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**BEDDIS WATER SERVICE COMMISSION
ANNUAL GENERAL MEETING**

Notice of Meeting on THURSDAY, October 30, 2014 at 10:00 AM
Salt Spring Public Library, 129 McPhillips Ave, Salt Spring Island, BC

Wayne McIntyre Simon Wheeler Nancy Hamilton Ruth Waldick

(amended) **AGENDA**

1. **Call to Order**

2. **Approval of Agenda**

3. **Adoption of Minutes of the 2013 Annual General Meeting held on December 10, 2013**

4. **Chair's Report**

5. **Report**
 - 5.1 **2014 Annual Operations report**

6. **Election of Officers**

7. **New Business**

8. **Adjournment**

To ensure quorum, advise Tracey Shaver 250 537 4448 if you cannot attend.



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**Minutes of the Annual General Meeting
of the Beddis Water Service Commission**

Held December 10, 2013, 2591 Fulford Ganges Road, Salt Spring Island, BC

DRAFT:

Present:

Director: Wayne McIntyre

Commission Members: Simon Wheeler (Chair), Nancy Hamilton, Ruth Waldick

Staff: Karla Campbell, Senior Manager; Brian MacDonald, Manager Financial Planning and Treasury Corporate Services; Ted Robbins, GM Integrated Water Services; Dan Robson, Manager of Operations Integrated Water Services Saanich Peninsula and Gulf Islands; Peter Sparanese, Senior Manager Infrastructure Operations; Sarah Shugar, Recording Secretary

Chair Wheeler called the meeting to order at 4:05 pm.

1. Approval of Agenda

MOVED by Director McIntyre, **SECONDED** by Commissioner Hamilton,
That the agenda be adopted as presented.

CARRIED

2. Approval of Minutes – December 6, 2012

MOVED by Director McIntyre, **SECONDED** by Commissioner Hamilton,
That the minutes of the December 6, 2012 Annual General Meeting be approved as presented.

CARRIED

3. Chair's Report

Chair Wheeler provided the following report:

- In September 2013 Commission Wheeler took over from departing Chair, Jim Sharp.
- Staff worked very hard to oversee the Commissioning of the new treatment plant. The treatment plant was completed approximately \$30,000 below the original estimate. Project was completed on time and below budget.
- The water quality is very good although there have been some comments about the level of chlorine.
- There were some system leaks that were repaired by North Salt Spring Waterworks.
- There has been a good level of communication between Salt Spring Island staff, CRD Victoria and the Commission.
- There is one vacancy on the Commission.

MOVED by Director McIntyre, **SECONDED** by Commissioner Waldick,
That the Beddis Water Service Commission receive the Chair's Report as presented.

CARRIED

4. Annual Report

T. Robbins reviewed the Beddis Water Service 2012 Annual Report dated December 10, 2013. Staff to confirm water quality testing results and forward to Commission.

There was question from the members of the public regarding the chlorine levels, especially the Sky Valley Road residents. Staff will look into a gradual decrease at the plant and the possibility of changing the addition of a percentage of the chlorine from the treatment plant to chlorination stations.

MOVED by Commissioner Waldick, **SECONDED** by Director McIntyre,
That the Beddis Water Service Commission receive the 2012 Annual Report as presented.

CARRIED

5. Election of Officers

Commissioner Hamilton advised that she would stand for reappointment. Commissioner Hamilton was reappointed. There is one vacancy remaining on the Commission.

6. New Business

The following items were reported:

- Director McIntyre thanked Chair Wheeler and previous Chair Sharp and staff for all of the effort in the successful Commissioning of the new treatment plant.
- There was a question regarding system leaks. T. Robbins reviewed the protocol for dealing with leaks. Each situation is evaluated for urgency and either North Salt Spring Waterworks or Victoria staff would be called out.
- There was a question regarding emergency preparedness. Previously, there was spill equipment on site. It is recommended a sign be placed at the plant with emergency contact information. It was agreed to refer emergency response items to the CRD Emergency Operations Committee.
- It was confirmed the PRV in Creekside has been replaced.

7. Adjournment

MOVED by Commissioner Waldick, **SECONDED** by Director McIntyre,
That the meeting be adjourned at 5:15 pm.

CARRIED



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**BEDDIS WATER SERVICE
2014 ANNUAL REPORT
THURSDAY, OCTOBER 30, 2014**

Purpose of the Annual General Meeting

The agenda for the Annual General Meeting (AGM) is approved by the members of the Commission. The purposes (and hence the agenda items) of the meeting are:

- To have the last year's AGM minutes approved (by Commission members), and to present reports on the work of the Commission on, the past year's operation, maintenance, capital upgrades and financial information of the service to the service residents and owners,
- To nominate members for appointment to the Commission, and
- To enable the public to share comments on subjects which relate to the work of the Commission. The Commission can identify (under "new business") issues on which it wants feedback at the meeting. Motions raised by the public at the AGM will be considered by the commission at a subsequent regular meeting.

The Annual General Meeting is for the 2013 fiscal year.

DRINKING WATER SYSTEM

Water Supply and Demand

Annual water production since 2007 is shown in **Figure 1**. A total of 26,593 m³ of water was extracted from Cusheon Lake in 2013. This is 6% greater than in 2012, however, it is within 1% of the average production since 2007 (26,808 m³). The Beddis water service may have had the increased volume due to the construction of the new water treatment plant and the required testing, commissioning and process water used.

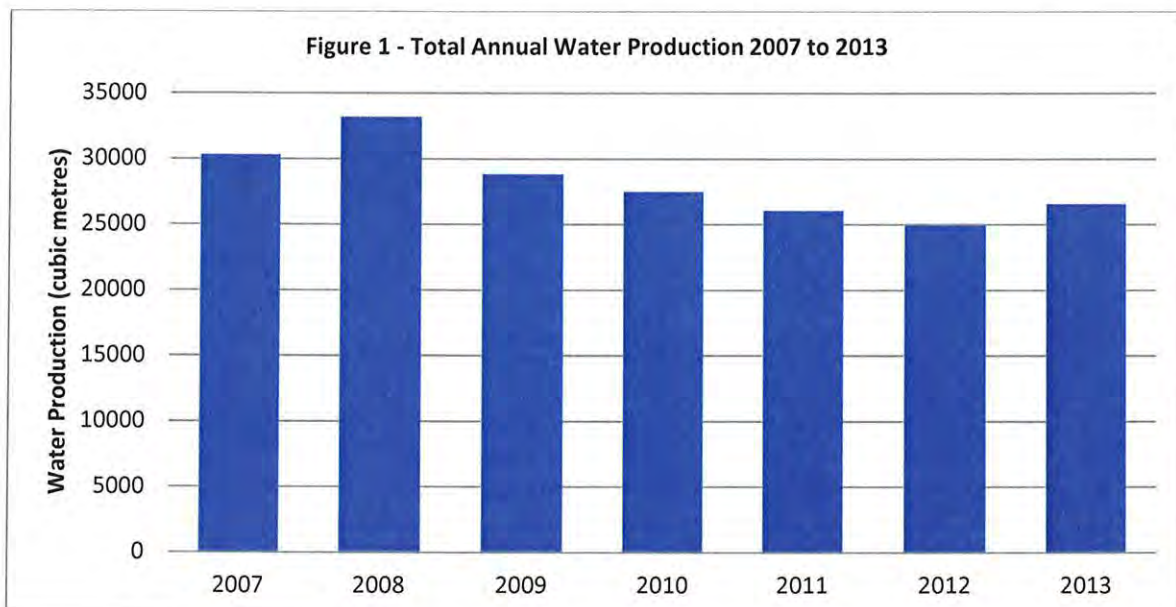
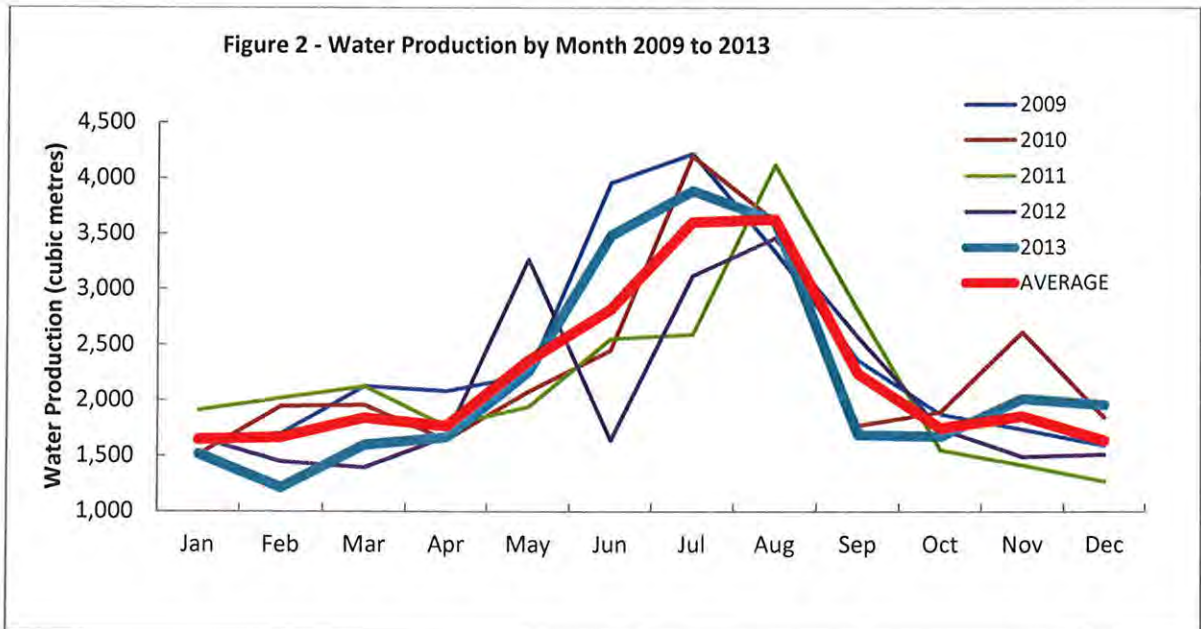


Figure 2 shows monthly water production since 2009. Water production averages about 1,700 m³/month in winter, and roughly doubles in July and August.



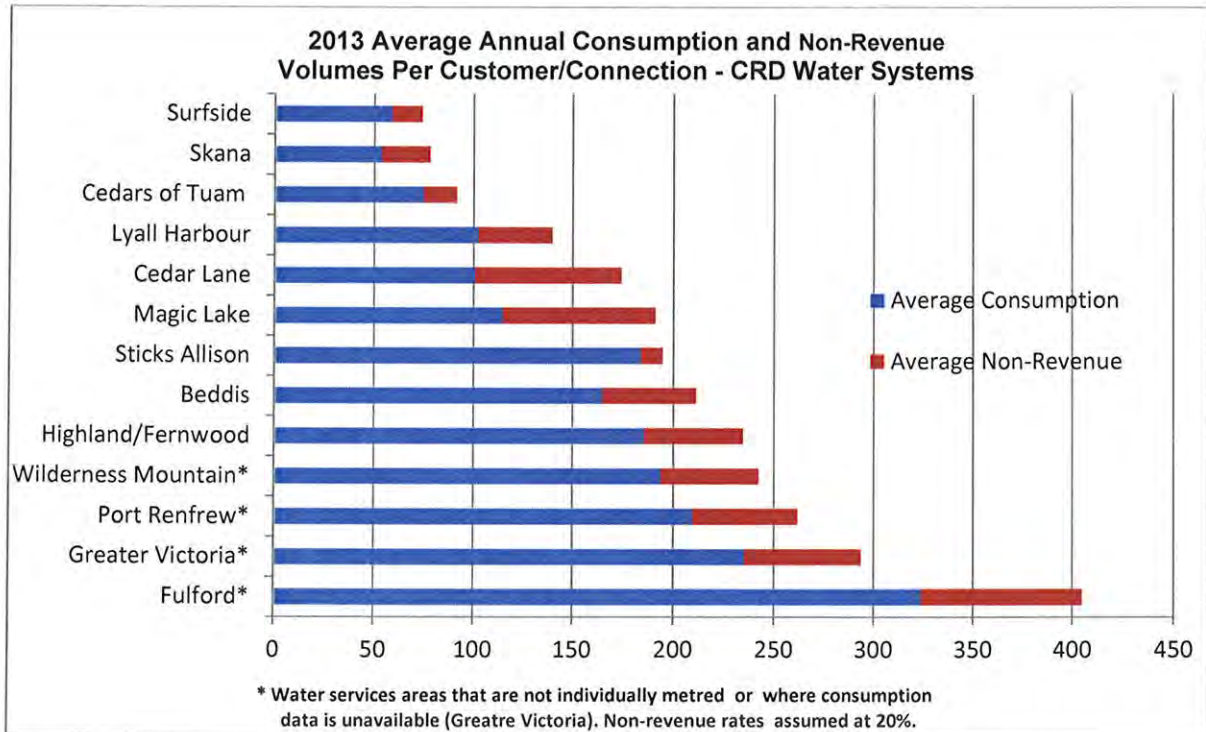
The Beddis Water System is fully metered, and water meters are read every three months. Water meter data enables water production and consumption to be compared in order to estimate leakage losses in the distribution system. The difference between production and total metered consumption, called non-revenue water, includes distribution leaks, meter error, and unmetered uses such as fire hydrant usage, distribution system maintenance and process water for the treatment plant. Non-revenue water in 2013 was 5,823 m³ (22%) while in 2012 it was 4,086 m³ (16%) of overall production; considered high but likely due to the treatment plant upgrade, commissioning and on-going process water requirements.

Non-revenue water in 2011 was approximately 9% of total production, 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 165 m³ in 2013, virtually unchanged from 2012 use of 168 m³. This is similar to other CRD water service areas on Salt Spring Island using surface water sources. However, two customers in the Beddis Water System accounted for a significant proportion of overall use. When these two customers are excluded, the average is reduced to about 138 m³ in 2013 compared to 147 m³ in 2012, an overall reduction in consumption of approximately 6% from the previous year. A 2013 comparison of average annual water consumption per residential service connection for other CRD Gulf Islands metered distribution systems is provided in **Figure 3**.

Monitoring of future years flows will help determine if the water users are, as with other water service areas, 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.

Figure 3 - Average Annual Consumption per Customer/Connection



Water Quality

The analytical results of water samples collected in 2013 from the Beddis Water System showed that the quality of drinking water was bacteriologically and chemically satisfactory and within health-related regulatory limits with the exception of haloacetic acids and trihalomethanes (disinfection by-products) that exceeded the Canadian Water Quality Guidelines prior to the installation of the new water treatment plant in July 2013. Testing for haloacetic acids in early 2014 showed results well within the guideline limit of 80 ug/L for haloacetic acids and 100 ug/L for trihalomethanes.

Water quality results for the Beddis Water System are posted on the CRD website at: <https://www.crd.bc.ca/about/data/drinking-water-quality-reports/salt-spring-island-water-quality-reports/beddis-water-quality-reports>.

Operations

The water system is operated and maintained under contract by North Salt Spring Water Works with oversight by CRD Integrated Water Services Infrastructure Engineering and Operations.

On July 9, 2013 the new water treatment facility, new Lautman Reservoir and new Stewart Road pressure regulating station were placed into service. During 2013 there were some minor ongoing commissioning efforts with the new infrastructure but for the most part, the water system operated reliably.

Significant operations activities include:

- Commissioning of the water treatment facility related to the capital project.
- Cleaning of Sky Valley Reservoir and watermain flushing on Sky Valley Road.
- Assisting with the installation of perimeter security fencing around the water treatment facility
- Emergency repairs and maintenance on the raw water intake
- Water Treatment Plant saturator pump repairs

Water Treatment and Distribution System Upgrade Project

The water system upgrade project was completed in 2013 and was brought on-line in July. Work included constructing and commissioning the following components:

1. Water treatment plant;
2. Distribution system works to the new Lautman reservoir on-line including piping from the existing Lautman booster pump station to the new reservoir, reservoir connections, reservoir level controls, disconnection of the existing Lautman reservoir;
3. Pressure reducing valve station near the intersection of Cusheon Lake Road and Stewart Road.

The removal of the existing Lautman reservoir was not part of the overall capital upgrade project and was scheduled for 2014, however it is now anticipated to be removed in 2015.

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

Capital Improvements

In addition to the water treatment and distribution upgrade project, there was one additional capital improvement – the development of a Strategic Asset Management Plan (SAMP). The SAMP has not been initiated and it is now scheduled for completion in 2015.

ANNUAL BUDGET AND FINANCIAL REPORT FOR 2013

Attached is a copy of the *Statement of Operations (Unaudited)* as prepared by CRD Finance and Corporate Services for the year 2013. The statement provides an overview of the revenues and expenditures for the year.

Revenue includes parcel taxes (*Transfers from government*) and user fees (*Sale of services*), and small amounts for interest on savings and miscellaneous revenue such as connection charges and late payment charges (*Other revenue*). *Expenses* include all costs of providing the service. *General government services* include budget preparation, financial management, utility billing, and risk management services. *Other expenses* include all other costs to administer and operate the water system, and the principal and interest payments on borrowing to finance capital projects. *Other fiscal services* include administration costs for loans.

The difference between *revenue* and *expenses* is reported as *Net revenue (expenses)*. Any transfers to or from capital or reserve accounts for the service (*Transfers to own funds*) are deducted from this amount and the result is then added to any surplus or deficit carry forward from the prior year, yielding an *Accumulated surplus* (or deficit) that is carried forward to the following year.

The Beddis 2013 revenue of \$170,209 includes: \$62,111 in water sales, \$40,895 in fixed charges, \$65,083 in parcel taxes, \$1,331 in interest and \$790 in other revenue.

The total expenditures for 2013 were \$126,750, of which \$41,483 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 \$60,000 under budget, since the budget included an unused allocation for operating the new treatment plant that only operated part of 2013.

The difference between revenue and expenditures at 2013 year end amounted to a net surplus of \$43,459. As a result of the 2013 surplus, \$35,107 was transferred to the capital reserve at year end, leaving \$8,352 added to the accumulated surplus of \$50,034 to create a \$58,386 surplus carried forward to the 2014 budget revenue. The balance in the Beddis Capital Reserve Fund at December 31, 2013 was \$91,116. Beddis also has \$23,852 of unspent funding for the Waterworks study project and \$19,937 of unspent funding for the Water Treatment project. There is a balance of \$2,500 in a maintenance reserve fund as well.

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

Dan Robson, ASCT
Manager, Saanich Peninsula and Gulf
Islands Operations
Infrastructure Engineering & Operations

Karla Campbell
Senior Manager, Salt Spring Island Electoral
Area

Peter Sparanese, P.Eng.
Senior Manager, Infrastructure
Engineering and Operations
Concurrence

Ted Robbins, B.Sc., C Tech.
General Manager, Integrated Water Services
Concurrence

KW/ts

Attachment: 1

CAPITAL REGIONAL DISTRICT

WATER REVENUE FUND Statement of Operations (Unaudited) For the Year Ended December 31, 2013

	Beddis Water Supply
Revenue	
Transfers from government	\$ 65,083
Sale of services	103,005
Other revenue from own sources:	
Interest earnings	1,331
Other revenue	790
Total revenue	170,209
Expenses	
General government services	7,279
Grants in aid	-
Other expenses	112,542
Salaries and wages	-
Fiscal services	6,929
Recovery	-
Total expenses	126,750
Net revenue (expenses)	43,459
Transfers to own funds:	
Capital Funds	-
Reserve Funds	35,107
Equipment Replacement Fund	-
Transfers from own funds:	
Reserve Funds	-
Annual surplus	8,352
Accumulated surplus (deficit), beginning of year \$	50,034
Accumulated surplus (deficit), end of year	\$ 58,386