



Making a difference...together

CEDARS OF TUAM WATER SERVICE COMMISSION

Notice of Annual General Meeting on **Thursday, June 7, 2018 at 1:00 PM**
Creekside Meeting Room, Suite 108 121 McPhillips Ave, Salt Spring Island, BC

Wayne McIntyre Peter Wypkema

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 2017 fiscal year.

AGENDA

1. **Call to Order**
2. **Approval of Agenda**
3. **Adoption of Minutes of the 2016 Fiscal Year Annual General Meeting for the Fiscal Year held on November 30, 2017.** 2
4. **Chair's Report**
5. **Annual Report for 2016 Fiscal Year** 3-9
6. **Election of Officers**
7. **New Business**
8. **Adjournment**

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

EXEC-1295039085-1659



Making a difference...together

**Minutes of the Annual General Meeting of the Cedars of Tuam Water Service Commission
Held Thursday November 30, 2017, in the Creekside Meeting Room, Suite 108- 121
McPhillips Ave, Salt Spring Island, BC**

DRAFT

Present: **CRD Director:** Wayne McIntyre
Commission Members: Ron Aird, Peter Wypkema
Staff: Karla Campbell, Senior Manager, Salt Spring Island Electoral Area; Dan Robson, Manager, Saanich Peninsula and Gulf Islands Operations; Kyu-Chang Jo, Financial Analyst 2 Recording Secretary Tracey Shaver.

1. Call to Order

Chair Wypkema called the meeting to order at 1:05 pm.

2. Approval of Agenda

MOVED by Commissioner Wypkema, **SECONDED** by Commissioner Aird,
That the Cedars of Tuam Water Service Commission Annual General Meeting agenda of
November 30, 2017 be approved.

CARRIED

3. Adoption of Minutes of the 2015 Fiscal Year Annual General Meeting held on June 21, 2016.

MOVED by Commissioner Aird, **SECONDED** by Commissioner Wypkema,
That the Cedars of Tuam Water Service Commission 2015 Fiscal Year Annual General
Meeting Minutes of June 21, 2016 be approved.

CARRIED

4. Chair's Report

Chair Wypkema expressed urgency to have new well operational.

5. Annual Report for 2016 Fiscal Year

Staff reviewed report.

6. Election of Officers

Peter Wypkema agreed to serve another term on the Cedars of Tuam Water Service
Commission.

7. Outstanding Business

8. Adjournment

MOVED by Commissioner Wypkema, **SECONDED** by Commissioner Aird,
That the meeting adjourn at 1:32 pm.

CHAIR

SENIOR MANAGER



Making a difference...together

CEDARS OF TUAM WATER SERVICE 2017 ANNUAL REPORT JUNE 7, 2018

Introduction

This report provides a summary of the Cedars of Tuam Water Service for 2017. It includes a description of the service, summary of the water supply, demand and production, drinking water quality, operations highlights, capital project updates and financial report.

Service Description

The Cedars of Tuam Water Utility is a rural residential community located on Salt Spring Island. The service was created in 1970 and became a CRD service in 2002. The Cedars of Tuam Water Utility (Figure 1) is comprised of 16 parcels of land, all of which are connected to the system.

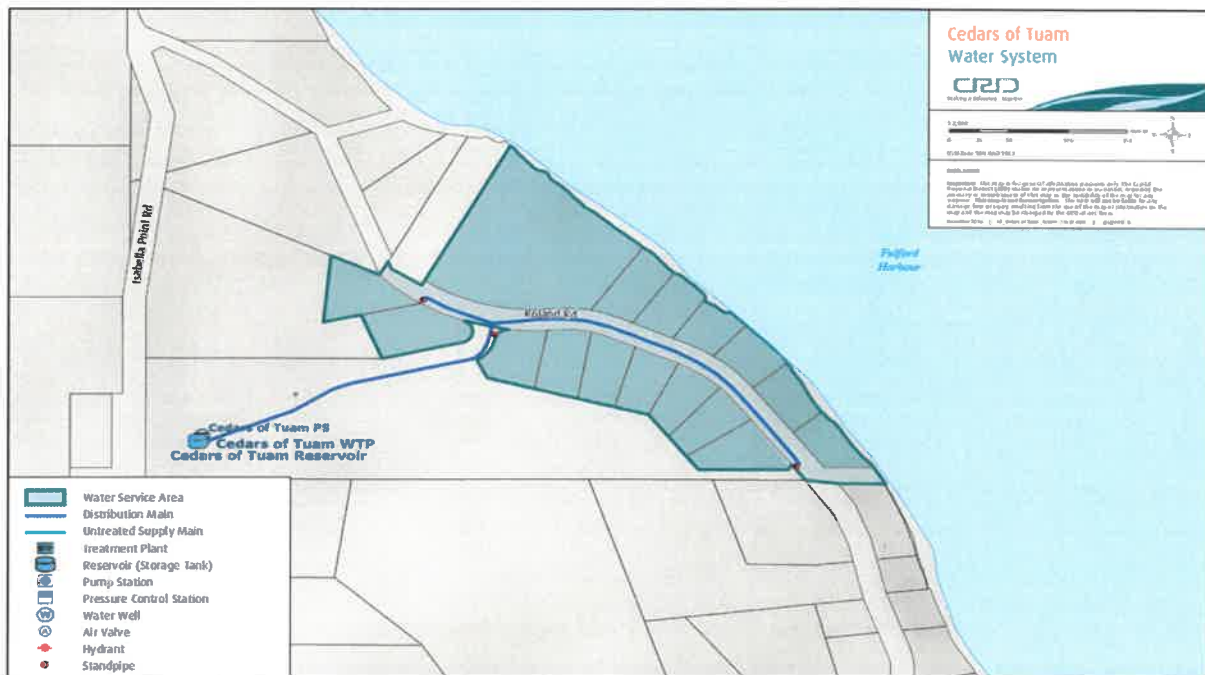


Figure 1: Cedars of Tuam Water Service

The Cedar Lane water system is primarily comprised of:

- One ground water source well
- a water treatment plant (WTP) that has a vortex sand separator and provides disinfection using sodium hypochlorite;

- 1 water reservoir – 46 m³ (10,000 lg);
- 650 meters of water distribution pipe;
- standpipes and gate valves;
- water service connections complete with water meters.

Water Production and Demand

Referring to Figure 2, 1,759 cubic meters (m³) of water was extracted (water production) from the ground water well in 2017; a 4% increase from the previous year. Water demand (customer water billing) for the service totaled 1,231 m³ of water; a 12% increase from the previous year.

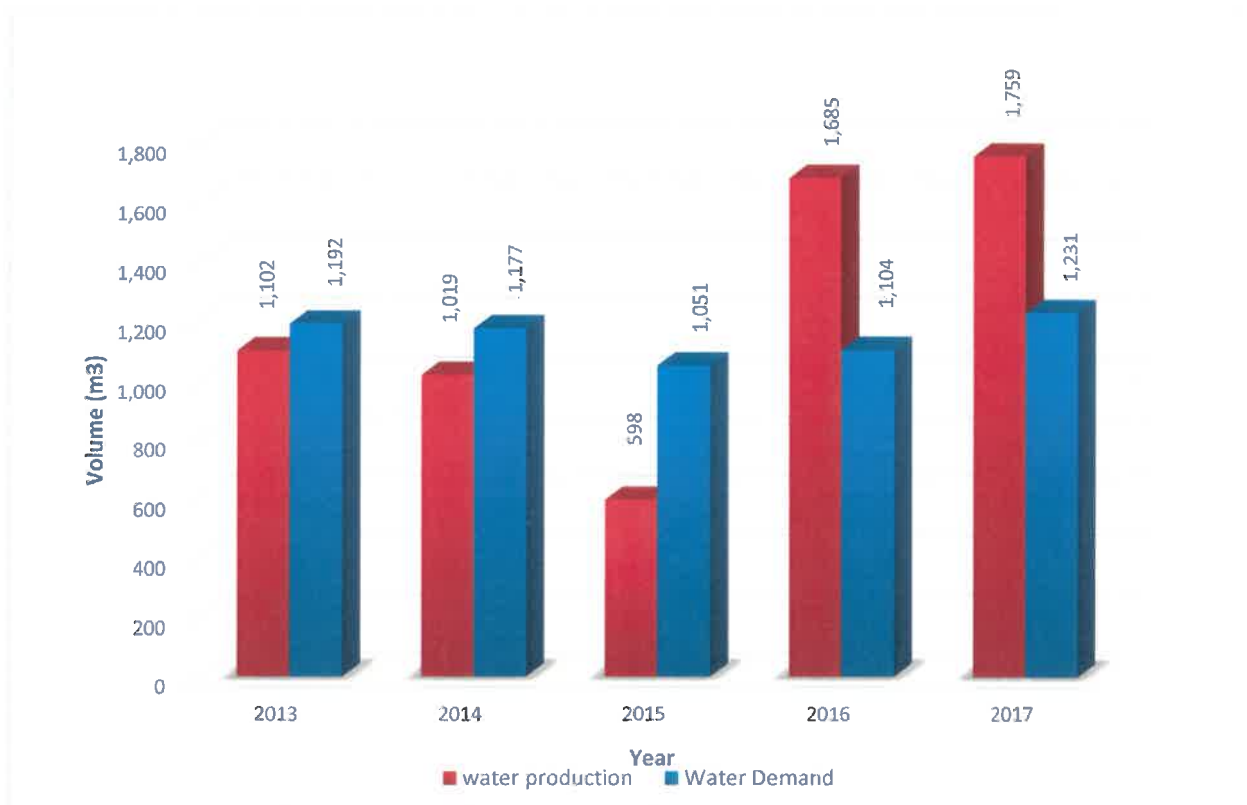


Figure 2: Cedars Lane Water Service Annual Water Production and Demand

The Cedars of Tuam Water System is fully metered, and water meters are read quarterly. Water meter information enables water production and consumption to be compared in order to estimate leakage losses in the distribution system. The difference between water produced and water demand (total metered consumption) is called non-revenue water and includes distribution leaks, meter error, and unmetered uses such as standpipe usage, distribution system maintenance and process water for the treatment plant. For 2017, the non-revenue water is approximately 30% which is considered high for a small water system such as Cedars of Tuam. However, in review of historical metered water production data it is apparent that the water production meter is not functioning correctly. Referring to Figure 2 above, this is evident when water production is less

than water demand for year 2013 to 2015. The malfunctioning meter is due to sand and foreign material being extracted from the well that passes through the meter causing it to read incorrectly.

Water Quality

The analytical results (biological, chemical and physical parameters) of water samples collected in 2017 from the Cedars of Tuam Water System indicated that the drinking water was generally of good quality and mostly within Guidelines for Canadian Drinking Water Quality (GCDWQ) health-related regulatory and aesthetic limits, including disinfection by-products. Only the turbidity in the treated water regularly exceeded 1 NTU since June 2017. The raw well water exhibited unusual indicator bacteria presence throughout most of the year indicating that the well water might be under influence of surface water. However, the bacteria concentrations were low and did not break through the disinfection treatment.

Typical Cedars of Tuam Water System drinking water quality characteristics for 2017 are summarized as follows:

- Source water from the well contained low concentrations of total coliform bacteria in January, April, July, August and higher concentrations in September and October. The October sample also contained low concentrations of *E. coli* bacteria indicating either a failing well seal or surface water influence on the aquifer.
- The raw water turbidity also increased during October (peak 7.6 NTU).
- Manganese concentrations were low throughout the year as usual but iron concentrations dramatically increased in the fall. This increase in iron concentration in the fall has been observed in previous years and seems to coincide with the aquifer recharge season.
- Treated water was free of any indicator bacteria and was safe to drink.
- Turbidity was generally over 1 NTU after June. On October 24, the highest turbidity of the year was recorded with 4.7 NTU.
- Metal concentrations were not tested in the distribution system but we have no customer reports of water discolouration events in 2017.
- Disinfection by-product concentrations were well below the GCDWQ limits. Total organic carbon concentrations were low with an annual median value of 0.99 mg/L.
- The mean annual free chlorine concentration in the system was an acceptable 0.48 mg/L.

Water Quality data collected from this drinking water system can be reviewed on the CRD website:

<https://www.crd.bc.ca/about/data/drinking-water-quality-reports/salt-spring-island-water-quality-reports/cedars-of-tuam-water-quality-reports>

Operational Highlights

- Operations completed the replacement of failed isolation valves, an approved 2017 capital project.
- Repairs to the water production flow meter.

CAPITAL IMPROVEMENTS

The following four capital projects were planned for 2017:

1. A statutory right of way on School District property for well (\$5,000 allocated, \$6,342 spent) was registered in 2017 to secure the right of way for a new well site on Isabella Point Road.
2. Negotiate access road statutory right of way (\$1,000 allocated, none spent). This project was not worked on in 2017. This will be reviewed further with operations as there are physical improvements to the existing access right of way that could be completed in order to improve access for maintenance tasks, however the work may vary depending on the outcome of the SAMP.
3. A Strategic Asset Management Plan (SAMP) (\$6,800 allocated, none spent) was included in the 2017 capital work plan. This project was not worked on in 2017.
4. Install Pressure Transducer (\$2,000 allocated, none spent). The project was to install a pressure transducer in the well in order to monitor the water level. Due to the ongoing work at the new well, this project has not been advanced as the need for long term water level data may not be required if a new well is put into service. In the meantime, staff are reviewing the feasibility and costs for installing the transducer if the need arises quickly. In the interim, staff take manual readings of the water level in the well. Also, delaying this installation keeps funds available for other capital works.

2017 FINANCIAL REPORT

Please refer to the attached [*Statement of Operations*](#). Revenue includes fixed user fees (User Charges), consumption based revenue (*Water Sales*), interest on savings (Interest Earnings), a transfer from the maintenance reserve account, and miscellaneous revenue such as late payment charges (Other Revenue).

Expenses includes all costs of providing the service. General Government Services includes budget preparation, financial management, utility billing and risk management services. CRD Labour and Operating Costs includes CRD staff time as well as the costs of equipment, tools and vehicles. Debt servicing costs are interest and principal payments on long term debt. Other Expenses includes all other costs to administer and operate the water system, including insurance, supplies, water testing and electricity.

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 it 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.

2017 User Fee charges were \$1,623.75 per Single Family Equivalent (SFE).

The balances in the Cedars of Tuam Water service capital funds and reserve funds at December 31, 2017 were:

Description	Balance as of the end of 2017
Operating Reserve Fund	\$7,506
Capital Reserve Fund (1057 101843)	\$16,731
Funds remaining to spend on projects in progress (WLA3024)	\$11,706

Water System Problems - Who to Call:

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

CRD water system emergency call centre:	1-855-822-4426 (toll free)
CRD water system emergency call centre:	1-250-474-9630 (toll)
CRD local operator (Ganges Wastewater Treatment Plant):	250-537-4314
CRD water system general enquiries (toll free):	1-800-663-4425

When phoning with respect to an emergency, please specify to the operator, the service area in which the emergency has occurred.

Submitted by:	Matt McCrank, M.Sc., P.Eng., Senior Manager, Infrastructure Operations
	Glenn Harris, Ph.D., R.P.Bio., Senior Manager, Environmental Protection
	Rianna Lachance, BCom, CPA, CA, Senior Manager Financial Services
	Karla Campbell, Senior Manager, Salt Spring Island Electoral Area

:ts

Attachment: Statement of Operations

CAPITAL REGIONAL DISTRICT

CEDARS OF TUAM WATER Statement of Operations (Unaudited) For the Year Ended December 31, 2017

	2017	2016
Revenue		
User Charges	25,980	24,710
Sale - Water	1,292	1,068
Other revenue from own sources:		
Interest earnings	7	1
Other revenue	39	3,155
Transfer from Reserve Account	-	2,882
Total revenue	27,318	31,816
Expenses		
General government services	1,700	1,630
Contract for Services	23	751
CRD Labour and Operating costs	16,577	22,195
Debt Servicing Costs	1,624	1,627
Other expenses	3,511	4,613
Total expenses	23,435	30,816
Net revenue (expenses)	3,883	1,000
Transfers to own funds:		
Capital Reserve Fund	-	-
Operating Reserve Fund	3,883	1,000
Annual surplus (deficit)	-	-
Accumulated surplus, beginning of year		
Accumulated surplus, end of year	\$ -	-

CAPITAL REGIONAL DISTRICT

CEDARS OF TUAM WATER Statement of Reserve Balances (Unaudited) For the Year Ended December 31, 2017

	Capital Reserve	
	2017	2016
Beginning Balance	22,426	26,916
Transfer from/(to) Operating Budget	-	(2,882)
Transfers from completed capital projects	3,053	-
Interest Income	252	392
Transfer to Capital Project	(9,000)	(2,000)
Ending Balance	<u>16,731</u>	<u>22,426</u>

	Operating Reserve	
	2017	2016
Beginning Balance	3,523	2,523
Transfer from/(to) Operating Budget	3,883	1,000
Interest Income	101	-
Ending Balance	<u>7,507</u>	<u>3,523</u>