COUNTY OF SIMCOE

**To:**

**COMMITTEE OF THE WHOLE**

**Section:**

Corporate Services – Solid Waste Management

**Item Number:**

CCW 15-240

**Meeting Date:**

August 11, 2015

**Subject:**

**Organics Processing Facility and Materials Management Facility – Short List of Sites**

**Recommendation:**

THAT the siting process for the Organics Processing Facility and Materials Management Facility proceed with additional consideration to co-locate both facilities on a single site, as outlined in Item CCW 15-240;

AND THAT the Procurement, Fleet and Property Department be authorized to execute a Right of First Refusal Agreement on the one privately owned short-listed site as detailed in Item CCW 15-240;

AND THAT consultation proceed as outlined within Item CCW 15-240 seeking public and stakeholder feedback on the short list of potential sites for both facilities and, in addition, the potential for a combined facility.

**Executive Summary:**

Our Solid Waste Management Strategy prioritizes the need to increase our diversion rate, reduce garbage, and securely manage our own transfer and processing capacity. The County will benefit from ownership and operation of its own facilities within its borders. Accordingly, development continues on two key infrastructure projects – the Organics Processing Facility (OPF) and Materials Management Facility (MMF).

Siting work for these facilities has been a comprehensive process that began in 2013 – first determining the framework for how potential sites would be identified and evaluated, compiling a detailed list of candidate sites, and beginning a rigorous evaluation. This item presents the short-listed sites for both the OPF and MMF and further outlines a modified project plan and recommended next steps, including seeking public and stakeholder feedback through a forthcoming period of consultation.

The County’s consultant, GHD Limited (GHD) (formerly known as Conestoga-Rovers & Associates) utilized detailed Geographic Information Systems (GIS) data and ortho-imagery to evaluate a comprehensive list of 502 candidate sites and assess their viability to host the facilities. The evaluation process applied approved Screen 1 “must pass” criteria to all candidate sites producing a long list of sites for further evaluation. From this, Screen 2 evaluated these sites in greater detail with particular consideration for land use and proximity of sensitive receptors which included some cursory visual inspection to augment provided data.

The result of the two-stage evaluation process was a short list of sites – seven sites identified for the OPF and five for the MMF. Of note, five sites for the OPF were within the search area for the MMF and consequently short-listed for this facility also. In this regard, GHD presented an additional technical memorandum to the County in regards to the potential to co-locate both facilities on a single site – noting that five potential sites could host a centrally-located waste management centre with adequate space for County transfer operations for garbage and recycling in addition to on-site organics processing and truck servicing facilities. The short-list of sites is summarized below.

**Table 1: Summary of Short-listed Sites**

Reference No.

Description

Location

Size

**Sites for OPF Only**

C052

County-owned property –

Site 42

1637 Fairgrounds Road North, Clearview

23 ha

C189

County-owned property –

Orr Lake Main Tract

2249 Flos Road Seven East, Springwater

39 ha

**Common Sites for OPF and/or MMF**

C164/C107

County-owned property –

Millennium/Craighurst Tracts

1473/1273 Old Second South, Springwater

91 ha

C136

County-owned property – Freele Tract

2976 Horseshoe Valley Road West, Springwater

84 ha

C223

County-owned property –

Sandford Tract

Line 5 North, Oro-Medonte

33 ha

C270

County-owned property –

Unnamed Tract

1453 Flos Road Three East, Springwater

44 ha

P083/P084

Privately-owned undeveloped property

540/528 Penetanguishene Road, Springwater

17 ha

Direction from County Council is now sought in regards to proceeding with a recommended, revised evaluation that would consider potential development of a single site which would host both facilities. Short-listed sites would be evaluated on their ability to host the OPF and/or the MMF alone, as well as a combined facility. Weighing the significant benefit of co-location – including reduced capital and operating costs, eliminating haulage of source-separated organics to a separate facility, and reducing the number of neighbours – against all other siting criteria would be the most conservative, defendable approach to determining the preferred site(s).

In consideration of the one privately-owned site on the short list, details are provided in this item on executing a Right of First Refusal Agreement. Consideration of this site will only proceed if this agreement is executed. This will provide some security prior to furthering consulting work and public consultation.

Moving forward, the siting process will proceed to a period of public and stakeholder consultation. The short-listed sites and the potential to co-locate the facilities will be presented to the public for feedback. Following this consultation period and further comparative evaluation by the County’s consultant, the preferred site(s) is expected to be presented to County Council in early 2016.

**Background/Analysis/Options:**

The purpose of this item is to provide an overview of the siting evaluation and to present the short-listed sites for both the Organics Processing Facility (OPF) and Materials Management Facility (MMF). This item also outlines a modified project plan and recommended next steps, including seeking public and stakeholder feedback through a forthcoming period of consultation.

Development of these two projects – the Organics Processing Facility (OPF) and Materials Management Facility (MMF) – was recommended in the Solid Waste Management Strategy, approved by County Council in 2010. Based on responses received during the public consultation process, there was support for developing organics processing capacity within the County – given consideration to cost, contractual arrangements, and the potential addition of pet waste and diapers to the green bin program. Benefits of these facilities include:

*Organics Processing Facility (OPF)*

• strong environmental leadership;

• a local, long-term solution to managing the County’s organic waste (both source-separated organics and leaf and yard waste) at one common facility;

• greater security in regards to future processing costs and environmental impacts;

• reduction in greenhouse gas emissions by shortening haulage distances to processing;

• ensuring capacity for future growth and protecting against provincial processing capacity shortages;

• flexibility to add materials such as pet waste and/or potentially diapers in the long term; and

• valuable end products such as compost or fertilizer to support local markets (inclusive of agriculture) which, as an allied strategy, complements agricultural goals of locally grown, field to table experiences that make for healthier communities and stronger local economics.

*Materials Management Facility (MMF)*

• an estimated $13 M savings in contracted transfer costs over the next 20 years, translating to a

6-year payback period;

• protection from future increases to contracted transfer costs;

• utilization of secured funding from the Continuous Improvement Fund estimated at $1.15 M (47% of the blue box-related project costs to a maximum funding limit of $2,187,840);

• secure management of County material and greater control over operations;

• operational flexibility and the ability to adapt to changes in collections and/or processing arrangements; and

• ideal location to co-locate the Solid Waste Management truck servicing facility.

Brief History of Project Development

**A proposed project plan for the OPF and timeline were endorsed by County Council in January 2014. The current mandate seeks to provide siting, technology, and costing information for an aerobic composting facility to manage the existing “green bin” material collected, potentially adding pet waste. The siting process has been initiated first, a fundamental step in procuring technology. The current project timeline has a preferred site presented to Council in early 2016, followed by a period for engineering studies and procurement of technology. Note that a final report outlining site selection, the results of the procurement process, status of processing capacity for source-separated organics (SSO) in Ontario, and a financial analysis will be presented to County Council for direction.**

In 2014, County Council also endorsed further work to determine the viability of a County Materials Management Facility (MMF) and extending the scope of work assigned to the OPF consultant to provide engineering services for siting. The MMF, a transfer facility, will be an integral part of the County’s waste management system – the link between collection operations and moving material to final waste disposal/processing locations. It will provide a location for consolidation of garbage, organics, and recycling from multiple collection vehicles into larger, higher-volume transfer vehicles for more economical shipment to disposal/ processing sites. In addition, this site could provide a location for a truck servicing facility. Note that there will be no long-term storage of materials or public drop-off at this facility.

For reference, previous staff reports, communication material from public information sessions held in June and December 2014, and minutes of Community Engagement Committee meetings can be found at www.simcoe.ca/opf and www.simcoe.ca/mmf.

Note that as of July 1, 2015, Conestoga-Rovers & Associates (CRA), the County’s assigned consultant for both the OPF and MMF projects, has integrated with GHD Limited and will assume the name GHD Limited (GHD). The Project Team is unchanged but all reports from this date forward will now appear under the name GHD.

Results of Siting Process

This item serves only as a summary of detailed work on siting the OPF and MMF – noting that more extensive, thorough information on the siting process, evaluation methodology, and resulting short list of sites is presented in GHD’s second siting reports. These reports entitled “*County of Simcoe – Organics Processing Facility, Part 2 – Long List Evaluation*” (GHD, July 23, 2015) and “*County of Simcoe – Materials Management Facility, Part 2 – Long List Evaluation*” (GHD, July 23, 2015) are provided as Schedules 1 and 2, respectively.

List of Candidate Sites

Following County Council endorsement of the siting methodology and evaluation criteria for both facilities in March 2015, work began on compiling the list of candidate sites. For reference, details on the list of candidate sites and the formation of this list was provided to Committee of the Whole in Item CCW 15-229 – Solid Waste Management Infrastructure Projects – Siting Process Update, June 23, 2015.

In summary, this comprehensive list was amassed from two sources – County-owned and privately-owned sites. In regards to County-owned sites, an inventory of waste management properties and forest tracts was supplied to GHD by the County for evaluation. GHD was also provided a list of privately-owned sites that were collected from two sources – a search of the Multiple Listing Service (MLS) of the Canadian Real Estate Association and through a Request for Expression of Interest (RFEI). The search of the MLS was conducted through the County’s Procurement, Fleet and Property Department (PF&P) with the assistance of a registered broker. RFEIs related to each of the projects were posted on April 22 and closed on Friday, May 22, 2015.

Site Evaluation – Screens 1 and 2

Utilizing detailed Geographic Information Systems (GIS) data and ortho-imagery, the comprehensive list of candidate sites was assessed as to their viability to host the facilities. Candidate sites were first excluded based on Screen 1 criteria. These criteria were considered “must pass” – each property had to satisfy these in order to be carried forward for further evaluation. This included technical requirements such as size (13 hectares for the OPF, 7 hectares for the MMF) and environmental criteria such as the avoidance of wetlands and floodplains, vulnerable areas under Source Protection, prime agricultural areas, and sensitive receptors. From this, a long list of sites was produced, with Screen 2 then being applied to the remaining sites. Screen 2 criteria included proximity to sensitive receptors, land use and zoning, and the suitability of each site to meet technical requirements. Each long list site received a favourable, neutral, or unfavourable rating for each criterion. Sites with the greatest number of favourable ratings were considered preferred over other sites and from this evaluation, a short list was determined. Based on GHD’s evaluation, the best candidate sites have been carried forward to the short list.

For reference, Table 2 below summarizes the number of candidate sites that were evaluated for each facility and the number passing the Screen 1 and 2 evaluations.

**Table 2: Summary of Results of Siting Evaluation – OPF and MMF**

Organics Processing Facility (OPF)

Materials Management Facility (MMF)

Number of candidate sites

5021

952

Sites on long list

(sites passing Screen 1)

53

23

Sites on short list

(sites passing Screen 2)

7

5

Notes:

• 505 sites in total were considered – 2 sites, however, submitted through the RFEI process did not meet the terms outlined and 1 site for each of the OPF and MMF were submitted for only one of the facilities.

• These candidate sites were located within the MMF search area.

To summarize, the Screen 1 evaluation excluded a majority of the 502 candidate sites based on criteria such as size, Source Protection, and prime agricultural areas. It should be noted that of the remaining long-listed sites (those passing the Screen 1 evaluation), only three were existing waste management facilities. Although there would be benefit in regards to permitting the new facilities at existing waste sites (Official Plan designation, Environmental Compliance Approval, etc.), other constraints determined that they would not be preferred for hosting these infrastructure projects.

As outlined above, seven sites were short-listed for the OPF, five for the MMF. Tables 3 and 4 below provide additional details on these short-listed sites – noting that for both facilities, only one privately-owned site passed through initial screening.

**Table 3: Short-listed Sites – Organics Processing Facility**

Reference No.

Description

Location

Size

C052

County-owned property –

Site 421

1637 Fairgrounds Road North, Clearview

23 ha

C164/C107

County-owned property –

Millennium/Craighurst Tracts

1473/1273 Old Second South, Springwater

91 ha

C136

County-owned property – Freele Tract

2976 Horseshoe Valley Road West, Springwater

84 ha

C189

County-owned property –

Orr Lake Main Tract

2249 Flos Road Seven East, Springwater

39 ha

C223

County-owned property –

Sandford Tract

Line 5 North, Oro-Medonte

33 ha

C270

County-owned property –

Unnamed Tract

1453 Flos Road Three East, Springwater

44 ha

P083/P084

Privately-owned undeveloped property

540/528 Penetanguishene Road, Springwater

17 ha

Note:

• Site 42 is a waste management facility under development. To date, there has been neither waste management operations nor landfilling undertaken at this site.

**Table 4: Short-listed Sites – Materials Management Facility**

Reference No.

Description

Location

Size

C164/C107

County-owned property –

Millennium/Craighurst Tracts

1473/1273 Old Second South, Springwater

91 ha

C136

County-owned property – Freele Tract

2976 Horseshoe Valley Road West, Springwater

84 ha

C223

County-owned property –

Sandford Tract

Line 5 North, Oro-Medonte

33 ha

C270

County-owned property –

Unnamed Tract

1453 Flos Road Three East, Springwater

44 ha

P083/P084

Privately-owned undeveloped property

540/528 Penetanguishene Road, Springwater

17 ha

Moving Forward

Potential for Combined Facility

Following the short-listing of sites for the facilities, GHD presented an additional technical memorandum to the County in regards to the potential to co-locate both facilities on a single site. For reference, this correspondence entitled “*Considerations for the Co-Location of the Organics Processing Facility & Materials Management Facility*” (GHD, July 23, 2015) has been included as Schedule 3. GHD noted in this correspondence that five of the short-listed sites were common for both the OPF and MMF. These sites have the ability to host a centrally-located waste management hub with adequate space for County transfer operations for garbage and recycling in addition to on-site organics processing and truck/equipment servicing needs. This type of integrated facility is not uncommon. Similar facilities have been developed in other municipalities – the City of Guelph’s Waste Resource Innovation Centre, Region of Peel’s Integrated Waste Management Facility, and City of Toronto’s Disco Road facility are comparable examples. These sites house transfer operations, recycling and/or source-separated organics processing facilities, and have dedicated education areas.

Benefits of consolidating operations at a single waste management centre include:

• reduced capital – a single receiving facility could act as both a location for transfer of garbage and recycling and preparation of source-separated organics for on-site processing;

• reduced operating and maintenance expenses;

• increased transportation efficiencies and eliminating the need to haul SSO to an additional processing facility;

• minimizing the number of neighbours; and

• reduced footprint requirements as a combined facility would share buildings and supporting infrastructure such as internal roads, weigh scales, and buffers.

As outlined in Item CCW 14-253 – Transfer Facility Assessment (August 12, 2014), it was initially recommended that the two facilities not be co-located. Based on the initial results of the siting evaluation and subsequent discussion with GHD, however, it is recommended that the evaluation process now be amended to consider a single site to house both the OPF and MMF. Noting that:

• results of the siting evaluation indicate that identifying a viable site for co-locating the facilities is feasible despite different siting requirements. The short list of sites comprises large, rural sites that are within 15 km of the center of waste generation, providing good access to transportation routes.

• the project plan will be reassessed to consider timing and efficiently seeking approvals for the facilities should the preferred option be co-locating the OPF and MMF. GHD will assist the Project Team in this regard in order to minimize permitting complexities and delay commissioning of transfer operations.

• consideration of co-locating the facilities will include contingency and continuity planning. Contingency may include use of an alternative County waste management facility or emergency usage of contracted facilities.

It is recommended that the five sites which could potentially host both facilities be evaluated not only as locations for the OPF and MMF individually, but for a co-located facility. This will ensure that the comparative evaluation is robust and considers all options. Weighing the significant benefit of co-location against all other siting criteria would be the most conservative, defendable approach to determining the preferred site(s).

Right of First Refusal Agreement/Option Agreement

In preparation for release of the short-listed sites, the Project Team has considered the impact on the owner of the single privately-owned site on the short list. This site was listed publicly through the MLS, provided for evaluation by the County’s broker, and evaluated as to its viability to house the OPF and MMF. At the time of writing this item, it is anticipated that the owner will be notified that their site has been short-listed prior to publicly releasing the short list via this report. County staff will request confirmation that they will allow their property to be further assessed and relay this information to Committee of the Whole on August 11, 2015.

Further, the Project Team has worked with the County’s PF&P Department to determine the most prudent way to secure the privately-owned site for further evaluation. Preliminary work has been completed on an Option Agreement. The purpose of this agreement would be to ensure that the privately-owned site is secured prior to proceeding with further consulting work and the consultation process, noting that compensation would be provided to the landowner for holding their property over this period. Based on the results of the siting evaluation, it is recommended that the County first secure a Right of First Refusal Agreement with the property owner. This agreement would provide some security as the evaluation moves forward without incurring significant cost. Any change in the status of the property, including details of third-party offers brought forth during the evaluation period, would then be communicated to County Council. An Option Agreement would only be pursued should the privately-owned site become the preferred site. This process, managing the cost with the risk of losing this site as an option, is recommended by staff in consideration of the number of viable County-owned sites on the short list.

Should the privately-owned site be the preferred option and the property remains listed for sale following the Screen 3 evaluation, County Council direction will be sought in regards to then executing an Option Agreement. This would provide compensation to the landowner during a period of further engineering studies and permitting. This Option Agreement will contain an executed Agreement of Purchase and Sale, prepared in accordance to County Policy PFP 2012-02 – Acquisition and Disposition of Real Property. Note that if the privately-owned site is the preferred alternative, all details in regards to acquisition of this site – including associated costs and timing – will be presented to County Council for direction.

Screen 3 Considerations

As the County seeks to site the OPF and MMF, it is with an understanding of and consideration for potential impacts to neighbouring landowners. The County is cognizant of sensitivities regarding siting waste management facilities and anticipate concerns from neighbouring landowners – including the perception of adverse effects on quality of life and property values. Potential effects on each component – environmental and social, for example – will be identified for each of the short-listed sites and form the basis of the comparative evaluation in Screen 3. Avoidance through measures such as site layout and design will be the most advantageous scenario. Where adverse effects cannot be avoided, the evaluation will extend to consider mitigation to remove or lessen the effects. Examples of this may include engineering measures such as odour control, paving, visual screening berms, and/or landscaping.

With avoidance and mitigation being the priority, evaluation of each short-listed sites will also consider the potential for compensation in situations where adverse effects remain. The purpose of compensation would be to counterbalance any negative effects through replacement in kind, provision of a substitute, or reimbursement.

Public Consultation

Following direction from County Council, a period of further evaluation of the sites and rigorous public and stakeholder consultation will proceed. Engaging the public and seeking feedback through consultation will be imperative to the success of the siting process and, ultimately, to development of these facilities. Public and stakeholder feedback in regards to each of the short-listed sites – ideas, thoughts, and concerns – will be incorporated into the third screening evaluation and will be an important component of the decision-making process. It will enable the Project Team to compile local knowledge of each of the short-listed sites and consider the impact to neighbouring landowners and potential host communities. This process will begin the dialogue and relationship between the County and vested stakeholders.

Feedback will be sought through a series of upcoming consultation sessions this fall. In regards to the number, location, and format of these sessions, the Project Team met with the Community Engagement Committee to discuss their recommendations on June 22, 2015. Based on these discussions, two sessions (one during the day, one in the evening) will be arranged in each of the potential host municipalities, with two additional sessions (one during the day, one in the evening) at a central location within the County. These sessions will provide information in a combined open house/presentation format – allowing for informal discussion with the Project Team and review of communication material followed by a formal presentation with opportunity for questions. Feedback and comment on the sites may also be submitted online via the project webpages – www.simcoe.ca/opf and www.simoce.ca/mmf. In addition to public consultation, a series of stakeholder sessions will be organized to present and receive input on the potential sites. Stakeholders will include, but may not be limited to, County departments such as Forestry and Planning, potential host municipalities, First Nations, and agencies such as the Ministry of the Environment and Climate Change and local conservation authorities.

Following this period of consultation, GHD will prepare the third siting reports for both the OPF and MMF which will provide a comparative evaluation of each of the short-listed sites. With direction from County Council, this evaluation will also consider the potential to co-locate the facilities on a single preferred site. These reports, set to present the preferred option, are anticipated to be completed by early 2016.

**Financial and Resource Implications:**

To date, approximately $70,000 has been spent on siting of the Organics Processing Facility which has $300,000 allocated toward this work. Remaining 2015 consulting fees are estimated to be $52,000, with additional costs for public consultation in the fall. These costs are budgeted to be funded through the waste management reserve.

In regards to the Materials Management Facility, approximately $18,000 has been spent to date on siting which has $500,000 allocated toward this work. Remaining 2015 consulting expenses, estimated to be $40,000, are budgeted to be funded through the waste management reserve.

Note that details on further costs associated with a communication and marketing plan will be brought forth for Council approval in the 2016 budget.

**Relationship to Corporate Strategies:**

In regards to long-term processing of organics, the Solid Waste Management Strategy (Strategy) recommended development of a centralized composting facility within the County. Public input indicated support for in-County processing as well as for the addition of pet waste and diapers to the program. This item also supports the Strategy recommendation to develop transfer capacity infrastructure to manage garbage and recyclables generated within the County.

**Reference Documents:**

Organics Processing Facility Project Webpage

www.simcoe.ca/opf

Materials Management Facility Webpage

www.simcoe.ca/mmf

**Attachments:**

Schedule 1 Report: *County of Simcoe – Organics Processing Facility, Part 2 – Long List Evaluation*

(GHD, July 2015)

Schedule 2 Report: *County of Simcoe – Materials Management Facility, Part 2 – Long List* Evaluation (GHD, July 2015)

Schedule 3 Technical Memorandum: *Considerations for the Co-Location of the Organics Processing Facility & Materials Management Facility* (GHD, July 2015)

**Prepared By:** Stephanie Mack, P.Eng., Special Projects Supervisor

**Approvals: Date**

Rob McCullough, Director, Solid Waste Management July 23, 2015

Debbie Korolnek, General Manager, Engineering, Planning and Environment July 24, 2015

Trevor Wilcox, General Manager, Corporate Performance July 31, 2015

Mark Aitken, Chief Administrative Officer August 4, 2015