

REPORT TO COUNTY COUNCIL

Contract Award - Curbside Waste Collection and Organics Processing

To: Warden and Members of County Council

From: Acting Director of Public Works

RECOMMENDATIONS

1. That County Council award Contract WM-02-2024 to Emterra Environmental for a period of seven years commencing May 1, 2027 for the provision of curbside garbage, source separated organics, and large item collection services as outlined in Report PW 2024-44;
2. And further, that County Council authorize an updated service level for curbside waste collection that includes a 6-day collection cycle (Scenario 5) with County-wide co-collection of garbage and source separated organics and once annual large item collection;
3. And further, that County Council authorize a two-bag garbage limit per collection day as part of the updated service level for curbside waste collection services;
4. And further, that County Council authorize continuation of curbside collection services by the City of Woodstock and the Township of South-West Oxford on behalf of the County based on updated service levels and that is financially capped to contract pricing received by the County for these respective collection areas;
5. And further, that County Council authorize early commencement of source separated organics collection within the City of Woodstock starting in 2026 including early procurement of green bins in 2025 and 2026 in the amount of \$1.7 million dollars to be funded from the Landfill and Waste Diversion Reserve;
6. And further, that County Council authorize single source award of source separated organics processing to Generate Upcycle commencing in 2026 and extending to 2034, based on contract terms as outlined in Report PW 2024-44;
7. And further, that Council authorize the Chief Administrative Officer and the Director of Public Works to execute all documents related to contact award with Emterra Environmental and Generate Upcycle, and municipal service agreements with the City of Woodstock and the Township of South-West Oxford.

REPORT HIGHLIGHTS

- The purpose of this report is to seek County Council authorization for contract award of curbside waste collection services (2027-2034) and organics processing based on Scenario 5 that will include County-wide co-collection of garbage and source separated organics (SSO) on a 6-business day collection rotation.
- Commencement of the SSO collection in the City of Woodstock (Woodstock) is proposed to start in 2026 with a County-wide rollout in 2027.
- A two bag garbage limit is also proposed to promote participation in waste diversion programs (SSO, recycling, yard waste, etc.) to advance landfill waste diversion and future landfill surface emissions that contribute to green house gases (GHG) and climate change.

IMPLEMENTATION POINTS

Following approval of the recommendations contained in this Report and confirmation by the Township of South-West Oxford (SWOX) and Woodstock regarding service levels and upset cost limits, contracts will be executed with Emterra Environmental (Emterra) for curbside waste collection services (2027-2034) and Generate Upcycle for SSO processing. Updates to municipal service agreements with SWOX and Woodstock will also proceed.

A subsequent report to County Council in Q1 2025 will present contract amendments associated with the current curbside collection contract to address changes to the municipal blue box program including collection of non-eligible sourced (NES) recycling as part of the current and new collection contract starting in 2027, for Council's consideration and approval.

A bag tag sustainability review will also be presented to County Council in Q1 2025 regarding changes to fee structure to address declining bag tag revenues because of current and future increased waste collection costs.

County and Woodstock staff will collaborate to develop a work plan for implementation of SSO collection within Woodstock starting in 2026 to ensure a smooth transition for residents and that will be shared with County Council for information.

Financial Impact

Program costs for scenarios that were carried in the RFP for curbside waste collection services 2027-2034 are detailed in Attachment 1 and include RFP collection costs, SSO processing costs, one-time capital expenses for procurement and distribution of residential SSO carts (green bins), and the recommended provisional collection option (two-bag limit) for each scenario. Collection costs for each scenario include County-wide collection areas that will serve as upset cost limits for municipal service agreements with SWOX and Woodstock. SSO processing costs include unit pricing (\$/tonne) negotiated with Generate Upcycle and are based on estimated quantities as well as daily transportation from the Oxford County Waste Management Facility (OCWMF) to Generate Upcycle's facility in Blandford-Blenheim Township.

Overall program costs for each scenario are summarized in Table 1 and shows the break even point for bag tag user fees and the levy impact to fund SSO collection and processing from taxation.

Table 1: Summary of Program Costs for Collection Scenarios 1 – 6

	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6
Base Contract Collection Operating Costs (Year 1)	\$7,969,277	\$7,449,016	\$6,857,335	\$6,927,161	\$6,261,503	\$6,214,257
Base SSO Processing and transportation Costs (Year 1)	1,232,150	825,624	1,232,150	825,624	1,232,150	825,624
One-time Expenses <i>Organic Collection Bins</i>	1,695,453	1,142,828	1,695,453	1,142,828	1,695,453	1,142,828
Total Costs	10,896,880	9,417,468	9,784,938	8,895,613	9,189,106	8,182,709
Levy Impact - Current funding model – Recycling, SSO and Large Article						
Incremental County levy \$	\$4,086,809	\$3,189,778	\$3,530,838	\$2,928,850	\$3,232,922	\$2,572,399
Incremental County levy %	4.9%	3.8%	4.3%	3.5%	3.9%	3.1%
Bag Tag Impact – Current funding model – Garbage Collection Only						
Current Bag Tag Price	\$2.00					
Bag Tag 2025 Budget Break Even	\$2.39					
Estimated New Program Bag Tag Break Even	\$3.02	\$2.86	\$2.69	\$2.71	\$2.51	\$2.51

Note: Year 1 base operating costs are subject to CPI and fuel price adjustments in Years 2-7

Figures in Table 1 are subject to the waste collection program remaining fully funded from bag tag fees. The levy impact will increase if bag tag prices are not set to at least the break-even price point.

Commencement of SSO collection within Woodstock starting in 2026 will require early procurement of collection carts (green bin) in 2025 and 2026 and be ordered in bulk based on

the County-wide SSO program (approximately \$1.7mil) however; only the carts required for Woodstock in will be received in 2025.

Estimated 2026 operational budget impacts in 2026 with regards to SSO collection within Woodstock are summarized in Table 2.

Table 2: 2026 Budget Impacts – Woodstock Waste Collection

	2027 Pricing (Exclusive of HST)	Deflated to 2026 (Upset Limit)	2025 Budget	2026 Budget Increase (Upset Limit)
Collection Costs – City of Woodstock	\$1,980,212	\$1,922,536	\$1,741,750	\$180,786
Large Article – City of Woodstock	100,696	97,763	50,200	47,563
SSO Processing	470,003	464,345	-	464,345
Less: Net Recycling Processing Costs	-	-	523,280	(523,280)
Reduction in Tipping Fee revenues <i>(Less revenues on levy offset by lower expenses for bag tags)</i>	-	271,035	-	-
Reduction in Bag Tag Revenues	-	201,866	-	201,866
Total 2026 Budget Impact	\$2,550,911	\$2,957,545	\$2,315,230	\$371,280
<i>Levy</i>				<i>365,581</i>
<i>Bag Tag</i>				<i>5,699</i>

Note: contract costs have been deflated by 3% to align with 2027 pricing in the RFP

Communications

A copy of this report will be circulated to Area Municipalities for their information.

A comprehensive communication plan will be developed regarding updated service levels for curbside waste collection services including pending changes to the bag tag fee structure and early commencement of SSO collection within Woodstock, and is expected to include Speak Up Oxford, Podcasts, Social Media and mailout notifications.

2023-2026 STRATEGIC PLAN

Oxford County Council approved the [2023-2026 Strategic Plan](#) on September 13, 2023. The Plan outlines 39 goals across three strategic pillars that advance Council’s vision of “Working together for a healthy, vibrant, and sustainable future.” These pillars are: (1) *Promoting community vitality*, (2) *Enhancing environmental sustainability*, and (3) *Fostering progressive government*.

The recommendations in this report supports the following strategic goals.

Strategic Plan Pillars and Goals

PILLAR 1	PILLAR 2	PILLAR 3
		
Promoting community vitality	Enhancing environmental sustainability	Fostering progressive government
	Goal 2.2 – Preserve and enhance our natural environment	Goal 3.1 – Continuous improvement and results-driven solutions Goal 3.2 – Collaborate with our partners and communities

See: [Oxford County 2023-2026 Strategic Plan](#)

DISCUSSION

Background

Through Report [PW 2024-23](#), as amended, County Council authorized the release of Request for Proposal (RFP) procurement documents for a residential curbside collection program for garbage, source separated organics (SSO), large items, and recycling from non-eligible sources (NES) for a seven-year term to commence in 2027.

The County’s proposed curbside waste collection program and optional collection scenarios were developed based on public feedback, industry best practices/municipal comparators, and consultation with Area Municipality (Woodstock, SWOX) staff. Specifically, the following collection options were approved by County Council and carried forward for further consideration through the RFP process:

- Five-day collection cycle with weekly organics and weekly garbage
- Five-day collection cycle with weekly organics and bi-weekly garbage
- Six-day collection cycle with co-collection of garbage and organics collection
- Urban only vs County-wide source separated organics (SSO) collection
- Both manual and automated collection methods
- Organics collection of food and organic material, excluding diapers, pet waste, yard waste
- Two garbage bag limit per collection
- No statutory holiday collection
- Collection and processing of NES recycling

Staff was further authorized to negotiate service contract amendments with the County's current curbside collection and recycling processing contractor (Emterra) for services from May 2025 to April 2027 to accommodate the transition of the municipal blue box program to Extended Producer Responsibility (EPR) on December 31, 2025 and potential collection of recycling material from non-eligible sources (NES), for Council's further consideration and approval.

In support of initial implementation of a potential SSO collection program, County Council also authorized staff to negotiate pricing with a local vendor for processing of collected SSO material starting May 2027 for a seven year term, that would involve direct haul and eliminate the need for capital infrastructure investment (i.e. transfer station), while feasibility of a County-owned SSO processing facility is investigated for potential future implementation by 2034.

[Request for Proposals – Curbside Waste Collection Services \(2027 – 2034\)](#)

Competitive RFP procurement documents for curbside waste collection services (2027 – 2034) were posted to the open market through the County's electronic bidding system. A total of six collection scenarios were included in the RFP to account for the various collection options as noted above.

The six scenarios summarized below in Table 3 include curbside waste collection services in all eight Area Municipalities with Woodstock and SWOX identified as optional collection areas.

Table 3: Curbside Collection Scenarios

Collection Scenario	Collection Cycle	Garbage Collection	SSO Collection
1	5-day	Weekly	Weekly – County-wide
2	5-day	Weekly	Weekly – Urban only
3	5-day	Bi-weekly	Weekly – County-wide
4	5-day	Bi-weekly – Urban Weekly – Rural	Weekly – Urban only
5	6-day	Weekly	County-wide
6	6-day	Weekly	Urban only

Note 1: Urban = Woodstock, Tillsonburg, Ingersoll
 Note 2: Each scenario includes once annual large item collection

Financial submissions were comprised of base bid pricing for each of the six collection scenarios and were included as part of the financial evaluation but excluded pricing for other collection options listed below that were identified in the RFP as provisional items.

- Automated (cart tippers) collection
- Two bag garbage limit
- 25%, 50%, and 100% Green Fleet
- NES blue box collection (Urban areas only vs County-wide)

Early Commencement of SSO Program in Woodstock

After further discussion with Woodstock staff, implementation of SSO collection within Woodstock starting in 2026 is being proposed to avoid stranded assets and surplus staff resources resulting from the expiration of the municipal Blue Box program on December 31, 2025.

Collection vehicles owned by Woodstock that are currently used for recycling collection could be retrofitted for co-collection of garbage and SSO, eliminating the necessary lead time required for vehicle procurement under contracted services, and thus allowing for early commencement of an organics program within Woodstock. This would also be contingent on renewal of the waste management service agreement between the County and Woodstock for continuation of waste collection services.

Bag Tag Sustainability Review

County Council was advised of declining bag tag reserves in report [CS 2024-28](#) regarding the Fees and Charges By-law Update, where since 2021, waste collection expenses have outpaced revenues, resulting in a depletion of the reserve below the target balance.

To continue with the direction of a full user pay system, bag tag fees will need to increase in 2025 to address the trending decline, and in preparation for further cost increases anticipated with contract award for curbside collection services from 2027 to 2034.

Amendments to Current Curbside Collection Contract

Staff was further authorized to negotiate contract amendments with the County's current collection and recycling processing Contractor (Emterra), to accommodate transition of the Blue Box program to Producer responsibility (January 1, 2026), and potential recycling collection from NES.

Negotiations with Emterra in this regard are ongoing and will be presented to County Council for approval following contract award of curbside collection services starting in May 2027. Emterra has agreed to honour current pricing (status quo) for collection services until the end of 2025 but has requested to wait until the outcome of the County's contract award before confirming amended contract pricing for services from January 2026 to April 2027.

Emterra was recently awarded the recycling collection contract for the Oxford catchment area on behalf of the Producers as part of the provincial Common Collection System (CCS), which may offer a potential opportunity for co-collection of garbage and recycling (eligible sources) within Oxford County; however, the outcome of the County's contract award would potentially affect Emterra's resourcing requirements and associated investment decisions should they be the successful Contractor.

Comments

The RFP for curbside waste collection services (2027-2034) resulted in submissions from the following Vendors:

- Emterra Environmental
- Miller Waste Systems

Both Vendors advanced to the financial evaluation stage after scoring of their respective technical submissions by staff, with Emterra receiving the highest combined score (technical and financial) for each of the six collection scenarios that were carried in the RFP.

As a result of the RFP submission evaluation, Emterra is being recommended for contract award, which also requires identification of one of six collection scenarios along with inclusion/exclusion of the following provisional collection options:

- Woodstock and SWOX collection areas
- Automated (cart tippers) collection
- Two bag garbage limit
- 25%, 50%, and 100% Green Fleet
- NES blue box collection (Urban areas only vs County-wide)

Curbside Collection Scenarios and Collection Options

The six collection scenarios carried in the RFP included different collection cycles (5-day vs 6-day), garbage collection frequencies (weekly, bi-weekly, 6-day) and SSO collection areas (County-wide vs Woodstock/Tillsonburg/Ingersoll (Urban) only) along with provisional collection options. Collection scenarios were assessed based on overall program expenses, environmental benefits, and continuity of service, as further described below.

SSO Collection Areas (County-wide vs Urban Only)

Implementation of a County-wide SSO collection program versus in Urban areas only is recommended to comply with provincial policy and legislative requirements, as well as the following operational and environmental benefits:

- Advances organic waste diversion and extends the overall lifespan of the County's landfill site;
- Reduces future landfill methane emissions through diversion of food and organic waste;
- Provides a consistent level of service County-wide; and
- Allows for reduction in garbage collection frequency.

County-wide SSO collection would serve residents in rural villages where participation is expected to be similar as in the three Urban municipalities. Potential concerns with reduced SSO participation in the rural areas can be addressed through reduced garbage collection frequency, bag limits, and the existing user fee (bag tag) program.

Public feedback received through the online survey in Q1 2024 (Report PW 2024-23) indicated support from the majority (58%) of Rural respondents for an SSO collection program. The municipal comparator analysis also found that most municipalities with an SSO collection program included rural areas, and those that didn't, ultimately expanded collection to rural residents.

Collection Cycles/Frequency

In consideration of staff's recommendation to implement a County-wide SSO collection program as noted above, Scenarios 1, 3 and 5 were evaluated further. Scenario 1 and 3 both include a 5-day collection cycle with weekly and biweekly garbage collection respectively. Scenario 5 is based on a 6-day collection cycle with co-collection of garbage and SSO on each collection day.

County-wide SSO collection would afford reduction in garbage collection frequency through bi-weekly collection (Scenario 3) or 6-day collection cycle (Scenario 5), whereas the content of the black bag is reduced through removal of food and kitchen waste and serves as an incentive for SSO participation.

A 5-day collection cycle would be most familiar to residents and provides collection on the same day every week except when a Statutory Holiday occurs as depicted in Figure 1.

A 6-day collection cycle may cause some confusion for residents initially until they become accustomed to the program as their collection day will change each week. A 6-day collection would skip statutory holidays without the need for Saturday collection as shown in Figure 2 and would also reduce the number of annual collections by approximately 10.

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Week 1							
Week 2							
Week 3							
Week 4		Holiday					

Figure 1: Typical Five Business Day Collection Cycle

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Week 1							
Week 2							
Week 3		Holiday					
Week 4							
Week 5							
Week 6							

Figure 2: Typical Six Business Day Collection Cycle

Program Costs

Curbside collection program expenses include contract collection costs (RFP base bid pricing) as well as SSO processing costs, and one-time capital costs for the procurement of collection carts (green bin) for residents. Detailed financial assessment for each collection scenario is provided in Attachment 1 and also ranked below:

- Scenario 1 is the highest cost collection option with 5-day weekly garbage and County-wide SSO collection
- Scenario 6 is the lowest cost collection option with 6-day co-collection of garbage and SSO in Urban areas and garbage only in Rural areas
- Scenario 5 is the second lowest cost collection option with 6-day co-collection of garbage and SSO County-wide
- Scenario 3 is the third lowest cost collection option with weekly SSO and bi-weekly garbage County-wide
- Scenario 5 and Scenario 3 are the lowest and second lowest cost collection options, respectively, that provide County-wide SSO collection

**Note – once Large Item collection is common to all collection scenarios*

The following provisional collection options would result in a potential extra cost or credit to the contract collection costs, as applicable.

Two-Bag Garbage Limit

A two-bag limit for garbage is intended to promote participation in SSO and other waste diversion programs and can reduce overall contract collection costs as well as individual user fees (bag tags).

According to the online survey conducted in Q1 2024, 63% of respondents indicated they set out one bag of garbage on average at a time, followed by 28% indicating they set out two bags of garbage under the current program. Garbage setouts would be further reduced with implementation of a County-wide SSO program.

Automated Collection

Automated collection (cart tippers) involves mechanical lifting devices on collection vehicles to empty SSO and garbage carts and is an industry trend that provides collection efficiencies and reduces musculoskeletal injuries of collection Drivers through manual collection. The use of automated collection would result in a contract cost increase for Scenario 2, 5, and 6 and a cost deduction for Scenario 1, 3, and 4.

Automated collection would require a significant one-time capital investment ranging from \$3.4 to \$3.8 million for the procurement of garbage and larger SSO carts, as well as outfitting of collection vehicles.

Green Fleet

The Green Fleet option included in Emterra's RFP submission provides for the use of Renewable Diesel Fuel (RDF) in collection vehicles and would result in an annual contract cost increase for each scenario.

This option has limited environmental benefit as the reduction in GHG emissions is at the source rather than at the tailpipe and would not contribute to the County's Renewable Energy Action Plan (REAP).

Preferred Collection Scenarios and Collection Options

The two short listed preferred collection scenarios identified by staff are Scenario 3 and Scenario 5 being the two lowest cost options that provide County-wide SSO collection with reduced garbage collection frequency to promote SSO participation.

Scenario 5 (6-day) as the lowest cost option with County-wide SSO collection is recommended for contract award as it provides more frequent garbage collection than Scenario 3 but is still reduced compared to weekly collection. A two-bag limit is also recommended along with Scenario 5 to promote participation in SSO and other waste diversion programs (recycling, yard waste, etc).

Collection Services by Woodstock and SWOX

It is anticipated that Woodstock and SWOX will continue to provide curbside collection services on the County's behalf, in which case their respective service areas will be excluded from Emterra's proposed contract award, with the exception of annual large item collection in SWOX. Following Council's authorization of contract award and applicable collection options, staff will confirm with Woodstock and SWOX that they can provide cost competitive collection services.

Staff further recommends that Woodstock and SWOX provide the same updated level of service to ensure consistency that will improve effectiveness of promotion and education campaigns without varying programs and conflicting messaging.

Early Commencement of SSO Program in Woodstock

Early commencement of SSO collection program in Woodstock starting in 2026 is recommended as a phased-in approach for an ultimate broader County-wide SSO program and to utilize stranded assets and resources as a result of changes to the municipal blue box program.

This will require a coordinated effort between the County and Woodstock to ensure a smooth transition for SSO implementation and will benefit rollout to the remainder of the County in 2027.

SSO Processing

Staff has negotiated contract pricing for Generate Upcycle (formerly Stormfisher) in Blandford – Blenheim Township to receive and process SSO material based on unit pricing (\$/tonne). Collected SSO would be delivered to the Oxford County Waste Management Facility (OCWMF) and transported daily to Generate Upcycle's facility on Oxford Road 29 near the Highway 401 access.

The County's transfer station currently being used for the storage of collected blue box material and wastewater biosolids will be used for daily storage of collected SSO that will require an amendment to the existing Environmental Compliance Approval (ECSA) to allow for this change in use.

Non-eligible Sourced (NES) Blue Box Collection

Emterra's RFP submission includes provisional pricing for curbside collection of recycling from NES for both County-wide vs urban areas only. Other NES program costs include transportation and net processing costs as shown in Attachment 1.

Staff will continue to negotiate amendments to the current curbside collection contract with Emterra including NES blue box collection from January 1, 2026 to April 2027 to align with the transition of the municipal blue box program to Producer responsibility on January 1, 2026, and will report to Council in Q1 2025 for consideration of NES collection as part of current and new curbside collection contracts.

CONCLUSIONS

Contract award to Emterra Environmental for curbside waste collection services (2027 – 2034) based on Scenario 5 with a two-bag garbage limit is recommended and will ensure service continuity and allow for adequate lead time for procurement of collection vehicles and program development.

Implementation of a County-wide SSO collection program will advance the County's landfill waste diversion efforts, reduce landfill emissions that contribute to climate change and ensure compliance with provincial policy and legislative requirements.

SIGNATURES

Departmental approval:

Original signed by

Frank Gross, C. Tech.
Manager of Transportation and Waste Management Services

Approved for submission:

Original signed by

Benjamin R. Addley
Chief Administrative Officer

ATTACHMENT

Attachment 1 – Detailed Financial Assessment