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**FULFORD WATER SERVICE COMMISSION
ANNUAL GENERAL MEETING**

Notice of Meeting on Tuesday, April 16, 2019 at 1:00 PM
Creekside Meeting Room, Suite 108 121 McPhillips Ave, Salt Spring Island, BC

Gary Holman

Carole Eyles

Gord Singbeil

Alan Martin

Anthony Maude

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 2018 fiscal year.

AGENDA

1. **Call to Order**
2. **Approval of Agenda**
3. **Adoption of Minutes from the 2017 Annual General Meeting held on June 4, 2018**
4. **Chair's Report**
5. **Report**
 - 5.1 **Annual Report for 2018 Fiscal Year**
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 2017 ANNUAL GENERAL Meeting
of the FULFORD WATER SERVICE COMMISSION**

**Held Monday June 4, 2018 in the Creekside Meeting Room, Suite 108- 121 McPhillips Ave,
Salt Spring Island, BC**

DRAFT

Present: **CRD Director:** Wayne McIntyre
Commission Members: Carole Eyles, Anthony Maude, Gord Singbeil, Alan Martin
Staff: Karla Campbell, Senior Manager, Salt Spring Island Electoral Area; Chris Davidson, Manager Engineering; Dan Robson, Manager, Saanich Peninsula and Gulf Islands Operations; Peggy Dayton, Senior Financial Analyst; Tracey Shaver, Recording Secretary

1. Call to Order

Chair Eyles called the meeting to order at 10:00 am

2. Approval of Agenda

MOVED by Director McIntyre, **SECONDED** by Commissioner Maude,
That the Fulford Water Service Commission AGM agenda of June 4, 2018 be approved
with the addition of the Chairs written report and item 7.1 Emergency Notifications.

CARRIED

3. Adoption of Minutes

2015 Annual General Meeting held on June 16, 2016

MOVED by Commissioner Maude, **SECONDED** by Commissioner Eyles,
That the Fulford Water Service Commission 2015 AGM minutes be approved.

CARRIED

**2016 Annual General Meeting held on November 27, 2017 - No quorum; no minutes
to adopt**

4. Chair's Report

Chair Eyles provided a written report; topics included:

- Telus cell phone system at treatment plant
- Fees and charges bylaw
- South ridge property-confirmation obtained that SRoW's are in place for old and new water lines.
- Weston Creek Water line repair
- Old lines leaking; pay down debt before replacement

5. Report

5.1 Annual Report for 2017 Fiscal Year

Staff reviewed report highlighting the following:

- Water production consistent over the past 4 years
- Water quality report- request to monitor trihalomethanes (THM) closely as they appear to be near limit levels on regular basis.
- Water testing results available online; Commissioners would like to have a site tour of the treatment plant.
- Operations: Replacement of various electronic parts at treatment plant
- Capital Projects: water main replacement project; design and permitting process consumed most of allocated budget. Construction costs likely to be higher than anticipated; work must be done during dry season.
- Financial report: fixed funding model through user fee and parcel tax. Option to pay down loan in 2022. There have been no new requests to hook up to system

6. Election of Officers

Chair Eyles will not be extended her term after the end of 2019.

Election called for two terms ending 2018. Gord Singbeil agreed to stand for 1 more year and Alan Martin for a two year term.

No other nominations were received.

7. New Business

7.1 Emergency Notifications

The Commission expressed concern over the cost of having staff distribute flyers to Fulford residents during emergency repair or planned works on the water system. Commission members offered to assist with delivery of notices.

Staff reviewed the current notification process in place; Notice of event and information is distributed as quickly as possible and coordinated by CRD Integrated Water Services.

Planned work/Emergency repairs (no threat to public)

- Information on CRD Website/Fulford Water System Page
- Local Commission notified by email
- Information posted to Exchange
- Door to door delivery to residents impacted by work

Emergency events (boil water advisory)

- Activation of Public Alert Notification System (PAN); sign up for Salt Spring Area events on CRD Website
- Information on CRD Website Banner & Fulford Water System Page
- Local Commission notified by email/phone

- Information posted to Exchange
- Door to door delivery to residents impacted by work

8. Adjournment

MOVED by Commissioner Eyles, **SECONDED** by Commissioner Maude,
That the meeting be adjourned at 11:15 am

CHAIR

SENIOR MANAGER



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FULFORD WATER SERVICE 2018 ANNUAL REPORT April 16, 2019

Introduction

This report provides a summary of the Fulford Water Service for 2018. 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 Fulford Water Utility is a semi-rural residential community located on Salt Spring Island. It services the Fulford Elementary School and a small commercial component; including the BC Ferries Terminal. The service was created in 1968 as the Fulford Water Improvement District and became a CRD service in 2004. The Fulford Water Utility (Figure 1) is comprised of 102 parcels of land with 91 of those parcels connected. Within those 91 parcels, there are 95 single family equivalents (SFE) as the use on some parcels represent more than one dwelling.

The utility obtains its drinking water from Lake Weston, a small lake that lies within an uncontrolled multi-use watershed outside and northeast of the service area. The Capital Regional District (CRD) holds two licenses to divert a total of up to 291.6 cubic metres per day and store up to 49,339 cubic metres. Lake Weston is estimated to have a total volume of 1,090,000 cubic metres. Lake Weston is subject to seasonal water quality changes and is affected by periodic algae blooms.

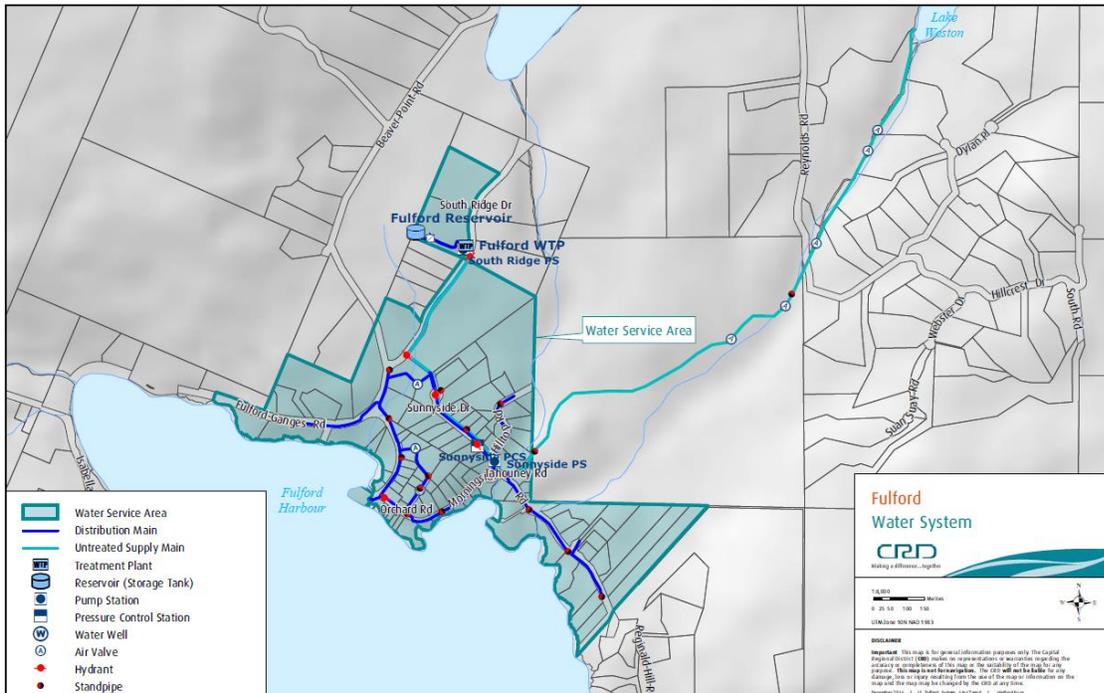


Figure 1: Fulford Water Service

The Fulford water system is primarily comprised of:

- a water treatment plant (WTP) that draws water from Lake Weston and treats it at a location on South Ridge Drive, adjacent to the Fulford Elementary School. The water is treated using a rapid mix system, flocculation, dissolved air floatation (DAF) and filters, ultraviolet disinfection, then chlorination prior to being pumped, via the distribution system to a reservoir. The water treatment plant (WTP) design flow rate is 4.5 litres/sec (60 lpm);
- one raw water pump station on Sunnyside Drive near Hilltop Road (flow rate of two pumps running is 2.3 litres/sec (30 lpm);
- approximately 4,500 m of water distribution pipe;
- 1 water reservoir – 360 m³ (80,000 l);
- fire hydrants, standpipes, and gate valves;
- water service connections complete with water meters on commercial properties only;
- 1 pressure reducing valve station on Sunnyside Drive near Hilltop Road.

Water Production and Demand

Annual water production since 2013 is shown in Figure 2. A total of 30,529 m³ of water was extracted from Lake Weston in 2018.

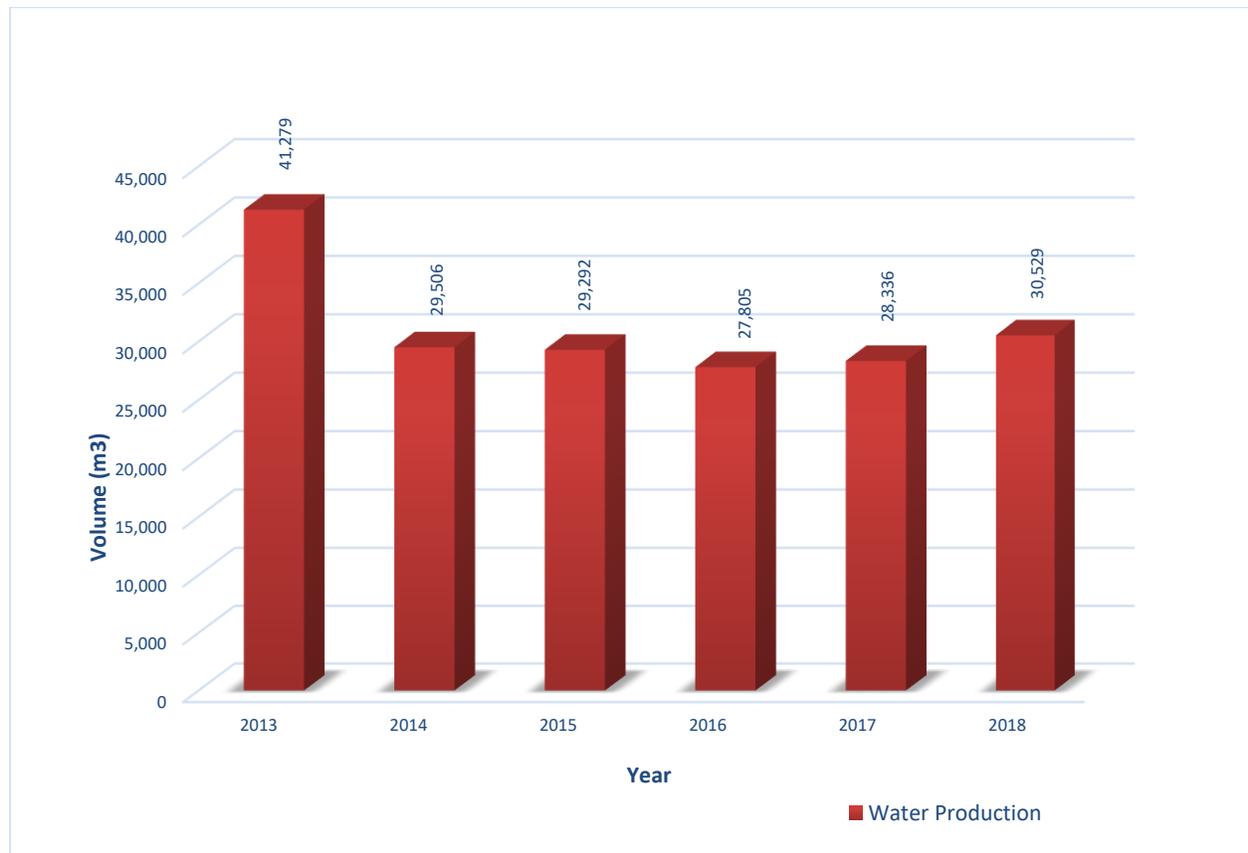


Figure 2: Fulford Water Service Annual Water Production

Water production by month for the past six years is shown in Figure 3.

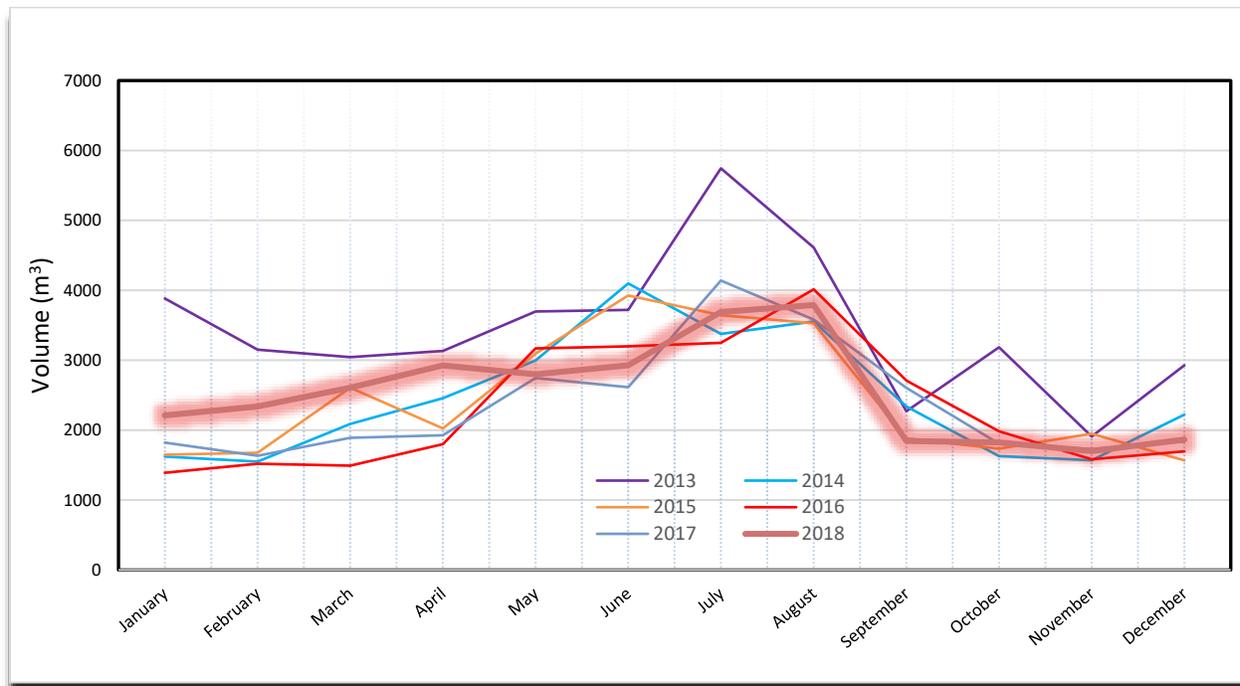


Figure 3: Fulford Water Service Monthly Water Production

The Fulford Water System does not have residential water meters and therefore the average per single family equivalent (SFE) is simply a calculated value. Utilizing 95 SFE and deducting an allowance of 20% for non-revenue water such as water system leaks, fire hydrant usage and water system maintenance and operational use (water main flushing, filter system backwashing), the average SFE is 257m³ per year for 2018 compared to 238m³ per year in 2017.

Water Quality

In general, the Fulford Water System provided good quality drinking water to its customers in 2018. A number of samples for a variety of water quality parameters were collected and analysed throughout the year and confirmed that the DAF and disinfection treatment stages were effective in treating raw water from Lake Weston.

Typical Fulford drinking water quality characteristics for 2018 are summarized as follows:

Raw Water:

Lake Weston exhibited low concentrations of total coliform bacteria (TC) throughout most parts of the year with higher concentrations during the summer months. E. coli bacteria were only found in very low concentrations with slightly higher concentrations in the summer.

No parasitic cysts and oocysts (Giardia and Cryptosporidium) were detected in the raw source

water from the lake.

Raw water from the lake was slightly hard (~35.45 mg/L CaCO₃).

A total organic carbon (TOC) concentration range from 5.60 to 6.01 mg/L indicates a mesotrophic (semi-productive) lake status. This has been consistent with historic data.

Two metal test results showed moderately low iron and very low manganese concentrations in the raw water. These metals in exceedance of the Guidelines for Canadian Drinking Water Quality (GCDWQ) limits can cause, if untreated, aesthetic issues such as water discolouration. The raw water colour was elevated consistently which may be a result of iron concentrations plus tannin and lignin, all natural components found in local lakes.

The raw water turbidity (cloudiness) was consistently very low with the highest values just over 1 nephelometric turbidity units (NTU) during the winter months.

Treated Water:

Treated water was bacteriologically safe to drink; no indicator bacteria were found in any sample throughout the year.

Treated water turbidity was well below the GCDWQ limit of 1 NTU;

TOC (median 2.49 mg/L) in the treated water was slightly lower than in 2017. As TOC is a precursor for disinfection by-products, concentrations consistently much higher than 2 mg/L can lead to exceedances with these substances.

Disinfection by-products such as trihalomethanes (THM) were well below the GCDWQ limit of 100 µg/L with an annual average of 68 µg/L. In the past, there have been occasional single-test results above the guideline limit. Haloacetic acids (HAA) were not tested in 2018 due to a history of concentrations consistently well below the GCDWQ limit of 80 µg/L.

The water temperature was in exceedance of the aesthetic objective of 15°C between June 6 and September 12, 2018. There is no mitigation for this.

The free chlorine residual concentrations in the distribution system were within the desired range (0.41 – 1.70 mg/L) and indicate an effective secondary disinfection process.

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/>

Operational Highlights

The following is a summary of the major operational issues that were addressed during the 2018 operating period:

- Corrective maintenance performed on the chlorine analyser (sensor replacement).
- Watermain leak repair 2909 Fulford/Ganges Road
- Corrective maintenance of the water treatment plant water processing valve actuator. Electronic equipment repairs required.

- Replacement of failed water level transducer equipment located at the water treatment plant.
- Replacement of failed turbidity meter controller located at the water treatment plant.
- Emergency response to Dec 20th storm event.

Capital Project Updates

The following capital projects were planned for 2018:

1. Water Main Replacement - Morningside Road at Weston Creek (\$37,000 allocated, \$34,200 spent): The water main along Morningside Road is exposed and spans Weston Creek making it susceptible to damage by people, vehicles, rocks or stream debris. There has been one failure at this site. Budget will be exceeded due to design costs, complexities around permitting and regulatory requirements, and anticipated higher than usual construction costs. Due to a budget shortfall, and being outside the window for work in and about streams this project was deferred until the next dry season (2019).
2. Asset Management Plan (\$10,000 allocated, \$8,034, spent): Phase 2 asset management plan to recommend a prioritized list of infrastructure replacements which will serve as the basis for future capital spending. This work was started in 2018, and should be completed in 2019.
3. Sunnyside Pressure Control Station (\$6,000 allocated, \$4,585 spent): Rebuild pressure control station and water meter. The piping within the pressure control station is showing signs of deterioration and requires replacement to avoid failures. This work was completed by Operations.
4. Reynolds Road – Decommission Strainer Facility (\$15,000 allocated, \$0 spent): The Reynolds Road Strainer Facility has reached the end of its useful life. The facility is to be decommissioned and the raw water straining process will be relocated or an alternate method of screening will be implemented. This work was deferred until 2020.

2018 FINANCIAL REPORT

Please refer to the attached Statement of Operations. Revenue includes parcel taxes (Transfers from Government), fixed user fees (User Charges), consumption based revenue (*Water Sales*) not metered, 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 Labor 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.

2018 User Fee charges were \$1,255.89 per Single Family Equivalent (SFE) and 2018 Parcel Tax charges were \$771.73 per Taxable Parcel.

The balances in the Fulford Water service capital funds and reserve accounts at December 31, 2018 were:

Description	Balance
Operating Reserve Fund	\$17,213
Capital Reserve Fund	\$99,187
Funds remaining to spend on projects in progress (WLA3758)	\$84
Funds remaining to spend on projects in progress (WSV185146)	\$12,081

Water System Problems - Who to Call:

To report any event or to leave a message regarding the Fulford 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)
North Salt Spring Waterworks District (contract operator):	250 537-9902
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

Attachment: Statement of Operations

:ts

CAPITAL REGIONAL DISTRICT

FULFORD WATER Statement of Operations (Unaudited) For the Year Ended December 31, 2018

	2018	2017
Revenue		
Transfers from government	74,793	74,790
User Charges	119,309	118,845
Sale - Water	18,288	18,813
Other revenue from own sources:		
Interest earnings	167	138
Other revenue	4,376	380
Transfer from Operating Reserve Account		
Total revenue	216,932	212,966
Expenses		
General government services	9,020	8,500
Contract for Services	59,365	61,962
CRD Labour and Operating costs	39,613	34,475
Debt Servicing Costs	55,451	55,423
Other expenses	40,566	40,660
Total expenses	204,015	201,020
Net revenue (expenses)	12,917	11,946
Transfers to own funds:		
Capital Reserve Fund	5,917	9,684
Operating Reserve Account	7,000	2,262
Annual surplus (deficit)	-	-
Accumulated surplus, beginning of year	-	-
Accumulated surplus, end of year	-	-

CAPITAL REGIONAL DISTRICT

FULFORD WATER

Statement of Reserve Balances (Unaudited)

For the Year Ended December 31, 2018

	Capital Reserve	
	2018	2017
Beginning Balance	70,865	79,433
Transfer from Operating Budget	5,917	9,684
Transfers from completed capital projects	41,782	5,819
Interest Income	1,623	929
Transfer to Capital Project	(21,000)	(25,000)
Ending Balance	<u>99,187</u>	<u>70,865</u>

	Operating Reserve	
	2018	2017
Beginning Balance	9,877	7,432
Transfer from/(to) Operating Budget	7,000	2,262
Interest Income	336	183
Ending Balance	<u>17,213</u>	<u>9,877</u>