

**Guide to Minutes**

**MINUTES OF A SPECIAL MEETING  
OF THE COUNCIL OF THE  
CITY OF TORONTO**

**TUESDAY, SEPTEMBER 19, 2006**

City Council met in the Council Chamber, City Hall, Toronto.

**CALL TO ORDER - 9:37 A.M.**

S11.1 Mayor Miller took the Chair and called the Members to order.

The meeting opened with *O Canada*.

**S11.2 NOTICE OF SPECIAL MEETING**

Mayor Miller advised the Council that this special meeting is called for the following purposes:

- (1) to consider a report on Request for Proposal (RFP) 6033-06-3218 for contingency waste disposal capacity and related reports;
- (2) to introduce and enact General Bills; and
- (3) to introduce and enact a confirming by-law for this special meeting.

**S11.3 DECLARATION OF INTEREST**

Councillor Mihevc, rising on a point of personal privilege, advised the Council that, at the Council meeting held on June 27, 28 and 29, 2006, he had declared an interest in Community Services Committee Report 4, Clause 6, headed "Supporting Communities Partnership Initiative (SCPI) Update and Funding Recommendations", in that his partner works with the East York East Toronto Family Resource Centre, the same interest he had declared on the item at the Community Services Committee on June 8, 2006, and on which he had not voted. During the Council meeting, he had inadvertently voted on the Clause in which he had declared an interest.

Councillor Mihevc did not request that the Minutes of the Council meeting of June 27, 28 and 29, 2006, be corrected, as those Minutes accurately reflect what had occurred at the meeting.

Councillor Mihevc requested that the City Clerk note his error in the Minutes of this meeting, with his regrets.

#### **S11.4 IN-CAMERA MEETING SESSION OF THE COMMITTEE OF THE WHOLE**

*Procedural Motion:*

Deputy Mayor Feldman, at 9:44 a.m., moved that Council resolve itself into Committee of the Whole in the Council Chamber and then recess to meet privately to consider the following confidential matters for this special meeting of Council, in accordance with the provisions of the *Municipal Act, 2001*, and the *Municipal Freedom of Information and Protection of Privacy Act*:

- (a) confidential report (September 18, 2006) from the General Manager, Solid Waste Management Services, and the Deputy City Manager and Chief Financial Officer, as it contains information related to the security of the property of the municipality and is otherwise subject to the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*;
- (b) confidential Appendix “A”, being the Term Sheet for the purchase of Green Lane Landfill and all related waste disposal assets, to the confidential report (September 18, 2006) from the General Manager, Solid Waste Management Services, and the Deputy City Manager and Chief Financial Officer, as it contains information related to the security of the property of the municipality and is otherwise subject to the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*; and
- (c) Letter of Intent (September 15, 2006) for the purchase of the Green Lane Landfill, as it contains information related to the security of the property of the municipality and is otherwise subject to the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*. [Distributed in closed session.]

*Vote:*

The motion by Deputy Mayor Feldman carried.

Council resolved itself into Committee of the Whole.

Committee of the Whole recessed at 9:45 a.m. to meet privately in the Council Chamber to consider the above matters, in accordance with the provisions of the *Municipal Act, 2001*, and the *Municipal Freedom of Information and Protection of Privacy Act*.

Committee of the Whole rose, reconvened as Council at 3:49 p.m., and met in public session in the Council Chamber.

Deputy Mayor Pantalone took the Chair and called the Members to order.

**S11.5 Request for Proposal (RFP) 6033-06-3218 for Contingency Waste Disposal Capacity; and**

**Long-Term Waste Disposal Capacity**

Council also had before it a report (September 15, 2006) from the General Manager, Solid Waste Management Services, the General Manager, Toronto Water and the Director, Purchasing and Materials Management, entitled "Request for Proposal (RFP) 6033-06-3218 For Contingency Waste Disposal Capacity". (See Attachment 1, Page 17)

*Report of the Committee of the Whole:*

Deputy Mayor Pantalone, in accordance with the provisions of the *Municipal Act, 2001*, reported that Council, in Committee of the Whole, had issued confidential instructions to staff with respect to the confidential report (September 18, 2006) from the General Manager, Solid Waste Management Services, and the Deputy City Manager and Chief Financial Officer, such instructions to remain confidential, in accordance with the provisions of the *Municipal Act, 2001*, and the *Municipal Freedom of Information and Protection of Privacy Act*, as they contain information related to the security of the property of the municipality and are otherwise subject to the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*.

The following motions moved in Committee of the Whole were brought forward for consideration by Council in conjunction with this matter:

- (a) Councillor Del Grande moved that Council adopt the following:

"That the General Manager, Solid Waste Management Services, be requested to establish a staff committee, with other staff from Greater Toronto Area member municipalities, to examine opportunities for pooling resources for a co-operative approach to waste management."

- (b) Councillor Moscoe moved that Council adopt the following:

"That the General Manager, Solid Waste Management Services, be requested to informally explore, with the Ministers of Transport and the Environment, the feasibility of direct access off Highway 401 into the site."

- (c) Councillor Saundercook moved that Council adopt the following:

“That the General Manager, Solid Waste Management Services, be requested to report to City Council for its meeting on September 25, 2006, on the cost of re-opening the Keele Valley Landfill to receive waste from the City of Toronto in the short term.”

*Procedural Motion:*

Mayor Miller moved that Council confirm the instructions issued to staff in Committee of the Whole.

Deputy Mayor Bussin in the Chair.

*Motions moved in Public Session:*

(d) Councillor Giambrone moved that Council adopt the following:

“That:

- (1) authority be granted to the General Manager, Toronto Water, to negotiate and award a contract to All Treat Farms Limited, subject to satisfactory negotiations, including an option for additional processing capacity if the project proves to be successful, in the amount of \$45,638.30 including all applicable charges and taxes, for processing 500 tonnes of biosolids for beneficial use in 2007;
- (2) the General Manager of Toronto Water be authorized to negotiate amendments to contracts with haulage companies currently under contract to the City for the haulage of biosolids to All Treat Farms Limited, if satisfactory terms and conditions can be attained, or proceed to a competitive procurement process if satisfactory terms and conditions cannot be attained;
- (3) the General Manager of Toronto Water be directed to submit a staff report to the Public Works and Infrastructure Committee on the outcome of the proposed contract negotiations with All Treat Farms Limited and report any net increase or decrease in associated haulage costs; and
- (4) the appropriate City officials be authorized and directed to give effect thereto.”

(e) Councillor Pitfield moved that Council adopt the following:

“That the General Manager, Solid Waste Management Services, be directed to ensure that new and emerging technologies, including the array of energy from waste options, be thoroughly investigated, in order to provide the next generation of waste management technologies, and to reduce the dependence on landfill.”

*Ruling by Deputy Mayor:*

Deputy Mayor Bussin ruled motion (e) by Councillor Pitfield redundant in the form it was moved and requested that she consult with staff if she wished to change her motion to one that would be more appropriately considered with the issue before Council.

*Motion:*

- (f) Councillor Holyday moved that consideration of this matter be deferred until public meetings can be held on the issue of the purchase of the Green Lane Landfill site.

*Extension of Time to Speak:*

Councillor Holyday spoke to this matter for five minutes. Councillor Jenkins moved that, in accordance with §27-27 of Chapter 27, Council Procedures, of the City of Toronto Municipal Code, Councillor Holyday be granted a further five minutes in order to conclude his remarks, the vote upon which was taken as follows:

Yes - 26	
Councillors:	Ainslie, Ashton, Barron, Carroll, Cho, Del Grande, Feldman, Fletcher, Holyday, Jenkins, Li Preti, McConnell, Milczyn, Minnan-Wong, Moscoe, Nunziata, Ootes, Pantalone, Pitfield, Saundercook, Shiner, Silva, Stintz, Thompson, Walker, Watson
No - 5	
Councillors:	Bussin, Cowbourne, Davis, Filion, Giambrone

Carried by a majority of 21.

Mayor Miller in the Chair.

*Motions:*

- (g) Councillor Shiner moved that motion (f) by Councillor Holyday be amended to provide that the issue of the purchase of the Green Lane Landfill Site be considered as the first item of business at the Council meeting commencing on September 25, 2006.
- (h) Councillor Minnan-Wong moved that motion (f) by Councillor Holyday be amended by adding the words “and there be a special meeting of the Works Committee on Friday, September 22, 2006, to hear deputations on this item”.

*Vote on Deferral:*

Adoption of motion (g) by Councillor Shiner:

Yes - 13	
Councillors:	Feldman, Holyday, Jenkins, Milczyn, Minnan-Wong, Nunziata, Ootes, Palacio, Pitfield, Saundercook, Shiner, Stintz, Watson
No - 24	
Mayor:	Miller
Councillors:	Ainslie, Ashton, Augimeri, Barron, Bussin, Carroll, Cho, Cowbourne, Davis, De Baeremaeker, Del Grande, Fillion, Fletcher, Giambrone, Grimes, Li Preti, McConnell, Mihevc, Moscoe, Pantalone, Rae, Thompson, Walker

Lost by a majority of 11.

Adoption of motion (h) by Councillor Minnan-Wong:

Yes - 13	
Councillors:	Feldman, Holyday, Jenkins, Milczyn, Minnan-Wong, Nunziata, Ootes, Palacio, Pitfield, Saundercook, Shiner, Stintz, Watson
No - 24	
Mayor:	Miller
Councillors:	Ainslie, Ashton, Augimeri, Barron, Bussin, Carroll, Cho, Cowbourne, Davis, De Baeremaeker, Del Grande, Fillion, Fletcher, Giambrone, Grimes, Li Preti, McConnell, Mihevc, Moscoe, Pantalone, Rae, Thompson, Walker

Lost by a majority of 11.

Adoption of motion (f) by Councillor Holyday, without amendment:

Yes - 13	
Councillors:	Feldman, Holyday, Jenkins, Minnan-Wong, Nunziata, Ootes, Palacio, Pitfield, Saundercook, Shiner, Stintz, Walker, Watson
No - 24	
Mayor:	Miller
Councillors:	Ainslie, Ashton, Augimeri, Barron, Bussin, Carroll, Cho, Cowbourne, Davis, De Baeremaeker, Del Grande, Fillion, Fletcher, Giambrone, Grimes, Li Preti, McConnell, Mihevc, Milczyn, Moscoe, Pantalone, Rae, Thompson

Lost by a majority of 11.

*Motions:*

- (i) Councillor Stintz moved that Council adopt the following:

“That any approvals of financial or environmental matters required of the City as part of the closing of this transaction must be given by City Council.”

Councillor McConnell in the Chair.

- (j) Councillor Walker moved that Council adopt the following:

“That, prior to closing this transaction, the General Manager of Solid Waste Management Services, in consultation with the Deputy City Manager and Chief Financial Officer, report back to City Council, through the Public Works and Infrastructure Committee, on the results of the financial and environmental due diligence, including a financial strategy and total financial implications, both short and long term, so as to ensure that the City is satisfied with the results of the due diligence.”

Mayor Miller in the Chair.

Councillor Del Grande in the Chair.

Mayor Miller in the Chair.

*Ruling by Mayor:*

Mayor Miller ruled that the first vote to be taken would be the vote on his procedural motion to confirm the confidential instructions issued to staff in the Committee of the Whole and, in the event his procedural motion carried, motion (i) by Councillor Stintz, and motion (j) by Councillor Walker would become redundant.

Councillor Walker challenged the ruling of the Mayor.

*Vote to Uphold Ruling of Mayor:*

Yes - 26	
Mayor:	Miller
Councillors:	Ainslie, Ashton, Augimeri, Barron, Bussin, Carroll, Cho, Cowbourne, Davis, De Baeremaeker, Del Grande, Feldman, Fillion, Fletcher, Giambrone, Grimes, Li Preti, McConnell, Mihevc, Milczyn, Moscoe, Pantalone, Rae, Silva, Thompson
No - 12	
Councillors:	Holyday, Jenkins, Minnan-Wong, Nunziata, Ootes, Palacio, Pitfield, Saundercook, Shiner, Stintz, Walker, Watson

Carried by a majority of 14.

*Votes:*

Adoption of procedural motion by Mayor Miller to confirm the confidential instructions issued to staff in the Committee of the Whole:

Yes - 26	
Mayor:	Miller
Councillors:	Ainslie, Ashton, Augimeri, Barron, Bussin, Carroll, Cho, Cowbourne, Davis, De Baeremaeker, Del Grande, Filion, Fletcher, Giambrone, Grimes, Li Preti, McConnell, Mihevc, Milczyn, Moscoe, Pantalone, Pitfield, Rae, Silva, Thompson
No - 12	
Councillors:	Feldman, Holyday, Jenkins, Minnan-Wong, Nunziata, Ootes, Palacio, Saundercook, Shiner, Stintz, Walker, Watson

Carried by a majority of 14.

Motion (a) by Councillor Del Grande carried.

Motion (b) by Councillor Moscoe carried.

Adoption of motion (c) by Councillor Saundercook:

Yes - 9	
Councillors:	Ainslie, Carroll, Cho, Giambrone, Jenkins, Milczyn, Nunziata, Saundercook, Stintz
No - 29	
Mayor:	Miller
Councillors:	Ashton, Augimeri, Barron, Bussin, Cowbourne, Davis, De Baeremaeker, Del Grande, Feldman, Filion, Fletcher, Grimes, Holyday, Li Preti, McConnell, Mihevc, Minnan-Wong, Moscoe, Ootes, Palacio, Pantalone, Pitfield, Rae, Shiner, Silva, Thompson, Walker, Watson

Lost by a majority of 20.

Motion (d) by Councillor Giambrone carried.

*Summary:*

In summary, City Council issued instructions to staff, and in so doing, adopted, as amended,



the confidential report (September 18, 2006) from the General Manager, Solid Waste Management Services, and the Deputy City Manager and Chief Financial Officer, entitled “Long Term Waste Disposal Capacity”.

The following staff Recommendations (1), (2), (5) to (8), (10) to (15), (16), as amended, and (18) are now public, and the balance of the report remains confidential, in accordance with the provisions of the *Municipal Act, 2001*, and the *Municipal Freedom of Information and Protection of Privacy Act*, as it contains information related to the security of the property of the municipality and is otherwise subject to the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*:

“It is recommended that:

- (1) the General Manager of Solid Waste Management Services be authorized to enter into and execute on behalf of the City of Toronto the letter of intent, dated September 15, 2006 and summarized in the Term Sheet, attached as Appendix A, for the purchase of the Green Lane Landfill and all related waste disposal assets beneficially owned by St. Thomas Sanitary Collection Service Limited Partnership, Green Lane Environmental Group Limited Partnership and their respective principals;

and, subject to the adoption of Recommendation (1), it is further recommended that:

- (2) the General Manager of Solid Waste Management Services be authorized to negotiate and execute:
  - (i) an agreement of purchase and sale based on the terms and conditions set out in the Term Sheet attached as Appendix A, including any adjustment to the purchase price as set out in Recommendation (9) of this report, and otherwise on terms and conditions satisfactory to the General Manager of Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer and in a form satisfactory to the City Solicitor; and
  - (ii) such other related agreements, including a non-disclosure and confidentiality agreement, as are referenced in the letter of intent, and in accordance with the letter of intent and otherwise on terms and conditions satisfactory to the General Manager of Solid Waste Management Services and the Deputy City Manager and Chief Financial Officer and in a form satisfactory to the City Solicitor;
- (5) the General Manager of Solid Waste Management Services report back during the 2007/2008 Budget Process on the Operating Budget impact associated with the acquisition and maintenance of this site;

- (6) the Deputy City Manager and Chief Financial Officer report back in 2007 on a financing strategy;
- (7) the General Manager of Toronto Water be directed to consider the implications of purchasing the Green Lane Landfill on the preferred options for managing biosolids for the Ashbridges Bay Treatment Plant as identified in the draft Biosolids and Residuals Master Plan;
- (8) the General Manager of Solid Waste Management Services be authorized to give notice under the Waste Transport and Disposal Agreement between the City of Toronto, Republic Services, Inc., Republic Services of Canada, Inc., Republic Services of Michigan I LLC., doing business as Carleton Farms Landfill, and Republic Transportation Services of Canada, Inc., dated February 28, 2006, that the City intends to redirect the maximum allowable waste quantities under that Agreement to an Ontario landfill prior to the Agreement's expiry at the end of 2010;
- (10) the General Manager of Solid Waste Management Services be directed to proceed to the completion of the Terms of Reference for the City of Toronto's Environmental Assessment of a long-term post-diversion solid waste management system, in collaboration with the Council appointed Community Environmental Assessment Team, and incorporate the impact of the purchase of the Green Lane Landfill on the analysis of long-term treatment needs for residual solid waste;
- (11) City Council not restrict the City of Toronto's Environmental Assessment of a long-term post-diversion solid waste management system to a policy of one-hundred percent diversion from landfill, and allow the Environmental Assessment to include landfill in the mix of technologies to be considered through the Environmental Assessment;
- (12) City staff prepare a Business Plan for the operation and management of the Green Lane Landfill by the Fall of 2007 based on the principles of full cost accounting, asset preservation and achieving Council-approved diversion strategies as outlined in the Multi-Year Solid Waste Business Plan;
- (13) the General Manager of Solid Waste Management Services be authorized to retain Gartner Lee Ltd., and Jason Price Chartered Accountants on a sole source basis to a maximum of \$50,000.00 funded from the Solid Waste Management Reserve Fund to provide assistance with the completion of environmental and financial due diligence of the Green Lane Landfill, and to execute agreements with these firms on terms and conditions satisfactory to the General Manager of Solid Waste Management Services and in a form satisfactory to the City Solicitor;

- (14) the City Solicitor be authorized to retain the law firm of Stikeman Elliott on a sole source basis to provide legal assistance in the purchase of the Green Lane Landfill, and to execute a retainer agreement on terms and conditions and in a form satisfactory to the City Solicitor to a maximum of \$200,000.00 funded from the Solid Waste Management Reserve Fund;
- (15) the General Manager of Solid Waste Management Services be authorized and directed to create the position of 'Local Liaison and Environmental Manager, Green Lane Landfill', and to staff or contract the position immediately on a sole source basis at an estimated cost of \$200,000.00 annually to be funded from the Solid Waste Management Operating Budget;
- (16) the General Manager of Solid Waste Management Services be authorized on an as needed basis to hire up to two additional management and accounting personnel on a contract basis for a maximum of 18 months at a maximum cost of \$200,000.00 annually to be funded from the Solid Waste Management Operating Budget; and
- (18) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto, including the introduction of any necessary bills in Council."

City Council also adopted the following:

"That:

- (1) authority be granted to the General Manager, Toronto Water, to negotiate and award a contract to All Treat Farms Limited, subject to satisfactory negotiations, including an option for additional processing capacity if the project proves to be successful, in the amount of \$45,638.30 including all applicable charges and taxes, for processing 500 tonnes of biosolids for beneficial use in 2007;
- (2) the General Manager of Toronto Water be authorized to negotiate amendments to contracts with haulage companies currently under contract to the City for the haulage of biosolids to All Treat Farms Limited, if satisfactory terms and conditions can be attained, or proceed to a competitive procurement process if satisfactory terms and conditions cannot be attained;
- (3) the General Manager of Toronto Water be directed to submit a staff report to the Public Works and Infrastructure Committee on the outcome of the proposed contract negotiations with All Treat Farms Limited and report any net increase or decrease in associated haulage costs;
- (4) the appropriate City officials be authorized and directed to give effect thereto;
- (5) the City of Toronto make a public declaration that it is committed to doing

what is necessary to achieve as close as possible to a 100 percent recycling target;

- (6) the General Manager, Solid Waste Management Services, be requested to:
- (a) report back to City Council, through the Public Works and Infrastructure Committee, before the end of the first quarter, after closing, for information only, on the results of the financial and environmental due diligence, including a financial strategy and total financial implications both short and long term, and on the results of the due diligence, as required under Section 6C of the Conditions of Closing;
  - (b) establish a staff committee, with other staff from Greater Toronto Area member municipalities, to examine opportunities for pooling resources for a co-operative approach to waste management; and
  - (c) informally explore, with the Ministers of Transport and the Environment, the feasibility of direct access off Highway 401 into the site.”

## **BILL AND BY-LAW**

S11.6 On September 19, 2006, at 6:27 p.m., Councillor Carroll, seconded by Councillor Del Grande, moved that leave be granted to introduce the following Bill, and that this Bill, prepared for this special meeting of Council, be passed and hereby declared as a By-law:

Bill No. 751

By-law No. 761-2006

To confirm the proceedings of the Council at its special meeting held on the 19th day of September, 2006,

the vote upon which was taken as follows:

Yes - 28	
Mayor:	Miller
Councillors:	Ainslie, Ashton, Augimeri, Barron, Bussin, Carroll, Cho, Cowbourne, Davis, De Baeremaeker, Del Grande, Filion, Fletcher, Giambrone, Grimes, Holyday, Jenkins, Li Preti, McConnell, Mihevc, Milczyn, Moscoe, Pantalone, Rae, Saundercook, Silva, Thompson
No - 10	
Councillors:	Feldman, Minnan-Wong, Nunziata, Ootes, Palacio, Pitfield, Shiner, Stintz, Walker, Watson

Carried by a majority of 18.

## OFFICIAL RECOGNITIONS:

### S11.7 Moment of Silence

Council rose and observed a Moment of Silence in memory of the members of the Canadian Armed Forces who have lost their lives in the war in Afghanistan, and Anastasia De Sousa, the victim of the shooting at Dawson College, in Montreal.

### S11.8 MOTION TO VARY ORDER OR WAIVE PROCEDURE

*Waive the provisions of Chapter 27 of the City of Toronto Municipal Code related to meeting times:*

Councillor Nunziata, at 11:16 a.m., in Committee of the Whole, moved that, in accordance with the provisions of §27-11F, Adjournment, of Chapter 27 of the City of Toronto Municipal Code, Council waive the requirement of the 12:30 p.m. recess, and that Council continue in session, which carried, more than two-thirds of Members present having voted in the affirmative.

### S11.9 ATTENDANCE

Councillor De Baeremaeker, seconded by Councillor Holyday, moved that the absence of Councillors Di Giorgio and Mammoliti from this special meeting of City Council be excused, which carried.

September 19, 2006	9:37 a.m. to 9:45 a.m.*	Ctte. of the Whole in-Camera 9:49 a.m.	3:49 p.m. to 6:28 p.m.*
Miller	x	x	x
Ainslie	x	x	x
Ashton	x	x	x
Augimeri	x	x	x
Barron	x	x	x
Bussin	x	x	x
Carroll	x	x	x
Cho	x	x	x
Cowbourne	x	x	x
Davis	x	x	x

Minutes of a Special Meeting of the Council of the City of Toronto  
September 19, 2006

---

September 19, 2006	9:37 a.m. to 9:45 a.m.*	Ctte. of the Whole in-Camera 9:49 a.m.	3:49 p.m. to 6:28 p.m.*
De Baeremaeker	x	x	x
Del Grande	x	x	x
Di Giorgio	-	-	-
Feldman	x	x	x
Filion	-	x	x
Fletcher	x	x	x
Ford	x	x	-
Giambrone	x	x	x
Grimes	-	x	x
Hall	x	x	x
Holyday	x	x	x
Jenkins	x	x	x
Kelly	-	x	x
Li Preti	x	x	x
Lindsay Luby	x	x	-
Mammoliti	-	-	-
McConnell	-	x	x
Mihevc	x	x	x
Milczyn	-	x	x
Minnan-Wong	x	x	x
Moscoe	-	x	x
Nunziata	x	x	x
Ootes	-	x	x
Palacio	x	x	x
Pantalone	x	x	x
Pitfield	x	x	x
Rae	x	x	x
Saundercook	x	x	x
Shiner	x	x	x
Silva	x	x	x
Soknacki	-	x	x

Minutes of a Special Meeting of the Council of the City of Toronto  
September 19, 2006

---

15

September 19, 2006	9:37 a.m. to 9:45 a.m.*	Ctte. of the Whole in-Camera 9:49 a.m.	3:49 p.m. to 6:28 p.m.*
Stintz	-	x	x
Thompson	x	x	x
Walker	x	x	x
Watson	x	x	x
Total	34	43	41

\* -Members were present for some or all of the time period indicated.

**The Special meeting adjourned on September 19, 2006, at 6:28 p.m.**

**DAVID R. MILLER,**  
Mayor

**ULLI S. WATKISS,**  
City Clerk

## ATTACHMENT 1

Report (September 15, 2006) from the General Manager, Solid Waste Management Services, the General Manager, Toronto Water and the Director, Purchasing and Materials Management Division, entitled "Request for Proposal (RFP) 6033-06-3218 For Contingency Waste Disposal Capacity". (See Minute S11.5, Page 3):

### Purpose:

The purpose of this report is to advise on the results of Request for Proposal 6033-06-3218 for Contingency Waste Disposal Capacity and request authority to award contracts to the recommended bidders.

### Financial Implications and Impact Statement:

The total contract award identified in this report is \$24,219,945.30 including all applicable taxes and charges. This is based on a projected CPI increase of 1.9% per year. The cost to the City net of GST is \$22,849,005.00. Funding will be included in the 2007-2010 Toronto Water operating budget submissions in the amount of \$12,733,805.00 net of GST and in the Solid Waste 2007-2010 operating budget submissions in the amount of \$10,115,200.00 net of GST as follows:

Program	2007	2008	2009	2010	Total
Biosolids and By-Products - Toronto Water (WW100)	\$878,925	\$1,044,925	\$1,216,900	\$1,550,000	\$4,690,750
Reserve Fee - Toronto Water (WW100)	\$5,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$8,000,000
Beneficial Use Biosolids - Toronto Water (WW100)	\$43,055	\$0	\$0	\$0	\$43,055
<b>Sub-Total – Toronto Water (WW100)</b>	<b>\$5,921,980</b>	<b>\$2,044,925</b>	<b>\$2,216,900</b>	<b>\$2,550,000</b>	<b>\$12,733,805</b>
Solid Waste Disposal - Solid Waste Management (SW0554)	\$1,895,400	\$2,253,300	\$2,624,000	\$3,342,500	\$10,115,200
<b>TOTAL</b>	<b>\$7,817,380</b>	<b>\$4,298,225</b>	<b>\$4,840,900</b>	<b>\$5,892,500</b>	<b>\$22,849,005</b>

### Recommendations:

It is recommended that:

- (1) authority be granted to the General Manager, Solid Waste Management, to negotiate and award a contract to St. Thomas Sanitary Collection Service Limited Partnership, to a maximum amount of \$10,722,112.00 including all applicable charges and taxes, for the receipt and disposal of residual solid waste re-directed from the Republic Agreement from January 1, 2007 to December 31, 2010, having submitted the highest scoring proposal for this requested service;



- (2) authority be granted to the General Manager, Toronto Water, to negotiate and award a contract to, St. Thomas Sanitary Collection Service Limited Partnership, subject to satisfactory negotiations, to a maximum amount of \$13,452,195.00 including all applicable charges and taxes, for the provision of contingency disposal capacity for biosolids and Water and Wastewater system by-products from January 1, 2007 to December 31, 2010, having submitted the highest scoring proposal for this requested service;
- (3) authority be granted to the General Manager, Toronto Water, to negotiate and award a contract to All Treat Farms Limited, subject to satisfactory negotiations, including an option for additional processing capacity if the project proves to be successful, in the amount of \$45,638.30 including all applicable charges and taxes, for processing 500 tonnes of biosolids for beneficial use in 2007;
- (4) the General Managers of Solid Waste Management and Toronto Water be authorized to negotiate amendments to contracts with haulage companies currently under contract to the City for the haulage of solid waste, biosolids and by-products to St. Thomas Sanitary Collection Service Limited Partnership, and biosolids to All Treat Farms Limited, if satisfactory terms and conditions can be attained, or proceed to a competitive procurement process if satisfactory terms and conditions cannot be attained;
- (5) the General Managers of Solid Waste Management and Toronto Water be directed to submit a staff report to the Works Committee on the outcome of the proposed contract negotiations identified in Recommendations 1, 2, 3 and 4 and report any net increase or decrease in associated haulage costs; and
- (6) the appropriate City officials be authorized and directed to give effect thereto.

Background:

The City of Toronto has contracted with Republic Services for the receipt and disposal of solid waste and other City waste streams at its Carleton Farms Landfill in Michigan. Until recently, that landfill also accepted the City's biosolids for disposal.

In order to attempt to address the need for contingency disposal capacity in the event of a closure of the U.S.-Canada border, City Council authorized the issuance of RFP No. 6033-06-3218 at its meeting of May 23, 24 and 25, 2006, Notice of Motion J (22), for Contingency Disposal Capacity.

Comments:

Forty-three (43) bidders from the City's bidder's list were notified and invited to submit proposals for Contingency Waste Disposal Capacity RFP 6033-06-3218 and the RFP was advertised on the City's internet website. The proposals were opened and the firm names were read out at the public opening on July 18, 2006. Three (3) proposals were received from the following firms:

- (1) St. Thomas Sanitary Collection Service Limited Partnership (Green Lane Landfill)
- (2) All Treat Farms Limited
- (3) Greey CTS Inc.

RFP responses were to address contingency disposal capacity for the following three types of wastes:

- municipal solid waste ("MSW") or Industrial, Commercial, Institutional ("IC&I Waste"), or a combination of these;
- Toronto Water by-products, including dewatered biosolids; and
- street sweepings.

In addition, proposals were to address the receipt and disposal of solid waste "re-directed" from the Republic Agreement to one or more landfills in Ontario, in order to provide some contingency capacity in the event of short-term border closure, and to initiate the re-establishment of disposal in Ontario by the City.

When the Republic Agreement was re-negotiated in early 2006, the new contract provided the City with the option of re-directing residual solid waste to Ontario landfills as an alternative to Republic's Carleton Farms Landfill. In 2006, the amount of solid waste that can be re-directed is 25,000 tonnes, which adjusted on a weekly pro-rated basis allows for 7,000 tonnes from September to December 31, 2006.

The total amount of solid waste that can be re-directed increases annually, reaching a peak of 50,000 tonnes in 2010.

*St. Thomas Sanitary Collection Service Limited Partnership (Green Lane Landfill)*

Green Lane submitted a proposal that offers the City contingency disposal capacity for all waste types identified in the RFP. However, Green Lane has identified an initial "Reserve Fee" of \$5 million per waste type for the first year of service provision in order to construct receiving cells in anticipation of the receipt of waste from the City. The City would be required to pay an initial Reserve Fee of \$15 million for three waste types at the commencement of the contract. For the remaining three years, the Reserve Fee would drop to \$1 million per waste type per year for an additional reserve fee of \$9 million (2008 to 2010). In the event that the City activates the contingency disposal capacity, the tonnage rates to be charged range from \$65 for municipal waste to \$115 for street sweepings.

In addition, the City would have to contract for waste transport with a transport firm at an anticipated rate of approximately \$25 per tonne based on fuel at \$0.95 cents per litre. The disposal of one tonne of solid waste at Green Lane would cost the City approximately \$90 (in addition to the Reserve Fee). By comparison, the City pays a combined cost of approximately \$63 per tonne based on fuel at \$0.95 cents per litre for the haulage and disposal of waste at Republic's Carleton Farms Landfill. Therefore, an estimated \$27 per tonne increase in disposal costs equates to an over 42% increase above the current contract with Republic's Carleton Farms Landfill.

Due to the high per tonne disposal cost and the significant Reserve Fee required by Green Lane, it is being recommended that the award of contracts be limited to re-directed solid waste and to contingency disposal capacity for biosolids and other by-products based on a four-to-one ratio (four tonnes of solid waste to one tonne of biosolids).

Access to a landfill for the disposal of biosolids under a short-term border closure is critical for Toronto Water's ability to manage this material. The same access to disposal is not critical for street sweepings (which can be temporarily stored or not collected), and waste from the private sector (i.e. "IC&I" waste) can be directed to private sector landfills. Alternative contingency disposal options will have to be found for the City's municipal solid waste in the event of a border closure. Therefore the recommended award of contract is limited to re-directed solid waste and biosolids/by-products on a contingency basis.

The total potential contract award to St. Thomas Sanitary Collection Service Limited Partnership identified in this report is \$10,722,112.00, including all applicable taxes and charges, for receipt and disposal of solid waste re-directed from the City's contract with Republic Services for disposal of solid waste in Michigan. The contract award is based on the provision of disposal capacity from 2007 to 2010, beginning at 30,000 tonnes per year and peaking at 50,000 tonnes in 2010. The following table summarizes the annual costs for re-directed solid waste disposed at the Green Lane Landfill from 2007 to 2010:

**Table 1 - Cost of Receipt and Disposal of Re-directed Solid Waste at Green Lane Landfill**

Calendar Year	Maximum Tonnes per Year	Cost per Tonne *	Cost per Year	GST	Total Annual Cost incl. GST
2007	30,000	\$63.18	\$1,895,400	\$113,724	\$2,009,124
2008	35,000	\$64.38	\$2,253,300	\$135,198	\$2,388,498
2009	40,000	\$65.60	\$2,624,000	\$157,440	\$2,781,440
2010	50,000	\$66.85	\$3,342,500	\$200,550	\$3,543,050
<b>Total</b>	<b>155,000</b>		<b>\$10,115,200</b>	<b>\$606,912</b>	<b>\$10,722,112</b>

\* Increased annually by a projected increase in CPI of 1.9%.

Green Lane has identified a “Provisional Fee” of \$1,060 per hour for extended receiving hours. Due to the relatively low quantities of re-directed solid waste we do not anticipate a need to have the landfill run extended receiving hours and have therefore not factored the Provisional Fee into the service cost.

The Reserve Fee does not apply to re-directed waste disposed at Green Lane since landfill capacity would not be held in reserve for the City as it would under a contingency scenario.

A contract award to Green Lane would result in a premium paid on a per tonne basis to Green Lane, instead of utilizing the City’s contract with Republic Services for haulage and disposal in Michigan. For example, the net cost of haulage and disposal of 1 tonne of solid waste to Republic in 2007 will be approximately \$63, as opposed to \$88.18 for haulage and disposal at Green Lane (allowing for approximately \$25 per tonne for haulage from Toronto to Green Lane). This represents a percentage increase of approximately 40 percent resulting in a premium of approximately \$755,000.00 in 2007, \$898,000 in 2008, \$1,046,000 in 2009 and \$1,332,000 in 2010.

*Green Lane Landfill - Contingency Disposal Capacity for Biosolids and By-Products*

Toronto Water is reliant on the disposal of biosolids and other by-products (such as grits and screenings) of the Water and Wastewater treatment systems at disposal sites in the U.S. and at co-composting sites in Quebec. Disruption in this supply chain that could result from a short-term closure of the U.S.-Canada border, processing equipment failure, or regulatory measures would result in a shortfall of required disposal capacity.

The availability of disposal capacity at Green Lane on a contingency basis would reduce the City’s risk in the event of a short-term border closure, processing equipment failure, or regulatory action, such as the temporary closure of a landfill and assist Toronto Water to maintain full service provision and operations.

In order to provide contingency disposal capacity, Green Lane has identified a requirement for Toronto Water to pay a Reserve Fee to retain landfill capacity in the form of a constructed cell, in order to be able to respond to the delivery of waste. The initial Reserve Fee is \$5 million, which is reduced to \$1 million in remaining years (2008-2010).

Green Lane has quoted a cost for provision of extended receiving hours. However, it is not anticipated that extended receiving hours will be required due to the tonnage amount and the relative short distance to the Green Lane Landfill.

The following two tables summarize the costs including the Reserve Fee where the contingency disposal capacity is fully utilized (Table 2) and where no disposal capacity is utilized, so only the cost of the Reserve Fee is therefore applicable (Table 3).

Green Lane's proposal offers to receive and dispose biosolids and other by-products on a contingency basis on a four-to-one ratio with solid waste, for on-site management purposes. The tonnage calculations in the following table are linked to the recommended award of contract to Green Lane for re-directed solid waste for the years 2007-2010, on the required four-to-one ratio basis.

**Table 2 - Contingency Disposal Capacity at Green Lane Landfill for Biosolids and Toronto Water By-Products (Cost Calculations Based on Total Usage of Contingency Disposal Capacity)**

Calendar Year	Maximum Tonnes per Year	Cost per Tonne *	Disposal Cost	Reserve Fee	Total Cost including Reserve Fee	GST	Total Cost including Reserve Fee and GST
2007	7,500	\$117.19	\$878,925	\$5,000,000	\$5,878,925	\$352,736	\$6,231,661
2008	8,750	\$119.42	\$1,044,925	\$1,000,000	\$2,044,925	\$122,695	\$2,167,620
2009	10,000	\$121.69	\$1,216,900	\$1,000,000	\$2,216,900	\$133,014	\$2,349,914
2010	12,500	\$124.00	\$1,550,000	\$1,000,000	\$2,550,000	\$153,000	\$2,703,000
<b>Total</b>	<b>38,750</b>		<b>\$4,690,750</b>	<b>\$8,000,000</b>	<b>\$12,690,750</b>	<b>\$761,445</b>	<b>\$13,452,195</b>

\* Increased annually by a projected increase in CPI of 1.9%.

**Table 3 Contingency Disposal Capacity at Green Lane Landfill for Biosolids and Water By-Products (Cost Calculations Based on Zero Usage of Available Capacity)**

Calendar Year	Annual Reserve Fee	GST	Annual Reserve Fee Including GST
2007	\$5,000,000	\$300,000	\$5,300,000
2008	\$1,000,000	\$60,000	\$1,060,000
2009	\$1,000,000	\$60,000	\$1,060,000
2010	\$1,000,000	\$60,000	\$1,060,000
<b>Total</b>	<b>\$8,000,000</b>	<b>\$480,000</b>	<b>\$8,480,000</b>

*All Treat Farms Ltd.*

All Treat Farms Ltd. has submitted a proposal for the receipt and beneficial use of up to 500 tonnes per year of biosolids through the "Gore Cover System", which is an in-vessel composting technology that provides rapid organic decomposition at a total cost of \$43,055.00 (net of GST rebate) based on a cost of \$86.11 per tonne for 500 tonnes.

The receipt of 500 tonnes of biosolids by All Treat Farms meets the City's requirement for contingency disposal capacity because it could be utilized by the City on an "as-needed" basis. However, as the Gore technology provides Toronto Water with a beneficial use technology for biosolids, it forms an "alternate" proposal under the RFP. If successful, the Gore composting technology could provide the City with an option for the beneficial use of substantial quantities of biosolids.

It is therefore being recommended that All Treat Farms be awarded a contract to receive 500 tonnes of biosolids from the City, to manage it for beneficial use, and that the City negotiate an option for additional processing capacity if the Gore technology proves successful in processing biosolids from the City.

A potential exists to expand the contract for processing capacity in excess of 100,000 tonnes per year. A subsequent report will be submitted on the results of the processing of the initial 500 tonnes of biosolids and associated cost implications of potentially expanding the amount of biosolids processed by All Treat Farms.

#### *Greey CTS*

Greey CTS has submitted a proposal to manage the City's residual solid waste, however, at an as yet to be built gasification plant in Southgate Township, Ontario (near Arthur). This does not satisfy the requirements of the RFP and therefore this proposal has been declared informal.

Greey CTS' contact information will be maintained on the City's vendor database and the firm will be notified in the event that a procurement call is issued for new and emerging technologies.

#### *Haulage*

It is anticipated that current haulage providers operating under current or supplementary contracts to the City will be able to provide the required haulage services to Green Lane and All Treat Farms. Should there be any cost increases, the General Managers of Solid Waste Management and Toronto Water will report to Works Committee.

#### Conclusions:

Awarding contracts to St. Thomas Sanitary Collection Service Limited Partnership (Green Lane Landfill near London, Ontario) and All Treat Farms (near Arthur, Ontario) will reduce the City's reliance on disposal in Michigan by re-initiating disposal in Ontario and assisting in meeting the commitment of concluding waste shipments to Michigan by the end of 2010; provide a contingency plan for the disposal of biosolids in the event of a short-term border closure; and trigger the use of a beneficial use technology for biosolids, at a facility located in Ontario.

Contact:

Lawson Oates  
Manager, Strategic Planning  
Solid Waste Management Services  
Phone: (416) 392-9744  
e-mail: [loates@toronto.ca](mailto:loates@toronto.ca)

Nancy Fleming  
Senior Engineer  
Toronto Water  
Phone: (416) 397-9556  
e-mail: [nfleming@toronto.ca](mailto:nfleming@toronto.ca)

John McNamara, Manager  
Corporate Purchasing, Goods and Services  
Purchasing and Materials Management  
Phone: (416) 392-7316  
e-mail: [jmcnama@toronto.ca](mailto:jmcnama@toronto.ca)