

# HALIFAX

P.O. Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Item No. 15.1.10**  
**Halifax Regional Council**  
**March 1, 2022**

**TO:** Mayor Savage and Members of Halifax Regional Council

**SUBMITTED BY:**

Original Signed by 

\_\_\_\_\_  
Jacques Dubé, Chief Administrative Officer

**DATE:** February 2, 2022

**SUBJECT:** Assignment of Contract for RFP 19-058 - Household Special Waste Services

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## **ORIGIN**

This report originates from the acquisition by GFL Environmental Services Inc. of all the assets of Terrapure Environmental across Canada, except for the battery recycling business that will be carried on by Terrapure.

## **LEGISLATIVE AUTHORITY**

Administrative Order Number 2020-004-ADM, the Procurement Policy

Section 34 of the *Procurement Policy* provides that Halifax Regional Council must approve the assignment of a contract from the current supplier to another corporate entity where the total value of the contract exceeds \$1,250,000.

## **RECOMMENDATION**

It is recommended that Halifax Regional Council consent to the assignment of the Municipality's existing contract with Terrapure Environmental for RFP 19-058 - Household Special Waste Services to GFL Environmental Services Inc. and direct the Chief Administrative Officer to execute an assignment and assumption agreement to permit the assignment.

## **BACKGROUND**

On August 9, 2019, HRM awarded the contract resulting from RFP 19-058 - Household Special Waste Services to Terrapure Environmental. The term of this contract expires on August 31, 2023 with an optional extension of one year at HRM's discretion. RFP 19-058 is a unit price contract and was awarded with a maximum value for the 4-year fixed term of \$4,627,016.

On August 17, 2021 GFL Environmental Services Inc. conducted the acquisition of the solid waste and environmental solutions business of Terrapure Environmental Ltd. and its subsidiaries (collectively, "Terrapure"). The acquisition excludes the battery recycling business carried on by Terrapure.

## **DISCUSSION**

Under the proposed Assignment and Assumption Agreement, GFL Environmental Services Inc. agrees to assume all right, title, interest, responsibilities, obligations, liabilities and duties of Terrapure Environmental arising out of the contract. GFL Environmental Services Inc. has provided assurance that in its performance of the contract it will continue to use the same equipment, staff, safety plans and work plans that Terrapure Environmental has been using.

GFL Environmental Services Inc. has provided HRM with certain documentation required under the contract, including certificates of insurance and a surety to be executed in the contract required amount. HRM Procurement Services have reviewed this documentation to ensure its appropriateness.

GFL Environmental Services Inc. has also reviewed and signed the HRM standard Assignment and Assumption Agreement and returned it for execution by HRM and is included as Attachment A. In addition to RFP 19-068, there are three other agreements with Terrapure in which assignment can be approved by the Director of Procurement who has the authority to approve assignment for contracts valued up to \$500,000. These agreements include: 20-337 Waste Collection & Disposal - Automotive & Related; 20-409 - Septic Tank Sludge Removal and Disposal; and 21-092 - Closed Circuit Television (CCTV) Inspection & Analysis and will be assigned as such.

## **FINANCIAL IMPLICATIONS**

There are no changes to the existing pricing schedule and contract value(s) and no financial implications associated with this report.

## **RISK CONSIDERATION**

No risk considerations were identified.

## **COMMUNITY ENGAGEMENT**

There is no change to any services being provided, and therefore no assessed need for consultation on this contract change. Updated contact information where appropriate will be distributed for residents through the call centre.

## **ENVIRONMENTAL IMPLICATIONS**

No environmental implications were identified.

**ALTERNATIVES**

Regional Council could decide not to consent to the assignment of the contract from Terrapure Environmental to GFL Environmental Services Inc. Staff advises against this as it could result in service provision and operational issues for HRM and legal challenges from GFL Environmental Service Inc. as there is no identified reasonable issue to prevent this contract assignment.

**ATTACHMENTS**

1. Assignment & Assumption Agreement between GFL Environmental Service Inc. and Terrapure Environmental.

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Barry Nickerson, P.Eng., Waste Resources Engineer, 902.476.9735

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Report Approved by: Original Signed  
Denise Schofield, DCAO, Citizen Services, 902.490.4078

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**ASSIGNMENT AND ASSUMPTION AGREEMENT**

**THIS AGREEMENT** (the “Agreement”) made the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**BETWEEN:**

- Terrapure Environmental  
(the “Assignor”)

-and-

- GFL Environmental Services, Inc.  
(the “Assignee”)

**WHEREAS** the Assignor wishes to transfer the contracts listed in Schedule A hereto with Halifax Regional Municipality to the Assignee (hereinafter the “Contracts”).

**WHEREAS** the Assignor desires to assign and the Assignee desires to assume all of the Assignor’s right, title, interest, responsibilities, obligations, liabilities and duties in the Contracts.

**NOW THEREFORE** in consideration of the mutual covenants herein contained, the parties do hereby agree as follows:

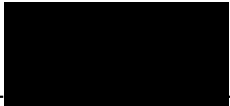
1. **ASSIGNMENT & ASSUMPTION** – Effective as of the date of this Agreement, the Assignor hereby assigns all of its right, title, interest, responsibilities, obligations, liabilities and duties in the Contracts to the Assignee, and the Assignee hereby assumes all of the Assignor’s right, title, interest, responsibilities, obligations, liabilities and duties with regard to performance of the Contracts according to such Contracts’ terms and conditions.
2. **EXECUTION** – This Agreement may be executed in any number of duplicate counterparts, and facsimile or email copies of signatures shall be deemed to be originals.

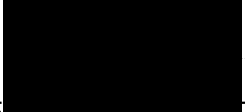
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**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed on the day and year first above written.

Assignor: Terrapure Environmental

Assignee: GFL Environmental Services, Inc.

●  
Per:   
\_\_\_\_\_  
Name: Jordan Poste  
Title: General Manager - Field Services  
I have the authority to bind the Corporation.

●  
Pe   
\_\_\_\_\_  
Na  
Title: General Manager - Field Services  
I have the authority to bind the Corporation.

This Agreement is executed by the Halifax Regional Municipality to evidence its consent to the assignment and assumption of the Contracts.

**HALIFAX REGIONAL MUNICIPALITY**

Per: \_\_\_\_\_  
Name:  
Title:  
I have the authority to bind the Corporation.

**SCHEDULE A**

**Contracts with Halifax Regional Municipality:**

<b>Reference Number:</b>