

**METRO VANCOUVER REGIONAL DISTRICT
LIQUID WASTE COMMITTEE**

REGULAR MEETING

January 16, 2020

1:00 p.m.

28th Floor Committee Room, 4730 Kingsway, Burnaby, British Columbia

A G E N D A¹

1. ADOPTION OF THE AGENDA

1.1 January 16, 2020 Regular Meeting Agenda

That the Liquid Waste Committee adopt the agenda for its regular meeting scheduled for January 16, 2020 as circulated.

2. ADOPTION OF THE MINUTES

2.1 November 14, 2019 Regular Meeting Minutes

That the Liquid Waste Committee adopt the minutes of its regular meeting held November 14, 2019 as circulated.

3. DELEGATIONS

4. INVITED PRESENTATIONS

5. REPORTS FROM COMMITTEE OR STAFF

5.1 2020 Liquid Waste Committee Priorities and Work Plan

Designated Speaker: Peter Navratil, General Manager, Liquid Waste Services

That the Liquid Waste Committee:

- a) endorse the work plan as presented in the report dated January 6, 2020 titled "2020 Liquid Waste Committee Priorities and Work Plan"; and
- b) receive for information the Liquid Waste Committee 2020 Terms of Reference as attached to the report dated January 6, 2020 titled "2020 Liquid Waste Committee Priorities and Work Plan".

5.2 Board Appointments and Rescindments of Bylaw Enforcement Officers

Designated Speaker: Ray Robb, Division Manager, Environmental Regulation and Enforcement, Parks and Environment Services

¹ Note: Recommendation is shown under each item, where applicable.

That the GVS&DD Board:

- a) pursuant to the *Greater Vancouver Sewerage and Drainage District Sewer Use Bylaw* and the *Environmental Management Act*:
 - i. appoint Metro Vancouver employee Nicole Gatto as a municipal sewage control officer; and
 - ii. rescind the appointments of former Metro Vancouver employees Larry Avanthay, Kristen Beattie and Johanna Legge as a municipal sewage control officers; and
 - iii. appoint City of Vancouver employee Nicole Montgomery as a deputy sewage control manager.
- b) pursuant to Section 28 of the *Offence Act*:
 - i. appoint Metro Vancouver employee Nicole Gatto for the purpose of serving summons under Section 28 of the Offence Act for alleged violations under *Greater Vancouver Sewerage and Drainage District Sewer Use Bylaw*; and
 - ii. rescind the appointments for the purpose of serving summons of former Metro Vancouver employees Larry Avanthay, Kristen Beattie and Johanna Legge.

5.3 Greater Vancouver Sewerage and Drainage District Fermentation Operations Amending Bylaw No. 333, 2020

Designated Speaker: Marla Bondar, Environmental Regulatory Planner, Utility Policy and Planning, Liquid Waste Services

That the GVS&DD Board:

- a) Give first, second and third reading to *Greater Vancouver Sewerage and Drainage District Fermentation Operations Amending Bylaw No. 333, 2020*; and
- b) Pass and finally adopt *Greater Vancouver Sewerage and Drainage District Fermentation Operations Amending Bylaw No. 333, 2020*.

5.4 Award of Phase C – Tendering Services, for Northwest Langley Wastewater Treatment Plant – Design and Construction Engineering Services

Designated Speakers: Roy Moulder, Director, Purchasing and Risk Management, Financial Services, and Paul Wilting, Program Manager, Northwest Langley Treatment Projects, Project Delivery, Liquid Waste Services

That the GVS&DD Board:

- a) approve the award of Phase C - Tendering Services, in the amount of up to \$5,303,514 (exclusive of taxes) to the Phase A and Phase B consultant, CH2M Hill Canada Limited, for Northwest Langley Wastewater Treatment Plant - Design and Construction Engineering Services, and;
- b) authorize the Commissioner and the Corporate Officer to execute the required documentation.

6. INFORMATION ITEMS

7. OTHER BUSINESS

8. BUSINESS ARISING FROM DELEGATIONS

9. RESOLUTION TO CLOSE MEETING

Note: The Committee must state by resolution the basis under section 90 of the Community Charter on which the meeting is being closed. If a member wishes to add an item, the basis must be included below.

10. ADJOURNMENT/CONCLUSION

That the Liquid Waste Committee adjourn/conclude its regular meeting of January 16, 2020.

Membership:

Stewart, Richard (C) - Coquitlam
Dominator, Lisa (VC) - Vancouver
Calendino, Pietro - Burnaby
Elford, Doug - City of Surrey

Ferguson, Steve - Langley Township
Little, Mike - North Vancouver District
Loo, Alexa - Richmond
McDonald, Bruce - Delta

Svendsen, Ryan - Maple Ridge
Trentadue, Mary - New Westminster
van den Broek, Val - Langley City
Walker, Darryl - White Rock

**METRO VANCOUVER REGIONAL DISTRICT
LIQUID WASTE COMMITTEE**

Minutes of the Regular Meeting of the Metro Vancouver Regional District (MVRD) Liquid Waste Committee held at 1:03 p.m. on Thursday, November 14, 2019 in the 28th Floor Committee Room, 4730 Kingsway, Burnaby, British Columbia.

MEMBERS PRESENT:

Chair, Mayor Richard Stewart, Coquitlam (arrived at 1:07 p.m.)
 Vice Chair, Mayor Mike Little, North Vancouver District
 Councillor Pietro Calendino, Burnaby
 Councillor Lisa Dominato, Vancouver
 Councillor Doug Elford, Surrey
 Councillor Steve Ferguson, Langley Township
 Councillor Alexa Loo, Richmond (arrived at 1:06 p.m.)
 Councillor Ryan Svendsen, Maple Ridge
 Councillor Mary Trentadue, New Westminster
 Mayor Val van den Broek, Langley City

MEMBERS ABSENT:

Mayor Rob Vagramov, Port Moody
 Mayor Darryl Walker, White Rock

STAFF PRESENT:

Peter Navratil, General Manager, Liquid Waste Services
 Genevieve Lanz, Legislative Services Coordinator, Board and Information Services

In the absence of the Chair, Vice Chair Little chaired the meeting.

1. ADOPTION OF THE AGENDA

1.1 November 14, 2019 Regular Meeting Agenda

It was MOVED and SECONDED

That the Liquid Waste Committee adopt the agenda for its regular meeting scheduled for November 14, 2019 as circulated.

CARRIED

2. ADOPTION OF THE MINUTES

2.1 October 17, 2019 Regular Meeting Minutes

It was MOVED and SECONDED

That the Liquid Waste Committee adopt the minutes of its regular meeting held October 17, 2019 as circulated.

CARRIED

3. DELEGATIONS

No items presented.

4. INVITED PRESENTATIONS

No items presented.

5. REPORTS FROM COMMITTEE OR STAFF

5.1 Direct Connections to Regional Liquid Waste Facilities Policy

Report dated November 8, 2019 from Brent Burton, Division Manager, Policy, Planning and Analysis, Liquid Waste Services, seeking GVS&DD Board approval of the *Direct Connections to Regional Liquid Waste Facilities Policy*.

1:06 p.m. Councillor Loo arrived at the meeting.

1:07 p.m. Chair Stewart arrived at the meeting and assumed the chair.

Members were provided with a presentation on the *Direct Connections to Regional Liquid Waste Facilities Policy*, highlighting associated challenges, application process, and consultation with Regional Engineers Advisory Committee and Regional Administrative Advisory Committee.

Discussion ensued on policy definitions, case-by-case analysis of connection requests and municipal sewer service distance criteria, and discussed referring the policy back to staff to clarify language and incorporate comments.

Presentation material titled "Direct Connections to Liquid Waste Facilities Policy" is retained with the November 14, 2019 Liquid Waste Committee agenda.

It was MOVED and SECONDED

That the Liquid Waste Committee refer the *Direct Connections to Regional Liquid Waste Facilities Policy* to staff to bring forward a revised policy incorporating feedback and comments from the November 14, 2019 Liquid Waste Committee meeting.

CARRIED

Councillor Elford voted in the negative.

5.2 2019 Regional Unflushables Campaign Results

Report dated November 1, 2019 from Larina Lopez, Division Manager, Corporate Communications, External Relations, providing an update on the results of the 2019 regional Unflushables Campaign.

Members were provided with a presentation on the Unflushables Campaign, highlighting priority unflushable materials, campaign elements, media coverage and outreach activities, and key campaign metrics.

Presentation material titled “2019 Unflushables Campaign Results” is retained with the November 14, 2019 Liquid Waste Committee agenda.

It was MOVED and SECONDED

That the Liquid Waste Committee receive for information the report dated November 1, 2019, titled “2019 Regional Unflushables Campaign Results”.

CARRIED

5.3 Public Notification of Sewer Overflows and Wastewater Treatment Plant Process Interruptions

Report dated November 8, 2019 from Tom Sadleir, Program Manager, Community Engagement, Liquid Waste Services, seeking GVS&DD Board approval of the public notification program for sewer overflows and wastewater treatment plant process interruptions, and authorization to proceed with an engagement process.

Members were provided with a presentation on the development of a public notification system for sewer overflows and wastewater treatment interruptions, highlighting causes of treatment interruptions and overflows, current reporting structure, data collection and hydrodynamic modelling, and next steps for phased implementation.

Discussion ensued on the coordination of member jurisdictions notification process, issues associated with federal non-compliance penalties, and wastewater treatment plant standby power initiatives.

Presentation material titled “Public Notification of Sewer Overflows and WWTP Process Interruptions” is retained with the November 14, 2019 Liquid Waste Committee agenda.

It was MOVED and SECONDED

That the GVS&DD Board approve the scope of the public notification program for sewer overflows and wastewater treatment plant process interruptions and authorize staff to proceed with the engagement process as presented in the report dated November 8, 2019, titled “Public Notification of Sewer Overflows and Wastewater Treatment Plant Process Interruptions”.

CARRIED

Councillor Calendino absent at the vote.

5.4 Integrated Liquid Waste and Resource Management Plan Biennial Report 2017-2018 - Engagement Results

Report dated October 28, 2019 from Tom Sadleir, Program Manager, Community Engagement, Liquid Waste Services, communicating the results of the Integrated Liquid Waste and Resource Management Plan Biennial Report 2017-2018 engagement process.

It was MOVED and SECONDED

That the Liquid Waste Committee receive for information the report dated October 28, 2019, titled "Integrated Liquid Waste and Resource Management Plan Biennial Report 2017-2018 - Engagement Results".

CARRIED

Mayor Little absent at the vote.

5.5 Feasibility of a Regional Recreational Vehicle Sanitary Dump Facility

Report dated October 31, 2019 from Brent Burton, Division Manager, Policy, Planning and Analysis, Liquid Waste Services, providing information on the feasibility of a regionally-operated sanitary dump facility within Metro Vancouver.

It was MOVED and SECONDED

That the Liquid Waste Committee receive for information the report dated October 31, 2019, titled "Feasibility of a Regional Recreational Vehicle Sanitary Dump Facility".

CARRIED

5.6 Award of Contract Resulting from Tender No. 19-212: Construction Services for Golden Ears Pump Station and Sanitary Sewer Overflow Tank

Report dated October 25, 2019 from Roy Moulder, Director, Purchasing and Risk Management, Financial Services and Paul Wilting, Program Manager, Northwest Langley Treatment Projects, Project Delivery, Liquid Waste Services, advising the GVS&DD Board of the results of Tender No. 19-212: Construction Services for Golden Ears Pump Station and Sanitary Overflow Tank, and recommending award of the contract in the amount of \$60,801,000 (exclusive of taxes) to NAC Constructors Ltd.

It was MOVED and SECONDED

That the GVS&DD Board:

- a) approve the award of a contract in the amount of \$60,801,000 (exclusive of taxes) to NAC Constructors Ltd. resulting from Tender No. 19-212: Construction Services for Golden Ears Pump Station and Sanitary Sewer Overflow Tank; and
- b) authorize the Commissioner and the Corporate Officer to execute the contract.

CARRIED

5.7 Manager's Report

Report dated October 25, 2019 from Peter Navratil, General Manager, Liquid Waste Services, providing an update on the 2019 Liquid Waste Committee Work Plan.

It was MOVED and SECONDED

That the Liquid Waste Committee receive for information the Manager's Report dated October 25, 2019.

CARRIED

6. INFORMATION ITEMS

No items presented.

7. OTHER BUSINESS

No items presented.

8. BUSINESS ARISING FROM DELEGATIONS

No items presented.

9. RESOLUTION TO CLOSE MEETING

No items presented.

10. ADJOURNMENT/CONCLUSION

It was MOVED and SECONDED

That the Liquid Waste Committee conclude its regular meeting of November 14, 2019.

CARRIED

(Time: 2:40 p.m.)

Genevieve Lanz,
Legislative Services Coordinator

Richard Stewart, Chair

To: Liquid Waste Committee

From: Peter Navratil, General Manager, Liquid Waste Services

Date: January 6, 2020 Meeting Date: January 16, 2020

Subject: **2020 Liquid Waste Committee Priorities and Work Plan**

RECOMMENDATION

That the Liquid Waste Committee:

- a) endorse the work plan as presented in the report dated January 6, 2020 titled “2020 Liquid Waste Committee Priorities and Work Plan”; and
 - b) receive for information the Liquid Waste Committee 2020 Terms of Reference as attached to the report dated January 6, 2020 titled “2020 Liquid Waste Committee Priorities and Work Plan”.
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EXECUTIVE SUMMARY

This report presents the 2020 Liquid Waste Committee Priorities and Work Plan for the Committee’s consideration. The 2020 work plan builds on the information outlined to the Board during the Fall of 2019 during the preparation of the 2020 budget. The work plan combines the goals and objectives contained within the Metro Vancouver Board Strategic Plan as well as the Integrated Liquid Waste and Resource Management Plan.

PURPOSE

To provide the Liquid Waste Committee with the priorities and work plan for the year 2020.

BACKGROUND

At its October 17, 2019 meeting, the Liquid Waste Committee endorsed the 2020 Budget and Annual Work Plans for the liquid waste function, which served as the basis for the 2020 Budget approved by the GVS&DD Board on November 1, 2019. The 2020 Annual Work Plan included a list of key actions that has been used to develop the Liquid Waste Committee’s work plan presented in this report.

The work plan presented in this report is consistent with the Liquid Waste Committee’s terms of reference (Attachment 2) and with the *Board Strategic Plan* and is being brought forward for the Committee’s information, review and endorsement.

2020 WORK PLAN

The Liquid Waste Committee is the standing committee of the Metro Vancouver Board that provides advice and recommendations on policies, bylaws, plans, programs, budgets, and issues related to the liquid waste function.

Key actions in the 2020 Work Plan for the Committee are described below and listed according to the Committee responsibilities in its Terms of Reference.

- Iona Island Wastewater Treatment Plant Project Definition

- Further Advancing the Business Case for a Regional Biosolids Dryer
- Approval of all Contract Awards in excess of \$5.0 Million
- Long Term Planning for the Utility
- Sustainability Innovation Fund Project Updates
- Performance Update of Capital Programs
- Progress of the Utility's Public Outreach Campaigns

The 2020 Work Plan for the Liquid Waste Committee is provided in Attachment 1, including the expected time frame for reports to this Committee. The Committee will be updated on the status of the actions and projects in this work plan on a monthly basis per the Committee's schedule.

ALTERNATIVES

1. That the Liquid Waste Committee:
 - a) endorse the work plan as presented in the report dated January 6, 2020 titled "2020 Liquid Waste Committee Priorities and Work Plan"; and
 - b) receive for information the Liquid Waste Committee 2020 Terms of Reference as attached to the report dated January 6, 2020 titled "2020 Liquid Waste Committee Priorities and Work Plan".
2. That the Liquid Waste Committee:
 - a) endorse the work plan as presented in the report dated January 6, 2020 titled "2020 Liquid Waste Committee Priorities and Work Plan" with amendments provided at the January 16, 2020 Liquid Waste Committee meeting; and
 - b) receive for information the Liquid Waste Committee 2020 Terms of Reference as attached to the report dated January 6, 2020 titled "2020 Liquid Waste Committee Priorities and Work Plan".

FINANCIAL IMPLICATIONS

The priorities in the 2020 Work Plan of the Liquid Waste Committee are consistent with the 2020 Budget approved by the GVS&DD Board on November 1, 2019 and with key actions included in the 2020 Annual Work Plans.

CONCLUSION

The work plan presented in this report conveys the priorities for the Liquid Waste Committee in 2020 and is consistent with its terms of reference and the 2020 Budget approved by the GVS&DD Board. Staff recommends that Alternative 1 be approved.

Attachments

1. Liquid Waste Committee 2020 Work Plan
2. Liquid Waste Committee Terms of Reference

ATTACHMENT 1

Liquid Waste Committee 2020 Work Plan

Report Date: January 6, 2020

Priorities	
1st Quarter	Status
Iona Island Secondary Wastewater Treatment Plant Project Definition Quarterly Update	In Progress
Fermentation Operations Bylaw Amendments	In Progress
Long Term Financial Plan – Liquid Waste Scenarios	In Progress
Effluent Heat Recovery Project at Lulu Island Wastewater Treatment Plant	In Progress
2019 Fats, Oil and Grease Campaign Results	In Progress
Municipal Requests for Sewerage Area Boundary Amendments (as applicable)	In Progress
Utility Policies (as applicable)	In Progress
Contract Approvals – Contracts > \$5M (as applicable)	In Progress
2 nd Quarter	
Status of Liquid Waste Capital Expenditures	Pending
Iona Island Secondary Wastewater Treatment Plant Project Definition Quarterly Update	Pending
Review of Food Sector Bylaw	Pending
Unflushables Campaign Update	Pending
Capital Projects Policy Update	Pending
Procurement Model for Implementation of a Regional Biosolids Drying Facility	Pending
Review of Trucked Liquid Waste Provisions of the Sewer Use Bylaw	Pending
Sustainability Innovation Fund Project Updates	Pending
Municipal Requests for Sewerage Area Boundary Amendments (as applicable)	Pending
Contract Approvals – Contracts > \$5M (as applicable)	Pending
Utility Policies (as applicable)	Pending
3rd Quarter	Status
Status of Liquid Waste Capital Expenditures	Pending
2019 GVS&DD Environmental Management & Quality Control Annual Report	Pending
Iona Island Secondary Wastewater Treatment Plant Project Definition Quarterly Update	Pending
Strategy for the Review of the Integrated Liquid Waste and Resource Management Plan	Pending
Fats, Oils and Grease 2020 Campaign update	Pending
Unflushables Campaign 2020 Results	Pending
Municipal Requests for Sewerage Area Boundary Amendments (as applicable)	Pending
Contract Approvals – Contracts > \$5M (as applicable)	Pending
Utility Policies (as applicable)	Pending
4th Quarter	Status
Status of Liquid Waste Capital Expenditures	Pending
Annual Budget & 5 Year Financial Plan - Liquid Waste	Pending
Iona Island Wastewater Treatment Plant Project – Community Engagement Process	Pending
Iona Island Secondary Wastewater Treatment Plant Project Definition Report	Pending
Municipal Requests for Sewerage Area Boundary Amendments (as applicable)	Pending
Contract Approvals – Contracts > \$5M (as applicable)	Pending
Utility Policies (as applicable)	Pending

Liquid Waste Committee

Terms of Reference

The Liquid Waste Committee is the standing committee of the Metro Vancouver Board that provides advice and recommendations on policies, bylaws, plans, programs, budgets and issues related to liquid waste management under the GVS&DD service.

Committee Responsibilities

Within the scope of the *Board Strategic Plan*, *Integrated Liquid Waste and Resource Management Plan*, and *Metro Vancouver Financial Plan*, the Committee provides guidance and oversight to staff on the implementation of the annual work plan and business plans for the service. Specific Committee responsibilities include:

- Reviewing and endorsing the annual budget and five-year financial plan for the Liquid Waste function;
- Overseeing and monitoring implementation of strategic utility plans including the *Integrated Liquid Waste and Resource Management Plan*;
- Overseeing implementation of GVS&DD (liquid waste) capital programs, including award of contracts (over \$5 million) for engineering services, materials supply, and construction;
- Reviewing and receiving the annual *Environmental Management and Quality Control* report for the GVS&DD (liquid waste);
- Reviewing and making recommendations with respect to municipal requests for sewerage area boundary expansions;
- Reviewing and recommending amendments to the *GVS&DD Sewer Use Bylaw*; and
- Reviewing and approving *Integrated Stormwater Management Plan* for GVS&DD drainage areas.

Committee Membership and Meetings

The Chair, Vice Chair, and members are appointed annually by the Chair of the Metro Vancouver Board. The Committee meets monthly, except for August and December, and has special meetings as required. Members of the Committee must be a member of the GVS&DD. A quorum of 50% plus one of the Committee membership is required to conduct committee business.

Committee Management

The Committee Chair, or in the absence of the Chair, the Vice-Chair is the chief spokesperson on matters of public interest within the Committee's purview. For high profile issues the role of spokesperson should rest with the Board Chair or Vice-Chair. On technical matters or in cases where an initiative is still at the staff proposal level, the Commissioner or a senior staff member may be the appropriate chief spokesperson. Where necessary and practical, the Board Chair, the Committee Chair and the Commissioner confer to determine the most appropriate representative to speak.

The Chief Administrative Officer assigns a Committee Manager for the Committee. The Committee Manager is responsible for coordinating agendas and be the principal point of contact for Committee members.

To: Liquid Waste Committee

From: Ray Robb, Division Manager, Environmental Regulation and Enforcement, Parks and Environment

Date: January 2, 2020 Meeting Date: January 16, 2020

Subject: **Board Appointments and Rescindments of Bylaw Enforcement Officers**

RECOMMENDATION

That the GVS&DD Board:

- a) pursuant to the *Greater Vancouver Sewerage and Drainage District Sewer Use Bylaw* and the *Environmental Management Act*:
 - i. appoint Metro Vancouver employee Nicole Gatto as a municipal sewage control officer; and
 - ii. rescind the appointments of former Metro Vancouver employees Larry Avanthay, Kristen Beattie and Johanna Legge as municipal sewage control officers; and
 - iii. appoint City of Vancouver employee Nicole Montgomery as a deputy sewage control manager.
- b) pursuant to Section 28 of the *Offence Act*:
 - i. appoint Metro Vancouver employee Nicole Gatto for the purpose of serving summons under Section 28 of the *Offence Act* for alleged violations under the *Greater Vancouver Sewerage and Drainage District Sewer Use Bylaw*; and
 - ii. rescind the appointments for the purpose of serving summons of former Metro Vancouver employees Larry Avanthay, Kristen Beattie and Johanna Legge.

EXECUTIVE SUMMARY

Recent changes in staff have resulted in a need to update staff appointments as GVS&DD Board-designated municipal sewage control managers and municipal sewage control officers under the *Greater Vancouver Sewerage and Drainage District Sewer Use Bylaw*, the *Environmental Management Act* and the *Offence Act*. Staff recommend that the GVS&DD Board appoint and rescind staff accordingly.

PURPOSE

To appoint and rescind appointments of Metro Vancouver and City of Vancouver employees as Board-designated municipal sewage control managers and municipal sewage control officers.

BACKGROUND

Employment status changes for Metro Vancouver and City of Vancouver environmental regulatory staff have resulted in a need to update staff appointments to ensure appropriate authority to advance liquid waste management goals. Section 29 of the *Environmental Management Act* and the *Greater Vancouver Sewerage and Drainage District Sewer Use Bylaw No. 299, 2007* grants authority to Board-designated municipal sewage control managers, and municipal sewage control officers.

ROLE OF MUNICIPAL SEWAGE CONTROL OFFICERS

Metro Vancouver's Liquid Waste Regulatory Program supports the goals of the *Integrated Liquid Waste and Resource Management Plan* through regulation of the discharge of non-domestic wastes to the region's sanitary sewer systems.

Municipal sewage control officers may enter property, inspect works, and obtain records and other information to promote compliance with the Greater Vancouver Sewerage and Drainage District Liquid Waste Management bylaws.

Metro Vancouver staff are responsible for the administration of the *Greater Vancouver Sewerage and Drainage District Sewer Use Bylaw* within the boundaries of the GVS&DD. Within the City of Vancouver, City staff have historically administered the provisions of the Bylaw. This arrangement has been in effect since the Bylaw was first enacted in 1990. A formal agreement between Metro Vancouver and the City of Vancouver was established to ensure that delivery of source control services by the City serves the interests of the GVS&DD and its taxpayers.

The *Offence Act* allows regional districts to appoint bylaw enforcement officers for the purpose of serving summons for bylaw violations. Officers, if appointed for that purpose, may serve a summons in respect of alleged offences under the *Greater Vancouver Sewerage and Drainage District Sewer Use Bylaw*.

ALTERNATIVES

1. That the GVS&DD Board:
 - a) pursuant to the *Greater Vancouver Sewerage and Drainage District Sewer Use Bylaw* and the *Environmental Management Act*:
 - i. appoint Metro Vancouver employee Nicole Gatto as a municipal sewage control officer; and
 - ii. rescind the appointments of former Metro Vancouver employees Larry Avanthay, Kristen Beattie and Johanna Legge as municipal sewage control officers; and
 - iii. appoint City of Vancouver employee Nicole Montgomery as a deputy sewage control manager.
 - b) pursuant to Section 28 of the *Offence Act*:
 - i. appoint Metro Vancouver employee Nicole Gatto for the purpose of serving summons under Section 28 of the *Offence Act* for alleged violations under the *Greater Vancouver Sewerage and Drainage District Sewer Use Bylaw*; and
 - ii. rescind the appointments for the purpose of serving summons of former Metro Vancouver employees Larry Avanthay, Kristen Beattie and Johanna Legge.
2. That the GVS&DD Board receive for information the report dated January 2, 2020, titled "Board Appointments and Rescindments of Bylaw Enforcement Officers" and provide alternate direction to staff.

FINANCIAL IMPLICATIONS

There are no additional financial implications for expenditures as the GVS&DD appointees are already on staff, and there are no financial implications for expenditures for rescindments.

CONCLUSION

Recent changes in staff have resulted in a need to update staff appointments as GVS&DD Board-designated officers under the *Greater Vancouver Sewerage and Drainage District Sewer Use Bylaw*, the *Environmental Management Act* and the *Offence Act*. Staff recommend that the GVS&DD Board adopt Alternative 1.

34041535

To: Liquid Waste Committee

From: Marla Bondar, Environmental Regulatory Planner, Utility Policy and Planning, Liquid Waste Services

Date: December 23, 2019 Meeting Date: January 16, 2020

Subject: **Greater Vancouver Sewerage and Drainage District Fermentation Operations Amending Bylaw No. 333, 2020**

RECOMMENDATION

That the GVS&DD Board:

- a) Give first, second and third reading to *Greater Vancouver Sewerage and Drainage District Fermentation Operations Amending Bylaw No. 333, 2020*; and
 - b) Pass and finally adopt *Greater Vancouver Sewerage and Drainage District Fermentation Operations Amending Bylaw No. 333, 2020*.
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EXECUTIVE SUMMARY

The *Greater Vancouver Sewerage and Drainage District Fermentation Operations Bylaw No. 294, 2015* (the “Bylaw”) regulates small fermentation operations with discharge volumes of less than 3,000 hectolitres (hL) of wastewater in a 30-day period. The treatment fees defined in the Bylaw are based upon proxies for wastewater quantity and organic strength. An amending bylaw is proposed containing treatment fees that more closely reflect actual treatment costs and are based upon data from inspections and sampling results for organic strength. The amending bylaw also reduces barriers by exempting very small operations producing less than 250 hL of liquor per year from treatment fees, resulting in slightly lower revenues while freeing up staff resources and reducing administrative costs. Engagement was undertaken with registered fermentation operations in the region through September 2019. Metro Vancouver staff have responded to all comments received, including clarification that the user fees are intended to reflect cost-recovery.

PURPOSE

To seek Greater Vancouver Sewerage and Drainage District (GVS&DD) Board approval to amend the *Greater Vancouver Sewerage and Drainage District Fermentation Operations Bylaw No. 294, 2015* (the “Bylaw”) to reflect updated treatment fees.

BACKGROUND

The Bylaw was adopted by the GVS&DD Board on November 27, 2015 and at that time, treatment fees were based on assumptions and proxies for wastewater quantity and strength using information available from industry sources such as the Brewers Association. One of the commitments made by Metro Vancouver during stakeholder engagement on the initial Bylaw was to review, when available, the data collected from fermentation wastewater samples to determine whether this data is comparable with the proxies originally used to develop the initial fees.

Following Bylaw adoption and implementation and as committed to stakeholders, Metro Vancouver conducted site visits and sample collection to assess wastewater quantities and qualities generated from different types of operations. Based on these results, new proposed treatment fees were developed that more accurately reflect actual costs. This report outlines the basis for the proposed treatment fees and seeks Board approval to adopt the amending bylaw containing updated treatment fees.

Current Treatment Fees

Treatment fees are based on the type of product (beer, cider, wine and spirits), the annual production of the facility, assumed wastewater quantity and organic strength (based on proxies from industry sources such as the Brewers Association), and the unit treatment fees charged by Metro Vancouver to all industrial dischargers. The current treatment fees outlined in the Bylaw are summarized in Table 1 below.

Table 1: Current Treatment Fees

Type of product	Annual Production (hL)	Annual Treatment Fee
Beer, cider, and wine	0 - 1000	\$250
	1001 - 2000	\$750
	2001 - 3000	\$1250
	3001 - 4000	\$1750
	4001 - 5000	\$2250
	5001 - 6000	\$2750
	> 6000	\$3500
Spirit	All	\$100

Following implementation of the Bylaw, it was determined that more than half of the regulated operations were producing less than 1,000 hL per year and there was a need for more differentiation in fees between facilities within the smallest band of annual production. It was also recognized that there was a need to review local operations to assess wastewater quantity and quality, and compare this data to the proxies originally used to calculate the treatment fees.

Proposed Treatment Fees

From 2017 to 2019, staff conducted sampling and site visits, analyzed data, and developed proposed amendments to the treatment fees. The proposed treatment fees use updated wastewater-to-product ratios representative of the local fermentation operations sector, actual sampling results for organic strength as opposed to proxies, actual production volumes to calculate fees rather than bands of production, and updated unit wastewater treatment rates based on the average of rates from 2015 to 2019.

The recommended treatment fees are calculated as follows:

$$\begin{array}{l}
 \text{(total production (hL) for each type of fermentation} \\
 \text{operation, as specified in Column 1 of Table 2)}
 \end{array}
 \times
 \begin{array}{l}
 \text{(unit rate (\$/hL) applicable to each type of} \\
 \text{fermentation operation, as specified in Column 2 of} \\
 \text{Table 2)}
 \end{array}$$

Table 2: Proposed Treatment Fees

Column 1	Column 2
Type of Fermentation Operation	Treatment Fee Unit Rate (\$/hL production)
Brewery	\$0.394
Distillery	\$0.282
Winery/Cidery	\$0.376
U-Vin/U-Brew/Sake maker	\$0.142

Under the amended bylaw (Attachment 1), fermentation operations producing less than 250 hL per year would be exempt from paying treatment fees. The review of current fees found that it is administratively inefficient to invoice and follow up with very small operations to pay small amounts in treatment fees. Eliminating the treatment fee invoices for these operations would free up staffing resources that could be better utilized enforcing the amended bylaw and conducting operational inspections. All operations would continue to pay the \$200 administration fee to cover regulation and enforcement resources.

Treatment fees will be scheduled for review and updated every three years to reflect changing costs to convey and treat wastewater over time.

ENGAGEMENT PROCESS

The proposed amendments to the treatment fee structure were posted to Metro Vancouver's website and emailed to all fermentation operations in Metro Vancouver in early September 2019. The notifications included a fact sheet with the proposed updates to the fee structure and the rationale for the proposed updates. The fact sheet also included a description of the methodology of calculating the new fees should they be implemented, and an invitation to provide written input by October 4, 2019.

Out of 122 fermentation operations in Metro Vancouver's regulatory database, Metro Vancouver received ten email submissions regarding the proposed amendments. A key theme emerging from the submissions was a concern that the proposed fee structure may result in higher costs, which could impact the success of new and small fermentation operations. All stakeholders received a follow-up email or phone call from Metro Vancouver to address questions and concerns. Metro Vancouver explained as necessary that fees are designed to recover the costs to convey and treat wastewater generated by fermentation operations.

A summary of the stakeholder engagement process is available in Attachment 2. The issues raised in the submissions, and Metro Vancouver's responses to those issues, appear in Attachment 3.

ALTERNATIVES

1. That the GVS&DD Board:
 - a) Give first, second and third reading to *Greater Vancouver Sewerage and Drainage District Fermentation Operations Amending Bylaw No. 333, 2020*; and,
 - b) Pass and finally adopt *Greater Vancouver Sewerage and Drainage District Fermentation Operations Amending Bylaw No. 333, 2020*.

2. That the GVS&DD Board receive for information the report dated December 23, 2019, titled "Greater Vancouver Sewerage and Drainage District Fermentation Operations Amending Bylaw No. 333, 2020" and provide alternate direction to staff.

FINANCIAL IMPLICATIONS

The total amount invoiced for 2018 treatment fees using the current methodology was approximately \$83,000. The 2019 revenue from treatment fees using the new methodology is estimated at \$65,000 and will be confirmed upon adoption of the amending bylaw and subsequent collection of annual production data. Part of the change is because at least three larger fermentation operations that paid treatment fees in 2018 are being assessed for Waste Discharge Permits which require payment of an administration fee ranging from \$3,000 to \$5,000 and a treatment fee ranging from \$3,000 to \$100,000 depending on the quantity and quality of wastewater discharged. Those operations will no longer be paying treatment fees under the fermentation operations bylaw. Also, part of the change is due to the fact that very small operations will no longer pay \$250 in treatment fees; however, this minor reduction will be offset by reduced administrative costs associated with invoicing and collecting small amounts in treatment fees. The cost of enforcing and administering the Bylaw is recovered through the administration fee of \$200 per operation and this fee is not being amended at this time.

CONCLUSION

The proposed amendments to the Bylaw better reflect the quantity and quality of wastewater generated by different types of fermentation operations and ensures that the costs to convey and treat wastewater from these operations are recovered without being administratively onerous. Metro Vancouver has notified all operations of the proposed treatment fee changes via email communication and received ten responses from stakeholders. Metro Vancouver responded to all stakeholder enquiries.

Staff recommend Alternative 1, with 2019 treatment fees to be invoiced upon adoption of the amended bylaw.

Attachments

1. *Greater Vancouver Sewerage and Drainage District Fermentation Operations Amending Bylaw No. 333, 2020*
2. *Fermentation Operations Proposed Treatment Fee Updates: Stakeholder Notification and Comments*, IdeaSpace Consulting, Inc., dated December 11, 2019
3. *Fermentation Operations Bylaw Amendment Feedback Summary Issue-Response Table*, dated December 2, 2019

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GREATER VANCOUVER SEWERAGE AND DRAINAGE DISTRICT
BYLAW NO. 333, 2020
A Bylaw to amend "Greater Vancouver Sewerage and Drainage District
Fermentation Operations Bylaw No. 294, 2015"

WHEREAS:

- A. the Board of Directors of the Greater Vancouver Sewerage and Drainage District adopted "Greater Vancouver Sewerage and Drainage District Fermentation Operations Bylaw No. 294, 2015" to regulate the discharge of waste from fermentation operations into sewers or sewage facilities;
- B. the "Greater Vancouver Sewerage and Drainage District Fermentation Operations Bylaw No. 294, 2015" sets out the annual fees for the treatment of wastewater from a fermentation operation;
- C. the Board of Directors of the Greater Vancouver Sewerage and Drainage District wishes to amend the "Greater Vancouver Sewerage and Drainage District Fermentation Operations Bylaw No. 294, 2015";

NOW THEREFORE the Board of Directors of the Greater Vancouver Sewerage and Drainage District enacts as follows:

Citation

- 1. This bylaw may be cited as the "Fermentation Operations Amending Bylaw No. 333, 2020".

Amendment of Bylaw

- 2. "Greater Vancouver Sewerage and Drainage District Fermentation Operations Bylaw No. 294, 2015" is hereby amended as follows:
 - (a) In section 2, the definition "***drain***" is deleted;
 - (b) In section 2, in the definition "***fermentation equipment***," the phrase "alcoholic drink" is deleted and replaced with "***liquor*** made from fermentation";
 - (c) In section 2, in the definition "***fermentation operation***," the phrase "spirits or any other similar alcoholic drink" is deleted and replaced with "or spirits or any other similar ***liquor***";
 - (d) In section 2, the definition "***liquor***" is added, in alphabetic order:

"liquor" has the same meaning as in section 1 of the *Liquor Control and Licensing Act*, SBC 2015, c.19;
 - (e) In section 2, in the definition "***off-spec product***," the phrase "or any other similar alcoholic drink" is deleted and replaced with "or other similar ***liquor***";
 - (f) In section 2, the following definitions are deleted and replaced as follows:

“operator” means any *person* who has management or control, directly or indirectly, of a *fermentation operation*;

“owner” means any person who owns, is in possession of, has the right to control, or occupies and controls a *fermentation operation*;

(g) Section 5 is deleted and replaced as follows:

5. Every *owner* or *operator* who discharges, or allows or causes to be discharged, directly or indirectly, *non-domestic waste* from a *fermentation operation* into a *sewer* or *sewage facility* must comply with this Bylaw unless such *non-domestic waste* discharge into a *sewer* or *sewage facility* is a *high volume discharge* that has been authorized pursuant to the terms and conditions of a valid and subsisting *Waste Discharge Permit*.

(h) In section 6, before the word “contains” the phrase “is or” is added;

(i) Section 6 subsections (h) through (l) inclusive are deleted;

(j) Section 7 is deleted;

(k) Section 9 is deleted and replaced as follows:

9. An *owner* or *operator* shall not discharge, or allow or cause to be discharged into a *sewer* or *sewage facility* any *non-domestic waste* which, when measured at the sampling point as described in section 11, has a pH lower than 5.5 or higher than 10.5.

(l) Section 9A is added as follows:

9A. An *owner* or *operator* shall not discharge, or allow or cause to be discharged into a *sewer* or *sewage facility* any water or any substance for the purpose of diluting any *non-domestic waste*.

(m) Section 11 is deleted and replaced as follows:

11. Every *owner* or *operator* who discharges, or allows or causes the discharge of *wastewater* from a *fermentation operation* into a *sewer* or *sewage facility* shall have a sampling point on the premises that is:

(a) downstream from all *fermentation equipment*;

(b) downstream from any equipment or device for treating *wastewater*; and

(c) upstream from any points where *domestic waste* is discharged.

- (n) In section 13, the word before the phrase “owner or operator” is deleted and replaced with “Every”;
- (o) Sections 14 through 16 inclusive are deleted;
- (p) In section 17 subsection (a), the word “(hL)” is deleted and replaced with “(hL)”;
- (q) In section 17 subsection (a), the phrase “alcoholic drink” is deleted and replaced with the word “liquor”;
- (r) Section 18 is deleted and replaced, as follows:

18. Every *owner or operator* who discharges, or allows or causes the discharge of *wastewater* from a *fermentation operation* into a *sewer or sewage facility* shall:

- (a) keep the written records required under section 17 for at least two years after the year in which the record was first made;
- (b) make such records available for inspection by an *officer* or the *Sewage Control Manager* upon request; and
- (c) if required by the *Sewage Control Manager*, submit such records to the *Sewage Control Manager*, in a form and by a date specified by the *Sewage Control Manager*.

- (s) Section 21, including Table 1, is deleted and replaced as follows:

21. The annual treatment fee referred to in section 20 is the amount that is equal to the sum of all of the treatment fees that are applicable to each type of *fermentation operation* on the premises, where each such treatment fee (by type of *fermentation operation*) is calculated as follows, for each calendar year:

$$\begin{array}{cc} \text{(total production (hL) for that type of} & \text{(unit rate (\$/hL) applicable to that type of} \\ \text{fermentation operation, as specified in} & \text{fermentation operation, as specified in} \\ \text{Column 1 of Table 1)} & \times \text{Column 2 of Table 1)} \end{array}$$

Table 1

Column 1	Column 2
Type of Fermentation Operation	Treatment Fee Unit Rate (\$/hL production)
Brewery	\$0.394
Distillery	\$0.282
Winery	\$0.376
Cidery	\$0.376
U-Vin	\$0.142
U-Brew	\$0.142
Sake maker	\$0.142

(t) Section 22 is deleted and replaced as follows:

22. Notwithstanding section 20, any one type of *fermentation operation* as specified in Column 1 of Table 1 that produces less than 250 hL of *liquor* made from fermentation in one calendar year is exempt from that year's annual treatment fee calculated under section 21.

(u) Section 23 is deleted and replaced as follows:

23. If an *owner* or *operator* fails to pay the fees required under this *Bylaw* in respect of a *fermentation operation* within 90 days of the due date of the invoice, then the *owner* or *operator* shall not discharge, or allow or cause to be discharged *non-domestic waste* from that *fermentation operation* into a sewer or sewage facility until the fees have been fully paid.

Read a first, second and third time this _____ day of _____, _____.

Passed and finally adopted this _____ day of _____, _____.

Sav Dhaliwal, Chair

Chris Plagnol, Corporate Officer



FERMENTATION OPERATIONS PROPOSED TREATMENT FEE UPDATES STAKEHOLDER NOTIFICATION AND COMMENTS

December 11, 2019



Prepared by Ideaspace Consulting Inc. for Metro Vancouver

December 11, 2019

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December 11, 2019

1. INTRODUCTION

Metro Vancouver adopted the Fermentation Operations Bylaw in 2015 to reduce and prevent spent grains, fruit and yeast from smaller fermentation operations from going down the drain. This material can have a major impact on the wastewater system.

The Bylaw applies to any business using yeast to produce alcoholic beverages and discharging up to 300,000 litres of wastewater into the sewer within 30 days, including brew pubs, cottage breweries, microbreweries, vint-on-premises, wineries, distilleries and u-brews.

Under the Bylaw, operators are required to pay treatment fees which recover the costs of conveying and treating wastewater from fermentation operations.

Metro Vancouver is proposing to update the wastewater treatment fee structure for fermentation operations. Pending Board approval, Metro Vancouver would begin calculating and collecting treatment fees in 2020 based on the type of operation and the annual production in hectolitres (hL) of each type of fermented beverage. This reflects the fact that the different types of operations have a varying impact on the wastewater system in terms of the quantity and strength of wastewater produced.

The new treatment fees would be:

Operation Type	Rate/hL of Annual Production
Breweries	\$0.394
Distilleries	\$0.282
Wineries and Cideries	\$0.376
U-Vin, U-Brew and Sake Makers	\$0.142

Other important facts about the proposed updates include the following:

- All operators would continue to pay the annual administration fee of \$200 to Metro Vancouver (or the City of Vancouver for operations in Vancouver) to cover the costs of regulating fermentation operations under this Bylaw.
- Small operations producing less than 250 hl would no longer pay treatment fees under the new structure.

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- Any business (fermentation or other) that discharges in excess of 300,000 litres of wastewater into the sewer within 30 days is required to obtain a waste discharge permit, pay the associated fees, and meet the necessary sampling requirements.

2. STAKEHOLDER NOTIFICATION

In order to notify fermentation operations stakeholders about the proposed updates to the treatment fee structure and receive comments, Metro Vancouver:

1. **Produced a fact sheet** describing:
 - the proposed updates to treatment fee structure;
 - a rationale for creating the proposed updates;
 - the method of calculating the new fees should they be implemented; and
 - mechanisms for giving feedback on the proposed updates.

This fact sheet was made available on the Metro Vancouver website.

2. **Sent an email to all fermentation operations in Metro Vancouver** in early September 2019 that provided information about the proposed updates and offered methods of providing comments.

3. SUMMARY OF STAKEHOLDER COMMENTS

Approximately ten stakeholders representing breweries, vint-on-premises establishments and distilleries provided input on the proposed updates to the treatment fee structure.

All stakeholders received a follow-up email or phone call from Metro Vancouver that addressed questions and concerns.

While one stakeholder expressed appreciation for the proposed updates to the fee structure, noting that the proposed changes seemed fair and would provide incentive for breweries to produce less wastewater, a significant number of stakeholders expressed concerns that the proposed fee structure would result in higher costs for small businesses.

Stakeholders noted that wastewater treatment fees issued by Metro Vancouver are one of many financial pressures that impact their businesses. Costs for fermentation operations include increasing rent,

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property taxes and minimum wage, municipal business licence fees, liquor license fees, federal excise taxes and Employer Health Tax.

It was noted that increased costs can impact the success of new and small fermentation operations, as significant investments of capital and time are required for these businesses to become established and profitable.

Stakeholder suggestions for revising the proposed updates to the treatment fee structure include:

- Offer tiered rates based on quantity of production (e.g. a lower rate for production under 1000 hL, a medium rate for production between 1000 and 2500 hL, and the highest rate for production over 2500 hL);
- Provide new businesses with an exemption from paying the treatment fees during the first 24 months of operations;
- Offer lower rates to businesses who follow best practices for minimizing biochemical oxygen demand (BOD) and suspended solids (SS);
- Offer lower rates for businesses who pay higher rental costs;
- Provide lower rates and/or opt-out options for fermentation operations that arrange for alternative collection and disposal of biosolids and wastewater; and
- Eliminate the \$200 annual administration fee for fermentation operations that have demonstrated bylaw compliance.

December 2, 2019

Fermentation Operations Bylaw Amendment Feedback Summary

Issue-Response Table

#	Date	Stakeholder	Issue/Comment/Question	Metro Vancouver Response
1	9/6/2019	Byron Vallis, Mariner Brewing	Stated that the proposed treatment fees are very high for new businesses/small breweries, that fees should be scaled to volume of production and that new operators should be exempt from paying fees for 24 months. Asks Metro Vancouver to consider alternative fee structures with higher rates for established/larger operations.	Thanked the operator for their comments. Explained the rationale for the fermentation operations bylaw and the requirements for bylaw compliance. Explained the rationale for the proposed treatment fee updates. Explained that the proposed treatment fees have been scaled based on production, would be waived for any operator producing less than 250 hL per year, and are not a tax, but rather, fees for Metro Vancouver to recover the costs of conveying and treating wastewater from fermentation operations.
2	9/9/2019	Roger Doull, Quality Wine Cellars	Asked for clarification on the formula for fees. Operator produces 32,200 L of product annually and discharges approximately 780 L.	Metro Vancouver spoke to this operator on the phone before and after the proposed fee structure notification was corrected and resolved concerns. The correct fees for U-Vin means that this operator's overall treatment fee will go down.
3	9/19/2019	Harm Woldring, The Wine Factory	Called the fees 'TAXES.' Mentioned that Urban Impact collects solid wastes settled from liquids. The operator still rinses small quantities of 'effluents' down the drain. Asked whether there is an opt-out clause for operators that are taking initiatives to manage wastewater.	Thanked the operator for their comments. Expressed appreciation for efforts to remove settled solids from liquid wastes prior to discharging to sewer and noted that this is a requirement for all fermentation operations. Explained the rationale for the fermentation operations bylaw. Let the respondent know that their treatment fees would be significantly lower if the proposed treatment fee structure is approved.

4	9/24/2019	Ryan Parfitt, Luppolo Brewing Co.	Expressed support for the proposed changes, noting that they seem more fair and would provide incentive for breweries to have less wastewater.	Thanked the operator for their feedback. Confirmed that the proposed treatment fee structure updates aim to increase equity and to encourage responsible wastewater management by fermentation operations.
5	9/24/2019	Maricio Lozano, Faculty Brewing	Expressed concern that as a brewery that produces 3000 hL they will pay \$1122/year in addition to City Business License and Liquor Manufacturing. Noted that the fees do not change even if they keep BOD and TSS to a minimum and that some breweries are better at cleaning their wastewater than others. Requested more regular sampling from Metro Vancouver and the creation of a tiered fee structure based on adherence to best practices.	Thanked the operator for their comments. Explained the rationale for the fermentation operations bylaw and the requirements for bylaw compliance. Explained the rationale for the proposed treatment fee updates. Explained that the treatment fees are unrelated to fees from other jurisdictions. Explained that the process of monitoring, sampling and tiering individual operators would cause administrative fees to increase. Explained the differences between the fee structures for small fermentation operations and large breweries discharging over 300 m3.
6	9/30/2019	Kyle Gurniak, Northwest Distilling Company	Stated the opinion that the administrative fee of \$200 is outrageous, and that once a distillery demonstrates they are compliant there should be no annual fee. Perceived compliance inspections as wasteful government spending.	Thanked the operator for their comments regarding administration fees. Noted that the scope of the update is for treatment fees only and that small operators (under 250 hL annual production) would no longer be required to pay treatment fees if the proposed updates are approved. Explained the rationale for the fermentation operations bylaw and the requirements for bylaw compliance. Explained that all fermentation operations are required to pay the \$200 annual administration fee. Explained the rationale for this fee.
7	10/1/2019	Kathy Lawler, Crescent Wines	Inquired whether small U-Vins still need to check and record pH levels. They already know how much pH modification is necessary and find it difficult to test and keep records.	Thanked the operator for their comments regarding the fermentation operations bylaw pH monitoring requirements. Confirmed that pH testing and documentation is a requirement of the bylaw and gave rationale for this requirement. Noted that the bylaw revisions pertain only to treatment fees.

8	10/10/2019	Brian Michnik, 33 Acres Brewing Company	As reported by the City of Vancouver, this operator stated that treatment fees should be proportionately lower for breweries that pay higher rents (e.g. in Vancouver).	This comment was recorded and responded to by the City of Vancouver's Environmental Protection Officer and relayed to the Metro Vancouver project team. The City of Vancouver noted that a response from Metro Vancouver was not necessary.
9	10/11/2019	Iain Hill, Strange Fellows Brewing	Spoke to City of Vancouver Environmental Protection Officer to gain clarification on the proposed updates to the treatment fee structure. Felt that the rates are high and could pose a financial burden on business. Described the other taxes, fees, etc. that craft breweries need to pay. Admitted that they don't know how much it costs to treat wastewater from breweries. Wondered if other businesses that are not fermentation operations but produce effluent are charged similarly.	Thanked the operator for their voice message and comments and explained that City of Vancouver passed along their email. Explained the relationship between Metro Vancouver and City of Vancouver in bylaw development and enforcement. Explained the rationale for the proposed treatment fee updates. Explained that the treatment fees are unrelated to fees from other jurisdictions. Noted that the bylaw revisions pertain only to treatment fees, but that input may be valuable in the future should there be a comprehensive review of the bylaw. Explained the differences between the fee structures for small fermentation operations and large breweries discharging over 300 m3, noting that the City of Vancouver Environmental Protection Officer will be in touch to discuss the potential future need for a Waste Discharge Permit.
10	10/17/2019	Steve Schafer, Russell Brewing Company	Inquired whether the fermentation operation or Metro Vancouver is responsible for completing the calculation for treatment fees.	Thanked the operator for their question. Explained that operators do not need to calculate their own treatment fees and that the proposed treatment fees will be calculated by Metro Vancouver on an annual basis based on the production volumes for each business in the previous year. Provided a rationale for the treatment fees and the proposed updates. Explained the differences between the fee structures for small fermentation operations and large breweries discharging over 300 m3, noting that this brewery may be contacted about a Waste Discharge Permit as production volumes and wastewater discharge volumes increase.

To: Liquid Waste Committee

From: Roy Moulder, Director, Purchasing and Risk Management, Financial Services
Paul Wilting, Program Manager, Northwest Langley Wastewater Treatment Projects,
Project Delivery, Liquid Waste Services

Date: December 20, 2019 Meeting Date: January 16, 2020

Subject: **Award of Phase C – Tendering Services, for Northwest Langley Wastewater Treatment Plant – Design and Construction Engineering Services**

RECOMMENDATION

That the GVS&DD Board:

- a) approve the award of Phase C - Tendering Services, in the amount of up to \$5,303,514 (exclusive of taxes) to the Phase A and Phase B consultant, CH2M Hill Canada Limited, for Northwest Langley Wastewater Treatment Plant - Design and Construction Engineering Services, and;
 - b) authorize the Commissioner and the Corporate Officer to execute the required documentation.
-

EXECUTIVE SUMMARY

In 2019, GVS&DD issued Request for Proposal (RFP) No. 19-007: Northwest Langley Wastewater Treatment Plant – Design and Construction Services, which was **comprised of five phases**. The first two phases (A&B) for indicative design revalidation and detailed design were awarded by the Board on June 28, 2019 for \$35,327,087 (exclusive of taxes) to CH2M Hill Canada Limited. The detailed design has advanced to a stage where equipment selection must begin. Therefore, the next phase of work, Phase C - Tendering Services, needs to be awarded to the consultant. This report recommends awarding an additional \$5,303,514 (exclusive of taxes) for the Phase C work to CH2M Hill Canada Limited.

PURPOSE

This report is to request authorization by the GVS&DD Board to award Phase C - Tendering Services to the Phase A and B consultant, CH2M Hill Canada Limited (CH2M Hill) for the Northwest Langley Wastewater Treatment Plant in an amount of up to \$5,303,514 (exclusive of taxes).

BACKGROUND

Pursuant to the *GVS&DD Officers and Delegation Bylaw No. 284, 2014* (Bylaw) and the *Procurement and Real Property Contracting Authority Policy* (Policy), procurement contracts which exceed a value of \$5 million require the approval of the GVS&DD Board of Directors. For multi-phased consultancy contracts, the Policy states that contracting authority for multi-phase contracts is determined based on the anticipated total value of the services to be provided over all phases.

In 2019, GVS&DD issued RFP No. 19-007 – Northwest Langley Wastewater Treatment Plant – Design and Construction Services, which was comprised of the following phases:

- Phase A – Indicative Design Re-validation;
- Phase B – Detailed Design;

- Phase C – Tendering Services;
- Phase D – Construction Engineering Services; and
- Phase E – Post Construction Engineering Services.

CH2M Hill was the successful proponent and the GVS&DD Board authorized award of Phase A and B in June 2019. The current contract value is \$35,327,087 (exclusive of taxes), which covers Phase A and B, and contemplated all remaining phases when originally awarded.

This report is being brought forward to the Liquid Waste Committee to consider a recommendation to the GVS&DD Board to authorize award of Phase C - Tendering Services to the project consultant, CH2M Hill, in order to continue with the design and construction engineering services for the Northwest Langley Wastewater Treatment Plant.

PROJECT DESCRIPTION

As part of the Northwest Langley Wastewater Treatment Plant Projects a Request for Proposal (RFP No. 19-007) was issued early in 2019 for design and construction engineering services for the plant expansion. CH2M Hill was identified as the highest ranked as well as the lowest cost proposal. At the June 28, 2019 Board meeting the GVS&DD Board approved the award of Indicative Design Revalidation and Detailed Design Services (Phase A and B) in the amount of \$35,327,087 (exclusive of taxes).

Indicative Design Revalidation has now been completed and only relatively minor process improvements have been proposed as a result of the review. The Board endorsed Indicative Design remains generally unchanged. Detailed design is now underway and part of that task is to select the major equipment for the various processes. Approximately 23 pieces of major process equipment must be selected so buildings can be designed around them. This includes the physical size of the building to accommodate the equipment, but also building structure to support the weight of the equipment. Roughly 2/3 of the \$5,303,514 requested for tendering services will be spent on equipment pre-selection. The remaining 1/3 will be spent on the main construction contracts expected early in 2021. CH2M Hill have confirmed that the \$5,303,314 proposed in their original proposal is sufficient to complete all required scope of the tendering services.

ALTERNATIVES

1. That the GVS&DD Board:
 - a) approve the award of Phase C - Tendering Services, in the amount of up to \$5,303,514 (exclusive of taxes) to the Phase A and Phase B consultant, CH2M Hill Canada Limited, for Northwest Langley Wastewater Treatment Plant - Design and Construction Engineering Services, and;
 - b) authorize the Commissioner and the Corporate Officer to execute the required documentation.
2. That the GVS&DD Board not approve the award of Phase C to CH2M Hill Canada Limited resulting from RFP No. 19-007: Northwest Langley Wastewater Treatment Plant -Design and Construction Engineering Services, and retender Phases C - Tendering Services, Phase D - Construction Engineering Services and Phase E – Post Construction Engineering services.

FINANCIAL IMPLICATIONS

If the GVS&DD Board approves Alternative 1, an amount of up to \$5,303,514 (exclusive of taxes) will be added to the contract with CH2M Hill Canada Limited, bringing the total contract award to \$40,630,601. This work was contemplated in RFP No. 19-007 based on the originally envisioned scope and schedule. The proposed fee can be accommodated within the overall budget. In addition, and noted in the table below, there is approximately \$31M yet to be awarded for construction supervision and post construction services. A separate report will be brought forward for these future awards.

Ph	Description	Cost
A	Indicative Design Re-validation	\$2,671,026
B	Detailed Design Services	\$32,656,061
C	Tendering Services	\$5,303,514
	Sub - Total	\$40,630,601

The remaining services to be negotiated and awarded at a future date include:

D	Construction Engineering Services	\$26,370,188
E	Post Construction Eng. Services	\$4,765,085
	Sub - Total:	\$31,135,273

The GVS&DD Board has the choice not to proceed with Alternative 1, however, staff will need further direction in relation to the project. The delay associated with Alternative 2 would pose additional risk to the immediate environment as a result of increasing Sanitary Sewer Overflows if the treatment plant is not completed as planned. The treatment capacity increase is needed to meet growth demands in the region.

CONCLUSION

Request for Proposal No. 19-007 was issued for design and construction engineering services for the Northwest Langley Wastewater Treatment Plant project. A contract was executed for Phase A, Indicative Design Revalidation and Phase B, Detail Design to CH2M Hill Canada Limited in an amount of up to \$35,327,087 (exclusive of taxes). Award of Phase C - Tendering Services is now required to proceed with equipment selection in order to advance the detailed design.

It is recommended that the GVS&DD Board authorize the Commissioner and Corporate Officer to amend the contract with CH2M Hill Canada Limited for Phase C - Tendering Services, in the amount of up to \$5,303,514 (exclusive of taxes). This amendment will bring the present contract value to \$40,630,301 (exclusive of taxes).