

COUNCIL ATTACHMENT 1



Regional Municipality of Durham
From: Commissioner of Works
Report: 2005-WR-21
Date: October 26, 2005

SUBJECT:

Retention of MacViro Consultants Inc. for Completion of the Durham/York Residual Waste Management Environmental Assessment (EA) Study Process

RECOMMENDATIONS:

THAT subject to the approval of the Finance and Administration Committee, Works Committee recommend to Regional Council that:

1. MacViro Consultants Inc. be retained to provide consulting services for the completion of the "Region of Durham and Municipality of York Residual Waste Management Environmental Assessment EA Study" process at the following estimated costs to the Region, and with financing to be approved through the 2006, 2007, and 2008 Solid Waste Management Operating Budgets:

	Total Cost	Durham Share (split 50% with York)	Description of work
2006	1,350,000	675,000	Select technology
2007	2,300,000	1,150,000	Select site
2008	1,400,000	700,000	Complete EA/EPA Study
Total	5,050,000	2,525,000	

2. The Regional Chair and Clerk be authorized to execute the necessary agreements.
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REPORT:

Attachment No. 1: Schedule "B" of the Residual Waste Management EA Study Agreement between The Regional Municipality of Durham and The Regional Municipality of York

Attachment No. 2: Joint Waste Management Group - Report 2005-JWMG-01

1. **BACKGROUND**

In 2004, the Region of Durham embarked on an Environmental Assessment (EA) process for a residual waste management project and retained MacViro Consultants Inc., to prepare an Environmental Assessment Terms of Reference.

The 2005 Solid Waste Management Budget contains sufficient monetary allocations to complete the EA Terms of Reference (\$345,000 of budgeted \$440,000). The proposed EA Terms of Reference for the Durham/York Residual Waste Study process should be completed and submitted to the Minister of the Environment (MOE) by the end of December 2005. Following the submission of the proposed EA Terms of Reference to the MOE, our consulting team will be responsible for responding to all questions raised by the ministry.

The intent of the EA Terms of Reference (EAToR), as defined in the EA Act, is to provide a very high-level description of the proposed scope of work. Therefore the EAToR cannot be used to prepare detailed budgets. Instead, the EAToR should be considered only as an agreement between the MOE and the project proponent and is used to describe how the planning process will be reviewed by the MOE, what the framework of proposed work will be, and how the EA requirements will be met in arriving at the preferred solution. The preferred solution must meet specific local circumstances. During the entire process "local" priorities are identified and reconfirmed during a public consultation process. Therefore, the EAToR must be both prescriptive and flexible. In all cases in the Province of Ontario where a successful EA has been undertaken by a municipality, they have retained the same consultant to prepare both the EAToR and undertake the EA study.

MacViro's expertise is crucial to protect the interests of Durham and York during this review process. Since MacViro structured the Durham/York EA planning process and are responsible for completing the EA Terms of Reference they are also the best qualified for answering questions raised by the MOE and other reviewing agencies. It is absolutely critical that the consulting team who developed the EA Terms of Reference actively support the review process.

Since the project's initiation, MacViro Consultants Inc. prepared and presented a detailed project outline along with required budget allocations. The proposed schedule for 2005 to 2008 includes completion of the following tasks:

- Preparation of an EA Terms of Reference with background documents
- Preparation of an EA Study and a Public Information Session
- Selection of a Preferred Technology
- Selection of site(s) for the Facility

The final EA Study will be submitted to the MOE in 2008 for approval. Subject to final comments by the MOE, approvals under the Environmental Protection Act

(EPA) may be required.

In June 2005 Durham and York Regional Councils approved a partnership to proceed with the EA process. At the same time, Durham Regional Council also approved a request from the City of Peterborough and the County of Peterborough to participate in this project.

Proposed by both Durham and York Region staff, the partnership agreement outlines the necessary budget and projected timetable. It has been agreed that Durham and York Region will equally share the entire cost of the study.

Study budgets and project milestones are defined in Attachment No. 1.

2. RATIONAL FOR RETENTION OF MACVIRO TO PROVIDE CONSULTING SERVICES FOR THE COMPLETION OF THE ENTIRE EA PROCESS

Normal practice is to retain a consulting team to carry the entire EA process. It is beneficial to have the same team develop the Terms of Reference as well as complete all the necessary requirements by the EA Study tasks. To do otherwise would introduce unnecessary delays and costs, as well as create the potential for gaps in the planning process due to the misinterpretation of key issues. MacViro's unique capabilities and experience justify the retention of their services on a sole source basis for completion of the entire Residual Waste Disposal Environmental Assessment Study. Their specific experience with EA studies is as follows:

- They are the only successful consultants within Ontario to undertake a similar EA Energy from Waste study. This study was done on behalf of the Region of Niagara/City of Hamilton and obtained approval from the MOE on the EA Terms of Reference in February 2005.
- On behalf of the Region of Peel, the MacViro Consultants team developed their EA, provided expert testimony at a hearing which led to the approval of a municipal waste incinerator facility, assisted in the negotiation of a long-term waste supply agreement, and since the commencement of facility operations in 1992, provided independent annual monitoring and reporting on the facility's environmental performance.
- On behalf of the Greater Toronto Area (GTA) Municipalities, including the Region of Durham, the MacViro Consultants team undertook a comprehensive review of approximately fifty (50) expressions of interest on new and emerging thermal waste management processing technologies. They will use this knowledge to complete the Durham/York Residual Waste Management EA Study process.

The MacViro Consultants team is already retained by both Durham and York Regions to complete the EA Terms of Reference. Moreover the staff of both Regions support the hiring of MacViro Consultants to carry the entire EA process.

On September 27, 2005 the Joint Waste Management Group passed a resolution recommending to both Durham/York Regions to retain MacViro Consultants Inc. for completion of the entire EA process.

It is staff's recommendation to award the completion of the Environmental Assessment portion of this project to the MacViro Consultants team.

3. FINANCING

As a result of the June 22, 2005 Works Committee Report and the proposed Agreement between the Region of Durham and Region of York, the previously identified costs for consulting services will be shared equally between Durham and York Region. Furthermore, the work completed by MacViro Consultants for Niagara-Hamilton is applicable to the Region of Durham and has already saved significant amounts of time and money as a result of process similarities.

Prior to the end of the calendar year the JMWG will review and submit a detailed budget for the following calendar year of the Study to the appropriate Committees and Regional Councils for their approvals. Both Councils will need to approve the proposed budgets. The projected overall budget for the entire Study is set out in Schedule "B" (see Attachment No. 1). Below are outlined staged project milestones.

Timing	Item	Durham-York Cost	Durham Cost
2006	• Address and respond to comments received by the Ministry of the Environment • Respond to comments received from the screening agencies • Preparation of compensation policy • Conduct public meetings regarding selection of preferred technology • Evaluate selection of preferred technology • Preparation of report regarding preferred technology • Evaluate air emissions studies	\$1,350,000	\$675,000
2007	• Evaluation of regulatory requirements regarding siting of facility • Preparation of report outlining long list of possible sites • Preparation of the screening process to	\$2,300,000	\$1,150,000

	streamline long list to short list ♦ Public consultation to inform public concerning short list of possible sites ♦ Preparation of report outlining preferred site		
2008	♦ Completion of Environmental Assessment and Environmental Protection Act studies ♦ Finalization of the Environmental Assessment study and submission to the Ministry of the Environment ♦ Respond to Ministry of the Environment comments and inquiries ♦ Respond to possible hearing ♦ If Environmental Assessment is approved, Environmental Protection Act studies will be conducted which will include: - Noise, traffic, detailed air emissions studies for the preferred technology - Evaluation impacts on air, soil and groundwater - Any other studies as required by the Ministry of the Environment	\$1,400,000	\$700,000

The proposed agreement will allow both the Regions of Durham and York to seize the process at any of the stages outlined above. Specific provisions of between York and Durham are outlined in detail in an already executed agreement which was presented to Works and Regional Councils endorsed in the past.

Staff is recommending that financing of the Consulting Services Agreement be funded from Waste Management Services operating budgets (2006, 2007, 2008) in the amount of \$5,050,000, fifty percent of which will be invoiced back to York Region. The Region of Durham is taking a "lead role" in this project as the EA process was initiated by Durham in 2004. Durham Region will be responsible for invoice payments and will recover fifty percent from York Region.

Financing for the entire duration of this project can be provided from the annual budget allocations to the Waste Management Services group based on schedules previously approved in Part B of the Durham-York Environmental Assessment Study Agreement.

4. CONCLUSION

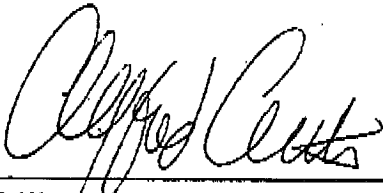
As outlined above, there are financial and process benefits to retain MacViro Consultants Inc. to carry the entire EA process. Therefore, Works staff are recommending that the Region of Durham approve entering into an Engineering Consulting Agreement with MacViro Consultants Inc. for completion of the entire

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EA process. Financing of the project will be outlined annually in the Solid Waste Services Financial Study and approved during the budget process.

The same recommendation will be presented to York Region Solid Waste Management Committee by their senior staff.



Clifford Curtis, P. Eng., MBA,
Commissioner of Works

Recommended for Presentation to Committee



G. H. Cubitt, M.S.W.,
Chief Administrative Officer

MW1/cb

Durham-York Environmental Assessment Study Agreement

Attachment No. 1

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Schedule "B"

STUDY BUDGET

Estimate of Residual Waste Disposal Environmental Assessment Costs

Item	Timing	Costs for Partnership of Durham and York	Costs for Either Party in Partnership
Phase 1			
Formulation of Partnership	2005	\$50,000	\$25,000
Preparation of EA Terms of Reference	2005	560,000	280,000
Establishment of Need and Purpose of the Undertaking	2005	80,000	40,000
Phase 2			
Selection of Preferred Technology ("Alternatives To")	2006	1,350,000	675,000
Selection of Site(s) for Facility ("Alternative Methods")	2007	2,300,000	1,150,000
Completion of EA and EPA Studies	2008	1,400,000	700,000
Estimated Total Costs		\$5,740,000	\$2,870,000
Possible Future Phases			
Negotiations with Facility Developer and Obtaining Other Approvals	2009		
Construction of Facility	2010 and 2011		
Start of Facility Operations	Late 2011 or early 2012		



To: Joint Waste Management Group (JWVG)
From: Mirka Januszkiewicz, P.ENG, MASc, MBA
Director of Waste Management
Regional Municipality of Durham, Works Dept.
Andy Campbell, P.ENG, MBA
Director, Solid Waste Management Branch
Regional Municipality of York, Transportation and Works Dept.
Report: 2005-JWVG-01
Date: September 27, 2005

SUBJECT

Retention of MacViro Consultants Inc. for completion of the entire Environmental Assessment (EA) process.

RECOMMENDATION:

That the Joint Waste Management Group (JWVG) recommends to the Durham Works Committee and York Region Solid Waste Management Committee that:

- a. MacViro Consultants Inc. in association with Jacques Whitford, be retained to provide consulting services for the completion of the entire Environmental Assessment (EA) process;

REPORT:

Attachment No. 1: Schedule "B" - Study Budget

1. BACKGROUND

In 2004, the Region of Durham authorized staff to proceed with an Environmental Assessment (EA) for the residual waste management project and to retain MacViro Consultants Inc., in association with Jacques Whitford, to prepare an Environmental Assessment Terms of Reference. In May 2005 York Region authorized the retention of MacViro Consultants Inc. and Jacques Whitford in conjunction with Durham Region. The proposed EA Terms of Reference for the Durham/York Residual Waste Study should be completed and submitted to the Minister of the Environment by the end of December 2005. Following the submission of the Proposed EA Terms of Reference to the MOE, our consulting team will be responsible for responding to all questions raised by the ministry.

MacViro's expertise is crucial to protect the interests of Durham and York during this review process. Since MacViro structured the Durham/York

EA planning process and are responsible for completing the EA Terms of Reference they are also the best qualified for answering questions raised by the MOEE and other reviewing agencies. It is absolutely critical that the consulting team that developed the EA Terms of Reference actively support the review process.

In June 2005 Durham and York Regional Councils approved a partnership to proceed with the EA process.

Signed by both Durham and York Region, the partnership agreement outlines the necessary budget and projected timetable. It has been agreed that Durham and York Region will equally share the entire cost of the study which is estimated now at \$5,050,000.

Study budgets and project milestones were developed by MacViro Consultants Inc. (see Attachment No. 1)