Sechelt wastewater treatment plant stirs controversy

BY DAPHNE BRAMHAM, VANCOUVER SUN APRIL 18, 2013



Mayor John Henderson with his Tesla sports car

There's a litany of trouble in the seaside paradise of Sechelt that involves a cast of colourful characters and has its genesis in — what else? — an election and a whole lot of money sloshing around in the tiny community of 9,291.

It's a story that raises questions about financial controls on municipal councils, transparency, and the unintended consequences of a flood of infrastructure money from federal and provincial governments. It also may portend a future of increased conflict between municipal leaders and taxpayers, a majority of whom will soon be retired and living on fixed incomes.

At the centre of the maelstrom is the largest infrastructure project in Sechelt's history: a \$22.4-million, wastewater treatment plant.

But the story starts in November 2011, when John Henderson was elected mayor after spending nearly \$16,200 — \$10,731 from his own pocket – to secure the \$35,000-a-year job.

His official biography tells of an entrepreneurial career in Vancouver and Hong Kong and features a photo of the flamboyant Henderson with his \$120,000, electric-powered, orange, Tesla Roadster with Sechelt emblazoned on the side. Last October, the District of Sechelt's office installed the first of 11 electric charging site on the Sunshine Coast.

A second charging site is planned for the district's other office on Field Road.

So, compliments of Sechelt taxpayers, the B.C. government, Livesmart BC and the Fraser Basin Council, Henderson can charge his three-year-old Tesla free while he's at work.

Henderson's council includes the only two incumbents to survive a call for change led during the last municipal campaign by a group called For a Better Sechelt or FABS. Even though it didn't specifically endorse any candidates, FABS raised and spent about \$46,200.

To put that in perspective, that's 15 times more than the \$3,000 cap on third party spending in each riding during provincial election campaigns. Put another way, it is per-voter spending that in Vancouver would have amounted to third parties spending \$1.8 million, or nearly six times the \$312,263 that was spent.

It seems ever since the election, the community has been roiling. Six senior staff out of a total of 52 district employees have resigned or been fired. Among them are: two chief administrative officers (the

second lasted only six months), the chief financial officer, the corporate services director and the sustainability director. Henderson says he's talked to other B.C. mayors and the turnover is "far from the highest."

But local critics question the need for and the cost of the firings and the reason for the sudden resignation of the chief financial officer. Because personnel matters are confidential, there are no answers to that.

In its first year, council has already admitted to overspending the budget by nearly \$1 million; a big chunk of that resulted from a decision taken over operation of a failed, private golf course.

The final numbers aren't in yet, but Henderson admits the \$1 million doesn't include \$160,000 spent on interim staff, nearly \$500,000 in employees' severance pay or \$625,000 for paving three roads that later turned out not to be on land owned by the District of Sechelt.

But what's got some people ready to revolt is the new sewage plant.

On Feb. 5, Henderson announced that a \$22.4-million plant would be built downtown on the site of an existing plant, which is surrounded by homes and sits on a peat bog barely above sea-level on the aptly named Ebbtide Street.

Less than a year earlier — on April 12, 2012 — council had endorsed constructing the new plant on Dusty Road, near the other plant. It is an industrial site between two gravel pits, which a previous council had purchased specifically for an expanded wastewater treatment plant. The Ebbtide site was to be sold for redevelopment. A 2010 consultant's report indicated the money from that sale would likely fund "a substantial portion of the new plant."

Residents were also told council had chosen technology that is untried in any of the more than 30,000 sewage plants in North America.

All of the discussions and decisions made about the plant — choosing the builder, the site, the technology and even how to pay for it — were done behind closed doors at in-camera meetings. And, by the time taxpayers got their first look at it, council had already signed a contract with the successful bidder and spent or committed more than \$1 million.

Some Ebbtide Street homeowners, fed up with years of enduring the stink from the aging facility, were furious.

One of them, Betty Anne Pap, went to council in mid-March along with more than 100 other protesters demanding greater public consultation. Pap ended her presentation by asking whether the decision to re-build on the Ebbtide site has anything to do with the fact that the mayor's \$1.16-million home is only a few hundred metres from the Dusty Road site.

Henderson was indignant when asked about the decision and whether where he lives had anything to do with it.

"I only have one vote out of seven on council," he said in an interview, adding the downtown site was the unanimous choice of the successful bidder as well as the sewage facilities steering committee.

The sewage committee's Dec. 18 meeting, at which the successful bidder's proposal was discussed, was held in-camera. Minutes from that meeting were not released to the public until March 6 and there is no indication how any of the members voted.

The minutes do note that prior to that meeting, there had been at least one project steering committee meeting and full-day workshops. Those meetings and workshops were also not open to the public. Aside from district staff, project steering committee members and two consultants who had been hired by council, the only others at the workshops were a representative from the Sechelt Indian band and a representative from the Coast Community Builders Association.

"As long as it's noiseless, odourless and green, I don't care where it goes," Henderson said, adding his 'adopted family' — his goddaughter and her parents, a Filipino couple who emigrated to Canada with the Hendersons' help after having worked for them in Hong Kong — live right across from the Ebbtide

plant.

"The project is going to be fantastic for the community, a win for everybody ... It's right beside a duck pond and a marsh [which is owned by the Nature Conservancy]."

What council has agreed to build is essentially a big greenhouse over top of sewage holding tanks. Sewage will be screened before it goes into the tanks, where microbes and plant roots will feed on the biomass. Once the treatment is completed, the sludge will be "de-watered" and treated. The water that comes out of the plant could be used for irrigation or even flushing toilets. But that's not included in the \$22.4-million price.

Henderson believes the sewage plant may become a tourist attraction. Already, he says, other mayors have expressed interest in having a look when it's finished. And Henderson said it offers the potential for great business opportunities.

Among the mayor's highest-profile critics are: Jef Keighley, a former national director of the Canadian Autoworkers Union and co-chair of the Sunshine Coast branch of the Council of Senior Citizens Organization; and, Barry Pruden, an emeritus professor at the University of Calgary's chemical and petroleum engineering school.

In a nine-page letter to Sechelt council dated Feb. 25, Keighley outlined the concerns of the seniors' group: an opaque tendering process; the choice of the downtown location instead of an industrial site that council had endorsed less than a year ago; and, the cost.

"They [council] think they are running a private corporation rather than a public office," Keighley said in an interview. He calls Henderson "the NIMBY mayor."

Henderson, in turn, says Keighley has no business intruding in Sechelt's business since he lives outside the district in nearby Halfmoon Bay.

Pruden's criticisms are technical ones, gleaned from a close reading of the documents in the request for proposals and from what he knows from his experiences running wastewater treatment plants and teaching engineering students about how to design them.

His conclusion about the new plant? "It will be obsolete almost by the time it's built."

And it has nothing to do with the new technology. "I'm basically uni-dimensional. They [council] can do what they want about the technology."

Pruden's concern is that the engineers were given the wrong information by council in the request for proposal stage.

It all comes down to measurements and which ones were used in the specifications for the new plant.

The request for expressions of interest, dated January 2012 and sent out to engineering firms for proposals, says that the Dusty Road facility's capacity is 2,200 cubic metres a day and Ebbtide's capacity is 1,700 cubic metres daily for a total of 3,900 cubic metres.

But the replacement plant will only have a capacity of 4,000 cubic metres. As Pruden says: "We're only gaining 100 cubic metres of capacity a day for \$22.4 million."

And that's Pruden's best-case scenario.

When the district set the specifications for the new plant, Pruden said it used the readings from the old meters instead of the newer, more sophisticated, Doppler ones installed a few years ago.

He believes the current capacity was under-estimated by as much as 50 per cent. Further, the retired engineering professor believes that within a few years of the new plant's scheduled completion in September 2014, Sechelt will need capacity for treating 5,500 cubic metres of sewage each day.

"My major concern is that I think they have done a lousy job of measuring the flow of grey water (the sewage that does into the plant). To me, the flow number is blatantly and absolutely incorrect."

Finally, there's the question of cost and how it will be paid.

Because of a confidentiality agreement with the other four bidders, it's not known whether the cost of the chosen design is in line with the others. Henderson said in an interview that the greenhouse technology is more expensive than traditional treatment methods, but he declined to say how much more. http://www.ccwpc.org/images/educ_materials/wwreports/cape_cod_ww_costs--4-10.pdf

Pruden looked at a recent, published study of construction costs of 126 sewage treatment plants across North America. Based on that, Pruden says the cost of the Sechelt plant is 20-per-cent higher than the most expensive one in that study.

So far, Sechelt has only secured half the funding – \$8 million from the federal gas tax fund, which is administered by the Union of B.C. Municipalities and the province, and \$3.2 million from the Building Canada Fund.

The rest will come from: a projected surplus of \$4.5 million in the sewer operating fund at the end of 2013; \$2.39 million from general operating surplus and reserves; and \$2.5 million in short-term borrowing, which doesn't require taxpayers' approval.

The mayor hopes the Sechelt Indian Band will invest \$1.6 million, but no agreement has yet been reached. Since the plant's completion date isn't until September 2014, Henderson says there's still time for Sechelt time to find other sources of funding.

Despite the protests at council and letters to the editor of the local newspaper, the mayor rejects suggestions that Sechelt residents are anything less than happy with council or his leadership.

He points to a survey of 300 residents done by Innovative Research Group at a cost of \$16,500 that found two-thirds were happy with the services they received.

But that survey was taken three months before residents were told the sewage plant would remain downtown and four months before council released 168 pages of documents (including the request for proposals and plant specifications) from in-camera meetings dating as far back as March 2012.

So, what's really going on in Sechelt? Did council choose the right technology and the right contractor and get it all at the right price? Is the biggest infrastructure project in the district's history the best ever? Or is it the worst ever?

Those are the \$22.4-million questions.

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Other good material...

http://www.mass.gov/dep/water/priorities/empilot.htm

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