Future Waste Contracts

Date: April 17, 2013

To: Public Works and Infrastructure Committee

From: General Manager, Solid Waste Management Services
      General Manager, Toronto Water

Wards: All Wards

Reference Number: P:\2013\Cluster B\SWM\May\005PW (AFS#16400)

SUMMARY

This staff report is in response to a letter dated August 27, 2012 from Councillor John Filion requesting that, for future waste contracts, City of Toronto ensure that a number of conditions are adhered to as part of the process of entering into agreements, and ensure the ethical treatment of communities where Toronto waste is being shipped.

RECOMMENDATIONS

The General Manager, Solid Waste Management Services, and the General Manager, Toronto Water, recommends that the Public Works and Infrastructure Committee receive this report for information.

Financial Impact

This report has no financial impacts.

DECISION HISTORY

At its meeting of September 12, 2012, Public Works and Infrastructure Committee referred item PW17.21 – Future Waste Contracts, to the General Manager, Solid Waste Management Services, and the General Manager, Toronto Water, for consideration and report back to the Public Works and Infrastructure Committee in the first quarter of 2013.
The Public Works and Infrastructure Decision document can be viewed at:

ISSUE BACKGROUND

Toronto Water and Solid Waste Management Services administer contracts for the proper management of various wastes. All necessary procurement processes are implemented and appropriate measures applied to ensure environmental and legal compliance.

COMMENTS

Biosolids Management in the City of Toronto

Since 2006, Toronto Water staff has put in place a number of contracts to manage biosolids generated at the Ashbridges Bay Treatment Plant. These contracts vary in length and are intended to provide the City a variety of beneficial use and disposal contingency options. Biosolids that are beneficially used in Ontario are heavily regulated from the point of generation to the point of ultimate end use. Most key regulations fall under the Ontario Nutrient Management Act for dewatered biosolids or the Federal Fertilizers Act for biosolids pellets.

Prior to 2010, all contracts were negotiated on a sole source basis in accordance with City Council authorities granted to the General Manager, Toronto Water, following the loss of access to the Republic Landfill in Michigan in 2006. Since 2010, Toronto Water follows a multi-step competitive process when seeking new biosolids management service providers. This competitive process includes specific requirements that each proponent must meet prior to entering into a contract with the City.

Leaf and Yard Waste/Digestor Solids Management in the City of Toronto

Leaf and Yard Waste

Leaf and Yard waste collected annually for diversion is currently processed under seven separate processing contracts which together provide capacity to process 100,000 tonnes per year. Multiple contracts are required to ensure sufficient capacity during peak generation seasons (spring and fall).

Digestor Solids

Digestor Solids are produced from the anaerobic digestion of the City’s source separated organic material and requires secondary processing to produce high quality compost. Digestor Solids are currently produced at the City’s Dufferin organics processing facility at the rate of approximately 11,000 tonnes per year. The City’s new organics processing facility currently under construction at the Disco Road Transfer Station will commence processing source separated organic material in late 2013 and will also begin producing
Digester Solids at a rate up to approximately 30,000 tonnes per year at that time. Currently digestor solids are processed at one facility which provides capacity of 30,000 tonnes per year.

Leaf and Yard waste and Digestor Solids processed at a contractor’s facility must be converted into an unrestricted use product which satisfies the quality requirements intended for beneficial land application.

1. **The Request for Proposal Process**

The Request for Proposal process allows for open competitive bidding by potential proponents based on a set of predetermined specifications outlined by City staff. All biosolids and solid waste materials Request for Proposals contain mandatory requirements related to operations, proven technology and applicable regulatory approvals and standards. Specific regulatory approvals include requirements under United States and Canadian Federal laws, Provincial laws and State or Municipal By-laws depending on where the biosolids and solid waste materials are to be managed.

Review of the Request for Proposal and submissions by potential proponents is overseen by the City’s Purchasing and Materials Management Division. The Purchasing Division ensures the Request for Proposal process is undertaken in a fair and equitable manner and also administers the City’s Purchasing By-laws, Policies, and Procedures that govern the procurement process when dealing with potential proponents.

2. **Legal Agreement**

Once a proponent’s proposal has been accepted through the procurement process, a Services Agreement is prepared by the City Solicitor’s office in consultation with Toronto Water and Solid Waste Management Services staff that details the applicable requirements. This Agreement includes the proponent’s representations and warranties, proponent’s responsibilities under the Agreement, required documentation (i.e., regulatory approvals, contingency plan and community relations plan) insurances and bonding (when necessary). Evidence of the documentation is required prior to commencement of services. The City’s Risk Management staff are consulted in preparing the necessary environmental, automobile and commercial insurance provisions.

The proponent must ensure all necessary approvals are obtained prior to commencing the service they were contracted to provide and must ensure that all regulatory approvals are maintained for the duration of the Agreement.

3. **Third Party Due Diligence Reviews**

Prior to the City’s biosolids and solid waste materials being transferred to a new service provider or a new destination, Toronto Water and Solid Waste Management Services staff undertake due diligence review by either a third party or internal staff that may include a site inspection, review of technical viability, operational practices, and
environmental management systems. The review is intended to identify any issues that need to be addressed in order to ensure safe receipt and processing of Toronto’s biosolids and solid waste materials in compliance with all applicable regulations and standards.

For the duration of the contract, Toronto Water and Solid Waste Management Services staff regularly review and request updates from each of its service providers regarding their Emergency Response Plans, Communications Plans, insurance certificates and regulatory approvals. Meetings, conference calls and occasional site visits are also conducted to address any concerns that may arise during the contract term.

**CONTACT**

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**SIGNATURE**

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