

COMMITTEE OF THE WHOLE REPORT

TO: Chair and Directors

SUBJECT: Utility Services Department Review Update

DESCRIPTION: Report from Ben Van Nostrand, General Manager, Environmental and Utility Services, dated May 21, 2025, to update the Committee on the results of the Utility Services department review.

RECOMMENDATION: THAT: the Committee of the Whole recommend to the Board of Directors to lift the moratorium on water system acquisitions subject to the Board supporting a staff request for an additional Full Time Equivalent (FTE) in the 2026 budgeting process.

BACKGROUND:

At the [June 19, 2024](#), Committee of the Whole meeting staff presented a report on the Utility Services Department (USD). The purpose of the report was to provide the Board with an overview of:

Current Service Delivery:

- The CSRD operates eleven water treatment/distribution systems; and
- The CSRD operates seven park/community hall/fire hall water systems.

CSRD Water Utility Acquisition Policy W-4:

- The CSRD's Water Utility Acquisition Policy W-4 has been an excellent policy used to guide the onboarding of new water systems but requires an update (adopted February 23, 2009)
- Overview of existing systems within the "queue".

Project and Program Deferral:

- The USD, due to a lack of resources, has deferred work related to programs such as cross-connection control work and water conservation/metering.

New Business:

- The USD was the first department to conduct a comprehensive asset management inventory.

The report proposed the following recommendations, all of which were adopted at a subsequent Board meeting on [July 18, 2024](#):

- The Board consider a moratorium on acquiring new water system until the CSRD has conducted a review of the Strategy and associated policies.
- The moratorium, if approved, be held in place until the queue is reduced to the recommended three, as outlined in Policy #7.
- Staff engage with a consultant to review department priorities and associated resources required to deliver on those priorities. In addition, the Strategy requires a review and update, with a focus on the process to onboard and queue new systems, the service delivery model, and long-term sustainability of the department.

The purpose of this report is to present an update to the Committee on the work completed by the USD and JW Infrastructure Planning Ltd (JWIP) to address the recommendations adopted by the Board at the July 18, 2024 Board meeting, including:

- Utility Services work backlog and staff resources review; and,
- Operation and Maintenance (O&M) contracting services review.

The updated Water Utility Acquisition Policy W-4 and prioritization framework will be reviewed in a separate report to the Committee of the Whole on June 5, 2025.

Utilities Work Backlog and Staff Resources Review

JWIP worked with the USD to examine the current service delivery model. The purpose of the exercise was to understand the existing pressures on the department to maintain the existing services, while also assessing the potential to provide additional services. As a result, JWIP provided the CSRD with a Memorandum entitled Utilities Work Backlog and Staff resources Review (see attached).

In summary, it is recommended that an additional Full Time Employee (FTE) be hired prior to lifting of the existing moratorium on acquiring new water systems for take over. Furthermore, the hiring of an additional FTE would enable the department to address the current backlog of work/projects and to ensure succession planning is addressed for the impending retirement of the Utility Services Manager.

Operation and Maintenance Service Review

In an effort to assess the value and risk associated with the current CSRD model of relying on contracted services to provide the Utility Services department's maintenance and operational needs for operating CSRD water treatment and distribution systems, JWIP conducted a high-level analysis of external versus internal service delivery. These efforts resulting in JWIP providing the CSRD with a Memorandum entitled O&M Services Review (see attached).

To summarize, although there appears to be minimal cost advantages to transitioning to an in-house model, the current model of contracting out does pose risks to the CSRD and it is recommended that a contingency plan be developed in the event that the CSRD is forced to transition the service in-house.

NEXT STEPS:

Working with JWIP to conduct an overview of the Utility Services overall delivery of service, along with a review and update of the CSRD's Water Utility Acquisition [Policy W-4](#), has provided the department and the CSRD in general with a better understanding of necessary recommendations to ensure long-term success and viability of the department.

The key finding is that the Utility Service Department requires added resources, in the form of an additional FTE to enable the lifting of the existing moratorium on accepting new applications for water system acquisitions. Additional staffing will also enable the department to address work backlog issues and ensure that succession planning is occurring.

As such it recommended that Committee of the Whole endorse a recommendation that staff bring forward a board report to request an additional FTE in the 2026 budgeting process.

Report Approval Details

Document Title:	2025-06-05_COW_EUS_Utilily_Services_Review.docx
Attachments:	- O_M Service Delivery Review.pdf - Utility Department Backlog and Staff Resources Review.pdf - Water System Acquisition Prioritization.pdf
Final Approval Date:	May 29, 2025

This report and all of its attachments were approved and signed as outlined below:



Jennifer Sham

No Signature - Task assigned to John MacLean was completed by assistant Jennifer Sham

John MacLean