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JUAN DE FUCA WATER DISTRIBUTION COMMISSION
Notice of a Meeting on **Tuesday, February 7, 2017 at 12:00 pm**
Goldstream Conference Room, 479 Island Highway, Victoria, BC

B. Gramigna	J. Rogers	K. Pearson
M. Hicks	G. Logan	W. Sifert
G. Baird	L. Szpak	

AGENDA

1. Motion to Close the Meeting
   That the Regional Water Supply Commission close the meeting in accordance with the Community Charter, Part 4, s. 90(1) (i) *the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.*

2. Rise and Report from Closed Meeting

3. Election of Chair and Vice Chair

4. Approval of Agenda

5. Adoption of Minutes of November 1, 2016 1

6. Chair's Remarks

7. Presentations/Delegations
   - No one has registered to speak

8. Summary of Recommendations from Other Water Commissions 4

9. Juan de Fuca Annual Small Diameter Pipe Replacement Program - Sooke Road: 2818 Sooke Road to Glenshire Drive Schedule Update and Proposed Ministry of Transportation and Infrastructure Agreement (Report #JWDC 2017-01) 6

10. Proposed Phasing of Jacklin Road (Sooke Road to Rex Road) Watermain Upgrade-Approval of Memorandum of Understanding (Report #JWDC 2017-02) 12

11. 2016 Juan de Fuca Water Distribution Development Cost Charge Program Update – Current Status (Report #JWDC 2017-03) 22

12. Juan de Fuca Water Distribution Development Cost Charge Program - 2017 Budget Amendment (Report #JWDC 2017-04) 30

13. Water Watch.....35

14. Adjournment

To ensure a quorum, advise Margaret at 250.474.9606 if you or your alternate cannot attend.

IWSS-928280410-5087

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MINUTES OF A MEETING OF THE JUAN DE FUCA WATER DISTRIBUTION COMMISSION
Held Tuesday, November 1, 2016, Main Conference Room, 479 Island Highway

PRESENT: **Commissioners:** B. Gramigna, J. Rogers, M. Hicks, G. Baird, G. Logan, K. Pearson, M. Sahlstrom (for L. Szpak)
Staff: T. Robbins, I. Jesney, M. Montague (Recorder)

The meeting was called to order at 12:00 pm.

1. APPROVAL OF AGENDA

MOVED by Commissioner Baird and **SECONDED** by Commissioner Logan,
That the Juan de Fuca Water Distribution Commission approve the agenda.

CARRIED

2. ADOPTION OF MINUTES OF OCTOBER 4, 2016

MOVED by Commissioner Baird and **SECONDED** by Commissioner Pearson,
That the Juan de Fuca Water Distribution Commission adopt the minutes of October 4, 2016 as distributed.

CARRIED

3. CHAIR'S REMARKS

The Chair remarked as follows:

- He recognized M. Sahlstrom, filling in for Commissioner Szpak as the Langford representative today.

4. PRESENTATIONS/DELEGATIONS

There were no presentations/delegations.

5. JUAN DE FUCA FIVE YEAR ACCELERATED FIRE UPGRADE PROGRAM – BUDGET INCREASE

Ian Jesney spoke to the report. He noted that the Five Year Accelerated Fire Upgrade Program is a Term Capital Project that was approved by the Juan de Fuca Water Distribution Commission (JWDC) at the April 5, 2011 Commission meeting for the purpose of improving the distribution system's ability to provide flows in accordance with the Fire Underwriters Survey (FUS) recommendations. The JWDC approved the Program and requested that it be constructed over a five year period (2012 through 2016), with total Program budget of $9.4 million (average of $1.88 Million per year).

An additional $150,000 (approximately 1.5% of the total Program budget) is required to complete construction of the remaining Accelerated Fire Upgrade Program projects in 2016. Funds are currently available in the Annual Small Diameter Replacement Program that can be utilized to complete the remaining fire upgrade projects. This option will not result in an increase to the Juan de Fuca 2016 capital budget or Five Year Capital Program.

MOVED by Commissioner Pearson and **SECONDED** by Commissioner Baird,
That the Juan de Fuca Water Distribution Commission direct staff to use $150,000 of available funding from the 2016 Juan de Fuca Annual Small Diameter Pipe Replacement Program budget to complete the Accelerated Fire Upgrade Program scope, and revise the Small Diameter Pipe Replacement Program Project Plan accordingly.

CARRIED

6. BEAR MOUNTAIN PARKWAY EXPANSION – WATER INFRASTRUCTURE PROCUREMENT

Ian Jesney spoke to the report. He noted that the Bear Mountain Parkway Expansion (BMPE) Water Infrastructure has been approved to proceed by the Juan de Fuca Water Distribution Commission (JWDC) and now requires further approval of the procurement model to install approximately 3 km of fire main and appurtenances on the Bear Mountain Parkway.

At the September 20, 2016 meeting of the JWDC, staff were directed to bring back a consulting contract for McElhanney Consulting Services Ltd. (McElhanney), as well as a construction services contract for Windley Contracting (Windley). Both of these companies are currently under contract with the City of Langford (CoL) to design and construct the road component of the BMPE. Staff considered two procurement options to deliver the water infrastructure project, as noted in the staff report.

MOVED by Commissioner Baird and **SECONDED** by Commissioner Pearson,
That the Juan de Fuca Water Distribution Commission direct staff to enter into a Memorandum of Understanding with the City of Langford to allow the City of Langford to install approximately three km of fire main and appurtenances under their existing contracts with McElhanney Consulting Services Ltd. and Windley Contracting.

CARRIED

7. CANADA-BRITISH COLUMBIA CLEAN WATER AND WASTWATER FUND – GRANT APPLICATION FOR ANDERSON COVE (EAST SOOKE) WATER SERVICE EXTENSION

T. Robbins spoke to the report. He noted that the Capital Regional District (CRD) Board recently resolved to permit the extension of water service within the Anderson Cove portion of the Juan de Fuca Water Distribution Service Area. The Juan de Fuca Electoral Area Director has requested that a grant application be submitted for the proposed Anderson Cove water service extension project funding.

A recent CRD Board water servicing policy decision permits extension of the Juan de Fuca Water Distribution Service into the Anderson Cove area of East Sooke, which is currently not serviced by the system. The area is a previously developed residential area which relies on groundwater for domestic water supply and does not have water supply for fire protection. Some residents have also raised concerns regarding the long term ability to protect their groundwater sources from contamination. The Juan de Fuca Electoral Area Director has requested that a grant application be submitted for a Canada-British Columbia Clean Water and Wastewater Fund grant for the water service extension to the Anderson Cove area of the Juan de Fuca Water Distribution service area. The estimated cost for the project including engineering design, construction and contingencies is $3.2 million. If successful, the project could receive up to 83% in senior government funding. The deadline for submitting project applications is November 23, 2016 with program decisions expected in the spring of 2017.

MOVED by Commissioner Hicks and **SECONDED** by Commissioner Pearson,
That the Juan de Fuca Water Distribution Commission recommends to the Electoral Area Services Committee that CRD staff be directed to prepare and submit an application for a Canada-British Columbia Clean Water and Wastewater Fund grant for the water service extension to the Anderson Cove Area of the Juan de Fuca Water Distribution service area.

CARRIED

8. CRD BOARD DECISIONS

- Juan de Fuca Water Distribution Commission Matters (Verbal Report from Chair)

The Chair reported that, at the last CRD Board meeting, the report on the Bear Mountain Parkway Expansion - Water Infrastructure was discussed. During the discussion, concern was raised regarding the impact of the development on the Garry Oak ecosystem on Skirt Mountain. Commissioners in municipalities that do not pay into the Juan de Fuca Water Distribution service raised these concerns, and their comments could have resulted in a failed vote on the recommendation. As a result, the Chair suggested that he meet with the CRD Board Chair to discuss governance, the powers delegated to the Juan de Fuca Water Distribution Commission, and weighted voting at the CRD Board with respect to decisions related to Juan de Fuca Water Distribution Commission matters, and asked the Commission for their support.

MOVED by Commissioner Pearson and **SECONDED** by Commissioner Gramigna,
That the Juan de Fuca Water Distribution Commission supports the Chair of the Juan de Fuca Water Distribution Commission discussing governance, the powers delegated to the Juan de Fuca Water Distribution Commission, and weighted voting at the CRD Board with respect to decisions related to Juan de Fuca Water Distribution Commission matters, with the CRD Board Chair, and expressing the Commission's view that the municipalities and Electoral Area that pay into the service should only participate in the discussion and vote.

CARRIED

9. WATER WATCH

MOVED by Commissioner Pearson and **SECONDED** by Commissioner Hicks,
That the Juan de Fuca Water Distribution Commission receive the staff report for information.

CARRIED

10. ADJOURNMENT

MOVED by Commissioner Hicks and **SECONDED** by Commissioner Logan,
That the meeting of the Juan de Fuca Water Distribution Commission be adjourned at 12:45 pm.

CARRIED

Chair Secretary

SUMMARY OF RECOMMENDATIONS
MADE AT A MEETING OF THE REGIONAL WATER SUPPLY COMMISSION
HELD JANUARY 18, 2017

Full reports can be reviewed at https://www.crd.bc.ca/about/document-library/documents/committeedocuments/regionalwatersupplycommission/20170118

1. Rise And Report – Regional Water Supply – Voting Issues

That effective immediately, the Regional Water Supply Commission votes will be weighted in accordance with the *Capital Region Water Supply and Sooke Hills Protection Act and Regulation*, the Regional Water Supply Commission Bylaw No. 1, 1997 and as per Section 196 of the *Local Government Act*.

CARRIED

2. Award of Contract – Supply of Hired Heavy Equipment and Operators

That the Regional Water Supply Commission approve the award of the contract for the Supply of Hired Heavy Equipment and Operators, based on the evaluation of submissions from RFP No. 2016-190, for two years to Don Mann Excavating Ltd., effective February 1, 2017; and that on expiration of the initial two-year term, the General Manager, Integrated Water Services or Chief Administrative Officer be authorized to execute an extension of the agreement for up to three one year terms provided there are no significant material changes to the terms of the contract.

CARRIED

3. Greater Victoria Water Supply Area Special Access Request 2016-00055 Tim Woodruff Mining Tenures 1026835, 1026839/Greater Victoria Water Supply Area Special Access Request 2016-00085 Guy Scott Mining Tenures 1020637, 1020638

That the Regional Water Supply Commission authorize access and special use request 2016-00055 to the Leech Water Supply Area until January 31, 2018, as described in the access application and with the conditions required in the Access Agreement access and special use request 2016-00085 to the Leech Water Supply Area until January 31, 2018, as described in the access application and with the conditions required in the Access Agreement.

CARRIED

4. Confirmation of CVRD – CRD Boundary Amendment – Greater Victoria Water Supply Area

That the Regional Water Supply Commission receive the staff report for information.

CARRIED

5. Regional Water Supply Service – Water Supply Main No. 3 Failure, December 15, 2016

That the Regional Water Supply Commission receive this report for information.

6. WATER WATCH

That the Regional Water Supply Commission receive the report for information.

CARRIED

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Agenda Item 9
REPORT #JWDC 2017-01

REPORT TO JUAN DE FUCA WATER DISTRIBUTION COMMISSION
MEETING OF TUESDAY, FEBRUARY 7, 2017

SUBJECT **JUAN DE FUCA ANNUAL SMALL DIAMETER PIPE REPLACEMENT PROGRAM - SOOKE ROAD: 2818 SOOKE ROAD TO GLENSHIRE DRIVE SCHEDULE UPDATE AND PROPOSED MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE AGREEMENT**

ISSUE

The Ministry of Transportation and Infrastructure (MOTI) will be undertaking work improvements on Sooke Road between Young Place and Ronald Road starting May 2017. Approval is required to revise the proposed 2017 Annual Small Diameter Pipe Replacement Program schedule to coordinate with the MOTI improvements project, amend the Juan de Fuca Capital Budget (2017 & Forecast 2018 to 2021) and initiate an agreement with MOTI.

BACKGROUND

The Juan de Fuca Annual Small Diameter Pipe Replacement Program is an ongoing and comprehensive program, approved by the Juan de Fuca Water Distribution Commission (JWDC) in 1999, to replace water mains. The schedule for replacement is based on age, material type, condition of the pipe, leak history, financial risk, environmental risk, service pressure, water quality impacts, and considers other factors, such as coordination with municipal road construction and paving programs.

Consideration of the water main replacement projects and schedule for the next four years, was undertaken to ensure that Program continuity and coordination with municipal capital programs is maintained and annual budgets (as identified in the 2016 Capital Plan) were upheld. The following water main replacement schedule was developed and presented to the Commission at their April 05, 2016 meeting.

Proposed Annual Pipe Replacement Projects: Years 2017 to 2020:

Municipality/EA	Construction Year	Road Name	Length (m)
View Royal	2017	Admirals Road Phase 2: Hallowell to Craigflower	550
Metchosin	2017	Metchosin Road: Happy Valley Road Intersection to Bilston Creek	870
	2018	Metchosin Road : Bilston Creek to Lomax Road	940
Langford	2018	Hull Road	152
Metchosin	2018	Derrien Place	220
	2019	Lomax Road to 3790 Metchosin Road (east of Brotherston Road)	1,200
Langford	**2019**	**Sooke Road: 2818 Sooke Road to Ronald Road**	**355**
Langford	**2020**	**Sooke Road: 2818 Sooke Road to Glenshire Drive**	**662**
Colwood*	2020	Sooke Road: Kelly Road to Jason Lane	548
		Total	5,142

*may need to be shifted to 2021 depending on actual costs. See staff report of November 01, 2016.

Following the JWDC approval of the provisional 2017 budget, MOTI approached the CRD and identified approximately 700m of drainage and road work improvements on Sooke Road planned for 2017, that overlap with the above listed 2818 Sooke Road to Glenshire Drive water main replacement project scheduled for 2019/2020. The approximate project extents are illustrated in **Attachment 1**. Coordination of the two projects will benefit both the CRD and MOTI through coordination of design, minimizing construction disruption to residents, and reducing restoration costs.

The CRD is unable to expedite the Sooke Road water main replacement project to meet the MOTI construction schedule due to the above described Program commitments and available funding approved in the 2017 budget. As a result, MOTI is willing to enter into an agreement with the CRD where MOTI would provide the required funding for the water main replacement in 2017, then the CRD would reimburse MOTI for the water main costs in 2018 when funds are available through the budget process. The MOTI project requires approximately 700m of the Sooke Road watermain replacement in 2017, estimated to cost $750,000. The remaining 317m would be constructed as planned in 2020.

To enable the MOTI reimbursement in 2018, it is proposed to amend the Juan de Fuca Water Distribution Capital Budget (2017 & Forecast 2018 to 2021) to include this project budget allowance in 2017, with an intent to pay MOTI in the first quarter of 2018. This would allow the funds to be budgeted appropriately in 2017, without affecting the approved 2017 water rate. The Annual Small Diameter Pipe Replacement Program (Item 99-01) 2017 budget would increase by $750,000 from $1,500,000 to $2,250,000. The 2019 and 2020 budgets (originally planned years) will be reduced by $300,000 and $450,000 respectively keeping the 5 year total budget intact. The updated Juan de Fuca Water Distribution Capital Budget (2017 & Forecast 2018 to 2021) has been included as **Attachment 2**, with changes highlighted in yellow.

A preliminary design of the water main has been completed by CRD Infrastructure Engineering. If the project moves forward in 2017, CRD Infrastructure Engineering would update the design to agree with the MOTI improvement works. CRD Infrastructure Operations would complete the water main replacement construction. CRD Infrastructure Operations have assessed their current capacity and indicated that this work can be completed March through May 2017.

ALTERNATIVES

Alternative 1

That the Juan de Fuca Water Distribution Commission direct staff to:

1. Prepare an agreement between the CRD and MOTI to construct and fund 700m of water main on Sooke Road in 2017, with a budget of $750,000, with an understanding that the CRD will reimburse MOTI for the water main project costs in the first quarter of 2018; and
2. Revise the Juan de Fuca Water Distribution Capital Budget (2017 & Forecast 2018 to 2021) Item 99-01, Annual Small Diameter Replacement Program by increasing the 2017 budget from $1,500,000 to $2,250,000, and decreasing the 2019 and 2020 budgets by$300,000 and $450,000 respectively.

Alternative 2

That the Juan de Fuca Water Distribution Commission direct staff to not enter into an agreement with MOTI and construct the Sooke Road water main as planned in 2019/2020.

IMPLICATIONS

Alternative 1 - Coordination of the two projects will benefit both the CRD and MOTI by eliminating design conflicts, disruption to residents, and reducing pavement restoration costs.

Alternative 2 - The existing water main alignment may impact the MOTI preferred alignment for drainage works. Construction of the water main in 2019/2020 will result in disturbing new pavement.

CONCLUSION

Funding from MOTI will allow the CRD to expedite construction of this portion of the water main to 2017. The overall program budget will not be affected and the CRD will reimburse MOTI in 2018.

RECOMMENDATION

That the Juan de Fuca Water Distribution Commission direct staff to:

1. Prepare an agreement between the CRD and MOTI to construct and fund 700m of water main on Sooke Road in 2017, with a budget of $750,000, with an understanding that the CRD will reimburse MOTI for the water main project costs in the first quarter of 2018; and
2. Revise the Juan de Fuca Water Distribution Capital Budget (2017 & Forecast 2018 to 2021) Item 99-01, Annual Small Diameter Replacement Program by increasing the 2017 budget from $1,500,000 to $2,250,000, and decreasing the 2019 and 2020 budgets by$300,000 and $450,000 respectively.

Submitted by:	Ian Sander, P.Eng., Manager, Capital Projects
Concurrence	Ben Semmens, BCom, CPA, CMA, Senior Financial Advisor, Financial Services
Concurrence:	Ian Jesney, P.Eng., Senior Manager, Infrastructure Engineering
Concurrence:	Ted Robbins, B.Sc., C.Tech., General Manager, Integrated Water Service

SI/TR:mm
Attachments:
1. Drawing: Sooke Rd Project Extents
2. Juan de Fuca Water Distribution Capital Budget

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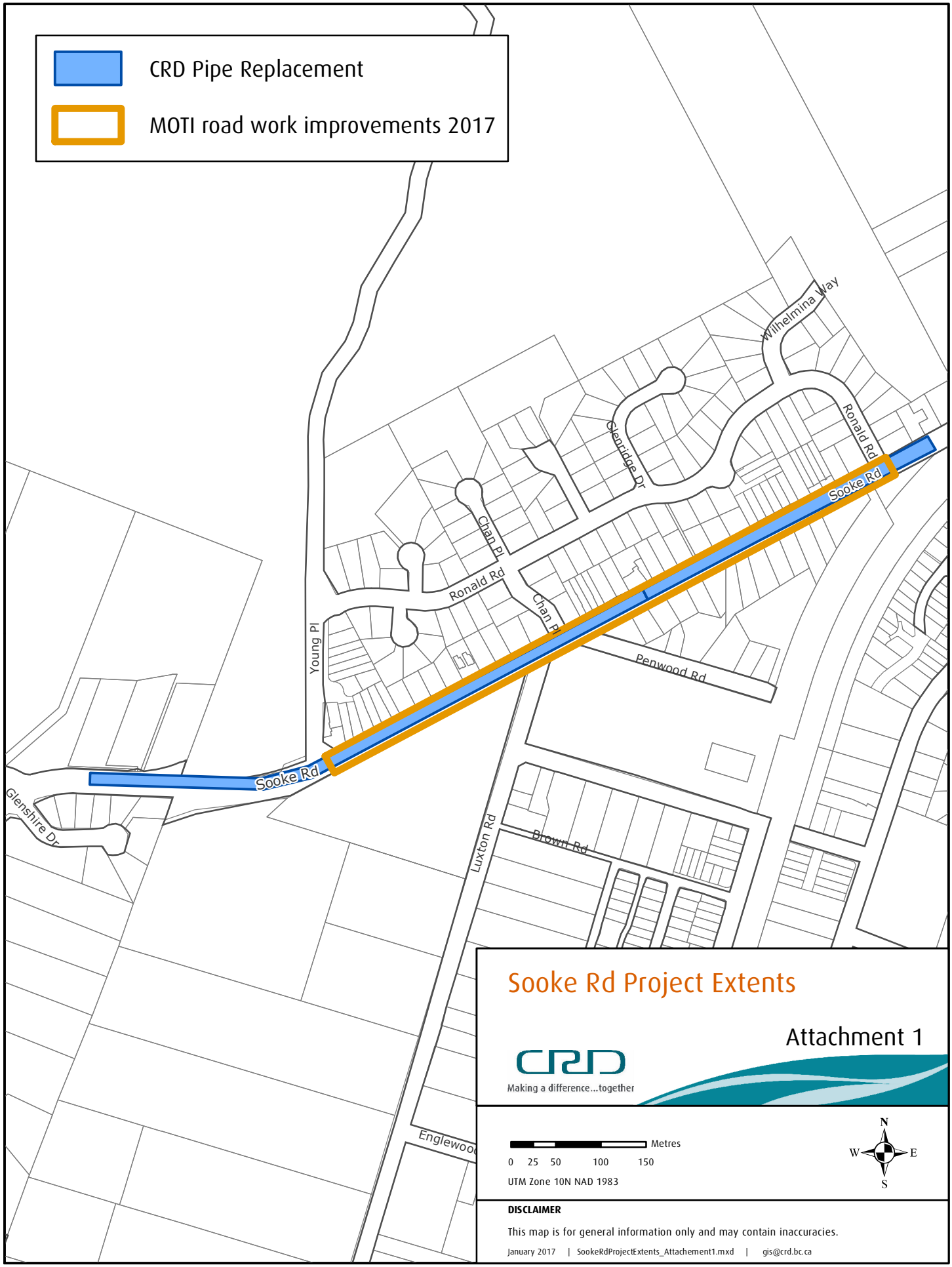

Sooke Rd Project Extents

Attachment 1

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Metres

0 25 50 100 150

UTM Zone 10N NAD 1983

N W E S

DISCLAIMER

This map is for general information only and may contain inaccuracies.

January 2017 | SookeRdProjectExtents_Attachement1.mxd | gis@crd.bc.ca

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Attachment 2

CAPITAL REGIONAL DISTRICT CAPITAL PLAN

CAPITAL BUDGET FORM
2017 & Forecast 2018 to 2021

Service #: **2.680**
Service Name: **Juan de Fuca Water Distribution**

By Capital Expenditure

No.	Capital Exp. Type	Capital Project Description	Asset Class	Carry Forward	2017	2018	2019	2020	2021	Total Project Budget
INFRASTRUCTURE ENGINEERING AND OPERATIONS				-	-	-	-	-	-	-
Planning										
15-01	Renewal	Updating Procedures & Engineering Specifications	S	80						100
16-01	Renewal	Reservoir Assessment	S	50	100					200
16-02	Renewal	Water Audit	S	25						50
16-03	Renewal	Strategic Asset Management Plan	S	50	50					150
17-01	**Renewal**	**Annual Small Diameter Replacement Program Update**	**S**		**150**					**150**
17-02	**New**	**Implement Tempest Software**	**S**		**150**					**150**
Capital										
99-01	Replacement	Annual Small Diameter Pipe Replacement Program	S		2,250	1,250	950	800	**1,250**	6,500
12-01	Replacement	Fire Flow Upgrade Program Phase 2 Volume/Flow Upgrade Program Review	S	150	-					200
15-02	Renewal	Sun River Reservoir Rehabilitation	S	800						1,000
16-04	Replacement	Jacklin Rd - 900m of 600mm Pipe	S	1,100	800	300				2,400
16-05	Renewal	Comprehensive Pump Station Upgrades (10 year Program)	S	200						200
17-03	**Renewal**	**Water Line in Sooke Basin - Inspection**	**S**		**50**					**50**
17-04	**Replacement**	**SCADA Equipment Replacement Program**	**E**		**50**	**-**	**-**	**300**	**50**	**400**
17-05	**New**	**Develop E-Billing and Pre-Authorized Debit System**	**E**		**50**	**50**				**100**
17-06	**New**	**East Sooke Iron Mine Analyzer**	**E**		**25**					**25**
18-01	Replacement	Sooke Rd Ph. 2 - 1,000m of 600m Pipe - Cecil Blogg to Jacklin	S			800				800
19-01	Replacement	Sooke Rd Ph. 1 - 1,200m of 600m Pipe - Wishart to Cecil Blogg	S				**1,100**			2,500
20-01	Replacement	Residential Meter Replacement Program	S		-	-	-	250	**250**	500
Sub-Total System Infrastructure and Operations				2,455	3,675	2,400	2,050	1,350	1,550	15,475
CUSTOMER AND TECHNICAL SERVICES				-	-	-	-	-	-	-
16-06	Replacement	Vehicle & equipment replacement (funding from replacement fund)	V		450	240	425	70	210	1,395
Sub-Total Customer and Technical Services				-	450	240	425	70	210	1,395
ANNUAL PROVISIONAL ITEMS										
17-07	New	Site decommissioning - general	S	-	10	10	10	10	10	50
17-08	Replacement	Water Service Replacement Program	S	-	300	300	300	300	300	1,500
17-09	Replacement	Emergency Major Main Replacement	S	-	100	100	100	100	100	500
17-10	Replacement	Meter Register Replacement	S	-	60	60	60	60	30	270
17-11	Replacement	Hydrant Replacement, Upgrades and Additions	S	-	70	70	70	70	70	350
17-12	Replacement	Large Meters/Meter Vaults Replacement, Upgrades and Additions	S	-	130	130	130	130	130	650
17-13	New	Site Security Upgrades	S	-	40	40	40	40	40	200
17-14	New	Scada/Flow Meters for Lead PRVs	S	-	60	60	60	60	60	300
17-15	Renewal	Distribution System Improvements	S	-	150	150	150	150	150	750
17-16	New	Hydraulic Model Yearly Update, Testing & Calibration	S	-	60	60	60	60	60	300
Sub-Total for Annual Provisional Items					980	980	980	980	950	4,870
		TOTAL ANNUAL CAPITAL EXPENDITURES		**2,455**	**5,105**	**3,620**	**3,455**	**2,400**	**2,710**	**21,740**
		FIVE YEAR TOTAL (including carry forward)							**19,745**	

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CAPITAL REGIONAL DISTRICT CAPITAL PLAN

CAPITAL BUDGET FORM
2017 & Forecast 2018 to 2021

Service #: **2.680**
Service Name: **Juan de Fuca Water Distribution**

By Capital Expenditure

No.	Capital Exp. Type	Capital Project Description	Asset Class	Carry Forward	2017	2018	2019	2020	2021	Total Project Budget
DEVELOPMENT COST CHARGE (DCC) PROGRAM (Dependent on Growth - Timing Tentative)										
		System Expansion by CRD Forces								
16-07	New	Update DCC Bylaw (Comprehensive Update in 2016)	E	-	20	20	20	20	175	255
17-17	New	DCC Expenditures (refer to USL 2016 DCC update)	E	-	-	1,200	1,200	600	600	3,600
17-18	New	Bear Mountain Parkway Extension	E	300	3,300					3,600
17-19	New	Millstream Extension	E	-	1,200	-	-	-	-	1,200
Sub-Total for System Expansion by CRD Forces				300	4,520	1,220	1,220	620	775	8,655
		TOTAL ANNUAL CAPITAL EXPENDITURES - DCC PROGRAM		**300**	**4,520**	**1,220**	**1,220**	**620**	**775**	**8,655**
		FIVE YEAR TOTAL (including carry forward)							**8,655**	

Funding Source Codes	
Debt	= Debenture Debt (new debt only)
ERF	= Equipment Replacement Fund
Grant	= Grants (Federal, Provincial)
Cap	= Capital Funds on Hand
Other	= Donations / Third Party Funding
Res	= Reserve Fund
STLoan	= Short Term Loans

Asset Class	
L	- Land
S	- Engineering Structure
B	- Buildings
V	- Vehicles
E	- Equipment

Capital Expenditure Type	
New	Expenditure for new asset only
Renewal	Expenditure replaces an existing asset and extends the service ability or enhances technology in delivering that service
Replacement	Expenditure replaces an existing asset

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Agenda Item 10
REPORT #JWDC 2017-02

REPORT TO THE JUAN DE FUCA WATER DISTRIBUTION COMMISSION
MEETING OF TUESDAY, FEBRUARY 7, 2017

SUBJECT **PROPOSED PHASING OF JACKLIN ROAD (SOOKE ROAD TO REX ROAD) WATERMAIN UPGRADE - APPROVAL OF MEMORANDUM OF UNDERSTANDING**

ISSUE

Approval to sign the Memorandum of Understanding (MOU) with Sobeys is required to coordinate Sobeys Jacklin Road Improvements (Sobeys Project) with the Capital Regional District (CRD) Jacklin Road Watermain Upgrade project.

BACKGROUND

The Jacklin Road Water Main Upgrade project is included in the approved five-year capital plan (Project No. 16-04) and includes the replacement of approximately 900m of 600mm diameter watermain between Sooke Road and Rex Road. The budget for this work is $2,400,000 with $1,300,000 approved in previous years, $800,000 in 2017, and $300,000 in 2018.

The Jacklin Road Water Main Upgrade project is part of a phased replacement program for watermains on Sooke Road (including items 16-04, 18-01, and 19-01 in the 2017 Capital Plan), and Jacklin Road. The existing watermains are 600mm diameter steel and the total length of all phases is 2.2 km. Replacement has been scheduled as the existing mains have reached the end of their service life and some significant leaks have occurred over the last few years. At the April 5, 2016 Juan de Fuca Water Distribution Commission (Commission) meeting, the Commission approved the re-phasing of the water main upgrade program to correspond with the Sobeys Project schedule.

Sobeys Development is proceeding this year and the portion of Jacklin Road between Jenkins Road and the Galloping Goose Trail will be re-constructed by Sobeys to support their proposed development. McElhanney is currently the design and construction consultant responsible for the Sobey's Project.

At their April 5, 2016 meeting, the Commission approved the recommendation to direct CRD staff to negotiate a contract with McElhanney Consulting Ltd. for the detailed design and construction services for the Jacklin Road Water Main Upgrade and to develop a MOU with Sobeys which will confirm an agreement in principle between Sobeys and CRD regarding the design, installation and construction management of the water mains, the funding of this work, and to identify the logistics of working together for this work. The MOU is attached (Attachment 1).

Retaining McElhanney Consulting Ltd allows for the coordination of the design and provides a single source of design responsibility for the corridor. This is significant as the timeline for the Sobeys Development is short, the impact of a schedule delay can be significant and coordination of the competing utilities and above ground infrastructure is best completed under one design exercise.

Combining construction works will reduce costs for the CRD as restoration, normally associated with water main construction, will be shared with the developer's scope of work, and other cost savings will be realized from shared project management, construction management and traffic control efforts. Combining the construction projects will also ensure a single source of responsibility (safety, schedule, and warranty) and reduce overall project duration and associated disruption to commuters and residents.

PROJECT STATUS

- Originally, work through the Sobeys frontage was to take place in late 2016, however, the project was shifted to 2017 by Sobeys.

- The CRD has retained McElhanney and design work is nearing 90% completion. The CRD, City of Langford, Sobeys, and other associated utilities have met several times to coordinate the design and project schedule.

- Initially it was expected that the Sobeys contract would only include CRD works within the Sobeys frontage. The CRD water main upgrade work included under the Sobeys contact will now be extended northward to Rex Road, and approximately 100m south of the Galloping Goose Trail.

- CRD staff have met with Sobeys and developed an MOU which defines the agreement for the combination of works.

- The CRD is working with Sobeys to develop a Form of Contract for construction with General Conditions acceptable to the CRD.

- The resulting combined construction contract will be competitively tendered. Tender close is expected to be the end of March 2017.

- Tenders will be reviewed by McElhanney and CRD, and a recommendation for award will be developed. The recommendation will be presented to the Juan de Fuca Water Distribution Commission, along with a request for approval to sign the resulting contract, prior to initiating CRD works. April 4, 2017 is the targeted date for recommendation for award.

- Construction is tentatively scheduled to be complete by October 15, 2017.

ALTERNATIVES

Alternative 1

That the Juan de Fuca Water Distribution Commission direct staff to execute the Memorandum of Understanding between the CRD and Jacklin Property Limited Partnership, c/o Sobeys Developments, for the Jacklin Road watermain upgrade project.

Alternative 2

That the Juan de Fuca Water Distribution Commission direct staff to not execute the Memorandum of Understanding between the CRD and Jacklin Property Limited Partnership, c/o Sobeys Developments, for the Jacklin Road watermain upgrade project and refer the matter back to staff.

IMPLICATIONS

Alternative 1 - Approval of CRD execution of the MOU will allow for CRD works to be included in the Sobeys Improvements works contract. Coordinating the work will reduce costs for the CRD as restoration, normally associated with water main construction, will be shared in the developer's scope of work, and other cost savings will be realized from shared project management, construction management and traffic control efforts. Combining the construction projects will also ensure a single source of responsibility (safety, schedule, and warranty) and reduce overall project duration and associated disruption to commuters and residents.

Alternative 2 - If execution of the MOU is not approved, coordination of the water main and Jacklin Road construction projects will not be possible. Watermain construction would occur subsequent to the roadway improvements, and would result in excavating a newly constructed roadway. The potential cost savings from combining the works would not be realized, and the disturbance of digging up a newly constructed road may not be socially acceptable.

CONCLUSION

Proactive coordination with Langford has resulted in the opportunity to combine CRD and Sobeys capital works programs. This will result in cost savings and gained efficiencies from shared project management, construction management and traffic control efforts. Combining construction projects will also ensure a single source of responsibility (safety, schedule, and warranty) and reduce overall project duration and associated disruption to commuters and residents.

Project funding was approved in the 2016 and 2017 capital budgets.

RECOMMENDATION

That the Juan de Fuca Water Distribution Commission direct staff to execute the Memorandum of Understanding between the CRD and Jacklin Property Limited Partnership, c/o Sobeys Developments, for the Jacklin Road watermain upgrade project.

Submitted by:	Ian Sander, P.Eng., Manager, Capital Projects
Concurrence:	Matthew McCrank, M.Sc., P.Eng., Senior Manager, Infrastructure Operations
Concurrence:	Ian Jesney, P.Eng., Senior Manager, Infrastructure Engineering
Concurrence:	Ted Robbins, B.Sc., C.Tech., General Manager, Integrated Water Service

IS/TR:mm
Attachment:
1 Memorandum of Understanding, between the CRD and Jacklin Property Limited Partnerships, c/o Sobeys Developments

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Attachment 1

MEMORANDUM OF UNDERSTANDING

THIS MOU dated for reference and made as of the ____ day of _____, 2017.

BETWEEN:

Capital Regional District
625 Fisgard Street
Victoria, BC V8W 1R7

AND:

Jacklin Property Limited Partnership
c/o Sobeys Developments
Suite 300-1501 West Broadway
Vancouver, BC V6J 4Z6

This Memorandum of Understanding ("MOU") is hereby entered into by the Capital Regional District, ("CRD"), and Jacklin Property Limited Partnership, ("Sobeys").

1. **Purpose:**

   Sobeys is subdividing a portion of land in the City of Langford, located along Jacklin Road. As part of the development of these lands, Sobeys will be required to construct underground and surface improvements to Jacklin Road. Sobeys intends to complete all such Jacklin Road frontage improvements on or before the end of August 2017.

   CRD and Sobeys have discussed the opportunity for Sobeys's engineering consultant, McElhanney Consulting Services Ltd, ("McElhanney"), to design and administer the installation of two CRD water mains within the Jacklin Road improvement limits. A meeting took place on February 2, 2016 to further discuss the details of an agreement and options to proceed with an agreement.

   The purpose of this MOU is to confirm an agreement-in-principle between Sobeys and CRD regarding the design, installation and construction management of the water mains, and to identify the logistics of working together for this work.

2. **Background:**

   The road improvements required to be undertaken by Sobeys extend from the Jenkins Road intersection southerly to (but not including) the property owned by The Board of Education of School District No. 62 (Sooke) (Lot 1, Plan EPP37564) (the "Sobeys Work"). The CRD maintains two aged distribution water mains running along Jacklin Road, namely a 600mm diameter steel water main and a 300mm diameter asbestos cement (AC) water main, both of which as stated by CRD require replacement (the "CRD Work", and collectively with the Sobeys Work, the "Works").

   CRD requests that Sobeys and its consultant (McElhanney) work with CRD, on the terms set out in this MOU, to coordinate the replacement of the CRD water mains within

Jacklin Road, in accordance with the "90% Review Drawings" attached to this MOU as Schedule 1.

3. Mutual Benefit and Interests:

CRD has requested that the CRD Work be installed and completed in coordination with the completion of the Sobeys Work. The benefit of this approach would be the reduced capital cost and construction administration costs for both Sobeys and CRD as well as reduced disruption to local traffic.

4. Contracts and Tendering:

In order to achieve the benefits referred to above, a construction contract will be prepared by McElhanney for tender, which contract will include the CRD Work and the Sobeys Work. CRD may provide supplementary general conditions to the construction contract applicable solely to the CRD Work.

Sobeys will be the tendering party for the construction contract, and such contract will be tendered on terms and conditions determined by Sobeys, in its discretion, but subject to the final paragraph of this section 4.

The form of tender issued by Sobeys will require all bidders to submit bids on a unit price basis for the Works, based on the approved tender drawings. The tender will call for bids with separate line items for the CRD Work. All CRD Work items will be provisional in the tender, so the items can be removed from the Works without penalty or cost impact to Sobeys if CRD decides to not proceed with the CRD Work as contemplated by this MOU. The same general contractor will be used to complete the CRD Work and the Sobeys Work.

5. Role of McElhanney

McElhanney will be retained separately by the CRD and Sobeys to evaluate the tenders in accordance with the above-noted procurement parameters. The tender bids will be evaluated by McElhanney to ensure the line items for the CRD Work and the Sobeys Work are balanced with neither party being unduly disadvantaged with higher unit rates than the other party. It is anticipated that McElhanney will recommend award to the lowest overall bidder. The CRD may in its sole discretion, at any stage prior to contract award, elect by written notice to Sobeys and McElhanney, to not proceed with the CRD Work. Any cost impact to Sobeys resulting from a decision by CRD not to proceed with the CRD Work, as reasonably estimated by McElhanney, will be paid by CRD.

McElhanney will be retained separately by CRD and Sobeys for construction administration, engineering, contract administration, construction inspection and construction for the Works pursuant to the construction contract and the Client/Consultant agreements between CRD & McElhanney and Sobeys & McElhanney.

McElhanney will be responsible for management and approval of changes to the Works as may arise during the course of construction. The parties agree to defer to McElhanney, acting reasonably and in fairness to both parties, to determine the costs attributable to each party for any changes to the Works and to prepare separate

statements for same, all in accordance with the contract prices awarded to the successful bidder.

6. Responsibilities of the Parties:

Working together in accordance with this MOU in order to achieve the objectives set out herein, the responsibilities of the parties are:

(a) CRD shall be solely responsible for all costs of completing the CRD Work on a unit rate basis, as defined by the approved "Issued For Construction" drawings for the Works.

(b) Sobeys shall be solely responsible for all costs of completing the Sobeys Work on a unit rate basis, as defined by the approved "Issued For Construction" drawings for the Works.

(c) Any unanticipated costs that arise during the course of construction, due to a change order or otherwise, will be attributed to the benefitting party and paid in accordance with the decision of McElhanney, as set out in section 5 of this MOU.

Technical and operational decisions of interest to the CRD will be made in conjunction with the CRD and Sobeys, and Sobeys acknowledges that the CRD will require the general contractor to install all CRD Work in accordance with CRD standards and specifications. Financial decisions of interest to the CRD will be made by the CRD, provided that such decisions do not adversely impact the cost or construction of the Sobeys Work or any Sobeys project milestones.

Sobeys acknowledges that the CRD may be constructing a segment of the Jacklin Road water main south of the southern limit of the Sobeys Work between June 15, 2017 and August 15, 2017 and that the general contractor for the Works shall be required to coordinate such work with CRD operations.

Sobeys acknowledges that CRD requires approval of the Juan de Fuca Water Distribution Commission (the "Commission") to enter into this MOU and any other contract or agreement related to the CRD Works. The Commission meets on the first Tuesday of each month. Any matter requiring Commission approval will need to be confirmed with the CRD three weeks prior to the Commission meeting date to receive approval at that meeting. CRD will not be held responsible for any delays to the Sobeys Work caused by failure to obtain Commission approval, resulting from Sobeys failure to submit matters for Commission approval to the CRD in accordance with the above timeline.

7. Project Milestones:

The parties agree to work cooperatively to accomplish the tasks contemplated by this MOU with project milestones to be defined through Sobeys design and construction schedules.

The parties will work cooperatively to obtain Commission approval of the MOU at the February 7, 2017 meeting and approval of the construction contract at the April or May Commission meeting, dependent upon date of tender issue and bid evaluation.

Water main design timelines will allow CRD a 2 week review window for technical memorandums and design drawing submissions.

Construction scheduling for CRD water main works will include 4 weeks advance notice to the CRD prior to performing water main shut downs and connections to existing water mains.

8. **General Conditions:**

Each party shall carry out the tasks set out in this MOU in good faith, including providing complete and accurate information to each other as may be necessary to complete the Works in a timely manner. The parties agree to coordinate their relationships with third parties involved in the development of the Works, as well as third parties involved in the development of the lands along Jacklin Road being subdivided by Sobeys to the extent necessary. Should there be a disagreement the parties agree to work together in good faith to resolve such disagreements.

9. Commencement/Termination:

This MOU takes effect upon execution and shall remain in effect from the date of execution until Project Final Completion (as determined by McElhanney) of the Works. This MOU may be extended or amended upon written request of either party. Either party may terminate this MOU with a 30 day written notice to the other(s).

10. Principal Contracts:

For the purposes of carrying out and following through on the understandings contained in the MOU, the prime contact person representing each party shall be:

<u>For the CRD:</u>

Ted Robbins, General Manager, Integrated Water Services
479 Island Highway
Victoria, BC V9B 1H7
250.360-3061
trobbins@crd.bc.ca

<u>For Sobeys</u>

Deb Parliament, Project Manager
Suite 300-1501 West Broadway
Vancouver, BC V6J 4Z6
778.328-1471 or cell: 778.788-9422
deb.parliament@sobeys.com

The designation of such person(s) may be changed at any time by either party upon written notice to be other.

[signature page follows]

IN WITNESS WHEREOF the parties hereto have executed this MOU.

CAPITAL REGIONAL DISTRICT by

its authorized signatory this ___day

of _____, 2016:

_____

JACKLIN PROPERTY LIMITED PARTNERSHIP, by its general partner, **JACKLIN PROPERTY GP LIMITED** by

its authorized signatories this ____ day

of _____, 2016:

_____

Schedule 1 – 90% Review Drawings

[*see attached*]

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Agenda Item 11
REPORT #JWDC 2017-03

REPORT TO JUAN DE FUCA WATER DISTRIBUTION COMMISSION
MEETING OF TUESDAY, FEBRUARY 7, 2017

SUBJECT **2016 JUAN DE FUCA WATER DISTRIBUTION DEVELOPMENT COST CHARGE PROGRAM UPDATE – CURRENT STATUS**

ISSUE

This report is to inform the Juan de Fuca Water Distribution Commission (JWDC) on the status of the 2016 Development Cost Charge (DCC) program update project.

BACKGROUND

The Capital Regional District (CRD) retained Urban Systems Ltd. (Urban) in early 2016 to update the current 2011 DCC program and associated Bylaw No. 2758. The scope of the project was to identify areas of growth which have or will occur in member municipalities, rezoning changes, Official Community Plan amendments, servicing concept changes in response to development and identify growth related infrastructure requirements and associated financial implications. The project was progressing, however, following the information meetings with the member municipalities to discuss growth and servicing requirements, three projects/initiatives emerged that resulted in the need to pause the DCC program update due to potential program implications. The following is a summary of the three projects/initiatives:

1. The City of Langford (Langford) passed a resolution on June 1, 2016 requesting that the JWDC authorize design and construction of a significant amount of DCC infrastructure within the South Skirt area to coincide with their Bear Mountain Parkway Extension (BMPE) project (Attachment A).

2. Langford passed a resolution on August 15, 2016 addressing financial liabilities and deferred projects related to the DCC program in Langford and also supported the establishment of a Local Service Area for the purpose of facilitating timely construction of the South Skirt DCC Projects along the BMPE (Attachment B).

3. In October of 2016, the CRD received letters from both Langford and the District of Metchosin requesting inclusion of additional lands within the DCC area related to the land exchange between the District of Metchosin, Beecher Bay First Nation and the City of Langford (Attachment C).

Since the requests, the CRD, with approval from the JWDC and CRD Board, amended the Juan de Fuca Distribution 2016-2020 Financial plan to approve up to $3.6 million in funding from the Juan de Fuca DCC Capital Reserve Fund for the Bear Mountain Parkway Extension Water Servicing Interim Plan and entered into a Memorandum of Understanding with the Langford to allow the Langford to install approximately 3 km of fire main and appurtenances under their existing contracts with McElhanney Consulting Services Ltd. and Windley Contracting. In addition the CRD and Urban have been revising the DCC program to include the infrastructure schedule changes, additional DCC areas and the financial implications to the program.

The CRD and Urban are currently working with the City of Langford to finalize the technical, legal and financial feasibility and development requirements for a Local Service Area. As the DCC program may be significantly affected by the establishment of the Local Service Area within the South Skirt/Bear Mountain Area, the DCC program will not be finalized until the Local Service Area issue is resolved.

The existing (2011) DCC rates will apply until an updated DCC bylaw is adopted.

CONCLUSION

The 2016 DCC program update project completion has been delayed to take into account significant requests from member municipalities. The CRD is working with their consultant and the member municipalities to accommodate the requests, including the establishment of a Local Service Area and identify any implications to the DCC program prior to completing the project.

RECOMMENDATION

That the Juan de Fuca Water Distribution Commission receive the staff report for information.

Submitted by:	Joseph Marr, PEng, Project Engineer, Infrastructure Engineering
Concurrence:	Scott Mason, PEng, Manager, Water Engineering and Planning
Concurrence:	Ian Jesney, PEng, Senior Manager, Infrastructure Engineering
Concurrence:	Ted Robbins, BSc, CTech, General Manager, Integrated Water Service

JM/IJ:mm
Attachments:
A. Resolution from Langford Council dated June 1, 2016
B. Letter from City of Langford re: South Skirt/Bear Mountain Water System(Aug. 18, 2016)
C. Letters from City of Langford(Oct. 18, 2016) and Metchosin(Oct. 13, 2016) re: Juan de Fuca DCC Bylaw Update

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Attachment A

City of Langford
www.cityoflangford.ca

CITY OF LANGFORD

RESOLUTION

2. (a) CRD Integrated Water Development Cost Charge Review 2016 (Engineering)

MOVED BY: COUNCILLOR SZPAK
SECONDED: COUNCILLOR BLACKWELL

That Council resolve to send the following resolution regarding the 2016 CRD Integrated Water Development Cost Charge Review to the Juan de Fuca Water Distribution Board:

WHEREAS the 2011 Juan de Fuca Water Distribution Development Cost Charge Update projected completion of the North Langford (South Skirt) 336m HGL transmission/distribution and North Langford (South Skirt) 228/169m HGL systems by 2021;

AND WHEREAS an update of the 2011 DCC Report is in progress but will not be completed until later this year;

AND WHEREAS development of the South Skirt area has commenced;

AND WHEREAS City of Langford has awarded a contract for the design of the Bear Mountain Parkway for construction in 2016;

AND WHEREAS services will be most appropriately, efficiently and safely installed during the initial construction phase of the Parkway;

AND WHEREAS the DCC infrastructure is necessary to efficiently provide domestic service and fire protection early in the development of the South Skirt area;

THEREFORE, BE IT RESOLVED that the City of Langford requests:

1. That the Juan de Fuca Water Distribution Commission authorize construction of the Pump Station 6 (McCallum Road Pump Station) on acceptance of the design by the CRD, to be funded from the DCC Reserve;
2. That the Juan de Fuca Water Distribution Commission immediately authorize the design and construction of the transmission main and distribution main from the McCallum Road Pump Station to Tank 4 (228m HGL) in 2016;
3. That the Juan de Fuca Water Distribution Commission immediately authorize the design of Tank 4 and associated ancillary works with a view to tendering and constructing this early in 2017, to be funded from the DCC reserve and,

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4. That the designs take into consideration the planning projections provided by the City of Langford's Planning Department to the Consultant updating the Development Cost Charge Report.

This is a certified resolution passed by the City of Langford at their Special Meeting of Council held on June 1st, 2016.

Lindy Kaercher
Deputy Clerk

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Attachment B

City of Langford
www.cityoflangford.ca

2016/08/18

trobbins@crd.bc.ca

Mr. Ted Robbins, GM
Integrated Water Services
Capital Regional District
625 Fisgard Street
Victoria, BC V8W 1R7

Dear Ted Robbins:

RE: South Skirt/Bear Mountain Water System

Please be advised at the Regular Council Meeting held on August 15th, 2016, Langford Council passed the following resolution:

"That Council advise the Juan de Fuca Water Distribution Commission that:

1. That the CRD has no liability associated with the McCallum Pipe; and
2. That the Walfred reservoir and pipe upgrades are not a priority for Langford; and
3. That priority for funding from the DCC reserve be given to developments that are proceeding, specifically the South Skirt Areas and Bear Mountain; and
4. That the City of Langford supports the CRD establishing of a local service area for the purpose of facilitating the timely construction of water distribution system within the South Skirt and Bear Mountain areas."

If you have any further questions or concerns, please do not hesitate to contact this office.

Sincerely,

Jim Bowden
City Manager

2nd Floor · 877 Goldstream Avenue · Langford, BC Canada · V9B 2X8
T · 250-478-7882 F · 250-478-7864

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City of Langford
www.cityoflangford.ca

Attachment C

2016/10/18

Capital Regional District – Integrated Water Services
479 Island Highway
Victoria, BC V9B 1H7

Dear Joseph Marr – Project Manager, DCC Review Project

RE: JDF Water DCC Bylaw Update

Please be advised that the City of Langford was contacted by an Urban Systems representative in regards to development projections in our City related to your current DCC review project. At that time the City was unable to speak to additional servicing projections for Langford, however we are now asking that the following lands be included in the comprehensive review and update of the Juan de Fuca Water Distribution Service Development Cost Charge (DCC) program and bylaw.

The City anticipates that the lands listed below will be included in areas of growth and development subject to rezoning changes and Official Community Plan (OCP) amendments and therefore requests that these lands be included in your review:

Industrial:

3021 Sooke Rd. -PID: 001-703-251
3005 Sooke Rd - PID: 001-703-277
14000900 - PID: 001-703-374
2965 Sooke Rd - PID: 001-994-484
2961 Sooke Rd - PID: 001-703-285
1261 Cogan Rd - PID: 001-703-323
1241 Cogan Rd - PID: 001-703-331
Woodruff Rd - PID: 018-034-209

Residential:

Woodruff Rd - PID: 018-034-209
142025170 - PID: 018-034-195
Neild Rd. - PID: 018-034-187

Sincerely,

Jim Bowden
Chief Administrative Officer

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DISTRICT OF METCHOSIN

October 13, 2016

Capital Regional District – Integrated Water Services
479 Island Highway
Victoria BC V9B 1H7

File: 5600-10

Attention: Joseph Marr – Project Manager

Re: JDF Water DDC Bylaw Update

Please be advised that the District of Metchosin was contacted by an Urban Systems representative in regards to development projections. At that time the District of Metchosin was unable to release the following projections to be included in the comprehensive review and update of the Juan de Fuca Water Distribution Service Development Cost Charge (DCC) program and bylaw.

As it is the primary objective to identify areas of growth and development please include the following properties which will be subject to rezoning changes, Official Community Plan (OCP) amendments and/or any servicing concept changes.

Industrial:
14000900 - PID: 001-703-374
Woodruff Rd - PID: 018-034-209

Greenspace:
Woodruff Rd - PID: 018-034-209

Residential:
142025170 - PID: 018-034-195
Neild Rd. - PID: 018-034-187

If you have any questions, please don't hesitate to contact me at 250-474-3167.

Sincerely,

Lisa Urlacher
Chief Administrative Officer

4450 Happy Valley Road, Victoria, B.C. V9C 3Z3
Administration Office (250) 474-3167 Fax 474-6298
Building Inspection Department (250) 474-3196 Fax 474-6298

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PROPOSED LAND USE DESIGNATION

SCALE 1 : 3 5 0 0

0 30 150 300

All distances are shown in metres.

Area to be excluded from Metchosin and included in Langford 380 acres

LEGEND

- Present Municipal Border
- Proposed Addendum to Municipal Border
- Property Boundary

Land Use Summary	
Greenspace	118 acres
Residential Development	120 acres
Business Park	200 acres
Non designated use	100 acres
Treaty Greenspace	91 acres

Langford Business Park

Existing Residential to remain

Woodruff Road

Present Municipal Border

Proposed Amendment to Municipal Border

Joint Taxation Agreement Business Park Lands Between Beecher Bay / Metchosin / Langford

Joint Taxation Agreement Lands Between Langford / Metchosin

Present Municipal Border

Langford Residential (1/2 acre min.lots)

Proposed Amendment to Municipal Border

Metchosin Greenspace

Treaty Greenspace

Proposed Amendment to Municipal Border

Present Municipal Border

Happy Valley Road

Huntwood Road

Nield Road

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Agenda Item 12
REPORT #JWDC 2017-04

REPORT TO THE JUAN DE FUCA WATER DISTRIBUTION COMMISSION
MEETING OF TUESDAY, FEBRUARY 7, 2017

SUBJECT **JUAN DE FUCA WATER DISTRIBUTION DEVELOPMENT COST CHARGE PROGRAM - 2017 BUDGET AMENDMENT**

ISSUE

The Juan de Fuca Water Distribution Development Cost Charge Program requires a budget amendment to facilitate construction of the Millstream Water Main in 2017.

BACKGROUND

The Millstream Water Main project (Project) consists of approximately 575 metres of 400 mm diameter water main extending north on Millstream Road in the District of Highlands (see Attachment A). The water main is to service industrial lands along Millstream Road as well as part of the Bear Mountain development.

The Project was identified in the 2011 Juan de Fuca Water Distribution Development Cost Charge Program with a budget of $1.2 million and a proposed construction date of 2015. As the Project is development driven, as opposed to system driven, the proposed construction date was postponed until developments in the area required water servicing.

The Project was confirmed with the District of Highlands during the update to the 2016 Juan de Fuca Water Distribution Development Cost Charge Program as still being a priority. At the time of budget preparation in the fall of 2016, the development request to start the project had not been received. Following the Juan de Fuca Water Distribution Commission's approval of the provisional 2017 budget, the Capital Regional District (CRD) has now received a development servicing request and have confirmed with the District of Highlands that a rezoning process has been started.

To facilitate construction in 2017, an additional $1.2 million is required. Availability of funds has been confirmed from the Juan de Fuca Water Distribution Development Cost Charge Program reserves. To fund this, the Juan de Fuca Water Distribution DCC Capital Budget (2017 & Forecast 2018 to 2021) will need to be amended. An additional item under the Development Cost Charge Program, No. 17-19, will be added in the amount of $1.2 million. A further revision of item No. 17-17 would reduce the budget by $600,000 in each of years 2020 and 2021. The updated Juan de Fuca Water Distribution Capital Budget (2017 & Forecast 2018 to 2021) has been included as Attachment B with proposed amendments highlighted in yellow.

ALTERNATIVES

Alternative 1

That the Juan de Fuca Water Distribution Commission direct staff to revise the Juan de Fuca Water Distribution DCC Capital Budget (2017 & 2018 to 2021) items No. 17-17 and No. 17-19 and transfer funds from the Juan de Fuca Water Distribution Development Cost Charge Program reserves to capital account No. 17-19 to facilitate construction of the Millstream Water Main project.

Alternative 2

That the Juan de Fuca Water Distribution Commission direct staff not to proceed with budget adjustments nor transfers of reserve funds for the Millstream Water Main project.

IMPLICATIONS

Alternative 1 – Proceeding with the Project will provide water supply as intended by the Juan de Fuca Water Distribution Development Cost Charge Program.

Alternative 2 – Not proceeding will delay the supply of water to the subject area and not provide water supply as intended by the Juan de Fuca Water Distribution Development Cost Charge Program.

CONCLUSION

Moving the Millstream Water Main project into a 2017 funding and construction window will allow the Juan de Fuca Water Distribution Development Cost Charge Program to meet the request of the District of Highlands to meet development needs. Funding in the amount of $1.2 million is available from the Juan de Fuca Water Distribution Development Cost Charge Program capital reserves.

RECOMMENDATION

That the Juan de Fuca Water Distribution Commission direct staff to revise the Juan de Fuca Water Distribution DCC Capital Budget (2017 & 2018 to 2021) items No. 17-17 and No. 17-19 and transfer funds from the Juan de Fuca Water Distribution Development Cost Charge Program reserves to capital account No. 17-19 to facilitate construction of the Millstream Water Main project.

Submitted by:	Ian Jesney, P.Eng., Senior Manager, Infrastructure Engineering
Concurrence:	Ben Semmens, BCom, CPA, CMA, Senior Financial Advisor, Financial Services
Concurrence:	Ted Robbins, B.Sc., C.Tech., General Manager, Integrated Water Service

IS:mm
Attachments:
A – Drawing: Millstream Rd DCC Water Main
B - Juan de Fuca Water Distribution Capital Budget Form

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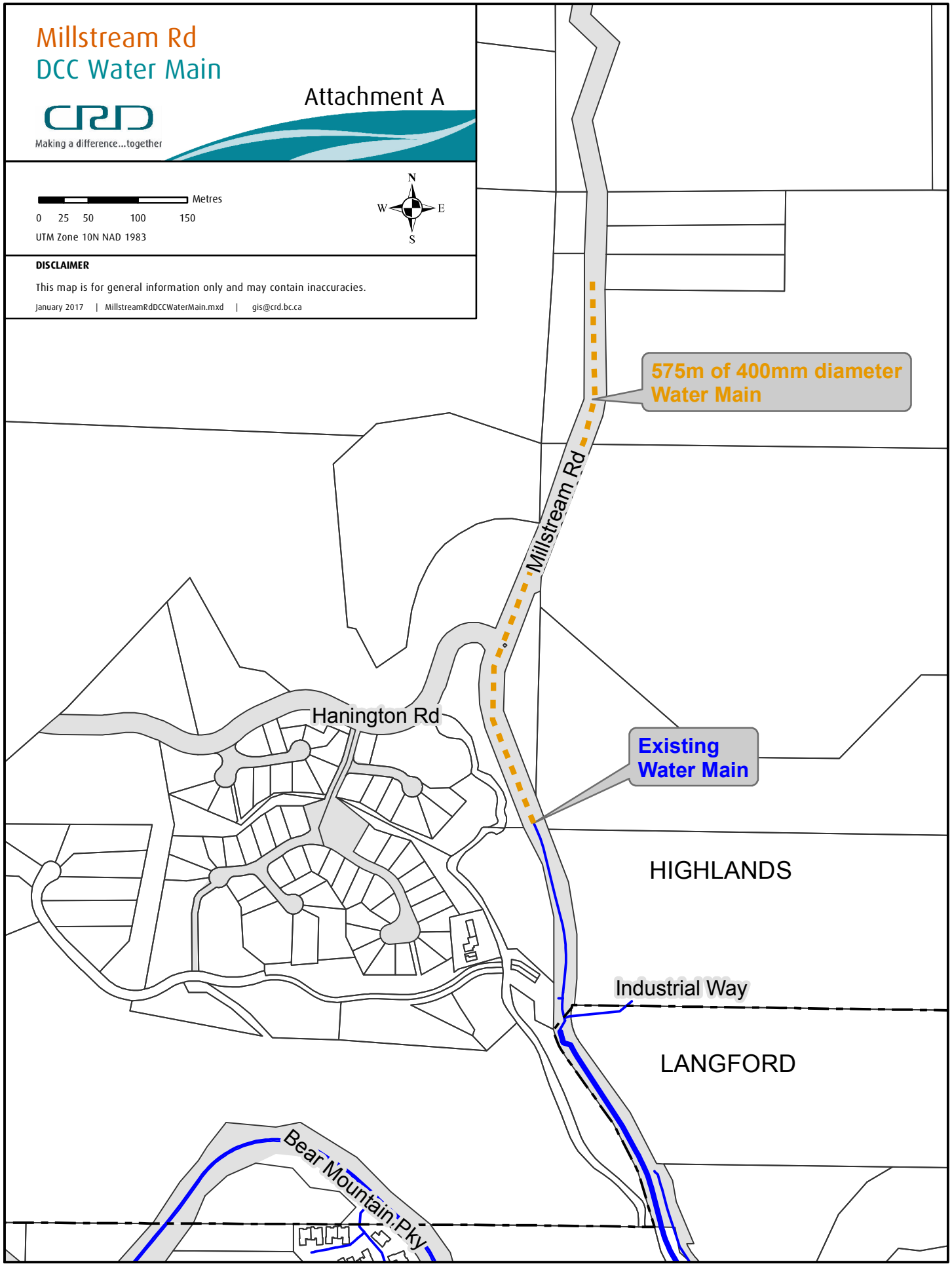
Millstream Rd
DCC Water Main
Attachment A
Making a difference...together
Metres
0 25 50 100 150
UTM Zone 10N NAD 1983
N
W
E
S
DISCLAIMER
This map is for general information only and may contain inaccuracies.
January 2017 | MillstreamRdDCCWaterMain.mxd | gis@crd.bc.ca
575m of 400mm diameter Water Main
Millstream Rd
Hanington Rd
Existing Water Main
HIGHLANDS
Industrial Way
LANGFORD
Bear Mountain Pky

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Attachment B

CAPITAL REGIONAL DISTRICT CAPITAL PLAN

CAPITAL BUDGET FORM
2017 & Forecast 2018 to 2021

Service #: **2.680**
Service Name: **Juan de Fuca Water Distribution**

By Capital Expenditure

No.	Capital Exp. Type	Capital Project Description	Asset Class	Carry Forward	2017	2018	2019	2020	2021	Total Project Budget
INFRASTRUCTURE ENGINEERING AND OPERATIONS				-	-	-	-	-	-	-
Planning										
15-01	Renewal	Updating Procedures & Engineering Specifications	S	80						100
16-01	Renewal	Reservoir Assessment	S	50	100					200
16-02	Renewal	Water Audit	S	25						50
16-03	Renewal	Strategic Asset Management Plan	S	50	50					150
17-01	**Renewal**	**Annual Small Diameter Replacement Program Update**	**S**		**150**					**150**
17-02	**New**	**Implement Tempest Software**	**S**		**150**					**150**
Capital										
99-01	Replacement	Annual Small Diameter Pipe Replacement Program	S		2,250	1,250	950	800	**1,250**	6,500
12-01	Replacement	Fire Flow Upgrade Program Phase 2 Volume/Flow Upgrade Program Review	S	150	-					200
15-02	Renewal	Sun River Reservoir Rehabilitation	S	800						1,000
16-04	Replacement	Jacklin Rd - 900m of 600mm Pipe	S	1,100	800	300				2,400
16-05	Renewal	Comprehensive Pump Station Upgrades (10 year Program)	S	200						200
17-03	**Renewal**	**Water Line in Sooke Basin - Inspection**	**S**		**50**					**50**
17-04	**Replacement**	**SCADA Equipment Replacement Program**	**E**		**50**	**-**	**-**	**300**	**50**	**400**
17-05	**New**	**Develop E-Billing and Pre-Authorized Debit System**	**E**		**50**	**50**				**100**
17-06	**New**	**East Sooke Iron Mine Analyzer**	**E**		**25**					**25**
18-01	Replacement	Sooke Rd Ph. 2 - 1,000m of 600m Pipe - Cecil Blogg to Jacklin	S			800				800
19-01	Replacement	Sooke Rd Ph. 1 - 1,200m of 600m Pipe - Wishart to Cecil Blogg	S				**1,100**			2,500
20-01	Replacement	Residential Meter Replacement Program	S		-	-	-	250	**250**	500
Sub-Total System Infrastructure and Operations				2,455	3,675	2,400	2,050	1,350	1,550	15,475
CUSTOMER AND TECHNICAL SERVICES				-	-	-	-	-	-	-
16-06	Replacement	Vehicle & equipment replacement (funding from replacement fund)	V		450	240	425	70	210	1,395
Sub-Total Customer and Technical Services				-	450	240	425	70	210	1,395
ANNUAL PROVISIONAL ITEMS										
17-07	New	Site decommissioning - general	S	-	10	10	10	10	10	50
17-08	Replacement	Water Service Replacement Program	S	-	300	300	300	300	300	1,500
17-09	Replacement	Emergency Major Main Replacement	S	-	100	100	100	100	100	500
17-10	Replacement	Meter Register Replacement	S	-	60	60	60	60	30	270
17-11	Replacement	Hydrant Replacement, Upgrades and Additions	S	-	70	70	70	70	70	350
17-12	Replacement	Large Meters/Meter Vaults Replacement, Upgrades and Additions	S	-	130	130	130	130	130	650
17-13	New	Site Security Upgrades	S	-	40	40	40	40	40	200
17-14	New	Scada/Flow Meters for Lead PRVs	S	-	60	60	60	60	60	300
17-15	Renewal	Distribution System Improvements	S	-	150	150	150	150	150	750
17-16	New	Hydraulic Model Yearly Update, Testing & Calibration	S	-	60	60	60	60	60	300
Sub-Total for Annual Provisional Items					980	980	980	980	950	4,870

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CAPITAL REGIONAL DISTRICT CAPITAL PLAN

CAPITAL BUDGET FORM
2017 & Forecast 2018 to 2021

Service #: **2.680**
Service Name: **Juan de Fuca Water Distribution**

By Capital Expenditure

No.	Capital Exp. Type	Capital Project Description	Asset Class	Carry Forward	2017	2018	2019	2020	2021	Total Project Budget
		TOTAL ANNUAL CAPITAL EXPENDITURES		**2,455**	**5,105**	**3,620**	**3,455**	**2,400**	**2,710**	**21,740**
		FIVE YEAR TOTAL (including carry forward)							**19,745**	
DEVELOPMENT COST CHARGE (DCC) PROGRAM (Dependent on Growth - Timing Tentative)										
		System Expansion by CRD Forces								
16-07	New	Update DCC Bylaw (Comprehensive Update in 2016)	E	-	20	20	20	20	175	255
17-17	New	DCC Expenditures (refer to USL 2016 DCC update)	E	-	-	1,200	1,200	600	600	3,600
17-18	**New**	**Bear Mountain Parkway Extension**	**E**	**300**	**3,300**					3,600
17-19	**New**	**Millstream Water Main**	**E**	**-**	**1,200**	-	-	-	-	1,200
Sub-Total for System Expansion by CRD Forces				300	4,520	1,220	1,220	620	775	8,655
		TOTAL ANNUAL CAPITAL EXPENDITURES - DCC PROGRAM		**300**	**4,520**	**1,220**	**1,220**	**620**	**775**	**8,655**
		FIVE YEAR TOTAL (including carry forward)							**8,655**	

Funding Source Codes	
Debt	= Debenture Debt (new debt only)
ERF	= Equipment Replacement Fund
Grant	= Grants (Federal, Provincial)
Cap	= Capital Funds on Hand
Other	= Donations / Third Party Funding
Res	= Reserve Fund
STLoan	= Short Term Loans

Asset Class	
L	- Land
S	- Engineering Structure
B	- Buildings
V	- Vehicles
E	- Equipment

Capital Expenditure Type	
New	Expenditure for new asset only
Renewal	Expenditure replaces an existing asset and extends the service ability or enhances technology in delivering that service
Replacement	Expenditure replaces an existing asset

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File No. 902-03

CAPITAL REGIONAL DISTRICT - INTEGRATED WATER SERVICES

Water Watch

Issued January 30, 2017

Water Supply System Summary:

1. Useable Volume in Storage:

Reservoir	January 31 5 Year Ave		January 31/16		January 29/17		% Existing Full Storage
	ML	MIG	ML	MIG	ML	MIG	
Sooke	85,786	18,873	92,727	20,400	92,727	20,400	100.0%
Goldstream	7,839	1,725	8,150	1,793	8,565	1,884	87.2%
Total	93,626	20,598	100,877	22,193	101,292	22,284	98.8%

2. Average Daily Demand:

For the month of January	99.5 MLD	21.90 MIGD
For week ending January 29, 2017	100.2 MLD	22.04 MIGD
Max. day January 2017, to date:	105.0 MLD	23.11 MIGD

3. Average 5 Year Daily Demand for January

Average (2012 - 2016)	96.8 MLD [1]	21.29 MIGD [2]

[1]MLD = Million Litres Per Day [2]MIGD = Million Imperial Gallons Per Day

4. Rainfall January:

Average (1914 - 2016):	271.8 mm	
Actual Rainfall to Date	102.2	(38% of monthly average)

5. Rainfall: Sep 1 - Jan 29

Average (1914 - 2016):	1040.7 mm	
2016 / 2017	1119.2	(108% of average)

6. Water Conservation Action Required:

To avoid possible leaks next spring, now is the time to winterize your sprinkler system.
Check our website at www.crd.bc.ca/water for more information.
If you require further information, please contact:

Ted Robbins, B.Sc., C.Tech
General Manager, CRD - Integrated Water Services
or
Deborah Walker
Demand Management Coordinator

Capital Regional District Integrated Water Services
479 Island Highway
Victoria, BC V9B 1H7
(250) 474-9600

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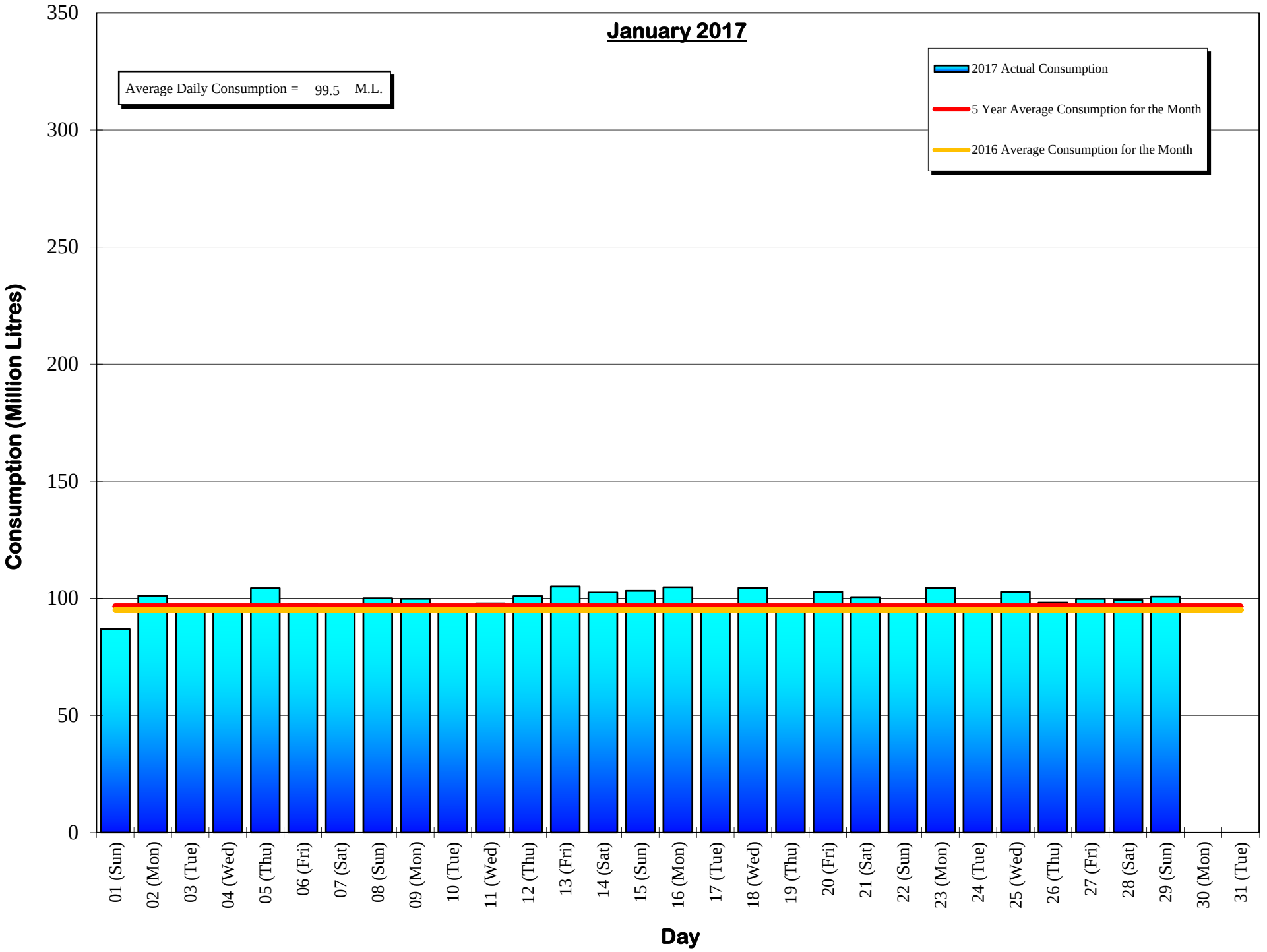

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SOOKE LAKE RESERVOIR STORAGE SUMMARY
2016 / 2017

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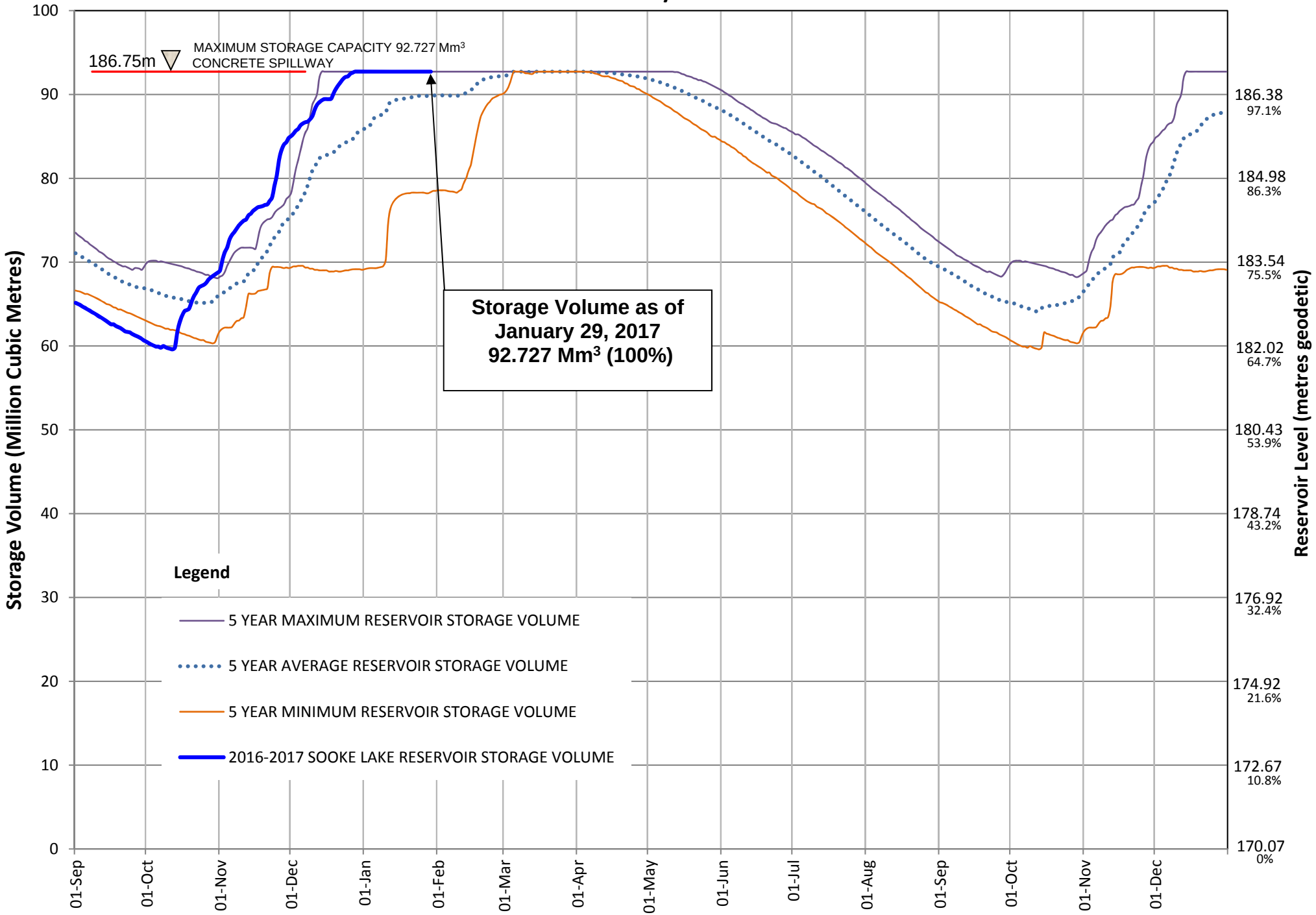

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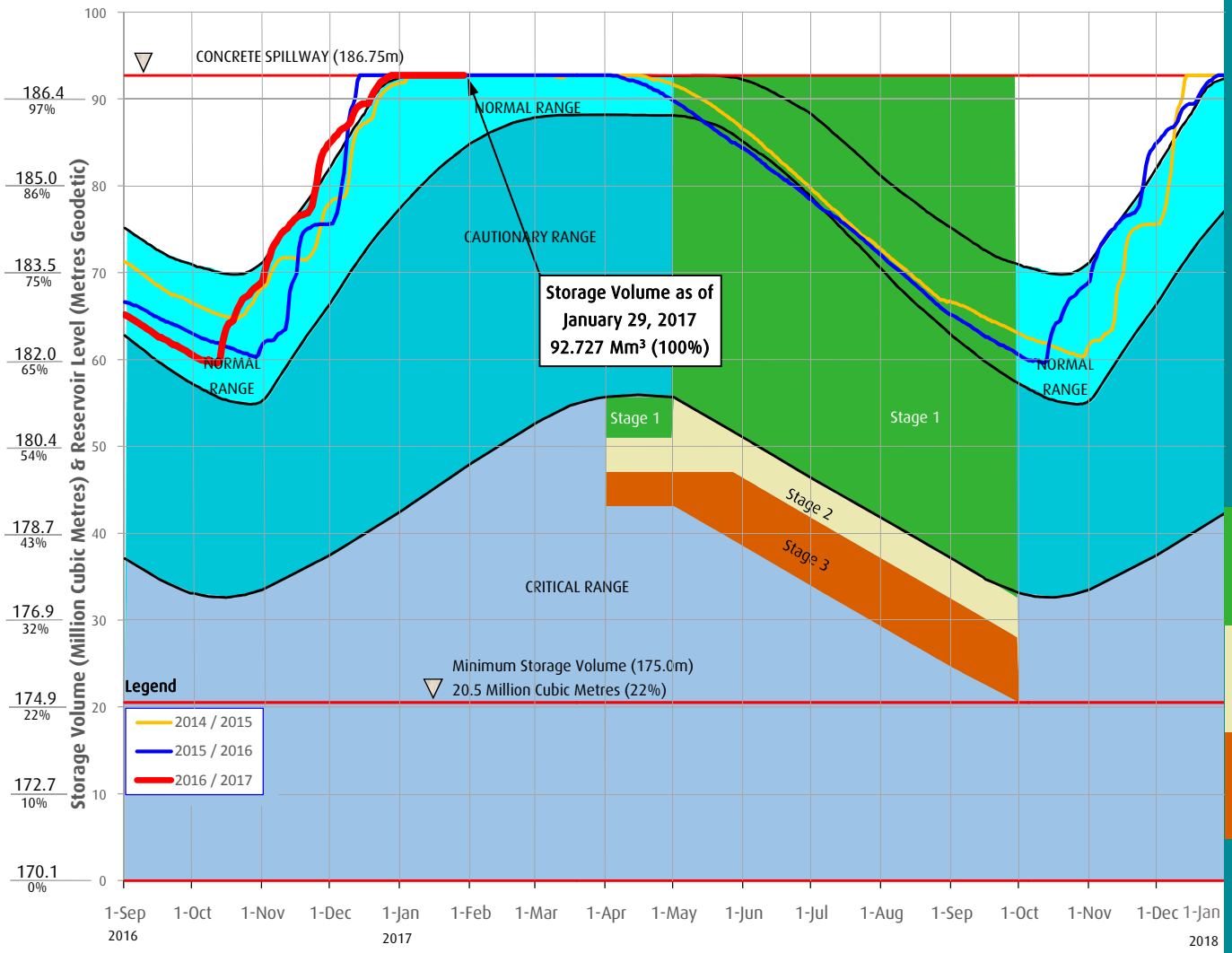
Sooke Lake Reservoir Storage Level

Water Supply Management Plan



FAQs

How are water restriction stages determined?

Several factors are considered when determining water use restriction stages, including,

1. Time of year and typical seasonal water demand trends;
2. Precipitation and temperature conditions and forecasts;
3. Storage levels and storage volumes of water reservoirs (Sooke Lake Reservoir and the Goldstream Reservoirs) and draw down rates;
4. Stream flows and inflows into Sooke Lake Reservoir;
5. Water usage, recent consumption and trends; and customer compliance with restriction;
6. Water supply system performance.

The Regional Water Supply Commision will consider the above factors in making a determination to implement stage 2 or 3 restrictions, under the Water Conservation Bylaw.

At any time of the year and regardless of the water use restriction storage, customers are encouraged to limit discretionary water use in order to maximize the amount of water in the Regional Water Supply System Reservoirs available for nondiscretionary potable water use.

Stage 1 is normally initiated every year from May 1 to September 30 to manage outdoor use during the summer months. During this time, lawn watering is permitted twice a week at different times for even and odd numbered addresses.

Stage 2 Is initiated when it is determined that there is an acute water supply shortage. During this time, lawn water is permitted once a week at different times for even and odd numbered addresses.

Stage 3 Is initiated when it is determined that there is a severe water supply shortage. During this time, lawn watering is not permitted. Other outdoor water use activities are restricted as well.

For more information, visit www.crd.bc.ca/drinkingwater

CRD
Making a difference...together