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

Notice of Meeting on Thursday, June 16, 2016 at 2:00 PM
Portlock Park Portable Meeting Room, 145 Vesuvius Bay Road, Salt Spring Island, BC

Wayne McIntyre Rod Scotvold

AGENDA

- 1. Call to Order**
- 2. Approval of Agenda**
- 3. Adoption of Minutes of the Annual General Meeting for Fiscal Year 2014 Held on November 30, 2015**
- 4. Chair's Report**
- 5. Annual Report for 2015 Fiscal Year**
- 6. Election of Officers**
- 7. New Business**
- 8. Adjournment**

To ensure quorum, advise Tracey Shaver 250 537 4448 if you cannot attend.

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Meeting Notes of the Annual General Meeting of the Salt Spring Island Liquid Waste Disposal Local Services Commission
Held November 30, 2015, Salt Spring Island Public Library, 129 McPhillips Ave, Salt Spring Island, BC

DRAFT

PRESENT: **Alternate Director:** Darryl Martin
Commission Members: Rod Scotvold;
Staff: Karla Campbell, Senior Manager; Keith Wahlstrom, Managing Engineer Salt Spring Island; Dan Robson, Operations Manager Peninsula and Gulf Islands; Peggy Dayton, Senior Financial Analyst; Tracey Shaver, Recording Secretary
Absent: Wayne McIntyre

1. **Call to Order:** Karla Campbell, Senior Manager called the meeting to order at 10:04.
2. **Approval of Agenda**
The agenda was approved.
3. **Adoption of Minutes**
The minutes of the Annual General Meeting held on October 23, 2014 were reviewed for information.
4. **Chair's Report**
There was no report.
5. **Operations Report**
5.1 2015 Annual Operations Report for the 2014 Fiscal Year
Staff reviewed the Salt Spring Island Liquid Waste Disposal 2015 Annual Report dated November 30, 2015. It was requested that future Annual Reports include a financial summary table.
6. **Election of Officers**
There were no nominations put forward for the position of Chair nor did any additional volunteer commissioners present.
7. **New Business**
Staff advised that the operational services of the Liquid Waste Facility have been functioning under the advisement of the Electoral Area Service Commission (EASC). Staff will be presenting a report to the EASC in January 2016 to outline capital project steps and report back to the Salt Spring community.
8. **Adjournment**
The meeting adjourned at 10:29 pm.

CHAIR

SENIOR MANAGER



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**SALT SPRING ISLAND LIQUID WASTE DISPOSAL SERVICE
2016 ANNUAL REPORT
Thursday, June 16, 2016**

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 and 2015 fiscal year.

Background of 2014 Annual General Meeting

The 2014 Annual General Meeting was hosted on November 30, 2015. Due to resignations of Commission members earlier in 2015, there were only two members remaining on the Commission, therefore no quorum was established.

Staff presented the AGM report, but no actions or recommendations could be voted on due to lack of a quorum.

When asked for nominations from the floor, no nominations were received.

The report from the 2014 fiscal year and the draft notes from that meeting are attached for ratification and adoption.

This report is for activities and financial events from 2015

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.

The majority of the Salt Spring Island Liquid Waste Disposal Service Commission resigned in April 2015 due to the difficulties encountered in executing the Capital Plan. The Electoral Area Director has not pursued finding replacement Commission members until a clear program for moving the Capital Plan forward is available. A plan was presented in October 2015, however, further details and options were requested. The additional details were not available prior to the end of 2015.

The service is currently administered under the Electoral Area Services Committee.

OPERATIONS

During 2015, 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

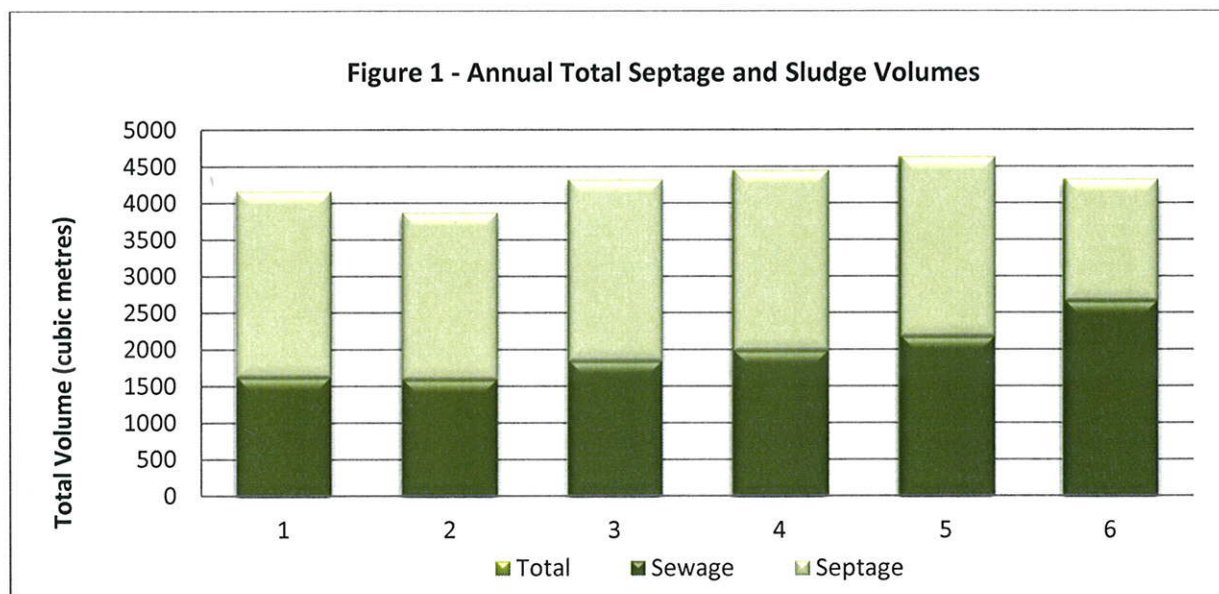
Significant operational activities in 2015 included:

- High voltage and ground mat check and evaluation
- Emergency repairs to the overhead electrical lines that service the facility. This work was the result of high winds and falling trees.
- Preventative maintenance conducted on the facility flow meter. The flow meter tracks the volume of septage and sludge being disposed of at the facility by hauling contractors and is used for billing purposes.

The total volume of sewage and septage received in 2015 is shown in Table 1 and Figure 1.

The sewage volume increased by approximately 22% and the septage decreased by approximately 32% from 2014. Total annual combined volume decreased approximately 7%. The primary reduction in the septage volume is a result of operational changes at the Ganges sewer treatment plant.

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|--|--------------------|--------------------|--------------------|--------------------|----------------------|--------------------|
| Sewage cubic metres (igal) | 1,623.9 357,207 | 1,591.6 350,092 | 1,846.6 406,206 | 1,985.8 436,815 | 2,180.3 479,599 | 2,664.5 586,108 |
| Septage cubic metres (igal) | 2,538.1 558,295 | 2,279.6 501,437 | 2,473.3 544,042 | 2,461.4 541,432 | 2,451.2 539,189 | 1,663.4 365,897 |
| Total cubic metres (igal) | 4,162.0 915,502 | 3,871.1 851,529 | 4,319.9 950,248 | 4,447.2 978,247 | 4,631.5 1,018,787 | 4,327.9 952,005 |



Sludge & Septage Monitoring

Quarterly monitoring of the Burgoyne Bay sludge/septage is undertaken to characterize the waste prior to disposal and to inform Regional Source Control Program initiatives. Results are compared to BC Organic Matter Recycling Regulation (OMRR) Class A biosolids criteria. The OMRR criteria comparison is not intended to assess the Burgoyne Bay sludge/septage as a biosolids product, but rather for information purposes and to assess the end-product quality in general. All 2015 sludge/septage analytical results met the OMRR Class A biosolids criteria.

CAPITAL IMPROVEMENTS

Background for Overall Capital Improvements

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 to reduce the risk of ongoing equipment failures, service interruptions, 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. 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 in 2015.

2015 Work Completed on Overall Capital Improvements

A review of the work completed for the overall capital Improvements was completed in 2015, with an initial report with options as to how to proceed with the project presented to the Electoral Area Services Committee (EASC) in October 2015. The EASC requested additional options be considered and that an updated report be brought back to them prior to making recommendations to move forward. The report was not available prior to the end of 2015.

2015 Work Completed on Additional Capital Improvements

In addition to the overall capital improvement project there was one additional capital project in 2015:

1. Reconstruct Access Road (\$50,000 allocated, \$43,963 spent) – This project is essentially complete, however, additional expenses may be incurred in 2016 to undertake some further remediation and the improvements.

2015 FINANCIAL REPORT

Revenue includes parcel taxes (*Transfers from government*), sales revenues (*Sales – Septage Sludge and Sales – Sewage Sludge*), interest on savings, and miscellaneous revenue such as Payments in Lieu of Taxes (*Other revenue*).

Expenses include all costs of providing the service. *General government services* include budget preparation, financial management, utility billing, and risk management services. *Contract for Services* is payments made to Coast Environmental Ltd for sludge hauling. *Screenings Disposal* are amount paid to Waste Management. *CRD Labour and Operating Costs* includes CRD staff time as well as the cost of equipment, tools and vehicles. *Debt Servicing Costs* are interest and

principal payments on long term debt. *Other expenses* include all other costs to administer and operate the water system such as insurance, supplies, and electricity.

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 2015 revenue \$658,646 includes:

- \$285,374 – *Transfers from Government*
- \$230,437 – *Sales - septage sludge*
- \$140,838 – *Sales - sewage sludge*
- \$1,132 – *Interest earnings*
- \$865 – *Other revenue*

The tipping fee for 2015 was \$0.390 per imperial gallon (\$85.79 per cubic metre).

The total expenditures for 2015 were \$630,504, comprised of:

- \$13,860 - *General Government Services*
- \$300,700 - *Contract for Services*
- \$6,957 - *Screenings Disposal*
- \$102,614- *CRD Labour and Operating Costs*
- \$194,625 – *Debt Servicing Costs*
- \$11,748 - *Other expenses*

The difference between revenue and expenditures at 2015 year end amounted to a net surplus of \$28,143.

This was in addition to a \$77,056 carry-forward from 2014. \$95,198 was transferred to the Capital Reserve Fund and \$10,000 was transferred to the maintenance reserve account, leaving no surplus carry forward.

The 2015 Parcel Tax was \$52.10 per taxable parcel.

The balances in the SSI Septage service capital funds and reserve accounts at December 31, 2015 were:

| Description | Balance at end of 2015 |
|--|------------------------|
| Maintenance Reserve Account | \$10,000 |
| Capital Reserve Fund (1087 102146) | \$113,244 |
| Funds remaining to spend on projects in progress (SLA3564) | \$1,478,498 |

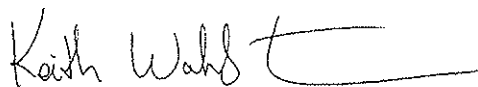
Salt Spring Island Liquid Waste Problems - Who to Call:

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

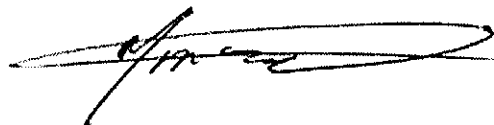
| | |
|--|-----------------------------------|
| CRD wastewater system emergency call centre: | 1-855-822-4426 (toll free) |
| CRD wastewater system emergency call centre: | 1-250-474-9630 (toll) |
| CRD local operator (Ganges Wastewater Treatment Plant): | 250-537-4314 |
| CRD wastewater system general enquiries (toll free): | 1-800-663-4425 |

When phoning with respect to an emergency, please specify to the operator, the service area in which the emergency has occurred.

The new toll free number for reporting emergencies is being pilot-tested and will be evaluated at the end of 2016 to assess the use and need going forward.



Keith Wahlstrom, PEng
For
Karla Campbell, Senior Manager
Salt Spring Island Electoral Area



Matthew McCrank, MSc, PEng
Senior Manager, Infrastructure Operations
Concurrence



Rajat Sharma, B.Eng, MBA, CPA, CMA
Acting Chief Financial Officer
Concurrence

Glenn Harris, Ph.D., R.P.Bio
Senior Manager, Environmental Protection
Concurrence

KW:ts