

**METRO VANCOUVER REGIONAL DISTRICT
COUNCIL OF COUNCILS**

Saturday, April 25, 2026

ON TABLE

1. Presentation re: Board Governance Update and Engagement
2. Presentation re: Budget and Financial Update
3. Presentation re: Iona Island Wastewater Treatment Plant Update



1

A large, curved photograph showing a meeting room with several people seated around a long, curved table. The room has a modern design with wood paneling and large windows. The photo is set against a blue background with white geometric line patterns. Below the photo is a green horizontal bar, and at the bottom is a dark blue section with white text.

Metro Vancouver Board Governance Review
EXPLORING CHANGES TO BOARD SIZE AND STRUCTURE

Lisa Dominato
Chair, Metro Vancouver Governance Committee

Heather McNell
Deputy CAO, Policy and Planning

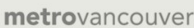
Council of Councils, April 25, 2026

metrovancouver

2

OBJECTIVES

- Update on the implementation of Board Governance Review recommendations
- Kick off engagement activities planned for May / June on potential board size and structure changes
- Hear from you on options for size and structure of Metro Vancouver boards
- Provide information about other opportunities to provide input


3

3

METRO VANCOUVER BOARD GOVERNANCE REVIEW

- Completed by Deloitte Canada in May 2025
- Concluded that: Regional district model has been successful for decades; Metro Vancouver is a leader in infrastructure delivery and regional planning
- Included **47 recommendations** to improve governance
- First step was creation of a Governance Committee in June 2025 to guide consideration of the recommendations
- **20 of 47 recommendations completed and +14 underway**



Overall progress
 47 Total, 7 Ongoing, 13 Complete, 14 Underway, 3 In Work Plan, 10 Pending

Progress by section

Section	Complete	Ongoing	Underway	In Work Plan	Pending
Culture and Behaviour	10	5	10	10	12
Information Provided to Boards and Comm.	10	5	10	10	12
Board and Committee Remuneration	10	5	10	10	12
Policies and Processes	10	5	10	10	12
Roles and Competencies of Board and Com.	10	5	10	10	12
Strategic Planning and Risk Management	10	5	10	10	12
Structure of Board and Committees	10	5	10	10	12

Supporting the HVRC Boards' consideration and implementation of the reviewer's recommendations is part of the terms of reference of Metro Vancouver's Governance Committee, and the relevant Metro Vancouver Boards will make decisions on the recommendations.

Legend:
 Ongoing: The recommendation is being implemented and is ongoing
 Complete: The recommendation has been implemented
 Underway: The action has been considered and is being implemented
 In Work Plan: The recommendation is included in the Governance Committee's Work Plan and will be assessed by the committee and the applicable boards for relevance and potential implementation
 Pending: The recommendation is expected to be considered in the future

Note: Text of the recommendations below has been adapted from the report to reflect which of the four Metro Vancouver boards the recommendation applies to. The Metro Vancouver Regional District Board has oversight of all standing committees and remuneration.


4

4

METRO VANCOUVER BOARD GOVERNANCE REVIEW

Size & Structure of the Boards

- Review recommended size and structure for the Boards could be optimized
- This is one of the 47 recommendations
- Options today were provided in Deloitte’s report
- Today will seek input on options for:
 - Metro Vancouver Regional District (MVRD)
 - Metro Vancouver Housing Corporation (MVHC)
 - Greater Vancouver Sewerage & Drainage District (GVS&DD)
 - Greater Vancouver Water District (GVWD)
- This is just the first opportunity for input

metrovancouver
5

5

OVERVIEW OF METRO VANCOUVER’S FOUR BOARDS

	Metro Vancouver Regional District (MVRD)	Greater Vancouver Water District (GVWD)	Greater Vancouver Sewerage & Drainage District (GVS&DD)	Metro Vancouver Housing Corporation (MVHC)
# of Directors	41	38	37	41
Elected	Y	Y	Y	Y
Member Jurisdictions	Full region (23)	Water-serving (20)	Wastewater/solid-waste (19)	Full region (23)
Operating Budget (\$)	\$133M	\$450M	\$926M	\$62M
Capital Cash Flow (\$)	\$48M (Parks)	\$488M	\$1,027M	\$207M
Information Flow*	Board meeting freq: monthly Agenda load: high	Board meeting freq: monthly Agenda load: mod-high	Board meeting freq: monthly Agenda load: high	Board meeting freq: monthly Agenda load: low-mod
Decision-Making Complexity	Moderate-High — broad regional scope; multi-service decisions	High — deep technical requirements; large projects and budgets	Very High — deep technical requirements; largest budgets; four sewerage areas	Low-Moderate — focused mandate; smaller capital footprint
Transparency	Publicly available meeting agendas and minutes, and the public is allowed to attend meetings in person (except for legally closed sessions)			

*Note: There are currently 15 Metro Vancouver Standing Committees addressing various topics, including a few that provide broader oversight in areas such as Performance and Audit, Mayors, Caucus of Committee Chairs and Governance

metrovancouver
6

6

EVALUATION CRITERIA

Governance Effectiveness	<ul style="list-style-type: none"> Improved decision-making efficiency & effectiveness Trusted oversight, collaboration, and strategic alignment Operates effectively without unnecessary structural or administrative burden Effectively identify and respond to risks Reinforce clear decision-making accountability
Size / Scalability	<ul style="list-style-type: none"> Board size and scalability align with mandate and complexity
Member Jurisdiction Representation and Impact	<ul style="list-style-type: none"> Member jurisdiction representation for services provided Fairness and equity; Support the broader provision of regional services Proportional representation of the population served
Broader Stakeholder Impact	<ul style="list-style-type: none"> Support the broader provision of regional services to the public Accountability and transparency; Public trust and expectations
Transition Readiness	<ul style="list-style-type: none"> Readiness and ease of implementation Requirement to adjust enabling legislation. Timing and ease of legal structure change and impacts on funding, programs and projects Impact on bylaws, policies, board meeting logistics, remuneration and other operational practicalities

metrovancover7

7

SHARE BACK

Menti.com


Phone

Desktop

metrovancover8

8

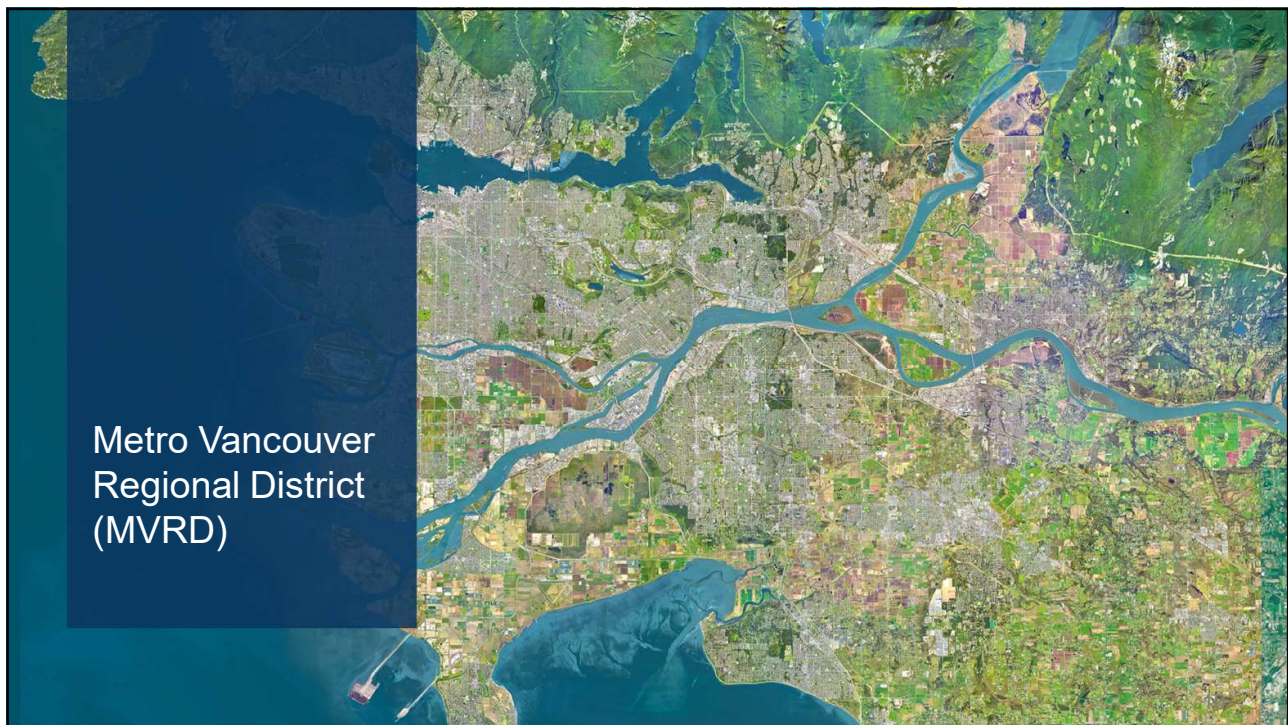
MENTI METER TEST QUESTION



Question:
How many member jurisdictions are part of Metro Vancouver?

metrovancouver 9

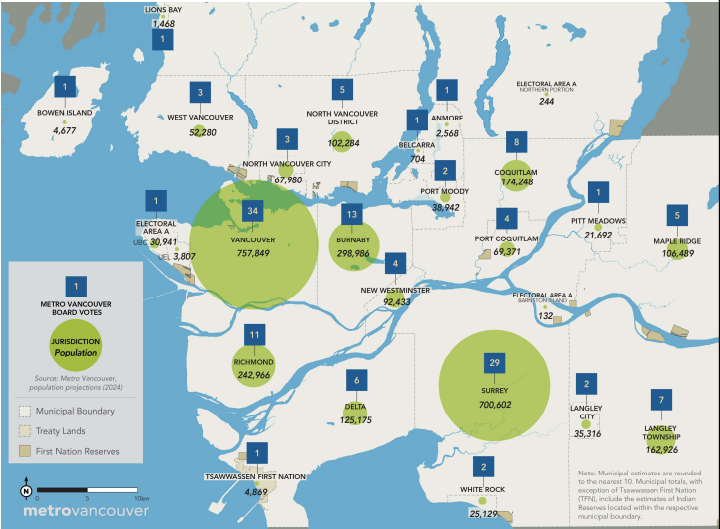
9



10

STATUS QUO / CURRENT MODEL

- 41 directors
- Board grows every census period: **45 in 2027, 52 in 2032**
- Proportional representation
- One vote for every 20,000 residents; up to 5 votes per director
- Most members have 1 director; the largest municipalities have a range of 2-7



1 METRO VANCOUVER BOARD VOTES

JURISDICTION

POPULATION

Source: Metro Vancouver, population projections (2024)

Municipal Boundary

Treaty Lands

First Nation Reserves

metrovancouver

11

11

MVRD BOARD: PROBLEM STATEMENT


- Mixed opinions on whether 41 is too large, agreement that the growth trajectory is unsustainable
- Challenge to balance intent for all jurisdictions to have a voice at the table with different expectations around collaboration for larger and smaller jurisdictions
- Decision making, such as the tendency to revisit controversial decisions
- Some feel that there is duplication between committees where the 'heavy lifting' is done and the Board
- Size of agenda packages

metrovancouver

12

12

MENTIMETER QUESTION




To what extent do you think changes to board size and structure would improve how the MVRD Board makes decisions and governs its services?

- A great deal
- Somewhat
- Not very much
- Not at all
- Not sure

metrovancover 13

13

MENTIMETER QUESTION



How important is it to you that your Council members collaborate and coordinate with other Councils at the MVRD Board to deliver regional services?

- Very important
- Somewhat important
- Not important
- I'm not sure

metrovancover 14

14

MVRD Board 5 Options

Start with MVRD because all other boards currently use same format as MVRD

Option 1: Status quo / Current model

Option 2: One director per member jurisdiction

Option 3: Cap number of directors at 3 / member jurisdiction

Option 4: Population threshold per vote of 25,000 (up from 20,000)

Option 5: Each director has up to 7 votes (from 5)

metrovancover
15

15

MVRD BOARD: OVERVIEW OF OPTIONS

Option	Option	Board Size	Considerations
2	One director per member jurisdiction	23	<ul style="list-style-type: none"> Could support more efficient decision making and more strategic focus, but limit diversity of perspectives No change in process for choosing directors; no change to number of votes Harder to implement: requires legislative change
3.	Cap the number of directors at 3 per member jurisdiction	34	<ul style="list-style-type: none"> Support more efficient decision making and strategic focus and support collaborative dialogue More consistent number of directors for larger municipalities; smaller jurisdictions not impacted Only impacts Vancouver and Surrey; no change to number of votes, just fewer Directors Board will grow more slowly Harder to implement: requires legislative change
4.	Change threshold per vote to 25,000 residents (from 20,000)	36	<ul style="list-style-type: none"> One vote at the MVRD Board for every 25,000 residents instead of 20,000 Changes number of votes for communities close to the threshold / only option that does Board will grow more slowly Can be achieved through provincial Order in Council; no legislative change needed
5.	Each director has up to 7 votes (instead of 5)	34	<ul style="list-style-type: none"> One director for every 140,000 residents instead of every 100,000 Could support more efficient decision making and more strategic focus Impacts communities close to the threshold; no impact on those smaller than 100,000 residents Board will grow more slowly Can be achieved through provincial Order in Council; no legislative change needed

metrovancover
16

16

IMPACT OF EACH OPTION ON NUMBER OF VOTES AND DIRECTORS

	Option 1: Status Quo		Option 2: One Director Per Jurisdiction		Option 3: Cap of 3 Directors per Member Jurisdiction		Option 4: Increase population threshold per vote to 25,000		Option 5: Increase voting divisor to seven	
	Votes	Directors	Change in Votes	Change in Directors	Change in Votes	Change in Directors	Change in Votes	Change in Directors	Change in Votes	Change in Directors
Anmore	1	1	-	-	-	-	-	-	-	-
Belcarra	1	1	-	-	-	-	-	-	-	-
Bowen Island	1	1	-	-	-	-	-	-	-	-
Burnaby	13	3	-	-2	-	-	-3	-1	-	-1
Coquitlam	8	2	-	-1	-	-	-2	-	-	-
Delta	6	2	-	-1	-	-	-1	-1	-	-1
Electoral Area A	1	1	-	-	-	-	-	-	-	-
Langley, City	2	1	-	-	-	-	-	-	-	-
Langley, Township	7	2	-	-1	-	-	-1	-	-	-1
Lions Bay	1	1	-	-	-	-	-	-	-	-
Maple Ridge	5	1	-	-	-	-	-1	-	-	-
New Westminster	4	1	-	-	-	-	-	-	-	-
North Vancouver, City	3	1	-	-	-	-	-	-	-	-
North Vancouver, District	5	1	-	-	-	-	-1	-	-	-
Pitt Meadows	1	1	-	-	-	-	-	-	-	-
Port Coquitlam	4	1	-	-	-	-	-1	-	-	-
Port Moody	2	1	-	-	-	-	-	-	-	-
Richmond	11	3	-	-2	-	-	-2	-1	-	-1
Surrey	29	6	-	-5	-	-3	-6	-1	-	-1
Tsawwassen First Nation	1	1	-	-	-	-	-	-	-	-
Vancouver	34	7	-	-6	-	-4	-7	-1	-	-2
West Vancouver	3	1	-	-	-	-	-1	-	-	-
White Rock	2	1	-	-	-	-	-1	-	-	-
Metro Vancouver	145	41	-	-18	-	-7	-27	-5	-	-7

metrovancover 17

17


WHAT WE'VE HEARD SO FAR...

- Some support for Option 5: Fewer directors, same votes – **shorter-term** solution, easier to implement, and makes modest improvements
- Desire to explore Option 3 as a **longer-term** outcome: Cap for the number of directors per member jurisdiction; no change to number of votes
- Some desire to further explore Option 2: One director per jurisdiction

metrovancover

18

MENTIMETER QUESTION




In considering the different options for the MVRD Board, what outcomes are most important to you?
Pick your top 3.

- More efficient and effective decision-making
- Improved collaboration and alignment
- Will not grow to be too large / unwieldy in the future
- Ensuring member jurisdiction representation for services provided
- Fairness and equity
- Accountability and transparency to the public
- Ease of implementation (e.g. does it require legislative change?)
- None of the above
- I don't know

metrovancover
19

19

MENTIMETER QUESTION



Of the options listed for the MVRD Board, which do you feel most achieves the outcomes you chose?

- Status Quo (41 Directors, growing with population)
- One director per member jurisdiction
- Cap the number of directors at 3 per member jurisdiction
- Change threshold per vote to 25,000 residents (from 20,000)
- Each director has up to 7 votes (instead of 5)
- I don't have an opinion
- I don't know

metrovancover
20

20



21

STATUS QUO / CURRENT MODEL

- Follows MVRD Board model
- 38 directors (GVWD) and 37 directors (GVS&DD), growing with population
- Long standing, successful utilities and boards; 85% of budget & 5-year financial plan
- Transparent and representative, but growing board can slow decision making, effectiveness and oversight
- Strong project management tools: Stage Gate Framework, Cost Estimating Framework, Expert Advisory Panels. Question if additional expertise needed?

metrovancover
22

22

GVWD & GVS&DD BOARDS: PROBLEM STATEMENT

- Large, complex, long-term, large budget capital projects
- Different opinions about whether the current size of the boards is a challenge, but general agreement that the trajectory of growth of the boards is unsustainable
- Some expressed that bringing expertise to the board is about utilizing and trusting the tools already in place to support board decision making
- Others expressed the need for additional independent, appointed oversight, particularly for major projects
- For the GVS&DD, four sewerage areas can result in equity and funding challenges for cost allocation; not the same with GVWD

metrovancover 23

23

GVWD/GVS&DD Board Options

4 potential options

Option 1: Status quo

Option 2: Align with Changes to MVRD Board

- Follow the option chosen by MVRD Board; 23 to 36 directors

Option 3: Smaller ‘Hybrid’ Board

- 9 to 11 directors
- Blend of MVRD Board Directors plus external appointed directors selected on merit / expertise

Additional Option: Add A Major Projects Committee

- 9 to 11 directors
- Responsible for the largest, highest cost, highest risk projects
- Can be added regardless of board model chosen

metrovancover 24

24

GVS&DD/GVWD BOARDS: OVERVIEW OF OPTIONS

Option	Board Size	Considerations
2 Follow any changes made for the MVRD Board	23-36	<ul style="list-style-type: none"> • Same considerations as with MVRD options • Potential gaps in expertise, but strong project management tools in place to support board decision making and oversight • Will grow more slowly over time • No legislative change required as GVWD and GVS&DD depend on MVRD governance
3 Smaller 'Hybrid' Board with blend of local elected officials and external appointed directors	9-11	<ul style="list-style-type: none"> • Adds independent and professional expertise to support oversight, decision making, continuity, and clear regional perspective • Smaller, more nimble Board remains fixed into the future • Not aligned with proportional representation • Requires legislative change to GVWD and GVS&DD Acts; provincial engagement
* Additional Option: Add a Major Projects Committee blend of local elected officials and external appointed directors	9-11	<ul style="list-style-type: none"> • Best Practice for large, complex infrastructure projects • Scalable – can report to existing boards or be given some delegated authority • Smaller, more nimble decision making • Metro Vancouver retains significant authority • Enables technical project delivery skills to be added to governance; continuity in oversight, speed up decision making, attract project bidders and facilitate funding • Implementation through board decision; no legislative change needed

metrovancouver25

25

WHAT WE'VE HEARD SO FAR...

- Option 2: Interest in continuing to align with the MVRD Board for GVWD and GVS&DD Boards for any changes made


and

- Request from Governance Committee to advance the Major Projects Committee option, and to report back with more information option on implementation and impacts

metrovancouver

26

MENTIMETER QUESTION




What considerations do you think are different for the utility boards than for the regional district board?

- It's fine to have the same board structure
- Need to have a **smaller, more nimble board** that includes independent, external appointed directors
- Given the scale of some of the infrastructure projects, need a model that allows greater focus on these **major projects**
- I don't know

metrovancover 27

27



Kingston Gardens Redevelopment Project - North view

Metro Vancouver Housing Corporation (MVHC)

Engagement in advance of the Kingston Gardens Redevelopment Project North Amenity Garden

28

28

STATUS QUO / CURRENT MODEL

- Follows MVRD Board model
- 41 directors, growing with population
- Long standing, successful non-profit housing provider; operates at no cost to tax payer
- Transparent and representative, but growing Board can slow decision making, effectiveness and oversight
- Changes to align with MVRD Board were made only 10 years ago to create consistency
- Outlier in the non-profit and housing sector



Resident at Heather Place

metrovancover
29

29

MVHC BOARD PROBLEM STATEMENT

- MVHC seen as functioning well and not requiring the same attention as other boards
- Strong support for MVHC’s operations, growth, and success
- Mixed opinions on whether the current size of the board is a problem, with some members noting that a much smaller board may function better.
- Board representation creates an expectation of having MVHC in every community; not necessarily aligned with a non-profit’s mandate to deliver and operate affordable rental housing in good, transit-oriented locations

metrovancover
30

30

MVHC BOARD: OVERVIEW OF OPTIONS

Option	Board Size	Considerations
2 Align with any change made for the MVRD Board	23-36	<ul style="list-style-type: none"> • Simple to have same model at MVRD • Favoured by those who value having all member voices at the table • Same considerations as with MVRD options
3 Smaller 'Hybrid' Board with blend of elected and external appointed directors	7-9	<ul style="list-style-type: none"> • Adds professional and/or board expertise (housing development, finance, non-profit experience) to support oversight and decision making • Smaller, more nimble board aligns with non-profit housing providers and funding agency processes • Could retain some regional representation • Can be achieved via MVRD Board resolution and filing with BC Registry Services
4 Fully Appointed Non-Profit Board	7-9	<ul style="list-style-type: none"> • Adds professional and /or board expertise (housing development, finance, non-profit experience) to support oversight and decision making • Smaller, more nimble board aligns with non-profit housing providers and funding agency processes • Board members would be selected by MVRD Board based on expertise • Members may feel disconnected from MVHC and decision making • Can be achieved via MVRD Board resolution and filing with BC Registry Services

metrovancover31

31


WHAT WE'VE HEARD SO FAR...

- Support for Options 2 and 3 — aligning with any changes made to the MVRD Board or moving to a smaller, hybrid board with blend of elected and external appointed directors
- Comments about why change if it's working well
- Other comments about optimizing to align with other non-profit housing providers while maintaining regional representation

metrovancover

32

MENTIMETER QUESTION



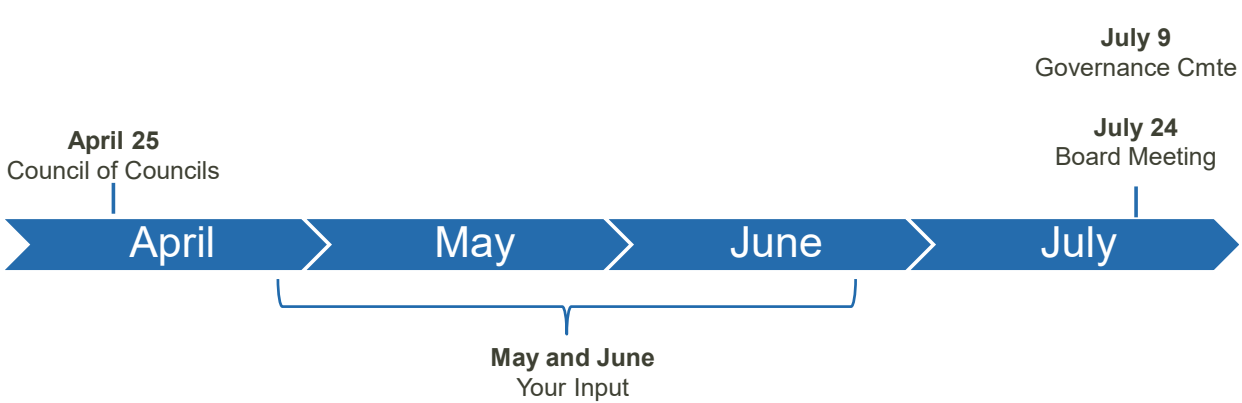
Of the options listed for the Metro Vancouver Housing Corporation, what is your opinion on how to improve governance?

- The MVHC Board should be aligned with the MVRD Board and maintain broad regional representation
- The MVHC Board should be smaller, with some external, appointed housing sector directors to align with other non-profit housing providers
- I don't have an opinion
- I don't know

metrovancover33

33

NEXT STEPS: ENGAGEMENT TIMELINE



The diagram shows a horizontal timeline with four arrow-shaped segments for the months April, May, June, and July. Above the April segment is the date **April 25** and the event **Council of Councils**. Above the July segment is the date **July 9** and the event **Governance Cmte**, and below it is the date **July 24** and the event **Board Meeting**. A bracket spans across the May and June segments, with the text **May and June** and **Your Input** below it.

metrovancover34

34

SHARE YOUR THOUGHTS

- All Board Directors will have an interview with Deloitte — talk to your Board rep.
- Complete the survey
- Request a presentation to your Council
- Share comments today until June 14
- Phone or send an email to staff
- Visit MetroVancouver.org search 'Governance'



35

A collage of four images. The top image shows a large, curved meeting room with many people seated around a long table. The bottom-left image shows a blue and green industrial structure, possibly a water treatment component. The bottom-middle image shows a worker in a hard hat and safety vest standing inside a large, circular tunnel. The bottom-right image shows two people sitting on the ground outdoors, looking at something together.

Your Questions

metrovancover

36



Second Narrows Water Supply Tunnel under construction

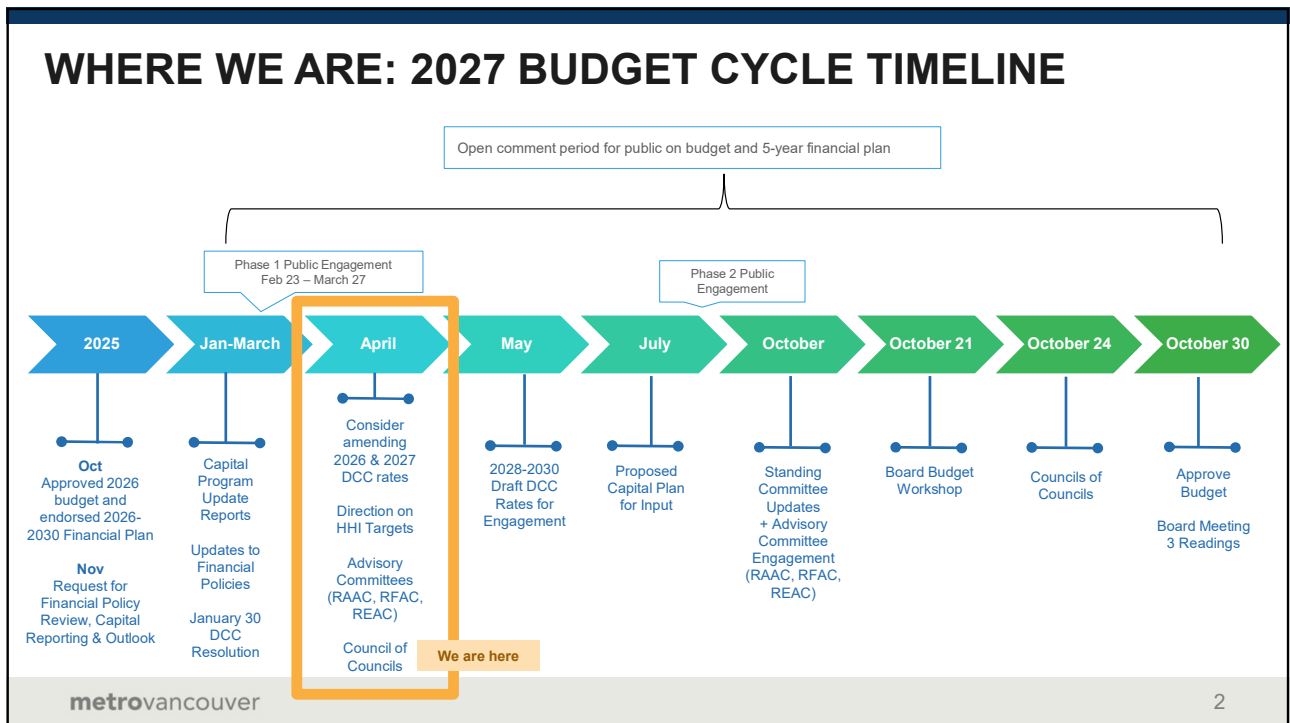
Budget and Financial Update

Heather McNell
Deputy CAO, Policy and Planning
April 25, 2026

Linda Sabatini
Deputy CFO, Financial Services

metrovancouver

1



2

BOARD BUDGET WORKSHOP APRIL 15

Respond to Board Direction Regarding DCC Rates

1. Consider 1st-3rd readings of amendment bylaws to roll back and reduce 2026 and 2027 DCC rates: opportunity to consider 3 readings of the Bylaws
2. If reductions to 2026 and 2027 DCC rates supported, provide direction on how to fill the funding gap created

Establish Household Impact Targets for 2027-2031

3. 2027 HHI Target (Direction for October)
4. 2027-2031 HHI Targets (Direction for October)

3

JANUARY 30, 2026 BOARD RESOLUTIONS

That the MVRD/ GVWD/ GVS&DD Boards direct staff to:

- a) report back with DCC bylaw amendments to [roll back 2026 DCC rates to 2025 levels](#); and
- b) report back with a strategy to offset the roll back of DCC rates to 2025 levels with options [including an option that does not increase tax or utility rates in 2026](#)

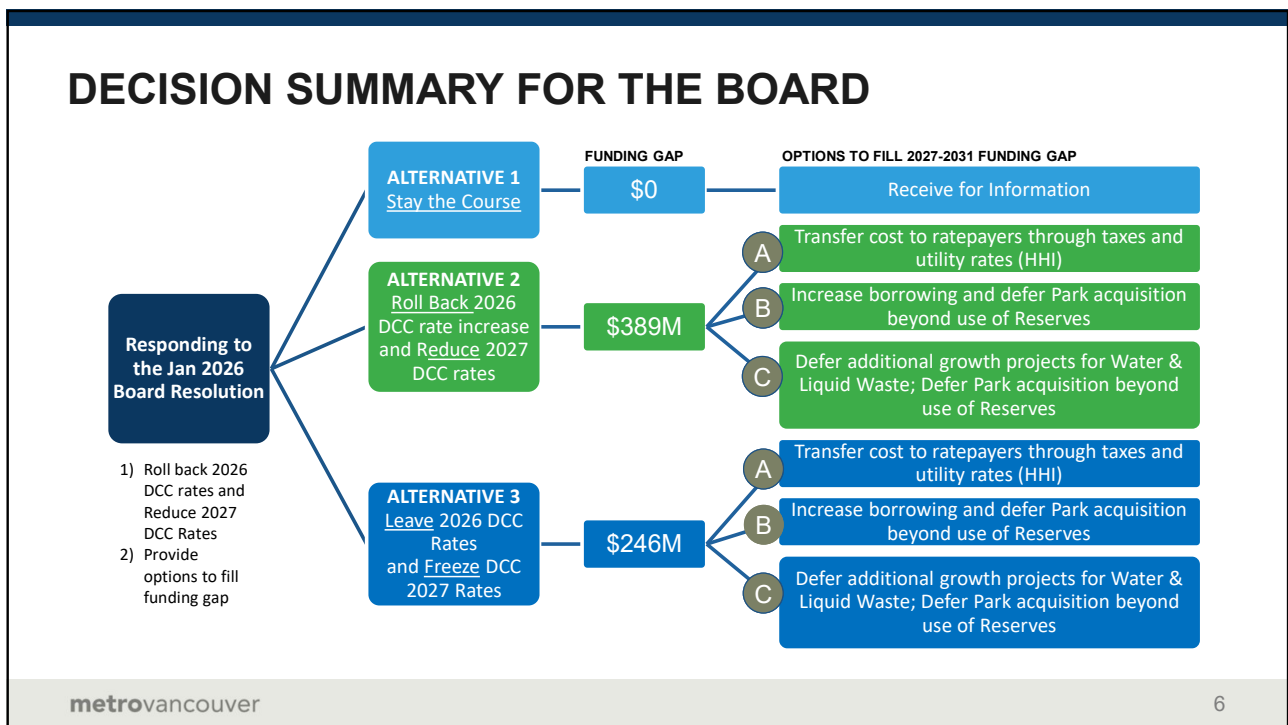
That the MVRD/ GVWD/ GVS&DD Boards direct staff to:

- a) work towards [spreading the approved increase in DCC rates for 2027 and then transition to a 1% assist factor over two years instead of one](#); and
- b) direct staff to present [options one of which that does not include impacts to Household Impact](#)

4



5



6

DECISION SUMMARY FOR THE BOARD

Alternative 1
Stay the Course
 Current DCC Bylaws
 and Endorsed 5-Year
 Financial Plan

Existing Bylaws	2025	2026	2027	2028	2029	2030
Water	45%	15%	1%	1%	1%	1%
Liquid Waste	16%	10%	1%	1%	1%	1%
Parks Acquisition	75%	50%	1%	1%	1%	1%

Alternative 2
Roll Back and Reduce
 January Board Direction
 (\$389M Impact) Amend
 2026 and 2027 rates

Board Direction	2025	2026	2027	2028	2029	2030
Water	45%	45%	22%	11%	1%	1%
Liquid Waste	16%	16%	8%	4%	1%	1%
Parks Acquisition	75%	75%	37%	18%	1%	1%

Alternative 3
Leave and Freeze
 (\$246M Impact)
 Amend 2027 rates

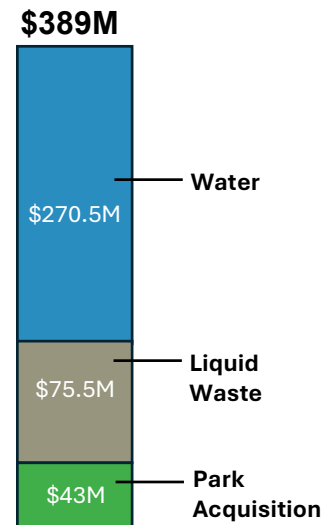
Alternative	2025	2026	2027	2028	2029	2030
Water	45%	15%	15%	7.5%	1%	1%
Liquid Waste	16%	10%	10%	5%	1%	1%
Parks Acquisition	75%	50%	50%	25%	1%	1%

metrovancouver

7

IMPACT OF JANUARY 30, 2026 BOARD RESOLUTIONS

- The requested changes create a **\$389M funding gap** over 2026-2031
- The changes to 2026 and 2027 DCC rates:
 - Impact Water, Liquid Waste, and Parks differently because each is at a different point in growth paying for growth (assist factor) and have different growth capital programs
 - Have impacts for 4+ years because of how DCC payments are phased in



metrovancouver

8

8

FUNDING GAP CREATED

ROLL BACK AND REDUCE

- Assumptions: Amended rates for 2026 come into effect July 1, 2026; 2027 = ½ previous year assist factor; move to 1% assist factor by 2029
- **\$389M of lost DCC collections** from 2026 to 2031

	2026	2027	2028	2029	2030	2031	Total
Water DCC	\$12.5M	\$47M	\$61M	\$68M	\$49M	\$33M	\$270.5M
Liquid Waste DCC	\$1.5M	\$9M	\$13M	\$17M	\$18M	\$17M	\$75.5M
Parkland Acquisition DCC	\$1M	\$7M	\$9M	\$10M	\$10M	\$6M	\$43M
Total	\$15M	\$63M	\$83 M	\$95M	\$77M	\$56M	\$389M

OPTIONS TO FILL THE FUNDING GAP

ROLL BACK AND REDUCE

For 2027-2031 (\$374M = \$389M - \$15M for 2026)

- Transfer cost to ratepayers through taxes and utility rates (HHI)
- Increase the amount of long-term borrowing for growth capital projects and Defer Parkland Acquisition beyond Use of Reserves
- Defer additional growth projects for Water and Liquid Waste, and Defer Parkland Acquisition beyond Use of Reserves

DECISION RE: 2026 & 2027 DCC RATES

The GVS&DD, GVWD and MVRD Boards gave three readings to amendment bylaws to roll back the 2026 increase to 2025 levels, reduce the 2027 rate increase and extend the move to a 1% assist factor to 2029

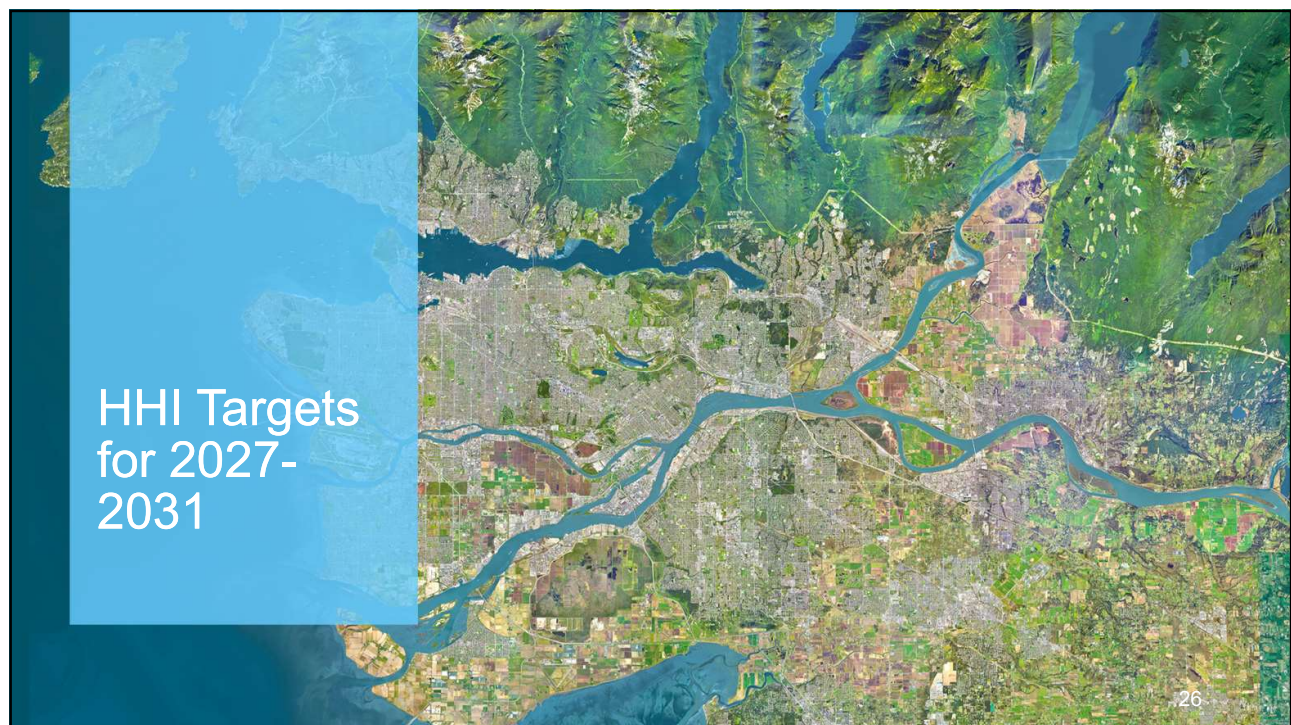
To address the resulting projected \$389M funding gap, the Boards opted to:

- For Liquid Waste and Water, increase the amount of long-term borrowing
- For Parks Acquisition, transfer the amount to ratepayers through the Household Impact

Additional Information

- Reductions will result on average in a \$6,000 reduction per housing unit
- DCC Amendment bylaws sent to the Province for approval
- Reduced rates become effective after amendment bylaw adoption (June /July 2026)
- There are no refunds or retroactive rates

11



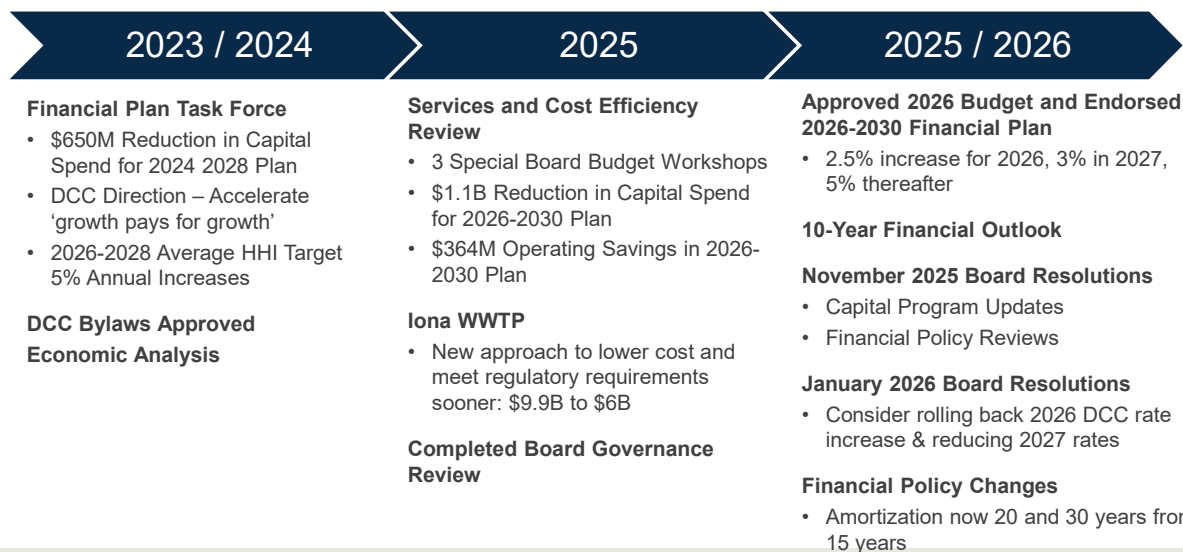
12

MACRO-ECONOMIC FINANCIAL RISKS

Financial Risk	Mitigation Approach
Geo-political Volatility <ul style="list-style-type: none"> Tariffs and Input Prices for oil, steel, equipment, and imported materials; potential delays in supply chains Canada's near-term inflation is expected to rise in the coming months due to sharply higher global energy prices driven by the war in Iran 	<ul style="list-style-type: none"> Monitor tariff-sensitive costs Diversify suppliers and seek tariff remissions
Inflation and market capacity <ul style="list-style-type: none"> Construction capacity constraints and cost escalation may outpace budgets Labour agreements currently being negotiated 	<ul style="list-style-type: none"> Time/phase projects to avoid cost peaks Update escalation and revenue forecasts regularly
Interest rates <ul style="list-style-type: none"> The Bank of Canada is currently holding rates steady, but explicitly warns that higher energy prices from the Iran conflict raise the risk of future rate hikes 	<ul style="list-style-type: none"> Using short-term borrowing when applicable Locking in long term rates when appropriate Exploring alternative investments through MFA
Provincial Update on PST <ul style="list-style-type: none"> Engineering and other consulting services now subject to PST which will increase operating and capital costs 	<ul style="list-style-type: none"> Explore impact on budgets
Housing Starts Up Permits Down <ul style="list-style-type: none"> Permit volumes down signals weakening market sentiment, pointing to a decline in housing construction through 2026 and beyond 	<ul style="list-style-type: none"> Continue to monitor and reflect in forecasting

13

MEETING THE MOMENT: AFFORDABILITY

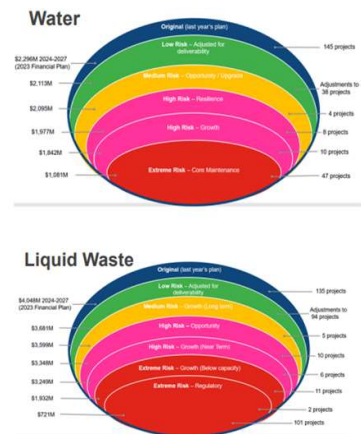


14

2023 PEELING THE ONION

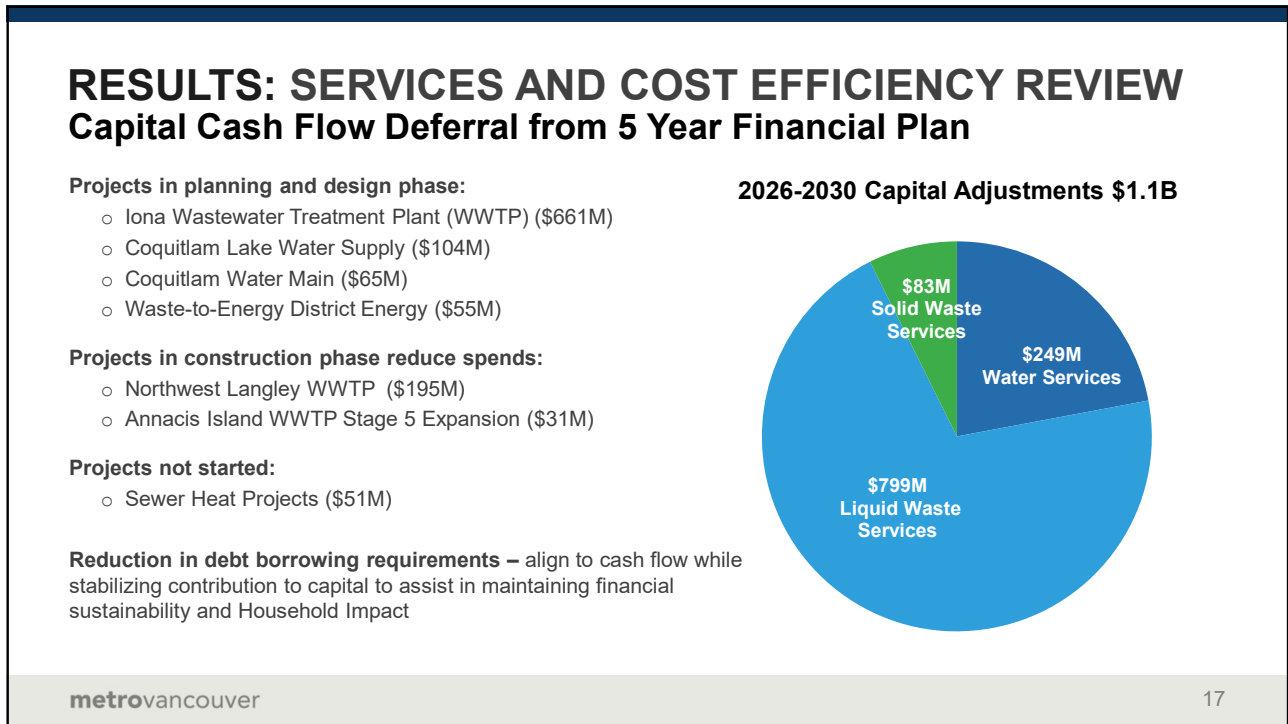
Financial Plan Task Force

- **Objective: Reduce HHI (ratepayer affordability)**
- Reduced projected HHI from 14%, 14%, 12%, 12% to 12%, 11%, 5%, 5%, 5%
- Reviewed 300 capital projects: risk / deliverability
- **Required** deferring capital projects = **\$650M** (\$200M in water and \$450M in liquid waste) in cash flow from 2024-2028 Financial Plan
- **Required** accelerating DCC program ('growth pay for growth'): get to 1% assist factor by 2027 for water, liquid waste, and parks
- Increased risk profile, but within supportable range

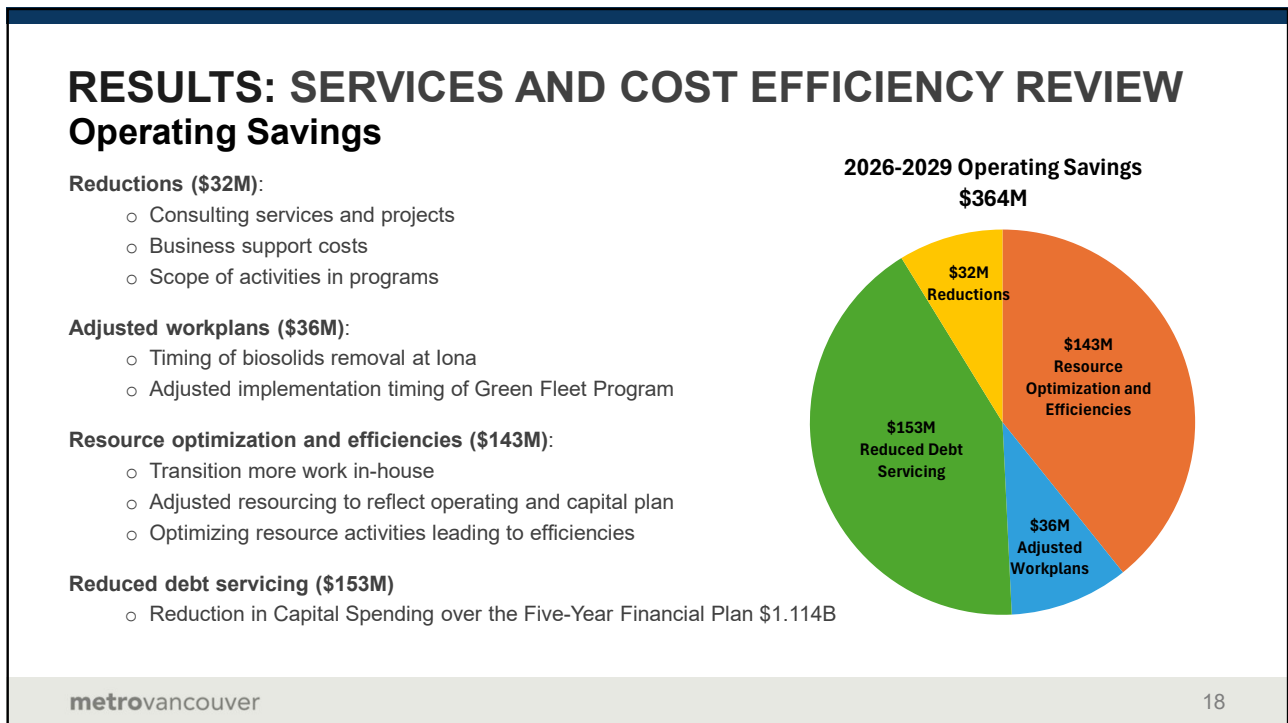


2025 SERVICES AND COST EFFICIENCY REVIEW

- **Objective: Reduce HHI (ratepayer affordability)**
- Reviewed 300 capital projects for deliverability and looked for savings by department
- Reduced HHI targets from 12%, 11%, 5%, 5%, 5% in two steps to 2.5%, 3%, 5%, 5%, 5% for 2026 budget and 5-Year Financial Plan
- **Required** deferring **\$1.1B** in cash flow from the 2026-2030 Financial Plan for Capital Projects and resulted in \$364M savings in operating budget
- **Required** accelerating 'growth pay for growth' and moving DCCs to 1% assist factor by 2027
- Changed risk profile; changed Iona approach; risk still within supportable range



17



18

HOUSEHOLD IMPACT TARGETS 2024–2031

- Board has worked significantly each year to reduce HHI
- Board directed staff to proceed through the 2027 budget cycle with household impact targets as follows:

	2023	2024	2025	2026	2027	2028	2029	2030	2031
2023-2027 Plan	4.5%	14.3%	14.1%	12.4%	12.1%				
2024-2028 Plan		12.0%	11.0%	5.0%	5.0%	5.0%			
2025-2029 Plan			9.9%	5.0%	5.0%	5.0%	5.0%		
2026-2030 Plan				2.5%	3.0%	5.0%	5.0%	5.0%	
2027-2031 Plan (Proposed)					3.0%	5.0%	5.0%	5.0%	5.0%
				\$897	\$923	\$969	\$1,018	\$1,070	\$1,124

19

HOUSEHOLD IMPACT TARGETS 2027–2031 BY ENTITY

	2026	2027	2028	2029	2030	2031
Water District	\$208	\$212	\$215	\$217	\$221	
Liquid Waste	\$534	\$552	\$590	\$632	\$676	
Solid Waste	\$74	\$77	\$81	\$85	\$89	
Regional District	\$81	\$82	\$83	\$84	\$84	
Housing	\$0	\$0	\$0	\$0	\$0	
2026 – 2031 Endorsed HHI	\$897	\$923	\$969	\$1,018	\$1,070	\$ 1,124
% Change	2.5%	3.0%	5.0%	5.0%	5.0%	5.0%

20

CURRENT HOUSEHOLD IMPACT 2026–2031

Includes All Services, by Sewerage Area

	2026	2027	2028	2029	2030	2031
Vancouver Sewerage Area	\$1,024	\$1,035	\$1,075	\$1,135	\$1,180	
North Shore Sewerage Area	\$1,315	\$1,448	\$1,588	\$1,717	\$1,741	
Lulu Island Sewerage Area	\$825	\$874	\$895	\$906	\$927	
Fraser Sewerage Area	\$795	\$811	\$854	\$893	\$956	
Current Region-Wide Average	\$897	\$923	\$969	\$1,018	\$1,070	\$1,124

metrovancouver21

21

BOARD DECISION

Boards directed staff to proceed through the 2027 budget cycle with household impact targets as follows:

- 2027 at 3.0%
- 2028 at 5.0%
- 2029 at 5.0%
- 2030 at 5.0%
- 2031 at 5.0%

metrovancouver22

22



Questions

metrovancouver

23

23



Iona Island Wastewater Treatment Plant

Iona Island Wastewater Treatment Plant Projects Update

ALTERNATIVE APPROACH TO DELIVER THE IONA PROJECTS

Malcolm Brodie
 Chair, Metro Vancouver Liquid Waste Committee

Jerry W. Dobrovlny, P.Eng., MBA
 Commissioner/Chief Administrative Officer

Council of Councils, April 25, 2026
 79225754

Cheryl Nelms, P.Eng., PhD
 General Manager, Project Delivery



1

UPGRADING TO MEET SECONDARY REQUIREMENTS

CURRENT

Primary treatment only

Serves 750,000 residents

Commissioned in 1963

Treats 40% of region's wastewater

Treats wastewater from:

- Vancouver (combined sewer)
- Richmond
- Burnaby
- Electoral Area A, UBC

REQUIRED

Regulatory Requirements

Must upgrade to secondary treatment by 2030





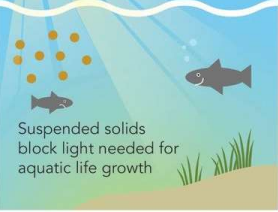
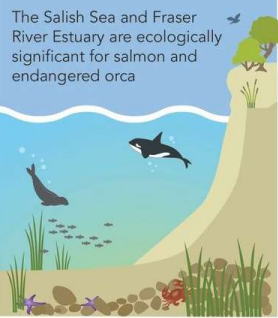
- Federal *Fisheries Act*
 - Wastewater Systems Effluent Regulations
- Provincial *Environmental Management Act*
 - Metro Vancouver's Integrated Liquid Waste and Resource Management Plan (2011)



2

2

ENVIRONMENTAL BENEFITS OF SECONDARY TREATMENT


<h3 style="font-size: 48px; margin: 0;">1</h3> <h4 style="margin: 5px 0;">Protects human health</h4> <p style="font-size: 10px; margin: 5px 0;">Cleaner effluent further reduces human health risks, making recreational activities safer</p> 	<h3 style="font-size: 48px; margin: 0;">2</h3> <h4 style="margin: 5px 0;">Removes 90% or more of organic matter</h4>  <p style="font-size: 10px; margin: 5px 0;">Organic matter uses up oxygen needed by fish</p> 	<h3 style="font-size: 48px; margin: 0;">3</h3> <h4 style="margin: 5px 0;">Removes more contaminants and suspended solids</h4>  <p style="font-size: 10px; margin: 5px 0;">Suspended solids block light needed for aquatic life growth</p> 	<h3 style="font-size: 48px; margin: 0;">4</h3> <h4 style="margin: 5px 0;">Protects ecosystems</h4> <p style="font-size: 10px; margin: 5px 0;">The Salish Sea and Fraser River Estuary are ecologically significant for salmon and endangered orca</p> 
---	--	--	---

metrovancouver
3

3

WORK TO DATE

Project Definition Report and Conceptual Design Approved in 2022



Completed/in progress

- Provincial & federal funding
- Biosolids removal
- Ferguson road & utility improvements
- Causeway road & utility improvements
- Secondary pilot plant + selection of MBR technology

To be completed

- Ground improvements
- Preliminary design

metrovancouver
4

4

BOARD REQUEST TO ASSESS DELIVERY OPTIONS

- **July 2024:** the Board requested that staff assess options to reduce the annual impact on ratepayers
- **July 2025:** Alternative approach to deliver the upgrade projects proposed to the GVS&DD Board
- **October 2025:** Alternative approach approved by the GVS&DD Board



Site tour for the Board of the preliminary design consultant

5

DEVELOPING UPDATED APPROACH

Priorities for Assessment (as directed by Board)

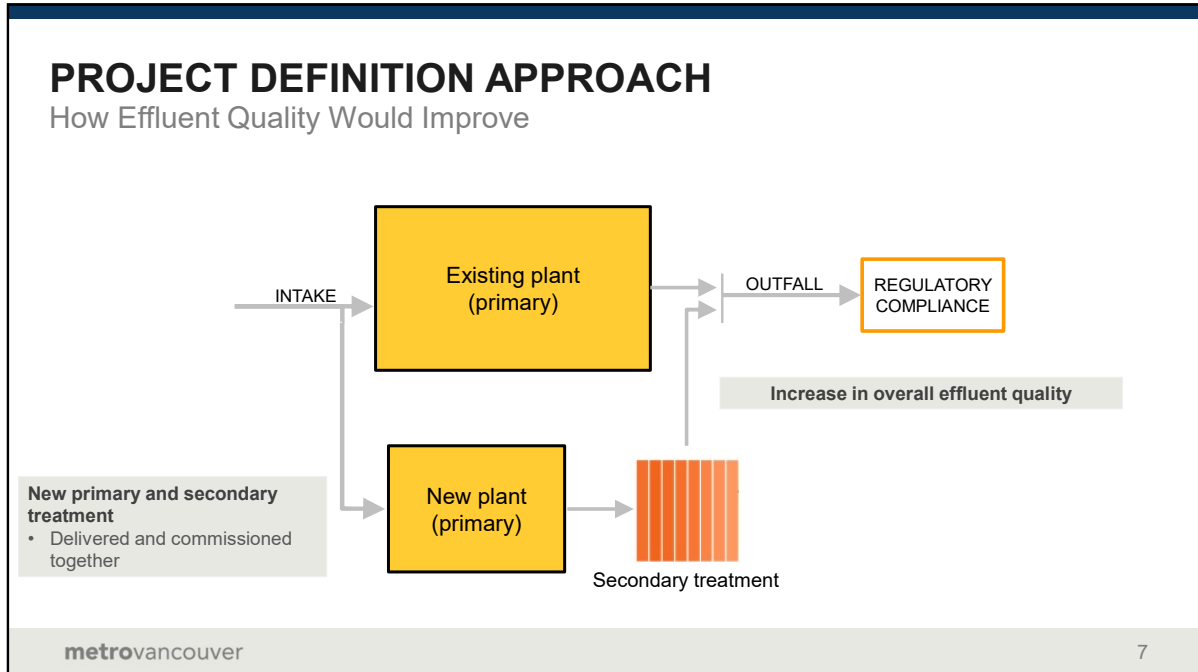
- Meet regulatory requirements for secondary treatment as soon as possible
- Reduce annual cost impact for ratepayers

Actions Taken to Assess Options

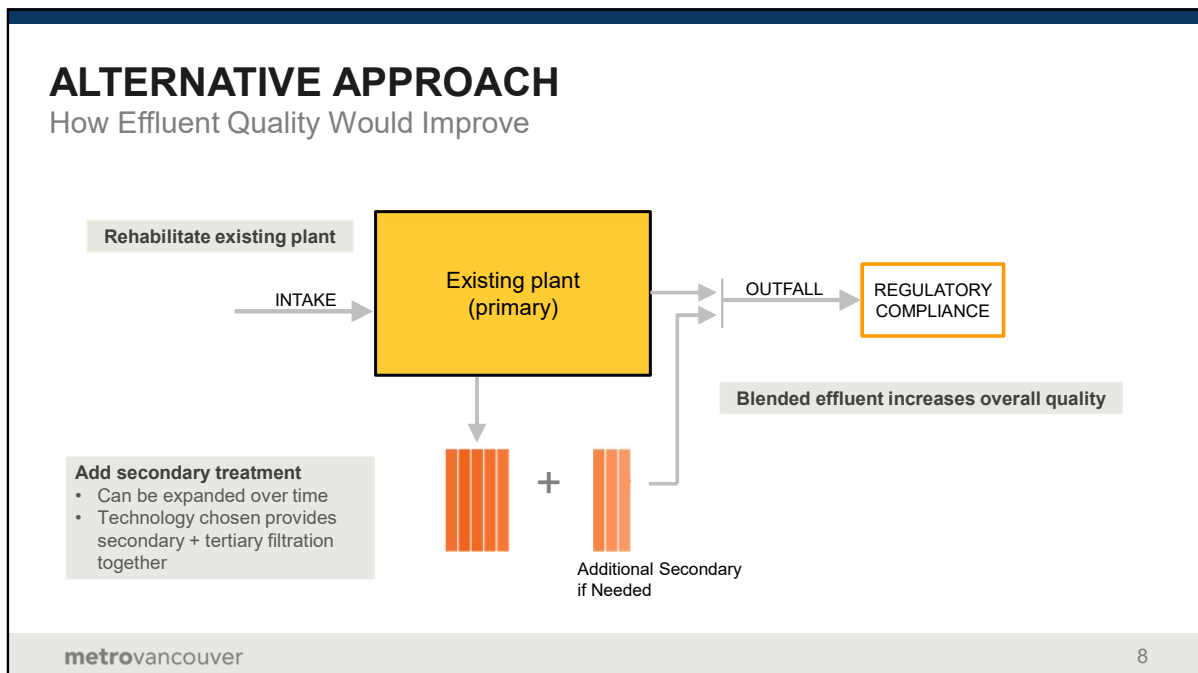
- Selected technology
- Revised footprint
- Assessed options for rehabilitating existing plant
- Updated design modelling for PDR population
- Considered decreased capacity in construction labour market
- Considered future adaptability for population projections



6



7



8



9



10

COMPLETION OF PILOT TESTING PLANT

Early Works Activities



metrovancouver

11

11



Staff at Iona Island Wastewater Treatment Plant

Thank You

metrovancouver

12

12