



Making a difference...together

**Cedar Lane Water Service Commission**  
Notice of Meeting on **Tuesday, June 5, 2018 at 1:00 PM**  
Creekside Meeting Room, #108 121 McPhillips Ave, Salt Spring Island, BC

Wayne McIntyre

Jane Squier

Ralph Dom

Lynda Wilcox

(r) regrets

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**AGENDA**

**1. Approval of Agenda**

**2. Adoption of Minutes of November 30, 2017**

**2-3**

**3. Director, Chair and Commissioner Reports**

**4. Outstanding Business**

**4.1 Cedar Lane - Alternative Options For Supplying Water**

**4-6**

That the Cedar Lane Water Service Commission recommends the Five Year Financial Plan be amended to include the Cedar Lane Alternative Options for Supplying Water study and that \$39,420 be allocated from the Capital Reserve Fund in 2018 to fund the project.

**4.2**

**5. New Business**

**5.1**

**5.2**

**5.3**

**6. Next Meeting: September Budget Meeting-TBA**

**7. Adjournment**

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

EXEC-1295039085-1657



Making a difference...together

**Minutes of the Meeting of the Cedar Lane Water Service Commission  
Held November 30, 2017 at the Creekside Meeting Room, 108 121 McPhillips Ave,**

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**DRAFT**

**Present:** **CRD Director:** Wayne McIntyre  
**Commission Members:** Jane Squier, Ralph Dom  
**Staff:** Karla Campbell, Senior Manager SSI Electoral Area; Dan Robson, Manager, Saanich Peninsula and Gulf Islands Operations; Kyu-Chang Jo, Financial Analyst; Tracey Shaver, Recording Secretary  
**Absent:** Troy Newton

Chair Dom called the meeting to order at 11:42 pm.

**1. Approval of Agenda**

**MOVED** by Commissioner Squier, **SECONDED** by Director McIntyre,  
That the Cedar Lane Water Service Commission agenda of November 30, 2017 be approved.

**CARRIED**

**2. Adoption of Minutes of September 22, 2016**

**MOVED** by Commissioner Squier, **SECONDED** by Commissioner Dom,  
That the minutes of the Cedar Lane Water Service Commission held on September 22, 2016 be approved as presented.

**CARRIED**

**3. Reports**

**3.1 2018 Operating and Capital Budget**

Staff reviewed budget report and the following topics were discussed:

- Operating budget increased by 2.4%
- Loan authorization 3425-103 is up for refinancing in April 2018; opportunity to either pay off remaining balance and service fees from Capital Reserve fund or refinance at current MFA rates
- Parcel Tax funds are used for debit servicing and User Charge funds are for operations
- Reservoir cleaning scheduled for 2019; high cost driven by WBC and confined space regulations
- It is recommended that operational savings to be transferred to an operating reserve account which pay for infrequent maintenance jobs and emergency repairs; 10% of annual operating budget is optimal target for reserves

**MOVED** by Commissioner Squier, **SECONDED** by Commissioner Dom,

That the Cedar Lane Water Services Commission request that the Capital Regional District pay off the principle loan and associated fees under Bylaw 3514 in April of 2018 from Capital Reserve Funds.

**CARRIED**

**MOVED** by Commissioner Squier, **SECONDED** by Commissioner Dom,  
That the Cedar Lane Water Services Commission request that the debit service savings in April 2018 be calculated to provide a reduction in the parcel tax for 2018 and that the User Charge fees for 2018 remain as proposed in the presented operating budget at \$854.86.

**CARRIED**

**MOVED** by Commissioner Squier, **SECONDED** by Commissioner Dom,  
That the Cedar Lane Water Services Commission:

1. Approve the 2018 operating and capital budget as presented, and that the 2017 actual surplus or deficit be balanced on the 2017 transfer to the Capital Reserve Fund; and,
2. Recommend that the Electoral Area Services Committee recommend that the CRD Board approve the 2018 operating and capital budget and the five year Financial Plan for the Cedar Lane Water Service as amended.

**CARRIED**

#### **4. New Business**

##### **4.1 Well Water Supply**

The Commission is requesting a plan be in place in the event that their well is not able to supply the system during the dry months.

- Island water hauling supplier
- CRD system source of water
- Possible agreement in place with another water source
- Associated costs

#### **5. Outstanding Business**

None

#### **6. Adjournment**

**MOVED** by Director McIntyre, **SECONDED** by Commissioner Squier,  
That the meeting be adjourned at 12:45 PM.

**REPORT TO CEDAR LANE WATER SERVICE COMMISSION  
MEETING OF TUESDAY, JUNE 5, 2018**

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**SUBJECT**     **CEDAR LANE - ALTERNATIVE WATER SUPPLY OPTIONS STUDY**

**ISSUE**

At the November 30, 2017 Cedar Lane Commission meeting, the Commission requested a plan be developed in the event the existing two wells are not able to supply the system during the dry seasons.

**BACKGROUND**

The service has two wells located in a geological area of tight, low permeability sandstone which produce barely enough groundwater to meet demand, particularly during the summer season when the demand is at its highest. The challenges facing the water service were highlighted in a 2011 Thurber Engineering report which evaluated options to explore the expansion of the water source. The report concluded that, *“the likelihood of intercepting a significant groundwater supply of non-saline water from one or more wells within the Cedar Lane water service area is low”*.

The report suggested groundwater sources would more likely be found within the GSC fault zone near North End Road and Stark Road (5 to 6 km distance from Cedar Lane wells); and if Cedar Lane wanted to remain on groundwater, it would need to undertake a reconnaissance mapping program along the Bullock Lake valley. The alternative of exploring an extension to North Salt Spring Waterworks District is not likely due to limitations of St. Mary’s Lake and capital costs. The Cedar Lane service area already enacts conservation measures through use restrictions to mitigate usage impacts on the limited water supply. Feasible options to supplement the existing water supply are to explore rainwater catchment and water saving measures.

A Strategic Asset Management Plan (SAMP) will be developed for the Cedar Lane water system in 2018. This work was approved in the Cedar Lane Water Service five year financial plan and will review the existing system capacity, identify equipment and infrastructure for upgrade, by reviewing maintenance issues and life expectancy, and then developing cost estimates to implement.

While the assessment work on the water system is proceeding the CRD requested a proposal for an additional scope of work to evaluate alternative options for supplying water. The evaluation will include evaluating new well options; rainwater catchment options, analysis, and conceptual drawings; evaluate privatizing water supply to each residence; evaluation of potential and benefits of water saving measures; review of permitting requirements for each option; and providing conceptual drawings and class D cost estimates. The focus on rainwater catchment is for small

house size cisterns and is not intended to be operated or maintained by the CRD; and to determine the viability of supplying water during the dry months.

The estimated cost to complete water supply options study is as follows:

Contracted services	\$29,200
Admin and engineering (20%)	\$5,840
Contingency (15%)	\$4,380
<b>Total</b>	<b>\$39,420</b>

The 2018 capital reserve beginning balance is \$106,463. Planned 2018 expenditures include \$24,024 to repay debt outstanding from Loan Authorization Bylaw 3415; and \$10,000 for decommissioning abandoned wells. The anticipated remaining balance is \$73,439 with no planned expenditures over the next four years; however, the results of the SAMP assessment will inform future funding requirements to maintain the current infrastructure. There are sufficient funds to apply to the alternative options for supplying water study.

**ALTERNATIVES**

Alternative 1

That the Cedar Lane Water Service Commission recommends the Five Year Financial Plan be amended to include the Cedar Lane Alternative Options for Supplying Water study and that \$39,420 be allocated from the Capital Reserve Fund in 2018 to fund the project.

Alternative 2

That the Cedar Lane Water Service Commission recommends that the alternative options for supplying water study, be referred back to staff to seek additional information for the scope of work.

**IMPLICATIONS**

Alternative 1: The benefit of attaching this study onto the existing SAMP work is to take advantage of the knowledge gained by the same consultant who is doing the engineering review of the wells, water treatment and distribution infrastructure.

Alternative 2: The commission may have other options considered in the study that have not been identified and wish to add this to the scope of work, or further refine it.

**CONCLUSION**

The demand for water in the Cedar Lane Water service area on Salt Spring Island has increased significantly since the service was established in 2007. As a result, the 2 wells that provide water in the area are nearing the limits of their capacity and alternative options for water supply are needed. In accordance with the Board approved Financial Plan for 2018, a consultant has been hired to perform a Strategic Asset Management Plan for the service. It is proposed that the scope of the consultant's work be increased to include the evaluation and conceptual drawing of rainwater catchments and other water collection systems for residents of the area. The estimated cost for the consultant's services is \$39,420.

**RECOMMENDATION**

That the Cedar Lane Water Service Commission recommends the Five Year Financial Plan be amended to include the Cedar Lane Alternative Options for Supplying Water study and that \$39,420 be allocated from the Capital Reserve Fund in 2018 to fund the project.

Submitted by	Karla Campbell, BPA, Senior Manager, Salt Spring Island Electoral Area
Submitted by	Chris Davidson, P.Eng., Manager of Engineering, Salt Spring Island Electoral Area
Concurrence	Matt McCrank, MSc., P. Eng., Senior Manager, Infrastructure Operations
Concurrence	Robert Lapham, MCIP, RPP, Chief Administrative Officer

KC/ts