



REPORT TO JUAN DE FUCA WATER DISTRIBUTION COMMISSION MEETING OF TUESDAY, JULY 8, 2025

SUBJECT 2026 Service Delivery – Staffing Requirements

ISSUE SUMMARY

To report on the staffing requirements in 2026 to maintain current service level in light of system growth and aging infrastructure.

BACKGROUND

At the March 12, 2025, Capital Regional District (CRD) Board meeting, the Chief Administrative Officer (CAO) informed the Board that staff had been directed to pause all new staffing requests for 2026, unless otherwise directed by the CRD Board or a sub-regional or local commission. This decision was made in response to challenging economic conditions and in recognition of the significant number of staffing requests approved for 2025. The pause will allow the organization to focus on filling current vacancies and hiring the 61.5 full-time equivalent (FTE) regular and term positions already approved for 2025, before reassessing staffing capacity in the future.

On June 3, 2025, the Juan de Fuca Water Distribution Commission (Commission) passed the following motion:

“That staff be directed to report back on staffing requirements for meeting the 2026 service delivery commitments in light of system growth and aging infrastructure.”

As part of the annual service planning process, each proposed initiative is documented in an Initiative Business Case (IBC), and summaries of these initiatives are presented to the CRD Board in the fall for approval. In response to the Commission’s motion on June 3, 2025, staff reviewed the potential impacts of system growth and aging infrastructure on service delivery and identified the staffing needs required to mitigate service level risks in 2026 and beyond. The following outlines the initiatives with staffing implications for 2026. Summaries of all relevant IBCs are included in Appendix A.

2b-2.5 Utility Operator Program (Juan de Fuca/Regional Water Supply)

There are currently approximately 26,000 water meters in the Juan de Fuca (JDF) system. Over the next 8–10 years, approximately 20,000 meters (77%) are projected to reach the end of their expected service life. At the current replacement rate of 1,000 meters per year, it would take two decades to complete the necessary replacements, far beyond the desired timeline.

Many meters are beyond their service life and at risk of failure at any time. This raises the risk of customer complaints, unmeasured consumption, inaccurate billing, and potential revenue loss.

To address this, Infrastructure and Water Services (IWS) proposes increasing the annual replacement rate to 2,500 units, implemented over a two-year period. This would support the goal of returning to a proactive 25-year replacement cycle by 2036. Staff propose a phased approach using a combination of operating and capital investments:

2026 Needs:

- Increase replacement rate to approximately 1,750 meters
- Add \$1.2 million in capital funding (based on \$1,500 per meter), for a total 2026 capital budget of \$3.0 million
- Add 1 Utility Operator (Water Operations)

2027 Needs:

- Achieve replacement rate of 2,500 meters/year
- Add an additional \$1.2 million in capital funding, for a total 2027 capital budget of \$4.2 million
- Add a second Utility Operator (Water Operations)

This phased addition of Utility Operators will increase operational capacity, improve response readiness, and support system growth.

2026 (1 FTE)	Utility Operator (<i>Water Operations</i>) Aging metering infrastructure is causing increased emergency repairs, customer complaints, and revenue loss. This position will focus on increasing our proactive meter replacements.
2027 (1 FTE)	Utility Operator (<i>Water Operations</i>) Aging metering infrastructure is causing increased emergency repairs, customer complaints, and revenue loss. This position will focus on increasing our proactive meter replacements.

2b-2.6 Operations Coordinator (RWS/JDF)

The Regional Water Supply (RWS) Strategic Plan includes a commitment to providing reliable, high-quality drinking water through efficient and effective operations. Maintaining and operating the system is essential to achieving these commitments.

In recent years, Supervisors and Team Leads across RWS and JDF have taken on increasing administrative burdens related to safety documentation, contractor coordination, permitting, and budget tracking.

To improve efficiency, increase the effectiveness of operations and allow Supervisors and Team Leads to spend more time in the field supporting and developing their teams, a new Operations Coordinator position is proposed.

2026 (0.5 FTEs)	Operations Coordinator (<i>Water Operations</i>) Required to reduce regulatory and operational risk by managing administrative aspects of key operational compliance components such as contractor oversight, permitting, and safety documentation. This role will support Supervisors and Team Leads by handling budget tracking, permit processes, and contract administration. This position will be shared with the Juan Du Fuca Water Distribution Service, if implemented each service would fund 50% of the position.
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NEXT STEPS

The 2026 Service Planning process began in March 2025. To align with the staffing pause, several initiatives originally planned or deferred to 2026 were postponed. Following the Juan de Fuca Water Distribution Commission's motion on June 3, 2025, staff assessed the initiatives with FTE implications and reviewed potential service impacts for 2026.

These initiatives have now been costed, in alignment with the Commission's interest in understanding service pressures related to growth and aging infrastructure. The proposals were reviewed by both the IWS leadership team and the Executive Leadership Team (ELT).

If the Commission wishes to proceed with any staffing-related initiatives for 2026, a motion should be recommended for consideration by the CRD Board. The provisional budget will be presented to the Committee of the Whole in October 2025.

IMPLICATIONS

Financial Implications

The proposed staffing additions in support of the 2025 Strategic Plan reflect an estimated incremental cost increase of \$226,400 in 2026, based on approved Initiative Business Cases (IBCs). These costs represent only new FTEs planned for hire in 2026.

A high-level estimate of projected salary and associated costs is provided in Table 1. These figures include both ongoing and one-time expenditures.

Table 1:

Cost Distribution by IBC	2026
2026 IBC: 2b-2.5 Utility Operator Program (JdF/RWS)	146,000
2026 IBC: 2b-2.6 Operations Coordinator (JdF/RWS)	80,000
Total Operating Budget Increase	\$ 226,400

These costs will be integrated into the operating budget. This represents an estimated 2.6% increase in total ongoing expenditure compared to 2025. Funding will be sourced through water sales revenue.

If the Utility Operator position is to be advanced in 2026, there would also need to be an additional \$1.2M added to Capital Project 21-04, which is the annual provisional allowance for the replacement of residential services and meters. In 2025, the budget for this program was \$1.8M, this would be increased to \$3.0M. This would represent a 4.7% increase in the capital program over 2025. However, by investing in these positions, the organization is taking proactive steps to protect revenue, ensure accurate billing, and maintain the long-term reliability of the JdF metering system.

Service Delivery Implications

2b-2.5 Utility Operator Program (JdF/RWS): Deferring the Utility Operator position would risk unsustainable operations and staffing levels. Current staff would struggle to meet growing

demands, increasing the likelihood of unplanned, reactive work, reducing efficiency, and delaying planned tasks. This heightens the risk of meter failures, deferred maintenance, unmeasured consumption, and lost revenue.

2b-2.6 Operations Coordinator (RWS/JDF): Deferring the Operations Coordinator role would continue to strain Supervisors and Team Leads, increasing delays in permitting and regulatory compliance associated with required operational and maintenance activities. It would also limit supervisors' ability to provide field oversight, increasing the risk of safety incidents and operational non-compliance.

CONCLUSION

As the Juan de Fuca water distribution system continues to grow and existing infrastructure ages, maintaining current service levels will require ongoing resource investments. The Utility Operator and Operations Coordinator positions proposed for 2026 are critical to addressing immediate operational risks, enhancing service reliability, and protecting revenue. These roles will strengthen the CRD's ability to manage increased workloads, reduce reactive maintenance, and improve compliance with regulatory and safety requirements.

RECOMMENDATION

There is no recommendation. This report is for information only.

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Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT(S)

Appendix A: JDF Initiative Business Case Summaries

Infrastructure & Water Services

Summary of Initiative Business Cases for Full-Time Equivalents in 2026

2b-2.5 Utility Operator Program (Juan de Fuca/Regional Water Supply)

Water operations for the Regional Water Supply and Juan de Fuca Water Distribution system are facing increasing risks and inefficiencies due to aging water meter infrastructure, growing system complexity, and expansion of services. These challenges have led to more emergency repairs, customer complaints and revenue loss.

To address these issues and enhance system reliability, this initiative seeks to create three new Utility Operator positions. Starting in 2026, a new regular ongoing Juan de Fuca Utility Operator will be added to respond to the rising rate of water meter failures. The current replacement rate of 1,000 units/year will be increased to 2,500 units/year, aiming to achieve proactive 25-year replacement cycle by 2036.

Additional staffing requests are planned for 2027 (Juan de Fuca) and 2028 (Regional Water Supply) to improve operational coverage, response capability, and support growing demands from system expansions and aging infrastructure. Funding for this initiative will be covered through water rates.

2b-2.6 Operations Coordinator (RWS/JDF)

Operational supervisors and team leads responsible for the Regional Water Supply and Juan de Fuca Water Distribution systems are increasingly spending more time on regulatory and administrative responsibilities. These tasks include preparing safety documentation, acting as contractor coordinators, managing permitting processing, and tracking budgets. While these activities are both required and important, they are reducing the supervisory capacity available for in-field oversight and leadership, particularly in areas of controls and compliance. This shift is creating inefficiencies and increasing day-to-day service delivery risks.

To address this issue, this initiative seeks to create a new regular ongoing operations coordinator role in the Water Infrastructure Operations division in 2026. This position will be responsible for the administrative aspects of regulatory and operational risk management, allowing supervisors to focus on field-based leadership and oversight. Funding for this initiative will be covered through water rates.

Funding for this initiative will be covered through water rates and shared 50/50 between Juan de Fuca and Regional Water Supply.