

ITEM 25
MANAGER'S REPORT NO. 82
COUNCIL MEETING 89/12/18

RE: G.V.R.D.'S REFUSE INCINERATION PLANT

MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of the Director Engineering be adopted.

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TO: MUNICIPAL MANAGER 1989 DECEMBER 12

FROM: DIRECTOR ENGINEERING

SUBJECT: G.V.R.D.'S REFUSE INCINERATION PLANT

PURPOSE: To respond to Council's request for staff to research and report on options for financial recognition by the G.V.R.D. in favour of Burnaby for locating the incinerator in Burnaby.

RECOMMENDATION:

1. THAT this report be received for information purposes.

REPORT

BACKGROUND

Council, at its regular meeting of 1989 March 28, received a report (Item No. 11, Municipal Manager's Report No. 24) from the Director Engineering which answered specific questions raised by Council during a presentation from Ms. Dorothy Caddell regarding the additional waste being burned at the G.V.R.D.'s Burnaby Refuse Incineration Plant. Arising from this report, Council requested staff to "... specifically research and report back to Council options for financial recognition by the G.V.R.D. in favour of Burnaby for locating the incinerator in our Municipality."

Staff have corresponded with the G.V.R.D. to ascertain whether or not they have ever paid compensation to host Member Municipalities for the specific siting of liquid waste or solid waste facilities in their Municipality. G.V.R.D. staff have replied that the G.V.R.D. has not paid mitigation fees and that in order to do so, their Administration Board would have to adopt a policy regarding such payments.

In the past, the G.V.R.D.'s Administration Board has authorized compensation to municipalities hosting landfills - Coquitlam receives a royalty of \$1 per tonne of ash residue disposed of at the G.V.R.D.'s Coquitlam landfill - and there is no doubt that dumping fees are less if a Municipality owns its own landfill. The City of Vancouver and the District of Surrey both own their respective landfill sites which they utilize for disposal of their solid wastes. Both the City of Vancouver and the District of Surrey dispose of their residential refuse at rates well below

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the regional rate - at the actual per tonne cost of operating their respective landfills. In addition, Vancouver gains a substantial revenue due to charging commercial haulers the regional rate and retaining the difference between this rate and the "actual cost of disposal". The term "actual cost of disposal" refers to the current operating cost of the landfill site, however it should be noted the landfill sites may have ongoing maintenance costs (leachate control etc.) long after the site closes and revenues have ceased. The City of Vancouver's disposal site (Burns Bog) is located in the Municipality of Delta who enjoys financial advantage by receiving free dumping privileges in addition to a \$1/tonne royalty on other refuse dumped at Burns Bog.

The District of Surrey's landfill site (Port Mann) similarly charges commercial haulers the regional rate for disposal however in contrast to the City of Vancouver situation, the difference in cost is retained by the G.V.R.D. rather than the municipality.

A unique situation also exists within the District of Matsqui where that municipality does not pay the regional surcharge, which is applicable to the other eastern municipalities. This reduction is granted as compensation for maintaining their landfill as back-up for use if the Cache Creek landfill were to become unavailable.

As can be seen, these financial advantages accrue only to those municipalities who own or site landfills.

At one time the G.V.R.D. was considering setting up a fund for providing "public amenities" to be located adjacent to G.V.R.D. facilities (see attachment). According to G.V.R.D. staff, money was set aside in a reserve but during the constraint period of the early 1980's, these funds were re-designated as a reserve for major repairs to the G.V.R.D.'s sewage treatment plants. Consequently, the funds were never spent on public amenities and staff have been advised that there are no plans to re-introduce this concept.

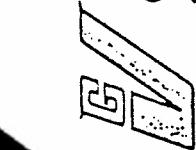
As mentioned, in order for the G.V.R.D. to consider any options for financial recognition in favour of Burnaby for locating the incinerator in our Municipality, the G.V.R.D. Administration Board would require to adopt such a policy. Council may wish to consider pursuing the concept regarding "public amenities" as per the attachment and if so, it would be appropriate that Council communicate its position directly to the G.V.R.D.'s Administration Board. Staff is of the opinion that implementation of such a regional policy would ensure equality of treatment to all Member Municipalities hosting regional facilities.



DIRECTOR ENGINEERING

HDH:je
Attach.

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Greater Vancouver Regional District
4330 Kingsway, Burnaby, British Columbia, Canada V5H 4G0

Regional Manager
Telephone (604) 432-6214

C.C./D.L.

November 22, 1985

Mayor W.A. Lewarne
District of Burnaby
4949 Canada Way
BURNABY, B.C.
V5G 1M2

Dear Mayor Lewarne:

Re: SOLID WASTE FACILITIES

Further to our recent discussions about mitigation payments for solid waste disposal facilities, I suggest that when we take this to the Committee that rather than a payment to municipalities for waste disposal, that we consider creation of a fund for use in providing amenities in open space as recreational areas adjacent to the incinerator. There is a precedent for this in the program set up in 1975 for treatment plants and landfills as shown on the enclosed copy of the May 1975 Board resolution.

This program has worked better than a fee per unit processed because it is specific to improvements in the area of the facility and is limited to those facilities located in areas where they may lessen amenities. That is to say, a facility for instance, located in the heart of an industrial area, would probably not lessen amenities in the area whereas, one located in a residential or park area could have a detrimental effect.

The 1975 resolution refers to Sewage Treatment Plants and Landfills but only because those were the only disposal facilities in the system at that time. A simple amendment could be made to include incinerators or other facilities.

As far as the Burnaby Incinerator is concerned, the annual operating cost is estimated at 4.5 million dollars - 3% of this is \$135,000 which could be used on your foreshore park or other adjacent areas.

I would like to discuss this with you and then perhaps we should introduce the subject to the Committee for a reaction.

Yours truly,

D.L. Mackay
Regional Manager

Regional Manager

ADDITIONAL INFORMATION
RE: INFORMATION IN COUNCIL INFORMATION

Dir. Env.
Dir. Env.
Dir. Env.

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Appendix J. Project.

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2.1.4 It was MOVED and SECONDED,

That Whereas the Sewerage District finds it convenient, practical, and economic to locate disposal facilities serving many municipalities in one municipality which may by itself derive only minimum benefit from the facility, and

Whereas these facilities are frequently located in areas or adjacent to areas which are designated as recreational or open space areas in the Livable Regional Plan, and

Whereas these facilities do not enhance the areas so designated and in fact may lessen the amenities of the areas to the residents of the host municipality, it is recommended:

That, where Sewerage District disposal facilities, whether treatment plants or sanitary landfills, are located in or adjacent to areas which are designated in the Livable Regional Plan as open space or recreational areas, that the Sewerage District create a surcharge of 3% of the operating costs of such facilities for use in providing public amenities in such designated areas and that this surcharge be expended as soon as practical after its collection.

- CARRIED.