



Making a difference...together

STICKS ALLISON WATER LOCAL SERVICE COMMITTEE

Notice of Annual General Meeting on **Thursday, August 10, 2017 at 10:30 a.m.**

Galiano Island Community Library

1290A Sturdies Bay Road, Galiano Island, BC

Doug Knight (Chair)
Patrick Ramsay

Director D. Howe

Brian Russell

Mel Serink

AGENDA

1. Approval of Agenda
2. Adoption of Minutes of Annual General Meeting of August 13, 2016
3. Chair's Report
4. Annual Report
https://www.crd.bc.ca/docs/default-source/crd-document-library/annual-reports/local-water-and-wastewater-systems/2016-sticks-allison-water-system-annual-report.pdf?sfvrsn=3eef05ca_2
5. Election of Committee Members
6. New Business
7. Adjournment

To ensure quorum, advise Lorrie Siemens 250.360.3087 or lsiemens@crd.bc.ca if you cannot attend.



Making a difference...together

Minutes of the Annual General Meeting of the Sticks Allison Water Local Service Committee

Held August 13, 2016 at the Galiano Island Community Library, 1290A Studies Bay Road, Galiano Island, BC

PRESENT: **Committee Members:** B. Russell, P. Ramsay, M. Serink, Southern Gulf Islands Regional Director, Dave Howe

Staff: I. Jesney, Senior Manager, Infrastructure Engineering; M. McCrank, Senior Manager, Infrastructure Operations, S. Mason, Manager, Water Engineering and Planning, M. Cowley, Manager, Wastewater Engineering and Planning, D. Robson, Manager, Saanich Peninsula and Gulf Islands Operations, P. Dayton, Senior Financial Analyst, L. Siemens (recorder)

10 Members of the Public

ABSENT: D. Knight (Chair)

B. Russell assumed the chair in the absence of D. Knight.

The meeting was called to order at 9 am.

1. Approval of Agenda

MOVED by P. Ramsay, **SECONDED** by M. Serink,
That the agenda be approved as previously circulated.

CARRIED

2. Adoption of Minutes of Annual General Meeting of July 30, 2015

MOVED by P. Ramsay, **SECONDED** by Russell,
That the minutes of the Annual General Meeting of July 30, 2015 be adopted as circulated.

CARRIED

3. Chair's Report

B. Russel reported on the following topics:

- Thanked the operations crew for their work with the recent leak.
- Requested explanations regarding the proposed ground water study and water audit and asked staff to address the items when presenting the annual report.
- Remarked that the taste of the water is very good.

Staff responded to questions from the committee.

4. Annual Report

M. McCrank presented a written report and a PowerPoint presentation.

The following topics were addressed:

- Purpose of Annual General Meeting
- Background
- Water Production and Demand
- Operations
- Capital Projects
- Water Quality
- Financial Report – 2015 (Presented by P. Dayton)

Discussions took place on the following topics:

- Use of water from the aquifer by others not on the Sticks Allison water system.
- The feasibility of providing consumption comparisons by lot.
- Proposed ground water study and water audit.

Staff advised that consumption for the individual's service is provided on their utility bill and that due to privacy concerns the consumption showing consumption of all services cannot be reported.

MOVED by P. Ramsay, **SECONDED** by M. Serink,
That staff prepare a report to be presented at the budget meeting defining costs associated with providing a quarterly mean level for the entire service consumption and the individual level of water consumption on the water bills.

CARRIED

5. Election of Committee Members

B. Russell advised that the terms for Patrick Ramsay and Douglas Knight were expiring on October 31, 2016 and then called for nominations for a term beginning November 1, 2016 and expiring on October 31, 2018.

P. Ramsay and D. Knight were nominated. P. Ramsay agreed to stand. D. Knight was not in attendance and had advised B. Russel that he would stand if nominated. Nominations were called for two more times and hearing none, P. Ramsay and D. Knight were elected by acclamation. Their names will be forwarded to the CRD Board for appointment.

6. New Business

An inquiry was made on subsidies for water catchment. Staff advised that water catchment was not part of the Sticks Allison water service mandate and that inquiries should be made through the Southern Gulf Island Regional Director.

7. Adjournment

The meeting was adjourned at 10:25 am.

Sticks Allison Water System

2016 Annual Report

CRD | Drinking Water

Introduction

This report provides a summary of the Sticks Allison Water Service for the year 2016. This report includes a description of the service, summary of the water supply, demand and production, drinking water quality, operations highlights, capital project updates and financial report.

Service Description

The community of Sticks Allison is a rural residential development located on the north side of Galiano Island in the Southern Gulf Islands Electoral Area which was originally serviced by a private water utility. In 1996 the service converted to the Capital Regional District. The Sticks Allison water service (Figure 1) is made up of 39 parcels encompassing a total area of approximately 23 hectares. Of the 39 parcels, 34 were customers to the water system.

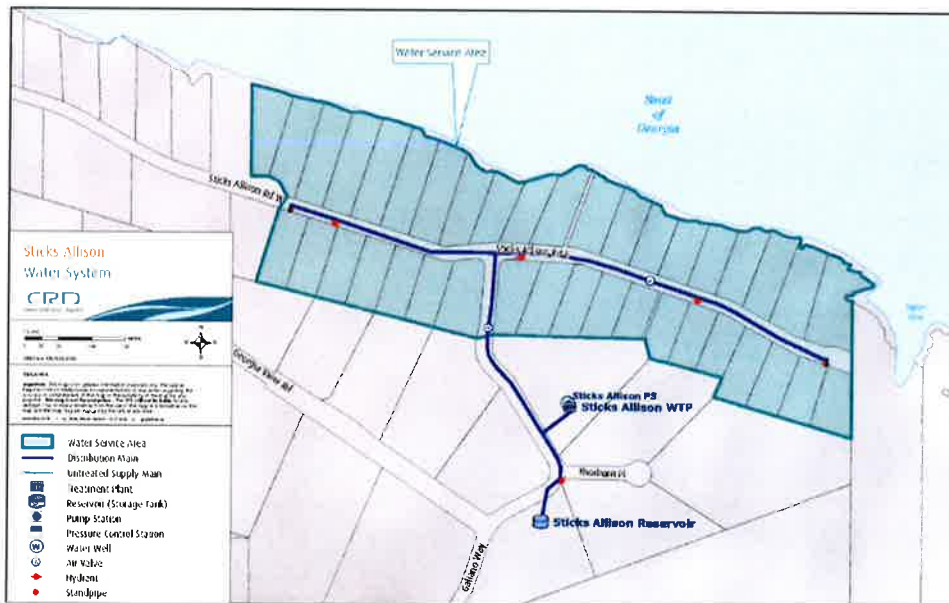


Figure 1: Map of Sticks Allison Water System.

The Sticks Allison water system is primarily comprised of:

- One ground water well, related pumping and control equipment and building.
- Disinfection process equipment (ultraviolet light and chlorine).
- One steel storage tank (total volume is 90 cubic metres).
- Distribution system (1,400 metres of water mains).
- Other water system assets: 34 service connections and meters, 4 hydrants, 2 standpipes, 10 gate valves, and SCADA system and auxiliary generator.

Water Supply

Ground water supply monthly water levels are highlighted for 2016 in Figure 2 below. From this graph it is evident that the water levels in the last quarter of 2015 and the first quarter of 2016 were at an historical low. Low water levels were the result of a water system leak that started in November 2015 followed by a leak repair in March 2016.

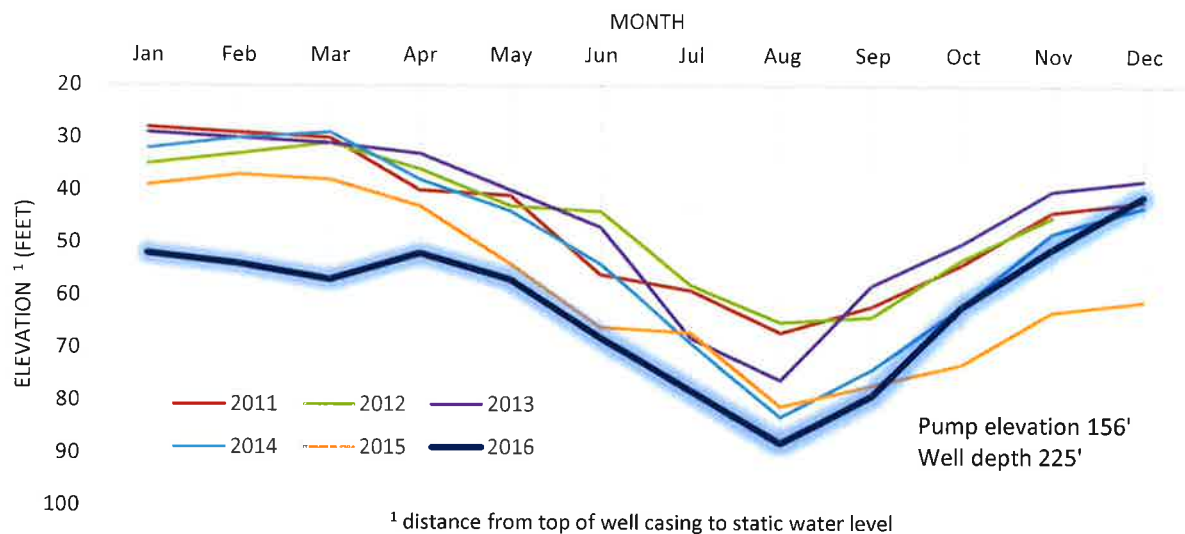


Figure 2: Sticks Allison Monthly Groundwater Water Level

Water Production and Demand

Referring to Figure 3, 6,682 cubic meters of water was extracted (water production) from the ground water source in 2016; a 4% increase from the previous year and a 21% increase from the five year average. Water demand (customer water billing) for the service totaled 5,513 cubic meters of water; a 2% increase from the previous year a 10% increase from the four year average.

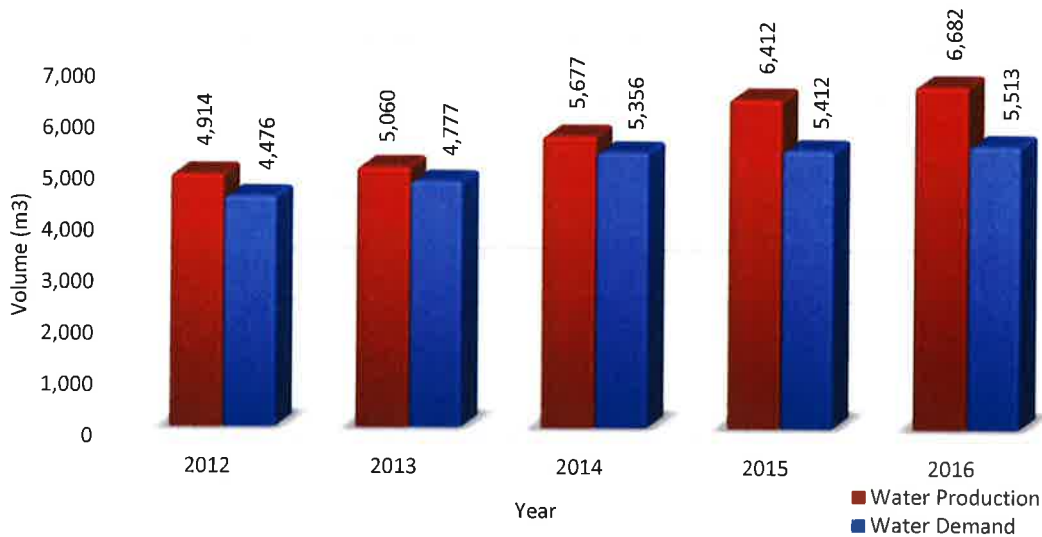


Figure 3: Stick Allison Water Service Annual Water Production and Demand.

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 and operational use (e.g. water main flushing, filter system backwashing), potential unauthorized use and fire-fighting use.

The 2016 non-revenue water represents about 18% of the total water production for the service. However, a significant amount of the non-revenue water can be attributed to an undetectable water system leak that started in late 2015 (November). In early 2016 (March) the leak was located and subsequently repaired. Non-revenue water is expected to return to typical levels around 5% to 8% for the water service which is considered to be very good for a small water system.

Figure 4 below illustrates the monthly water production for 2016 along with the historical water production information. From this graphic a water system leak, which started in November 2015, is evident. A leak repair was performed March 2016 and as a result monthly water production dropped dramatically.

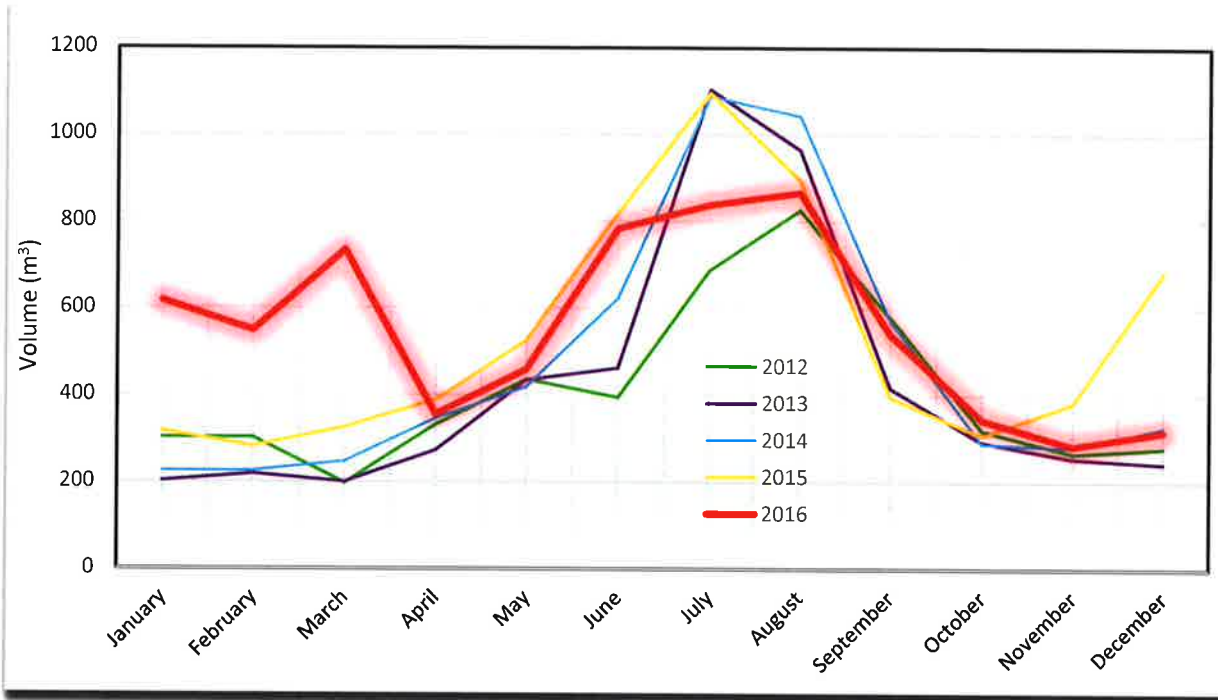


Figure 4: Stick Allison Water Service Monthly Water Production.

Drinking Water Quality

Staff completed the water quality monitoring program at Sticks Allison based on the regulatory requirements and system specific risks. We collected samples at regular frequencies from the raw water as well as from a number of sampling stations at the treatment plant and in the distribution system. The samples were shipped for various analyses to CRD's Water Quality Lab or to external laboratories for special analyses, including disinfection by-products or metals.

The water system performed well in 2016 and consistently supplied drinking water of good quality to its customers. The groundwater well produced good quality source water. None of 48 compliance samples from the distribution system tested positive for total coliforms in 2016.

The data below provides a summary of the water quality characteristics in 2016:

Raw Water:

- The Sticks Allison well produced water that contained no *E. coli* bacteria and infrequently very low concentrations of total coliform bacteria.
- The raw water contained iron and manganese at medium level concentrations.

Treated Water:

- The treated water was safe to drink with no confirmed *E. coli* or total coliform bacteria concentrations in any samples.

- The treated water turbidity was very low with a median of 0.29 NTU.
- The iron and manganese concentrations in the distribution system were consistently below the aesthetic limits according to the Guidelines for Canadian Drinking Water Quality.
- The annual average levels of the disinfection by-product total trihalomethanes were well below the maximum allowable concentration.
- The free chlorine residual concentrations in the distribution system ranged from 0.02 to 1.88 mg/L with a median of 0.49 mg/L indicating sufficient secondary disinfection.

Water quality data collected from this drinking water system can be reviewed on the CRD website:

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

Operational Highlights

The following is a summary of the major operational issues that were addressed by CRD Integrated Water Services staff:

- March 19, 2016 - Emergency water system leak repair near 1355 Galiano Way.
- April 29, 2016 – Replaced the battery for the reservoir water level sensing equipment.
- September 15, 2016 – Replaced failed standpipe isolation valve at the reservoir site.
- December 30, 2016 – Repaired the Ultraviolet Light (UV) disinfection system at the water treatment building (ballast failure).

Capital Project Updates

The Capital Project that was completed in 2016 was:

1. Safety Equipment – eyewash and drench hose equipment was installed at the well location to aid the operator should the disinfectant chemical come in contact with the operator.

Financial Report

Please refer to the attached *Statement of Operations*. *Revenue* includes parcel taxes (*Transfers from Government*), fixed user fees (*User Charges*), interest on savings (*Interest Earnings*), a transfer from the maintenance reserve account, and miscellaneous revenue such as late payment charges (*Other Revenue*).

Expenses includes all costs of providing the service. *General Government Services* includes budget preparation, financial management, utility billing and risk management services. *CRD Labour and Operating Costs* includes CRD staff time as well as the costs of equipment, tools and vehicles. *Debt servicing costs* are interest and principal payments on long term debt. *Other Expenses* includes all other costs to administer and operate the water system, including insurance, supplies, water testing and electricity.

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.

Submitted by:	Matt McCrank, M.Sc., P.Eng., Senior Manager, Infrastructure Operations
	Ian Jesney, P.Eng., Senior Manager, Infrastructure Engineering
	Glenn Harris, Ph.D., R.P.Bio., Senior Manager, Environmental Protection
	Amber Donaldson, MA, CPA, CMA, A/ Senior Manager, Financial Services

Attachment: 2016 Financial Summary (Statement of Operations)

CAPITAL REGIONAL DISTRICT

STICKS ALLISON WATER Statement of Operations (Unaudited) For the Year Ended December 31, 2016

	2016	2015
Revenue		
Transfers from government	5,330	5,330
User Charges	39,070	39,070
Other revenue from own sources:		
Interest earnings	54	106
Other revenue	725	293
Transfer from Operating Reserve Account	-	225
Total revenue	45,179	45,024
Expenses		
General government services	2,380	2,380
CRD Labour and Operating costs	28,981	30,134
Debt Servicing Costs	-	-
Other expenses	7,986	8,632
Total expenses	39,348	41,146
Net revenue (expenses)	5,831	3,878
Transfers to own funds:		
Capital Reserve Fund	8,963	5,230
Operating Reserve Account	2,000	1,020
Annual surplus (deficit)	(5,132)	(2,372)
Accumulated surplus, beginning of year	5,132	7,504
Accumulated surplus, end of year	\$ -	5,132

CAPITAL REGIONAL DISTRICT

STICKS ALLISON WATER Statement of Reserve Balances (Unaudited) For the Year Ended December 31, 2016

	Capital Reserve	
	2016	2015
Beginning Balance	11,120	5,795
Transfer from Operating Budget	8,963	5,230
Transfers from completed capital projects	-	-
Interest Income	145	95
Transfer to Capital Projects	(2,000)	-
Ending Balance	<u>18,228</u>	<u>11,120</u>

	Operating Reserve	
	2016	2015
Beginning Balance	1,795	1,000
Transfer from/(to) Operating Budget	2,000	795
Ending Balance	<u>3,795</u>	<u>1,795</u>