



Making a difference...together

**MINUTES OF A MEETING OF THE Water Advisory Committee, held Thursday, June 3, 2021
at 1:30 p.m., Goldstream Meeting Room, 479 Island Highway, Victoria, BC, Victoria, BC**

PRESENT: E. Cote (Chair) (EP); G. Baird; J. Caradonna (EP); C. Davis (EP); M. Doehnel; T. Krawczyk (EP); C. Nowakowski (EP); J. Rogers (EP); K. Sander (EP); W. Scheuer (1:39 PM) (EP); H. Thompson (EP); D. Timothy (EP)
Staff: T. Robbins, General Manager; A. Constabel, Senior Manager, Watershed Protection; D. Dionne, Administrative Coordinator (Recorder)

REGRETS: J. Todd; M. Turner

EP = Electronic Participation

The meeting was called to order at 1:30 p.m.

1. TERRITORIAL ACKNOWLEDGEMENT

Chair Cote provided the Territorial Acknowledgement to open the meeting and acknowledged the recent discovery of the remains of 215 children on the grounds of the former residential school in Kamloops. She also stated that she is committed to rereading the Truth and Reconciliation Commission report.

2. APPROVAL OF AGENDA

MOVED by G. Baird, **SECONDED** by C. Davis,
That the agenda be approved.

CARRIED

3. ADOPTION OF MINUTES

MOVED by M. Doehnel, **SECONDED** by C. Davis,
That the minutes of the March 4, 2021 meeting be adopted.

CARRIED

4. CHAIR'S REMARKS

Chair Cote stated that the working groups are doing really good work and that the Agriculture Water Rates group would like to call a meeting before September to discuss its findings.

5. PRESENTATIONS/DELEGATIONS

There were no presentations or delegations.

6. UPDATES FROM WORKING GROUPS

- Long term water supply and demand management

There was no report from this group.

- Water Quality

There was no report from this group. T. Robbins advised that there is a report going to the June 16, 2021 Regional Water Supply Commission meeting that provides an update on the tap sampling program.

- Major Capital Projects

There was no report from this group.

- Water Rates

M. Doehnel reported that the group met three times and worked on a presentation to provide to the Committee. The group decided to review and hear the discussion under Item 7.2 today prior to making its presentation to the group.

He also reported that the group has not reviewed anything related to First Nations water rates. T. Robbins advised that there have been discussions internally related to First Nations water rates and service agreements for both sewer and water. He further stated that staff are looking at presenting options to the Saanich Peninsula Water Commission for a sub-regional solution for First Nations water rates. He noted that it is a dynamic topic and staff should have a better idea of timing for that report and a better sense of what the options might look like over the next couple of months.

Discussion ensued regarding the vacancy on the Committee for a First Nations representative and that the Committee felt it is important to have this representation when it comes discussions involving First Nations water rates. The Committee requested to have a more fulsome discussion regarding First Nations representation at its next meeting.

7. COMMITTEE BUSINESS

7.1. Options & Implications for Developing Reserve Fund for GVWSA Land Acquisition

A. Constabel presented the report providing a background and a summary of work to date. She advised that the report, with any recommendations from this Committee, will be presented to the Regional Water Supply Commission at its June 16, 2021 meeting.

Discussion ensued and staff responded to questions from the Committee. The following is a summary of the Committee's feedback to be included in the report to the Regional Water Supply Commission:

- Q: Was the Leech Water Supply Area (WSA) purchase financed? Are there barriers to obtaining financing for \$20 million going forward?

A: Yes, the \$64 million Leech land acquisition was financed. No, financing of \$20 million is not expected to be a barrier now or in future.

- Q: Does Capital Regional District (CRD) have right of first refusal on any of the priority lands? A reserve fund could be established for any right of first refusal lands.

A: Only on one parcel owned by Kapoor Lumber Company. [The parcel is 155 ha and the right of first refusal was negotiated as part of the 1998 land exchange between the CRD/Province/Kapoor Lumber.]

- Q: Does the CRD invest reserve funds, or do the funds sit without earning any interest? Funds invested now would be subject to inflation.

A: Yes. [Collectively across the CRD, all positive balances receive a small amount of internal interest based on investments (typically GICs).]

- Q: Do the current low interest rates influence the decisions on whether to finance or not?

A: Yes, staff consider the interest rate in making recommendations and decision making.

- Q: There is a discrepancy if Regional Parks has a land acquisition reserve fund but the GVWSA does not. Shouldn't the need/strategy be the same?

A: Some differences include: Parks raises funds through requisitions; the GVWSA lands of interest are specific and fixed.

- Members of the public would support a reserve fund given the value and management of undeveloped private forest land in the region.
- The CRD could undertake multi criteria analysis or intangibles analysis, to try to bring together direct/tangible and indirect/intangible aspects to valuing land parcels to the CRD.
- The purchase of the Leech WSA should be included as a reference or example in the report to the Commission.

MOVED by G. Baird, **SECONDED** by D. Timothy,
That the report be received for information and that staff be directed to include comments from the Water Advisory Committee's discussion in the report to the Regional Water Supply Commission.

CARRIED

7.2. Agriculture Water Rate Review – Discussion

T. Robbins stated that staff are seeking feedback from the Committee on the approach and principles for the Request for Proposals (RFP) process as laid out in the discussion document. He provided an overview of the five proposed options.

The Committee questioned whether the CRD subsidized other property usage, similar to the District of Summerland's approach which includes categories for cemetery,

playing fields, golf courses, greenhouses. The CRD, in some cases, does subsidize the same categories, depending on whether the property has a BC Assessment farm classification.

T. Robbins stated that staff would like to issue the RFP in July and procure a consultant to proceed with obtaining stakeholder feedback through the engagement process. A report could then go to the Regional Water Supply Commission in the fall. The Committee discussed consultant type, purpose and stakeholder engagement.

The Committee supported the principles in the document, but would like to ensure that the Water Rate working group has an opportunity to provide its feedback to the chosen consultant.

The Committee requested that staff set up a Water Advisory Committee special meeting to further discuss the Agriculture Water Rate review and to receive information from the Water Rate working group.

MOVED by M. Doehnel, **SECONDED** by G. Baird,
That the Agriculture Water Rate discussion documentation be received for information.
CARRIED

7.3. Summary of Regional Water Supply Commission Recommendations

MOVED by M. Doehnel, **SECONDED** by G. Baird,
That the Summary of Recommendations be received for information.
CARRIED

7.4. Water Watch Report

T. Robbins provided an update on the current water supply outlook and noted that there are no concerns with water storage going into the warmer season.

C. Davis and J. Caradonna left the meeting

MOVED by J. Rogers, **SECONDED** by M. Doehnel,
That the May 25, 2021 Water Watch report be received for information.
CARRIED

8. NEW BUSINESS

MOVED by M. Doehnel, **SECONDED** by G. Baird,
That staff be directed to find out what categories (Cemetery, Park, Playfield, Golf Course, Greenhouse) in the Capital Regional District are receiving the agriculture water rate and report back through the Agriculture Rate Review Request for Proposals process.
CARRIED

9. ADJOURNMENT

MOVED by G. Baird, **SECONDED** by M. Doehnel,
That the June 3, 2021 meeting be adjourned at 3:03 p.m.

CARRIED

CHAIR

SECRETARY