REPORT TO REGIONAL WATER SUPPLY COMMISSION MEETING OF WEDNESDAY, JUNE 19, 2019

SUBJECT REQUEST FOR BULK WATER SUPPLY CONNECTION FROM SUPPLY MAIN NO. 4 FOR THE DISTRICT OF CENTRAL SAANICH

ISSUE

To provide the Regional Water Supply Commission (RWSC) with an update regarding the proposed connection to Main No. 4 on Central Saanich Road and to seek approval to enter into an agreement for the extension of waterworks with the District of Central Saanich (DoCS).

BACKGROUND

At its February 17, 2016 meeting the RWSC received and considered a staff report recommending a connection to the Regional Water Supply Main No. 4 to service the DoCS, subject to various conditions, and a similar report was presented to the Saanich Peninsula Water Commission at its meeting of January 21, 2016. The proposed connection is being pursued, particularly by Longview Farms Ltd. (through DoCS), which requires water for agricultural, fire protection and domestic needs (refer to Appendix A - Longview Farms Ltd. letter of January 11, 2016).

The RWSC adopted the following recommendation:

That the Regional Water Supply Commission approve, in principle, a new bulk water supply connection to the Regional Water Supply Main No. 4 at Mt. St. Michael Road for the District of Central Saanich, subject to the following:

- a) Agreement by the District of Central Saanich to develop, design, construct, own and operate the municipal distribution system extension (including the new service for 8277 Central Saanich Road) beyond the proposed CRD bulk water meter;
- b) Agreement by the applicant to fund the full cost of the bulk water supply connection, CRD meter vault and equipment and municipal service extension; and
- c) Confirmation by the District of Central Saanich that the municipal water service extension of the proposed area complies with all municipal and CRD land use plans and policies relating to extension of municipal water service.

And to direct staff to obtain the approvals and agreements noted above and report back to the Commission.

Further, it should be noted that any such connection be completed in accordance with the Regional Water Supply Bulk Water Connection policy which identifies responsibilities, process, technical and financial aspects.

The Capital Regional District's (CRD) Regional Water Supply service provides water to the Saanich Peninsula Water service and in turn will service the DoCS from the proposed connection. The DoCS is the municipal water supplier providing retail water service to customers within the municipal boundary of the DoCS. This is important to note as it establishes the relationships for

agreements for the waterworks extension and agreements. In essence, it is proposed that the CRD and the DoCS enter into an agreement for the delivery of the works to be owned and operated by the CRD (Regional Water Supply) and the DoCS will enter into a separate agreement with Longview Farms Ltd. for the delivery of the waterworks. The CRD does not and will not have a direct relationship with Longview Farms Ltd.

The Waterworks Extension Agreement (Agreement) entitled *Regional Water Supply Waterworks Extension Agreement* (refer to Appendix B) defines the terms, conditions and responsibilities for the design, construction and ownership of the work including liability, warranty and insurance between the CRD and the DoCS. The Agreement has been prepared and reviewed by CRD staff including the CRD's lawyer and similarly by the DoCS. The Agreement also addresses the issues related to the Integrated Water Services department policy entitled *Bulk Water Connection* (dated April 12, 2016).

The work being proposed that will ultimately be owned and operated by the CRD generally includes the following:

- physical connection to Main No. 4 (to be constructed while the main remains in service, "hottap" procedure);
- 15 metres of 250 millimeter (mm) diameter water main to a kiosk; and
- kiosk containing mechanical, electrical and SCADA equipment (including a flow meter).

Additional works to be constructed, owned and operated by the DoCS includes the following, all to be installed within its own right-of-way to service its pending customer(s) including Longview Farms Ltd.:

- backflow prevention device;
- approximately 300 metres of 200mm diameter water distribution pipe; and
- fire hydrant and service.

Longview Farms has engaged an Engineer-of-Record, Kerr Wood Leidal Associates Ltd., and they have completed a design of the proposed waterworks that has been reviewed by both the DoCS and the CRD. Regulatory approvals and permits are to be obtained by the contractor at the time of construction, although a Construction Permit was issued for the works, pursuant to the *Drinking Water Protection Act*. The DoCS will grant the CRD rights to occupy the DoCS right-of-way (Central Saanich Road) with the works to be owned by the CRD. Longview Farms Ltd. is prepared to issue the work for tendering, subject to executing the agreement with the DoCS.

In summary and referencing the resolution of the RWSC (February 17, 2016 meeting) and SPWC (January 21, 2016 meeting) an Agreement has been prepared to address Items a. and b. and the DoCS has confirmed that the proposed municipal water service extension of the proposed area complies with all municipal and CRD land use plans and policies relating to extension of municipal water service (refer to Appendix C -DoCS letter of June 11, 2019.

ALTERNATIVES

That the Regional Water Supply Commission recommend that:

Alternative 1

The Waterworks Extension Agreement be executed.

<u>Alternative 2</u> The Waterworks Extension Agreement not be exectued.

IMPLICATIONS

Alternative 1 – By recommending and ultimately executing an agreement with the District of Central Saanich, a new connection would be approved to service the District of Central Saanich and new assets would be added to the RWS service. In accordance with the Bulk Water Connection policy, the expense for such a connection is to be paid by the applicant, the District of Central Saanich.

Alternative 2 – there are no identified implications should the Regional Water Supply Commission not recommend the connection be approved by the CRD Board.

CONCLUSION

The District of Central Saanich and Longview Farms Ltd. requested a water service be provided from the Regional Water Supply Main No. 4 along Central Saanich Road in Central Saanich and the request has been considered by both the Regional Water Supply Commission and the Saanich Peninsula Water Commission and approved in principle.

The terms and conditions of service, in accordance with the Bulk Water Connection policy, have been addressed and progress has been made to prepare agreements between the parties and in particular an agreement between the CRD and the DoCS. It is proposed that the CRD adopt and execute the Waterworks Extension Agreement which needs approval by the CRD Board since it is a "government-to-government" agreement.

RECOMMENDATION

That the Regional Water Supply Commission recommend that the Waterworks Extension Agreement be executed.

Submitted by:	Scott Mason, B.Sc., P.Eng., Manager, Water Supply Engineering and Planning
Concurrence:	Ian Jesney, P.Eng., Senior Manager, Infrastructure Engineering
Concurrence:	Ted Robbins, B.Sc., C.Tech., General Manager, Integrated Water Services
Concurrence:	Robert Lapham, M.C.I.P., R.P.P., Chief Administrative Officer

SM:TR:dd

Attachments: 3

Appendix A:	Longview Farms Ltd. letter of January 11, 2016
Appendix B:	Draft Agreement, Regional Water Supply Waterworks Extension Agreement
Appendix C:	Letter from the District of Central Saanich, dated June 11, 2019