

**PRESENT:** S. Johnson, Chairperson  
K. Jones, Vice-Chairperson  
D. Bower  
S. Doerksen  
D. Stonoga

**COUNCIL:** Councillor Trevelyan (Council Representative)

**ABSENT:** I. Lessner  
J. Yu

**STAFF:** J. Gordon, Director of Engineering and Municipal Operations  
S. Kurylo, Director of Finance  
A. Stewart, Committee Clerk

Public: 0  
Press: 0

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1. **CALL TO ORDER**  
The Chairperson called the meeting to order at 4:03 p.m.

2. **ADOPTION OF AGENDA**

2020-WCAP-05 **IT was MOVED and SECONDED**  
THAT the Water Community Advisory Panel adopts the agenda for February 11, 2020, as circulated.  
**CARRIED**

3. **ADOPTION OF MINUTES**  
a) January 14, 2020

2020-WCAP-06 **IT was MOVED and SECONDED**  
THAT the Water Community Advisory Panel amends the minutes of the January 14, 2020 meeting as follows:  
• Under Item 5, the third bullet should be removed: ~~Research indicates that when chloride is introduced it reduces arsenic levels;~~ and  
THAT the minutes be adopted as amended.  
**CARRIED**

4. **UPDATE ON THE WATER TREATMENT PLANT**  
Staff reviewed the Environmental Analytical Report and provided the following update:  
• Because Teflon can sometimes leach into the water, staff were asked to conduct testing. When it was tested a year ago, the results were negligible, and this report indicates the same.

Staff provided the following update on the regeneration process:

- The City is a bit behind schedule; improved results should be seen as early as next week.
- Panel members requested notification when the process begins.

**Action Item:** Staff to provide an update to the panel when the regeneration process begins.

In response to questions from the Panel, staff noted:

- Each time filters are regenerated, roughly 10% efficiency is lost. Eventually, a whole new filter is required.
- The current contract is for 39 months.
- Once the phosphorus is gone, there should not be a need to regenerate. The filter should be able to age naturally.
- There is currently a budget for \$460,000 to replace the filter every three (3) years.
- The contractor is paying for the injection system and will leave it in place. The cost of Phenol chloride is minimal. All of these expenses enable an extension of the filter life.
- The filter used is protected by trademark and patents. Similar products are not available on the market. There are other ways of treating arsenic, but it is difficult to change once treatment has begun.
- Incorrect data for iron levels were posted online. The error has been corrected, and training has occurred to prevent future errors.

## 5. CONSUMPTION-BASED MODEL

The Director of Financial Services attended the meeting to provide the following information:

- The panel previously discussed a user-fee model that could be implemented gradually. Financial Services tried several different ways to phase the change in structure but found 500-600 users experienced unpredictable, erratic fees when the model was projected forward in time. This needs more work and will be difficult for property owners to understand.
- Staff resources have not been available to address this request as thoroughly or quickly as desired. Staff will attempt to report back at the March 10<sup>th</sup> meeting, but between other priorities and a major system implementation, they may not have full information.
- Several things are being corrected/ adjusted through this process; such as moving towards a more consumption based structure, correcting the disparity between single-family and multi-family units etc.
- The next steps are to take apart the current phasing options to understand where most anomalies are originating. A new model needs to be clear for residents to understand.

Panel members made the following observations:

- It is better to take time to ensure that the model is correct and defensible with clearly understood timelines. Council will need time to reflect on the panel's recommendation and seek input from the public.

- It is was suggested that rates to be based entirely on consumption, with a recommendation ready for Council in September/ October 2020 for an implementation date of January 1, 2021.
- Panel members discussed several aspects of a model with a portion of the rate being fixed regardless of pipe size and the remainder of the rate based upon consumption.
- Until models are available for discussion, no firm decisions can be made.
- Any changes to the current model need to include reasoning.

In response to the discussion, staff provided the following information:

- Any changes will not be ready for implementation during 2020.
- There are several fixed costs in providing services such as reading meters, billing and collection, labour pool, and debt payments.
- Peak use during the summer is what governs expansions to the system.
- Eventually, expansion due to growth will be paid by developers.
- Older meters record less water than newer ones.

Discussion continued, and panel members made the following comments:

- More information is needed on the cost to replace meters at homes with larger pipes, what impact larger pipes have on the system in creating demand, and how much the annual maintenance cost is for maintaining and replacing meters.

Discussion continued, and panel members noted:

- Previous models were very dynamic and “plug” numbers may be needed for the fixed portion to understand the impact on users. A sample could be used to minimize the workload while still providing an understanding of impact.

2020-WCAP-08 **IT was MOVED and SECONDED**

THAT the Water Community Advisory Panel requests that staff provide the panel, for discussion, models based on a simplified rate, focused on consumption, with fixed base fees being the same for all meter sizes (with no consumption included).

**CARRIED**

**Note:** On January 27, 2020, Council endorsed the Water Community Advisory Panel’s work plan, which included a consumption-based model. This direction to staff is compliant with the endorsed Council direction.

Panel members discussed a communication plan and made the following comments:

- Communication needs to focus on water conservation and helping to control our water supply responsibly.
- Communication will need to focus on the future – a change is needed in the rate to make it equitable between single and multi-family homes.

**Action Item:** Add to the next agenda: Communication plan under consumption-based model.

6. **COMPARABLE WATER RATES/PROPOSED RATE INCREASES IN OTHER CITIES**

The Director of Financial Services provided the following information:

- In the 2021-2024 plan, the City requires an increase in revenue of 6% per year for water services.
- This estimate has accounted for major developments, based on when each are anticipated to require water service.
- Revenue in the proposed 2021-2024 plan:
  - 2020 – \$5,258,000
  - 2021 - \$5,621,000
- The 2021-2024 plan includes an assumed inflation rate of 2% per year, the target of the Bank of Canada.

Panel members discussed this information and made the following comments:

- A comparison of what other municipalities are charging and what is included in that price is needed. For instance, does the base charge include any water?
- Large increases are anticipated in other municipalities over the next three (3) years. Information based on the research of other municipalities was discussed.

Staff provided the following information:

- Other municipalities have been contacted to request detailed rate breakdowns. This information may be available for the next meeting.
- Municipalities likely won't be able to confirm anticipated rates into the future; they are typically approved every year. Estimates might be available.
- Rates in White Rock are anticipated to be higher, partly due to the recently purchased water utility that now carries debt. Other municipalities do not have this expense.

2020-WCAP-09 **IT was MOVED and SECONDED**

THAT the Water Community Advisory Panel meeting of February 11, 2020, be extended by five (5) minutes.

**CARRIED**

In response to questions from the panel, staff noted that the City has applied for grants and will continue to apply for grants to cover capital costs.

Panel members requested the following information:

- Rates in other municipalities when comparing similar services
- Anticipated Metro Vancouver rate increases
- Explanation of the year over year increase in the revenue proposed

**Action Item:** In the interest of time, the Chairperson requested that the following items be deferred to the next scheduled meeting:

7. **DCC BYLAW AMENDMENT UPDATE**
8. **NEW BUSINESS**
9. **RECOMMENDATIONS UPDATE**
10. **ACTION TRACKING**

11. **2020 MEETING SCHEDULE**

The 2020 meeting schedule as adopted was noted for reference purposes:

- March 10
- April 7
- May 12
- June 9
- July 14
- September 15
- October 13
- November 10

12. **CONCLUSION OF THE FEBRUARY 11, 2020 WATER COMMUNITY ADVISORY PANEL MEETING**

The Chairperson concluded the meeting at 6:07 p.m.

  
S. Johnson, Chairperson

For:  
  
A. Stewart, Committee Clerk