender for a portion of the collection service and Mr. Cott advised that this is not uncommon but felt that we should look at our own system and methods of improving it.

Mr. Nyberg advised that in his opinion we should be seeking a tender call for collection on the stipulated service and then a decision could be made knowing the full facts.

Alderman Garrison did make mention of some problems related to contracting out especially if contracted out to more than one operator, some of which are:

1. Large contractor buys out small contractors and reduces competition
2. Contractors get together to set rates
3. Service must be mandatory to all homes or the garbage is just placed on adjacent streets.

Routing Study

Mr. Nyberg advised that by the next meeting he is hopeful of examining more closely Appendix A of his report and placing before the Committee a Critical Path Diagram for study.

Next Meeting - Change of Date

The date of the next meeting was changed to February 24, 1982 to allow the subcommittee to complete its work.

Adjournment

The Committee adjourned at 9 p.m.

Chairman

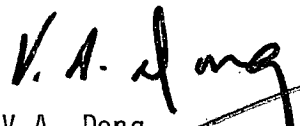
DISTRICT OF COQUITLAM

Inter-Office Communication

TO: R.A. LeClair, Municipal Manager DEPARTMENT: Administration DATE: 1982-02-03
FROM: V.A. Dong, Municipal Treasurer DEPARTMENT: Treasury YOUR FILE:
SUBJECT: Estimated Breakdown of Salary & Wage Overhead Burden OUR FILE: 1705
Recovery Rates

<u>Benefit Description</u>	Assumptions Based On An Average of Representative Actual 1981 Payroll Data - Per Hourly Employee	1980	1981	1982
Vacations	20 days	7.4%	8.0%	8.6%
Statutory Holidays	11 days	4.5	4.6	4.7
Sick Leave	13 days	4.5	5.9	5.6
Workers' Compensation Board	2.3% (to \$26,000 max.)	1.6	1.8	2.6
Canada Pension Plan	Maximum	1.2	1.3	1.2
Unemployment Insurance Commission	Maximum	1.7	2.2	1.8
Group Life Insurance	1 1/2 Times Earnings	.4	.5	.6
Medical Services Plan	Family Plan	1.2	1.1	.8
Extended Health & Dental Plans	Family Plan	.7	.7	1.0
Municipal Superannuation Plan	Per Act.	6.8	6.9	7.1
		30 %	33 %	34 %

The 1982 overhead burden recovery rate for each benefit described above represents a percentage of an average chargeable level of earnings of \$22,000 (approximately \$12.28/hr.) for a typical regular full time hourly employee. This level of earnings excludes the cost of vacations, statutory holidays, and sick leave, all of which is provided for within the burden rate itself.


V.A. Dong
Municipal Treasurer

VAD/jd

DISTRICT OF COQUITLAM

Inter-Office Communication

TO: R. A. LeClair
Municipal Manager

DEPARTMENT: Administration

DATE: 1982 02 03

FROM: N. W. Nyberg
Municipal Engineer

DEPARTMENT: Engineering

YOUR FILE:

SUBJECT: Planning for a Modified Solid Waste Collection System.

OUR FILE: 01 03 09

FOR: SOLID WASTE COLLECTION COMMITTEE

Reference: A. Committee Minutes d January 20, 1982

1.00 BACKGROUND

- 1.01 The Solid Waste Collection Committee agreed to form a sub-committee to examine the possible form of a more efficient municipal collection system.
- 1.02 The Committee further directed that costs of a revised system should be calculated on the basis of lay-off provisions of the Collective Agreement; or reduction of redundant jobs through attrition, i.e. through retirement or transfer.

2.00 DISCUSSION

- 2.01 In my opinion, the planning, negotiation and implementation for a revised municipal system will likely consume an extended period of time. The reasons why I predict a significant delay include:
 - the necessity of concluding a semi-heuristic routing study;
 - the necessity to define equipment specifications;
 - the requirement to determine lay-off transfer procedures;
 - the requirement to determine job specifications and obtain GVRD evaluation;
 - the requirement to complete a memorandum of agreement embracing fair work standards; and negotiated benefits; and
 - the necessity of an appropriate public information program.
- 2.02 To reduce the delay in planning a revised system, I have set out some necessary tasks, and a rough critical path network diagram.

- 2.03 The basic premise for a revised municipal collection system is that three-man crews may be replaced by one-and two-man crews provided appropriate equipment, working conditions and workloads are established. The three-man crew, collecting from both sides of an urban street, suffers in productivity owing to the inaction of the driver, except during vehicle moves, the tendency to zig-zag during collection; and the difficulty of co-ordinating vehicle moves to the actions of the swampers. At many stops, only one swamper picks up refuse. Consequently, a two-man crew, where both operator and swamper collect, as well as drive, can approach the volume collected by a three-man crew. A single driver collector, with some choice of work rates and procedures, can approach two-thirds of to three-quarters of the volume of a two-man crew working under optimum conditions.
- 2.04 The Committee should examine the preliminary list of tasks attached hereto, to determine additions, priorities and timing. Following discussion I will prepare a network diagram illustrating the preparatory stops and their interdependence.

N. W. Nyberg, P. Eng.
Municipal Engineer

NWN/mw

Appendices A, B, C, D & E.

A. ROUTING STUDY

Definition and Characteristics: A semi heuristic route obtains from the systematic application of common sense rules to choosing collection routes. Most semi-heuristic routes involve collection from a single side of the street. Routes can be developed jointly by operators and supervisors, and adjusted until a good fit among collectors and volumes is achieved. The high degree of interdependence means that effective training of staff is essential.

Some heuristic routing rules include:

- routes should be compact and should not overlap;
- routes should equalize workloads among crews;
- left turns should be kept to a minimum;
- routes should avoid main roads during peak hours;
- backing should be minimized; and
- clockwise circulation is stressed.

TASKS:	A-1	prepare 1:6000 residential route blanks:	one week
	A-2	annotate residential route maps:	one week
	A-3	compile count data and develop route maps:	one week
	A-4	establish route boundaries and verify in field:	two weeks
	A-5	assign routes:	one week

B. EQUIPMENT ACQUISITION

Definition and Characteristics: One and two-man crews can replace three-man crews provided that appropriate equipment and operating conditions are established. Two-man rear loaders may be most productive where collections from both sides of the truck are possible, i.e.: in lanes. Single man side loaders are well suited to laneless subdivisions.

<u>TASKS:</u>	B-1	choose equipment type for each route:	one week
	B-2	examine specifications for equipment:	one week
	B-3	prepare tender documents:	two weeks
	B-4	advertise tenders:	three weeks
	B-5	evaluation and ordering:	three weeks
	B-6	delivery:	forty weeks

APPENDIX C

C. LAY-OFF OR TRANSFER PROCEDURES

Definition and characteristics:

The memoranda of agreement for Richmond and Burnaby specified certain concessions for workers displaced by new work methods. This required identification of the individuals and their special employment qualifications, or in some cases, limitations. Concurrently, meaningful job opportunities would have to be identified if attrition or transfer was agreed upon.

TASKS

- | | | |
|-----|---|--------------|
| C-1 | determine manning levels for revised system: | 3 weeks |
| C-2 | determine time schedule for implementation: | 1 week |
| C-3 | determine individual workers affected: | 2 weeks |
| C-4 | identify internal job opportunities: | 2 weeks |
| C-5 | negotiate memorandum to cover workers affected: | 2 to 4 weeks |

D. JOB SPECIFICATIONS AND EVALUATIONS

Definition and characteristics: The change of a work method may create new job specifications which, in turn, must be evaluated by GVRD staff. The process is likely to involve setting productivity standard and discussion of a task system of work management.

<u>TASKS</u>		
D-1	write new job questionnaires:	2 weeks
D-2	obtain job specs. from GVRD:	8 weeks
D-3	establish productivity standard:	4 weeks
D-4	establish policy on task system:	4 weeks
D-5	negotiate memorandum to cover jobs:	2 to 4 weeks

APPENDIX E

E. PUBLIC INFORMATION

Definition and characteristics: The change of work method may involve alterations to the level of service. For instance, certain types of containers or certain container locations may be necessary to obtain optimum equipment performance. Initial start-up of the program is unlikely to proceed without hitches, and a well-informed public may be more understanding of start-up difficulties. Most important, it is essential to keep District employees well-informed of the scope, objectives and impact of the program.

TASKS

- E-1 Public meeting and news release;
- E-2 information package for sanitation workers;
- E-3 publication/advertising of by-law requirements;
- E-4 draft add-a-day calendars;
- E-5 distribute add-a-day calendars.

COMMITTEE ON CONTRACTING
OUT GARBAGE COLLECTION

The Committee on Contracting Out of Garbage Collection met in the Committee Room of the Municipal Hall, 1111 Brunette Avenue, Coquitlam, B.C. on Wednesday, March 10th, 1982 at 7.30 p.m. with the following persons present :-

Alderman L. Garrison	Chairman
Mr. D. Cott	CUPE Local 386
Mr. R. Bradley	CUPE Local 386

Also present were :-

Mr. N. Nyberg	Municipal Engineer
Mr. R.A. LeClair	Municipal Manager
Mr. T. Klassen	Municipal Clerk
Mr. D. Williams	Service Centre Superintendent
Mr. H.F. Hockey	Deputy Municipal Engineer
Mr. L. Stelter	Sanitation Foreman

SUB COMMITTEE REPORT

Mr. N. Nyberg tabled with the Committee the minutes of the meetings of the Sub Committee and a copy of that report is attached and forms a part of these minutes.

In tabling the minutes, Mr. Nyberg indicated that general conclusions reached by the Sub Committee were :-

- (1) A municipal collection system is feasible;
- (2) There is a possibility of introducing new equipment having side loading capabilities.

Mr. Nyberg reported that other areas discussed by the Committee were :-

- (1) A high degree of involvement of present staff will be necessary in the implementation of any new collection system.
- (2) It will be feasible to retrain and upgrade existing staff.
- (3) Sub-Committee did agree that there will be a necessity for a staff reduction in the solid waste disposal area, but a policy on dealing with redundant employees was not concluded. The number of employees who would be redundant was outlined.
- (4) A task system of collection was discussed, however, this will require a change to the collective agreement, possibly along the lines of the memorandum of agreement similar to that entered into by Burnaby or Richmond.

With respect to redundant employees, Mr. Bradley indicated that discussions had taken place to some extent on how such employees could possibly be integrated into other positions by way of retirement and/or attrition.

Mr. Hockey advised that the present crew consists of twenty-six (26) employees and the modified collection system would mean a reduction of eight (8) persons to a total of eighteen (18) employees.

SOLID WASTE VEHICLE AVAILABILITIES

Mr. Nyberg tabled with the Committee a report from Mr. D.B. Williams entitled "Solid Waste Vehicle Availabilities", a copy of which is attached hereto and forms a part of these minutes.

Mr. Williams advised that the five older units account for twice the number of break downs and have four times the amount of downtime than those of the five newer units.

Mr. Nyberg advised that a replacement plan will be provided to the Municipal Manager for review at budget discussions.

DRIVER TRAINING

Mr. Nyberg tabled with Council a report from Mr. D.B. Williams entitled "Driver Training", a copy of which is attached and forms a part of these minutes.

Mr. Williams reviewed the report and advised that his recommendation would be that we adopt an "In-House" training programme.

Mr. Cott advised that part of a driver training programme should be training on effective equipment use, as well as just actual driving instruction.

IMPLEMENTATION PROGRAMME - CRITICAL PATH CHART

Mr. Nyberg presented to the Committee a critical path chart entitled "Revised System Implementation Network Programme", a copy of which is attached and forms a part of these minutes.

Mr. Nyberg explained that a modified system could be operative within eleven weeks from initiation using present equipment. To have the system fully operative with new equipment would take one year.

With respect to the economics of operating a modified system, Mr. Cott advised that economics of any magnitude would depend upon new equipment being acquired.

COST IMPACT OF MODIFIED COLLECTION PLAN

Mr. Hockey advised that if a modified collection plan were implemented on June 21st, 1982 a savings of \$120,000.00 could be expected in 1982. He advised that a chart setting out the costs and proposed savings would be prepared which would compare the three methods of collecting, these being -

- (1) Present System
- (2) Modified System (2 man crews)
- (3) Contract Collection

This report will be distributed upon completion.

POLICY QUESTIONS

Mr. Nyberg advised the Committee that some of the policy questions which would have to be addressed in order for accurate costs to be produced are :-

- (1) Level of service
- (2) Continuation of clean-up week
- (3) Tender call for contract collection
- (4) Decision on how to deal with redundant staff if the modified collection system;
 - (a) layoff
 - (b) attrition
 - (c) transfer

Mr. Nyberg indicated that the present budget for garbage collection is based on proceeding with the existing method of collection.

MEETING DATE

The Chairman indicated that the next meeting of the Committee scheduled for March 17th, 1982 would be cancelled and a new meeting date scheduled for March 22nd, 1982 at 12 noon.

ADJOURNMENT

The Committee adjourned at 8.30 p.m.

CHAIRMAN

①

DISTRICT OF COQUITLAM

Inter-Office Communication

TO: N. W. Nyberg DEPARTMENT: Engineering DATE: 1982 02 11
FROM: H. F. Hockey DEPARTMENT: Engineering YOUR FILE:
SUBJECT: PLANNING FOR A MODIFIED SOLID WASTE COLLECTION SYSTEM OUR FILE: 01 03 09

FOR: SOLID WASTE COLLECTION SUB-COMMITTEE

Reference: A. Committee Minutes, 1982 01 20

1.00 BACKGROUND

- 1.01 The Solid Waste Collection Committee agreed to form a sub-committee to examine the possible form of a more efficient municipal collection system.
- 1.02 The Municipal Engineer established meeting dates of February 10, 17 and 24 for the Sub-committee to study and report on the assignment.

2.00 DISCUSSION

- 2.01 The Sub-committee met at 1330 h in the East Committee Room on 1982 02 10.
- 2.02 The following persons were present:
 - N. W. Nyberg, Municipal Engineer
 - H. F. Hockey, Deputy Municipal Engineer
 - * F. Klewchuck, Personnel Director
 - R. Bradley, President CUPE 386
- 2.03 Mr. Nyberg stated that the objective of the Sub-committee was to develop a concept for a modified waste collection system for Coquitlam and report to the Committee.
- 2.04 The Sub-committee would consist of:
 - R. Bradley
 - D. Cott
 - L. Stelter
 - H. F. Hockey

* As an observer only.

2.05 Resource personnel would be:

F. Klewchuk
N. W. Nyberg
D. Williams

2.06 Mr. Nyberg suggested the following parameters for the Sub-committee, which were agreed to by all in attendance. They are defined as Tasks to which we should determine the areas of agreement or disagreement.

- A. Method of Work: Crew size, route (maintaining present level of service).
- B. Equipment Type: Rear loader, side loader, container self loader.
- C. Productivity Levels: Volume, variance (route size).
- D. Phasing-in Procedure: The changing over from the present routing arrangement to the new routing scheme.
- E. Compensation: Productivity basis? Task system? Existing?
- F. Training: Re-training of employees involved to perform the duties entailed with any new form adopted for the collection system.
- G. Information & Worker Input: Assuring the employees and public alike are kept fully informed and worker input be encouraged.

2.07 Mr. Nyberg asked that the Sub-committee be prepared to discuss Tasks A, B & C at the February 17th meeting and Tasks D, E, F & G at the February 24th meeting; leaving out present time for the report to be prepared for presentation at next meeting of the Solid Waste Collection Committee.

2.08 Mr. Klewchuck stated he would obtain class specifications and wage rates currently used in Burnaby for the employees utilized by the various equipment items.

3.00 CONCLUSIONS

3.01 H. F. Hockey was asked to act as Recording Secretary of the meetings.

PLANNING FOR A MODIFIED SOLID
WASTE COLLECTION SYSTEM
1982 02 11

Page 3

- 3.02 The next meeting will be at 1330 h, 1982 02 17, in the East Wing Committee Room.
- 3.03 Mr. Bradley, Mr. Stelter, Mr. Hockey and possibly Mr. Cott will pursue through available resources, securing material related to Tasks A, B & C, preparatory for the 1982 02 17 meeting.



H. F. Hockey,
Deputy Municipal Engineer

HFH: 1s

cc: N. W. Nyberg
W. Erwood
L. Stelter
R. Bradley
C. Cott
D. Williams
F. Klewchuck
H. F. Hockey

DISTRICT OF COQUITLAM

Inter-Office Communication

TO: N. W. Nyberg
Municipal Engineer DEPARTMENT: Engineering DATE: 1982 02 23

FROM: H. F. Hockey
Deputy Engineer DEPARTMENT: Engineering YOUR FILE:

SUBJECT: Planning for a Modified Solid Waste Collection System OUR FILE: 01 03 09

FOR: SOLID WASTE COLLECTION SUB-COMMITTEE

Reference: A. Committee Minutes 1982 01 20

1.00 BACKGROUND

- 1.01 The Solid Waste Collection Committee agreed to form a sub-committee to examine the possible form of a more efficient municipal collection system.
- 1.02 The Municipal Engineer established meeting dates of February 10, 17 and 24 for the sub-committee to study and report on the assignment.
- 1.03 The first meeting took place on February 10, 1982, the proceedings of which are recorded by report dated 1982 02 11.

2.00 DISCUSSION

- 2.01 The sub-committee met at 1330h in the East Committee Room on 1982 02 17.
- 2.02 The following persons were present:
 - N.W.Nyberg, Municipal Engineer
 - H.F.Hockey, Deputy Municipal Engineer
 - R. Bradley, President CUPE 386
 - L. Stelter, Sanitation Foreman.
- 2.03 The meeting opened with a general discussion of Tasks A, B & C.
- 2.04 There was agreement that where rear loaders were used in residential areas, a two-man crew would be adequate. Possibly each crew member could alternate between driving and collecting rubbish. Mr. Bradley observed that the choice of work method i.e. length of 'alternate' periods might be left to the discretion of individual crews. It was agreed that training of current employees as drivers would be necessary since each crew member in the revised system would function as both truck driver and a loader, many of our existing employees are not qualified drivers, hence our present work force might be unable to meet the needs of the revised system.

1982 02 23
N. W. Nyberg

2.04 continued....

It was recognized that possibly some employees in the Sanitation Branch would not be able, or would not wish to participate in a "2" man crew arrangement. It was accepted that in such instances appropriate, mutually agreeable arrangements would have to be made to the extent possible to accommodate such personnel.

2.05 With respect to the adoption of side loaders, it was recognized that consideration of their use on certain routes was warranted. Examples of route conditions which would warrant consideration would include, but not be limited to:

- routes without lanes
- routes having homogeneous lot sizes
- routes having minimal on-street parking
- routes having grades not exceeding a maximum limit
 - say 8%
- routes which are in a growth phase, thereby necessitating maximum flexibility for routing.

The question of crew size for side loaders was not greatly explored, although it was recognized such units normally operated with a one-man crew quite efficiently. It was recognized, however, other factors may well effect this aspect.

2.06 The sub-committee then addressed itself to the matter of equipment phasing-in, and the resultant personnel modifications.

A chart, as shown on Appendix "A" accompanying this report, documents this subject, based upon the assumption of implementing a revised residential collection system, as set out in the report by the Municipal Engineer entitled "Solid Waste Collection in Coquitlam," dated November 2, 1981.

3.00 CONCLUSIONS

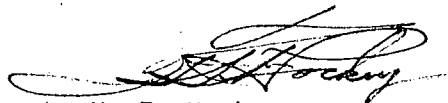
Assuming the implementation of the revised collection system referred to in 2.06 above, it was agreed that:

- two side loaders would have to be ordered for delivery by December 1982;
- one existing tandem rear loader, and two existing single axle rear loaders would be disposed of at that time;

1982 02 23
N. W. Nyberg

3.00 Conclusions continued....

- driver training would be required so that all two-man crews and the "labour pool" are qualified sanitation truck drivers;
- eight Labourer 2 personnel would be surplus to the existing Sanitation establishment the disposition of whom would be the subject of further consideration.



H. F. Hockey
Deputy Engineer

HFH/mw

c.c. W. Erwood
L. Stelter
R. Bradley
D. Cott
D. Williams
F. Klewchuk
HFH

SOLID WASTE COLLECTION SUB-COMMITTEE

Chart showing Changes in Equipment and Personnel by Implementation
of Revised Residential Collection System

EQUIPMENT

	<u>Commercial Collection</u>	<u>Residential Collection</u>	<u>Stand-by</u>	<u>Total</u>
<u>EXISTING</u>	1 S.A.	6 Tandem	3 S.A.	10
<u>PROPOSED</u> (as per report)	1 S.A.	4 Tandems 2 Side Loaders	1 Tandem 1 S.A.	9
<u>CHANGE</u>	None	+ 2 Side Loaders - 2 Tandems	+ 1 Tandem - 2 S.A.	- 1 Tandem (Dispose) - 2 S.A. (Dispose)

STAFF

<u>EXISTING</u>	1 Truck Driver 1 2 Labourer 2	6 Truck Driver 2s 8 Labourer 2 4 Swamper Spare Tk.Dr.	- 5 Lab. 2 (Labour pool)	1 Truck Driver 1 6 Tk. Dr. 2 * 10 Labourer 2 4 Swpr./Sp.Tk.Dr. 5 Lab.2(Lab.pool)
<u>PROPOSED</u>	1 Truck Driver 1 2 Labourer 2	2 Tk Dr./Swpr 2 (Side Loaders) 8 Tk.Dr. /Swpr.2 (Tandem)	- 5 Swpr. Sp. Tk. Dr. (Spare Pool)	1 Tk.Dr. 1 10 Tk.Dr./Swmpr.2 2 Lab.2 5 Swmpr/sp.Tk.Dr. (Spare Pool)
<u>CHANGE</u>	None	- 8 Lab. 2 - 4 Swmpr.Sp.Tk.Dr. +10 Tk.Dr./Swmpr 2 - 6 Truck Driver 2s	+ 5 Swmpr.Sp.Tk.Dr.	<u>TOTAL</u> -8 Lab.2 -5 Lab.2 (Lab.Pool) +5 Swmpr.Sp.Tk.Dr.(Pool) -4 Swmpr.Sp.Tk.Dr. +10 Tk.Dr./Swmpr.2 -6 Tk. Dr. 2s. *Establishment List shows 2 Tr.Dr.1 5 Tr.Dr.2

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DISTRICT OF COQUITLAM

MAB - Inter-Office Communication

TO: N. Nyberg

DEPARTMENT: Engineering

DATE: 1982/03/02

FROM: D. B. Williams

DEPARTMENT: Service Centre

YOUR FILE:

SUBJECT: Solid Waste Vehicle Availabilities

OUR FILE: 10-01-06

The report was requested by the Municipal Engineer, Mr. Nyberg, P. Eng., as a result of Council forming a committee to study Solid Waste Collection in Coquitlam.

In 1981, the Sanitation Fleet consisted of 4 Single Axle Packers, 7 Tandem Axle Packers, 1 One Ton Dump and 1 Foreman's Pick-up. This has since been reduced by one Tandem Packer and one Ton Dump.

Present Fleet consists of:-

#331	1975 International Single Axle Packer	Spare Residential
#332	1975 International Single Axle Packer	Spare Residential
#333	1975 International Tandem Axle Packer	Residential
#334	1976 International Single Axle Packer	Commercial
#335	1976 International Single Axle Packer	Commercial
#336	1978 Kenworth Tandem Axle Packer	Residential
#337	1978 Kenworth Tandem Axle Packer	Residential
#338	1978 Kenworth Tandem Axle Packer	Residential
#340	1980 White Tandem Axle Packer	Residential
#341	1980 White Tandem Axle Packer	Residential

The attached table titled "Downtime Record - Solid Waste Trucks", indicates the number of times and hours each unit was not available during collection hours. In 1981, an estimate for mechanical and tire repairs completed by outside agencies is included.

This listing clearly shows the reliability of the quality equipment purchased in 1977 and 1980 is superior to our other equipment. The 5 Internationals recorded 250 incidents with 829.50 hours of down time while the 5 Kenworth and White trucks recorded 123 incidents with 220 hours of down time. (50% less incidents and 75% less down time - not including outside repairs.)

Our target availability for the Sanitation fleet is to average no more than 35 incidents per year with 60 hours of down time per unit plus outside tire and mechanical repairs.

To achieve this target, we will require:-

- (a) Driver Training
- (b) To continue upgrading by special courses for mechanics


...../2

- (c) Continually improve quality of replacement, tires, brake linings, etc.
- (d) Buying "quality" replacement equipment on a timely basis.

To attain this target in the 1982 budget, it is recommended to replace Unit # 331 and # 332 with new high quality equipment. Upon receipt of these units, it will be possible to retire Unit # 333 with no replacement.

The estimated annual maintenance cost will be reduced by \$41,096.00, however, the depreciation appropriation to the reserve fund will increase approximately \$41,279.00. The net effect is no appreciable change in total operating cost but over 400% increase in availability over units being replaced allowing Sanitation collection with minimal overtime required due to equipment failures.

Units # 334 & # 335, 1976 International Single Axle Packers, are scheduled for replacement in 1983 and 1984, however, the type has not yet been decided - front or rear loader. When these units are replaced together with improved practices in mechanical maintenance and operators driving skills, I feel our fleet target availability will be attainable.



D. B. Williams
Service Centre Superintendent

DEW:sh

cc H. F. Hockey
W. Erwood

REPORT ON TRUCK DRIVER & EQUIPMENT OPERATOR TRAINING PROGRAMS

Training Program Article 14.11
C.U.P.E. Collective Agreement

The following report on Training for Truck Drivers and Equipment Operators and the applicability of such a program for the District of Coquitlam is categorized into four parts.

Initially, a description of training programs used in the City of Port Coquitlam and the District of Surrey will be outlined. After the delineation of these programs, an impression of the effectiveness of each of the two training systems will be analyzed in Part Two. The third part of this report will consist of the opinion of the writers of the two programs and their suitability to Coquitlam's needs, both in their pure form and with modifications.

The final part of the report will deal with recommendations to fill the training needs of the District of Coquitlam.

PART I

(A) TRAINING PROGRAM PORT COQUITLAM

In Port Coquitlam, a Job Posting requesting applicants to apply for training as a Truck Driver or Equipment Operator is posted. Those applying for training must have a learners Class 3 licence. The employees applying who have the greatest seniority and have at least a learners Class 3 licence are then appointed as trainees. Normally, no more than two trainees are appointed at one time.

The trainees used are top Truck Drivers and top Equipment Operators, top meaning highest grade, in their organization. Port Coquitlam has a Safety & Administration Supervisor but this person has little to do with training in the early stages, other than appointing

trainers from the Truck Drivers and Equipment Operators. The Safety & Administration Supervisor goes out with the trainee at the conclusion of training and visually grades his ability, recording same on a standard evaluation form.

Staff trainers are not paid any more than they normally earn in their position. The trainee is paid a trainee rate, which is \$6.96 an hour for trainee truck drivers. The following is paid to Equipment Operator Trainees:

Beginning - 85% of Equipment Operator IV (a) rate
Completion of 2 calendar months - 90% of E.O. IV a
Completion of 4 calendar months - 95% of E.O. IV a

Training has its own budget allocation and as of 1978 November 30, \$4100.00 had been spent. This amount reflects Trainee and Trainer salary only. The reason for this being that if a Trainee is working on a job, he doesn't affect the cost of the job because of his inexperience.

With regard to training methods, it is basically an on the job training system and all training is done during working hours. The trainee will work with the trainer on uncomplicated projects whenever these arise. After accumulating the necessary training time working on the machine, the trainee goes out with the Safety & Administration Supervisor and is put through a testing procedure. If he passes this evaluation, the Superintendent then checks him and validates the successful completion of the training. The testing is done after 40 hours of instruction.

If during the training period, the trainer feels the trainee can't grasp the work, he recommends disqualification from the training program. Three different people are involved in the training at any one time and if one recommends the disqualification, the trainee's other trainers are asked for a report to get a cross section of the views as to

the trainee's ability. A person who doesn't pass his training or who is disqualified during training can grieve, however, this has not yet happened in Port Coquitlam.

A person, after completing or during training, who wishes to get his Class 3 licence is given the use of an applicable piece of equipment, free of charge, and the course fees are paid for the employee. However, if the employee leaves the City within one year, 50% of the course fees are to be repaid to the City.

Currently, there are no triggers established to check for mandatory retraining and so far there have not been any problems in this regard.

(B) TRAINING PROGRAM SURREY

In Surrey, the training system differs somewhat from that of Port Coquitlam. There are two areas for training, those being Equipment Operator Trainees and Truck Driver Trainees. In Port Coquitlam, seniority is used as the determining factor for inclusion in training, whereas ability is the determining factor in Surrey.

A Posting for the position of Equipment Operator Trainee is initiated and successful candidates are determined by means of mechanical aptitude and dexterity. The trainee is required to pre-qualify. This pre-qualification takes place on the weekend at one of the Municipal pits, using Municipal equipment. Under instruction, the trainee is asked to operate the equipment to see if he has the required aptitude to learn to use the equipment quickly and well. The operator who is training gets premium rates for the weekend work, while the trainee receives no pay of any kind.

After pre-qualifying, the trainee is assigned to an operator and a piece of equipment. The trainee, as support staff, stays with this Operator, working with the machine when time and work permit.

After working with the equipment for an indeterminate length of time, the trainee is evaluated by the Operator, the Foreman, the Superintendent and the Operations Engineer, by means of both a written and practical test.

With regard to the pay, the Equipment Operator Trainer is paid his regular wage. A Trainee is not paid for relief operating of equipment at the operator's rate until designated as qualified. Once designated as qualified, the trainee will relieve the operator for short periods of time in order to keep his skill at a satisfactory level. However, he will not receive the higher rate, although qualified, until he is fully responsible for the equipment and the Operator is absent for the day.

The system employed in Surrey for the training of Truck Drivers is similar to that of Port Coquitlam. Again, as in the Equipment Operator Trainee, after posting, those judged as having the best ability and a learners Class 3 licence are selected as trainees. They then appoint a top driver to train the employee. The trainer gets his normal rate while the trainee is paid a truck driver rate only on completion of training. Before the training is completed, the trainee must get his Class 3 licence. To get his Class 3, the use of an applicable piece of Municipal equipment is allowed and 75% of the cost of the licence is reimbursed to the trainee. At the completion of training, which is an indeterminate period of time, the Superintendent - Public Works checks the trainee's progress. If he

feels he is ready to drive on his own, an instructor from the Whalley Driving School is called to test the trainee, and if he passes, he then qualifies as a Spare Driver. The Whalley School charges \$15 per hour for this service.

As in Port Coquitlam, a separate account is established for training, so that the trainee will not affect the cost of the job.

The method used to disqualify a trainee from further training is also similar to Port Coquitlam's. That is, if the Operator trainer feels the person is not grasping the job and he sees no likelihood of improvement, he notifies the Superintendent. If the Superintendent agrees, the trainee is disqualified. Insofar as the Truck Drivers are concerned, the system is the same.

As well as checking new drivers, Surrey has a system to recheck established truck drivers. If the driver has had a number of preventable accidents, an instructor from the Whalley Driving School is called in to test the individual. If he fails the Whalley standards, he is no longer allowed to operate the truck. He must then go through the training system and successfully complete the program before being reinstated as a Truck Driver. A preventable accident is one that the Municipality feels the driver could have prevented, not whether the law feels he is guilty or not.

In addition to the foregoing, the Whalley School puts on an air brake course on Saturday and Sunday at a cost of \$45 per person. There are two eight hour sessions, with the Municipality supplying the lunch.

A system is also set up to reward those drivers with accident free years. A chart of the names of those drivers who are accident free is displayed, together with a graph showing the decline of accidents in

comparison to other years. According to Surrey, since implementing this type of reward system, the driving has improved substantially and the number of preventable accidents has dropped drastically.

PART II

TRAINING EFFECTIVENESS - PORT COQUITLAM AND SURREY

Effectiveness is difficult to measure unless statistics have been kept to make a comparison. In the case of the District of Surrey, it is easier to measure than Port Coquitlam. The reason for this is, in Surrey, a training system was implemented due to the high number of accidents that their truck drivers were involved in and the difficulty in hiring Equipment Operators.

Port Coquitlam didn't keep any such statistics and the setting up of a training program was more the result of an agreement between Management and Union.

In both cases, those people in charge of the training are highly pleased with the results of their training system. Therefore, getting an unbiased opinion was somewhat difficult, particularly in the case of Surrey, where with statistics and graphs, everything is given a positive mien.

It should be kept in mind that although both Municipalities are happy with their program, the programs are not that old. In Port Coquitlam it has been in existence for only 8 months, therefore, a measure of effectiveness is of little value. In Surrey, the program has been running 3 years and therefore the measure of its effectiveness may be more relevant.

Since the implementation of the training program in Surrey, the

number of preventable accidents per year has been reduced from 72 to 18. They now have employees capable of taking a position of Equipment Operator without reaching outside their organization.

So, by reviewing the statistics in Surrey, the program has been effective. It accomplished what it set out to do. It reduced accidents and enabled Equipment Operators and Truck Drivers to be promoted from within. In Port Coquitlam, the only way we can make assumptions on effectiveness is by the opinion of those involved and they are happy with the results. What the results are is difficult to determine. No one has been disqualified from the program as yet and all trainees are selected on seniority in relation to all other applicants. This particular program was not set up to combat any problem, so, in the final analysis, results can't be measured as there is no comparison to be made.

PART III

OPINION AND SUITABILITY OF THE TRAINING PROGRAM

As far as the writers can determine, from conversation with Port Coquitlam and Surrey, both of their training programs are successful.

In the case of Port Coquitlam, the training is done strictly on seniority and no one has been disqualified. So, there have been no problems. In Surrey, candidates are brought into the program through pre-qualification, not seniority. It would seem that this is by far the better method.

It is our feeling, in training for Equipment Operators, the disqualification has to be done at a prequalification level. The reason being that workmates training these individuals are likely to experience some conflict in disqualifying a trainee.

This will not ensure that the best individuals will become

Equipment Operators, however, a larger number of people desiring training will be given an opportunity to show their latent ability. By use of seniority, the field is reduced to the senior people only.

After selecting the Equipment Operator trainees, the system used by Surrey, that is, Equipment Operator and trainee, may be the best. This way, the trainee is with the equipment on a regular basis. In Port Coquitlam, he only works when minor work is available and this could be on a very intermittent basis.

It should be noted that since Coquitlam is not construction oriented, the Equipment Operator/trainee system is really not conducive to our organization. However, a system where a trainee can be used by an Equipment Operator in support work may be workable.

Therefore, a training system for Equipment Operators could be set up as follows:-

- Post for trainees
- Have a pre-qualification
- Assign the individual to an Operator
in a support role (where practical)

After sufficient training, he would be tested and given status as a Spare Equipment Operator. It is our feeling that the pay for a trainee should be at the Labourer II rate while working as a trainee. When he completes the training and works on his own as an Equipment Operator, he is then paid the Equipment Operator rate.

The Surrey Truck Driver Trainee Program was developed primarily to combat poor driving, rather than as a training system. Port Coquitlam's was designed to get more employees qualified with a Class 3 licence. This would seem to be more in line with our objectives.

It is felt by the writers that a training program for Truck Drivers could be set up in the following manner:-

Post for trainees

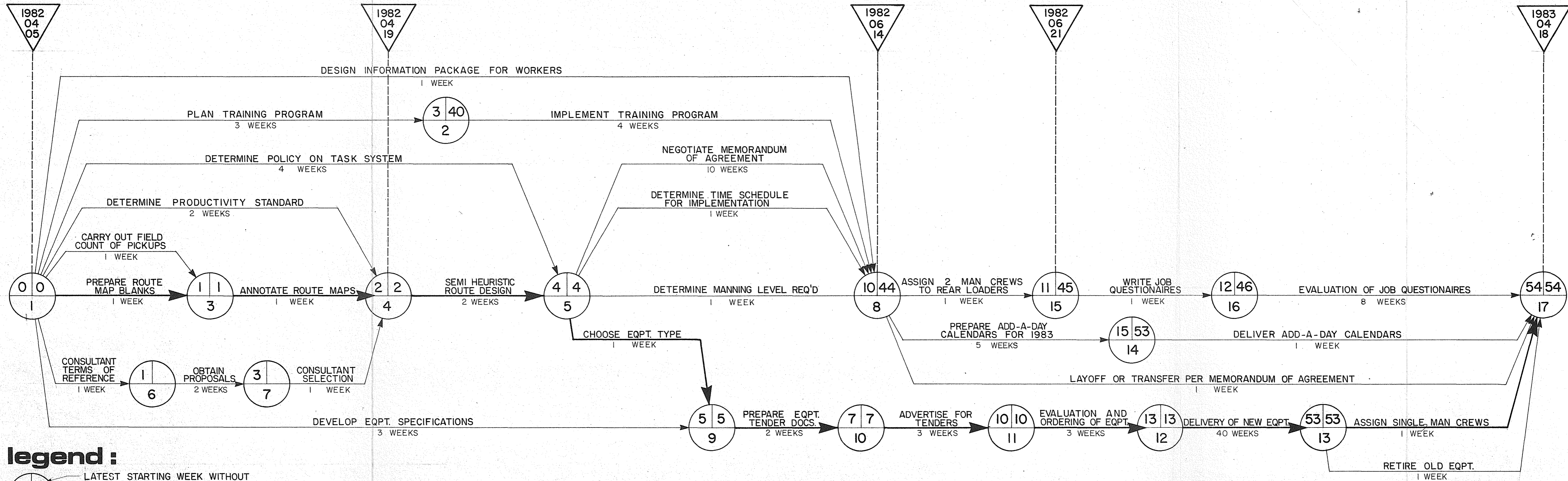
Select those who have a learners Class 3 licence
Hold a pre-qualification (conducted by an excluded
staff member)

Use top drivers as trainers (top meaning best drivers
as decided by management)

By means of the learners Class 3 and a pre-qualification, we should be ensuring a fairly high grade of trainee, so that a fellow workmate trainer would be less likley to have to disqualify the trainee.

After on the job training is completed, and it can only be completed upon gaining a valid Class 3 licence, the person is tested by an excluded employee. If he passes, an independent instructor is brought in and tests and rates the trainee. Upon successfully passing, the employee can be used as a Spare Driver. If while doing spare driving he has a preventable accident (this decided by the District), he must be retested by the independent instructor. If he fails, he loses his Spare Driver status and must apply for retraining on the next posting. 75% of the cost of obtaining the Class 3 licence should be reimbursed to the employee upon successful completion of the training. If the employee leaves within one year, he reimburses the Municipality in full.

It is advisable that a separate account be set up for training. This would assure an accurate account of the real cost incurred for training. Also, a department would be more willing to accept a trainee knowing the cost of the trainee does not adversely affect its budget. No matter how the training system is set up, someone has to be in charge. This person should not be a training Foreman, as there isn't sufficient work to keep one person active. Therefore, it would have to be assigned to an existing



Legend :

- LATEST STARTING WEEK WITHOUT DELAYING THE COMPLETION DATE.
- NODE NUMBER TO ESTABLISH CONTINUITY AND TO FACILITATE COMPUTER PROGRAMMING IF REQUIRED.
- EARLIEST STARTING WEEK
- INDICATES CRITICAL PATH
- A WEEK** IS A CALENDAR WEEK DURATION OF ACTIVITY

Revised System Implementation network diagram

Monday, March 22nd, 1982

Committee on Contracting
Out Garbage Collection

The Committee on Contracting Out of Garbage Collection met in the Committee Room of the Municipal Hall, 1111 Brunette Avenue, Coquitlam, B.C., on Monday, March 22nd, 1982 at 12 noon with the following persons present :-

Alderman L. Garrison - Chairman
Alderman L. Sekora
Mr. D. Cott - C.U.P.E., Local 386
Mr. R. Bradley - C.U.P.E., Local 386

Also present were :-

Mr. N. Nyberg - Municipal Engineer
Mr. R.A. LeClair - Municipal Manager
Mr. H.F. Hockey - Deputy Municipal Engineer
Mr. T. Klassen - Municipal Clerk

The Chairman distributed a report to the Committee which outlined the progress of the Committee to this point, and a copy of that report is attached hereto and forms a part of these minutes.

In reviewing the report, the Chairman called upon those present to outline their views, assuming that a modified collection system would be implemented, specifically related to the method of dealing with the eight redundant positions.

Alderman Sekora indicated that he would prefer to see the eight redundant positions handled by way of a combination of attrition and transfer to other activities.

Mr. Cott stated that the Union would be prepared to look at a combination of attrition and a transfer to other activities. He was of the opinion that there is a possibility of one or two retirements within 1982, and the balance of the positions could be handled by way of attrition.

Mr. LeClair stated that the number of employees who could be absorbed into the existing work force would depend, to a great extent, upon the effects of the restraint programme being imposed by the Provincial Government.

Mr. Nyberg reiterated the Manager's statement related to the restraint programme, but did advise that it may be possible to relocate some of the redundant positions by having the Municipality carry out some smaller construction programmes, rather than placing them out to tender. Such a programme would cease upon completion of the projects.

Mr. Nyberg did point out to the Committee that a common seniority list is maintained for all Municipal Departments, and that "bumping" would apply so that the only good prospect for dealing with redundant positions is to handle small construction jobs with Municipal crews.

Continued/....

Mr. Cott advised that Richmond do successfully handle construction projects with Municipal crews allowing all projects under \$100,000 to be handled by Municipal crews exclusively, with contracts over \$100,000 put out to tender, with the Municipality submitting successful bids on the majority of them.

SUMMARY OF POLICY ON REDUNDANT POSITIONS

Alderman Garrison at this point summarized the position of the Committee related to redundant positions if the Municipality were to proceed with a modified collection system :-

- (1) A policy of attrition is beyond the scope of the Committee to recommend upon, because of the common seniority list in effect with all Municipal Departments.
- (2) Employees in redundant positions be re-assigned to Municipal construction projects, if at all possible, and as well, the work force be reduced by transfer to other activities.
- (3) That positions opening up because of transfer to other activities or because of construction projects being undertaken by Municipal crews be posted in the manner provided for in the C.U.P.E. contract.

PROVISION FOR PUBLIC TENDER CALL

Mr. Nyberg circulated to the Committee a graph entitled "Total Cost Projection, Alternative For Solid Waste Collection Based On 1982 Dollars", a copy of which is attached hereto and forms a part of these minutes.

Mr. Nyberg also reiterated that in his opinion it is still necessary to obtain tender figures related to garbage collection in order to be able to compare different methods of collection and the costs related thereto. He advised that because of current economic conditions this may be a most favourable time to make a tender call. Mr. Nyberg emphasized that while we are aware of tender prices in other Municipalities comparison is not necessarily reliable because of the variation in some of the Municipalities i.e. West Vancouver has 11,000 pick-ups and Coquitlam has 16,000 pick-ups.

Mr. Nyberg also advised that savings realised by adopting the modified collection system will not be actual savings if employees are just transferred to other areas within the Municipal work force. A savings will occur in garbage collection costs and the level of service could be increased in other areas with the transfer of employees.

Continued/.....

Mr. Cott stated that in his opinion a contractor bidding at this time would be in an advantageous position because he will know the Municipal figures and costs. As well, any contractor will want at least a five year contract, as it takes that period of time to write off equipment costs. Such a length of contract effectively puts a Municipal Collection System out of business and gives the contracting company a monopoly on the service.

Mr. Nyberg agreed that some problems could arise by placing the collection of garbage in the hands of a private contractor, however, Council may be concerned with the total cost of the service and if a private contractor "buys" himself a contract, Coquitlam residents are the ones who will benefit.

Mr. Nyberg also advised that it is possible to draw a contract in such a manner so as to provide a one year notice to allow the Municipality to re-enter the collection field should a renewal of a contract not be advantageous. Mr. Nyberg advised that in order to allow such flexibility, the Municipality would have to see that funds from disposal of equipment and savings realized from a contract service was in some manner set aside to allow re-entry into a garbage collection service.

Mr. Cott advised that his Union has a concern related to Rempel bidding for the contract as his company is two-third owned by Laidlaw Transportation, an Eastern Company, whose main interest is waste disposal.

Alderman Garrison stated that he has difficulty in dealing with a recommendation to Council without having a tender call as this is the only way that actual costs will be obtained to allow for comparison.

Mr. Cott stated that should a tender call be placed only two bids would be received, these being from Haulaway and Smithrite, and as a Union, they will not be part of any recommendation to proceed with a tender call.

Mr. Cott stated that in Burnaby the container service provided by Municipal Crews has proved so efficient that Smithrite are asking the Municipality the method used to provide such an efficient service.

Alderman Sekora advised that he has concerns with regard to a contracted service, such as, individual owner-operators, equipment breakdowns and level of service. He stated that he would be prepared to institute a modified municipal collection system which would maintain the high level of service currently provided to Coquitlam residents.

Alderman Garrison asked the Municipal Engineer if the level of service presently provided could be maintained with two man crews and Mr. Nyberg indicated that in his opinion it could.

The question of whether Council can properly address the private versus Municipal collection service without a bid call was further discussed with Alderman Sekora stating that he wondered if realistic prices could be obtained with our costs being known.

Continued/.....

Alderman Garrison stated that if private collection is commenced a day of reckoning comes when contract term expires.

Alderman Sekora again indicated that he was concerned that the level of service may suffer with a private collection system. He indicated at this point he did not feel he could support going to tender, but that he would feel comfortable with a modified proposal as reported by the Sub Committee.

Alderman Garrison advised that he cannot accept comparisons of costs without at least having a bid on private collection to present to Council and he would recommend such to Council. He further advised that in this regard he would see that Mr. Cott be afforded an opportunity to address Council on this matter when the Committee Report is presented.

The Chairman noted that the Committee was looking at residential collection at this time, but that Council might be well advised to look into commercial garbage collection as well.

Mr. Cott stated that commercial collection is where the money is for private companies and that collection from condominium units would require examination as the Municipality may very well be responsible for collection from such locations as part of the residential collection system.

In summary, Alderman Garrison advised that the Committee would be recommending that the Municipality cannot continue with the existing collection system.

Mr. Nyberg inquired as to negotiations that would be required to institute the modified plan, and Mr. Cott advised that they would be advancing the Burnaby task system.

Alderman Garrison then inquired directly if the Union were prepared to institute the modified plan and Mr. Cott advised that they are prepared to institute a modified system, and are prepared to negotiate the plan based upon the "task" system.

Alderman Garrison indicated that, at this point, he is not prepared to agree to the implementation of the "task" system and if the modified plan cannot be introduced under the present contract provisions it would appear that we would revert to the beginning, prior to the deliberations of this Committee.

CLEAN-UP WEEK

A short discussion took place related to clean-up week and the expense being imposed on the Municipality to provide such a service.

It was generally agreed that the service is badly abused with demolition material and land clearing material being placed for collection.

Mr. Nyberg advised that costs for providing the service will increase dramatically when land fill fees are raised from \$5.00 per ton to \$20.00 per ton.

Continued/.....

Alderman Sekora expressed concern with the alternatives which people would use to dispose of items if a clean up service was not provided.

It was agreed that it is probably in the interest of the Municipality to maintain a service of some type with a more clearly defined level of service which is to be provided.

ADJOURNMENT

The Chairman declared the meeting adjourned at 1.50 p.m.

Chairman

REPORT TO COUNCIL - CONTRACTING OUT GARBAGE COLLECTION

The Committee on Contracting Out Garbage Collection met January 6, January 20, February 3 and March 10 to review information and discuss alternate methods of collecting municipal refuse from residential premises in Coquitlam.

The three alternatives examined included

- 1) continuing the existing system
- 2) revising the existing system; and
- 3) contracting the existing system.

The second alternative, revising the existing municipal work practice to utilize one and two man crews, was further examined by a sub-committee to determine feasibility. The Sub-committee comprising staff and union representatives, met on February 10, 17 and 24 to discuss aspects of work method, crew size and other factors which would be involved in system modification.

The sub-committee concluded that a conversion of the existing system was feasible. Preliminary estimates showed that eight current positions in garbage collection would become redundant on adoption of new work methods. Existing employees would require training in operating techniques to become proficient in the new system. A revised Collective Agreement would be possible incorporating a productivity based working day similar to that established in Burnaby and Richmond.

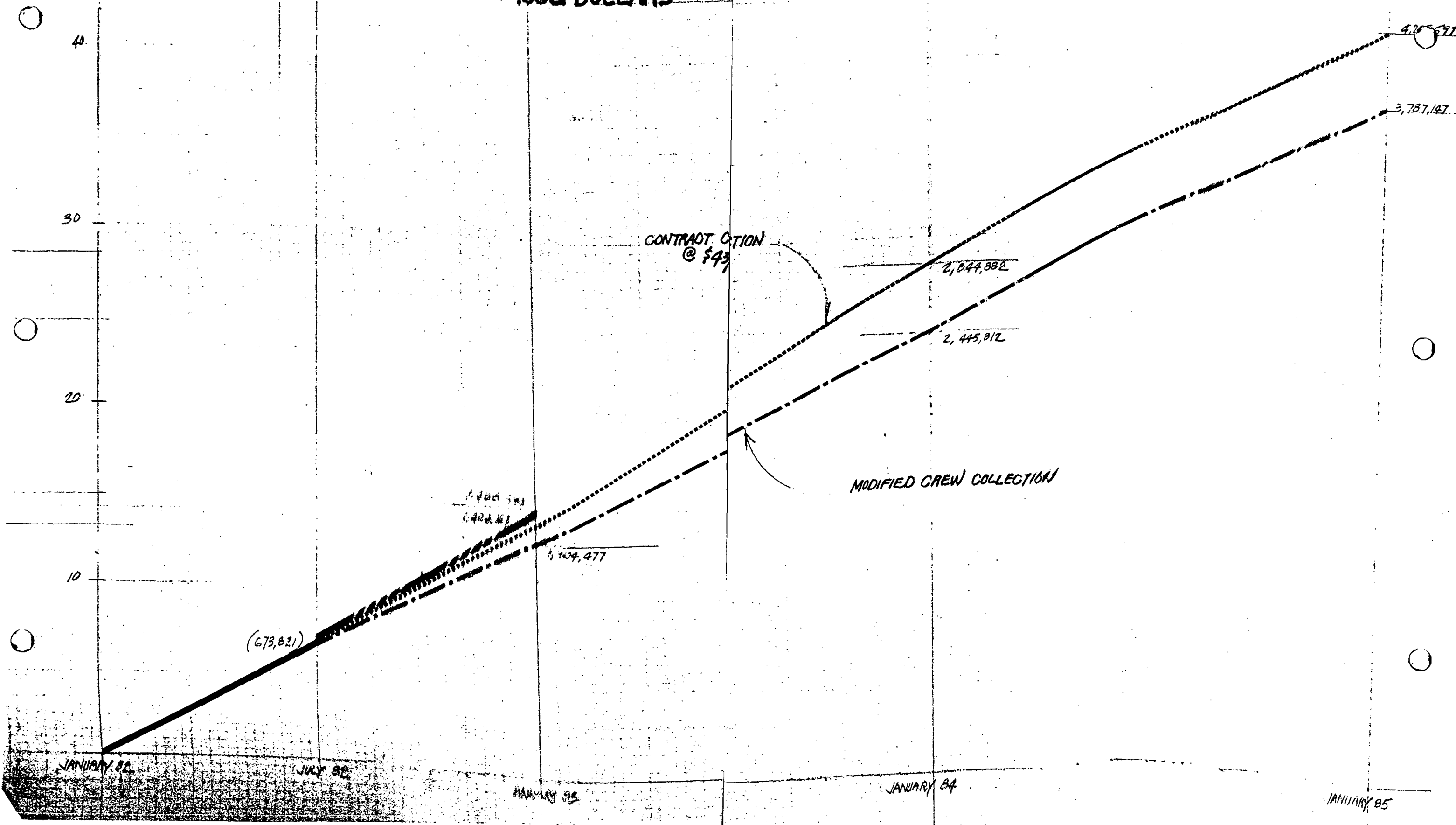
The Committee ascertained three major questions with respect to garbage collection:

- a) Given that a new system is feasible, should it be be 'modified' or 'contract' collection?
- b) Given that no contract tender call has been offered, can cost projections from other municipalities be considered a reliable guideline for comparison purposes?
- c) If a 'modified' municipal collection system is adopted, should redundant positions in the collection service be handled by transfer? By Attrition? By a lay-off?

FINDINGS

- A. The findings of the Committee are incomplete without a tender call to confirm prices. Initial indications are that if tenders for other municipalities are duplicated for Coquitlam, it would be cheaper to retain a municipal collection system, modified to improve productivity.
- B. There are three choices possible to modify our system:
 - 1) Reduce our work force by lay-off.
 - 2) Reduce our work force by attrition.
 - 3) Reduce our work force by transfer to other activities.
- C. Lay-off in the garbage collection service would reduce operating costs by the greatest amount.
- D. Attrition, i.e. reduction through retirement and separation, would reduce operating costs gradually, but might not have significant immediate impact.

**TOTAL COST PROJECTION
ALTERNATIVE FOR SOLID WASTE COLLTION
BASED ON 1982 DOLLARS**



FRIDAY, MAY 7, 1982

COMMITTEE ON CONTRACTING
OUT GARBAGE COLLECTION



The Committee on Contracting Out of Garbage Collection met in the Committee Room of the Municipal Hall, 1111 Brunette Avenue, Coquitlam, B.C. on Friday, May 7, 1982 at 12 noon with the following persons present:

Alderman L. Garrison, Chairman
Alderman B. Robinson
Alderman L. Sekora
Mr. D. Cott, C.U.P.E., Local 386
Mr. R. Bradley, C.U.P.E., Local 386

Also present were:

Alderman G. Levi
Mr. R. A. LeClair, Municipal Manager
Mr. N. Nyberg, Municipal Engineer
Mr. V. Dong, Municipal Treasurer
Mr. H. F. Hockey, Operations Administrator
Mr. K. Hanna, Project Technician
Mr. D. Williams, Service Centre Supervisor
Mrs. S. Aikenhead, Deputy Municipal Clerk

REPORT OF MUNICIPAL ENGINEER
TENDER EVALUATION RESIDENTIAL GARBAGE COLLECTION

Mr. Nyberg presented for the Committee his May 6, 1982 report on the noted subject; a copy of which is attached hereto.

After Mr. Nyberg's presentation, questions were posed by members of the Committee and Mr. Nyberg reviewed his report in detail for them.

Mr. Cott stated that he felt this report needed a good deal of analysis and asked for time to study same.

Mr. Bradley stated that with regard to the modified garbage collection system, he felt a memorandum of agreement could be finalized in time to meet the June 28th deadline for this system.

Alderman Garrison reported that he would be recommending to Council on Monday, May 10, 1982 that this item be tabled so that members of the Committee, other Council members, and staff will have an opportunity to study the material.

Mr. LeClair pointed out to the Committee that the Engineering Department made reference to the Burnaby Collective Agreement for the modified system. They used it for rates of pay only, and did not take into account, for example, lay-off procedures incorporated into that settlement. These are the sort of details that would have to be worked out.

Continued...

FUTURE COMMITTEE MEETING

Another Committee Meeting was scheduled for Monday, May 17, 1982 at 12:00 noon in the Council Chambers.

ADJOURNMENT

The Committee Meeting adjourned at this time. 1:30 p.m.

CHAIRMAN

MEMBER

SA/pp

MEMBER

MEMBER

MEMBER

MEMBER

MEMBER

MEMBER

MEMBER

MEMBER

DISTRICT OF COQUITLAM

Inter-Office Communication

TO: R. A. LeClair
Municipal Manager

DEPARTMENT: Administration

DATE: 1982 05 06

FROM: N. W. Nyberg

DEPARTMENT: Engineering

YOUR FILE:

SUBJECT: Tender Evaluation Residential Garbage Collection.

OUR FILE: 05 02 81/14

Reference: A. Engineering memo report tender cost analysis
05 02 81/14 of 1982 05 06
B. Engineering Report 015-004 d November 2, 1981.

1.00 BACKGROUND

- 1.01 Two tenders were received for residential garbage collection: Brouning Ferris Industries bid \$958,900.76 for the first 12 months of disposal; Haul-Away Disposal Ltd. bid \$698,023.20 for the same service.
- 1.02 Appendix A to the attached report shows that acceptance of the low bidder, Haul-Away would, in 1982, save approximately \$132,700 over projected costs of present system, and \$42,900 over a Municipal collection system employing two-man crews, provided that our work force is reduced.
- 1.03 The low bidder, Haul-Away Disposal Ltd. offers \$249,000 for existing Municipal equipment. An equipment evaluation completed by Cooper Appraisals Ltd. was commissioned by the District and their report of April 20, 1982, places the total market value of our units at \$248,970.

2.00 ANALYSIS

- 2.01 Our report 015-004 of November 1981, predicted a slight cost advantage to modernizing our existing Municipal collection system. However, the low bid is, in my opinion, well below the lowest achievable projected cost for a two-man Municipal system, and far below our current collection budget for 1982.
- 2.02 The tender analyses predicts a cost savings exceeding \$130,000 in the balance of 1982. In 1983, the current low bid price of \$38.40 per unit would hold until June 27, 1983, whereas our internal costs will increase effective January 1. This means that the cost savings represented by the low bid will substantially increase for the first six months of 1983.

R. A. LeClair
Re: Tender Evaluation Residential Garbage Collection

1982 05 07

- 2.03 Brouning Ferris Industries offers about half of the appraised value for Municipal equipment: Haul-Away offers almost the exact amount. Retention of Municipal collection, however, would require the District to make an expenditure of about \$160,000 in 1982 for replacement equipment.
- 2.04 We were asked to check the level of service proposed by the low bidder. On 1982 05 06, Haul-Away Disposal Ltd. delivered a copy of the letter attached as Appendix C. We would suggest that if the low bid is accepted, that the letter be included as part of the by-law/contract documents.
- 2.05 We were asked to check the legal implications of our outdated (1952) Garbage Collection By-law. The Municipal Solicitor suggests deleting reference to the archaic by-law in the specifications (Appendix E). My preference would be to incorporate the low bidder's letter in the contract documents if Council chooses to award the tender.
- 2.06 We were asked to check employment opportunities, and potential staff impacts. Our estimates for a Modified Municipal System include provision for some training of current staff, but a reduction of six to eight Municipal positions would be the consequence of opting for the modified collection system. Contract award would remove eighteen to twenty-one positions with the Municipality. Employment opportunities offered by Haul-Away Disposal Ltd. are outlined in their letter attached as Appendix D.
- 2.07 We were asked to comment on implementation or transition costs. It is most likely that either the contract or the modified system would involve delay before savings commenced. We know the effective date of the contract ... June 28, 1982. The earliest commencement of a modified system would depend on how quickly a mutually satisfactory memorandum of agreement could be concluded. We think that it is possible to negotiate such a memorandum by June 28, but no means certain owing to the nature of negotiations. Our estimated costs for the modified system are based on very quick, and mutually satisfactory negotiations. Layoff through attrition would reduce or eliminate immediate cost saving.

3.00 CONCLUSIONS

- 3.01 The tender offered by Haul-Away Disposal Ltd. appears acceptable, and acceptance would save considerable sums over both our current system and proposed modified system.

R. A. LeClair
Municipal Manager
Re: Tender Evaluation Residential Garbage Collection

1982 05 07

- 3.02 The cost projection for the modified Municipal alternatives assumes that agreement via a memorandum of agreement could be achieved quickly. Difficult or protracted negotiations would tend to increase the current margin of savings enjoyed by the low bidder.
- 3.03 In the event that Council chooses the contract alternative, the explicit statement of level of service offered by the low bidder should be incorporated into the agreement in place of our obsolete by-law.
- 3.04 In comparing alternatives, it should be noted that cost savings depend on layoffs; and that staff reduction by attrition will not provide the theoretical saving.

N. W. Nyberg
N. W. Nyberg, P. Eng.
Municipal Engineer

Appendices A, B, C, D & E.

NWN/mw

DISTRICT OF C

Inter-Office Com

TO: N. Nyberg DEPARTMENT: Engineering DATE: 82 May 06
 FROM: Jim Hockey DEPARTMENT: Engineering YOUR FILE:
 SUBJECT: Tender Cost Analysis OUR FILE: 05.02.81/14

References: A. Council Resolution 282 d. 1982 03 29
 B. Solid Waste Collection Committee Minutes
 d. 1982 01 20
 C. Solid Waste Subcommittee Minutes d. 1982 02 10,
 1982 02 17, 1982 02 24

1.00 Objective

1.01 To compare

- the cost of the existing system by District of Coquitlam forces for the collection of residential refuse

with

- the cost of implementing a modified task system by the District's forces for the collection of residential refuse

with

- the cost of collection of residential refuse by a contract with the low bidder in the recent public tender.

2.00 Background

2.01 On Monday, March 29, 1982 Council passed Resolution 282:

"Resolution 282:

"That Council advertise and tender bids for private collection services on the basis of specifications that the Contracting Out Garbage Collection Committee had attached to their report."

2.02 Tenders were invited on April 13th, 1982. The bidders were required to submit an offer to purchase the equipment used for residential refuse collection. The District qualified however that the purchase of the equipment may not necessarily be accepted.

2.03 Tenders were received and opened on Friday, April 30, 1982. The results are as follows:

<u>Bidder</u>	<u>Equipment Offer</u>	<u>Collection Bid</u>
Haul-Away Disposal Limited Surrey, British Columbia	\$249,000	\$698,023.20
Browning-Ferris Industries Limited, Victoria, B.C.	125,000	958,900.76

Note: Disposal Fees are not included in the tendered price.

2.04 From the three alternatives compared, it was found that contracting out the collection of residential solid waste was the most economical.

3.00 Analysis

3.01 The costs of the following alternatives were compared from May 10, 1982 to the year end:

- (A) Continuation of present system of six three-man crews, 3 days/week and seven three-man crews two days/week (Existing)
- (B) Implementing of Modified Task System of six two-man crews (Modified)
- (C) Contracting out to a private contractor (Contracting)

3.02 Appendix A is a chart indicating the cost comparisons for the period from May 10, 1982 to December 31, 1982.

3.03 Costs on the chart were calculated from May 10, 1982 to June 25, 1982 and from June 28, 1982 to December 31, 1982.

3.04 The costs shown from May 10, 1982 to June 25, 1982 indicate the costs of our present system of collection for this period and will remain the same for all three alternatives.

3.05 The costs shown from June 28, 1982 to December 31, 1982 indicate the costs which would occur for each of the three alternatives compared.

Administration costs will occur for all three alternatives but vary for each alternative.

3.06 Assumptions

- (1) On May 10, 1982 Council will choose among the alternatives described in section 3.01.
- (2) That either the Modified or the Contracting alternative if chosen will be in effect June 28, 1982.
- (3) Total number of collection points will be 17009 units.
- (4) Clean-up week and disposal costs will not vary for the alternatives.
- (5) That there will be transition costs for employees who, when layed off, are entitled to "bump" others with less seniority.

3.07 Annual Administration Costs Analysis

	<u>Description</u>	<u>Existing</u>	<u>Modified</u>	<u>Contracting</u>
1.	Engineering Services	\$ 44,249	\$ 44,249	\$ 44,249
2.	Share of Works Yard	43,690	43,690	43,690
3.	Staff Training	-	3,224 *	-
4.	Membership - G.R.C.D.A.	60	60	60
5.	Heuristic Route Study	-	8,000	-
6.	GVS&DD Annual Assessment	48,333	48,333	48,333
7.	Printing and Delivery of Pamphlets	11,438	11,438	-
	Totals	\$147,770	\$158,994	\$136,332

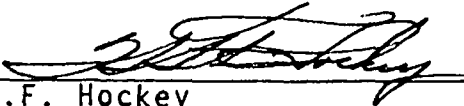
* See Appendix D - Staff Training for Modified TaskSystem

3.08 The District's Sanitation Department will be required to replace one garbage truck for a cost of \$160,000.

3.09 The lowest bidder, if awarded the contract, will purchase the District's existing equipment for \$249,000.

Currently Haul-Away has similar contracts to the contract the District is considering with the following municipalities: Delta, Surrey and West Vancouver.

Surrey, Delta and West Vancouver were contacted and are very satisfied with the service provided by Haul-Away.


H.F. Hockey
Operations Administrator

HFH:ck

cc: K. Hanna

APPENDIX A

Cost Comparison from May 10, 1982 to December 31, 1982

<u>PERIOD</u>	<u>COST DESCRIPTION</u>	<u>EXISTING</u>	<u>MODIFIED</u>	<u>CONTRACTING</u>
May 10 to June 25	Administration Costs	\$ 19,000	\$ 19,000	\$ 19,000
	Collection Costs	133,800	133,800	133,800
	Total	152,800	152,800	152,800
June 28 to Dec. 31	Administration Costs	75,100	80,200	69,300
	Collection Costs	461,400	366,500	334,500
	Total	536,500	446,700	403,800
			437,747	421,824
July 28 to Dec. 31	Unit Cost of Collection	27.13	21.55	19.67
	Total Unit Cost	31.54	26.26	23.74
			25.73	24.83

DISTRICT OF COQUITLAM
SURFACE OPERATIONS BRANCH
SANITATION SECTION

Determination of labour cost applicable by the use of a modified task system for the collection of residential refuse during the period from June 28 to December 31, 1982.

Manning: 2 Truck Driver/Swamper 2s on each tandem collector
 2 Truck Dirver/Swamper 1s on each single axle collector

Rates: (As per District of Burnaby rates plus
 District of Coquitlam burden charge 34%)

Truck Driver/Swamper 2 -	
12.15 + 5 % productivity premium	\$12.76/hr.
Add 34% burden charge	17.10/hr.

Truck Driver/Swamper 1	
12.01 + 5% productivity premium	12.61/hr.
Add 34% burden charge	16.90/hr.
Foremen: 15.47 + 13% burden charge	17.48/hr.

Days:	Regular Working	128 days
	Statutory Holidays	7 days

Vacation:	Aggregate vacation entitlement	
	Union Members	190 days
	Foremen	25 days

Overtime: None anticipated under modified task system

Equipment: 6 tandem packers, rear loading
 1 single axle packer, rear loading, standby
 1 mini-pick up truck for foremen

Labour Costs:

Classification	Hourly Rate	Daily Cost	No.	Total Daily Cost	Sub-Total	Subtotal 83% Thereof	Days	TOTAL
Foreman	\$17.48	\$139.84	1	\$139.84		\$14,857	128	\$ 14,857
Tr. Dr./Swpr. 2	17.10	136.80	12	164.16	\$210,125	-	128	210,125
Tr. Dr./Swpr. 1	16.90	135.20	2	270.40	1,893		7	1,893
Adjustment for Foremen vacation absence								
Tr. Dr./Swpr. 2	17.10	136.80	1	136.80	3,497		25	<u>3,497</u>
								\$230,372

DISTRICT OF COQUITLAM
 SURFACE OPERATIONS BRANCH
 SANITATION SECTION
 EVALUATION OF THE RENTAL COST OF
 THE EQUIPMENT REQUIRED FOR IMPLEMENTATION
 OF THE MODIFIED TASK SYSTEM FOR
 RESIDENTIAL REFUSE COLLECTION

<u>EQUIPMENT</u>	<u>MONTHLY RATE</u>	<u>NO</u>	<u>MONTHS</u>	<u>AMOUNT</u>
Tandem Rear Loader	\$3,155	6	6 mos 3 days	\$116,161
Single Axle Rear Loader	2,430	1	6 mos 3 days	14,911
Mini Pick Up	469	1	6 mos 3 days	2,867
				\$133,939

1982 05 05

Staff Training for Modified Task System

For modified task system commencing June 28, 1982 the District will require 12 driver/swampers plus 3 spares, totalling 15. It is anticipated that 12 of these positions will be filled by qualified personnel, leaving only 3 men who may require training.

Costs

R. Gidlof of the Fire Department will give classroom instruction at	\$31.00/hr.
Burnaby driver-trainer will give actual driving training at	19.08/hr.
Current labourer's rate (including 34% burden)	14.91/hr.

Training

Trainees require 16 hours of classroom training
 Trainees require 10 hours of truck driving training

Actual Costs

3 men @ labour rate + instruction rate x 16 hr.	
48 x (14.91 + 31.00)	= \$2,203.68
3 men @ labour rate + instructor rate x 10 hr.	
30 x (14.91 + 19.08)	= 1,019.70
<hr/>	
Total	\$3,223.38

A P P R A I S A L

DISTRICT OF COQUITLAM
Coquitlam, British Columbia

GARBAGE COLLECTION UNITS

Appraised by
W. K. Gervais, A.S.A.

"Market Value"

April 20, 1982

COOPER APPRAISALS LIMITED
TORONTO, MONTREAL, VANCOUVER
CANADA

COOPER APPRAISALS LIMITED

APPRAISERS OF BUILDINGS, MACHINERY

AND ALL TYPES OF EQUIPMENT

~~675 WEST HASTINGS STREET~~

~~VANCOUVER, B.C. V6B 1N2~~

TELEPHONE (604) 685-8261-3115

402 WEST PENDEP STREET VANCOUVER, B.C.
V6B 1T6

AFFILIATED WITH
EUROPEAN APPRAISALS C.V.

AFFILIATED WITH
MARSHALL & STEVENS INC.

April 20, 1982

District of Coquitlam
2647 Austin Avenue
Coquitlam, B. C.

Attention: Mr. Ken Crowe
Purchasing Agent

Gentlemen:

Following your instructions (your Order 15-3080), we have completed a physical appraisal of specified units of your garbage collection fleet of packer trucks, located at your service yard, Austin Avenue, Coquitlam.

The various items herein valued have been pointed out to us as your property and the question of "title" to these items has not been included in our investigation.

The appraisal is of the units only and does not include spare parts or equipment.

Any further enquiry concerning this Appraisal will be welcome.

Yours very truly,

COOPER APPRAISALS LIMITED

M.K. Lewis

for President

DISTRICT OF COQUITLAM
Garbage Collection Units

<u>Unit No.</u>		<u>Market Values</u>
331	"I.H.C." chassis, 29,360 lbs. "Dempster" 16 yd. packer	\$ 15,600.
332	"I.H.C." chassis, 29,360 lbs. "Dempster" 16 yd. packer	15,600.
333	"I.H.C." chassis, 44,860 lbs. "Heil" 25 yd. packer	16,840.
334	"I.H.C." chassis, 31,000 lbs. "Leach" 16 yd. packer	23,185.
335	"I.H.C." chassis, 31,000 lbs. "Leach" 16 yd. packer	23,185.
336	"Kenworth" Tandem Axle, 54,000 lbs. "Dempster" 25 yd. packer with auxiliary power	51,520.
337	"Kenworth" Tandem Axle, 54,000 lbs. "Dempster" 25 yd. packer with auxiliary power	51,520.
338	"Kenworth" Tandem Axle, 54,000 lbs. "Dempster" 25 yd. packer with auxiliary power	<u>51,520.</u>
TOTAL MARKET VALUE, Units 331-338 inclusive, as at April 20, 1982		<u>\$248,970.</u>

DISTRICT OF COQUITLAM
Garbage Collection Units

UNIT NO. 331

In service May, 1975

"I.H.C" chassis,
29,360 lbs. G.V.W.

1982 License 2393 GJ

Model CL1850B
Serial D1035 ECA 19241

1982 New Cost including 6% Provincial tax	\$37,100.	
Less Depreciation	<u>27,850.</u>	
Market Value		\$ 9,250.

"Dempster" 16 yd. packer

1982 New Cost including 6% Provincial tax	25,440.	
Less Depreciation	<u>19,090.</u>	
Market Value		<u>6,350.</u>

UNIT MARKET VALUE as at April 20, 1982 \$15,600.

DISTRICT OF COQUITLAM
Garbage Collection Units

UNIT NO. 332

In service May, 1975

"I.H.C." chassis
29,360 lbs. G.V.W.

1982 license 2394 GJ

Model CL1850B
Serial D1035ECA 19247

1982 New Cost including 6% Provincial tax	\$37,100.	
Less Depreciation	<u>27,850.</u>	
Market Value		\$ 9,250.

"Dempster" 16 yd. packer

1982 New Cost including 6% Provincial tax	25,440.	
Less Depreciation	<u>19,090.</u>	
Market Value		<u>6,350.</u>

UNIT MARKET VALUE as at April 20, 1982 \$15,600.

DISTRICT OF COQUITLAM

Garbage Collection Units

UNIT NO. 333

In Service September 1975

"I.H.C." chassis
44,860 lbs. G.V.W.

1982 license 2395 GJ

Model C.O.F. 1950 B
Serial D1125ECA 24765

1982 New Cost including 6% Provincial tax	\$53,000.	
Less Depreciation	<u>39,800.</u>	
Market Value		\$13,200.

"Heil" 25 yd. packer

1982 New Cost including 6% Provincial tax	21,730.	
Less Depreciation	<u>18,090.</u>	
Market Value		<u>3,640.</u>

UNIT MARKET VALUE as at April 20, 1982 \$16,840.

DISTRICT OF COQUITLAM

Garbage Collection Units

UNIT NO. 334

In Service January, 1977

"I.H.C." chassis
31,000 lbs. G.V.W.

1982 license 2396 GJ

Model CL1950 B
Serial D1045 GCA 11224

1982 New Cost including 6% Provincial tax	\$37,100.	
Less Depreciation	<u>23,345.</u>	
Market Value		\$13,755.

"Leach" 16 yd. packer

1982 New Cost including 6% Provincial tax	25,440.	
--	---------	--

Less Depreciation	<u>16,010.</u>	
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Market Value		<u>9,430.</u>
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UNIT MARKET VALUE as at April 20, 1982		<u>\$23,185.</u>
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DISTRICT OF COQUITLAM

Garbage Collection Units

UNIT NO. 335

In Service January, 1977

"I.H.C." chassis
31,000 lbs. G.V.W.

1982 license 2397 GJ

Model CL1950B
Serial D1045 GCA 11241

1982 New Cost including
6% Provincial tax \$37,100.

Less Depreciation 23,345.

Market Value \$13,755.

"Leach" 16 yd. packer

1982 New Cost including
6% Provincial tax 25,440.

Less Depreciation 16,010.

Market Value 9,430.

UNIT MARKET VALUE as at April 20, 1982 \$23,185.

DISTRICT OF COQUITLAM

Garbage Collection Units

UNIT NO. 336

In Service February, 1978

"Kenworth" - Tandem Axle
54,000 lbs. G.V.W.

1982 license 2398 GJ

Model - "Hustler"
Serial 31261 M

1982 New Cost including 6% Provincial tax	\$71,550.
Less Depreciation	<u>39,200.</u>
Market Value	\$32,350.

"Dempster" 25 yard packer
with auxiliary power

1982 New Cost including 6% Provincial tax	42,400.
Less Depreciation	<u>23,230.</u>
Market Value	<u>19,170.</u>

UNIT MARKET VALUE as at April 20, 1982 \$51,520.

DISTRICT OF COQUITLAM

Garbage Collection Units

UNIT NO. 337

In Service April, 1978

"Kenworth" - Tandem Axle
54,000 lbs. G.V.W.

1982 license 2399 GJ

Model - "Hustler"
Serial 31260 M

1982 New Cost including 6% Provincial tax	\$71,550.	
Less Depreciation	<u>39,200.</u>	
Market Value		\$32,350.

"Dempster" 25 yard packer
with auxiliary power

1982 New Cost including 6% Provincial tax	\$42,400.	
Less Depreciation	<u>23,230.</u>	
Market Value		<u>19,170.</u>

UNIT MARKET VALUE as at April 20, 1982 \$51,520.

DISTRICT OF COQUITLAM
Garbage Collection Units

UNIT NO. 338

In Service April, 1978

"Kenworth" - Tandem Axle
54,000 lbs. G.V.W.

1982 license 2401 GJ

Model - "Hustler"
Serial 31259 M

1982 New Cost including
6% Provincial tax \$71,550.

Less Depreciation 39,200.

Market Value \$32,350.

"Dempster" 25 yard packer
with auxiliary power

1982 New Cost including
6% Provincial tax \$42,400.

Less Depreciation 23,230.

Market Value 19,170.

UNIT MARKET VALUE as at April 20, 1982 \$51,520.

HAUL-AMM DISPOSAL LTD.

10-7823 132nd STREET • SURREY, B.C. V3W 4M8 • TELEPHONE (604) 594-3444

May 6th, 1982.

District of Coquitlam,
1111 Brunette Avenue,
Coquitlam, B. C.
V3K 1E9

Attention: Mayor Tonn & Members of Council

Dear Sirs & Madam:

This letter is to briefly state the level of service at which we would be collecting garbage for Coquitlam should we be given the opportunity to do so.

We do not adhere to a limit. We take whatever garbage is put out by the resident. This includes grass clippings and brush. The brush should be cut in three foot lengths and tied or bundled.

It is important that we list however some items that are not garbage which we leave -

- Tree stumps
- Large car parts
- Car bodies
- Animals
- Animal waste
- Furniture and appliances (they are picked up at the annual cleanup).

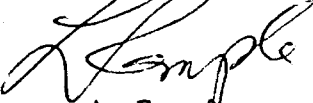
We hereby make an all-encompassing statement. The level of service will be maintained at the same level as at present; it will not deteriorate initially nor at a later date. We guarantee that statement. A copy of this letter is going to our bonding company. They already know this to be our reputation at present for Surrey, Delta and West Vancouver.

....continued

We trust this letter will serve to set aside any concerns about the quality of service we would provide to Coquitlam or which we normally provide to other municipalities too. Believe me please, when we have a half-million dollar performance bond lodged to guarantee quality service we do not dare do less. The bonding company would deal most severely with us if ever they were called upon.

Yours truly,

HAUL-AWAY DISPOSAL LTD.



L. Rempfe
President

LR/wi



10-7823 132nd STREET • SURREY, B.C. V3W 4M8 • TELEPHONE (604) 594-3444

May 6th, 1982.

District of Coquitlam,
1111 Brunette Avenue,
Coquitlam, B. C.
V3K 1E9

ATTENTION: Mayor Tonn & Members of Council

Dear Sirs: & Madam:

This letter is to briefly state the terms of livelihood which will be offered to the present Coquitlam garbage collection crew.

We operate exclusively on an Owner-Operator basis to serve the Municipal contracts. The Owner-Operators become our sub-contractors and we engage them to do the actual collection.

1. A garbage paker/truck which meets with Municipal approval is made available to the Owner-Operator. The Owner-Operator purchases this vehicle at our cost from our company. It is financed over the term of the contract (60 months in the case of Coquitlam). The financing is at the most favorable bank interest rate available today. If the individual's credit reputation is reasonable, the loan will be approved.
2. Reasonable routes are set up for the five days of the week. The routes for the week are assigned to each Owner-Operator.
3. The Owner-Operators hire their own swamper or swampers and pay them as their own employees.

....continued

4. A monthly amount is paid to the Owner-Operator for this service. Out of that monthly revenue the Owner-Operator pays all expenses and swamper wages. Using our plans, directions and guidance our other Owner-Operators past experience has resulted in substantially higher earnings than working on an hourly basis.
5. The Owner-Operator must agree to abide by our rules, regulations and instructions.
6. The Owner-Operator enters into a contract with Haul-Away Disposal of identical duration as the contract we have with the Municipality. This is security.
7. The contract between Coquitlam and Haul-Away would stipulate certain levels of quality of service. These same commitments are incorporated in the contract between the Owner-Operator and Haul-Away. A breach of contract could result in cancellation of the contract with the Owner-Operator, after all the clearly laid-out remedies have failed.

Once the contract was awarded to our firm we would be pleased to interview the present staff shortly thereafter.

We trust the foregoing is sufficient to convey to you the opportunity available to your present employees.

Yours truly,

HAUL-AWAY DISPOSAL LTD.



L. Remple
President

LR/wi

DISTRICT OF C

Inter-Office Con

TO: Neil Nyberg DEPARTMENT: Engineering DATE: 1982-May-6
FROM: Henry G. Castillou DEPARTMENT: Legal YOUR FILE:
SUBJECT: CONTRACT FOR COLLECTION AND DISPOSAL OF SOLID WASTE OUR FILE: 50/2/4

Section 614 of the Municipal Act R.S.B.C. 1979 Chapter 290 states in subsection (1)(f) that

"(1) The Council may by bylaw

(f) enter contracts with a person for all or part of the collection, removal and disposal of garbage and other waste, on terms and conditions prescribed in the bylaw."

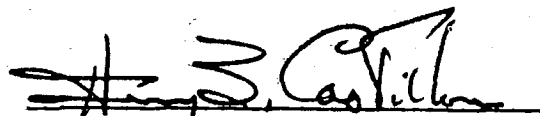
This means a contract in order to be valid under this subsection must be introduced by bylaw of Council. The contract can be signed by the other party when the bylaw is introduced. The contract would be attached to the bylaw as a schedule, with the bylaw stating the Mayor and Clerk may execute same.

One other point that has been brought to my attention is that on Page SWC-2 section 1.01 of the proposed contract it reads:

"1.01 Collect and remove garbage and household waste each week from all residential premises within the District of Coquitlam in accordance with Bylaw Number 625 and amendments thereto."

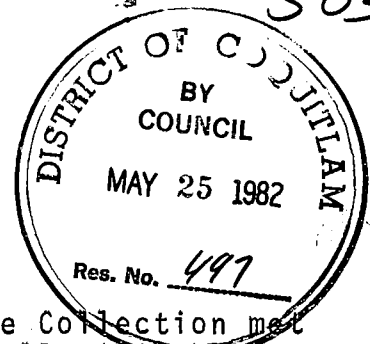
This phrase "in accordance with Bylaw Number 625 and amendments thereto" should be deleted as I understand the District's Bylaw 625 is out of date. Further to this the bonding and insurance company must be informed of this change and their ratification of the change received.

HGC/pm


Henry G. Castillou
Municipal Solicitor

Monday, May 17, 1982

Committee on Contracting
Out Garbage Collection



The Committee on Contracting Out of Garbage Collection met in the Council Chambers of the Municipal Hall, 1111 Brunette Avenue, Coquitlam, B.C. on Monday, May 17, 1982 at 12:00 noon with the following persons present:

Ald. L. Garrison, Chairman
Ald. B. Robinson
Mr. D. Cott, C.U.P.E. Local 386
Mr. R. Bradley, C.U.P.E., Local 386

Also present were:

Ald. W. Henke
Mr. R.A. LeClair, Municipal Manager
Mr. N. Nyberg, Municipal Engineer
Mr. V. Dong, Municipal Treasurer
Mr. H.F. Hockey, Operations Administrator
Mr. K. Hanna, Project Technician
Mr. T. Klassen, Municipal Clerk

Financial Approach

The Chairman invited Mr. Cott to go over concerns he had expressed over the financial approach taken by the Engineer in assessing costs.

Mr. Cott advised that he had met with the Engineer and the Treasurer and advised that based on the Engineer's report which was provided at the previous meeting he has done some calculations and his calculations indicate a difference of less than \$16,000 between the modified system and contracting out bid price of Haulaway for the period June 28th to December 31st.

Mr. Cott went on to explain some of the differences he had found, these being:

- A. The rates charged out in Appendix B, the Truck Driver Swamper II's rate, has had added the 5% productivity bonus and the 34% burden charge has been added thereto which should not be done. This makes a difference of \$17.10 per hour as compared to \$16.89 per hour.
- B. Garbage Swamper I has been charged out at \$16.90 instead of \$16.69 if the burden rate is not charged on the 5% productivity bonus.
- C. Adjustment for Foreman should be charged out at \$16.89.
- D. He projects labour costs out as \$227,648 as opposed to \$233,072.
- E. Appendix A - cost comparison on the 3 systems - his calculations show the collection costs for the contract would have been \$334,800 based on 50.8% to which he has added the foreman and the truck. He, therefore, projects a modified system costing, for a six month period, \$437,747 and a contract cost of \$421,824 with a unit cost of \$24.80 for contract and \$25.73 for the modified system, or .93 cents difference.

- F. He was of the opinion that staff training costs should be spread over a 5 year period.
- G. The semi-heuristic study should be spread over a 5 year period.

Mr. Cott went on to state that the two costs are not very far apart and projecting the contract costs over five years including a C.P.I. of 12% annually, not including annual clean-up, the 5th year collection cost would be \$1,036,949.

Mr. Cott stated that wage increases generally do not reach the C.P.I. figure and he assumes the financial restraint programme will become law, thus further limiting wage increases in the public sector.

Mr. Cott advised that in his opinion Council must consider very carefully a decision to contract out and finds it disturbing that a 5 year contract is being considered with a further option of a 5 year renewal. He stated that should Council wish to get back into the business after 5 years the cost would almost be prohibitive.

Mr. Cott went on to outline the costs which could arise to get back into the business, these being to purchase new equipment based on the following:

- A. Kenworth with Dempster - \$114,000 per unit.
- B. Need to purchase 7 units - 6 units for collection - 1 unit for backup.

Using the figures quoted, Mr. Cott stated \$800,000 would be required to start up again and assuming that Council would wish to protect itself against such an eventuality, a sinking fund would have to be established to provide the funds. A contribution of \$120,000 annually would have to be placed in the fund, based on a 14% interest return on investment, in order to provide funds to start up again. This, he stated, would only provide funds to purchase equipment at 1982 prices.

Mr. Cott stated that while an initial saving can be projected, over a five year period it will cost the Municipality money to contract out.

Mr. Nyberg went over some points raised by Mr. Cott, these being:

1. 5% productivity bonus being loaded with 34% burden charge is the financial policy of the District.
2. The foreman's wages and truck have not been added in because his attention would then be directed to the commercial collection which would be maintained by the Municipality.
3. If the foreman was used to administer the contract it might add \$3,000 to the cost, however, a similar amount would have to be deducted from the commercial collection costs, thus the amount would even out over all.
4. Mr. Nyberg advised that to forecast what the C.P.I. will be over the five years is almost impossible.

Mr. Dong at this point went over his financial report related to comparisons of the three collection methods and a copy of that report is attached and forms a part of these Minutes.

Mr. Dong indicated that in his opinion an overall saving of \$1,050,000 could be realized if the Municipality were to contract out for a 5 year period.

Mr. Cott stated that the Treasurer's figures do not reflect any cost for start up by the Municipality after the five year contract should that be necessary and Mr. Dong stated that he would not hold that out as a cost but would be an investment.

Mr. Nyberg advised that should the Municipality enter the business in five years, a lease basis for equipment could be used and then the users of the day would be responsible for the actual cost of collection.

Mr. Nyberg at this point distributed information requested at the last meeting and a copy of material distributed is attached and forms a part of these Minutes.

Mr. Garrison requested an indication from staff on how other areas who are presently contracting out find the level of service. Mr. Hockey indicated that this contact with representatives of West Vancouver, Surrey and Delta have all indicated satisfaction with the service they are receiving and no problems of any significance have arisen.

Mr. Cott at this point advised that his people have collected over 6000 signatures of residents opposed to contracting out which he will be presenting to Council and what he sees is a concerted effort by Council and the administration to get rid of the garbage collection staff.

The Chairman advised that a report, embodying the Engineer's report and the Treasurer's report, will come before Council on Tuesday, May 25, 1982.

Recommendation of Committee

The Chairman called for a resolution containing a recommendation to Council.

Ald. Robinson moved a resolution to recommend to Council that the Municipality contract out residential garbage collection. There was no seconder to this resolution.

Ald. Robinson then made a motion to refer all information to Council for consideration and this as well failed to receive a seconder.

The Chairman then advised that a report would be compiled and submitted to Council for consideration.

Adjournment

The Chairman declared the meeting adjourned at 1:27 p.m.

- Q. What factors are likely to affect future costs of contract, and Municipal collection systems?
- A. The contract cost will depend on the numbers of residents obtaining the service and the unit cost of \$38.40 which holds to July 1, 1983, and thereafter increases or decreases as the Consumer Price Index for Vancouver.
- B. The cost of collection by municipal forces depends on:
- wage increases effective January 1, 1983 and thereafter;
 - annual increase in fuel and operating costs for equipment;
 - depreciation on new and existing equipment (reflecting current acquisition costs);
 - productivity ... (which determines route size);
 - training and study costs to support the system;
 - cost of supervision;
 - cost of distribution of bulletins and advertising.
- C. The escalation of municipal costs will commence in January; the escalation of contract costs will commence in July; hence a six month lag of costs will occur. If all costs increase at the same rate, then this lag means a net saving to the Contractor.

Q. What is the level of service envisaged under the Contract?

- A.
1. No change in level of service anticipated for residential service from present service, per letter from Haul-Away Disposal Ltd. dated May 6, 1982.
 2. In case of equipment breakdowns, Contractor has three spare units standing by ready for use when needed, per letter from Haul-Away Disposal Ltd. dated May 10, 1982.
 3. The following points are taken from clauses contained in the Specification for Solid Waste Collection.
 - 2.01 Provide weekly collection of an unlimited number of refuse containers at all residential premises by 0800 h on the designated day of collection.
 - 2.02 ...Collect spilled or scattered refuse from the immediate area of the containers and spills from trucks.
 - 2.05 Collect Christmas trees.
 - 3.01 Establish schedule of zones and routes for Engineer's approval which cannot be altered without approval.
 - 3.05 Compile and deliver schedule brochures, once per year to each resident.
 - 3.07 Maintain schedule under all weather conditions and circumstances.
 - 4.01 Establish business premises in Coquitlam to resolve complaints.
 - 4.02 Receive, record and resolve complaints expeditiously and investigate missed pickups within 24 hours of reporting.

Q. What happens if a resident's garbage is not picked up?

A. 1. Haulaway Disposal Ltd. letter of 82 05 11 states:

- complaint directed to contractor;
- contractor provides same day or next day service if garbage cannot be held until next collection day.

2. If Contractor's procedure is not followed, the Municipality has the following options under the contract:

- a) on referral from a resident who has complained of unsatisfactory service:
- (1) contact the Contractor personally and investigate circumstances;
 - (2) where warranted, verbal request to comply;
 - (3) where compliance has not occurred, written notice;
 - (4) where compliance has still not obtained, invoke Article 16, owner's right to correct deficiencies; collect garbage and charge Contractor;
 - (5) where stronger action is required, contact bonding company;
 - (6) where ultimate penalty is required, terminate contract and arrange for other collection financed from Performance Bond.

05 02 81/15



10-7823 132nd STREET • SURREY, B.C. V3W 4M8 • TELEPHONE (604) 594-3444

May 10th, 1982.

District of Coquitlam,
1111 Brunette Avenue,
Coquitlam, B. C.
V3K 1E9

ENGINEERING DEPT.		
COPIES TO:		
RECEIVED		
MAY 11 1982		
CIRC.	INIT.	DATE
KH	KH	82 05 11

Dear Sirs:

RE: Garbage Collection Contract
Missed Pickups

This is to explain a "missed pickup" complaint. As with other municipalities, all telephone calls are diverted directly to our company. All residents will be advised of our telephone number before service commences. This reduces administrative time of municipal employees.

When a call comes in from a resident saying the garbage was missed:

1. We ask if it was put out after the truck went by the house. If the answer is "yes", we ask if it is possible to hold it over till next week.
2. If the resident cannot or will not hold it over till next week we advise that we will come back and get it today, if it is early afternoon (or earlier). If the call comes in late in the afternoon we advise the resident we will be back the next day.

....continued

Spare Equipment:

We have three spare garbage trucks in our yard ready for use at any time they are needed. These trucks are in excellent condition, licensed, insured and ready for use. The size of them is similar to the ones in regular use.

We trust this will assist in assuring you of consistent service and continuity of service.

Yours truly,

HAUL-AWAY DISPOSAL LTD.



L. Remple
President

LR/wi

June 21
 July 21
 Aug 21
 Sept 21
 Oct 20
 Nov 21
 Dec 21 128

Comparison of Costs for Residential Refuse Collection

BETWEEN MUNICIPAL FORCES AND CONTRACT.

COST ITEM	CONTRACT			A L T E R N A T I V E S		
	EXISTING	MODIFIED	CONTRACT	CONTRACT	EXISTING	MODIFIED
June 28/82 - Dec. 31/82 - 128 work days						
i Administration Costs - appendix (a) Costs of ENGINEERING DEPARTMENT SUPPORTING REFUSE COLLECTIONS						
$\frac{6.098}{12} \times 147,770$ $\frac{6.65}{12} \times 158,994$ $\frac{6.6998}{12} \times 136,332$	75,100	80,200	69,300	41,516	71,936	71,936
ii Collection Costs - appendix (b), (c), (d), (e)						
Labour - appendix (b) Equipment appendix (c) Miscellaneous - Overalls, Laundry, Gloves	461,400	230,372 133,939 2,189	334,500	334,546 (includes annual cleanup costs)	461,500	229,467 (28,048) 161,183 2,189
Loss of Investment Earnings - on cash outlay for vehicle acquisitions - appendix (d) & (e) - on timing between contract payments & municipal payments (\$600/mo x 6.1)	\$ 536,500	\$ 446,700	\$ 403,800	\$ 376,062	28,043 3,660 565,139	28,043 3,660 468,430
Household sewered	17,009	17,009	17,009	17,009	17,009	17,009
Unit cost per household sewered June 28 - Dec 31 (6.1 months)	\$ 31.54	26.26	23.74	22.10	33.23	27.54

	Initials	Date
Prepared By		
Approved By		

District of Coquitlam

Computations of Overhead Costs

	1	2	3	4	5	6
		EXISTING		MODIFIED		CONTRACT
1						
2	Engineering Services @					
3	per 1982 Annual Budget	4A249		4A249	arbitrarily set @ 75%	33187
4	Excl:					(Increases necessary supervision)
5	Staff training - amortized					
6	over 5 years - $\frac{13229.38}{5}$	- 645		645		-
7						
8	Membership - GRCDA - per Budget	150		150		150
9						
10	Neurotic Route Study					
11	Amortiz over 5 yrs $\frac{8000}{5}$	1600		1600		-
12						
13	GVS: DD annual assessments	48333		48333		48333
14						
15	Printing: Delivery of Pamphlets (17000)					
16	Printing - per H.A. Hubby	3600		3600		-
17	Delivery: \$58 / 10000	986		986		-
18						
19	Share of works Yard					
20	per 1982 Annual Budget	41950		41950		- *
21						
22						
23						
24						
25	Annual Cost - 1982	141513		141513		\$ 81670
26						
27						
28	Excludes costs of other Dept. e.g. Payroll, Personnel, Accounting, Purchasing					
29						
30	* Recognition that cost of works Yard operations will be assumed by other users					
31						
32						
33						
34	For Period - June 28/82 to					
35	Dec. 31/82					
36	$\frac{6}{12} \times$ ANNUAL COST	71936		71936		41516
37						
38						
39						
40						
41						
42						
43						
44						
45						(a)

District of Columbia Computation of Labor and Fringe

	Initials	Date
Prepared By		
Approved By		

Benefit costs -

1 A. Existing;

3 i. Total collection cost per H.F. Hockney \$ 1,021,835

4 1982 Annual Budget of \$ 1,341,835 reflects reduction of \$ 320,000 from implementing

5 new system effective for 1/2 yr.

6 Composition - Residential 82.2% (per H.F. Hockney) \$ 897,488

7 Commercial 17.8% 194,347

8 \$ 1,091,835

10 ii. Residential Collection costs for

11 period June 28 - Dec 31 -

12

13 $\frac{6.1}{12} \times \$ 897,488 = \$ 456,223$

15 iii. Administrative Costs - Foreman

17 say 82.2% of portion of Foreman's salary

18 of \$ 12,536 - for 6.1 months $\frac{5283}{12} = 461,506$

21 Other - arbitrary

23 say \$ 461,500

B. Modified

28 ASSUMPTION - DISTRICT OF COLUMBIA'S rates and

29 incentive plan to apply to union employees for

30 costing purposes (conservative approach)

31 - no overtime provisions required

32 1. Foreman - \$ 20.73 x 8 HRS x 128 days = 21,228

33 Residential portion - 82.2% \$ 17,449

35 12 Truck Driver/Swapper 2 - \$ 17.10 x 8 HRS x 128 days

36 x 12 men = 210,125

38 2 Truck Driver/Swapper 1 - \$ 16.90 x 8 HRS x 2 men

39 x 7 stat. holidays = 1,893 *

41 Acting Pay Adjustments (Foreman's absences)

42 say 1st day x 8 hrs (\$ 17.10) = 136.80

43 25 days x 8 hrs x \$ 17.10 = 3,420

44 \$ 229,467

* May not be required

District of Columbia Computation of Vehicle Costs

Prepared By	Initials	Date
Approved By		

on Modified Basis - June 28/82 - Dec 31/82

Option 1 - Utilization of Appraised 1982 Equipment Rates

	Monthly Rental Rate including Depreciation	Period	Per Unit Cost	Total Cost
1 Single Axle Rear Loader	\$ 2430	6.1 months	\$ 14823	\$ 14823
6 Tandem Rear Loaders	3155	6.1 months	19245	115473
1 Mini Pick-up (Unit # 125)	82.2% of 469	6.1 months	2352	2352
				\$ 132648

Option 2 - Utilization of Value of future income i.e. Cost equivalent to loss of return from investments equivalent to present market value of equipment if invested at 16% rate.

	Projected Operating Costs	Overhead	Loss of Investment Return	Dep'n	Total
1 Single Axle Rear Loader	(17456) 8873	(4000) 2000	(19393) 1577	(7745) 3937	\$ 12387
6 Tandem Rear Loaders	(106080) 53929	(24015) 12208	(321400) 26141	(97031) 49324	121602
1 Mini Pick-up	(2425) 1233	(615) 313	(4000) 325	(2602) 1323	3194
	\$ 64035	\$ 14521	\$ 28043	54584	161183
		78556			(28043)
Annual Gross	125970	28630		107378	133140

Note - This option does not show impact of allowance of replacement vehicle acquisitions within next 5 years -

Option 3 - Utilization of value of future income i.e. Cost equivalent to loss of return from investments equivalent to cost of acquiring startup fleet with a useful life of 6 years (no residual value)

1 Single Axle Rear Loader	8873	2000	(150000) 13013	13556	37442
6 Tandem Rear Loaders	53929	12208	(60121000) 59048	161508	186693
1 Mini Pick-up	1233	313	(6000) 488	1508	2542
	64035	14521	72549	75572	\$ 226677
Gross			892000		(72549)

Therefore to give some advantage to municipal collection, Option 2 results will be used for evaluation purposes -

District of Columbia

Prepared By	Initials	Date
Approved By		

Evaluation of Timing of Expenditure Between Municipal Collections - Modified Basis and Contracting out Basis

Year 1 - 1982 - 1983 - Exclude cost of Annual Cleanup

A, Municipal Collections - Annual Cost

Engineering Service \$ 44,249
Share of Works Yard 4,195

Labour - Foreman 17,449
Truck Driver / Supervisor 21,025

Total for 6 months 227,574

is for 12 months 447,687 447,687

Equipment costs + overhead

1 Single Axle Rear loader 21,456
6 Tandem Rear loader 130,104
1 Datsun pickup 3,030

154,590

\$ 688,476

Assume regular outlay on a bi-weekly basis

is for bi-weekly expenditure would be \$ 26,390

B, Contract Basis

Annual cost - 1st year \$ 658,123

Payable 1 month in arrears \$ 54,843

Conclusion:

Terms of Payment on a contract basis more favorable

At a conservative 12% compound interest over a year on the deferred amount, one could earn approximately \$ 7,200, or minimum

Calculation of ²⁹⁰ Interest on Time Lag in Payments
Between Municipal Collection System & Contract.

Effective July 1/82

Payment Date	Principal Pay out	No. of days to 25	Interest
July 15	26 390	40	347
July 30	26 390	26	226
Aug 13	26 390	12	104
	<u>79 170</u>	78	
Aug 25	(58 843)		677
	<u>20 327</u>		(677)
	677		0
	21 004	31	214
Aug 27	26 390	29	252
Sept 10	26 390	15	130
Sept 24	26 390		-
	<u>100 174</u>		596
Sept 25	(58 843)		(596)
	<u>41 331</u>		0
	596		
	42 927	30	423
Oct 8	26 390	17	197
Oct 22	26 390	3	26
	<u>95 707</u>		596
Oct 25	(58 843)		
	<u>36 864</u>		(596)
	596		0
	37 460	31	382
Nov 5	26 390	20	174
19	26 390	6	52
	<u>90 240</u>		608
25	(58 843)		
	<u>31 397</u>		(608)
	608		0
	32 005	36	379
Dec 3	26 390	22	191
17	26 390	8	69
	<u>84 785</u>		639
25	(58 843)		
	<u>25 942</u>		(639)
	639		0
	26 581	31	271
31	26 390	25	217
Jan 14/83	26 390	11	95
	<u>79 361</u>		583
25	(58 843)		
	<u>20 518</u>		(583)
	583		0
	<u>21 101</u>		

6 mos
Average Int./month -
\$ 616.50/mo.
Say 600.00 (2)

District of Columbia

	Initials	Date
Prepared By		
Approved By		

Calculation of Equipment Costs Over 5 Years

	1	2	3	4	5	6
1	A, Operating Costs					
2	2 ^{1st}					
3	1982/83	1 st	1/2	-	78,556 + [1.10 x 154,600] x $\frac{59}{12}$ x 7.10	162,434
4	83/84	2 nd	1/2	(1.10 x 154,600) x $\frac{61}{12}$ + [1.10 x 170,060 x $\frac{59}{12}$]	178,421	
5	84/85	3 rd	1/2	(1.10 x 170,060) x $\frac{61}{12}$ + [1.10 x 187,066] x $\frac{59}{12}$	196,264	
6	85/86				215,890	
7	86/87				237,179	
8						990,488
10						appendix (III)
11						
12						
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45						

District of Columbia Calculation of Equipment Depreciation

Prepared By	Initials	Date
Approved By		

Equipment	Year	June 28 - Dec 31	Jan 1 - June 27	TOTAL
5 Yrs.				
Option 1 - Based on Present Fleet + replacements				
1st Yr - 1982/83				
1 Single Axle		3937	3808	7745
6 Tandem		49324	47707	97031
1 Mini Pect-up		1323	1279	2602
		<u>54584</u>	<u>52794</u>	<u>107378</u>
2nd Yr - replaced 1 single axle @ 160,000 with 83/84 useful life of 7 yrs. (no residual value) in 1982				
1 Single axle		11619	11238	22857
6 Tandem		49324	47707	97031
1 Mini Pect-up		1323	1279	2602
		<u>62266</u>	<u>60224</u>	<u>122490</u>
3rd Yr - replaced 1 Tandem @ \$121,000 with 84/85 useful life of 7 yrs (no residual value) in 1983				
1 Single Axle		11619	11238	22857
6 Tandem		49324	47707	97031
1 Mini Pect-up		1323	1279	2602
		<u>62832</u>	<u>61908</u>	<u>124740</u>
4th Yr - replaced 1 Tandem @ \$121,000 with useful life of 7 yrs (no residual value) in 1984				
1 Single Axle		11619	11238	22857
6 Tandem		49890	49391	99281
1 Mini Pect-up		1323	1279	2602
		<u>62832</u>	<u>61908</u>	<u>124740</u>
5th Yr - 86/87 - no replacements in 1985				
Same as 4th Yr				
				126990
5 YEAR TOTAL				<u>608588</u>
Option 2 - Based on Brand new Fleet from Year 1				
Total cost - \$ 892,000				
				appendix III
ie Annual Dep'n based on a 7 yr life would be				<u>127429</u>

To R. A. McClair, Municipal Manager

Re. Evaluation of Residential Refuse
Collection Costs

This cost study dealt only with the financial costs of carrying out residential refuse collection under a municipal collection system and a contract collection system.

Based on the assumptions, etc. of following results were achieved.

1, For the period from June 28/82 to Dec 31/82 (6.1 months)

Municipal collection system	\$ 468,430
Contract Collection system	<u>376,062</u>
Difference	<u>92,368</u>

2, For the 5 year period from June 28/82 to June 27/87

Municipal collection system	\$ 3,850,000
Contract Collection System	<u>4,800,000</u>
Difference	<u>\$ 1,050,000</u>

V. A. Ding
Municipal Treasurer

Prepared By	Initials	Date
Approved By		

District of Coquitlam

Evaluation of Costs of Residential Refuse Collection over a 5 Year Period

Assumptions:

1. Consumer Price Index and Salary & wages increases over the next 5 years shall be the same.
2. Consumer Price Index and all other variable costs over the next 5 years shall be the same.

B. Consumer Price Index shall reflect a 10% increase annually over the next 5 years.

Number of units remain at 17000 for the next 5 years

A. Contract Basis

A. Contract Basis - To be conservative include Annual Cleaning costs.

82/83 1st Yr.		\$ 658,123
83/84 2nd Yr.	(\$ 658,123 x 1.10 + 39,900 x 1.10)	767,825
84/85 3rd Yr.	(723,935 x 1.10 + 43,890 x 1.10)	844,608
85/86 4th Yr.	(796,329 x 1.10 + 48,279 x 1.10)	929,069
86/87 5th Yr.	(875,982 x 1.10 + 53,107 x 1.10)	1,021,976
		4,221,601

Administrative Costs

82/83 1st Yr.	[41,516 + (8,1670 - 45,668) 1.10]	\$ 85,685
83/84 2nd Yr.	[45,668 + (8,827 - 50,235) 1.10]	94,254
84/85 3rd Yr.	[50,235 + (9,827 - 55,259) 1.10]	103,679
85/86 4th Yr.	[55,259 + (10,870 - 60,785) 1.10]	114,047
86/87 5th Yr.	[60,785 + (11,953 - 66,864) 1.10]	125,451
		523,116

Other - for rounding off

474,471
55,283
\$ 480,000

Average annual cost -

\$ 960,000

Per Unit Cost - 5 Yr. average

\$ 56.44

II

	Initials	Date
Prepared By		
Approved By		

	1	2	3	4	5	6
						<i>Principal Interest</i>
1	1 Single Axle			\$ 19,393		
2	6 Jander			32,140		
3	1 Mini Pick-up	sq		4,000		
4					\$ 394,793	
5						
6	Jan 28/82 - Dec 31/82 (187 days)				1,195	21,198
7						
8	Purchased 1 Single Axle as replacement			16,000		
9	Dec 31/82			5,04,793		525,991
10	Jan 1/83 - Dec 31/83					63,119
11						
12	Purchased 1 Jander	Dec 31/83		12,100		
13				625,793		688,912
14						
15	Jan 1/84 - Dec 31/84					82,669
16						
17	Purchased 1 Jander	Dec 31/84		12,100		
18						
19				746,793		829,462
20						
21	Jan 1/85 - Dec 31/85					92,897
22						99,535
23	Jan 1/86 - Dec 31/86					104,047
24						111,480
25	Jan 1/87 - Jun 27/87 (178 days)					60,889
26						
27						
28						
29	Total Interest would have been					438,890
30						
31	ii Opti B - what interest would be on					
32	initial outlay for new fleet of \$892,000					
33	@ 12% compounded annually					
34	for 5 years (107,040 + 119,885 + 134,271 + 150,384 + 168,430)					680,010
35						
36	This option not used for cost study					
37						
38	iii Loss of investment earnings on time lag					
39	in expenditures made - Municipal collections vs Contract					
40	say 5 yrs x 12 mos x \$600					36,000
41						
42	Miscellaneous					23,582
43						
44	5 yr Overall Total					\$ 585,000
45						
	Average Annual cost					\$ 1,170,000
	Per Unit Cost - 5 yr Average					\$ 68.79

IV

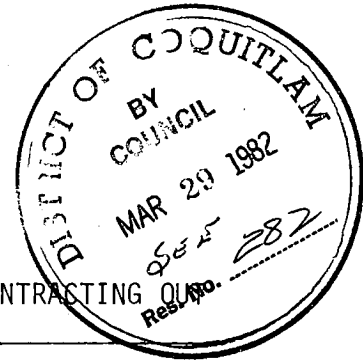
IV

	Initials	Date
Prepared By		
Approved By		

	1	2	3	4	5	6
1						1
2	Total Collection Costs - appendix (IV)					2
3						3
4	Municipal Collections					4
5					\$ 5850,000	5
6	Contract					6
7					4800,000	7
8	Difference - minimum					8
9					\$ 1050,000	9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
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43						43
44						44
45						45

(V)

TO: Mayor and Council
FROM: L. Garrison, Alderman
RE: COMMITTEE CHAIRMAN'S REPORT TO COUNCIL - CONTRACTING OUT
GARBAGE COLLECTION



On June 22, 1981 Council passed Resolution 562:

That a committee be struck comprising three members of Council and two members of CUPE Local 386, to study the implications and evaluate the proposal of contracting out the garbage collection service and report back to Council.

The Committee on Contracting Out Garbage Collection met January 6, January 20, February 3, March 10 and March 23 to review several extensive submissions by staff, and to examine material obtained by Mr. Cott. The objective was to explore thoroughly the three alternate methods of collecting municipal refuse from residential premises in Coquitlam. The Committee concentrated on residential collection, rather than the container collection service also provided by the Municipality.

The three alternatives are:

- 1) continuing the existing system comprising three-man crews; or
- 2) revising the existing system to adopt smaller crews; or
- 3) contracting the existing system.

The Committee generally agreed that the existing system, while providing a good service, was more costly to operate than was necessary.

The second alternative method changing the collection practice to utilize one and two-man crews, was further examined by a Sub-committee to determine feasibility. The Sub-committee included staff and union

representatives, and met on February 10, 17 and 24 to discuss work method, crew size and other factors which would be involved in system modification.

The Sub-committee concluded that a conversion of the existing system was feasible. Preliminary estimates showed that eight current positions in garbage collection would become redundant on adoption of reduced crew sizes. Existing employees would require training in driving and operating techniques to become proficient in the new system. A Memorandum of Agreement to supplement the Collective Agreement would be a possible method of establishing a productivity based working day similar to that established in Burnaby and Richmond.

POLICY QUESTIONS

The Committee isolated three major policy questions which will determine the optimum method of garbage collection for Coquitlam.

Question 1 - Given that the existing system can and should be changed: should the new system be the 'revised municipal' alternative or should the new system be contracted?

Question 2 - Given that no tender call for contracts has been authorized: can a realistic comparison of economic benefits be obtained?

Question 3 - Given that a municipal system appears to be technically feasible: how to handle the redundant positions displaced by new methods? By transfer to other municipal tasks? By attrition (or gradual reduction through normal retirement and turnover)? By lay-off as the new methods are introduced?

DELIBERATIONS

The Committee discussed these questions thoroughly and obtained the opinions of administration and possible options and policies.

It became apparent that full agreement on every issue would not be forthcoming, despite the good working relationship developed among committee members, and the open, frank and thorough discussion of issues.

FINDINGS

- A. The Committee agreed that it was feasible and desirable to modify our residential collection service by adopting two-man crews for garbage trucks. There is some opportunity for employing one-man trucks as well.
- B. The Committee agreed that the lay-off of redundant positions would effect the greatest cost savings to the Municipality: the Committee did not agree, however, that this should be done.
- C. The Committee agreed that reduction in work force could come by a combination of attrition (retirement) and transfer to other jobs: the Committee did not agree on the possible absorption of displaced garbage collectors into other departments or normal activities.
- D. The Committee agreed that the greatest potential for economical and effective utilization of displaced workers lay in the creation of a municipal construction program which would employ a number of civic workers for a period depending on the size and complexity of the tasks undertaken.

E. The Committee agreed that clean-up week should be reduced in scope through advertising, and enforcement, to achieve a reasonable service which is appropriate to times of budget restraint.

OUTSTANDING ISSUES


No agreement could be achieved on the question of public tenders for garbage collection. Some Committee members held that authorizing such a tender call would be outside the terms of reference of the Committee. Other Committee members thought that a tender call would establish a reliable basis for comparison, and that Council should possess all the facts before making their decision.

As Chairman, I present the Council with the findings of the Committee and three recommendations:

FIRSTLY: That the question of contracting be addressed by Council when they are in full possession of the economic facts ... i.e. after the tender has been advertised and bids have been received and examined.

SECONDLY: That staff be requested to develop a construction oriented program to make effective use of manpower resources which might become available from adoption of either a modified or contracted garbage collection service.

THIRDLY: That a plan for trimming the clean-up activity to a manageable level be developed by Administration.


Alderman L. Garrison,
Chairman