

June 27, 2007

The Honourable Barry Penner
Minister of Environment
PO Box 9047, Stn Prov Govt
Victoria BC V9W 9E2

Dear Minister:

**RE: CAPITAL REGIONAL DISTRICT CORE AREA LIQUID WASTE MANAGEMENT PLAN
AMENDMENT NO. 6 – WASTEWATER TREATMENT STRATEGY, COST AND SCHEDULE**

The Capital Regional District (CRD) is pleased to attach Amendment No. 6 of the Core Area Liquid Waste Management Plan (LWMP). As directed in your letter to the CRD, dated 21 July 2006, the amendment provides a fixed schedule for provision of sewage treatment by 31 December 2016.

The amendment outlines a strategy for implementation of wastewater treatment to serve sewered areas within the boundaries of the Core Area LWMP and provides preliminary estimates of capital costs for implementation of the strategy. As discussed in our meeting of 10 May 2007, the document also amends a ministerial requirement for a sediment transport study. The proposed study is considered to be superfluous in light of the decision to treat.

The amendment (Appendix A) was approved by the CRD Board on 13 June 2007.

Several documents are provided for information in support of the amendment. They are as follows:

- *The Core Area Wastewater Management Program – Wastewater Treatment Made Clear – The Path Forward – The Supporting Report to the Response to the Minister of Environment.*

This document (Appendix B) was prepared by consultants who worked with staff, core area elected officials and the Technical and Community Advisory committee to develop eight discussion papers that formed the basis for the report.

- *First Nations' Consultation*

This document (Appendix C) lists meetings that have taken place related to First Nations' consultation. Copies of correspondence are attached.

- *The Core Area Wastewater Management Program – Public Education and Consultation Initiatives*

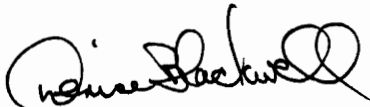
This report (Appendix D) documents public consultation activities that were carried out to ensure that individuals, businesses and stakeholders in the seven LWMP municipalities were adequately informed about the development of the wastewater management program and were provided with appropriate opportunities to comment on it and to have their questions answered.

In your July 2006 letter, you encouraged the CRD to consider alternative financing and delivery options, including the potential for private sector involvement. The process of considering options is underway. CRD staff have held several meetings with representatives of Partnerships British Columbia to initiate the review process. On 13 June 2007, the Board approved a contract award to Ernst & Young Orenda Corporate Finance Inc. to assist the CRD to prepare a business plan for the wastewater treatment program as the first step in the process. The business plan is scheduled for completion by 30 November 2007.

On 13 June 2007, the Board also approved a contract award to Westland Resource Group Inc. to identify potential treatment plant sites and to carry out environmental and social reviews of the sites. The next steps include an extensive review of opportunities for resource recovery and beneficial use, including water reuse, energy and heat recovery, recovery of combustible gas as a fuel source, beneficial use of biosolids, and opportunities for co-processing of wastewater sludge with components of municipal solid waste to produce usable byproducts. This review will serve as a source document for public understanding of resource recovery issues and opportunities and as a resource for the private sector to assess opportunities for innovation.

Should you or your ministry staff have any questions about the amendment or the accompanying documents, please have your staff contact Dwayne Kalynchuk, general manager, Environmental Services, by telephone at 360-3092 or by e-mail at dkalynchuk@crd.bc.ca.

Yours sincerely,



Denise Blackwell
Board Chair

Attachments: 4

cc: CRD Board of Directors
Randy Alexander, Regional Environmental Protection Manager, Ministry of Environment
Kelly Daniels, Chief Administrative Officer, CRD
Dwayne Kalynchuk, General Manager, Environmental Services, CRD