

FINANCIAL MANAGEMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

**SUBJECT: 2020 MARCH ENGINEERING CAPITAL FACILITIES MANAGEMENT
GAMING RESERVE REQUEST – BURNABYGROW FACILITY**

RECOMMENDATIONS:

1. THAT Council approve completion of the feasibility study for the Burnaby Green Recycling Organic Waste Facility.
2. THAT Council authorize the use of the Gaming Reserve in the amount of \$150,000 to finance the Burnaby Green Recycling Organic Waste Facility project, as outlined in the report.

REPORT

The Financial Management Committee, at its meeting held on 2020 March 11, received and adopted the attached report seeking Council authorization for the use of the Gaming Reserve to finance the Burnaby Green Recycling Organic Waste Facility project.

Respectfully submitted,

Mayor M. Hurley
Chair

Councillor S. Dhaliwal
Vice Chair

Copied to: City Manager Director Engineering Director Corporate Services Director Finance Director Planning and Building Assistant Director Engineering, Facilities Management

TO: CHAIR AND MEMBERS FINANCIAL MANAGEMENT COMMITTEE **DATE:** 2020 February 24

FROM: DIRECTOR ENGINEERING **FILE:** 32000-05

SUBJECT: 2020 MARCH ENGINEERING CAPITAL FACILITIES MANAGEMENT GAMING RESERVE REQUEST – BURNABYGROW FACILITY

PURPOSE: To request the use of the Gaming Reserve to finance the Burnaby Green Recycling Organic Waste Facility project.

RECOMMENDATIONS:

1. **THAT** the Finance Management Committee recommend that Council approve completion of the feasibility study for the Burnaby Green Recycling Organic Waste Facility and;
2. **THAT** the Financial Management Committee authorize the use of the Gaming Reserve in the amount of \$150,000 to finance the Burnaby Green Recycling Organic Waste Facility project as outlined in this report.

REPORT

INTRODUCTION

The 2020 – 2024 Financial Plan provides funding for various multi-year capital improvement projects. In order to proceed with the award of contracts for construction and feasibility studies, funding approval is requested for the projects listed below.

POLICY SECTION

The following project is aligned with the City of Burnaby's Corporate Strategic Plan by supporting the following goals and sub-goals of the Plan.

Goal

- A Safe Community
 - Maintain a high level of safety in City buildings and facilities for the public and City staff.
- A Dynamic Community
 - City Facilities and infrastructure –
Build and maintain infrastructure that meets the needs of our growing community.

To: Chair and Members Financial Management Committee
From: Director Engineering
Re: 2020 March Engineering Capital Facilities Management
Gaming Reserve Request – BurnabyGROW Facility
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- A Thriving Organization
 - Reliable services, technology and information –
Protect the integrity and security of City information, services and assets.

**Burnaby Green Recycling of
Organic Waste (BurnabyGROW) Facility
ENX.0121**

Estimated \$150,000

The City of Burnaby currently sends 27,000 tonnes of green waste for processing to a private facility at a cost of \$3.3 million annually. Changes in the regulatory environment for composting facilities and other marketplace changes are predicted to increase costs by 25% to 30% over the next three years.

The City of Burnaby's environmental leadership and unique regional location support the development of a facility to process the City's green waste and potentially generate revenue from providing processing services to neighbouring municipalities. This project is to undertake a feasibility study to determine the costs and benefits of developing a BurnabyGROW facility that will support the greenhouse gas reductions from organics diversion. Currently Burnaby reduces GHG emissions by approximately 2,400 tonnes CO₂e annually by diverting organics from the landfill. This could be increased if the BurnabyGROW facility utilizes biogas capture technology to create Renewable Natural Gas.

The scope of this feasibility study includes the provision of recommendations on processing technology options, analysis of end markets for compost materials, ownership and operating models, energy recovery options, and overall economic feasibility. If the City deems it necessary, the consultant hired for this feasibility study will be required to assist the City with any public consultations.

The feasibility report will include the following:

- A review of the 2012 economic analysis that was completed for the City to determine how the present economic and environmental landscape has changed.
- A review of the regulatory requirements for developing and operating a processing facility.
- A comparison of the various methods to best optimize the available energy derived from the processing of Green Waste materials.

To: *Chair and Members Financial Management Committee*
From: *Director Engineering*
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- A comparison of the various methods to optimize total revenue to the City, thereby enhancing economic viability.
- A comparison of various ownership and operating models available to the City, including a summary of the challenges and benefits for each option.
- The number of staff required to maintain and operate the facility, including relevant training and operating certifications.
- An analysis of the processing facility lot siting requirements, including zoning and land access to the transportation network.
- A review of the potential negative impacts relating to traffic and odors including methods for mitigation.
- Recommendations on facility capacity to balance economic feasibility with potential environmental constraints.
- A review of organic waste volumes and processing capacity in the region, including the advisability of accepting green waste from outside of the City of Burnaby.
- A summary of the property attributes that need to be considered when selecting a facility location within the City of Burnaby.
- A conceptual facility design and potential site layout for public consultation and review.

These expenditures are included in the 2020 - 2024 Financial Plan and sufficient Gaming Reserve funds are available to finance the capital projects as outlined in this report.

To: *Chair and Members Financial Management Committee*
From: *Director Engineering*
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RECOMMENDATIONS

It is recommended that the Financial Management Committee forward the request to Council to approve completion of the feasibility study for the Burnaby Green Recycling Organic Waste Facility and authorize the use of the Gaming Reserve in the amount of \$150,000 to finance the capital project as outlined in this report.



Leen A. Gous, P.Eng., MBA
DIRECTOR ENGINEERING

RS/JL/ac

Copied to: City Manager
Director Corporate Services
Director Finance
Director Planning & Building
Assistant Director Engineering, Facilities Management