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**Minutes of a Meeting of the Magic Lake Estates Water and Sewer Committee
Held Tuesday, May 8, 2018 in the Main Conference Room, 479 Island Highway, Victoria, BC**

PRESENT: **Committee Members:** K. Heslop (Chair) A. Wilson (Vice-chair), W. Foster, M. Fossil, J. Gill, D. Reed, D. Howe, SGI Electoral Area Director

Staff: I. Jesney, Senior Manager, Infrastructure Engineering, M. McCrank, Senior Manager, Infrastructure Operations, M. Cowley, Manager, Wastewater Engineering & Planning, L. Siemens (recorder)

Chair Heslop called the meeting to order at 9:27 a.m.

1. Approval of Agenda

The following item was added to the agenda as Item #3; remaining items will follow in sequence:

- Follow up on Infrastructure Grant Discussions.

MOVED by W. Foster, **SECONDED** by M. Fossil,
That the agenda be approved as amended.

CARRIED

2. Adoption of Minutes of April 10, 2018

The following change was made to the minutes:

- Minutes should reflect that Alternate Director B. Mabberley attended the meeting.

MOVED by A. Wilson, **SECONDED** by M. Fossil,
That the minutes of April 10, 2018 be adopted as amended.

CARRIED

3. Grant Discussion Updates

D. Howe provided an update on infrastructure grant availability. A lengthy discussion took place regarding project funding for the proposed wastewater treatment plant project.

4. Water Update

I. Jesney presented a verbal report and provided a handout that will be included as part of the agenda package.

5. Wastewater Update

I. Jesney presented a verbal report and provided a handout that will be included as part of the agenda package.

6. Operations Update

M. McCrank presented a verbal report and provided a handout that will be included as part of the agenda package.

7. Amendment of Bylaw No. 1990 to Include One Property (2614 Chart Drive) into the Sewer Service Area

M. Cowley presented a written report.

MOVED by J. Gill, **SECONDED** by Director Howe,
THAT the Magic Lake Estates Water and Sewer Committee recommend to the Electoral Area Services Committee and recommend to the Capital Regional District Board that:

Bylaw No. 4238, "Outer Gulf Islands Magic Lake Estates Sewerage System Local Service Establishment Bylaw, 1990, Amendment Bylaw No. 1, 2018" be introduced and given first and second reading;

Bylaw No. 4238, "Outer Gulf Islands Magic Lake Estates Sewerage System Local Service Establishment Bylaw, 1990, Amendment Bylaw No. 1, 2018" be given a third reading.

CARRIED

8. Correspondence

There was no correspondence.

9. New Business

Discussions took place on the following:

- Communication process prior to the wastewater treatment plant open house.
- High chlorine issues at Gunwhale Road.

Chair Heslop and Director Howe thanked CRD staff for their ongoing patience and knowledge provided to the committee.

10. Adjournment

MOVED by J. Gill, **SECONDED** by Director Howe,
That the meeting be adjourned at 10:55 a.m.

CARRIED



**REPORT TO THE MAGIC LAKE ESTATES WATER AND SEWER COMMITTEE
MEETING OF TUESDAY, JUNE 12, 2018**

**SUBJECT BUCK LAKE SEWER REPLACEMENT - RECEIPT OF TENDER 2018-394 AND
AWARD OF CONTRACT**

ISSUE

The purpose of this report is to request that the Magic Lake Estates Water and Sewer Committee (MLEWSC) approve a contract to replace a portion of the existing Buck Lake Sewer System.

BACKGROUND

The Magic Lake Estates sewer system was constructed in the 1960's by a developer to provide wastewater service to the Magic Lake Estates sewer service area. Many of the sewers were constructed with asbestos cement pipe and have reached the end of their service life. The sewer around Buck Lake, in particular, is old, only 150mm dia, has very little slope, and has overflowed into Buck Lake during peak flow conditions. Similarly, a short section of sewer along Privateers Road (between Doubloon and Brigadoon Roads), has sagged and has to be flushed each year to prevent solids from plugging the pipe.

In 2016, funding was approved through an Alternative Approval Process (AAP) to replace 325m of the sewer along eastern side of Buck Lake and 112m of the sewer on Privateers Road. The total approved project budget for the replacement of these two sewers was \$628,000.

During detailed design, it was determined that:

- The length of pipe along Buck Lake had to be increased to 430 metres so that it could extend out to Signal Hill and the pipe slope could be steepened to increase flushing velocities (the pipe is longer and deeper than originally estimated);
- A section of pipe (about 60 metres long) must be installed by trenchless tunnelling because there is not enough room to fit machines between existing houses and the lake; and
- The length of pipe along Privateers Road be increased to 120 metres to meet the Ministry of Transportation's road crossing requirements.

As a result of the additional scope, and current market conditions, the committee was informed that there may not be sufficient budget to complete the work. The committee recognized that the current Buck Lake sewer system poses a high risk (due to sewage overflows into their drinking water source) and is a priority for replacement, and requested that funding for the Privateers Road sewer be utilized for the Buck Lake sewer if necessary. Therefore, the Privateers Road sewer was tendered as a provisional item and tenderers were informed that this section would only proceed if there was sufficient funds.

Tender 2018-394 was issued on April 20, 2018 and closed on May 22, 2018. Two tenders were received and the amounts were as follows:

Tenderer	Total Tender Amount not including provisional items including \$20,000 construction contingency (excluding GST)
SDL Saanichton Development	\$595,373.00
Sparker Construction Ltd.	\$2,150,025.00

All of the tenders received were complete, had no errors and complied with the instructions to tenderers. The lowest bid, was submitted by SDL Saanichton Development and included the required Bid Bond and Surety's Consent.

Project Budget

The current financial status of the project is summarized in the following table:

Task	Original Budget	Actual and Committed Cost To-Date	Remaining Cost to Complete	Variance
Buck Lake Sewer Replacement – CE.536.8301				
Admin & Project Mgmt	\$50,000	\$10,488	\$30,000	(\$9,512)
Design	\$60,000	\$61,573	\$10,000	\$11,573
Construction	\$385,000	\$0	\$595,373	\$210,373
Sub-Total Buck Lake t	\$495,000	\$72,061	\$635,373	\$212,434
Privateers Road Sewer Replacement – CE.536.8302				
Admin & Project Mgmt	\$9,000	\$839	\$0	(\$8,161)
Design	\$18,000	\$7,706	\$0	(\$10,294)
Construction	\$106,000	\$0	\$0	(\$106,000)
Sub-Total Privateers	\$133,000	\$8,545	\$0	(\$124,455)
PROJECT TOTAL	\$628,000	\$80,606	\$635,373	\$87,979

The above table assumes that the Privateers sewer will not proceed and all remaining unspent funds for Privateers sewer are to be used for the Buck Lake sewer replacement.

The remaining cost to complete for Administration, Project Management, and Design includes: inspection services, construction management, environmental services, and post construction services. As noted above the construction tender includes \$20,000 for contingency, but there are no other contingency allowances.

As noted in the Project Total Variance column, approximately \$88,000 of additional funds is required in order for the Buke Lake Sewer Replacement Project to proceed.

Upon review of the final costs of the Chart Drive Pump Station and forcemain project, CRD Finance has confirmed that that project was under budget by \$88,945. Finance has also confirmed that since that project was part of the approved list of projects within the same loan authorization bylaw, that those surplus funds could be used towards the Buck Lake sewer project.

ALTERNATIVES

Alternative 1

That the Magic Lake Estates Water and Sewer Committee direct staff to:

1. Award a contract for Buck Lake Sewer Replacement (Contract 2018-394) to SDL Saanichton Development in the amount of \$595,373.00, including \$20,000 construction contingency; and
2. Use funds from the Privateers Road Sewer Replacement Project and surplus funds from the Chart Drive Project to complete the Buck Lake Sewer Replacement Project.

Alternative 2

That the Magic Lake Estates Water and Sewer Committee direct staff to cancel Tender No. 2018-394.

IMPLICATIONS

Alternative 1 – the tender submitted by SDL Saanichton Development is compliant and meets the terms of the tender documents. It is the lowest cost for Tender No. 2018-394. The tender exceeded the original budget because the scope was increased and market conditions are resulting in much higher costs than originally estimated over two years ago. However, by using funds from the Privateers Road sewer replacement and surplus funds from Chart Drive, there should be sufficient funds available to complete the Buck Lake Sewer Replacement Project. Time is of the essence since the work can only feasibly be completed during the summer while conditions are dry and the lake level is low. Saanichton Development has successfully completed similar work for the Town of Sidney and they plan on utilizing local Pender Island contractors to assist them on the completion of this project. The Privateers Road sewer replacement would be budgeted again in a future year.

Alternative 2 – cancelling the contract would result in no further money being spent to complete the Buck Lake sewer replacement, but this sewer would continue to pose a risk of sewage overflows into Buck Lake. It is unlikely that a lower cost would be received if this project were to be re-tendered at a later date. Flush trucks will need to continue to flush this sewer on an annual basis and the sewer pipe is at the end of its life and will require replacement in the near future.

CONCLUSION

The Buck Lake Sewer has reached the end of its service life and requires replacement to eliminate the ongoing expenses of flushing, removing solids, and responding to overflows when they occur. The Buck Lake sewer replacement was designed to be longer and deeper than originally planned in order to make the pipe slope steeper and prevent solids from building up in the pipe. Two tenders were received on May 22, 2018 for Tender No. 2018-394. Staff reviewed the tenders and confirmed that the tender submitted by SDL Saanichton Development is compliant, and provides the best value to the Magic Lake Estates community.

RECOMMENDATION

That the Magic Lake Estates Water and Sewer Committee direct staff to:

1. Award a contract for Buck Lake Sewer Replacement (Contract 2018-394) to SDL Saanichton Development in the amount of \$595,373.00, including \$20,000 construction contingency; and
2. Use funds from the Privateers Road Sewer Replacement Project and surplus funds from the Chart Drive Project to complete the Buck Lake Sewer Replacement Project.

Submitted by:	Malcolm Cowley, P.Eng., Manager, Wastewater Engineering & Planning
Concurrence:	Ian Jesney, Senior Manager, Infrastructure Engineering
Concurrence:	Ted Robbins, BSc, C.Tech, General Manager, Integrated Water Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

BDS/MC:ls



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June 12, 2018

File: 0360-20

Magic Lake Estates Water and Sewer Committee

Magic Lake Estates Water Service

Water Treatment Plant Repairs

- Revised drafts of the release to the insurer and construction contract to the contractor's lawyer have been sent and are awaiting responses.

Schooner, Capstan and Signal Hill PRV

- A tender for replacement with the three noted PRV stations with above ground stations will be issued by the end of June 2018.

Content prepared by: Scott Mason and Dale Puskas



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File: 0360-20

Magic Lake Estates Water and Sewer Committee

June 12, 2018

MAGIC LAKE ESTATES WASTEWATER

Wastewater Infrastructure Projects – Phase 1 Update

Sewer Pipe Replacement – Buck Lake & Privateers Road

- See separate June 12 staff report on the tenders that were received and an update on the project status.

Inflow & Infiltration Program

- A final report summarizing all CCTV inspection results will be prepared later this year, (after the Buck Lake sewer project), complete with cost estimates to repair significant defects.

Wastewater Projects - 2017 Capital Plan

Phase 2 Wastewater Infrastructure Upgrades – Public Consultation

- No change since last meeting. Still planning to complete conceptual design upgrades, cost estimates, and financial impacts to present at an open house later this year. The focus right now is on the Buck Lake Sewer project and I&I report.

Wastewater Projects – 2018 Capital Plan

No projects in 2018 due to insufficient capital reserve funds. Projects are being planned in future years subject to a successful referendum in 2019 to enable borrowing.

Report Prepared by: Malcolm Cowley



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OPERATIONS REPORT

Water Operations Highlights:

- Conducted a tour of the water and wastewater facilities for the MLE Committee
- Emergency backup generator repairs.
- Installation of three new water connections.

Wastewater Operations Highlights:

- Danger tree removal and branch clearing performed at the Schooner Wastewater Treatment Facility site.
- Installation of a new sewer service connection.
- Ministry of Environment site inspection conducted for both Cannon and Schooner Waste Water Treatment Facilities.
- Masthead Sewage Pump Station float switch replacement.
- Operating Permit Regulatory Non-compliance reporting for May 2018:

Facility	# of Reports Issued for May	Total # of Reports Issued 2018	Total # of Reports Issued 2017	Cause
Schooner WWTP	0	5	16	Events due to UV failure (effluent disinfection system) as a result of power outages (typically) and one event due to exceeding maximum daily flows (I&I).
Schooner Pump Station	0	0	3	Typically these are overflow events into the marine environment (Boat Nook) due to extended power failures in the area.
Cannon WWTP	0	23	33	Exceeding maximum daily flows due to storm water entering through I&I.

Capital Improvement work:

- Nothing to report this period.

Prepared by: Dan Robson and Matt McCrank, Integrated Water Services