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VIA EMAIL

Legislative & Planning Services
Department
Office of the Regional Clerk
1151 Bronte Road
Oakville ON L6M 3L1

June 26, 2018

City of Hamilton, Rose Caterini

Please be advised that at its meeting held Wednesday, June 20, 2018, the Council of the Regional Municipality of Halton adopted the following resolution:

RESOLUTION: PW-32-18 - Capital Upgrades to the City of Hamilton's Central Composting Facility

1. THAT Report No. PW-32-18 re: "Capital Upgrades to the City of Hamilton's Central Composting Facility" be received for information.
2. THAT the Regional Clerk forward a copy of Report No. PW-32-18 to the City of Hamilton for their information.

Included please find a copy of Report No. PW-32-18 for your information.

If you have any questions please contact me at extension 7110 or the e-mail address below.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Milne".

Graham Milne
Regional Clerk
graham.milne@halton.ca

Regional Municipality of Halton

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The Regional Municipality of Halton

Report To:	Regional Chair and Members of Regional Council
From:	Jim Harnum, Commissioner, Public Works
Date:	June 20, 2018
Report No. - Re:	PW-32-18 - Capital Upgrades to the City of Hamilton's Central Composting Facility

RECOMMENDATION

1. THAT Report No. PW-32-18 re: "Capital Upgrades to the City of Hamilton's Central Composting Facility" be received for information.
2. THAT the Regional Clerk forward a copy of Report No. PW-32-18 to the City of Hamilton for their information.

REPORT

Executive Summary

- In 2007, Regional Council awarded a contract to Aim Environmental Group (formerly known as Aim Waste Management Inc.) for the processing of source separated organic waste that expired on April 4, 2014.
- In 2013, Regional Council approved an extension of the contract with Aim Environmental Group to April 6, 2018 with the option to extend to December 31, 2020.
- The agreement between Halton Region and Aim Environmental Group includes a provision requiring Halton Region to contribute towards capital improvement costs required at the City of Hamilton's Centralized Composting Facility as a result of a change of legislation.
- In 2017 the City of Hamilton completed capital improvements at the Central Composting Facility in order to meet new regulatory requirements under the Ministry of the Environment and Climate Change's new Ontario Compost Standards.

Background

In the fall of 2007, Halton Region awarded the contract for the processing of organic waste to Aim Environmental Group for source separated organic waste that is collected through Halton Region's Household GreenCart program. Since the program was implemented in April 2008, all material collected in Halton Region through the GreenCart program has been transferred to the City of Hamilton's Centralized Composting Facility. Aim Environmental Group has an agreement with the City of Hamilton to operate this facility through to the year 2020.

In 2013, Halton Region and Aim Environmental Group extended this contract through Report No. PW-23-13 re: "Contract Extension – Processing of Source Separated Organic Waste", to April 6, 2018 with an option to extend to December 31, 2020. In accordance with the terms and conditions of this agreement, the contract has been extended to December 31, 2020.

Discussion

Capital Improvements

As part of Halton Region's agreement with Aim Environmental Group, Halton Region is obligated to contribute towards any capital improvements required at the Centralized Composting Facility due to a change of legislation. In order for the facility to continue accepting Halton Region's organic waste, Halton Region is required to pay its share of the costs for the required capital improvements based on Halton Region's use of the facility. The City of Hamilton owns the Centralized Composting Facility and are therefore responsible for financing any upgrades and cost to maintain the facility.

In 2012, the Ministry of the Environment and Climate Change introduced the new Ontario Compost Quality Standards for aerobic composting that came into effect on July 1, 2015. The Standards established new compost quality parameters and processing guidelines for aerobic composting operations, which include foreign matter content, maturity, minimum curing requirements and moisture content. To comply with the new Standards, staff at the City of Hamilton determined (through the City of Hamilton Report No. PW16049 re: Central Composting Facility Capital Improvements) that the following capital improvements were required:

- Design and construction of an engineered composting bunker system inside the compost storage building. This new system will provide the required 21-day retention time for compost during the curing phase, and help the operator to monitor and manage the process; and
- Design and installation of a compost moisture addition system inside the compost storage building. This moisture addition system will provide water addition to the compost within the new bunker system during the curing phase to maintain a 40 per cent moisture level as required in the Standards.

These capital improvements to the Centralized Composting Facility's compost storage building will ensure the curing of compost can be conducted in an efficient manner and comply with AA compost quality standards for metals, pathogens, foreign matter and maturity. Achieving AA standards allows compost to be used without land application restrictions and exempt from Ministry of the Environment and Climate Change approvals for use and transport. Improvements were certified as substantially complete on April 27, 2017. The total cost of the improvements is \$1,012,021, and Halton Region's share is \$404,286 (excluding tax) which will be paid as a one-time lump sum payment to the City of Hamilton. This represents approximately 40 per cent of the cost, as determined by Halton Region's average use of the facility based on organic waste tonnes processed.

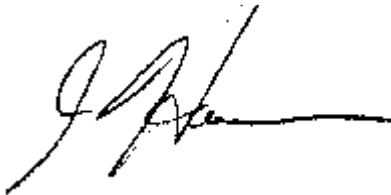
FINANCIAL/PROGRAM IMPLICATIONS

The one-time lump sum payment of \$404,286 (excluding tax) to the City of Hamilton for Halton Region's share of capital improvements required resulting from the new Ministry of the Environment and Climate Change Standards will be funded from the 2018 Waste Management operating budget. It is anticipated that this impact will be offset by other favourable variances projected in the Waste Management program.

Respectfully submitted,



Rob Rivers CET
Director, Waste Management and Road
Operations



Jim Harnum
Commissioner, Public Works

Approved by



Jane MacCaskill
Chief Administrative Officer

If you have any questions on the content of this report,
please contact:

Rob Rivers

Tel. # 8289

Attachments: None