



**SUNSHINE COAST REGIONAL DISTRICT
COMMITTEE OF THE WHOLE
AGENDA**

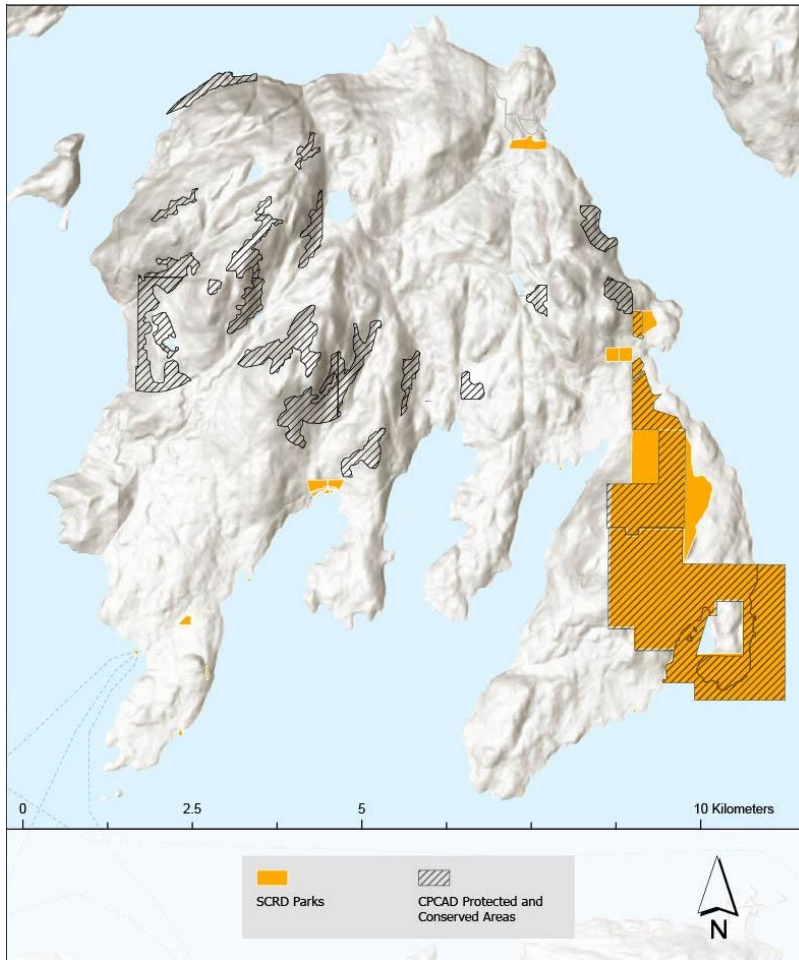
Thursday, June 26, 2025, 9:30 a.m.
IN THE BOARDROOM OF THE SUNSHINE COAST
REGIONAL DISTRICT OFFICES AT 1975 FIELD ROAD, SECHELT, B.C.

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1. CALL TO ORDER	
2. AGENDA	
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3. PRESENTATIONS AND DELEGATIONS	
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Regarding: Sunshine Coast Regional District Parks on Chá7elkwnech / Gambier Island - Recognition and Protection	
i) Presentation and information package titled "Recognizing SCRD-owned parks on Chá7elkwnech / Gambier Island as Protected Areas..."	
ii) Correspondence from the Átl'ka7tsem / Howe Sound Biosphere Region dated June 3, 2025	
4. REPORTS	
4.1 Compliance Monitoring for Church Road Wellfield and Granthams Landing Water Treatment Plant / Soames Creek - Contract Amendment	25
<i>For Decision</i>	
Environmental Planning Coordinator	
Assistant Manager, Utility Engineering	
(Voting - A, B, D, E, F, Sechelt)	
4.2 Valve Stems for Selma 2 Isolation Project - Budget Increase	30
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General Manager, Infrastructure Services	
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<i>For Decision</i>	
Corporate Officer	
Manager, Budgeting and Grants	
(Voting - A, B, D, E, F, Sechelt)	

4.4	Sechelt Landfill Contact Water Pond Relocation - Budget Amendment <i>For Decision</i> Manager, Solid Waste Services Capital Projects Senior Coordinator (Voting - All Directors)	38
4.5	Site Operation Services for the South Coast Residential Green Waste Drop-off Depot - Contract Extension <i>For Decision</i> Manager, Solid Waste Services Solid Waste Business Coordinator (Voting - All Directors)	44
4.6	Final 2025-2026 Sunshine Coast Transit Services Annual Operating Agreement (AOA) <i>For Decision</i> Manager, Transit Services (Voting - B, D, E, F, Sechelt, Gibsons, sNGD)	48
5.	COMMUNICATIONS	
6.	NEW BUSINESS	
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Recognizing SCRD-owned parks on Chá7elkwnech/Gambier Island as Protected Areas or Other Effective area-based Conservation Measures (OECMs)

A review of 10 SCRD-owned parks on Gambier Island and rationale for submission to the Canadian Protected and Conserved Areas Database



Prepared for: SCRD & Islands Trust

By: Howe Sound Biosphere Region Initiative Society

May 2025

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Executive Summary



The Howe Sound Biosphere Region Initiative Society (HSBRIS) is a registered charity responsible for managing the Átl'ka7tsem/Howe Sound UNESCO Biosphere Region designation. One of our biggest projects focuses on protecting and conserving lands in the region, contributing to Canada's target of conserving 30% of lands and waters by 2030. Gambier Island, known as Chá7elkwnech by the Skwxwú7mesh Úxwumixw/Squamish Nation, is the largest island in Átl'ka7tsem/Howe Sound, spanning roughly 6900 Hectares of a highly complex landscape that is rich in biodiversity due to limited development occurring there. HSBRIS has identified 10 parks across the island, totalling approximately 67 Ha, that are owned by the Sunshine Coast Regional District (SCRD) and, despite their zoning, function as parks and in some cases, essential buffer zones to other protected areas which increases connectivity across the landscape and achieves greater conservation of biodiversity. At present, approximately 12% of Chá7elkwnech is recognized in the Canadian Protected and Conserved Areas Database (CPCAD; 3), contributing to the 30x30 target. This number could be increased by at least 1% with the submission of these 67 Ha to the database, and the Sunshine Coast Regional District could be recognized for contributing to local, national and global conservation goals. Every bit counts.

Context of the 30x30 Project

In 2021, Átl'ka7tsem/Howe Sound was designated as a UNESCO Biosphere Region. The Howe Sound



Biosphere Region Initiative Society (HSBRIS) is a registered charity responsible for this designation and building capacity in the region for biodiversity conservation, reconciliation and sustainable development initiatives.

The threats of climate change and biodiversity loss are no secret, as is evident by Canada's commitment to protecting or conserving 30% of the country's land and waters by 2030. Canada's progress towards this target is tracked in the Canadian Protected and Conserved Areas Database (CPCAD). To reach bold targets such as these requires innovative approaches that recognize barriers to do so and take into consideration the social implications involved in activities that ensure biodiversity and ecosystem services are conserved. The term "Other Effective area-based Conservation Measures (OECMs)" first appeared during the 2010 Convention on Biological Diversity in the Aichi Target 11. OECMs were offered as an additional tool to meet global biodiversity conservation targets since they provide long-term biodiversity conservation benefits for species, habitats and ecosystems. OECMs offer recognition of efforts that already contribute to conservation, and it is believed that such a designation will provide support to these efforts, further encouraging land managers to maintain the systems they have put in place that result in conservation.

OECMs are defined as "a geographically defined area other than a Protected Area, which is governed and managed in ways that achieve positive and sustained long-term outcomes for the in-situ conservation of biodiversity, with associated ecosystem functions and services and, where applicable, cultural, spiritual, socioeconomic, and other locally relevant values" (UN Convention on Biological Diversity). Although on the surface, it may seem like this definition could also be applied to a designated protected area, the main difference between these two designations is that the primary objective of a protected area is conservation. OECMs are managed for other primary purposes, but through management, biodiversity conservation is also achieved. Canada adopted this international OECM definition and voluntary guidance developed by the Convention on Biological Diversity in 2018.

Lands suitable for OECM recognition and registration in CPCAD need to achieve the following criteria:

- Have clearly defined geographical boundaries;
- Achieve in-situ conservation of biodiversity;
- Prohibit actions incompatible with conservation; and
- Are intended to be protected into perpetuity.

Some areas within the Átl'ka7tsem/Howe Sound Biosphere Region are already recognized as OECMs, including Old-Growth Management Areas, Wildlife Habitat Areas, Sea to Sky Wildland Zones and Glass Sponge Reef Closures. Between HSBRIS and BC Nature and through collaboration with local municipalities, there have been successful OECM and PA recognitions in the last year in Lions Bay, Whistler, Metro Vancouver and on Bowen Island. This is an opportunity for local government's management practices to be recognized and celebrated, while organizations such as HSBRIS and BC Nature have the capacity to lead the process of submitting to the database while we have funding to do so. There is very little time required from the landowners.

HSBRIS has conducted preliminary research on many private and municipal lands within the Biosphere Region and has identified many potential areas for OECM or PA recognition. We have conducted a preliminary assessment of Gambier Island and have identified several Sunshine Coast Regional District (SCRD) parks as

potential sites for OECM or Protected Areas recognition, totalling approximately 67 Ha. To date, approximately 11.8% of Gambier Island are registered in the Canadian Protected and Conserved Areas Database (CPCAD). Recognizing the SCRD Parks listed below would increase this contribution by approximately 1%. As stated in the SCRD Parks and Recreation Master Plan (2014): “Recreation and parks are essential to *quality of life*; Recreation and parks build *strong families* and *healthy communities*; Parks, open spaces, and natural areas are *essential to ecological survival*.” OECMs aim to balance human use of the land with biodiversity conservation.

See Figure 1 for a visual of the SCRD parks across the island as well as the lands on the island that are already recognized in the CPCAD as either OECMs (Old Growth Management Areas) or Protected Areas (Halkett Bay Marine Park, Nature Reserves). **With permission, HSBRIS would like to assess the SCRD-owned parks on Gambier Island, zoned by Islands Trust, further for eligibility for submission to CPCAD, contributing towards national and international area-based conservation targets.** Participating in this reporting and recognition does not entail any regulatory or policy restrictions for these areas. However, if the use or management of the areas changes in the future, it would need to be reassessed to see whether it still qualifies for CPCAD.

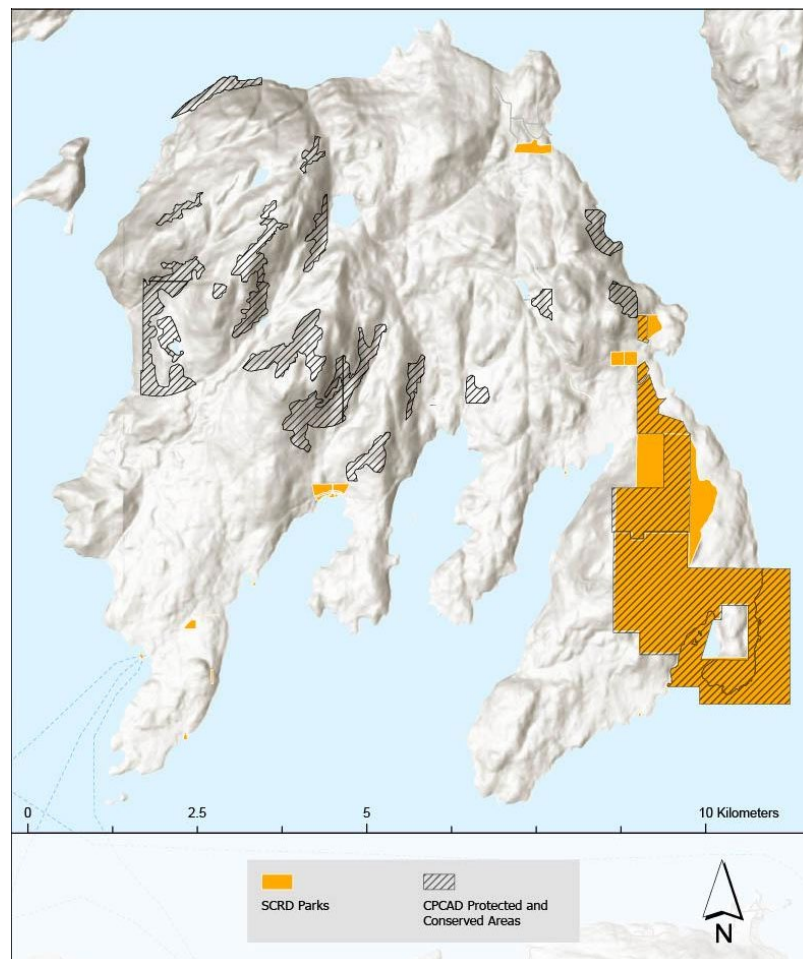


Figure 1: Map of SCRD Parks and lands already in the Canadian Protected and Conserved Areas Database (CPCAD) on Gambier

10 SCRD Parks on Gambier Island

Pete Shields Park

Pete Shields Park is a 35 Ha SCRD-owned park on the East side of Gambier (Figure 2) that borders the Mount Artaban Nature Reserve, Halkett Bay Marine Park and the Long Bay Wetland Nature Reserve. This is important as Pete Shields acts as a buffer between protected areas and developed areas as well as provides connectivity between habitats and watershed networks which is essential for wildlife and biodiversity conservation. Furthermore, Pete Shields Park borders several private lands with covenants on them (Figures 2 and 3), thus building the case further to ensure that this entire area is protected. While the area including Pete Shields is zoned Rural Residential (Appendix A), the park land appears to be achieving the in-situ conservation of biodiversity as there has been no development on this land and limited recreation due to the geography. Pete Shields Park has important ecological value as it connects with protected areas, contains a wetland which provides essential habitat and ecosystem services as well as mapped marbled murrelet habitat (BC Data Catalogue; see Figure 3), a species at risk. Pete Shields Park is an ideal opportunity area for OECM or Protected Area recognition and could be a great case study and story to showcase.

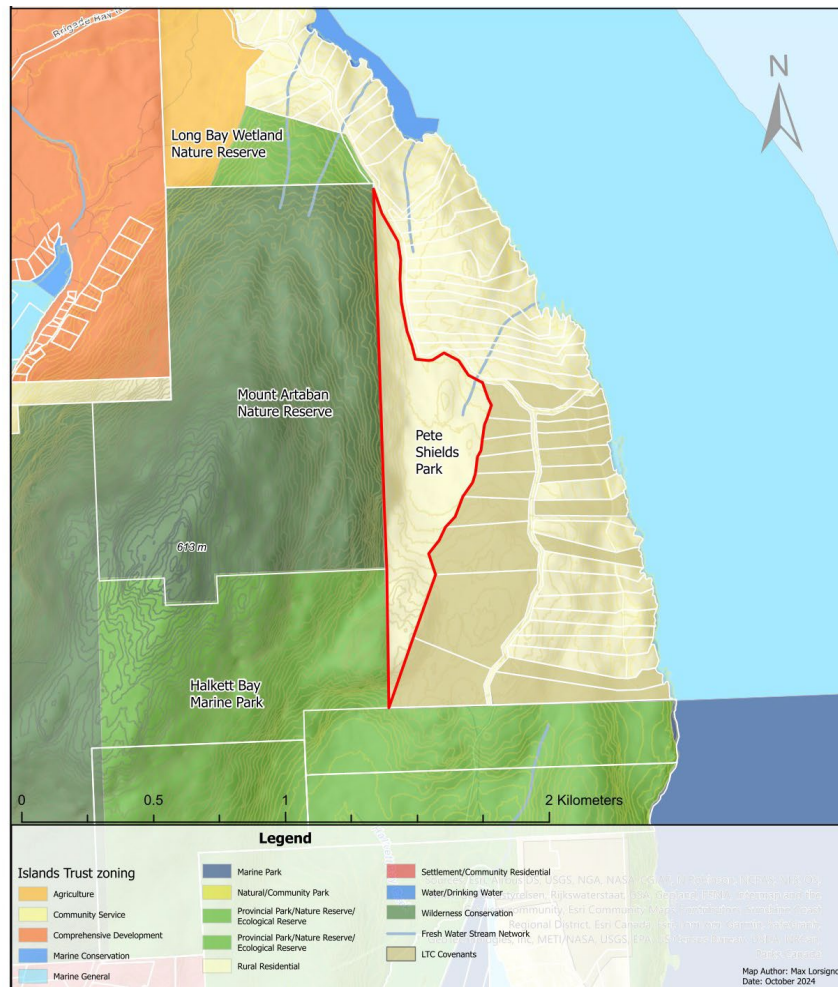
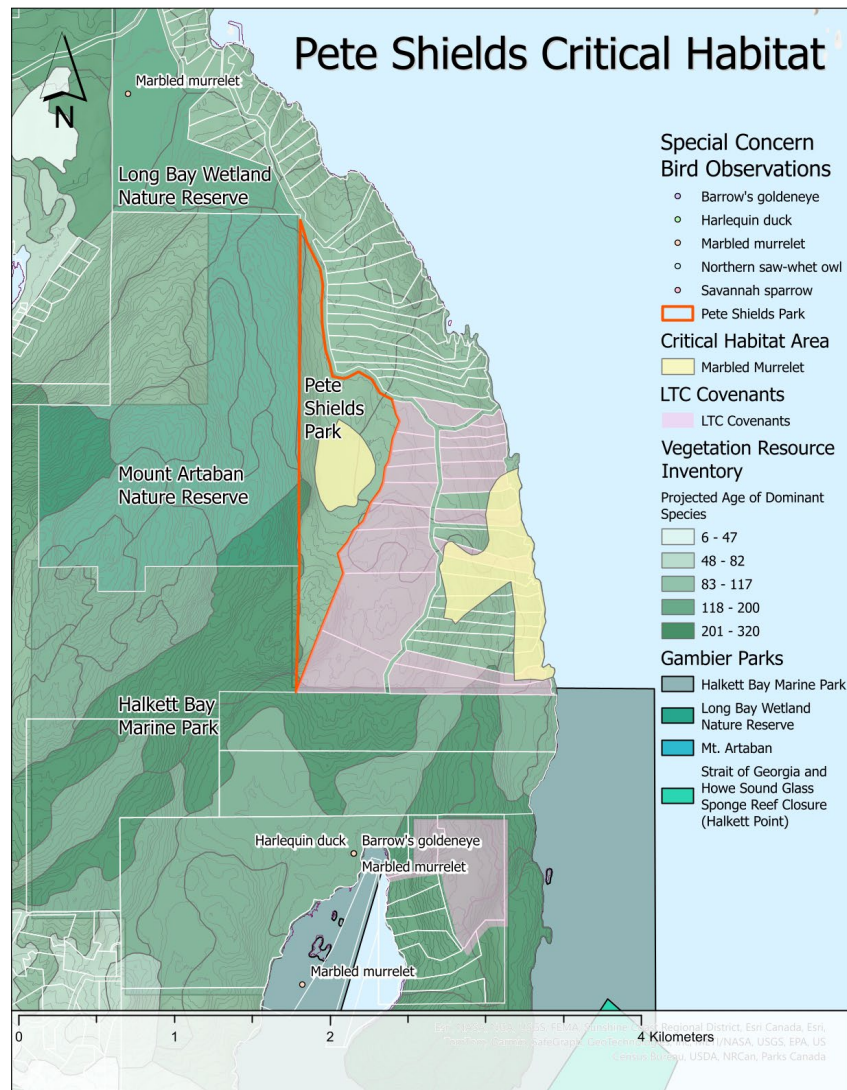


Figure 2: Pete Shields Park and surrounding areas Islands Trust zoning



Aerial photo of Pete Shields, Mt. Artaban Nature Reserve and Halkett Bay Provincial Park adjacent to the Brigade Bay residential area..



[See photos of Pete Shields Park terrain and forests here.](#)

Thomas Lipton Park

Thomas Lipton Park is an 8 Ha SCRDP-owned park at the head of West Bay (Figure 4) that surrounds the headwaters of McDonald Creek, a fish-bearing creek, and the surrounding estuary area (Figure 5). This park is an ideal OECM candidate as it is already zoned as a “Community Nature Park” and is achieving biodiversity conservation through being largely undeveloped as well as ongoing research and monitoring in the creek and estuary area and active community involvement stewarding this area. McDonald Creek is home to Coastal Cutthroat Trout, a species at risk in BC, and Coastal Tailed Frogs (5; Appendix B), a species of concern in BC, as well as several other species who live in and around the creek and rely on its health and intact riparian habitat. Furthermore, estuaries provide myriad ecosystem services and are essential for the mixed terrestrial, aquatic and marine habitats they provide. There are regular Sea Lion and Orca Whale sightings in West Bay and Chum Salmon come each year to run up Whispering and historically McDonald Creek as well, highlighting the ecological importance of this area. There have also been Pink Salmon runs in the past in these creeks.

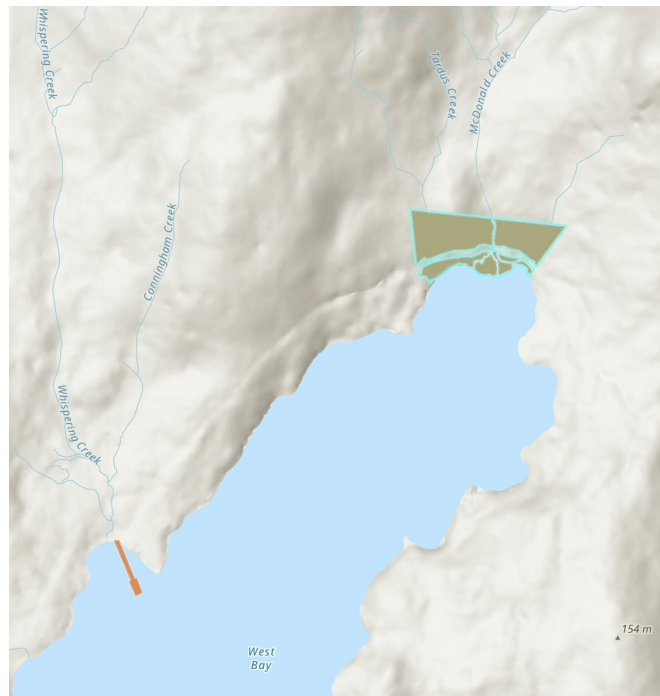


Figure 4 (above): Map with Thomas Lipton Park highlighted in blue; Figure 5 (below): Thomas Lipton Park Estuary and the mouth of McDonald Creek

Brigade Bay Community Parks

There are two SCRD parcels above the Long Bay Wetland Nature Reserve as well as one adjacent to the Brigade Bluffs Nature Reserve, totaling approximately 14 Ha. As these border Protected areas, it would be ideal to recognize them as OECMs or PAs and highlight the connectivity in this area. There is important wetland habitat, tributaries, mature forest and restoration and monitoring work in the nature reserves, highlighting the in-situ conservation of

biodiversity in these areas. However, much of this area including these three SCRD parks, Pete Shields Park and many other areas around the island, are zoned by the Islands Trust as Rural Residential (RR; Appendix A). This poses a challenge for protecting these lands. There is a case here for rezoning as these areas must have protections in place to continue to achieve biodiversity conservation into perpetuity as well as to have mechanisms in place to prohibit actions incompatible with conservation.

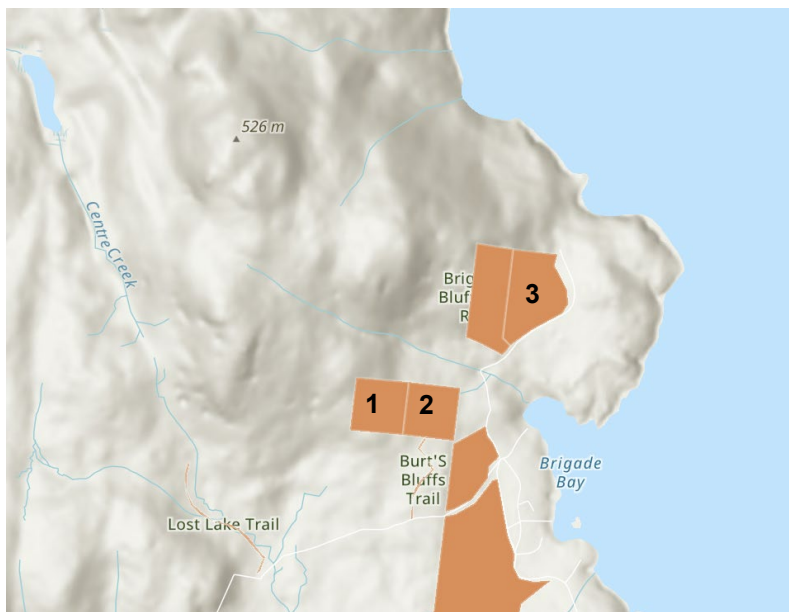


Figure 6 (above): Map highlighting 3 SCRD parks nearby to Brigade Bay; Figure (below): photo taken nearby to this park, representing mature forest habitat there

Douglas Bay Community Park

The approximately 8 Ha SCRD community park in Douglas Bay (Figure 8) is also a potential OECM area. This park is near the mouth of Gambier Creek, home to Coastal Tailed Frogs (Appendix B) among other species, and the essential riparian habitat surrounding it that these species rely on. Tributaries of Gambier Creek appear to run through this park as well as mature forest (Figure 9). As well, several private properties surrounding this park have covenants on them, thus there is a case for increasing the level of protection across a greater area by recognizing this park as an OECM as it is achieving in-situ biodiversity conservation at first glance. The area including this park is zoned Settlement Residential (SR; Appendix A), making the requirement for achieving biodiversity conservation into perpetuity as well as for having mechanisms in place to prohibit actions incompatible with conservation, difficult to meet. There is an island-wide need for rezoning of important ecological areas, such as park lands, to be zoned appropriately such that protections are in place for generations to come.





Figure 8 (above): Map highlighting SCRD park in Douglas Bay; Figure 9 (below): photo taken nearby to this park, representing mature forest habitat there

West Bay Community Parks

There are two SCRD parks in the West Bay area to highlight (Figure 10). One is a small 1.7 Ha park adjacent to a SCRD Trail with high ecological value. It includes the headwaters of Grennon Creek, a fish-bearing creek home to Cutthroat Trout, as well as invaluable wetland habitat (Figure 11). This is an important biodiverse area that is zoned Settlement Residential (SR; Appendix A). Another SCRD park in West Bay towards Gambier Harbour is a small 0.47 Ha strip along the water through undeveloped forest providing a natural buffer between developed communities, likely to be achieving in-situ biodiversity conservation despite being surrounded by Settlement Residential zoning. Both of these parks are ideal opportunity areas for OECM recognition as well as rezoning efforts.



Figure 10 (above): Map highlighting 2 SCRD parks in West Bay; Figure 11 (below): photo taken in 1st park, highlighting wetland habitat and headwaters of Grennon Creek

Gambier Harbour Community Parks

There are a couple of small community parks in the Gambier Harbour area. The small Anavets park (Figure 13) has important historical and community significance that would make a great OECM story if recognized by showcasing the primary purpose of the land being for community use and ceremonies, while also achieving biodiversity conservation. It is possible that this park would not meet the criteria for OECM recognition as it is cleared with a building on it, however further analysis would be needed. There is another small SCR D park adjacent to the Gambier Harbour public dock that includes part of the foreshore area which is important habitat for birds and many other species. Changing the zoning from Settlement Residential for this area would help this small but important area and many others be protected.

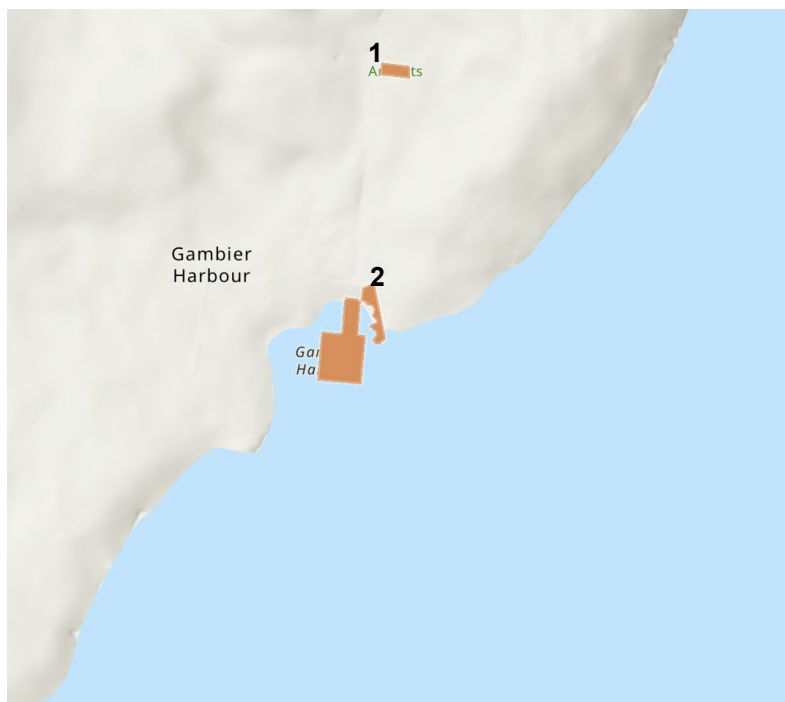


Figure 12 (above): Map highlighting 2 SCRD parks in Gambier Harbour; Figure 13 (below): photo of Anavets Park from SCRD website

Summary Table of 10 SCRD Parks on Gambier

Name	Size (Ha)	Zoning	Adjacent Land	Ecological Features
Pete Shields	35	Rural Residential	Halkett Bay Marine Park Mt Artaban Nature Reserve Long Bay Wetland Nature Reserve Private lands with covenants on them	Wetland Mature forest Tributaries Species at risk: Marbled Murrelet mapped habitat
Thomas Lipton	8	Settlement Residential; Wilderness	Private properties with covenants on them	Estuary habitat McDonald Creek runs through it

		Conservation	Old Growth Management Area	Species at risk: Coastal Tailed Frog and Coastal Cutthroat Trout are both found in McDonald Creek, this creek has also historically had a salmon run. Marbled Murrelet mapped habitat
Brigade Bay #1	4	Rural Residential	Brigade Bay Park #2	Mature forest
Brigade Bay #2	3.8	Community Park (Greater area is zoned Rural Residential)	Brigade Bay Park #1 Long Bay Wetland Nature Reserve	Mature forest
Brigade Bay #3	6	Community Park (Greater area is zoned Rural Residential)	Brigade Bay Bluffs Nature Reserve Old Growth Management Area Priority Old Forest Deferral Area	Species at risk: Marbled Murrelet mapped habitat Stream adjacent
Douglas Bay	7.8	Settlement Residential; Wilderness Conservation	Private lands with covenants on them Priority Old Forest Deferral Area	Mature Forest Gambier Creek tributaries Riparian habitat Species at risk: Coastal Cutthroat Trout; Coastal Tailed Frogs; Marbled Murrelet mapped habitat
West Bay #1	1.7	Settlement Residential	SCRD trail Undeveloped privately owned land Provides a buffer from developed areas	Wetland habitat Headwaters of Grennon Creek Species at risk: Coastal Cutthroat Trout in Grennon Creek; Marbled Murrelet mapped habitat Mature forest
West Bay #2	0.47	Settlement Residential	Undeveloped coastline; provides a buffer between that and developed areas	Mature forest
Gambier Harbour #1	0.06	Settlement Residential	Private properties	
Gambier Harbour #2	0.09	Settlement	Private properties;	Foreshore habitat

		Residential	Gambier Harbour Dock	Species at risk: Great Blue Herons often seen here
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Summary and Recommendations

In summary, our recommendations are two-fold:

1. Allow HSBRIIS permission to assess further the lands owned by the SCRD currently zoned by Islands Trust for eligibility for Other Effective area-based Conservation Measures (OECM) and/or Protected Area recognition and further submission to the Canadian Protected and Conserved Areas Database (CPCAD).
2. Eventually, these lands to be rezoned for protection and conservation of in-situ biodiversity in perpetuity.

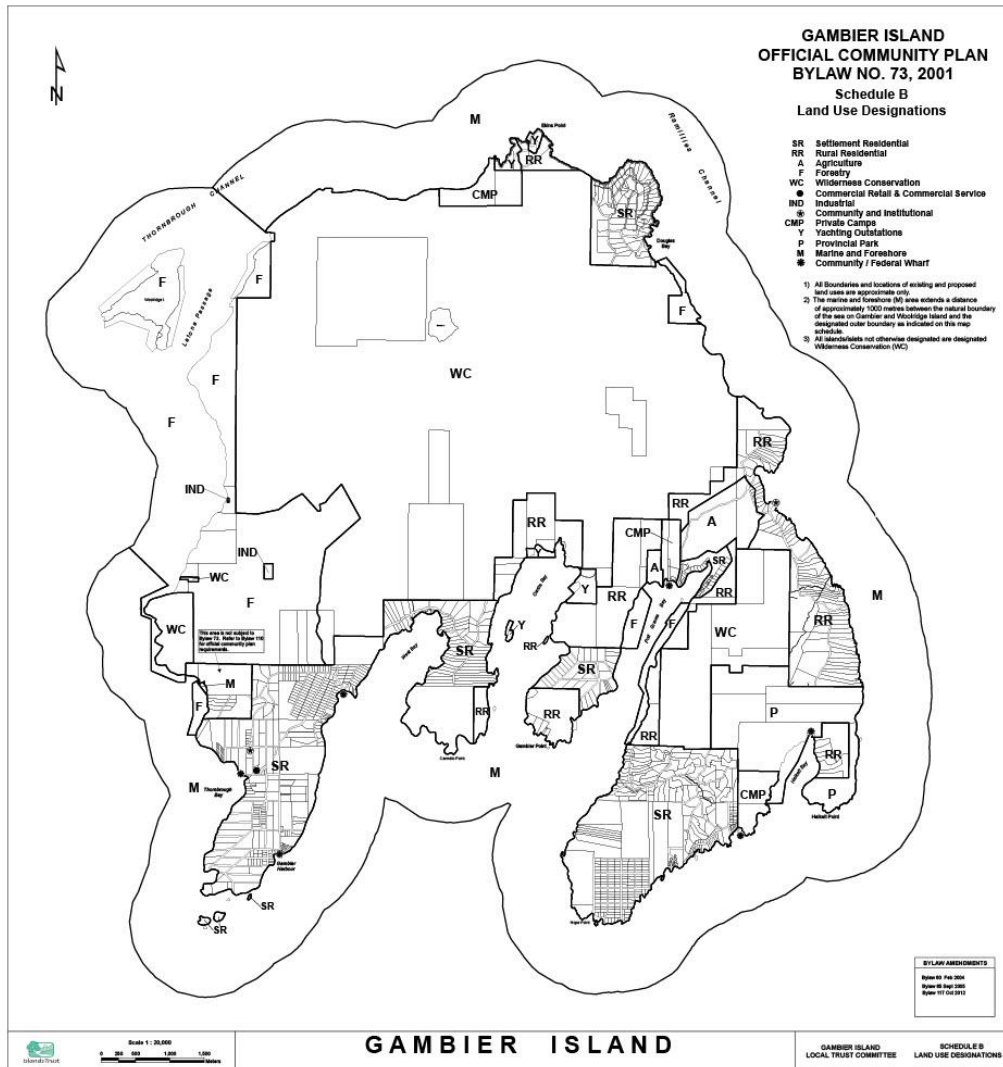
Despite the Islands Trust zoning of these SCRD parks, there is still a case to be made for the parks to be eligible for submission to the Canadian Protected and Conserved Areas Database (CPCAD) and recognized for their achieving biodiversity conservation and for good management practices. However, there is work to be done on Gambier Island to ensure that there are the appropriate bylaws and other mechanisms in place, such as management plans, to ensure conservation moving forward.

References and Additional Resources

1. [BC Data Catalogue *Critical Habitat for federally-listed species at risk \(posted\)*](#)
2. [BC Data Catalogue *Old Growth Technical Advisory Panel \(TAP\) Priority Deferral Areas*](#)
3. [BC Data Catalogue: *Freshwater Atlas Stream Network*](#)
4. [Canadian Protected and Conserved Areas Database Web Map](#)
5. [*Chá7elkwnech \(Gambier Island\) Coastal Tailed Frog: the distribution of eDNA and natal areas among streams*: Stamford Environmental Final Report Spring 2024.](#)
6. [Gambier Island Official Community Plan 2001](#)
7. [Mackie, Grace. *Knowing Our Streams: a review of knowledge and stewardship programs of fish-bearing streams within the Átl'ka7tsem/Howe Sound UNESCO Biosphere Region*. 2023](#)
8. [SCRD Parks and Recreation Master Plan 2014](#)
9. [Reporting Protected and Conserved Areas - Canada Conservation](#)

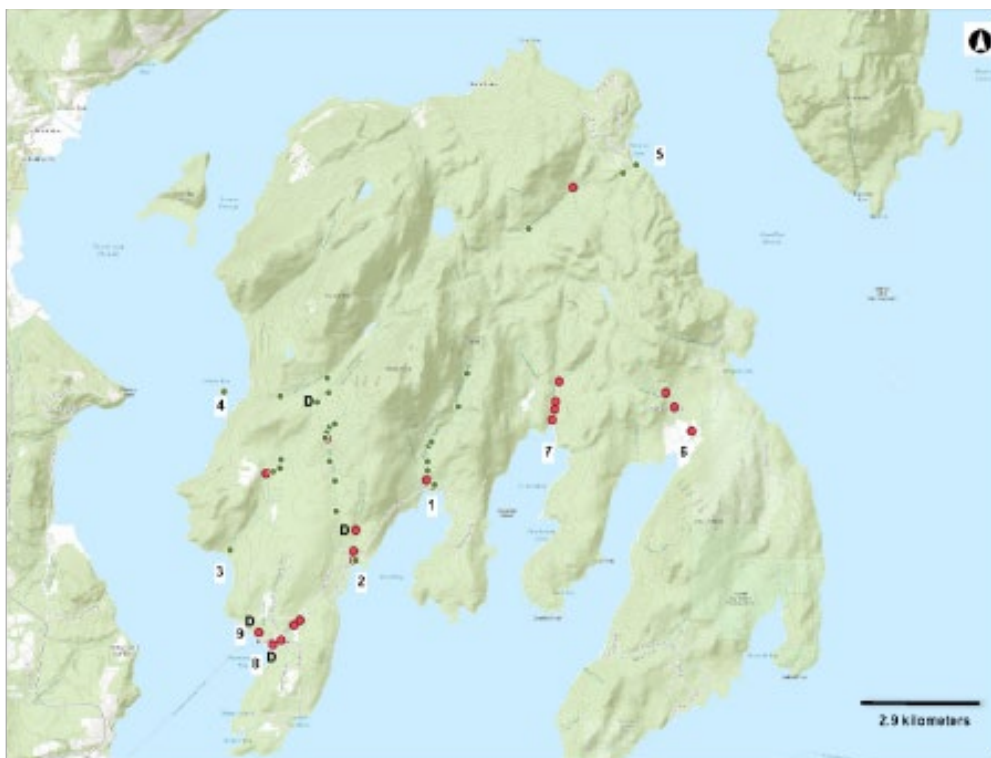
Appendix A: Islands Trust Zoning on Gambier Island





Islands Trust OCP Zoning Map 2001

Appendix B: Coastal Tailed Frog Distribution Gambier Island



Distribution of eDNA sampling among Chá7elkwnech streams showing locations where CTF was detected (Green Dots) and not detected (Red Dots). The letter 'D' labels four sites where duplicates were collected (see text for details). Numbers at stream mouths are 1. McDonald Creek, 2. Whispering Creek; 3. Mannion Creek; 4. Andy's Bay Creek; 5. Gambier Creek; 6. Long Bay Creek; 7. Center Creek; 8. Grennon Creek; 9. Kingston Creek.

June 3, 2025

Dear Board members of the Sunshine Coast Regional District:

Re: SCRD-owned parks on Chá7elkwnech/Gambier Island.

We are writing to request the SCRD board support the recognition and protection of SCRD parks on Gambier Island.

Our organization is responsible for managing the Átl'ka7tsem / Howe Sound UNESCO Biosphere Region designation. In 2022, we received funding from Environment and Climate Change Canada to identify lands within our region that qualify for submission to the Canadian Protected and Conserved Area Database (CPCAD) and to work on strengthening conservation management.

The SCRD has ten parcels of land on Gambier Island that are parks. We have identified opportunities for the SCRD to 1) recognize these lands for submission to CPCAD and 2) strengthen protection through rezoning and/or explore opportunities to divest of certain parcels to ensure protection in perpetuity.

In January 2024, we corresponded with the SCRD Parks Department staff regarding the opportunity to utilize our available resources. We requested consent to review SCRD parks on Gambier Island for submission to CPCAD (copy of the letter is attached).

Over the past year, on request from parks to wait for SCRD Parks to conduct an overall service review, we undertook a review of the 10 parks on Chá7elkwnech/Gambier Island based on publicly available data to pre-determine eligibility. This report, called Recognizing SCRD-owned parks on Chá7elkwnech/Gambier Island as Protected Areas or Other Effective area-based Conservation Measures (OECMs) is attached. The report includes maps and details on each property, including their size, zoning, history, ecological features, photos, and rationale for inclusion. This report has been submitted to the Squamish Nation's portal for information.

We are now in our final year of funding to support this work. We can minimize the amount of time and resources required to advance conservation and protection if you will consent and direct staff to work with us as follows:

1. Recognize these lands for submission to CPCAD. The consent letter will provide the necessary permission for us to consider these lands for recognition into CPCAD based on their current criteria. This requires minimal time of staff. Most of the work we have already undertaken to assess the criteria. We need one point of contact at the SCRD and some mapping and GIS support.

2. Our research has identified that some of the zoning by Islands Trust is not in alignment with the Park's use. We are seeking support from SCRD board to work with the appropriate staff member to explore a rezoning request and/or divestment opportunities.

We have been working with BC Nature and municipalities within the biosphere region on their submissions to CPCAD as part of our commitment of contribution toward the global goals of protecting 30% of land and waters by 2030.

We appreciate your cooperation on supporting our commitment toward the 30x30 biodiversity conservation goals and the long-term protection of ecologically rich park lands on Gambier Island.

Sincerely,

Ruth Simons

Ruth Simons,

Executive Director,

Howe Sound Biosphere Region Initiative Society

www.howesoundbri.org

ruthsimons@howesoundbri.org 778 834-4292

copy to: Gambier Island Local Trust Committee



Staff Report

Request for Decision

TO: Committee of the Whole – June 26, 2025

AUTHOR: Sandi Bandara, Environmental Planning Coordinator
Matt O'Rourke, Assistant Manager, Utility Engineering

SUBJECT: **Compliance Monitoring for Church Road Wellfield and Granthams Landing Water Treatment Plant / Soames Creek – Contract Amendment**

OVERVIEW

Purpose of Report:

The purpose of this report is to seek Board approval to extend and amend the ISL Engineering and Land Services Ltd. (ISL) contract for compliance monitoring and reporting services at the Church Road Wellfield and Granthams Landing Water Treatment Plant / Soames Creek for an additional one-year period. This report requests Board decision to accept, reject, or provide alternate direction with respect to the recommendations as presented below.

Recommendation(s):

- (1) THAT Contract No. 2337005 with ISL Engineering and Land Services Ltd. for compliance monitoring of the Church Road Wellfield and the Granthams Landing Water Treatment Plant be extended for an additional one-year term and increased by \$80,000 up to a maximum of \$430,000 (excluding GST);**
 - (2) AND THAT the delegated authorities be authorized to execute the necessary contract amendment(s) with ISL Engineering and Land Services Ltd.**
-

BACKGROUND

At the July 6, 2023, Sunshine Coast Regional District (SCRD) Board meeting, the Board authorized a one-year contract with ISL Engineering and Land Services Ltd. (ISL) for compliance monitoring and reporting services related to the Church Road Wellfield and Granthams Landing Water Treatment Plant. The contract, valued at up to \$250,000 (excluding GST), included an option for one additional one-year renewal. This renewal was exercised in April 2024, and the contract is now set to expire on July 31, 2025.

ISL has performed the required services to a satisfactory standard, meeting all compliance and reporting obligations.

As part of the 2025 budget process, the Board approved funding for the continued compliance monitoring and reporting of the Church Road Wellfield and Soames Creek.

029/23 **Recommendation No. 129** *Regional Water Service [370] - 2023 R1*
 (in part) *Budget Proposal*

THAT the following budget proposals be approved and incorporated into the 2023 Round 2 Budget:

- Budget Proposal 8 – Church Road Wellfield – Compliance Monitoring, \$200,000 funded from User Fees (base operating budget in 2024 of \$200,000);

304/24 **Recommendation No. 4** 2025 Proposed Projects
 (in part)

AND THAT the Mandatory Projects as follows be approved and included into the 2025 Round 1 Budget:

- Soames Creek Compliance Monitoring [370], \$100,000 funded from Operating Reserves;

DISCUSSION AND ANALYSIS OF OPTIONS

In early Q2 2025, the Ministry of Water, Lands, and Resource Stewardship (MWLRS) confirmed that monitoring associated with the Church Road Wellfield and Soames Creek must continue through to October 2025, in accordance with the water licence and Adaptive Management Plan (AMP). A reduced monitoring program was recommended for the remainder of the 2025 season. This direction followed the completion of two years of post-commissioning monitoring, after which the SCRD met with MWLRS to discuss next steps.

In addition, MWLRS has reinforced a licence condition requiring decommissioning of the original artesian Granthams Landing Well by June 30, 2026. However, field observations by ISL confirmed that the well contributes important base flows to Soames Creek, which supports critical fish habitat. To amend this condition and retain the well in operation, a formal submission is required under Section 52(6) of the *Water Sustainability Act (WSA)*.

As a result, the current contract must be amended to:

- Extend monitoring of the wellfield and creek through October 2025,
- Prepare the necessary reporting to support continued use of the artesian well, and
- Submit the required 2025 Annual Report, including AMP updates.

This contract amendment is intended as an interim measure. MWLRS has indicated that a five-year monitoring period will ultimately be required. It is anticipated that a formal competitive procurement process will be initiated later in 2025 for the 2026–2030 monitoring period. A future amendment to the Board Financial Plan may be required in 2026 to accommodate the extended monitoring program.

OPTION 1 – Extend the current contract with ISL Engineering and Land Services Ltd. (ISL) through November 30, 2025.

Financial Considerations

Table 1 outlines the contract values associated with this proposed scope change, as well as previous amendments approved to date.

Table 1: Contract Values

	Current	Proposed Amendment
Approved Overall Project Budget	\$500,000	\$500,000
Other Contractual Commitments	\$41,000	\$41,000
ISL Contract (Max Auth Value)	\$350,000	\$430,000
Total Project Cost	\$391,000	\$471,000

This project is funded through operating reserves, approved as part of the 2023 and 2025 budget deliberations. Sufficient funds are available within the 2025 Soames Creek allocation to support this scope change. No additional funding is required at this time.

Staff Recommendation

Staff recommend this option. Should the Board choose to go with Option 1, a recommendation could be considered as provided in the Overview section on page one of this report.

OPTION 2- Do not extend the current contract and initiate a new procurement process.

Should the Board choose not to extend the contract, a new procurement process would need to be initiated immediately. This timeframe would not allow for contractor onboarding and mobilization before July 2025, resulting in non-compliance with water licence conditions. The Church Road Wellfield could not be used beyond July 31, 2025, affecting the water supply to the Chapman Water System during the critical summer period.

Staff Recommendation

Staff do not recommend this option due to the risk of non-compliance with regulatory requirements and potential operational impacts to the regional water supply.

Recommendation(s): (Not recommended).

- 1) THAT staff be directed to issue a Request for Proposals (RFP) for compliance monitoring and reporting services for the Church Road Wellfield, Soames Creek, and the Granthams Landing Water Treatment Plant for the period August 1 to November 30, 2026;**
- 2) AND THAT the Church Road Wellfield be removed from service effective August 1, 2025, until a new monitoring contract is in place and all licence and Adaptive Management Plan requirements are met;**
- 3) AND FURTHER THAT staff report back to the Board with the RFP results, recommended contract award, and any associated budget amendments.**

STRATEGIC PLAN IMPLICATION

This staff report is aligned with the Board's Service Delivery Focus Area of Water Stewardship: Continue to secure reliable and diverse water sources across the Sunshine Coast and support efficient water use while fostering responsible stewardship of this critical resource.

TIMELINE

Should the Board approve Option 1, staff will immediately execute the contract amendment with ISL to extend the current monitoring period through November 30, 2026. This will allow continued compliance monitoring and reporting to proceed without disruption and ensure the Church Road Wellfield remains in operation through the 2025 peak season.

Should the Board approve Option 2, staff will initiate a procurement process for compliance monitoring services. However, due to time constraints, it is unlikely a new contractor could be selected and mobilized in time to resume monitoring in July 2025. As a result, use of the Church Road Wellfield would cease to operate after July 31, 2025.

CONCLUSION

ISL has submitted their cost estimate for the additional work. Staff recommend approving a change order in this amount and subsequently amending the maximum authorized contract value by \$80,000 to an up to amount of \$430,000 (excluding GST).

Reviewed by:			
Manager		Finance	X - A. Taylor
Acting GM	X - J. Waldorf	Purchasing	X - V. Cropp
CAO	X - T. Perreault	Communications	



Staff Report

Request for Decision

TO: Committee of the Whole – June 26, 2025

AUTHOR: Remko Rosenboom, General Manager, Infrastructure Services

SUBJECT: **Valve Stems for Selma 2 Isolation Project – Budget Increase**

OVERVIEW

Purpose of Report:

The purpose of this report is to provide the Board with options to consider regarding funding for the Valve Stems for Selma 2 Isolation Project. This report requests Board decision to accept, reject, or provide alternate direction with respect to staff's recommendations as presented below.

Recommendation(s):

- (1) **THAT the budget for the Valve Stems for Selma 2 Isolation Project be increased by \$250,000 to \$325,000 funded from [370] Regional Water Capital Reserves;**
 - (2) **AND THAT the 2025-2029 Financial Plan be amended accordingly.**
-

BACKGROUND

At the November 25, 2021 Board meeting, the following resolution was adopted:

304/21 **Recommendation No. 11** *Infrastructure Services Projects*
(in part)

THAT the following Infrastructure Services' Categorized Mandatory projects be approved and included into the 2022 Round 1 Budget:

- [370] – Valve Stems for Selma 2 Isolation, \$75,000 funded from Reserves (Imminent Asset Failure);

This project was intended to replace the valves and valve stems located in the service water chamber that isolate the Selma 2 Reservoir. Selma 2 is the Sunshine Coast Regional District's (SCRD's) largest reservoir (approximately 14 million L) and the primary supply for the Chapman Water System. Valves that isolate the reservoir are essential for maintenance, downstream repairs, and emergency response.

Since budget approval, staff, contractors, and suppliers have explored safe construction methods, obtained dive inspections, and sourced suitable materials. These investigations revealed two additional valves that no longer seal, as well as several auxiliary components that now require repair or replacement. The inability to isolate the reservoir has meant that critical repairs, upgrades, and replacement of infrastructure is no longer possible.

Until the valves are functional, the 14-million-litre Selma 2 Reservoir cannot be fully controlled, which elevates operational and environmental risk.

Several approved initiatives depend on isolating Selma 2, including service-water chamber maintenance, installation of two new flow meters, and repairs to known leaks in the reservoir structure.

Since late 2021, the scope has expanded and material and labour costs have risen sharply. To finish the work safely and on time, an additional \$250,000, of which \$50,000 is contingency, is required. This contingency is recommended to ensure that any unforeseen items that currently cannot be identified yet can be addressed immediately and not result in any further delay in addressing this station.

OPTION 1 – Undertake all required work in 2025 and increase project budget by \$250,000 (Recommended)

Increase the project budget by \$250,000 and complete all work in 2025. This approach removes the isolation risk before other dependent projects proceed.

Organizational Considerations

Contractors would perform most of the technical work. SCRD staff would provide project management, construction oversight, and temporary operational adjustments to prevent service interruptions. Some lower priority tasks may be briefly delayed.

Staff Recommendation

Staff recommend this option. Should the Board choose to go with Option 1, a recommendation has been provided in the Overview section on page one of this report.

OPTION 2 – Defer the Valve Stems for Selma 2 Isolation Project to 2026 (Not Recommended)

This option would defer the completion of the Valve Stems for Selma 2 Isolation Project to 2026, pending the approval of a budget increase as part of the 2026 budget process. Delay would leave Selma 2 without appropriate isolation for at least another year posing significant operational and environmental risk as it is the main reservoir for the Chapman Water System.

Staff do not support this option because it extends the period in which the reservoir cannot be safely isolated, prolongs and heightens operational and environmental risks, and will delay other critical capital works.

Should the Committee choose to go with Option 2, a recommendation could be considered, as follows:

- (1) THAT the Valve Stems for Selma 2 Isolation Project be deferred to 2026;
- (2) AND THAT staff present a budget proposal for additional budget for the Valve Stems for Selma 2 Isolation Project as part of the 2026 budget process.

FINANCIAL IMPLICATIONS

The Board's June 12, 2025 decision to abandon the shíshálh Nation Government District - Zone Metering Project returned \$250,000 to [370] Capital Reserves. That amount can fully cover this budget increase.

Should the Board select Option 1, a Financial Plan amendment would be required to increase the project budget by \$250,000 for a total project budget of \$325,000. The increase in the project budget is recommended to be funded from [370] Regional Water Capital Reserves. Currently the uncommitted [370] Regional Water Capital Reserves is \$8,727,075.

STRATEGIC PLAN IMPLICATIONS

This proposal can be seen as supporting the Strategic Focus Area of Water Stewardship in the Board's 2023 – 2027 Strategic Plan by strengthening reliability and safety and improving operation of the Chapman Water System.

SUMMARY AND CONCLUSION

Inspections show that two additional valves, along with their frames and brackets, must be replaced and extra contractor support will be required. Staff recommend an increase to the project budget of \$250,000. This will allow the valve isolation work to finish in 2025, safeguard the system against uncontrolled releases, and ensure the timely completion of other dependent projects.

Reviewed by:			
Manager		Finance	X - A. Taylor
GM		Legislative	
CAO	X - T. Perreault	Other	



Staff Report

Request for Decision

TO: Committee of the Whole – June 26, 2025

AUTHOR: Sherry Reid, Corporate Officer
Alexander Taylor, Manager, Budgeting and Grants

SUBJECT: **Langdale Wellfield Construction Project – Financial Update**

OVERVIEW

Purpose of Report:

The purpose of this report is to provide the Board with options to consider regarding financing in support of an elector approval process to facilitate long-term borrowing for the Langdale Wellfield Construction Project. This report requests Board decision to accept, reject or provide alternate direction with respect to staff's recommendations as presented below.

Recommendation:

THAT a Loan Authorization Bylaw for the Langdale Wellfield Construction project proposing borrowing for an amount up to \$13,181,144 over a 20-year term be brought forward to the July 24, 2025 Regular Board Meeting for consideration.

BACKGROUND

As part of the 2025 Budget process, the Board approved a budget of \$18,100,000 for the Langdale Wellfield Construction Project that included long-term debt funding in the amount of \$13,181,144. Specifically, at the January 23, 2025 Board meeting, the Board adopted the following motion:

016/25 **Recommendation No. 6** *2025 Round 2 Budget Proposal for Regional Water Service [370]*

THAT the report titled 2025 Round 2 Budget Proposal for Regional Water Service [370] be received for information;

AND THAT the following budget proposal be approved and included into the 2025 Budget:

- Budget Proposal 3 - Langdale Wellfield Construction, \$18,100,000 including additional 0.45 Full Time Equivalent (FTE) for 2025, funded as follows:
 - Long Term Debt \$13,181,144
 - Canada Community Building Funds (Community Works Funds)

- Area B - \$1,049,734;
- Area D - \$1,122,091;
- Area E - \$2,140,187;
- Growing Communities Funds \$606,844

AND THAT the future Full Time Equivalent (FTE) for this Budget Proposal be incorporated as follows:

	2026	2027	2028	2029
Existing FTE	0.08	0.08	0.08	0.08
Additional FTE	0.40	0.40	0.35	0.35
Total for this Project	0.48	0.48	0.43	0.38

AND FURTHER THAT Elector Approval to authorize long-term borrowing up to \$13,181,144 for a minimum term of 20 years be sought through the Alternate Approval Process to fund Regional Water Service's Langdale Wellfield Construction project.

DISCUSSION AND ANALYSIS OF OPTIONS

As per resolution 016/25, the board authorized borrowing of \$13,181,144 for a minimum borrowing period of 20 years. In order for staff to proceed to the next steps in the borrowing process, the board must approve a defined term for borrowing. Once a borrowing term has been approved, the SCRD may proceed with conducting the required participating area approval. The Municipal Finance Authority (MFA) offers three options with borrowing terms equal to or greater than 20 years.

OPTION 1 -20 year Borrowing Period

Under this option the SCRD would borrow for the purposes of funding the Langdale Wellfield Construction project for a term of 20 years.

Financial Considerations

The cost of borrowing for a 20-year loan based on the current indicative MFA long-term borrowing rate would result in an annual debt servicing cost of \$1,095,087. This equates to an estimated \$97.28 increase to the annual Regional Water Service (RWS) Parcel Tax. Total debt servicing over the life of the loan would be \$21,901,731.

Staff Recommendation

Staff recommend this option. Should the Committee choose to go with Option 1, a recommendation could be considered, as provided in the Overview section on page one of this report.

OPTION 2 – 25 Year Borrowing Period

Under this option the SCRD would borrow for the purposes of funding the Langdale Wellfield Construction project for a term of 25 years.

Financial Considerations

The cost of borrowing for a 25-year loan based on the current indicative MFA long-term borrowing rate would result in an annual debt servicing cost of \$967,545. This equates to an estimated \$85.95 increase to the annual RWS Parcel Tax. Total debt servicing over the life of the loan would be \$24,188,632.

Staff Recommendation

Staff do not recommend this option. Should the Committee choose to go with Option 2, a recommendation could be considered, as follows:

THAT a Loan Authorization Bylaw for the Langdale Wellfield Construction project proposing borrowing for an amount up to \$13,181,144 over a 25-year term be brought forward to the July 24, 2025 Regular Board Meeting for consideration.

OPTION 3 – 30 Year Borrowing Period

Under this option the SCRD would borrow for the purposes of funding the Langdale Wellfield Construction project for a term of 30 years.

Financial Considerations

The cost of borrowing for a 30-year loan based on the current indicative MFA long-term borrowing rate would result in an annual debt servicing cost of \$884,619. This equates to an estimated \$78.58 increase to the annual RWS Parcel Tax. Total debt servicing over the life of the loan would be \$26,538,575.

Staff Recommendation

Staff do not recommend this option. Should the Committee choose to go with Option 3, a recommendation could be considered, as follows:

THAT a Loan Authorization Bylaw for the Langdale Wellfield Construction project proposing borrowing for an amount up to \$13,181,144 over a 30-year term be brought forward to the July 24, 2025 Regular Board Meeting for consideration.

FINANCIAL IMPLICATIONS

It is recommended that the term of the loan be 20 years to avoid additional interest. As indicated above and in Table 1, option 1 would result in \$2,286,901 and \$4,636,844 less in debt servicing costs than option 2 and 3 respectively.

Table 1 outlines a scenario analysis illustrating the cost of borrowing for 20-, 25- and 30-year terms based on the current indicative MFA long-term borrowing rate of 4.79%. The indicative rate is representative of a forecasted interest rate that a borrower may pay over the life of a loan. The actual rate that is secured is subject to differ and is dependent on the interest rate environment when the project is completed.

Table 1

	Option 1 20 Years	Option 2 25 Years	Option 3 30 Years
Yearly Debt Servicing	\$1,095,087	\$967,545	\$884,619
Total Debt Servicing (Life of Loan)	\$21,901,731	\$24,188,632	\$26,538,575
Annual Parcel Tax Implication	\$97.28	\$85.95	\$78.58

LEGISLATIVE IMPLICATIONS

Section 179 of the *Community Charter* sets out requirements for Loan authorization bylaws for long-term borrowing. A liability by borrowing may be incurred for any purpose of a capital nature. For borrowing of a capital nature, the maximum term of a debt that may be authorized is the lesser of 30 years, and the reasonable life expectancy of the capital asset for which the debt is contracted.

STRATEGIC PLAN IMPLICATIONS

Proceeding with long-term borrowing for the Langdale Wellfield Construction Project supports the Service Delivery Focus Area of Water Stewardship to "Continue to secure reliable and diverse water sources across the Sunshine Coast..." in the Board's 2023 – 2027 Strategic Plan.

TIMELINE

A loan authorization bylaw for the Langdale Wellfield Construction Project is scheduled to go forward for Board consideration at the July 24, 2025 Regular Board meeting. Upon receiving three readings, the bylaw will be sent to the province for review and approval by the Inspector of Municipalities. Review timelines are between six and eight weeks.

Once approval is granted by the provincial Inspector of Municipalities, the SCRD may then proceed with elector approval for long-term borrowing. A staff report to launch that process will be brought to a September Board meeting to set the deadline for receiving elector response forms, approve the elector response form and determine the total number of electors to which the AAP applies. A communications strategy in support of the electoral approval process for the Langdale Wellfield Construction project will also be developed and brought forward at that time.

SUMMARY AND CONCLUSION

The purpose of this report is to provide a financial update in support of an elector approval process to facilitate long-term borrowing for the Langdale Wellfield Construction Project. Staff recommend proceeding with long-term borrowing to fund an amount up to \$13,181,144 over a 20-year term.

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – T. Perreault	Other	



Staff Report

Request for Decision

TO: Committee of the Whole – June 26, 2025

AUTHOR: Marc Sole, Manager, Solid Waste Services
Mark McCullough, Capital Projects Senior Coordinator

SUBJECT: **Sechelt Landfill Contact Water Pond Relocation – Budget Amendment**

OVERVIEW

Purpose of Report:

The purpose of this report is to provide the Board with options to consider regarding additional budget and contract amendments for the completion of the Sechelt Landfill Contact Water Pond Relocation Project based on additional work due to unforeseen expenses. This report requests Board decision to accept, reject, or provide alternate direction with respect to staff's recommendations as presented below.

Recommendation(s):

- (1) **THAT the Sechelt Landfill Contact Water Pond Relocation Project Budget be increased by \$365,566 to a total budget of \$1,306,578, funded through Landfill Operating Reserves;**
 - (2) **AND THAT Contract 2435204 for construction services with Saxon Contracting Ltd. be increased by \$142,655 up to a maximum value of \$1,030,000 (excluding GST);**
 - (3) **AND THAT Contract 2135003 for construction engineering services with Trace Associates Inc. be increased by \$162,345 to a total value of \$681,613 (excluding GST);**
 - (4) **AND THAT Contract 2435205 for landfill operations services with Sicotte Bulldozing Ltd. be increased by \$60,566 to a total value of \$2,810,566 (excluding GST);**
 - (5) **AND THAT the delegated authorities be authorized to execute the amended contracts;**
 - (6) **AND FURTHER THAT the 2025-2029 Financial Plan be amended accordingly.**
-

BACKGROUND

The purpose of the Sechelt Landfill Contact Water Pond Relocation Project is to relocate the existing contact water pond from the active landfill footprint to the decommissioned public drop off area in the southwest corner of the landfill property. Relocating the contact pond will optimize landfill capacity and increase contact water storage to meet the 200-year design storm.

The construction phase of the project started in March of 2025 with a contract for construction services awarded to Saxon Contracting Ltd. (Saxon) in the amount of \$887,345. A contract for engineering and construction administration services had been awarded to Trace Associates Ltd. (Trace) in 2021, and an amendment in 2024 with \$37,655 of the contract designated to the Sechelt Landfill Contact Water Pond Relocation Project.

At the December 12, 2024, Regular Board Meeting a budget of \$941,012 was approved.

347/24 **Recommendation No. 8** *Request for Proposal 2435204 Contract Award for Sechelt Landfill Contact Water Pond Relocation Construction*

THAT the report titled Request for Proposal 2435204 Contract Award for Sechelt Landfill Contact Water Pond Relocation Construction be received for information;

AND THAT a contract be awarded to Saxon Contracting Ltd. in the amount of up to \$887,345 (excluding GST);

AND THAT the delegated authorities be authorized to execute the contract;

AND THAT the Sechelt Landfill Extending Useful Life Project budget be increased by \$421,012 to \$941,012 funded from Landfill Operating Reserves;

AND FURTHER THAT the 2024 - 2028 Financial Plan be amended accordingly.

In 2024, a contract was awarded to Sicotte Bulldozing Ltd. (Sicotte) for landfill operation services. The work that Sicotte performed on the Sechelt Landfill Contact Water Pond Relocation Project was in addition to their existing contract.

DISCUSSION AND ANALYSIS OF OPTIONS

Substantial construction was completed on May 28, 2025. During the course of the project, several unforeseen site conditions and underestimated design components led to additional costs. These cost overages resulted from the following key factors:

- Underestimated Material Volumes:**

The original design underestimated the required excavation and backfill volumes, resulting in significant increases to material handling and procurement costs.

2. Higher Proportions of Asbestos-Containing Material (ACM):

The actual volume of ACM encountered during excavation was 2.8 times higher than the initial estimate. This had a major impact on cost, as ACM requires specialized handling and disposal.

3. ACM Found Outside Anticipated Areas:

ACM was unexpectedly discovered beyond the areas identified in the original assessment. This required:

- Excavation and disposal of substantially more contaminated material compared to clean structural fill or typical municipal waste.
- Procurement of additional structural material to rebuild over-excavated areas and maintain road integrity.

4. Expanded Scope for Landfill Operations Contractor (Sicotte):

The landfilling of ACM was carried out by Sicotte, the contractor already under agreement for landfill operations at the Sechelt Landfill. The actual scope of their work exceeded expectations and required more labour and equipment hours.

- Their existing agreement allowed this work to proceed without initiating a new procurement process, helping avoid project delays.

5. Extended Project Timeline:

The additional excavation efforts lengthened the construction schedule, leading to increased costs for construction and engineering administration.

6. Additional Work on Drainage Infrastructure:

Excavation revealed deeper-than-anticipated grades, requiring additional work on ditches and culverts to manage surface water.

7. Regulatory Compliance and Engineering Updates:

Due to the unforeseen volume of ACM and delays in project initiation, more engineering work is required to update the Design, Operations, and Closure Plan, Environmental Monitoring Plan, and detailed fill plans.

- These updates are necessary to remain in compliance with the current Operational Certificate.
- A post-construction report is also required within 90 days of substantial completion.

When these additional costs and work requirements became clear, staff made the decision to proceed rather than delay construction. This ensured the long-term functionality of the Sechelt Landfill while avoiding further schedule disruptions or contractual claims. The following mitigation steps were taken:

1. **Scope Review and Adjustments:**

Project staff proactively reviewed the contract and reduced or deferred non-essential work, ensuring no loss of core functionality.

2. **Force Account Billing for Unforeseen Work:**

Due to the increased material volumes, staff and the contractor agreed to use **Force Account billing**, which allows costs to be tracked based on actual labour, equipment, and material use.

- This billing method is permitted under the **Master Municipal Construction Documents (MMCD)** contract—a standardized construction contract framework widely used in B.C. for municipal infrastructure projects.
- MMCD provides clear procedures for handling unexpected site conditions and ensures fair compensation while maintaining project momentum.

3. **Avoidance of Contractual Claims and Delays:**

Under MMCD, if necessary work is not authorized in a timely manner, the contractor is entitled to make delay and cost claims. Staff's prompt direction prevented these claims and kept the project on the critical path.

While proceeding with the additional work prior to formal Board approval was contrary to established Policy and Financial Bylaw, staff made this decision in order to avoid project delays, contractual claims, and potential service disruptions. This budget amendment is being brought forward to align with the actual work completed and to ensure transparency and compliance moving forward.

OPTION 1 – Amend Project Budget for Additional Work from Landfill Operating Reserves

This option would have the contracts with Saxon, Trace, and Sicotte amended to allow for the payment of the costs incurred due to the additional work that arose throughout the duration of the Sechelt Landfill Contact Water Pond Relocation Project.

Staff Recommendation

Staff recommend this option. Should the Committee choose to go with Option 1, a recommendation could be considered, as provided in the Overview section on page one of this report.

OPTION 2 – Amend Project Budget for Additional Work through Debt Financing

This option would involve debt financing with a five-year loan for the additional \$365,566 in project funding required and the authorized amount to be borrowed from the Municipal Finance Authority Short-Term Loan (Capital Costs). This would result in \$0.36 in additional taxation per \$100K assessment.

Staff Recommendation

Staff do not recommend this option. Should the Committee choose to go with Option 2, a recommendation could be considered, as follows:

- (1) THAT the Sechelt Landfill Contact Water Pond budget be increased by \$365,566 fund funded from short-term debt;
- (2) AND THAT the Sunshine Coast Regional District authorize up to \$365,566 to be borrowed, under Section 403 of the *Local Government Act*, from the Municipal Finance Authority for the purpose of the Sechelt Landfill Contact Water Pond Project;
- (3) AND THAT the loan be repaid within five-years with no rights of renewal;
- (4) AND FURTHER THAT the 2025-2029 Financial Plan be amended accordingly.

FINANCIAL IMPLICATIONS

The proposed revised project budget request of \$365,566 with a contingency included in the Construction Contract and Construction Engineering estimate, would be sufficient to cover all the additional costs of the project.

Item Description	Approved Budget	Estimated Total Cost to Complete	Variance
Construction Contract	\$887,345	\$1,030,000	(\$142,655)
Construction Engineering	\$37,655	\$200,000	(\$162,345)
Landfill Operations Services		\$60,566	(\$60,566)
Staff Time	\$16,012	\$16,012	\$0
Total	\$941,012	\$1,306,578	(\$365,566)

Originally the relocation of the contact pond was estimated to increase the life span of the Sechelt Landfill by four-years. A preliminary assessment conducted by the Engineer post completion of the project now estimates the remaining lifespan to be potentially six-years. A final analysis of impact will be conducted as part of the annual landfill closure, including financial considerations.

Staff have also identified potential operating costs savings from stockpiled soil/material for the landfill that would otherwise be purchased for cover material over the next 2 years. Staff will do further analysis in preparation of the 2026 Budget deliberations.

STRATEGIC PLAN IMPLICATIONS

This staff report is aligned with the Board's Service Delivery Focus Area of Solid Waste Solutions: Optimize use of Sechelt Landfill site to bridge to future long-term waste disposal solutions.

SUMMARY AND CONCLUSION

During construction of the Sechelt Landfill Contact Water Pond Relocation Project several unforeseen expenses resulted in additional work for a longer duration of time.

To avoid project delays and contractor claims, staff authorized the work prior to formal Board approval, contrary to Policy and Financial Bylaw. This report brings forward the necessary budget and contract amendments to reconcile final costs and ensure compliance.

Staff recommend increasing the project budget by \$365,566 funded from Landfill Operating Reserves and amending the Construction Contract with Saxon Contracting Ltd., the Construction Engineering Contract with Trace Associates Inc., and the Landfill Operations Contract with Sicotte Bulldozing Ltd.

The benefit of the relocation of the contact water pond could potentially result in up to six-years of additional airspace to the Landfill.

Reviewed by:			
Manager		Finance	X - A. Taylor
Acting GM	X - J. Waldorf	Legislative	
CAO	X - T. Perreault	Purchasing and Risk	X - V. Cropp



Staff Report

Request for Decision

TO: Committee of the Whole – June 26, 2025

AUTHOR: Marc Sole, Manager, Solid Waste Services
Michelle Martel, Solid Waste Business Coordinator

SUBJECT: **Site Operation Services for the South Coast Residential Green Waste Drop-off Depot – Contract Extension**

OVERVIEW

Purpose of Report:

The purpose of this report is to seek Board approval to extend the Site Operation Services contract for the South Coast Residential Green Waste Drop-off Depot for an additional one-year period. This report requests a Board decision to accept, reject, or provide alternate direction with respect to the recommendations as presented below.

Recommendation(s):

- (1) THAT Contract 2135202 for Site Operation Services for the South Coast Residential Green Waste Drop-off Depot be extended to Salish Environmental Group Inc. for an additional one-year period to October 31, 2026, and a value up to \$112,151 with the total contract value of \$535,074;**
 - (2) AND THAT the delegated authorities be authorized to execute the contract.**
-

BACKGROUND

The Sunshine Coast Regional District (SCRD) currently holds a contract with Salish Environmental Group Inc. (Salish) to operate the South Coast Residential Green Waste Drop-off Depot. In 2021, the SCRD entered into a three-year agreement with Salish, which included the option to extend the contract for up to two additional one-year terms. One of those extensions has already been exercised.

The purpose of this report is to seek Board approval for the second and final one-year extension of the current operations contract, which is set to expire on October 31, 2025.

DISCUSSION AND ANALYSIS OF OPTIONS

The SCRD's Green Waste Recycling Program includes contracted services for hauling, processing, and the operation of a drop-off depot for residential self-hauled green waste on the South Coast. Currently, Salish provides services for the operation of the South Coast Depot. The South Coast Depot operates on land owned by the Town of Gibsons, currently leased to the SCRD until November 15, 2026. Staff will investigate options for when this lease expires and will bring those forward to the Board by 2026 Q2.

OPTION 1 – Exercise the option to extend the current contract of the Site Operation Services for the South Coast Residential Green Waste Drop-Off Depot for the second and final one-year term.

Financial Considerations

Table 1 outlines the contract values of this proposed contract extension.

Table 1: Contract Values

	Cost
Original Contract Value – Three-years	\$313,403
First Contract Extension Value - One-month	\$0
Second Contract Extension Value – 11-months	\$109,520
Third Contract Extension Value – One-year	\$112,151
Total Contract Value	\$535,074

The Green Waste Program is administered through Regional Solid Waste Service [350] and is funded entirely through taxation. The total cost of the South Coast Residential Green Waste Drop-off Depot, which includes depot operations, processing, and hauling, has a budgeted amount of \$301,132 in 2025.

The 2025 budgeted amount for this contract, relating to site operations, is \$101,440, leaving a shortfall of \$8,526, as shown in Table 2, should the Board choose to proceed with this contract extension. The shortfall of \$8,520 can be absorbed within the 2025 base budget. Any shortfall as a result of extending this service beyond 2026 will be addressed in a future staff report.

Table 2: Budget implications

	Budgeted Amount	Contract Value	Shortfall
2025	\$101,440	\$109,966	\$8,526
2026	\$101,440	\$93,459 (until Oct 31) \$112,151* (until Dec 31)	No shortfalls for this contract during proposed extension \$10,711*

*Estimated values past the expiry of proposed contract extension.

Staff Recommendation

Staff recommend this option. Should the Board choose to go with Option 1, a recommendation could be considered as provided in the Overview section on page one of this report.

OPTION 2 – Do not extend the contract of the Site Operation Services for the South Coast Residential Green Waste Drop-Off Depot and close the Depot.

Should the Board choose not to extend this contract and close the South Coast Green Waste Drop-Off Depot, residents would be given notice between now and the expiry of the contract on October 31, 2025, that the depot is closing. Residents would be directed to take their green waste to Salish Soils in Sechelt, which is a 20 – 25-minute drive away from the current depot location. The distance and driving time between the South Coast Green Waste Drop-Off Depot and Salish Soils is still comparable and, in many cases, significantly shorter than in other communities in BC.

Financial Considerations

As the South Coast Green Waste Drop-Off Depot operations and green waste hauling are funded solely through taxation, closing the depot would reduce taxation by \$301,132 per year.

Staff Recommendation

Staff do not recommend this option. Should the Board choose to go with Option 2, a recommendation could be considered, as follows:

THAT the Site Operation Services for the South Coast Residential Green Waste Drop-off Depot Contract 2135202 not be extended and the Depot be closed;

AND THAT the SCRD provide 30 clear days written notification to the Town of Gibsons to terminate the lease as per the terms of the lease agreement;

AND THAT the budget for Green Waste Operations be reduced to remove South Coast Green Waste Depot expenditures for 2026 and beyond;

AND FURTHER THAT the 2025-2029 Financial Plan be amended accordingly.

STRATEGIC PLAN IMPLICATION

This staff report is aligned with the Board's Service Delivery Focus Area of Solid Waste Solutions: Enhance diversion and recycling programs and look for ways to reduce costs.

TIMELINE

Should the Board approve Option 1, staff will execute the additional one-year extension to the Site Operation Services contract for the South Coast Residential Green Waste Drop-off Depot with Salish, allowing for no disruption to current service.

Should the Board approve Option 2, staff will initiate the process to close the South Coast Residential Green Waste Drop-off Depot. Notice would be provided to residents of the closure as soon as possible. Notice would be provided to the Town of Gibsons to terminate our lease with them, at least 30 days prior to October 31, 2025, as per the terms of the lease agreement.

COMMUNICATIONS

Should the Board choose to go with Option 1, no communication is required as the service level remains unchanged.

Should the Board choose to go with Option 2:

1. Residents would have to be given notice between now and the expiry of the contract on October 31, 2025, that the South Coast Residential Green Waste Drop—Off Depot is closing. This would require the implementation of a communications plan and support from the Communications team.
2. Provide the Town of Gibsons with 30 clear days written notification to terminate the SCRD's lease with them, as per the lease agreement.

CONCLUSION

The current South Coast Residential Green Waste Drop-off Depot operations contract expires on October 31, 2025. Staff recommend extending the contract with the current depot operator, Salish Environmental Group Inc., for one-year at \$112,151, with a maximum contract value of \$535,074.

Reviewed by:			
Manager		Finance	X - A. Taylor
GM	X - R. Rosenboom	Purchasing & Risk	X - V. Cropp
CAO	X - T. Perreault	Communications	X - A. Buckley



Staff Report

Request for Decision

TO: Committee of the Whole – June 26, 2025

AUTHOR: Shelley Gagnon, GM Community Services

SUBJECT: **Final 2025-2026 Sunshine Coast Transit Services Annual Operating Agreement (AOA)**

OVERVIEW

Purpose of Report:

The purpose of this report is to provide the Board with the highlights of the final 2025-2026 Annual Operating Agreement (AOA) between the Sunshine Coast Regional District (SCRD) and BC Transit. The report requests Board decision to accept, reject or provide alternate direction with respect to the recommendations as presented below.

Recommendation(s):

- (1) THAT the report titled 2025-2026 Annual Operating Agreement (AOA) for the Sunshine Coast Transit Service be approved;**
 - (2) AND THAT the delegated authorities be authorized to execute the agreement.**
-

BACKGROUND

Every year, BC Transit and the SCRD enter into an Annual Operating Agreement (AOA) to establish transit service hours, costs and funding for the BC Transit fiscal year, from April 1 to March 31.

BC Transit supplies a three-year budget projection every fall for use in SCRD budget planning. Staff bring forward budget proposals accordingly. The financial implications of the anticipated 2025/26 AOA budget and 2025/26 Expansion Priorities were included in the 2025-2029 Financial Plan.

016/25 *(in part)* **Recommendation No. 35** Budget Proposal 1 - 2025/26 Annual Operating Agreement – Base Budget Lift, \$189,170 funded \$115,785 through Taxation and \$73,385 from BC Transit Recovery / Fare Revenue increasing to \$198,628 in 2026 and \$208,560 in 2027.

320/24 *(in part)* **Recommendation No. 53** Budget Proposal 3 - Transit Expansion Priorities 2025+, \$171,000 funded by User Fees \$8,200, Taxation \$39,500 and BC Transit Share \$123,300 (\$1,100,000 funding required for 2026).

Ridership continues to increase, and by the end of 2024, surpassed pre-COVID numbers. Highlights of 2024 service improvements included: the implementation of UMO (electronic fare collection system), implementation of approved Custom Transit (handyDART) expansion

hours including service on the weekend, and implementation of S-Pass (Fare Free Transit for Youth).

DISCUSSION AND ANALYSIS OF OPTIONS

In alignment with BC Transit fiscal year, the final AOA is presented to the SCRD in the spring of each year and confirms service levels to be delivered, and the associated costs and budget involved. If expansion funding was approved, it would be incorporated into the AOA as well.

The SCRD budget process is typically concluded prior to receipt of the final AOA budget from BC Transit (received after provincial budget is announced in March). It is therefore not always possible to incorporate any changes into the annual SCRD Financial Plan. This can result in funding surpluses or shortfalls, however, historically such changes have not had a material financial impact.

The SCRD has been notified that the 2025/26 transit expansion priorities for the Sunshine Coast Transit Service have been approved and have been incorporated into the final 2025/26 AOA budget.

Staff recommend the 2025-2026 final AOA be approved and executed.

There are no other options presented as the AOA with BC Transit is required for the continued operations of Transit Services on the Sunshine Coast.

FINANCIAL IMPLICATIONS

The financial implications of the anticipated 2025/26 AOA and 2025/26 Expansion Priorities were included in the 2025-2029 Financial Plan.

The tables below summarize the changes between the draft AOA and the final 2025-2026 AOA for Custom and Conventional Services.

Custom Service	2025-2026 Draft AOA Budget	2025-2026 Final AOA Budget	Net Change	% Change
Total Revenue	\$ 11,025	\$ 12,133	\$ 1,108	10.05%
Total Operating Costs	\$ 579,014	\$ 641,748	\$ 62,734	10.83%
Total Costs	\$ 619,853	\$ 688,046	\$ 68,193	11.00%
SCRD Net Share of Costs per AOA	\$ 216,177	\$ 241,425	\$ 25,248	11.68%

Conventional Service	2025-2026 Draft AOA Budget	2025-2026 Final AOA Budget	Net Change	% Change
Total Revenue	\$ 885,127	\$ 907,733	\$ 22,606	2.55%
Total Operating Costs	\$ 5,286,563	\$ 5,298,212	\$ 11,649	0.22%
Total Costs	\$ 5,768,010	\$ 5,791,483	\$ 23,473	0.41%
SCRD Net Share of Costs per AOA	\$ 2,377,495	\$ 2,372,925	\$ (4,570)	-0.19%

The figures above are based on the BC Transit fiscal year and are not reflective of the actual SCRD budget values which incorporate pro-rated portions of both AOA's as well as non-shareable costs. Further information on each line item is provided below.

Revenues:

AOA revenues include fares and advertising and are applied against the local share of operating costs. 2025/26 final AOA revenue show an increase of \$23,714. This difference is based on updated projections from BC Transit which are based on actual 2024 ridership data.

Operating Costs:

The total operating costs included in the 2025-2026 final AOA, have an increase in both custom transit and conventional transit (reflective of the expansion costs) for a combined increase of \$74,383.

Total Costs:

Total costs are reflective of operating costs plus the local share of lease fees for buses, equipment, land, and buildings. The combined 2025-2026 total costs for both services are estimated at \$6,479,529, an increase of \$91,666 as compared to the draft AOA budget.

SCRD Net Share of Costs:

The SCRD net share of costs is the portion of shareable costs. It is calculated as the SCRD share of total shareable operating costs, less fare and advertising revenue and any reserve fund adjustment, if applicable. The net share of costs in the 2025-2026 final AOA budget is estimated to be \$6,032,908, an increase of \$20,678 as compared to the draft AOA budget.

The SCRD net share of costs is funded from taxation, Transit [310].

2025 Taxation Impact:

Due to the difference in fiscal years between the SCRD budget and the BC Transit AOA budget, pro-rated values from both the draft 2025-2026 and final 2025-2026 AOA's are used to calculate the budget values for the SCRD financial plan.

Given that the change in the SCRD's net share of costs is immaterial, a financial plan amendment is not being recommended. Any related variances will be reported through the quarterly variance reports to the Board. Any changes impacting the 2026 portion of the budget will be reflected next year.

STRATEGIC PLAN IMPLICATIONS

N/A

TIMELINE

The AOA is to be signed and returned to BC Transit no later than June 30, 2025.

SUMMARY AND CONCLUSION

Each year, BC Transit and the SCRD enter an AOA that governs transit service costs and funding for the fiscal year from April 1 to March 31. In support of the AOA process, BC Transit provides a draft budget that becomes the basis for the AOA.

The Final 2025-26 AOA budget projects an increase of \$20,678 in the SCRD net share of costs. Staff recommend that the BC Transit 2025-2026 Annual Operating Agreement be approved, and the delegated authorities be authorized to execute the Agreement.

Reviewed by:			
Manager	X - A. Kidwai	Finance	X – B. Wing
GM		Legislative	
CAO	X - T. Perreault	Purchasing & Risk	X – V. Cropp