

**REPORT TO CORE AREA LIQUID WASTE MANAGEMENT COMMITTEE  
MEETING OF WEDNESDAY, OCTOBER 13, 2021**

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**SUBJECT**     2022 Service Planning – Wastewater

**ISSUE SUMMARY**

To provide the Core Area Liquid Waste Management Committee with an overview of core service levels, new and progressing initiatives and performance metrics related to the Wastewater Community Need. These activities are undertaken by both the Integrated Water Services and Parks & Environmental Services Department, and deliver on approved Board Strategic Priorities and the Capital Regional District (CRD) Corporate Plan.

**BACKGROUND**

The CRD Board identified its strategic priorities in early 2019. Subsequently, staff prepared the 2019-2022 CRD Corporate Plan to align with this direction. The CRD Corporate Plan presents the work the CRD needs to deliver over the Board term to meet the region's fifteen most important needs (community needs). These initiatives are delivered in conjunction with the mandated core services and regulatory requirements that the CRD is accountable for delivering. The priorities were reconfirmed by the CRD Board at the annual check-ins on May 13, 2020 and May 12, 2021.

At the start of the Board term, staff identified that the ambitious plan for the region would require a significant amount of effort and resources to action and implement Board and Corporate Priorities, and to keep pace with the anticipated increase in service demands, primarily driven by population growth and construction activity. The general level of effort deployed by the organization has been increasing to keep pace since the direction was set and, in some cases, emerging trends and changes in economic activity have had a significant impact on the demand for services driving additional resource requirements.

This is the final year of service plan and budget approvals for this CRD Board, as well as the final year of implementation of its strategic priorities. For 2022, staff are recommending a significant package of work to finalize the delivery of the strategic priorities and CRD Corporate Plan. Implementation timeframes for much of the work initiated in 2022 will carry into 2023.

2022 is a transition year for the CRD Board. Staff anticipate that any service planning requests for 2023 will be focused on operational adjustments while the Board is determining its strategic priorities for the 2023-2026 term.

The Community Need Summary Report (Appendix A) provides an overview of the strategic context for service areas by department, core service levels for services, new initiatives and a summary of the business model and performance metrics associated with targeted outcomes.

A summary of the capital investment made in support of the Community Need (Appendix B) and the initiatives progressed over the course of this Board's term (Appendix C) have been appended to this report.

## **ALTERNATIVES**

### *Alternative 1*

The Core Area Liquid Waste Management Committee recommends the Committee of the Whole recommend to the Capital Regional District Board:

That Appendix A, Community Need Summary – Wastewater be approved as presented and form the basis of the 2022-2026 Financial Plan.

### *Alternative 2*

That Appendix A, Community Need Summary – Wastewater be approved as amended and form the basis of the 2022-2026 Financial Plan.

## **IMPLICATIONS**

### *Financial Implications*

The Executive Leadership Team (ELT) is taking steps to mitigate the financial impacts resulting from the work. ELT has reviewed the phasing of the work for 2022 to ensure that the activities and resources are allocated as efficiently as possible. Phasing out the initiatives over a longer period of time helps avoid delays that can occur when staff are too thinly spread across projects. Additionally, timing initiatives to start mid-year will also reduce the impact in 2022, but will have an incremental annualization impact in 2023 for ongoing impacts.

The CRD continues to look for ways to fund its services in a manner that relieves affordability pressure for the taxpayer. This is reflected in the policy for reserve balance measures and gaps/surplus, which was approved by the CRD Board on July 14, 2021. The CRD has had other funding successes optimizing capital funding and leveraging grant funding in a more aggressive way than ever before.

Finally, where feasible, an incremental change management strategy has been adopted for larger projects. This means that divisions are testing out the objectives and delivery approach with a proof-of-concept and then deploying out more broadly, if the benefits can be demonstrated. This has been a successful strategy adopted for our enterprise asset management strategy deployment, for example.

A comprehensive overview of the resources required to advance the initiatives listed in all Community Need Summaries, including all proposed staffing changes, will be presented to the Committee of the Whole at the 2022 provisional budget review.

### *Service Delivery Implications*

In May 2021, the CRD's Parks & Environmental Services staff assumed responsibility for the contract management of the new Residuals Treatment Facility. Delays in commissioning have required staff to reorganize program priorities to accommodate the extended timeline to address administrative, technical and operational issues.

As a result of incremental work content and resourcing through the following initiatives in support of the community need, there is an additional 0.5 fixed term FTE in the area of Finance and

Technology to administer required corporate functions.

See Appendix A for more details about core service delivery.

### New initiatives proposed for 2022:

Staff have identified three initiatives in support of this community need that will have budget implications in 2022 (Table 1). The key drivers for this work are:

1. The operationalization of capital investment (Core Area Wastewater Treatment Plant and Residuals Treatment Facility): follow-up adjustments to the operational model to optimize service and meet regulatory obligations.
2. Minimize the materialization of risk through preventative maintenance planning: the finalization of a program of work to collect data and manage risks related to inflow and infiltration to the sanitary sewage system on the Saanich Peninsula.

**Table 1: Wastewater Community Need Initiatives**

#	Initiative	Description	Year(s)	FTE impacts (2022)	Cost impacts (2022)	Funding source
8a-1.3	Saanich Peninsula Liquid Waste Management Plan	Development of a detailed inflow and infiltration reduction program for the Peninsula	2022	--	\$65K	Requisition
8a-1.4	Biosolids Research Assistant	Development of short- and long-term biosolids management plans	2022-23	+1.0 FTE Term	\$92K	Requisition
8a-1.5	Lab Services Core Area Wastewater Treatment Plant	Support for lab services during evaluation of longer-term Core Area Wastewater Treatment Plant requirements	2022	+1.0 FTE Term	\$105K	Requisition

This information reflects the business case costs, which the ELT reviewed as part of its annual assessment of initiatives.

### 8a-1.3 Saanich Peninsula Liquid Waste Management Plan

An audit of the Saanich Peninsula Liquid Waste Management Plan has identified unfulfilled commitments to evaluate and manage inflow and infiltration (I&I) to the sanitary sewer. The Saanich Peninsula Wastewater system has not had any documented wet weather related overflows but I&I increases as infrastructure ages, so it would be prudent to manage this risk proactively. It will also ensure the Saanich Peninsula Municipalities manage sanitary flow in accordance with the BC Municipal Wastewater Regulation.

Initiative 8a-1.3 is the third and final initiative related to I&I planning for the Saanich Peninsula. The final stage is to develop custom I&I management plans for Sidney, North Saanich and Central

Saanich, complete with high-level actions, timelines and costs. The work builds on the 2020 work done to collect additional flow data and pinpoint areas with the highest I&I levels, and 2021 work to develop flow calculations for each catchment area to plan for the most cost-effective capital upgrades/replacement program for the sanitary sewer infrastructure.

#### 8a-1.4 Biosolids Research Assistant – Term Position

The commissioning of the Residuals Treatment Facility requires the implementation of a short-term biosolids management plan (2021-24). In addition, the Province requires the development of a long-term biosolids management plan, which must be submitted by mid-2024. This is a regulatory requirement under the Environmental Management Act. Initiative 8a-1.4 seeks to create a new term position in the Environmental Protection division to support both the implementation of the short-term management plan and development of the longer-term biosolids management operations and analysis for public consultation.

#### 8a-1.5 Lab Services Core Area Wastewater Treatment Plant

The initial commissioning and operational start-up of the Core Area Wastewater Treatment Plant is now underway. Lab (analytical) services is an essential component of wastewater service delivery as data produced supports the optimization of plant operations. The service levels at McLoughlin Point Wastewater Treatment Plant have been materially higher than planned so far and therefore a staffing optimization evaluation is underway to assess the long-term requirements.

Initiative 8a-1.5 seeks to create a one-year term position in the Environmental Protection division to support additional lab services in 2022 while the treatment plant is optimized.

The proposed initiatives will also increase demand and requirements for financial support (e.g. budget and transaction processing etc.). This initiative, alongside others, will result in a small adjustment to the Financial Services staffing model to accommodate the demand. To provide full transparency, the financial impact of the initiative reflects the whole cost of delivering the work, including flow-down impacts on support services.

#### *Alignment with Board & Corporate Priorities*

The direction given to staff was to bring forward work that is of essential nature. This was defined as:

- initiatives that provide public health and safety and/or deliver on a regulatory requirement.
- initiatives that are required to deliver the Board Strategic Priorities.
- initiatives that will prevent the materialization of significant negative impacts on service customers, partners, the region, local services or the CRD's finances.
- initiatives that minimise the materialization of financial, reputational or other risks and liabilities for the CRD by ensuring the organization is keeping pace with expectations and demand.
- there is an imperative to deliver the work immediately and/or quickly.

The ELT has reviewed and assessed all business cases against the criteria. The consolidated package of work is appropriate and commensurate to the challenge facing the organization.

## **CONCLUSION**

Staff have been progressing initiatives and actions identified in the Capital Regional District (CRD) Corporate Plan, including Board Strategic Priorities. The CRD Board determines resourcing through its annual review and approval of financial plans. As per previous years, to support the Board's decision-making, staff are providing recommendations on funding, timing and service levels through the service and financial planning processes.

## **RECOMMENDATION**

The Core Area Liquid Waste Management Committee recommends the Committee of the Whole recommend to the Capital Regional District Board:

That Appendix A, Community Need Summary – Wastewater be approved as presented and form the basis of the 2022-2026 Financial Plan.

Submitted by:	Glenn Harris, Ph.D., R.P.Bio., Senior Manager, Environmental Protection
Concurrence:	Larisa Hutcheson, P. Eng., General Manager, Parks & Environmental Services
Concurrence:	Ted Robbins, B.Sc., C.Tech., General Manager, Integrated Water Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

## **ATTACHMENTS**

Appendix A: Community Need Summary – Wastewater

Appendix B: Capital Plan Report

Appendix C: Initiatives Progress Report