

Landfill Site Environmental Screening

The Town is currently conducting two concurrent Environmental Screenings (ES) to mine and expand the existing landfill site. The project is currently in a stage that determines significances of net environmental effects. This work will support an Environmental Screening Report that will be reviewed by the Town and the public and submitted to the Ministry of the Environment for review and anticipated approval. The prospect of sending waste to the proposed BioWaste plant does not influence the status of this screening process. In fact, with the increased diversion of organics and recyclables anticipated by sending curbside waste to BioWaste the life of the expansion associated with the ES will be extended. The Town Disposal Site will continue to require capacity for industrial, commercial, institutional, demolition and construction waste should the Town endeavour to continue to provide this service. In the cost table below the Town Site also anticipates capacity to receive the Town's portion of the residual waste from the BioWaste Process (20% of the total sent, 552 tonne/yr).

Key factors to consider with BioWaste proposal

There are a number of factors to consider if the Town is to send waste to the proposed BioWaste Facility. The most significant difference in the waste collection system will be a shift to a mixed waste collection. That is all previously separated blue and grey box materials will be mixed with other curbside waste thus saving on collection costs.

Other potential benefits include:

- Higher diversion rates;
- Organics collection and processing;
- 100% organics and recyclables capture (no relying on source separation);
- Reduction in the number of collection trucks;
- No need for blue box and cart inventory;
- Reduced requirement for compaction hours at the Town Landfill;
- Avoidance of creating increased composting capacity at the Town Site for kitchen waste;
- Increased landfill site life through diversion of kitchen organics and better capture of recyclables;
- Reduced greenhouse gas emission with reduction of waste and particularly reduction of organics into the landfill; and
- A potential for revenue for the return of residual waste from the processing facility to the Town landfill for final disposal.

Some of the foreseen down falls of sending the Town's waste to BioWaste include:

- Reduction in Waste Diversion Ontario grant dollars (the fibre stream in the BioWaste process is composted which is not an approved method of recycling under the grant formula);
- Loss of recycling commodities revenue because BioWaste will retain all revenues from recyclables marketing;
- Consideration that a potential plant failure will involve a need for the re-introduction of the blue and grey box programs; and
- An additional fee associated with transportation of garbage and compost to the Dundalk location (recyclables are already transported a similar distance for processing).

The financial balance of the above pros and cons is expressed below in an ideal prediction based on 2,760 tonnes of waste;

Current Waste System Costs		
Activity	Total cost	Cost/tonne
Curbside and Multi-unit Waste Collection	\$270,000	\$142
Curbside and Multi-unit Recycling Collection and Processing	\$301,000	\$350
Waste Compaction Contractor Costs related to curbside waste	\$57,400	\$30
Recyclables Revenue	(\$72,000)	(\$84)
Waste Diversion Ontario Revenue	(\$73,000)	(\$85)
Total	\$483,400	\$175

BioWaste Option Collection & Processing Costs		
Activity	Total cost	Cost/tonne
Curbside and Multi-unit Mixed Waste Collection	\$320,000	\$116
Curbside and Multi-unit Mixed Waste Processing at BioWaste Facility	\$138,000	\$50
Transportation to Dundalk from curbside (2hr@\$50/hr@208 days/year)	\$42,000	\$15
Waste Compaction Costs related to curbside waste	\$0	NA
Recyclables Revenue	(\$0)	\$0
Waste Diversion Ontario Revenue	(\$36,500)	(\$84)
Revenue from Residuals Disposal (20% x \$50/tonne)	(\$28,000)	(\$50)
Total	\$435,500	\$158

It is important to note that although the bottom line overall costs and the costs per tonne appear to be similar with \$47,900 in favour of the BioWaste Option, a number of additional capital costs are avoided under the BioWaste Option as outlined below:

- No purchase of green bins for organics source separation - \$245,000;
- No design and construction of an organics facility - \$300,000;
- Extended landfill capacity; and
- Recognition of being one of the first Ontario municipalites to support this innovative technology.

Letter of Agreement in Principle

Town Staff have prepared a letter provided as Attachment #1 addressed to BioWaste that puts the Town in a position to send curbside and multi-unit (2,760 tonnes) to the proposed BioWaste facility for a tipping fee of \$50/tonne for a term of five years. Town Staff have included in the letter a sunset on that agreement in principal of one year. If the proponent, BioWaste has not begun construction of the plant or had significant progress in facility approval in one year's time the Town has the ability to withdraw the Town's commitment to the project at any time following the one year. Town Staff feel this is an appropriate condition given our existing time lines on other waste management projects, such as the environmental screening and the composting pilot study. Staff want to ensure our waste stream is not committed into a project that is not moving forward, so that the Town can maintain waste management options. Other opportunities for organics management may arise and the Town needs to be in a flexible position to redirect waste.

C. The Blue Mountains' Strategic Plan

This activity will assist in furthering Strategic Goal number 2, addressing the Town's municipal infrastructure needs.

D. Environmental Impacts

The activity of sending our waste to the proposed BioWaste facility has a number of environmental benefits. Reduction of greenhouse gas (GhG) being one of them. Reductions are found through the avoidance of waste being landfilled and the plant's ability to capture climate change contributing gases and reuse them for green energy production.

The option of sending the curbside stream of waste to BioWaste will also assist the Town in meeting the waste diversion goal of 60%.

It is important to note that the Town have strong community dialogue for this project. Moving away from a source separated waste program to a program that relies on technology to separate the waste streams will challenge some people's environmental philosophies. The principals of reduction and reuse must continue to be emphasized.

E. Budget Impact

None at this time.

F. Attached

1. Draft letter to BioWaste Treatment Technologies from Mayor Ellen Anderson

Respectfully submitted,

Jeffery Fletcher
Manager of Solid Waste and Environmental Initiatives

Reg Russwurm
Director of Engineering and Public Works

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DRAFT

Mr. Victor Sibiliala, CEO
BioWaste Treatment Technologies Ltd.
76 Fairway Heights Drive
Thornhill, ON., L3T 3A9

Date

Re: Agreement in Principle to supply unsorted Municipal Solid Waste to Southgate Facility

Dear Mr. Sibiliala,

The Town is pleased to inform you that on September 14, 2009 the Municipal Council of The Blue Mountains agreed to commit in principle to sending all available municipal solid waste for a term of five years to the BioWaste Treatment Technologies plant in the Township of Southgate should a plant become operational in the next three years. However, if construction of the facility has not begun and/or significant progress gained in the facilities approval, in the opinion of the Town, in one year from the date of this letter, the Town may withdraw this commitment at any time.

The Town estimates that it manages approximately 2,760 tonnes of municipal solid waste that would be suitable for processing at the plant annually. The Town is committed to sending our waste on regular intervals based on collection schedules.

The Town understands that in providing this early commitment that The Blue Mountains shall pay to BioWaste Treatment Technologies Inc., for a term of five years, a tipping fee of \$50.00 for each tonne of waste received, plus applicable taxes.

The Town understands that this letter is a commitment; however should the plant become operational the Town will need to enter into an agreement with BioWaste that itemizes the details of a future transaction.

The Town is indeed optimistic about this project and has examined the benefits. We are delighted with the prospect of being involved with such an innovative facility and look forward to your regular updates on the progression this project.

Sincerely,

Mayor Ellen Anderson
Town of The Blue Mountains

cc: Council
SMT
Jeffery Fletcher