

Watutco Water System Conversion

What is Happening?

New provincial drinking water treatment regulations (through the Drinking Water Protection Act) require that the Watutco Water System make significant upgrades to meet the appropriate standards.

What Does That Mean?

As requested by Watutco and the Electoral Areas Services Committee, the updated analysis completed by the Comox Valley Regional District (CVRD) confirmed the viability that the Watutco Water System be added to the Black Creek-Oyster Bay (BCOB) Water System. The analysis confirmed that adding Watutco properties into the BCOB system will be significantly less expensive than reaching provincial regulation compliance as a privately managed water system.

Petition Process Required

Incorporating Watutco into the BCOB Water System and borrowing the funding necessary for the system upgrades requires approval by the property owners. Given the small number of affected properties, a formal petition process will be used in accordance with provincial legislation. The process will involve sending petition forms to each property in the Watutco Water System.

A successful outcome will require at least 50 per cent of forms, representing 50 per cent of the assessed property value, to be returned in favour of the change to combine services.

Process For Obtaining Approval

For the CVRD to extend the boundaries of BCOB Water System and borrow the necessary funding for the Watutco system modifications, two petition forms (service boundary extension and financial borrowing) will be prepared and distributed by the CVRD, which will occur in October.

Petitions that are not returned will be counted as negative. Please note these important points:

- For the CVRD to proceed with joining Watutco with the BCOB Water System, both petitions (service boundary extension and borrowing) will require approval.
- The borrowing, taxes and user charges will apply to all properties in the service area and not just the property owners who voted yes by completing and returning the petitions.
- Only registered owners of the properties within the proposed service area may sign the petitions.
- For properties owned by multiple owners, the majority of owners must sign the petitions to be valid.

Table 1: Cost Comparison for Watutco Residents for Water Servicing Options

Component	Option 1 – Join BCOB Water Service	Option 2 – Status Quo
Water Treatment Upgrade		\$2.7 - \$5.3M
Pressure Reducing Valve	\$0.5M	
Capital Improvement Cost Charges	\$0.8M	
Water Meters	\$0.4M	\$0.4M
Total Cost	\$1.7M	\$3.1 - \$5.7M
Total Comprehensive Cost*	\$1.7M*	\$4.0M – \$7.1M

*After grants and borrowing costs applied

Table 2: Cost Per Connection Impact for Single Detached Dwellings

	Option 1 – Join BCOB Water Service Area	Option 2 – Status Quo
Upgrade Cost Per Single Family Home (Estimated costs to service the borrowing costs for modification of the system to meet regulatory compliance)	\$374 per year for 10 years	\$2,051 – \$3,708 per year for 10 years
Reserve Equalization Charge (To bring reserves per household up to those currently within the BCOB Water Service)	\$8 per year for 10 years	-
Capital Improvement Cost Charge (For dwelling units added to the BCOB service area to pay for expanded infrastructure costs IE: wells and watermain upsizing)	\$793 per year for 10 years	-
User Rates (Estimated average annual cost for the provision of water over the next 10 years)	\$515	\$515
Parcel Taxes (Estimated average annual cost to fund infrastructure costs such as watermain replacement over the next 10 years)	\$1,109	\$1,109
<u>Additional</u> annual cost of water over 10 years	\$1,175	\$2,051 – \$3,708 per year for 10 years
<u>Total</u> average annual cost of water over 10 years	\$2,799	\$3,675 - \$5,332

The CVRD has already committed \$451,000 in federal grant funding to reduce the financial burden of connection on Watutco residents, but this funding is not available should Watutco residents decide to remain on a private system.

For more detailed information and to view the frequently asked questions, please visit www.comoxvalleyrd.ca/watutco.