



Report to Council

Report Number: ENV-02-2025

Subject: GFL Environmental Inc. Agreement

Date of the meeting: February 24, 2025

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Circulated to and/or collaborated with: Marc Legault, Public Works Director

Approval: Pierre Leroux, CAO

Recommendation

[The Environment Department recommends that Council enter into a new agreement with GFL Environmental Inc. for the disposal of municipal solid waste (MSW) for a term of ten (10) years. The agreement includes a provision granting the municipality the right to renegotiate its terms on the fifth (5th) anniversary, with the option to extend the agreement until December 31, 2035.

Financial Considerations

The proposed 10-year agreement aligns with the municipality's long-term financial planning, ensuring stable and predictable waste management costs. The disposal rate for waste in 2025 shall be set at \$72.38 per metric ton. This rate will be adjusted annually on each anniversary date of the agreement, based on the Consumer Price Index (CPI) issued by the Province of Ontario. This increase has been budgeted for in the 2025 budget and will be allocated from cost center N5890-5000-5210.

Context

The previous agreement with Lafleche Environmental Inc., now GFL Environmental Inc., initiated in 2001, was for a 20-year period and has been extended twice, most recently until December 31, 2024. The extensions were necessary due to GFL's regulatory constraints and landfill capacity issues, which prevented a longer-term commitment.

Report

The garbage disposal agreement between The Nation Municipality and GFL expired on December 31, 2024, and we are currently negotiating a new agreement. Changes within GFL's organization and updates to provincial regulations have contributed to the delay in renewing the contract. The option to renegotiate after 5 years will help prevent penalties for breach of contract and allow us to add new services, such as composting, in response to evolving environmental standards. Furthermore, the proximity of GFL's facilities encourages continued use, reducing transportation costs during collection and supporting our commitment to efficient and sustainable waste management.

Relevance to priorities

Municipal Act, 2001, S.O. 2001, c.25
Ontario Environmental Assessment Act R.S.O. 1990
Procurement Policy F-2024-01

Purchase Policy

The Nation municipality maintains a procurement policy in order to maintain compliance with the Municipal Act, S.O. 2001, c25, Part VI s.270 to allow for an open transparent and accountable purchasing process that is fair and impartial while also obtaining the highest quality goods, services, or construction works in the most cost-effective manner.

Single source purchasing is permitted under the procurement policy under certain circumstances specified under section six point seven.

6.7, b, when the proposed acquisition is a Single Source acquisition and one (1) or more of the following reasons for selecting a particular Supplier apply:

6.7, b, iii the extension of an existing Contract would prove more cost effective or beneficial.

Communication Plan

N/A

Attachments

N/A