



**REGIONAL DISTRICT OF CENTRAL KOOTENAY**

**BALFOUR WATER SERVICE  
COMMUNITY ADVISORY COMMITTEE  
DISCUSSION OUTLINE & NOTES**

**Time:** 1:00 pm PST  
**Date:** January 17, 2025  
**Location:** Hybrid Model – Zoom & RDCK Boardroom

**Join Zoom Meeting**

<https://rdck-bc-ca.zoom.us/j/96329776734?pwd=Q6Z6aQVN1FhemrF5vwJa69BXHzFcM6.1&from=addon>

**Meeting ID:** 963 2977 6734

**Passcode:** 825931

**Dial by your location**

- 833 955 1088 Canada Toll-free

**COMMITTEE MEMBERS**

Committee Member B. Kinnear  
Committee Member B. Gray  
Committee Member R. Van Housen  
Committee Member D. Lailey  
Committee Member K. Hanley  
Director C. Graham, Ex-officio

**COMMITTEE MEMBERS ABSENT**

**STAFF**

Uli Wolf  
Chris Gainham  
Alex Divlakovski

GM of Environmental Services  
Utility Services Manager  
Water Operations Manager

**1. WELCOME AND INTRODUCTIONS**

**2. STAFF REPORTS**

**2.1 Filtration Deferral Report**

The Committee Report dated January 15, 2025 from Alex Divlakovski, Water Operations Manager, re: Interior Health Filtration Deferral, has been received.

**2.2 Capital Plan**

Staff will provide a verbal report on the Capital Plan.

**2.3 Operations and Maintenance Update**

Staff will provide a verbal update on Operations and Maintenance.

**3. 2024-2028 FINANCIAL PLAN REVIEW**

A copy of the 2024-2028 Financial Plan for Service S255 Water Utility – Area E (Balfour) is provided.

**4. 2025 DRAFT BALFOUR WATER SERVICE BUDGET**

A copy of the 2025 Draft Financial Plan for Service S255 Water Utility – Area E (Balfour) is provided.

**5. NEXT ASSEMBLY**

The next assembly of Balfour Water Services Community Advisory Committee will be scheduled in accordance with Section of 9 (1) of the RDCK Drainage, Water and Wastewater System Community Advisory Committee Bylaw No. 2858.



# Committee Report

**Date of Report:** January 15, 2025  
**Date & Type of Meeting:** January 17, 2025 Balfour Water Service Community Advisory Committee  
**Author:** Alex Divlakovski, Water Operations Manager  
**Subject:** INTERIOR HEALTH FILTRATION EXEMPTION  
**File:** 01-0515-20  
**Electoral Area/Municipality:** Area E

## SECTION 1: EXECUTIVE SUMMARY

The purpose of this report is to summarize the correspondence presented to Water Operations staff from Interior Health and the Provincial Health Authority with regard to the filtration exemption requirements for Balfour water system.

## SECTION 2: BACKGROUND/ANALYSIS

The Balfour water treatment facility employs pre-chlorination, sand filtration, 5-micron nominal cartridge filters, UV disinfection and chemical disinfection. Under the original Interior Health (IH) Construction Permit, the treatment system included 1-micron absolute cartridge filters to satisfy the 2 treatment processes for surface water under the 4-3-2-1-0 Drinking Water Objectives. Because Balfour is supplied by a surface water source, one of the treatment processes must be accredited filtration (i.e. assigned log reduction credits).

In 2012, water operators noted extremely quick fouling of the 1-micron filters due to spring turnover and (assumed) diatom concentration. The 1-micron filters were replaced with 5-micron filters as the continued use of the 1-micron filters was not financially sustainable for the system. This was communicated to the Environmental Health Officer at the time, and the Balfour water system continued to operate under IH issued Operating Permits.

The Balfour water system completes 5 bacteriological sample testing per month, 2 chlorination disinfection byproduct sample testing per year, and comprehensive chemistry analysis every 4 years. There have been no exceedances since testing was completed under the RDCK (approximately 12 years).

Water Operations staff met with the Environmental Health Officer (EHO) in September 2022 to discuss the Balfour water treatment system. The EHO reiterated that the system received permission to operate without the use of 1-micron absolute filters with the understanding that they must apply for exclusion of filtration. One of the requirements for filtration exemption identified by the EHO that Balfour currently does not address is: number of E. coli in raw water does not exceed 20/100 mL (or if E. coli data are not available less than 100/100 mL of total coliform) in at least 90% of the weekly samples from the previous six months. The EHO followed up this requirement with the written statement *"I understand the bacteriological sampling of raw water at the pump house could be challenging due to current set up. Alternatively, raw water sampling could be considered from other intakes at the Kootenay Lake (owned by RDCK) or from the lake directly as long as the RDCK can support the sampled water is representative of water quality at the Balfour intake"*. Staff has since attempted

twice to confirm with the EHO that Woodbury Village would be an acceptable proxy for Balfour. No response to this request has been received to date.

In November 2024, the EHO provided the following comment to the Water Operations staff: *“The feedback that we received from the provincial Engineering team was that the water systems like Balfour, do not meet the provincial treatment objectives as they are not benefited from pathogen reducing/removing accredited filtration unless they demonstrate filtration exclusion. Furthermore, the team indicated that water post Nextsand filters cannot be used to demonstrate the criteria for filtration exclusion. This would basically make systems like Balfour “Not in compliance” with the provincial treatment objective requirements”.*

Water Operations staff have responded with a request to meet with IH staff, including the Medical Health Officer, to discuss the IH’s reasoning to disregard years of water quality data, that supports treatment effectiveness in favor of a single testing parameter that is not currently met, nor any flexibility to collect samples from a different location. No response to this request has been received to date.

The current Interior Health Permit to Operate (#0210655) under decal no. 3415 expires March 31, 2025. Under the advisement of the Province, IH will not be able to reissue a valid Operating Permit. Staff will continue to seek a meeting with the EHO in order to understand reasoning and potentially achieve a compromise on this matter.

### SECTION 3: DETAILED ANALYSIS

#### 3.1 Financial Considerations – Cost and Resource Allocations:

Included in Financial Plan:  Yes  No      Financial Plan Amendment:  Yes  No  
Debt Bylaw Required:  Yes  No      Public/Gov’t Approvals Required:  Yes  No

n/a

#### 3.2 Legislative Considerations (Applicable Policies and/or Bylaws):

Drinking Water Officers’ Guide 2024 – Part B: Section 15

#### 3.3 Environmental Considerations

n/a

#### 3.4 Social Considerations:

n/a

#### 3.5 Economic Considerations:

Increased costs to the Balfour water system users should filtration be required through construction of a different treatment component or reinstatement of 1-micron filters.

#### 3.6 Communication Considerations:

n/a

#### 3.7 Staffing/Departmental Workplace Considerations:

n/a

#### 3.8 Board Strategic Plan/Priorities Considerations:

n/a

## **SECTION 4: OPTIONS & PROS / CONS**

N/A: for information only

## **SECTION 5: RECOMMENDATIONS**

N/A: for information only

Respectfully submitted,



Alex Divlakovski - Water Operations Manager

## **CONCURRENCE**

General Manager of Environmental Services – Uli Wolf

### **ATTACHMENTS:**

none

**S255 Water Utility-Area E (Balfour)**

**INCOME**

Account	Description	2023 Final	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
41015	Parcel Taxes	101,088	100,380	112,401	118,021	123,922	130,119	135,324
42025	Sale of Services - Specified	83,073	48,000	0	0	0	0	0
42030	User Fees	272,317	286,726	319,649	361,254	416,626	462,397	495,432
42040	Rental Income	5,411	5,411	5,519	5,630	5,742	5,857	5,974
43020	Grants	95,469	95,469	0	0	0	0	0
43030	Community Works Grants (Internal)	150,000	150,000	0	0	0	0	0
43100	Proceeds from Borrowing	0	100,000	100,000	0	0	0	0
44020	Investment Income & Interest	11,865	0	0	0	0	0	0
45000	Transfer from Reserves	544,400	544,400	229,162	75,000	500,000	400,000	0
45500	Transfer from Other Service	1,344	1,447	2,320	2,552	2,833	3,117	3,304
49100	Prior Year Surplus	-62,100	-123,392	-298,728	0	0	0	0
<b>Total Income</b>		<b>1,202,867</b>	<b>1,208,441</b>	<b>470,323</b>	<b>562,457</b>	<b>1,049,123</b>	<b>1,001,490</b>	<b>640,034</b>

**EXPENSES**

Account	Description	2023 Final	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
51010	Salaries	33,089	40,137	42,378	39,913	40,711	41,525	42,356
51020	Overtime	245	2,207	2,344	2,438	2,487	2,536	2,587
51030	Benefits	6,762	10,436	11,018	10,377	10,585	10,797	11,012
51050	Employee Health & Safety	0	312	331	345	351	359	366
51500	Directors - Allowance & Stipend	606	504	644	669	683	696	710
52010	Travel	0	55	59	61	62	63	65
52030	Memberships, Dues & Subscriptions	400	416	442	459	469	478	488
53020	Admin, Office Supplies & Postage	0	208	221	230	234	239	244
53030	Communication	1,851	2,028	2,154	2,240	2,285	2,330	2,377
53050	Insurance	4,564	3,746	4,847	5,041	5,142	5,244	5,349
53080	Licence & Permits	576	1,134	612	636	649	662	675
54030	Contracted Services	14,078	12,510	15,486	15,549	15,860	16,177	16,501
55010	Repairs & Maintenance	21,408	4,501	6,580	4,971	5,071	5,172	5,276
55020	Operating Supplies	4,121	8,421	4,377	4,552	4,643	4,736	4,830
55025	Chemicals	7,229	6,790	7,211	7,500	7,650	7,803	7,959
55030	Equipment	0	1,125	1,195	1,243	1,268	1,293	1,319
55040	Utilities	17,883	19,760	18,992	19,751	20,146	20,549	20,960
55060	Rentals	0	389	413	430	438	447	456
56010	Debenture Interest	5,308	5,308	5,308	5,308	5,308	5,308	5,308
56020	Debenture Principal	18,800	18,800	18,800	18,800	18,800	18,800	18,800
59000	Contribution to Reserve	278,196	206,330	178,447	245,975	303,063	350,768	384,652
59500	Transfer to Other Service	36,331	32,475	24,558	24,107	24,819	25,542	26,178
59510	Transfer to Other Service - General Admin. Fee	16,833	16,833	16,403	17,059	17,400	17,748	18,103
59520	Transfer to Other Service - IT Fee	5,516	5,516	4,870	5,065	5,166	5,269	5,375
59550	Transfer to Other Service - Environmental Services Fee	49,560	49,560	52,633	54,738	55,833	56,949	58,088
60000	Capital Expenditures	926,282	758,940	50,000	75,000	500,000	400,000	0
<b>Total Expenses</b>		<b>1,449,637</b>	<b>1,208,441</b>	<b>470,323</b>	<b>562,457</b>	<b>1,049,123</b>	<b>1,001,490</b>	<b>640,034</b>

<b>Total Service</b>	<b>-246,770</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
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**RESERVE BALANCES**

Opening Balance	407,709		141,505	90,790	261,765	64,828	15,596
Net change for the year	-266,204		-50,715	170,975	-196,937	-49,232	384,652
<b>Total Reserve for Service</b>	<b>141,505</b>		<b>90,790</b>	<b>261,765</b>	<b>64,828</b>	<b>15,596</b>	<b>400,248</b>

SYSTEM INFORMATION AND RATES

	No.	2024	2025	2026	2027	2028	2029
Regional District Owned Non-Revenue Meters	3						
Metered Connected Accounts	266						
Unconnected Accounts	45						
Queens Bay Resort Capital Reserve Fund Contribution	58						
Service Charge Revenue Required % Increase		13.5%	10.0%	8.0%	7.0%	5.0%	3.0%
- 3/4" Meter Base Charge (quarterly)	255	177.74	195.52	211.16	225.94	237.23	244.35
- 1" Meter Base Charge (quarterly)	3	220.64	242.71	262.13	280.47	294.50	303.33
- 1 1/2" Meter Base Charge (quarterly)	1	277.03	304.73	329.11	352.15	369.76	380.85
- 2" Meter Base Charge (quarterly)	4	345.68	380.24	410.66	439.41	461.38	475.22
- First Block Up to 100 cubic meters		1.42	1.56	1.68	1.80	1.89	1.95
- Second Block Over 100 cubic meters		2.12	2.34	2.52	2.70	2.84	2.92
- Unmetered Building Construction		991.40	1,090.54	1,177.79	1,260.23	1,323.24	1,362.94
- Not for Profit (2/3 First Block)		0.94	1.04	1.12	1.20	1.26	1.30
M-BAL-METERED CONSUMPTION	262						
M-BAL-NON-PROFIT METERED CONSUMPTION	2						
Parcel Tax % Increase		5%	5%	5%	5%	5%	5%
Parcel Tax	305	369	387	406	427	448	470

	No.	2024	2025	2026	2027	2028	2029
<b>Potential Development Revenue</b>							
<b>Sumac Phase I &amp; II</b>							
Total Parcels							
Total New Accounts Following Building		3	6	9	12	15	18
Potential Consumption Per Lot Per Year (m3)							
Total Number of Parcel Taxes Added	400	17	17	17	17	17	17
Parcel Tax Revue		6,265	6,578	6,907	7,253	7,615	7,996
Meter Based Charges		4,148	4,692	7,602	10,845	14,234	17,593
Volumetric Charge		779	857	925	990	1,040	1,071
Total Parcel Tax & User Fees		11,192	12,127	15,434	19,088	22,889	26,660
<b>Potential Queens Bay Resort Revenue</b>							
No of Units (Phase I, II, III)	26			38			
Total Potential Capital Reserve Fund Contribution Units		58	58	96	96	96	96
Assumed consumption per unit (m3)	60						
Assumed units using water		25	30	30	35	40	40
Potential Capital Reserve Fund Contribution Rate (Half the Parcel Tax)		184	290	305	320	336	353
Capital Infrastructure Charges	39,000			0			
Potential Capital Reserve Fund Contribution		10,687	16,833	29,254	30,717	32,252	33,865
Potential Additional Volumetric Charge		57	62	67	72	76	78
Total User Fees		10,744	16,895	29,321	30,789	32,328	33,943
Total cost per resort owner		185	291	305	321	337	354

REVENUE

Account	2021	2022	2023	Average	2024 Budget	2024 YTD Actual	2024 Est Year End	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget
41015 Parcel Taxes	97,227	100,386	101,088	99,567	106,136	112,545	112,545	118,021	123,922	130,119	136,625	143,456
41015 - Additional Sumac Parcel Taxes					6,265			6,578	6,907	7,253	7,615	7,996
42020 Sale of Services	5,979	23,652		14,815		20,439	20,439					
42025 Sale of Services - Specified	7,500	93,000	83,073	61,191	0	20,439	20,439	0	0	0	0	0
42030 User Fees	240,647	244,375	217,822	234,281	303,978	133,001	319,649	351,614	379,743	406,325	426,641	439,441
42030 - Additional Sumac					4,927			5,549	8,527	11,835	15,274	18,664
42030 - Additional Queens Bay Resort					10,744			16,895	29,321	30,789	32,328	33,943
42040 Rental Income	5,201	5,305	5,411	5,305	5,519	4,301	5,519	5,630	5,742	5,857	5,974	6,094
43020 Grants			95,469	95,469								
43025 Grants - Specified		88,009		88,009								
43030 Community Works Grant			0	0								
43100 Proceeds from Borrowing			0	0	100,000	0	0	50,000				
43505 External Contributions & Contracts - Specified												
45000 Transfer from Reserves	5,116	25,643	0	10,253	229,162	0	229,162	302,500	0	400,000	500,000	0
45000 - Funding for old capital project accounting issue												
45500 Transfer from Other Service	1,024	1,190	1,344	1,186	2,320	736	2,320	2,552	2,756	2,949	3,097	3,189
49100 Prior Year Surplus	73,291	43,124	(62,100)	18,105	(298,728)	(246,508)	(246,508)	(5,033)	0	0	0	0
Revenue	435,985	624,683	442,107	628,182	470,323	24,514	443,126	854,306	556,919	995,126	1,127,553	652,782
								7.5%	5.0%	5.0%	5.0%	5.0%
								1.0%	2.7%	2%	2%	2%

OPERATING EXPENSES

Account	2021	2022	2023	Average	2024 Budget	2024 YTD Actual	2024 Est Year End	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget
51010 Salaries	33,237	34,614	33,089	33,647	38,378	24,195	32,260	38,761	39,149	40,206	41,010	41,830
51010 - leak detection					2,000		0			0	0	0
51010 - CAP support					2,000		0			2,000		
51020 Overtime	1,091	684	245	673	2,344	0	0	680	687	705	719	734
51030 Benefits	5,508	6,200	6,762	6,157	9,978	5,109	7,664	10,078	10,179	10,454	10,663	10,876
51030 - leak detection					520		0			0	0	0
51030 - CAP support					520		0			520		
51050 Employee Health & Safety	254	16	0	90	331	0	0	340	344	353	360	367
51500 Directors - Allowance & Stipend	0	483	606	363	644	538	587	661	668	686	699	713
52010 Travel	0	0	0	0	59		0	60	61	62	64	65
52030 Memberships, Dues & Subscriptions	0	400	400	267	442	400	436	454	458	471	480	490
53020 Admin, Office Supplies & Postage	98	71	0	56	221	0	0	58	58	60	61	62
53030 Communication	1,563	1,950	1,720	1,744	2,154	2,200	2,400	2,212	2,234	2,294	2,340	2,387
53040 Advertising	0	0	0	0	0	0	0	0	0	0	0	0
53050 Insurance	3,463	4,580	4,564	4,202	4,847	4,266	4,654	4,978	5,028	5,163	5,267	5,372
53080 Licence & Permits	1,048	451	576	692	612	408	445	628	635	652	665	678
54020 Professional Fees / Audit - Professional Fees	0	0	0	0	0	0	0	0	0	0	0	0
54030 Contracted Services	14,689	28,235	14,078	19,001	14,951	30,807	33,608	26,304	26,567	27,285	27,830	28,387
54030 - Invasive Plant Management					535		0	841	858	881	898	916
54030 - Intake inspection							0				5,000	
54040 Consulting Fees	0	0	0	0	0	0	0	0	0	0	0	0
55010 Repairs & Maintenance	11,995	25,478	21,408	19,627	4,780	8,424	9,190	14,000	14,140	14,522	14,812	15,108
55010 - Sampling Station					1,800		0					
55010 - Valve farm consolidation							0	5,000				
55020 Operating Supplies	10,530	8,097	4,121	7,583	4,377	3,428	4,114	4,495	4,540	4,662	4,756	4,851
55025 Chemicals	4,062	6,359	7,229	5,884	7,211	5,484	6,581	7,406	7,480	7,682	7,836	7,992
55030 Equipment	31	39	0	24	1,195	0	0	500	505	519	529	540
55040 Utilities	18,778	18,071	17,883	18,244	18,992	17,136	20,563	22,114	23,219	24,380	25,599	26,879
55060 Rentals	0	374	0	125	413		0	424	428	440	449	458
Operating Expenses	106,349	136,101	112,681	118,377	119,302	102,395	122,501	142,513	137,236	141,476	150,037	148,705

CAPITAL EXPENSES

Account	2021	2022	2023	Average	2024 Budget	2024 YTD Actual	2024 Est Year End	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget
600C1074-BAL W-2021-Water Line Replacements			940	940								
600C1076-BAL W-2024-Water Line Replacements (upper Bal PN19)								250,000				
600C1437-BAL W - Secondary Water Source					50,000	19,495	24,637	90,000				
600C1200-BAL W - 2025 Distribution Upgrades (HWY 3A)			13,520	13,520						400,000	500,000	
Capital Expenses	0	0	926,282	14,460	50,000	19,495	24,637	340,000	0	400,000	500,000	0

NON-OPERATING EXPENSES

Account	2021	2022	2023	Average	2024 Budget	2024 YTD Actual	2024 Est Year End	2025 Budget	2026 Budget	2027 Budget	2028 Budget	2029 Budget
56010 Debenture Interest (MFA152 - Renewes 2031)	3,996	5,308	3,999	4,434	5,308	1,345	5,308	5,308	5,308	5,308	5,308	5,308
56020 Debenture Principal (MFA152 - Renewes 2031)	18,800	18,800	18,800	18,800	18,800		18,800	18,800	18,800	18,800	18,800	18,800
56110 Short-Term Financing Interest	803	790		797				0	2,000	0	0	0
56120 Short-Term Financing Principal	47,471	47,471		47,471				0	50,000	0	0	0
56120 Short-Term Financing Interest 2023					0			0	0	0	0	0
56120 Short-Term Financing Principal 2023					0			0	0	0	0	0
59000 Contribution to Reserve	80,124	288,671	206,330	191,709	178,450	178,447	178,450	229,561	234,208	305,883	324,517	379,831
59000 - QBR CIC Fees												
59000 - Other CIC Fees												
59500 Transfer to Other Service	13,987	23,932	26,061	21,326	24,558	503	24,558					