

**DATE:** May 8, 2020

**FILE:** 5600-03/BCOB

**TO:** Chair and Director  
Black Creek-Oyster Bay Services Committee

**FROM:** Russell Dyson  
Chief Administrative Officer

Supported by Russell Dyson  
Chief Administrative Officer

*R. Dyson*

**RE: Black Creek/Oyster Bay Water Local Service Area – New Water Supply Well Project Update**

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### **Purpose**

To update the Black Creek/Oyster Bay (BCOB) Services Committee regarding the new water supply well project and the proposed path forward following receipt of correspondence for the province.

### **Recommendations from the Chief Administrative Officer:**

1. THAT the Comox Valley Regional District request the Strathcona Regional District Board enable the necessary permits to be approved to allow for the installation of the new water supply well within the Oyster River Nature Park to advance;

AND FURTHER THAT once Strathcona Regional District support for installation of the new water supply well project is received, the Comox Valley Regional District undertake an environmental flow needs assessment in parallel with installation of the new water supply well to be complete prior to March 31, 2021.

2. THAT the Comox Valley Regional District work with the Ministry of Forests, Lands, Natural Resource Operations and Rural Development to confirm the terms of reference for an environmental flow needs assessment of the Oyster River;

AND FINALLY THAT an application to the Infrastructure Planning Grant Program for an environmental flow needs assessment of the Oyster River be completed.

### **Executive Summary**

The BCOB Water System treats and distributes water from two different water sources to properties north of the Oyster River in Electoral Area D of the Strathcona Regional District (SRD) and south of the Oyster River in Puntledge – Black Creek (Electoral Area C) of the Comox Valley Regional District (CVRD), the two sources being:

- Ground water wells (two in the Oyster River Nature Park (the Park));
- An infiltration gallery in the Oyster River.

Historically, the river infiltration gallery has been the only source used in the summer, with the ground water wells reserved for the winter when the river water quality is compromised and community water consumption is lower. Over the past several years the river infiltration gallery has proved unreliable, with 2014, 2015 and 2016 being particularly bad years.

In March 2017 the CVRD received approximately \$540,000 from the Clean Water and Wastewater Fund, or 83 per cent of the total estimated cost, to install a new production well in the Park to

complement the two existing wells. The deadline for the grant funding and project completion has recently been extended by the province to March 31, 2021.

At the May 27, 2019 BCOB Services Committee a motion was passed to send a letter to the Ministry of Municipal Affairs and Housing asking for help in resolving the ambiguity in the letters patent regarding the BCOB Water System.

In early 2020 the CVRD Chief Administrative Officer (CAO), Russell Dyson, and the SRD CAO, David Leitch met with Assistant Deputy Minister of Ministry of Municipal Affairs and Housing, Tara Faganello to discuss the project.

A follow up letter from Assistant Deputy Minister Tara Faganello, attached as Appendix A, provides recommendation on collaboration between the SRD and CVRD moving forward due to the unique circumstances of the BCOB Water System. In addition, the letter proposes a path forward for the new water supply well project:

- The SRD Board will enable the necessary permits to allow the new water supply project to advance to make use of the available grant funding;
- The CVRD will initiate an environmental flow needs assessment to confirm that the third well project will not negatively impact the Oyster River.

Staff are recommending that the CVRD work with the Ministry of Forests, Lands, Natural Resource Operations and Rural Development staff on a scope for the environmental flow needs assessment, and work with the SRD staff to develop a realistic schedule towards approval of installation of the third well project. To ensure that the project can be completed by the grant funding deadline, approval by the SRD is required by mid-July 2020.

Prepared by:

***K. La Rose***

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Kris La Rose, P.Eng  
Senior Manager of  
Water/Wastewater Services

Concurrence:

***M. Rutten***

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Marc Rutten, P.Eng  
General Manager of  
Engineering Services

**Government Partners and Stakeholder Distribution (Upon Agenda Publication)**

Strathcona Regional District	✓
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Attachments: Appendix A – “Letter from Ministry of Municipal Affairs and Housing, Reference 252202”



## Appendix A

Ref: 252202

Russell Dyson, CAO  
Comox Valley Regional District  
Email: [rdyson@comoxvalleyrd.ca](mailto:rdyson@comoxvalleyrd.ca)

David Leitch, CAO  
Strathcona Regional District  
Email: [DLeitch@srd.ca](mailto:DLeitch@srd.ca)

cc: [Tom.Ethier@gov.bc.ca](mailto:Tom.Ethier@gov.bc.ca), ADM, Forests, Lands, Natural Resource Operations and Rural Development

Dear Russell Dyson and David Leitch:

Thank you for meeting with myself and ministry staff on February 3, 2020 at our Victoria offices regarding the Black Creek-Oyster Bay (BCOB) water service and Oyster River Nature Park. I apologize for the delay in my response.

I appreciate your willingness to work towards a collaborative solution to advance the construction of an additional well within the Oyster River Nature Park to provide increased water security to the BCOB service area. As we discussed, the water and park service are unique service configurations created when the Strathcona Regional District (SRD) and the Comox Valley Regional District (CVRD) were established in 2008. These configurations reflect the shared interest that residents of the SRD and the CVRD have in these services. The Provincial intent was to support the continuation of both the water and park services at service levels that meet the needs of the residents in those service areas.

To that end, the BCOB water supply security project (Project) has been funded through the Clean Water and Wastewater Fund and has a strict project completion deadline of March 31<sup>st</sup>, 2021. While the SRD has expressed concerns about the environmental impact of an additional well, the Project must commence in the near future, and make timely progress toward meeting the completion date to avoid the potential loss of funding.

At this meeting, we agreed the most productive way forward on this issue will balance the principles of adequate water supply for existing and future residents with environmental health protection of the river. We agreed that the CAO of the SRD would work with the SRD Board to enable the necessary permits to be approved to allow for the Project to advance, while at the same time the CVRD CAO would look into initiating an environmental flow needs (EFN) assessment to help support the sensitive ecology of the river system.

To the extent possible, an EFN assessment process should include all licensed users, and key stakeholders of the Oyster River and connected aquifers. The EFN of a stream/river are defined as the volume and timing of water flow required for proper functioning of the aquatic ecosystem.

Recognizing that the jurisdiction for the watershed is shared between the two regional districts, there would be value in SRD and CVRD collaborating on this initiative. It will also be important to collaborate with the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD) to achieve this objective.

As discussed, an EFN assessment is within scope for the Infrastructure Planning Grant Program (IPGP) and we anticipate receiving a grant proposal from the CVRD to assist in undertaking this work. This proposal can be directed to Brian Bedford, Director, Local Government Infrastructure and Engineering. He can be reached by phone at: 778-698-3232 or by email at: [Brian.Bedford@gov.bc.ca](mailto:Brian.Bedford@gov.bc.ca).

We also discussed our shared understanding that the water regulator (FLNRORD) has confirmed that no future water licences are anticipated to be issued for the Oyster River – for either new surface water withdrawal licenses or groundwater licenses. MAH staff, as well as FLNRORD staff, understand that the current licence does allow for the construction of the additional well, as the CVRD would still be operating within the parameters of the existing licence. Given that no additional water licences are anticipated to be issued in this area, we also discussed the unique water needs within the SRD Area D.

We agreed that additional work is required to better understand how MAH can work with the SRD to assist in addressing Area D's water service needs. To this end, we encourage SRD staff to engage directly with MAH infrastructure grant program staff to discuss the current situation in Area D and how those needs may align with up-coming infrastructure grant programs, such as the ICIP Environmental Quality Program and/or possible future intakes of the Rural and Northern Communities Program.

Sincerely,

A handwritten signature in black ink, appearing to read "T Faganello". The signature is fluid and cursive, with a large loop at the end.

Tara Faganello  
Assistant Deputy Minister  
Local Government  
Ministry of Municipal Affairs and Housing