Thestar.com

Durham incinerator clears key hurdle

Despite public protest, region approves financial outline May 29, 2008

CAROLA VYHNAK

URBAN AFFAIRS REPORTER

A taxpayer's objections that the business case for a proposed incinerator in Durham Region is "self-serving trash" fell on deaf ears last night as council approved the report, passing an important milestone on the road to building the \$198 million facility.

"It's not a business case at all because it doesn't answer all the `what ifs,'" Whitby resident and retired businessman Doug Anderson told councillors. "You've been ripped off."

If the region stuck to its goal of 70 per cent diversion by 2010, the "entire case for the incinerator falls apart," said Anderson, one of a dozen diehard opponents who hung in for the 5 1/2-hour debate.

Although several councillors echoed his concerns, the report was approved by a 17 to 8 vote.

The energy-from-waste facility, a joint project with York Region, can be paid off in six years and won't cost taxpayers a dime if gas-tax funding from the federal government is used for Durham's \$155 million share of the tab – a "tremendous deal," according to finance commissioner Jim Clapp.

Gas tax funding to municipalities amounts to \$16.5 million a year in Durham, which would accumulate to close to \$50 million by the time construction starts in 2010.

York is assuming 21 per cent of the cost of the facility which will have a capacity of 140,000 tonnes of trash a year. It will cost Durham \$13 million a year to operate.

Citing flawed figures and missing data, Port Perry resident Barry Bracken called for a peer review of the business case "to look at how (financial consulting firm Deloitte) arrived at these figures." He challenged the report's claim that the incinerator would be worth \$80 million in 25 years, saying there's a "huge risk" technological advancements will render it obsolete in a decade.

Oshawa councillor John Neal slammed the "bad agreement" with York. "What they're getting away with is criminal. We're taking the site and they're paying 21.4 per cent? It should be reversed."

It's a "terrible, terrible error" to use all of the region's gas tax funding when money is needed for transit and transportation projects, said Ajax Mayor Steve Parish.

But Scugog Mayor Marilyn Pearce supported the plan to use gas tax, saying funding for transit projects already exists.

Parish warned the plan will have an impact on property taxes, a concern echoed by Councillor Brian Nicholson. A longtime critic of incineration, Nicholson urged council to cut costs by deleting \$9 million allocated to "make the incinerator look pretty" – and \$1.5 million for a viewing gallery and education centre. He was voted down.

Works commissioner Cliff Curtis has said the gallery is "vital" for educational purposes and the money for architectural enhancements would ensure they didn't end up with a "Wal-Mart-style" building.

Responding to opponents' criticism that council is ignoring health risks, Councillor Nester Pidwerbecki assured Durham residents their health and safety comes first.

Incinerator timeline

2005: York, Durham Regions form partnership to manage waste

March 2006: Environmental assessment started

June 2006: Incinerator approved

Spring 2007: Health and ecological risk study completed

January 2008: Site near Hwy. 401 and Courtice Rd. in Clarington approved

May 28, 2008: Business case completed by Deloitte and Touche LLP approved

Mid- to late-2008: Vendor and technology to be selected

Spring 2009: Site-specific health risk assessment to be completed

2009: Review and approval by Environment Ministry expected

2010: Construction to start

2012-2013: Construction completed