



Making a difference...together

**REPORT TO CORE AREA LIQUID WASTE MANAGEMENT COMMITTEE
MEETING OF December 14 2016**

SUBJECT **Report from the Core Area Wastewater Treatment Project Board -
December 2016**

ISSUE

To provide the Core Area Liquid Waste Management Committee (CALWMC) with the December 2016 status report on the work of the Core Area Wastewater Treatment Project Board (Project Board) and the Core Area Wastewater Treatment Project (the Project).

BACKGROUND

Under its Terms of Reference, the Project Board provides monthly status reports to the Capital Regional District (CRD). This is the report for November 2016.

IMPLICATIONS

As noted in the October report, the Project continues to move forward on several fronts. In the past month, the Project Board has focused on these activities:

- Finalizing the Project Execution Plan
- Finalizing the retainer of both the Project Director and Deputy Director
- Engaging the Township of Esquimalt and the City of Victoria in the land use processes
- Engaging senior levels of government to finalize the funding agreements
- Engaging Harbour Resource Partners (HRP), the contractor for the construction of the wastewater treatment plant, to reach a project agreement by early 2017
- Beginning the procurement of a proponent for the bio-solids treatment facility at Hartland Landfill
- Continuing meetings with municipalities in the Core Area and with stakeholders

A more detailed description of some of these activities follows:

Project Management Team

As noted in the last report, the Project Board is actively recruiting a senior management team. This team will include resources to communicate with communities, stakeholders, and the broader public and to develop a community consultation and engagement program.

The Project Board has now retained the Project Director and Deputy Project Director, both of whom will be in place full time on December 12. They will complete the assembly of the rest of the senior management team and communication/consultation resources, which we anticipate will be complete by year end or shortly thereafter.

Communication of Project Information/Community Engagement

As noted in the last report, the Project Board recognizes that while the process of engaging a senior management team is under way, there is a need to continue to provide information and engage with interested stakeholders. The Project Board developed a three stage plan to address this need, which was included in the last report. We are working through the activities noted in Phase 1 and early Phase 2 of the plan. Notably, we have prepared and posted/distributed an information package to Core Area municipalities and key stakeholders. The Chair and Vice Chair of the Project Board continue to meet with elected officials and representatives of the various municipalities, Department of National Defence (DND), the Greater Victoria Harbour Authority (GVHA) and other stakeholder groups. Discussions are ongoing with the Esquimalt and Songhees Nations. Attachment 1 is a list of the significant meetings held in the month of November.

Several meetings with residents' associations have been scheduled for December and January. Open houses will also take place to support the Township of Esquimalt rezoning and development permit processes noted below, as well as the City of Victoria Clover Point rezoning for the pump station upgrades.

Senior Government Funding:

The Chair and Vice Chair met in Ottawa in November with staff from both P3 Canada and Infrastructure Canada to ensure the process to finalize the funding agreements was tracking well. The meetings were positive, with all parties working toward finalizing agreements for February 2017.

Work on the Provincial funding agreement continues along a similar time frame.

Amendment #11 to the Liquid Waste Management Plan:

As noted in the November report, the Project Board had discussions with CRD and Ministry of Environment (MOE) staff regarding the scope and timeline of the CRD's Integrated Resource Management planning program that was part of the approved Business Case. In correspondence dated November 18, 2016, (attached as Attachment 2) the Minister extended the deadline set out in the original approval of Amendment #11 to the Liquid Waste Management Plan from December 31, 2017 to June 30, 2019. CRD staff leading the planning process have indicated that the necessary planning can be accommodated within the extended window.

Wastewater Treatment Plant – Land Use Processes

The Project Board and representatives of the proponent, Harbour Resource Partners, their architects and landscape architects have continued their active engagement with Township of Esquimalt staff. By agreement, a preliminary submission for a development permit was provided to staff on November 7; further follow up meetings were held, including a detailed review of specific provisions of the design guidelines on December 7. The Project Board and Esquimalt staff have now agreed on a timeline for a City initiated rezoning and development permit process. This has been approved by Esquimalt Council, as confirmed in correspondence from the CAO of the Township to the Project Board Chair dated November 22, 2016, a copy of which is attached

as Attachment 3. As noted, the process includes two open houses in January 2017. Also, following very positive discussions with the Base Commander and staff at DND, a third open house will be scheduled for Base residents in January.

Discussions between the Project Board and staff at the Township of Esquimalt continue regarding the details of the amenity package, within the parameters of the approved Business Case.

Discussions are also under way with staff at the City of Victoria to finalize the process for the rezoning of Clover Point, including community meetings.

Procurement of Proponent for Residual Solids Treatment Facility

As set out in the Business Case, the Residual Solids Treatment Facility at Hartland landfill will be procured as a design, build, partially finance and operate and maintain contract. As part of the competitive selection process, the Project Board issued a Request for Qualifications (RFQ) on December 3.

The timeline for the procurement is:

- February 9, 2017: RFQ closes; selection of a short list follows
- March 2017: Request for Proposals (RFP) issued to short listed proponents
- August 2017: RFP Technical Submission closes
- October 2017: RFP Financial Submission closes
- November 2017: Selection of Preferred Proponent
- December 2017: Project Agreement with preferred proponent
- January 2017: Construction commences
- December 2020: Service Commencement

Meeting/Reporting and other Administrative Matters:

The Project Board continues to have regular meetings at which delegations are received.

Monthly reports from the Project Board to the Core Area Liquid Waste Management Committee will include correspondence received during the preceding month.

The Project Board Terms of Reference specify that in addition to monthly progress reports, the Project Board will provide the Committee with a comprehensive quarterly report which will address Project scope, budget, schedule and risk. These will begin in the first quarter of 2017. A draft table of contents for the Report is attached as Attachment 4.

CONCLUSION

The Project Board is continuing its work in accordance with the Terms of Reference approved by the CRD Board. This report provides an update on that work.

RECOMMENDATION

That the Core Area Liquid Waste Management Committee recommend to the Capital Regional District Board:

That this report be received for information.

Submitted by:	Jane Bird, Chair, Core Area Wastewater Treatment Project Board
---------------	--

JB:dd:nm

- Attachments:
1. November meetings with municipalities and key stakeholders
 2. November 18, 2016 Correspondence from the Minister of Environment
 3. November 22, 2016 Correspondence from Township of Esquimalt, CAO
 4. Draft Table of Contents For The Quarterly Report

MEETING SCHEDULE

November – December 7, 2016

- November 4, 2016 – Greater Victoria Harbour Authority (Teleconference)
- November 7, 2016 - Esquimalt Staff
- November 10, 2016 – City of Victoria Council Presentation
- November 15, 2016 – City of Victoria
Municipal Engineers – to discuss conveyance route
- November 16, 2016 – Esquimalt and Songhees First Nations
City of Victoria
Township of Esquimalt
- November 18, 2016 – Esquimalt Staff
- November 22, 2016 – Infrastructure Canada - Ottawa
P3 Canada - Ottawa
- November 28, 2016 – Mayor Helps and Stakeholders (DVBA, GVHA, Tourism Victoria, City of Victoria, Victoria Chamber of Commerce)
- November 30, 2016 – Greater Victoria Harbour Authority
Esquimalt and Songhees First Nations
DND
- December 5, 2016 - District of Saanich Council Presentation
- December 7, 2016 - Esquimalt Staff



Reference: 305517

November 18, 2016

Jane Bird
Chair, Core Area Wastewater Treatment Project Board
Capital Regional District
PO Box 1000, 625 Fisgard Street
Victoria BC V8W 2S6

Dear Ms. Bird:

Thank you for your letter of November 17, 2016, regarding my conditional approval of Amendment No. 11 to the Core Area Liquid Waste Management Plan (CALWMP). As requested in your letter, I will clarify my conditional approval of Amendment No. 11 to the CALWMP and have also considered your request to modify my condition for Integrated Resource Management.

To address your concerns, I am revising my September 30, 2016, Conditional Approval of Amendment No. 11. This revised Conditional Approval of Amendment No.11 supersedes my September 30, 2016, decision.

To clarify, Amendment No. 11 includes, but is not limited to, the following:

1. A single 108 megalitre/day wastewater treatment plant located at McLoughlin Point within the Township of Esquimalt capable of tertiary treatment for flows up to 2 times Average Dry Weather Flow (ADWF) for the Core Area up to 2040. For flows that are greater than 2 times ADWF but not more than 3 times ADWF for the Clover Point catchment and up to 4 times ADWF for the Macaulay catchment, primary treatment will be guaranteed. Construction of the wastewater treatment plant will be completed by December 31, 2020.
2. Commitment to advance studies for a wastewater treatment proposal in Colwood, including up to \$2 million to complete the required technical studies and environmental impact assessments.
3. Conveyance of sewage sludge to the Hartland landfill for processing into Class A biosolids, as defined under the Organic Matter Recycling Regulation, for beneficial use and optimization for potential opportunities for integrated resource management.

...2

As a condition of my approval and in accordance with Section 24 (5) of the *Environmental Management Act*, I require the Capital Regional District (CRD) develop a definitive plan for the beneficial reuse of biosolids that does not incorporate multi-year storage of biosolids within a biocell. The Ministry of Environment understands that the plan may need to include short-term storage and/or management options as part of implementing the beneficial reuse plan, but the CRD is strongly encouraged to minimize the need for this. Further, I am amending the deadline for submission of the plan from December 31, 2017, to June 30, 2019, under the condition that the CRD submit, by May 31, 2017, a plan that outlines the procedural steps and schedule it will implement to achieve the definitive plan.

The CRD must ensure that the definitive plan for beneficial reuse of biosolids is supported by an assessment of the full spectrum of beneficial uses and integrated resource management options available for the proposed Class A biosolids produced at the Hartland Landfill, and incorporates a jurisdictional review of how similar-sized and larger municipalities within British Columbia, North America and further abroad, successfully and beneficially reuse biosolids. Ministry staff will assist as necessary and can share the ministry's jurisdictional review of how other similar-sized and larger municipalities reuse biosolids.

The beneficial reuse option selected for treated biosolids must meet the requirements for beneficial use specified in the Canadian Council of Ministers of the Environment *Canada-Wide Approach for the Management of Wastewater Biosolids* (October 11, 2012) and be based on scientific evidence. This definitive plan for the beneficial reuse of biosolids will replace the current proposal to use a biocell for storage.

Please continue to work with staff in the Environmental Protection Division of the Ministry of Environment to ensure that the proposed wastewater treatment facility is registered under the Municipal Wastewater Regulation prior to operation of the plant. Please also inform ministry staff of all beneficial uses of biosolids being considered, in order to ensure all necessary forms of authorization are obtained in advance of discharge.

Additionally, the CRD should continue to engage First Nations and the public on all aspects of the CALWMP.

Be advised that the ministry intends to publically post any reports or other documents received by the CRD on the ministry website related to this conditional approval, the CALWMP and this activity regulated under the *Environmental Management Act*.

Approval of Amendment No.11 to the CALWMP does not authorize entry upon, crossing over or use for any purpose of private or Crown lands or works, unless and except as authorized by the owner of such lands or works. The responsibility for obtaining such authority shall rest with the local government. This amendment is approved pursuant to the provisions of the *Environmental Management Act*, which asserts it is an offence to discharge waste without proper authorization. It is also the regional district's responsibility to ensure that all activities conducted under this plan amendment are carried out with regard to the rights of third parties and comply with other applicable legislation that may be in force.

Sincerely,



Mary Polak
Minister

cc: Honourable Peter Fassbender, Minister of Community, Sport and Cultural Development
AJ Downie, Director, Environmental Protection Division, Ministry of Environment
Robert Lapham, Chief Administrative Officer, Capital Regional District
Larisa Hutcheson, Interim Project Director, Core Area Wastewater Treatment Project,
Capital Regional District
Sharon Singh, Associate, Bennett Jones Vancouver

Via email to BirdJA@bennettjones.com

November 22, 2016

Jane Bird
Chair, Core Area Wastewater Treatment Project Board
Box 1000, 625 Fisgard Street
Victoria, BC V8W 2S6

Dear Ms. Bird:

RE: Comprehensive Process and Milestones for Proposed Wastewater Treatment Plant

Please be advised that the Council of the Township of Esquimalt at its Regular Meeting of November 21, 2016, made the following resolution:

"That Council directs the CAO to enter into discussions with the CRD Project Board to develop a comprehensive process that addresses concurrent CRD Project Board initiated Development Permit application and Township initiated Rezoning application together with negotiated amenity and other relevant agreements. The comprehensive process will be based on the following major milestones:

<i>November 21, 2016</i>	<i>Council consideration of comprehensive process and timeline</i>
<i>Dec, 2016 – Jan, 2017</i>	<i>Township advances Rezoning</i>
<i>December 20, 2016</i>	<i>DP Application submitted by CRD/Project Board/HRP</i>
<i>January 11, 2017</i>	<i>Design Review Committee (DP)</i>
<i>January 12, 2017</i>	<i>CRD Project Board - evening public open house</i>
<i>January 14, 2017 house</i>	<i>CRD Project Board - afternoon public open</i>
<i>January 17, 2017</i>	<i>Advisory Planning Commission (Rezoning)</i>
<i>February 6, 2017</i>	<i>Council consideration of first and second reading Zoning Amendment Bylaw</i>
<i>February 20, 2017</i>	<i>Council Public Hearing for Zoning Amendment Bylaw (including all related amenity and other relevant agreements)</i>

February 27, 2017

*Council Consideration of Adoption of Zoning
Amendment Bylaw*

*Consideration of Issuance of Development
Permit*

Council agrees in principle to the above timeline which targets completion by end of February, 2017 with all parties acting reasonably. Council acknowledges that there may be additional events scheduled to occur within the timeline for public consultation."

The Township looks forward to further collaboration on this project.

Yours truly,



Laurie Hurst, CPA, CGA
Chief Administrative Officer



Making a difference...together

**Core Area Wastewater Treatment
Quarterly Project Progress Report No. xx**

Month, Day, Year

Prepared by:

[Author]

Table of Contents

Overall Project Summary –	Error! Bookmark not defined.
1.0 Executive Summary	Error! Bookmark not defined.
2.0 Activities – Wastewater Treatment Plant Project	Error! Bookmark not defined.
3.0 Activities – Residual Treatment Facility	Error! Bookmark not defined.
4.0 Activities – Macaulay Pump Station	Error! Bookmark not defined.
5.0 Activities – Craigflower Pump Station	Error! Bookmark not defined.
6.0 Activities – Clover Pump Station	Error! Bookmark not defined.
7.0 Activities – Currie Pump Station	Error! Bookmark not defined.
8.0 Activities – Arbutus Road Attenuation Tank	Error! Bookmark not defined.
9.0 Activities – Clover Forcemain	Error! Bookmark not defined.
10.0 Activities – Currie Forcemain	Error! Bookmark not defined.
11.0 Activities – ECI/Trent Twinning	Error! Bookmark not defined.
12.0 Activities – Macaulay Forcemain	Error! Bookmark not defined.
13.0 Project Updates	Error! Bookmark not defined.
13.1. Project Cost/Budget Update.....	Error! Bookmark not defined.
13.2. Project Schedule Update.....	Error! Bookmark not defined.
13.3. Procurement this Period	Error! Bookmark not defined.
13.4. Major Commitments This Period	Error! Bookmark not defined.
13.5. Project Controls	Error! Bookmark not defined.
13.6. Environmental	Error! Bookmark not defined.
13.7. Safety	Error! Bookmark not defined.
14.0 Communications/Public Engagement	Error! Bookmark not defined.
15.0 Project Financing	Error! Bookmark not defined.
Appendix A – Monthly Project Cost Report	Error! Bookmark not defined.