



Making a difference...together

MINUTES OF A MEETING OF THE Saanich Peninsula Water Commission, held Thursday, October 19, 2023 at 9:30 am, Training Room 2, Sidney Community Safety Building, 2245 Oakville Ave, Sidney BC

PRESENT: Commissioners: D. Kelbert (Chair); S. Duncan; D. Halldorson; P. Jones; Z. King; C. McNeil-Smith; C. Pinches
Staff: A. Fraser, General Manager, Integrated Water Services; J. Marr, Senior Manager, Infrastructure Engineering; S. Irg, Senior Manager, Water Infrastructure Operations; G. Harris, Senior Manager, Environmental Programs; J. Dales, Senior Manager, Wastewater Infrastructure Operations; L. Westinghouse, Senior Financial Advisor; Y. Li, Senior Financial Advisor; D. Dionne, Administrative Coordinator, Integrated Water Services (Recorder)
Also in Attendance: C. Stock, Alternate Commissioner to P. Jones
REGRETS: M. Doehnel; W. Helgason; S. Shrivastava; R. Windsor

The meeting was called to order at 9:33 am.

1. TERRITORIAL ACKNOWLEDGEMENT

The Chair provided the Territorial Acknowledgement.

2. APPROVAL OF AGENDA

MOVED by Commissioner McNeil-Smith, **SECONDED** by Commissioner King, That the agenda be approved.

CARRIED

3. ADOPTION OF MINUTES

MOVED by Commissioner King, **SECONDED** by Commissioner McNeil-Smith, That the minutes of the September 28, 2023 meeting be adopted.

CARRIED

4. CHAIR'S REMARKS

The Chair made no remarks.

5. PRESENTATIONS/DELEGATIONS

There were no presentations or delegations.

6. GENERAL MANAGER'S REPORT

A. Fraser introduced the Senior Financial Advisors attending in support of Item 7.2.

She provided an update on the Regional Water Supply Development Cost Charges (DCC) program. Noting the following:

- Staff are working with the consultant, Urban Systems, to develop a program and the associated bylaw.
- Over the past couple of months staff met with municipal public works and engineering

departments to get feedback on the program and answer questions.

- Staff are in the process of meeting with municipal councils to provide an overview of the program.
- Ultimately the Regional Water Supply Commission will be responsible for the program.

Discussion ensued and staff responded to questions regarding:

- Impact of the program on future budgets.
- Impact on new developments (DCCs are applied to new developments) and benefits to existing residents (DCCs help offset the Capital Program).
- Staff have contacted Metro Vancouver for more information related to a news article that indicated the Federal Government is holding up some grant funding to two Metro Vancouver municipalities due to the introduction of its Regional DCC program.

7. COMMISSION BUSINESS

7.1. Service Planning 2024 – Water Community Need Summary

A. Fraser provided a summary of the staff report. She highlighted the four Initiative Business Cases noting that they are incorporated into the Regional Water Supply Service budget but will have a minor effect on the Saanich Peninsula Water Service water rates.

Discussion ensued and staff responded to questions from the Commission regarding:

- Overhead costs associated with new Full Time Employees (FTE).
- Salary and benefits cost breakdown – the Community Needs Summary contains the all-in impact of the FTE and the Regional Water Supply Service Budget highlights each of the salary and benefits for each of the FTEs.
- There was a discussion regarding the Asset Management Plan and whether the Asset Management Registry is up to date. The Commission requested that staff provide a progress report on these items.

MOVED by Commissioner Duncan, **SECONDED** by Commissioner Pinches,
The Saanich Peninsula Water Commission recommends the Committee of the Whole recommend to the Capital Regional District Board:
That Appendix A, Community Need Summary – Water, be approved as presented and form the basis of the 2024-2028 Financial Plan.

CARRIED
Opposed: Jones

7.2. Saanich Peninsula Water Service 2024 Operating and Capital Budget

A. Fraser provided an overview of the proposed 2024 Operating and Capital Budget and the five-year capital plan staff report.

Discussion ensued and staff responded to questions from the Commission regarding:

- Big ticket capital projects including construction of the Bear Hill interconnect in 2024.

- Concern was raised regarding the budget increase of 4.4% which contradicts the Capital Regional District (CRD) Boards direction to cap increases at 3.5%. Staff noted that the increase is due in part to:
 - Labour increases, due to union contract settlement that occurred after the 2023 budget was set, which included a 3% increase for 2024 and 2.5% increase for 2023. The 2023 increase needed to be accounted for in 2024.
 - The increase difference between the Regional Water Supply rate and the municipal rates is dependant on size and scale of capital projects in 2024; and consideration of preparing for the potential impacts of climate change and needing to build those costs in now.
- Allocation of demand management in the budget.
- The 2% increase for operating expenditures for 2025 and beyond is what a steady rate of increase would look like based on the previous five years' average.
- There was a discussion around the proposed Regional Water Supply DCC program and its potential affects on the Saanich Peninsula. Staff will be presenting the information to municipal councils over the coming weeks.

At 10:19 am, staff and Commissioners participated in the BC Shakeout earthquake drill.

- There was a discussion around the 2024 demand estimate that reflects a demand reduction in 2023 due to the First Nations becoming wholesale customers of the Regional Water Supply System. The Commission wanted to know if it was possible to show the previous five years with the First Nations demand pulled out to see if the demand numbers are comparable in 2018-2023. Staff will review that layout for next time.
- Cost pressure of water demand trending down, while there was a downward trend in 2010 to 2018, demand is now starting a gradual increase related to growth.

MOVED by Commissioner Duncan, **SECONDED** by Commissioner Pinches,
The Saanich Peninsula Water Commission recommends that the Committee of the Whole recommend that the Capital Regional District Board:

1. Approve the 2024 operating and capital budget;
2. Approve the 2024 Saanich Peninsula bulk water rate of \$1.1978 per cubic metre, and the Agricultural Research Station water rate of \$1.2330 per cubic metre, adjusted if necessary by any changes in the CRD Regional Water Supply wholesale water rate;
3. Direct staff to balance the 2023 actual revenue and expense on the transfer to capital reserve fund;
4. Direct staff to update carry forward balances in the 2024 Capital Budget for changes after year end; and,
5. Direct staff to amend the Bulk Water Rates Bylaw accordingly.

CARRIED
Opposed: Jones

7.3. Summary of Recommendations from Other Water Commissions

This report was received for information.

7.4. Water Watch Report

This report was received for information.

8. NOTICE(S) OF MOTION

8.1. Speaker Series

There was lengthy discussion on the Item with several benefits and concerns raised.

Benefits:

- There is a disconnect with public understanding about water and there should be more appreciation, connection and understanding by the general population.
- There is lots of valuable emerging science and information. There would be a benefit to bringing that information to educate and provide for more engagement between the community, the CRD and the Saanich Peninsula Water Commission.
- Hearing from other groups that are passionate about the environment.
- Speaker series generally focus on the objective of the people organizing it and therefore the speakers would be approved by the organizer.
- The public has no idea of what Regional Districts do and the more opportunity for the CRD, or municipalities, to get out there and talk to the public the better.
- Utilizing a CRD-directed series would allow for the CRD to vet speakers to ensure relevance to CRD business.

Concerns:

- Organizing a speaker series is outside the scope of this commission.
- There are many community groups who already provide information and speaker series that the public can attend.
- Have CRD representatives participate in existing speaker series put on by other community groups.
- Potential for speakers who may express political views on matters that are before the CRD Board.
- CRD already engages with the community appropriately on specific matters at the Board.
- More information is helpful to the public, but there are already other channels out there for delivering that information.
- Dedicated staff would be required to coordinate. Would be onerous on the water service to do this.
- The commission could do more outreach to community groups to have the subject matter experts out to provide presentations through their venues.
- A speaker series could provide the public with a whole bunch of ideas they want to consider but may not be practical. Not sure it would be as helpful a result as intended.

Commissioner King noted a successful CRD-organized conference from several years ago - Water in the City Conference. He feels that there would be value to having presentations for community members and that it would build trust, confidence and awareness of issues.

Commissioner Pinches noted that she would be interested in hearing about what information the CRD has available, how it has engaged with people and what methods of engagement have worked in the past. There may be more effective ways of getting the information out to communities.

A. Fraser advised that there are discussions occurring at the executive level around overall communication, public outreach and understanding of what the CRD does as whole. She noted that introducing a speaker series specific to the Saanich Peninsula would be unique and there would be budgetary implications in coordinating that. Speakers would need to be considered based on regional context and aligned with the challenges and limitations of the CRD.

Commissioner McNeil-Smith stated that the public is very interested in municipal initiatives and there are engagement processes that municipalities initiate to gather input. Staff provide consultants who are subject experts to make public presentations at council meetings with significant public attendance. It is quite unique to have a conference with speakers and there needs to be a distinction between conferences of that nature and a speaker series. There would be budget implications related to this request. Normally at Council staff would be requested to provide a report on what a speaker series may look like and what the budgetary implications would be.

MOVED by Commissioner King, **SECONDED** by Commissioner Kelbert,
Therefore, be it resolved that the Saanich Peninsula Water Commission direct staff to organize an annual speaker series for the peninsula, dedicated to presentations by researchers and public interest groups that are focused on emerging topics concerning water and wastewater.

WITHDRAWN

MOVED by Commissioner King, **SECONDED** by Commissioner Kelbert,
That staff provide a report on implications and a potential budget for associated costs to organize an annual speaker series for the peninsula, dedicated to presentations by researchers and public interest groups that are focused on emerging topics concerning water and wastewater.

CARRIED

Opposed: McNeil-Smith, Duncan

9. NEW BUSINESS

There was no new business.

10. ADJOURNMENT

MOVED by Commissioner Halldorson, **SECONDED** by Commissioner Pinches,
That the October 19, 2023 meeting be adjourned at 11:03 am.

CARRIED

CHAIR

SECRETARY