

GREEN LANE

A Strategic Option



Overview of Presentation

- **History/context of our decision to purchase Green Lane Landfill**
- **Site overview/features**
- **Community benefit agreements**
- **Challenges**
- **Benefits for Toronto**

Situation in Summer 2006

- All solid waste shipped to Michigan under contract until end of 2010.
- Biosolids no longer accepted in Michigan.
 - Short-term contingencies in Ontario, Quebec and New York State.
- Agreement between Province/Michigan Senators to reduce, then cease, waste shipments by 2010.
- U.S. Congress was continuing to pursue H.R.2491 – a Bill to close border to waste from Canada:
 - House passed Bill – September 6, 2006
 - Senate – has not voted yet

Contingency and Long-Term Disposal Options

- Toronto Staff initiated an:
 - RFP for Contingency Waste Disposal Capacity:
 - Closed July 2006
 - Seeking contingency and long-term capacity
 - Examined Closed City of Toronto Landfills for re-opening
 - Initiated an EA For Long-Term Disposal Capacity:
 - CEAT Citizen Committee

RFP Results

- One valid response for solid waste: Green Lane Landfill:
 - RFP Price ~ \$23/tonne MORE than Michigan
 - \$16M + annually
 - Plus Reserve fees to hold contingency capacity
 - Led to acquisition discussion
 - Own, not rent space

Negotiated Preliminary Agreement to Purchase

- **Negotiated Price of \$220.31 million**
- **Included:**
 - **All landfill cells and buffer lands**
 - **Buildings, equipment**
 - **All permits and approvals**
 - **Supply contract agreements (City of Guelph, York Region, Local Municipalities)**

Why was Green Lane Attractive for Toronto?

- It's in Ontario
- Recent EA approved expansion
 - 15.2 million m³
 - Ontario-wide service area
 - Municipal waste acceptable
- 200 km from Toronto
 - Two loads per day
- Excellent hydrogeology/site buffer
 - Dense native clay down to bedrock
 - 77 metres below ground surface
- Property Value Protection Plan
 - Protection against potential property value devaluation due to proximity to Site
- Leachate treatment on site
- Host Community Benefit Agreement – Southwold Township
 - Green Lane Community Trust Fund
 - 5% of gross landfill revenue
 - First established in 1999
- 'New' First Nations Community Benefits Agreement
 - First Nations Community Trust Fund
 - 4% of gross landfill revenues
 - Provision for future waste diversion facilities
- Highly skilled and experienced staff
- Strong relationship with Southwold Township

Site Facts...

- **Vicinity:** Rural Agricultural
- **Established:** 1978

Total Area:

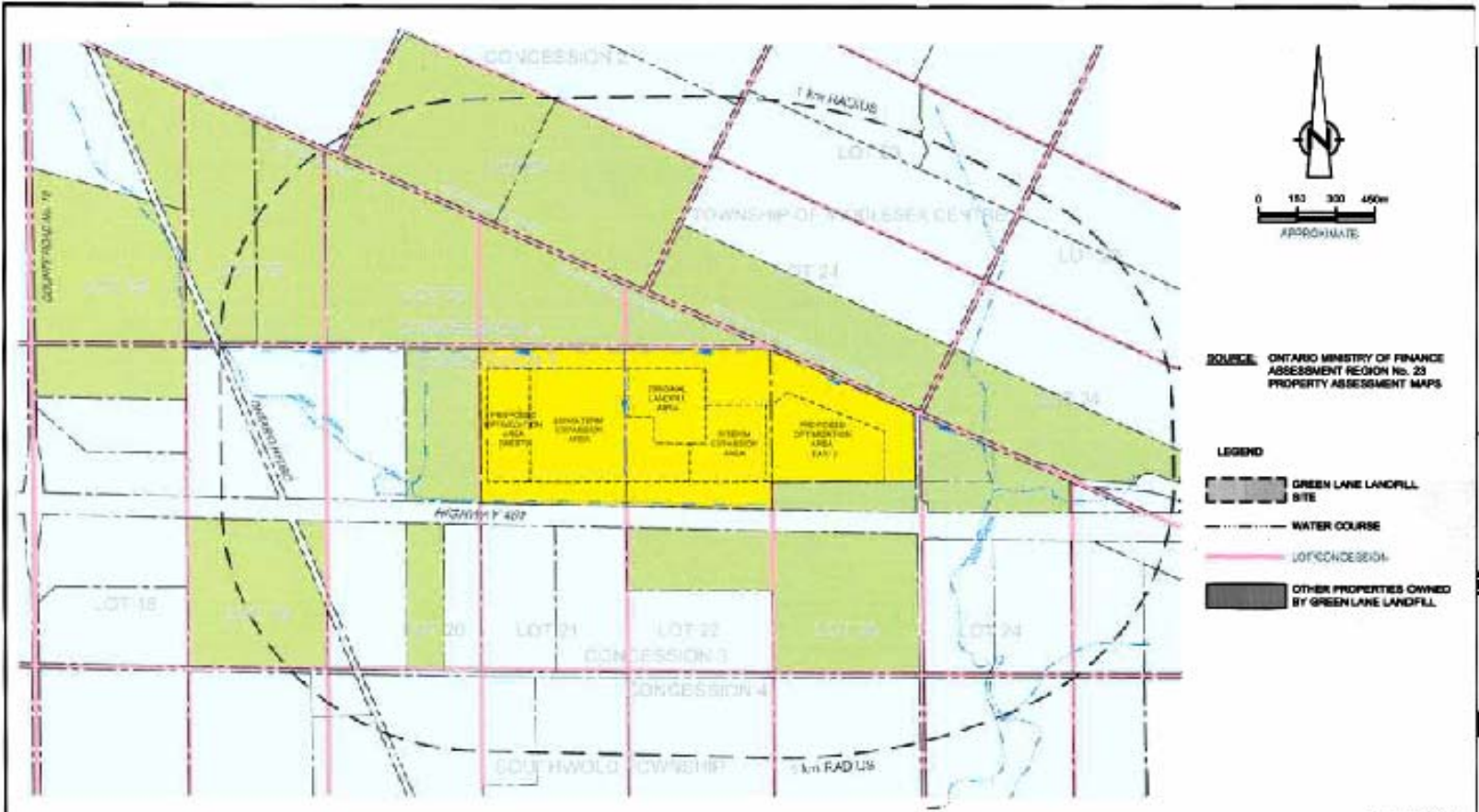
- **Disposal Area:**
 - 71.2 hectares (176 acres) presently approved for landfilling
- **Buffer Lands:**
 - About 486 hectares (1,200 acres) - essentially 21 parcels of farmland



figure 1.1
REGIONAL SITE LOCATION
DESIGN AND OPERATIONS REPORT
SITE OPTIMIZATION
Green Lane Landfill Sites



08721-10/1 18JCN-V0025 MAY 28/2007



SOURCE: ONTARIO MINISTRY OF FINANCE
ASSESSMENT REGION No. 23
PROPERTY ASSESSMENT MAPS

- LEGEND**
- GREEN LANE LANDFILL SITE
 - WATER COURSE
 - LOT/CONCESSION
 - OTHER PROPERTIES OWNED BY GREEN LANE LANDFILL

figure 4.1
PROPERTY BOUNDARIES
DESIGN AND OPERATIONS REPORT
SITE OPTIMIZATION
Green Lane Landfill Site



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Challenges

- **Due Diligence**
 - **Very extensive**
 - **Negotiations**
 - **City of Toronto Staff**
 - **Gartner Lee**
 - **Stikeman Elliott**
 - **Jason Price Chartered Accountants**
- **Judicial Review by First Nations**
 - **Led to First Nations Community Benefit Agreement**
- **Amendments to Certificate of Approval**
 - **Extensive consultation, support and advice from MOE throughout the process**

Amendments to Certificate of Approval

- Key Amendments to C of A
 - Annual tonnage limit
 - From unlimited to 1,100,000 tonnes/yr
 - Weekday Hours of Operation
 - From 24 hours to 5:00 a.m. to 8:00 p.m.
 - Biosolids
 - Continue to be permitted
 - Review handling practices
 - On-Site Inspection by MOE
 - Minimum one day per week
 - Small Claims Trust Fund
 - Raise maximum to \$100,000/yr

Comparison of Community Benefit Agreements

Expressed as:	GreenLane (Southwold/ First Nations)	Keele Valley	Warwick Landfill	Ridge Landfill
\$ Per Tonne	\$4.27/t	≈\$6.00/t	> \$3.00/t	≈ \$4.00/t
% Gross Revenue	=9%	N/A	7.5%	8%

Financial Comparison

	Current Michigan Contract	Green Lane
Haulage	\$44	\$24
Disposal	\$20	\$16-\$18
Capital Financing	\$0	\$24-\$25
Total	\$64	\$64-\$67

Operations & Management

- **Contracted operator and engineering consultants:**
 - **Conestoga-Rovers & Associates**
- **City Management:**
 - **Anne Hiscock, continues her role as Environmental Manager**
 - **Two City Supervisors monitor daily operations**

Estimated Landfill Life

- EA documents estimate landfill capacity to 2018
- Actual capacity solely determined by permitted volume:
 - 15.025 million m³
(13.8 million tonnes)
- Estimated landfill life 2024-2034
 - No new diversion - 2024
 - Reaching the 70% diversion target - 2034

Successful Transition

- **Seamless transition**
 - Same operations staff
 - Same Consulting Engineers
- **Full environmental compliance**
 - Same Environmental Manager
- **No service or operational disruptions**
 - Not one day missed

Benefits for Toronto

- **Stability**
 - **Short-term contingency**
 - **Long-term security**
- **Predictability**
 - **Long-term financial control over disposal costs**
- **Integration**
 - **Part of an integrated waste system**
 - **Opportunity to site waste diversion facilities**

In Closing.....

Purchase of Green Lane Landfill Provides:

- Security of long term and contingency disposal
 - Honours our commitment to exit Michigan in 2010
 - Disposal to 2024-2034
- Financially competitive disposal for City
 - Solid waste
 - Water/wastewater By-Products
 - Transportation Street Sweepings
- Integrated system compatible with any future waste diversion plan