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FULFORD WATER SERVICES COMMISSION

Notice of Meeting on **Thursday, May 7, 2020 at 2:00 pm**

***Electronic Meeting held by Telephone Conference

Creekside Meeting Room, 108 121 McPhillips Ave., Salt Spring Island, BC

Gary Holman

Anthony Maude

Carole Eyles

Gord Singbeil

Alan Martin

(r) regrets

** permission granted by CRD Board Chair, Colin Plant

AGENDA

- 1. Approval of Agenda**
- 2. Approval of Minutes October 8, 2019**
- 3. Director, Chair and Commissioner Reports**
- 4. New Business**
 - 4.1 Fulford Water Service – Reynolds Road Strainer Facility Building Demolition Capital Project Budget**

That the Fulford Water Service Commission recommend that Capital Regional District Board amend Fulford Water Service's Five Year Capital Plan to include a revised project budget in the amount of \$27,750 for the Reynolds Road Strainer project in year 2020.
- 5. Outstanding Business**
- 6. Adjournment**

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



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Minutes of the Meeting of the FULFORD WATER SERVICE COMMISSION
Held Tuesday October 8, 2019 in the Creekside Room, 108 121 McPhillips Ave, Salt Spring Island, BC

DRAFT

Present: **CRD Director:** Gary Holman
Commission Members: Carole Eyles, Gord Singbeil, Alan Martin,
Staff: Karla Campbell, Senior Manager, Salt Spring Island Electoral Area; Dan Robson, Manager, Saanich Peninsula and Gulf Islands Operations; Allen Xu, Manager SSI Engineering; Lia Xu, Manager, Finance Services; Tracey Shaver, Recording Secretary
Absent: Anthony Maude

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

1. Approval of Agenda

MOVED by Commissioner Martin, **SECONDED** by Commissioner Singbeil,
That the Fulford Water Service Commission meeting agenda of October 8, 2019 be approved.

CARRIED

2. Approval of Minutes: May 13, 2019

- Director Holman reported in follow up that the zoning in the Fulford water service does not allow for legal suites.

MOVED by Commissioner Singbeil, **SECONDED** by Commissioner Martin,
That the Fulford Water Service Commission meeting minutes of May 13, 2019 be approved with the spelling correction to item 5.1 bullet 4 "suites".

CARRIED

3. Director, Chair and Commissioner Reports

3.1 Director Holman briefly reported that the Province agreed to fund a water optimization study for Salt Spring Island.

3.2 Chair Eyles prepared, presented and submitted a written report.

The Capital Regional District does not use zero based budgeting practices, however does review detailed reports on a monthly bases.

Due to lack of volunteers from the service area, Commissioner Eyles and Singbeil will continue with additional terms of service.

4. New Business

4.1 2020 OPERATING AND CAPITAL BUDGET

Staff reviewed report with brief discussions on:

- Operating expenses under budget by \$11,350; recommend surplus transfer to Capital Reserves
- Overall operating budget increase by 2.1%
- Raw water quality and small maintenance repairs cause fluctuations in operating budget
- MFA debit servicing
- Planned reservoir cleaning and inspection; potential to combine with other services when work being completed
- Low estimated interest in Capital Reserve fund
- Capital works:

Fencing

- Lack of security fencing was identified during a safety inspection and audit
- Fencing needed to deter vandalism to systems which could result in harm to operators
- Non-negotiable – falls under Safe Work and Equipment needs to meet Occupational Health and Safety requirements
- Cost is high level estimate

Power Generator

- Item added to capital plans after storm feedback from several water utility services. Staff anticipate an economy of scale with contractor should design, purchase and installation be done together with all the services.
- Fulford Water service will receive their asset management plan prior to committing to work on a generator for the service.
- Educate area residents to conserve water during power outages; define estimated amount of water available.

Watermain Replacement Project

- Commission requesting detailed breakdown on costs spent to date
- Internal project costs under estimated; contributing factors:
 - Water pumping in stream
 - Maple tree and hydro pole
 - Potential pavement work

Commission suggests hard cover sleeve over pipe for protection
Director Holman confirmed availability of CWF in the amount of \$50,000
Operations staff to review further

- Tax implications; increase in user charge of 9.6% with a decrease in parcel tax of 11.3% equates to a 1.7% over-all increase. User fees cover operations and parcel tax is for debit services.

MOVED by Commissioner Eyles, **SECONDED** by Commissioner Martin,
That the Fulford Water Service Commission approve the 2020 operating and capital budget as presented, and that the 2019 actual surplus or deficit be balanced on the 2019 transfer to the Capital Reserve Fund.

CARRIED

MOVED by Commissioner Eyles, **SECONDED** by Commissioner Singbeil,
That the Fulford Water Service Commission recommend that the Electoral Area Services Committee recommend that the CRD Board approve the 2020 Operating and Capital Budget and the five year Financial Plan for the Fulford Water Service as presented.

CARRIED

5. Outstanding Business

6. Adjournment

MOVED By Commissioner Eyles, **SECONDED** by Director Holman,
That the meeting adjourn at 12:00 pm.

CHAIR

SENIOR MANAGER



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**REPORT TO FULFORD WATER SERVICE COMMISSION
MEETING OF THURSDAY, MAY 7, 2020**

SUBJECT **Fulford Water Service – Reynolds Road Strainer Facility Building Demolition
Capital Project Budget**

ISSUE

To seek the approval of a revised budget increase of \$12,750 from \$15,000 to \$27,750 for a 2020 capital project to demolish existing strainer facility building on Reynolds Road.

BACKGROUND

The strainer building for Fulford Water Service Area near 341 Reynolds Road, Salt Spring Island houses a raw water meter, a strainer assembly, and a pressure meter. The building and facilities are used for strainer cleaning, flow metering and leak detection in the raw water supply line.

The wooden structure building was put into service in early 1980s and is in poor condition after years of service. The roof was damaged by a fallen tree a few years ago and electrical services inside the building do not meet current electrical code requirements. A recent Occupational Health and Safety audit has identified the building as a significant health and safety risk to workers and recommended demolishing of the building.

In the service's five year capital plan, there is an approved project of \$15,000 in 2020 estimated for the demolition project. The original proposed work comprises disconnecting electrical services, demolition and dispose of existing wooden building, and design, fabrication and installation of an aluminum access hatch on top of the concrete chamber that houses water piping and equipment.

It was however discovered by recent site investigation and laboratory testing that the roofing materials for the building contains asbestos materials. As required by the WorkSafe BC regulation, the CRD has to disclose hazardous materials and hire a qualified contractor for properly handling and disposal of asbestos materials.

The budget of \$15,000 was an order-of-magnitude estimate during the multi-year budgetary planning process and did not anticipate and allow any costs associated with handling and disposal of hazardous materials. There is a need to revise the existing project budget as a result of costs associated with hazardous materials. A cost estimate for the revised budget is provided as follows:

Reynolds Road Facility Demolish Project	Estimated Cost (\$)
Disconnection and Removal of Existing Electrical Services	\$2,000
Demolition of Building and Disposal of Materials (Asbestos)	\$13,500
Design, Supply and Installation of Aluminum Hatch	\$7,200
Project Management and Administration	\$2,500
10% Contingency	\$2,550
Total Project Cost	\$27,750

The above estimates, net of any taxes, are developed based on written quotes from a number of contractors through a competitive Invitation to Quote (ITQ) process. The estimated costs have considered additional project management time and contingency for the project. Any unused project funding will be returned to the Fulford capital reserve fund upon project completion.

ALTERNATIVES

Alternative 1

That the Fulford Water Service Commission recommend that Capital Regional District Board amend Fulford Water Service's Five Year Capital Plan to include a revised project budget in the amount of \$27,750 for the Reynolds Road Strainer project in year 2020.

Alternative 2

That the Fulford Water Service Commission recommend that this report be referred back to staff for additional information.

IMPLICATIONS

Financial Implications

The additional project budget increase of \$12,750 is proposed to be funded from the Capital Reserve Fund (CRF). Currently, the CRF at the beginning 2020 has a balance of \$89,000. It is estimated that the CRF at the end of 2020 will be \$76,250 if the additional budget funding of \$12,750 for this project is approved.

Service Delivery Implications

If the building remains in service, it poses a significant Health and Safety risk to CRD staff and contractors. CRD's contractor has expressed concerns with the condition of the building at this site and may refuse to work in the future due to unsafe work conditions.

Failure to move forward with this project reduces the ability of the CRD to deliver portable water reliably and effectively and increases risks to the end users in the service area.

CONCLUSION

Demolition of the existing wooden structure in poor condition at the Reynolds Road Strainer Facility is urgently needed to ensure worker safety, maintain a reliable and efficient level of service for portable water supply, as well as reduce overall risk to the water service area.

The recommended solution to address the problem involves disconnecting electrical services, demolition and dispose of existing wooden building, and design, fabrication and installation of an aluminum access hatch on top of the concrete chamber.

RECOMMENDATION

That the Fulford Water Service Commission recommend that Capital Regional District Board amend Fulford Water Service's Five Year Capital Plan to include a revised project budget in the amount of \$27,750 for the Reynolds Road Strainer project in year 2020.

Submitted by:	Allen Xu, MSc., P.Eng, Manager of Engineering, Salt Spring Island Electoral Area
Concurrence:	Karla Campbell, BPA, Senior Manager, Salt Spring Island Electoral Area
Concurrence:	Matt McCrank, MSc., P.Eng, Senior Manager, Wastewater Infrastructure Operations
Concurrence:	Rianna Lachance, BCom, CPA, CA, Senior Manager Financial Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

AX:ts

Attachments: Site Photos



Photo 1 Site Location



Photo 2 Strainer Building at Reynolds Road



Photo 3 Inside of Building (Damaged Roof)



Photo 4 Access Hatch to be Installed (similar hatch from another location)