

## ADMINISTRATIVE REPORT

**TO:** Board of Directors

**FROM:** J. Zaffino, Chief Administrative Officer

**DATE:** July 3, 2025

**RE:** **Vintage Views Wastewater and Lakeshore Waterworks Acquisition Approval**

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### **Administrative Recommendation:**

THAT the Regional District proceed with the acquisition of Lakeshore Waterworks and Vintage Views Sewer Systems with transfer of ownership set for September 29, 2025; and

THAT the Regional District approves the FTE staff requests, and necessary resources as presented by the Senior Manager of Public Works in the July 3, 2025 board report required for the acquisition of Lakeshore Waterworks, Vintage Views Wastewater System, and Skaha Estates Improvement District utilities.

### **Purpose:**

Provide the final Board approval for the acquisition of the Vintage Views Wastewater and Lakeshore Waterworks for the transfer of ownership of the two utility systems and to receive board approval for the required FTEs and resources for all three acquired utilities.

### **Strategic Priorities:**

5.3 Provide Infrastructure

### **Background & Analysis:**

On November 15th, 2022, the Regional District received expression of interest letters from Vintage Views Developments Ltd. and Lakeshore Waterworks Ltd. to sell the respective sewer system and water system to the regional district. Vintage Views Developments Ltd. and Lakeshore Waterworks Ltd. are privately held utility companies. These utilities are in Electoral Area “D” on the east side of Skaha Lake.

On December 15, 2022, the Board endorsed commencing with due diligence to complete the engineering and financial assessments for the two private utilities. Ecora Engineering & Resource Group was retained to complete the two assessments.

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The reports for Vintage Views Wastewater and Lakeshore Waterworks were completed and presented at the Environment and Infrastructure Committee on March 7, 2024. The reports are available on Regional Connections.

The reports identified several system capacity and performance deficiencies for both the water and sewer system. All these deficiencies were analyzed, and a capital plan was proposed for each system. The costs were identified and as such loan authorization bylaws became part of the referendum question for each system. The Lakeshore Waterworks system requires about \$13.5M in upgrades and the Vintage Views Wastewater requires about \$6.9M in upgrades to meet regulatory and operational requirements.

The assent voting for the Vintage Views Wastewater and Lakeshore Waterworks utilities was held on April 12, 2025. The assent voting results for both utilities received the assent of electors by large margins.

On May 8, 2025, the Board of Directors adopted the service establishment bylaws and the loan authorization bylaws for the two systems.

#### RDOS Board Final Approval

The steps listed in the Utility Acquisition Policy require one final approval by the Board of Directors to proceed with acquisition. At this time, the staffing and equipment resources will also be approved for taking on ownership and operations of these systems.

#### Transition Planning and Staffing Requirements

Transition planning for the water and wastewater system acquisition has started and key steps are moving forward for a September 29, 2025 transfer. One of the first key items for transition is to ensure staffing resources are in place. The equipment and staff positions have been determined in conjunction with the acquisition of the Skaha Estates water system providing for efficiencies.

The detailed FTE request forms are included as an attachment to this board report on Vintage Views Wastewater and Lakeshore Waterworks acquisition.

- Seven FTE request forms are included
- Public Works staff required includes 6.35 FTE
- Six new full-time positions for operations and capital work
- Additional 0.35 FTE to increase the existing 0.65 FTE Maintenance Worker to a full-time position

It is also anticipated that other departments within the RDOS will code time to these new utilities, so an estimate of \$43,000 in 2026 was included for ongoing operational type of work.

A table on the next page, which was also provided in the SEID board report, provides a summary of the positions and the timelines associated with each.

## FTE Resources and Equipment

When Required	Position	2025 Expense (with labour load + typical expenses)	2026 Expense (with labour load + typical expenses)	Truck costs – be amortized over 5 years
<b>August 2025</b>	Public Works Clerk	\$36,015	\$85,065	none
<b>August 2025</b>	System Operator II - Water	\$38,785	\$110,940	\$72,000 (\$14,400 x 5yr)
<b>August 2025</b>	System Operator II - Wastewater	\$38,785	\$110,940	\$72,000 (\$14,400 x 5yr)
<b>September 2025</b>	Engineering Technologist I	\$42,137	\$119,114	none
<b>January 2026</b>	Environmental Technician	N/A	\$123,038	\$72,000 (\$14,400 x 5yr)
<b>January 2026</b>	Project Coordinator	N/A	\$106,080	none
<b>January 2026</b>	Maintenance Worker (0.35 FTE)	N/A	\$34,115	\$72,000 (\$14,400 x 5yr)
<b>Standby and Callouts</b>		\$5,000	\$25,000	
<b>Other Depts Staff Wages</b>		\$8,000	\$43,000	
<b>TOTAL COST</b>		<b>Wages in 2025: \$168,722</b>	<b>Wages in 2026: \$747,798</b>	<b>Vehicles: \$287,900</b>

These estimated costs do not include the anticipated initial set up costs to integrate the systems into the RDOS operations, such as adding the customer accounts for utility billing. The additional costs are being tracked and will be recovered from the services separately.

For the three utilities, the 6.35 FTEs identified in Public Works will cost about \$747,798 in wages for operational and capital project work for 2026.

Four of the new Public Works positions require vehicles and equipment, such as vehicles. Based on recent purchases, the vehicle expense is estimated at \$287,900.

All the costs are recovered through user fees from customers of the utilities.

### Financial Implications:

Financial implications have been considered, and draft budgets have been prepared for the utilities. The acquisition of the Vintage Views Wastewater and Lakeshore Waterworks systems along with Skaha Estates water system requires additional Public Works staff. These systems, like all the other utilities owned and operated by the RDOS, are solely paid for by the users of the service.

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**Communication Strategy:**

As information becomes available for residents and as the transition progresses, information will be posted on RDOS web and social media channels, sent to local media via email, published on a dedicated project page on the RDOS Regional Connections interactive website, and distributed via Voyent Alert! notifications. Posters will be prepared and made available for display on social media and community notice boards as required. A newsletter is proposed at the time ownership transfers to the RDOS to all the customers.

**Alternatives:**

The Board could reject the acquisition of the Vintage Views Wastewater and Lakeshore Waterworks systems and provide new direction to staff.

Will a PowerPoint presentation be presented at the meeting?      No

**Respectfully submitted:**

Liisa Bloomfield

L. Bloomfield, Senior Manager of Public Works

**Endorsed by:**

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A. Fillion, Managing Director, Development and Infrastructure Services