

--	--

TO:	CHAIR AND MEMBERS COMMUNITY AND NEIGHBOURHOODS COMMITTEE MEETING ON NOVEMBER 15, 2011
FROM:	JAY STANFORD, M.A., M.P.A. DIRECTOR, ENVIRONMENTAL PROGRAMS & SOLID WASTE
SUBJECT	MUNICIPALITY OF THAMES CENTRE PARTNERSHIP OPPORTUNITIES IN WASTE MANAGEMENT

RECOMMENDATION

That on the recommendation of the Director – Environmental Programs & Solid Waste, the following actions **BE TAKEN** with respect to shared waste management services with the Municipality of Thames Centre:

- (a) the expansion of the service area of the W12A Landfill to include the Municipality of Thames Centre **BE APPROVED** subject to the Municipality of Thames Centre;
 - i. expanding the service area of its landfill to include the City of London,
 - ii. agreeing to accept waste from the City of London up to an amount equal to the waste it disposes at the W12A landfill, and
 - iii. executing a standard Blue Box Processing Agreement to process recyclables at the Manning Drive Material Recovery Facility;
- (b) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this matter.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
--

Relevant reports that can be found at www.london.ca under City Hall (meetings) include:

- Material Recovery Facility Competitive Bid Principles, Community and Neighbourhoods Committee (CNC) Meeting on October 18, 2011, Agenda #7
- City of Stratford - Request for Proposals Processing Services for Recyclable Materials, CNC Meeting on September 13, 2011, Agenda #19
- Municipal Partner Agreements for Blue Box Processing Services, CNC Meeting on August 16, 2011, Agenda #17

BACKGROUND

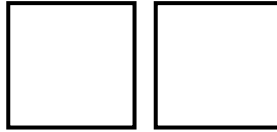
PURPOSE

The purpose of this report is to seek approval to allow sharing of waste disposal capacity between the City of London and the Municipality of Thames Centre (Thames Centre) subject to Thames Centre signing a standard Blue Box Processing Agreement to use the Manning Drive Material Recovery Facility (MRF).

DISCUSSION

Discussions between Thames Centre and City of London staff on waste management challenges and opportunities have identified a number of potentially mutually beneficial opportunities to work together. These opportunities include:

- processing recyclables from Thames Centre at Manning Drive MRF
- sharing of a limited amount of landfill capacity to reduce costs



Processing Recyclables from Thames Centre at Manning Drive MRF

The use of the Manning Drive MRF by Thames Centre will save money for both Thames Centre and the City. Thames Centre will save money because of the low processing costs of the facility. These processing costs will be pushed lower because of economies of scale by Thames Centre coming to the facility which will benefit both the City and Thames Centre.

As noted in previous CNC reports, the operating agreement for the new regional MRF contains 168 different price points for processing recyclables depending on:

- the quantity of material,
- the quality of material, and
- whether or not plastics bags are allowed to be used as a recycling container.

Pricing varies from less than \$50 per tonne to approximately \$100 per tonne within the 168 different price points. Thames Centre generates approximately 1,000 tonnes of recyclables per year. It is estimated this increase in quantities will reduce the overall unit processing cost by approximately \$2 per tonne and save the City over \$45,000 per year (30,000 tonnes X \$1.5 per tonne).

The use of the Manning Drive MRF by Thames Centre has other benefits to both the City and Thames Centre. Having Thames Centre using the MRF will make it easier to attract additional municipalities to the MRF which will reduce costs even further. Thames Centre will be able to add materials such as a wider range of plastics, cardboard cans and aerosol cans to its program.

Thames Centre had been expected to seek competitive pricing for processing its Blue Box recyclables but given the above advantages coupled with the potential savings from sharing landfill capacity (discussed below) it may be willing to sole source processing of their Blue Box recyclables.

Council has previously authorized a standard Blue Box Processing Agreement for municipalities wanting to use the MRF.

Sharing of a Limited Amount of Landfill Capacity to Reduce Costs

Sharing of a limited amount of landfill capacity would involve Thames Centre disposing of residential waste in the W12A landfill during the winter months (November to March) while the City would dispose of an equal amount of waste in the Thames Centre landfill in the summer months (May to September).

This arrangement would reduce costs for Thames Centre because their landfill receives minimal waste in the winter months and therefore is costly to operate on a per tonne basis. It would also extend the life of the Thames Centre landfill through better management of cover material. There would be some savings to the City because it could dispose of garbage at the Thames Centre landfill when it makes sense from a transportation perspective. There are parts of the City which are closer to the Thames Centre landfill than the W12A Landfill that deliver garbage to W12A landfill. The Thames Centre Landfill is located at 2015 Crampton Drive, Thames Centre which is approximately 8 kilometers east of London.

It is proposed that the City would be limited in the amount it could dispose of at the Thames Centre Landfill in the summer months to the amount it received at the W12A Landfill from Thames Centre over the previous winter. It is proposed the City would charge Thames Centre a tipping fee of \$41 per tonne if the City were to dispose of less waste at the Thames Centre Landfill than it received. This rate will be added to *A-40 Various Fees and Charges By-law* as part of the 2010 Budget process. This is the same rate charged large volume customers that deliver waste to the W12A landfill.

The quantity of waste that would be 'swapped' between Thames Centre and the City would be less than 1,000 tonnes per year. This represents approximately 0.4 per cent of the waste landfilled each year at W12A.

The service area of the W12A landfill (area from which it can accept waste for disposal) is currently limited to the City of London. Under almost all circumstances expanding the service

--	--

area would require an amendment to the landfill's Certificate of Approval issued by the Ministry of the Environment (MOE). The amendment would require approval under the *Environmental Protection Act* and in most cases the *Environmental Assessment Act*.

This is not the case for adjacent separated municipalities which is the case with Thames Centre and London. London has the authority to expand its service area to include Thames Centre and Thames Centre can expand its service area to include London without amending its Certificate of Approval.

City staff have discussed this matter with MOE staff and they confirmed our authority to undertake this activity. The matter was also raised with the W12A Landfill Public Liaison Committee (PLC) with an emphasis placed on the swap nature of the proposal. The W12A Landfill PLC objects in principle to any waste from outside London being disposed of at the W12A landfill.

ACKNOWLEDGEMENTS

This report was prepared with assistance from Anne Boyd, Waste Diversion Coordinator and Mike Losee, Manager – Solid Waste Engineering.

PREPARED BY:	
WESLEY ABBOTT, P. ENG. DIVISION MANAGER SOLID WASTE MANAGEMENT	
PREPARED AND RECOMMENDED BY:	REVIEWED & CONCURRED BY:
JAY STANFORD, M.A., M.P.A. DIRECTOR, ENVIRONMENTAL PROGRAMS & SOLID WASTE MANAGEMENT	PAT McNALLY, P. ENG. EXECUTIVE DIRECTOR, PLANNING, ENVIRONMENTAL AND ENGINEERING SERVICES