

# FAQs ABOUT THE WATER PROJECTS AAP

## What is an Alternative Approval Process?

An Alternative Approval Process, or AAP, is a cost-effective option for a municipality to seek the approval of its voters when required by the law or desired by Council.

In this case, the Town is wanting to borrow funds to put towards the total cost of completing three water projects. The Community Charter requires voter approval for any borrowing that will be repaid over more than five years.

Any resident opposed to the borrowing must indicate their position by returning an Alternative Response Form to City Hall by 4:00 p.m. on Tuesday, February 18. If fewer than 10 per cent of eligible voters return forms to City Hall, the borrowing has voter approval.

## What are the water projects?

The three water projects included in the Alternative Approval Process are to increase the storage capacity at the Holland Lake dam, build a connecting water main from Holland Lake to tie into the existing Stocking water main, and twin the Stocking Lake water main leading to the Arbutus Reservoir.

These water projects have been in the longterm financial plan for the previous and current Councils and feature in successive Council strategic plans.

A [2014 hydrology report prepared for the Town by Tetra Tech EBA](#) included the interconnect project and dam raising as recommendations for mitigating the demands being placed on our water system, now and in the years ahead. These demands include factors such as unpredictable changes to our weather patterns (impacting both total precipitation that flows into our lakes and streams in the winter and greater loss to evaporation in the summer due to warmer temperatures) and our projected population growth.

## What is the Holland Lake dam project?

Holland Lake is located in the hills above Ladysmith and is an important water source for our community. Two earth berm-style dams at the east and west side of the lake help to increase our storage capacity in the rainy months of the year.

The dams have never undergone any sort of significant work or upgrades since they were constructed in the early 1980s.

The dam project involves raising the existing dams and dredging some of the reservoir to increase the overall volume of water that is retained within the lake.

### **What is the Holland to Stocking interconnect project?**

The interconnect project involves building a new water main to connect Holland Lake to the distribution pipe drawing water from Stocking Lake. Currently, there is no pipeline between these two sources of drinking water for the Town; water from Holland Lake travels down a creek system to 'Chicken Ladder' where it is piped into the covered Arbutus Reservoir for future use. Although this method has worked for decades it is inefficient.

Building a water main interconnect improves the overall efficiency and flexibility of our water distribution system, including better control of flows into local creeks. It is important to point out that this water main connection project does not involve moving water from Holland Lake into Stocking Lake (or vice versa.)

### **What is the pipe twinning project?**

The addition of a connecting water main between Holland Lake and Stocking Lake also increases the importance of having a reliable distribution system from Stocking Lake into the Town. The current water main that connects from Stocking Lake to the Arbutus Reservoir is aging. It does not have the capacity to provide water to the Town during high demand periods.

Investing in infrastructure by twinning the pipeline strengthens the reliability to the entire system – from our lakes to your taps.

### **Why is the Town doing all of this work now?**

We have an opportunity to secure a federal infrastructure grant that would cover a large majority of the costs and ultimately save taxpayers over the longterm course of these three projects. Demonstrating public support for these projects through an AAP helps to strengthen our grant application.

As mentioned earlier, these water projects were recommendations in a 2014 hydrology report and have since been part of the Council's strategic planning.

The Town was unsuccessful in a recent grant application for the Holland Lake dam project and Council decided that grouping these projects in future grant applications was more efficient because of their interconnectedness to improving our overall water supply system.

Securing grant funding to significantly offset the costs of these major water projects saves taxpayers money, while borrowing our share over the longterm, more fairly distributes the cost among current and future users of the system.

We are being proactive in our approach to maintaining our water system given both the current changing weather patterns and expectation that these projects will take several years to complete.

### **What impact will these projects have on the availability of water?**

In addition to our responsibility of providing safe drinking water to Town residences and businesses, we supply water to the Stz'uminus First Nation, the Diamond Improvement District and the CVRD for citizens of Saltair.

Together, these three water projects form part of the Town's longterm plan to ensure a more reliable and efficient water supply system as we make investments to mitigate the impacts of climate change.

The Town uses averages from historical weather data as one of its tools, together with regular monitoring of water usage, and capacity levels at Holland Lake and Stocking Lake to effectively manage our water supply. Unpredictable shifts in our weather have caused some uncertainty in ensuring how we properly manage our water resources and meet user demand.

These water project(s) improve our ability to capture and store our heavy winter precipitation to provide more water through the dry season. By having a more robust and reliable water distribution system, we will alleviate some of the heightened concern as summers become longer, hotter and dryer.

### **What is the cost for completing these three projects?**

The total projected cost of the three water projects is \$23.22-million but not all of it under the current proposal will be funded by taxation. The Town has applied for a federal grant that if we're successful would cover 73.33%, or approximately \$17-million. We are proposing to borrow the remaining \$6.2-million as our contribution to the project costs.

These costs are based on preliminary estimates as determined by a team of professional engineers.

We know that these projects will involve several phases and we anticipate that the grant funding will cover those phases.

Phase one will be the testing and design phase (including a full environmental assessment, related studies, engineering design and complete costing.) If we were to do this work before we secure the grant funding, taxpayers would be responsible for covering the costs.

Phase two, also included in our grant application, is the actual construction phase for the three projects.

### **Does the Town have the appropriate water licences in place?**

All water licences necessary to support our water supply system are in place and up to date. We know that we will have to modify our water licence for Holland Lake when we increase its storage capacity, and planning is underway to address this. The land surrounding Holland Lake is held by a private landowner; it is not Crown land.

### **What is the financial impact of this borrowing on taxpayers?**

The Town has been planning for these projects since we received the recommendations in our [2014 Hydrology Report](#). As such, the water parcel tax has increased in preparation for the borrowing needed to fund these projects. Fortunately, there are enough funds within the current water parcel tax to fund the borrowing for these projects provided that the Town receives the full grant requested. Bottom line – there is no tax increase necessary to fund this specific borrowing request.