



Making a difference...together

**REPORT TO JUAN DE FUCA WATER DISTRIBUTION COMMISSION
MEETING OF MAY 5, 2026**

SUBJECT 2027 Service Delivery – Staffing Requirements

ISSUE SUMMARY

To outline the 2027 staffing requirements needed to maintain current service levels as the Juan de Fuca system expands and aging infrastructure increases operational demands.

BACKGROUND

At the April 8, 2026, Capital Regional District (CRD) Board meeting, the Chief Administrative Officer (CAO) informed the Board that staff had been directed to limit requests for staffing resources and other budget requests to initiatives that have been: A.) explicitly directed to advance by the CRD Board to support Board priorities, new service establishment or major project delivery, or B.) critical programs where deferral would result in significant service disruptions or negative impacts (for example, legal, safety or risk impacts). This was to maintain a proactive focus on fiscal discipline and to pave the way for a period of transition in late 2026 when a new Board will set its priorities for the next term. It was also noted that programs and associated resources that have been prioritized and recommended by a Commission or Standing Committee could also be incorporated in the 2027 financial planning process for the Board’s consideration.

As part of the annual service planning process, the CRD Board receives information in the fall about proposed new initiatives that have resources and staffing implications for the subsequent year and approves the updated Five-Year Financial Plan.

To support this process, Infrastructure & Water Services (IWS) staff have reviewed the potential impacts of system growth and aging infrastructure on service delivery, and have identified the staffing needs required to mitigate service level risks in 2027. The following sections outline proposed initiatives that have impacts on the Juan de Fuca (JDF) Water Distribution budget. This includes one new position, 1.0 Full-Time Equivalent (FTE), which was forecasted in 2025, for the JDF/Regional Water Service (RWS) Utility Operator Program. Staff are also forecasting one additional position in 2028. Summaries of each initiative are included below and in Table 1.

Table 1. Overview of Proposed Staffing Changes

2027 (1 FTE)	<i>Utility Operator (Water Operations Division):</i> Aging metering infrastructure is causing increased emergency repairs, customer complaints, and revenue loss. This position will focus on increasing our proactive meter replacements.
2028 (1 FTE)	<i>Reliability Engineers (Corporate Asset and Maintenance Management Division):</i> Required to establish a dedicated reliability function to optimize asset performance and mitigate asset risks, ensuring dependable service delivery and strategic maintenance and capital replacement planning. This function collaborates with operations and engineering teams to integrate reliability insights into decision-making for capital projects.

2b-2.5 Utility Operator Program (JDF/RWS)

Currently, there are 27,100 water meters in the JDF system. Over the next seven to nine years, approximately 19,000 meters are projected to reach the end of their expected service life. Many meters are already 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, IWS has initiated a multi-year phased program, combining operating and capital investments, to gradually increase the annual meter replacement rate from the current rate of 1,000 unit/year to 2,500 units/year, implemented over a two-year period starting 2026. This supports the goal of returning to a proactive 25-year replacement cycle by 2036 and aligns with the recommendations outlined in the JDF Water Distribution Asset Management Plan, which recommends increased meter replacement rates (Appendix A).

Prior to 2026, staff budgeted \$1.8 million annually for the meter replacement program and staff targeted a replacement rate of approximately 1,000 units/year. In 2026, the meter replacement program budget was increased by \$1.2 million to \$3 million, and a new Utility Operator (Water Operations) role was created to increase the replacement rate to approximately 1,750 units/year. Since the beginning of this year, staff have been actively progressing the meter replacement program and are on track to achieve the approved replacement targets for the year.

In 2027, staff are proposing to further increase the rate of replacement to the targeted 2,500 units/year. This will be achieved by adding another \$1.2 million in capital funding, for a total 2027 capital budget of \$4.2 million, and by creating a second regular ongoing Utility Operator (Water Operations) position.

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

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.

Initiatives Planned for Future Years (2028)

In addition to the initiatives listed above that have staffing implications in 2027, the following initiative is proposed for 2028. Although future-year initiatives are normally incorporated into budgets, capacity constraints arising from the upcoming election preclude its inclusion this year, so it is presented for information purposes only.

2b-2.9 Reliability Engineers/Performance Optimization

This initiative will aim to enhance asset performance and system reliability by creating a dedicated function in the Corporate Asset & Maintenance Management Division focused on optimizing asset performance and overall system reliability.

It will support key actions in the Corporate Asset Management Strategy, including condition and criticality assessments and structured data capture programs. The initiative will also directly support actions in the RWS Strategic Plan under Commitment 3 and Priority 1 “to make evidence-based and community-responsive infrastructure decisions to ensure reliable system performance and sustainability”. The new positions will also help lead and address some of the recommended actions for Asset Management Maturity Improvement (Table ES-5) outlined in the JDF Water Distribution Asset Management Plan.

To advance this initiative, staff will propose to create a new regular ongoing Reliability Engineer positions dedicated to the JDFWD service in 2028. The roles will be foundational to establishing a reliability function that uses data to drive maintenance and capital decisions, leading to efficiency and optimization within the service. In addition, the roles will work to decrease reactive maintenance demands and shift to more proactive maintenance and sustainable budgets.

This position will be re-considered through the annual service planning process next year.

NEXT STEPS

Financial Implications

The proposed staffing addition for 2027 reflects an estimated incremental cost increase of \$230,000 in the 2027 operating budget. These costs represent only new FTEs planned for hire in 2027.

A high-level estimate of projected salary and associated costs, such as benefits, training, and equipment is provided in Table 2.

Table 2: Estimated Staffing Costs

Cost Distribution by IBC	2027
2026 IBC: 2b-2.5 Utility Operator Program (JDF/RWS)	
Total Operating Budget Increase	\$ 230,000

These costs will be integrated into the operating budget. Funding will be sourced through water sales revenue.

If the Utility Operator position is to be advanced in 2027, 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 2026 the budget for this program was \$3.0M, this would be increased to \$4.2M. 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.

CONCLUSION

As the Juan de Fuca water distribution system expands and its infrastructure continues to age, sustaining existing service levels will depend on continued investment in operational resources. The proposed Utility Operator position for 2027 is essential to mitigating near-term operational risks, improving system reliability, and safeguarding revenue. This role will enhance the Capital Regional District’s capacity to manage growing workloads, shift away from reactive maintenance, and strengthen compliance with regulatory and safety requirements.

RECOMMENDATION

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

Submitted by:	Alicia Fraser, P. Eng., General Manager, Infrastructure and Water Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer & General Manager, Finance & Technology
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT(S)

Appendix A: JDFWDS Asset Management Plan – Executive Summary