



The Corporation of the Municipality of Arran-Elderslie

Staff Report

Council Meeting Date: 2021-09-13

Subject: SRW.21.33 Lallemand Agreement

Report from: Scott McLeod, Public Works Manager

Appendices: Appendix A – Lallemand Bio-Ingredients Sewer and Water Agreement

Recommendation

Be It Resolved that Council hereby,

1. Supports the execution of an agreement between the Municipality and Lallemand Bio-Ingredients for the Environmental Services of Sewer and Water; and
2. That the necessary By-Law be prepared to execute the agreement; and
3. That the Chief Administrative Officer (CAO) is authorize to sign the agreement on behalf of the Corporation.

Report Summary

Staff are seeking Council approval to enter into an Environmental Agreement for Water and Sewer services with Lallemand Bio-Ingredients.

Background

When Lallemand purchased the former Sensient Flavors plant in Tara to start the processing of yeast, they assumed the existing Water and Sewer Agreement. As the plant developed, flows and effluent sample results increased. The Municipality's Public Works Department instigated the development of a new agreement with Lallemand Bio-Ingredients with the assistance of GSS Engineering Consulting Ltd.

Analysis

The proposed agreement as attached as Appendix A retains the same water portion to the Sensient agreement. However, additional requirements have been identified on the sewage portion of the agreement. Flow and Effluent criteria were increased, and a surcharge was added for non-compliance of effluent, incorporating the flow volume as well. The Municipality and Lallemand have been working on this agreement since early 2021, along with confirmation of adequate sample results with flows, and the upgrading of certain components in the plant. Lallemand is a large volume and financial contributor to the Tara Water and Wastewater system, it is an advantage to the Municipality that effluent requirements are met.

Link to Strategic/Master Plan

Not applicable.

Financial Impacts/Source of Funding

There are currently no financial impacts to the Municipality. GSS Engineering's work was completed on behalf of Lallemand, by accessing and giving advice on their wastewater management. No additional costs were incurred by the municipality.

Approved By: Sylvia Kirkwood, CAO