

## **City of Guelph Biosolids Agreement - Green Lane Landfill**

<b>Date:</b>	November 14, 2007
<b>To:</b>	Public Works and Infrastructure Committee
<b>From:</b>	Geoff Rathbone, General Manager, Solid Waste Management Services
<b>Wards:</b>	All
<b>Reference Number:</b>	p:/2007/swms/nov/029PW.doc (6330)

### **SUMMARY**

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This report seeks authority to amend an existing contract with the City of Guelph for the disposal of Guelph's wastewater treatment plant wastes ("Biosolids") at the Green Lane landfill (the "Landfill").

One of the contracts the City assumed from the previous owner of the Landfill was with the City of Guelph for the disposal of Guelph's transfer station waste and Guelph's Biosolids. Staff is seeking Council authority to extend the term for receipt of Guelph's Biosolids to match the term for receipt of Guelph's transfer station waste, and to set a new, higher price for the disposal of Guelph's Biosolids.

### **RECOMMENDATIONS**

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The General Manager, Solid Waste Services recommends that:

1. Council authorize the execution of a consent agreement with the Corporation of the City of Guelph (and Green Lane Landfill, a Division of St. Thomas Sanitary Collection Service Limited Partnership and Green Lane Environmental Group Limited Partnership "Green Lane") relating to the consent required by Green Lane from Guelph upon transfer of ownership of the Green Lane Landfill, on terms described in Attachment "A" and the extension of the term for disposal of Guelph's wastewater treatment plant wastes (Biosolids) during the time period and at the price set out in Attachment "A", and otherwise on terms and conditions

satisfactory to the General Manager of Solid Waste Management Services and in a form satisfactory to the City Solicitor.

## **Financial Impact**

The extension of the term for the disposal of Guelph's Biosolids to coincide with the term for the disposal of Guelph's transfer station wastes (i.e., from January 15 to October 16, 2008) will result in the disposal of a projected quantity of biosolids of 6,750 tonnes. The original contracted revenue to Toronto for Guelph Biosolids through this period was projected to be \$0.210 million. The updated projected contract revenue through this period, based on the amended disposal rate for Biosolids is \$0.439 million. The 2008 Recommended Operating Budget for Green Lane will be updated to reflect the incremental revenue of \$0.229 million for this amendment.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

As part of the purchase agreement for the Green Lane Landfill site, the City agreed that waste under existing disposal agreements could continue to be delivered to the landfill under the terms and at the rates set out in those contracts. The report, confidential attachment and Council decision document can be viewed at:

- Report:

[http://www.toronto.ca/garbage/pdf/green\\_lane/long-term\\_waste\\_discap\\_20060918.pdf](http://www.toronto.ca/garbage/pdf/green_lane/long-term_waste_discap_20060918.pdf)

- Confidential Attachment (Green Lane Landfill - Intent to Purchase Term Sheet)

[http://www.toronto.ca/garbage/pdf/green\\_lane/term\\_sheet\\_balcklined\\_20060918.pdf](http://www.toronto.ca/garbage/pdf/green_lane/term_sheet_balcklined_20060918.pdf)

- Decision Document

<http://www.toronto.ca/legdocs/2006/agendas/council/cc060919sp/cofa.pdf>

## **ISSUE BACKGROUND**

In order to satisfy its obligations with respect to existing contracts, the City entered into a Disposal Agreement with the Vendor that required the City to honour contracts with the Township of Southwold, the City of St. Thomas, the Regional Municipality of York, the City of Guelph, the Town of Aylmer, and the municipalities of Dutton-Dunwich and West Elgin.

One of the requirements of Guelph's contract with the Vendor was that Guelph give its consent to any sale of the Landfill. The consent agreement recommended in this report satisfies that requirement.

## **COMMENTS**

Generally, the consent agreement sets out the legal relationship among Green Lane, the City of Guelph and the City of Toronto in light of the purchase of the site by Toronto, and provides that Guelph's rights to dispose of waste in the site will not be compromised by the change in ownership. A summary of key terms of the consent agreement, from Toronto's perspective, is included in Attachment "A".

The current Guelph agreement allows Guelph to dispose of two types of waste at the Green Lane Landfill, transfer station waste and Biosolids. The transfer station wastes include non-hazardous solid domestic, industrial, commercial and institutional waste. The current term for the transfer station wastes expires on October 16, 2008 and Guelph has the option to renew the transfer station waste portion of the Agreement for up to five one-year periods. The contract currently provides that Biosolids can be delivered only until January 15, 2008. The Biosolids portion of the contract does not currently have any extension options.

Discussions have taken place between the Toronto and Guelph staff, and one of Guelph's objectives is to extend the term for the disposal of Guelph's Biosolids to coincide with the term for the disposal of Guelph's transfer station waste with the same rights of renewal (i.e., to October 16, 2008 plus up to five one-year renewal options). This consent agreement meets that objective.

The disposal rate for Guelph Biosolids will increase to \$65 per tonne after the expiry of the current term on January 15, 2008 to reflect current market conditions.

Guelph's Council will be considering the consent agreement on November 19, 2007.

## **CONTACT**

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## **SIGNATURE**

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Geoff Rathbone  
General Manager  
Solid Waste Management Services

## **ATTACHMENT**

Attachment "A" – Summary of Terms and Conditions of the Guelph Consent Agreement

## **Attachment “A”**

### **Summary of Terms and Conditions of the Guelph Consent Agreement**

- 1) Guelph consents to the sale of the Green Lane landfill to Toronto as required under the agreement dated February 23, 2005 (2005 Guelph Agreement) between the City of Guelph and Green Lane Landfill, a Division of St. Thomas Sanitary Collection Service Limited Partnership (Green Lane).
- 2) Toronto agrees to accept Guelph waste at the landfill and to meet the operational standards required by the 2005 Guelph Agreement.
- 3) Toronto agrees to accept Guelph waste for the term agreed under the 2005 Guelph Agreement even if Green Lane defaults on its obligations.
- 4) Toronto agrees to extend the term for the disposal of Guelph’s Wastewater Treatment Plant wastes (Biosolids) beyond the current term, which expires on January 15, 2008, until October 16, 2008 so that the term for the disposal of Biosolids coincides with the term for the disposal of transfer station wastes under the 2005 Guelph Agreement.
- 5) Guelph’s existing right to extend the 2005 Guelph Agreement for 5 one-year renewal periods, beginning on October 16, 2008, is extended to include Biosolids.
- 6) The new rate for the disposal of Biosolids is \$65.00 per tonne, effective January 16, 2008, subject to annual CPI adjustments on January 1 of each calendar year, beginning on January 1, 2009.