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**REPORT TO CORE AREA LIQUID WASTE MANAGEMENT COMMITTEE
MEETING OF WEDNESDAY, FEBRUARY 13, 2013**

**SUBJECT COMPENSATION FOR MEMBERS OF THE CORE AREA WASTEWATER
TREATMENT COMMISSION**

ISSUE

To determine an appropriate level of compensation for the Core Area Wastewater Treatment Program (CAWTP) Commission members.

BACKGROUND

At its meeting held January 9, 2013, the Board approved Bylaw No. 3851, "Core Area Wastewater Treatment Commission Bylaw No. 1, 2012" to establish a Commission to administer the Core Area Wastewater Treatment Program.

The Commission shall consist of a minimum of seven members who have experience or expertise in one or more of the following areas:

- a) Large, complex infrastructure construction projects;
- b) Wastewater engineering;
- c) Resource recovery;
- d) Contract law;
- e) Alternative procurement methods;
- f) Project management;
- g) Project finance;
- h) Local government wastewater plan operations and maintenance;
- i) Public consultation and communications;
- j) Environmental sciences, including climate change.

The search firm, The Caldwell Partners, was retained by the CRD in September 2012 to assist with the recruitment of commission members. Part of the recruitment process included compiling compensation information for commission members from comparable organizations with capital projects and complexity of a similar size. The attached report from The Caldwell Partners recommends compensation levels for the commission members of the Core Area Wastewater Treatment Program (Appendix A).

ALTERNATIVES

1. That the compensation levels for the Core Area Wastewater Treatment Program Commission Members be approved as follows:

Commission Chair	\$30,000 annual retainer
Commission Members	\$12,000 annual retainer
Committee Chair	\$4,000 annual retainer
Per Diem*	\$750 – for all Commissioners including Chair

*Travel time outside British Columbia of more than 4 hours may be paid as a meeting fee.
2. That the Committee recommend alternate compensation levels.

3. That the report be referred back to staff for further information.

IMPLICATIONS

As noted in the attached report from The Caldwell Partners, the compensation levels for the commission members should reflect “a balance of a reasonable and accountable use of public dollars” while at the same time providing “incentive to well-qualified individuals.”

A specific annual retainer is recommended for the Chair, commission members, committee chair, and a per diem amount. It is recommended that the Chair receive greater compensation than a commission member given the additional responsibilities and time commitment of the Chair. The remuneration for the committee chair refers to a commission member who chairs a sub-committee of the Commission as required, in recognition for their additional time and effort.

In determining appropriate remuneration for commission members, the compensation levels from the following organizations were used as comparators:

- Greater Victoria Airport Authority
- Greater Victoria Harbour Authority
- Edmonton City LRT Project
- BC Treasury Board Directive regarding Remuneration Guidelines for Appointees to Crown Corporation Boards
- TransLink Board

While it was difficult to find another body that is identical in size and scope, the recommended compensation levels reflect the mid-range of those organizations listed above and as detailed in the attached report.

Remuneration for commission members has been estimated at approximately \$282,000 per annum. This includes compensation for the Chair, commission members, meeting per diems, travel expenses and payment of CPP, EI and WCB. The recommended compensation fits within this budgeted amount.

CONCLUSION

It is expected that commission members for the Core Area Wastewater Treatment Program will be compensated for their time and expertise put towards the Program. Benchmark comparators were used as guidelines to determine a level of compensation that is on par with a similar calibre of leaders and are now before the committee for consideration.

RECOMMENDATION

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

That the compensation levels for the Core Area Wastewater Treatment Program Commission Members be approved as follows:

Commission Chair	\$30,000 annual retainer
Commission Members	\$12,000 annual retainer
Committee Chairs	\$4,000 annual retainer
Per Diem*	\$750 – for all Commissioners including Chair
*Travel time outside British Columbia of more than 4 hours may be paid as a meeting fee	

Sonia Santarossa
Manager, Legislative Services

Chris Neilson, MBA, CHRP
Acting Chief Administrative Officer
Concurrence

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Attachments: Appendix A – background report from Caldwell Partners



PROPOSED CRD Commissioner Compensation Levels for CRD Core Area Wastewater Treatment Program

The Commission Chair	Retainer per annum - \$30,000
Commission Members	Retainer - \$12,000
Committee Chair(s)	Retainer \$4,000
Per Diem (all Commissioners Including Chair)	\$750 Travel time outside British Columbia of more than 4 hours may be paid as a meeting fee

Rationale:

1. The working assumption is that the level of compensation for Commissioners needs to be positioned so it provides a reasonable and accountable use of public dollars, and at the same time provides sufficient incentive to well-qualified individuals to offer their time and expertise toward the Core Area Wastewater Treatment Program.
2. The compensation plan recognizes that the Chair's responsibilities and time commitment warrant a greater compensation than a Commission Member, and that Commissioners who chair any committees as may be determined are given appropriate recognition for their time and efforts.
3. Benchmark organizations used as comparator compensation levels included Victoria Airport Authority, Greater Victoria Harbour Authority, Edmonton City LRT Project, BC Treasury Board Directive regarding Remunerations Guidelines for Appointees to Crown Corporation Boards, and TransLink Board.
4. The benchmark comparators were used as guidelines with the objective of being on par where similar calibre of leaders that are being sought. We are confident these numbers will not exclude too much of the candidate pool and we are therefore confident we can attract the talent required to effectively oversee this important project.

5. Benchmark Comparator Information*

Benchmark Comparator Information

Annual Retainer (dollars)	Chair	Member	Committee Chair	Per Diem
TransLink (ongoing operations)	\$100,000	\$25,000	\$8,000	\$1,200
Victoria Airport Authority	\$50,000	\$17,000	Not specified	\$400
BC Treasury Board Directive (Level 6) For Crown and Agency Boards	\$30,000	\$15,000	\$3,000 to \$5,000	\$750 to \$1,500
Proposed CRD Commissioners	\$30,000	\$12,000	\$4,000	\$750
LRT Edmonton	\$15,000	\$10,000	Not specified	\$750 to \$1,500

* Based on data that was available to us. We cannot verify the accuracy of the Comparator Information.