

**Victoria Water & Sewage Commission**  
Meeting - Thursday, March 23rd, 2023  
4:00pm - Old School  
730 Victoria Road, Victoria

**AGENDA**

**1. Meeting called to order**

**a. Appointing Chair & Vice Chair**

Nominee for Chair: Jamie-Lee Brown

Nominee for Vice-Chair: Shelley Trainor

**2. Approval of Agenda**

**3. Declaration of Conflict of Interest**

**4. Approval of Minutes**

a. Thursday, October 27th, 2022

b. Saturday, January 28th, 2023

**5 Public Presentations – None**

**6. Business Arising from Minutes**

Hilary Price will support the CAO in providing updates on the following items:

**a. Causeway project - update on process**

Potential resulting action: approval of CCBF 'change of scope' for the project (discussed at January meeting, see minutes)

**b. Wharf project - update on process**

**c. Generators for Water supply and Wastewater treatment - update on process**

**d. IRAC rate increase application approved**

Potential resulting action, if needed: scheduling a meeting with Stantec, for W&S Commission members.

**New business:**

**7. Report from CAO, sharing essential learnings for onboarding new W&S Commission members**

Largely based on a meeting between the CAO and Morley Foy, Approvals & Compliance Engineer for Drinking Water and Wastewater, Department of Environment, Energy and Climate Action.

a. Water testing processes and oversight

b. Operator certification

c. Septic system maintenance

Potential resulting actions:

- scheduling a tour of the town's W&S facilities with our operator
- scheduling a presentation from provincial staff to the Commission
- CAO to arrange a monthly reporting format with the W&S Operator, that meets the needs of the Commission

**8. In-camera item to discuss HR matters**

**9. Review the proposed capital budget (Draft 2) and provide recommendations to Council**

**10. Discuss, amend and approve the W&S budget (Draft 2)**

**11. Review of last report to Council of former W&S Chair Brian Clapson**

**Adjournment**

Victoria Water and Sewer Commission

Meeting Minutes

Thursday, October 27, 2022

10:00 AM Old School

Present:

Commissioners - Richard LaGrange (Chair), Cecil MacDonald, Murray McAvinn

Guests - Keith Dewar (CAO), Marsha Empson (Finance & Admin Assistant), Krista Flanagan via phone (Stantec Engineer)

1. Meeting called to order at 10:05am

2. Approval of Agenda

***Motion moved to approve the agenda.***

***Motion moved by Murray McAvinn, motion seconded by Cecil MacDonald.***

***Motion carried unanimously (2 votes for, 0 against).***

3. Conflict of Interest

1. None declared

4. Business Arising from Minutes

1. Wharf sewage infrastructure project - Stantec to draw up RFP to replace wharf sewage holding tank using existing route to lift station.

2. Water line over causeway – The Province is requiring that we have an engineer address work required to proceed with a permanent repair to the water main over the causeway. It was suggested that the conduit supporting the new pipe be oversized to accommodate possible future expansion of our system. Being an infrastructure improvement, the project would be eligible for funding through the Gas Tax.

***Motion moved to approve hiring Stantec as engineers to address causeway water main repairs.***

***Motion moved by Cecil MacDonald, motion seconded by Murray McAvinn.***

***Motion carried unanimously (2 votes for, 0 against).***

3. IRAC submission – Rate increase application is complete and ready to be submitted to IRAC. CAO recommended that water & sewer commission suggest to new council to do a study on sustainability of the water & sewer commission.

***Motion moved to approve the submission of a rate increase (15% water & sewer) application to IRAC.***

***Motion moved by Cecil MacDonald, motion seconded by Murray McAvinn.***

***Motion carried unanimously (2 votes for, 0 against).***

4. Water and Sewer Operator agreement renewal – deferred. CAO to review contract and discuss with Preston Silliker.

**Action Item** – CAO to review water and sewer operator contract and discuss with Preston Silliker.

5. New Business

1. Review financial information – it was questioned why operator costs were split out, explained that that's how it's billed out to the municipality and is to keep water and sewer costs separate.

**Action item** – provide a copy of operator bill for review at next water and sewer meeting.

**Action item** – consider process for notifying residents of balance due.

**Action item** – Consider if water meter asset value should be written off, along with other assets not being used.

2. Follow up from Hurricane Fiona – discussions surrounding the generator at the lift station and key access issues during the storm and immediately following. Tests complete for salt water complaints after water was restored to the municipality. Possible breach in system allowing salt water to enter lines. Recommended to keep lines pressurized at all times, finding breach could be difficult. Recommended prioritizing 3 phase generators. Recommended that operator perform tests monthly.

6. Adjournment – motion to adjourn made by Murray McAvinn at 12:06pm.

## Draft Meeting Minutes

Victoria Water & Sewage Commission  
Meeting - Saturday, January 28<sup>th</sup>, 2023  
8:30 AM - Old School  
730 Victoria Road, Victoria

In Attendance: Brian Clapson (Chair), Tom Wright (Vice-chair), Ian Dennison, Jamie-Lee Brown, Sharlene MacEachern, Christina Wright, and Hilary Price (Projects Support).

Absent: Nil

Meeting called to order:

Meeting was called to order by the Chair at 0830 AM.

Introductory Remarks by the Chair

The Chair took this opportunity to welcome all the members to the commission. The following comments were then made:

- Reminder to the Commission of the many significant issues and challenges, including the current major projects, that will be before them for consideration.
- The creation of the Commission as a stand-alone corporate structure has each commissioner functioning in many ways as a corporate board member, along with all the responsibilities and liabilities associated with that.
- The relationship of the Commission with council is primarily through nominating council members to the commission and approval of the Water and Sewer utility budgets. All the responsibility for oversight and governance for the water and sewer utility is placed upon the commission members with the COA responsible for operational side, including supervision of the operator and management of all projects.
- As we move forward to accept the minutes of the last commission, this then is our start point into assuming this commission's role in oversight of the Victoria Municipal Water and Sewer Utility.

Approval of Agenda:

Hilary Price submitted a written scope change within the causeway bridge water line project to enable coverage under Canada Communities Building Fund, for consideration, and possible approval by the commission.

Motion moved to approve the agenda with the above addition if time permits. Moved by Sharlene MacEachern, seconded by Ian Dennison. Motion carried.

Conflict of Interest:

No declaration of conflict of interest.

Approval of Minutes of October 27<sup>th</sup>, 2022

As none of the current commission members were active at that time, no errors or omissions could be noted.

***Motion moved to state that the current commission does not have the background knowledge and current resources to interpret the minutes. Motion moved by Christina Wright seconded by Tom Wright. Motion carried.***

Public Presentations - none

Business Arising from Minutes:

- Wharf sewage infrastructure - Hilary Price updated the members on the history, design challenges and subsequent changes, and implementation plan. The current state of the project is near the tendering phase. Payment for this is through the Canada Communities Building Fund, previously known as the Gas Tax Fund. The restaurant expansion on the wharf was brought up and if it would affect the design by changes in user capacity.

*Action Point: Hilary Price to contact the restaurant in question for more information about seating capacity.*

- Water line over the causeway - Hilary Price updated the members on the history, design challenges and subsequent changes. Currently, the commission is in violation of the timeline for the repair of the leak. The current state is in the design phase which would next move to tendering. This project will also be covered through the Canada Communities Infrastructure Fund through an application to change the current capital projects list through council.

Currently approximately 13,000.00 has been spent on a temporary repair that continues to leak.

- IRAC Submission - Hilary Price updated the members on the successful submission and that the fee increase will be retroactive to April of last year.
- Water and Sewer Operator Contract - to the best of the current administrative memory and search, there is no signed contract for either last year or this year. A discussion occurred on how to solve this issue.

*Action Point: with the hiring of the new CAO, effort will be made to address this deficiency and enter a discussion with the operator.*

## Motions and Actions List From the last commission meeting

1. Motion to approve hiring Stantec as engineers for the causeway repair - completed.
2. Motion to submit the fee increase to IRAC - completed. Hilary Price provided background and updated the commission on this process.
3. Incomplete Action Items
  - Provision of operator bill - not available currently.
  - Process for notifying residents of balance due - currently in progress by the municipality.
  - Writing-off the non-used assets such as the water meter asset value - A short discussion around this topic was short of facts and understanding as to why this was an action item. More information will be required on this topic but will await the new CAO.
  - Follow-up on the post Hurricane Fiona water and sewer issues - nothing to date has been completed on this topic. This is a very important aspect of the water and sewer resiliency and requires follow-up.

*Action Item - brief and assist the new CAO in putting together a listing of water and sewer issues from the storm for follow-up.*

## Reports and Updates

1. Monthly Operator Report - Not available
2. Water Test Summary - for informational purposes. A general discussion around interpretation and rationale of testing left the commission without an understanding of the current assessment system.
3. CAO Update - Marsha Empson is currently the acting CAO, with active recruitment currently in process.

## New Business

- a. Safety Issue at the electrical panel - wharf location (verbal concern identified by the operator, there is no written report available). Apparently, this fall when the pumps were being removed for the winter there was smoke arising from the electrical connections. The operator will not re-install the pumps unless this is corrected.

*Action Point - to get more information on this issue, CAO to engage appropriate trade (electrician) to meet with the operator and tour the area of concern. (Preferably with CAO in attendance, due to the urgency of this issue.)*

b. Completing Due Diligence Process / Discussion of the current situation of the Water and Sewer Commission. Due diligence may be defined as the care a reasonable person exercise to avoid harm to other persons or their property. In the case of the commission, to do your homework, identifying that there are the resources, administrative structure and supports, to provide the oversight and governance as mandated by the corporate structure of the commission. The members of the commission discussed the following aspects of due diligence:

- 1) *Legal Liability* - the commission, individual members, CAO and the municipality all bear significant responsibility for the operations of a safe and well managed water and sewer utility. This liability extends not only to the customers (residents) but also the operator and contractors as well as the Province of PEI and Government of Canada through various legislative acts. The provision of water and sewer services, through a commission carries key duties, that each member actively provide oversight on risks, due diligence with ongoing projects, state of the system and direction to the CAO. The CAO occupies a key interface between the system, the operator, the customers, and the commission. With this position unreliably filled in the past year, the small amount of time devoted to the water and sewer at 4 hours per week, lack of specific experience and training to manage such, has further compounded the commission and the utilities operation.

At this point the insurance coverage provided for the members of the commission and the CAO - has not been assessed to being fit for purpose or commensurate with the risk.

- 2) *Financial* - A discussion occurred around the subject of receiving good value for the dollar. As the utility is currently in debt and is paying for the current projects out of the Canada Community Building Fund, it is not self-funding. Further, with the many changes to the current projects, a significant amount of money has been spent on design changes with yet no work being completed. We do not have the resources in place to provide expertise with the management of complex projects, to ensure good value through each consultant's contract.

The utility operates without a contingency fund, relying on forward spending of the Gas Tax Fund (Canada's Community Building Fund) to cover off large capital expenses. This is really in the form of a loan that is forgiven each year. The current projects will be utilizing this resource the absolute maximum for many years, thus compromising any other needs within the municipality.

- 3) *Commercial (service to our customers)*. To answer the question of service quality, the commission lacks any standardized reporting from the operator nor feedback from residents as to their experience. The ability to quickly communicate with the customer base is not available, as was shown during and after the most recent weather event (Hurricane Fiona). There is currently no data held within the records to provide an update on the general state of the utility to provide the service, its degree of maintenance or overall system planning needs. We are operating within a vacuum, devoid of key processes and information.



***Motion to employ Hilary Price in a part-time administrative support position for the two ongoing projects - Causeway Water Line and the Wharf upgrade. Motion moved by Ian Dennison and seconded by Tom Wright. Motion carried.***

- c. Schedule Dates for the next 12 months of commission meetings. A short discussion was carried out on possibly creating a schedule. Because of the urgency of the current issues, it was felt that the next meeting would be called after the upcoming council meeting.
- d. Scope change within the causeway bridge water line project to enable coverage under Canada Communities Building Fund was submitted for consideration of the commission by Hilary Price and signing by the chair. Background on this is the previous council had applied for funding under the former Gas Tax Fund - to upgrade the water line on the causeway with a view to possibly supply water to customers outside of our current boundaries. The current water line issue would be corrected as part of this and discussions with government is positive for this to be covered. Council would have to rework its current list of capital projects for this to happen.

A discussion around whether this would then require the municipality to provide water and service to outside customers when we are currently experiencing great difficulty with the many problems before the utility.

In / Out Correspondence - none submitted

No other business conducted.

Adjournment

Motion to adjourn. Moved by Tom Wright.

Meeting adjourned at 10:30 AM.

Submitted by Brian Clapson  
Chair



**Stantec Consulting Ltd.**  
165 Maple Hills Avenue  
Charlottetown, PE C1C 1N9

March 15, 2023

File: 163401819

**Attention: Ben Lanigan, P.Eng.**

Department of Environment, Energy, and Climate Action  
4th Floor, Jones Building  
11 Kent Street  
PO Box 2000  
Charlottetown, PE C1A 7N8

Dear Mr. Lanigan,

**Reference: Victoria Causeway Watermain Repairs**

On behalf of The Rural Municipality of Victoria, Stantec Consulting Ltd. (Stantec) is requesting approval for the proposed system repairs to the water distribution infrastructure on Victoria Causeway. The primary scope of work includes decommissioning and replacement of the existing watermain to mitigate temporary repairs currently in place.

**Background Information**

The existing watermain is a 50mm diameter pipe (HDPE – to be confirmed on site), that is suspended on the side of the bridge. The pipe is insulated by a Urecon pre-insulated system and failed during freezing temperatures.

The Municipality engaged a contractor to complete repairs however the repairs were a temporary solution and would not serve as a long term solution. The temporary repairs consisted of re-routing the watermain through an existing conduit within the bridge – complete with galvanized fittings and the 100 psi polyethylene pipe. The repairs were made on an emergency basis during winter (January 2022). Refer to image below for the temporary repair.

Following coordination with the Municipality, Stantec and the Province, a site visit on July 21<sup>st</sup>, 2022 was conducted by all parties and confirmed the temporary watermain repairs would require an updated design submission for approval by the Province.

Reference: Victoria Causeway Watermain Repairs



Figure 1.0 – Existing Temporary Watermain Repairs

### Proposed Upgrades Rationale

The design provided for Option 1 will include removal of the existing watermain and installation of a new 50mm HDPE watermain anchored to the side of the bridge. To prevent future damage to the watermain, the new pipe segment will be encased in a new Urecon pre-insulated system completed with heat tracing that will protect it from weathering and thermal effects.

The anchored bridge crossing has been structurally reviewed to ensure the existing bridge infrastructure can withstand the additional weight. The existing supports have been deemed usable and replacement of the existing corroded threaded rods is recommended with galvanized threaded rods.

If the Municipality decides to continue with Option 2, it is also recommended to replace the clevis hangers to suit a larger pre-insulated pipe.

The growth capacity analysis has not been performed therefore the current servicing pipe size (50mm) will remain for use. A recommended installation of a larger diameter insulated pipe complete with reducers at either end of the bridge is provided within Option 2.

Reference: Victoria Causeway Watermain Repairs

## Conclusion & Recommendations

Based on the design rationale presented in this brief, Stantec recommends the implementation of the outlined upgrades to the Victoria Causeway watermain per the provided drawings C-101 and C-102.

Regards,

**STANTEC CONSULTING LTD.**

A handwritten signature in blue ink, appearing to read "Krista Flanagan".

**Krista Flanagan** P.Eng.

Civil Engineer

Phone: 506-800-6979

Mobile: 506-229-2418

krista.flanagan@stantec.com

Attachment: Drawings C-101, C-102

Revised

Class D Opinion of Probable Construction Cost

Project: Victoria Causeway Watermain Repairs  
File No. 163401819  
Date: 28-Dec-22  
Description: Victoria Watermain Repairs on Causeway - Option 1

Item	Description	Units	Quantity	Unit Cost	Total Cost
<b>Sanitary Sewer</b>					
	50 mm PVC Excavated Force Main	m	5	\$525.00	\$2,625.00
	Water Pipe, 150 mm DI - CL52	m	40	\$625.00	\$25,000.00
	150mm Urecon insulated carrier pipe	m	40	\$650.00	\$26,000.00
	Borrow	m <sup>3</sup>	10	\$50.00	\$500.00
	Connections to existing	ea.	2	\$1,050.00	\$2,100.00
<b>Electrical</b>					
	Heat tracing	m	40	\$55.00	\$2,200.00
<b>Structural</b>					
	Anchored hangers	ea.	12	\$450.00	\$5,400.00
<b>Restoration</b>					
	Topsoil, Finish Grading & Seeding	m <sup>3</sup>	50	\$25.00	\$1,250.00
<b>Environmental Protection</b>					
	Silt fencing	m	40	\$10.00	\$400.00
	Straw Bale Check Dam	ea.	4	\$525.00	\$2,100.00
	Rip-Rap protection	m <sup>2</sup>	50	\$60.00	\$3,000.00
<b>Additional Items</b>					
	Mobilization/Demobilization	L.S.	1	\$7,500.00	\$7,500.00
	Traffic Control	L.S.	1	\$8,000.00	\$8,000.00
<b>Provisional Items</b>					
	Back-up power	L.S.	1	\$10,000.00	\$10,000.00
<b>Totals</b>					
	Subtotal				\$96,075.00
	Engineering Fees				\$20,400.00
	Contingency (25%)				\$24,018.75
	<b>TOTAL (excluding HST)</b>				<b>\$140,493.75</b>

**RE: Failure to obtain a permit to construct prior to replacing a water main**

1 message

**Ben Lanigan** <bpklanigan@gov.pe.ca>

Mon, Jul 11, 2022 at 1:08 PM

To: Municipality Victoria &lt;victoriamunicipalitypei@gmail.com&gt;

Cc: Keith Dewar &lt;kadewar@eastlink.ca&gt;, Krista Flanagan &lt;Krista.Flanagan@stantec.com&gt;, Richard LaGrange &lt;richard@theorienthotel.com&gt;, George Somers &lt;GHSOMERS@gov.pe.ca&gt;

Hello Keith,

Thanks for your response in regards to the watermain system repairs on the Causeway Road bridge. I just wanted to address the statements made in your letter and moving forward for the permanent replacement of the line.

Failure to obtain permit: Our department would agree that originally this work started as a repair to fix the leaking waterline hanging on the bridge. However, once that line could not be repaired and a new line was installed and redirected through the bridge instead it would now fall under a line replacement or system modification which requires a permit. We understand based on the time of year and the emergency need to provide water to your customers that this was missed. In the future, if unsure you can always call our department to inquire whether a permit is not needed for the work, we appreciate your cooperation on this matter.

Notification of Watermain break: I have spoken with your DRC operator so he is aware in the future for reporting watermain breaks. As you mentioned, please ensure your operators know of this requirement in the future in the event you have a new operator.

Repair not meeting standards: Hilary did supply our department with the material list from Toombs plumbing shown on the invoice. I can confirm that both galvanized fittings and the 100 psi poly pipe are not allowed as per the construction standards for municipal systems. Our department has spoken with the contractor about this matter and clarified any misunderstandings about appropriate material standards.

Non-potable status: Based on the assessment of the current watermain and since its does not meet the construction standards, the non-potable status must remain until the permanent repairs have been completed. Although, you have water tests showing clear bacteria results at these customers, since the piping does not meet standards it cannot be approved for potable use by our department.

Action Plan: Glad to hear you have contacted your engineer and they are willing oversee the design for the repairs to this section of the water distribution system. May I suggest we have a meeting between all parties on site to go over the plan moving forward. It may help speed up the process and have everyone onsite so any questions can be answered. I am fine with extending the deadline to give the municipality and Stantec time to come up with a suitable solution. As stipulated earlier we would want to see these repairs completed before the start of winter (December) so that would be the hard deadline that we would want established for work completion. We can consider the meeting as the action plan if we have a plan to move forward once its complete.

I appreciate the town addressing these issues and look forward to the municipality's cooperation with the regulations. As always if there is anything your municipality or operator are unsure of, please reach out to our group as we are always willing to help or answer questions.

Regards,

Ben

**Ben Lanigan, EIT**

Drinking Water and Wastewater Supervisor

Department of Environment, Energy, and Climate Action

11 Kent Street, PO Box 2000

Charlottetown, PE

C1A 7N8

902-368-5043

**From:** Municipality Victoria <victoriamunicipalitypei@gmail.com>**Sent:** Monday, July 4, 2022 10:31 AM**To:** Ben Lanigan <bpklanigan@gov.pe.ca>



Environment,  
Energy and  
Climate Action

Environnement,  
Énergie et  
Action climatique



Climate Action Secretariat

PO Box 2000, Charlottetown  
Prince Edward Island  
Canada C1A 7N8

Secrétariat de l'action climatique

C.P. 2000, Charlottetown  
Île-du-Prince-Édouard  
Canada C1A 7N8

Rural Municipality of Victoria  
c/o Hilary Price (CAO)  
PO Box 7  
730 Victoria Road  
Victoria, PE  
C0A 2G0

May 31, 2022

**RE: Failure to obtain a Permit to Construct prior to replacing a water main**

Dear Ms. Price,

It has come to the attention of the Department of Environment, Energy and Climate Action (herein "the Department") that the Rural Municipality of Victoria has installed a new replacement watermain on a section of their water distribution system without obtaining a Permit to Construct/Modify (herein "Permit") from the department and using materials that do not meet the standards for water main piping.

The department received a complaint on May 12, 2022 with concerns related to the Victoria Water Distribution system and the current setup of the distribution piping at the Causeway Road bridge. Upon inspection of the water system it was noted that a repair was completed bypassing the 2-inch insulated piping hanging on the bridge and was instead re-routed through a 4-inch pipe through the bridge, tying back in to the original piping at either end of the bridge. The repair completed may not meet normal engineering practices and the material specifications could not be verified on site.

The Department did not receive notification of the watermain break or an application for a Permit to complete the pipe replacement. By modifying the facility without a Permit, it has been determined that you have breached the *Water Act, Water Supply System and Wastewater Treatment System Regulations*. Specifically, this contravenes subsection 2 which states:

**2. Requirement for permit**

(1) Subject to subsection (2), a permit issued pursuant to this section is required to construct or modify a facility.

The Department has also determined that the repair on the water distribution piping on the Causeway Road bridge may not meet the prescribed standards outlined in the Atlantic Canada Water Supply Guidelines manual and thus breaches the *Water Act, Water Supply System and Wastewater Treatment System Regulations*.

**1. Standards**



Environment,  
Energy and  
Climate Action

Environnement,  
Énergie et  
Action climatique



Climate Action Secretariat  
PO Box 2000, Charlottetown  
Prince Edward Island  
Canada C1A 7N8

Secrétariat de l'action climatique  
C.P. 2000, Charlottetown  
Île-du-Prince-Édouard  
Canada C1A 7N8

- (1) The standards referred to in subsection 11(2) of these regulations for materials in contact with drinking water, or for devices that are used to treat drinking water, are:
- (a) for health-based standards for materials and devices in contact with drinking water:
    - (i) NSF 60 - Drinking water treatment additives - Health effects,
    - (ii) NSF 61 - Drinking water system components - Health effects;

Lastly the department was not notified of the watermain break as per the *Water Act, Water Supply System and Wastewater Treatment System Regulations*.

Based on these findings, the Department has concluded that any customers supplied water after the repair are now considered to be on non-potable water. These customers will remain under non-potable status until either the repair at the bridge can be completed properly or the rural municipality has their engineer confirm the current repair's specifications meet material standards. It will be the municipalities' responsibility to notify all affected customers of this status.

The Department will also be asking the Rural Municipality of Victoria to provide a written action plan for addressing the current issue completed by their engineer licensed in PEI. This includes how the repair will be rectified, timeline on completion, and material specifications. This action plan shall be submitted no later than **July 6, 2022**. As for a deadline for the completion of the work, this can be completed based on their engineer's recommendations, however this work must be completed before winter as the current arrangement is more susceptible to freezing.

It is the responsibility of the operator in Direct Responsible Charge (DRC) to properly report any future water main breaks to the Department and ensure that any work completed by contractors is completed under their guidance and supervision and if required, the proper Permit to Construct is obtained prior to construction.

Failure to comply with the actions above could result in further enforcement. If you have any questions please feel free to contact me at (902) 368-5043 or [bpklanigan@gov.pe.ca](mailto:bpklanigan@gov.pe.ca).

Sincerely,

Ben Lanigan, EIT  
Drinking Water & Wastewater Supervisor

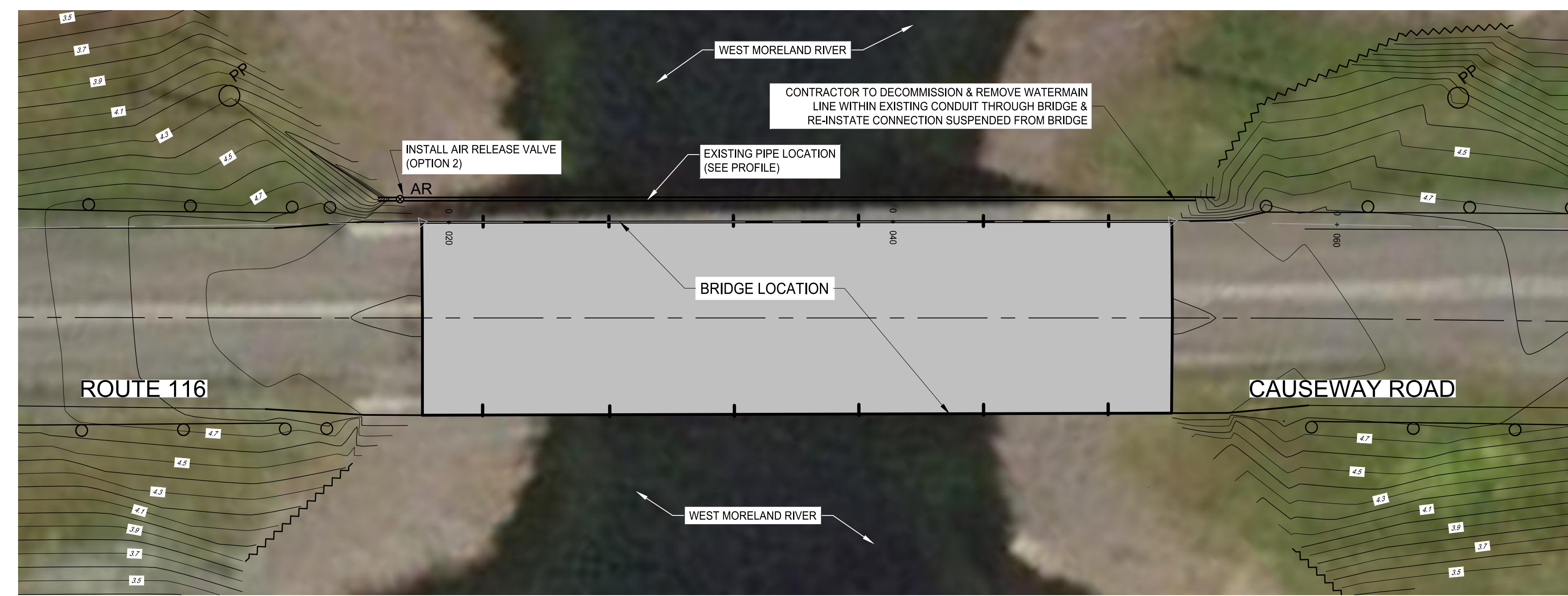


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Notes

- LOCATION OF EXISTING UNDERGROUND WATERMAIN IS APPROXIMATE AND CONTRACTOR TO VERIFY LOCATION ON SITE PRIOR TO CONSTRUCTION.
- DRAWING INFORMATION HAS BEEN COMPILED FROM TOPOGRAPHICAL SURVEY INFORMATION AND NOT ALL SERVICES MAY BE SHOWN INCLUDING BUT NOT LIMITED TO EXISTING SANITARY AND UTILITIES. CONTRACTOR TO CONTACT THE APPROPRIATE AUTHORITY FOR LOCATION OF EXISTING UNDERGROUND INFRASTRUCTURE PRIOR TO ANY GROUND DISTURBANCE.
- CONTRACTOR IS RESPONSIBLE FOR PROVIDING TRAFFIC CONTROL FOR THE DURATION OF THE PROJECT AND SHALL MINIMIZE TRAFFIC DISRUPTIONS. DRIVEWAY ACCESS TO BE PROVIDED AT ALL TIMES TO SURROUNDING PROPERTIES.
- CONTRACTOR TO REINSTATE ALL AFFECTED AREAS TO EXISTING CONDITIONS.
- CONTRACTOR TO BE RESPONSIBLE FOR OBTAINING PROPER PERMITS PRIOR TO START OF WORK.
- CONTRACTOR TO PERFORM PRESSURE TEST AND DISINFECTION PROVIDE DETAILS TO OWNER.
- CONTRACTOR TO REINSTATE EXISTING HEAT TRACING ON BRIDGE CROSSING SECTION.
- CONTRACTOR TO ENSURE ALL REQUIRED PERMITS ARE IN PLACE PRIOR TO START OF WORK.
- PRIOR TO WORK CONTRACTOR TO NOTIFY SERVICE BUSINESS AND RESIDENT LAND OWNER OF WORK AND SHALL MINIMIZE THE TIME OF NO WATER SERVICE.
- CONTRACTOR TO MAINTAIN ACCESS TO ADJACENT BUSINESS DRIVEWAY AT ALL TIMES.
- CONTRACTOR TO ENSURE THERE ARE NO OFF SITE IMPACTS TO SURROUNDING PROPERTIES OR WATERWAYS AND SHALL HAVE ENVIRONMENTAL AND EROSION PROTECTION MEASURES IN PLACE SUCH AS SILT FENCING TO THE SURROUNDING THE WORK AREAS.
- CONTRACTOR TO COORDINATE WORK WITH PROVINCIAL AUTHORITIES.
- CONTRACTOR TO COORDINATE ALL ELECTRICAL WORK INCLUDING REINSTATING HEAT TRACING.
- CONTRACTOR TO REPLACE ANY MISSING OR DESTROYED PIPE HANGERS WITH NEW HANGERS TO MATCH.



1 PLAN VIEW  
SCALE: H=1:150

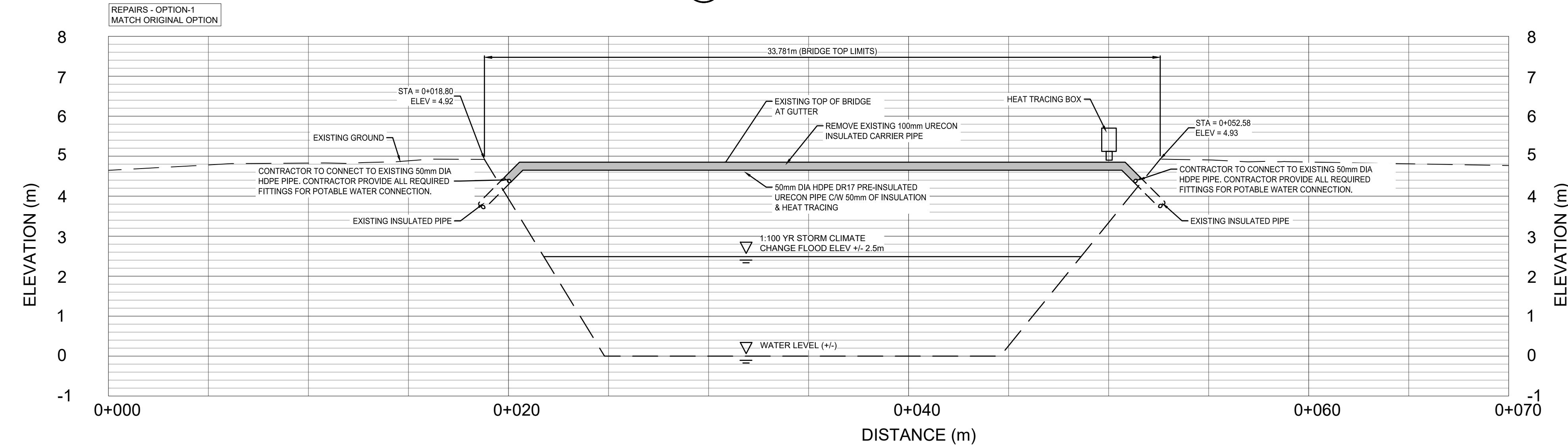
**LEGEND:**

- 3.5m ——— EXISTING CONTOURS (0.1m)
- EXISTING GUARD RAIL
- ~~~~~ LINE OF RIP-RAP
- PP EXISTING POWER POLE
- AR AIR RELEASE VALVE

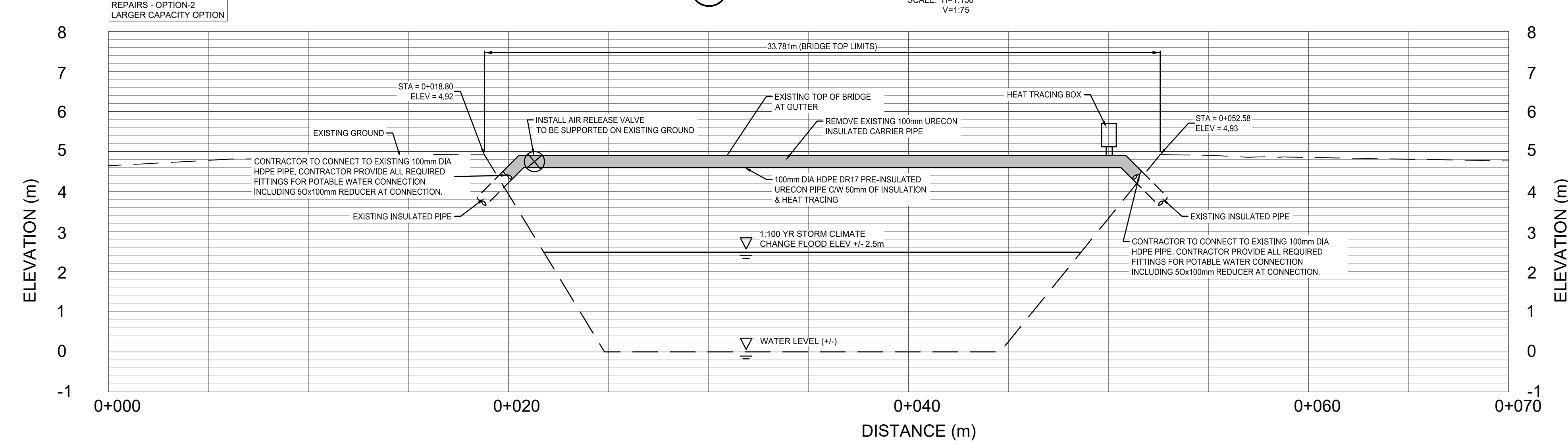
**\*NOTE:**

OPTION - 1, STRUCTURAL SUPPORTS:  
REPLACE EXISTING CORRODED RODS WITH GALVANIZED THREADED RODS.

OPTION - 2, STRUCTURAL SUPPORTS:  
REPLACE EXISTING THREADED RODS WITH GALVANIZED THREADED ROD AND REPLACE CLEVIS HANGERS TO SUIT THE EXPECTED PIPE SIZE BASED ON GROWTH CAPACITY ANALYSIS.



2 PROFILE VIEW (50mm DIA)  
SCALE: H=1:150 V=1:75



3 PROFILE VIEW (100mm DIA)  
SCALE: H=1:150 V=1:75

Revision	By	Appd.	YY.MM.DD
A	BG	KF	23.03.15
Issued	By	Appd.	YY.MM.DD
File Name: 01819_C01_ESP	Dwn.	Dsgn.	Chkd.
BG	KF	JWG	2023.03.15
			YYYY.MM.DD

Permit/Seal

Client/Project Logo

Client/Project  
RURAL MUNICIPALITY OF VICTORIA

VICTORIA CAUSEWAY WATERMAIN REPAIRS

VICTORIA, PE

Title  
VICTORIA CAUSEWAY WATERMAIN REPAIRS

Project No. 163401819 Scale 1:150 & AS SHOWN

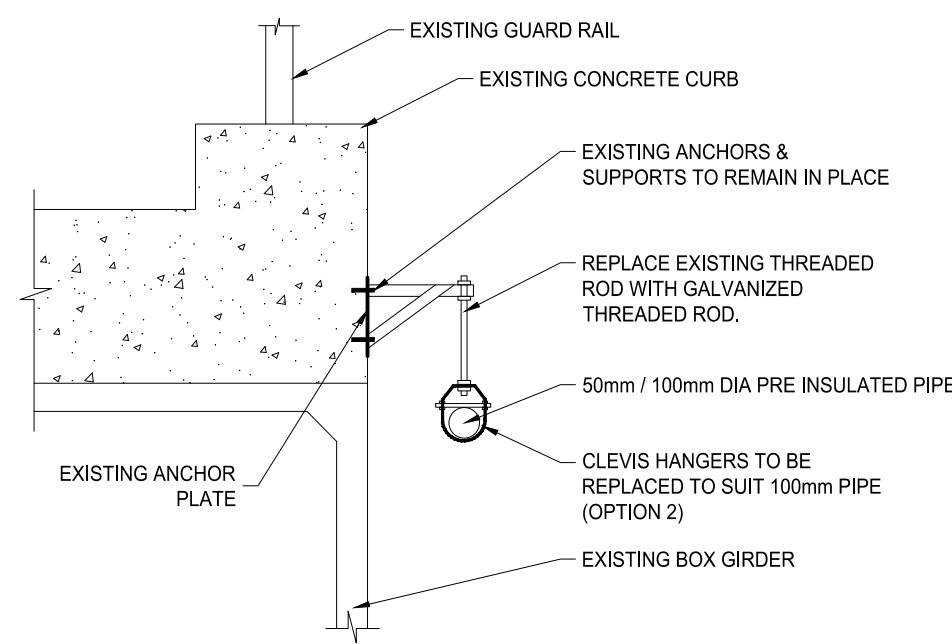
Revision 0 Sheet 1 of 2 Drawing No. C101

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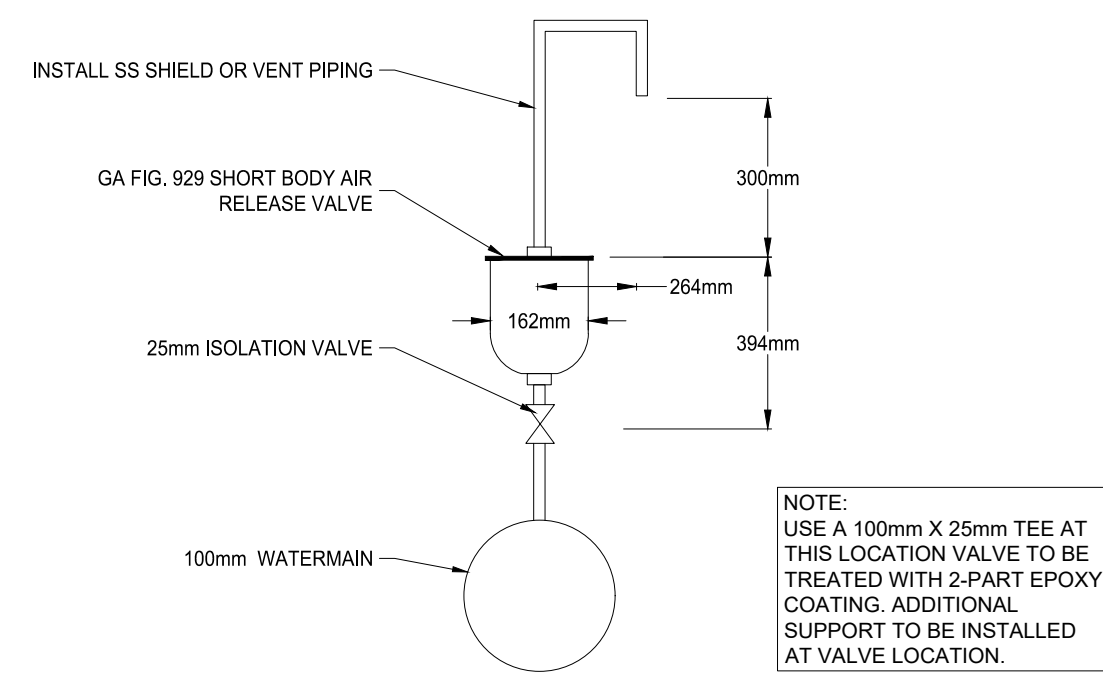
The Contractor shall verify and be responsible for all dimensions. DO NOT scale the drawing - any errors or omissions shall be reported to Stantec without delay.  
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Notes

- LOCATION OF EXISTING UNDERGROUND WATERMAIN IS APPROXIMATE AND CONTRACTOR TO VERIFY LOCATION ON SITE PRIOR TO CONSTRUCTION.
- DRAWING INFORMATION HAS BEEN COMPILED FROM TOPOGRAPHICAL SURVEY INFORMATION AND NOT ALL SERVICES MAY BE SHOWN INCLUDING BUT NOT LIMITED TO EXISTING SANITARY AND UTILITIES. CONTRACTOR TO CONTACT THE APPROPRIATE AUTHORITY FOR LOCATION OF EXISTING UNDERGROUND INFRASTRUCTURE PRIOR TO ANY GROUND DISTURBANCE.
- CONTRACTOR IS RESPONSIBLE FOR PROVIDING TRAFFIC CONTROL FOR THE DURATION OF THE PROJECT AND SHALL MINIMIZE TRAFFIC DISRUPTIONS. DRIVEWAY ACCESS TO BE PROVIDED AT ALL TIMES TO SURROUNDING PROPERTIES.
- CONTRACTOR TO REINSTATE ALL AFFECTED AREAS TO EXISTING CONDITIONS.
- CONTRACTOR TO BE RESPONSIBLE FOR OBTAINING PROPER PERMITS PRIOR TO START OF WORK.
- CONTRACTOR TO PERFORM PRESSURE TEST AND PROVIDE DETAILS TO OWNER.
- CONTRACTOR TO REINSTATE EXISTING HEAT TRACING ON BRIDGE CROSSING SECTION.
- CONTRACTOR TO ENSURE ALL REQUIRED PERMITS ARE IN PLACE PRIOR TO START OF WORK.
- PRIOR TO WORK CONTRACTOR TO NOTIFY SERVICE BUSINESS AND RESIDENT LAND OWNER OF WORK AND SHALL MINIMIZE THE TIME OF NO WATER SERVICE.
- CONTRACTOR TO MAINTAIN ACCESS TO ADJACENT BUSINESS DRIVEWAY AT ALL TIMES.
- CONTRACTOR TO ENSURE NO FOOT SITE IMPACTS TO SURROUNDING PROPERTIES OR WATERWAYS AND HAVE ENVIRONMENTAL AND EROSION PROTECTION MEASURES IN PLACE SUCH AS SILT FENCING SURROUNDING THE WORK AREAS.
- CONTRACTOR TO COORDINATE WORK WITH PROVINCIAL AUTHORITIES.
- CONTRACTOR TO COORDINATE ALL ELECTRICAL WORK INCLUDING REINSTATING HEAT TRACING.
- CONTRACTOR TO REPLACE ANY MISSING OR DESTROYED PIPE HANGERS WITH NEW HANGERS TO MATCH.

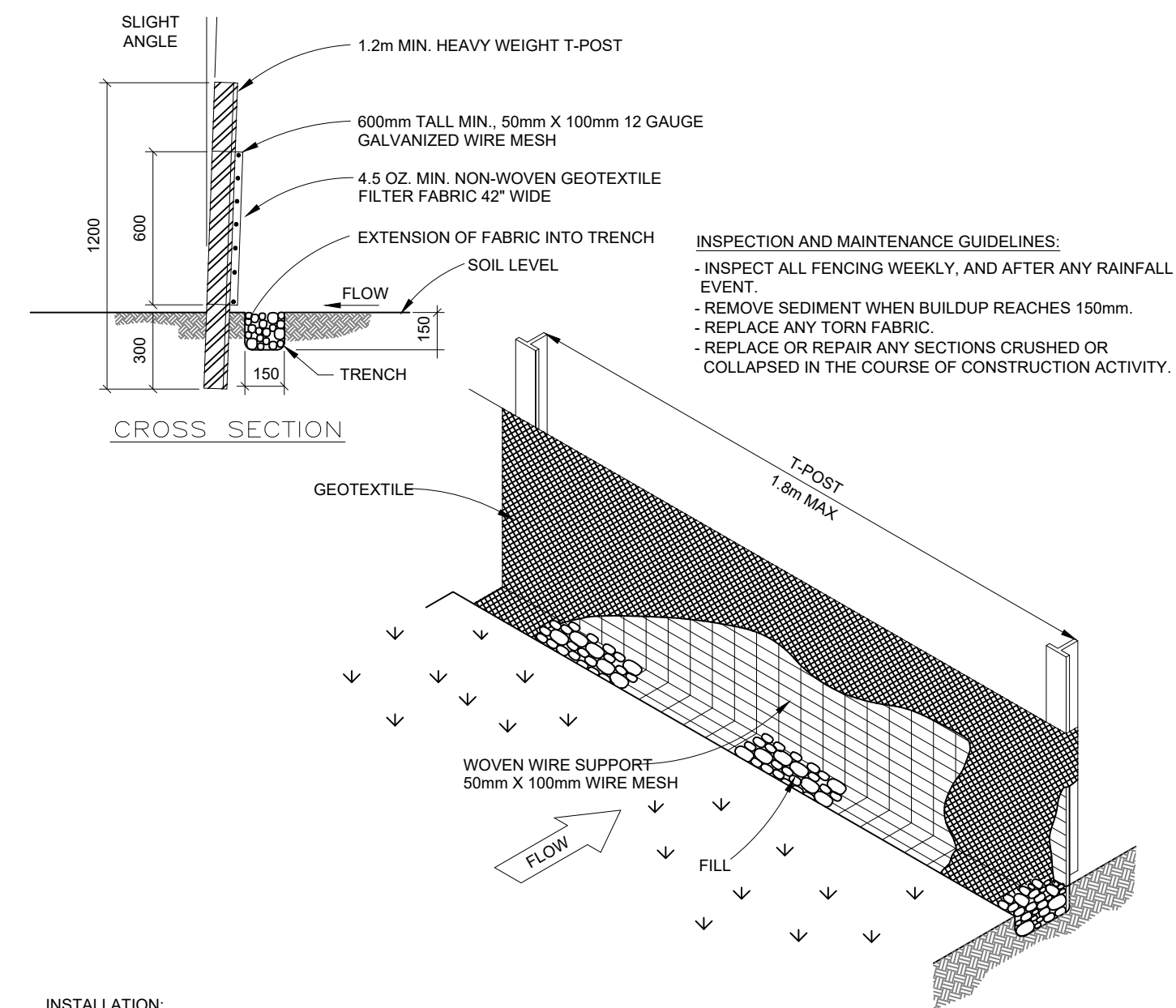


4 PIPE HANGER DETAIL  
C102 N.T.S.



5 AIR RELEASE VALVE DETAIL  
C102 N.T.S.

NOTE:  
USE A 100mm X 25mm TEE AT THIS LOCATION VALVE TO BE TREATED WITH 2-PART EPOXY COATING. ADDITIONAL SUPPORT TO BE INSTALLED AT VALVE LOCATION.



INSTALLATION:

- LAYOUT THE SILT FENCE FOLLOWING AS CLOSELY AS POSSIBLE TO THE CONTOUR.
- CLEAR THE GROUND OF DEBRIS, ROCKS, PLANTS (INCLUDING GRASSES TALLER THAN 50mm) TO PROVIDE A SMOOTH FLOW APPROACH SURFACE. EXCAVATE 150mm DEEP X 150mm WIDE TRENCH ON UPSTREAM SIDE OF FACE PER PLANS.
- DRIVE THE HEAVY DUTY T-POST AT LEAST 300mm INTO THE GROUND AND AT A SLIGHT ANGLE TOWARDS THE FLOW.
- ATTACH THE 50mm X 100mm 12 GAUGE WELDED WIRE MESH TO THE T-POST WITH GALVANIZED T-POST CLIPS. THE TOP OF THE WIRE TO BE 600mm ABOVE GROUND LEVEL. THE WELDED WIRE MESH TO BE OVERLAPPED 150mm AND TIED AT LEAST 6 TIMES WITH HOG RINGS.
- THE SILT FENCE TO BE INSTALLED WITH A SKIRT A MINIMUM OF 150mm WIDE PLACED ON THE UPHILL SIDE OF THE FENCE INSIDE EXCAVATED TRENCH. THE FABRIC TO OVERLAP THE TOP OF THE WIRE BY 25mm.
- ANCHOR THE SILT FENCE BY BACKFILLING WITH EXCAVATED DIRT AND ROCKS (NOT LARGER THAN 50mm).
- GEOTEXTILE SPLICES SHOULD BE A MINIMUM OF 450mm WIDE ATTACHED IN AT LEAST 6 PLACES. SPLICES IN CONCENTRATED FLOW AREAS WILL NOT BE ACCEPTED.
- SILT FENCE SHALL BE REMOVED WHEN THE SITE IS COMPLETELY STABILIZED SO AS NOT TO BLOCK OR IMPEDE STORM FLOW OR DRAINAGE.

6 SILT FENCE DETAIL  
C102 N.T.S.

Revision	By	Appd.	YY.MM.DD	
A	BG	KF	23.03.15	
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File Name: 01819_C01_ESP	BG	KF	JWG	2023.03.15
	Dwn.	Dsgn.	Chkd.	YYYY.MM.DD

Client/Project
RURAL MUNICIPALITY OF VICTORIA
VICTORIA CAUSEWAY WATERMAIN REPAIRS
VICTORIA, PE
Title
VICTORIA CAUSEWAY WATERMAIN DETAILS

Project No.	Scale	
163401819	AS SHOWN	
Revision	Sheet	Drawing No.
0	2 of 2	C102

# GAS TAX SCOPE CHANGE REQUEST FORM

**Municipality:**

**RURAL MUNICIPALITY OF VICTORIA**

**Date: January 20, 2023**

**Project #:**

**25.5.10**

**Project Title:**

**Redesign & Upgrade to water equipment on Causeway bridge**

**Original project description: Expansion of drinking water services**

**Residents of the cottage development on the east side of Victoria have been asking for years for the Victoria Water & Sewage Commission to extend water service. They need this service extended because their proximity to the shore line has meant that their drinking water wells have increasingly turned to salt. There may also be an element to expanding our own pump house to accommodate an increase in required flows.**

**Brief description of the scope change: Project: Upgrade to the water equipment on the Causeway bridge has become a necessity and during consultation with the engineer who is redesigning the system, it was noted that there is also an opportunity to upgrade the structural weighted brackets to allow for a larger line which would dramatically increase the volume of water delivered in case of future expansion of services. This upgrade requires immediate attention.**

**Background: A temporary repair was made on the water pipes that froze on the Causeway Bridge. Review of the repair and subsequent slow leak has led to the directive from the Provincial Dept. of Environment to upgrade the equipment and pipes on the bridge to bring it up to current standards by December 31, 2022 (date extended). The result of the temporary repair is a non potable water designation at three property locations just beyond the bridge which we have been monitoring.-**

**Will this effect the total cost of the project?**

**Yes**

**If yes, by how much?**

**\$154,575**

**Source of funding:**

**CCBF**

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Signature of CAO

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Signature of Chairperson  
Water & Sewer Commission

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Date

---

Date

Which budget	Topic	Public Comments received on Draft 1	Changes made by staff in response to this comment in Draft 2	Staff comment: rationale for change/no change in draft presented to Council
Overall	Overall	Many residents expressed thanks for the opportunity to provide feedback.		<p>Both Municipal staff (Anna &amp; Marsha) have gone through this process for the first time this year, and in a very compressed timeframe. (3 weeks!)</p> <p>We are deeply appreciative of the time that Council and residents have spent reviewing and providing comments on the draft budget. We knew that many corrections from the first draft would be necessary, and having many eyes on the process (particularly from former CAOs and accountants with an eagle eye for detail!) has helped us to create this as the most accurate budget possible, given our current knowledge.</p> <p>Many of the comments received in this round of public consultation were not able to result in concrete changes for this year's budget, but those comments are nonetheless instructive and also valuable for next year's budget process.</p> <p>We look forward to a more robust strategic-planning and budgeting process next year, with more opportunity for public participation in the drafting process, which we hope can take place over months instead of weeks, to allow for deeper analysis and decision-making. Additionally, with the new Council having more experience under their belts, we expect clearer decisions on the recommendations of various past studies will be possible.</p>
W&S	Manager	"I believe there should be a sizable budget for a W&S manager role and for project management. The expenses of the CAO / FAA relate more to the administrative overheads. Can't expect the CAO to be doing that work while being part time...and without the expertise."	No change	<p>40% of staff (CAO and FAA) time is currently allocated for W&amp;S governance.</p> <p>W&amp;S has a consultant currently engaged for April, which is accounted for in the new budget. Staff and the W&amp;S Commission will need to work together determine whether additional management capacity is needed throughout the 2023/24 year, but we can't currently forecast the amount required. However, there is a surplus in the W&amp;S budget, which will be transferred to a reserve fund if unspent, so there is room to bring on a contractor if needed.</p>
W&S	Operator rates	<i>"Regarding giving the operator a raise, Victoria Residents do not have any idea on sewer tank pumping and reports to council are rare. Residents should be made aware of their sewer maintenance. This could be included in their W&amp;S bills."</i>	<b>The total budget for all 4 budget lines relating to W&amp;S operating was slightly reduced between Draft 1 and Draft 2 of the budget, as the Operator provided us with their desired rates for 2023-24, which came in at a rate lower than average inflation (which had been used to create Draft 1).</b>	<p>The Operator reports to the CAO. The CAO reports to both the W&amp;S Commission and the Council. A new contract will be signed between the Operator and the municipality in April, for the year 2023-24.</p> <p>Residents will receive an information package with their upcoming annual W&amp;S bills for 2023-24. On pumping, the CAO was recently informed by the provincial engineers who oversee Water &amp; Sewer that Victoria's system was designed with intentionally over-sized household tanks. Household tanks should only need to be pumped out every 7-11 years, rather than every 3-5 years as would be expected in a standard system. This oversizing was done when the system was installed in 2008, to reduce ongoing municipal maintenance costs.</p>
W&S	Maintenance & operations	<i>"Not much to comment on here besides the challenges we face in maintaining our assets in a safe manner as well as ensure that we are operating the system to the required standards. I am not sure if this budget provides for this (as it would seem previous ones did not). The previous Council did finally recommend a similar review be conducted on our Water and Sewer assets as under the SR to ensure that we had the appropriate expertise informing our operating and maintenance requirements in order to ensure safe services for our residents."</i>	No change	A W&S Asset review is already included in the forward Capital budget, for the 2024-25 year. This aligns with the timing for which we expect we will be able to receive practical support from provincial government staff, to help municipal staff oversee this project.
Capital	Carryover	I am wondering about the carryover that you have included in the capital budget. Was this discussed with the auditor? I can't see where the funds are coming from and how it aligns with our accounting practices.	Updated	<p>Good catch! Updated based on last year's Audited financial statements (restricted cash/deferred revenue for infrastructure funding).</p> <p>(The previous figure was the projected rollover expected in last year's budget, and was close to the actual rollover in the audited statements)</p>

Which budget	Topic	Public Comments received on Draft 1	Changes made by staff in response to this comment in Draft 2	Staff comment: rationale for change/no change in draft presented to Council
Capital	Relative priority of Generators and Wharf project	<p>Three comments from different residents:</p> <p>1 - "I feel strongly that a backup generator for the water supply is essential. Second priority would be generator for sewer system. Regarding repairs to the septic system on the wharf, my understanding is that this work is required to allow the restaurants to keep operating. Hard to justify spending village money to benefit two businesses, as opposed to having a backup generator for the benefit of all."</p> <p>2 - "I feel strongly that a backup generator for the water supply is essential. Second priority would be generator for sewer system. Regarding repairs to the septic system on the wharf, my understanding is that this work is required to allow the restaurants to keep operating. Hard to justify spending village money to benefit two businesses open for a few months a year, both owned by non residents of Victoria, located on a Federally owned wharf, as opposed to having backup generators for the benefit of all village residents and local taxpayers."</p> <p>3 - "Victoria Residents deserve to have generators for water, this should be a priority. The wharf project is concerning and also needed, but as the wharf restaurants do not pay taxes to this municipality. It is not fair to Victoria Residents to take on all of this responsibility. The cost will keep rising, then the maintenance issue is also costly. It would also be prudent to have water meters installed at all restaurants in Victoria, as water use is far greater than residential use. ... Victoria Residents are happy to have small business in our community, but please note that Residents taxes are being used to accommodate tourists that visit restaurants and businesses. "</p> <p>4 - "Agree with the notes that the approved projects have to be completed Not sure if you should wait as long for the Water &amp; Sewer review. I personally believe we are and continue to be at risk by underfunding and underoperating this service.  I am not sure if you can have the water system operating by generators when the power is out and the sewer system is not running as then the sewer system will overflow - we were told multiple times by different people that you had to put generators on your sewer system first and then the water system to prevent disaster.  We need to ensure that as you add these generators etc that we ensure that we have included the necessary operating expenses - including ensuring they are tested each month so they work when required - without this you are probably wasting money."</p>	No changes	<p>We feel that there is strong consensus amongst staff, residents, the Operator and Council that a water-system generator is the top priority.</p> <p>Good news is that during budget revisions, we found extra funds for the Capital budget, that should enable both the Wharf and Sewer system generators to go ahead this year, as desired by many residents. However, we would like to share our view on the relative priority of the Wharf project vs Sewer System generators:</p> <p>The septic tank on the Wharf pre-dates the municipal W&amp;S system. 20 years ago the decision was taken to simply hook it up to the new town system, as it was working fine. Engineers advised the municipality and the provincial department of Environment in 2017 that the system requires replacement (not repairs), as it is at the end of it's working lifespan. Failing to repair it presents increasing environmental risks of a sewage spill, as time goes on. So, the work must be done. The wharf system also supports the operation of successful tourism businesses.</p> <p>Here's why staff recommend the Wastewater Treatment Facility back-up generator be a lower priority:</p> <p>If the quotes come in higher than budgeted, and we have to choose what to build, this the trade-off we face: * Option 1: Delay the wharf project by a further year, and thus take on the increased risk of an environmental spill. Additionally, the project has been going since 2017, and each year of delay adds additional expense as estimates/quotes must be re-calculated, and we are 'ready to go' on this project now, with all the engineering design work just having been completed. * Option 2: Delay the sewer system by 1 year involves, taking on the risk that, if another power outage occur this year lasting more than 2 or 3 days, the sewer system may get backed up at the wastewater treatment plant. Note that a backup would not occur immediately, because we already have a generator operating the lift station in the central core of the village, and there is 2-3 days of extra 'lag time' capacity at the Wastewater facility, if pumps are not operating there. The risk of a backup at the facility can be mitigated by having a simple emergency plan in place, that the municipality will organize for a pumper truck to visit and manually clear out the wastewater treatment facility tanks, should we again experience a power outage lasting more than 2 days, as we did after Fiona.</p> <p>In the opinion of staff, using a pumper truck in the event of an outage is an acceptable mitigation plan, making operating for one further year without a wastewater treatment system generator an acceptable risk. Additionally, because of the relative size of the projects, there are operational and funding advantages to delaying the (smaller) sewer system generator project by 1 year, as opposed to delaying the substantially larger wharf project. (Which would result in a significant and problematic underspend of our last 5-year CCBF allocation.)</p> <p>However, we now have the funds to complete the sewer generator project this year, should all quotes come in within the budget.</p> <p>The statement that 'the wharf restaurants to not pay taxes to the municipality' is inaccurate: both restaurants pay Water &amp; Sewer charges to the municipality, and like other local restaurants, they pay the rate at a higher number of units than a residential property. We also have a flat annual tariff rate on W&amp;S, despite the Wharf system only currently being able to operate in summer months, for lack of a heat tracer and insulation.</p> <p>Beyond Water &amp; Sewer charges, the wharf property IDs are designated as part of our municipality in the provincial property registry, and are therefore subject to municipal property taxes and all development bylaws. The wharf itself is federally owned, so the municipality receives commercial property taxes from the federal government for these property IDs. We expect that the federal government charges the restaurants appropriately through their lease agreement to cover these costs.</p> <p>The suggestion for metered water charges for the municipality, and changing the rate structure for Water &amp; Sewer services, could be considered by the W&amp;S Commission and Council in the coming year. However, such a change cannot be reflected in this budget, as the decision has not yet been made.</p>
Capital	Generators	<p>"Thank you for putting the water generator as a top priority in the 2023 budget. As announced at the Monday March 13th 2023 Council Meeting it is necessary to obtain 3 quotes for the installation of the water generator. In order for the village to have the generator installed before the winter 2023/2024 the process for obtaining quotes must be done ASAP. I recommend that at every monthly Council meeting an update on the water generator be reported."</p>	No changes.	<p>No change was requested by this comment.</p> <p>The CAO will continue to report on progress obtaining quotes, to Council meetings and Water &amp; Sewer Commission meetings.</p> <p>The W&amp;S Commission will consider the quotes once they are received, and will make a recommendation to Council on how best to proceed. Council's final approval is required on all infrastructure projects.</p>

	Current yr BUDGET	Projected Actual	BUDGET DRAFT 2	Comments/notes on current & next year	DRAFT FORECAST	DRAFT FORECAST	DRAFT FORECAST	DRAFT FORECAST	Coments/notes on forecast years
	2022-23	2022-23	2023-24		2024-25	2025-26	2027-28	2027-28	
<b>REVENUES</b>									
				<i>Last of the 5yr CCBF allocation.</i>					<i>New 5yr CCBF allocation</i>
CCBF (former Gas Tax) - Direct Allocation	100,000	200,000	100,000	<i>Draft 2 projected actual was corrected: we received \$200k in CCBF funding in the last year, double the \$100k budgeted.  The reason for this is: usually the CCBF gives \$100k per year, but in both 2019 and 2020, we (like all communities on PEI) were granted an additional \$100k 'top up' or 'bonus' amount. However, in one of those years, the bonus amount was held back as we did not have plans for its allocation. That additional \$100k has been allocated, and was therefore paid out to us during 2022-23. This obviously is a great help in finding the funds to move the community's desired capital projects along.</i>	100,000	100,000	100,000	100,000	
CCBF (former Gas Tax) - MSC	198,000	0	198,000	<i>Draft 2 updates last year's budget. This was unspent, hence the same amount appears in this year's budget.</i>					
MCEG	55,500	8,956	76,060	<i>Draft 2 actuals and budget corrected, to be 10% of total expenses in each year. (Draft 1 was a flat \$40k for all years going forward)</i>	7,510	13,510	12,010	14000	<i>Draft 2 corrected, to be 10% of total expenses in each year (was a flat \$40k)</i>
ACOA									
Interest	125	125	125		25	25	25	25	
Other Funding									
<b>Total Revenue for the year</b>	<b>353,625</b>	<b>209,081</b>	<b>374,185</b>		<b>107,535</b>	<b>113,535</b>	<b>112,035</b>	<b>114,025</b>	
Carryover from Previous Year	298,870	297,788	417,308	<i>Victoria has significant unspent capital funds due to multi-year delays in decision-making.  Draft 2: Carryover from previous year corrected, to now be based on the Audited financial statements (restricted cash/deferred revenue for infrastructure funding). Draft 1 was the budgeted/expected carryover.</i>	30,893	63,328	41,763	33,698	
<b>Total Capital Revenues</b>	<b>652,495</b>	<b>506,869</b>	<b>791,493</b>	<i>Significant amount! This is the year to make clear decisions &amp; get the work done.</i>	<b>138,428</b>	<b>176,863</b>	<b>153,798</b>	<b>147,723</b>	
<b>EXPENDITURES</b>									
Tourism Economic Development Project				<i>Project finished</i>					
Capacity Building Projects:									

	Current yr BUDGET	Projected Actual	BUDGET DRAFT 2	Comments/notes on current & next year	DRAFT FORECAST	DRAFT FORECAST	DRAFT FORECAST	DRAFT FORECAST	Comments/notes on forecast years
	2022-23	2022-23	2023-24		2024-25	2025-26	2027-28	2027-28	
				<i>Last of the 5yr CCBF allocation.</i>					<i>New 5yr CCBF allocation</i>
- Official Plan/Bylaw review	5,500	5500		<i>Draft 2 corrects some prior confusion. For the current year, \$5500 was added in both columns. This was in the last budget for the Official Plan/Bylaw review, and was indeed spent. For the coming year, \$5500 for the Sustainability Study (coincidentally the same amount as the Official Plan review) appeared erroneously in Draft 1. In Draft 2, that amount has been move down one line.</i>				40,000	<i>Official Plan needs reviewing every 5 years, will be due in 2028.</i>
- Municipal Growth Mgmt Study (Sustainability Plan)	60,500	55,000	5,500	<i>Draft 2, corrects the 2022-23 budget allocation, and updates the coming year for the MRSB Sustainability Study's remaining expense.</i>					
- Water & Wastewater Asset Review	50,000	0		This project was not initiated, funding was reallocated.	75,000				<i>Review W&amp;S inventory &amp; lifetime. Plan long-term.</i>
<b>Wastewater Projects:</b>									
- Replace Lift Station on Wharf	495,000	28,961	450,000	<i>Actual this yr = engineering + tender. Next year, building it (\$450k = \$252k CCBF Direct + \$198k MSC)</i> <i>Draft 2 corrects the 2022-23 budget line.</i>					
- Gravel road to sewage plant						75,000			<i>Written in to the last 5yr plan, but reallocated to urgent projects.</i>
<b>Water &amp; Wastewater Projects:</b>									
- Generators			150,000	<i>\$100k for Water system generator as an urgent priority, in 2023-24. \$50k for Sewer system generator, as lower priority.</i> <i>Draft 2 has moved the sewage plant generator from 2024-25 (where it was in Draft 1) to 2023-24. This was made financially possible only by identifying and correcting for the additional \$100k in top-up funding received last year. If quotes come in high &amp; we have a strained budget in 2023, the sewage plant generator will move to the following year.</i>					
- Causeway			155,000	<i>Upgrading the broken pipe to last/not break again. Draft 2 updated to reflect the actual allocation (\$155k not \$150k)</i>					
- Water Monitoring/replacement of curb stops									
- Engineering Expansion study							20,000		<i>Plan the project</i>

	Current yr BUDGET	Projected Actual	BUDGET DRAFT 2	Comments/notes on current & next year	DRAFT FORECAST	DRAFT FORECAST	DRAFT FORECAST	DRAFT FORECAST	Coments/notes on forecast years
	2022-23	2022-23	2023-24		2024-25	2025-26	2027-28	2027-28	
- Expansion of Water & Sewer Services				<i>Last of the 5yr CCBF allocation.</i>			50,000	140000	<i>New 5yr CCBF allocation</i>
<b>Cultural Infrastructure Projects:</b>									
- Community Signage & Beautification						30,000			<i>Written in to the last 5yr plan, but reallocated to urgent projects.</i>
<b>Other Infrastructure Projects</b>									
- Welcome Centre Bathrooms						45,000			
- Community Hall Energy Retrofit							50,000		<i>Draft 2: Cost reduced, and moved back a year, as we will be installing heat pumps in 2023-24 under the Rural Growth Initiative grant. (In Draft 1, this project was \$75k)</i>
- Dedicated parking lot						60,000			<i>Moved up a year</i>
<b>Other Expenses (Bank Fees)</b>	100	100	100		100	100	100		
<b>Total Capital Expenditures</b>	<b>611,100</b>	<b>89,561</b>	<b>760,600</b>		<b>75,100</b>	<b>135,100</b>	<b>120,100</b>	<b>140,000</b>	
<b>Capital Surplus/(deficit)</b>	<b>41,395</b>	<b>417,308</b>	<b>30,893</b>	<i>To carry over to subsequent year.</i>	<b>63,328</b>	<b>41,763</b>	<b>33,698</b>	<b>7,723</b>	



W&S Budget DRAFT 2023-24

	APPROVED	PROJECTED	DRAFT 1 (Mar 13)	DRAFT 2 (Mar 22)	
	BUDGET	ACTUALS	BUDGET	BUDGET	
	2022-23	for 2022-23 (to Mar 31)	2023-24	2023-24	Notes/comments
<b>REVENUE:</b>					
Surplus carried forward from previous years			-	17,774	Added this line, carrying over the previous year's operating surplus.
Unmetered Water Revenue	39,758	40,593	40,985	40,985	Future years: IRAC has approved a rate increase and we have projected the rates based on the expected increased in the number of properties for 2023-24.  Draft 2 adjusted the expected revenue for the current year based on the IRAC rate increase.  This in turn improved our net income for 2022/23, which rolls over into the new year's budget, helping to bring it to a zero balance as required.
Water - Frontage charge	7,167	8,023	7,175	7,175	
Sewer Dues	48,983	50,466	50,387	50,387	
Sewer - Frontage charge	8,887	10,445	9,893	9,893	
Delayed Payment Charges	100	0	100	100	
Curb Service Fee	400	300	400	400	
<b>TOTAL REVENUE</b>	<b>105,295</b>	<b>109,827</b>	<b>108,940</b>	<b>126,714</b>	
<b>EXPENSES:</b>					
<i>All lines increase 1.5% unless otherwise noted.</i>					
<b>Water Operating Expenses</b>					
Materials & Supplies	500	0	508	508	
Repairs & Maintenance	7,500	1,748	7,613	2,500	For: water hook ups, wharf repairs, snake public washrooms, causeway line work, curb stop repair  Reduced in Draft 2 to better reflect actuals.
Water Operator	7,260	7,260	8,458	8,452	Draft 1 Increased the rate for inflation (hasn't increased since 2020). Draft 2 corrected to the new rate requested by the operator, and adjusted the actual. Includes HST.
Back up Maintenance Operator	825	825	966	751	Final bills yet to come in. Draft 1 Increased the rate for inflation (hasn't increased since 2020). Draft 2 corrected to the new rate requested by the operator, and corrected the actual. Includes HST. This role will be sub-contracted via the Operator.
Power or Electricity (W)	4,500	3,364	4,568	3,500	Draft 2 actuals updated, and budget updated to better reflect actuals (has been helped by the solar panels)  Water testing can be increased & would reassure community. Additionally, increased budget because under the water act, additional simple chemical testing on the lines will be required annually.
Water Testing Fees	5,500	4,834	7,000	6,000	Draft 2 corrected actuals to account for final month, and shifted some expenses to the sewer testing fees line in the section below, and reduced budget to better reflect anticipated actuals.  2024-25 will require a significant increase because off Island chemical testing is due (every 3 years)
Chemicals	350	270	355	355	Draft 2 updated projected actuals
Snow Removal	650	660	675	675	
<b>Total Water Expenses</b>	<b>27,085</b>	<b>18,961</b>	<b>30,142</b>	<b>22,741</b>	Overall comment: Projected operating expenses are lower than the budget for the current year. Budget includes a modest increase to costs for the coming year.
Plus share of GG Operating expenses	16,308	14,581	20,978	21,028	Draft 2, budget updated based on corrections in the Operating budget. Greater than normal increase because the municipality will have full staffing in the coming year.
Plus share of Old School expenses	655	644	732	697	Draft 2, budget updated based on corrections in the Operating budget.
<b>Total Water before Depreciation</b>	<b>44,048</b>	<b>34,185</b>	<b>51,852</b>	<b>44,466</b>	
Plus Depreciation	9,000	9,000	23,000	23,000	
<b>Total Water Expenses (w/ Depreciation)</b>	<b>53,048</b>	<b>43,185</b>	<b>74,852</b>	<b>67,466</b>	
<b>General Expenses</b>					
General Legal Fees	-	-	2,000	2,000	For legal advice RE alternative W&S governance arrangements. (e.g. shifting from a Commission/Corporation to a department, or consulting on Shared Services models.)
Interest	500	818	818	818	Increasing next year's budget to match this year's actuals.
Bank Service Charge	600	491	609	500	Draft 2 corrected actuals and lowered budget to reflect.
Insurance	1,500	1,465	1,523	1,523	To consider increasing further to expand coverage. Talk to Cooke insurance.
IRAC Rate Increase Submission	1,400	1,400	-	-	One-time expense in 2022-23. Draft 2 updated actuals.
Regulatory Commission Fees	1,200	1,200	1,218	1,218	For filing annual report with IRAC. Yet to be done for 2023. Draft 2 updated actuals.

W&S Budget DRAFT 2023-24

	APPROVED	PROJECTED	DRAFT 1 (Mar 13)	DRAFT 2 (Mar 22)	
	BUDGET	ACTUALS	BUDGET	BUDGET	
	2022-23	for 2022-23 (to Mar 31)	2023-24	2023-24	Notes/comments
Miscellaneous Expense	150	598	152	542	Draft 2 added expenses for Hilary Price's Project Management contract for the sewer committee, both in the actual and coming year, supporting them during the bridge period to a new CAO.
Transfer to Municipal Reserve Fund				12,592	Added this line to balance the W&S budget to zero. Puts money away for future years.
<b>Total General Expenses</b>	<b>5,350</b>	<b>5,972</b>	<b>6,320</b>	<b>19,193</b>	<b>Overall comment:</b> projected that general expenses are coming in just below budget. Higher than inflationary increase in budget comes from a new anticipated one-time legal expense for 2024, and more accurate numbers for interest payments on debt.
<b>Sewer Expenses</b>					
Sewer Testing Fees	1,500	1,228	1,523	1,523	Draft 2 changed actuals by correcting allocation of expenses that were previously counted under the water testing fees line in the section above.
Contract Fees For sewer Operator	18,800	18,800	21,873	20,972	Draft 1 increased the rate for inflation (hasn't increased since 2020). Draft 2 corrected to the new rate requested by the operator, and corrected the actuals. Includes HST.
Back up Maintenance Operator	825	825	1,380	1,127	Draft 1 increased the rate for inflation (hasn't increased since 2020). Draft 2 corrected to the new rate requested by the operator, and corrected the actuals. Includes HST Will be subcontracted via the Operator.
Repairs & Maintenance (S)	750	2,125	761	761	Overspent for: pump repairs and maintenance, lift station maintenance
Property Taxes (S)	600	559	609	609	
Electricity (S)	8,000	9,343	9,000	9,300	Actual bills were higher than anticipated. Adjusting budget for 2023-24 accordingly.  Draft 2 corrected actuals and the anticipated next year's cost.  Combines sewer system, wanda L, lighthouse, causeway electricity bills
Telephone/Alarms (S)	1,350	1,212	1,370	1,370	Draft 2 corrected actuals
Sewer Snow Removal	1,900	1,980	1,950	1,950	
Liquid waste removal (S)	3,500	350	3,553	2,500	Draft 2 corrected actuals and budget.  Only one tank needed to be pumped this year, hence the low actual cost.  Our system was installed with over-sized tanks, so that household sewage tanks only need to be pumped every 7-11 years on average. So we can expect roughly 6 or 7 tank pump-outs in an average year. Draft 2 has lowered budgeted pumping costs accordingly, to slightly more than this average amount.
Propane/Generator Maintenance	1,200	250	1,218	1,218	
<b>Total Sewer Expenses</b>	<b>38,425</b>	<b>36,672</b>	<b>43,237</b>	<b>41,330</b>	
Plus share of GG Operating expenses	16,308	14,581	20,978	21,028	Draft 2, budget updated based on corrections in the Operating budget. Greater than normal increase because the municipality will have full staffing in the coming year.
Plus share of Old School expenses	655	644	732	697	Draft 2, budget updated based on corrections in the Operating budget.
<b>Total Sewer before depreciation</b>	<b>55,388</b>	<b>51,896</b>	<b>64,947</b>	<b>63,055</b>	Expenses came in under budget last year. Increase in budget for next year comes from anticipating having a full year of municipal/W&S staffing.
Depreciation	39,000	39,000	38,000	38,000	To verify depreciation numbers with auditor
<b>Total Sewer Expenses (w/ depreciation)</b>	<b>94,388</b>	<b>90,896</b>	<b>102,947</b>	<b>101,055</b>	
<b>TOTAL W&amp;S EXPENSES before depreciation</b>					
	<b>104,786</b>	<b>92,053</b>	<b>123,118</b>	<b>126,714</b>	
Depreciation total	48,000	48,000	61,000	61,000	
<b>TOTAL W&amp;S EXPENSE (w depreciation)</b>	<b>152,786</b>	<b>140,053</b>	<b>184,118</b>	<b>187,714</b>	

W&S Budget DRAFT 2023-24

	APPROVED	PROJECTED	DRAFT 1 (Mar 13)	DRAFT 2 (Mar 22)	
	BUDGET	ACTUALS	BUDGET	BUDGET	
	2022-23	for 2022-23 (to Mar 31)	2023-24	2023-24	Notes/comments
<b>BALANCE:</b>					
<b>NET W&amp;S INCOME before depreciation</b>	<b>509</b>	<b>17,774</b>	<b>- 14,178</b>	<b>0</b>	<b>Overall:</b> Must be \$0 at submission. Would have been a surplus of \$12,592. This amount is therefore transferred to the municipal reserve fund, in the General Expenses line above.
NET W&S INCOME (includes depreciation)	- 47,491	- 30,226	- 75,178	- 61,000	

## Water and Sewer Commission: Report to Council Feb 13<sup>th</sup>, 2023

The Water and Sewer Commission met on January 28th, 2023, with the full complement of 3 municipal councilors and 3 community members. The focus of the meeting was broad, bringing the commission up to speed on the challenges, the major projects before it, as well as having a discussion with respect to due diligence. Hilary Price was welcomed as a vital resource person to assist the commission with updating information around the two major projects: the wharf upgrade and causeway water line.

The assumption of the roles of oversight and governance by the chair and many of the commission members has been a very difficult task but received significant assistance with background knowledge from the 2 commissioners and some community members in the audience with prior experience with the water and sewer utility here in Victoria. Because our utility has no written policy and operating procedures manual, very limited municipal records, a paucity of usable reports from the operator and no current valid assessment of the state of the water and sewer system, it has been a most difficult puzzle to piece together. Hilary Price has been pivotal in putting together the current background documents for the most recent activities of the past commission, without which, would have made this commission's orientation impossible.

I would like to touch on three areas that are illustrative of our current unacceptable situation.

1. Post- hurricane Utility Response Analysis. A short summary of issues is given to illuminate the lack of expertise and knowledge to deal with this:
  - Generator Backup – Lighthouse Location - A community member requested the only generator supporting the sewer system to be turned off just prior to the hurricane, without informing the operator, the CAO, or the commission, leaving the municipality without backup electricity creating the danger of overflow, environmental spill, and risk of fines.
  - Lack of an emergency plan for the utility to provide advice on access and use of water (potable and non-potable) and the sewer system during the prolonged electrical failure.
  - Communication - a plan was not available for use by the Water and Sewer Commission, CAO, or the customers. To our knowledge, at no time did the

Commission / CAO / Operator meet to discuss the water and sewer system being down for a long duration, what assessments were needed and subsequently completed, and more importantly, any risks with startup that required amelioration.

- Water Quality - multiple concerns about water tasting very salty were brought forward by customers but investigation for possible line failure by the operator and follow-up actions by the CAO and Commission are not recorded.

2. Major Projects – The utility is currently struggling with two large infrastructure projects as listed below:

- Causeway Water line – This water line froze due to failure of the heating mechanism, causing the pipe to burst. Last year's unsuccessful repair continues to leak, with both the type of repair and the ongoing breach in the line, resulting in non-potable water on the far side of the bridge for almost 2 years. An engineering firm is currently completing a structural plan. This project is behind the timeline mandated by provincial government.
- Wharf Upgrade – This project has been ongoing for several years, with several costly redesigns, and is not yet out to tender. The implementation of the upgrade is mandated by the provincial government and complicated by the high service use at the wharf during non-winter conditions, thus problematic for scheduling any completion.

3. Due Diligence discussion by the commission

Due diligence may be defined as the care a reasonable person exercises to avoid harm to other persons or their property. In the case of the commission, it means doing your homework, identifying that there are the resources, administrative structure and supports, to provide the oversight and governance of the utility as mandated by the corporate structure of the commission. There are several aspects to this process as listed below:

- a. Legal: The commission, individual members, CAO, and the municipality all bare significant responsibility for operating a safe and well managed water and sewer utility. Our liability extends not only to the customers (residents) but also the

operator and contractors working within the system, as well as the Province of PEI and Government of Canada through various acts of legislation. The provision of water and sewer services, through a commission carries key duties, that each member actively provide oversight on risks, due diligence with ongoing projects, the state of the system as well as support and direction to the CAO.

The CAO occupies a key interface between the system, the operator, the contractors, the customers, and the commission. With this position unreliably filled in the past years, the small amount of time previously devoted to the water and sewer utility at 4 hours per week, lack of specific experience and training to manage such, has further compounded the commission and the utilities' operational difficulties.

At this point the insurance coverage provided for the members of the commission, the CAO, and the utility itself has not been assessed for either being adequate or even fit for purpose.

b. Financial (receiving good value for each dollar spent). As the utility is currently in debt and is paying for the current projects out of the Canada Community Building Fund, it is not self-funding. Further, with the many changes to the current projects, a significant amount of money has been spent on design changes with yet no work being completed.

The utility also operates without a contingency fund, relying on forward spending of the Gas Tax Fund (Canada's Community Building Fund) to cover off large capital expenses. This is really in the form of a loan that is forgiven each year. The current projects will be utilizing this important resource to the absolute maximum for many years, thus compromising any other needs within the utility and the municipality as a whole. We do not currently have the resources or expertise in place to provide management of our complex projects and we cannot ensure good value for our utility through each consultant's contracts.

c. Commercial (service to our customers). The commission lacks any standardized reporting from the operator nor feedback from residents as to their experience, to have any measures of service quality. The ability to quickly communicate with the customer base is not available, as was shown during and after the most recent weather event (Hurricane Fiona). There is currently no data held within the records to provide an update on the general state of the utility to provide the service, overall maintenance, and future system planning needs. This means we are operating within a vacuum, devoid of key processes, measurements, and information.

## Summary:

It is clear, that we do not know how to run a utility. Why it has taken so long for this to be brought forward publicly further fits into the way we communicate with the customer base as well as on council and through them to government. Thus, not surprisingly, we the current commissioners, find ourselves in the same situation as the past commission.

The Victoria Water and Sewer Commission is a poorly designed administrative and oversight structure for the most important, highest dollar value and greatest risk asset within the municipality. Without the resources, particularly the administrative and management personnel with the knowledge, skills, and training to interface with the various contractors (most importantly the operator) and navigate the legislative environment on the municipality's behalf, necessitates adopting a new way of doing business.

Key areas requiring further attention and outside advice are listed below:

- Assessment of corporate and personal liability, and subsequent insurance deficiencies and needs.
- Professional Overview of our water and sewer utility, infrastructure, state of maintenance and deficiencies, as well as the logic, integration, and ability to manage the current projects.
- Professional opinion on the performance of the operator, relationship with the municipality / past commission and recommendations with respect to the current commission / council / CAO structural abilities to manage this key relationship.
- Development of a new structure of management for delivery of water and sewer services, which is cost-effective and suitable to our municipality.
- Development of a communication and educational package for the community so they are not left in the dark, being notified on these very significant challenges and issues.

To achieve the above, pertinent levels of government need to be immediately notified and engaged by council, as we are obviously unable to manage this system from both past performances but also with our current situation and abilities. The Municipal Governance Legislation has raised the bar but did not supply the requisite support for smaller populations to achieve success. Compounding this of course is the limited

resources within our community and the establishment of a commission rather than a department within the municipality, isolating the commission while increasing the members risk and responsibility. To be clear, this is a very high-risk environment, that the current commission is unable to operate within to fulfill its mandate.

Respectfully,

Brian Clapson  
Chair