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**MINUTES OF A MEETING OF THE JUAN DE FUCA WATER DISTRIBUTION COMMISSION,  
Held Tuesday, February 5, 2019 at 12 p.m., Goldstream Conference Room, 479 Island  
Highway, Victoria, BC**

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**PRESENT:**           **Commissioners:** G. Logan (Chair); G. Baird; M. Hicks; K. Kahakauwila;  
B. Parkinson (12:06 p.m.); J. Rogers; L. Szpak; R. Wade  
**Staff:** T. Robbins, Integrated Water Services (IWS); I. Jesney, Infrastructure  
Engineering; J. Marr, Infrastructure Engineering; D. Dionne (Recorder)  
**Also Present:** M. Baier; M. Johnson

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

**1. APPROVAL OF AGENDA**

The following amendments were made:

- a) Delegation, Michael Baier and Mark Johnson of Limona Construction, were added to the agenda as Item 4.1
  
- b) Extension of the Juan de Fuca water line from Sooke to the Otter Point Business Park was added to New Business

**MOVED** by Commissioner Szpak and **SECONDED** by Commissioner Rogers,  
That the Juan de Fuca Water Distribution Commission approve the agenda as amended.

**CARRIED**

**2. MINUTES OF THE MEETING HELD JANUARY 8, 2019**

**MOVED** by Commissioner Rogers and **SECONDED** by Commissioner Kahakauwila,  
That the Juan de Fuca Water Distribution Commission adopt the minutes of the meeting  
held January 8, 2019.

**CARRIED**

**3. CHAIR'S REMARKS**

There were no remarks.

**4. PRESENTATIONS/DELEGATIONS**

**4.1 Delegation – Michael Baier and Mark Johnson of Limona Construction Ltd. Re: Item  
5.2 Request to Waive Juan de Fuca Water Development Cost Charges**

Mr. Johnson addressed the Commission requesting that the Development Cost Charges (DCC) be waived for the affordable housing project that Limona Construction Ltd. is building for the Capital Regional District (CRD). He spoke regarding:

- Whether the CRD would consider including a reduction in DCC's for affordable housing within its DCC Bylaw.

***B. Parkinson joined the meeting***

- What the various sources of funding are for the project, 30% provincial, 30% federal with the rest made up from contributions from municipalities and BC Housing First Program.
- Correspondence received from the Town of View Royal Fire Chief advising that the project needs to meet the Fire Underwriters Survey (FUS) Grading system – the ability to deliver adequate water to control major fires throughout the municipality on a reliable basis – requiring the installation of three or four fire hydrants along Thetis Lake park boundaries that will benefit the Town of View Royal and CRD Parks.

## 5. COMMISSION BUSINESS

### 5.1 Presentation - Juan de Fuca Water Distribution Commission Orientation

**MOVED** by Commissioner Hicks and **SECONDED** by Commissioner Kahakauwila,  
That the Juan de Fuca Water Distribution Commission receive the Commission Orientation presentation for information.

**CARRIED**

### 5.2 JWDC 19-02 Request to Waive Juan de Fuca Water Development Cost Charges

T. Robbins presented the report noting:

- The Development Cost Charges (DCC) bylaw was updated in 2018 which included updating the municipal Official Community Plan information.
- In the program there are 18 major projects planned over the next 20 years with a \$50 million value to support the growth related infrastructure. The program relies on collection of DCC funds to pay for that infrastructure.
- There is provision under the Local Government Act (LGA) to waive or reduce DCC's under certain conditions. The type of eligible developments are defined in the LGA and must be considered not-for-profit rental housing or for profit affordable rental housing. If a development meets the LGA criteria, a local government may waive the DCC's but must do so under a bylaw. The current Juan de Fuca Water DCC bylaw does not provide for waiving DCC's, therefore the bylaw would need to be amended to include the option to waive on a one-off basis.
- Under the LGA there is an obligation that, if a local government chooses to waive the DCC's, they need to keep the DCC program whole financially. The goal is to ensure that the program funding is there for the DCC projects that have been identified and approved by the Inspector of Municipalities. In this case, the recommendation would be that money from the Capital Reserve fund be reallocated into the DCC program in order to keep that DCC program funding whole. The Limona Construction project DCC payment would be approximately \$246,600, which would therefore be the amount transferred from the general capital reserve fund into the DCC reserve fund.
- The recommendation is based on the conditions stated above, as well as the previous Commissions' decision to not support similar requests, the most recent being January 2018.

Discussion ensued regarding:

- Requests from developers wishing to pursue DCC reduction would be brought to the Commission for its consideration. Since the January 2018 request one other developer inquired about the process and subsequently chose not to pursue the request with the Commission.
- The CRD's Regional Housing program fund should have funds earmarked toward affordable housing. Water supply is a service. The benefit of having the Regional Housing program is that it allows housing to be separate from the service.
- Should CRD Parks have some responsibility in paying? Limona Construction will be installing hydrants that will support Thetis Lake firefighting abilities.
- With the province wanting to fund more affordable housing, the Commission will need to be flexible and open to change with affordable housing partnerships. With no policy in place there is no option for discussion. Resources need to be in place before more applications are received so that informed decisions can be considered.

**MOVED** by Commissioner Hicks and **SECONDED** by Commissioner Baird,  
That the Juan de Fuca Water Distribution Commission not approve the Limona Construction request to waive the Juan de Fuca Distribution Service DCCs for their proposed affordable housing development in the Town of View Royal.

**CARRIED**  
**OPPOSED:**  
**Szpak, Wade**

**MOVED** by Commissioner Szpak and **SECONDED** by Commissioner Wade,  
That the Juan de Fuca Water Distribution Commission direct staff to prepare a draft bylaw for the Commission's consideration, that would allow for the Commission to waive the development cost charges payable under the DCC Bylaw for this project, for the following eligible development types: 'not-for-profit rental housing, including supportive living housing' and 'for-profit affordable rental housing'.

The motion was withdrawn.

**MOVED** by Commissioner Szpak and **SECONDED** by Commissioner Wade,  
That staff prepare a report for the Juan de Fuca Water Distribution Commission outlining the implications of waiving or reducing Development Cost Charges for eligible developments as defined in the Local Government Act.

**CARRIED**

***The delegations left the meeting***

**5.3 EEP 19-01 Water Quality for Sooke Lake Reservoir September to December 2018**

**MOVED** by Commissioner Kahakauwila and **SECONDED** by Commissioner Baird,  
That the Juan de Fuca Water Distribution Commission receive the Sooke Lake Reservoir monitoring results for September to December 2018 for information.

**CARRIED**

**5.4 SUMMARY OF RECOMMENDATIONS FROM OTHER WATER COMMISSIONS**

**MOVED** by Commissioner Rogers and **SECONDED** by Commissioner Hicks,  
That the Juan de Fuca Water Distribution Commission receive the Recommendations from  
Other Water Commissions for information.

**CARRIED**

**5.5 WATER WATCH**

**MOVED** by Commissioner Kahakauwila and **SECONDED** by Commissioner Hicks,  
That the Juan de Fuca Water Distribution Commission receive the Water Watch Report for  
information.

**CARRIED**

**6. NEW BUSINESS**

**Extension of the Juan de Fuca water line from Sooke to the Otter Point Business  
Park: Otter Point Water Expansion**

Commissioner Hicks reviewed the map (on file) handed out at the meeting and noted that  
the Ministry of Transportation is currently working on upgrading the roadway to the Otter  
Point Business Park. A developer has offered to pay to extend the water line to the industrial  
park. There would be about 80 parcels that could hook into the extension. The  
Commissioner is seeking support from the Commission, in principle, to have the developer  
proceed with the extension, in collaboration with the Ministry.

T. Robbins advised that staff have spoken with the developers to understand their proposal.  
The developers are willing to pay the full costs. Staff would have to get confirmation from  
the Ministry of Transportation to use their consultant for the design. The CRD would approve  
the design, it would be constructed by the developer and the CRD would inspect and  
approve the construction.

**MOVED** by Commissioner Wade and **SECONDED** by Commissioner Parkinson,  
That the Commission support the extension project in principle.

**CARRIED**

**7. ADJOURNMENT**

**MOVED** by Commissioner Kahakauwila and **SECONDED** by Commissioner Rogers,  
That the meeting of the Juan de Fuca Water Distribution Commission be adjourned at  
1:11 p.m.

**CARRIED**

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Chair

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Secretary