
Public Works and Infrastructure Committee

Meeting No.	7	Contact	Rosalind Dyers, Committee Administrator
Meeting Date	Wednesday, June 27, 2007	Phone	416-392-8018
Start Time	9:30 AM	E-mail	rdyers@toronto.ca
Location	Committee Room 1, City Hall		

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Location	Committee Room 1, City Hall		

PW7.2	NO AMENDMENT			Ward: 13, 14
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Proposed Bicycle Lanes on The Queensway from Windermere Avenue to Claude Avenue

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, adopted the following motions:

1. City Council approve the installation of bicycle lanes on both sides of The Queensway, from Windermere Avenue to Claude Avenue, as detailed in Appendix A of this report.
2. City Council authorize and direct the appropriate City officials to take the necessary action to give effect thereto, including the introduction of all necessary bills.

(June 11, 2007) Report from the General Manager, Transportation Services.

Committee Recommendations

The Public Works and Infrastructure Committee recommends that City Council:

1. approve the installation of bicycle lanes on both sides of The Queensway, from Windermere Avenue to Claude Avenue, as detailed in Appendix A of this report; and
2. authorize and direct the appropriate City officials to take the necessary action to give effect thereto, including the introduction of all necessary bills.

Financial Impact

Funds to implement the bicycle lanes on The Queensway, in the estimated amount of \$40,000.00, are provided for within the Transportation Services Division 2007 Capital Budget in the Cycling Infrastructure Account CTP 807-05.

Summary

This report is being submitted to the Public Works and Infrastructure Committee because the proposed bicycle lanes on The Queensway span two Community Council districts.

The purpose of this report is to obtain authority to install bicycle lanes on The Queensway from Windermere Avenue to Claude Avenue.

The reconstruction of The Queensway provides an opportunity to include bicycle lanes in the new design. The installation of bicycle lanes on The Queensway will not impact traffic operations or parking. The T.T.C. has no concerns with this proposal on the bus route service on The Queensway. The Ward Councillors have been consulted and support the proposed bicycle lanes on The Queensway.

Background Information

2007-06-27-pw07-2

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5134.pdf>)

2007-06-27-pw07-2.appA

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5135.pdf>)

2007-06-27-pw07-2.draw.1

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5136.pdf>)

2007-06-27-pw07-2.draw.2

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5137.pdf>)

Communications

(June 19, 2007) e-mail from Rowland Galbraith and Ronald Taber (PW.Main.PW7.2.1)

PW7.3	AMENDED			Ward: All
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Regulation of Queuing on the Public Sidewalk

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, adopted the following motions:

1. The appropriate internal and external consultations to develop the regulatory strategy to manage queuing on the public sidewalk be undertaken.
2. Municipal Licensing and Standards, in consultation with Transportation Services and the Toronto Police Service, report to the November 28, 2007 meeting of the Public Works and Infrastructure Committee on the necessary amendments to Chapter 743, Streets, Chapter 441, Fees, and Chapter 545, Licensing, of the City of Toronto Municipal Code to implement the regulatory regime; the report to also include the number of reported offences related to queuing on sidewalks.
3. Notice of any proposed amendments to Chapter 545, Licensing, and Chapter 441,

Fees, shall be given before the Committee meeting, as prescribed in the Toronto Municipal Code Chapter 162, Notice, Public.

4. The appropriate City officials be authorized and directed to take the necessary action to give effect to the foregoing, including the introduction in Council of any Bills that may be required.
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(June 13, 2007) Report from the Executive Director, Municipal Licensing and Standards.

Committee Recommendations

The Public Works and Infrastructure Committee recommends that:

1. the appropriate internal and external consultations to develop the regulatory strategy to manage queuing on the public sidewalk be undertaken;
2. Municipal Licensing and Standards, in consultation with Transportation Services and the Toronto Police Service, report to the November 28, 2007 meeting of the Public Works and Infrastructure Committee on the necessary amendments to Chapter 743, Streets, Chapter 441, Fees, and Chapter 545, Licensing, of the City of Toronto Municipal Code to implement the regulatory regime;
3. notice of any proposed amendments to Chapter 545, Licensing, and Chapter 441, Fees, shall be given before the Committee meeting, as prescribed in the Toronto Municipal Code Chapter 162, Notice, Public; and
4. the appropriate City officials be authorized and directed to take the necessary action to give effect to the foregoing, including the introduction in Council of any Bills that may be required.

Financial Impact

The public consultation process will include a series of focus groups and working groups. A budget of \$10,000 is required to support the consultation process to help ensure effective implementation. While there are no funds specifically set aside in the Municipal Licensing and Standards Division budget for this purpose, this initiative will require a reallocation within the Division's budget.

If the amendments to the by-law were to be adopted, the fees for the permits will be based on a full cost-recovery model for the administration and enforcement of the by-law provisions, including staff resources and equipment needed. The fees will account for the direct and indirect costs incurred by Municipal Licensing and Standards, Transportation Services, the City Clerk's Office, and Solid Waste Management Divisions. The amendments to Chapter 743, Streets, of the Municipal Code will contain the applicable fees to be charged for a permit to queue on the sidewalk.

The financial impact in 2007 and 2008 will be determined from the report on the outcome of the consultations and the possible recommendations for amendments to the Municipal code.

This report is expected to be brought forward in the fall of 2007. The financial implications of a Sidewalk Queuing Regulation will be deferred for consideration with the 2008 Operating Budget.

Summary

Staff will be exploring the development of a regulatory strategy to manage queuing on the public sidewalk associated with Entertainment Establishments and Nightclubs. The regulatory regime may include possible classes of permits; regulations for the formation of the queue outside of the establishment prior to entry; the location of line-ups; the installation of appropriate barriers; the requirement for liability insurance; the procedures used by the establishment to monitor the line-ups and to control the number of people in the line-ups; and a process for polling neighbouring properties prior to permit issuance. The fee for the permit will be based upon a full cost recovery model for the administration and enforcement of the by-law provisions.

To implement the regulatory regime, amendments to the City of Toronto Municipal Code ("Municipal Code") will be necessary including amendments to:

- Chapter 743, Streets, to add permit provisions;
- Chapter 441, Fees, to add permit fees; and
- Chapter 545, Licensing, to require that Queuing Permit be a condition for issuance of an Entertainment Establishment/Nightclub business licence.

The internal and external stakeholder consultations will be undertaken through the summer. It is expected that the report on the outcome of the consultations and the recommendations for amendments to the Municipal Code will be brought forward in the fall of 2007.

Background Information

2007-06-27-pw07-3

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5196.pdf>)

Council also considered the following communication:

- (July 18, 2007) from David Mirvish, C.M., O. Ont., Mirvish Productions, addressed to Councillor Adam Vaughan, submitted by Councillor Adam Vaughan, Ward 20 - Trinity-Spadina. (PW7.3.1)

PW7.5	NO AMENDMENT			Ward: All
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2007 Amendments to the Municipal Class Environmental Assessment

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, adopted the following motions:

1. City Council endorse the amendments to the Municipal Class Environmental Assessment document as proposed by the Municipal Engineers Association, described herein and included as Attachment Nos. 1 and 2.
2. The City Clerk forward this report to the Municipal Engineers Association for its information and any necessary action.

(May 30, 2007) Report from the General Manager, Transportation Services and the General Manager, Toronto Water.

Committee Recommendations

The Public Works and Infrastructure Committee recommends that:

1. City Council endorse the amendments to the Municipal Class Environmental Assessment document as proposed by the Municipal Engineers Association, described herein and included as Attachment Nos. 1 and 2; and
2. the City Clerk forward this report to the Municipal Engineers Association for its information and any necessary action.

Financial Impact

The recommendations do not have any financial impact beyond what has already been approved in the current year's budget.

Summary

This report provides an overview of the Municipal Engineers Association's (MEA) 5-Year Review of the Municipal Class Environmental Assessment (Class EA) and recommends that City Council, in its capacity as one of the proponent municipalities of the Class EA, endorse the amendments proposed by the MEA that comprise the 5-Year Review.

Background Information

2007-06-27-pw07-5

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5140.pdf>)

2007-06-27-pw07-5.att.1

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5141.pdf>)

2007-06-27-pw07-5.att.2

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5142.pdf>)

PW7.6	NO AMENDMENT			Ward: All
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Plan to Improve the Development and Implementation of a Co-ordinated Multi-Year Joint Transportation Services and Toronto Water Capital Program

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, adopted the following motions:

1. The co-ordinated multi-year Transportation Services and Toronto Water capital programming process, as depicted in Attachment 1 (Typical Planning Process of a Capital Works Program), be approved.
 2. As part of the annual capital budget submission process, a joint Transportation Services/Toronto Water capital works projects "A-list" (representing projects within the target budget) and a separate "B-list" (representing projects which could be accelerated to the A-list, as required) be submitted and considered for approval for those works within two years of implementation and cannot be amended unless for reasons of health and safety, emergency or for legislative purposes.
 3. Any such amendments to the approved A-list and B-list of projects within two years of implementation be reported on to the Public Works and Infrastructure Committee for approval.
 4. The appropriate City officials be authorized and directed to take the necessary action to give effect thereto.
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(June 12, 2007) Report from Deputy City Manager Richard Butts and the Deputy City Manager and Chief Financial Officer.

Committee Recommendations

The Public Works and Infrastructure Committee recommends that:

1. the co-ordinated multi-year Transportation Services and Toronto Water capital programming process, as depicted in Attachment 1 (Typical Planning Process of a Capital Works Program), be approved;
2. as part of the annual capital budget submission process, a joint Transportation Services/Toronto Water capital works projects "A-list" (representing projects within the target budget) and a separate "B-list" (representing projects which could be accelerated to the A-list, as required) be submitted and considered for approval for those works within two years of implementation and cannot be amended unless for reasons of health and safety, emergency or for legislative purposes;
3. any such amendments to the approved A-list and B-list of projects within two years of implementation be reported on to the Public Works and Infrastructure Committee for approval; and
4. the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

The Transportation Services and Toronto Water Divisions, in co-operation with Technical Services and Finance staff, will make arrangements to defer cash flow funding arising from delayed projects. In this regard, equivalent cash flows can be accelerated and reallocated to a number of projects that are ready to proceed with no net change to approved net debt funding requirements for the relevant year under discussion. The divisions will submit revised five-year capital plans that will account for the reprogramming of timelines to implement various needed works commensurate with annual capital budget submissions. At no time is it intended that there be a net change to the overall approved net debt cash flows affecting the current construction year and each of the remaining years of the respective five-year capital plans. The capital planning framework presented in this report is based on the principles on which Council's approved five-year Capital Plan is based; namely readiness to proceed and fiscal affordability.

Summary

The purpose of this report is to adopt a policy for an improved co-ordinated effort to develop and implement a multi-year Transportation Services and Toronto Water capital works program. Moreover, not only will this proposed new planning process address a more efficient renewal strategy for rehabilitating the City's aging infrastructure, it will also make significant advances towards minimizing construction disruption and the associated inconvenience to not only motorists but all users of the public right of way including pedestrians, cyclists and transit users.

All users of the public right of way will benefit from this co-ordinated cross-functional initiative that will make significant advances towards minimizing adverse and costly effects of disturbing recently completed works in addition to assisting with much needed improvement of construction completion rates. This new course of action, once fully implemented, will secure a fixed capital program that encapsulates a full five years worth of work well in advance of any construction activity as shown in the accompanying schematic Attachment 1 (Typical Planning Process of a Capital Works Program). In the interim, both Transportation Services and Toronto Water have put into place funding reallocation mechanisms to realign approved cash flows that best match to those program areas that are ready to proceed. In effect, City Council will therefore be approving a multi-year capital program that will allow Transportation Services and Toronto Water to be able to develop a co-ordinated capital program and permit Technical Services staff to proceed in an unimpeded manner with the scoping and design of capital works several years in advance of their scheduled implementation dates.

Background Information

2007-06-27-pw07-6

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5143.pdf>)

2007-06-27-pw07-6.att.1

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5144.pdf>)

PW7.7	AMENDED		Policy	Ward: All
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Policy Regarding the Repair of Private Storm Drainage Systems

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, adopted the following motions:

1. City Council adopt a policy, entitled “The Repair of Private Storm Drainage Systems”, as follows:
 - a. a private storm drainage system located entirely on private property is one which has been or is constructed, operated, owned and maintained by or on behalf of the private property owner;
 - b. the obligation to operate, maintain and repair a private storm drainage system rests entirely with the private property owner;
 - c. the City will not undertake the operation, maintenance or repair of a private storm drainage system;
 - d. unless otherwise available under the City’s Drain Grant Policy, no financial assistance will be provided by the City to a private property owner for the operation, maintenance or repair of a private storm drainage system; and
 - e. for the purposes of this Policy, “private storm drainage system” means that part of any drain or system of drains, including catch basins, drains, sumps or subsurface drainage pipe for surface or subsurface drainage of the land, lying within the limits of the private lands.
2. The General Manager, Toronto Water, report to the Public Works and Infrastructure Committee on the feasibility of establishing a back lot drainage reserve funded through a surcharge on grading and paving permits, at no cost to the City, to partially assist with resolving local area community drainage problems.

(May 14, 2007) Report from the General Manager, Toronto Water.

Committee Recommendations

The Public Works and Infrastructure Committee recommends that:

1. City Council adopt a policy, entitled “The Repair of Private Storm Drainage Systems”, as follows:
 - a. a private storm drainage system located entirely on private property is one which has been or is constructed, operated, owned and maintained by or on behalf of the private property owner;
 - b. the obligation to operate, maintain and repair a private storm drainage system rests entirely with the private property owner;

- c. the City will not undertake the operation, maintenance or repair of a private storm drainage system;
- d. unless otherwise available under the City's Drain Grant Policy, no financial assistance will be provided by the City to a private property owner for the operation, maintenance or repair of a private storm drainage system; and
- e. for the purposes of this Policy, "private storm drainage system" means that part of any drain or system of drains, including catch basins, drains, sumps or subsurface drainage pipe for surface or subsurface drainage of the land, lying within the limits of the private lands.

Financial Impact

There are no financial implications resulting from the adoption of this report.

Summary

The purpose of this report is to propose the adoption of a policy regarding requests made to the City to repair private storm drainage systems located entirely on private property (the "Policy").

The Policy is based on the principle that private storm drainage systems are constructed, owned and maintained by or on behalf of private property owners while public storm drainage systems are constructed, owned and maintained by or on behalf of the City. The obligation to maintain and repair private storm drainage systems located entirely on private property rests entirely with the private property owner. In accordance with the terms and conditions of the City's Drain Grant Policy, however, the City may provide financial assistance to the private property owner, for the repair of a blocked drain on private property, but only in instances where the blockage is caused by roots from a City-owned tree.

Background Information

2007-06-27-pw07-7

<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5145.pdf>

PW7.8	AMENDED			Ward: All
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Lead Water Services Connection Replacement Program

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, adopted the following motions:

1. The current Water Service Connection Replacement Program be replaced with a Lead Water Service Connection Replacement Program, directed at an accelerated replacement of lead water service connections over a nine-year period, consisting of the following elements:

- a. Watermain and Road Reconstruction Associated Replacements - Lead water services will be replaced in conjunction with Transportation Services Road Reconstruction Program and Toronto Water's aggressive watermain renewal program, on a targeted area specific basis and on the following priority:
 1. watermains with high break rates;
 2. watermains with substandard hydraulic capacity;
 3. watermains in areas of the City where past water quality sampling has shown elevated levels of lead;
 4. age of the watermain infrastructure, where a first priority is given to those roads where road reconstruction work is planned; and
 5. roads where records show few lead water services have already been replaced.
 - b. Emergency Water Service Replacement - Lead water services will be replaced on an emergency basis, where:
 1. water quality testing shows that lead levels exceed the Ontario Drinking Water Quality Standard of 10 ppb;
 2. where substandard flow rates, lower than 7 litres per minute, as measured at the meter or closest faucet to the entry point of service; and
 3. in cases where water services are found to be leaking.
 - c. On-Demand Water Service Replacement - An annual maximum of 1,500 services be replaced, on a first come first served basis, in the following priority, where a minimum of 500 services are assigned for the replacement of low flow copper service connections:
 1. residential properties serviced by lead or galvanized water services; and
 2. ½ inch copper service connections where the flow rate, is between 7 and 15 litres per minute, as measured at the meter or closest faucet to the entry point of service.
2. The public communication strategy for lead water services be updated to provide information to residents regarding the Lead Water Service Connection Replacement Program.
 3. The General Manager of Toronto Water report back to the Public Works and

Infrastructure Committee on the policy and financial impacts of providing zero-interest loans to private homeowners interested in replacing their privately-owned lead service laterals.

4. The appropriate City officials be authorized and directed to take the necessary action to give effect thereto.
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(June 13, 2007) Report from the General Manager, Toronto Water.

Committee Recommendations

The Public Works and Infrastructure Committee recommends that:

1. the current Water Service Connection Replacement Program be replaced with a Lead Water Service Connection Replacement Program, directed at an accelerated replacement of lead water service connections over a nine-year period, consisting of the following elements:
 - a. Watermain and Road Reconstruction Associated Replacements - Lead water services will be replaced in conjunction with Transportation Services Road Reconstruction Program and Toronto Water's aggressive watermain renewal program, on a targeted area specific basis and on the following priority:
 1. watermains with high break rates;
 2. watermains with substandard hydraulic capacity;
 3. watermains in areas of the City where past water quality sampling has shown elevated levels of lead;
 4. age of the watermain infrastructure, where a first priority is given to those roads where road reconstruction work is planned; and
 5. roads where records show few lead water services have already been replaced.
 - b. Emergency Water Service Replacement - Lead water services will be replaced on an emergency basis, where:
 1. water quality testing shows that lead levels exceed the Ontario Drinking Water Quality Standard of 10 ppb;
 2. where substandard flow rates, lower than 7 litres per minute, as measured at the meter or closest faucet to the entry point of service; and
 3. in cases where water services are found to be leaking.

- c. On-Demand Water Service Replacement - An annual maximum of 1,500 services be replaced, on a first come first served basis, in the following priority, where a minimum of 500 services are assigned for the replacement of low flow copper service connections:
 1. residential properties serviced by lead or galvanized water services; and
 2. ½ inch copper service connections where the flow rate, is between 7 and 15 litres per minute, as measured at the meter or closest faucet to the entry point of service;
2. the public communication strategy for lead water services be updated to provide information to residents regarding the Lead Water Service Connection Replacement Program; and
3. the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

The cost for the Lead Water Service Replacement Program described herein represents an increase of \$19.2 million per year over the funding approved in Toronto Water's 2007 Capital Budget: \$17.9 million per year for design and construction work associated with additional water service replacement and watermain reconstruction; and \$1.3 million per year for additional staff resources to oversee the design and construction work associated with the recommendations contained in this report. Subject to Council approval, these funds would be incorporated in Toronto Water's forthcoming 2008-2012 Capital Budget Submission.

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

Summary

This report provides information on the status of lead in Toronto's drinking water and proposes a new program directed at accelerating the replacement of lead water services. The report responds to recent concerns expressed by the Public Works and Infrastructure Committee and raised as a result of recent Province-wide drinking water testing ordered by the Ministry of the Environment's Chief Drinking Water Inspector.

This report recommends that Toronto Water's existing Water Service Replacement Program, where services are replaced across the City based on requests received from residents on a first come first served basis, be replaced with a planned, area specific, program tied to Toronto Water's enhanced watermain renewal program.

A new Lead Water Service Replacement Program would accelerate the replacement of the estimated 65,000 remaining lead water service connections within the next nine-years; and provide for the emergency replacement of water service connections with flow rates of less than 7 litres per minute, connections with leaks, and in situations where water quality tests have exceeded the allowable lead concentration limit.

Background Information

2007-06-27-pw07-8

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5459.pdf>)

Speakers

Councillor Janet Davis, Ward 31, Beaches-East York

Decision Advice and Other Information

The Public Works and Infrastructure Committee requested the General Manager, Toronto Water, in consultation with the Medical Officer of Health and the Deputy City Manager and Chief Financial Officer, to report back to the September 6, 2007 meeting of the Public Works and Infrastructure Committee on:

1. potential options for financing private lead service replacement costs that are payable by homeowners, over time, on their water bills; and
2. impacts to Toronto Water, or any other City operation, with respect to new regulations that may be imposed by the Ministry of the Environment dealing with managing lead in drinking water systems.

PW7.9	NO AMENDMENT			Ward: All
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Designating the General Manager of Toronto Water as Owner Representative for Implementation of the Drinking Water Quality Management Standard

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, adopted the following motion:

1. City Council designate the General Manager of Toronto Water as the Owner Representative for the Toronto Water Quality Management System.

(June 13, 2007) Report from the General Manager, Toronto Water.

Committee Recommendations

The Public Works and Infrastructure Committee recommends that City Council:

1. designate the General Manager of Toronto Water as the Owner Representative for the Toronto Water Quality Management System.

Financial Impact

Council adoption of the recommendation will have no additional financial impact beyond what

has already been approved in the current year's budget.

Summary

The purpose of this report is to recommend designating the General Manager of Toronto Water as the Owner Representative for the Division's Quality Management System. As Owner Representative, the General Manager would communicate relevant information to the Public Works and Infrastructure Committee and provide written endorsement of Toronto Water's Operational Plan to the Ministry of the Environment.

Implementing a Drinking Water Quality Management System is necessary to comply with the requirements of the Safe Drinking Water Act. The City's drinking-water system must be accredited to the Ministry of the Environment's Drinking Water Quality Management Standard (DWQMS). The DWQMS includes specific requirements for Owners of municipal residential drinking-water systems and it is necessary to identify who will represent the Owner in relation to the implementation of Toronto Water's Quality Management System.

Designating the General Manager of Toronto Water as the Owner Representative would delegate the transactional authority to staff and allow for a more practical and efficient development of the Toronto Water Quality Management System.

Background Information

2007-06-27-pw07-9

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5146.pdf>)

PW7.10	REFERRED			Ward: 39
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Extension of No-Fault Grant Program

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, referred this Item back to the Public Works and Infrastructure Committee for further consideration.

(June 13, 2007) Report from the General Manager, Toronto Water.

Committee Recommendations

The Public Works and Infrastructure Committee recommends that:

1. there should be no extension of the 2005 Flood Damages Grant Program to provide grants to homeowners that were flooded as a result of sewer backups in Ward 39 in December 2006 or February 2007.

Financial Impact

There are no financial impacts resulting from the adoption of this report.

Summary

This report recommends that the 2005 Flood Damages Grant Program, also known as the “No-Fault Grant Program”, that was established to provide grants to certain eligible properties that were flooded by the August 19, 2005 storm event, not be extended to properties in Ward 39 that were flooded by a sewer backup in December 2006 or a sewer backup in February 2007.

Background Information

2007-06-27-pw07-10

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5147.pdf>)

PW7.11	NO AMENDMENT			Ward: All
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Land Acquisition for Source Water Protection Reserve - Updated Property Acquisition List

Confidential - A proposed or pending acquisition or sale of land for municipal or local board purposes

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, adopted the following motions:

1. The Toronto and Region Conservation Authority (TRCA) be authorized to apply to use the \$1.5 million identified in the Toronto Water 2007 Capital Budget from the Land Acquisition for Source Water Protection Reserve to complete the acquisitions as set out in the confidential list dated March 5, 2007, included as Attachment 1.
2. TRCA complete the acquisitions according to the criteria set out in the Policy and Finance Committee Report 7, Clause 37, as adopted by City Council on July 19, 20, 21 and 26, 2005, in a form and manner acceptable to City officials.
3. The appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Confidential Attachment 1 to the report (June 12, 2007) from the General Manager, Toronto Water, and the Chief Administrative Officer, Toronto and Region Conservation Authority, remains confidential in its entirety, in accordance with the provisions of the City of Toronto Act, 2006, as it contains information related to the proposed or pending acquisition of land for municipal or local board purposes.

(June 12, 2007) Report from the General Manager, Toronto Water and the Chief Administrative Officer, Toronto and Region Conservation Authority.

Committee Recommendations

The Public Works and Infrastructure Committee recommends that:

1. the Toronto and Region Conservation Authority (TRCA) be authorized to apply to use the \$1.5 million identified in the Toronto Water 2007 Capital Budget from the Land Acquisition for Source Water Protection Reserve to complete the acquisitions as set out in the confidential list dated March 5, 2007, included as Attachment 1;
2. TRCA complete the acquisitions according to the criteria set out in the Policy and Finance Committee Report 7, Clause 37, as adopted by City Council on July 19, 20, 21 and 26, 2005, in a form and manner acceptable to City officials; and
3. the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

Sufficient funding is available for this purpose in the 2007 approved Toronto Water Capital Budget under WBS Element CWW473-01 Land Acquisition for Source Water Protection Reserve.

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

Summary

This report has been prepared by Toronto Water and the Toronto and Region Conservation Authority (TRCA) to provide an update on land purchased in 2005 and 2006 using funds from the Land Acquisition for Source Water Protection Reserve and to seek approval to add additional properties to the previously approved Property Acquisition List for TRCA. This approval is necessary to allow TRCA to proceed on negotiations for the purchase of land against the \$1.5 million identified in the approved Toronto Water 2007 Capital Budget.

Background Information

2007-06-27-pw07-11

<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5148.pdf>

PW7.15	AMENDED			Ward: All
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Ingram Reuse Centre and Other Potential Reuse Properties

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, adopted the following motions:

1. The “green space” to the west of the Ingram Transfer Station be transferred to Parks, Forestry and Recreation for use as a City-owned and operated Driving Range.
2. The Director of Real Estate Services, in consultation with appropriate staff, report to

the appropriate Committee on entering into negotiations with the owner of 2255 Keele Street to permit the operation of a day care centre at 2255 Keele Street.

3. Staff work with Facilities and Real Estate and other divisions to develop a list of other City-owned properties as potential locations for reuse centres, and that, if a sufficient number of City-owned sites are not available, **the Chief Corporate Officer** be authorized to seek the services of a real estate broker to find suitable private properties available within the City to purchase or lease.
4. The report (June 13, 2007) from Deputy City Manager Richard Butts and Deputy City Manager Sue Corke be received for information.
5. The General Manager, Solid Waste Management Services, be requested to report to the Public Works and Infrastructure Committee on:
 - a. possible additional access to the Ingram Transfer Station from the east, as recommended by the design district charette; and
 - b. the potential for acquiring lands east of the Ingram Transfer Station currently used to stockpile used asphalt.

(April 18, 2007) Report from the Acting General Manager, Solid Waste Management Services.

Committee Recommendations

The Public Works and Infrastructure Committee recommends to Council that:

1. the “green space” to the west of the Ingram Transfer Station be transferred to Parks, Forestry and Recreation for use as a City-owned and operated Driving Range;
2. the Director of Real Estate Services, in consultation with appropriate staff, report to the appropriate committee on entering into negotiations with the owner of 2255 Keele Street to permit the operation of a daycare centre at 2255 Keele Street;
3. staff work with Facilities and Real Estate and other divisions to develop a list of other City-owned properties as potential locations for reuse centres, and that, if a sufficient number of City-owned sites are not available, Solid Waste Management Services be authorized to seek the services of a real estate broker to find suitable private properties available within the City to purchase or lease; and
4. the report (June 13, 2007) from Deputy City Manager Richard Butts and Deputy City Manager Sue Corke be received for information.

Financial Impact

There are no financial implications arising from this report at this time. However, if Solid Waste Management Services were denied the right to use the vacant lands at Ingram Transfer Station, significant costs could be incurred to purchase industrial land with comparable

features. The estimated cost for acquiring a similar parcel of land, according to figures provided by Facilities and Real Estate, is \$2.44 million.

Should the vacant lands not continue to be considered as a feasible location for a City-owned reuse facility, the operational costs in the form of staffing and equipment allocation would increase as the current plans rely upon the operation of these facilities in tandem. Additionally, customer service may suffer as the proximity of these facilities at the Ingram property is ideal in providing seamless waste reuse, recycling and removal opportunities for residents.

Capital and operational financial implications arising from the reuse centres will be provided as each individual facility is recommended.

Summary

The western portion of the Ingram Transfer Station property, which is not currently used for waste management activities, but falls under the jurisdiction of Solid Waste Management Services, is an ideal site to improve the operation of the Ingram Transfer Station, including improved traffic flow and better access to the bi-level recycling depot and household hazardous waste (HHW) depot for residents and improved storage and transfer of yard waste and white goods. The site also holds promise as a potential reuse facility. Community improvements that would enhance green space in the area will be explored and implemented where feasible.

Background Information

2007-06-27-pw07-15

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5152.pdf>)

15a Alternative Uses for the Ingram Drive Site, In Particular a Child Care Centre and a Publicly-Owned and Operated Driving Range

(June 13, 2007) Report from Deputy City Manager Richard Butts and Deputy City Manager Sue Corke.

Financial Impact

This report has no immediate financial impact.

Summary

The purpose of this report is to consider alternative uses for the Solid Waste Management transfer site at Ingram Drive. The Public Works and Infrastructure Committee deferred consideration of the report (April 18, 2007) from the Acting General Manager, Solid Waste Management Services until the next meeting of the Public Works and Infrastructure Committee to be held on June 27, 2007 with a request that Deputy City Managers Richard Butts and Sue Corke, and appropriate staff, report on all alternative uses for the Ingram site being proposed by the local Councillor, and in particular on: a proposed Child Care Centre; and a publicly-owned and operated driving range and/or other community recreation purpose under the management and direction of Parks, Forestry and Recreation.

Background Information

2007-06-27-pw07-15a

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5153.pdf>)

Communications

(May 28, 2007) petition headed "No To Garbage on our Green Space" signed by approximately 70 individuals. (PW.Main.PW7.15.1)

(May 1, 2007) letter from Mr. and Mrs. L. George (PW.New.PW7.15.2)

(April 20, 2007) letter from Marisa Giorno, Danny and Claudio Conforti and Lizzie Castro (PW.New.PW7.15.3)

Speakers

Irene Leslie

Gayle Christie

Alan Tonks, MP for York South-Weston

Councillor Frank Di Giorgio, Ward 12, York South-Weston

PW7.16	NO AMENDMENT			Ward: All
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Residual Waste Planning Study

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, adopted the following motions:

1. The proposed terms of reference for the long-term residual waste management study not be submitted to the Minister of the Environment.
2. The General Manager of Solid Waste Management Services be directed to carry out a comprehensive residual waste planning study based on the principles and terms set out in Attachment A.
3. Purchase Order No. 6020066 to MacViro Consultants Inc. for the preparation of the proposed terms of reference be increased by \$62,200.00 excluding GST to a total of \$296,200.00 excluding GST to account for MacViro's attendance at additional public meetings and participation in the development of the Health Impact Assessment framework.

Subject to the adoption of Parts 1 and 2, the Public Works and Infrastructure Committee further recommends that:

4. The General Manager of Solid Waste Management Services and the Director of Purchasing and Materials Management be authorized to issue a request for proposals for professional technical services to undertake the planning study described in Part 2.
5. The Community Environmental Assessment Team (CEAT) be split into the 3Rs Working Group recommended in the report, entitled "Proposed Initiatives and

Financing Model to get to 70% Solid Waste Diversion by 2010” and a Residual Waste Working Group as described in Attachment B to this report.

6. General Manager of Solid Waste Management Services, in consultation with CEAT, develop a transition plan for the splitting of CEAT into the 3Rs Working Group and the Residual Waste Working Group and report back to the Public Works and Infrastructure Committee with the details in the fall.
7. The appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

(June 13, 2007) Report from the Acting General Manager, Solid Waste Management Services.

Committee Recommendations

The Public Works and Infrastructure Committee recommends that:

1. the proposed terms of reference for the long-term residual waste management study not be submitted to the Minister of the Environment;
2. the General Manager of Solid Waste Management Services be directed to carry out a comprehensive residual waste planning study based on the principles and terms set out in Attachment A;
3. Purchase Order No. 6020066 to MacViro Consultants Inc. for the preparation of the proposed terms of reference be increased by \$62,200 excluding GST to a total of \$296,200 excluding GST to account for MacViro’s attendance at additional public meetings and participation in the development of the Health Impact Assessment framework.

Subject to the adoption of Recommendations 1 and 2, the Public Works and Infrastructure Committee further recommends that:

4. the General Manager of Solid Waste Management Services and the Director of Purchasing and Materials Management be authorized to issue a request for proposals for professional technical services to undertake the planning study described in Recommendation 2;
5. the Community Environmental Assessment Team (CEAT) be split into the 3Rs Working Group recommended in the report, entitled “Proposed Initiatives and Financing Model to get to 70% Solid Waste Diversion by 2010” and a Residual Waste Working Group as described in Attachment B to this report;
6. General Manager of Solid Waste Management Services, in consultation with CEAT, develop a transition plan for the splitting of CEAT into the 3Rs Working Group and the Residual Waste Working Group and report back to the Public Works and Infrastructure Committee with the details in the fall; and

7. the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

The adoption of Recommendation 3 will result in a Capital expenditure in 2007 of \$62,200 excluding GST. This amount can be accommodated in the approved 2007 Capital budget for the residual waste study, CSW004-16-01.

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

Summary

Since March 2006, staff and the Community Environmental Assessment Team (CEAT) have been working diligently to prepare terms of reference for an individual environmental assessment (EA) for the long-term management of Toronto's residual waste. Key principles of the study were discussed at numerous CEAT meetings and during two rounds of public consultation. The project team also heard from other stakeholders, including government agencies and Toronto's Medical Officer of Health. Draft terms of reference were issued to stakeholders in March 2007 and a third round of public consultation was held in April to discuss feedback on the draft.

On March 23, 2007, the Province of Ontario enacted a new regulation which changes the EA requirements for waste management projects. Individual EAs are now required for only a few specific types of waste management projects. All other waste management projects, including those that are being considered by the City, are either exempt from the Environmental Assessment Act or can follow a new screening process set out in the new regulation. The new regulation also requires proponents to choose between an individual EA and the exemption and screening provisions. That is, if a proponent submits terms of reference for an individual EA, the exemption and screening provisions no longer apply to the projects included in the individual EA.

This report recommends that the City not submit the terms of reference to the Province at this time. It recommends that the City instead carry out a comprehensive residual waste planning study based on the principles set out in this report.

By completing a comprehensive planning study instead of an individual EA, the City should save both time and money.

Background Information

2007-06-27-pw07-16

<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5154.pdf>

16a Toronto CEAT Response to "Residual Waste Planning Study"

(June 13, 2007) Letter from Philip A. Knox, Chair, and Lee Doran, Vice-Chair, Toronto

CEAT.

Summary

Providing a response in support of the recommendations contained in the report from the Acting General Manager, Solid Waste Management Services on the Residual Waste Planning Study.

Background Information

2007-06-27-pw07-16a

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5155.pdf>)

Communications

(June 27, 2007) Submission from Philip Knox, Chair, Toronto CEAT (PW.New.PW7.16.1)

Speakers

Philip A. Knox, Chair, Toronto CEAT

Rod Muir, Waste Diversion Toronto

PW7.17	NO AMENDMENT			Ward: All
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Contract Extension for Region of Peel Waste Transfer Agreement

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, adopted the following motions:

1. The City exercise the option in the existing contract with the Region of Peel for an additional term of up to three (3) years for the transfer of the Region of Peel waste through the Disco Transfer Station.
2. The Acting General Manager be authorized to execute an amending agreement with the Region of Peel on terms and conditions acceptable to the Acting General Manager and the City Solicitor.
3. The appropriate officials be authorized and directed to take the necessary action to give effect thereto.

(June 11, 2007) Report from the Acting General Manager, Solid Waste Management Services.

Committee Recommendations

The Public Works and Infrastructure Committee recommends that:

1. the City exercise the option in the existing contract with the Region of Peel for an additional term of up to three (3) years for the transfer of the Region of Peel waste through the Disco Transfer Station;

2. the Acting General Manager be authorized to execute an amending agreement with the Region of Peel on terms and conditions acceptable to the Acting General Manager and the City Solicitor; and
3. the appropriate officials be authorized and directed to take the necessary action to give effect thereto.

Financial Impact

The City has the existing infrastructure and resources capable of providing this transfer service to the Region of Peel.

During the five-year contract with the Region of Peel the City has realized the following revenues (net of GST):

Year	Rate Per tonne	Tonnage	Revenue
2002	\$8.60	38,163	\$328,205.15
2003	\$8.99	94,741	\$851,728.78
2004	\$11.94	106,896	\$1,276,345.88
2005	\$12.06	107,211	\$1,292,972.14
2006	\$12.39	72,071	\$892,961.80
2007 (to end of contract July 11, 2007)	\$12.43	15,000 (estimated)	\$186,450

Should the City extend the agreement for a further term of up to three years the potential revenue realized will be (net of GST):

Year	Estimated Rate Per tonne (Actual based on an estimated annual CPI increase)	Estimated Tonnage*	Estimated Revenue
July 12– December 31, 2007	\$12.43	15,000	\$186,450
2008	\$12.47	30,000	\$374,100
2009	\$12.51	30,000	\$375,300
January 1– July 11, 2009	\$12.55	15,000	\$188,250
Total		90,000	\$1,124,100

* Estimates only for reporting purposes. The Region of Peel will provide estimates based on their operational needs annually to the City as outlined in the agreement.

The estimated revenue from July 12 to December 31, 2007, has been included as part of the approved 2007 Solid Waste Management Services operating budget (SW0805-8580). Estimated revenue generated in 2008 will be included as part of the 2008 operating budget submission.

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

Summary

The purpose of this report is to obtain approval to exercise the extension option available in the current contract between the City and the Region of Peel for the transfer of the Region of Peel waste through the Disco Transfer Station.

Background Information

2007-06-27-pw07-17

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5156.pdf>)

PW7.21	NO AMENDMENT			Ward: All
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Results of the Request for Proposal No. 0401-07-0059 - Contract for Recycling and Garbage Carts to Single-Family Households - Public Works and Infrastructure Committee Item PW6.16

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, adopted the following motions:

1. Rehrig Pacific Company be awarded the contract for the supply and distribution of recycling and garbage carts, including the maintenance program and cart exchanges over the 10-year contract, at an estimated value of approximately \$68,364,320 for both the garbage and recycling carts, including PST but net of GST, CPI and potential resin price adjustments.
2. The General Manager of Solid Waste Management Services be authorized to negotiate additional cart options such as alternative graphic options and radio frequency identification tags, etc., provided that the cost of any alternatives and/or additions are within the total budgeted amounts.
3. The appropriate officials be authorized to enter into a contract with Rehrig Pacific Company on terms and conditions provided in the RFP 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 and to take any necessary action to give effect thereto.

(June 26, 2007) Letter from the City Clerk.

Committee Recommendations

The Public Works and Infrastructure Committee recommends that:

1. Rehrig Pacific Company be awarded the contract for the supply and distribution of

recycling and garbage carts, including the maintenance program and cart exchanges over the 10-year contract, at an estimated value of approximately \$68,364,320 for both the garbage and recycling carts, including PST but net of GST, CPI and potential resin price adjustments;

2. the General Manager of Solid Waste Management Services be authorized to negotiate additional cart options such as alternative graphic options and radio frequency identification tags, etc., provided that the cost of any alternatives and/or additions are within the total budgeted amounts; and
3. the appropriate officials be authorized to enter into a contract with Rehrig Pacific Company on terms and conditions provided in the RFP 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 and to take any necessary action to give effect thereto.

Financial Impact

Recycling Carts - 10-Year Cost of \$33,904,429

The total capital cost for the initial purchase and distribution of the recycling carts is estimated at \$26,361,223 net of GST. Funding for this capital expenditure has been provided in the 2007–2011 approved Solid Waste Management Services Capital Budget in Capital Account CSW004-20 (Recycling Containers), with an estimated cashflow of \$7,180,000 in 2007, and the remaining \$19,181,223 in 2008.

The total 10-year operating costs beginning in 2008, related to recycling cart maintenance and additional deliveries to new residents, is estimated at \$7,170,606 net of GST. Funding for this operating expenditure will be included in 2008 and future years operating budget submissions. The total 10-year operating cost related to recycling cart exchanges is estimated at \$372,600 net of GST. However, there is no net operating impact for the cart exchange fee that will be paid to Rehrig as it is being recommended that residents requesting that their cart be exchanged for a different sized cart pay a fee equal to the City's cost of exchanging the cart.

Garbage Carts – 10-Year Cost of \$34,459,891

A request for additional Capital Budget funding for the garbage carts is contained in the Executive Committee report, titled “Proposed Initiatives and Financing Model to Get to 70% Solid Waste Diversion by 2010”, and will be before Council for approval. The additional Capital cost for the initial purchase and distribution of the garbage carts is estimated at \$26,630,895 net of GST. Funding for this expenditure in the amount of \$7,180,000 is proposed to be funded from the Solid Waste Reserve Fund in 2007, and the remaining 2008 Capital cost amount of \$19,450,895 will be funded by additional debt, and repaid through the proposed Solid Waste rate model.

Similarly, the additional estimated total Operating costs beginning in 2008, for the 10-year maintenance program and additional deliveries to new residents of garbage carts is estimated at \$7,195,576 net of GST and will be funded by the proposed Solid Waste rate model which will be before Council for approval. Funding for this operating expenditure will be included in 2008 and future years operating budget submissions. The specific Solid Waste rates will be

determined as part of the 2008 Budget process. The total 10-year operating cost related to garbage cart exchanges is estimated at \$633,420 net of GST (as previously indicated this is a charge to the resident and does not impact net operating budgets).

Inflation and Resin Price Adjustments

Given the volatility of plastic resin prices, which is the major material input for the carts, and the lengthy production time required to manufacture the quantity of carts required, the City included a plastic resin adjustment formula in the RFP to mitigate risks involved with resin pricing. Resin price adjustments can raise or lower the price of the carts to the City and will commence after the 6 (six) month fixed price period is over effective from the closing date of the RFP and will be adjusted throughout the ten (10) year term of the contract. It is difficult to project how resin prices will change and consequently the ultimate impact resin prices will have on the total cost.

The City recognized in the RFP that the cost to deliver additional carts and to perform cart exchanges throughout the ten (10) year contract will increase due to increases in fuel prices, labour costs, etc. To account for this inflation, the City will adjust the initial bid price annually for additional new cart deliveries required for new residents or for cart exchanges by 100% of the change in the Consumer Price Index (CPI) for Toronto each year of the contract.

All of the 10-year cost estimates exclude CPI, potential resin price adjustments based on the Chemical Data monthly Petro-Chemical and Plastics Analysis Index and GST.

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

Summary

City Council on June 19, 20 and 22, 2007, referred Item PW6.16, headed "Results of the Request for Proposal No. 0401-07-0059 - Contract for Recycling and Garbage Carts to Single-Family Households", back to the Public Works and Infrastructure Committee, and requested the Acting General Manager, Solid Waste Management Services, and the Director, Purchasing and Materials Management, to report to the Committee with a more accurate estimate of the value of the contract.

Background Information

2007-06-27-pw07-21

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5241.pdf>)

2007-06-27-pw07-21-attachpw6.16

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5242.pdf>)

21a Supplemental Pricing Information on the Results of the Request for Proposal No. 0401-07-0059 - Contract for Recycling and Garbage Carts to Single-Family Households

(June 26, 2007) Report from the General Manager, Solid Waste Management Services and the

Director, Purchasing and Materials Management.

Financial Impact

Any change (up or down) to the baseline resin price beyond the guaranteed six-month period will result in a change to the unit cart prices.

The plastic industry index forecast for 2008 is \$0.67 (US) per pound, \$0.03 (US) higher than the baseline price of \$0.64 (US).

A \$0.03 (US) increase in resin prices would result in an average \$0.78 (US) per cart price increase. At a US/Canadian exchange rate of 1.045 and 1,080,000 carts, this results in an overall price adjustment of approximately CDN \$880,000 plus applicable taxes. This could be accommodated within the approved budget estimates.

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

Summary

When a significant cost element of long-term City contracts is linked to volatile oil and natural gas prices, independent indicators are used to adjust pricing based on actual market prices at the time of consumption.

Based on the assumption that the majority of the carts will be produced/delivered in 2008 and based on the forecasted resin price index value for 2008, increased resin prices will result in an increased cost of approximately \$0.78 (US) per cart on average over baseline pricing. This can be accommodated within the approved budget estimates.

Background Information

2007-06-27-pw07-21a

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5460.pdf>)

Speakers

Rod Muir, Waste Diversion Toronto

Councillor Denzil Minnan-Wong, Ward 34, Don Valley East

Decision Advice and Other Information

The Public Works and Infrastructure Committee referred the following recommendation contained in the report (May 22, 2007) from the Acting General Manager, Solid Waste Management Services and the Director, Purchasing and Materials Management to the Budget Committee for consideration during the 2008 budget process, with a request that the appropriate public notice be given with respect to the proposed fees for the cart exchange program:

- “2. residents be allowed to request that their cart(s) be exchanged for a different sized cart(s) subject to payment of a cart exchange fee to the City equal to the City’s cost of exchanging the cart.”

PW7.22	NO AMENDMENT			Ward: All
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Results of the Request for Proposals No. 6035-07-3064 for Provision of Organic Material Processing Services

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, adopted the following motions:

1. The General Manager, Solid Waste Management Services be authorized to negotiate and enter into agreements with:
 - a. All Treat Farms Ltd. for processing services for up to 40,000 tonnes per year of Leaf and Yard Material and up to 5,000 tonnes per year of Digester Solids Material, for a term of up to 5 years, at a total cost not to exceed \$11,025,000.00, plus up to two 12-month extensions at the discretion of the General Manager, Solid Waste Management Services, at a cost not to exceed \$4,410,000.00, for a total potential contract of \$15,435,000.00, all amounts net of GST;
 - b. Integrated Municipal Services Inc. for processing services for up to 30,000 tonnes per year of Leaf and Yard Material and up to 5,000 tonnes per year of Digester Solids Material, for a term of up to 5 years, at a total cost not to exceed \$8,150,000.00, plus up to two 12-month extensions at the discretion of the General Manager, Solid Waste Management Services, at a cost not to exceed \$3,260,000.00, for a total potential contract of \$11,410,000.00, all amounts net of GST; and
 - c. OrgaWorld Canada Ltd. for processing services and haulage services for up to 50,000 tonnes per year of Source Separated Organic Material and up to 20,000 tonnes per year of Leaf and Yard Material, for a term of up to 5 years, at a total cost not to exceed \$37,973,500.00, plus up to two 12-month extensions at the discretion of the General Manager, Solid Waste Management Services, at a cost not to exceed \$15,189,400.00, for a total contact of \$53,162,900.00, all amounts net of GST.
2. The agreements referenced in Part 1 contain the unit prices provided in the Proponent's Proposals and be on terms and conditions contained in the RFP and otherwise on terms and conditions satisfactory to the General Manager, Solid Waste Management Services and in a form satisfactory to the City Solicitor.

(June 25, 2007) Report from the General Manager, Solid Waste Management Services and the Director, Purchasing and Materials Management.

Committee Recommendations

The Public Works and Infrastructure Committee recommends that:

1. the General Manager, Solid Waste Management Services be authorized to negotiate and enter into agreements with:
 - a. All Treat Farms Ltd. for processing services for up to 40,000 tonnes per year of Leaf and Yard Material and up to 5,000 tonnes per year of Digester Solids Material, for a term of up to 5 years, at a total cost not to exceed \$11,025,000.00, plus up to two 12-month extensions at the discretion of the General Manager, Solid Waste Management Services, at a cost not to exceed \$4,410,000.00, for a total potential contract of \$15,435,000.00, all amounts net of GST;
 - b. Integrated Municipal Services Inc. for processing services for up to 30,000 tonnes per year of Leaf and Yard Material and up to 5,000 tonnes per year of Digester Solids Material, for a term of up to 5 years, at a total cost not to exceed \$8,150,000.00, plus up to two 12-month extensions at the discretion of the General Manager, Solid Waste Management Services, at a cost not to exceed \$3,260,000.00, for a total potential contract of \$11,410,000.00, all amounts net of GST; and
 - c. OrgaWorld Canada Ltd. for processing services and haulage services for up to 50,000 tonnes per year of Source Separated Organic Material and up to 20,000 tonne per year of Leaf and Yard Material, for a term of up to 5 years, at a total cost not to exceed \$37,973,500.00, plus up to two 12-month extensions at the discretion of the General Manager, Solid Waste Management Services, at a cost not to exceed \$15,189,400.00, for a total contact of \$53,162,900.00, all amounts net of GST; and
2. the agreements referenced in Recommendation 1 contain the unit prices provided in the Proponent's Proposals and be on terms and conditions contained in the RFP and otherwise on terms and conditions satisfactory to the General Manager, Solid Waste Management Services and in a form satisfactory to the City Solicitor.

Financial Impact

The total potential cost of the agreements for the 5-year terms plus two option years is \$80.008 million net of GST.

The total cost of the agreements for the 5-year term beginning in 2008 is approximately \$57.149 million net of GST. The forecasted annual expenditure for processing services and haulage services are summarized in Table 1 and Table 2 respectively. The costs presented in Table 1 are in constant 2008 dollars and exclude inflation adjustments in 2009 and future years.

The total contractual costs in 2008 will be approximately \$8.026 million, net of GST (based on processing approximately 29,000 tonnes of SSO, 82,000 tonnes of L&YM and 5,800 tonnes of Digester Solids and hauling 29,000 tonnes of SSO and 12,000 tonnes of L&YM). The total annual contractual costs between 2009 and 2012 will be approximately \$11.430 million (based

on processing approximately 50,000 tonnes of SSO, 90,000 tonnes of L&YM and 10,000 tonnes of Digester Solids and hauling 50,000 tonnes of SSO and 20,000 tonnes of L&YM per year). The total contractual costs in 2013 will be approximately \$3.404 million (based on processing approximately 21,000 tonnes of SSO, 8,000 tonnes of L&YM, and 4,200 tonnes of Digester Solids and hauling 21,000 tonnes of SSO and 8,000 tonnes of Digester Solids).

Starting in 2009 and for the remainder of the term of the agreements, and any extensions of the term, processing costs will be adjusted to reflect 65% of the percentage change in the CPI index for Toronto – all items, or its replacement index, on a year to year basis. Starting in 2009 and for the remainder of the term of the agreement with OrgaWorld Canada Ltd., and extension of the term of the agreement, the haulage costs will be adjusted to reflect 100% of the percentage increase in the CANSIM Table 326-001, v736362 Ontario, Consumer Price Index – Operation of Automotive Vehicles index, or its replacement index, on a year-to-year basis.

The \$8.026 million required for 2008 will be included in Solid Waste Management Services Operating Budget submission for 2008. Funding requirements for the balance of the term will be included in subsequent Operating Budget submissions.

Table 1: Forecasted Expenditure by Year for Processing Services

Organic Material	Cost Centre	Estimated Expenditure by Year (\$, in '000s)							
		2007	2008	2009	2010	2011	2012	2013	Total by Material
SSO	SW-0476	0	3,281.2	5,625.0	5,625.0	5,625.0	5,625.0	2,343.7	28,125.0
Digester Solids	SW-0476	0	335.4	575.0	575.0	575.0	575.0	239.5	2,875.0
L&YM	SW-0477	0	3,627.5	3,890.0	3,890.0	3,890.0	3,890.0	262.4	19,450.0
Total by Year		0	7,244.1	10,090.0	10,090.0	10,090.0	10,090.0	2,845.6	50,449.7

Table 2: Forecasted Expenditure by Year for Haulage Services

Organic Material	Cost Centre	Estimated Expenditure by Year (\$, in '000s)							
		2007	2008	2009	2010	2011	2012	2013	Total by Material
SSO	SW-0476	0	503.1	862.5	862.5	862.5	862.5	359.3	4,312.5
L&YM	SW-0477	0	278.3	477.2	477.2	477.2	477.2	198.8	2,386.0
Total by Year		0	781.50	1,339.7	1,339.7	1,339.7	1,339.7	558.2	6,698.5

In total, Recommendation 1 secures processing services for up to 50,000 tonnes per year of SSO, up to 90,000 tonnes per year of L&YM and up to 10,000 tonnes per year of DS, and haulage services for up to 50,000 tonnes per year of SSO and up to 20,000 tonnes per year of L&YM, under three separate agreements. The services secured by Recommendation 1 will begin in 2008.

The original term of each agreement will depend on the starting date of processing services but

will be for up to 5-years and will not extend beyond May 31, 2013. At the sole discretion of the General Manager, Solid Waste Management Services, the term of the agreements may be extended for up to two additional 12-month periods.

Depending on the City's needs and the results of negotiations, All Treat Farms Ltd. will begin processing L&YM on January 1, 2008, and will begin processing DS between January and June 2008, Integrated Municipal Services Inc. will begin processing L&YM on January 1, 2008, and will begin processing DS between January and June 2008, and OrgaWorld Canada Ltd. will begin hauling and processing L&YM and SSO between January and June 2008.

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

Summary

This report summarizes the results of the Request for Proposals (RFP) No. 6035-07-3064 to obtain processing services for Source Separated Organic Material (SSO), Leaf and Yard Material (L&YM) and/or Digester Solids (DS) at public or private facilities located in Ontario, for a term of up to five years plus up to two 12-month extensions. The RFP was conducted in compliance with the policies of the Purchasing and Materials Management Division. The following Proponents, in combination, satisfy the City's organic material processing requirements and achieved the highest combined Total Score at the lowest annual cost to the City and are therefore recommended as the Preferred Proponents:

- All Treat Farms Ltd. to process up to 40,000 tonnes per year of L&YM and up to 5,000 tonnes per year of DS;
- OrgaWorld Canada Ltd. to process up to 50,000 tonnes per year of SSO and up to 20,000 tonnes per year of L&YM, and to provide haulage services for both materials; and
- Integrated Municipal Services Inc. to process up to 30,000 tonnes per year of L&YM, and up to 5,000 tonnes per year of DS.

Background Information

2007-06-27-pw07-22

<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5438.pdf>

PW7.23	AMENDED			Ward: All
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Ashbridges Bay Treatment Plant - Biosolids Pelletizer Facility Operations, Maintenance and Pellet Marketing Services Agreement

City Council Decision

City Council on July 16, 17, 18 and 19, 2007, adopted the following motions:

1. Authority be granted to finalize and execute the Operations, Maintenance and Pellet Marketing Services Agreement with Veolia Water Canada, Inc. on substantially similar terms and conditions as set out in the attached Schedule 'A', and on such other terms as may be acceptable to the General Manager, Toronto Water, and all in a form acceptable to the City Solicitor.
2. Funds in the amount of \$2,880,000.00 net of GST be reallocated for the payment of enhancements made to the Pelletizer Facility during rebuilding as follows:
\$1,440,000.00 from CWW005-92- Ashbridges Bay WWTP Digester Refurbishment and \$1,440,000.00 from CWW008-44 - Humber WWTP Waste Activated Sludge Upgrade, to CWW010 98 - Ashbridges Bay WWTP Biosolids Pelletizer.
3. The appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

(June 27, 2007) Report from the General Manager of Toronto Water.

Committee Recommendations

The Public Works and Infrastructure Committee submits this matter to City Council without recommendation.

Financial Impact

The proposed agreement calls for a variety of services to be provided at an initial unit price of \$159.54 per dry tonne (exclusive of all taxes) of biosolids received, processed and marketed by Veolia (this is equivalent to \$44.67 per wet tonne on a 28% solids basis as processed at the plant's centrifuges). The City would be committing to providing a target of 25,000 dry tonnes of biosolids to Veolia at the Pelletizer Facility each year for an initial period of ten years. Assuming the start of Secondary Testing of the Pelletizer Facility in July 2007, the fiscal commitment for 2007 would be approximately \$1,994,250 (based on 26 weeks of production).

The fiscal commitment for each of the subsequent nine (9) contract years would be approximately \$3,988,500 per year (based on 2007 unit price) – plus annual CPI adjustments

In addition, in 2007 the City would make a lump sum payment to Veolia in the amount of \$2,882,170 to pay for enhancements implemented to the Pelletizer Facility during the reconstruction. This project is included in the approved 2007-2011 Toronto Water Capital Budget in WBS Element (CWW010-98) Ashbridges Bay WWTP – Biosolids Pelletizer, however, at this time, the uncommitted cashflow in CWW010-98 is insufficient and additional cash flow authority is therefore required to meet these commitments. The additional cashflow and project cost (all net of GST) is to be reallocated from approved 2007 capital projects (with net impact of \$0) as follows:

CWW005-92 - Ashbridges Bay WWTP Digester Refurbishment - \$1,440,000.
CWW008-44 - Humber WWTP Waste Activated Sludge Upgrade - \$1,440,000.

A further lump sum payment of \$180,000 would be made from the operating budget (WW1036)

for Veolia's mobilization costs.

The City is required to pay the cost of all utilities used at the Pelletizer Facility. However, the City benefits under the proposed agreement by the capped maximum consumption rates in place for electricity and natural gas used by the Pelletizer dryer units. Veolia will refund the City the cost of electricity and natural gas that exceeds the capped consumption rates. The cost of natural gas for 2007 is estimated to be \$1,062,375 and the cost of electricity is estimated to be \$142,375, assuming six months of operation. Funds in the amount of \$2,991,093 for these utilities have been budgeted for 2007 in Account Number WW1036.

All fee increases in future years are linked to CPI and will therefore be funded through annual water rate increases. Future capital equipment and improvement costs of \$200,000 per year are anticipated over the life of the Pelletizer Facility and will be budgeted for accordingly in future year Toronto Water capital budgets. The following table summarizes the financial impacts as estimated.

Description	2007	Annualized	Funding
Operating Contract	\$1,994,250	\$3,988,500	WW1036 Ashbridges Bay TP Biosolids Work Area
Mobilization Costs	\$180,000	One time	WW1036 Ashbridges Bay TP Biosolids Work Area
Natural Gas	\$1,062,375	\$2,124,750	WW1036 Ashbridges Bay TP Biosolids Work Area
Hydro	\$142,375	\$284,750	WW1036 Ashbridges Bay TP Biosolids Work Area
Capital Enhancements	\$2,882,170	One time	CWW010-98 Ashbridges Bay WWTP Biosolids Pelletizer
Future Capital Equipment & Improvements	N/A	\$200,000	CWW010-98 Ashbridges Bay WWTP Biosolids Pelletizer (for 2008 only; new capital budget will be established for subsequent years)
Capital Funds Transfer	(\$1,440,000)	N/A	CWW005-92 Ashbridges Bay WWTP Digester Refurbishment
Capital Funds Transfer	(\$1,440,000)	N/A	CWW008-44 Humber WWTP Waste Activated Sludge Upgrade

The Deputy City Manager and Chief Financial Officer has reviewed this report and concurs with the financial implications and impact statement.

Summary

The purpose of this report is to seek Council approval and authority to finalize and execute an agreement between the City of Toronto and Veolia Water Canada, Inc. (formerly doing business as USF Canada Inc.) ("Veolia") on substantially the same terms and conditions outlined in this report.

Reconstruction of the Ashbridges Bay Treatment Plant (ABTP) Pelletizer Facility, which burned down in 2003, is expected to be completed and ready for final testing ("Secondary

Testing”) by mid July 2007. In order to start Secondary Testing and to operationalize the Pelletizer Facility, the City requires the professional services of an experienced operator to operate and maintain the Pelletizer Facility and to market for beneficial use the pellets produced. City Council had previously authorized staff to enter into negotiations with Veolia for these services subject to a report back to the appropriate Committee regarding the proposed terms and conditions and City Council approval of any negotiated draft agreement.

Under the terms of the proposed agreement, Veolia will provide all staff and resources necessary to process 25,000 Dry Tonnes per year of biosolids produced at the ABTP. This represents 50% to 60% of the total biosolids production and is a significant step towards fulfilling the City’s commitment to the beneficial use of the biosolids generated at the ABTP. The remainder of the City’s biosolids will continue to be managed through a combination of other beneficial use options and landfilling.

Background Information

2007-06-27-pw07-23

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5412.pdf>)

2007-06-27-pw07-23.attach

(<http://www.toronto.ca/legdocs/mmis/2007/pw/bgrd/backgroundfile-5434.pdf>)

Council also considered the following:

- (June 29, 2007) from the President, Toronto Civic Employees’ Union – Local 416.(PW7.23.1)
- (July 16, 2007) from Josie Roussel.(PW7.23.2)

Speakers

Dave Hewitt, Toronto Civic Employees' Union, Local 416
Michael Rosenberg

Decision Advice and Other Information

The Public Works and Infrastructure Committee submits the staff recommendations contained in the report (June 27, 2007) from the General Manager of Toronto Water:

“The General Manager of Toronto Water recommends that:

1. authority be granted to finalize and execute the Operations, Maintenance and Pellet Marketing Services Agreement with Veolia Water Canada, Inc. on substantially similar terms and conditions as set out in the attached Schedule ‘A’, and on such other terms as may be acceptable to the General Manager, Toronto Water, and all in a form acceptable to the City Solicitor;
2. funds in the amount of \$2,880,000 net of GST be reallocated for the payment of enhancements made to the Pelletizer Facility during rebuilding as follows: \$1,440,000 from CWW005-92- Ashbridges Bay WWTP Digester Refurbishment and \$1,440,000 from CWW008-44 - Humber WWTP Waste Activated Sludge Upgrade, to

CWW010-98 - Ashbridges Bay WWTP Biosolids Pelletizer; and

3. the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.”

Submitted Wednesday, June 27, 2007

Councillor Glenn De Baeremaeker, Chair, Public Works and Infrastructure Committee