
CITY OF KELOWNA

MEMORANDUM

Date: May 28, 2003
File No.: 5380-04

To: City Manager

From: Drainage/Solid Waste Manager

Subject: **Biosolids Composting – Kelowna/Vernon Joint Venture**

RECOMMENDATION:

THAT Council receive the report as information;

AND THAT Council direct staff to continue the investigation and assessment of a potential Joint Venture with the City of Vernon;

AND FURTHER THAT staff prepare a detailed report to Council upon completion and acceptability of the “draft” Joint Venture Agreement.

BACKGROUND:

The City of Kelowna has operated an aerated static pile biosolids composting facility since 1994. Presently, the facility is located on leased property within the Central Okanagan Regional District off Beaver Lake Road east of Highway 97.

Although staff have been successful in securing a lease until the end of 2005, long term use of the property has not been achieved. As a result, the identification and conceptual planning of an alternative site has been necessary. The Glenmore Landfill was recommended by staff and supported by Council through the adoption of the Landfill Site Development Plan. A significant capital investment is necessary for the required infrastructure and environmental controls that will need to be put in place.

Concurrently, staff has been discussing a potential joint venture with the City of Vernon for a biosolids/organics composting operation. Benefits to the municipalities of a joint venture may include:

- reduced capital investment through the development of an open site, should a rural location be identified
- reduced capital investment of each municipality through the sharing of land acquisition and development costs
- reduced operating costs on a per tonne basis through economies of scale
- increased opportunities for additional revenues by developing and implementing varied marketing strategies which greater product volumes may offer
- transfer of knowledge between staff on this and other waste management initiatives

This opportunity has arisen as a result of the City of Vernon constructing a new wastewater treatment plant which will be producing de-watered sludge once complete in 2004. The Sanitary Sewer Advisory Committee in Vernon has adopted composting as the means of stabilization and production of biosolids.

Over the past eight months staff from the Cities of Vernon and Kelowna as well as other local regional districts and municipalities have identified and short listed potential locations for the joint facility. Please note that the Glenmore Landfill does not have adequate area to serve as a multi-jurisdictional facility. In addition, staff has discussed numerous management, ownership and operational models. It is anticipated that the site ownership and operations will be managed by the two primary municipalities with other regional treatment plants being customers.

Current activities related to this initiative consist of the preparation of a "draft" Joint Venture Agreement, evaluation and selection of a preferred site, preparation of detailed capital and operational cost estimates and the preparation of a marketing study which includes the additional product volumes.

Should the "draft" Joint Venture Agreement be deemed by staff as acceptable, a comprehensive report to Council would be prepared detailing all activities related to the initiative. At the present time this information is being brought to Council as information in support of staff activities.

Alan Newcombe, P.Eng.
Drainage/Solid Waste Manager

John Vos, Director
Works & Utilities