



**REPORT TO REGIONAL WATER SUPPLY COMMISSION
MEETING OF WEDNESDAY, 15 APRIL 2009**

SUBJECT: MANAGEMENT PRIORITIES AND IMPLICATIONS – LEECH RIVER WATERSHED

PURPOSE

To recommend to the Regional Water Supply Commission the preferred strategy for restoration of the Leech River Watershed.

BACKGROUND

The Capital Regional District (CRD) purchased 8,700 hectares of the Leech River watershed from a private forest company in December 2007. The purpose for acquiring these lands is to manage them for the production of high quality drinking water. The CRD holds a water license on the Leech but does not anticipate diverting water through the Leech River tunnel until some time after 2050. Over the past 100 years, timber production has been the primary focus with limited mining, hunting, camping, fishing and other forms of outdoor recreation.

Historically, the Leech River Watershed and adjacent areas have played an integral part in the culture, well-being and sustenance of local First Nations. The watershed has provided a variety of values including spiritual, cultural and food sources. As such, First Nations have an interest in the management of these lands.

Approximately 95% of the Leech River watershed has been logged and the road network extends approximately 386 kilometres. Acquisition of the Leech River watershed represents a 79% increase in land base and a 100% increase in the road density over the existing Sooke and Goldstream Water Supply Areas.

The first step in the protection and management of the Leech River watershed was to develop a long range plan; one that will direct restoration work on a priority basis.

In the spring of 2008, the CRD retained the services of a consulting team. The purpose of their involvement was to bring together existing information and to assess and determine the immediate and long term management requirements for the security and restoration of the Leech River Watershed. Based on field work, past reports and studies, and consultation with staff, the consultants identified the following priorities;

1. Roads
2. Soil Erosion and Slope Stability
3. Reforestation and Forest Health
4. Wildfire Protection and Forest Fuel Management
5. Security
6. Wildlife and Invasive Plants

In addition to the assessment of biophysical issues, the consultants provided recommendations on water quality and hydrometeorological monitoring and incorporating some First Nation interests.

ALTERNATIVES

Alternative 1 – That the Regional Water Supply Commission take no action to restore the Leech Watershed.

Alternative 2 – That the Regional Water Supply Commission fully implement the recommendations in the consultant's report over the short term.

Alternative 3 – That the Regional Water Supply Commission take a phased approach to implementing the recommendations in the consultant's report.

FINANCIAL IMPLICATIONS

Alternative 1 – Taking no action is an option however, culverts and bridges will fail resulting in additional erosion and slides and areas recently logged will regenerate slowly, extending the hydrologic recovery time. The chance of wildfire and impacts from camping and other outdoor recreational activities will increase and be difficult to control and, in the case of wildfires, be extremely costly to suppresses and rehabilitate. In situations surrounding the upgrading and installation of bridges and culverts, taking no action would be contrary to provincial acts and regulations. It can be expected, that the costs associated with responding to emergencies will be two to ten times those associated with prevention, in addition impacts will be greater. It is not possible to accurately predict all of these costs.

Alternative 2 – To implement all recommendations within a short period of time could result in a 25 to 45% increase in costs and would not necessarily accelerate the recovery of the lands. For example, to immediately eliminate trespass, the CRD would need to gate and fence all access roads leading into the property. An alternate strategy would see the rehabilitation and reforestation of these roads. Over time, these roads would be converted to forests, eliminating the ability of vehicles to access the property.

Alternative 3 – By phasing in management activities over the next 17 to 25 years, the watershed will be restored and protected and the costs controlled. High risk priority issues, such as slides and reforestation, will be dealt with immediately while low risk issues will be dealt with over time. This approach minimizes funding and resource impacts. Alternative 3 is the preferred option.

Based on the preliminary results of the report presented to the Regional Water Supply Commission in April 2008 and the information forwarded during the budget process, the 2009 Watershed Protection Operations budget was increased \$124,730 or 3.7% to accommodate immediate requirements. A Capital budget of \$525,000 was also established.

Table 1 (attached) provides details on the overall Operations and Capital budget requirements to implement Alternative 3. If Alternative 3 is approved, the 2010 and subsequent years budgets will reflect these funding requirements.

Operating and Capital budget projections beyond five years represent an estimated order of magnitude.

TRIPLE BOTTOM LINE

Environmental:

The acquisition of the Leech River Watershed represents a significant addition to lands owned by the public and managed by the CRD. These lands are protected from development and will be managed for water quality. Areas logged will be reforested, roads rehabilitated and invasive species controlled. Wildlife will be protected through the Closed Watershed Policy. The close proximity of these lands to the Sooke Hills Sea to Sea corridor provides additional ecological values to the region.

The regenerating forests of the Leech Watershed contribute significantly to the sequestration of carbon and will assist the CRD in achieving the goals outlined in the Climate Action plan.

Social:

The restoration and long term protection of lands that provide safe, high quality drinking water to the residents of the CRD contributing significantly to the overall health and well being of the community.

The Leech Watershed is considered by the T'Sou-ke Nation to be part of their traditional territories and their involvement in the management of the lands will provide additional benefits and opportunities to this and other First Nations communities.

The closure of the Leech River Watershed will reduce camping, hunting, fishing and off-road vehicle and other related recreational activities and may be viewed negatively by participants in these activities.

Economic:

The change from forest to water management has reduced economic benefits in the region. With successful restoration of the Leech Watershed, additional water treatment will likely not be needed, resulting in lower capital and operating costs and lower water costs to water users in the Region.

RECOMMENDATION

That the Regional Water Supply Commission approve Alternative 3, a phased approach to the restoration and management of the Leech River Watershed.

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Concurrence

**Table 1 – Restoration of Leech Watershed
Funding Requirements**

Year	Operating Budget	Capital
2009	\$125,000	\$525,000
2010	\$296,000	\$585,000
2011	\$296,000	\$832,000
2012	\$296,000	\$565,000
2013	\$296,000	\$390,000
2014	\$242,000	\$349,000
2015	\$242,000	\$350,000
2016	\$242,000	\$276,000
2017	\$242,000	\$276,000
2018	\$242,000	\$166,000
2019	\$242,000	\$212,000
2020	\$242,000	\$211,000
2021	\$362,500	\$211,000
2022	\$362,500	\$205,000
2023	\$362,500	\$203,000
2024	\$362,500	\$200,000
2025	\$437,500	\$200,000
TOTAL	\$4,890,500	\$5,756,000