



**City of Kingston
Report to Council
Report Number 19-171**

To: Mayor and Members of Council
From: Sheila Kidd, Commissioner, Transportation & Public Works
Resource Staff: Heather Roberts, Director, Solid Waste Services
Date of Meeting: June 18, 2019
Subject: Agreement to Supply Recycling Processing Services to the Corporation of the Township of Central Frontenac

Executive Summary:

The City of Kingston owns a Material Recovery Facility where recyclables are sorted and marketed for sale. In addition to processing recyclables from Kingston properties, the City supplies recycling processing services to Loyalist and South Frontenac Townships for a fee, via service agreements. These agreements have been in place since about 2006. More recently, a contract was authorized by the Mayor and Clerk to provide service to the Corporation of the Township of Frontenac Islands that commences on July 1, 2019.

The Corporation of the Township of Central Frontenac has expressed an interest in executing a service agreement with the City to process their recyclables.

Recommendation:

That Council authorize the Mayor and Clerk to enter into an agreement, in a form satisfactory to the Director of Legal Services, with the Corporation of the Township of Central Frontenac to supply recycling processing services.

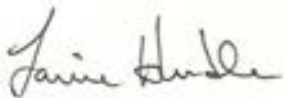
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Authorizing Signatures:



**Sheila Kidd, Commissioner,
Transportation & Public Works**



**Lanie Hurdle, Acting Chief
Administrative Officer**

Consultation with the following Members of the Corporate Management Team:

Gary Dyke, Commissioner, Corporate Enterprise Services	Not required
Peter Huigenbos, Acting Commissioner, Community Services	Not required
Jim Keech, President & CEO, Utilities Kingston	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	Not required

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Options/Discussion:

The City of Kingston owns a Material Recovery Facility (MRF) where recyclables from Kingston, Loyalist and South Frontenac Townships are sorted and marketed for sale. In addition, an agreement to provide services to the Township of Frontenac Islands will commence on July 1, 2019.

Kingston provides recycling processing to the Townships via service agreements that identify the specific terms and conditions to supply this service. The service is supplied to these municipalities 'at cost' plus an administration fee, and is based on the percentage of tonnage processed through the MRF that belongs to them. Both operating and capital costs are factored into the fees.

The Township of Central Frontenac has expressed interest in obtaining a service agreement with the City to process their recyclables. Central Frontenac will be responsible for the collection and delivery of the recyclables to the City's MRF.

The service agreement between the City and Central Frontenac will specify that the City will provide the service 'at cost' plus a 10% administration fee. The tonnage supplied from Central Frontenac will represent about 2% of the entire tonnage processed at the City's MRF, and equates to about \$28,000 in fees payable to the City annually.

For the purpose of supplying this service to other municipalities, 'at cost' means the net cost (expense-revenue) attributed to the actual percentage of tonnage that is processed on their behalf. This financial relationship reduces the risk of the City subsidizing or making a profit from other municipalities.

The existing service agreements with Loyalist and South Frontenac have been in place since about 2006; operating well with very few issues. Based on the positive experience with other municipalities, staff does not expect any contractual or operational issues with supplying this service to Central Frontenac as well.

Staff recommends that the City enter into an agreement to supply Central Frontenac with recycling processing services.

Existing Policy/By-law:

Not applicable

Notice Provisions:

Not applicable

Accessibility Considerations:

Not applicable

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Financial Considerations:

The costs incurred by the City to process recyclables at the MRF, on behalf of Central Frontenac will be recovered 'at cost' plus a 10% administration fee. The annualized fees, payable to the City are expected to be approximately \$28,000.

Contacts:

Heather Roberts, Director, Solid Waste Services 613-546-4291 extension 2701

Other City of Kingston Staff Consulted:

Jason Hollett, Supervisor, Solid Waste Services

Alan McLeod, Acting Director, Legal Services & City Solicitor

Exhibits Attached:

Not applicable