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STAFF REPORT ACTION REQUIRED

Amendment to Wastewater System By-Products Transportation and Disposal Agreement with Republic Services Inc.

Date:	October 16, 2009
То:	Public Works and Infrastructure Committee
From:	General Manager, Toronto Water
Wards:	All
Reference Number:	P:\2009\Cluster B\TW\pw09025

SUMMARY

The purpose of this report is to seek approval to amend the Wastewater System By-Products Transportation and Disposal Agreement between the City of Toronto and Republic Services Inc., Republic Services of Canada Inc., Republic Services of Michigan I, LLC, doing business as Carleton Farms, and Triwaste Services, to change the Alternate Disposal Site from the Brent Run Landfill located in Genesee County, Michigan to the Sauk Trail Hills Landfill located in Wayne County Michigan.

RECOMMENDATIONS

The General Manager of Toronto Water recommends that:

1. City Council authorize the General Manager of Toronto Water, to enter into an amending agreement with Republic Services, Inc., Republic Services of Canada, Inc., Republic Services of Michigan I, LLC, doing business as Carleton Farms, and Triwaste Services, to change the Alternate Disposal Site from the Brent Run Landfill in Genesee County Michigan, to the Sauk Trail Hills Landfill in Wayne County Michigan, in a form satisfactory to the City Solicitor.

Financial Impact

There are no financial implications resulting from this recommendation.

DECISION HISTORY

At its meeting on April 14, 15 and 16th, 2003, City Council authorized the execution of the agreement with Republic Services of Canada, Inc. and Wilson Logistics Inc., to provide the required haulage and disposal services for wastewater system by-products for the City of Toronto commencing January 1, 2003.

http://www.toronto.ca/legdocs/2003/agendas/council/cc030414/nomj(24).pdf http://www.toronto.ca/legdocs/2003/agendas/council/cc030414/cofa.pdf

At its meeting on December 1, 2 and 3, 2008, City Council authorized consent to the assignment of the transportation component of the Wastewater System By-Products Transportation and Disposal Agreement between the City of Toronto, Republic Services Inc., Republic Services of Canada Inc. and Republic Services of Michigan I, LLC, doing business as Carleton Farms and Wilson Logistics Inc., now known as Trailcon Leasing Inc. ("Trailcon"), from Trailcon to 1416720 Ontario Limited operating as Triwaste Services.

http://www.toronto.ca/legdocs/mmis/2008/pw/reports/2008-11-12-pw20-cr.pdf

At its meeting on August 5 and 6, 2009, City Council City Council authorized the General Manager, Solid Waste Management Services, to enter into an amending agreement with Republic Services, Inc., Republic Services of Canada, Inc., Republic Services of Michigan I, LLC, doing business as Carleton Farms, and Republic Transportation Services of Canada, Inc. to change the Alternate Disposal Site from the Brent Run Landfill in Genesee County Michigan, to the Sauk Trail Hills Landfill in Wayne County Michigan, in a form satisfactory to the City Solicitor. http://www.toronto.ca/legdocs/mmis/2009/pw/decisions/2009-06-03-pw25-ds.htm

ISSUE BACKGROUND

The Wastewater System By-Products Transportation and Disposal Agreement between the City of Toronto and Republic Services Inc., Republic Services of Canada Inc., Republic Services of Michigan I, LLC, doing business as Carleton Farms, and Triwaste Services (the "Agreement") defines a Primary Disposal Site and an Alternate Disposal Site. The Primary Disposal Site is Carleton Farms Landfill, in Sumpter Township, Wayne County, Michigan. The Alternate Disposal Site is Brent Run Landfill in Genesee County, Michigan. The purpose of the Alternate Disposal Site is to provide immediate disposal operations in the event that the Primary Disposal Site becomes unavailable.

On December 15, 2008, the City received correspondence from Republic Services Inc. advising that a merger between Republic Services Inc. and Allied Waste Industries, Inc. was completed. As a condition of approval of this merger, the United States District Court for the District of Columbia issued a final judgement requiring Republic Services Inc. and Allied Waste Industries to sell off various landfills, including the Brent Run Landfill located in Genesee County. This correspondence requested that the City amend the Wastewater System By-Products Transportation and Disposal Agreement to change the Alternate Disposal Site from Brent Run Landfill located in Genesee County, Michigan to Sauk Trail Hills Landfill located in Wayne County, Michigan.

Changing the Alternate Disposal Site will not result in any change to the current operations or service fee.

COMMENTS

Since the commencement of the Agreement, Carleton Farms Landfill has been the only disposal site Republic Services Inc. has used and Republic Services Inc. is intending to continue utilizing the Carleton Farms Landfill as the Primary Disposal Site until the Agreement ends on December 31, 2013.

The City's Solid Waste Management Division also has a disposal agreement with Republic Services to send municipal solid waste to Carleton Farms Landfill and have recently amended that agreement to designate Sauk Trail Hills Landfill as an Alternate Disposal Site. During this process, staff performed a due diligence assessment on the Sauk Trail Hills Landfill to determine the risk of liability under the United States' *Comprehensive Environmental Response, Compensation and Liability Act* ("CERCLA").

The analysis suggests that it is a reasonably acceptable risk to allow the Alternate Disposal Site to be changed to Sauk Trail Hills Landfill. The analysis indicated that Sauk Trail Hills Landfill is well situated and well designed to prevent a release of waste, leachate or other environmental contamination. The landfill is managed in accordance with specific, conservative, operating guidelines by a large owner (Republic Services Inc.) with a great deal of experience in operating similar landfills.

CONTACT

Frank Quarisa Director, Wastewater Treatment Toronto Water Phone: (416) 392-8230 **Email: fquaris@toronto.ca**

SIGNATURE

Lou Di Gironimo General Manager, Toronto Water