



Making a difference...together

**PORT RENFREW UTILITY SERVICES
ANNUAL REPORT
OCTOBER 22, 2012**

PORT RENFREW UTILITY SERVICES COMMITTEE

The Port Renfrew Utility Services Committee (PRUSC) has authority delegated by the Capital Regional District (CRD) Board for provision of water, sewer, street lighting and refuse disposal for the Port Renfrew community. Refuse disposal service is also provided to the Pacheedaht First Nation under a service delivery agreement. This Annual Report relates to the services provided under the authority of the PRUSC.

STREET LIGHTING SERVICE

Street lighting service is provided in the area of Port Renfrew known as Beach Camp. The street lights are operated and maintained by BC Hydro, and costs are recovered through a parcel tax and user charge on parcels in the area where the service is provided. There have been no significant issues with the service in the past year.

DRINKING WATER SERVICE

Operations

The Port Renfrew Water System, which serves the Beach Camp and Snuggery Cove areas, has operated reliably in the past year. Significant events and activities for 2011 and 2012 include:

- Inspection and adjustment of Baird Creek water main crossing restraining bolts.
- Water main leak repair.
- Re-build of chlorine pump at treatment plant.
- Repair – installation of damaged fire hydrant: Parkinson Road.
- Repairs to water treatment plant roof to eliminate leakage onto equipment and into the walls.
- Replacement of rotting stairs and landing due to safety issues.
- Repairs to well pump (2012). Electrical components of the well pump are being monitored and provisions being made should the pump fail and replacement becomes necessary.
- All planned 2012 preventive maintenance work including annual system flushing and well point access road upkeep is expected to be completed by December 31, 2012.

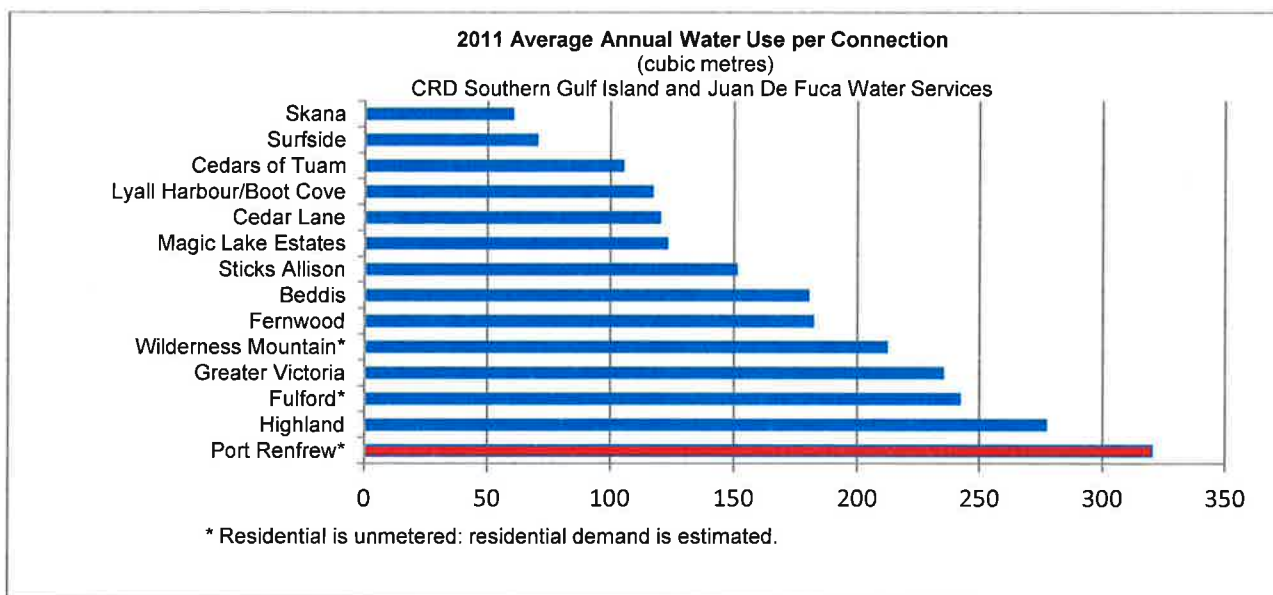
Water Supply and Demand

Total water production through the Port Renfrew water treatment plant in 2011 was 46,940 cubic metres; a decrease of approximately 337m³ (less than 1%) from the previous year. The production amount includes water used for fire-fighting, hydrant flushing and maintenance activities.

Of the 145 service connections to Port Renfrew properties, there are 244.33 SFEs (Single Family Equivalents) being provided drinking water, consisting of single detached residences, duplexes, industrial and commercial businesses and properties with multiple dwellings (both strata and non-strata), each on a single property or folio.

To estimate average annual water use per connection, the total volume of produced water (measured as drawn from the well) is divided by the number of connections which for 2011 equates to approximately 320m³/connection. While this quantity is significantly greater than other CRD-operated water systems (**Figure 2**), what must be considered is the number of SFEs within the system. If estimating water consumption based on the number of SFEs, or dwellings, 2011 Port Renfrew average consumption drops to approximately 192m³/yr.

Figure 2. Average Annual Water Use per Connection



Without the ability to monitor individual residential use, private side leaks could go un-noticed, potentially wasting a significant amount of treated drinking water from the system. Commercial properties in the Port Renfrew water service area are fitted with meters which are periodically checked for anomalous readings and flagged for investigation where atypical flow is identified.

Drinking Water Quality

Typical Port Renfrew Water System water quality characteristics include:

- Treated water is bacteriologically safe to drink. In 2011, a total of 51 samples were analyzed. There were zero total coliform positive samples and no *E. coli* bacteria found in the treated water.
- Source water turbidity (cloudiness) is typically below limit of 1 Nephelometric Turbidity Units (NTU) with a median value of 0.35.
- Total organic carbon is typically less than 1 milligram per litre (mg/L).
- Disinfection by-products (total trihalomethanes) were below the guideline limit of 100 micrograms per litre (µg/L).

- Routine residual chlorine checks (64 in 2011) to ensure the system remained disinfected were within acceptable limits.

Analytical results of water samples collected during 2011 from the Port Renfrew Water System show that the quality of drinking water is satisfactory and well within regulatory limits. Routine water quality data is posted on the CRD website at: <http://www.crd.bc.ca/jdf/water/renfrew/water-quality.htm>

SEWER SERVICE

Operations

The Port Renfrew sewer system, which serves the Beach Camp area, has continued to operate reliably in the past year. Significant events and activities for 2011 and 2012 include:

- Repairs to sewer manholes
- Repairs to sewage digester overflow
- 2012 preventive maintenance work is expected to be completed by December 31, 2012.

Treated Effluent Discharge

The Port Renfrew Waste Water Treatment Plant continues to discharge effluent typically within the parameters allowed under the Ministry of the Environment (MOE) permit; however, the effluent discharged through the marine outfall was out of compliance on total suspended solids (TSS) twice in 2011. One occurrence followed a heavy rainfall which caused unusually high flows through the plant, and the other occurrence was due to a clogged sludge return pump.

In response to a 2011 *Out of Compliance* notice from the MOE, the CRD provided a written proposal to enhance flow monitoring at the plant and perform an outfall inspection to assess the condition of the marine outfall pipe. In June 2012, CRD staff conducted the inspection and made recommendations to perform maintenance work on the pipe anchors and pipe.

REFUSE DISPOSAL SERVICE

The tonnages of materials received and transferred at the Port Renfrew facility in 2011 are as follows:

Garbage		151.8 tonnes	(4.5% decrease from 2010)
Recyclables	Paper fibres	21 tonnes	(22 in 2010)
	Glass/metal/plastic containers	6.3 tonnes	(6 in 2010)
	Scrap metal	38 tonnes	(35 in 2010)
	Oil/filters/containers	<u>2 tonnes</u>	(2 in 2010)
	Total recyclables	67.3 tonnes	(3.5% increase from 2010)

A survey was completed in 2011 to determine the quantity of garbage being received at the Transfer Station from the various sectors of Port Renfrew's community. The information gathered was inconclusive and in 2012, some additional survey was conducted to augment the 2011 data. The 2012 data is currently being analysed and the results will be presented later under a separate report with a view to using both the 2011 and 2012 data to help develop a new solid waste contract with the Pacheedaht First Nation.

ANNUAL BUDGET AND FINANCIAL REPORT

Attached are copies of the *Statements of Operations (Unaudited)* for Port Renfrew Street Lighting, Water, Snuggery Cove Water, Sewer and Refuse Disposal services as prepared by CRD Finance and Corporate Services for the year 2011. The statements provide an overview of the revenues and expenditures for the year.

Revenue includes parcel taxes (*Transfers from government*) and user fees (*Sale of services*), and small amounts for interest on savings (*Interest Earnings*) and miscellaneous revenue such as connection charges and late payment charges (*Other revenue*). *Expenses* include all costs of providing the service. *General government services* include budget preparation, financial management, utility billing, and risk management services. *Other expenses* includes all other costs to administer and operate the water system, and the principal and interest payments on borrowing to finance capital projects. *Other fiscal services* includes administration costs for loans.

The difference between *revenue* and *expenses* is reported as *Net revenue (expenses)*. Any transfers to or from capital or reserve accounts for the service (*Transfers to own funds*) are deducted from this amount and it is then added to any surplus or deficit carry forward from the prior year, yielding an *Accumulated surplus* (or deficit) that is carried forward to the following year.

Street Lighting Service

Revenue for the Street Lighting service consisted of \$2,561 from parcel taxes, \$2,064 from user charges, and \$138 from other sources such as interest, late payment charges and payment in lieu of taxes on crown property. Of the \$5,202 expense, \$4,822 was paid to BC Hydro, and the remainder covered finance and administrative expenses. The difference between revenue and operating expense – a deficit of \$439, plus \$15 of interest on temporary borrowing (total \$454 for 2011) was added to the \$340 deficit carried forward from 2010, resulting in a net deficit of \$794 that was carried forward into 2012.

Water Service

The 2011 revenue of \$86,947 included \$42,324 parcel tax and \$42,992 user fees. The total expenses were \$66,360 for operation and administration of the service, leaving a surplus of \$20,587. This surplus was added to the \$15,365 surplus carried forward from 2010, resulting in an accumulated surplus of \$35,952 carried forward to 2012.

On December 31, 2011, the Port Renfrew Water Capital Reserve Fund held \$4,389 in funds and the Equipment Replacement Fund had a \$13,798 balance.

An insurance claim initiated to recover costs incurred in the replacement of stolen copper ground-wire at the treatment plant's disconnect switch at Parkinson and Red Creek Roads, was accepted and on Nov 10, 2011, \$3688.50 (\$3988.50 - \$300 deductible) was credited to the Port Renfrew water operations account. This will not show on the year-end statement as it is not considered as revenue.

Snuggery Cove Water Service

This service exists for the sole purpose of repaying a \$325,000 loan for expansion of the water system to Snuggery Cove, which was completed in 2004. The revenue is raised through a property value tax on properties in the Snuggery Cove area that are able to receive water service

as a result of the expansion. The expense consists of payment of principal and interest on the debt, and finance and administration costs. Expenses exceeded revenues by \$443 in 2011, deducted from the \$324 surplus carried into 2010 creating an accumulated year-end carry forward deficit of \$119.

Sewer Service

The 2011 revenue of \$72,113 included \$35,495 parcel tax and \$35,104 user fees. The total expenses were \$63,694 for operation and administration of the service, leaving a surplus of \$8,419 for 2011. This was added to the \$6,657 surplus carried forward from 2010, resulting in an accumulated surplus of \$15,076 carried forward to 2012.

As of December 31, 2011, the Port Renfrew Sewer Capital Reserve Fund contained \$844, and the Equipment Replacement Fund had a 2011 year-end closing balance of \$18,033.

Refuse Disposal Service

The 2011 revenue of \$61,460 included \$29,973 from property value taxes, \$4,181 from the sale of recyclables, \$26,913 contract revenue for service to the Pacheedaht First Nation and \$393 in earned interest and grants in lieu of taxes. The operating expense of \$68,829 was partially offset by an internal recovery of \$15,000 from the Solid Waste Function for the recycling program, resulting in a net total expense of \$53,829.

The difference between revenue and expenses in 2011 amounted to a net revenue of \$7,631 of which \$1,000 was transferred to the Capital Reserve Fund, \$958 was transferred to the Equipment Replacement Fund for the service, and \$25 covered internal interest expense. The remainder of \$5,648 was added to the opening surplus of \$2,145, resulting in an accumulated surplus of \$7,793 carried forward to 2012.

The refuse disposal function has a capital reserve of \$13,462 and an equipment replacement fund of \$26,467 as at December 31, 2011.



Tim Tanton, MPA, P.Eng.
Senior Manager, Infrastructure Engineering



Ted Robbins, B.Sc., C. Tech
A/General Manager, Integrated Water Services
Concurrence

GP/TT:ls
Attachments: 4

CAPITAL REGIONAL DISTRICT

GENERAL REVENUE FUND
Statement Of Operations (Unaudited)
Protective Services - General
For the Year Ended December 31, 2011

	Port Renfrew Street Lighting
Revenue	
Transfers from government	\$ 2,561
Sale of services:	
Other sales	2,064
Other revenue from own sources:	
Interest earnings	1
Other revenue	41
Grants in lieu of taxes	96
Total revenue	4,763
Expenses	
General government services	380
Other	4,822
Total expenses	5,202
Net revenue (expenses)	(439)
Transfers to own funds:	
Revenue Funds	
Capital Funds	-
Equipment Replacement Fund	-
Transfers from own funds:	
Capital Funds	-
Debt charges:	
Interest on temporary borrowing	15
Annual surplus (deficit)	(454)
Accumulated surplus, beginning of year	(340)
Accumulated surplus, end of year	\$ (794)

CAPITAL REGIONAL DISTRICT

WATER REVENUE FUND

Statement of Operations (Unaudited)

For the Year Ended December 31, 2011

	Port Renfrew Water Supply
Revenue	
Transfers from government	\$ 42,324
Sale of services	42,992
Other revenue from own sources:	
Licenses and permits	-
Interest earnings	387
Other revenue	641
Grants in lieu of taxes	603
Total revenue	86,947
Expenses	
General government services	4,850
Other expenses	61,510
Other fiscal services	-
Total expenses	66,360
Net revenue (expenses)	20,587
Transfers to own funds:	
Capital Funds	-
Reserve Funds	-
Equipment Replacement Fund	-
Annual surplus	20,587
Accumulated surplus, beginning of year	15,365
Accumulated surplus, end of year	\$ 35,952

CAPITAL REGIONAL DISTRICT

WATER REVENUE FUND

Statement of Operations (Unaudited)

For the Year Ended December 31, 2011

	Port Renfrew Snuggery Cove Water System
Revenue	
Transfers from government	\$ 31,972
Sale of services	-
Other revenue from own sources:	
Licenses and permits	-
Interest earnings	21
Other revenue	143
Grants in lieu of taxes	-
Total revenue	32,136
Expenses	
General government services	1,440
Other expenses	30,858
Other fiscal services	281
Total expenses	32,579
Net revenue (expenses)	(443)
Transfers to own funds:	
Capital Funds	-
Reserve Funds	-
Equipment Replacement Fund	-
Annual surplus	(443)
Accumulated surplus, beginning of year	324
Accumulated surplus, end of year	\$ (119)

CAPITAL REGIONAL DISTRICT

Sewer Revenue Fund Statement of Operations (Unaudited) For the Year Ended December 31, 2011

		Port Renfrew Sewerage System
Revenue		
Transfers from government	\$	35,495
Sale of services		35,104
Other revenue from own sources:		
Permits		-
Interest earnings		111
Other revenue		679
Grants in lieu of taxes		724
Total revenue		72,113
Expenses		
General government services		3,040
Other		60,609
Salaries and wages		-
Other fiscal services		45
Recovery		-
Total expenses		63,694
Net revenue (expenses)		8,419
Transfers to own funds:		
Capital Funds		-
Reserve Funds		-
Equipment Replacement Fund		-
Transfers from own funds:		
Sewer Capital Fund		-
Revenue Funds		-
Annual surplus		8,419
Accumulated surplus, beginning of year		6,657
Accumulated surplus, end of year	\$	15,076

		Port Renfrew Disposal
Revenue		
Transfers from government	\$	29,973
Sale of services:		
Garbage collection		4,181
Other revenue from own sources:		
Building permits		-
Interest earnings		111
Other revenue		26,913
Grants in lieu of taxes		282
Total revenue		61,460

Expenses		
General government services		3,080
Other		65,749
Salaries and wages		-
Other fiscal services		-
Other (recovery)		(15,000)
Total expenses		53,829

Net revenue (expenses)		7,631
Transfers to own funds:		
Revenue Funds		-
Capital Funds		-
Reserve Funds		1,000
Equipment Replacement Fund		958
Transfers from own funds:		
Revenue Funds		-
Reserve Funds		-
Debt charges:		
Interest on temporary borrowing		25
Interest on long-term debt		-
Principal installments / sinking fund		-

Annual surplus (deficit)		5,648
Accumulated surplus, beginning of year		2,145
Accumulated surplus, end of year	\$	7,793