



The Corporation of the District of Central Saanich

MEMORANDUM

Date: June 29, 1999 **File:** 5600-06 Water Supply – Extensions
To: Gary Nason
From: Von Bishop
SUBJECT: Senanus / Mt. Newton Water Issue

RECOMMENDATIONS:

That Council receive for information only, at this time, the various reports contained in this Staff memorandum and agree to discuss the matter further when the Capital Health Region (CHR) report has been received.

INTRODUCTION

As requested by Council, reports on the issue of water for the Senanus Drive area have been prepared by Lowen Hydrogeology Consulting (Lowen), the Water Advisory Task Force (WATF) and by Staff. A report from the CHR on the bacteriological quality of the water in the homes on Senanus Drive has not been received yet.

Reports by Lowen and the WATF are attached as appendices to this summary report, with a brief statement on each one below. Staff reports on a Specified Area for a water line and on the Provincial "Local Government Grants Program for Infrastructure" follow the summaries of the reports from others.

A number of other Staff reports have been prepared on this issue over the years on costs and specified areas, alternative supply routes, planning implications of a watermain, and alternative solutions. Copies of the previous staff reports are attached as Appendix D.

A copy of the original CHR report of March 3, 1999, which was previously distributed to Council, is available for reference from the Engineering Department.

REPORTS BY OTHER AGENCIES

Lowen Hydrogeology Consulting Report – Appendix A

Lowen Hydrogeology Consulting was retained by the District and CHR to sample the groundwater in the Senanus aquifer and to test it for chemicals, minerals and bacteria. The main conclusion from the report was that there are no health concerns indicated. Some individual wells had some elevated substances that affect palatability and may cause corrosion or deposits. The report suggested that any adverse effects could be rectified by in-home systems.

1903 Mount Newton Cross Road, Saanichton, B.C. V8M 2A9

Phone: (250) 652-4444 Fax: (250) 652-4737

Water Advisory Task Force – Majority Report – Appendix B

The Water Advisory Task Force was split on the issue of water for Senanus Drive, and so they presented two reports.

The majority report was issued as a preliminary report dated April 30, 1999, and the final report was dated June 14, 1999.

The report recommended that any problems with water quality and quantity should be resolved on an individual household basis. They recommended further review of the situation and further research by the Task Force into a community water system (using communal wells or a very small pipe from the municipal system, flowing to a small reservoir) that also considered reclamation and reuse of waste water.

Water Advisory Task Force – Minority Report – Appendix C

The minority report recommended that Council support the residents in applying for infrastructure grant money and once funding is known, conduct public meetings/surveys to determine the level of support by residents.

REPORTS BY STAFF

Staff were requested by Council to prepare, at the time of presentation of the reports from outside agencies, background information on the Provincial Grant Program. As well they were requested to provide information on the details of any Specified Area that would be created, were it ultimately determined that a sufficient problem existed to warrant the extension of the municipal watermain.

It was Council's wish that as much information as possible be available at one time. This also provided Staff an opportunity to update the information previously made available to Council, in light of amended legislation and new Provincial grant programs.

Specified Area / Local Improvement

As a first step, the cost estimate done in 1995 was reviewed and the estimate was increased from \$800,000 to \$850,000. This is for a 200mm (8 inch) line on Mt. Newton to West Saanich Road and a 150mm (6 inch) line west of West Saanich to the end of Senanus.

There are 64 properties, not exempt from taxation, that would have direct access to a water main on Mt. Newton/Senanus, as shown in Figure 1. The drawing also gives the current zoning of properties in the area.

It is assumed for the calculation of parcel taxes for a watermain extension, that the benefiting properties as shown on Figure 1 would comprise the Specified Area. Under the *Municipal Act*, Council is able to enlarge or reduce a Specified Area, although an unwillingness to pay for an improvement is not a sufficient reason to be excluded.

There are three generally accepted methods to determine the charges to benefiting parcels:

1. Frontage Tax – This option was not pursued by staff because of the extreme variations in the frontages of the parcels.
2. Parcel Tax- This method divides the total cost of the works by the number of benefiting properties.
3. Tax Based on Assessment – This method divides the total cost of the works by the total assessed value of the benefiting parcels to derive a rate per \$1000 of assessed value, and then multiplies that rate times the assessed value for each parcel to determine the share of the cost for that parcel.

Throughout these calculations, it is assumed that the total cost of the works is to be borne by the benefiting parcels. Any infrastructure grants would reduce the amounts accordingly.

For a total cost of \$850,000 the commuted value or one time uniform parcel tax is estimated to be \$13,281.25 and the specified area charge based on assessed values is estimated to be \$28.32 per \$1,000 of assessed value.

Table 1 indicates the total charges for each property using both methods of calculation. It should be noted that the total commuted charge per parcel charge using a rate on land and improvements varies from a low of \$1,557.33 to a high of \$65,407.70. This is shown in the "Commuted Tax Rate" column of Table 1.

Table 1 also indicates the annual charge for each parcel under the two methods, based on a 15 year amortization period at an annual interest rate of 6.25%. Under the uniform parcel tax method, the annual charge is estimated to be \$1,389.90 and using assessed values, the annual rate per \$1,000 of assessment is estimated to be \$2.96. Again, it should be noted that there is a large variation in the costs using assessed values, ranging from a low of \$162.98 per year to a high of \$6,845.00 per year. This is shown in the "Annual Tax Rate" column of Table 1.

If Council wished to proceed with a Specified Area, there are two options:

1. Municipal Initiative – Council proposes the work on its own initiative and is required to advise the affected property owners of the nature and cost of the work. Council is also required to provide a counter petition opportunity against the proposed work.
2. Petition to Council for the Proposed Work by the Affected Property Owners – Sections 631 and 632 of the *Municipal Act* outline the information that must be contained in a petition for it to be considered valid.

One of the main requirements is that the petition must be signed by 2/3 of the property owners, representing at least 50% of the assessed value of the parcels liable to be specially charged.

Because of the technical requirements for a valid and sufficient petition, if the residents initiated a petition, Staff should prepare the petition and one or more of the proponents should solicit the required signatures, if Council wishes to pursue this option.

Provincial Local Government Grants Program for Water, Sewer and Other Infrastructure

In January 1999, the Provincial Government announced a program of grants, in the amount of \$50 million per year. Applications are assessed using a Funding Priority Matrix, attached as Table 2. It appears that the ranking for a watermain extension on Senanus/ Mt. Newton would be quite low, without a demonstrated need for Public Health Protection.

The deadline for funding for 1999 was February. No deadline is specified for later years, but applications received after February 28, 1999 will be considered for years 2 or 3 of the program. The District applied for sewer infrastructure grants for 1999, 2000 and 2001 in the total amount of \$475,000. To date the District has had no indication whether the applications will be approved or not.

PREVIOUS REPORTS

Previous reports that are available for information in Appendix D include the following:

1	Nov 23, 1995	A.C.Mackey	Watermain Extension - Mt. Newton Cross Rd and Senanus Drive
2	Dec 5, 1995	G. Nairn	West Saanich Rd / Senanus Watermain Extension Cost Estimate
3	July 15, 1997	J. Winsor	Planning Implications of Providing Water to Senanus Drive Area
4	Oct 17, 1997	A.C.Mackey	Senanus Drive - Water Supply Alternatives

RECOMMENDATIONS


That Council receive for information only, at this time, the various reports contained in this Staff memorandum and agree to discuss the matter further when the Capital Health Region (CHR) report has been received.

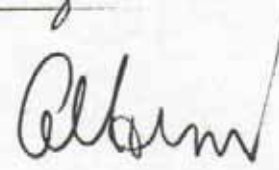
Submitted by: 
Donavon Bishop, A.Sc.T. Senior Technologist

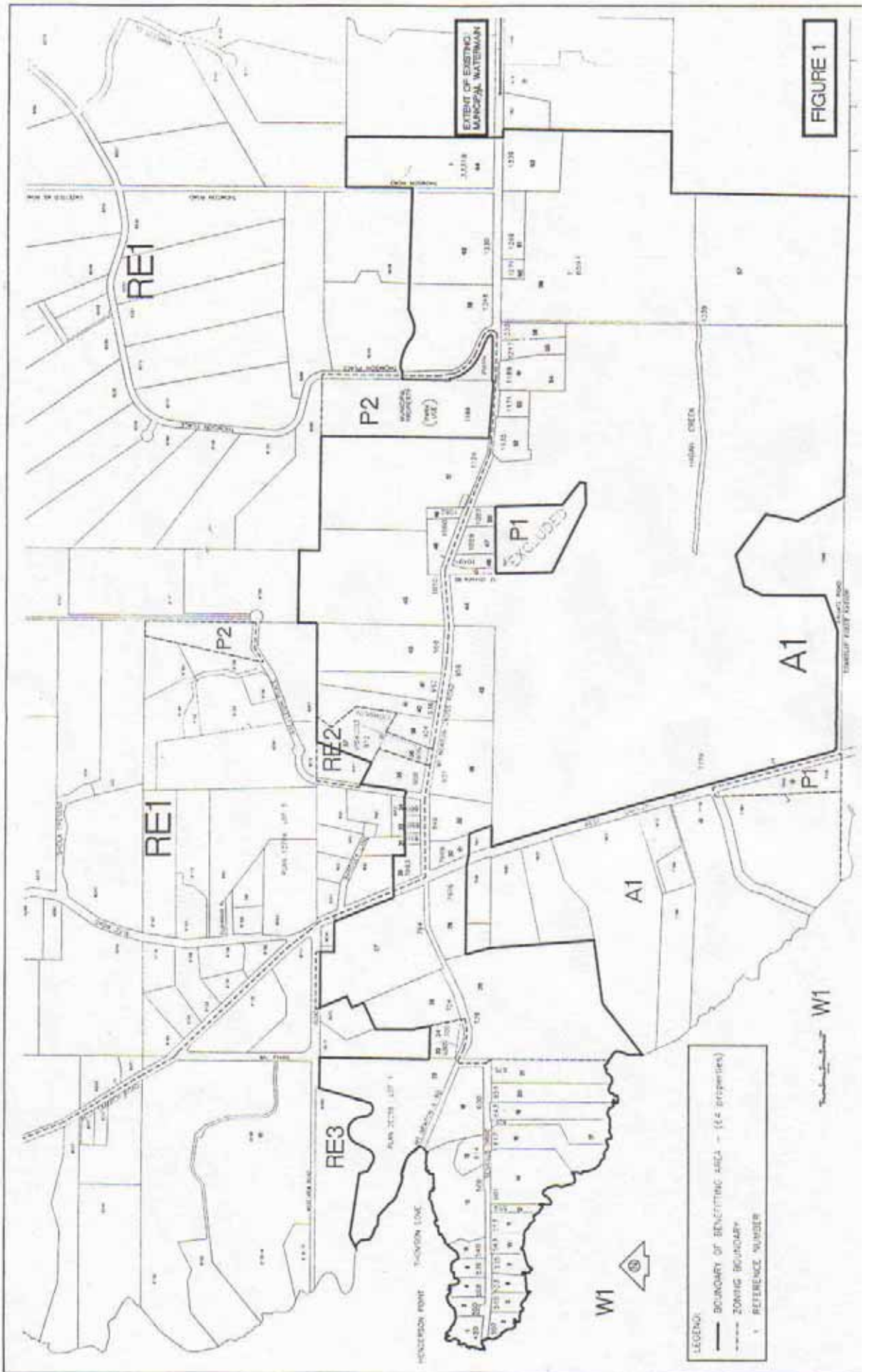
Financial implications contained in this report have been reviewed and endorsed by the Director of Financial Services.


E. Sykora, CMA
Director of Financial Services

I concur with the recommendations of this report.


A.C. Mackey, P.Eng.
Municipal Engineer





FUNDING PRIORITY MATRIX

REASON FOR PROJECT	SYSTEM COMPONENTS			
	Water or Sewage Treatment	Water Source, Supply or Sewage Outfalls	Major Trunks Including Storage	Distribution or Collection
Public Health Protection	1	1	1	1
Environmental Protection	2	2	2	2
Necessary Renewal, Replacement due to Age, Condition	3	4	4	5
Increase System Reliability, Fire-flows, Looping, etc.	6	6	7	8
Increase Capacity for and Extension to Existing Development	7	8	8	9
Increase Capacity for and Extension to Proposed/Future Development	8	9	9	10

TABLE 2