
CIF Project Number 665.8 - MRF Regionalization & Transfer Station Construction

DATE: October 16, 2014

RECEIVED

TO: County of Simcoe (the "Recipient")

FEB 06 2015

WHEREAS:

- COUNTY OF SIMCOE
CORPORATE SERVICES DIVISION
- A. Waste Diversion Ontario, a corporation incorporated by the *Waste Diversion Act, 2002* (Ontario) ("WDO"), maintains a fund known as the Continuous Improvement Fund, that funds improvements in recycling practices by Ontario municipalities, comprised of a portion of the fees paid to municipalities by stewards under the Blue Box Program Plan.
 - B. The Continuous Improvement Fund ("CIF") is a committee of Waste Diversion Ontario, and has been established through an agreement among the Associations of Municipalities of Ontario, the City of Toronto, Stewardship Ontario and WDO under the Blue Box Program Plan.
 - C. Stewardship Ontario, a corporation continued under the *Waste Diversion Act, 2002* (Ontario), acts as custodian of the CIF monies and is to provide funding to the Recipient.
 - D. The Recipient made an application to the CIF for a grant to assist in the cost of their project entitled: MRF Regionalization & Transfer Station Construction (the "Project"). A copy of this application is attached hereto as Schedule "A" (the "Application").
 - E. The CIF has agreed to provide the grant to the Recipient to assist in financing the cost of the Project as set out below:

1. **Grant**

Based on the Application, WDO and Stewardship Ontario hereby agree to provide a grant from the CIF to the Recipient in the aggregate amount of 47% of the blue box related Project costs up to a maximum of \$2,187,840, inclusive of any applicable taxes, government levies or governmental imposts of any kind (the "Grant"), to be applied by the Recipient toward the cost of the Project.

The Project shall be carried out by the Recipient in consultation with the CIF Managing Director. The Recipient shall devote a sufficient amount of staff time and other resources to carry out the Project in accordance with the timelines, budget and other contingencies set out in the appendices hereto. The Recipient shall act in accordance with any policy established by the CIF related to the completion of project grants.

The blue box-related costs shall be calculated based on the portion of space at the Transfer Station required for the management of blue box-related material at projected future tonnages to the satisfaction of both parties.

2. Budget

The Grant is based upon the budget for the development and implementation of the Project set out in Schedule "B" hereto. It is understood that as the project progresses, there may be variances in costs for specific line items presented in Schedule "B". Disbursement of the grant, however, will be based on the actual cost of items that are material to operation of a blue box transfer station in the aggregate amount of 47% of the blue box-related Project costs up to a maximum of \$2,187,840, inclusive of any applicable taxes, government levies or governmental imposts of any kind.

3. Disbursement of Grant

The Grant will be disbursed by the CIF to the Recipient as the Project progresses, in accordance with the schedule set out in Schedule "C" hereto. The Recipient shall invoice the CIF for each disbursement of a portion of the Grant and will provide such documentation to substantiate any such request, as the CIF may reasonably require. Disbursement requests are to be addressed to the CIF Managing Director at the addresses (mail or email) noted below. Satisfactory completion of the Project report and final disbursement shall be at the sole discretion of the CIF acting reasonably.

4. No Transfer or Encumbrance of the Project

The Recipient shall not sell, assign or transfer the Project to a third party nor mortgage, charge or otherwise encumber the Project without the prior written approval of the CIF or repayment of the Grant.

5. Repayment of Grant

In the event of any material breach by the Recipient of the terms of the Application or this Agreement which is not remedied within thirty (30) days following written notice by the CIF to the Recipient or any failure by the Recipient to carry out the Project in accordance with the timetable set out in the Application or in this Agreement (subject to any delay which may be acceptable to the CIF acting reasonably), the Recipient shall repay all amounts received on account of the Grant and WDO and Stewardship Ontario shall be relieved of any obligation to disburse any remaining unutilised portions of the Grant.

6. Notices

All notices, requests, demands or other communications (collectively "Notices") by the terms hereof required or permitted to be given by one party to any other party, or to any other person shall be given in writing by personal delivery or registered mail (postage prepaid), by facsimile transmission, or by email to such other party as follows:

Waste Diversion Ontario
4711 Yonge Street, Suite 1102
Toronto, ON M2N 6K8
Attention: Michael Scott, Chief Executive Officer
Tel: 416-226-5113 Email: michaelscott@wdo.ca

With a copy to:

Continuous Improvement Fund
92 Caplan Avenue, Suite 511
Barrie, ON L4N 0Z7
Attention: Mike Birett, Managing Director
Tel: 905-936-5661 Email: mbirett@wdo.ca

To Stewardship Ontario at:

Stewardship Ontario
1 St. Clair Avenue West, Suite 700
Toronto, On M4V 1K6
Attention: David Pearce, Managing Director
Tel: 416-323-0101 ext. 183 Email: dpearce@stewardshipontario.ca

To the Recipient at:

County of Simcoe
1110 Highway 26
Midhurst, ON L0L 1X0
Attention: Rob McCullough, Director – Solid Waste Management
Tel: 705-726-9300 ext. 1192 Email: rob.mccullough@simcoe.ca

Or at such other address as may be given by any such person to the other Parties hereto in writing from time to time.

7. General

- (a) The Parties recognize the importance of making information about the Project available for public use. The Recipient shall cooperate fully in providing information which is not of a commercially confidential nature on the Project, as requested by the CIF Managing Director, for publication by the CIF on websites, at conferences and in newsletters.
- (b) The Recipient shall, at their own cost, present the results and learnings from their project at a public event organized by the CIF within 12 months of submission of their project report if so requested by the CIF Managing Director. The CIF may elect to provide financial assistance to remote municipalities toward the cost of such presentations.

- (c) The Recipient shall recognize and state in an appropriate manner, as approved by the CIF Managing Director, the support offered by CIF, WDO and Stewardship Ontario under this Grant. Unless the Recipient has received written notice to the contrary from the CIF Managing Director, the following shall be incorporated into the reports and other documents produced by the Recipient and any sub-contractor in connection with the Project:

This Project has been delivered with the assistance of the Continuous Improvement Fund, a fund financed by Ontario municipalities and stewards of blue box waste in Ontario. Notwithstanding this support, the views expressed are the views of the author(s), and CIF, Waste Diversion Ontario and Stewardship Ontario accept no responsibility for these views.

- (d) It is understood and agreed that neither WDO nor Stewardship Ontario has any ownership interest in the Project and neither WDO nor Stewardship Ontario has any responsibility for or liability with respect to the operations of the Project.
- (e) There is no relationship of partnership, agency, joint venture or independent contractor between or among WDO, Stewardship Ontario and/or the Recipient and none of them has any right to bind any of the others to any contractual obligation.

DATED this 17 day of Jan, ²⁰¹⁵~~2014~~


STEWARDSHIP ONTARIO

By: 
Name: David Pearce
Title: Managing Director

*** **

DATED this 19 day of Dec, 2014

WASTE DIVERSION ONTARIO


By: 
Name: Michael Scott
Title: Chief Executive Officer

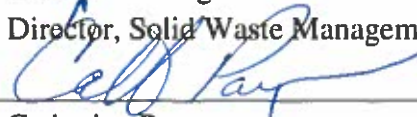
ACKNOWLEDGEMENT AND AGREEMENT

The undersigned hereby acknowledges and accepts the Grant on the terms set out above. The undersigned further agrees to indemnify and hold WDO and Stewardship Ontario harmless in respect of any losses, costs, claims, damages or expenses incurred by either of them in respect of the funding or operation of the Project.

DATED this 11 day of NOVEMBER, 2014

County of Simcoe

By: 
Name: Rob McCullough
Title: Director, Solid Waste Management

By: 
Name: Catherine Payne
Title: Procurement Professional

SCHEDULE "A" APPLICATION FOR GRANT

Request for Expressions of Interest for CIF Funding for Priority Projects – FORM 1 (Mandatory)

FORM 1: Applicant General Information

Municipality or Program Name: County of Simcoe

Project Contact (name and title): Jillian Fairchild

Mailing Address: 1110 Highway 26
Medhurst Ontario
L0L 1X0

Email Address: jillian.fairchild@simcoe.ca

Phone Number: 705-726-9300 Extension# 1040

Fax Number: 705-726-9832

URL (if applicable): _____

Check which project(s) you are applying for:

<input type="checkbox"/> FORM 2 MRF Upgrades for Plastics	<input checked="" type="checkbox"/> FORM 8 MRF Regionalization & Transfer Station Construction
<input checked="" type="checkbox"/> FORM 3 Increase Curbside Collection Capacity	<input type="checkbox"/> FORM 9 Collection Depot Upgrades and Compaction Bins
<input type="checkbox"/> FORM 4 P&E Initiatives for Plastic Packaging and Training	<input type="checkbox"/> FORM 10 Preventative Maintenance, Training and Evaluation
<input type="checkbox"/> FORM 5 Multi-Residential Carts	<input type="checkbox"/> FORM 11 Waste Recycling Strategy
<input type="checkbox"/> FORM 6 RFID Retrofitting and Implementation	<input type="checkbox"/> FORM 12 Small Municipal P&E
<input type="checkbox"/> FORM 7 Collection Vehicle Fuel Efficiencies	<input type="checkbox"/> FORM 13 Public Space Recycling

Work through the Form(s) to fill in as many details as you can. **Contact a CIF staff member, if/as needed to complete remaining portions.** Be sure to review the Form(s) and that you have filled in every field not marked as "Optional" and that all information is complete and correct. Please check which (if any) supporting documentation is attached to this submission that will help describe or support your project.

*Continuous Improvement Fund
Closing Date: March 11, 2011 at 4:00 p.m.*

Supporting documentation attached:

- | | |
|---|---|
| <input type="checkbox"/> Collection records | <input type="checkbox"/> Preventative Maintenance Program |
| <input type="checkbox"/> Processing records | <input type="checkbox"/> Staff reports (to Council, etc.) |
| <input type="checkbox"/> Contracts, agreements | <input type="checkbox"/> Council resolutions |
| <input type="checkbox"/> WM planning documents | <input type="checkbox"/> Other - please specify |
| <input type="checkbox"/> Other - please specify | <input type="checkbox"/> Other - please specify |

Dated at SIMCO COUNTY this 11th day of March, 2011.
ADMINISTRATION
CENTRE

I/We have the authority to bind the Corporation

Mary Ellen
(Name of Respondent)

[Signature]
(Signature of Authorized Signing Officer)

Chief Administrative Officer
(Position)

Continuous Improvement Fund
Closing Date: March 11, 2011 at 4:00 p.m.

FORM 8: MRF Regionalization and Transfer Station Construction

Work through the Form to fill in as many details as you can. Contact a CIF staff member, if/as needed to complete remaining portions.

Section 1 - Form 2 Details

1. Which project are you applying for:

MRF Upgrade

Transfer Station construction/upgrade

2. Project Description: What are the key features of the project? How will it increase system efficiency and/or effectiveness for recovery of plastics? (Tip: Add your initial thoughts, then complete the remainder of the Form, and come back to finish this response.)

The County of Simcoe will be directly responsible for the marketing of all its recyclable materials beginning in July 2012. Under the current collection contracts the County is divided into four regions, each having it's own collection/processing contract(s). The North Simcoe collection contract is the only one which the County processes recyclables, as well as the recyclables collected at all County depots and through the school program, which are baled at the North Simcoe Transfer Facility and marketed and shipped through a broker. In the South, East and West Simcoe Contracts, the collection contractors are responsible for processing of blue box materials. Based on 2010 data, the approximately 25,000 tonnes of recyclables were collected of which the waste collection contractors (South, East and West) were responsible for processing of 10,000 tonnes. These waste collection contractors do not process blue box materials themselves but rather, each ships commingled containers and paper fibres to different processing facilities located outside of the County of Simcoe. This results in a very inefficient system and also results in a lack of flexibility to expand materials collected in the blue box program.

County control over processing will result in increased efficiency and effectiveness as:

1) the current contractual arrangement of various contractors being responsible for processing results in the County not receiving a revenue share.

3. Which element(s) of your recycling program does this project address?

Single family

Innovation

Multi-family

Technology/Capital Efforts

All residential

Hard-to-Market/New Materials

Best Practices

Other (please specify):

Continuous Improvement Fund
Closing Date: March 11, 2011 at 4:00 p.m.

Section 2 – Blue Box Program Costs & Cost-Effectiveness

When this project is fully implemented (i.e. completely operational), how will it affect your blue box program costs and costs per tonne?

1. When the project described in this form is complete, how will this affect your net annual blue box program costs (choose one)?

- Increase
 Decrease
 Stay the same

2. How much will your program costs change as measured in \$/year?

difficult to determine until the new 2012 collection contract is awarded - RFP to be released shortly

3. When the program described in this Form is complete, how will it affect your blue box program's cost-effectiveness (i.e. cost per tonne of marketed recyclables) on an annual basis (choose one)?

- Increase
 Decrease
 Stay the same

4. How will you monitor and measure project effects on your program's cost-effectiveness?

The County will monitor the project effects on the program cost-effectiveness by tracking through existing scale software the tonnages collected and transported. Processed and marketed tonnages would be reported regularly by the contracted processor. The costs/revenues related to the transfer facilities will be tracked in a separate cost centre in the County's financial system.

Comments (optional):

Section 3 – Blue Box Diversion

What effect will this project have on your program's overall blue box diversion (i.e. tonnes of blue box materials sent to market)?

1. When the project described in this Form is complete, what will happen to your blue box program's diversion (choose one)?

- Increase
 Decrease
 Stay the same

*Continuous Improvement Fund
Closing Date: March 11, 2011 at 4:00 p.m.*

2. Please state the expected change in the volume of material marketed as a result of the project.

The volume of available material marketed is expected to increase as we anticipate the opportunity to add items that are not currently accepted in the existing curbside program (such as mixed plastics #3's - #7's, film plastics and potentially thermoform as markets become available).

Comments (optional)

Section 4 - Program Improvements and Regionalization Benefits

What other effects will this project have on your program or on other communities? Use this section to describe whether you plan to work with other communities to develop and deliver the project, how the costs/savings might compare with other similar undertakings.

1. Will the proposed project (please select all that apply):

- help your program adapt to changes in the material mix (i.e. manage seasonability, prepare for future materials)?
- process new materials?
- be transferable to other communities?
- none of the above

2. What other effects will this project have (optional)?

Based on the large geographic size of the County the 3 proposed transfer stations will be located at existing sites throughout the County in an effort to minimize haul time for off-loading of collection vehicles to remain under two hours, maximize loads for transfer to processing facility and to minimize haul time to processing facility. These 3 transfer facilities would continue to operate in the future and act as feeders to a future regional MRF should that option prove the

3. Will you work with other municipalities/partners to develop and deliver this project?

- Yes No

If no, please explain why not:

If yes, what municipalities will you work with and how will they benefit?

If the County transitions from strictly transfer of blue box material to operation of a regional MRF the Cities of Bame and Onilia could also potentially benefit as they are also utilizing their collections contractors for processing of blue box materials. In both cases the collections contractors are shipping dual stream recyclables to other facilities outside the area for processing.

4. What stage are you at in planning your work with other municipalities? Please select your choice below to respond.

- | | |
|--|--|
| <input type="checkbox"/> preliminary discussions | <input type="checkbox"/> awaiting council approval |
| <input type="checkbox"/> draft agreement | <input type="checkbox"/> agreement in place |
| <input checked="" type="checkbox"/> other: <u>determination of future direction with respect to regional MRF is required</u> | |

Comments (optional):

Section 5 – Project Costs and Payback Period

How much will it cost to implement the project and how long is its expected payback period?

1. What is the total cost of completing the proposed project? range based on options below from \$11.6M -
2. What is the total funding request to CIF? 50%
3. What is the project payback period for CIF support (in years)? cost savings dependent on options

Comments (optional):

costs based on:
stage 1 (development of 3 initial transfer facilities) = \$7,899,000
stage 2 option a) (development of 4th transfer facility) = \$3,691,000
option b) (development of regional MRF) = \$20,000,000

Section 6 – Project Management and Implementation

In this section, provide as much information as you can about project management, timing and monitoring.

1. Please identify staff and consultants who will be responsible for this project.

Project Manager

Name: TBD - contact for file: Jillian Fairchild

Title: Projects Coordinator

Affiliation: County of Simcoe

Role in project: _____

Related experience: _____

2. Additional project team members: please identify key staff/consultants, their roles and related experience (optional).

Representative team members from facilities, collections, finance & communications and specialized consulting as necessary.

*Continuous Improvement Fund
Closing Date: March 11, 2011 at 4:00 p.m.*

Request for Expressions of Interest for CIF Funding for Priority Projects – FORM 5

3. Project Timing: Upon project approval, how soon can this project be ready to start-up? Please select your choice below to respond.

- budget approved by council & project underway
 - budget approved by council; project not yet started
 - awaiting budget and/or council approval
 - Other, please describe: Will be budgeted in the 2012 Waste Management Operational Budget
-

Comments (optional):

Planning and preparation will be completed throughout 2011 and building and development will begin in 2012.

4. How many months will it take to complete the proposed project from start to finish? 14 (Stage 1)

*Continuous Improvement Fund
Closing Date: March 11, 2011 at 4:00 p.m.*



County of Simcoe
Solid Waste Management
1110 Highway 26,
Midhurst, Ontario L0L 1X0

Main Line (705) 726-9300
Toll Free 1-866-893-9300
Fax (705) 726-9832
simcoe.ca



August 2, 2012

Mike Birett, Director
Continuous Improvement Fund
92 Caplan Avenue, Suite 511
Barrie, ON
L4N 0Z7

Re: County of Simcoe Blue Box Transfer Station Funding Application Project #665.8

Dear Mr. Birett,

As requested, we have prepared this letter outlining next steps for the potential development of a County of Simcoe transfer facility in order to secure CIF funding for the potential project.

Further steps in development of a transfer facility will be pending the outcome of the County's procurement process for processing and transfer of blue box material. In the event that the RFP pricing does not prove favourable, County Staff will seek Council support of the criteria outlined below to satisfy CIF. We note that budget approval has already been provided by County Council for the development of a transfer facility and that Council has been very supportive of initiatives involving other local municipal jurisdictions.

Criteria to be met to receive CIF funding for the project:

1. The successful completion of an agreement with the CIF;
2. The Council approval of a facility to be jointly utilized by other local municipal jurisdictions on a cost recovery basis;
3. The County will seek a letter of intent from the other local municipal jurisdictions with respect to utilizing capacity at the facility on a cost recovery basis to the satisfaction of CIF;
4. The provision in the facility Environmental Compliance Approval to permit transfer of blue box materials from other municipalities across Ontario, to be done on a cost recovery basis;
5. The design of the facility to allow for its potential future expansion to accommodate a full MRF operation and involvement of CIF staff in the design; and,
6. The documentation and evidence of savings achieved, including baseline data collection on the current system, to the satisfaction of the CIF.

We trust that this letter meets the requirements of the CIF. Should you have any questions please feel free to contact the undersigned.

Sincerely,

Rob McCullough
Director, Solid Waste Management

ESD-003-C01

SCHEDULE "B"
BUDGET

Table 6.1 - Transfer Station Capital Cost Estimate - Materials Transferred: Garbage, Containers, Fibres

Item	Description	\$
<u>Pre-Construction</u>		
Planning, approvals, RFP/tender and evaluation		100,000
Land purchase (assume Simcoe-owned land is used)	200m x 180m	-
Site development costs (assume services, approach road in place)		-
Survey, geotechnical investigations		25,000
Allowance for Phase I & II ESAs		40,000
Allowance for Storm Water Management Study		30,000
<u>Site Works</u>		
Mobilization / demobilization		50,000
Clearing and grubbing, grading (at \$7/m2)	200m x 180m	252,000
Perimeter fencing and gates (at \$100/m)	760m	76,000
Roadworks and paving (at \$60/m2)	13,000m2	780,000
Concrete ramps, pads at truck doors (at \$100/m2)	1,500m2	150,000
Roadway lighting (25m spacing, \$10,000/pole)	20 poles	200,000
Stormwater management (at \$3/m2 of site area)	200m x 180m	108,000
Weighscale (1) and scalehouse	Existing	-
Site services, utilities, yard piping (at \$15/m2 of site area)	200m x 180m	540,000
Fuel storage tank		10,000
Site signage		5,000
Landscaping		50,000
<u>Building and Ancillaries</u>		
Pre Eng Building tip floor, storage area (at \$800/m2)	40m x 60m	1,920,000
Transfer trailer bays (at \$1,000/m2)	40m x 5m x 3	600,000
Pushwalls (4.3m high x 0.3m thick x 2 (buried portion) at \$1,400/m3)	200m	722,000
Kneewalls (3m high x 0.3m thick x 1.5 (buried portion) at \$1,400/m3)	60m	113,000
Administration/amenity areas (at \$1,300/m2)	120m2	156,000
Allowance for HVAC, other mechanical, sprinkler		100,000
6m x 9m truck doors (at \$25,000 each)	6	150,000
4m x 5m truck doors (at \$15,000 each)	3	45,000
Stationary compactors (at \$175,000 each)	3	525,000
Compactor feed hopper, related steel works		50,000
Allowance for miscellaneous electrical		50,000
<u>Transfer Trailers</u>	incl. in haul cost	-
Subtotal:		\$6,847,000
Unforeseen and Estimating Allowance (15%):		1,027,000
Engineering and Contract Administration (10%):		685,000
Total:		\$8,559,000

**SCHEDULE “C”
DISBURSEMENT OF GRANT**

The Grant will be disbursed as follows upon compliance with the contingencies outlined in your funding award, i.e.:

- *The submission and approval of a monitoring and measurement plan.*
- *The Council approval of a facility to be jointly utilized by other local municipal jurisdictions on a cost recovery basis.*
- *The County will seek a letter of intent from the other local municipal jurisdictions with respect to utilizing capacity at the facility on a cost recovery basis to the satisfaction of the CIF.*
- *Provision in the facility Environmental Compliance Approval to permit transfer of blue box materials from other municipalities across Ontario, to be done on a cost recovery basis.*
- *Design of the facility to allow for its potential future expansion to accommodate a full MRF operation and involvement of CIF staff in the design.*
- *Documentation and evidence of savings achieved, including baseline data collection on the current system, to the satisfaction of the CIF.*

Milestones	Tasks / Description	Anticipated Completion Date	Grant Contribution (includes 1.76% non-recoverable taxes)
1 – Monitoring & Measurement Plan	Submission of a monitoring and measuring strategy including baseline data collection on the current system. Please refer to CIF guidance document.	January 2016	
2 - Engineering and Site Prep	<ul style="list-style-type: none"> - Proof of Council approval of a facility to be jointly utilized by other local municipal jurisdictions on a cost recovery basis. - Proof of letter of intent from the other local municipal jurisdictions with respect to utilizing capacity at the facility on a cost recovery basis to the satisfaction of the CIF. - Proof of provision in the facility Environmental Compliance Approval to permit transfer of blue box materials from other municipalities across Ontario, to be done on a cost recovery basis. - Proof of design of the facility allowing for potential future expansion to accommodate a full MRF operation & obtainment of necessary approvals to build. 	January 2018	

Milestones	Tasks / Description	Anticipated Completion Date	Grant Contribution (includes 1.76% non-recoverable taxes)
3 - Building Construction	<ul style="list-style-type: none"> - Photos demonstrating substantial completion of construction per the budget. - Interim report to CIF on project status and timeline. - Documentation confirming that capital expenditures have been incurred in connection with the approved budget items. 	March 2019	47% of project costs to date up to \$1,640,880
4 - Final Report (mandatory hold back of 25% of approved funding)	<ul style="list-style-type: none"> - Documentation and evidence of savings achieved, including baseline data collection on the current system, to the satisfaction of the CIF. - Submission of final report summarizing Project, including performance, impact, savings and learnings. 	March 2020	47% of final project costs up to \$546,960
TOTAL GRANT			\$2,187,840