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**SALT SPRING ISLAND LIQUID WASTE LOCAL SERVICE COMMISSION  
ANNUAL GENERAL MEETING**

Notice of Meeting on Monday, November 30, 2015 at 10:00 AM  
Salt Spring Public Library, 129 McPhillips Ave, Salt Spring Island, BC

Wayne McIntyre      Rod Scotvold

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**AGENDA**

- 1. Call to Order**
- 2. Approval of Agenda**
- 3. Adoption of Minutes of the Annual General Meeting Held October 23, 2014**
- 4. Chair's Report**
- 5. Operations Report**
  - 5.1 2015 Annual Operations Report for the 2014 Fiscal Year**
- 6. Election of Officers**
- 7. New Business**
- 8. Adjournment**



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**Minutes of the Annual General Meeting of the Salt Spring Island Liquid Waste Disposal Local Services Commission**

**Held October 23, 2014, Community Gospel Chapel Meeting Room, 147 Vesuvius Bay Road, Salt Spring Island, BC**

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**DRAFT**

**PRESENT:**     **Director:** Wayne McIntyre  
                  **Commission Members:** Peter Lake (Chair), Wayne Lee, Maxine Leichter (via Skype); Rod Scotvold; Sharon Bywater  
                  **Staff:** Karla Campbell, Senior Manager; Keith Wahlstrom, Contract Engineer; Peter Sparanese, Senior Manager Integrated Water; Dan Robson, Operations Manager Peninsula and Gulf Islands; Craig Gottfred, Manager Distribution Engineering; Peggy Dayton, CRD Finance; Erin Jory, Recording Secretary

Chair Lake called the meeting to order at 1:06 pm.

**1. Approval of Agenda**

**MOVED** by Commissioner Bywater, **SECONDED** Director McIntyre,  
That the amended agenda be approved.

**CARRIED**

**2. Adoption of Minutes**

**MOVED** by Commissioner Bywater, **SECONDED** by Director McIntyre,  
That the minutes of the Annual General Meeting held on November 29, 2013 be adopted.

**CARRIED**

**3. Reports**

**3.1 Chair Report**

**Chair made a verbal report, as at the end of September, 2014:**

- revenues from septage up 6.7%
- revenues from sewage up 8.4%
- the average revenue increase for septage/sewage is about 7.8%
- total requisitions about the same
- Surplus of about \$198,000, which is subject to increased shipping costs.
- Finance costs have doubled due to increased borrowing
- No progress to date on upgrading the receiving station

**4. Operations Report**

**4.1 2014 Annual Report**

Staff reviewed the Salt Spring Island Liquid Waste Disposal 2014 Annual Report dated October 23, 2014.

**5. Election of Officers**

- Staff called for nominations as Commissioners Bywater, Lake and Lee's terms expire on December 31, 2014.
- Commissioner Bywater agreed to stand subject to being elected on Highland Sewer Commission.
- Commissioner Lee agreed to stand.
- Commissioner Lake expressed concerns with the slow progress on the Burgoyne Bay project and continuing costs of shipping sludge off island, but agreed to stand provided the CRD made efforts to:
  - Provide regular progress reports to the Commission;
  - Create an innovative design so that funding sources could be sought; and
  - Provide details on sludge constituents.

**5. Adjournment**

The Chair adjourned the meeting at 1:55pm.

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**CHAIR**

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**SENIOR MANAGER**



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**SALT SPRING ISLAND LIQUID WASTE DISPOSAL SERVICE  
2015 ANNUAL REPORT  
MONDAY, NOVEMBER 30, 2015**

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**Purpose of the Annual General Meeting**

The agenda for the Annual General Meeting (AGM) is approved by the members of the Commission. The purposes (and hence the agenda items) of the meeting are:

- To have the last year's AGM minutes approved (by Commission members), and to present reports on the work of the Commission on, the past year's operation, maintenance, capital upgrades and financial information of the service to the service residents and owners,
- To nominate members for appointment to the Commission, and
- To enable the public to share comments on subjects which relate to the work of the Commission. The Commission can identify (under "new business") issues on which it wants feedback at the meeting. Motions raised by the public at the AGM will be considered by the Commission at a subsequent regular meeting.

The Annual General Meeting is for the 2014 fiscal year.

**SEWER SYSTEM**

**About the Service**

The Salt Spring Island Liquid Waste Disposal Service is provided through a septage and sludge receiving and processing facility located near Burgoyne Bay.

The Commission has delegated authority from the CRD Board for provision of the services, including recommending policies and budgets to the Board. Professional CRD staff members provide operational, engineering and financial services. The CRD Salt Spring Island Electoral Area Director is an appointed member of each Commission and the other Commission members are residents or land owners in the service areas, elected at Annual General Meetings.

**Operations**

During 2014, the Salt Spring Island Liquid Waste facility (the facility) operated as a liquid waste transfer station only. Septage and sludge liquid waste was received and stored at the facility and then hauled to SPL Wastewater Recovery Center, located in Langford, for further treatment and processing.

Operations staff attended the site Monday to Friday for approximately 4 hours per day performing routine operations including:

- Cleaning of bar screens
- Site security

- Access road maintenance
- Assisting contractor with liquid waste removal and hauling operations
- Collection of liquid waste samples for laboratory analysis
- Pump maintenance
- Site housekeeping.
- Monitoring of septage hauling contractors that are authorised to access and use the facility.
- Administration duties

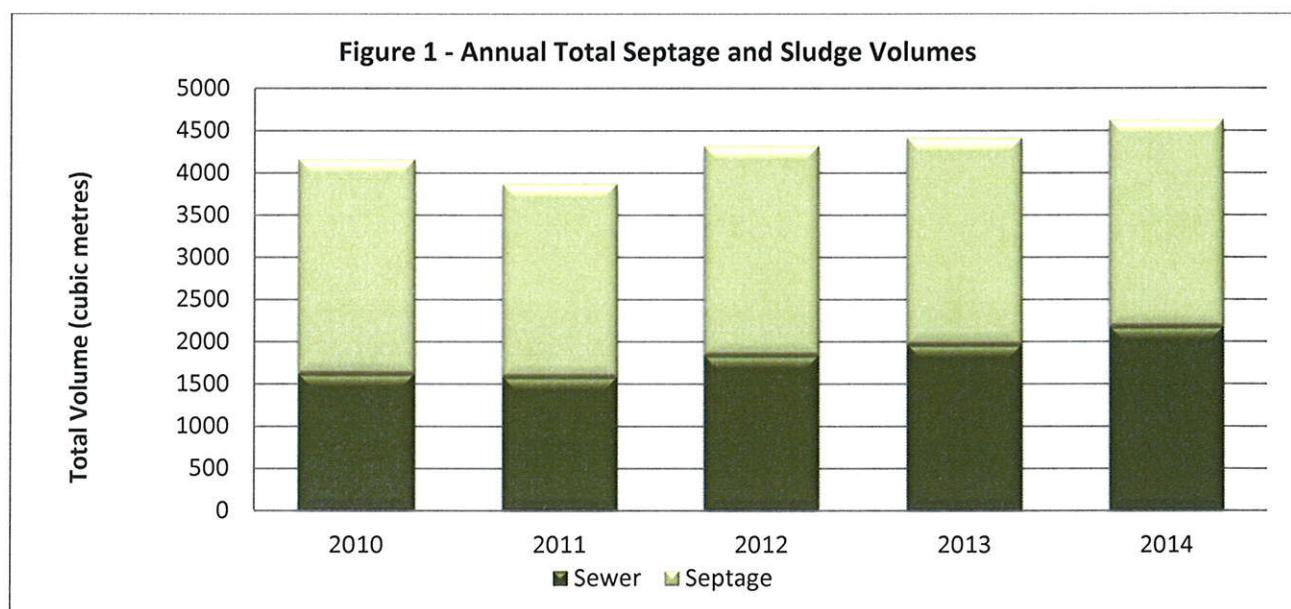
Significant operational activities in 2014 included:

- Replacement of a faulty high level float
- High voltage check
- Emergency response due to blocked pump

The total volume of sewage and septage sludge received in 2014 is shown in **Table 1** and **Figure 1**.

The sewage volume increased by approximately 10% and the septage remained virtually unchanged (less than 1%) from 2013. Total annual combined volume increased 4%.

| <b>Table 1 - Annual Sewage and Septage Volumes</b> |                      |                      |                      |                      |                        |
|--|----------------------|----------------------|----------------------|----------------------|------------------------|
|  | 2010                 | 2011                 | 2012                 | 2013                 | 2014                   |
| Sewage<br>cubic metres<br>(igal)                   | 1,623.9<br>(357,207) | 1,591.6<br>(350,092) | 1,846.6<br>(406,206) | 1,985.8<br>(436,823) | 2,180.3<br>(479,591)   |
| Septage<br>cubic metres<br>(igal)                  | 2,538.1<br>(558,295) | 2,279.6<br>(501,437) | 2,473.3<br>(544,042) | 2,461.4<br>(541,439) | 2,451.2<br>(539,183)   |
| Total<br>cubic metres<br>(igal)                    | 4,162.0<br>(915,502) | 3,871.1<br>(851,529) | 4,319.9<br>(950,248) | 4,447.2<br>(978,262) | 4,631.4<br>(1,018,744) |



## **Capital Plan**

### **Background**

In November 2008, the Capital Regional District (CRD) received approval of the electors of Salt Spring Island (SSI) to borrow up to \$2.1 million to conduct capital improvements to the existing facility and to create a solids composting facility. In 2009, Opus Dayton Knight Consultants Ltd. (Opus) was engaged by the CRD to design the improvements. Their pre-tender cost estimate was \$3.35 million, excluding the composting facility work. Recognizing the funding shortfall, the SSI Liquid Waste Disposal Local Service Commission (Commission) directed CRD staff to conduct a service review and business case analysis before proceeding with the project. Stantec Consulting Ltd. (Stantec) was retained to review the proposed improvements, identify and analyze alternatives for service delivery, including ownership and life-cycle costs. Stantec recommended an upgrade of the existing facility because of the lowest life-cycle cost of the options considered and not to carry out composting because of the high capital and operating cost, high risk of odours and risk of limited end-user market. However, this option would require additional funding if the Opus design was to be constructed.

In view of the on-going operational and financial challenges, in 2011 the Commission recommended shutting down the dewatering, treatment and disposal processes at the facility, and entering into a two year off-island hauling agreement, leaving the facility to operate as a receiving and transfer facility. This revised operating plan was intended to reduce the risk of ongoing equipment failures, service interruptions, and unplanned emergency expenditures, and allow additional time to reconsider design alternatives for treatment and disposal that could be constructed within the original budget.

A Request for Proposals for the design, tendering and contract administration of the receiving equipment and storage facilities at the existing facility was undertaken in late 2013 and was awarded to WorleyParsons.

### **2014 Capital Plan**

WorleyParsons completed a Basis of Design for the work in April and at that time the anticipated costs for the project were higher than expected. A detailed report to the Commission in May outlined the issues. The recommendation from the report was that the design was to continue, however, other work (Options Analysis and Ground Water Monitoring) would be delayed until final costs were known.

The design and specifications were advanced to the 90% stage by late 2014 and at that point concerns were identified with the potential construction costs as well as the protracted timeline for completing the design and specifications. This resulted in no further advancement in 2014 of the design and specifications as an in-depth review of the issues would be required. The review is on-going in 2015.

### **Financial Reports**

Revenue includes parcel taxes (*Transfers from government*) and user fees (*Sale of services*), and small amounts for interest on savings debt sinking fund revenue (*Other revenue*). Expenses include all costs of providing the service. *General government services* include budget preparation, financial management, utility billing, and risk management services. *Other expenses* includes all other costs to administer and operate the sewer system, and the principal and interest payments on borrowing to finance capital projects. *Other fiscal services* include administration costs for loans.

The difference between revenue and expenses is reported as *Net revenue (expenses)*. Any transfers to or from capital or reserve accounts for the service (*Transfers to own funds*) are deducted from this amount and the result is then added to any surplus or deficit carry forward from the prior year, yielding an *Accumulated surplus* (or deficit) that is carried forward to the following year.

The Salt Spring Island Liquid Waste Disposal Service borrowed \$770,000 in 2013 which resulted in the debt charges increasing in 2014. The borrowing of the \$770,000 was the final draw for the authorized borrowing bylaw of \$2,100,000.

The Salt Spring Island Liquid Waste Disposal Service 2014 revenue was \$666,850 and consisted of \$388,340 from tipping fees and \$275,555 from parcel taxes. The remainder of revenue (\$2,955) came from interest earned and grants in lieu of taxes. The tipping fee for 2014 remained at \$83.60 per cubic metre (\$0.380 per imperial gallon).

The total expenditures for 2014 were \$651,420, of which \$194,622 was the annual cost of borrowing for capital work, and the remainder was the cost of operation and administration of the service.

The difference between revenue and expenditures at 2014 year end amounted to a net surplus of \$15,430.

This was in addition to a \$129,016 carry-forward from 2013 to 2014; therefore the total accumulated surplus was \$144,446. From this surplus \$67,390 was transferred to the Capital Reserve Fund (1087 102146) and the balance of the surplus (\$77,056) was used as annual surplus and carried-forward to 2015.

At the end of 2014 the Salt Spring Island Liquid Waste Disposal Service Capital Reserve Fund (1087 102146) had a balance of \$67,414. The balance in the Septage Facility Upgrade Fund (SLA3564) was \$1,459,152 at the end of 2014. Revenue into the fund included \$26,620 in interest. Expenditure from the fund was \$66,940.

### **Salt Spring Island Liquid Waste Problems - Who to Call:**

To report any event or to leave a message regarding the Salt Spring Island Liquid Waste Facility, call:

**CRD local operator (Ganges Wastewater Treatment Plant): 250-537-4314**  
**CRD emergency call centre: 1-250-474-9630**

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