

Metroland News

Incineration business case benefits all taxpayers: Chairman

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By Reka Szekely

DURHAM -- The Region's business case for incineration is headed to council after a full day of debate at the committee level.

Durham released the case on Friday and Regional staff officially presented it at a joint finance and administration-works committee meeting Wednesday.

Finance commissioner Jim Clapp said the Region took a conservative approach to preparing the business case and the federal gas tax would be a good way to finance the facility.

"(We) have this golden opportunity to control our own destiny relative to the disposal of our garbage," he said.

The uncertainty of fuel costs and landfill fees once the Michigan border closes in 2010 are the biggest disadvantages to landfill somewhere in Ontario as opposed to incineration, said the business case prepared by financial analyst from Deloitte.

According to the report presented to councillors, the energy-from-waste facility would cost just under \$200 million to build, with Durham responsible for just more than \$155 million.

If federal gas tax dollars are used to pay off the debt for the construction of the plant, it will take six years to pay off the Durham portion of the building costs. After that, incineration would be cheaper than landfill, projects the business case. By using the gas tax dollars, residents would see a one per cent property tax increase in 2013, but that would be recovered in subsequent years when the property tax impact of incineration would drop.

"It's very clear to everyone in this room that the business case does benefit the taxpayers of Durham and the impact on the taxpayers is minimal at best," said Regional Chairman Roger Anderson.

But whether the gas tax dollars -- which can only be used for infrastructure projects like waste, water, sewer and transit -- should be used for energy-from-waste was one of the key debates during the meeting.

Members of the public who spoke said they disagreed with Mr. Anderson's assessment.

"That is absolutely wrong. Those dollars would have been used for other projects," said Barry Bracken.

Some members of council also disagreed, including Oshawa Councillor April Cullen. "Don't look at this with blinders on and forget about the other things that are out there that are also priorities, including transit," she said.

But Scugog Mayor Marilyn Pearce said the gas tax dollars should benefit everyone.

"Waste is about the whole region, doesn't matter if you're rural or urban," she said, pointing out that only a small percentage of residents use transit.

The business case now goes to Regional council on May 28. If it's passed, the Region will put out a request for proposals from the five vendors pre-qualified to build and operate the incinerator.