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Presented by: Kate Polkovsky, Director, Sustainability Initiatives Department

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Attachments: 1. Capital Project Charter

Date	Ver.	Action By	Action	Result
11/18/2019	1	City Council	approved	

TAMRMS#: B06

Waste to Energy

Presented by: Kate Polkovsky, Director, Sustainability Initiatives Department

RECOMMENDATION(S)

That the Project Charter entitled "Pilot Scale Waste to Energy", provided as a confidential attachment to the November 18, 2019 agenda report entitled "Waste to Energy", is approved, conditional of 75% funding from third party sources and contingent on acceptable agreements being executed; and

That the proposed budget be funded by a commitment of a maximum of \$1,000,000 from the Stabilization Reserve.

PURPOSE OF REPORT

The purpose of this report is to present a recommendation that Council approve a budget in order to allow the CAO to negotiate a proposal award for a waste to energy technology.

The report has been prepared for Council's consideration in the examination of alternative opportunities to invest in the utilization of waste as a commodity.

The project charter is being presented to Council confidentially at this time given that the procurement process and award of the tender are in process.

ALIGNMENT TO PRIORITIES IN COUNCIL'S STRATEGIC PLAN

Strategic Priority #2: Economic Development: Enhance business/commercial growth.

Strategic Priority #4: Infrastructure Investment: Identify and build needed capital assets.

ALIGNMENT TO LEVELS OF SERVICE DELIVERY

N/A

ALIGNMENT TO COUNCIL DIRECTION OR MANDATORY STATUTORY PROVISION

On September 16, 2019 Council passed the following motion:

(AR-19-362)

That a deadline extension for the following item be approved:

Time Extension Requests - Utility Corporation Considerations extended from September 23, 2019 to October 28, 2019 City County meeting.

On April 1, 2019 Council passed the following motion:

(AR-19-040)

That a Request for Proposal to complete a complete a comprehensive Business Plan and Market Analysis be issued, and a contract awarded by end of May 2019, contingent of funding approval by Council. The Business Plan and Market Analysis would be provided to Council by the end of Q3, 2019 for review and contemplated next steps.

That Administration commence partnership discussions with sub-regional partners on a waste-to-energy pilot scale operation commencing in Q3, 2019 and that a Request for Proposal for a pilot scale waste to energy plant, consisting of one-year operation and associated reporting, be issued and a contract awarded for end of June 2019 conditional of any required funding approval to support the program.

That Administration continue to evaluate broader alternative servicing technologies, consistent with the Corporate Business Plan, and prepare any required business cases for Council's investment consideration.

That Administration prepare a Municipal Utility Services Bylaw for Council's consideration no later than end of Q3, 2019.

BACKGROUND AND DISCUSSION

Throughout Q3, 2019, Administration was working through the procurement requirements to create, compile, release, provide ample review time, accept and provide recommendations for the

contemplation of a pilot scale waste to energy plant to manage a component of the municipal solid waste, generated within the City. There are a number of challenges to a project such as this, due to the unique characteristics of each waste to energy plant in terms of their operational components, their energy output components and their ability to handle a non-homogeneous material.

Based on the received proposals, and expected incidental costs, Administration is projecting a cost of \$4,000,000 to successfully commission a technology (see attachment for Project Charter). Once a technology provider is chosen, federal grant opportunities and/or partnership opportunities can be examined with specific prospectus and technical information. With any emerging technology there are baseline capital costing that must be accounted for. Until the City is in a position to choose a technology provider, Administration is limited in grant applications as many grants are filled out in partnership between the public and private partners.

Administration has been actively working with sub regional partners to ensure that there is an appropriate, permitted site to support the technology. There are additionally partnership opportunities to support one another on that can be examined and optimized.

Administration would utilize the remainder of Q4 2019, solidify timelines, terms and conditions and ascertain partnership funding through sub-regional partners and/or provincial and federal grant opportunities.

STAKEHOLDER COMMUNICATIONS OR ENGAGEMENT

Administration has been actively engaging, educating and working with sub-regional partners to identify opportunities, synergies and ways to support each other. Administration has done a number of presentations in the public realm sharing the waste to energy opportunities that are being considered.

IMPLICATIONS OF RECOMMENDATION(S)

Financial: \$1,000,000 would be committed from the Stabilization reserve to support this project. The funding would only be accessed if the remaining required funding can be secured through grants and/or other partnerships. The current uncommitted balance of the Stabilization reserve as of October 31, 2019 is \$3,166,306.

Legal / Risk: N/A

Program or Service: N/A

Organizational: N/A

ALTERNATIVES AND IMPLICATIONS CONSIDERED

N/A

Report Date: November 18, 2019

Author(s): Kate Polkovsky

Committee/Department: Sustainability Initiatives Department

Deputy Chief Administrative Officer: Kerry Hilts

Chief Administrative Officer: Kevin Scoble