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## JUAN DE FUCA WATER DISTRIBUTION COMMISSION

Notice of Meeting on **Tuesday, October 6, 2020 at 12 p.m.**

Goldstream Room, 479 Island Highway, Victoria, BC

For members of the public who wish to listen to the meeting via telephone please call **1-833-353-8610** and enter the **Participant Code 1911461** followed by **#**. You will not be heard in the meeting room but will be able to listen to the proceedings.

G. Logan (Chair)	K. Kahakauwila
J. Rogers (Vice Chair)	E. Logins
G. Baird	L. Szpak
M. Hicks	R. Wade

### AGENDA - **REVISED** Lunch will be available

#### 1. TERRITORIAL ACKNOWLEDGEMENT

#### 2. APPROVAL OF AGENDA

#### 3. ADOPTION OF MINUTES .....3

*Recommendation: That the minutes of the June 2, 2020 meeting be adopted.*

#### 4. CHAIR'S REMARKS

#### 5. PRESENTATIONS/DELEGATIONS

*Presentations and delegations will be permitted to speak to an agenda item via phone-in participation.*

*Delegations can make a request [online](#) or complete this [printable form](#) (PDF). Requests must be received no later than 4:30 p.m. two calendar days prior to the meeting.*

*Written submissions are still encouraged.*

#### 6. COMMISSION BUSINESS

##### 6.1. JWDC 20-05 2019-2022 Water Service Planning.....8

*Recommendation: The Juan de Fuca Water Distribution Commission recommends to the Capital Regional District Board:*

*That Appendix A Community Need Summary – Water be approved as presented and advanced to the October 28, 2020 Provisional budget review process.*

##### 6.2. JWDC 20-04 Juan de Fuca Water Distribution Service 2021 Operating and Capital Budget .....21

*Recommendation: That the Juan de Fuca Water Distribution Commission recommends that the Capital Regional District Board:*

1. Approve the 2021 Operating and Capital Budget and the Five Year Capital Plan;

2. Approve the 2021 Juan de Fuca Water Distribution Service retail water rate of \$2.3081 per cubic metre, adjusted if necessary by any change in the Regional Water Supply wholesale water rate; and
3. Amend the Water Distribution Local Service Conditions, Fees and Charges Bylaw accordingly.

### **6.3. Bylaw No. 4379, Juan de Fuca Water Distribution, Loan Authorization Bylaw ....60**

**Recommendation:** The Juan De Fuca Distribution Commission recommends to the Capital Regional District Board:

1. That Bylaw No. 4379, Juan de Fuca Water Distribution Facilities Loan Authorization Bylaw No. 5, 2020, be introduced and read a first, second, and third time;
2. That elector assent for Bylaw No. 4379 in the entire service area be obtained via alternative approval process, according to section 345 of the Local Government Act, and if successful, referred to the Inspector of Municipalities for approval.

### **6.4. JWDC 20-06 Sun River Reservoir Agreement.....65**

**Recommendation:** That the Juan de Fuca Water Distribution Commission direct staff to:

1. Finalize an agreement between Sun River Estates Ltd. and the CRD for the transfer of land for the new and future reservoirs and funding for required development reservoir capacity, subject to the proposed reservoir location meeting all zoning setback requirements;
2. Proceed with the design and construction of a new bolted steel reservoir to provide capacity for the future development requirements and to compensate for lost storage capacity in the existing reservoir;
3. Fund the Juan de Fuca Water Distribution share of the new bolted steel reservoir with up to ~~\$930,000~~ **\$900,000** in funds remaining in the Sun River Reservoir Capital Project **20-06** ~~15-02~~; and
4. ~~Fund a share of the new bolted steel reservoir up to \$200,000 provided by Sun River Estates Ltd. through the agreement.~~ **Have Sun River Estates Ltd. fund a share of the new bolted steel reservoir of up to \$200,000 through the agreement.**

Items 3 & 4 of this recommendation on the originally published agenda page were not the most current wording. The staff report on page 66 contained the correct recommendation. The minutes also reflect the correct recommendation.

### **6.5. Summary of Recommendations from Other Water Commissions .....85**

**Recommendation:** That the Summary of Recommendations from Other Water Commissions be received for information.

### **6.6. Water Watch Report .....93**

**Recommendation:** That the September 28, 2020 Water Watch report be received for information.

## **7. CORRESPONDENCE**

### **7.1. Kemp Lake Waterworks Water Rates – K. Brehart, Chair of the Board of Trustees Kemp Lake Waterworks District .....99**

**Recommendation:** That the correspondence be received for information.

## **8. NEW BUSINESS**

## **9. ADJOURNMENT**



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**MINUTES OF A MEETING OF THE JUAN DE FUCA WATER DISTRIBUTION COMMISSION,  
Held Tuesday, June 2, 2020 at 12 p.m., Goldstream Conference Room, 479 Island Highway,  
Victoria, BC**

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**PRESENT: Commissioners:** G. Logan (Chair); L. Szpak  
**By WebEx:** G. Baird; M. Hicks; K. Kahakauwila; E. Logins; J. Rogers; R. Wade (12:10 p.m.)  
**Staff:** T. Robbins, General Manager; R. Lapham, CAO; K. Vincent, Senior Financial Advisor (by WebEx); D. Dionne (Recorder)

The meeting was called to order at 12:00 p.m.

Chair Logan conducted a roll call and advised that, for ease of tracking responses and minute-taking, the procedure when calling the question on a recommendation will be to seek response from only those opposed to an item.

**1. APPROVAL OF AGENDA**

Commissioner Hicks added under New Business:

**8.1 Temporary Financial Relief**

**MOVED** by Commissioner Szpak, **SECONDED** by Commissioner Hicks,  
That the agenda be approved as amended.

**CARRIED**

**2. ADOPTION OF MINUTES**

**MOVED** by Commissioner Rogers, **SECONDED** by Commissioner Kahakauwila,  
That the minutes of the March 3, 2020 meeting be adopted.

**CARRIED**

**3. CHAIR'S REMARKS**

The Chair had no remarks.

**4. PRESENTATIONS/DELEGATIONS**

There were no presentations or delegations.

**5. GENERAL MANAGER'S REPORT**

**5.1. Essential Water Service Delivery – COVID-19**

T. Robbins reported that:

- Integrated Water Service (IWS) staffing levels have not been impacted by COVID-19, and staff have continued to deliver the operating, maintenance and capital programs.
- No significant supply chain issues.

- Staff are tracking incremental costs of implementing COVID-19 protocols and procedures. The costs are not material in terms of direct impact on the operating budget.
- No significant changes in revenue or collections due to COVID-19.
- Overall water demand for the Juan de Fuca service is tracking slightly higher than last year at this time, possibly a result of people being at home and using more water.
- The Emergency Operations Center is now operating at level one.
- In accordance with the provincial phase two restart approach and WorkSafe BC requirements, the Capital Regional District (CRD) is finalizing its COVID-19 safety plan for the office environment.
- Yesterday, the water billing counter opened to the public with some new protocols in place to ensure the safety of public and staff.

## **5.2. Phone Delegations – July Meeting**

T. Robbins advised that processes are being established to allow phone-in delegations, which will start later this month at the CRD Board meeting. This Commission would be able to accept phone-in delegations at its July meeting, as well as continuing to provide the option of in-person attendance at the meetings and electronic participation.

Commissioner Szpak expressed her appreciation of staff for their diligence in adapting to the COVID-19 situation. She thanked staff for their continued updates as the situation progresses.

## **6. COMMISSION BUSINESS**

### **6.1. JWDC 20-03 2020 Capital Budget Amendment**

T. Robbins introduced the report outlining the proposed capital budget amendments to accommodate a change in project plans and schedules for the Goldstream Avenue and Walfred Road asbestos cement (AC) water main replacement projects, as detailed in the staff report.

Discussion ensued and the following additional information was provided:

- The complex nature of the project requires more extensive engagement with stakeholders and planning with the City of Langford before moving into construction. This has become logistically challenging due to COVID-19 impacts.
- Traffic logistics will also be complex in order to allow traffic to move through Goldstream Avenue without interrupting water service to properties.
- CRD generally tries to coordinate projects that will disturb the roads, however the timeline for this project was advanced as a result of a major development planned near Spencer Road and Leigh Road and CRD wants to get the water services in place there before the improvements are made.

**MOVED** by Commissioner Kahakauwila, **SECONDED** by Commissioner Baird,  
The Juan de Fuca Water Distribution Commission recommends to the Capital Regional District Board, that the 2020-2021 Juan de Fuca Water Distribution Service Financial Plan be amended as shown in Appendix A.

**Appendix A:**

Project	Current 2020 Budget	Current 2021 Budget	Amended 2020 Budget	Amended 2021 Budget
AC Pipe Replacement Program	3.0M	\$3.0M	\$4.2M	\$1.8M
Goldstream AC Replacement Project	\$5.0M	0	\$0.2M	\$4.8M
<b>Total</b>	<b>\$8.0M</b>	<b>\$3.0M</b>	<b>\$4.4M</b>	<b>\$6.6M</b>

**CARRIED**

**6.2. Summary of Recommendations from Other Water Commissions**

**MOVED** by Commissioner Rogers, **SECONDED** by Commissioner Kahakauwila,  
That the Summary of Recommendations from other water commissions be received for  
information.

**CARRIED**

**6.3. Water Watch Report**

**MOVED** by Commissioner Rogers, **SECONDED** by Commissioner Baird,  
That the May 25, 2020 Water Watch report be received for information.

**CARRIED**

**7. MOTIONS WITH NOTICE**

*\*\* Note: The attachments in the agenda package were reversed, Item 7.1 was numbered 7.2 and Item 7.2 was numbered as 7.1.*

**7.1. Amendment to the Board Remuneration and Travel Expense Reimbursement Policy - Commissioner Rogers**

Commissioner Rogers introduced the recommendation noting that the requested stipend should be consistent with the Regional Water Supply Commission and that it would be funded through the Juan de Fuca Water Service revenue.

Discussion ensued on the following:

- Remuneration for alternate forms of travel such as, electric vehicles or electric bikes.
- The differences in makeup of each commission.
- Commissioners who do not have a lot of travel expenses.

A friendly amendment was made to the last sentence to change the wording “...for the ~~Board's Commission's~~ consideration”.

**MOVED** by Commissioner Rogers, **SECONDED** by Commissioner Szpak,  
That the Juan de Fuca Water Distribution Commission requests that the CRD Board consider amending the *Board Remuneration and Travel Expense Reimbursement Policy*, to include remuneration for meeting attendance for JDF Water Distribution

Commissioners, and direct staff to prepare a report outlining the implications of such an amendment and a recommendation, for the Commission's consideration.

**FAILED**

**Opposed: Logins, Kahakauwila, Wade, Hicks, Logan**

## **7.2. Juan de Fuca Water Rate Structure Review - Commissioner Rogers**

Commissioner Rogers introduced the recommendation.

Discussion ensued and staff responded to questions with the following additional information:

- Staff would prepare a report outlining all the implications including revenue lag and the current consumption-based revenue model.
- Moving to a fixed charge (or meter charge) model provides the opportunity to capture the fixed component of the overall charge, which could potentially deal with the revenue lag.
- The model would be essentially cost neutral for the average customer.
- The review would be conducted into 2021 with a potential rate structure revision for 2022 at the earliest.

**MOVED** by Commissioner Rogers, **SECONDED** by Commissioner Baird,  
That the Juan de Fuca Water Distribution Commission directs staff to conduct a rate structure review that considers a rate structure with a fixed charge component, such as a meter charge, and a consumption based volumetric component for comparison with the current consumption-based volumetric rate, with a goal of capturing revenue from serviced properties which are not consuming water, in order to assist with funding the operations and maintenance expenses incurred by the entire service area, for serviced developments.

**CARRIED**

## **8. NEW BUSINESS**

### **8.1. Temporary Financial Relief**

In order to provide some financial relief, Commissioner Hicks brought forward a request for the Commission to consider temporarily offering the agricultural water rate, for this summer only, to a non-profit association in Sooke.

He advised that the Sooke Community Association owns, operates and maintains a soccer field. Since COVID-19 the field has not been used and as such fees have not been collected from soccer organizations resulting in a lack of revenue for the Sooke Community Association. However the field still requires maintenance including watering to keep it up.

Discussion ensued regarding:

- Water Rate bylaw amendment requirements.
- Agricultural rates are determined through the property classification.
- Municipal grants in aid eligibility.
- Concern about setting precedent.
- The possibility of other federal or provincial grant programs available.

**MOVED** by Commissioner Hicks, **SECONDED** by Commissioner Baird,  
That staff be directed to review and report back to the Commission on:

- 1) the bylaw implications of providing temporary financial relief by extending the agricultural water rate to non-profit associations; and
- 2) other possible financial aid opportunities, relating to water charges, for non-profit associations.

**CARRIED**

## 9. ADJOURNMENT

**MOVED** by Commissioner Rogers, **SECONDED** by Commissioner Szpak,  
That the June 2, 2020 Juan de Fuca Water Distribution Commission meeting be adjourned at  
12:56 p.m.

**CARRIED**

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**CHAIR**

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**SECRETARY**

**REPORT TO JUAN DE FUCA WATER DISTRIBUTION COMMISSION  
MEETING OF TUESDAY, OCTOBER 6, 2020**

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**SUBJECT**     2019-2022 Water Service Planning

**ISSUE SUMMARY**

To provide the Juan de Fuca Water Distribution Commission with an overview of relevant initiatives undertaken by the Integrated Water Services department in 2020 and planned for 2021 to deliver on approved Board Priorities and the Corporate Plan.

**BACKGROUND**

The Capital Regional District (CRD) Board completed its strategic planning early in 2019 and approved the CRD Board Strategic Priorities 2019-2022.

The four priorities are:

1. Community Wellbeing – Transportation & Housing;
2. Climate Action & Environmental Stewardship;
3. First Nations Reconciliation; and
4. Advocacy, Governance & Accountability.

The priorities were confirmed at the annual check-in on May 13, 2020.

The 2019-2022 CRD Corporate Plan is aligned to the Board direction. It highlights the initiatives the CRD needs to deliver over the Board's four-year term to address the region's most important needs. The Corporate Plan identified six initiatives under Water, that fall under the mandate of the various water supply and distribution services.

Appendix A *Community Need Summary - Water 2021* is a summary of the planned activities for 2021. It contains details about core service levels, new initiatives proposed and performance metrics.

Appendix B *Water - Initiatives Progress Report* provides insights into what has been delivered through the initiatives related to the Water Community Need that included in the provisional budget last year, for delivery in 2020. Two of the initiatives (10a-7 Salt Spring Island and Southern Gulf Island Water Operations and 10d-4 SSI Watershed Protection) were approved through the Electoral Areas Community Need Summary as they directly addressed a local need.

The Service Planning process gathered information necessary to assemble a provisional budget for Committee and Board review. The purpose of this report is to explain how the Integrated Water Services divisional program of work connects to the Board Priorities, Corporate Plan and provisional budget.



## **ALTERNATIVES**

### *Alternative 1*

The Juan de Fuca Water Distribution Commission recommends to the Capital Regional District Board:

That Appendix A Community Need Summary - Water be approved as presented and advanced to the October 28, 2020 provisional budget review process.

### *Alternative 2*

The Juan de Fuca Water Distribution Commission recommends to the Capital Regional District Board:

That Appendix A Community Need Summary - Water be approved as amended and advanced to the October 28, 2020 provisional budget review process.

## **IMPLICATIONS**

### *Financial Implications*

Initiatives identified in the Corporate Plan (including Board Priorities) cannot be undertaken without resourcing. The Board determines resourcing through its annual review and approval of financial plans. To support the Board's decision-making, staff, through the service planning process, provide recommendations on funding, timing and service levels.

During this years' service planning process, staff have been mindful of the fiscal challenges facing the region in the month ahead. To that end, any budget increase or other impacts have been mitigated, as much as possible.

### *Service Delivery Implications*

The Community Need Summary provides an overview of all work that needs to be undertaken in order to meet our regulatory requirements, satisfy Board direction and meet the needs of the communities we serve.

### *Alignment with Board & Corporate Priorities*

Staff have identified three initiatives that will have budget implications for 2021 (Table 1).

Table 1: Community Needs Summary - Water, Delivery Initiatives

#	Initiative	Description	Year(s)	FTE impacts in 2021	Budget Impacts in 2021
10a-0.1	Watershed Security Position	Create new shift position to respond to security issues and wildfire risk.	2021	1.0 ongoing	Included in provisional budget
10a-2.1	Water Infrastructure Resilience	Review infrastructure redundancy & improvements, renew/replace infrastructure to avoid infrastructure deficits & ensure reliable, safe service delivery & resilience	2020 – 2021	1.0 ongoing	Included in provisional budget
10d-3	Watershed Hydrology Monitoring*	Expand and increase watershed hydrology monitoring in the Greater Victoria Water Supply Area	2020 – 2021		Included in provisional budget

\* New – Initiatives not in the 2019-2022 Corporate Plan

Blue highlighted areas are initiatives that directly address a Board Priority.

### **Delivery Initiatives**

#### **10a-0.1 – Watershed Security Position**

A core service of the Watershed Protection division is to conduct wildfire and security patrols. Historically, this function has been fulfilled by divisional staff volunteering for shifts and one regular position for which an alternative shift structure was negotiated in 2017 to include weekend patrols. However, year-on-year increases in trespassing and security incidents have made it challenging to ensure adequate watershed security and worker safety is maintained at all times. This initiative would address this challenge and ensure the core operational function of patrolling continues.

The initiative proposes to create one new ongoing position in the division with a focus on security and wildfire (including weekend patrols). This will help ensure an active field security presence seven days a week. The estimated cost of the position in 2021 will be partially offset by a reduction in auxiliary costs which will no longer be required. Recruitment is expected to be complete by Q2 2021.

#### **10a-2.1 – Water Infrastructure Resilience**

A combination of system expansion in the Juan de Fuca (JdF) Water Distribution System and aging water infrastructure in JdF and the Regional Water Supply (RWS) system are driving demand for an increase in resources.

The initiative proposes to create one new ongoing position in the Infrastructure Operations division to ensure the continued safe and effective delivery of potable water going forward and to

**Juan de Fuca Water Distribution Commission – October 6, 2020**  
**2019-2022 Water Service Planning**

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meet the regulatory requirements related to dam safety. Increasing capacity in the division will also help reduce the risk of higher capital costs in future by facilitating the completion of annual maintenance and inspections for the 14 dams in the RWS.

The cost of the position in 2021 is included in the provisional budgets and will be cost shared between all of the large water services. Recruitment is expected to be completed by Q1 2021.

**10d-3 – Watershed Hydrology Monitoring\***

There is hydrological and meteorological (hydromet) monitoring in place for the Sooke and Goldstream Water Supply Areas. We also have newly installed instrumentation at Leech Water Supply Area. This equipment is critical to monitor and respond to questions about current and future water quality and supply.

Hydromet monitoring supports the Climate Action & Environmental Stewardship Board Priority by monitoring the environment of the Greater Victoria Water Supply Area and detecting trends and events related to climate and environmental variables (e.g. climate change, forest change, wildfires).

This initiative is to procure the services of a specialist contractor to support the ongoing installation, modification and maintenance of hydromet instruments and collect, quality assure and analyse the data to support hydrological model development and upgrade. The cost for the service contract in 2021 is included in the provisional budget, and is to be renewed annually. The contract was funded through a new single supplementary budget request in 2020.

**CONCLUSION**

Staff have been progressing initiatives and actions identified in the Corporate Plan, including Board Priorities. The Board determines resourcing through its annual review and approval of financial plans. As per previous years, to support the Board's decision-making, staff are providing recommendations on funding, timing and service levels through the service and financial planning processes.

**RECOMMENDATION**

The Juan de Fuca Water Distribution Commission recommends to the Capital Regional District Board:

That Appendix A Community Need Summary - Water be approved as presented and advanced to the October 28, 2020 provisional budget review process.

Submitted by:	Ted Robbins, B. Sc., C. Tech., General Manager, Integrated Water Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

**ATTACHMENTS**

Appendix A: Community Need Summary - Water  
 Appendix B: Initiatives Progress Report - Water

# Community Need



## 2021 Summary

### Water

#### Strategy

##### Target Outcome

We envisage a sustainable and resilient water supply

##### Strategic Context

###### Strategies

- [Regional Water Supply Strategic Plan](#)
- [Regional Growth Strategy](#)
- [Special Task Force on First Nations Relations](#)
- [Statement of Reconciliation](#)

###### Trends, risks and issues

- **Security and patrols:** there have been an increased number of security incursions/recreational pressure into the Greater Victoria Water Supply Area (GVWSA) from Sooke Hills Wilderness Regional Park and from the rapidly developing residential area around Langford and Goldstream. This is putting additional pressure on the Watershed team.
- **Climate Action:** the most significant risks for water services relate to climate and environmental changes. Predicted trends of drier, hotter summers will impact the water services in a number of ways:
  - Demand for water, including for local agricultural activities, will continue to increase which will in turn increase the risk of water shortages; addressing this challenge will require a continued focus on water conservation effort, watershed protection, ongoing monitoring and awareness of the need for good governance of the water service
  - Water quality may be affected due to increased biological growth in the source water and distribution system; expecting to see increasing pressure to include filtration as a step in the RWS treatment process
  - In the GVWSA, increasing periods of elevated wildfire risk, peak flows from winter storms, drought stress on trees which could lead to increased mortality and forest pests/diseases
  - Increased risk of power outages
- **Infrastructure Vulnerability, resiliency, and Emergency Preparedness:** we are seeing increases in operation and maintenance demand from a growing region combined with aging infrastructure. An

# Community Need



## 2021 Summary

updated Water Management Plan for water supply will identify a strategy to address supply (quantity) and critical delivery infrastructure (redundancy) needs

## Services

Core Services Levels	
Service	Levels
<b>Regional Water Supply (RWS), Juan de Fuca (JdF) Water Distribution, Saanich Peninsula Water and Small Water Systems in the Electoral Areas</b> Wholesale water supply to the 370,000 consumers in Greater Victoria and residents in three municipalities on the Saanich Peninsula, water distribution system within Langford, Sooke, View Royal, Colwood, East Sooke, Metchosin and Highlands and the small water systems in the Electoral Areas supported through following key service areas:	
<b>Water Systems Operations and Maintenance</b> Water treatment, supply and distribution system operation and monitoring. System and facility maintenance, consumables management and preventative maintenance	<ul style="list-style-type: none"> <li>• Water treatment</li> <li>• Supply and distribution system operation</li> <li>• System monitoring</li> <li>• Customer service</li> <li>• System and facility maintenance</li> <li>• Consumables management</li> <li>• Component preventative maintenance</li> </ul>
<b>Emergency Response/System Failure</b> Water main breaks	<ul style="list-style-type: none"> <li>• 24/7 emergency response to water main breaks and other system emergencies</li> </ul>
<b>Infrastructure Planning</b> Strategic asset management for all services/systems including modeling and capacity analysis,	<ul style="list-style-type: none"> <li>• Asset management and capital planning</li> <li>• Adjust plans for 15 water services</li> <li>• System expansion and growth planning</li> </ul>

# Community Need



## 2021 Summary

vulnerability assessment, infrastructure renewal plans.	
<b>Capital Project Delivery and Works</b> Project design, procurement and delivery of capital projects annually on time/budget. Main installations, dam upgrades, equipment replacement and capital projects support	<ul style="list-style-type: none"> <li>• Capital program delivery</li> <li>• Water main installations and equipment replacement</li> <li>• Dam maintenance and upgrade projects</li> <li>• Capital project support</li> </ul>
<b>Engineering Services</b> Development referrals, survey and mapping, engineering support to utility operations, and dam safety inspections and administration.	<ul style="list-style-type: none"> <li>• Engineering support of utility operations for the 15 water services.</li> </ul>
<b>Watershed Protection</b> Forest land management of the 20,550 hectares of the Greater Victoria Water Supply Area to ensure high-quality source drinking water for the Regional Water Supply System through following service areas:	
<b>Wildfire, Security &amp; Emergency Response:</b> Watershed security, and wildfire and spill preparedness, prevention and response	<ul style="list-style-type: none"> <li>• 24/7 watershed emergency duty officer standby</li> <li>• Security/wildfire patrols (weekends and holidays; daily during elevated fire conditions)</li> <li>• Wildfire detection air patrol during high and extreme fire hazard</li> </ul>
<b>Watershed Operations</b> Silviculture, forest health and forest fuel management; invasive plant management; vegetation management and road maintenance, upgrades and rehabilitation	<ul style="list-style-type: none"> <li>• Winter/summer road maintenance</li> <li>• Culvert and bridge upgrades to accommodate higher peak flows to higher standards and changing climate</li> <li>• Fuel management treatment and fire smarting maintenance</li> <li>• Brushing around facilities, dams, for tree release</li> <li>• Danger tree assessment and removal along roads and powerlines</li> <li>• Invasive plant management</li> </ul>
<b>Resource Planning</b> Wildlife management, ecological inventories and analyses, risk assessment and management, and GIS and data management	<ul style="list-style-type: none"> <li>• Development of a comprehensive hydrology monitoring program</li> <li>• Annual forest health survey</li> <li>• Partnering in climate change and other research in the GVWSA</li> </ul>

# Community Need



## 2021 Summary

	<ul style="list-style-type: none"> <li>• Management of beaver, Canada geese and bullfrogs</li> <li>• Public tours of the Water Supply Area and facilities</li> </ul>
<b>Environmental Protection</b> Regulatory and non-regulatory services and a support role across the organization that focuses on enhanced integration of drinking water quality protection programs and integration of communication initiatives.	
<b>Water Quality</b> Monitoring, assessment, reporting and technical advice to meet water quality regulatory requirements	<ul style="list-style-type: none"> <li>• Source water and distribution system monitoring, assessment and reporting</li> <li>• Physical, chemical and biological analytical services, assessment and reporting</li> </ul>
<b>Demand Management</b> Research and data to inform capital planning, water conservation, and communications and education	<ul style="list-style-type: none"> <li>• Accurate data</li> <li>• Per capita targets (residential and ICI)</li> </ul>
<b>Cross Connection Control</b> Oversight, monitoring and reporting of potential sources of contamination that may flow in a reverse direction into the Regional Water Supply	<ul style="list-style-type: none"> <li>• Contamination prevention through facility inspections, testing and education for backflow prevention devices</li> <li>• Monitor and track (&gt;28,000) backflow prevention devices</li> </ul>
<b>Communications &amp; Environmental Education</b> Public education and engagement in the region to promote sustainable behavior through campaigns, initiatives and services	<ul style="list-style-type: none"> <li>• Increased public awareness of CRD messages and subsequent behavior changes (declining trend in per capita and per sector water use)</li> </ul>
<b>Support Services</b>	
<b>Support Services</b> The core services listed rely on the support of several corporate and support divisions to effectively operate on a daily basis. These services are reported on in the Accountability Community Need Summary.	<ul style="list-style-type: none"> <li>• Services include Human Resources &amp; Corporate Safety, Corporate Communications, Asset Management, Financial Services, Information Technology &amp; GIS, Information Services, Legislative Services, Facility Management, Fleet Management, Legal Services, Risk &amp; Insurance and Real Estate Services.</li> </ul>

# Community Need



## 2021 Summary

Initiatives					
Ref	Initiative	Description	Year(s)	Status	2021 impacts
10a-1	Post-Disaster Water Supply Plan	Implement approved Post-Disaster Water Supply Plan, including undertaking seismic resiliency study of critical water supply infrastructure	2020-2022	In progress	
10a-3	RWSSP Update	Update Regional Water Supply Strategic Plan	2022-2023	In progress	
10d-1	Future Water Supply + Infrastructure	Conduct population & land use studies & estimate growth-related water demand & future water supply & infrastructure needs	2020-2022	In progress	
10a-4	Cross Connection Control (CCC) Inspector*	CCC Program: convert a current temporary CCC Inspector position to permanent to meet the requirements by Island Health and protect the public health	2021	Completed	1.0 Converted
10d-2	Leech River Water Quality Operations*	Water Quality Operations Program: This multi-year initiative is to collect and analyze water quality data from the Leech River Watershed, the future water supply for the Greater Victoria Drinking Water System	2021	In progress	0.4 Ongoing
10a-0.1	Watershed Security Position	Create new shift position to respond to security issues and wildfire.	2021	NEW	1.0 ongoing
10a-2.1	Water Infrastructure Resilience	Review infrastructure redundancy & improvements, renew/replace infrastructure to avoid infrastructure deficits & ensure reliable, safe service delivery & resilience	2020-2021	NEW additional request for 2021	1.0 ongoing
10d-3	Watershed Hydrology Monitoring*	Expand and increase watershed hydrology monitoring in the Greater Victoria Water Supply Area	2020-2021	NEW additional request for 2021	

\*New – Initiatives not in the 2019-2022 Corporate Plan



# Community Need



## 2021 Summary

Initiative approved in prior years which have now been delivered or absorbed in Core Services:

- 10a-5 – Water Billing
- 10a-7 – Salt Spring Island + Southern Gulf Islands Water Operations
- 10b-1 – Water Conservation through Demand Management
- 10c-1 – Agricultural Water Subsidy
- 10d-4 – SSI Watershed Protection

## Business Model

### Funding

#### Who contributes

##### Water Supply and Distribution:

- Regional Water Supply: All Municipalities, JDF EA, First Nations (via Distribution Systems)
- Saanich Peninsula Water Supply: Municipalities (Central Saanich, North Saanich, Sidney)
- JDF Water Distribution: Langford, Colwood, View Royal, Metchosin, Highlands, Sooke, JDF EA
- Local Water Service Areas in the Electoral Areas

##### Environmental Protection

- Water Quality Service: Allocation from Integrated Water Services and Local Service Areas (LSA) from municipalities of RWS area, JDF and various local service areas, Sidney, North Saanich, Central Saanich and Peninsula First Nations
- Demand Management, Cross Connection Control Services: water rate from all Municipalities and Electoral Areas
- Communications and Environmental Education: all Municipalities and Electoral Areas

##### Support Services

- Varies per service

#### Funding Sources

- Regional Water Supply: Bulk water sales revenue
- JdF Water Distribution System: Retail water sales revenue in West Shore Municipalities
- Saanich Peninsula Water: Wholesale water sales revenue
- Environmental Protection services: water rate and requisition

# Community Need



## 2021 Summary

### Reporting Structure

[Regional Water Supply Commission](#) – [Water Advisory Committee](#) – [Saanich Peninsula Water Commission](#) – [JDF Water Distribution Commission](#)

– [Various LSA Commissions](#) (Port Renfrew, Lyall Harbour/Boot Cove, Magic Lake Estates, Skana, Beddis, Cedar Lane, Cedars of Tuam, Fernwood, Fulford, Highland, Sticks Allison, Surfside Park, Wilderness Mountain)

### Community Need Key Performance Indicator (KPI)

#### Discussion

#### Link to Target Outcome

The following KPIs link to the CRD's goals of safe, sustainable and resilient water resources for the Capital Region. These KPIs are being established with new performance targets that will be reported in future service plans.

- Compliance with Island Health, provincial and federal regulatory requirements and operational certificates
- Water quality samples analyzed from source reservoirs (raw water) and transmission/distribution systems (treated water)
- Peak day per capita water use and average day per capita water use
- Operating cost per megaliter of drinking water treated and supplied/distributed
- Energy use per megalitre of drinking water treated and supplied/distributed
- Delivery of annual capital program
- Volume of raw water released from RWS watersheds to rivers to support fish habitat
- Number of water quality complaints
- Number of leak repairs annually per kilometer of pipe (distribution systems)
- Number of water main failures annually per kilometer of pipe (distribution systems)

# Community Need



## Initiative Progress Report

### Water

Initiatives approved in 2020 Budget		
Ref	Initiative	Progress to date
10a-1	Post-Disaster Water Supply Plan	Progressing – Continued implementation of resilient infrastructure including hardened hydrants and restrained pipe, as well as acquisition of emergency distribution supplies. Additional education and coordination with municipal distributors and emergency services planned for 2021
10a-2	Water Infrastructure Resilience	Progressing – Infrastructure renewal programs continue with appropriate funding levels; recruitment of new staffing approved in 2020 complete
10a-3	RWSSP Update	Progressing – making progress on strategic plan initiatives; progress report will be presented to RWSC in October 2020
10a-4	Cross Connection Control Inspector *	<b>Part of core service</b> – position converted from term to ongoing, continues to be part of day-to-day operations
10a-5	Water Billing *	Progressing – recruitment of new staff underway
10a-7	SSI + SGI Water Operations *	<b>On-going - Core service delivery</b>
10b-1	Water Conservation through Demand Management	<b>Part of core service</b> - updated Water Conservation Bylaw in 2020. Demand Management work progressing – per capita demand rates being developed for each sector.
10c-1	Agricultural Water Subsidy	Agricultural land use inventory and agricultural water demand model completed and presented to Commissions in 2020. Agricultural water rate review will be completed in 2021.
10d-1	Future Water Supply + Infrastructure	Regional Water Master Plan Update will be completed in 2021 with a focus on long term water supply and infrastructure.
10d-2	Leech River Water Quality Operations *	<b>Progressing</b> – sampling underway
10d-3	Watershed Monitoring*	<b>Progressing</b> – Hydromet station maintenance, upgrade and discharge measurement contracts have been executed, work is in progress.

# Community Need



## Initiative Progress Report

Initiatives approved in 2020 Budget		
Ref	Initiative	Progress to date
10d-4	SSI Watershed Protection *	<b>Progressing</b> – Subject to the recommendations from the water optimization study examining challenges in operating multiple water distribution and treatment systems on an unincorporated island electoral area.

\* New - Initiatives not in the 2019-2022 Corporate Plan



JWDC 20-04

**REPORT TO JUAN DE FUCA WATER DISTRIBUTION COMMISSION  
MEETING OF TUESDAY, OCTOBER 6, 2020**

**SUBJECT**     **Juan de Fuca Water Distribution Service - 2021 Operating and Capital Budget**

**ISSUE SUMMARY**

To provide an overview of the 2021 Juan de Fuca Water Distribution Service budget, highlighting the proposed significant changes from the 2020 budget. The report generally follows the sequence of information provided in the attached draft budget document (Appendix A).

**BACKGROUND**

The draft 2021 Juan de Fuca (JDF) Water Distribution Service budget has been prepared for the JDF Water Distribution Commission's (Commission) consideration. The Commission will make budget recommendations to the Capital Regional District (CRD) Board through the Committee of the Whole in October. As in previous years, the draft 2021 JDF Water Distribution Service budget has been prepared considering the CRD Board's 2021 service planning and financial expectations, which include identifying opportunities to realign or reallocate resources and seek potential synergies or efficiencies between departments and services, reviewing of service levels and adjustments related to regulatory compliance, and undertaking infrastructure improvements to maintain service levels across the service area, including incremental ongoing operational and maintenance requirements in the expanding service area. The following sets out the key components of the budget.

**2020 Year End Financial Projections**

Year-end revenue and expenditure projections have been established and estimated variances are summarized as follows:

Budget Item	Variance (\$)	Variance (%)
Distribution System operating expenditures	\$67,502	(1.0%)
Bulk water purchase cost	\$0	(0.0%)
Capital expenditures and transfers	\$17,877	(0.3%)
Debt servicing - principal and interest expenditures	\$0	(0.0%)
Revenue	\$85,379	(0.4%)
Transfers from DCC reserves to fund DCC debt	\$0	(0.0%)

**Rate Base**

The rate base for 2021 has increased by \$8,427,055 from 2020. This increase relates to physical plant additions, including distribution pipes, water meters and services, and pump station upgrades (Pages 2 & 3 of the budget document).

**Juan de Fuca Water Distribution Commission – October 6, 2020**  
**JDF Water Distribution Service - 2021 Operating and Capital Budget**

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### Revenue Requirement

The revenue requirement for 2021 has increased by \$660,371 over 2020. This is resulting from an increase in operational expenses of \$227,569, increased depreciation expenses of \$301,002 net of expired depreciation on existing assets, and a net increase in the return on the rate base of \$131,800. The increase in the return on the rate base is a result of the growing asset base (Page 4 of the budget document).

### Operating Budget

The 2021 operating budget reflects an increase in non-discretionary expenses such as negotiated wage/salary increases, departmental support service allocation increases, maintenance expenses due to new infrastructure additions, and other operating expense increases such as electricity costs.

As reported in recent years, a result of continued growth in new land development in the service area over the last several years, the distribution system has and continues to expand at an accelerated rate. For context, the following summarizes the additions in 2020 (over 2019) to the asset units in the major categories, all of which require regular maintenance to ensure reliable performance:

- |                               |                              |
|-------------------------------|------------------------------|
| • Water distribution mains    | 4,000 metres                 |
| • Service laterals            | 440 (9 metre length average) |
| • Fire hydrants               | 39                           |
| • Line valves                 | 110                          |
| • Flush, air and check valves | 18                           |
| • Water meters <50mm          | 440                          |
| • Water meters =/>50mm        | 25                           |

As noted previously, with at least four major developments underway in the service area including South Skirt Mountain, Bear Mountain, Royal Bay and Centre Mountain, it is expected that the water system asset base will continue to grow significantly in the near future as initial water servicing infrastructure is installed which will impact operating and maintenance costs. Given the size of the developments and anticipated phasing and build-out timelines, it is expected that there will be an element of 'revenue lag', possibly over several years, before revenue generated from retail water sales in these and other developments offsets the initial infrastructure operating and maintenance costs. Staff will be examining this issue and possible rate options to mitigate the budget implications further in 2021 through the Water Rate Methodology and Option Study, directed by the Commission earlier this year.

The net core 2021 operating budget increase is \$187,569, plus a one-time budget request of \$40,000 for the water rate study. The core operating budget increase is primarily due to labour budget adjustments and corporate overhead allocation adjustments. Operating budget forecasts for 2022 through 2025 have been presented for information.

**Juan de Fuca Water Distribution Commission – October 6, 2020**  
**JDF Water Distribution Service - 2021 Operating and Capital Budget**

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Capital Budget

There are a number of capital projects planned for 2021 with a total value of \$25,215,000, including \$4,850,000 that are in progress or are multi-year projects, and \$4,630,000 in Development Cost Charge (DCC) projects. There are also \$1,570,000 in projects cost shared with the Regional Water Supply Service. See pages 10-27 of the budget document for capital plan details. The major projects in 2021 include accelerated asbestos cement water main replacement including the Goldstream Avenue main replacement from Veterans Memorial Parkway to Spencer Road, reservoir upgrades at Rocky Point Reservoir, Sun River Reservoir and Silverspray Reservoir, pumpstation upgrades at Rocky Point Pumpstation and Coppermine Pumpstation, and residential service line and water meter replacements. Under the DCC program, 2021 construction is planned to continue at the McCallum Pumpstation and South Skirt Mountain Tank 4 and Pumpstation 7. A five year capital plan has been presented for information. The total five year (2021-2025) capital plan budget is currently \$63,190,000.

Capital and Debt Expenditures

The 2021 capital expenditures will be partially funded through a transfer to the water capital fund budgeted at \$5,278,916, with the balance funded through debt. 2021 debt expenditures for existing and new debt servicing are budgeted to be \$1,888,336. Debt servicing expenditures have increased by \$138,468 over 2020. This increase is primarily due to a \$5,100,000 borrowing undertaken in 2020, under the 2015 loan authorization intended to allow borrowing to partially fund the capital plan. This was the last loan that could be borrowed under this authorization which is now expired. The loan authorization was for \$14,800,000, but only \$10,100,000 was borrowed as the balance was funded through budgeted capital contributions and water sales revenue surpluses over the past five years. The upcoming debt retirements on existing borrowings are summarized as follows:

Loan Number	Retirement Date	Loan Amount
LA3164-096	October 2020	\$1,000,000
LA3164-099	October 2021	\$500,000
LA3164-101	April 2022	\$500,000
LA3782-118	April 2027	\$2,500,000
LA3782-124	April 2028	\$4,500,000
LA3782-127	April 2029	\$5,000,000
LA3981-137	April 2031	\$2,000,000
LA3981-145	April 2033	\$3,000,000
LA3981-150	April 2035	\$5,100,000

A new loan authorization in the amount of \$14,800,000 is proposed to allow continued partial funding of the five year capital plan. The loan authorization bylaw and approval process is addressed under a separate staff report.

The recently incurred debt and proposed future debt will change the funding make-up of the capital plan. When assessing key financial health indicators, the service maintains an affordable level of debt over the next five years. The percentage of revenue dedicated to debt costs is forecast to be between 9-12%, which is less than an annual benchmark rate of 25%. Additionally, the debt funding for capital investment in each of the next five years does not exceed 40%.

**Juan de Fuca Water Distribution Commission – October 6, 2020**  
**JDF Water Distribution Service - 2021 Operating and Capital Budget**

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A summary indicator table is provided below:

Year	% Revenue for Debt	Capital Funded by Debt
2021	9.1%	25.8%
2022	10.9%	37.1%
2023	11.8%	25.9%
2024	11.8%	4.1%
2025	11.4%	0.0%

A \$71,730 transfer to the vehicle/equipment replacement fund is planned in 2021. The reserve fund balance is estimated at \$196,009 at year end 2020 (See reserve schedule – Page 30 of the budget document).

The DCC projects will be funded entirely from the DCC reserve fund, which is projected to have a balance of \$6,458,821 at year end 2020 (See reserve schedule – Page 29 of the budget document).

#### Bulk Water Purchase

Based on the proposed 2021 budgeted water demand and Regional Water Supply wholesale water rate, the bulk water purchase budget has been set at \$6,361,720.

#### Water Demand

Total water demand in the service area is anticipated to continue to increase year over year, primarily as a result of growth in the service area. Although this trend has resulted in actual demand exceeding budgeted demand in recent years, the 2020 year end demand is projected to be on budget at 8,900,000 cubic metres. The cooler than normal temperatures and above average precipitation in June (140% of the monthly average precipitation), did significantly affect total daily demand in June which can often be a high demand month. In addition, staff have analyzed the impact of the COVID-19 pandemic on local water demand, particularly across the residential and business sectors. Overall, the Regional Water Supply System experienced a net reduction of 6% in total water demand over the March – August 2020 period compared to the previous three year average over the same period. This equates to a reduction in consumption of 624 million litres of water. At the regional level, May demand was down 12.9% and June demand was down 17.7% compared to 2019 demand. These reductions are primarily tied to school, office, restaurant and hotel closures, and virtually no tourism. In summary, the pandemic health directives and public response have had a negative impact on water demand across all water service areas.

The recommended 2021 water rate has been calculated using a budget demand of 8,900,000 cubic metres (Page 6 of the budget document), which is the same volume used in the 2020 budget.



**Juan de Fuca Water Distribution Commission – October 6, 2020**  
**JDF Water Distribution Service - 2021 Operating and Capital Budget**

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Proposed 2021 Wholesale Water Rate

The proposed 2021 wholesale water rate is \$0.7148 per cubic metre, a 2.58% increase from the 2020 rate, subject to the Regional Water Supply Commission's approval.

Proposed Agricultural Water Rate

The proposed 2021 agricultural water rate has been maintained at the 2020 rate of \$0.2105 per cubic metre, subject to the Regional Water Supply Commission's approval. The Regional Water Supply agricultural water rate budget funds the difference between the municipal retail water rate and the agricultural water rate.

Proposed 2021 Juan de Fuca Water Distribution Service Retail Water Rate

The recommended retail water rate has taken into consideration the revenue required to meet operating and capital expenditures, debt obligations, the bulk water purchase expense, and the budget demand volume established for 2021. The proposed 2021 Juan de Fuca Water Distribution Service retail water rate is \$2.3081 per cubic metre, a 4.16% increase from the 2020 rate (Page 7 of the budget document).

Retail and Wholesale Water Rate History and Projection

The retail and wholesale water rate history and projection is attached (Appendix C). The rates may be adjusted in the future to reflect actual revenue and expenditure circumstances and water demand volumes.

**RECOMMENDATIONS**

That the Juan de Fuca Water Distribution Commission recommends that the Capital Regional District Board:

1. Approve the 2021 Operating and Capital Budget and the Five Year Capital Plan;
2. Approve the 2021 Juan de Fuca Water Distribution Service retail water rate of \$2.3081 per cubic metre, adjusted if necessary by any change in the Regional Water Supply wholesale water rate; and
3. Amend the Water Distribution Local Service Conditions, Fees and Charges Bylaw accordingly.

Submitted by:	Ted Robbins, B.Sc., C.Tech., General Manager, Integrated Water Services
Concurrence:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

**ATTACHMENTS**

Appendix A: 2021 Juan de Fuca Water Distribution Service Budget  
 Appendix B: Long Term Debt Obligations Summary  
 Appendix C: Retail and Wholesale Water Rate History and Projection

# **CAPITAL REGIONAL DISTRICT**

## **2021 BUDGET**

### **JDF Water Distribution**

#### **COMMISSION REVIEW**

SEPTEMBER 2020

**Service:** 2.680 JDF Water Distribution

**Commission:** Juan De Fuca Water Distribution

#### DEFINITION:

To finance the administration, development, maintenance, and operational expenses, of the Juan de Fuca Water Distribution local service in the Western Communities of the Capital Regional District, as per the Water Distribution Local Service Area Establishment Bylaw No. 2538.

The establishment and operation of a Juan de Fuca water Distribution Commission is done by Bylaw No. 2540.

#### SERVICE DESCRIPTION:

Juan de Fuca Water Distribution Service provides retail water distribution system to participants within the Western Communities. The service administration and operation is provided by the Integrated Water Services Department.

#### PARTICIPATION:

City of Colwood	District of Metchosin
City of Langford	District of Sooke
Town of View Royal	District of Highlands
Juan de Fuca Electoral Area	

#### MAXIMUM LEVY:

The maximum amount that may be requisitioned is NIL.

#### MAXIMUM CAPITAL DEBT:

Authorized:	\$19,000,000 Pre - (Consolidated MFA Loan Authorizations - Juan de Fuca Water Distribution Facilities)
Borrowed:	\$17,500,000 Pre - (Consolidated amounts borrowed - Juan de Fuca Water Distribution Facilities)
Expired:	\$1,500,000
Authorized:	\$14,800,000 2015 - (MFA Bylaw No. 3981 Juan de Fuca Water Distribution Facilities)
Borrowed:	\$10,100,000
Expired:	\$4,700,000
Authorized:	\$10,000,000 DCC - (MFA Bylaw No. 3164 Juan de Fuca Water Distribution Facilities Development-DCC)
Borrowed:	\$3,500,000 DCC - (MFA Bylaw No. 3164 Juan de Fuca Water Distribution Facilities Development-DCC)
Expired:	\$6,500,000

#### FUNDING:

Costs are recovered from Water Sales, and transfer from DCC reserves to service DCC debt.

**Rate Base for 2021 Revenue Year**

	<u>2019 Applic</u>	<u>2020 Applic</u>	<u>End of 2020 for '21 Applic.</u>	<u>Change</u>	
<b>Retail System</b>					
Physical Plant	\$ 160,579,824	\$ 166,168,703	\$ 174,624,245	\$ 8,455,543	Note 1
Construction Work In Progress	1,593,750	1,019,107	962,562	(56,545)	Note 1
Cash Working Capital	741,992	826,902	854,959	28,056	
Inventory	<u>525,000</u>	<u>525,000</u>	<u>525,000</u>	<u>-</u>	
Total Retail Rate Base	\$ 163,440,566	\$ 168,539,712	\$ <b>176,966,766</b>	\$ 8,427,055	

Note 1: Refer to the Schedule of Change in Physical Plant & Work in Progress for details.

## Schedule of Change in Physical Plant &amp; Work In Progress

## Retail

Projected Asset Additions	Projected Assets Capitalized
Pipes	\$ 8,780,093
Meters	900,000
Pump Stations	643,555
Reservoir rehabilitation and upgrades	312,834
Reservoir Demolition	209,608
Scada	195,955
Hydrants	175,000
Disaster Response Studies	150,000
Bulk Water Station	140,000
Building improvements	120,000
Building Modification	101,799
Update procedures & Eng Specifications	85,257
Computer upgrades	85,000
Small Diameter Program Update	83,323
Generator for Pump Station	75,000
Studies (Hydraulic model)	60,000
Other Projects (15 minor projects under \$50k)	217,352
Total projected assets capitalized	\$ 12,334,775
Less: current years depreciation	\$ (4,556,394)
Less: change in prior year forecast addition estimates, & disposals.	677,161
Change in Physical Plant	\$ 8,455,543

## Projected Construction Work In Progress (CWIP)

Pump Stations	\$ 723,962
Reservoir rehabilitation and upgrades	60,262
Computer upgrades	51,750
Other Projects (8 minor projects under \$50k)	126,588
Projected CWIP	\$ 962,562
Less Prior years projected CWIP	(1,019,107)
Change in CWIP	\$ (56,545)

### Revenue Requirements for 2021 Year

	2019 Application	2020 Application	2021 Application	Change	
<b>Retail</b>					
Operations & maintenance	\$ 6,018,379	\$ 6,707,098	\$ 6,934,667	\$ 227,569	
Depreciation	4,269,223	4,532,773	4,833,774	301,002	
Return on rate base	<u>2,473,800</u>	<u>2,682,900</u>	<u>2,814,700</u>	<u>131,800</u>	Note 1
Subtotal of above	\$ 12,761,402	\$ 13,922,771	\$ 14,583,141	\$ 660,371	
Non-rate revenue	(174,500)	(174,500)	(174,500)	-	
DCC Repayment	<u>(239,785)</u>	<u>(228,160)</u>	<u>(228,160)</u>	<u>-</u>	
Total retail	\$ 12,347,117	\$ 13,520,111	\$ 14,180,481	\$ 660,371	

Note 1: Return on rate base is calculated with reference to the long term Canada bond rate & the average debt rate.

## Change in Budget 2020 to 2021

Service: 2.680 Juan de Fuca Water Distribution

## Total Expenditure

## Comments

## 2020 Budget

20,129,341

## Change in Salaries:

Change in Labour

98,600

Labour charges (Salaries and overhead, including corporate allocations)

Total Change in Salaries

98,600

## Other Changes:

Contract for Services

40,000

Water Rate Methodology and Options Study

Bulk Water Purchases

160,200

Transfers to Capital Funds

137,794

Principal &amp; Interest Payments

138,468

Standard Overhead Allocation

111,201

Other Costs

(22,232)

Total Other Changes

565,431

## 2021 Budget

20,793,372

% expense increase from 2020:

3.3%

% Requisition increase from 2020 (if applicable):

n/a

Requisition funding is (x)% of service revenue

## Overall 2020 Budget Performance

(expected variance to budget and surplus treatment)

Operating costs are \$67,500 (1.0%) over budget due to one time unplanned system maintenance work, partially offset by lower staffing costs due to vacant positions and lower contract for services. The overage is offset by increased revenue of \$85,000 (0.4%). The net surplus of \$17,500 will be transferred to the services' Water Capital Fund.

## Retail Demand

Years	Actual Demand cu.metre	Budgeted Demand cu.metre
2016	8,622,990	7,710,000
2017	8,595,300	8,000,000
2018	8,853,800	8,200,000
2019	8,911,315	8,600,000
2020	8,900,000*	8,900,000

### 2021 Demand Estimate

**8,900,000**

\* Projected consumption for 2020



### Summary of Retail Water Rates

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Change</u>
<b>Retail (direct) water rate</b>						
Unit cost per cu.m.	\$1.9129	\$2.0739	\$2.1132	\$2.2159	\$2.3081	\$0.0922

### Retail Water Rate Increase Impact on Residential Water Bill

Average consumption per 2 month billing cycle: \* 39.0 cubic meters (annual = 234.0 cu.m)

<u>Charge for Two Months Consumption</u>	<u>Year</u>	<u>Bi monthly Charge</u>	<u>Annual Charge</u>	<u>2020 Annual Change \$</u>
Average Consumption	2020	\$ 86.42	\$ 518.52	
	2021	\$ 90.02	\$ 540.10	\$ 21.57
Half Average Consumption	2020	\$ 43.21	\$ 259.26	
	2021	\$ 45.01	\$ 270.05	\$ 10.79
Twice Average Consumption	2020	\$ 172.84	\$ 1,037.04	
	2021	\$ 180.03	\$ 1,080.19	\$ 43.15

**Schedule A**  
**Asset Useful Life Assignments - PSAB**

<u>Classes:</u>	<u>Code</u>	<u>Asset Categories</u>	<u>Useful Life, Years</u>
<b>Land</b>	LAND	Land & Rights of Way * (Note 1)	N/A
<b>Building</b>	BLDG	Building, Permanent	50
	BLOT	Building, Temporary/ Portable	20
	BLFX	Building fixture ( <i>sprinklers</i> )	20
<b>Equipment</b>	BOAT	Boats & Marine Equipment	10
	COMP	Computer Equipment ( <i>includes software</i> )	5
	ELEC	Electronic Equipment( <i>hydromet, weather stn eqpt</i> )	5
	FIRE	Fire & Safety Equipment	10
	GENT	Generator	20
	HYDR	Hydrants and Standpipes	20
	HYDY	Hydrology	10
	MTRS	Meters	20
	OFFE	Office Equipment	5
	OFFF	Office Furniture	10
	SCDA	SCADA Equipment	10
	SCRN	Intake Screens/Membranes ( <i>stop logs</i> )	20
	SHOP	Shop Equipment	10
	TELE	Telecommunication Eqpt ( <i>radios, phone systems</i> )	10
	WEQP	Water Works Eqpt( <i>W. Quality lab, Wshed eqpt</i> )	10
	NEW GRP	Weather stn & communication tower	15
<b>Vehicle</b>	VEHC	Vehicles	8
<b>Engineering</b>	BRDG	Bridge	50
<b>Structure</b>	CANL	Canal	50
	DAMS	Dam Structures	100
	PIPE	Pipelines, includes Vaults, Kiosks, Valve chambers	75
	PIPF	Pipelines, fittings	20
	PLPV	Parking lot paved	40
	PSEQ	Pump Station Equipment	20
	PSHS	Pump Station Housing	50
	PRVS	Valves, Flushes & PRV's	20
	RDGR	Roads gravel	20
	RDPV	Roads paved	40
	RESS	Reservoirs (steel & concrete)	50
	REST	Reservoirs (tower/tank)	35
	TANK	Storage tank	40
	TELP	Telephone and Power Lines	50
	TUNN	Tunnel, Culvert and Diversions	50
	WATP	Water Treatment Plant	25
	WELL	Wet well/ Well	50
<b>Other Assets</b>	CSTU	Capital Management Studies	5
	FENC	Fences	15
	LIMP	Land & Yard Improvements	20

Note 1: Land is not depreciated so a useful life assignment is not applicable.

## CAPITAL REGIONAL DISTRICT

Program Group: CRD-JDF Water Distribution  SUMMARY OF PROGRAMS  1	2020 BOARD BUDGET 2	2020 ESTIMATED ACTUAL 3	2021 BUDGET REQUEST				FUTURE PROJECTIONS			
			2021 CORE BUDGET 4	2021 ONGOING 5	2021 ONE-TIME 6	TOTAL (COL 4, 5 & 6) 7	2022 8	2023 9	2024 10	2025 11
<b><u>OPERATING COSTS</u></b>										
ALLOCATION - OPERATIONS	4,298,560	4,586,339	4,539,881	-	-	4,539,881	4,617,043	4,713,263	4,802,799	4,895,671
OPERATING - OTHER COSTS	977,816	942,564	937,033	-	-	937,033	919,632	964,220	974,602	983,666
SALARIES AND WAGES	526,557	417,240	547,368	-	-	547,368	549,065	560,853	572,896	585,192
CONTRACT FOR SERVICES	540,916	465,208	395,935	-	40,000	435,935	423,452	430,411	437,611	444,219
ALLOCATION - STANDARD OVERHEAD	363,249	363,249	474,450	-	-	474,450	552,362	563,410	574,678	586,171
<b>TOTAL OPERATING EXPENDITURES</b>	<b>6,707,098</b>	<b>6,774,600</b>	<b>6,894,667</b>	<b>-</b>	<b>40,000</b>	<b>6,934,667</b>	<b>7,061,554</b>	<b>7,232,157</b>	<b>7,362,586</b>	<b>7,494,919</b>
Percentage increase over prior year's board budget			2.80%			3.39%	1.83%	2.42%	1.80%	1.80%
BULK WATER PURCHASE	6,201,520	6,201,520	6,361,720	-	-	6,361,720	6,564,600	6,895,980	7,181,520	7,529,280
<b>BULK WATER EXPENDITURES</b>	<b>6,201,520</b>	<b>6,201,520</b>	<b>6,361,720</b>	<b>-</b>	<b>-</b>	<b>6,361,720</b>	<b>6,564,600</b>	<b>6,895,980</b>	<b>7,181,520</b>	<b>7,529,280</b>
			2.58%			2.58%				
<b><u>CAPITAL EXPENDITURES &amp; TRANSFERS</u></b>										
TRANSFER TO WATER CAPITAL FUND	5,200,860	5,218,737	5,278,916	-	-	5,278,916	5,500,000	6,000,000	6,500,000	7,000,000
TRANSFER TO DEBT RESERVE FUND	56,050	56,050	71,730	-	-	71,730	65,730	27,730	9,730	6,730
TRANSFER TO EQUIPMENT REPLACEMENT FUND	213,945	213,945	258,003	-	-	258,003	263,163	268,426	273,795	279,270
<b>TOTAL CAPITAL EXPENDITURES &amp; TRANSFERS</b>	<b>5,470,855</b>	<b>5,488,732</b>	<b>5,608,649</b>	<b>-</b>	<b>-</b>	<b>5,608,649</b>	<b>5,828,893</b>	<b>6,296,156</b>	<b>6,783,525</b>	<b>7,286,000</b>
<b><u>DEBT SERVICING</u></b>										
DEBT - INTEREST & PRINCIPAL	1,749,868	1,749,868	1,888,336	-	-	1,888,336	2,370,709	2,721,305	2,851,316	2,869,346
<b>TOTAL DEBT EXPENDITURES</b>	<b>1,749,868</b>	<b>1,749,868</b>	<b>1,888,336</b>	<b>-</b>	<b>-</b>	<b>1,888,336</b>	<b>2,370,709</b>	<b>2,721,305</b>	<b>2,851,316</b>	<b>2,869,346</b>
<b>TOTAL EXPENDITURES</b>	<b>20,129,341</b>	<b>20,214,720</b>	<b>20,753,372</b>	<b>-</b>	<b>40,000</b>	<b>20,793,372</b>	<b>21,825,756</b>	<b>23,145,598</b>	<b>24,178,947</b>	<b>25,179,545</b>
<b><u>SOURCES OF FUNDING</u></b>										
REVENUE - SALES	(19,721,631)	(19,721,510)	(20,502,201)	-	(40,000)	(20,542,201)	(21,613,930)	(22,964,368)	(23,997,717)	(24,998,315)
REVENUE - OTHER	(179,550)	(265,050)	(181,230)	-	-	(181,230)	(181,230)	(181,230)	(181,230)	(181,230)
<b>TOTAL SOURCE OF FUNDING FROM OPERATIONS</b>	<b>(19,901,181)</b>	<b>(19,986,560)</b>	<b>(20,683,431)</b>	<b>-</b>	<b>(40,000)</b>	<b>(20,723,431)</b>	<b>(21,795,160)</b>	<b>(23,145,598)</b>	<b>(24,178,947)</b>	<b>(25,179,545)</b>
<b><u>SOURCES OF OTHER FUNDING</u></b>										
TRANSFER FROM DCC RESERVES TO FUND DCC DEBT	(228,160)	(228,160)	(69,941)	-	-	(69,941)	(30,596)	-	-	-
TRANSFER FROM PRIOR YEAR	-	-	-	-	-	-	-	-	-	-
TRANSFER TO FOLLOWING YEAR										
<b>TOTAL SOURCES OF ALL FUNDING</b>	<b>(20,129,341)</b>	<b>(20,214,720)</b>	<b>(20,753,372)</b>	<b>-</b>	<b>(40,000)</b>	<b>(20,793,372)</b>	<b>(21,825,756)</b>	<b>(23,145,598)</b>	<b>(24,178,947)</b>	<b>(25,179,545)</b>
Percentage increase over prior year's board budget			3.10%			3.30%	5.17%	6.05%	4.46%	4.14%

**CAPITAL REGIONAL DISTRICT**  
**FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2021 to 2025**

<b>Service No.</b>	<b>2.680</b>	<b>Carry</b>						
	<b>JDF Water Distribution</b>	<b>Forward from</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>TOTAL</b>
		<b>2020</b>						

**EXPENDITURE**

Buildings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures	\$4,400,000	\$24,565,000	\$15,565,000	\$7,910,000	\$6,660,000	\$6,555,000	\$61,255,000	
Vehicles	\$450,000	\$650,000	\$350,000	\$190,000	\$580,000	\$165,000	\$1,935,000	
	<b>\$4,850,000</b>	<b>\$25,215,000</b>	<b>\$15,915,000</b>	<b>\$8,100,000</b>	<b>\$7,240,000</b>	<b>\$6,720,000</b>	<b>\$63,190,000</b>	

**SOURCE OF FUNDS**

Capital Funds on Hand	\$2,100,000	\$11,275,000	\$4,990,000	\$5,790,000	\$6,340,000	\$6,535,000	\$34,930,000	
Debenture Debt (New Debt Only)	\$0	\$6,500,000	\$5,900,000	\$2,100,000	\$300,000	\$0	\$14,800,000	
Equipment Replacement Fund	\$250,000	\$450,000	\$350,000	\$190,000	\$580,000	\$165,000	\$1,735,000	
Grants (Federal, Provincial)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Donations / Third Party Funding	\$0	\$2,360,000	\$0	\$0	\$0	\$0	\$2,360,000	
Reserve Fund	\$2,500,000	\$4,630,000	\$4,675,000	\$20,000	\$20,000	\$20,000	\$9,365,000	
	<b>\$4,850,000</b>	<b>\$25,215,000</b>	<b>\$15,915,000</b>	<b>\$8,100,000</b>	<b>\$7,240,000</b>	<b>\$6,720,000</b>	<b>\$63,190,000</b>	

**CAPITAL REGIONAL DISTRICT**  
**FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2021 to 2025**

<b>Service No.</b>	<b>2.670/2.680 Regional Water Supply &amp; JDF Water Distribution Combo</b>	<b>Carry Forward from 2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>TOTAL</b>
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**EXPENDITURE**

Buildings	\$0	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$400,000
Equipment	\$500,000	\$1,490,000	\$980,000	\$330,000	\$330,000	\$330,000	\$330,000	\$3,460,000
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>\$500,000</b>	<b>\$1,570,000</b>	<b>\$1,060,000</b>	<b>\$410,000</b>	<b>\$410,000</b>	<b>\$410,000</b>	<b>\$410,000</b>	<b>\$3,860,000</b>

**SOURCE OF FUNDS**

Capital Funds on Hand	\$500,000	\$1,570,000	\$1,060,000	\$410,000	\$410,000	\$410,000	\$410,000	\$3,860,000
Debenture Debt (New Debt Only)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants (Federal, Provincial)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Donations / Third Party Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>\$500,000</b>	<b>\$1,570,000</b>	<b>\$1,060,000</b>	<b>\$410,000</b>	<b>\$410,000</b>	<b>\$410,000</b>	<b>\$410,000</b>	<b>\$3,860,000</b>

CAPITAL REGIONAL DISTRICT CAPITAL PLAN

CAPITAL BUDGET FORM  
2021 & Forecast 2022 to 2025

Service #:  
2.680

Service Name:  
JDF Water Distribution

Proj. No.  
The first two digits represent first year the project was in the capital plan.

Capital Exp. Type

Study - Expenditure for feasibility and business case report.  
New - Expenditure for new asset only  
Renewal - Expenditure upgrades an existing asset and extends the service ability or enhances technology in delivering that service  
Replacement - Expenditure replaces an existing asset

Funding Source Codes

Debt = Debenture Debt (new debt only)  
ERF = Equipment Replacement Fund  
Grant = Grants (Federal, Provincial)  
Cap = Capital Funds on Hand  
Other = Donations / Third Party Funding

Funding Source Codes (con't)

Res = Reserve Fund  
STLoan = Short Term Loans  
WU - Water Utility

Asset Class

L - Land  
S - Engineering Structure  
B - Buildings  
V - Vehicles  
E - Equipment

Capital Project Title

Input Title of Project. For example "Asset Name - Roof Replacement", "Main Water Pipe Replacement".

Capital Project Description

Briefly describe project scope and service benefits.  
For example: *"Full Roof Replacement of a 40 year old roof above the swimming pool area; The new roofing system is built current energy standards, designed to minimize maintenance and have an expected service life of 35 years".*

Total Project Budget

This column represents the total project budget not only within the 5-year window.

FIVE YEAR FINANCIAL PLAN													
Proj. No.	Capital Exp.Type	Capital Project Title	Capital Project Description	Total Proj Budget	Asset Class	Funding Source	C/F from 2020	2021	2022	2023	2024	2025	5 - Year Total
INFRASTRUCTURE ENGINEERING AND OPERATIONS													
Planning													
16-03	Renewal	Asset Management Plan	Combine past studies to plan out future capital expenditures.	\$150,000	S	WU	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$50,000
21-14	Renewal	Fire Storage Analysis	Assess and update the fire flow upgrade program to inform future capital works.	\$120,000	S	WU	\$0	\$120,000	\$0	\$0	\$0	\$0	\$120,000
Capital													
16-05	Renewal	Comprehensive Pump Station Upgrades (10 year Program)	Continue pump station condition assessments, plan and carry out upgrades.	\$5,000,000	S	WU	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0	\$3,000,000
18-02	Renewal	JDF Reservoir Upgrades	Reservoir improvements are required at Walfred, Peacock, and Helgesen Reservoirs. In 2018 a review of all three reservoirs was conducted including implementing improvements to Walfred.	\$1,250,000	S	WU	\$480,000	\$480,000	\$450,000	\$0	\$0	\$0	\$930,000
18-03	Renewal	JDF Site Decommissioning Program	Decommissioning of facilities that are no longer in use based on preliminary work from Annual Provisional	\$1,050,000	S	WU	\$450,000	\$450,000	\$100,000	\$350,000	\$100,000	\$0	\$1,000,000
18-05	Replacement	Rocky Point Upgrades	Replacement of Rocky Point P.S., additional storage at Rocky Point Reservoir & water main upgrades. Partnered with DND.	\$3,550,000	S	WU	\$0	\$3,300,000	\$0	\$0	\$0	\$0	\$3,300,000
18-05	Replacement	Rocky Point Upgrades	Replacement of Rocky Point P.S., additional storage at Rocky Point Reservoir & water main upgrades. Partnered with DND.	\$2,060,000	S	Other	\$0	\$2,060,000	\$0	\$0	\$0	\$0	\$2,060,000
18-06	New	Disaster Response Plan for Water Supply and Distribution	Determine and supply response equipment for disaster response.	\$350,000	S	WU	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
19-06	Renewal	Corrosion Protection Program	Undertake a program to assess and prevent corrosion to existing steel pipe within the Juan du Fuca water system.	\$50,000	S	WU	\$0	\$5,000	\$5,000	\$5,000	\$5,000	\$0	\$20,000
19-09	New	Distribution System Seismic Resiliency Improvements	Determine and commence improvements to the distribution system to provide seismic resiliency.	\$1,750,000	S	WU	\$50,000	\$50,000	\$150,000	\$500,000	\$500,000	\$500,000	\$1,700,000
20-03	Replacement	AC Pipe Replacement Program	Replacement of aging asbestos cement pipe as highlighted in the 2019 update report	\$24,000,000	S	WU	\$0	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$15,000,000

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20-04	Replacement	William Head & VGH Meter Replacement	Replacement of the meter and chambers at William Head & VGH with the possibility of resilient connections.	\$700,000	S	WU	\$50,000	\$450,000	\$250,000	\$0	\$0	\$0	\$700,000
20-05	New	Electrical Isolation Audit	Inspection audit of facilities to ensure that there is sufficient electrical separation and isolation for safety.	\$50,000	S	WU	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$20,000
20-06	Replacement	Sun River Reservoir Replacement	Replace the existing concrete tank with a steel tank for increase capacity and resilience.	\$900,000	S	WU	\$800,000	\$800,000	\$0	\$0	\$0	\$0	\$800,000
20-07	Replacement	Goldstream AC Replacement	Replacement of aging asbestos cement pipe within Goldstream Rd, fromVMP to Spencer.	\$5,000,000	S	WU	\$0	\$4,800,000	\$0	\$0	\$0	\$0	\$4,800,000
21-02	Replacement	Sooke Rd - 2,200m of 600m Pipe - VMP to Jacklin	Replacement of aged, large diameter water main from Jacklin Rd to VMP	\$2,400,000	S	WU	\$0	\$0	\$2,400,000	\$0	\$0	\$0	\$2,400,000
21-11	Replacement	Marilyn Rd - 110m of 200mm Pipe	Replacement of 110m of watermain to ensure proper fire flows in the area.	\$150,000	S	WU	\$0	\$150,000	\$0	\$0	\$0	\$0	\$150,000
21-12	New	Ironmine Recirculation Line	Installation of a recirculation line to improve water quality at the Silverspray Reservoir	\$165,000	S	WU	\$0	\$165,000	\$0	\$0	\$0	\$0	\$165,000
21-13	Replacement	SCADA Master Plan Update & Upgrades	Update the SCADA Master Plan in conjunction with the RWS, Saanich Peninsula and Core Area infrastructure.	\$700,000	S	WU	\$0	\$200,000	\$500,000	\$0	\$0	\$0	\$700,000
21-15	New	Florence Lake Inclusion Upgrades	Upgrades are required to the Florence Lake water system prior to including it into the JDF Water System.	\$300,000	S	Other	\$0	\$300,000	\$0	\$0	\$0	\$0	\$300,000
Sub-Total System Infrastructure Engineering and Operations				\$49,695,000			\$1,900,000	\$17,450,000	\$7,905,000	\$4,905,000	\$3,655,000	\$3,550,000	\$37,465,000
CUSTOMER AND TECHNICAL SERVICES													
16-06	Replacement	Vehicle & equipment replacement (funding from replacement fund)	Vehicle and equipment replacement.	\$1,395,000	V	ERF	\$250,000	\$450,000	\$350,000	\$190,000	\$580,000	\$165,000	\$1,735,000

20-09	New	Vehicle for the Meter Replacement Program	A new Service Van to be used for the meter replacement program	\$200,000	V	WU	\$200,000	\$200,000	\$0	\$0	\$0	\$0	\$200,000
Sub-Total Customer and Technical Services				\$1,595,000			\$450,000	\$650,000	\$350,000	\$190,000	\$580,000	\$165,000	\$1,935,000
ANNUAL PROVISIONAL ITEMS													
17-07	New	Site Decommissioning - General	Planning for decommissioning of unused sites.	\$50,000	S	WU	\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000
17-09	Replacement	Emergency Main Replacement	Major main replacement under emergencies.	\$500,000	S	WU	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
17-12	Replacement	Large Meters/Meter Vaults Components Replacement	Replacement or repairs to components in large meters/vaults as required.	\$1,250,000	S	WU	\$0	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
17-13	New	Site Security Upgrades	Upgrading and replacement of security systems for sites as required.	\$200,000	S	WU	\$0	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000
17-15	Renewal	Distribution System Improvements	Unplanned distribution system improvements.	\$2,250,000	S	WU	\$0	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$2,250,000
17-16	New	Hydraulic Model Yearly Update	Annual hydraulic model update.	\$300,000	S	WU	\$0	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$300,000
21-03	Replacement	Hydrant & Flush Replacement, Upgrades and Additions	Upgrade, replacement or installation of flushes and fire hydrants, and fire flow testing.	\$1,125,000	S	WU	\$0	\$225,000	\$225,000	\$225,000	\$225,000	\$225,000	\$1,125,000
21-04	Replacement	Residential Service & Meter Replacement	Replacement of residential water meters as highlighted by the 2017 KWL Water Audit report.	\$6,000,000	S	WU	\$0	\$800,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$6,000,000
21-05	Replacement	Pump Station Equipment Replacements	Unplanned pump station repairs and equipment replacement	\$750,000	S	WU	\$0	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
21-06	Replacement	SCADA Equipment Replacement	Unplanned replacement of SCADA and electrical equipment.	\$500,000	S	WU	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
21-07	Renewal	Reservoir Equipment Replacement	Replacement or repairs to components at reservoir sites.	\$500,000	S	WU	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
21-09	Replacement	Valve Replacement	Unplanned replacement and repair of isolation and line valves, and air valves.	\$1,000,000	S	WU	\$0	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Sub-Total for Annual Provisional Items				\$14,425,000			\$0	\$2,485,000	\$2,985,000	\$2,985,000	\$2,985,000	\$2,985,000	\$14,425,000
DEVELOPMENT COST CHARGE (DCC)													
16-07	New	Update DCC Bylaw (Comprehensive Update in 2022)	Planned update of the DCC Bylaw.	\$255,000	S	Res	\$0	\$20,000	\$175,000	\$20,000	\$20,000	\$20,000	\$255,000
20-02	New	Bear Mountain Parkway Extension Supply Mains	Supply mains installed by the City of Langford.	\$2,000,000	S	Res	\$0	\$0	\$1,500,000	\$0	\$0	\$0	\$1,500,000
21-01	New	Sooke Henlyn Supply & Distribution Mains	Construction of water mains based upon development predictions from the Helgesen Pump Station westwards.	\$1,000,000	S	Res	\$0	\$0	\$1,000,000	\$0	\$0	\$0	\$1,000,000
23-01	New	Tank 4 and McCallum Pump Station (2020-2021) and Pump Station 7 and remaining Supply Main to Skirt Mtn Reservoir (2022)	Upgrades to complete the South Skirt Water System	\$7,110,000	S	Res	\$2,500,000	\$4,610,000	\$2,000,000	\$0	\$0	\$0	\$6,610,000
Sub-Total for Development Cost Charges (DCC)				\$10,365,000			\$2,500,000	\$4,630,000	\$4,675,000	\$20,000	\$20,000	\$20,000	\$9,365,000
GRAND TOTAL				\$76,080,000			\$4,850,000	\$25,215,000	\$15,915,000	\$8,100,000	\$7,240,000	\$6,720,000	\$63,190,000



CAPITAL REGIONAL DISTRICT CAPITAL PLAN

CAPITAL BUDGET FORM  
2021 & Forecast 2022 to 2025

Service #: 2.670/2.680  
Service Name: Regional Water Supply & JDF Water Distribution Combo

**Proj. No.**  
The first two digits represent first year the project was in the capital plan.

**Capital Exp. Type**  
**Study** - Expenditure for feasibility and business case report.  
**New** - Expenditure for new asset only  
**Renewal** - Expenditure upgrades an existing asset and extends the service ability or enhances technology in delivering that service  
**Replacement** - Expenditure replaces an existing asset

**Funding Source Codes**  
Debt = Debenture Debt (new debt only)  
ERF = Equipment Replacement Fund  
Grant = Grants (Federal, Provincial)  
Cap = Capital Funds on Hand  
Other = Donations / Third Party Funding

**Funding Source Codes (con't)**  
Res = Reserve Fund  
STLoan = Short Term Loans  
WU = Water Utility

**Asset Class**  
L - Land  
S - Engineering Structure  
B - Buildings  
V - Vehicles

**Capital Project Title**  
Input Title of Project. For example "Asset Name - Roof Replacement", "Main Water Pipe Replacement".

**Capital Project Description**  
Briefly describe project scope and service benefits.  
For example: *"Full Roof Replacement of a 40 year old roof above the swimming pool area; The new roofing system is built current energy standards, designed to minimize maintenance and have an expected service life of 35 years".*

**Total Project Budget**  
This column represents the total project budget not only within the 5-year window.

FIVE YEAR FINANCIAL PLAN													
Proj. No.	Capital Exp.Type	Capital Project Title	Capital Project Description	Total Proj Budget	Asset Class	Funding Source	C/F from 2020	2021	2022	2023	2024	2025	5 - Year Total
SYSTEM REPLACEMENT AND UPGRADES THAT BENEFIT REGIONAL WATER SUPPLY AND JUAN DE FUCA DISTRIBUTION													\$0
16-01	Renewal	Upgrades to Buildings at 479 Island Highway	Maintenance and changes to buildings and office layouts.	\$400,000	B	WU	\$0	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$400,000
17-01	Renewal	Voice Radio Upgrade	Replacement of end of life voice radio system repeaters, office, vehicle and handheld radios.	\$1,560,000	E	WU	\$0	\$640,000	\$650,000	\$0	\$0	\$0	\$1,290,000
20-01	New	Portable Pump Station	Portable pump station to provide backup when a pump station is offline, in construction or to bypass a section of pipe.	\$500,000	E	WU	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000
21-01	New	Storage Container for vehicle and equipment Tires	Tires removed from vehicles are stored on site outside of the Fleet office. They need to be stored in a more safe and secured area.	\$20,000	E	WU	\$0	\$20,000	\$0	\$0	\$0	\$0	\$20,000
Sub-Total System Replacement and Upgrades That Benefit Regional Water Supply and Juan de Fuca Distribution				\$2,480,000			\$500,000	\$1,240,000	\$730,000	\$80,000	\$80,000	\$80,000	\$2,210,000
ANNUAL PROVISIONAL CAPITAL ITEMS													
17-03	Replacement	Office Equipment, Upgrades and Replacements	Upgrade and replacement of office equipment as required.	\$225,000	E	WU	\$0	\$45,000	\$45,000	\$45,000	\$45,000	\$45,000	\$225,000
17-04	Replacement	Computer Upgrades	Annual upgrade and replacement program for computers, copiers, printers, network equipment as required.	\$850,000	E	WU	\$0	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000	\$850,000
17-05	New	Development of the Maintenance Management Systems	Develop maintenance management system.	\$100,000	E	WU	\$0	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$100,000
17-06	Replacement	Small Equipment & Tool Replacement (Water Operations)	Replacement of tools and small equipment for Water Operations as required.	\$400,000	E	WU	\$0	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$400,000
17-07	Replacement	Small Equipment & Tool Replacement (Corporate Fleet)	Replacement of tools and small equipment for Fleet as required.	\$75,000	E	WU	\$0	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$75,000
Sub-Total for Annual Provisional Capital Items				\$ 1,650,000			\$ -	\$ 330,000	\$ 330,000	\$ 330,000	\$ 330,000	\$ 330,000	\$1,650,000
GRAND TOTAL				\$4,130,000			\$500,000	\$1,570,000	\$1,060,000	\$410,000	\$410,000	\$410,000	\$3,860,000

Service: 2.680JDF Water Distribution			
Proj. No.	16-03	Capital Project Title	Asset Management Plan
Capital Project Description	Combine past studies to plan out future capital expenditures.		
Asset Class	S	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	Several studies have been completed and are in progress to assess the JDF assets and programs and the proposed Strategic Asset Management Plan will consolidate the findings of the previous studies in a comprehensive approach to identify and prioritizes future capital expenditures and programs.		
Proj. No.	21-14	Capital Project Title	Fire Storage Analysis
Capital Project Description	Assess and update the fire flow upgrade program to inform future capital works.		
Asset Class	S	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	In order to meet Fire Underwriters Survey recommendations for fire protection, it is necessary to provide certain volumes of water storage. It is proposed to assess fire storage volume requirements for different parts of the system and determine any required upgrades. Funding is required to retain a consultant to complete the analysis.		
Proj. No.	16-05	Capital Project Title	Comprehensive Pump Station Upgrades (10 year Program)
Capital Project Description	Continue pump station condition assessments, plan and carry out upgrades.		
Asset Class	S	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	A previous capital project was completed by Delcan Corp. in 2012 which assessed each existing pump station and identified building deficiencies. This study concluded that on average approximately \$1.0M per year for the next ten years is needed to upgrade existing pump stations. A review of system hydraulics, electrical/mechanical issues and backup power is due to be completed in 2020. Funds in 2021 are for completion of design of and to start construction of the Coppermine PS.		
Proj. No.	18-02	Capital Project Title	JDF Reservoir Upgrades
Capital Project Description	Reservoir improvements are required at Walfred, Peacock, and Helgesen Reservoirs. In 2018 a review of all three reservoirs was conducted including implementing improvements to Walfred.		
Asset Class	S	Board Priority Area	0
Corporate Priority Area	0		

Service: 2.680				JDF Water Distribution	
<div>Project Rationale</div> <div>Numerous deficiencies at the Walfred, Peacock and Helgesen reservoirs have been identified while operating the infrastructure. In 2020 planning and design of improvements at the Helgesen reservoir was undertaken. Improvements like valve reconfiguration, site drainage and controls will be undertaken in 2021 at the Peacock and Skirt reservoirs.</div>					
<div>Proj. No.</div> <div>18-03</div>		<div>Capital Project Title</div> <div>JDF Site Decommissioning Program</div>		<div>Capital Project Description</div> <div>Decommissioning of facilities that are no longer in use based on preliminary work from Annual Provisional</div>	
<div>Asset Class</div> <div>S</div>		<div>Board Priority Area</div> <div>0</div>		<div>Corporate Priority Area</div> <div>0</div>	
<div>Project Rationale</div> <div>Numerous pump station and PRV facilities have been made redundant or have been decommissioned within the JDF system. Sites have been identified as part of the annual provisional project and funds are required to complete decomission of the sites and then demolish them. In 2021 the Townsview tank and pump station will be carried out.</div>					
<div>Proj. No.</div> <div>18-05</div>		<div>Capital Project Title</div> <div>Rocky Point Upgrades</div>		<div>Capital Project Description</div> <div>Replacement of Rocky Point P.S., additional storage at Rocky Point Reservoir &amp; water main upgrades. Partnered with DND.</div>	
<div>Asset Class</div> <div>S</div>		<div>Board Priority Area</div> <div>0</div>		<div>Corporate Priority Area</div> <div>0</div>	
<div>Project Rationale</div> <div>Proposed work includes the design and construction of upgrades to the existing Rocky Point Pump Station, storage tank and associated water main upgrades. This work will improve the level of service to both the existing Metchosin water users and the expected increase in flow associated with the Spirit Bay Development in Beecher Bay. Cost sharing with DND for design and construction is underway with construction completing in 2021.</div>					

Service: 2.680

JDF Water Distribution

Proj. No.

18-06

Capital Project Title

Disaster Response Plan for Water Supply and Distribution

Capital Project Description

Determine and supply response equipment for disaster response.

Asset Class

S

Board Priority Area

0

Corporate Priority Area

0

Project Rationale

Proposed work includes developing a response plan to disasters to the Juan de Fuca water supply or distribution system. Funds are required to procure equipment and carry out works developed the in 2018 plan in conjunction with the Regional Water Supply disaster response Plan.

Proj. No.

19-06

Capital Project Title

Corrosion Protection Program

Capital Project Description

Undertake a program to assess and prevent corrosion to existing steel pipe within the Juan du Fuca water system.

Asset Class

S

Board Priority Area

0

Corporate Priority Area

0

Project Rationale

There are numerous steel pipes within the Juan du Fuca water distribution system. Some are located in corrosive conditions or connected to dissimilar metals. Funds are required to undertake a program to assess and prevent corrosion to existing pipes.

Proj. No.

19-09

Capital Project Title

Distribution System Seismic Resiliency Improvements

Capital Project Description

Determine and commence improvements to the distribution system to provide seismic resiliency.

Asset Class

S

Board Priority Area

0

Corporate Priority Area

0

Project Rationale

Determine and commence improvements to the distribution system to provide resiliency. In 2021, sites will be prioritized with design commencing in 2022 and construction starting in 2023.

Proj. No.

20-03

Capital Project Title

AC Pipe Replacement Program

Capital Project Description

Replacement of aging asbestos cement pipe as highlighted in the 2019 update report

Asset Class

S

Board Priority Area

0

Corporate Priority Area

0

Project Rationale

This item is the 2021 to 2025 program for replacement of the water mains identified in the Water Main Upgrading and Replacement Program Update in 2021. All mains were assessed for such criteria as age, pipe material, record of leaks and hydraulic adequacy, and a long-term replacement program was developed. Planned works for 2021 include 1.3km on Luxton Rd, funds for Walfred Rd Phase 2 were used in 2020.

Service: 2.680JDF Water Distribution			
Proj. No.	20-04	Capital Project Title	William Head & VGH Meter Replacement
Asset Class	S	Board Priority Area	0
Capital Project Description	Replacement of the meter and chambers at William Head & VGH with the possibility of resilient connections.		
Corporate Priority Area	0		
Project Rationale	Identified through Statement of Works, the William Head and Victoria General Hospital meters require replacement and redundancy to maintain service to the two facilities. In 2021 funds will be utilized to complete design of the two new meters that will allow for construction of the meters while maintaining service. Construction is to start in winter of 2021 and be completed in 2022.		
Proj. No.	20-05	Capital Project Title	Electrical Isolation Audit
Asset Class	S	Board Priority Area	0
Capital Project Description	Inspection audit of facilities to ensure that there is sufficient electrical separation and isolation for safety.		
Corporate Priority Area	0		
Project Rationale	Identified through Statement of Works, numerous aging facilities with electrical services may pose safety hazards due to inadequate electrical separation from mechanical equipment.		
Proj. No.	20-06	Capital Project Title	Sun River Reservoir Replacement
Asset Class	S	Board Priority Area	0
Capital Project Description	Replace the existing concrete tank with a steel tank for increase capacity and resilience.		
Corporate Priority Area	0		
Project Rationale	The Sun River reservoir is experiencing leakage through concrete form tie holes as a result of the original construction process. Funding is required to replace the existing concrete tank with a bolted steel tank.		
Proj. No.	20-07	Capital Project Title	Goldstream AC Replacement
Asset Class	S	Board Priority Area	0
Capital Project Description	Replacement of aging asbestos cement pipe within Goldstream Rd, fromVMP to Spencer.		
Corporate Priority Area	0		
Project Rationale	The existing water main within Goldstream Rd, from VMP to Spencer Rd, is aging asbestos cement and identified as a risk for failure. Due to the numerous large connections to the RWS transmission main and complexity replacement of this water main cannot be carried out within the AC Replacement Program. Funds are required to completed design and construct replacement of the water main in 2021.		



Service: 2.680JDF Water Distribution			
Proj. No.	21-02	Capital Project Title	Sooke Rd - 2,200m of 600m Pipe - VMP to Jacklin
Capital Project Description	Replacement of aged, large diameter water main from Jacklin Rd to VMP		
Asset Class	S	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	According to a corrosion assessment, a 2.2 kilometre section of an existing steel pipe along Sooke Road and Allendale Road (between Wishart to Jacklin) was unprotected and in need of replacement. In 2014, the design of both phases of the water main was completed by a consultant and construction of the main from Wishart to VMP was completed by CRD resources. The balance of the construction, from VMP to Jacklin Rd along Sooke Rd, is to occur in 2022.		
Proj. No.	21-11	Capital Project Title	Marilyn Rd - 110m of 200mm Pipe
Capital Project Description	Replacement of 110m of watermain to ensure proper fire flows in the area.		
Asset Class	S	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	Marilyn Road has an undersized pipe for fire flows and a hydrant, funds are required to replace 110 m of watermain to ensure proper fire flows in the area.		
Proj. No.	21-12	Capital Project Title	Ironmine Recirculation Line
Capital Project Description	Installation of a recirculation line to improve water quality at the Silverspray Reservoir		
Asset Class	S	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	The Silverspray Reservoir experiences seasonal low disinfection residuals, funds are required to design and construct a recirculation line to ensure adequate disinfection residuals during low demand periods.		
Proj. No.	21-13	Capital Project Title	SCADA Master Plan Update & Upgrades
Capital Project Description	Update the SCADA Master Plan in conjunction with the RWS, Saanich Peninsula and Core Area infrastructure.		
Asset Class	S	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	The 2015 SCADA Master Plan requires an update, additionally data radio and SCADA upgrades are required. Funds are required to update the joint SCADA Master Plan and conduct upgrades to pump stations, reservoirs and other communication sites.		

Service: 2.680 JDF Water Distribution			
Proj. No.	21-15	Capital Project Title	Florence Lake Inclusion Upgrades
Asset Class	S	Board Priority Area	0
Capital Project Description	Upgrades are required to the Florence Lake water system prior to including it into the JDF Water Svstem.		
Corporate Priority Area	0		
Project Rationale	Upgrades to the Florence Lake water system are required be before the system can be connected and included in the JDF Water System. Funding provided by the Florence Lake water system will be utilized to complete these upgrades.		
Proj. No.	16-06	Capital Project Title	Vehicle & equipment replacement (funding from replacement fund)
Asset Class	V	Board Priority Area	0
Capital Project Description	Vehicle and equipment replacement.		
Corporate Priority Area	0		
Project Rationale	This is for the replacement of vehicles and equipment used by CRD Integrated Water Services for the day-to-day operation and maintenance of the Juan De Fuca distribution system. These replacements are funded from the Juan De Fuca Vehicle and Equipment Replacement Fund.		
Proj. No.	20-09	Capital Project Title	Vehicle for the Meter Replacement Program
Asset Class	V	Board Priority Area	0
Capital Project Description	A new Service Van to be used for the meter replacement program		
Corporate Priority Area	0		
Project Rationale	Funds are required for procurement of a new service van for the meter and service replacement.		
Proj. No.	17-07	Capital Project Title	Site Decommissioning - General
Asset Class	S	Board Priority Area	0
Capital Project Description	Planning for decommissioning of unused sites.		
Corporate Priority Area	0		
Project Rationale	This is a provisional item to allow engineering and planning reviews of old facilities with a view to possible future site uses.		
Proj. No.	17-09	Capital Project Title	Emergency Main Replacement
Asset Class	S	Board Priority Area	0
Capital Project Description	Major main replacement under emergencies.		
Corporate Priority Area	0		
Project Rationale	This item is to fund the costs of responding to emergency major main breaks and conducting replacements.		

Service: 2.680JDF Water Distribution			
Proj. No.	17-12	Capital Project Title	Large Meters/Meter Vaults Components Replacement
Asset Class	S	Board Priority Area	0
Capital Project Description	Replacement or repairs to components in large meters/vaults as required.		
Corporate Priority Area	0		
Project Rationale	This is an annual provision for the replacement of obsolete and worn out large (greater than 2” diameter) meters, adding new meters and upgrading meter vaults.		
Proj. No.	17-13	Capital Project Title	Site Security Upgrades
Asset Class	S	Board Priority Area	0
Capital Project Description	Upgrading and replacement of security systems for sites as required.		
Corporate Priority Area	0		
Project Rationale	This is an annual allowance for upgrading and maintaining equipment, security and control systems at distribution facilities such as pump stations, PRV chambers and reservoirs. Items such as access hatches, fencing, etc., will be modified to provide a larger degree of security.		
Proj. No.	17-15	Capital Project Title	Distribution System Improvements
Asset Class	S	Board Priority Area	0
Capital Project Description	Unplanned distribution system improvements.		
Corporate Priority Area	0		
Project Rationale	Historically, opportunities to complete work arise during the year which were not specifically identified and budgeted. This item typically relates to coordinating work programs (i.e. JDF water main replacements and municipal paving programs) with the municipalities or development and taking advantage of opportunities during the year that were not specifically identified.		
Proj. No.	17-16	Capital Project Title	Hydraulic Model Yearly Update
Asset Class	S	Board Priority Area	0
Capital Project Description	Annual hydraulic model update.		
Corporate Priority Area	0		
Project Rationale	This item is required to input the pipes installed that year into the hydraulic computer model, followed by calibration and testing in order to keep the model up to date for design and planning purposes.		
Proj. No.	21-03	Capital Project Title	Hydrant & Flush Replacement, Upgrades and Additions
Asset Class	S	Board Priority Area	0
Capital Project Description	Upgrade, replacement or installation of flushes and fire hydrants, and fire flow testing.		
Corporate Priority Area	0		
Project Rationale	This is an annual provision for replacing old and outdated hydrants, flushes and associated works and access, as well as adding new hydrants to the system where requested by the municipalities or fire departments.		



Service: 2.680		JDF Water Distribution	

Proj. No.	21-04	Capital Project Title	Residential Service & Meter Replacement	Capital Project Description	Replacement of residential water meters as highlighted by the 2017 KWL Water Audit report.
Asset Class	S	Board Priority Area	0	Corporate Priority Area	0
Project Rationale	This is an annual provision for replacing failed residential services and meters, as well as proactively replacing services and meters in areas with historically large number of breaks.				

Proj. No.	21-05	Capital Project Title	Pump Station Equipment Replacements	Capital Project Description	Unplanned pump station repairs and equipment replacement
Asset Class	S	Board Priority Area	0	Corporate Priority Area	0
Project Rationale	This is an annual provision for unplanned pump station repairs and equipment replacement.				

Proj. No.	21-06	Capital Project Title	SCADA Equipment Replacement	Capital Project Description	Unplanned replacement of SCADA and electrical equipment.
Asset Class	S	Board Priority Area	0	Corporate Priority Area	0
Project Rationale	This is an annual provision for unplanned SCADA and electrical equipment replacement.				

Proj. No.	21-07	Capital Project Title	Reservoir Equipment Replacement	Capital Project Description	Replacement or repairs to components at reservoir sites.
Asset Class	S	Board Priority Area	0	Corporate Priority Area	0
Project Rationale	This is an annual provisional for unplanned replacement of equipment, such as safety devices and mechanical fittings, at reservoir sites.				

Proj. No.	21-09	Capital Project Title	Valve Replacement	Capital Project Description	Unplanned replacement and repair of isolation and line valves, and air valves.
Asset Class	S	Board Priority Area	0	Corporate Priority Area	0
Project Rationale	This is an annual provisional for unplanned replacement of valves, including air valves and check valves.				

Service: 2.680JDF Water Distribution			
Proj. No.	16-07	Capital Project Title	Update DCC Bylaw (Comprehensive Update in 2022)
Capital Project Description	Planned update of the DCC Bylaw.		
Asset Class	S	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	This is a provisional item to cover questions that arise and referred to our consultants for advice. Every 5 years a comprehensive update is required and the previous DCC update was completed in 2017, with the next update scheduled for 2022 for \$175,000.		
Proj. No.	20-02	Capital Project Title	Bear Mountain Parkway Extension Supply Mains
Capital Project Description	Supply mains installed by the City of Langford.		
Asset Class	S	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	The City of Langford has installed DCC eligible supply water mains as part of their 2017 Bear Mountain Parkway extension road project to avoid future pavement restoration and traffic disruption. It is proposed to pay back the eligible costs in 2022.		
Proj. No.	21-01	Capital Project Title	Sooke Henlyn Supply & Distribution Mains
Capital Project Description	Construction of water mains based upon development predictions from the Helaesen Pump Station westwards.		
Asset Class	S	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	Proposed work includes the continued installation of the supply and distribution water mains connected to the Helgesen pump station which was previously constructed in 2011 as part of the DCC program. The supply and distribution water mains will continue west as development proceeds towards the proposed Henlyn Tank.		
Proj. No.	23-01	Capital Project Title	Tank 4 and McCallum Pump Station (2020-2021) and Pump Station 7 and remaining Supply Main to Skirt Mtn Reservoir (2022)
Capital Project Description	Upgrades to complete the South Skirt Water System		
Asset Class	S	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	Design and construct Tank 4, Pump Station 7, McCallum Pump Station and remaining supply main to the Skirt Mountain Reservoir based upon development and demand.		

Service: 2.670/2.680Regional Water Supply & JDF Water Distribution Combo			
Proj. No.	16-01	Capital Project Title	Upgrades to Buildings at 479 Island Highway
Capital Project Description	Maintenance and changes to buildings and office layouts.		
Asset Class	B	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	The budget includes the following funds to upgrade and renew the buildings at 479 Island Highway: <ul style="list-style-type: none"><li>Repairs, upgrades and changes to the buildings (provisional \$50,000)</li><li>Painting of the buildings. (provisional \$10,000 annually)</li><li>Repair and replacement of carpets, floors and walls. (provisional \$10,000 annually)</li><li>Repair, refurbishment and replacement of equipment and property. (provisional \$10,000 annually)</li></ul>		

Proj. No.	17-01	Capital Project Title	Voice Radio Upgrade
Capital Project Description	Replacement of end of life voice radio system repeaters, office, vehicle and handheld radios.		
Asset Class	E	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	Service Life and projected replacement: <ul style="list-style-type: none"><li>The service life of the mobile and portable units was forecast as 10 years at minimum, 15 years at maximum in 2005.</li><li>The present radio models used in the system have just been taken out of production by the manufacturer, there will be no new units available for purchase as of July 1, 2015.</li><li>Support for repairs and maintenance of the present radio will continue for the next 3 years at least.</li></ul> There are no pressing issues with equipment maintenance or repairs, present repair rates suggest we can maintain the system for the next few years, and perhaps reach a 12-15 year lifespan on the present equipment.		

Proj. No.	20-01	Capital Project Title	Portable Pump Station
Capital Project Description	Portable pump station to provide backup when a pump station is offline, in construction or to bvpass a section of		
Asset Class	E	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	The RWS and JdF operation numerous water mains and pump stations. There are situations, when a pump station fails, construction of a pump station or bypassing a section of pipe, where a portable pump station is required to maintain the level of service. Funds will be used in 2020 to design and in 2021 to procure a portable pump station.		

Service: 2.670/2.680						Regional Water Supply & JDF Water Distribution Combo					
Proj. No.		21-01		Capital Project Title		Storage Container for vehicle and equipment Tires		Capital Project Description		Tires removed from vehicles are stored on site outside of the Fleet office. They need to be stored in a more safe and secured area.	
Asset Class		E		Board Priority Area		0		Corporate Priority Area		0	
Project Rationale		The tires that are purchased for replacing and winter rotating are stored outside the fleet office on the mezzanine. These tires which include large truck and equipment tires are bulky and heavy. Lifting these tires onto the mezzanine has been identified as a safety hazzard and requires more than one person. A solution to this is to purchase a storage container that can be placed and locked in the yard at 479 for the storage of the tires. The container will be at ground level which means that the onsite forklift can be used to move the tires around.									

Proj. No.		17-03		Capital Project Title		Office Equipment, Upgrades and Replacements		Capital Project Description		Upgrade and replacement of office equipment as required.	
Asset Class		E		Board Priority Area		0		Corporate Priority Area		0	
Project Rationale		Funds will be used for the replacement and upgrading of office equipment and furniture, as required.									

Proj. No.		17-04		Capital Project Title		Computer Upgrades		Capital Project Description		Annual upgrade and replacement program for computers, copiers, printers, network equipment as required.	
Asset Class		E		Board Priority Area		0		Corporate Priority Area		0	
Project Rationale		This is an annual upgrading and replacement program of computers, photocopiers, network, monitoring and associated equipment, as required. This item has been increased from \$160,000 to \$175,000 annually to reflect actual costs.  Capital Budget Network Switch Maintenance \$10,000 Additional Wireless Access Points and Maintenance \$15,000 Photocopier Replacement \$20,000 Additional Data Storage \$15,000 Replacement Computers \$75,000 Equipment Maintenance (contingency) \$23,000 Replace Access Control System - Gates/ Video Cameras \$12,000 Total Canital \$170,000									

Service: 2.670/2.680Regional Water Supply & JDF Water Distribution Combo			
Proj. No.	17-05	Capital Project Title	Development of the Maintenance Management Systems
Capital Project Description	Develop maintenance management system.		
Asset Class	E	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	The maintenance management system needs further development to meet user needs and to facilitate reporting. It is proposed that funds be approved for the following IT related projects:- <ul style="list-style-type: none"><li>Develop a dashboard to display information.</li><li>Investigate standardization of SAP mobile platform.</li></ul>		

Proj. No.	17-06	Capital Project Title	Small Equipment & Tool Replacement (Water Operations)
Capital Project Description	Replacement of tools and small equipment for Water Operations as required.		
Asset Class	E	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	Funds will be used for replacement of a variety of Operations and Welding equipment such as cutting saws, portable generators, gas detectors, Hilti drills,plasma cutter, wire welder, etc.		

Proj. No.	17-07	Capital Project Title	Small Equipment & Tool Replacement (Corporate Fleet)
Capital Project Description	Replacement of tools and small equipment for Fleet as required.		
Asset Class	E	Board Priority Area	0
Corporate Priority Area	0		
Project Rationale	Funds will be used for replacement of a variety of Fleet small equipment and tools as required. This includes provision to replace the Vehicle OBD reader for reading engine codes and the shop air compressor.		

2.680 Juan de Fuca Water Distribution  
Summary Schedule  
2021 - 2025 Financial Plan

Asset Profile	
Juan de Fuca Water Distribution	
Juan de Fuca assets include lands, office buildings, pump stations, pipe lines, meters, equipment, vehicles and other infrastructure.	

Reserve/Fund Summary							
	Actual	Estimate	Budget				
	2019	2020	2021	2022	2023	2024	2025
DCC Reserve Account	7,436,981	6,458,821	6,458,880	3,953,284	6,133,284	8,313,284	10,493,284
Equipment Replacement Fund	343,314	196,009	284,012	249,675	356,601	137,396	276,416
Total	7,857,899	6,732,436	6,820,500	4,280,569	6,567,497	8,528,294	10,847,316

2.680 Juan de Fuca Water Distribution  
Development Cost Charges  
2021 - 2025 Financial Plan

Development Cost Charges Reserve Schedule

Reserve Fund: Development Cost Charges for Juan de Fuca Water Distribution (Bylaw # 2758)

Fund: 1055 Fund Center: 101532	Actual	Estimate	Budget				
	2019	2020	2021	2022	2023	2024	2025
Beginning Balance	7,376,711	7,436,981	6,458,821	6,458,880	3,953,284	6,133,284	8,313,284
Transfer to Cap Fund to fund DCC projects	(814,305)	(3,020,000)	(2,130,000)	(4,675,000)	(20,000)	(20,000)	(20,000)
Payment of P&I on LA 3164	(239,785)	(228,160)	(69,941)	(30,596)	-	-	-
Payment of DCC liability	(3,148,875)						
DCC's received From Member Municipalities	4,192,290	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000
Interest Income*	70,945	70,000					
Ending Balance \$	7,436,981	6,458,821	6,458,880	3,953,284	6,133,284	8,313,284	10,493,284

General Comments:

Development Cost Charges Reserve Funds for Juan de Fuca Water Distribution was adopted in year 2000 for the purpose of providing funds for the capital costs of water facilities in the service areas.

These Reserve funds are received from Member Municipalities as Development Cost Charges (DCC's) to provide for the capital costs attributable to water sytem capacity improvements projects specified in the DCC capital expenditure program. Municipalities collect these DCC charges through building permits that are issued to developers for subdivision development.

Future years DCC's received from member municipalities are difficult to predict, due to unknown development activity in the Municipalities, influenced by market conditions. Estimates based on recent annual collections of DCCs, and the cyclical nature of property development.

\* Interest should be included in determining the estimated ending balance for the current year. Interest in planning years nets against inflation which is not included.

2.680 Juan de Fuca Water Distribution  
Equipment Replacement Reserve  
2021 - 2025 Financial Plan

**Equipment Replacement Reserve Schedule**

**Reserve Fund:** Juan de Fuca Distribution Equipment Replacement Reserve (covered by CRD-ERF Bylaw)

Fund: 1022 Fund Center: 101630	Actual	Estimated	Budget				
	2019	2020	2021	2022	2023	2024	2025
Beginning Balance	530,455	343,314	196,009	284,012	249,675	356,601	137,396
Equipment purchases (Based on Capital Plan)	(525,407)	(425,000)	(200,000)	(350,000)	(190,000)	(580,000)	(165,000)
Transfer from Operating Budget	251,115	213,945	258,003	263,163	268,426	273,795	279,270
Proceeds on disposals	80,949	63,750	30,000	52,500	28,500	87,000	24,750
Interest Income*	6,203						
<b>Ending Balance \$</b>	<b>343,314</b>	<b>196,009</b>	<b>284,012</b>	<b>249,675</b>	<b>356,601</b>	<b>137,396</b>	<b>276,416</b>

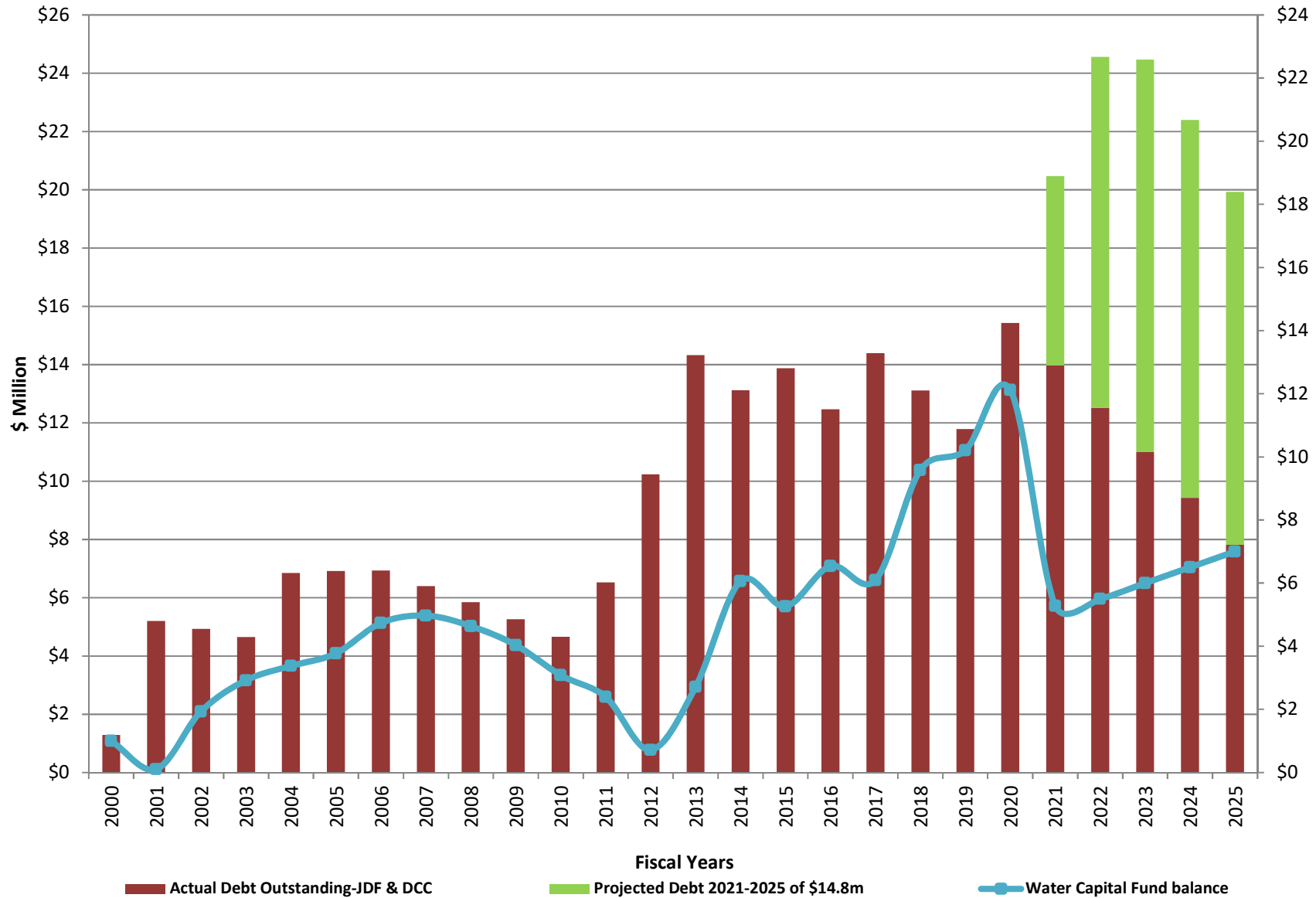
General Comments:

Reserve Fund is used for the purpose of replacing fleet vehicles including heavy equipment and associated mobile components, as outlined in the capital plan. Proceeds from disposals are estimated at 15% of replacement equipment purchases. Note not all vehicles are sold within the year in which they are replaced.

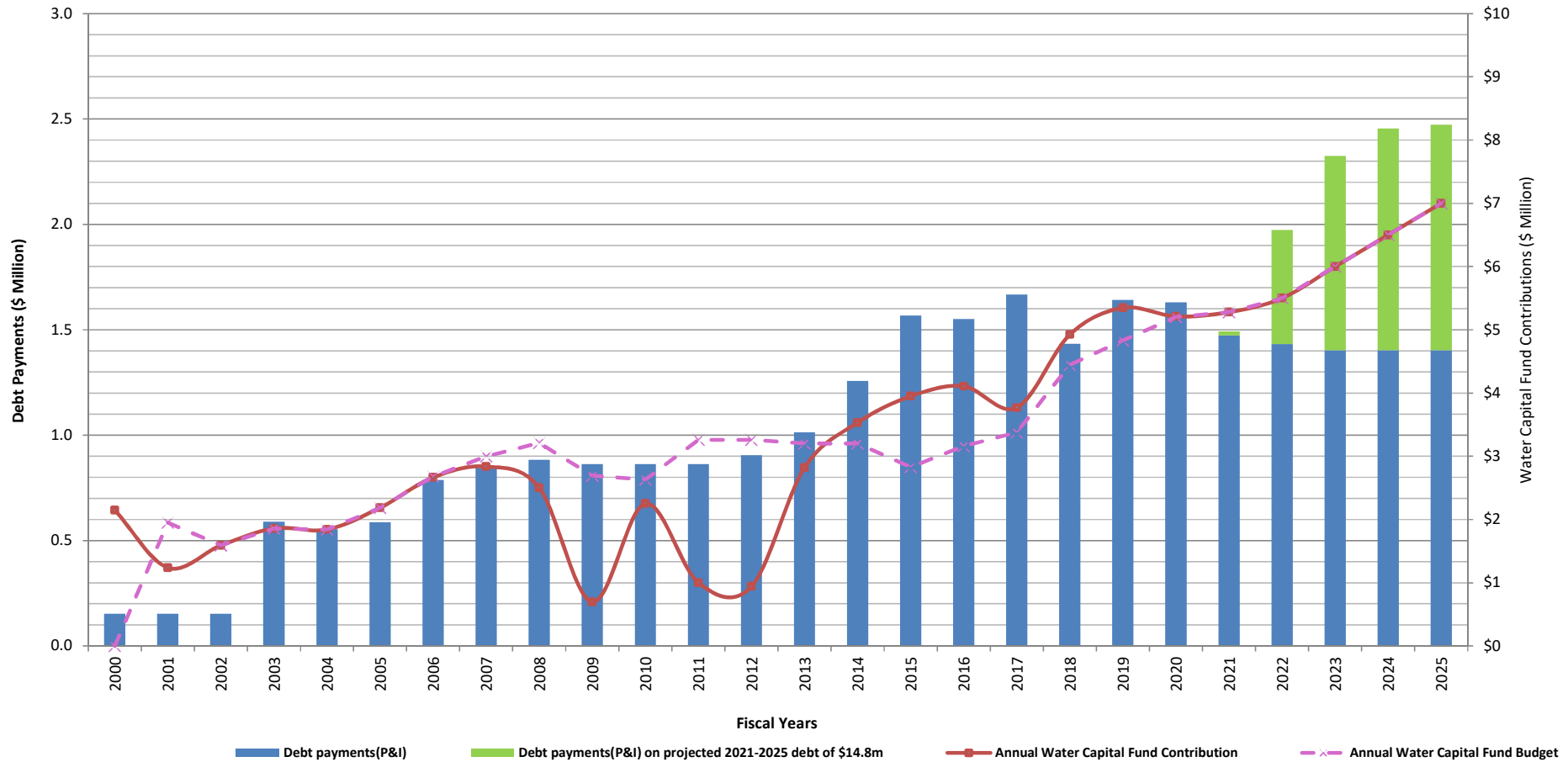
\* Interest should be included in determining the estimated ending balance for the current year. Interest in planning years nets against inflation which is not included.

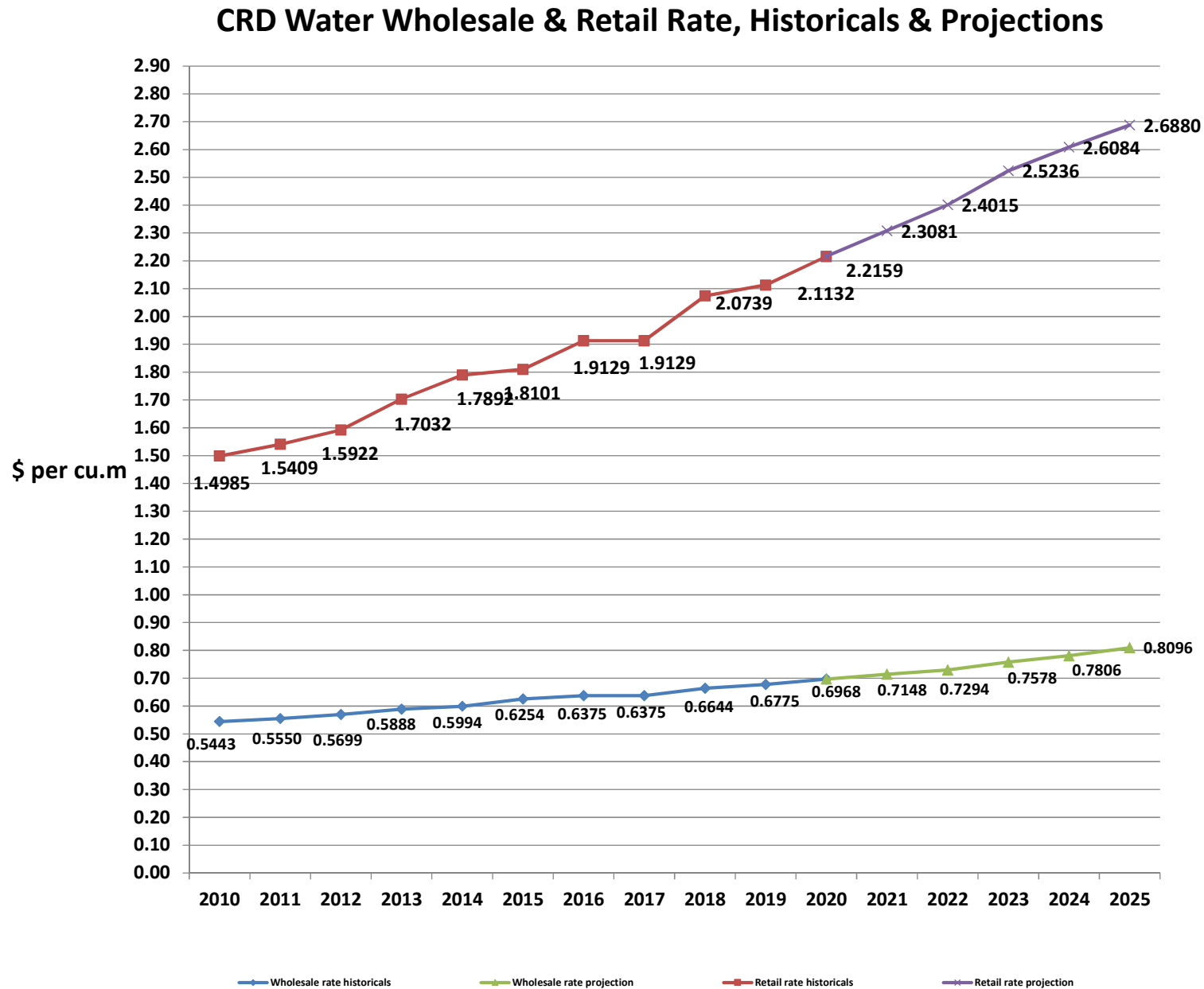


### JDF Water Distribution & DCC Debt Outstanding vs Water Capital Fund Balance



**JDF Water Distribution**  
**Debt Payments (P&I) vs Water Capital Fund Contributions**







**REPORT TO JUAN DE FUCA WATER DISTRIBUTION COMMISSION  
MEETING OF TUESDAY, OCTOBER 06, 2020**

**SUBJECT**      **Bylaw No. 4379: Juan de Fuca Water Distribution Loan Authorization Bylaw No. 5, 2020**

**ISSUE SUMMARY**

A Capital Regional District (CRD) Board resolution is required to approve loan authorization Bylaw No. 4379 for the purpose of financing the Juan de Fuca Water Distribution system five year 2021-2025 capital plan.

**BACKGROUND**

The last loan authorization for the Juan de Fuca Water Distribution service was under Bylaw 3981, to finance capital spending over 2015 to 2020. A loan authorization is typically prepared every five years, or as debt is required.

The Juan de Fuca Water Distribution capital plan (the "Capital Plan") includes planned replacement and improvements totaling \$49.7 million and will require borrowing of \$14.8 million from the Municipal Finance Authority of British Columbia (MFABC).

This borrowing will occur as required to meet cash flow needs for implementation of Commission-approved capital projects. Under the *Local Government Act*, participating area approval is required for the loan authorization and can be obtained through the Alternative Approval Process (AAP), which is the most efficient process regarding time and cost.

The following bylaw is proposed:

<b>Service Area</b>	<b>Action</b>	<b>Purpose</b>	<b>Bylaw</b>
2.680	Loan Authorization Bylaw	To create a loan authorization bylaw to permit long-term borrowing related to the capital plan for this service.	4379 Juan de Fuca Water Distribution Facilities Loan Authorization Bylaw No. 5, 2020

**ALTERNATIVES**

*Alternative 1*

The Juan De Fuca Distribution Commission recommends to the Capital Regional District Board:

1. That Bylaw No. 4379, Juan de Fuca Water Distribution Facilities Loan Authorization Bylaw No. 5, 2020, be introduced and read a first, second, and third time;
2. That elector assent for Bylaw No. 4379 in the entire service area be obtained via alternative approval process, according to section 345 of the *Local Government Act*, and if successful, referred to the Inspector of Municipalities for approval.

## Juan de Fuca Water Distribution Commission – October 6, 2020

### Bylaw No. 4379: Juan de Fuca Water Distribution Loan Authorization Bylaw No. 5, 2020 2

#### *Alternative 2*

That Bylaw No. 4379 be referred back to staff for additional information.

### **IMPLICATIONS**

#### *Legislative Implications*

It is recommended that approval be obtained by AAP. The AAP can be initiated when the loan authorization bylaw has received third reading.

#### *Financial Implications*

Long-term borrowing (i.e. loans with a term of more than 5 years) cannot be undertaken without the loan authorization bylaw being approved by the Inspector of Municipalities after the bylaw is given three readings by the local government. In addition, in accordance with the *Local Government Act*, elector approval is required in order to approve the loan authorization bylaw by either consent on behalf of the service's participating areas or by AAP.

The loan authorization for the provisional Capital Plan is \$14.8 million and will support the planned five year capital plan expenditures commencing in January 2021. The estimated debt servicing costs for the borrowing are included in the 2021–2025 five-year operating budget. Capital funds on hand will provide additional funds as required.

This loan authorization covers planned spending contained within the next five years of the capital plan. Actual borrowings in each of the next five years will be based on the cash flow requirements for the year, subject to the availability of funds from consumption revenue (net of operating expenditures).

To ensure optimization of interest and timing of long term debt, issuance of a temporary borrowing will be proposed if the AAP proves successful and Ministerial Approval is obtained. The timing of the debt issuance will be based on the timing of expenditures and will be dependent on prevailing interest rates at the time. Before long term debt issuance can be exercised, a security issuing bylaw will be brought forward for approval. The term of any debt issuances under such loan authorization will be 15 years.

### **CONCLUSION**

Capital program work on the Juan de Fuca water distribution system is planned for 2021 and ongoing. The work will be funded through a combination of capital funds on hand and borrowed funds. Access to the borrowed funds in 2021 is critical to meet capital program needs. A Capital Regional District (CRD) Board resolution is required to approve loan authorization Bylaw No. 4379 for the purpose of financing the Juan de Fuca Water Distribution system five year 2021-2025 capital plan. An Alternative Approval Process will be undertaken to obtain elector approval and can be initiated once the loan authorization bylaw has received third reading.

# **Juan de Fuca Water Distribution Commission – October 6, 2020**

## **Bylaw No. 4379: Juan de Fuca Water Distribution Loan Authorization Bylaw No. 5, 2020 3**

### **RECOMMENDATION**

The Juan de Fuca Water Distribution Commission recommends to the Capital Regional District Board:

1. That Bylaw No. 4379, “Juan de Fuca Water Distribution Facilities Loan Authorization Bylaw No. 5, 2020”, be introduced and read a first, second, and third time;
2. That elector assent for Bylaw No. 4379 in the entire service area be obtained via alternative approval process, according to section 345 of the *Local Government Act*, and if successful, referred to the Inspector of Municipalities for approval.

Submitted by:	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., General Manager, Integrated Water Services
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

### **ATTACHMENT**

Appendix A: Bylaw 4379, “Juan de Fuca Water Distribution Facilities Loan Authorization Bylaw No. 5, 2020”

## CAPITAL REGIONAL DISTRICT

## BYLAW NO. 4379

\*\*\*\*\*  
**A BYLAW TO AUTHORIZE THE BORROWING OF FOURTEEN MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$14,800,000) FOR THE PURPOSE OF ACQUIRING, DESIGNING AND CONSTRUCTING WATER DISTRIBUTION FACILITIES IN THE WESTERN COMMUNITIES OF THE JUAN DE FUCA DISTRIBUTION**  
 \*\*\*\*\*

**WHEREAS:**

- A. Under Bylaw No. 2538, "Water Distribution Local Service Area Establishment Bylaw No. 1, 1997", as amended, the Capital Regional District established a local service for the purpose of distributing water in the Regional District;
- B. It is deemed desirable to fund works relating to the acquiring, designing and constructing water distribution facilities in the Western Communities of the Juan de Fuca distribution system, and the work shall include the planning, study, public consultation, site selection, design, land and material acquisition, construction, supply and installation of all material, equipment and components and all construction necessary for the preparation and works relating to the acquiring, designing and constructing water distribution facilities in the Western Communities of the Juan de Fuca distribution system;
- C. The estimated cost of acquiring land, designing and constructing the water works facilities including expenses incidental thereto, is the sum of Fourteen Million Eight Hundred Thousand Dollars (\$14,800,000);
- D. Pursuant to sections 345, 403, and 407 of the *Local Government Act*, required elector approval shall be obtained by alternative approval process, after which the bylaw will be referred to the Inspector of Municipalities for review and approval; and
- E. The financing is to be undertaken by the Municipal Finance Authority of British Columbia;

**NOW THEREFORE** the Capital Regional District Board in open meeting assembled hereby enacts as follows:

- 1. The Board is hereby empowered and authorized to undertake and carry out or cause to be carried out the acquisition of land, planning, study, design and construction of buildings, plant, mains, dams, and other water works facilities and equipment herein before described and to do all things necessary in connection therewith and without limiting the generality of the foregoing:
  - a) to borrow upon the credit of the Capital Regional District a sum not exceeding Fourteen Million Eight Hundred Thousand Dollars (\$14,800,000); and
  - b) to acquire all such real property, easements, rights-of-way, leases, licenses, rights or authorities as may be requisite or desirable for or in connection with the acquisition of land, planning, study, design and construction to add, replace,

upgrade water works facilities and all related ancillary works, studies and equipment deemed necessary in connection with construction of the said facilities.

- 2. The maximum term for which debentures may be issued to secure the debt intended to be created by this bylaw is 15 years.
- 3. This Bylaw may be cited as “Juan de Fuca Water Distribution Facilities Loan Authorization Bylaw No. 5, 2020”.

READ A FIRST TIME THIS	__th	day of	202__
READ A SECOND TIME THIS	__th	day of	202__
READ A THIRD TIME THIS	__th	day of	202__
APPROVED BY ALTERNATIVE APPROVAL PROCESS PER S.345 OF THE <i>LOCAL GOVERNMENT ACT</i> THIS	__th	day of	202__
APPROVED BY THE INSPECTOR OF MUNICIPALITIES THIS	__th	day of	202__
ADOPTED THIS	__th	day of	202__

\_\_\_\_\_  
CHAIR

\_\_\_\_\_  
CORPORATE OFFICER



**REPORT TO JUAN DE FUCA WATER DISTRIBUTION COMMISSION  
MEETING OF TUESDAY, OCTOBER 6, 2020**

**SUBJECT     Sun River Reservoir Agreement**

**ISSUE SUMMARY**

To summarize the proposed land transfer and contribution agreement between the Capital Regional District (CRD) and Sun River Estates Ltd.

**BACKGROUND**

At its meeting of May 7, 2019 the Juan de Fuca Water Distribution Commission (the Commission) directed CRD staff to:

1. Draft an agreement for Commission approval, between Sun River Estates Ltd. and the CRD for the transfer of land for the new and future reservoirs and funding for required development reservoir capacity;
2. Proceed with the design and construction of a new bolted steel reservoir to provide capacity for the future development requirements and to compensate for lost storage capacity in the existing reservoir; and
3. Fund the Juan de Fuca Water Distribution share of the new bolted steel reservoir with up to \$930,000 in funds remaining in the Sun River Reservoir Capital Project 15-02.

The CRD has since drafted an agreement through its solicitor (Staples McDannold Stuart) for the transfer of land and funding for required development reservoir capacity. A copy of the agreement is included as Appendix A. The proposed details of the agreement are as follows:

1. Sun River Estates Ltd. will agree to transfer a portion of its lands to the CRD for the construction of an additional reservoir, at no cost to the CRD. (see Schedule A)
2. The CRD will agree to construct a reservoir on these lands which, in conjunction with the existing reservoir, has the capacity to service both the existing and future development of Sun River Estates Ltd. (see Schedule B)
3. Sun River Estates Ltd. will contribute 22.84% of the CRD's costs incurred for the design and construction of the reservoir, up to a maximum of \$200,000.
4. The CRD accepts, in principle, the servicing concept of servicing the future lands labelled as BLS1 and BLS2 on Schedule D with:
  - a. Two privately-owned pump stations, with the pump stations being built on private property and operated and maintained by Sun River Estates Ltd.; and
  - b. Sun River Estates Ltd. providing a fire hydrant in the public right of way, with a horizontal location that is within 150 metres of the property boundary; that meets CRD specifications; and is located at such an elevation that it can provide 20psi pressure at the prescribed fire flow rate defined in CRD specifications, based on a design elevation in the water reservoir of 122.88 metres.

**Juan de Fuca Water Distribution Commission – October 6, 2020**  
**Sun River Reservoir Agreement**

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Sun River Estates Ltd. will be responsible for all other costs related to their proposed development including but not limited to water mains, Development Cost Charges, and meter connection charges as identified in CRD's bylaws.

At the time of writing this report the CRD has confirmed that the current zoning will allow the installation of a new reservoir on the land being transferred but is still waiting for confirmation that the proposed reservoir location will meet all zoning set back requirements.

## **ALTERNATIVES**

### *Alternative 1*

That the Juan de Fuca Water Distribution Commission direct staff to:

1. Finalize an agreement between Sun River Estates Ltd. and the CRD for the transfer of land for the new and future reservoirs and funding for required development reservoir capacity, subject to the proposed reservoir location meeting all zoning setback requirements;
2. Proceed with the design and construction of a new bolted steel reservoir to provide capacity for the future development requirements and to compensate for lost storage capacity in the existing reservoir;
3. Fund the Juan de Fuca Water Distribution share of the new bolted steel reservoir with up to \$900,000 in funds remaining in the Sun River Reservoir Capital Project 20-06; and
4. Have Sun River Estates Ltd. fund a share of the new bolted steel reservoir of up to \$200,000 through the agreement.

### *Alternative 2*

That the Juan de Fuca Water Distribution Commission direct staff to not proceed with a land transfer and funding agreement between Sun River Estates Ltd. and the CRD.

## **IMPLICATIONS**

### *Alternative 1*

By proceeding with the design and construction of a new bolted steel reservoir and to finalize an agreement with Sun River Estates Ltd. for land and a financial contribution, this alternative will:

- Provide the CRD the required land to construct a new bolted steel reservoir at no cost to the CRD.
- Allow the developer to contribute to the capacity of the new reservoir which will lower the overall cost to the CRD.
- Be more cost efficient to build one larger reservoir than to fix the existing reservoir and build a new smaller reservoir.
- Allow future replacement to be simpler when the existing reservoir reaches end of life.

**Juan de Fuca Water Distribution Commission – October 6, 2020**  
**Sun River Reservoir Agreement**

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*Alternative 2*

By not proceeding with a land transfer and funding agreement between Sun River Estates Ltd. and the CRD, this alternative:

- Will not provide the CRD the required land to construct a new bolted steel reservoir.
- Will require the CRD to fix the existing reservoir for an increased cost.
- Will require Sun River Estates Ltd. to fund a new reservoir for any additional lots.
- Will not provide land for a future reservoir replacement when the existing reservoir reaches end of life.

**CONCLUSION**

As directed by the Juan de Fuca Water Distribution Commission the CRD, through its solicitors, has drafted an agreement to receive land and a capacity-based financial contribution from Sun River Estates Ltd. for a new storage reservoir.

**RECOMMENDATION**

That the Juan de Fuca Water Distribution Commission direct staff to:

1. Finalize an agreement between Sun River Estates Ltd. and the CRD for the transfer of land for the new and future reservoirs and funding for required development reservoir capacity, subject to the proposed reservoir location meeting all zoning setback requirements;
2. Proceed with the design and construction of a new bolted steel reservoir to provide capacity for the future development requirements and to compensate for lost storage capacity in the existing reservoir;
3. Fund the Juan de Fuca Water Distribution share of the new bolted steel reservoir with up to \$900,000 in funds remaining in the Sun River Reservoir Capital Project 20-06; and
4. Have Sun River Estates Ltd. fund a share of the new bolted steel reservoir of up to \$200,000 through the agreement.

Submitted by:	Joseph Marr, P .Eng., Manager, Water Distribution Engineering & Planning
Concurrence:	Scott Mason, B.Sc., P .Eng., Acting Senior Manager, Infrastructure Engineering
Concurrence:	Ted Robbins, B. Sc., C. Tech., General Manager, Integrated Water Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

**ATTACHMENTS**

Appendix A: Transfer and Contribution Agreement

**.TRANSFER AND CONTRIBUTION AGREEMENT**

THIS AGREEMENT dated for reference the \_\_\_\_ day of \_\_\_\_\_, 2020.

BETWEEN:

**SUN RIVER ESTATES LTD.**

Inc. No. 553160  
3471 Short Street  
Victoria BC V8X 2V6  
(**"Sun River"**)

OF THE FIRST PART

AND:

**CAPITAL REGIONAL DISTRICT**

479 Island Highway  
Victoria, BC V9B 1H7  
(the **"CRD"**)

OF THE SECOND PART

**WHEREAS:**

- A. Sun River is the owner of lands with a legal description of PID: 026-066-858, Lot A Section 32 Sooke District Plan VIP77727, Except Parts in Plans VIP77765, VIP78743, VIP79134, VIP79684, VIP80394, VIP80698, VIP87411 and EPP53708;
- B. Sun River wishes to develop the lands for residential purposes;
- C. The CRD has established the Juan de Fuca Water Distribution System, which includes the lands;
- D. The CRD's current reservoir for the area including the lands does not have capacity to serve Sun River's desired development;
- E. In exchange for the CRD agreeing to construct a reservoir capable of servicing the lands, Sun River has agreed to transfer a portion of the lands to the CRD to construct an additional water reservoir, and to pay for a portion of the construction of a new reservoir;

- F. The CRD agrees to accept a portion of the lands in accordance with the terms of this agreement, and to engage a contractor to construct a new reservoir on those lands;

**NOW THIS AGREEMENT WITNESSES** that in consideration of the premises, the terms and conditions hereinafter contained, the sufficiency and receipt of which is hereby acknowledged, the parties covenant and agree each with the other as follows:

## 1.0 DEFINITIONS

1.1 In this Agreement, the following words have the following meanings:

- (a) "Agreement" means this Agreement;
- (b) "Closing Date" means the date that is thirty (30) days following final registration of the Subdivision Plan in the Victoria Land Title Office and satisfaction or waiver of the condition precedent contained in section 7.1(a) of this Agreement;
- (c) "Lands" means that part of the parent parcel with an area of approximately 995.3m<sup>2</sup> and outlined in black and identified as the "proposed CRD parcel" on the sketch plan attached as Schedule "A" to this Agreement;
- (d) "Parent Parcel" means lands with a legal description of PID: 026-066-858, Lot A Section 32 Sooke District Plan VIP77727, Except Parts in Plans VIP77765, VIP78743, VIP79134, VIP79684, VIP80394, VIP80698, VIP87411 and EPP53708;
- (e) "Subdivision Plan" means a subdivision plan subdividing the Lands from the Parent Parcel;
- (f) "Substantially Complete" means when the contract for construction of the Water Reservoir is substantially performed in accordance with section 1(2) of the BC Builders Lien Act;
- (g) "Water Reservoir" means the water reservoir to be constructed on the Lands pursuant to section 10.1 of this Agreement.

## 2.0 TRANSFER OF THE LANDS

- 2.1 Sun River agrees that in exchange for the CRD's agreement to construct the Water Reservoir on the Lands, it will transfer the Lands to the CRD free and clear of all liens, charges, and encumbrances, subject to the terms of this Agreement.

- 2.2 Sun River agrees to transfer the Lands to the CRD on or before the Closing Date or, if that date falls on a Saturday or a statutory holiday in British Columbia, the next business day following.

### 3.0 SUN RIVER REPRESENTATIONS AND WARRANTIES

- 3.1 Sun River represents and warrants which representations and warranties shall survive closing and continue for the benefit of the CRD:
- (a) Sun River is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada);
  - (b) Sun River is the registered and beneficial owner of the Lands and has the power and capacity to dispose of the same to the CRD;
  - (c) no lien under the Builders Lien Act exists or is claimed with respect to the Property nor any part of the Property;
  - (d) Sun River has not received any nor is Sun River aware of any threatened expropriation orders or orders condemning the Lands or any part thereof;
  - (e) Sun River maintains such insurance against loss or damage to the Lands and with respect to public liability as is reasonably prudent given the nature of the Lands;
  - (f) All local improvement, municipal, real property, school and other taxes and assessments of any kind whatsoever levied by any governmental authority having jurisdiction which are due or payable on or before the Closing Date, will be paid in full to the due date for payment thereof;
  - (g) the Lands will be free and clear of all liens, charges, and encumbrances on the Closing Date;
  - (h) the Lands to the best of Sun River's knowledge comply with all Environmental Laws and are not subject to any outstanding or threatened notice of defect or non-compliance, work order, pollution abatement order, remediation order or any other order from any federal, provincial, municipal or other governmental authority;
  - (i) to the best of Sun River's knowledge the Lands are free of Contaminants and Sun River has not used or permitted the Lands to be used, and has no knowledge of the Lands being used, for the storage, manufacture, disposal, treatment, handling, generation or release into the environment including by way of discharge, emission, spill, leakage or otherwise, of any contaminants or for waste disposal or landfill purposes;
  - (j) there are no actions, proceedings, investigations or claims, pending or to Sun River's knowledge threatened, that would interfere with the use and

enjoyment of the Lands or that if decided adversely could materially affect the ability of Sun River to comply with its obligations hereunder or that relate to the presence of Contaminants in, on or migrating from the Lands; and

- (k) Sun River has fully disclosed to the CRD any environmental reports, site assessments, audits, studies, permits, licences and records in the possession or control of Sun River with respect to the Lands and relating to Contaminants or Environmental Laws and Sun River has not obtained or performed any environmental reports, site assessments, audits or other studies with respect to the Lands except as disclosed in writing to the CRD.

Sun River agrees that their representations and warranties herein shall be true in all material respects on the Closing Date.

### 3.2 For the purposes of section 3.1:

- (a) **"Contaminants"** means any explosives, radio active materials, asbestos materials, urea formaldehyde, chlorobiphenols, hydrocarbon contaminates, underground or above ground tanks, pollutants, contaminants, hazards, corrosive or toxic substances, special waste or waste of any kind or any other substance the storage, manufacture, disposal, handling, treatment, generation, use, transport, remediation or release into the environment of which is prohibited, controlled, regulated or licensed under Environmental Laws.
- (b) **"Environmental Laws"** means any and all statutes, laws, regulations, orders, bylaws, permits and other lawful requirements of any federal, provincial, municipal or other governmental authority having jurisdiction over the Property, now or hereafter in force with respect in any way to the environment, health or occupational health and safety, product liability or transportation of dangerous goods, including all applicable guidelines and standards with respect to the foregoing as adopted by any of those governmental authorities from time to time and the principles of common law and equity.

## 4.0 RISK/POSSESSION

- 4.1 The Lands shall be at the risk of Sun River until the completion of the transfer of the Lands on the Closing Date, and thereafter shall be at the risk of the CRD.
- 4.2 The CRD shall have the right to vacant possession of the Lands on the Closing Date, subject only to all exceptions, reservations, and provisos contained in the original Crown grant.

- 4.3 Sun River shall ensure that the Lands are free of any rubbish or other material on the Closing Date.

## **5.0 ADJUSTMENTS**

- 5.1 Sun River and the CRD shall not make any adjustments with respect to utilities, or any other amount normally adjusted between the vendor and purchaser of real property, other than real property taxes. Real property taxes will be adjusted based on the proportion of the area of the Lands as compared with the area of the Parent Parcel as a whole.

## **6.0 TIME**

- 6.1 Time is of the essence of this Agreement.

## **7.0 CONDITION PRECEDENT**

- 7.1 The obligation of Sun River and the CRD to complete the transfer of the Lands on the Closing Date is subject to the following conditions precedent being satisfied within the time specified:
- (a) subject to approval of the CRD of an internal audit of the environmental condition of the Lands on or before January 8, 2021. Sun River shall permit the CRD and its agents to have access to the Lands to conduct the environmental audit on reasonable notice
  - (b) subject to final registration of the Subdivision Plan in the Victoria Land Title Office on or before January 8 2021 ;
- 7.2 The condition precedent contained in section 7.1(a) is for the CRD's sole benefit. If the CRD does not give Sun River notice of the satisfaction or waiver of this condition on or before the date specified, then this Agreement shall terminate and be of no further force and effect.
- 7.3 The condition contained in section 7.1(b) is for the benefit of both parties and may not be waived by either party. If the condition is not satisfied within the specified time this Agreement shall terminate and be of no further force and effect. However, in the event there are delays regarding the registration of the Subdivision Plan, the date for satisfaction of this condition may be extended by either party by a further sixty (60) days by notice in writing to the other.
- 7.4 In consideration of Ten (\$10.00) Dollars non-refundable paid by the CRD to Sun River and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by Sun River, Sun River agrees not to revoke its acceptance to this Agreement while it remains subject to the conditions specified in section 7.1. The parties agree that this Agreement will become an



unconditional contract for sale and purchase of the Property upon the satisfaction or waiver of all of the conditions precedent in section 7.1.

## 8.0 SUBDIVISION COSTS

- 8.1 Sun River shall pay all costs associated with subdividing the Lands from the Parent Parcel, including surveying costs and costs associated with preparing and registering the Subdivision Plan.
- 8.2 Sun River shall take all steps required to prepare and register the Subdivision Plan.

## 9.0 CLOSING PROCEDURE

### 9.1 The Closing

The closing of the purchase and sale of the Lands will occur on the Closing Date.

### 9.2 Vendor's Documents

On or before the Closing Date, Sun River's solicitor will prepare the following:

- (a) a certificate regarding GST registration and status;
- (b) the Vendor's Statement of Adjustments; and
- (c) such other documents and assurances as may be reasonably required by the Vendor to give full effect to the intent and meaning of this Agreement.

### 9.3 Purchaser's Documents

On or before the Closing Date, the CRD's solicitor will prepare the following:

- (a) a Form A Freehold Transfer (the "**Transfer**");
- (b) an executed certificate regarding GST registration and status;
- (c) such other documents and assurances as may be reasonably required by Sun River to give full effect to the intent and meaning of this Agreement.

### 9.4 Delivery of Closing Documents

The closing documents referred to in section 9.2(a) to (c) will be and delivered to the CRD's solicitors at least 3 days before the Closing Date.

The closing documents referred to in section 9.3(a) to (c) will be delivered to Sun River's solicitors at least 7 days before the Closing Date.

#### 9.5 Payment in Trust

On or before the Closing Date, the CRD will pay to its solicitors any adjustment due to property taxes, as per section 5.1 of this Agreement.

#### 9.6 Registration

The CRD will cause the CRD's solicitors to file the Transfer in the appropriate Land Title Office on the Closing Date promptly following the receipt by the Purchaser's solicitors of the documents and assurances referred to in section 9.2.

#### 9.7 Closing

Promptly following the filing referred to in section 9.5 and upon the CRD's solicitors being satisfied, after conducting a post registration search, that in the normal course of the Land Title Office's registration procedures the CRD will have a good and marketable freehold title to the Lands, the CRD will cause its solicitors to make available to Sun River's solicitors a trust cheque or direct deposit to Sun River's solicitor's trust account for any adjustment due to property taxes under section 5.1 of this Agreement.

#### 9.8 Concurrent Requirements

It is a condition of this Agreement that all requirements of this section 9 completed on the Closing Date until everything required to be paid, executed and delivered on the Closing Date has been so paid, executed and delivered.

#### 9.9 Election

If on the Closing Date any of the representations or warranties made by Sun River are untrue (in any material respect) or Sun River is in default in any material respect under any of the covenants and agreements to be observed or performed by Sun River under this Agreement, the CRD may elect not to complete the transfer under this Agreement or to complete the transfer of the Lands under this Agreement, in either case without prejudice to any rights or remedies the CRD may have in respect of Sun River's breach or default.

### 10.0 GOODS AND SERVICES TAX

#### 10.1 On the Closing Date, the CRD shall self-assess any GST payable and account directly to the Canada Revenue Agency for it, and shall provide a certificate to that effect to Sun River.

## 11.0 CONSTRUCTION OF RESERVOIR

- 11.1 If Sun River transfers the Lands to the CRD in accordance with this Agreement, the CRD shall construct on the Lands a Water Reservoir, that in conjunction with the CRD's existing storage on the adjacent parcel, is capable of providing service up to 613 residential units in the area outlined in black on Schedule "B" to this Agreement, in accordance with CRD Water Services Engineering Specifications and Standard Drawings (the "**Water Reservoir Minimum Requirement**").
- 11.2 The CRD shall ensure that any contract it enters into for the construction of the Water Reservoir states that the Water Reservoir shall be Substantially Complete by a date that is on or before December 31, 2021. The CRD may request in writing an extension of this date, to which Sun River may not unreasonably refuse its consent. Without limiting the generality of the foregoing, Sun River may not refuse its consent if the reason for the requested extension is a delay in the procurement process for the Water Reservoir that is outside the CRD's reasonable control.
- 11.3 Sun River agrees to pay to the CRD 22.84% of the CRD's costs incurred for the design and construction of the Water Reservoir, up to a maximum of two hundred thousand (\$200,000.00) dollars (the "**Contribution Amount**").
- 11.4 Sun River shall initially pay the Contribution Amount to the CRD via an irrevocable standby Commercial Letter of Credit in the form contained in Schedule "C" to this Agreement, or an acceptable similar form, issued by a Victoria branch of a bank licensed to conduct business in the Province of British Columbia, such letter of credit to be in force for a minimum of 2 years.
- 11.5 Sun River shall provide the Letter of Credit specified in section 11.4 of this Agreement no later than sixty (60) days after it has executed this Agreement. The amount of the Letter of Credit shall be \$200,000.
- 11.6 The CRD may draw on the Letter of Credit to make payments towards the contracts for the design and construction of the Water Reservoir at a rate of 22.84% of the paid costs up to a maximum of \$200,000
- 11.7 For certainty, this Agreement does not oblige CRD to connect or keep connected any properties to its water distribution system. Sun River may only connect any properties it owns to the CRD's water distribution system if approval is granted in accordance with any relevant CRD bylaws and policies.
- 11.8 The CRD accepts in principle the servicing concept of servicing the lands labelled as BLS1 and BLS2 on Schedule D with:
- (a) two privately owned pump stations, with the pump stations being built on private property and operated and maintained by Sun River; and

- (b) Sun River providing a fire hydrant in the public road right of way, with a horizontal location that is within 150 metres of the property boundary; that meets CRD specifications; and is located at such an elevation that it can provide 20 psi pressure at the prescribed flow rate defined in CRD specifications, based on a design water elevation in the Water Reservoir of 122.88 metres;

with the parties acknowledging that any decisions regarding approval of service connections, hydrant installation, and waterworks extensions, will be made at the time of application under the relevant bylaw, and unfettered by this Agreement.

## 12.0 NOTICE

- (a) Each notice sent pursuant to this Agreement ("**Notice**") shall be in writing and shall be sent to the relevant Party at the relevant address, facsimile number or e-mail address set out below. Each such Notice may be sent by registered mail, by commercial courier, by facsimile transmission, or by electronic mail.
- (b) The Contact Information for the parties is:

Sun River Estates Ltd.	Capital Regional District
3471 Short Street, Victoria, B.C., V8X 2V6	479 Island Highway, Victoria, B.C., V9B 1H7
Attn: Norman Eden (250) 475-1411	Attn: Joseph Marr (250) 474-9656
groupemail@dygroup.ca	jmarr@crd.bc.ca

- (c) Each Notice sent by electronic mail ("E-Mail Notice") must show the e-mail address of the sender, the name or e-mail address of the recipient, and the date and time of transmission, must be fully accessible by the recipient, and unless receipt is acknowledged, must be followed within twenty-four (24) hours by a true copy of such Notice, including all addressing and transmission details, delivered (including by commercial courier) or sent by facsimile transmission.

- (d) Subject to section 12 (f) through (h) each Notice shall be deemed to have been given or made at the following times:
  - (i) if delivered to the address (including by commercial courier), on the day the Notice is delivered;
  - (ii) if sent by registered mail, seven (7) days following the date of such mailing by sender;
  - (iii) if sent by facsimile transmission, on the date the Notice is sent by facsimile transmission; or
  - (iv) if sent by electronic mail, on the date the E-Mail Notice is sent electronically by e-mail by the sender.
- (e) If a Notice is delivered, sent by facsimile transmission or sent by electronic mail after 4:00 p.m., or if the date of deemed receipt of a Notice falls upon a day that is not a Business Day, then the Notice shall be deemed to have been given or made on the next Business Day following.
- (f) Notice given by facsimile transmission in accordance with the terms of this Section 12 will only be deemed to be received by the recipient if the sender's facsimile machine generates written confirmation indicating that the facsimile transmission was sent.
- (g) If normal mail service, facsimile or electronic mail is interrupted by strike, slow down, force majeure or other cause beyond the control of the parties, then a Notice sent by the impaired means of communication will not be deemed to be received until actually received, and the party sending the Notice shall utilize any other such services which have not been so interrupted or shall personally deliver such Notice in order to ensure prompt receipt thereof.
- (h) Each Party shall provide Notice to the other Party of any change of address, facsimile number, or e-mail address of such Party within a reasonable time of such change.

### **13.0 FORCE MAJEURE**

- 13.1 Where any obligation of the CRD under this Agreement cannot be performed because of an act of God, an act of a legislative, administrative or judicial entity,

fire, flood, labour disturbance, pandemic, governmental restrictions imposed in order to control a pandemic, including restrictions imposed by the Regional District, or unusually severe weather (collectively "Force Majeure"), then the obligations of the CRD shall be suspended during the period of Force Majeure.

#### **14.0 BINDING EFFECT**

- 14.1 This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors and permitted assigns. This Agreement may not be assigned by either party without the written consent of the other.

#### **15.0 WAIVER**

- 15.1 The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.

#### **16.0 HEADINGS**

- 16.1 The headings in this Agreement are inserted for convenience and reference only and in no way define, limit, or enlarge the scope or meaning of this Agreement or any provision of it.

#### **17.0 LANGUAGE**

- 17.1 Wherever the singular, masculine and neuter are used throughout this Agreement, the same is to be construed as meaning the plural or the feminine or the body corporate or politic as the context so requires.

#### **18.0 CUMULATIVE REMEDIES**

- 18.1 No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.

#### **19.0 LAW APPLICABLE**

- 19.1 This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia.

#### **20.0 TIME IS OF THE ESSENCE**

- 20.1 Time is of the essence for this Agreement.

**21.0 RELATIONSHIP OF THE PARTIES**

- 21.1 Nothing in this Agreement shall be construed so as to make the CRD a partner of Sun River or an owner of the Lands for any purpose, including the *Builders Lien Act*, until the completion of the purchase and sale on the Closing Date.

**22.0 FURTHER ASSURANCES**

- 22.1 Each of the parties shall, at the expense of the other party, execute and deliver all such further documents and do such further acts and things as the other party may reasonably request from time to time to give full effect to this Agreement.

**23.0 ASSIGNMENT**

- 23.1 Neither party may assign its rights under this Agreement with the prior written consent of the other, not to be unreasonably withheld.

**24.0 NO DEROGATION FROM STATUTORY POWERS**

- 24.1 Without limiting section 11.11, nothing in this Agreement shall be interpreted as prejudicing or impairing the CRD in the exercise of any statutory legislative powers under the Local Government Act, the Community Charter or any other enactment all of which may be executed as if this Agreement had not been exercised. Provided that the foregoing shall not restrict or limit the rights and remedies of the CRD resulting or arising from a breach or non-performance of the terms of this Agreement by the CRD.

**25.0 ENTIRE AGREEMENT**

- 25.1 This Agreement when executed will set forth the entire agreement and understanding of the parties as at the date hereof with respect to the subject matter hereof and supersede all prior agreements and understandings among the parties with respect to the subject matter hereof and there are no oral or written agreements, promises, warranties, terms, conditions, representations or collateral agreements whatsoever, express or implied, other than those contained in this Agreement.

**26.0 SCHEDULES**

- 26.1 The Schedules attached to this Agreement form part of this Agreement.

**27.0 COUNTERPART**

- 27.1 This Agreement may be executed in counterpart with the same effect as if both parties had signed the same document. Each counterpart shall be deemed to be

an original. All counterparts shall be construed together and shall constitute one and the same Agreement.

**IN WITNESS WHEREOF** the parties have executed this Agreement.

**SUN RIVER ESTATES LTD.**, by )  
its authorized signatory(ies) )  
on the \_\_\_\_\_ day of \_\_\_\_\_ 2020 )

\_\_\_\_\_  
Name: )

\_\_\_\_\_  
Name: )

**CAPITAL REGIONAL DISTRICT**, by )  
its authorized signatory(ies) )  
on the \_\_\_\_\_ day of \_\_\_\_\_ 2020: )

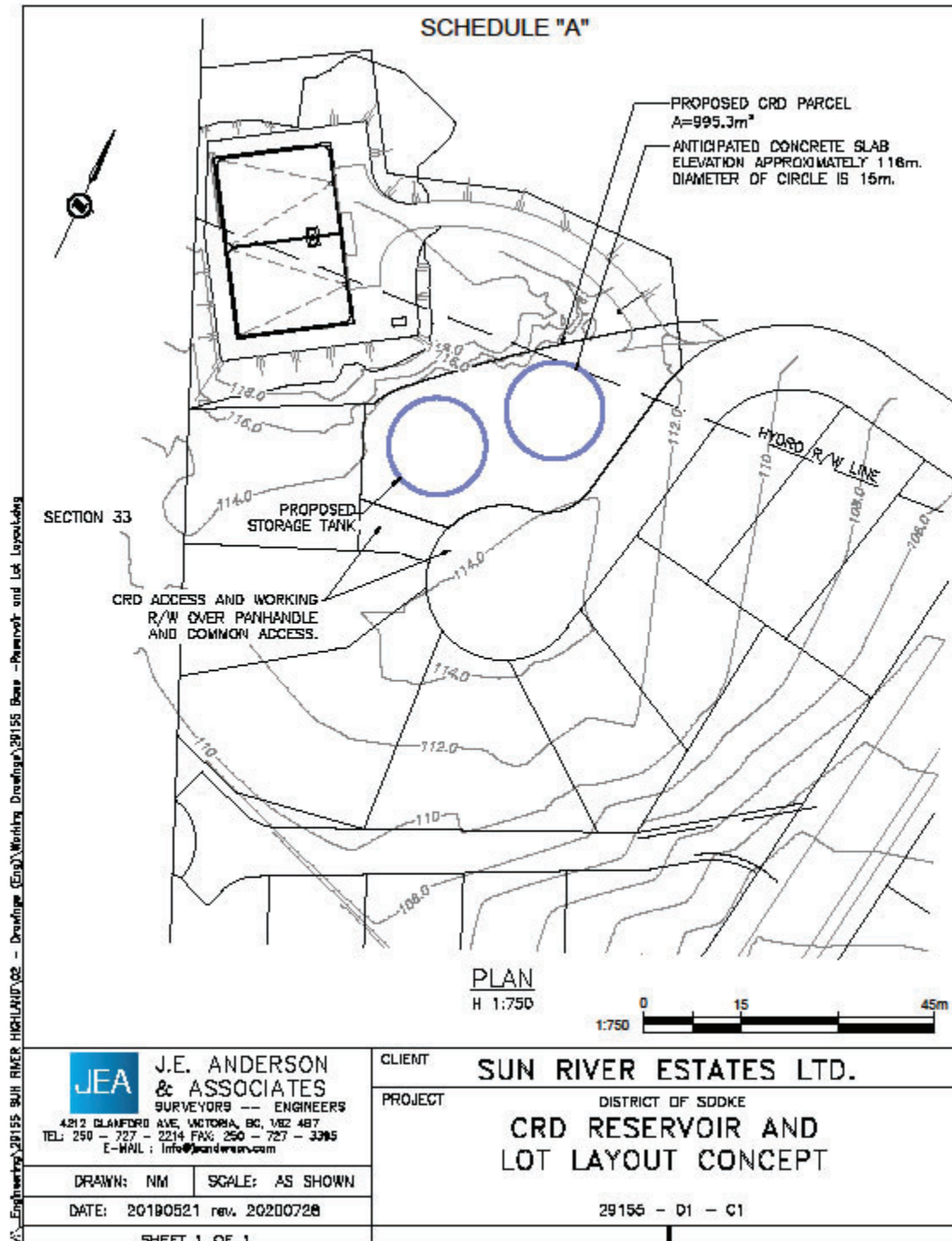
\_\_\_\_\_  
Name: )

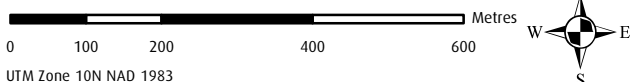
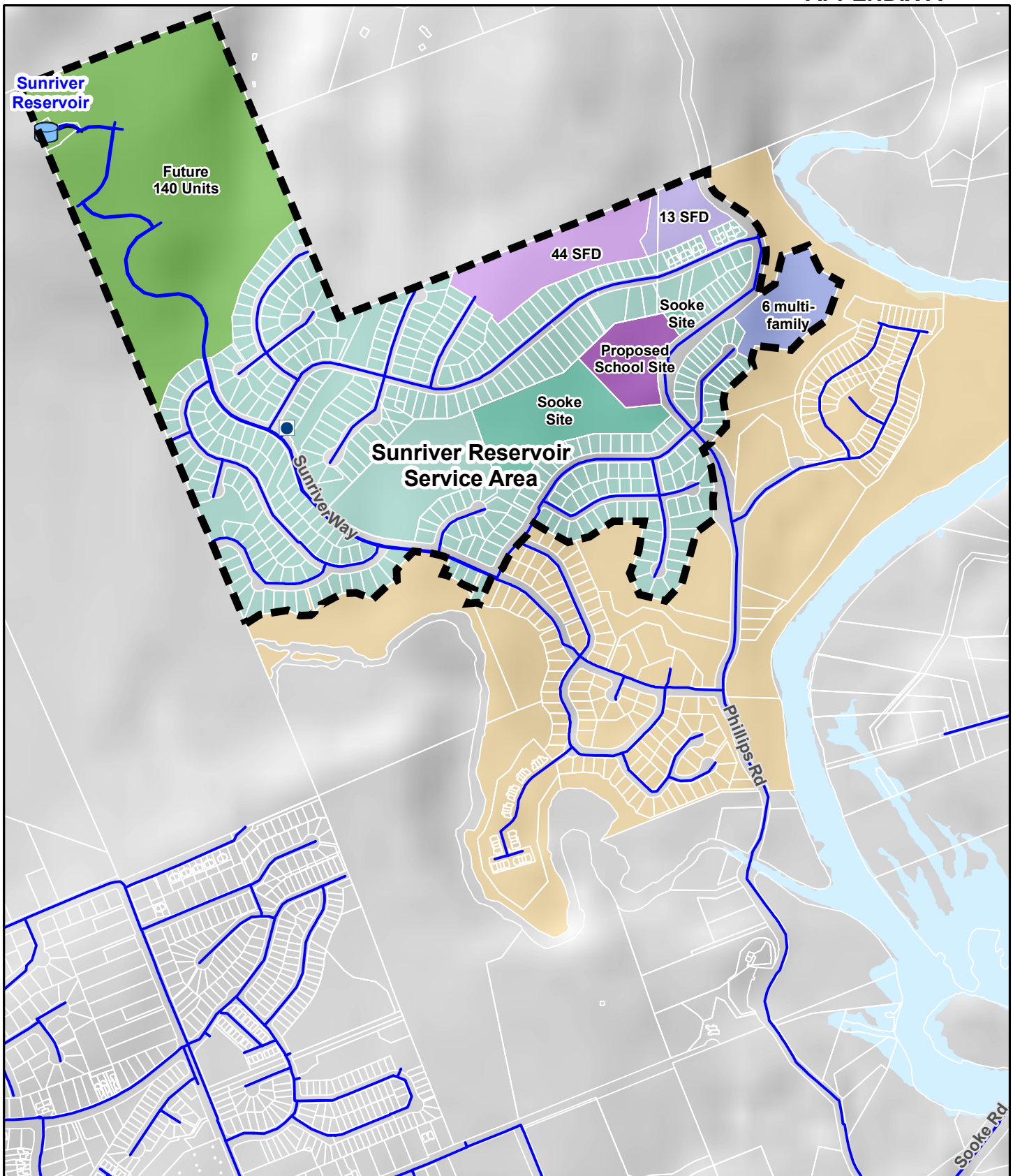
\_\_\_\_\_  
Name: )



## SCHEDULE "A"

## Lands to be Transferred



**DISCLAIMER**

This map is for general information only and may contain inaccuracies.

April 2020 | SunriverReservoirAreas.mxd | helpdesk@crd.bc.ca

**Sunriver Reservoir Proposed 2020  
Storage Tank & Development Lands**

April 2020

**CRD**  
Making a difference...together

- 2 -

## SCHEDULE "C" FORM OF LETTER OF CREDIT

### LETTER OF CREDIT

Letter of Credit No: \_\_\_\_\_

Amount: \_\_\_\_\_

TO Capital Regional District  
479 Island Highway  
Victoria, BC V9B 1H7

WE HEREBY AUTHORIZE you to draw on the: \_\_\_\_\_,  
(Name and Address of Bank)

For the account of \_\_\_\_\_ Sun River Estates Ltd. \_\_\_\_\_

Up to an aggregate amount of \_\_\_\_\_ available on demand.  
(Dollars in writing and in numbers)

PURSUANT TO THE REQUEST OF our customer: \_\_\_\_\_ Sun River Estates Ltd. \_\_\_\_\_

we the \_\_\_\_\_,  
(Name of Bank)

hereby establish our Irrevocable Commercial Letter of Credit in your favour in the above amount which may be drawn on by you at any time and from time to time, upon written demand for payment made upon us by you, which demand we shall honour without enquiring whether you have the right as between yourself and the said customer to make such demand, and without recognizing any claim of our said customer, or objection by it to payment by us.

THE LETTER OF CREDIT we understand relates to those services and financial obligations set out in an Agreement between the customer and the Capital Regional District and referred to as Transfer and Contribution Agreement dated **INSERT DATE**.

THE AMOUNT of this Letter of Credit may be reduced from time to time as advised by notice in writing to the undersigned from time to time by the Capital Regional District.

THIS LETTER OF CREDIT will continue in force for a period of 2 years.

Dated at \_\_\_\_\_ British Columbia, this \_\_\_\_\_ Day of \_\_\_\_\_ 2020.

Countersigned by: \_\_\_\_\_  
Name of Bank

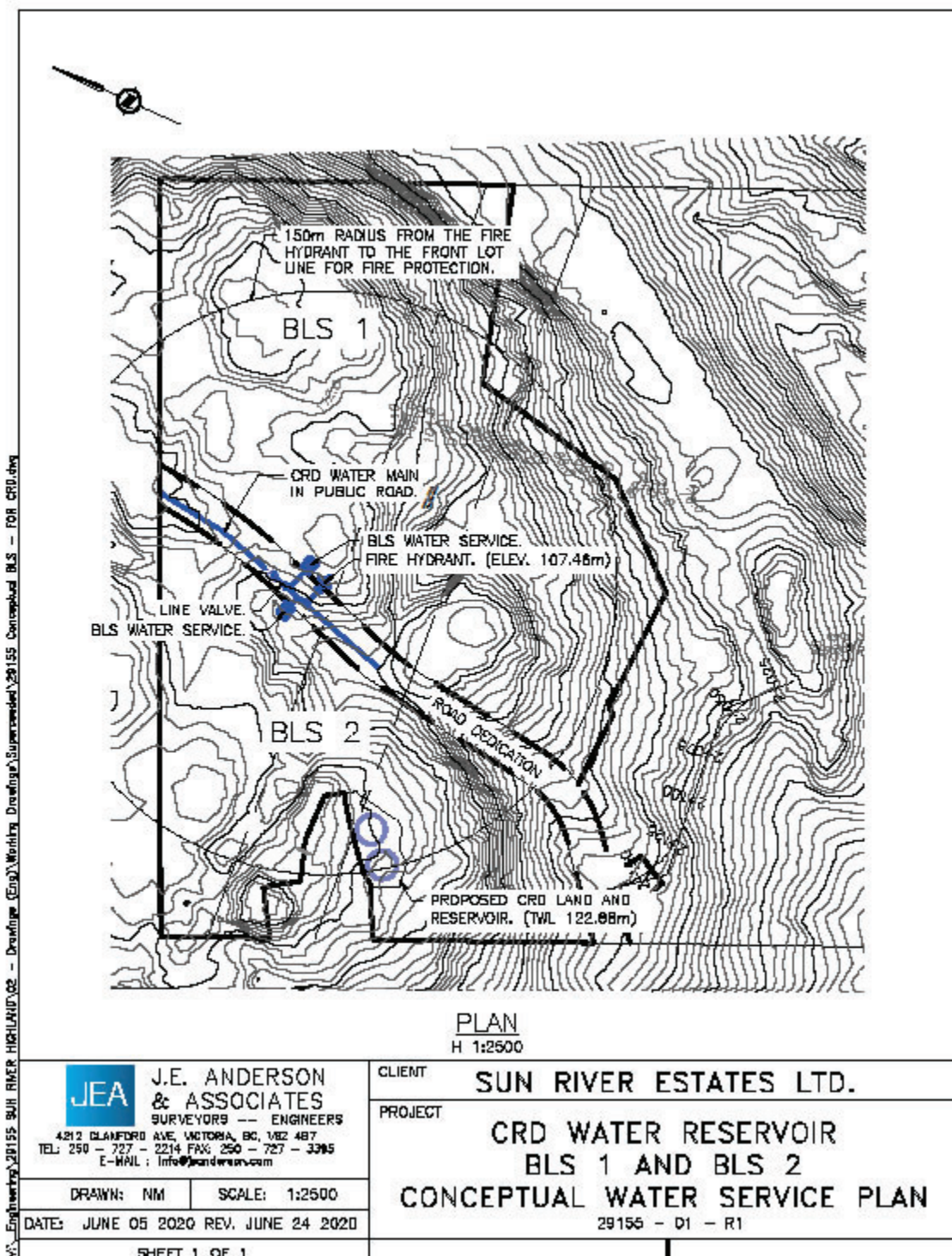
Per: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



- 3 -

## SCHEDULE "D"

## Conceptual Water Service Plan





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**CAPITAL REGIONAL DISTRICT REGIONAL WATER SUPPLY COMMISSION**  
**Wednesday, June 17, 2020 at 11:30 AM**

**MEETING HOTSHEET**  
**(ACTION LIST)**

The following is a quick snapshot of the FINAL Regional Water Supply Commission decisions made at the meeting. The minutes will represent the official record of the meeting.

**3. ADOPTION OF MINUTES**

That the minutes of the May 20, 2020 meeting be adopted.

**CARRIED**

**8. COMMISSION BUSINESS**

**8.1. Greater Victoria Drinking Water Quality – 2019 Annual Report**

That the Regional Water Supply Commission recommend to the Capital Regional District Board:

That the Greater Victoria Drinking Water Quality 2019 Annual Report be approved.

**CARRIED**

**8.2. Water Conservation Bylaw No. 4099 – Amendment**

The Regional Water Supply Commission recommends to the Capital Regional District Board:

1. That Bylaw No. 4261, "Capital Regional District Water Conservation Bylaw No. 1, 2016, Amendment Bylaw No. 2, 2020" be introduced and read a first, second, and third time, and;
2. That Bylaw No. 4261 be adopted.
3. That Bylaw No. 4358, "Capital Regional District Ticket Information Authorization Bylaw 1990, Amendment Bylaw No. 68, 2020", be introduced and read a first, second, and third time; and
4. That Bylaw No. 4358 be adopted.

**CARRIED**

**8.3. Summary of Recommendations from Other Water Commissions**

That the Summary of Recommendations from Other Water Commissions be received for information.

**CARRIED**

**8.4. Water Watch Report**

That the June 8, 2020 Water Watch report be received for information.

**CARRIED**



**CAPITAL REGIONAL DISTRICT REGIONAL WATER SUPPLY COMMISSION**  
**Wednesday, July 15, 2020 at 11:30 AM**

**MEETING HOTSHEET**  
**(ACTION LIST)**

The following is a quick snapshot of the FINAL Regional Water Supply Commission decisions made at the meeting. The minutes will represent the official record of the meeting.

**2. APPROVAL OF AGENDA**

That the correspondence from M. Doehnel regarding the Agricultural Study be added to the agenda as Item 8.1.2.

**CARRIED**

**3. ADOPTION OF MINUTES**

That the minutes of the June 17, 2020 meeting be adopted.

**CARRIED**

**4. APPROVAL OF RESOLUTION**

1. That this resolution applies to the Regional Water Supply Commission for the meetings being held between July 1, 2020 and December 31, 2020.
2. That the attendance of the public at the place of the meeting cannot be accommodated in accordance with the applicable requirements or recommendations under the *Public Health Act*, despite the best efforts of the Regional Water Supply Commission, because:
  - a. The available meeting facilities cannot accommodate more than 38 people in person, including members of the Regional Water Supply Commission and staff, and
  - b. There are no other facilities presently available that will allow physical attendance of the Regional Water Supply Commission and the public in sufficient numbers; and
3. That the Regional Water Supply Commission is ensuring openness, transparency, accessibility and accountability in respect of the open meeting by the following means:
  - a. By allowing the public to hear or participate via teleconference or electronic meeting software,
  - b. By allowing the public to see and hear the live webcasting of the meeting on the CRD website,
  - c. By providing notice of the meeting in newspaper or local notice Board, including the methods for providing written or electronic submissions,
  - d. By making the meeting agenda, as well as the other relevant documents, available on the CRD website, and directing interested persons to the website by means of the notices provided in respect of the meeting,

*To ensure a quorum, advise Denise at 250.360.3087 if you or your alternate cannot attend.*

- e. By strongly encouraging the provision of, and subsequently receiving and distributing to members, written correspondence from the public in advance of the meeting, and
- f. By making the minutes of the meeting available on the CRD website following the meeting.

That the Regional Water Supply Commission adopt the resolution as presented.

**CARRIED**

## **7. WATER ADVISORY COMMITTEE REPORT**

### **7.2. Draft Minutes of the June 25, 2020 Water Advisory Committee Meeting**

That the Regional Water Supply Commission receive the Draft Minutes for information.

**CARRIED**

## **8. COMMISSION BUSINESS**

### **8.1. RWSC 20-05 Remediation of Leech Water Supply Area Gravel Pit**

That the Regional Water Supply Commission receive the report for information.

**CARRIED**

That the Regional Water Supply Commission directs staff to review the costs and process for moving forward with a Certificate of Completion to remove the site from the contaminated sites list and report back to the Commission.

**CARRIED**

### **8.2. EEP 20-29 Review of the Agricultural Water Subsidy Rate and Rate Methodology**

The Regional Water Supply Commission recommends:

That staff be directed to maintain the current agricultural water rate for the 2021 budget year, and undertake an agricultural rate review that considers the current rate, rate model and rate application, the implications of these elements, and presents rate/rate model options for the Commission's consideration.

**CARRIED**

### **8.3. Summary of Recommendations from Other Water Commissions**

That the Summary of Recommendations from Other Water Commissions be received for information.

**CARRIED**

### **8.4. Water Watch Report**

That the July 6, 2020 Water Watch report be received for information.

**CARRIED**

## **9. NOTICE OF MOTION**

### **9.1. Request for a Review and Update of Bylaw No. – Commissioner St-Pierre**

**BE IT RESOLVED** that the Regional Water Supply Commission recommends that the Electoral Area Services Committee recommends to the CRD Board:

That staff be requested to review and update the building bylaw 3780 with respect to onsite water collection to align with the CSA B805-18 Canadian National Rainwater Harvesting Standard.

**CARRIED**

**11. MOTION TO CLOSE THE MEETING**

**In accordance with the Community Charter, Part 4, Division 3, 90(1)(e)** the acquisition, disposition or expropriation of land or improvements.

**CARRIED**





## CAPITAL REGIONAL DISTRICT REGIONAL WATER SUPPLY COMMISSION

Wednesday, September 16, 2020 at 11:30 AM

# MEETING HOTSHEET (ACTION LIST)

The following is a quick snapshot of the FINAL Regional Water Supply Commission decisions made at the meeting. The minutes will represent the official record of the meeting.

## 2. APPROVAL OF AGENDA

## 3. ADOPTION OF MINUTES

That the minutes of the July 15, 2020 meeting be adopted.

**CARRIED**

## 8. COMMISSION BUSINESS

### 8.1. Remediation of Leech Water Supply Area Gravel Pit – Completion of Certificate of Compliance

That this report be received for information, and that staff be directed not to pursue a Certificate of Compliance for the site.

**CARRIED**

### 8.2. RWSC 20-07 August 17, 2020 Lightning Strike Wildfires in the Greater Victoria Water Supply Area

That this report be received for information.

**CARRIED**

### 8.3. Summary of Recommendations from Other Water Commissions

That the Summary of Recommendations from Other Water Commissions be received for information.

**CARRIED**

### 8.4. Water Watch Report

That the September 8, 2020 Water Watch report be received for information.

**CARRIED**



Making a difference...together

**CAPITAL REGIONAL DISTRICT  
SAANICH PENINSULA WATER COMMISSION  
Thursday, June 18, 2020**

**MEETING HOTSHEET  
(ACTION LIST)**

---

The following is a quick snapshot of the FINAL Saanich Peninsula Water Commission decisions made at the meeting. The minutes will represent the official record of the meeting.

**2. ADOPTION OF MINUTES**

That the minutes of the March 19, 2020 meeting be adopted.

**CARRIED**

**6. COMMISSION BUSINESS**

**6.1. Summary of Recommendations from Other Water Commissions**

That the Summary of Recommendations from other water commissions be received for information.

**CARRIED**

**6.2. Water Watch Report**

That the June 8, 2020 Water Watch Report be received for information.

**CARRIED**



Making a difference...together

**CAPITAL REGIONAL DISTRICT  
SAANICH PENINSULA WATER COMMISSION  
Thursday, July 16, 2020**

**MEETING HOTSHEET  
(ACTION LIST)**

The following is a quick snapshot of the FINAL Saanich Peninsula Water Commission decisions made at the meeting. The minutes will represent the official record of the meeting.

**2. ADOPTION OF MINUTES**

That the minutes of the June 18, 2020 meeting be adopted.

**CARRIED**

**3. APPROVAL OF RESOLUTION**

1. That this resolution applies to the Saanich Peninsula Water Commission for the meetings being held between July 1, 2020 and December 31, 2020.
2. That the attendance of the public at the place of the meeting cannot be accommodated in accordance with the applicable requirements or recommendations under the *Public Health Act*, despite the best efforts of the Saanich Peninsula Water Commission, because:
  - a. The available meeting facilities cannot accommodate more than (8) people in person, including members of the Saanich Peninsula Water Commission and staff, and
  - b. There are no other facilities presently available that will allow physical attendance of the Saanich Peninsula Water Commission and the public in sufficient numbers; and
3. That the Saanich Peninsula Water Commission is ensuring openness, transparency, accessibility and accountability in respect of the open meeting by the following means:
  - a. By allowing the public to hear or participate via teleconference or electronic meeting software,
  - b. By providing notice of the meeting in newspaper or local notice Board, including the methods for providing written or electronic submissions,
  - c. By making the meeting agenda, as well as the other relevant documents, available on the CRD website, and directing interested persons to the website by means of the notices provided in respect of the meeting,
  - d. By strongly encouraging the provision of, and subsequently receiving and distributing to members, written correspondence from the public in advance of the meeting, and
  - e. By making the minutes of the meeting available on the CRD website following the meeting.

That the Saanich Peninsula Water Commission adopt the resolution as presented.

**CARRIED**

## 6. COMMISSION BUSINESS

### 6.1. Summary of Recommendations from Other Water Commissions

That the Summary of Recommendations from other water commissions be received for information.

**CARRIED**

### 6.2. Water Watch Report

That the July 6, 2020 Water Watch Report be received for information.

**CARRIED**

## 7. NEW BUSINESS

**MOVED** by Commissioner Barnhart, **SECONDED** by Commissioner Weisenberger,  
That the Saanich Peninsula Water Commission, subject to the ability to appoint alternate representatives to the Water Advisory Committee, appoint Mike Doehnel as alternate to Ron Barnhart to the Water Advisory Committee.

**CARRIED**

## CAPITAL REGIONAL DISTRICT - INTEGRATED WATER SERVICES

### Water Watch

Issued September 28, 2020

#### Water Supply System Summary:

##### 1. Useable Volume in Storage:

Reservoir	September 30 5 Year Ave		September 30/19		September 27/20		% Existing Full Storage
	ML	MIG	ML	MIG	ML	MIG	
Sooke	63,429	13,954	64,289	14,144	65,744	14,464	70.9%
Goldstream	5,377	1,183	4,117	906	6,612	1,455	66.7%
Total	68,806	15,137	68,406	15,049	72,356	15,918	70.6%

##### 2. Average Daily Demand:

For the month of September	163.1 MLD	35.89 MIGD
For week ending September 27, 2020	129.0 MLD	28.38 MIGD
Max. day September 2020, to date:	216.1 MLD	47.55 MIGD

##### 3. Average 5 Year Daily Demand for September

Average (2015 - 2019)	141.9 MLD <sup>1</sup>	31.22 MIGD <sup>2</sup>
-----------------------	------------------------	-------------------------

<sup>1</sup>MLD = Million Litres Per Day      <sup>2</sup>MIGD = Million Imperial Gallons Per Day

##### 4. Rainfall September:

Average (1914 - 2019):	64.7 mm
Actual Rainfall to Date	138.0 mm (213% of monthly average)

##### 5. Rainfall: Sep 1- Sep 27

Average (1914 - 2019):	54.5 mm
2020	138.0 mm (253% of average)

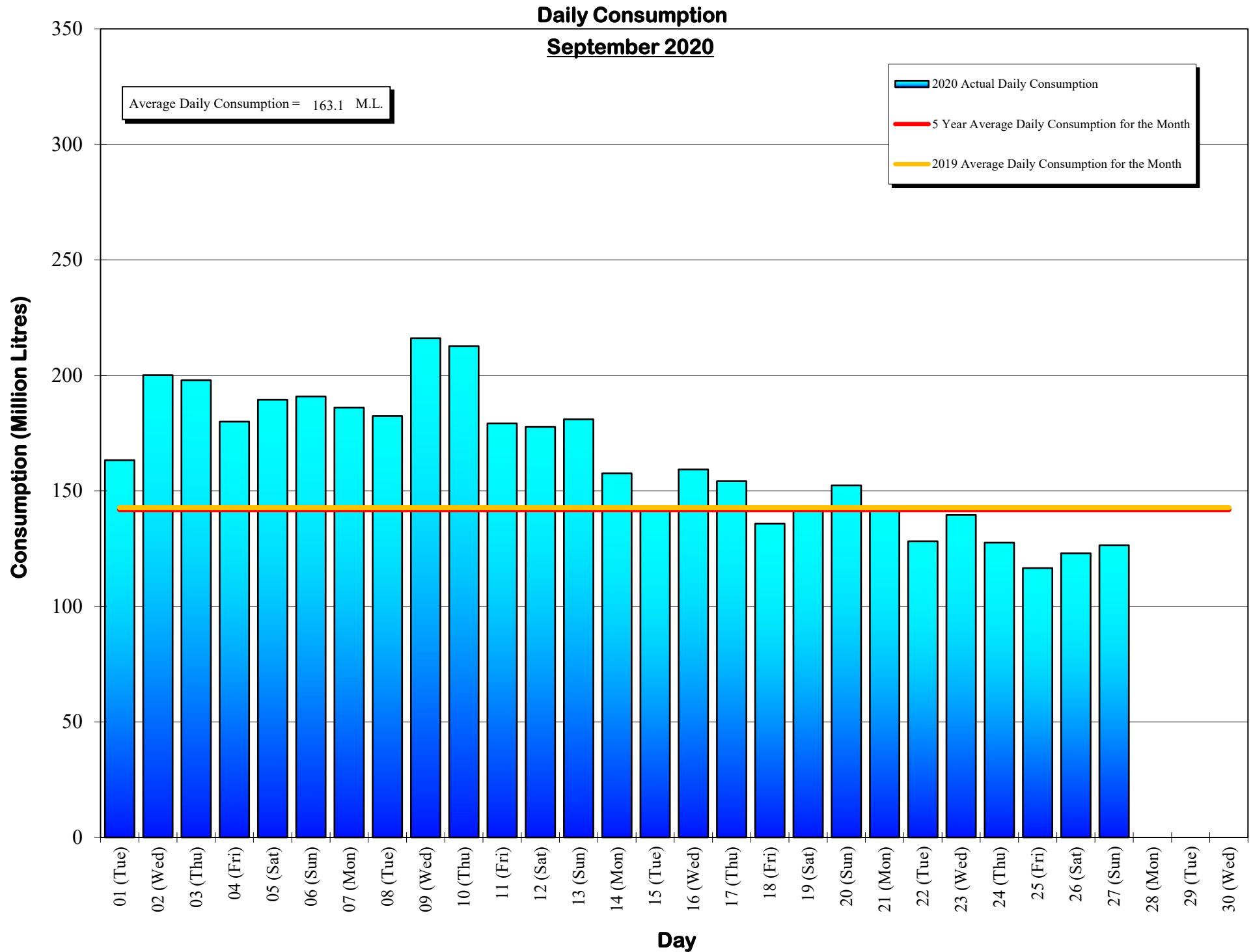
##### 6. Water Conservation Action Required:

CRD's Stage 1 Water Conservation Bylaw is now in effect through to September 30, 2020.  
Visit [www.crd.bc.ca/water](http://www.crd.bc.ca/water) for scheduling information.

If you require further information, please contact:

Ted Robbins, B.Sc., C.Tech  
General Manager, CRD - Integrated Water Services  
or  
Glenn Harris, Ph D., RPBio  
Senior Manager - Environmental Protection

Capital Regional District Integrated Water Services  
479 Island Highway  
Victoria, BC V9B 1H7  
(250) 474-9600



Daily Consumptions: - September 2020

Date	Total Consumption		Air Temperature @ Japan Gulch		Weather Conditions	Precipitation @ Sooke Res.: 12:00am to 12:00am			
	(ML) <sup>1</sup>	(MIG) <sup>2</sup>	High (°C)	Low (°C)		Rainfall (mm)	Snowfall <sup>3</sup> (mm)	Total Precip.	
01 (Tue)	163.3		35.9	24	11	Sunny	0.0	0.0	0.0
02 (Wed)	200.1		44.0	24	13	Sunny	0.0	0.0	0.0
03 (Thu)	197.9		43.5	25	13	Sunny	0.0	0.0	0.0
04 (Fri)	180.0		39.6	28	14	Sunny	0.0	0.0	0.0
05 (Sat)	189.5		41.7	22	14	Sunny	0.0	0.0	0.0
06 (Sun)	190.9		42.0	24	13	Sunny	0.0	0.0	0.0
07 (Mon)	186.1		40.9	26	14	Sunny	0.0	0.0	0.0
08 (Tue)	182.4		40.1	25	13	Sunny / Hazy skies	0.0	0.0	0.0
09 (Wed)	216.1	<=Max	47.5	29	13	Sunny	0.0	0.0	0.0
10 (Thu)	212.7		46.8	30	14	Sunny	0.0	0.0	0.0
11 (Fri)	179.2		39.4	25	14	Sunny	0.0	0.0	0.0
12 (Sat)	177.7		39.1	16	11	Wildfire smoke	0.0	0.0	0.0
13 (Sun)	181.0		39.8	17	10	Wildfire smoke	0.0	0.0	0.0
14 (Mon)	157.6		34.7	18	11	Smoke / P. Cloudy / Showers	3.1	0.0	3.1
15 (Tue)	142.6		31.4	22	14	Smoke / P. Cloudy / Showers	1.3	0.0	1.3
16 (Wed)	159.3		35.0	22	14	Smoke / P. Cloudy / Showers	0.3	0.0	0.3
17 (Thu)	154.2		33.9	22	14	Smoke / P. Cloudy	0.0	0.0	0.0
18 (Fri)	135.8		29.9	18	14	Sunny / P. Cloudy / Showers	0.5	0.0	0.5
19 (Sat)	142.3		31.3	21	13	Sunny / P. Cloudy / Showers	0.3	0.0	0.3
20 (Sun)	152.4		33.5	21	11	Sunny / P. Cloudy	0.0	0.0	0.0
21 (Mon)	141.7		31.2	19	11	Sunny / P. Cloudy	0.0	0.0	0.0
22 (Tue)	128.2		28.2	21	10	Sunny / P. Cloudy	0.0	0.0	0.0
23 (Wed)	139.6		30.7	16	12	Cloudy / Rain	60.2	0.0	60.2
24 (Thu)	127.6		28.1	18	12	Cloudy / Rain	19.3	0.0	19.3
25 (Fri)	116.6	<=Min	25.6	15	11	Cloudy / Rain	31.2	0.0	31.2
26 (Sat)	123.0		27.1	13	9	Cloudy / Rain	21.8	0.0	21.8
27 (Sun)	126.5		27.8	16	8	Sunny / P. Cloudy	0.0	0.0	0.0
28 (Mon)									
29 (Tue)									
30 (Wed)									
TOTAL	4404.3 ML	968.93 MIG					138.0	0	138.0
MAX	216.1	47.55	30	14			60.2	0	60.2
AVG	163.1	35.89	21.4	12.3			5.1	0	5.1
MIN	116.6	25.64	13	8			0.0	0	0.0

1. ML = Million Litres

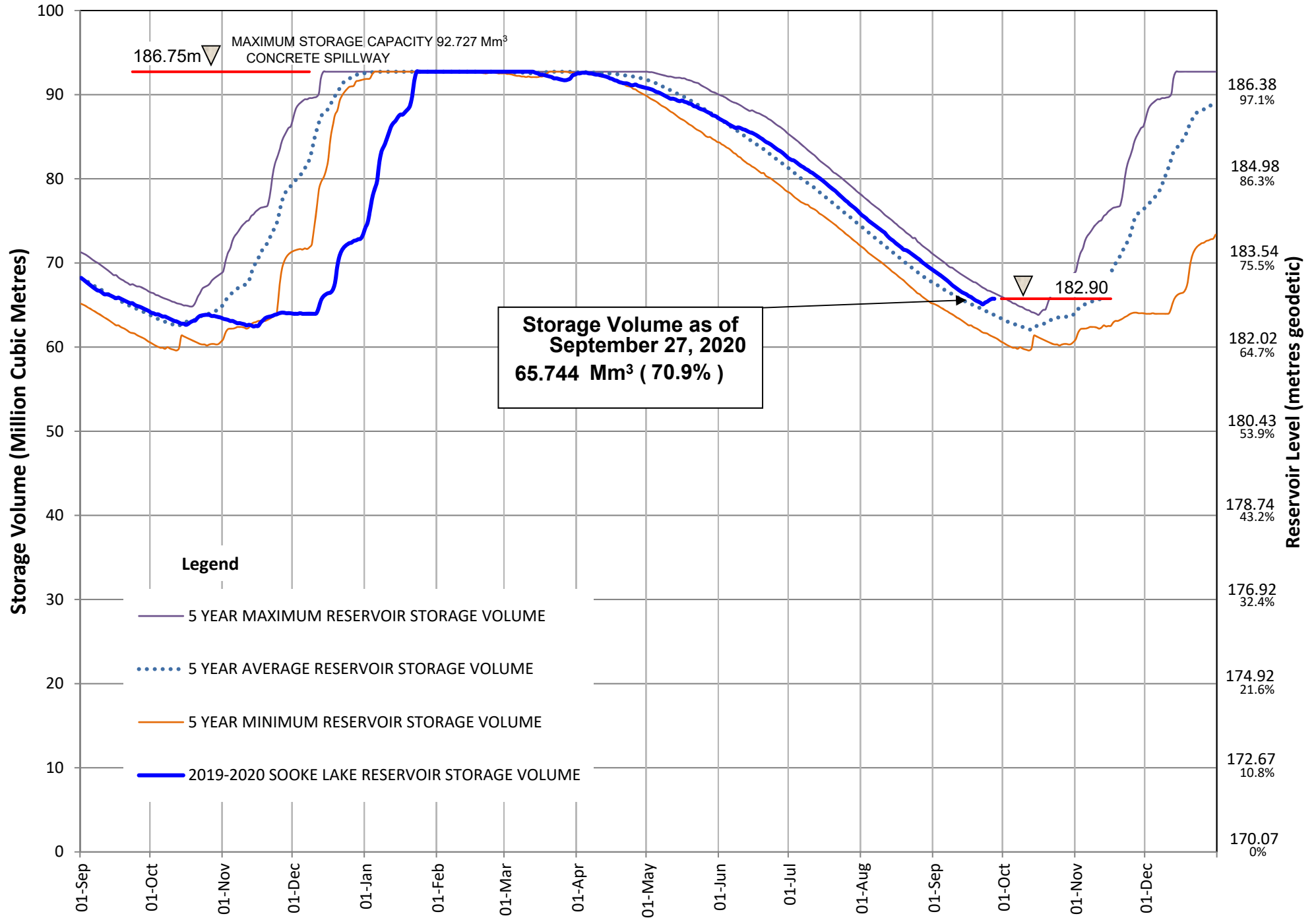
2. MIG = Million Imperial Gallons

3. 10% of snow depth applied to rainfall figures for snow to water equivalent.

Average Rainfall for September (1914-2019)	64.7 mm
Actual Rainfall: September	138.0 mm
% of Average	213%
Average Rainfall (1914-2019): Sept 01 - Sep 27	54.5 mm
Actual Rainfall (2020): Sept 01 - Sep 27	138.0 mm
% of Average	253%

Number days with precip. 0.2 or more
9

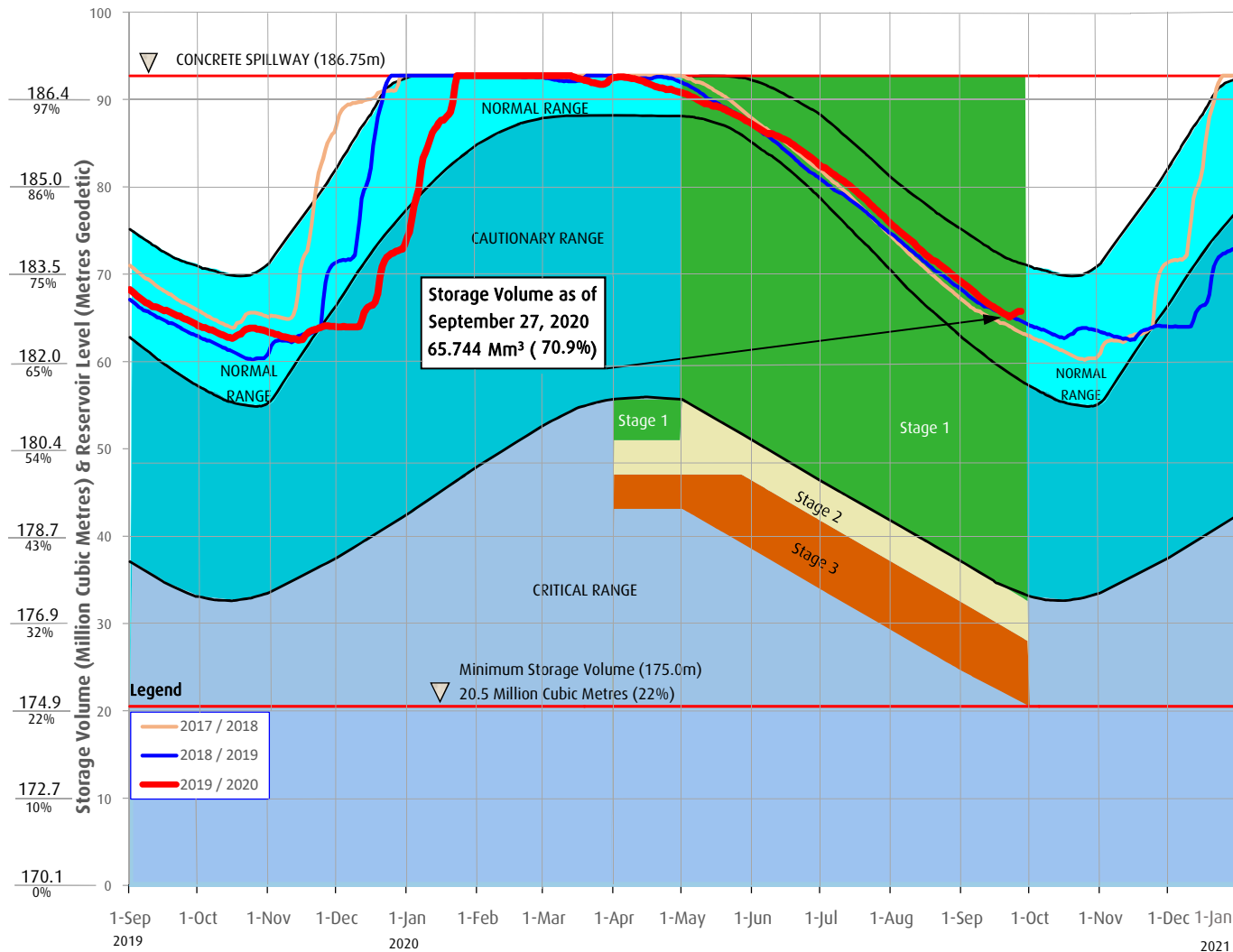
# SOOKE LAKE RESERVOIR STORAGE SUMMARY 2019 / 2020





# Sooke Lake Reservoir Storage Level

## Water Supply Management Plan



## FAQs

### How are water restriction stages determined?

Several factors are considered when determining water use restriction stages, including,

1. Time of year and typical seasonal water demand trends;
2. Precipitation and temperature conditions and forecasts;
3. Storage levels and storage volumes of water reservoirs (Sooke Lake Reservoir and the Goldstream Reservoirs) and draw down rates;
4. Stream flows and inflows into Sooke Lake Reservoir;
5. Water usage, recent consumption and trends; and customer compliance with restriction;
6. Water supply system performance.

The Regional Water Supply Commission will consider the above factors in making a determination to implement stage 2 or 3 restrictions, under the Water Conservation Bylaw.

At any time of the year and regardless of the water use restriction storage, customers are encouraged to limit discretionary water use in order to maximize the amount of water in the Regional Water Supply System Reservoirs available for nondiscretionary potable water use.

Stage 1 is normally initiated every year from May 1 to September 30 to manage outdoor use during the summer months. During this time, lawn watering is permitted twice a week at different times for even and odd numbered addresses.

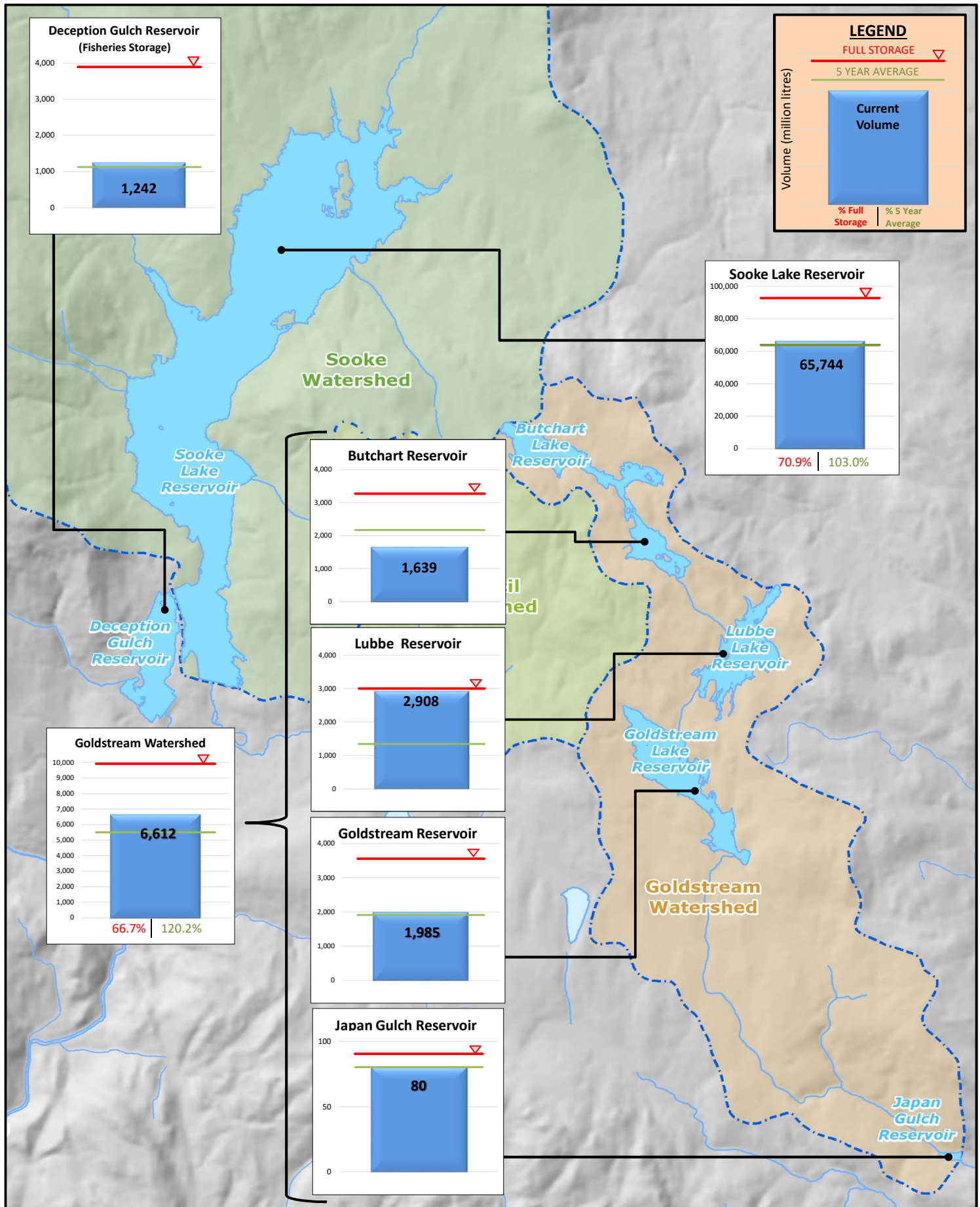
Stage 2 is initiated when it is determined that there is an acute water supply shortage. During this time, lawn water is permitted once a week at different times for even and odd numbered addresses.

Stage 3 is initiated when it is determined that there is a severe water supply shortage. During this time, lawn watering is not permitted. Other outdoor water use activities are restricted as well.

For more information, visit [www.crd.bc.ca/drinkingwater](http://www.crd.bc.ca/drinkingwater)

**CRD**  
Making a difference...together

## Useable Reservoir Volumes in Storage for September 27, 2020



**From:** [Ted Robbins](#)  
**To:** [directorjdf](#); [Gordie Logan](#)  
**Cc:** [kbrehart@kemplakewaterworks.bc.ca](#); [Denise Dionne](#)  
**Subject:** RE: Kemp Lake Waterworks water rates  
**Date:** Monday, July 06, 2020 2:43:28 PM

---

Hi Mike,

Receipt acknowledged. We will bring this and the previous correspondence I was copied on to the next meeting.

Thanks, Ted

---

**From:** directorjdf  
**Sent:** Thursday, July 02, 2020 11:48 AM  
**To:** Ted Robbins <[trobbs@crd.bc.ca](mailto:trobbs@crd.bc.ca)>; Gordie Logan <[councillor@telus.net](mailto:councillor@telus.net)>  
**Cc:** [kbrehart@kemplakewaterworks.bc.ca](mailto:kbrehart@kemplakewaterworks.bc.ca)  
**Subject:** Re: Kemp Lake Waterworks water rates

Ted and Gordie,

Please find the letter below from Kemp Lake Water Works. Their concerns have been expressed by many of their customers who find the water rate unaffordable. May I please request that our JDF commission review and consider their request to provide a wholesale bulk rate.

Thank you  
Mike

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**From:** [kbrehart@kemplakewaterworks.bc.ca](mailto:kbrehart@kemplakewaterworks.bc.ca) <[kbrehart@kemplakewaterworks.bc.ca](mailto:kbrehart@kemplakewaterworks.bc.ca)>  
**Sent:** Thursday, July 2, 2020 11:29 AM  
**To:** directorjdf  
**Cc:** 'Joanne Hemphill'; Richard Birch; 'Debbie Anderson'  
**Subject:** Kemp Lake Waterworks water rates

Hi Mike,

I'm writing about the water rate charged to Kemp Lake Waterworks by the CRD Juan de Fuca water commission. They buy water wholesale at approximately \$0.6968 per cu meter. Currently we are being charged retail rate of \$2.2159, the same as they charge every home in Sooke and the western communities. Kemp Lake Waterworks is only buying water from CRD as a single customer, we continue to operate and maintain our own water district including all system infrastructure and administrative processes.

The CRD JDF water commission now has the benefit of increased cash flow at a

significantly lower cost than for their regular customers. Normally our 475 residences, if located in Sooke, would require the CRD water department to maintain kilometres of water mains and distribution infrastructure to service these residences, as well as read and invoice for an extra 475 water meters every 2 months . Instead they only have the cost of one meter to maintain, read and invoice.

We think the JDF water commission rate structure should make provision for a rate reduction on the retail rate for those customers who are in fact buying bulk water and providing significant saving to the JDF water commission.

The bylaw already contains significant rate reductions for community allotment gardens (charging a little over 10% of retail) and Wild Animal Rehabilitation Centre (charging approx 33% of retail).

Thank you for helping with this matter,

Kevan

Kevan Brehart  
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