



# STAFF REPORT

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**Date:** September 28, 2015

**File No.:** 6500-20. Watershed  
Management

**To:** Salt Spring Island Local Trust Committee: For the meeting of October 1, 2015

**From:** Stefan Cermak, Regional Planning Manager

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**Re: Watershed Management**

## PURPOSE

The Salt Spring Island Local Trust Committee (LTC) has identified watershed management on Salt Spring Island as one of its top priorities. The Watershed Management Program involves a multi-jurisdictional approach to the protection and management of freshwater resources on Salt Spring Island.

The purpose of this report is to:

- 1) Present an amended Request for Proposal (RFP) for a Water Conservation and Water Demand Management Measures Plan and Bylaw for Salt Spring Island focused within the North Salt Spring Waterworks District and,
- 2) Develop a 2016/17 “Additional Operations” budget proposal for submissions to the Financial Planning Committee prior to December Trust Council meeting.

The “Additional Operations” budget proposal is to support the ongoing coordination work of the Salt Spring Island Watershed Protection Authority (SSIWPA) and is funded through a special property tax requisition pursuant to [Trust Council Delegation Bylaw No. 154](#).

## BACKGROUND

### Water Conservation and Water Demand Management Measures

The Salt Spring Island Local Trust Committee (LTC) passed the following resolution at their last regular business meeting September 3, 2015:

SS-2015-149

It was MOVED and SECONDED, that the Salt Spring Island Local Trust Committee direct staff to amend the Request for Proposal for a Water Conservation and Water Demand Management Measures Plan and Bylaw for Salt Spring Island to address water demand and supply issues exclusively in the North Salt Spring Waterworks District. CARRIED

An amended Request for Proposal (RFP) is attached (Appendix 1) and discussed later in this report.

## Special Property Tax Requisition

The Salt Spring Island Local Trust Committee (LTC) passed the following resolution at their last regular business meeting September 3, 2015:

SS-2015-161

It was MOVED and SECONDED,

that the Salt Spring Island Local Trust Committee advise the Director of Administrative Services that a Budget Proposal will be submitted prior to November 2015 Financial Planning Committee meeting to support Salt Spring Island Watershed Management coordination services delegated from Trust Council and supported by Special Tax Requisition. CARRIED

On September 28, 2015, the Salt Spring Island Watershed Protection Authority passed a resolution adopting a draft budget requesting \$110,500 for coordination services in 2016/17. The Draft budget is attached in Appendix 2.

## DISCUSSION

### Water Conservation and Water Demand Management Measures

The draft changes to the attached RFP address water demand and supply issues exclusively in the North Salt Spring Waterworks District (NSSWD). Staff consulted with NSSWD staff to consider potential amendment details in the redrafted RFP. Some key details changed from the original RFP include noting the recently completed Hydrology Reports and a request for a more discrete breakdown of consumption standards in various categories (for example, different types of commercial or institutional uses). Another significant change is the inclusion of a Community Information Meeting before final drafting of a plan and bylaw. Other changes reflect the narrowing of the geographical scope and the availability of data from NSSWD.

### Special Property Tax Requisition

Pursuant to [Trust Council Policy 6.3.ii](#), an individual Local trust Committee can require a special property tax requisition for “Additional Operations” that are not included within the general operations of local trust committees. Special property tax requisitions are approved by Islands Trust Council and must be formally requested by resolution of the Local Trust Committee. The proposed special requisition will be presented for approval to Trust Council in March of each year. Once approved by Islands Trust Council within the annual budget bylaw, the Local Trust Committee is authorized to undertake the approved initiative at its discretion

Initial coordination costs estimates are \$110,500 for the 2016/17 fiscal year (Appendix 3). In more detail:

Coordinator Contract	\$ 85,000
Meeting Costs:	\$ 5,500
Events and Comm.	\$ 8,000
<u>Admin Levy</u>	<u>\$ 12,000</u>
Total	\$110,500

The funding assumes a similar level of coordination as received in 2015/16 and provides recovery of administration costs (e.g. Islands Trust grant and financial staff services such as contract awards and

budget monitoring). The proposed special property tax requisition for 2016/17 is less than the approved \$119,500 for 2015/16.

### Process

Local Trust Committees wishing to pursue a special property tax requisition must develop a budget program request for preliminary consideration by Trust Council in December of each year. The process for development and approval of special property tax requisitions is subject to the provisions of [Trust Council Policy 6.3i](#) – Budget Process Policy.

The Local Trust Committee has a responsibility for public consultation – it must solicit feedback from the public minimally through a mechanism of advertising and otherwise advising the public of the purpose and cost of the proposed special requisition. The feedback received must be considered by Islands Trust Council prior to the final adoption of any bylaw that incorporates a special property tax requisition. A significant portion of the public consultation may be channeled through the annual public consultation of Trust Council’s budget.

When presented for approval to Trust Council, the request must include a completed Special Property Tax Requisition Checklist included in Section 7 of Policy 6.3.ii (attached).

### RECOMMENDATIONS

That the Salt Spring Island Local Trust Committee **approves** in general the terms of reference included in the Staff Report dated September 28, 2015 and directs staff to issue a contract for the development of a water conservation and water demand management measures plan and bylaw to address water demand and supply issues exclusively in the North Salt Spring Waterworks District.

That the Salt Spring Island Local Trust Committee **request** a special property tax requisition for up to \$110,500 from the Salt Spring Island Local Trust Area in the 2016/17 fiscal year, subject to Trust Council Policy 6.3.ii, in order to fund coordination of watershed management on Salt Spring Island, using the powers delegated to the Salt Spring Island Local Trust Committee by Trust Council Bylaw No. 154.

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Prepared and Submitted by:

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Stefan Cermak, Regional Planning Manager

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Date

- Appendix 1: RFP Extract
- Appendix 2: SSIWPA 2016/17 Draft Budget
- Appendix 3: Special Property Tax Requisition Checklist

## 2.2. Salt Spring Island Local Trust Committee, the Salt Spring Island Watershed Protection Authority, and the North Salt Spring Waterworks District

The [Salt Spring Island Local Trust Committee](#) (SSI LTC) is comprised of locally elected officials who serve Salt Spring Island and make land use planning decisions on behalf of the Islands Trust. The Salt Spring Island Local Trust Committee was recently delegated additional authority by the Islands Trust Council through [Bylaw 154](#) under the Islands Trust Act. This authority was delegated to allow for the coordination of multiple agencies in addressing watershed management issues on Salt Spring Island. The SSI LTC acts as a coordinating body for the Salt Spring Island Watershed Protection Authority (SSIWPA).

The [Salt Spring Island Watershed Protection Authority](#) (SSIWPA) is comprised of representatives from Provincial and local government agencies who have undertaken to protect and manage Salt Spring Island's watersheds. SSIWPA meetings, work plans, budgets, communications, grant applications, and general administrative and logistical duties are carried out by the SSIWPA Coordinator. The following agencies are participants:

- \* Salt Spring Island Local Trust Committee
- \* Capital Regional District
- \* Island Health
- \* BC Ministry of Health
- \* BC Ministry of the Environment
- \* North Salt Spring Water District
- \* Highland & Fernwood Water Commissions

The [North Salt Spring Waterworks District](#) (NSSWD) is an improvement district which supplies potable water to approximately 2000 properties on Salt Spring Island including Ganges Village. For context, there are approximately 6000 residential properties on Salt Spring Island.

## 3. Summary of Requirements

The Salt Spring Island Local Trust Committee (SSI LTC) made watershed management a top priority work program in 2012 in order to address the quality of surface water drinking sources. In 2015, the project scope was increased to include water quantity issues. Later in 2015, the NSSWD implemented a moratorium on new connections to the community water system. The moratorium remains in effect.

To address the management of a finite supply of water:

**The SSI LTC is seeking proposals by qualified consultants to draft and implement a potable “Water Conservation and Water Demand Management Plan and Bylaw” for properties within the NSSWD.**

Objectives of the project include:

- Determine water demand values based on actual data and industry standards relevant to the unique, dry climate of the Islands Trust area
- Evaluate current and long term water supply and demand on Salt Spring Island
- The conservation of finite water resources
- Reduce demand for water resources
- Increase supply of water resources through encouragement of rainwater catchment systems

- Provide analysis sufficient to provide confidence to undertake community and infrastructure planning
- Draft relevant SSI LTC bylaw changes to regulate a water conservation and water demand plan
- Draft relevant SSI LTC bylaw changes to reconcile potable water supply and demand

#### 4. Scope of Work

##### 4.1. Scope of Work

The scope of work includes:

- All work to be undertaken within the North Salt Spring Waterworks District (NSSWD)
- Review NSSWD's most recent [Hydrology Reports](#)
- Inventory existing known water supply for lakes, streams, and groundwater
- Identify areas of water supply deficit, data gaps, and indicate level of certainty
- Estimate build-out of undeveloped and underdeveloped lands based on projected rate of growth (rate of growth provided through [previous studies](#))
- Estimate water demand based on consumption standards versus actual metered data (where provided), and based on current permitted uses in the zones
- Recommend water demand values (consumption standards) relevant to the region and using local data where available
- Recommend water demand values (consumption standards) for discrete uses within each use type (for example, institutional uses: schools, hospitals, seniors care facility)
- Research water demand management measures which various agencies can implement according to their authority
- Recommend water conservation priorities based on supply and demand analysis
- Recommend and set water conservation targets
- Recommend water conservation and water demand management measures and tools
- Draft land use planning options to reconcile potable water demand and supply with priority, if feasible, given to affordable housing and Ganges Village densification
- Draft water conservation and water demand management plan which includes background, methods, analysis, recommendations and bylaw options

##### 4.2. Deliverables

Upon execution of a Service Contract, the successful proponent will undertake the following deliverables:

##### **PART I Background and Research**

1. Meet in person at the Salt Spring Islands Trust office with Islands Trust planning staff to coordinate resources, timing, budget and contacts
2. Maintain regular (ex: bi-weekly) communication with Planner managing the contract
3. Extensive communication by phone, email, or in person with various agencies in order to retrieve necessary information
4. Obtain and summarize well data. Identify data gaps. Follow up with relevant contacts (some provided) to reduce data gaps as much as feasible.
5. Create an inventory of existing water supply including the following:
  - a. Lakes and streams (the following will be provided by NSSWD)
    - i. Update source availability
    - ii. Licenced withdrawals
    - iii. Identify areas of water supply deficit
    - iv. Identify data gaps, level of certainty
  - b. Groundwater
    - i. Summarize known groundwater supply
    - ii. Summarize groundwater vulnerability and community catchment areas

- iii. Identify areas of groundwater supply deficit (example evidence showing increasing water delivery to well users)
    - iv. Identify data gaps, level of certainty
  - c. Review and recommend updates to Community Surface Water Systems data in section C.3.2 of the Official Community Plan to ensure policies reflect planning without a deficit in water supply
- 6. Draft a summary report for the above research.
- 7. Draft summary will be reviewed by the Islands Trust Planner managing the contract for feedback and forwarded to the Salt Spring Island Watershed Protection Authority for review and comment. The Islands Trust Planner may request that the contractor consider revisions to the draft summary and/or respond to enquiries from SSIWPA.
- 8. Briefly, by phone or electronic meeting software, summarize draft summary at a Salt Spring Island Watershed Protection Authority meeting which are held on the third Friday of every month.

## **PART II Research and Summarize Water Conservation and Water Demand Management Options**

- 9. Estimate build-out of undeveloped and underdeveloped lands based on projected rate of growth (rate of growth provided through previous studies)
- 10. Estimate water demand for build-out of undeveloped and underdeveloped lands based on consumption standards and current permitted uses in the respective land use zones as per the current consolidation of Land Use Bylaw #355.
  - a. As much as possible, provide estimates for discrete units within general categories (i.e. Institutional: schools, hospitals, seniors care facility)
- 11. Compare and comment on the difference between consumption values and actual metered data, where provided
- 12. Recommend water demand values (consumption standards) relevant to the region and based on local data, where available
- 13. Recommend water conservation priorities based on supply and demand analysis
- 14. Recommend water conservation targets
- 15. Review and recommend water conservation measures and tools
- 16. Research water demand management measures that the SSI LTC could implement within their authority
  - a. Identify land use planning options to reconcile potable water demand and supply in the NSSWD district with priority given to Ganges Village densification and the provision of affordable housing.
- 17. Draft a summary report for Part II
- 18. Draft summary will be reviewed by the Islands Trust Planner managing the contract for feedback and forwarded to the Salt Spring Island Watershed Protection Authority for review and comment. The Islands Trust Planner may request that the contractor revise the draft summary and/or respond to enquiries from SSIWPA.
- 19. Briefly and verbally, by phone or electronic meeting software, summarize draft summary at a Salt Spring Island Watershed Protection Authority meeting which are held on the third Friday of every month.
- 20. In person, on Salt Spring Island, present materials at a Community Information Meeting (a special business meeting of the SSI LTC). Engage in discussion with interested parties in attendance.
  - a. Draft communication materials for stakeholders, water managers, consumers and the public. Materials for review and comment by the Islands Trust Planning staff and required edits done. Materials should be suitable for the internet, general handouts, and for a Community Information Meeting.
- 21. Gather feedback. Include consideration of feedback in Draft Plan and Bylaw.

## **PART III Draft Plan and Bylaw**

- 22. Draft Water Conservation And Water Demand Management Plan

- a. Include in draft plan a bylaw that could be implemented by the Salt Spring Island Local Trust Committee which includes:
  - i. feasible mandatory provisions of water conservation measures for all future developments with potable water needs, and/or
  - ii. Recommend land use planning tools reconciling potable water demand and supply in the NSSWD, tools may include: “down zoning”, performance zoning, density transfer, development permit area, use of covenants, etc.
- 23. Submit plan and bylaw for review and comment by the Islands Trust Planning staff, SSIWPA and SSI LTC. The contractor will make any necessary edits/changes to the plan and bylaw.
- 24. In person, on Salt Spring Island, present Final Report including bylaw to SSI LTC. Engage in discussion with interested parties in attendance.

**5. Qualifications and Experience**

- Proponents need have at least 10 years of experience in each of the following areas:
  - drafting and implementing water conservation and water demand management plans
  - drafting and implementing water conservation and water demand management bylaws
  - communication/coordination of multiple agencies or departments

**6. Service Contract**

The successful proponent will be required to sign a service contract with Islands Trust. Please see Appendix A attached for a copy of our standard service contract terms and conditions. Please review Part D for the insurance requirements.

**7. Proposed Timeline for RFP Process:**

<b>Activity</b>	<b>Estimated Completion Dates</b>
Issue RFP	October 9, 2015
RFP Closing	October 23, 2015
Evaluation Period	Oct. 26-29, 2015
Award of Contract to Successful proponent	Nov. 3, 2015
Completion of Deliverables	February 29, 2015

**DRAFT ONLY - SSI Watershed Protection Authority DRAFT Budget**

Period: April 1, 2016 - March 31, 2017

	Cash	In Kind	Description
<b>REVENUE</b>			
<b>Coordination</b>			
Tax Requisition	110,500.00	-	pending approval at Trust Council March 2016
<b>Subtotal</b>	<b>110,500.00</b>	-	
<b>St. Mary Lake IWMP Implementation</b>			
SSI Local Trust Committee	-	2400	reports portion of wage attributed to SSIWPA meetings
SSI Local Trust Committee - Staff	-	1566.72	Planner wage attributed to SSIWPA meetings
Capital Regional District	14,900.00	7947.36	\$11,900 for #1 Stormwater, \$3,000 for #2 Septic (\$3,000 carried over from 2014-15),
Vancouver Island Health	0.00	2880	reports portion of wage attributed to SSIWPA meetings
North Salt Spring Waterworks	0.00	-	volunteer
Ministry of Environment	0.00	3720.96	reports portion of wage attributed to SSIWPA meetings
Fernwood Highland Water Distr	0.00	-	volunteer
Beddis Water District	0.00	-	volunteer
			*TBD. See Grants for St Mary Implementation 2016
<i>Grant funding</i>	<i>5,000.00</i>	-	
<b>Subtotal</b>	<b>19,900.00</b>	<b>18,515.04</b>	
<b>Cusheon Watershed - Planning</b>			
Capital Regional District	0.00	-	
Beddis Water District	0.00	-	
Ministry of Environment	0.00	-	
<i>Grant funding</i>	<i>5000.00</i>	-	tbd MA 5,6,9 (possibly also 8 and 12 for start after Sept)
<b>Subtotal</b>	<b>5,000.00</b>	-	
<b>TOTAL INCOME</b>	<b>135,400.00</b>	<b>18,515.04</b>	
<b>EXPENSES</b>			
<b>Coordination</b>			
Coordinator Contracts	85,000.00	-	\$500 SSIWPA meetings venue rentals + \$300 Advisory Group meetings venue rentals + \$3000 annual minute-taking + \$1500 annual advertising
Meetings	5,300.00	-	(each includes advertising in Driftwood and/or Exchange) \$1000 November Open House+\$1000 - 2 public St Mary technical meetings +\$1000 - 2 public Cusheon technical meetings + \$5000 Water Fair and Fall Fair (display materials, speakers, event insurance, etc.)
Community Events and Commu	8,000.00	-	Islands Trust (Victoria and Local office) - maps, supplies, postage, admin, printing, communications
Administration - Staff Levy Islan	12,000.00	-	
<b>Subtotal</b>	<b>110,300.00</b>	-	
<b>St Mary Lake IWMP Implementation</b>			
Action 1 Stormwater	11,900.00	-	CRD - allocated. End of phase 1 completed by May 2016; phase 2 will appear in 2017 budgets
Action 2 Septic	3,000.00	-	CRD - allocated. Carried over from 2015 budget. Will be completed by May 2016.
Actions 3 and 14	27,000.00	-	24,500 - biweekly lake ; 2,500- pore water
Actions 6, and 9	5,000.00	-	Workshops Nov, Feb and Water Fair.
Action 12	not assessed	-	Biodiversity Monitoring Grant Application PSF. Start fall 2016
<b>Subtotal</b>	<b>46,900.00</b>	-	
<b>Cusheon Watershed - Planning</b>			
Monitoring	tbd	-	may be a need for water quality or stormwater monitoring, starting in 2016 fiscal
Meetings	-	-	included in regular TAC meetings monthly, see meetings budget line under coordination expenses
<b>Subtotal</b>	<b>0.00</b>	-	
<b>TOTAL EXPENSES</b>	<b>157,200.00</b>	-	
<b>Income - Expenses</b>	<b>-21,800.00</b>	<b>18,515.04</b>	

*in kind amount generally represents salary portion for meeting time and travel expenses for participation in SSIWPA activities.*

*IWMP - integrated watershed management plan*

This is a DRAFT for DISCUSSION ONLY

- c) Any funds, generated through the special requisition, which are unspent at the conclusion of the fiscal year, will be held in reserve for the Local Trust Committee's use in the subsequent fiscal year to:
- i) complete the previously approved initiative or program; or
  - ii) undertake a new program, subject to a further resolution of the Local Trust Committee to do so.
- d) Unspent funds can not be used to offset a general property tax requisition.

## 7. Special Property Tax Requisition Checklist

### Budget Submission

Description of Task	Deadline	Date Completed
Local Planning Services Staff assigned to LTCs develop "additional operations" budget proposal on behalf of LTCs prior to December Trust Council meeting and submit them to FPC for review.	November FPC meeting	
Director of Local Planning Services presents "additional operations" budget proposals to Financial Planning Committee, with input from LTCs, indicating whether any of the proposed 'additional operations' are related to delegated powers and must be funded through a special property tax requisition.	December Trust Council meeting	
Financial Planning Committee makes recommendations to Trust Council regarding budget proposals made by LTCs, identifying <ul style="list-style-type: none"> <li>• Any that must be funded through a special property tax requisition pursuant to a Trust Council delegation bylaw (e.g. Bylaw 154).</li> <li>• Any other LTC proposals that it recommends be funded through a special property tax requisition, rather than through inclusion in the general Islands Trust budget.</li> </ul> Director of Local Planning Services provides additional information to Trust Council about LTC proposals, as needed.	December Trust Council meeting	
If December Trust Council does not approve the LTC "additional operations" budget proposal for inclusion in the general Islands Trust budget, or if the LTC additional operations are related to delegated powers that must be funded through a special property tax requisition:		
<ul style="list-style-type: none"> <li>• LTC passes resolution to pursue special property tax requisition to fund the "additional operations" budget proposal: <ul style="list-style-type: none"> <li>- copy of resolution attached</li> </ul> </li> </ul>	January	
<ul style="list-style-type: none"> <li>• LTC requests staff to conduct public consultation on the special tax requisition proposal: <ul style="list-style-type: none"> <li>- copy of advertisement attached</li> <li>- if public meeting held, minutes of the discussion attached</li> <li>o written summary of public feedback attached</li> </ul> </li> </ul>	Mid-February	
<ul style="list-style-type: none"> <li>• Staff prepare Request for Decision (RFD) proposed by LTC for March Trust Council binder, requesting a bylaw to authorize a special property tax requisition. The RFD will include an assessment of organizational and other implications, a completed copy of this checklist along with any attached documentation.</li> </ul>	February FPC meeting	