



Making a difference...together

**CEDAR LANE WATER SERVICE
ANNUAL REPORT
MONDAY 28 NOVEMBER 2011**

Operations

The Cedar Lane water system has operated reliably in the past year. Significant events and activities include:

- Repairs were required to UV disinfection equipment at Well #1 in 2010, resulting from an electrical surge, at an unbudgeted cost of \$1,419.
- Distribution main flushing to maintain water quality
- Operated under contract with North Salt Spring Waterworks for the provision of day to day operational services

Upgrade Project

In March 2010, a new 136 cubic metre (30,000 imperial gallon) storage reservoir was commissioned to replace the aging original reservoir near the Cedar Lane pumphouse, and all customer water meters were replaced in February 2010 with new CRD standard meter assemblies.

Of the \$475,000 total capital upgrade budget, \$119,000 remains. In early 2011, the Cedar Lane Water Commission worked with the customers and staff to determine the system priorities, scope and budget for the remaining project funds. Using the available funding, the following work is proposed:

- SCADA (control and remote monitoring) upgrades (2011): \$37,000
- Hydrant Installation with lead directly from the reservoir (2012): \$40,000
- Asbestos Cement Main Replacement (2012): \$42,000

Water Quality

The analytical results of water samples collected over the past year from the Cedar Lane Water System show that the quality of drinking water is within health-related regulatory limits. However, at times, iron and manganese exceed the aesthetic limits and their associated precipitates have been a significant nuisance problem in parts of the Cedar Lane system, particularly since starting to add chlorine.

Water Supply and Demand

The total amount of water produced into the Cedar Lane water distribution system in 2010 was 4,542 cubic metres (m³), a decrease of 8.5% from 2009 (Figure 1). Monthly production (figure 2) indicates a slight increase in water use in the summer of 2009, but no clear seasonal trend in 2010, suggesting that use of the community water system for irrigation or seasonal occupancy has decreased to the point that it is insignificant.

Total usage measured through customer meters in 2010 was 4,562 m³ (equal to production within the 2% reading precision of the meters), indicating that the system is essentially free of distribution leaks.

The average Cedar Lane account used 120 cubic metres of water in 2010. A comparison of 2010 average annual water consumption per residential service connection for CRD water services is provided in Figure 3.

Figure 1. Total Annual Water Production

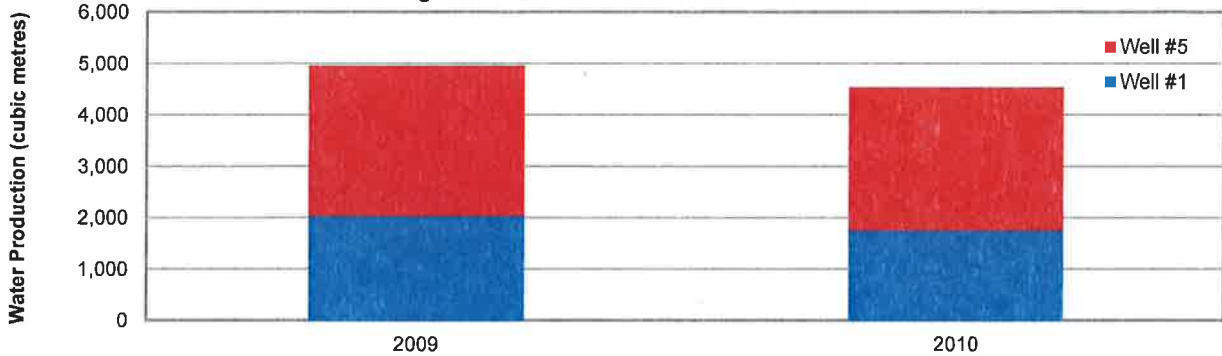


Figure 2. Water Production by Month

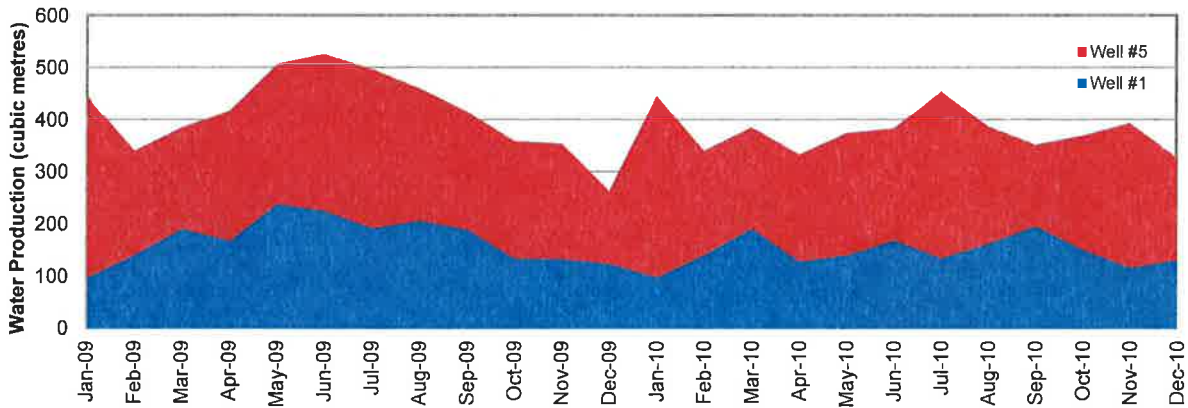
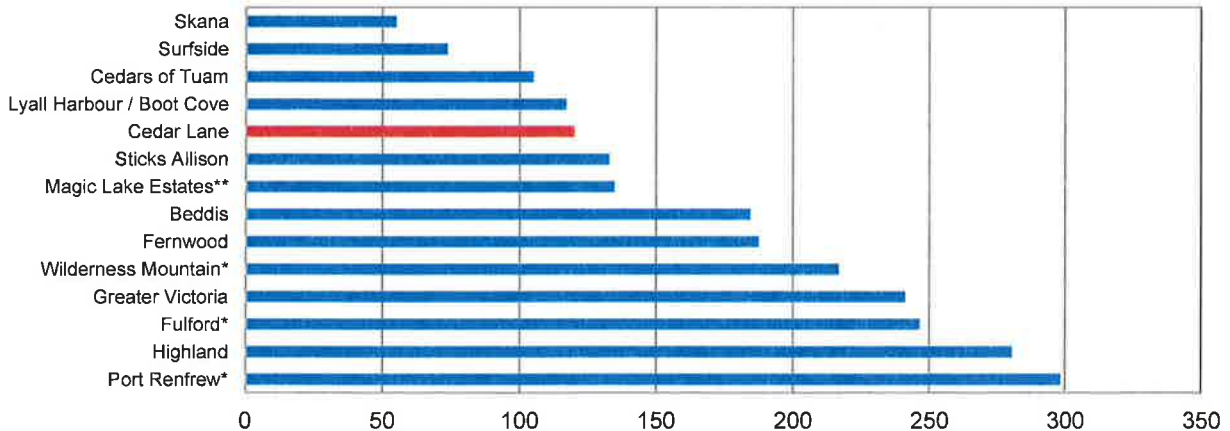


Figure 3. Average Annual Water Use per Connection (cubic metres)
 CRD Water Systems



* Residential is unmetered - residential demand is estimated
 **Consumption data is based on 343-576 accounts measured for a partial year

Financial Report

A statement of financial activities in 2010 for the Cedar Lane water service is attached. Revenues consisted primarily of \$18,470 from parcel taxes for capital cost recovery and \$30,244 from user fees and consumption charges to recover operating costs. A breakdown of the \$60,039 expenditure is provided in Figure 4.

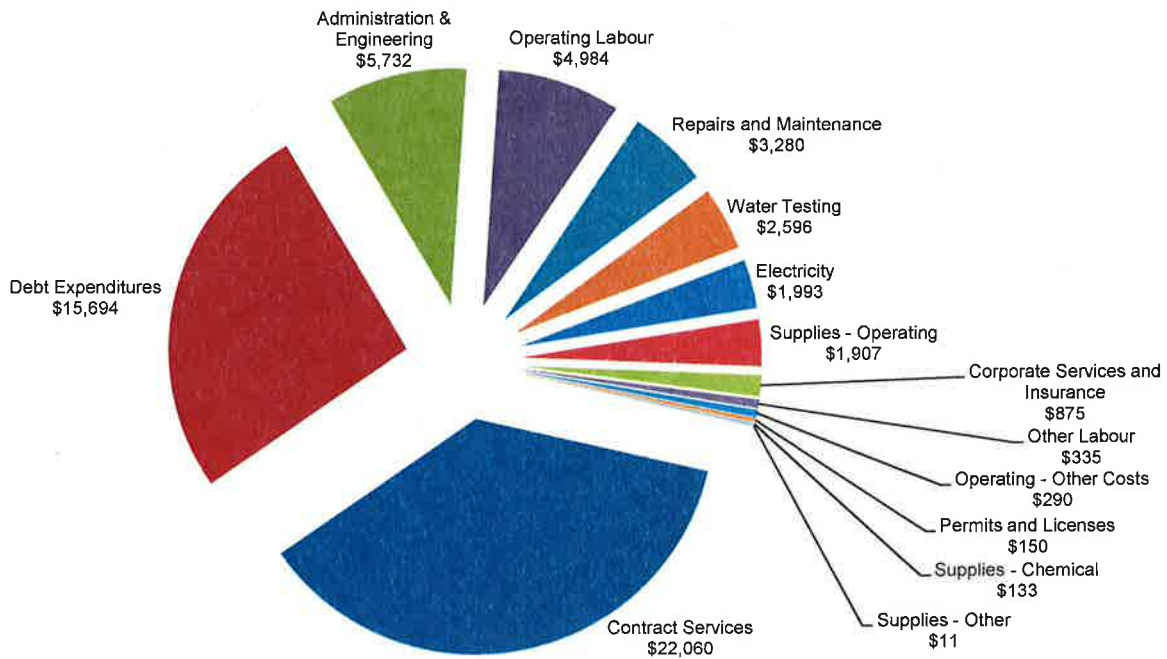
Operating costs exceeded revenue in 2010 by \$11,013, primarily due to unbudgeted chlorine residual testing costs and reduced water consumption revenue due to declining water usage. The \$11,013 deficit was carried forward to 2011, requiring a substantial revenue increase.

Water System Problems - Who to Call:

To report any event or to leave a message regarding the Cedar Lane water system, call either:


- North Salt Spring Waterworks District (contract operator): 250-537-9902**
- CRD local operator (Ganges Wastewater Treatment Plant): 250-537-4314**
- CRD water system emergencies call centre: 1-250-474-9630**
- CRD water system general enquiries (toll free): 1-800-663-4425**

Figure 4. 2010 Actual Operating Expense \$60,039





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 Senior Manager, Water Management



 J.A. (Jack) Hull, MBA, PEng
 General Manager, Integrated Water Services
 Concurrence

TR:CS:ls
 Attachment: 1

CAPITAL REGIONAL DISTRICT

WATER REVENUE FUND
Statement of Financial Activities
For the Year Ended December 31, 2010

		Cedar Lane
Revenue		
Transfers from government	\$	18,470
Sale of services		30,244
Other revenue from own sources:		
Interest earnings		-
Other revenue		312
Grants in lieu of taxes		-
		<u>49,026</u>
Expenditure		
General government services		590
Grants in aid		-
Other		59,318
Salaries and wages		-
Other fiscal services		131
Recovery		-
		<u>60,039</u>
Net revenue (expenditure)	-	(11,013)
Transfers to own funds:		
Water Capital Fund		-
Reserve Funds		-
Equipment Replacement Fund		-
Transfers from own funds:		
Reserve Funds		-
Change in fund balance		(11,013)
Opening balance		-
Closing balance	\$	(11,013)