

SINGLE SOURCE REQUEST: QUALITY ONE TRAINING AND SUPPORT INC.

Recommendation

That a single-source agreement between The City of Edmonton and Quality One Training and Support Inc. for an amount not to exceed \$47 million, including GST, to manage and operate waste sorting services, as outlined in the March 4, 2024, City Operations report CO02324, be approved, and that the agreement be in a form and content acceptable to the City Manager.

Requested Action	Council decision required		
ConnectEdmonton's Guiding Principle	ConnectEdmonton Strategic Goals		
CONNECTED This unifies our work to achieve our strategic goals.	Healthy City, Climate Resilience		
City Plan Values	PRESERVE. BELONG.		
City Plan Big City Move(s)	Greener as we grow A community of communities	Relationship to Council's Strategic Priorities	Climate adaptation and energy transition Community safety and well-being
Corporate Business Plan	Serving Edmontonians Transforming for the Future		
Council Policy, Program or Project Relationships	<ul style="list-style-type: none"> City Policy C556B - Sustainable Procurement Policy 		
Related Council Discussions	<ul style="list-style-type: none"> 2009DDB001, Integrated Processing and Transfer Facility Non-Profit Company Agreement, Transportation and Public Works Committee, October 6, 2009 2011PW4022, Quality One Training and Support Inc. Contract Amendment, Utility Committee, April 5, 2011 CR_6893, Single Source Request: Quality One Training and Support Inc., Utility Committee, March 22, 2019 		

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Executive Summary

- Quality One Training and Support Inc. (Quality One) is a non-profit organization that has been working with the City of Edmonton for over 15 years, providing employment opportunities to individuals needing vocational support. Employees of Quality One work at the Edmonton Waste Management Centre (EWMC) to provide essential waste sorting and cleaning services.
- Administration recommends entering into a single-source contract with Quality One for a five-year term with options to extend up to a total of five years, not to exceed \$47 million.
- The collaboration between the City and Quality One supports the City's waste diversion goals and aligns with corporate diversity and inclusion objectives.

REPORT

Since 2009, the City and Quality One have partnered to provide waste management services at the EWMC. This report proposes a five-year single-source contract to continue this collaboration, with the option of extending the contract another five years. Quality One, a dedicated non-profit incorporated for the sole purpose of providing and managing a pool of suitable employees to perform this particular work, has played an important role in manually sorting and separating waste at the EWMC. Quality One's employees also contribute to waste processing activities, diverting organic waste from landfill, ensuring the safe disposal of hazardous materials, assisting in waste characterization studies and protecting equipment from damage. Physically demanding work in waste management facilities requires specialized safety training, regular operational education and knowledge of both Waste Services and operations that Quality One has provided to the City over the past 15 years.

Quality One's mission is to provide meaningful employment opportunities to individuals facing barriers to employment. The collaboration between the City and Quality One encourages the growth of meaningful work experience and skills, fostering personal and professional development. This approach supports waste management goals and aligns with the City's Sustainable Procurement objectives. Quality One pays its 55 employees a living wage, which supports a basic level of economic security.

If the contract between the City and Quality One is not approved, short-term waste sorting and separation activities at the EWMC will be impacted. A lack of trained staff to perform essential waste sorting activities may result in more waste going to landfill, negatively affecting the City's short-term diversion objectives. Entering into a new agreement with Quality One would provide continuity in waste sorting and advance the City's social equity objectives.

Budget/Financial Implications

The current five-year agreement with Quality One expires February 1, 2025. Administration recommends entering a new five-year, single-source agreement with the ability to extend for up to five more years. The terms of the new agreement will closely follow the current agreement with added flexibility to continue aligning with the 25-year Waste Strategy.

For the proposed agreement, the same rates have been negotiated. The initial term of five years has an estimated value of \$22 million, including GST. Similarly, the optional five-year term

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extension has an estimated value of \$25 million, including GST, totalling \$47 million over the entire 10 years of the agreement. This projected expenditure would be covered through Waste Services' existing operating budget.

Legal Implications

As per the City Administration Bylaw 16620, procurement agreements over \$1 million that do not arise from a competitive procurement process must be approved by the appropriate Council Committee. The City is subject to trade agreements that require an open competitive process for procurements of this value unless a trade agreement exemption applies. For the current contract, there is an exemption in each applicable trade agreement. Under each of the New West Partnership Trade Agreement and the Canadian Free Trade Agreement, the exemption is procurements from a non-profit organization. Under the Comprehensive Economic and Trade Agreement, the exemption is procurements from philanthropic institutions.

Community Insight

Community engagement was not conducted for this report, as internal waste processing operations do not directly impact Edmontonians. Through ongoing work, Council and Administration have heard Edmontonians' expectations for sound fiscal and contract management.

GBA+

Quality One's employment practices benefit individuals facing barriers to employment, including those from equity-seeking communities. This approach enhances the economic security and skill development of Quality One's workforce, contributing to greater social equity in Edmonton. Measures implemented by Quality One include inclusive hiring practices, transit passes, Alberta Blue Cross coverage (after a three-month probationary period) and comprehensive support programs.

Attachment

1. Key Terms of Agreement