



**REPORT TO CORE AREA LIQUID WASTE MANAGEMENT COMMITTEE
MEETING OF WEDNESDAY 23 MARCH 2011**

SUBJECT COMMUNITY BENEFITS FRAMEWORK – CORE AREA WASTEWATER TREATMENT PROGRAM

ISSUE

To report on the response from the member municipalities on the Community Benefits Framework.

BACKGROUND

At its November 30, 2010 workshop, the Core Area Liquid Waste Management Committee (CALWMC) approved a motion to refer the Capital Regional District (CRD) staff report, Community Benefits Framework, September 22, 2010 and Westland Resource Group report, "Considerations in Preparing a Community Benefit Framework for the Capital Regional District's Wastewater Treatment Program" to member municipalities for comments.

The staff report was distributed to the member municipalities on December 3, 2010 for consideration. The initial deadline for feedback was extended from January 31, 2011 to February 28, 2011. Written responses were received from Langford, Oak Bay, Saanich, Esquimalt and Victoria (Appendix A). Langford, Oak Bay and Saanich do not support providing funding for community amenities but do support full mitigation.

Esquimalt and Victoria do support providing funding for community amenities. Victoria also provided a detailed list of Planning and Development Principles it expects to be address if the biosolids facility is located in Victoria

View Royal indicated their intent to provide a verbal response at the next meeting. A response was not received from Colwood.

ALTERNATIVES

As outlined in the September 22, 2010 staff report, three alternatives for addressing community amenities were considered:

Alternative 1

That the CALWMC recommend to the Board that the CRD:

- a) Commit to fully mitigating identified adverse effects of building and operating wastewater facilities.
- b) Not provide funding for community amenities for the Core Area Wastewater Treatment Program (CAWTP).

Alternative 2

That the CALWMC recommend to the Board that the CRD:

- a) Commit to fully mitigating identified adverse effects of building and operating wastewater facilities.
- b) Provide funding for community amenities for project components that have an overall capital cost exceeding \$50 million.

Core Area Liquid Waste Management Committee – 23 March 2011
Re: Community Benefits Framework
Page: 2

- c) Establish a community amenities fund totaling 1% of the capital cost for applicable project components.
- d) Allow the host municipal councils to determine how the community amenities fund allocations will be spent.
- e) Authorize staff to discuss the potential for sharing the costs of a community amenity fund with provincial and federal governments.

Alternative 3

That the CALWMC recommend to the Board that the CRD:

- a) Commit to fully mitigate identified adverse effects of building and operating wastewater facilities.
- b) Provide funding for community amenities for projects that have an overall capital cost exceeding \$50 million and result in a long-term financial, social or environmental impact(s).
- c) Develop a community amenities fund to a maximum of 1% of the capital value for applicable project components based on the CALWMC assessment of the level of impact derived from a technical evaluation and input from the public based on a graduated scale depending on the level of impact, low, moderate or high.
- d) Undertake an assessment of the level of impact one year after completion of the facility.
- e) Allow the host municipal councils to determine how the community amenities fund allocations will be spent.
- f) Authorize staff to discuss the potential for sharing the costs of a community amenity fund with provincial and federal governments.

Staff had recommended Alternative 3 however, after reviewing comments from Committee members, and responses from the municipalities, staff suggests the following additional alternative for consideration.

Alternative 4

That the CALWMC recommend to the Board that the CRD:

- a) Fully mitigate the impacts of a facility and provide development amenities negotiated consistent any other development applications.
- b) Evaluate provision of amenities one year after completion of a facility on a case by case basis upon the request of a host municipality.
- c) Require the host municipality to provide the rationale for provision of an amenity.

IMPLICATIONS

Alternative 4

Under this alternative, the CRD would fund mitigation such as aesthetics, repairs to roads or other infrastructure caused by construction activities and would fund development amenities which would be negotiated consistent with other development applications. Staff had previously suggested that only projects exceeding \$50 million be considered for the provision of community amenities. As this was an arbitrary threshold without a defensible rationale, it is now suggested that no threshold be established but that funding of community amenities, in addition to development amenities, be considered on a case by case basis. The onus would be on a municipality to establish the rationale for the funding of community amenities based on its consideration of the adverse impact on the community. If the CRD Board agrees, in principle, to provide community amenities, the level of funding could be established following subsequent consideration of the issue.

CONCLUSION

Based on the responses received, there is no clear support to provide funding for community amenities, but there is support for mitigating the impact of facilities.

RECOMMENDATION

That the CALWMC recommend to the Board that the Capital Regional District:

- a) Fully mitigate the impacts of a facility and provide development amenities negotiated consistent any other development applications.
- b) Evaluate provision of amenities one year after completion of a facility on a case by case basis upon the request of a host municipality.
- c) Require the host municipality to provide the rationale for provision of an amenity.



Tony Brcic, PEng
Project Manager, Wastewater Treatment Project

J.A. (Jack) Hull, MBA, PEng
General Manager, Integrated Water Services
Concurrence

Kelly Daniels
CAO Concurrence

TB:hr
Attachment: 1



TOWN OF VIEW ROYAL

45 View Royal Avenue, Victoria, BC, Canada V9B 1A6
Ph. 250-479-6800 • Fx. 250-727-9551 • E. info@viewroyal.ca • www.viewroyal.ca

January 10, 2011

Capital Regional District
625 Fisgard Street
PO Box 1000
Victoria, BC
V8W 2S6

Attention: Judy Brownoff, Chair, Core Area Liquid Waste Management Committee

Dear Chair Brownoff:

Re: Core Area Wastewater Treatment Project – Community Benefit Framework Reports

At its January 4, 2011 Council meeting, Council was in receipt of your letter dated December 3, 2010 regarding the Core Area Wastewater Treatment Project – Community Benefit Framework Reports.

At this meeting, Council passed the following resolution:

"THAT the Town's CRD representative, Mayor Graham Hill, discuss the Core Area Wastewater Treatment Project – Community Benefit Framework Reports with the CRD Core Area Liquid Waste Management Committee."

If you have any further questions or concerns, please do not hesitate to contact this office

Yours truly,

Elena Bolster
Assistant Clerk/Confidential Secretary





DISTRICT OF SAANICH BRIEFING NOTE

**Letter from the CRD Core Area Liquid Waste Management Committee (CALWMC)
dated December 3, 2010 regarding Core area Wastewater treatment Project.**

COMMUNITY BENEFIT FRAMEWORK REPORTS (see attached)

MONDAY, JANUARY 31, 2011

On December 9, 2010 Saanich received a letter and report from the CRD CALWMC regarding "Community Benefit Framework Report". On January 25, 2011, Council reviewed the material and asked staff to provide a briefing note outlining the rationale for supporting proposed Alternative 1 – Mitigating Adverse Affects (Status Quo):

- a. Commit to fully mitigating identified adverse effects of building and operating wastewater facilities.
- b. Not provide funding for community amenities for the CAWTP.

For your reference are five points supporting the status quo regionally with regard to managing the challenges faced when introducing significant regional infrastructure into specific communities:

1. The CRD has a good track record of fully mitigating the identified adverse affects when constructing and operating their wastewater facilities through environmental and social reviews, extensive public engagement and unlimited asphalt warranties.
2. Community amenity funds as proposed are currently not cost shareable with senior governments and would therefore prove a hardship for already financially strapped municipalities.
3. Establishing amenity funds sets a precedent and expectation locally that special compensation is required thereby potentially increasing the cost of local infrastructure overall. As a large municipality, Saanich and its taxpayers could expect to pick up a larger share of these extraordinary costs.
4. CRD surveys of other jurisdictions shows that mitigation only is the rule and community amenity funds the rare exception in the local government world.
5. Designing a fair and equitable community amenity fund raises more questions than it answers. For example, what is the appropriate cost threshold for a fund to kick in? How do you handle existing infrastructure (e.g. Hartland Landfill)? How do you accurately determine adverse affects and quantify compensation?

With its focus on mitigation only, Alternative 1 provides the most flexible way to address the adverse affects of significant regional infrastructure.

A handwritten signature in black ink that reads "Tim Wood". The signature is stylized and cursive.

Tim Wood
Administrator

Cc Donna Dupas, Municipal Clerk



THE CORPORATION OF THE DISTRICT OF OAK BAY
MUNICIPAL HALL - 2167 OAK BAY AVENUE - VICTORIA, B.C. V8R 1G2
PHONE 250-598-3311 FAX 250-598-9108 WEBSITE: www.oakbay.ca

January 31, 2011

Judy Brownoff
Chair, CRD Core Area Liquid Waste Management Committee
625 Fisgard Street
PO Box 1000
Victoria, BC V8W 2S6

Dear Ms. Brownoff:

**Core Area Wastewater Treatment Project –
Community Benefit Framework Reports**

At its meeting held January 24, 2011, Oak Bay Municipal Council considered your letter dated December 3, 2010 and the accompanying materials on the above noted subject.

Following discussion, Council passed the following resolution:

"That the CRD Core Area Liquid Wastewater Management Committee be advised that Oak Bay Municipal Council does not support the recommendation contained in the Capital Regional District staff report "Community Benefits Framework – Core Area Wastewater Treatment Program", and further, that it does support Alternative 1 as laid out in the staff report."

Yours truly,

Lorraine Hilton
Municipal Clerk

LH/la

Office of the
City Manager

#1 Centennial Square
Victoria
British Columbia
V8W 1P6
Tel 250.361.0202
Fax 250.361.0248
www.victoria.ca



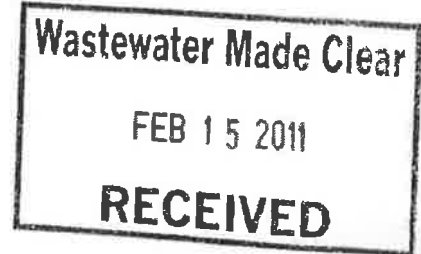
CRD ADMINISTRATION

FEB 14 2011

RECEIVED

February 11, 2011

Capital Regional District
625 Fisgard Street
PO Box 1000
Victoria, BC V8W 2S6



Attention: Denise Blackwell, Chair
CRD Core Area Liquid Waste Management Committee

Dear Ms. Blackwell:

Re: Core Area Wastewater Treatment Project - Community Benefit Framework Reports

Thank you very much for your email regarding a response to the letter dated November 30, 2010 on the Core Area Wastewater Treatment Project – Community Benefit Framework Project. As noted in our December 12, 2010 response to you, your email was forwarded to Mayor, Council and Senior Administration for information.

With respect to feedback, Victoria City Council did pass a resolution at its' March 11, 2010 meeting with respect to Planning and Development Principles – Potential Regional Biosolids Facility and Site (attached). This resolution is City Councils' position with respect to siting a Biosolids Facility within the City of Victoria. City Council supports the concept of financial compensation for hosting communities and would also encourage the development of district energy systems where applicable.

Please contact Dwayne Kalynchuk, Director of Engineering and Public Works should you have any questions regarding this.

Yours truly,

Gail Stephens
City Manager

Attachment

- c. Peter Sparanese, General Manager of Operations
Dwayne Kalynchuk, Director of Engineering and Public Works

File



**Legislative and
Regulatory
Services
Department**

March 15, 2010

Legislative Services

#1 Centennial Square
Victoria
British Columbia
V8W 1P6

Tel (250) 361-0571
Fax (250) 361-0348
www.victoria.ca

Ms. Carmen Thiel
Corporate Officer
Capital Regional District
625 Fisgard Street
PO Box 1000
Victoria, BC V8W 2S6

Dear Ms. Thiel:

Re: Potential Regional Biosolids Facility and Site

At the Victoria City Council meeting of March 11, 2010, Council endorsed the attached motion with respect to Planning and Development Principles – Potential Regional Biosolids Facility and Site.

Should you have any question concerning this motion, please contact Councillor John Luton, at (250) 361-0222.

Yours truly,

Don Schaffer
Manager, Legislative Services

:jh
Enc.

C: Councillor John Luton
Deb Day, Director, Planning and Development

Planning and Development Principles – Potential Regional Biosolids

Facility and Site

It was moved by Councillor Madoff, seconded by Councillor Lucas, that Council endorse the following values and principles and share them with the CRD:

1. Values

- Sustainability in meaningful social, economic and environmental terms.
- Positive connection and integration into business and residential neighbourhoods and Upper Harbour.
- That citizens and other stakeholders are engaged on issues of site selection and that a thorough assessment of environmental and economic impacts be incorporated into analysis of potential sites and facilities design.
- Meaningful engagement of City, citizens and other stakeholders in planning and development process.

2. Principles

a. **Siting on Upper Harbour in Rock Bay**

- Develop a Greenway path that allows and fosters public access along the waters edge of the entire site, recognizing that:
 - any essential site operations requiring connection to the water will be designed and managed to preserve the integrity of the industrial operation and public safety and that the Greenway will be designed and located to respect the functional needs;
 - interim and longer-term Greenway connections to adjoining sites should be incorporated;
 - the natural shoreline and its ecological values should be protected and, where necessary, rehabilitated which may affect the design and placement of the Greenway.
- Incorporate a **significant park/recreational/open space** with waterfront access as part of the CRD parks system that fosters public access to the Upper Harbour (visual and physical), enhancing both the new Greenway linkage but also the important and unique Provincial Heritage Site at Point Ellice House with its grounds, as well as fostering ecological improvement of the industrial brownfield site (Budget Steel industrial lands).
- Provide **all necessary services and infrastructure** (above and below ground) to meet City requirements and foster objectives for high quality movement systems for all modes of transportation (pedestrian, cycle, vehicular—car/truck) within and adjoining the site, including well-managed access, ingress and routing for trucks and other vehicles associated with the facility.
- Ensure all **on-site vehicular and pedestrian/cycling areas and landscaping** adhere to all relevant design standards, including attention to the use of permeable materials, alternative stormwater management, and appropriate planting choices.

b. **Facility Design**

- In addition to all best practices related to the design and operation of these facilities to optimize operations and their

potential benefits such as energy generation as well as to minimize or mitigate any negative implications, it should be recognized that the City has established policies for its own new Civic buildings which should be met or exceeded for a regional facility of this scope, including:

- i. minimum achievement of **LEED Silver Certification with Gold as the preferred target**
 - ii. **up to 1% of project cost** devoted to the provision of public art
 - iii. building design and siting that addresses, does not diminish and wherever possible improves **views from important public vantage points** including the Victoria West and Burnside-Gorge (Selkirk) waterfront trail and park system, as well as the selected views gained by the public through the extension of the Greenway system and the greater public access to Point Ellice Park and the on-site park/open space.
- **Excellence in design** that successfully meets the challenge of large-scale industrial developments and addresses the OCP policy that "public works... should be uncluttered, of reasonable scale and pleasing to pedestrian".
 - Use as a **centre for excellence in sustainability and incorporates integrated resource records (RR)** for managing various waste streams such as sludge, FOGs, organics, yard and garden waste.
 - Provides programming space for educational purposes for the community to raise awareness on Integrated Resource Recovery best management practices for the community.
 - Supports the opportunity for recovery of heat from the wastewater or from treated effluent to provide heat for use in buildings and for process heat at the wastewater treatment facility and potentially to create a District Energy System.
- c. **Engagement**
- Ensure that the planning and design processes **engage meaningfully and effectively** not only the City of Victoria Council and staff but also the **business and residential communities and interest groups interested in and potentially affected by the provision of this regional facility and site**, with this engagement commencing early in these processes and demonstrating commitment beyond statutory or regulatory requirements.

Carried



CORPORATION OF THE TOWNSHIP OF ESQUIMALT

Municipal Hall, 1229 Esquimalt Road, Esquimalt, B.C. V8A 2R1
Website: www.esquimalt.ca Email: info@esquimalt.ca

RECEIVED

Phone: (250) 414-7100
Fax: (250) 414-7111

Wastewater Made Clear

FEB 18 2011

CRD ADMINISTRATION

FEB 18 2011

Office of the Mayor

RECEIVED

February 16, 2011

CRD Core Area Liquid Waste Management Committee
c/o Denise Blackwell, Chair
625 Fisgard Street
PO Box 1000
Victoria, BC V8W 2S6

Dear CALWMC Board:

RE: Core Area Wastewater Treatment Project – Community Benefit Framework Reports

The following is in response to your correspondence received dated December 3, 2010. The Township requested an extension to the specified January 31, 2011 submission deadline and was subsequently asked to provide comments prior to February 23, 2011.

The Township of Esquimalt is supportive of community benefits wherever the project may be located. However, based on the review of the documents submitted to Council on Community Benefit Framework, three main discrepancies were noted. These are as follows:

1. **Discrepancy One - The setting of precedent by establishment of a community amenities fund**
 - Under the Conclusions section of the CRD report (pages 4 - 5), the following statements were made: "Establishing community amenities funding ... may establish an expectation ... would likely set precedence ..."
 - These statements are in conflict with the Consultant's report in a number of locations:
 - Page ii – "The CRD provided community benefits as part of developing the Hartland Landfill."
 - Page ii – "With the exception of Hartland Landfill, community benefits (beyond mitigation) typically have not been provided for publicly – funded infrastructure in the region."
 - Page 13 – The Consultant provided a detailed example of the award of community benefits as it pertained to the Hartland Landfill.

Based on the Consultant's report, it can be illustrated that the CRD has provided community benefits for projects that truly serve a regional function. These type of facilities would include potable water treatment, solid waste landfill operations and in this case wastewater treatment.

2. Discrepancy Two – The common practice of providing community amenities

- Under the Background section of the CRD report (page 2), the following statement was made: "There are few examples where jurisdictions have provided a community amenity fund to municipalities ..."
- The Consultant's report is in conflict with this point on page 10: "Recent urban wastewater infrastructure projects in Canada and the United States have delivered community benefits or amenities. Wastewater treatment facilities constructed in the past decade have offered substantial amenities to the surrounding community..."

Based on the information in the Consultant's report the supplying of community benefits is not a new practice by any means and can be considered an accepted practice when dealing with the siting of a new regional facility.

3. Discrepancy Three – Impact of below ground land use or loss of land use

- Under the Background section of the CRD report (page 1), the following statement was made: "The below-ground components ... include pipelines, tunnels and outfalls. ...no long-term social, financial or environmental impacts on the community"
- The Consultant's report provides a different view on this subject on page 6: "Typical local impacts include ... limitations on land uses, or outright displacement of land uses (in the case of reservoirs or pipeline easements)..."

It can be argued that the loss of land use either above or below ground is an item that needs to be addressed. As the loss of land or its use is a permanent change in the land, it would have to be offset by a community benefit that attempts to replace this lost potential or change in use.

GENERAL CONCERNS

At a Township meeting held January 24, 2011, a number of concerns were raised by Council in their review of the Framework documents. These concerns were also echoed by members of the public in attendance. The comments and concerns from both Council and the Public have been summarized into the following headings and comments:

1. LACK OF PUBLIC CONSULTATION

- As this is a regional facility, regional input is required; however, the proposed host community deserves significant opportunity for direct input in order to establish the level of impact of the facility on a social, environmental and financial basis.
- While there has been some public consultation with the Township, this consultation has not been anywhere near sufficient and not more than any other community has received. It is the Township's opinion that some other communities have had a higher degree of public consultation for segments of the collection system. As the proposed host community for the liquid portion of the wastewater treatment plant, Esquimalt deserves to have a higher degree of public consultation than non-hosting communities. This has not happened to date despite numerous requests for such consultation.

2. WRONG LOCATION FOR FACILITY (S)

- The proposed site for the wastewater treatment plant is the wrong location for the siting of such a facility. The size of available land is insufficient to allow the siting of both the liquid and solid wastewater operations.
- The location of a wastewater treatment plant should be on a site with sufficient space to allow for the siting of both liquid and solid wastewater treatment operations and potential for growth.
- By having the entire plant located on the same site there is a greater possibility in realizing cost saving opportunities.
- A single site also allows for increased potential in developing and implementing integrated resource management activities which will lead to increased revenue generation possibilities.
- Despite mitigation efforts, a facility that historically has been viewed as a negative social and environmental impact would be located at the entrance to Victoria Harbour. Such a location would have an impact on visitor's views and appreciation for the Greater Victoria Region. First impressions are the ones that remain despite other positive experiences.

3. WHAT ARE THE IMPACTS OF THE FACILITY

- There has been no socio-economic impact study to determine the full impact of this facility on this community.
- How are adverse affects going to be identified and by whom?
- How and when will baselines be setup in order to determine if the proposed plant is meeting or exceeding this standard?
- How does the CRD propose to respond to situations where the proposed plant exceeds an expected level of impact to the community?

The Township of Esquimalt believes that community benefits are a necessary component of this regional project regardless of the location. We would, however, request that clarification of the discrepancies noted previously be provided so that the Township is able to clearly indicate which alternative it would support.

In summary, there is concern that there are significant discrepancies between the CRD staff report and the consultant's report. In order to provide an informed and responsible commentary, it is our belief that there has to be an understanding as to why the two reports are in direct contradiction on these points.

The Township requests that clarification be provided from the CRD on the logic behind the differences.

Yours truly,



Barbara Desjardins
Mayor

CITY OF LANGFORD
2nd Floor, 877 Goldstream Ave
Langford, BC
V9B 2X8



Administration & Finance
Tel: (250) 478-7882
Fax: (250) 478-7864
Website: www.cityoflangford.ca
Fax #: 250.360.3079

February 28th, 2011

File No. 0560-20/ICR

Ms. Judy Brownoff, Chair
CRD Core Area Liquid Waste Management Committee
625 Fisgard Street
PO Box 1000
Victoria BC V8W 2S6

Dear Ms. Brownoff,

Re: Core Area Wastewater Treatment Project – Community Benefit Framework Reports

At the City Of Langford meeting of February 21st, 2011, Council considered the Core Area Wastewater Treatment Project – Community Benefit Framework Reports.

I can now advise you Council resolved the following:

"That Council advise the CRD that the City of Langford is not supportive of adding additional costs to a project in order to provide amenities to host communities. However, the City of Langford does support providing an appropriate level of funding for remediation work in order to reduce the impact that a project may have for the host community as much as is reasonably possible."

Yours truly,

Lindy Kaercher
Deputy Clerk

cc: J.A. Hull, General Manager, Integrated Water Services
Kelly Daniels, CRD Chief Administrative Officer
CRD Core Area Liquid Waste Management Committee Director