iconaproperties

Anmore Mayor and Council 2697 Sunnyside Rd, Anmore BC V3H 5G9

June 16, 2025

Re: Water Security Risks Under Current Arrangements & Proposal for Metro Vancouver Water Connection

Dear Mayor and Council,

When Councillor Richardson recently stated that he could support the Anmore South application if there was a threat that Anmore might be cut off from water, it prompted us to reflect more deeply on that possibility—and to conduct further research. What we found underscores the very real vulnerability Anmore faces under the current water arrangement with Port Moody.

Recent provincial housing legislation mandates higher densities across municipalities, placing significant pressure on local water infrastructure. The City of Port Moody has repeatedly raised concerns about its ability to service increased demand—particularly in water distribution and firefighting capacity—under this new framework. Staff reports note that the legislation was adopted "with very little consideration for pressures on the city's infrastructure," warning that Port Moody's entire water system, including fire hydrant pressure, "will all be impacted" by densification mandates. Councillors have added that without proper funding and planning, Port Moody's infrastructure will be "overwhelmed" by forced growth.

Given these pressures, there is a real risk that Port Moody may need to curtail external water service arrangements—possibly invoking clauses in the existing Water Supply Agreement with Anmore.

Indeed, Section 5.2(a) of the Agreement (2018) states that Port Moody may terminate water service "at any time and for any reason," provided two years' written notice is given. This clause elevates the risk that Anmore could face an enforced loss of municipal water supply, even if Port Moody is motivated solely by internal service capacity concerns and without providing justification. The agreement also states in section 3.1b Port Moody may restrict the volume of water supply to Anmore without notice and without liability if Port Moody solely determines it does not have the capacity to provide the full amount of water demanded by Anmore.

A similar situation occurred a few years ago between the City of Abbotsford and the Township of Langley. Abbotsford withdrew its water supply

contract mid-term, citing pressure on its own capacity. The Township of Langley was compelled to acquire Metro Vancouver water, issuing debt to fund the transition—reflecting a costly and disruptive workaround borne from a municipal service provider's reassessment of capacity priorities.

Without a proactive alternative, Anmore remains exposed to a comparable threat: imagine being informed that in two years, your community will lose its primary water supply—for everyday use, emergency services, firefighting, and more. The implications for residential stability, safety, fire protection, and future development could be devastating.

icona's proposal to fund and deliver Metro Vancouver water to Anmore would eliminate this risk outright. By securing a long-term water source independent of Port Moody's internal constraints, the Village would safeguard its residents and infrastructure. The only way to truly avoid the vulnerability built into the existing agreement is to pursue this direct regional connection.

Sincerely,

CEO & President

THIS AGREEMENT dated for reference the that day of September 2018.

BETWEEN:

CITY OF PORT MOODY

100 Newport Drive Port Moody, B.C. V3H 5C3 ("Port Moody")

AND:

VILLAGE OF ANMORE

2697, Sunnyside Road Anmore, B.C. V3H 5G9 ("Anmore")

WHEREAS:

- A. Anmore is a member of the Greater Vancouver Water District and wishes to continue to be supplied Greater Vancouver Water District water through Port Moody's water utility;
- B. Port Moody is a member of the Greater Vancouver Water District and owns and operates a water utility system that is capable of conveying to Anmore water from the Greater Vancouver Water District that is required by Anmore;
- The Greater Vancouver Water District Act authorizes a member municipality to supply water to another municipality; and
- Port Moody is willing to convey water to Anmore, and Anmore is willing to receive water, as provided in this Agreement.

In consideration of the above recitals and of the promises exchanged below, and of the \$1.00 paid by Anmore to Port Moody, the receipt of which is acknowledged by Port Moody, the parties agree with each other as follows:

1.0 DEFINITIONS AND INTERPRETATION

In this Agreement:

- a) "Anmore's System" means the water utility system established and operated by Anmore under the Community Charter;
- "GVWD" means the Greater Vancouver Water District, a body corporate under the Greater Vancouver Water District Act;
- c) "Initial Connection" means the connection between the Port Moody System and the Anmore System that was in existence when this Agreement was executed by the two parties;
- d) "Modifications" means changes to the Port Moody's System, including piping, valves, chlorine systems,

reservoirs, pumping stations, fire hydrants, and fittings, in order to ensure there is sufficient flow and quality of water to the Initial Connection and a Second Connection;

- e) "Second Connection" means a connection between Anmore's System and Port Moody's System, other than the Initial Connection:
- f) "Port Moody's System" means the water utility system established and operated by Port Moody under the Community Charter;
- g) "BC Hydro Pumping Costs" means the proportion of Port Moody's power consumption costs to operate pumps necessary to provide and supply water to Anmore pursuant to this Agreement, which shall be established as the total of:
 - i. The total volume of water used by Anmore, based on the City's water meter readings at the Initial Connection, divided by the total water pumped at the Port Moody Zone V pump station, multiplied by the actual costs of the BC Hydro bill for that pump station. For the purposes of expedient billing, annual water volumes from the prior calendar year will be used in this calculation; and
 - ii. The total volume of water used by Anmore, based on the City's water meter readings at the Initial Connection, divided by the total water pumped at the Port Moody Noons Creek pump station, multiplied by the actual costs of the BC Hydro bill for that pump station. For the purposes of expedient billing, annual water volumes from the prior calendar year will be used in this calculation.

provided, however, that at any future point when a Second Connection, major system changes or other major technological improvements to Port Moody's System are undertaken, the foregoing definition for proportion of power consumption shall be adjusted accordingly;

- h) "BC Hydro Credit" means the proportion of Anmore's Water Supply Rate water consumption charges that recover BC Hydro Pumping Costs at the Port Moody Zone V and Noons Creek pump stations which shall be calculated via the following formula: The total cost of the BC Hydro bills for the Port Moody Zone V pump station and the Port Moody Noons Creek pump stations divided by the total water utility cost in Port Moody multiplied by the total water consumption charges billed to Anmore as per section 4.3 a) of this agreement; and,
- "Water Supply Rate" means the annual fee payable by Anmore to Port Moody in accordance with Section 4.0 of this Agreement.

2.0 CONNECTIONS TO THE ANMORE SYSTEM

2.1 Initial Connection

- a) The parties agree that the Initial Connection between Anmore's System and Port Moody' System is located near East Road and Blackberry Drive in Anmore.
- b) The Initial Connection includes two water meters; 6" Neptune Protectus III Fire Flow meter with a 1 ½" domestic low flow meter. Both meters had their internal components replaced in 2017.
- c) The meter chamber assembly, including piping, valves, and appurtenances requires upgrades in order to comply with Port Moody's standards. Within one year of the date of this Agreement, Anmore shall complete the required upgrades to the meter chamber assembly, including the installation of a backflow device, pursuant to Port Moody's Water Supply and Distribution Bylaw No 3026, and Port Moody's Water Meter Specifications dated December 2015.

2.2 Second Connection

- Anmore may request that Port Moody construct a Second Connection to Port Moody's System, and Port Moody may in its sole discretion agree to the same.
- b) Both parties shall work cooperatively to assess the proposed Second Connection in a timely manner. Anmore shall be solely responsible for costs to assess the proposed Second Connection.
- c) Port Moody may in its sole discretion agree to the proposed Second Connection. If both parties agree to the Second Connection, then:
 - In good faith and in a timely manner, Port Moody shall design and construct the Second Connection in accordance with the standards and specifications ordinarily used and applied by Port Moody in the Port Moody System; and
 - ii. Anmore shall pay the full amount of the costs for the design and construction of the Second Connection. The costs under Section 2.2 must be paid by Anmore in a timely manner.

2.3 Ownership and Maintenance of Connections

- a) Water meters associated with the Initial Connection and the Second Connection are the property of Port Moody, and Port Moody will maintain, repair and replace the water meter(s) at Port Moody's sole expense, pursuant to Port Moody's bylaws and standards
- b) The meter chamber, lid, fixtures, and appurtenances, associated with the Initial Connection and the Second Connection are the property of Anmore, and Anmore will ensure the equipment is maintained in good working condition, or replaced, at Anmore's sole expense, pursuant to Port Moody's bylaws and standards.
- c) Port Moody owns those parts of the Initial Connection upstream of the meter chamber, and Port Moody will maintain, repair and replace those parts of the connection at Port Moody's sole expense, pursuant to Port Moody's bylaws and standards
- d) Anmore owns those parts of the Initial Connection downstream of the meter chamber, and Anmore will maintain, repair and replace those parts of the connection at Anmore's sole expense, pursuant to Port Moody's bylaws and standards.
- e) Details of ownership of parts of the Second Connection will be determined as part of the assessment of the Second Connection as outlined in section 2.2 above.

2.4 Modifications to Port Moody's System

- a) Anmore may request that Port Moody make Modifications to Port Moody's System, and Port Moody may in its sole discretion agree to the same.
- Both parties shall work cooperatively to assess Modifications in a timely manner. Anmore shall be solely responsible for costs to assess potential Modifications.
- c) Port Moody may in its sole discretion agree to the proposed Modifications. If both parties agree to Modifications, then:
 - In good faith and in a timely manner, Port Moody shall design and construct the improvements in accordance with the standards and specifications ordinarily used and applied by Port Moody in the Port Moody System; and

ii. Anmore shall pay the full amount of the costs for the design and construction of the Modifications. The costs under Section 2.4 must be paid by Anmore in a timely manner.

3.0 WATER QUANTITY AND QUALITY

Anmore agrees to indemnify and save Port Moody and its officers, employees, agents and elected officials harmless from and against any and all actions, causes of action, claims, debts, demands or promises, in any way connected to the supply or failure to supply or inadequacy of quantity or quality of water supplied by Port Moody, pursuant to this Agreement.

3.1 Water Quantity

- The Initial Connection is supplied by Port Moody's System, via a 300 mm diameter watermain connected to Port Moody's 290 m HGL Pressure Zone.
- b) Port Moody may restrict the volume of water supply to Anmore, without notice and without liability if Port Moody solely determines it does not have the capacity to provide the full amount of water demanded by Anmore.
- Port Moody may determine practical limits to daily water supplied via the primary connection as required to meet Port Moody water demand requirements.
- d) Any practical limits to daily water supplied via a Second Connection will be determined as part of the assessment of the Second Connection as outlined in section 2.2 above.
- e) Anmore must not use any wells, or other sources of water other than provided for by this Agreement, unless Anmore's Council determines, acting reasonably, that a shortage of water available to Anmore under this Agreement exists. For clarity, nothing in this Agreement affects any well or other source of water owned and used by any person other than Anmore.
- f) Anmore agrees that it must enforce any water conservation measures imposed by the Greater Vancouver Water District on Port Moody.
- g) Anmore agrees that Port Moody has given, and gives, no representation or warranty as the quantity of water conveyed by Port Moody to Anmore.

3.2 Water Quality

Anmore agrees that Port Moody has given, and gives, no representation or warranty as to the quality of water conveyed by Port Moody to Anmore.

3.3 Development

- a) Any proposed amendment to Anmore's 2014 Official Community Plan that modifies land use plans from those identified shall be referred to Port Moody. Port Moody shall provide comments on the proposed development within 60 days of receiving the referral.
- b) In the event of any non-residential development occurring within 100 metres of the boundary between Port Moody and Anmore, Port Moody's consent shall be required. In the event that Port Moody does not consent to such development, but it is approved for development by Anmore in any event, then Port Moody may, on three months' notice, cancel this Agreement in accordance with Section 5.2 (b).

c) Any other development that may have a negative impact on Port Moody's System must be referred to Port Moody. In the event that Port Moody does not consent to such development, but it is approved for development by Anmore in any event, then Port Moody may cancel this Agreement in accordance with Section 5.2 (b).

4.0 WATER SUPPLY RATE

4.1 Water Meter Readings

Port Moody is responsible, reading the meters associated with the Initial Connection and a Second Connection, if it exists, for the purpose of establishing the volume of water delivered to Anmore for billing purposes.

4.2 Access to Records

Anmore is entitled to:

- within reason, request, and receive, from Port Moody copies of any records in the custody or under the control of Port Moody respecting the quantity of water conveyed to Anmore by Port Moody under this Agreement; and
- within reason, inspect and audit, including using agents or contractors, all Port Moody water utility records, books and accounts, as relate to the supply of water to Anmore.

4.3 Water Supply Rate Calculation

The Water Supply Rate, payable from Anmore to Port Moody, shall be based on meter readings and pumping costs as follows:

- the unit rate for water consumption shall be consistent with Industrial, Commercial or Institutional user rates and payment terms, as described by Port Moody's Fees Bylaw.
- b) BC Hydro Pumping Costs as defined in section 1.0 g) of this agreement; minus,
- c) BC Hydro Credit as defined in section 1.0 h) of this agreement.

4.4 Payment of the Water Supply Rate

The charges under Section 4.0 must be paid by Anmore quarterly, with each quarterly payment being equal to the actual quantity of water used, as measured by the meter, multiplied by the rates established under Section 4.3. All payments should be made within 15 working days of the invoice date. If default of payment continues for 60 days, Port Moody may cancel this agreement in accordance with Section 5.2 (b). As outlined in the Port Moody Fees bylaw, a 10% penalty will be applied to any current billings outstanding after the due date.

5.0 GENERAL PROVISIONS

5.1 Review and Renewal of Agreement

- (a) The parties must, at least once every five years after the reference date of this Agreement, together review the terms of this Agreement in order to determine if any changes to it are necessary. The parties must as part of each review negotiate in good faith for a reasonable time to attempt to agree on any necessary changes.
- (b) If at the end of each five year review either party determines, acting reasonably, that agreement cannot

be reached to make changes necessary to this Agreement, then the matters in dispute may be referred to dispute resolution under Section 5.3.

5.2 Termination

a) Either party may at any time and for any reason by written notice to the other party terminate this Agreement provided that two years' notice of termination shall be provided in writing, in order to allow the other party to make such alternative arrangements as are necessary, and further provided that the parties, acting reasonably, may agree to shorten such notice period if two years is not required.

(b) In addition to section 5.2 (a), either party may give notice to terminate this Agreement for cause if the other party is in breach of any term or condition of this Agreement, and such breach is not remedied to the reasonable satisfaction of the party providing notice within 6 months after delivery of such written notice.

5.3 Dispute Resolution

(a) If any dispute arises under this Agreement, the parties will make all reasonable efforts to resolve the dispute within 60 days of the dispute arising (or within such other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate those efforts.

(b) If a dispute under this Agreement cannot be resolved under section 5.3 (a), either party may refer the dispute to arbitration to be conducted by a sole arbitrator appointed pursuant to the *Arbitration Act*, whose decision shall be final and binding

(c) The costs of the arbitration referred to in section 5.3 (b) will be shared equally by the parties and the arbitration will be governed by the laws of the Province of British Columbia.

5.4 Interpretation

In this Agreement:

- reference to the singular includes a reference to the plural, and vice versa, unless the context of requires otherwise;
- reference to a particular numbered section or article is a reference to the correspondingly numbered or lettered article or section of this Agreement;
- (c) reference to a "day", "month" or "year" is a reference to a calendar day, calendar month or calendar year, as the case may be, unless otherwise expressly provided;
- (d) any act, decision, consent or exercise of discretion by a party must be performed, made or exercised acting reasonably unless this Agreement expressly provides that the act, decision, consent or exercise of discretion is in the sole discretion of a party, in which case that party is under no duty to act fairly, reasonably or in good faith and may act in its absolute unfettered discretion;
- (e) where the word "including" is followed by a list, the contents of the list are not intended to circumscribe the generality of the statement preceding the word "including"; and

(f) where it said that the parties may "agree" or enter into an "agreement", they must agree in writing or enter into an agreement in writing in order for them to be bound.

5.5 Notice

Any notice, document or communication ("notice") required or permitted to be given under this Agreement must be in writing and sent by courier delivery, double registered or certified mail, or electronic or facsimile transmission, addressed as follows:

To: City of Port Moody Attention: Corporate Officer 100 Newport Drive Port Moody, B.C. V3H 5C3

Email: <u>dshermer@portmoody.ca</u>

Fax: (604) 469-4550

To: Village of Anmore Attention: CAO 2697 Sunnyside Road Anmore, B.C. V3H 5G9

Email: juli.halliwell@anmore.com

Fax: (604) 469-0537

Any notice that is delivered is to be considered to have been given on the next business day at the location of the recipient after it is dispatched for delivery. Any notice that is sent by fax or electronic transmission is to be considered to have been given on the day it is sent, if that day is a business day at the location of the recipient and if that day is not a business day, it is to be considered to have been given on the next business day at the location of the recipient after the date it is sent. If a party changes its address or facsimile or electronic transmission address number, or both, it must immediately give notice of its new address or facsimile or electronic transmission address number, or both, to the other party as provided in this section.

5.6 Further Acts

Each of the parties must at all times execute and deliver, at the request of the other, all such further documents, deeds, and instruments, and do and perform such acts as may be reasonably necessary to give full effect to the intent and meaning of this Agreement.

5.7 No Waiver

No provision in this Agreement is to be considered to have been waived by a party unless the waiver is in writing by the party. The waiver by a party of any breach by the other party of any provision is not to be construed as or constituted a waiver of any further or other breach of the same or any other provision and the consent or approval of a party to any act by the other party requiring the consent or approval of the party is not to be considered to waive or render unnecessary such consents or approvals to any subsequent same or similar act by the other party.

5.8 Entire Agreement and Modification

This Agreement is the entire agreement between the parties regarding this subject and it terminates and supersedes all other representations, warranties, promises and agreements regarding this subject, unless otherwise specified.

5.9 Rights are Cumulative

All rights and remedies of either party hereunder are cumulative and are in addition to, and do not exclude, or limit any other right or remedy. All rights and remedies may be exercised concurrently.

5.10 Relationship of Parties

Nothing in this Agreement is to be interpreted to create an agency, association, joint venture, trust or partnership, or impose an agency, trust or partnership covenant, obligation or liability, on or with regard to any of the parties.

IN WITNESS WHEREOF the Corporate Seal of the Village of Ammore was hereunto affixed in the presence of:

IN WITNESS WHEREOF the Corporate Seal of the City of Port Moody was hereunto affixed in the presence of:

MAYOR JOHN McEWEN VILLAGE OF ANMORE

MAYOR MIKE CLAY CITY OF PORT MOODY

CHRISTINE BAIRD, CORPORATE OFFICER VILLAGE OF ANMORE

DOROTHY SHERMER, CORPORATE OFFICER

CITY OF PORT MOODY