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**REPORT TO SAANICH PENINSULA WASTEWATER COMMISSION
MEETING OF THURSDAY 19 APRIL 2012**

SUBJECT **BIOSOLIDS MANAGEMENT PROGRAM – RESULT OF CALL FOR EXPRESSIONS OF INTEREST**

ISSUE

Report on the Call for Expressions of Interest (EOI) for the utilization of Class A biosolids or untreated sludge from the Saanich Peninsula wastewater treatment plant (SPWWTP).

BACKGROUND

At the meeting of 10 November 2011 the Saanich Peninsula Wastewater Commission (the Commission) directed staff to issue a Call for Expressions of Interest for the utilization of Class A biosolids or untreated sludge produced from the SPWWTP and report back to the Commission with the results.

The EOI was advertised nationally from February 1 to February 23, 2012, including eight local newspapers, the National Post in BC, Alberta and Toronto, and in the Vancouver Sun and Environmental Science Magazine. Invitations were also sent directly to potential biosolids users and companies involved in biosolids management/utilization including cement producers, energy producers and wastewater utility companies (see list in Appendix A). Of the seventeen companies invited, only two, Sylvis Environmental and Veolia Environmental Services, submitted Expressions of Interest.

A total of six companies submitted Expressions of Interest, including two companies from Victoria, one each from Vancouver, California and Toronto, and one from a global company with an office in Coquitlam, BC. Their submissions are summarized in Appendix B.

The proposed concepts for managing SPWWTP biosolids fit into four categories:

1. Utilize as feedstock for compost, with the end product marketed through local distribution for land application (Coast Environmental Ltd. and South Island Organics)
2. Utilize in mines reclamation and forestry fertilization on the Island (Sylvis Environmental)
3. Setup a facility to further convert the SPWWTP biosolids into a soil-like material for land application (N-Viro Systems Canada)
4. Setup a facility to convert SPWWTP biosolids into a fuel for marketing and improve the PenGrow product for local distribution (Synagro-WWT, Inc.)

Currently, all of the untreated sludge produced at the SPWWTP is disposed of at Hartland landfill. Unless one of the above options is implemented, this will likely continue until the core area wastewater treatment plant (CAWWTP) is completed in 2018 with capacity to process the SPWWTP biosolids.

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The management option for the interim period to 2018 should enable the Capital Regional District (CRD) to co-manage the Saanich Peninsula biosolids with the CAWWTP biosolids, if economies of scale make this the most economical long-term option for the Saanich Peninsula. Therefore, interim options requiring large capital investments and long-term contracts should be avoided. The first four companies listed in Appendix B appear to satisfy this requirement.

Coast Environmental Ltd. and South Island Organics propose to use the biosolids to produce a composted product, Sylvis Environmental proposes to use the biosolids for mine reclamation and forestry fertilization, and Synagro-WWT, Inc. proposes to convert most of the biosolids into a fuel and improve the PenGrow bagged product. All four companies could be invited to submit proposals to enter into a contract to manage the SPWWTP biosolids for a period of up to five years.

ALTERNATIVES

The following alternatives have been identified for consideration:

1. Reject all Expressions of Interest and amend the Saanich Peninsula Liquid Waste Management Plan (SPLWMP) to enable the harmonization of Saanich Peninsula biosolids management with that of the proposed core area wastewater treatment plant. In the interim, the SPWWTP untreated sludge would be disposed of in the Hartland landfill until the core area biosolids facility is in service.
2. Develop Terms of Reference for a Request for Proposals (RFP) through consultation with the four short-listed proponents and issue an RFP to these proponents. Evaluate and select a preferred proponent to enter into a contract to manage the SPWWTP biosolids for a period up to five years.
3. Reject all Expressions of Interest and issue an RFP to find a suitable site for storage, curing and distribution of biosolids and continue with the PenGrow program.

FINANCIAL IMPLICATIONS

The estimated costs and timelines to implement the options are as follows:

Option	Estimated Cost	Estimated Time to Complete
1.	\$5,000 (Amend SPLWMP)	1 month
2.	\$30,000* (RFP for 5yr contract)	4 months
3.	\$20,000 (RFP for PenGrow site)	12 months

*Note: Budget approved by Commission on 11 November 2011

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INTERGOVERNMENTAL IMPLICATIONS

At the meeting of 13 July 2011, the CRD Board passed the following motions:

1. That the CRD will harmonize current and long-term practices at all CRD-owned regional facilities and parks with the approved policies of the regional treatment strategy, including ending the production, storage and distribution of biosolids for land application at all facilities and parks.
2. That the CRD does not support the application of biosolids on farmland in the CRD under any circumstances and let this policy be reflected in the upcoming Regional Sustainability Strategy.

This ended the PenGrow residential program operating out of the Hartland landfill, thereby placing the CRD in non-compliance with its biosolids management commitments to the Ministry of Environment (MOE) under the SPLWMP.

An MOE approved amendment to the SPLWMP is now required for an alternative use of the biosolids that is in compliance with the CRD Board policy.

CONCLUSION

Based on CRD policy and the Commission's need for an interim solution until the core area biosolids facility is in service, it is concluded that none of the six submissions are acceptable and that Alternative 1 should be implemented as outlined above.

RECOMMENDATION

That the Saanich Peninsula Wastewater Commission approve Alternative 1 and direct staff to:

1. reject all Expressions of Interest as not being compliant with CRD Board policy regarding the land application of biosolids or with the long term goal of co-managing Saanich Peninsula and core area biosolids;
2. amend the Saanich Peninsula Liquid Waste Management Plan (SPLWMP) to enable the harmonization of Saanich Peninsula biosolids management with that of the proposed core area wastewater treatment plant; and
3. landfill all SPWWTP untreated sludge at the Hartland landfill until the core area biosolids facility is in service.

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Attachments: 2