



Making a difference...together

**STICKS ALLISON WATER SERVICE  
2014 ANNUAL REPORT  
JULY 30, 2015**

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**Purpose of the Annual General Meeting**

The agenda for the Annual General Meeting (AGM) is approved by the members of the committee. The purposes (and hence the agenda items) of the meeting are:

- To have the last year's AGM minutes approved (by committee members), and to present reports on the work of the committee, the past year's operation, maintenance and capital upgrades of the service to the service residents and owners,
- To nominate members for appointment to the committee, and;
- To enable the owners and occupiers present to express views on subjects which relate to the work of the committee. The committee can specify (under "new business") some issues on which it wants feedback. Motions are not considered at the AGM.

**Water Production and Demand**

A total of 5,677 cubic metres (m<sup>3</sup>) of water was pumped (water production) from the Sticks Allison well to the community in 2014, which is 12% higher than the previous year and 6.5% higher than the five year annual average. A total of 5,356 m<sup>3</sup> was consumed by individual customers of the Sticks Allison Water Service in 2014, which is 12% higher than the previous year and 10% higher than the three year average. Water production and customer consumption has steadily increased over the past few years and is likely the result of an increase in consumer demand.

The difference between annual water production and annual customer demand is referred to as non-revenue water and can include; water system leaks, water system maintenance (e.g. water main flushing), potential unauthorized consumption and fire-fighting water use. Non-revenue water represents about 6% of the total annual water production for the service area, which is considered acceptable for small water systems. Through the operation of the water system, the CRD staff will continue to monitor water production and customer demand in an effort to identify and mitigate any water loss.

The annual water production and the annual water demand from 2010 to 2014 are shown in **Figure 1** below.

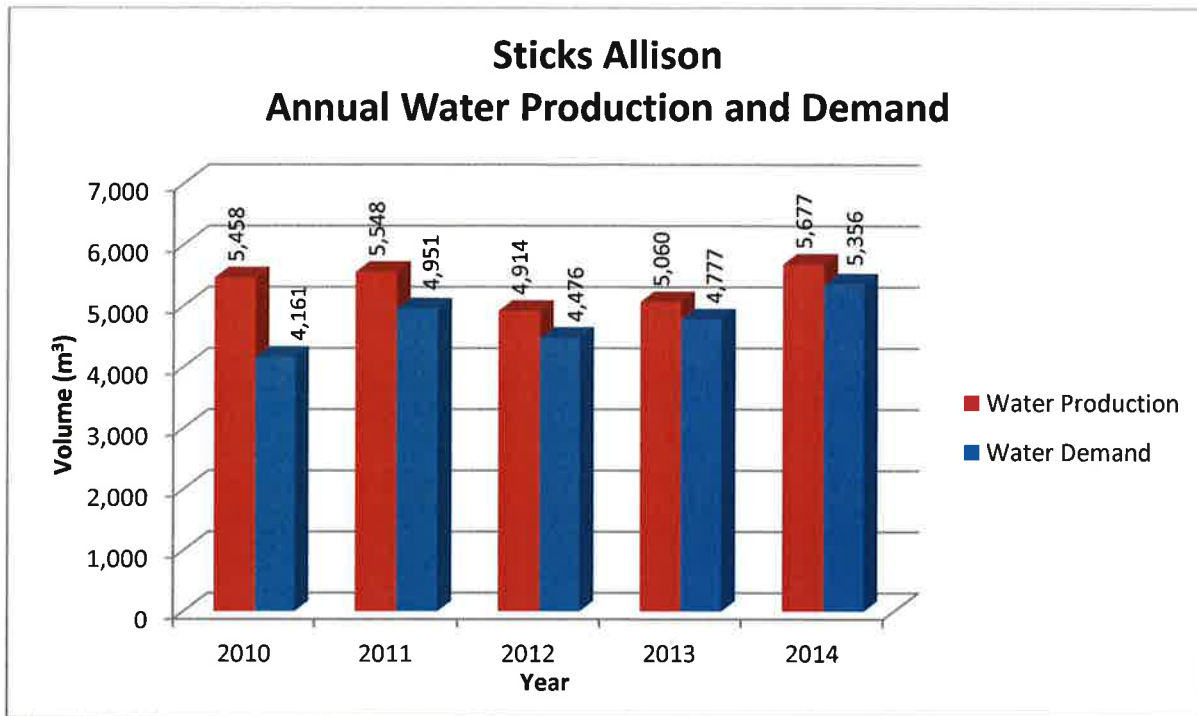


Figure 1 – Annual Water Production and Demand

Individual 2014 water demand for each customer connected to the water service is detailed in Figure 2.

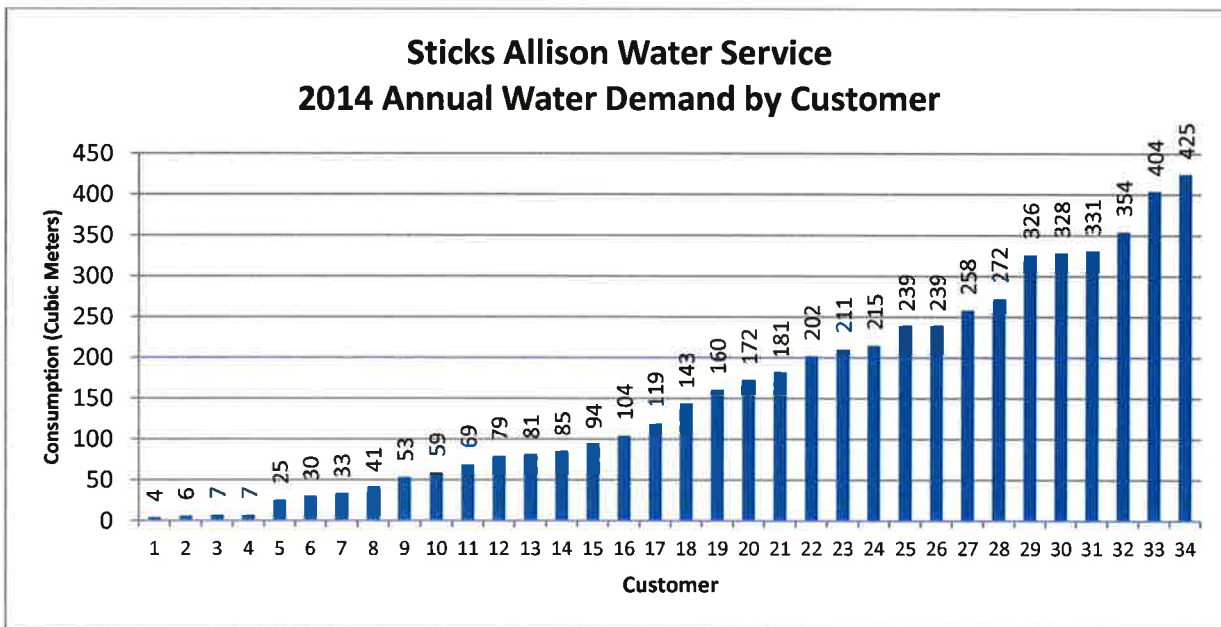


Figure 2

An average water demand by customer comparison for water systems is shown in Figure 3 below; however, in several service areas, multiple SFE (Single Family Equivalents) are provided service through a single property/customer connection and many service areas, although metered, are not charged usage fees on a tiered consumption basis. The three highest

consumers are not metered and therefore, consumption is estimated using an assumed non-revenue volume of 20% of overall water production.

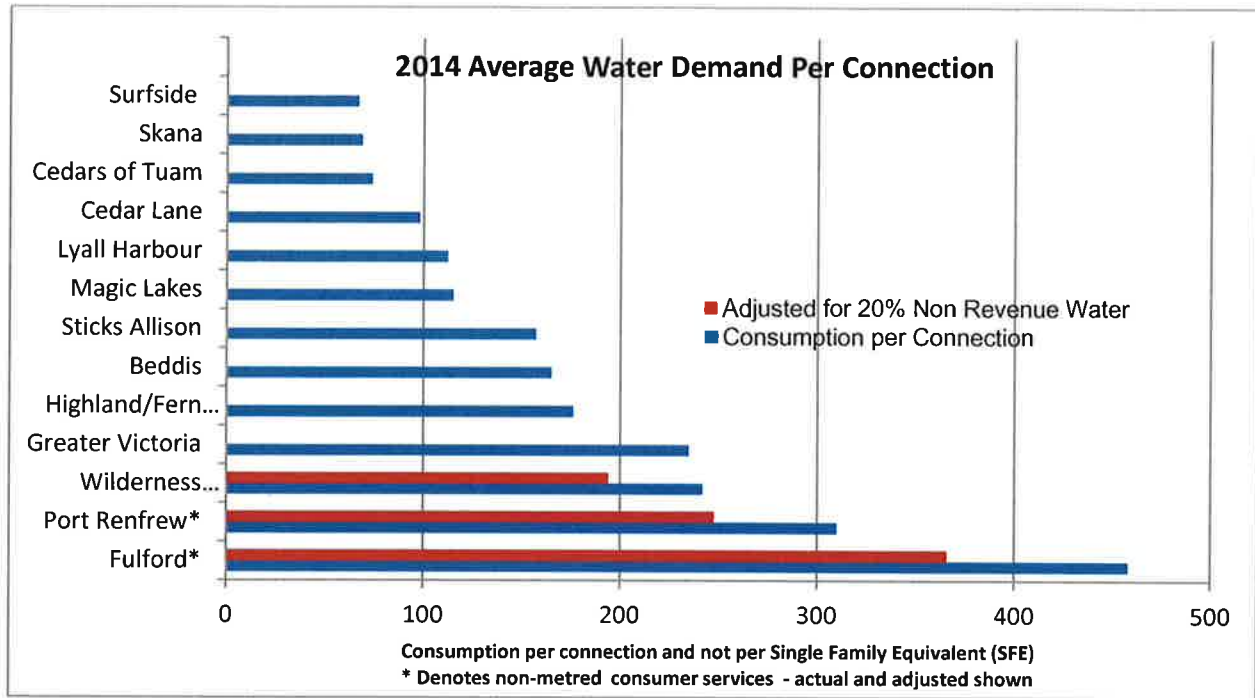


Figure 3

### Operations – 2014

The Sticks Allison public water system operated reliably during 2014 without service disruption to the water system users. Regular operation and maintenance duties were carried out throughout the year including, weekly water system chlorine residual testing, monthly bacteriological water sampling, quarterly water meter reading and facility and grounds maintenance to mention a few.

Significant maintenance activities included:

- Leak repair near 300 Sticks Allison Road.
- Leak repair near 265 Sticks Allison Road.
- Replaced reservoir water level pressure transducer battery.
- Performed preventative maintenance on five fire hydrants and three standpipes.
- Replaced ultraviolet light disinfection equipment lamps.
- Painting of water system isolation valve boxes and location identification painting for water meters and hydrants/standpipes.

### 2014 Projects

No specific capital projects were completed in 2014 although a draft Strategic Asset Management Plan (SAMP) is being finalized. The SAMP will be presented and discussed with the Committee at a future meeting and will serve as the basis for future capital planning.

## Water Quality – 2014

In 2014, Sticks Allison drinking water quality was well within the *Guidelines for Canadian Drinking Water Quality (GCDWQ)*. Water quality characteristics include:

- The raw water source was of good bacteriological quality.
- Parasites were not detected in the source water.
- The source water is relatively soft (median hardness of 30.9 mg/L CaCO<sub>3</sub>) with a slightly alkaline pH (median pH 7.92).
- Metals were below guideline limits.
- The disinfected drinking water was bacteriologically safe to drink.
- Total trihalomethanes (by-products of organic material reacting with chlorine in the treated drinking water) were well below the GCDWQ limit of 100 µg/L.
- Free chlorine residuals were maintained within guidelines and industry best practices.

A summary of the water sampling results can be found on the following website:

<https://www.crd.bc.ca/about/data/drinking-water-quality-reports/southern-gulf-islands-water-quality-reports/sticks-allison-water-quality-reports>

## Financial Report - 2014

Attached is a copy of the *Statement of Financial Activities (Unaudited)* as prepared by CRD Finance and Corporate Services for 2014. The statement provides an overview of the revenues and expenses for the year.

*Revenue* includes parcel taxes (*transfers from government*) and user fees (*sale of services*), and small amounts for interest on savings and miscellaneous revenue such as 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 fiscal services* include administration costs for loans. *Other expenses* include the cost to administer and operate the water system and the payments on borrowing to finance capital projects.

The difference between *revenue* and *expenses* is reported as *net revenue (expense)*. 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.

The Sticks Allison 2014 revenue of \$47,664 and expenses of \$41,702 yielded net revenue of \$5,962. A one-time transfer of \$4,530 was made to the capital reserve account, resulting in a surplus of \$1,432 which when added to the 2013 carry forward of \$6,073 resulted in a 2015 carry forward of \$7,505.

On December 31, 2014, the Sticks Allison Water Service held uncommitted cash values of \$5,795 in the Capital Reserve Fund and \$13,610 in the Capital Fund.

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Dan Robson, AScT.  
Manager, Saanich Peninsula and  
Gulf Island Operations

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Scott Mason, B.Sc., P. Eng.  
Manager Water Engineering and Planning

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Peggy Dayton BCom, CPA, CA  
Senior Financial Advisor

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Peter Sparanese, P. Eng.  
Senior Manager, Infrastructure Engineering  
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Concurrence

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

DR/SM/PD:ls  
Attachment: 1

## CAPITAL REGIONAL DISTRICT

### WATER REVENUE FUND

Statement of Operations (Unaudited)  
For the Year Ended December 31, 2014

	Sticks Alison Galiano Island Water Supply
<b>Revenue</b>	
Transfers from government	\$ 5,327
Sale of services	39,459
Other revenue from own sources:	
Licenses and permits	-
Interest earnings	2,779
Other revenue	98
Grants in lieu of taxes	-
<b>Total revenue</b>	<b>47,663</b>
<b>Expenses</b>	
General government services	2,378
Other expenses	34,184
Other fiscal services	(188)
<b>Total expenses</b>	<b>36,374</b>
<b>Net revenue (expenses)</b>	<b>11,289</b>
Transfers to own funds:	
Capital Funds	
Reserve Funds	4,530
Debt Charges:	
Interest	1,280
Principal	4,047
<b>Annual surplus (deficit)</b>	<b>1,432</b>
Accumulated surplus (deficit), beginning of year	6,072
<b>Accumulated surplus (deficit), end of year</b>	<b>\$ 7,504</b>