

REPORT TO SKANA WATER SERVICE COMMITTEE MEETING OF FRIDAY, JUNE 13, 2025

SUBJECT **Capital Projects and Operational Update - June 2025**

ISSUE SUMMARY

To provide the Skana Water Service Committee with capital project status reports and operational updates.

BACKGROUND

The Skana Water System is located on the north side of Mayne Island in the Southern Gulf Islands Electoral Area and provides drinking water to approximately 52 customers. Capital Regional District (CRD) Infrastructure and Water Services is responsible for the overall operation of the water system. The design and construction of water system facilities are overseen by the CRD Infrastructure, Planning and Engineering and Infrastructure Water Operations divisions. The day-to-day operations and maintenance is currently being performed by CRD Infrastructure Operations. The quality of drinking water provided to customers in the Skana Water System is overseen by the CRD Water Quality division.

Capital Project Update

17-03 | Alternative Approval / Petition Process

Project Description: Conduct public consultation and complete an Alternative Approval Process (AAP) or petition to assess public willingness to utilize debt to fund necessary capital upgrades for the water service.

Project Rationale: Multiple projects including well upgrades and storage tank replacement are deemed necessary for the water service and Capital Reserves are insufficient to cover the capital costs.

With several unsuccessful grant funding attempts, an AAP or petition is proposed to obtain approval to take on debt to fund projects that are critical for the water service.

Project Update and Milestones:

- The Commission was updated at the February 2025 Commission Meeting regarding the recent recommendations and cost estimates for the Skana water tank replacements, which would be the largest capital expenditure on the Capital Plan. Staff advised they would follow up in the June Commission meeting to discuss next steps in either the AAP or Petition process.
- Separate staff report is proposed outlining staff recommendation for obtaining public approval to secure debt funding.

17-04 | Well #8 Upgrade

Project Description: Conduct well improvements including new well liner, replacement of well seal and Supervisory Control and Data Acquisition (SCADA) automation; relocate first customer service line to achieve proper chlorine contact time.

Project Rationale: An inspection of Well #8 identified several deficiencies. Most recommended improvements were carried out in 2018 including the installation of a new well liner, replacement of the well seal, and steel casing. Relocation of the first customer's service line was completed in July 2022. The remaining scope is related to SCADA automation and staff are reviewing the scope and available funding into the first quarter (Q1) of 2025.

Project Update and Milestones:

Milestone	Completion Date
SCADA Automation – Prelim Budget to inform Petition	Q2 2025
Project planning phase	Completed
Relocation of the first customer service line is being evaluated on delivery through CRD staff or contracted services	Completed
Service line replacement and well improvements	Completed

24-01 | Source Water Surveillance

Project Description: Design and install new well surveillance and water monitoring systems. 2024 funding is for initial assessment only.

Project Rationale: To provide operational flexibility and increased monitoring that will improve operational awareness and the ability to analyze trends. The improvements can also be used to improve response times related to water supply issues.

Project Update and Milestones:

Milestone	Completion Date
Preliminary Estimate to inform Petition	Q2 2025
Project Planning Initiated	May 31, 2024
Funding Approved	March 2024

24-02 | Storage Tank Options Assessment

Project Description: Conduct an engineering assessment on options available for replacement of the Skana Water storage tanks. The assessment is to include material options and associated costing, as well as a high-level assessment on installation feasibility.

Project Rationale: Prior to proceeding with tank replacement, a revised options assessment has been proposed to better inform on the potential options and cost implications prior to proceeding to an alternative approval process (AAP) to secure debt for this replacement project.

Project Update and Milestones:

- Associated Engineering (B.C.) Ltd. have submitted their final draft of the Storage Tank Options Analysis Memo, which recommends replacement with two 46 cubic meter (m³) shop-fabricated welded steel tanks with epoxy coatings. The preliminary cost estimate for this improvement was estimated at \$940,000.
- Comments from the February Commission Meeting were taken and incorporated into the final version of the Storage Tank Options Analysis Memo which has been attached as Appendix A for information.

Milestone	Completion Date
Tank Replacement Options Analysis Memo - Final	April 2025
Tank Replacement Options Analysis Memo - Final Draft	February 2025
Engineering Consultant Site Visit	Q4 2024
Engineering Consultant Scope Approved	Q3 2024
Project Planning Initiated	May 31, 2024
Funding Approved	March 2024

Operational Update

This is an operational update reporting period from February through April 2025.

- Emergency response due to high water system demand and dropping water storage tank levels. Emergency leak detection response procedures were initiated. Several properties were identified to have significant leaks likely caused by a cold weather event. Some properties were not appropriately winterized causing undue risk to the water system.
- Preparations and planning commenced for the water system flushing activities. Scheduling of the work is proposed during quarter two (May/June).
- Well #8 spring startup and readiness completed which included water quality sampling and analysis.
- Ongoing operational support and training for the contract operator CMG services.

RECOMMENDATION

There is no recommendation. This report is for information only.

Submitted by:	Dan Robson, A.ScT., Manager, Saanich Peninsula and Gulf Islands Operations
Submitted by:	Jared Kelly, P.Eng., Manager, Capital Projects
Concurrence:	Joseph Marr, P.Eng., Senior Manager, Infrastructure Planning and Engineering
Concurrence:	Jason Dales, B.Sc., WD IV., Senior Manager, Wastewater Infrastructure Operations
Concurrence:	Alicia Fraser, P.Eng., General Manager, Infrastructure and Water Services

ATTACHMENTS: Appendix A – Technical Memo: Skana Water Service Tank Replacement Options Analysis