



Making a difference...together

Minutes of the Beddis Water Service Commission

Held December 3, 2020 at the Creekside Meeting Room, #108 121 McPhillips Ave Salt Spring Island, BC

Present: **Director:** Gary Holman
Commission Members: Laurie Jacques, Geoff Bartol, Michael McCormick
Staff: Karla Campbell, Senior Manager SSI Electoral Area; Lia Xu, Manager, Finance Services; Dan Robson, Manager, Saanich Peninsula and Gulf Islands Operations; Allen Xu, Manager Engineering; Tracey Shaver, Recording Secretary
Absent: Ruth Waldick
Participants: Simon Wheeler

VIRTUAL MEETING via Microsoft Teams

1. Territorial Acknowledgement / Call Meeting to Order

Meeting was called to order at 9:30 am with the additional item of election of chair as the second order of business.

2. Election of Chair

Commissioner Bartol nominated Laurie Jacques for position of chair.
Hearing no other nominations Laurie Jacques accepted the position of chair and was appointed by acclamation.

3. Approval of Agenda

Approval of the agenda was inadvertently left off and has been added back in which will cause the remainder of agenda items to be renumbered.

MOVED by Commissioner Jacques, **SECONDED** by Commissioner Bartol,
That the Beddis Water Service Commission agenda of December 3, 2020 be approved as amended by adding in items election of chair, approval of agenda, renumbering of the remaining items and item 6.2 Innova Water Optimization Study.

CARRIED

4. Adoption of the Minutes of October 10, 2019

MOVED by Commissioner Jacques, **SECONDED** by Commissioner Bartol,
That the Beddis Water Service Commission meeting minutes of October 10, 2019 be approved.

CARRIED

5. Chair and Director Reports - None

6. New Business

6.1 2021 Operating and Capital Budget

- 2020 is projected to be over by approximately \$13,000 due to emergency responses, corrective maintenance and lower water sales revenue and a leak adjustment.
- Staff suggest carrying the debt over to 2021 and recovering it through user charges for a one year increase
- Chair Jacques presented several items for discussion and declared that the Beddis Water Service would not approve the budget as submitted.
- Lengthy discussion on merits of a mobile generator system to be shared between other water service areas versus the proposed stand-alone systems for specific treatment plants to maintain water production during prolonged power outages.

Karla Campbell left the meeting at 10:00 am

Karla Campbell returned to the meeting at 10:17 am

MOVED by Director Holman, **SECONDED** by Commissioner Bartol,
That the Beddis Water Service Commission recommend that before tendering the back-up power request for proposal, staff approach other water districts to determine if there is interest in participating in the investigation of a shared portable back-up power system such as a mobile generator.

CARRIED

- Lengthy discussion on proposed increase to user charge; major driver is the operational debt, lower water sales and a long term financial review by staff.
- Staff advise that lowering transfers to reserves will put the service at risk of future deficits and may continue a cycle of having user charges with significant fluctuation each year.
- Several items in the 2021 capital plan are relying on Community Works Funds; Director Holman requests alternative funding sources be investigated.
- Director Holman proposed a combination of lowering both transfers to reserves to achieve a User Charge increase of 21% instead of the proposed 29%.
- The amendment to the transfers to reserves will lower the User Charge to about \$143.00 from \$199.39.

MOVED by Director Holman, **SECONDED** by Commissioner Bartol,
That the Beddis Water Service Commission requests a reduction in the 2020 transfer to reserves as follows: Operating Reserves lowered by \$1,000 and Capital Reserves by \$6,000.

CARRIED

MOVED by Commissioner Jacques, **SECONDED** by Commissioner Bartol,
That the Beddis Water Service Commission:

1. Approve the 2021 capital budget in principal as presented, and that the 2020 actual operating deficit to be carried forward to 2021 budget to be recovered by user charge;

2. Approve the 2021 operating budget as amended, and that the 2020 actual operating deficit to be carried forward to 2021 budget to be recovered by user charge;
3. Recommend that the Electoral Area Services Committee recommend that the CRD Board approve the 2021 Operating and Capital Budget and the five year Financial Plan for the Beddis Water Service as amended.

CARRIED

Director Holman leaves the meeting at 11:45 am

6.2 Water Optimization Study

Joint study is still in a draft form and no comments will be released until it is finalized.

Lia Xu leaves the meeting at 11:50 am

7. Outstanding Business

7.1 Beddis Asset Management Plan

- Tool to be used to inform capital plans
- Updating plan each year
- Seven individual structures related to the service were evaluated
- Report received for information

8. Adjournment

MOVED by Commissioner Jacques, **SECONDED** by Commissioner Bartol,
That the meeting be adjourned at 11:57 am.

CARRIED

CHAIR

SENIOR MANAGER