



Making a difference...together

**Minutes of a Meeting of the Core Area Wastewater Treatment Project Board  
Held Thursday, August 04, 2016, in Room 488, 625 Fisgard St., Victoria, BC**

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**Present:** **Members:** J. Bird (Chair), D. Fairbairn (Vice Chair), J. Burke, B. Eaton, D. Howe, R. Lapham, C. Smith  
**CRD Staff:** L. Hutcheson, Interim Project Director; B. Reems, Corporate Officer; D. Telford, Senior Manager, Environmental Engineering; S. Santarossa, Manager Legislative & Corporate Initiatives (recorder)

The meeting was called to order at 9:30 a.m.

**1. Approval of Agenda and Statement of No Conflict**

**MOVED** by D. Howe, **SECONDED** by C. Smith,  
That the agenda and supplementary agenda be approved as circulated.

**CARRIED**

The members stated they did not have a conflict of interest with any of the agenda items.

**2. Approval of Minutes – July 7, 2016**

**MOVED** by B. Lapham, **SECONDED** by D. Howe,  
That the minutes of the meeting held July 7, 2016 be approved.

**CARRIED**

**3. Report of the Chair**

The Chair welcomed the delegations and members of the public to the meeting. She stated that the Project Board would follow the CRD Board Procedures to conduct their meetings.

**4. Presentations/Delegations**

4.1 Presentation: CRD Director Vic Derman – Item 5

Director Derman, CRD Board, noted the critical importance of the project to the future sustainability of the region and stated the importance of ensuring that regional taxpayers get value for money through minimizing costs and maximizing environmental benefit. He stated that an integrated resource management approach will achieve this by turning waste into resources. The delegation provided a copy of his speaking notes and the PowerPoint presentation, on file in Legislative & Information Services.

4.2 Delegation: Chris Corps, Pivotal IRM – Item 5

Chris Corps spoke to Pivotal IRM's approach to help frame the Expression of Interest (EOI) to reduce taxpayer costs and improve environmental results. In particular, he presented the following:

- Technology: treatment technology, advanced gasifier and impacts for the EOI
- Benefit: potential estimated savings and non-financial savings

- Approach and Procurement: integrated resource management, site and other considerations and procurement suggestions (DBFOM).

The delegation provided a copy of the PowerPoint presentation, on file in Legislative & Information Services.

4.3 Delegation: Judy Loukras – Item 5

Ms. Loukras spoke on behalf of the residents of Clover Point against a wastewater treatment plant at Clover Point. She noted that approximately 300 homes are in proximity and that the closest homes are only 30 m away and stated that concerns include health and safety effects from gases, pressure buildup and the risk of explosion. The delegation provided a copy of her speaking notes, on file in Legislative & Information Services.

4.4 Delegation: James Skwarok – Item 5

Mr. Skwarok appeared on behalf of the Victoria Sewage Treatment Alliance recommending a near-tertiary centralized treatment plant with advanced oxidation at McLoughlin Point that is publicly owned. He stated that tertiary treatment is necessary to remove pharmaceuticals and other dangerous effluents. Mr. Skwarok also recommended McLoughlin Point because it would cost much less than alternatives, the CRD already owns the property and it is off-limits to the public as a former oil tank site. The delegation provided a copy of his speaking notes, on file in Legislative & Information Services.

4.5 Delegation: Brian Lepine – Item 5

Mr. Lepine stated that he lives immediately across from Clover Point and in addition to previous concerns expressed, noted the loss of park should the wastewater treatment plant be located at Clover Point. He noted a petition with over 2000 names opposing the plant at Clover Point and stated it would be presented at an upcoming City of Victoria Council meeting. On behalf of the residents Mr. Lepine asked the Project Board to reject the proposal at Clover Point as it would have financial, social, aesthetic and environmental impacts on the neighbourhood.

4.6 Delegation: Dr. Shaun Peck – Item 5

Dr. Peck noted that although land-based treatment is not needed, the least cost option should be recommended. He stated that McLoughlin Point makes the most sense to the taxpayer as it includes secondary treatment and is in compliance with the 2006 Provincial order. He stated that the public sentiment for water reclamation would result in greater costs and is not needed based on the availability of water.

4.7 Delegation: Hans Larsen – Item 5

Mr. Larsen spoke against an underground wastewater treatment plant at Clover Point noting this had never been done before in North America, the engineering challenges and expense, the distance between the plant and nearest residences is only 25 m and that the

1.5 ha available would not allow for the construction of a treatment plant using proven, current technology. He referred to the 1988 Crown grants to the City of Victoria that the land would remain a public park. Mr. Larsen also spoke against a two-plant solution as it would cost \$400M more than a single-plant solution and only provide treatment capacity for 10 years. The delegation provided a copy of his speaking notes, on file in Legislative & Information Services.

**4.8 Delegation: Bruce Morrison – Item 5**

Mr. Morrison spoke to the redundancy requirement whereby spares, such as equipment critical to the operation of the plant, are installed. The delegation highlighted the recently built Sechelt plant noting it has installed spare reactor capacity and referenced HAZOP, an investigation technique to determine the choice of equipment to spare. Mr. Morrison stated that this type of small plant would be an ideal model for a satellite plant in Colwood or other municipalities. The delegation provided a copy of his speaking notes and the PowerPoint presentation, on file in Legislative & Information Services

**4.9 Delegation: Rick Illi, President CUPE Local 1978 – Item 5**

Mr. Illi spoke on behalf of CUPE Local 1978 representing CRD employees. He stated that CUPE employees are focused on ensuring that sewage treatment remains a public service and that from a health and safety and affordability perspective, the wastewater treatment plant should be publicly owned and operated. Mr. Illi noted that a publicly built plant will cost less than a private plant and other local governments have turned down private wastewater treatment. He encouraged the Project Board to advance a solution that is beneficial for the public.

**5. Business Case Development – Update & Budget**

Ms. Hutcheson provided an overview of the budget for the development of the Business Case and highlighted the following:

- Addition of \$100,000 for the Due Diligence Panel
- Budget amount for staff time has been consolidated
- Legal expenses and miscellaneous budget has been adjusted up to \$300,000
- Next month's budget update will have all current expenses posted.

**MOVED** by D. Howe, **SECONDED** by B. Eaton,  
That the Project Budget – Business Case Development be approved.

**CARRIED**

**6. Due Diligence Panel – Terms of Reference and Related Process**

**MOVED** by C. Smith, **SECONDED** by D. Fairbairn,  
That the terms of reference and process to establish the Due Diligence Panel, attached as Appendix A and B respectively, be approved and forwarded to the Capital Regional District Board for information.

**CARRIED**

**7. Correspondence – July 2016**

**MOVED** by B. Lapham, **SECONDED** by D. Fairbairn,  
That the July 2016 correspondence be received for information.

**CARRIED**

**8. New Business**

**8.1 Award of Contract 16-877 – Partnerships BC**

Mr. Reems noted that the Project Board initially approved the contract at its meeting held June 20, 2016. Since then there have been some negotiated amendments with Partnerships BC and provided an overview of the amendments highlighting the following:

- Additional language included in clauses 3 and 4 – Freedom of Information
- Clause 9 amended to allow for mutual indemnification
- Amendments to termination provisions - clauses 17 to 20

**MOVED** by B. Lapham, **SECONDED** by D. Howe,  
That Contract 16-877, Core Area Wastewater Treatment Project – Business Case Development, be awarded as amended to Partnerships BC.

**CARRIED**

**9. Motion to Close the Meeting**

**MOVED** by D. Howe, **SECONDED** by B. Lapham,  
That the Project Board close the meeting in accordance with the *Community Charter* Part 4, Division 3, Section 90(1)(a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the regional district or another position appointed by the regional district; (c) labour relations or other employee relations; (e) the acquisition, disposition or expropriation of land or improvements, if the regional district considers that disclosure could reasonably be expected to harm the interests of the regional district; (m) a matter that, under another enactment, is such that the public may be excluded from the meeting; and 90(2)(b) the consideration of information received and held in confidence relating to negotiations between the regional district and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party.

**CARRIED**

The Project Board moved to the closed session at 10:42 a.m.

The Project Board rose from closed session at 11:29 a.m. with all members of the Project Board present.

## **6. Due Diligence Panel – Terms of Reference and Related Process (continued)**

**MOVED** by D. Fairbairn, **SECONDED** by D. Howe,  
That the process to establish the Due Diligence Panel, attached as Appendix B, be amended by adding the following:  
“If the two retained candidates are unable to agree to a third member of the Due Diligence Panel by August 12, 2016, the Project Board Chair and Vice Chair and the CRD Board Chair and Vice Chair shall appoint the third member from the pool of candidates assembled by the CRD Board and Project Board.”

**CARRIED**

### **Motion to Close the Meeting**

**MOVED** by B. Lapham, **SECONDED** by D. Fairbairn,  
That the Project Board close the meeting in accordance with the *Community Charter* Part 4, Division 3, Section 90(1)(a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the regional district or another position appointed by the regional district; (c) labour relations or other employee relations; (e) the acquisition, disposition or expropriation of land or improvements, if the regional district considers that disclosure could reasonably be expected to harm the interests of the regional district; (m) a matter that, under another enactment, is such that the public may be excluded from the meeting; and 90(2)(b) the consideration of information received and held in confidence relating to negotiations between the regional district and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party.

**CARRIED**

The Project Board moved back into closed session at 11:36 a.m.

The Project Board rose from the closed session at 1:40 p.m. on August 19, 2016 and rose with report.

## **7. Rise & Report**

### **7.1 Partnerships BC (PBC) Contract Amendment**

The Partnerships BC Contract was further amended as follows:

- to authorize PBC to engage KPMG LLP to provide services in relation to the Project Business Case Development up to a maximum of \$50,000 (excluding taxes); and

- to limit the indemnity provided by PBC to a maximum of \$50,000.

**8. Adjournment**

**MOVED** by R. Lapham, **SECONDED** by D. Howe,  
That the meeting be adjourned at 1:40 p.m. on August 19, 2016.

**CARRIED**

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CHAIR

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RECORDER