



Making a difference...together

MINUTES OF A MEETING OF THE Magic Lake Estates Water and Sewer Committee, held Tuesday, October 29, 2024 at 9:30 a.m., In the Goldstream Conference Room, 479 Island Highway, Victoria, BC

PRESENT: **Committee Members:** M. Fossil (Chair); J. Deschenes (Vice Chair) (EP); P. Brent (EA Director) (EP); M. Rondeau (EP)

Staff: J. Marr, Senior Manager, Infrastructure Engineering; D. Robson, Manager, Saanich Peninsula and Gulf Islands Operations; J. Kelly, Manager, Capital Projects, L. Xu, Manager, Local Services and Corporate Grants; M. Cowley, Manager, Wastewater Engineering and Planning; L. Hardiman, Manager, Asset Management; M. Risvold (Recorder)

REGRETS: A. Cyr; R. Sullivan; D. Reed

EP = Electronic Participation

The meeting was called to order at 9:32.

1. TERRITORIAL ACKNOWLEDGEMENT

The Chair provided the Territorial Acknowledgement.

2. APPROVAL OF AGENDA

MOVED by P. Brent, **SECONDED** by J. Deschenes,
That the agenda be approved as circulated.

CARRIED

3. ADOPTION OF MINUTES

MOVED by P. Brent, **SECONDED** by J. Deschenes,
That the minutes of the August 20, 2024 Magic Lake Estates Water and Sewer Committee meeting be adopted as circulated.

CARRIED

4. CHAIR'S REMARKS

The Chair made no remarks.

5. PRESENTATIONS/DELEGATIONS

There were none.

6. SENIOR MANAGER'S REPORT

J. Marr provided the following updates:

- Private property winterization. The Capital Regional District (CRD) is running a campaign to inform homeowners within small water systems the benefits of winterizing their properties to prevent leaks during the cold season. Information has been shared on social media platforms and on the respective CRD Drinking Water Systems webpages.

- Grant application for water conservation signage. CRD was successful in receiving a grant from the Union of British Columbia Municipalities for permanent water conservation signage. The signage will display current water restriction levels and will be installed in the community, replacing the current sandwich boards. It is anticipated that there will be no cost to the service for the signs or installation.

7. COMMITTEE BUSINESS

7.1. Magic Lake Estates Water and Sewer Service 2025 Operating and Capital Budget

J. Marr spoke to item 7.1.

Staff responded to the following questions regarding:

- Severe weather event resiliency funding: Staff advised there is no separate resiliency funds. The operating and capital reserve funds are used to mitigate emergency responses and to create system resilience.
- Ability for ratepayers to pre-pay debt to reduce annual taxes: Staff advised that a one-time option was previously provided as a courtesy by the CRD in consultation with BC Assessment and the Provincial Government. This is no longer available as the CRD is not structured to collect taxes at the property level and will not be offered for future debt.
- Operating budget challenges due to circumstances such as leaks and corrective maintenance: Staff advised the CRD has many services running at a deficit due to rising costs, particularly in corrective maintenance. Factors like aging equipment and climate change are contributing to increased emergency responses, such as water main breaks and wastewater system issues. While the new wastewater treatment plant may reduce some of these challenges, the budget doesn't fully account for corrective maintenance, so the operating reserve fund is used to support the operating budget.

Discussion ensued regarding:

- Assessing the possibility of increasing the operating reserve fund for 2026.
- Tax increases.
- The importance of considering the taxpayers' interests.
- Current water debts being paid off in 2025, 2026, 2027, and 2028.
- Wastewater debts being settled in 2026, 2027, and 2028.
- Allocating funds to increase leak detection in 2025.
- The capital reserve fund being under target.

MOVED by J. Deschenes, **SECONDED** by P. Brent,
The Magic Lake Estates Water and Sewer Committee

1. That the Magic Lake Estates Water System Local Service 2025 operating and capital budget be approved as presented and that the 2024 actual operating deficit be balanced on the 2024 Reserve Funds transfer (Capital Reserve Fund and/or Operating Reserve Fund);
2. That the Magic Lake Estates Sewerage System Local Service 2025 operating and capital budget be approved as presented and that the 2024 actual operating surplus or deficit be balanced on the 2024 Reserve Funds transfer (Capital Reserve Fund and/or Operating Reserve Fund); and
3. The Magic Lake Estates Water and Sewer Committee recommends that the Electoral Areas Committee recommend that the Capital Regional District Board approve the 2025 Operating and Capital Budget and the five-year Financial Plan for the Magic Lake Estates Water and Sewer Services as presented.

CARRIED

The committee thanked staff for the work that went into the preparation of the budget.

7.2. Project and Operations Update

J. Marr introduced item 7.2 and provided an update on water capital projects.

D. Robson provided an update on water operations.

M. Cowley provided an update on the sewer utility, advising once the pump station and treatment plant upgrades are completed, a tour will be arranged for the committee followed by a public open house at an appropriate time.

D. Robson provided an update on wastewater operations.

The report was received for information.

7.3. Asset Replacement Report Card

L. Hardiman spoke to item 7.3.

The Electoral Area Director inquired whether the asset management report card could be included in the annual report, as it would be more understandable for the average user. It also highlights the potential capital overhang, which is important for system users to be aware of. Staff will review the ability to append the asset replacement report card to the annual report.

The report was received for information.

8. CORRESPONDENCE

There was no correspondence.

9. NEW BUSINESS

The Chair asked about the frequency of meetings.

Staff advised that Local Service Committees meet three times a year, with additional meetings scheduled at the call of the Chair. The Magic Lake Estates Water and Sewer Committee had been meeting monthly during the large treatment plant project. Moving forward, the committee agreed to meet three times per year, with the option for additional meetings as needed.

10. ADJOURNMENT

MOVED by J. Deschenes, **SECONDED** by P. Brent,
That the October 29, 2024 Magic Lake Estates Water and Sewer Committee meeting be adjourned at 10:35 am.

CARRIED

CHAIR

SECRETARY