



SUNSHINE COAST REGIONAL DISTRICT



**SPECIAL BOARD MEETING TO BE HELD
IN THE BOARDROOM OF THE SUNSHINE COAST
REGIONAL DISTRICT OFFICES AT 1975 FIELD ROAD, SECHELT, B.C.**

THURSDAY, JULY 6, 2023

AMENDED AGENDA

CALL TO ORDER 1:30 p.m.

AGENDA

1. Adoption of agenda

PRESENTATIONS AND DELEGATIONS

- | | | |
|----|--|--------------------|
| 2. | Paul Nash, Integrated Sustainability
Regarding Water Supply and Demand Analysis Update | To Come
Forward |
| 3. | SCRD Staff and shíshálh Nation Government District Staff
Regarding Joint Partnership Application – Disaster Mitigation
Adaptation Fund | |
| 4. | Dean McKinley, Chief Administrative Officer, SCR
Regarding Water Supply/Conservation Projects Update | |
| 5. | Paul Nash, Integrated Sustainability
Regarding Site B Reservoir Phase 4 Update | |

REPORTS

- | | | |
|----|---|---|
| 6. | Joint Partnership Application - Disaster Mitigation and Adaptation
Fund – Chief Administrative Officer
(Voting – All Directors – 1 Vote Each) | Annex A
⇒RENUMBERED
pp 3 - 5 |
| 7. | Compliance Monitoring for Church Road Wellfield and Granthams
Landing Water Treatment Plant 2337005 Contract Award – Capital
Projects Engineer
(Voting – All Directors – weighted vote: A-2, B-2, D-2, E-2,
F-2, Sechelt -6, Gibsons-3, sNGD-1) | ⇒ADD
pp 6 - 8 |

COMMUNICATIONS

MOTIONS

IN CAMERA

⇒REMOVE THAT the public be excluded from attendance at the meeting in accordance with Section 90 (1) (e), (i), (k) and (2) (b) of the *Community Charter* — “the acquisition, disposition or expropriation of land or improvements ...”; “the receipt of advice that is subject to solicitor-client privilege ...”; “negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages ...” and “the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government...”.

ADJOURNMENT

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Special Board Meeting – July 6, 2023

AUTHORS: Dean McKinley, Chief Administrative Officer

SUBJECT: JOINT PARTNERSHIP APPLICATION- DISASTER MITIGATION AND ADAPTATION FUND

RECOMMENDATION(S)

- (1) THAT the report titled Joint Application - Disaster Mitigation and Adaptation Fund be received for information;**
 - (2) AND THAT the Sunshine Coast Regional District Board supports a joint application to the Disaster Mitigation and Adaptation Fund with the shíshálh Nation to secure additional water supply for the community as a result of systemic drought;**
 - (3) AND THAT part of the joint application, the Sunshine Coast Regional District make an application to expand the Chapman Water Treatment Plant to support the shíshálh Nations proposed reservoir projects;**
 - (4) AND THAT as part of the joint application, the Sunshine Coast Regional District request a letter of support from the shíshálh Nation Council supporting the upgrade to the Chapman Water Treatment Plant expansion as primarily supporting infrastructure investments in their community for the expansion to be eligible to receive up to 100% federal funding;**
 - (5) AND FURTHER THAT requests for resolutions of support be forwarded to the Town of Gibsons and District of Sechelt Councils.**
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BACKGROUND

Over the past several months, the shíshálh Nation has hosted a series of water summits for all local governments of the Sunshine Coast that aims to build understanding, identify collaborative values, and develop a vision that will lead to a broad plan of action to address the water crisis in the region. Prolonged systemic droughts caused by the impacts of climate change are untenable, demonstrated through the declaration of a local state of emergency in 2022.

Multiple initiatives will be needed to provide the community sustainable drinking water now and in the future. Several projects are currently underway, including new sources like the Church Road Well, the exploration of system integration with the Town of Gibsons, Gray Creek, Langdale Well, as well as conservation initiatives like completing the installation of water meters and ongoing leak detection and repair efforts. Additional sources to meet the water supply needs to over 22,000 residents of the Sunshine Coast are required.

In early 2023 the Government of Canada announced that Infrastructure Canada is accepting applications for new projects through the Disaster Mitigation and Adaptation Fund (DMAF). The

program supports projects that include new construction of public infrastructure or the modification or reinforcement of existing public infrastructure that help communities withstand natural disasters and climate-related risks. As part of the Government of Canada Adaptation Action Plan, released alongside the National Adaptation Strategy (NAS), the DMAF has over \$1 billion available for projects. Projects must have a minimum of \$1 million in total eligible costs to be considered eligible. The deadline for application submission is July 19, 2023.

Therefore, through partnership and collaboration, approval of a joint application is being proposed for projects for the shíshálh Nation and Sunshine Coast Regional District (SCRD).

DISCUSSION

The DMAF grant is to mitigate the potential economic, environmental, and social impacts of climate change, and strengthens community resilience to disasters triggered by natural hazards and extreme weather events. Since the announcement of the DMAF, consideration of eligible projects from each jurisdiction has been explored. Although there are many needs, the water crisis caused by the increased occurrence of drought has been identified as the most critical for the community.

Staff from shíshálh Nation and all local governments on the Sunshine Coast have been meeting to explore moving forward with a joint application with a number of potential projects considered. Based on the grant criteria for eligibility and competitiveness, project readiness and unanimous support of the project partners, the following projects are proposed for inclusion in the grant application:

- On May 26, shíshálh Nation announced a proposal to build two new water reservoirs within the current Heidelberg Materials site. The reservoirs would be sourced by the Chapman Creek during high creek flows in the winter and spring months for use over the summer months. The goal, depending on funding and logistics for the first reservoir is commissioning as soon as 2024 with the second by 2027-28. Funding of over \$125 million will be submitted for these projects with up to 100% eligible through the DMAF program.
- Additional water from the proposed reservoirs will need to be treated through the Chapman Water Treatment Plant. This will require an expansion to the existing plant. The estimated cost for this project is estimated at \$24.9 Million in 2028\$ (when construction is estimated to start). Under DMAF, where projects are led by other levels of government but in partnership with Indigenous communities and primarily support infrastructure investments in those communities, a letter of support from Indigenous communities must be provided for the other level of government to receive up to 100% federal cost-share. A resolution of support from the SCRD Board and shíshálh Nation Council is required to accompany the grant application, along with letters of support from the Town of Gibsons and the District of Sechelt Councils.

Financial Implications

Funding from other levels of government will be needed to mitigate the impacts of climate change and the water crisis on the Sunshine Coast.

The DMAF will fund up to 100% for infrastructure owned by Indigenous Recipients and typically up to 40% for infrastructure owned by municipalities. However, in exceptional circumstances where projects are led by other levels of government but in partnership with Indigenous

communities and primarily support infrastructure investments in those communities, a letter of support from Indigenous communities can be provided for the other level of government to receive up to 100% federal share. As the upgrades required to the water treatment plant are directly and solely related to the shíshálh Nation owned reservoirs, the application will include a funding request for Chapman water treatment plant upgrades at 100% funding. Should the funder determine the treatment plant upgrades are only eligible at 40%, a plan on how to fund the remaining 60% will be needed which would most likely include debt funding.

Funding is not eligible for costs incurred prior to grant approval-in-principle.

Staff will continue to work on refining project cost estimates, determine operational costs, and associated agreements.

Timeline for next steps or estimated completion date

Deadline for the application is July 19, 2023.

Once the status of the grant is known, staff will come back with a report on next steps.

CONCLUSION

The shíshálh Nation and local governments on the Sunshine Coast have been working together to solve the water crisis in the region caused by prolonged droughts. They have hosted water summits to foster collaboration and develop a plan of action. Multiple initiatives are underway, including exploring new water sources and implementing conservation measures. The Government of Canada's Disaster Mitigation and Adaptation Fund (DMAF) is accepting applications for projects that mitigate climate-related risks. A joint application is being proposed by the shíshálh Nation and Sunshine Coast Regional District for funding two water reservoirs and an expansion of the Chapman Water Treatment Plant. The estimated cost for these projects is over \$125 million, with potential funding from the DMAF.

Reviewed by:			
Manager		Finance	X – T. Perreault
GM		Legislative	
CAO	X – D. McKinley	Other	

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Special SCRD Board Meeting – July 06, 2023

AUTHOR: Sachindra Wijayabandara, Capital Projects Engineer

SUBJECT: COMPLIANCE MONITORING FOR CHURCH ROAD WELLFIELD AND GRANTHAMS LANDING WATER TREATMENT PLANT 2337005 - CONTRACT AWARD

RECOMMENDATION(S)

- 1) **THAT the report titled Compliance Monitoring for Church Road Wellfield and Granthams Landing Water Treatment Plant 2337005 - Contract Award be received for information;**
 - 2) **AND THAT a contract be awarded to ISL Engineering and Land Services Ltd. for a value not to exceed \$250,000;**
 - 3) **AND FURTHER THAT the delegated authorities be authorized to execute the contract.**
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BACKGROUND

Compliance monitoring for Church Road Wellfield and Granthams Landing Water Treatment Plant Project will consist of 2-year compliance monitoring and reporting to the Ministry of Forests (MoF) as a part of the requirement by the Conditional Water License and subsequent Leave to Commence issued to operate the newly constructed Granthams Water Treatment Plant (WTP) and the Church Road wellfield. In June 2023, staff released a Request for Proposal (RFP) requesting hydrological and biological services related to this work.

As part of the 2023 Budget Process, the Board made the following resolution related to the Church Road Wellfield project:

Recommendation No. 129 *Regional Water Service [370] - 2023 R1 Budget Proposal*
In part 029/23

THAT the following budget proposals be approved and incorporated into the 2023 Round 2 Budget:

- Budget Proposal 8 – Church Road Well Field – Compliance Monitoring, \$200,000 funded from User Fees (base operating budget in 2024 of \$200,000);

The purpose of this report is to seek Board approval for award of a contract for the compliance and monitoring in accordance to the Board Delegation Bylaws and Purchasing Policy.

DISCUSSION

In June 2023, RFP 2337005 was issued to secure a contractor to complete the compliance monitoring for Church Road Wellfield and Granthams Landing Water Treatment Plant. Three compliant proposals were received. A summary of the proponents and prices is provided for the combined two-year contract are as follows:

Proponent	Proposal Price (exc. GST)
ISL Engineering and Land Services Ltd.	\$199,910
Boundary Consulting Services Ltd.	\$205,711
Waterline Resources Inc.	\$818,571

The evaluation team was led by the Sunshine Coast Regional District (SCRD) Purchasing and Risk Management Division. The proposals were reviewed and scored based on the evaluation criteria included in the RFP. Based on this evaluation committee review, staff recommend awarding the construction contract to ISL, as their proposal is considered to provide the best overall value.

It is recommended that the awarded contract be in the amount not to exceed \$250,000, which provides a ~25% contingency on the total costs.

Financial Implications

The existing approved budget for this work is more than sufficient as outlined below.

Current Balance	Compliance Monitoring for Church Road Wellfield and Granthams Landing Water Treatment Plant
Total Available Budget for 2 years (\$200,000 for year 1 + \$200,000 for year 2)	\$400,000
Total Project Costs including contingency and excluding taxes	\$250,000
Balance Remaining	\$150,000

As the 2023 project budget was funded through user fees for both 2023 and 2024, it is recommended that the 2024 User fees be amended to reflect the change in funding needs. This will be addressed during the 2024 rate reviews and 2024-2028 Financial Planning process.

Timeline for next steps or estimated completion date

Based on the preliminary construction schedule provided by ISL, it is expected that work will begin in early July 2023, and completed in July 2025.

STRATEGIC PLAN AND RELATED POLICIES

This project is in alignment with the Board’s 2019-2023 Strategic Plan focus areas of Asset Stewardship and Climate Resiliency.

CONCLUSION

In accordance with the SCRD’s Purchasing Policy, RFP 2337005 was issued for the Compliance Monitoring for Church Road Wellfield and Granthams Landing Water Treatment Plant Project. Three compliant bids were received.

Staff recommend awarding a contract for Compliance Monitoring for Church Road Wellfield and Granthams Landing Water Treatment Plant Project to ISL Engineering and Land Services Ltd. for the amount not to exceed \$250,000, which includes a ~25% contingency.

Reviewed by:			
Manager	- S. Misiurak	CFO/Finance	X- T. Perreault
Acting GM	- M. Brown	Legislative	
CAO	- D. McKinley	Purchasing	X- V. Cropp