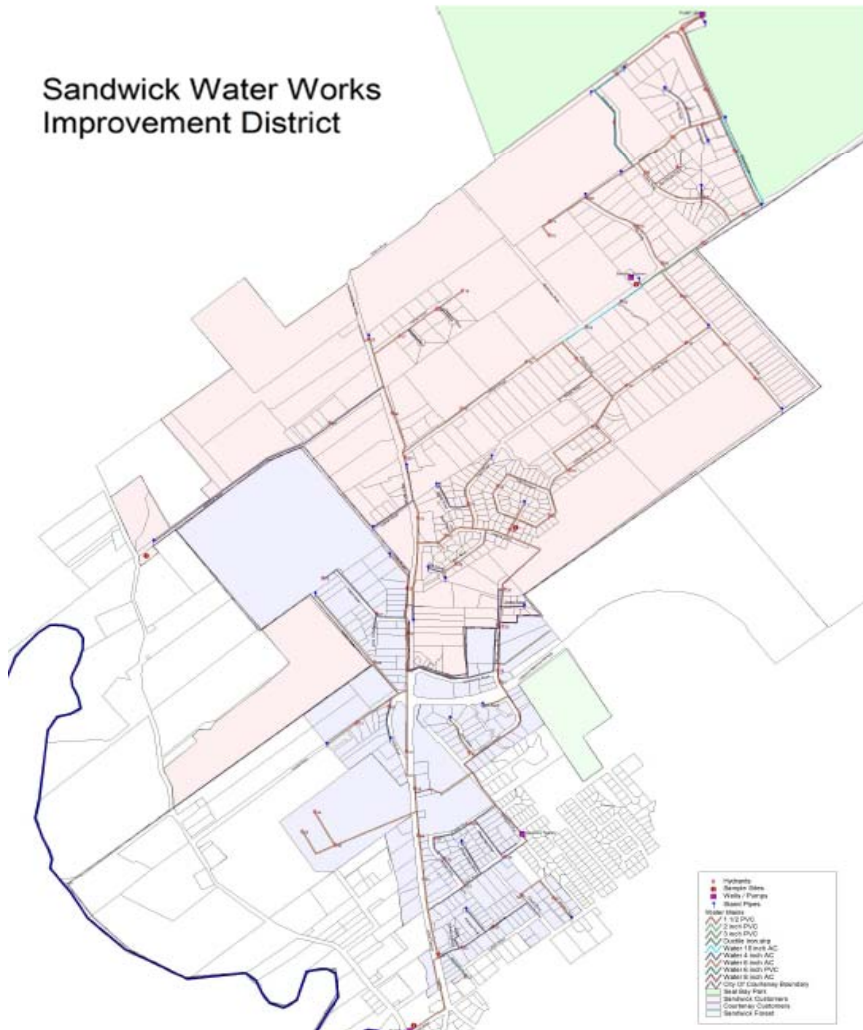


IMPORTANT: Drinking Water Update

Sandwich Water Works District

Sandwich Water Works
Improvement District



Important Decisions Ahead for Sandwich

In 2002, the City of Courtenay expanded its municipal boundaries to include a portion of the Sandwich Improvement District (see blue shaded area in map above). This area now needs to be separated from the Sandwich water system and switched to the City's municipal drinking water system. In order to separate the system, the Sandwich Board of Trustees needs to make some critical decisions about the future of the Sandwich water system, which is facing some significant challenges. Please take the time to review this newsletter and share your thoughts and opinions.

*We Want to Hear
From You!*



Is your home in the area that will remain within the Sandwich Water Works District? (the pink shaded area on the map shown left) If so, how your drinking water is obtained, treated and delivered to your taps is about to change in the months ahead. It is important to us that you take part in the conversation that will inform the Trustees' decision.

- ✓ We invite you to complete the enclosed **Feedback Form** and return it by **Friday, June 10th, 2016**
- ✓ Plan to attend our **Community Open House** on Tuesday, June 7th at Huband Elementary School (7:00 – 9:00 p.m.)
- ✓ Send us an email to swwd@telus.net or a letter to 801 Dingwall Road, Courtenay, B.C. V9N 3S4

Your Water. Your Community. Have your say!



THE DECISION: The Sandwich Board of Trustees must decide whether to remain an independent improvement district or convert to a regional district service and connect to the Comox Valley regional water supply system.

Formed in 1960, the Sandwich Water Works District (SWWD) has a long history of successful water management in the community. Recently, however, several major challenges have arisen that may ultimately make it impossible to remain an independent improvement district. The three most critical questions that must be answered if the SWWD is to remain independent are as follows:

- 1. Where would our water come from?** The system currently draws water from two wells and one river intake. The river intake is failing and, in order to comply with Island Health's surface water treatment requirements, would require significant repairs and costly upgrades before 2018, likely at a cost of several million dollars. This is not an affordable option for Sandwich, and therefore if the SWWD is to remain independent, it will need to rely on wells. At least one, but more likely two (or more) new wells will be required. New wells cost an estimated \$300,000 - \$600,000 each, including testing, permits, construction, control systems and any onsite treatment required. There are very few options for new well locations – to date, private landowners have been unwilling to allow the SWWD to drill on their land, and public land options have been exhausted.
- 2. Could we afford to remain independent?** The increase to annual fees is difficult to estimate without having secured and prepared estimates for new well water sources – at a minimum, fees will need to increase 67% to make up for the loss of 282 connections affected by the city switchover (424 will remain within Sandwich). **A 67% increase to the current (2016) single family water rate of \$505 is \$841. The cost of establishing new wells will mean further increases.** In the longer term, Sandwich's distribution mains will need to be replaced beginning in 2026. The medium term costs (10-20 years) are estimated at \$4.1 million, and the longer term costs (20-40 years) are estimated at an additional \$2.2 million. The SWWD is not eligible to apply for infrastructure grants, and its ability to borrow for large capital costs is limited.
- 3. Who would manage the system?** The SWWD relies heavily on the contributions of volunteer Trustees to manage the water system. According to SWWD bylaws, Trustees must reside in the Improvement District. Several of the current Trustees do not reside in the area that is to remain within Sandwich, and are therefore ineligible to continue their service. Others have served multiple terms, and have indicated they do not intend to continue. Unless several eligible community members come forward to serve as Trustees, the SWWD will not have enough volunteers to continue functioning as an independent improvement district.



Don't forget to complete the enclosed **Feedback Form** and return it by Friday, June 10th, 2016. A **Community Open House** is scheduled for Tuesday, June 7th at Huband Elementary School (7:00 – 9:00p.m.)

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Converting to a Regional District Service

If Sandwich Trustees decide to convert to a regional district service the area remaining within Sandwich would convert to a Comox Valley Regional District (CVRD) “water local service area”, and Sandwich’s existing water distribution system would be connected to the Comox Valley regional water supply system. The SWWD would be dissolved, and the CVRD would become responsible for managing and operating the Sandwich distribution system as part of the regional water supply system.

The **key advantages** of converting to a regional district service are:

- ✓ Connection to the regional water supply system eliminates the need to establish new wells;
- ✓ The CVRD employs certified, full-time staff to operate and manage water systems, eliminating the need to find new volunteers to serve as Trustees;
- ✓ Regional districts are able to access more funding tools, including government grants and favourable borrowing terms/interest rates through the Municipal Finance Authority of BC;
- ✓ CVRD Board of Directors recently voted in favour of contributing a portion of Area B’s gas tax funding to help pay for the infrastructure system changes and construction within Sandwich, if Trustees choose to convert to a regional district service;
- ✓ Although Sandwich residents would continue to be financially responsible for maintenance and replacement of the distribution system within Sandwich, the cost of common infrastructure that serves the regional water supply system (e.g. reservoirs, treatment plants, treatment systems etc.) is shared on a regional basis.

What Happens Next?

Community input will be reviewed following the June 10th survey deadline, and the Trustees hope to make a decision on the future of the Sandwich water system by the end of June, 2016. That decision will be communicated with Sandwich ratepayers shortly thereafter. If converting to a regional district service is ultimately the preferred option, Trustees would work with the CVRD to complete the formal transfer requirements and establish the new regional district service, which would not likely take effect until January 1, 2017. In the interim, the Sandwich Water Works District will be working closely with the City of Courtenay and the CVRD to ensure uninterrupted delivery of safe drinking water to all Sandwich residents.

Questions?

Please contact us at swwd@telus.net or 250-338-1092

Be sure to fill out your feedback form and return it by **Friday, June 10, 2016.**

Community Open House – Tuesday, June 7th at Huband Elementary School library
5120 Mottishaw Rd 7:00p.m. – 9:00 p.m.

Is your home in the area that will be converted to municipal (City of Courtenay) water? If you have questions or require additional information, please contact Lesley Hatch, Director of Engineering Services at 250-334-4441 or engineering@courtenay.ca.

Your Water. Your Community. Have your say!

Q&A: Converting to a Regional District Service

Where would our water come from?	The regional water supply comes from the Puntledge River, and the origin is Comox Lake. Treatment is centralized at the existing Comox Valley water system regional chlorination facility. The CVRD is exploring options for the construction of a new water filtration plant, which will significantly reduce, if not eliminate, the boil water advisories within the regional system.															
What would conversion cost?	<p>The total cost of conversion includes the physical system modifications required to connect to the regional water supply system, as well as the cost of water meters (mandatory for all rural properties connected to the regional water system) and the CVRD's one-time capital improvement connection charge.</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: right;">Conversion Costs</th> <th style="text-align: right;">Cost per connection (single family residential)</th> </tr> </thead> <tbody> <tr> <td>System Modifications*</td> <td style="text-align: right;">307,000</td> <td style="text-align: right;">725</td> </tr> <tr> <td>Water Meters (424)</td> <td style="text-align: right;">508,000</td> <td style="text-align: right;">1,200</td> </tr> <tr> <td>Connection Charge (residential)</td> <td style="text-align: right;"><u>1,565,946</u></td> <td style="text-align: right;"><u>3,702</u></td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: right;">\$2,380,946</td> <td style="text-align: right;">\$5,627</td> </tr> </tbody> </table> <p><i>*The total estimated cost of the required system modifications is \$672,000. The City of Courtenay would be responsible for all works within its boundaries (approximately \$365,000), and the SWWD would be responsible for all works within the area remaining in Sandwick (approximately \$307,000).</i></p>		Conversion Costs	Cost per connection (single family residential)	System Modifications*	307,000	725	Water Meters (424)	508,000	1,200	Connection Charge (residential)	<u>1,565,946</u>	<u>3,702</u>	Total	\$2,380,946	\$5,627
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Who would pay for conversion?	<p>System Changes / Construction: At their meeting of April 26, 2016 the CVRD board of directors voted in favour of contributing a portion of Area B's gas tax funding (up to \$307,000) for the infrastructure system changes within Sandwick, if Trustees choose to convert.</p> <p>Water Meters & Connection Charge: Property owners would be responsible for the cost of water meters (unless additional grant funding can be sourced through the CVRD) and the one-time connection charge. The CVRD board of directors has supported an option that would allow property owners to pay the remaining balance over 10 years – this option may be subject to approval by the provincial government (Ministry of Community, Sport & Cultural Development).</p>															
What would our annual water fees be?	Sandwick's exact rates would depend on full assessment of the revenue required for the service. Using the residential rate for other CVRD water service areas, the base rate is currently is \$287.40 per year, which includes 15 cubic meters of water per month. Tiered rates are applied thereafter. Properties connected to the regional water supply system also pay an annual parcel tax to help with maintenance, renewal and upgrade of water infrastructure within the local distribution system, such as water main replacements. For Sandwick, it is estimated that this tax would be approximately \$250/year.															

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