

March 27<sup>th</sup>, 2017

## HAND DELIVERED

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Mayor Eisenberger and Councillors The City of Hamilton Hamilton City Hall 71 Main Street West Hamilton, ON L8P 4Y5

## **SUBJECT: Biosolids Management**

Dear Mayor and Councillors:

On January 18, 2017, the General Issues Committee (GIC) received a presentation from staff regarding the proposal to provide a thermal dryer for future biosolids management. As President of Terratec Environmental Ltd, a 30 year old Hamilton-based company that has provided over 20 years of reliable and cost effective biosolids management services to the City, I feel compelled to make you aware of several items that I feel were not considered, or accurately reflected, in the presentation.

- The staff presentation indicates that the proposed thermal dryer plant will be at a similar cost to land application. However, the presentation notes that, the proposed thermal dryer will cost the City a minimum of \$6,290,000/year in its first year while the current land application program costs \$2,811,000/year. As such, the proposed solution will cost the City at least an additional \$100,000,000 over 30 years.
- The staff presentation overstates the annual cost of the current biosolids management program by approximately \$700,000/year. It indicates the annual cost at \$3,500,000/year while the actual cost is \$2,811,000 for dewatered biosolids management.
- Land application is an environmentally sustainable biosolids management option and provides taxpayers the lowest cost.
- Land application of biosolids is practiced by over 80% of Ontario municipalities.
- Contrary to rumoured future bans and restrictions, both the Ministry of Environment and Climate Change (MOECC) and the Ministry of Agriculture, Food and Rural Affairs (OMAFRA) have embraced land application of biosolids as a safe and environmentally sustainable method to improve soil health.
- Land application of biosolids has also been embraced by the agricultural community who highly value municipal biosolids that are currently provided at no cost (farmers will have to purchase pellets), to develop healthy soils.
- High demand for municipal biosolids continues and land availability has never been a constraint. Annually, there is 2 to 3 times more land available than required for the land application of biosolids.

- Land application results in a net negative (reduction) of Green House Gas (GHG) emissions while the proposed thermal dryer plant will produce significant GHGs. No GHG estimates were provided in the staff presentation.
- The proposed thermal dryer project was not recommended in the Biosolids Master Plan and therefore is not compliant with the BMP as claimed in the presentation.

<u>There is a very real risk that the cost of the proposed project will exceed \$200,000,000 over 30 years.</u> Council's approved <u>Affordability Threshold will most likely be exceeded</u> as the project proceeds with obtaining the Environmental Compliance Approval (ECA), detailed engineering, operations review, and the purchase of carbon credits.

Important factors to consider:

- The selected thermal dryer solution was developed based on conditions, information, and risks presented to Council with the approval of the 2007 Biosolids Master Plan. As proposed, the thermal dryer will be operational in 2020, 13 years after a recommendation was provided to Council. Conditions and challenges in 2007 were very different than they are today.
- Land continues to be readily available for land application and greatly exceeds the requirement to service the quantity of biosolids available.
- The MOECC and OMAFRA have created an environment that promotes a sustainable, long term, land application program.
- The proposed thermal dryer project will cost the City of Hamilton twice as much as its current biosolids management program at a time when the City is experiencing severe fiscal constraints.
- The Minister of Environment and Climate Change has just recently stated his goal of "zero GHGs from the waste sector".

Given recent budget discussions, I feel it is important to note that the City is about to embark upon a solution to solve a problem that no longer exists and will cost the City of Hamilton \$6.3 million in annual capital and operating costs, more than \$3 million over the current annual cost of the biosolids program. Further, the proposed solution results in a significant increase in Green House Gas emissions which is in conflict with the City's GHG reduction goal, stands in stark contrast to the new MOECC strategy of zero GHG emissions from the waste sector, and fails to provide a new or innovative solution or reduce the City's risk.

As both a resident of Hamilton and your current biosolids management supplier, with considerable subject matter expertise on the issue, it is incumbent upon me to highlight important factors to be considered prior to executing a contract for the proposed biosolids project.

Yours sincerely,

Doug Legge P. Eng. President

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