



Making a difference...together

BEDDIS WATER SERVICE COMMISSION
Notice of Annual General Meeting on **December 10, 2013 at 4 pm**
Fulford Hall OAP Room, Salt Spring Island, BC

S. Wheeler

N. Hamilton

R. Waldick

W. McIntyre

AGENDA

1. Approval of Agenda
2. Minutes of the Meeting held December 6, 2012
3. Chair's Report
4. Annual Report
5. Election of Officers
6. New Business
7. Adjournment

To ensure a quorum, advise Tracey Shaver at 250.537.4448 if you cannot attend.



Making a difference...together

**Minutes of the Annual General Meeting of the Beddis Water Service Commission
Held December 6, 2012 in the Portlock Park Meeting Room, Salt Spring Island, BC**

DRAFT

Present: **Alternate CRD Director:**

Peter Lake

Commission Members:

Jim Sharp, Simon Wheeler

Staff:

Janice Poncelet, CRD Senior Business Analysis; Ted Robbins, CRD Acting GM Integrated Water Services; Kees Ruurs, CRD EA Senior Manager; Sarah Shugar, Recording Secretary; Ralf Waters, CRD Engineer

Observers: Geoff Allen, Margaret Allen, Bev Bolton, Nancy Hamilton, Neil Haywood, Sylvia Ommanney, Zwanette Pereboom, Stan Shapiro, Don Stevens, Kit Stevens

Excused: Wayne McIntyre, CRD Director

Jim Sharp called the meeting to order at 10:05 am.

1. Approval of Agenda

It was generally agreed that the agenda be accepted with the following addition:
2011 AGM Minutes.

MOVED by P. Lake, **SECONDED** by S. Wheeler,

That the 2011 Annual General Meeting Minutes were approved as presented.

CARRIED

The Chair called for introductions. There were introductions around the table.

2. Chair's Report

Jim Sharp verbally presented the following Chair Report:

In the last year Mr. Wheeler and Mr. Sharp have concentrated their efforts in two main areas:

1. To help improve the working relationship between the CRD staff and the Commission; and

2. To assist CRD Salt Spring to move the first phase of the upgrades to completion.

The residents of Beddis pay a piece of our parcel tax to pay for a loan that was taken out in 2005 that we are getting no return on. It is important that that job be finished so that we can get some benefit from the \$290 per year that we pay towards that loan. The work that is being done now is to complete the water treatment plant and those facilities at Cusheon Lake. The other activities are to extend the pipeline from the old Lautman tank to the new tank on Sky Valley, commission the new tank by pressure testing and disinfecting it, and lastly, add a pressure reduction station along Cusheon Lake Road. At some point there will be the need to remove the elevated Sky Valley tank and we need to add a pump station to provide water to those residents in the Sky Valley area. We will be discussing in the budget meeting the timing of that work.

The relationship that Commission has with the CRD is a professional one, with cooperative sharing of information between parties at all times, we participate regularly in all aspects of the work ranging from agreement on the design of facilities, the scope of work to be done, we review any bid documents and agree on the awarding of contracts.

It has taken several months to transfer the project from the Victoria CRD office to Ralf Waters on Salt Spring and to determine the work required, learn what was completed and what needs to be done to get what we have operational. In my view the work is progressing well and Mr. Waters will be providing more detail in his report. At this point I would like to express my appreciation to Mr. Robbins for his overall management of our system in the past year and to Mr. Ruurs and Mr. Waters for all of their hard work over the last several months in developing a plan to complete the upgrade work. It is important to note that Mr. Ruurs and Mr. Waters have the best interest of the water users at heart. Not only do they want to complete the facilities but they want to do it at the least possible cost, which is a refreshing attitude that was not really present before.

Just a couple of key accomplishments by Mr. Waters: He has worked closely with VIHA and Tetra Tech and has concluded that we do not need to add an additional chlorine contact chamber. The second is the redesign of the pressure reduction station to a simpler configuration. Both of these steps will reduce expenditures which translates into less cost for the water users. At the moment the facility upgrades are under budget, however we will not know the final numbers until the remaining construction has been bid and awarded. Hopefully, we will be under budget and we will not need to borrow the full \$400,000 that is presently in the plan.

3. Annual Report

T. Robbins reviewed the 2011 Annual Report. He highlighted the following items:

- The Beddis Water System operated reliably in 2011.
- The Creekside PRV – the replacement of deteriorated pressure reducing valve mechanical components.
- All water mains were flushed in the Spring and the Lautman reservoir was cleaned.
- Cusheon Lake intake was inspected and cleaned in the Spring and again in the summer.
- Electrical work was completed to ensure the Lautman booster pumps can only run when the lake intake pumps are running.
- North SS Waterworks operated under contract with CRD to provide annual operational services.
- Lautman reservoir developed a leak and temporary repair was completed until the new reservoir is commissioned with the treatment plant completion.
- The outstanding legislated requirement is that as a condition of the VIHA permit to operate the Beddis water system, the CRD was to complete the treatment upgrades to the plant by 2009. An order from VIHA has since been received and the CRD has committed to complete the treatment plant by 2013. TetraTech Consultants, CRD staff and the Commission have defined a proposed scope of work and budget to complete the treatment plant and related improvements to water storage and distribution.
- Construction of a new Sky Valley reservoir and booster pump station have been deferred until 2019.

- 26,073 cubic metres of water was abstracted from Cusheon Lake in 2011, 5% less than in 2010.
- The system is seeing a reduction on water use as a result of conservation efforts and declining indoor water use resulting from the use of low flow water fixtures and high efficiency appliances.
- The Beddis system is fully metered, and water meters are read every three months.
- Non-revenue water in 2011 was 2,935 cubic metres, 9% of overall production.
- Average single family residence in the Beddis area was 183 cubic metres.
- The analytical results of water samples collected in 2011 show that the quality of drinking water was satisfactory and within regulatory limits.
- The 2011 revenue of \$162,743 includes \$61,733 in water sales, \$39,594 in fixed charges and \$58,954 in parcel taxes.
- Total expenditures for 2011 were \$130,834 of which \$53,975 was the annual cost of borrowing for capital work.
- Operating expenses were approximately \$34,000 under budget, since the budget included an unused allocation for operating the new treatment plant that did not enter service in 2011.
- An \$18,360 surplus was carried forward to the 2012 budget revenue.
- The balance in the Beddis Capital Reserve Fund at December 31, 2011 was \$82,279.

4. Treatment and Distribution System Project Update

R. Waters reviewed the Progress Update for the Beddis Water Treatment Plant Completion and Distribution System Upgrade Project Report. The report provided the status of the ongoing capital project to complete the Beddis Water Treatment Plant and the upgrades to the water distribution system required to put the treatment plant and new storage tank into service. To date, most of the mechanical and electrical work within the treatment plant is complete and a fifty percent design brief has been received on the required civil works. The design is expected to be complete in March 2013.

5. Election of Officers

T. Robbins advised that S. Wheeler's term expires at the end of 2012 and that there are two additional vacancies on the Commission.

The Chair called for nominations.

J. Sharp nominated Nancy Hamilton, S. Wheeler seconded the nomination.

Nancy Hamilton was elected by acclamation.

S. Wheeler agreed to stand for another term. S. Wheeler was elected by acclamation.

N. Hamilton arrived at the meeting at 10:47 am.

6. New Business

6.1 Letter from Director McIntyre

P. Lake read the following message from Mr. McIntyre:

To all attendees of the Beddis Water District, it has been a very challenging year in many aspects but I believe that we have made progress and continue to do so. One aspect that was identified when I was elected as Director was to bring more CRD to Salt Spring in terms of project managers. Kees Ruurs, EA Senior

Manager and Ralf Waters, CRD Engineer as a team have been in place for six months and a measurable progress has been made. I thank them for what they have done not only for the Beddis Project but on many other fronts. I would also like to address the efforts of two incredible commissioners, Jim Sharp and Simon Wheeler. In a pressure filled meeting they stepped up to represent all Beddis water users and have done a terrific job. Jim Sharp has worked closely with management staff on a number of technical and related issues and Simon Wheeler has worked on providing information to all the users in a timely and comprehensive manner. These two gentleman have been exemplary Commissioners on your behalf and I know that all CRD staff has enjoyed working with them. I hope that their efforts are recognized and appreciated. There is a third part of the team, CRD Victoria staff and while some past mistakes still resonate with many, I know that Ted Robbins and his staff and many others in the CRD are working hard to insure that continued improvements will be made. Thank you Ted Robbins and the rest of the staff at CRD headquarters. As I have in the past, I am certainly prepared to have an open meeting with all of you if there are issues that arise during the AGM that are not answered to your satisfaction.

6.2 Request for Removal of Service Area

J. Sharp verbally advised that there is a bylaw that states that users cannot connect a secondary water system to the Beddis Water System. Mr. Robbins noted that the intent of the bylaw is to protect the public water supply. There was discussion regarding the backflow prevention valve. It was generally agreed that T. Robbins would look into the VIHA technical advisory regarding the backflow prevention valve.

6.3 Capital Reserve Fund Contribution

J. Sharp verbally advised that Commission would like to take into consideration input on how much the users would like to put into the Capital Reserve Fund. Presently users are paying approximately \$450 per year in parcel tax, of which \$290 towards the payment of the 2005 loan and the balance goes into the capital reserve fund. When the district takes out the additional loan, the parcel tax is going to increase. Please forward comments to Jim Sharp, Simon Wheeler or leave a comment on the Beddis District web site: <http://beddiswater.com/>

Additional request:

- That staff provide a copy of the emergency plan for the Beddis Water District. Ted Robbins advised that the plan meets the basic requirements and that it would be costly to develop a more comprehensive emergency plan. D. Stevens volunteered to assist anyone leading this activity.

7. **Adjournment**

The meeting was adjourned at 11:24 am.



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**BEDDIS WATER SERVICE
ANNUAL REPORT
TUESDAY, DECEMBER 10, 2013**

Operations

With few exceptions, the Beddis Water System operated reliably in 2012. Significant events and activities in 2012 and 2013 to date include:

- Electrical repairs to Creekside pressure control station
- Flush valve replaced at 1544 Beddis Road
- Cleaning of system raw water lake intake
- Repairs to broken water main – Samuel Crescent – Beddis Road

Water Treatment and Distribution System Upgrade Project

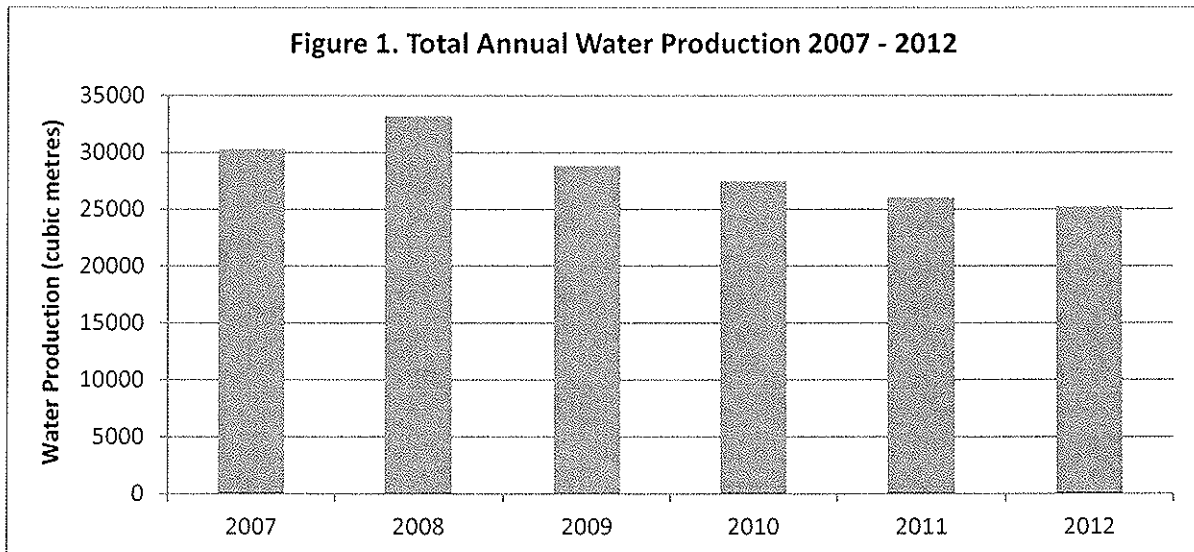
The water system upgrade project was substantially completed in March 2013, including the following works:

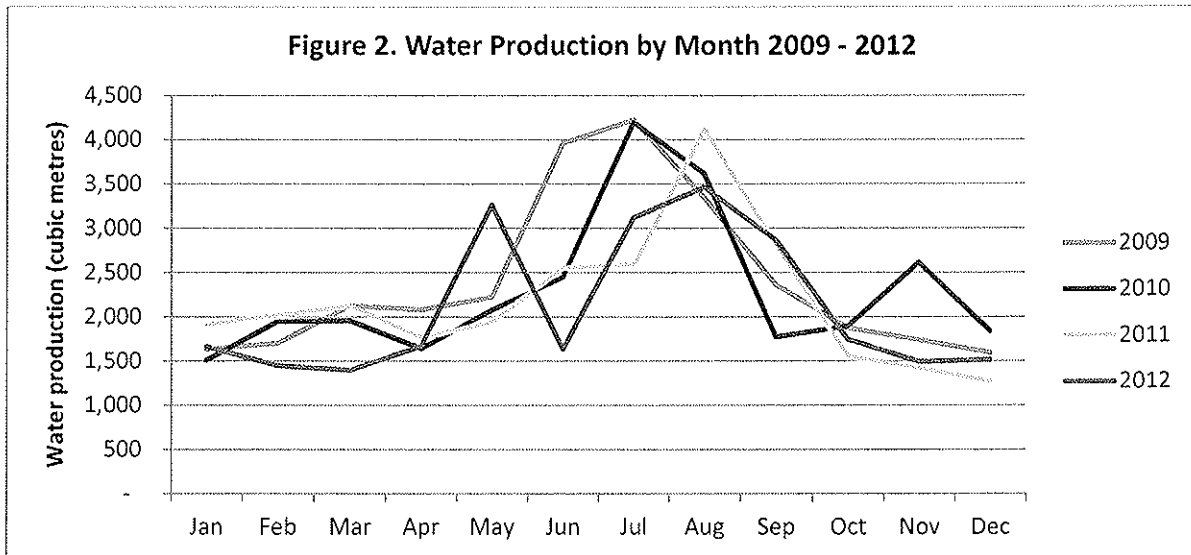
1. Construct and commission the water treatment plant;
2. Construct and commission distribution system works to bring the new Lautman reservoir on-line including piping from the existing Lautman booster pump station to the new reservoir, reservoir connections, reservoir level controls, decommission existing Lautman reservoir;
3. Construct and commission a new pressure reducing valve station at Cusheon Lake Road.

Construction of a new Sky Valley reservoir and booster pump station has been deferred until 2019.

Water Supply and Demand

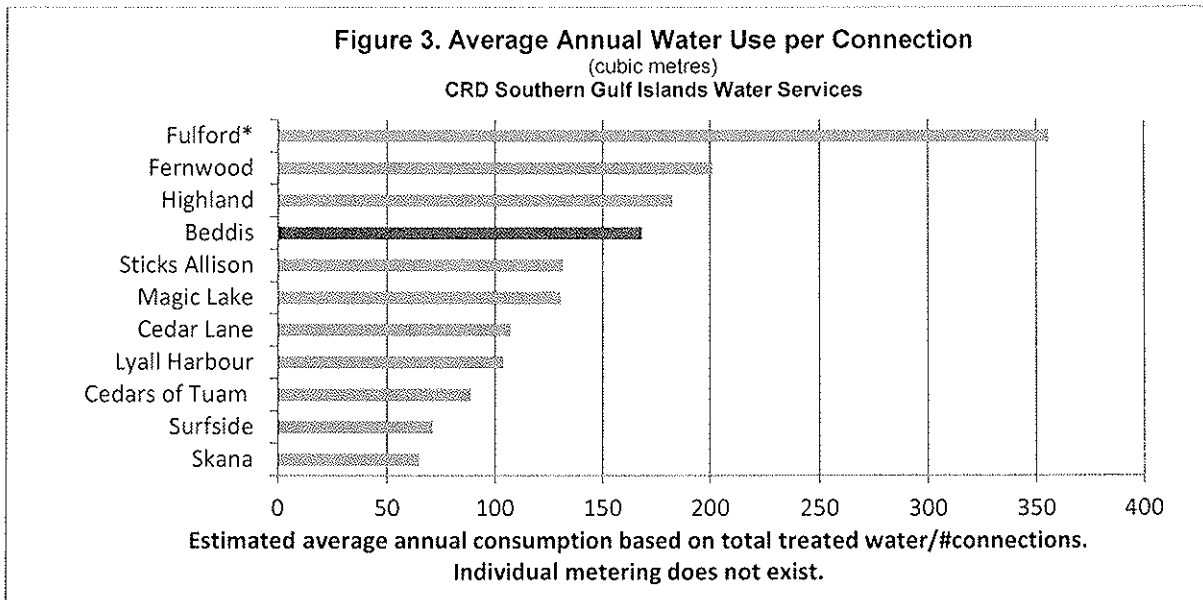
Annual water production since 2007 is shown in **Figure 1**. A total of 25,292 cubic metres (m³) of water was abstracted from Cusheon Lake in 2012. This is 3% less than in 2011 and the lowest annual total since the CRD began operating the system in 2005. **Figure 2** shows monthly water production since 2009. Water production averages about 2,000 m³/month in winter, and roughly doubles in July and August. The Beddis water service, as with other water service areas, is seeing a reduction in water use as a result of conservation efforts and declining indoor water use resulting from the use of low flow fixtures and high efficiency appliances.





The Beddis Water System is fully metered, and water meters are read every three months. Water meter data enables water production and consumption to be compared in order to estimate leakage losses in the distribution system. The difference between production and total metered consumption, called non-revenue water, includes distribution leaks, meter error, and unmetered uses such as fire hydrant usage and distribution system maintenance. Non-revenue water in 2012 was 4,086 m³ (16%) of overall production; considered high but likely due to the treatment upgrade and reservoir construction works. Non-revenue water in 2011 was approximately 9% of total production or 23 m³ per service connection, which is relatively low considering the length of water main per service connection in the Beddis Water System.

The average single-family residence in the Beddis Water System used 168 m³ in 2012. This is similar to other CRD water service areas on Salt Spring Island using surface water sources. However, three customers in the Beddis Water System accounted for a significant proportion of overall use. When these customers are excluded, the average is reduced to about 147 m³ and accounts for an overall reduction in consumption of approximately 3% from the previous year. A 2012 comparison of average annual water consumption per residential service connection for other CRD Gulf Islands metered distribution systems is provided in **Figure 3**.



Water Quality

The analytical results of water samples collected in 2012 and 2013 to date from the Beddis Water System show that the quality of drinking water was satisfactory and within regulatory limits with the exception of disinfection by-products (total trihalomethanes and haloacetic acids) that exceeded the Canadian Water Quality Guidelines prior to the installation of the new water treatment plant in July 2013. The disinfection by-products have not been tested since that time but are expected to now be within limits.

Water quality results for the Beddis Water System are posted on the CRD website at:
<http://www.crd.bc.ca/saltspring/water/beddis/water-quality.htm>

2012 Financial Report

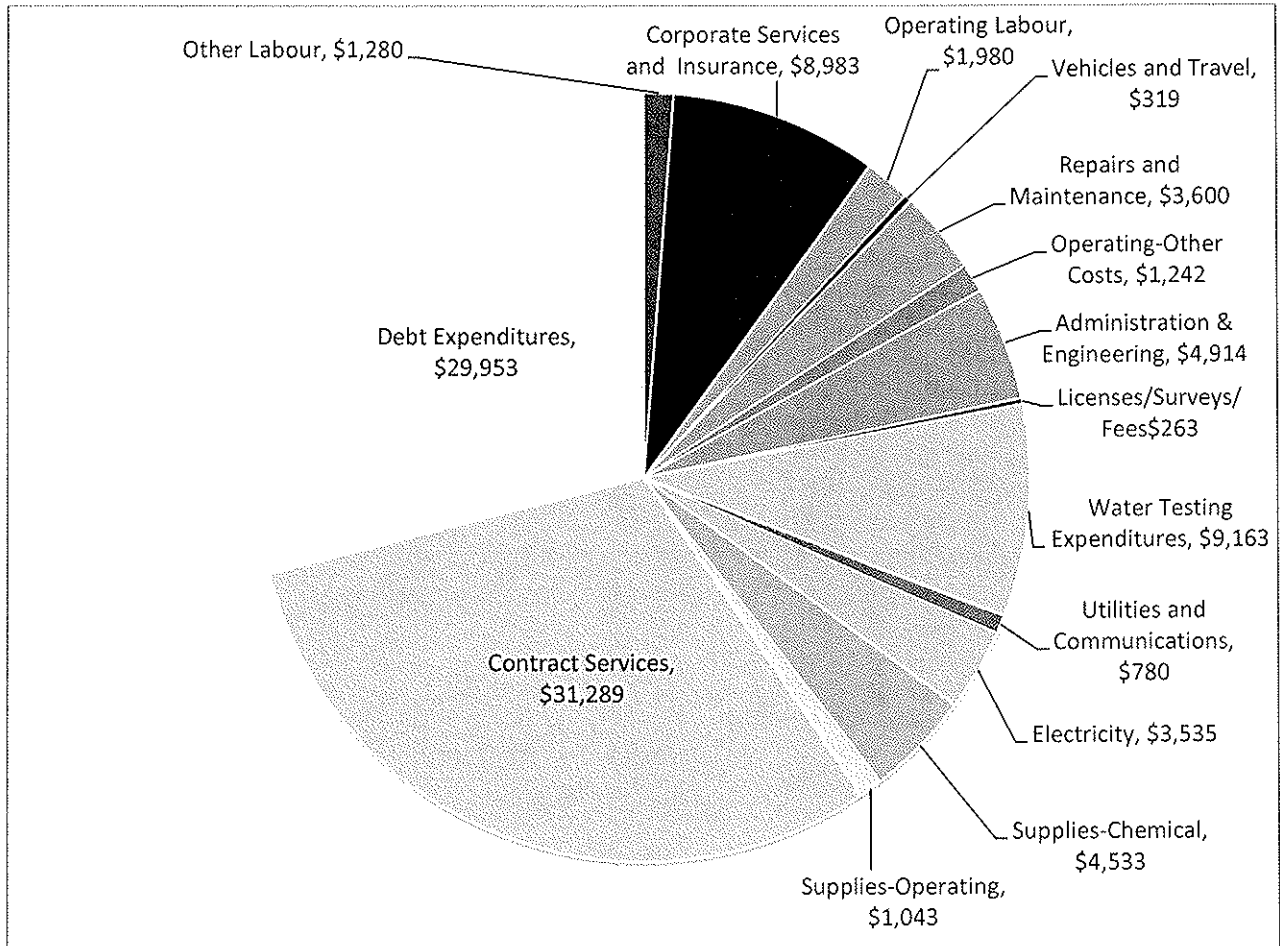
Attached is a copy of the *Statement of Financial Activities* as prepared by CRD Finance and Corporate Services for the year 2012. The statement provides an overview of the revenues and expenditures for the year. Revenues are generated primarily through parcel taxes and user fees (fixed and variable based on water use), and small amounts for interest on savings and miscellaneous revenue, such as late payment charges.

Expenditures include all costs to administer the service. General government services are charges levied by CRD Corporate Services for the financial processing of the budget and collection of fees and charges. Other includes all expenses needed for the operation of the service including all CRD labour costs for day to day operations, CRD service personnel hours performing maintenance and repairs, chemicals, electricity, water testing costs, maintenance, parts allowances for electrical and mechanical equipment, rental of equipment as necessary, allowances for technical and staff support to the committee, and for the payment of debt. The difference between revenue and expense is added to any surplus or deficit carried forward from the prior year. The surplus, or deficit balance, after any transfers is carried to the following year.

The Beddis 2012 revenue of \$164,757 includes \$63,579 in water sales, \$40,894 in fixed charges, \$58,504 in parcel taxes and \$1,780 in interest and late charges. The total expenditures for 2012 were \$102,559, of which \$29,953 was the annual cost of borrowing for capital work, and the remainder was the cost of operation and administration of the service. Operating expenses were about \$62,570 under budget, since the budget included an unused allocation for operating the new treatment plant that did not enter service in 2012. A breakdown of operating expense is shown in **Figure 4**.

The difference between revenue and expenditures at 2012 year end amounted to a net surplus of \$62,198. As a result of the 2012 surplus, \$30,524 was transferred to the capital reserve at year end, leaving \$31,674 added to the accumulated surplus of \$18,360 to create a \$50,034 surplus carried forward to the 2013 budget revenue. The balance in the Beddis Capital Reserve Fund at December 31, 2012 was \$53,955.

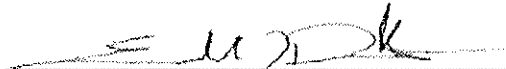
Figure 4. Beddis 2012 Actual Operating Expenses \$102,559
(minor expenditures not reflected)



Water System Problems - Who to Call:

To report any event or to leave a message regarding the Beddis Water System, call either:

- CRD water system emergency call centre: 1-250-474-9630
- CRD local operator (Ganges Wastewater Treatment Plant): 250-537-4314
- CRD water system general enquiries (toll free): 1-800-663-4425


Ted Robbins, BSc, CTEch
General Manager, Integrated Water Services

GP:TR:CP:mm
Attachments: 1

CAPITAL REGIONAL DISTRICT

WATER REVENUE FUND Statement of Operations (Unaudited) For the Year Ended December 31, 2012

	Beddis Water Supply
Revenue	
Transfers from government	\$ 58,504
Sale of services	104,473
Other revenue from own sources:	
Interest earnings	705
Other revenue	1,075
Total revenue	164,757
Expenses	
General government services	7,555
Grants in aid	-
Other expenses	94,880
Salaries and wages	-
Fiscal services	124
Recovery	-
Total expenses	102,559
Net revenue (expenses)	62,198
Transfers to own funds:	
Capital Funds	-
Reserve Funds	30,524
Equipment Replacement Fund	-
Transfers from own funds:	
Reserve Funds	-
Annual surplus	31,674
Accumulated surplus (deficit), beginning of year	18,360
Accumulated surplus (deficit), end of year	\$ 50,034