



AGENDA FOR REGULAR MEETING OF THE WATER SUPPLY ADVISORY COMMITTEE
TO BE HELD ON WEDNESDAY, 2007-NOV-21, COMMENCING AT 12:00 NOON
IN THE BOARD ROOM, CITY HALL, 455 WALLACE STREET, NANAIMO, B.C.

1. **ADOPTION OF MINUTES:**

- (a) Minutes of the Water Supply Advisory Committee Meeting held 2007-May-30 at 3:30 p.m. in the Board Room. Pg. 1-2

2. **INTRODUCTION OF LATE ITEMS:**

3. **RECEIVING OF DELEGATIONS:**

4. **REPORTS:**

- (1) *Water Supply Strategic Plan and Water Treatment Planning - Next Engineering Tasks* Pg. 3-4
(2) *Water Rates for Southwest Extension* Pg. 5

5. **INFORMATION ONLY ITEMS:**

6. **CORRESPONDENCE:**

7. **CONSIDERATION OF LATE ITEMS / OTHER BUSINESS:**

8. **NEXT MEETING:**

At the call of the chair.

9. **ADJOURNMENT:**

MINUTES OF THE REGULAR MEETING OF THE WATER SUPPLY ADVISORY COMMITTEE,
HELD IN THE BOARD ROOM, CITY HALL, ON WEDNESDAY, 2007-MAY-30,
COMMENCING AT 3:30 P.M.

PRESENT: Councillor L. D. McNabb, Chair

Members: M. Macdonald, S.W. Extension

Staff: K. M. MacKenzie
B. Sims
B. Clemens
S. Graham
S. Perkins

1. REPORT(S):

(a) Water Rates for Southwest Extension

City staff have reviewed the bulk water rate charged to Southwest Extension and are recommending an increase of \$.05 per 1,000 gallons. This is brought about by the extensive capital program that is being implemented to deal with the long term improvements required to the water supply system.

Recommendation: That Council adopt a bylaw to establish the rate for bulk water supply to Southwest Extension at \$1.31 per thousand gallons.

It was moved and seconded that the recommendation be adopted. The motion carried unanimously.

2. INFORMATION ONLY ITEMS:

(a) Water Supply Projects Update

The Water Supply Strategic Plan is now complete, along with its companion studies: Water Treatment Plant Siting Study, Cassidy Aquifer Water Balance Study and the Watershed Yield Study. Staff are proceeding to move to the next steps of implementing the Strategic Plan. This consists of moving forward with land acquisition for the future water treatment plant and approvals for the future water supply dam. In addition, staff are proceeding to implement other major projects in water supply.

STAFF'S RECOMMENDATION: That the Water Supply Advisory Committee receive this report for information.

It was moved and seconded that this report be received. The motion carried unanimously.

2. NEXT MEETING:

At the call of the Chair.

3. ADJOURNMENT:

It was moved and seconded at 3:40 p.m. that the meeting adjourn. The motion carried unanimously.

CHAIR

REPORT TO: WATER SUPPLY ADVISORY COMMITTEE
FROM: TOM HICKEY, DIRECTOR, ENGINEERING & PUBLIC WORKS
RE: WATER TREATMENT PLANT SITE LOCATION STUDY

STAFF'S RECOMMENDATION:

That Council authorize Associated Engineering to complete the tasks related to the Water Treatment Plant Site Location Study at an additional cost of \$74,000.

EXECUTIVE SUMMARY:

The Water Supply Strategic Plan was completed in January 2007. Associated Engineering helped the City of Nanaimo in the development and coordination of this plan, as well as in undertaking studies related to ground water supply, watershed yield and water treatment plant site location. The strategic plan and the studies were to guide and assist the City in determining how best to prepare for the challenges and demands of the future. The three major initiatives of the plan are the development of a water treatment plant, the addition of another dam and reservoir and ongoing pipeline and storage upgrades which total \$225 million over 20 years.

To enable the City to proceed with property acquisition for both the water treatment plant and the dam site, as well as to initiate the process for selecting a design engineer for the water treatment plant, further work is required for the Water Treatment Plant Site Location Study. This work will also prepare the City to apply for Federal and Provincial infrastructure grants that may become available.

BACKGROUND:

The tasks to be completed for Water Treatment Plant Site Location Study are:

1. To finalize the property acquisition requirements for the water treatment plant and associated pipelines in consideration of the hydraulic grade line and potential treatment technologies.
2. To review technologies and treatment methods.
3. To identify potential risks in the construction and operation of the treatment plant that need to be considered for design and operation.
4. To identify site servicing and easement requirements for access, pipelines and hydro.
5. To refine water treatment plant cost estimates based on specific site location, plant size and site servicing.

Associated Engineering has been working with the City of Nanaimo since 2005 to coordinate and develop the Water Supply Strategic Plan and to prepare the supporting studies as authorized by Council. Because the above tasks are a continuation of work Associated Engineering is now performing, staff is recommending the work be assigned to them. The cost estimate for this work is \$74,000 and it is based on rates currently being charged to the City for this project.

After the completion of this work, the City will initiate the property acquisition process and the selection process for design engineers for both the water treatment plant and the South Fork II Dam.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Tom Hickey", written in a cursive style.

Tom Hickey
Director, Engineering & Public Works

g:\Water Supply\GNWD\Reports to Committee\Water Treatment Plant Site Location Study
2007-NOV-15

REPORT TO THE WATER SUPPLY ADVISORY COMMITTEE

FROM B.E. CLEMENS, DIRECTOR OF FINANCE

RE: WATER RATES FOR SOUTHWEST EXTENSION

RECOMMENDATION:

That Council adopt a bylaw to establish the rate for bulk water supply to Southwest Extension at \$1.43 per thousand gallons.

EXECUTIVE SUMMARY:

City staff have reviewed the bulk water rate charged to Southwest Extension and are recommending an increase of \$.12 per 1,000 gallons. This is brought about by the extensive capital program that is being implemented to deal with the long term improvements required to the water supply system.

BACKGROUND:

As the Committee is aware, the City of Nanaimo has recently completed a water supply study that will require expensive improvements to the water supply and treatment systems for many years. As a result of this study, Council has approved a 5% increase in water rates earlier this year and proposed an increase of 5% this January and each subsequent year per the 5 year Financial Plan.

As a member of the City's water supply function, Southwest Extension will benefit from many of these major capital improvements relating to existing dams, reservoirs and to enhanced water treatment. The bulk water rate charged to Southwest Extension increased by \$.05 in 2007.

Water rates charged to Southwest Extension are established by calculating the gross cost of water. Debt payments, capital, supply and distribution maintenance costs and administrative expenditures are used in determining the gross cost of water. The proposed cost per 1,000 gallons is \$1.43 for 2008, which is an increase of \$.12 (9%).

As with the City of Nanaimo, it is anticipated that there will be annual increases in rates charged to Southwest Extension for the foreseeable future.

Respectfully submitted,


Brian E. Clemens
Director of Finance


Douglas W. Holmes
General Manager of Corporate Services