

**Report to the Planning & Protective Services Committee
Meeting of Wednesday, February 22, 2006**

SUBJECT

Regional Service Impacts of Proposed Highlands Servicing Area

PURPOSE

To provide information requested by the Committee to complete their review of the Highlands Regional Context Statement, tabled on January 25, 2006.

BACKGROUND

On January 25, 2006 the committee tabled consideration of the Highlands regional context statement until February 22, 2006, pending the receipt of further information from the District of Highlands. The following additional information was requested by the Committee:

1. The development potential of other properties within the Highlands Servicing Area;
2. Mechanisms or guarantees of no further development in the Bear Mountain comprehensive development zone;
3. Mechanisms or guarantees of no further changes to the Regional Urban Containment and Servicing Policy Area (RUCSPA) if it is amended to include the Highlands Servicing Area, such as 3rd party covenants;
4. Implications for regional systems and the Core Area Liquid Waste Management Plan, including costs, if an on-site treatment plant is either accepted or not accepted by the Province;
5. Mechanisms to ensure that the net impact on other sewer and water service participants is neutral.

This report provides information related to points 4 and 5 noted above. Representatives of the District will be available at the meeting to address points 1, 2, and 3.

ALTERNATIVES

Alternatives are provided in the staff report for agenda item 9 (Regional Context Statement for Highlands) tabled by the committee on January 25, 2006.

FINANCIAL IMPLICATIONS

Financial implications for regional water and liquid waste services are identified in Attachment A and Attachment B. Representatives of Water Services and Environmental Services will be available at the meeting to address the points raised in these attachments.

GROWTH MANAGEMENT IMPLICATIONS

Growth management implications are covered in the staff report for agenda item 9 (Regional Context Statement for Highlands) tabled by the committee on January 25, 2006.

SUMMARY/CONCLUSIONS

Regional Water System Implications:

Providing water service to the proposed expanded Highlands Servicing Area would require the transfer of the Millstream Road water main from the Juan de Fuca retail distribution system to the regional water supply system, with the cost of upgrading and extension either:

1. Included in the wholesale water rate; or,
2. Borne by others, for example, the District of Highlands or developers requesting the service.

In both alternatives the increase in the wholesale revenue requirement would cost the average regional household less than \$1.00 per year.

Regional Liquid Waste Management System Implications:

If the province does not approve an on-site treatment system for the Bear Mountain portion of the proposed Highlands Servicing Area with effluent discharge to Millstream Creek, development in that portion of the proposed servicing area would have to proceed either on the basis of traditional septic systems or through connection to the regional trunk sewer system. Development of the area east of Millstream Road, in the portion of the servicing area already included within the RUCSPA, would require connection to the regional trunk sewer system to proceed.

As noted in Attachment B, at the present time there is no available reserve capacity in the CRD trunk system to accommodate waste water from the proposed Highlands Servicing Area. The CRD's Manager of Engineering Services (in email correspondence dated January 25, 2006) has estimated that the system upgrades required, assuming conventional design criteria and using standard estimates for growth in infiltration and inflow, would include bringing forward improvements to the existing CRD trunk sewer system as follows:

- A 1.5 km. section of the trunk in Esquimalt would need to be twinned in 2006 rather than in 2009;
- The Macaulay Point outfall would need to be twinned in about 2013 rather than 2015;

- A 700 metre section of the trunk in Esquimalt would need to be upgraded in approximately 2022 rather than 2025; and,
- A 7 km. section of the trunk through Colwood and View Royal would need to be upgraded between 2025 and 2030 rather than after 2045.

A new 4.5 km pipeline would also be required to connect the Highlands system to the existing CRD trunk system. A full engineering study would be required to gain a proper appreciation of the costs of extending services to Highlands and providing sufficient system capacity to accommodate anticipated growth in the Highlands Servicing Area.

RECOMMENDATION

That this report be received as information.

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Report Writer

General Manager Concurrence

COMMENTS: