



Notice of Meeting and Meeting Agenda Maliview Local Services Commission

Wednesday, June 18, 2025

2:00 PM

SIMS Boardroom
124 Rainbow Road
Salt Spring Island BC

Special Meeting

MS Teams Link: [Click link](#)

G. Holman, L. Tavelbea, B. Travelbea, J. Miller

The Capital Regional District strives to be a place where inclusion is paramount and all people are treated with dignity. We pledge to make our meetings a place where all feel welcome and respected.

1. Territorial Acknowledgement

2. Approval of Agenda

3. Presentations/Delegations

Delegations will have the option to participate electronically. Please complete the online application at www.crd.bc.ca/address for "Addressing the Maliview Sewer Local Service Commission" no later than 4:30 pm two days before the meeting and staff will respond with details.

Alternatively, you may email your comments on an agenda item to the Maliview Sewer Local service Commission at saltspring@crd.bc.ca.

4. Special Meeting Matters

4.1. [25-0592](#) Financial Plan Amendments to the Maliview Sewer Utility Capital Plan

Recommendation: That the Maliview Sewer Local Service Commission recommends to the Capital Regional District Board that the Maliview Sewer 2025 - 2029 Capital Plan be amended to:

1). Remove Public Engagement Project (21-02) from 2025 capital plan and reallocate the remaining funding of \$47,000 to the Maliview Wastewater Treatment Upgrade Project (21-03);

2). Increase the phase 2 construction project budget for the Maliview Wastewater Treatment Upgrade project (21-03) by \$1,726,000 from \$2,260,000 to \$3,986,000, funded by capital on hand (\$47,000) in 2025 and the debt (1,679,000) in 2026.

Attachments: [Staff Report: Financial Plan Amendments to the Maliview Sewer Utility Capital F](#)

5. Adjournment

Next Meeting:

TBA

To ensure quorum, please advise MacKenzie Williamson (mwilliamson@crd.bc.ca) if you or your alternate cannot attend.

**REPORT TO MALIVIEW LOCAL AREA SERVICES COMMISSION
MEETING OF WEDNESDAY, JUNE 18, 2025**

**SUBJECT FINANCIAL PLAN AMENDMENTS TO THE MALIVIEW SEWER UTILITY
CAPITAL PLAN**

ISSUE SUMMARY

To obtain Commission approval to revise the 3.820 Maliview Sewer Utility 2025 - 2029 Capital Plan.

BACKGROUND

The Maliview Wastewater Treatment Plant (WWTP) is a secondary treatment facility providing treatment for approximately 100 residences on Salt Spring Island. The Maliview WWTP is currently unable to consistently meet regulatory requirements on effluent quality.

On October 24, 2019, B.C. Ministry of Environment and Climate Change Strategy (MoE), conducted an inspection under Environmental Management Act (EMA). A letter dated January 30, 2020, informed that the inspection determined that the Capital Regional District (CRD) is out of compliance with the Municipal Wastewater Regulations requiring implementation of necessary changes to correct the non-compliances. Warning was given that prosecution or administrative penalties may be initiated. In the response to the inspection report the corrective actions were required and provided by the CRD including three phases of corrective actions. Phase 1 was immediate operational changes to mitigate non-compliances, Phase 2 was completion of an Asset Management Plan, document review and conceptual design of plant upgrades, and Phase 3 was to implement the upgrade to complete the required corrective actions, with expected completion 2022.

Additionally, an Enforcement Officer from Environment and Climate Change Canada (EC) conducted a site inspection, and issued a warning letter on September 19, 2019, which outlined further steps if corrective actions are not taken including financial penalties, orders, injunctions or prosecutions. Another EC site inspection was conducted on March 26, 2025, with the Inspection Report pending and corrective actions and warnings expected.

The project consists of 2 phases with a total approved budget of \$2,642,040. Phase 1: Study and Design has a budget of \$382,040. Phase 2: Construction has a budget of \$2,260,000. The phase 1 Study and Design for the project is substantially complete, and the construction phase 2 will commence shortly.

The approved budget of \$2,260,000 for Construction phase is funded by debt (\$271,000) and the grant (\$1,989,000) approved in 2020 through the Investing in Canada Infrastructure Program (INFC) – Rural and Northern Communities Program.

Since 2020, construction costs have escalated significantly and more recently include a contingency for tariffs on parts and equipment. The current estimate to complete installation and construction, including escalation and a contingency for tariffs will require an increase of approximately \$1.7M to debt funding in addition to the \$271,000 debt funding originally planned. See Table 1 below.

During the Study and Design Phase of the project, there have been various opportunities for stakeholders to engage with the project including a virtual Open House in March of 2021 along with an FAQ document and Community Updates in December of 2023 and January of 2025 in addition to information available on the CRD website at [Maliview Wastewater System Infrastructure Upgrade | Capital Regional District](#) . The Construction Phase 2 is required to proceed by Environment and Climate Change Canada as well as the BC Ministry of Environment, therefore the Public Engagement Project, (21-02) is no longer necessary in order to communicate the benefits of the project. The current approved 2025 – 2029 Capital Plan includes a Public Engagement Project (21-02) with \$47K remaining. This project (21-02) can be closed and remaining fund of \$47,000 can be reallocated to the construction project (21-03).

ALTERNATIVES

Alternative 1

That the Maliview Sewer Local Service Commission recommends to the Capital Regional District Board that the Maliview Sewer 2025 - 2029 Capital Plan be amended to:

- 1). Remove Public Engagement Project (21-02) from 2025 capital plan and reallocate the remaining funding of \$47,000 to the Maliview Wastewater Treatment Upgrade Project (21-03);
- 2). Increase the phase 2 construction project budget for the Maliview Wastewater Treatment Upgrade project (21-03) by \$1,726,000 from \$2,260,000 to \$3,986,000, funded by capital on hand (\$47,000) in 2025 and the debt (1,679,000) in 2026.

Alternative 2

That the Maliview Sewer Local Service Commission refer the report back to staff for additional consideration.

IMPLICATIONS

Financial Implications

Additional funding is required for the project to proceed. A financial plan amendment is required to increase the phase 2 construction project budget by \$1,726,000 from \$2,260,000 to \$3,986,000, funded by grant (\$1,989,000), the debt (1,950,000) and capital on hand (\$47,000). Table 1 outlines the details of estimated project costs and funding required.

Table 1

Maliview Wastewater Treatment Upgrade -Phase 2 Construction	
Total approved Project Budget	\$2,260,000
Spending to Date	\$310,834
Remaining Budget	\$1,949,166
Costs to Complete	
CRD Project Management and Administration	\$81,007
Final Design (including Construction Administration)	\$252,326
Major Equipment	\$739,190
Construction Cost	\$2,602,643
Total Costs to Complete	\$3,675,166
Additional Funding Required - Amendment	(\$1,726,000)
Additional Funding Sources	
Debt (in 2026)	\$1,679,000
Capital on Hand (in 2025)	\$47,000

The revised project budget through the financial plan amendment will allow the project to proceed with a Loan Authorization Bylaw and obtain approval required to secure the funds to complete the project.

Regulatory Implications

The CRD has been issued letters by both B.C. MoE and Environment Canada stating that the CRD is out of compliance and that the corrective actions to complete the WWTP upgrades need to be taken to avoid penalties, orders, injunctions or prosecution.

Further delays in the project could result in not meeting the regulatory deadline set out by the B.C. MoE.

CONCLUSION

The required upgrades to the Maliview Wastewater Treatment Plant have been mandated to proceed by Environment and Climate Change Canada as well as the BC Ministry of Environment and Climate Change Strategy.

The project has been delayed for a variety of reasons but recently the B.C. MoE has indicated that further delays will result in the file being referred to their Compliance & Environmental Enforcement Branch for further consideration. The requested revisions to debt funding and the Capital Plan will allow the project to proceed with a Loan Authorization Bylaw to obtain the funds to complete the project.

RECOMMENDATION

That the Maliview Sewer Local Service Commission recommends to the Capital Regional District Board that the Maliview Sewer 2025 - 2029 Capital Plan be amended to:

- 1). Remove Public Engagement Project (21-02) from 2025 capital plan and reallocate the remaining funding of \$47,000 to the Maliview Wastewater Treatment Upgrade Project (21-03);
- 2). Increase the phase 2 construction project budget for the Maliview Wastewater Treatment Upgrade project (21-03) by \$1,726,000 from \$2,260,000 to \$3,986,000, funded by capital on hand (\$47,000) in 2025 and the debt (1,679,000) in 2026.

Submitted by:	Carolyn Hopp, P. Eng., Engineering Manager, Salt Spring Island
Concurrence:	Dan Ovington, BBA, Senior Manager, Salt Spring Island Electoral Area
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer, GM Finance & IT
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer