



REGIONAL  
DISTRICT  
OF NANAIMO

**NANOOSE BAY PENINSULA WATER SERVICE AREA RESERVOIR IMPROVEMENT PROJECT –  
ALTERNATE APPROVAL PROCESS RESULTS AND BYLAW NO. 1911**

**RECOMMENDATIONS**

1. That the Board receive for information the Corporate Officer's Certification indicating that sufficient opposition to the 2024 Nanoose Bay Peninsula Water Service Area Alternate Approval Process has been received.
2. That "Nanoose Bay Peninsula Water Service Area Reservoir Improvement Loan Authorization Bylaw No. 1911, 2024" be abandoned.

**BACKGROUND**

On May 14, 2024, the Regional District of Nanaimo (RDN) Board passed the following resolution:

No. 24-246 *It was moved and seconded that "Nanoose Bay Peninsula Water Service Area Reservoir Improvement Loan Authorization Bylaw No. 1911, 2024", be introduced and read three times and forwarded to the Inspector of Municipalities for approval.*

As noted above, the Board gave three readings to a loan authorization bylaw in May 2024 in advance of seeking elector approval to borrow money from the Municipal Finance Authority (MFA) for a reservoir improvement project (the Project) in Nanoose Bay. The intention was to tender the Project for construction immediately, had elector approval been attained.

In brief, the Project consisted of renewing the Arbutus Reservoir, which is at the end of its useful life, and constructing a new (additional) reservoir on Notch Hill for water supply resiliency and long-term growth. An engagement process was undertaken in July and August 2024 with the electors in the Nanoose Bay Peninsula Water Service Area, (NBPWSA), and an Alternate Approval Process (AAP) was undertaken which closed on September 16, 2024. Following the close of the AAP, elector response forms were tallied by the RDN's Corporate Officer. Please see Attachment No. 1 at the end of this report for the *Corporate Officer's Certification* indicating that sufficient opposition was received in the AAP, which means the RDN did not receive elector approval to borrow funds on their behalf to undertake the Project.

The *Local Government Act* indicates that a referendum may be held for elector assent (referendum) after failing to achieve elector approval with an AAP. Given the expense of holding a referendum and the obvious opposition to the project in its current form, staff do not recommend that alternative.

Since the Project can not proceed as planned, staff recommend that the loan authorization bylaw be abandoned.

## **FINANCIAL IMPLICATIONS**

This project would have been funded by a portion of the residents in Electoral Area E; those who are part of the NBPWSA.

The Project engagement, advertising, and AAP costs to date in 2024 comes to \$2,999. \$10,000 was allocated for these items in the 2024 NBPWSA operating budget.

There are no direct financial implications to NBPWSA property owners as a result of the abandonment of this loan authorization bylaw. Alternate means of funding the necessary infrastructure that was the subject of this borrowing will be identified as part of the 2025-2029 Financial Plan.

## **STRATEGIC PLAN ALIGNMENT**

Planning and Managing for Growth - Understand and develop an inter-connected framework of strategies and plans to manage growth to support complete communities, including planning, transportation, infrastructure, and fiscal sustainability.

Planning and Managing for Growth - Complete our Asset Management program to ensure physical and natural assets across the region are optimally managed.

## **REVIEWED BY:**

- J. Hill, Manager, Legislative Services
- T. Moore, Chief Financial Officer
- M. Walters, Manager, Water Services and A/General Manager, RCU
- D. Holmes, Chief Administrative Officer

## **ATTACHMENT**

Corporate Officer's Certification of Nanoose Bay AAP results

**REGIONAL DISTRICT OF NANAIMO**

**ALTERNATIVE APPROVAL PROCESS  
CORPORATE OFFICER’S CERTIFICATION**

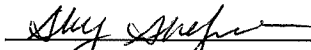
**Alternative Approval Process to authorize the borrowing of the estimated cost of water storage reservoir improvements in the Nanoose Bay Peninsula Water Service Area**

I, the undersigned Deputy Corporate Officer, as the deputy to the person assigned responsibility for corporate administration under section 236 of the *Local Government Act*, certify the results of the alternative approval process that was conducted to obtain approval of the electors for “Nanoose Bay Peninsula Water Service Area Reservoir Improvement Loan Authorization Bylaw No. 1911, 2024” as follows:

Estimated number of eligible electors in the Service Area:	5,381
Number of elector response forms submitted by the deadline	1,252
Number of elector response forms rejected	26
Number of elector response forms accepted	1226
Percentage of estimated electors who validly submitted elector response forms	22.8%

and in accordance with section 86 of the *Community Charter*, approval of the electors was not obtained.

DATED at Nanaimo, British Columbia )  
this 6th day of November, 2024 )

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) Sky Spelgrove, Deputy Corporate Officer