

MAYOR'S COLUMN TAKE 5 March 2017

In about two years, Ladysmith will have a new piece of key infrastructure to serve current and future generations of residents—a water filtration plant. This new project is central to two of the Strategic Priorities in Council's 2016 to 2019 Strategic Plan – “Watershed Protection and Water Management” and, “Natural and Built Infrastructure”, so we are very keen to get started on building the new plant.

Although the impetus for water filtration came from Island Health (VIHA), a Water Filtration Plant will ensure that we continue to provide reliable, quality drinking water for decades to come. This is a big financial undertaking for our small community, potentially costing more than \$13 million. For three years, we applied (unsuccessfully) for various federal and provincial grants to help with the high costs of construction. Although we failed to secure this funding through previous grant applications, this previous “failure” ended up being a blessing. Last September, we were awarded a grant of more than \$8.8 million. This was by far the largest grant announced at the 2016 UBCM conference, and came after 18 months of meetings with senior government staff, elected officials and other stakeholders. Most importantly, the new funding formula in the latest round of granting resulted in additional senior government funding (about \$1.5 million) for the project. This significant investment from the Provincial and Federal governments will dramatically reduce the cost to Ladysmith residents and businesses.

The Town's share of construction (including contingencies) could be up to \$6 million. After considering various alternatives, Council decided to borrow the funds over a 25 year term. Spreading the borrowing over a longer period more fairly spreads the cost to all users over time while keeping the annual cost to taxpayers lower.

Even though we are required to build the new water filtration plant, we must also get your approval to borrow our share of the cost. Under the *BC Community Charter*, local governments must seek voter approval for long term borrowing. Council has decided to do this through an Alternative Approval Process (AAP).

AAP is the process most commonly used by local governments in British Columbia for approval of borrowing bylaws. It costs less and takes less time than a referendum and it is important to start construction of our new plant as soon as possible. The deadline for the Water Filtration Borrowing AAP is April 12. If you support the borrowing, you don't need to do anything at all. If you are opposed to it, you need to fill out an Elector Response Form (available at City Hall, FJCC, the Library and on the Town's website).

So why do we need water filtration in Ladysmith? It's important to point out that our water quality has not changed, but the regulations governing water safety and quality have advanced in recent years. Ladysmith draws our water supply from Holland and Stocking Lakes – a surface water supply. For surface water sources, the BC Ministry of Health has developed strict guidelines for parasites, viruses, turbidity and treatment. In our regular testing, Ladysmith's water has been found to exceed permitted turbidity levels on certain occasions. (Turbidity is the amount of matter in the water, which usually gets stirred up

during a heavy rain). Fortunately we have not had to issue boil water advisories, but it is important to ensure that Ladysmith's water is reliable, safe and secure at all times and that it meets government quality standards. If we don't build the Water Filtration Plant, we won't be able to meet the terms of our Water Supply Operating Permit. This could lead to significant penalties imposed on the Town.

I consider the cost of building a new Water Filtration Plant to be a generational investment in the future of our community. When the project is completed in 2019, we will have reliable, quality water to serve the needs of our community for decades to come. Along with our recently completed Waste Water Treatment Plant, we will provide stable, predictable costs to current and future residents, businesses and investors over the long term. This is another foundational piece in our plans to drive financial sustainability and support strong economic growth.

If you have any questions about this or any other topic, please feel free to contact me anytime!

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A full information package on Water filtration and the AAP is available at City Hall and on the Water Filtration page on our website www.ladysmith.ca