



Notice of Meeting and Meeting Agenda Surfside Park Estates Water Service Committee

Thursday, March 6, 2025

9:30 AM

Goldstream Conference Room
479 Island Hwy
Victoria BC V9B 1H7

Members of the public can view the live meeting via MS Teams link: [Click here](#)

Alternatively, to hear the meeting via telephone:

Call: 1-877-567-6843 and enter the Participant Code 670 975 43#

P. Brent (EA Director), W. Mulvin, L. Vallee, K. Wall

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. Election of Chair

3. Election of Vice Chair

4. Approval of Agenda

5. Adoption of Minutes

5.1. [25-0227](#) Minutes of the Surfside Park Estates Water Service Committee of October 31, 2024

Recommendation: That the minutes of the Surfside Park Estates Water Service Committee of October 31, 2024 meeting be adopted as circulated.

Attachments: [Minutes - October 31, 2024](#)

6. Chair's Remarks

7. Presentations/Delegations

The public are welcome to attend CRD meetings in-person.

Delegations will have the option to participate electronically. Please complete the online application at www.crd.bc.ca/address 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 Committee at legserv@crd.bc.ca.

8. Commission Business

8.1. [25-0229](#) Senior Manager's Verbal Update

Recommendation: There is no recommendation. This verbal update is for information only.

8.2. [25-0216](#) Capital Projects and Operational Update - March 2025

Recommendation: There is no recommendation. This report is for information only.

Attachments: [Staff Report: Capital Projects and Operational Update - March 2025](#)

9. Notice(s) of Motion

10. New Business

11. Adjournment

The next meeting is at the call of the Chair.

To ensure quorum, please advise Megan MacDonald (mmmacdonald@crd.bc.ca) if you or your alternate cannot attend.



Making a difference...together

MINUTES OF A MEETING OF THE Surfside Park Estates Water Service Committee, held Thursday, October 31, 2024 at 2 p.m., In the Goldstream Conference Room, 479 Island Highway, Victoria, BC

PRESENT: Committee Members: L. Vallee (Chair); K. Wall (Vice Chair); P. Brent (EA Director) (EP); W. Mulvin (EP)

Staff: J. Marr, Senior Manager, Infrastructure Engineering; D. Robson, Manager, Saanich Peninsula and Gulf Islands Operations; L. Xu, Manager, Local Services and Corporate Grants; N. Tokgoz, Manager, Water Distribution Engineering and Planning; M. Risvold (Recorder)

REGRETS: R. Noyes

EP = Electronic Participation

The meeting was called to order at 2:07 pm.

1. TERRITORIAL ACKNOWLEDGEMENT

The Chair provided the Territorial Acknowledgement.

2. APPROVAL OF AGENDA

The order of agenda items 7.1 and 7.2 were switched.

MOVED by K. Wall, **SECONDED** by P. Brent,
That the agenda be approved as amended.

CARRIED

3. ADOPTION OF MINUTES

MOVED by K. Wall, **SECONDED** by P. Brent,
That the minutes of the June 27, 2024 Surfside Park Estates Water Service Committee meeting be adopted.

CARRIED

4. CHAIR'S REMARKS

The Chair thanked everyone for attending the meeting and noted that there are significant decisions to be made with the budget report being presented today.

5. PRESENTATIONS/DELEGATIONS

There were none.

6. SENIOR MANAGER'S REPORT

Staff provided the following updates:

- Private property winterization. The Capital Regional District (CRD) is running a campaign to inform homeowners within small water systems the benefits of winterizing their properties to prevent leaks during the cold season. Information has been shared on social media platforms and on the respective CRD Drinking Water Systems webpages.

- Grant application for water conservation signage. CRD was successful in receiving a grant from the Union of British Columbia Municipalities for permanent water conservation signage. The signage will display current water restriction levels and will be installed in the community, replacing the current sandwich boards. It is anticipated that there will be no cost to the service for the signs or installation.

7. COMMITTEE BUSINESS

7.1. Capital Project Status Reports and Operational Updates - October 2024

Staff introduced item 7.1.

Discussion ensued on the following items:

- **Engaging the public for the upcoming Alternative Approval Process (AAP):** Staff mentioned that internal discussions on anticipated debt borrowing are ongoing, and a petition process might be ideal for the service. They also discussed plans in case of insufficient community support for borrowing funds and noted that proven community buy-in and capital plan inclusion favour grant applications.
- **The ability and requirements to apply for available grants:** Staff advised that while grants can be applied for, if they are available, securing grants is more successful when the community has their share of the funds available, and the project is on the capital plan. A decision could be made in January or February 2025 once logistics for an alternative approval process (AAP) or petition are confirmed. The buy-in and approval process takes several months, so it's advisable to start the process soon to move forward.

Discussion ensued regarding:

- The implications of not borrowing funds to upgrade the storage tanks.
- The changes, disposal, and costs associated with arsenic media filters.
- Upcoming water sampling for metals.
- With leaks identified and repaired, there will be fewer filter media replacements, as less treated water will be wasted.
- How the information will be presented to the community to obtain approval for an AAP.

7.2. Surfside Park Estates Water Service 2025 Operating and Capital Budget

Staff spoke to item 7.2.

Discussion ensued on the following items:

- **Project 28-01: Watermain Replacement Program** -Staff explained project 28-01 is a placeholder in the budget and is further detailed in the asset management report from the June 27, 2024, meeting. The placeholder indicates the value and future liability of the program. Despite current leakages, significant watermain breaks will require immediate repair.
- **Industry surplus of used stainless steel tanks:** Staff advised that used tanks were not reviewed or considered for the water storage tank upgrade. Staff will review if this is an option. Discussion ensued regarding the storage tank size requirements.

- **Increase in taxes:** Staff directed the committee to page 8 of the agenda package to review the debt simulation table. Staff stated it is important to note that the table is a debt simulation based on assuming all projects are funded by debt, noting there could be future grant opportunities.
- **User charge collection:** Staff advised the user charge is collected by CRD, and billing is issued quarterly. Parcel tax is collected through property taxes, through Ministry of Finance.
- **Cost increases in the coming years:** Staff advised that the most significant increases will occur in 2026 and 2027. The 2025 increase is due to rising operational budget and costs. Compared to last year, the operating reserve is increasing. However, due to last year's deficit, there are insufficient funds to cover all deficits in 2024 from the operating reserve.
- **Loan authorization bylaw for water storage tanks:** Staff advised that obtaining a loan authorization requires a design to determine the borrowing amount. The bylaw must undergo public approval before adoption. If a grant opportunity arises, staff will apply, reducing the borrowing amount if successful. The loan authorization will set a maximum borrowing limit.
- **Grant access:** Staff advised that being part of a regional district provides more access to grant programs, while improvement districts and private systems have very limited access. Staff noted that if the service has its share of funding available, it typically leads to a more successful grant application. Common requirements include providing a 5-year capital plan, dollar value, cost estimates, and studies.

MOVED by W. Mulvin, **SECONDED** by K. Wall,

1. That the 2025 Operating and Capital Budget be approved as presented; and \$14,000 2024 deficit be included as an expenditure to be recovered from revenue in the 2025 financial plan as required by Local Government Act (LGA) Section 374 (11); and any remaining deficit be balanced on the 2024 Reserve Funds transfer (Capital Reserve Fund and/or Operating Reserve Fund).
2. That the Surfside Park Estates Water Service Committee recommends that the Electoral Area Services Committee recommend that the Capital Regional District Board approve the 2025 Operating and Capital Budget and the five-year Financial Plan for the Surfside Park Estates Water Service as presented.

CARRIED

8. CORRESPONDENCE

There was none.

9. NEW BUSINESS

Discussion ensued regarding placing water storage tanks in a CRD park and potential disruptions to a popular trail during construction. Staff advised that CRD Regional Parks approval is required to proceed. It would be efficient to add underground power while installing pipe work. The planning process includes determining alignment, water lines, and a communication plan, given the park's heavy usage.

10. ADJOURNMENT

MOVED by K. Wall, **SECONDED** by W. Mulvin,
That the October 31, 2024 Surfside Park Estates Water Service Committee meeting be
adjourned at 2:59 pm.

CARRIED

CHAIR

SECRETARY

**REPORT TO SURFSIDE PARK ESTATES WATER SERVICE COMMITTEE
MEETING OF THURSDAY, MARCH 6, 2025**

SUBJECT **Capital Projects and Operational Update - March 2025**

ISSUE SUMMARY

To provide the Surfside Park Estates Water Service Committee with capital project status reports and operational updates.

BACKGROUND

The Surfside Park Estates Water System is located on the southwest side of Mayne Island in the Southern Gulf Islands Electoral Area and provides drinking water to approximately 70 customers. Capital Regional District (CRD) Infrastructure and Water Services is responsible for the overall operation of the water system with day-to-day operation, maintenance, design, and construction of water system facilities provided by the CRD Infrastructure, Planning and Engineering and Infrastructure Water Operations divisions. The quality of drinking water provided to customers in the Surfside Park Estates Water System is overseen by the CRD Water Quality division.

CAPITAL PROJECT UPDATE

23-01 | Alternative Approval Process (AAP)

Project Description: Undertake an AAP or petition to borrow funds to carry out water system improvements in future years.

Project Rationale: Capital Reserves are insufficient to carry out needed capital improvements in the water service. In the absence of grant funding, approval to secure debt will be required in order to proceed with capital improvements.

Project Update and Milestones:

- CRD has incorporated preliminary cost estimates into the 2025 Capital Plan and will await Committee review and comment prior to proceeding with the means to secure debt funding.

Milestone	Completion Date
Funding approved	March 2024

OPERATIONAL UPDATE

This is an operational update reporting period from October 2024 through January 2025.

- Ongoing contract operator training continued during this period.
- Significant effort performing leak detection and repair activities during this reporting period. System leaks are currently a high risk for the service and more leak detection effort and repairs are required. There has been an increase in annual water production for 2024 of 43% from

the five-year average. Annual water system demand (water metered use) is relatively stable which indicates system leaks or water loss is increasing and at high risk for the service. The daily water production is nearing water treatment capacity which additionally is placing significant stress on ground water resources. The average daily water production is now more than three times the average daily water demand. As a result, water treatment costs are escalating specifically around the arsenic media replacement frequency, one of the highest operating costs for the service. A robust leak detection plan is currently being developed and concurrently underway. The leak detection plan includes the use of more advanced leak detection technologies such as leak detector gas. Costs for this work are not accounted for in the 2025 operating budget. However, as leaks are located and repaired, the costs could be offset by water treatment process savings such as fewer arsenic media replacements.

- Changeout of Water Treatment Plant arsenic filtration Vessel A in October and December 2024, and Vessel B November and December 2024. Operationally in 2024, there were a total of eight arsenic media changes which is more than what was budgeted for.
- Corrective maintenance on sodium hypo chlorite chemical feed pump that included replacement of wear parts.
- Emergency callout due to hydro power outage on November 19 and December 19, 2024. Standby generator was deployed due to the length of time the water treatment plant was without power.
- Effective late January 2025, metals (arsenic) water quality sampling and testing frequency was adjusted from monthly to weekly. This was actioned to ensure operations received more timely information to assist with planning and execution for arsenic media replacement. This will lower the risk of an exceedance as defined in the Guidelines for Canadian Drinking Water Quality.

RECOMMENDATION

There is no recommendation. This report is for information only.

Submitted by:	Dan Robson, A.Sc.T., Manager, Saanich Peninsula and Gulf Islands Operations
Submitted by:	Jared Kelly, P.Eng., Manager, Capital Projects
Concurrence:	Joseph Marr, P.Eng., Senior Manager, Infrastructure Planning and Engineering
Concurrence:	Jason Dales, B.Sc., WD IV., Senior Manager, Infrastructure Wastewater Operations
Concurrence:	Alicia Fraser, P.Eng., General Manager, Infrastructure and Water Services