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MINUTES OF A MEETING OF THE Lyall Harbour Boot Cove Water Local Service Committee, held Monday, November 20, 2023 at 9:30 a.m., In the Goldstream Conference Room, 479 Island Highway, Victoria, BC

PRESENT: Committee Members: J. Crerar (Chair); J. Money (Vice Chair); R. Fenton (Alt. EA Director); A. Olsen; T. McLeod (EP)

Staff: J. Marr, Senior Manager, Infrastructure Engineering; S. Henderson, Senior Manager, Real Estate and Southern Gulf Islands Administration; D. Robson, Manager, Saanich Peninsula Gulf Island Operations; C. Moch, Manager, Water Quality; L. Xu, Manager, Local Services and Corporate Grants; J. Kelly, Manager, Capital Projects; M. Risvold (recorder)

REGRETS: P. Brent (EA Director)

EP = Electronic Participation

The meeting was called to order at 9:30 am.

1. APPROVAL OF AGENDA

MOVED by J. Money, **SECONDED** by A. Olsen,
That the agenda be approved.

CARRIED

2. ADOPTION OF MINUTES

MOVED by J. Money, **SECONDED** by A. Olsen,
That the minutes of the June 15, 2023 meeting be adopted.

CARRIED

3. CHAIR'S REMARKS

The Chair advised there is a flu clinic scheduled to take place at the community building on the same day as the scheduled water main flushing. She has been in contact with D. Robson who advised there will be a short water service interruption for the community building. Work will begin early in the morning and should be completed by the time the flu clinic begins.

4. PRESENTATIONS/DELEGATIONS

There were none.

5. SENIOR MANAGER'S REPORT

J. Marr provided the following updates:

- Private property winterization. Capital Regional District (CRD) is running a campaign to inform homeowners in small water systems on the benefits of winterization to try and avoid leaks on private properties during the colder seasons. Poster style information is being shared on CRD social media platforms. Information posters will be shared with the committee.
- Growing communities grant opportunity. Staff applied for the internal grant in the amount of \$562,000 to undertake the groundwater well assessment and dam safety improvements. The grant was unsuccessful, and staff will continue to look for grant opportunities for the service.

- Groundwater well update. Staff continue to negotiate with Nature's Trust regarding the well. Nature's Trust is wanting to charge an annual fee which CRD is opposed to. A lawyer is reviewing the documents to ensure everything is satisfactory.
- Water conservation. Staff advised Lyll Harbour/Boot Cove (LH/BC) is currently off water restrictions as of November 1, 2023.
- Paving the road around Money Lake. CRD has been in discussions with the Ministry of Transportation and Infrastructure (MoTI) regarding paving the road around Money Lake. CRD has been working with MoTI and CRD's Water Quality Department to consider the application of a sealed coat for the entire 900-meter section of Harris Road, agreeing that it could reduce the sediment supply to the lake and should be beneficial for water quality. CRD has noted that extra care needs to be taken during construction to ensure that no bitumen or other materials of concern end up in the lake.
- Potential culvert upgrade project on Harris Road. Staff advised they are waiting for MoTI to confirm the timeline of when the culvert under Harris Road will be upsized. CRD has done a scope of work for the drainage reconfiguration and are currently confirming costs for a consultant to complete the design. There are Community Works Funds that have been committed for the work.
- Current boil water advisory (BWA). Staff advised LH/BC is currently on a BWA as of October 25, 2023, due to elevated turbidity. The treated water colour turbidity meter has been purchased and received and installation is planned for November 23 and 24, pending confirmation for parts. There will be no water shutdown required for the installation.
- Email addresses of people located in the service area. Staff contacted CRD Water Billing, who advised they are unable to provide personal email addresses to the committee in accordance with the Privacy Act. Staff noted there is room on the water bills to include a short note if desired.
- Water disruption for the community building. Staff advised there will be a small window of disruption while the work is completed. An email was sent to the committee regarding the notice, signage has been posted in the community and on social media sites. The committee requested more advanced notice for work being done in the community.

6. COMMITTEE BUSINESS

6.1. 2024 Operating and Capital Budget

J. Marr spoke to item 6.1.

Staff responded to the following questions:

- Borrowing funds for capital projects. Staff noted it would be ideal to acquire and complete studies on the well in order for it to be utilized during the shoulder seasons when demand is low to avoid boil water advisories. If the well does not work, long-term treatment plant upgrades will be required. As there are a lack of funds, borrowing will be necessary to complete the dam upgrades. Dam safety work is regulated and the Province has the ability to provide an order to complete the required work. Staff suggest a dam strategy be in place for 2024 and recommend leaving capital projects on the five-year capital plan in case grants come available. Staff are actively pursuing grant opportunities for the service.

- Dam safety review (DSR). Staff advised the dam work has evolved while going through the DSR and design review. Staff recommend hiring an engineering consultant before beginning the alternative approval process (AAP) to obtain a better idea of the amount of funding required. A quote was received from a hydrogeologist who estimated between \$50,000-\$100,000 for the development study of the well. Staff noted debt related projects cannot proceed without an AAP and suggest completing work in the new year.
- Community works funds (CWF) to complete the filter blanket work. Staff advised they are confident there are not enough funds to complete the filter blanket work, however, there may be enough funds to complete some of the short-term pipe work.
- The ability to sell excess water to generate additional revenue. Staff advised the water system does not have an abundance of water and there may be bylaws regarding the sale of water outside the service area. The water utility is currently selling water to its customers, however, only within the confined boundary of the service area. Legal action would be required to have the ability to sell bulk water outside of the service.
- Water conservation. Staff advised having metered water is a great tool for water conservation, and suggested the service could go to tiered-billing system.

Staff advised that \$390,000 of Community Works Funds (CWF) have been secured, noting there are rules on stacking grants and federal funding. Staff added that \$130,000 of the \$390,000 is allocated for the DSR. With the recommendations on the DSR report, staff estimate costs to be around \$450,000-\$500,000 which does not include the cost estimates for the well development. Additional recommendations from the DSR report are:

- Repairs and resealing of concrete joints in the spillway.
- Re-establishing a rock stilling basin on the downstream of the discharge side of the spillway.
- Additional study for dam break analysis and inundation study.
- Scoping the high-density polyethylene (HDPE) intake pipe within the dam.

Discussion ensued regarding:

- Applying for grants
- Loan authorization
- Debt retirement
- Stockpiling material on-island
- Seasonal water quality changes
- Current water rates
- Underfunded reserves
- Water conservation

Staff advised the operating reserve fund (ORF), and capital reserve fund (CRF) are currently underfunded and recommended increasing transfers to each reserve fund.

Requests from the committee:

- That staff move capital project 22-02 Dam Improvements and Regulatory Requirements from 2024 to 2025 and change the funding source from grant to debt.

- That staff increase the capital reserve fund transfer by \$3,000 from \$22,680 to \$25,680 and operating reserve fund transfer by \$3,000 from \$24,460 to \$27,460 and to balance the \$6,000 increase on user charge and parcel tax.

MOVED by R. Fenton, **SECONDED** by A. Olsen,
The Lyall Harbour Boot Cove Water Local Service Committee:

1. Approve the 2024 operating and capital budget as amended and that the 2023 actual operating deficit be balanced on the 2023 Reserve Funds transfer (Capital Reserve Fund and/or Operating Reserve Fund); and
2. Recommends that the Electoral Areas Committee recommends that the Capital Regional District Board approve the 2024 Operating and Capital Budget and the five-year Financial Plan for the Lyall Harbour/Boot Cove Water Service as amended.

CARRIED

MOVED by J. Crerar, **SECONDED** by A. Olsen,
That staff be directed to provide a water consumption statistics report to the committee at the next meeting.

CARRIED

6.2. Project and Operations Update

Staff provided capital projects and operational update.

Discussion ensued regarding the WorkSafe BC requirements for confined space entry.

The report was received for information.

7. CORRESPONDENCE

There was no correspondence.

8. NEW BUSINESS

There was no new business.

9. ADJOURNMENT

MOVED by R. Fenton, **SECONDED** by J. Money,
That the November 20, 2023 meeting be adjourned at 11:43am.

CARRIED

CHAIR

SECRETARY