



*Town of Qualicum Beach*

**MINUTES OF THE MEETING OF THE  
ARROWSMITH WATER SERVICE (AWS) MANAGEMENT BOARD  
HELD ON TUESDAY, APRIL 26, 2011 9:00 AM  
AT THE PARKSVILLE COMMUNITY AND CONFERENCE CENTRE**

**Present:**

Director Joe Stanhope, Chair	Regional District of Nanaimo
Director George Holme	Regional District of Nanaimo
Carol Mason	Regional District of Nanaimo
Councillor Marc Lefebvre	City of Parksville
Fred Manson	City of Parksville
John Finnie	Regional District of Nanaimo
Mike Squire	City of Parksville
Bob Harary	City of Parksville
Mayor Teunis Westbroek	Town of Qualicum Beach
Councillor Barry Avis	Town of Qualicum Beach
Mark Brown	Town of Qualicum Beach
Bob Weir	Town of Qualicum Beach
Wayne Moorman	Regional District of Nanaimo
Bev Farkas	Recording Secretary

**CALL TO ORDER**

J. Stanhope called the meeting to order at 9:05 am and introduced Board members and staff.

**MINUTES**

MOVED M. Lefebvre, SECONDED B. Avis, that the minutes from the meeting of the Arrowsmith Water Services Management Committee held March 17, 2011, be adopted.

CARRIED

**REPORTS**

**AWS Capital Plan (Associated Engineering BC Ltd.)**

M. Squire introduced representatives from Associated Engineering; Matt Henney, Keith Kohut and Rick Corbett. Mr. Henney provided a PowerPoint presentation on the Phase 1 Conceptual Plan, budgeting and scheduling for the AWS Englishman River Water Intake, Treatment Facilities and Supply Mains.

The following points were noted:

- The report can now go forward to Department of Fisheries and Oceans and Ministry of Environment.
- Number of areas for ASR look feasible, particularly southern Parksville to Nanoose.
- Cost for ASR \$1.5M for study, \$3.5M for completion.
- Current intake location silts up regularly causing reliability issues for City of Parksville, is within floodplain of river.

### **AWS Capital Plan Study**

MOVED B. Avis, SECONDED M. Lefebvre, that the Arrowsmith Water Service Joint Venturers adopt the report “Englishman River Water Intake, Treatment Facilities and Supply Mains Phase 1 Conceptual Planning, Budgeting and Scheduling Report” dated April 2011, prepared by Associated Engineering.

CARRIED

MOVED M. Lefebvre, SECONDED B. Avis, that the Arrowsmith Water Service Management Board direct the Arrowsmith Water Service Management Committee to proceed with the recommendations in the report.

CARRIED

### **AWS Communications Strategy**

MOVED B. Avis, SECONDED M. Lefebvre, that the AWS Management Board approve the Arrowsmith Water Service Communications Strategy, (as attached to the staff report).

CARRIED

### **AWS Project Manager**

MOVED M. Lefebvre, SECONDED B. Avis, that the Arrowsmith Water Service Management Board approve the new position of “AWS Program Manager,” effective immediately.

CARRIED

MOVED M. Lefebvre, SECONDED B. Avis, that the AWS Management Board authorize the AWS Management Committee to direct the Operator, (City of Parksville), to appoint and employ a qualified AWS Program Manager, such appointment subject to approval of the AWS Management Board.

CARRIED

MOVED B. Avis, SECONDED M. Lefebvre, that the Operator be reimbursed from the AWS Operating Budget for AWS Program Manager compensation and expenses directly attributable to AWS activities.

CARRIED

### **QUESTIONS**

The Chair opened the floor to questions.

John Mansell asked if the Town of Qualicum Beach wellfields are drawing from the Little Qualicum River. B. Weir responded that the town has no water license on the Little Qualicum River and has not been required to obtain one.

Tom Davies (Chartwell) asked what Qualicum Beach's suggested 6% interest of the AWS represents. B. Weir responded that the difference from the initial 13.7% interest represents the change in wellfield capacity since the formation of AWS.

Jim Lettic (Area F) asked about DCCs paying for future water. J. Finnie responded that the RDN will be reviewing their bulk water DCC's, but that they are in place for French Creek Bulk Water Service Area and Nanoose Bay Peninsula Bulk Water Service Area. F. Manson indicated that Parksville has \$6M and both the RDN and Qualicum Beach added that they could have their numbers available at their offices.

Faye Smith (MVIHES) asked about supply issues with ASR and if other areas have used this process, is there a risk to the aquifer in that it will be affected so water already in the aquifer will always need treatment? R. Corbett responded that the process was developed 20-30 years ago and there are approximately 200 systems worldwide, with the Waterloo area being Canada's only system presently. In general the costs are approximately 1/10 the cost of building a reservoir. The risks are very low if the right conditions are met.

Elaine Hofer asked how to obtain the complete report. C. Mason replied that the complete report will be on the website for download or hard copy available on loan in the offices of the RDN, Town of Qualicum Beach and City of Parksville.

Scott Tanner (Town of Qualicum Beach) asked for clarification of the budget; are the Communications Strategy and the AWS Manager position both operational expenses? Mr. Tanner also asked if the land acquisition is two separate purchases and if existing wells are part of AWS. B. Harary confirmed that they are both operational expenses and added that the Water Treatment Plant land is adjacent to the City of Parksville's Public Works office and a different site will be acquired for the intake; the proposed location is a city park. J. Finnie added that all existing wells will remain owned and operated by current owners and will not be part of AWS which will own and operate only the intake, the treatment plant, some trunk water mains and ASR.

Paul Reitsma asked if the land acquisition had been jeopardized by information leaked previous to the purchase. J. Finnie replied that the land was actually purchased for less than budgeted for and was not aware of any compromise.

Gerard Archambault (Parksville) asked if the ASR would be located in a closed aquifer. R. Corbett explained that the bottom and top would be closed with semi-permeable sides.

Tim Pritchard (Qualicum Beach) asked about financing and the cost of inflation. J. Stanhope advised that all borrowing would be done through Municipal Financing Authority and that there was a significant possibility for senior government financing.

M. Henney noted that the Water Treatment Plant could be built in stages, modules added as more water needed. The intake and conveyance infrastructure will be built for full capacity and more pump capacity, etc. could be added at a later date.

Peter Simpkin (Parksville) asked how projections will be effected if ASR is not selected. R. Corbett responded that the plant would then be made bigger, he is relatively confident that some ASR is feasible.

Brad Bird (Oceanside Star) asked if the annual impact on taxpayers is known. J. Stanhope indicated that there is no firm answer at this time. Mr. Bird asked if ASR is being explored at this time or if there are firm commitments. R. Corbett responded that experts have looked at the information and the next phase is exploration (\$1.5M) followed by development (\$3.5M).

F. Smith (MVIHES) indicated that the Mid Vancouver Island Habitat Enhancement Society is currently characterizing watersheds and asked if this will compliment the study. R. Corbett responded that there have been meetings with the society and the work being done will compliment AWS plans.

Mary Brouillette (Qualicum Beach) asked about government funding – when to apply and can it continue? C. Mason responded that the RDN is putting an application forward to Gas Tax Strategic Priority Funding as the project meets criteria for Innovative Funding. It is anticipated that the funding programs will be going forward; FCM is lobbying to continue funding.

James Craig asked about the impact of moving the intake and habitat mitigation. R. Corbett responded that the impact was considered and that the stretch of river between Highways 19 and 19A are not as productive. He added that the ASR system could reduce water extraction by 50% in the summer. Mitigation research has not been done yet.

Brad Bird (Oceanside Star) asked about the quality of water at present. M. Henney answered that unstable banks can release sediment into the river and produce turbidity which shields pathogens from chlorine treatment.

Trevor Wicks asked what is the relationship between Parksville well supply and a Water Treatment Plant. M. Squire replied that the well water is treated with chlorine; the treatment plant will remove turbidity from the river water.

Jim Mansell asked if there has been an assessment of contaminants in the Englishman River at the point of extraction. R. Corbett answered that it has been considered.

Glen Surkan (French Creek) indicated that infrastructure grants are not available to private water districts. C. Mason replied that the area in French Creek on a private water system is within the RDN bulk water service area and private water customers would not affect grant eligibility for AWS.

Theresa Patterson (City of Parksville) asked if the intake will have an impact on flood control. J. Finnie responded that it will have no connection to flood control. T. Patterson asked about the timing of a new manager and F. Manson said it will be dealt with immediately.

Elaine Hofer asked how well water will be treated and M. Squire replied that VIHA has mandated that surface water supply must be treated, VIHA has not asked for treatment of well water. J. Finnie added that AWS does not include well water – the wells are owned and operated separately by the three respective jurisdictions.

Peter Simpkin (Parksville) asked about the timing of the commitment between the three partners. M. Brown replied that negotiations are underway to amend the agreement expiring on June 30, 2011.

Scott Tanner asked about water licensing – would the Parksville water license be replaced with the AWS license? M. Squire replied that Parksville will be extinguished and only one AWS license will be in place.

Larry asked about the process of treating water. J. Finnie responded that the river water will be treated to reduce turbidity and that disinfection would be a component of a treatment plant.

Mr. DeWitt (Qualicum Beach) asked if Qualicum Beach can obtain another source of water quickly if they reduce their interest in AWS. B. Weir responded that Qualicum Beach was denied a license on Little Qualicum River and it would not be an easy thing to obtain, if at all possible.

Marlys Diamond (Qualicum Beach) voiced concern about the correlation of the Qualicum Beach OCP which plans for 50 years and the AWS report indicating water will be needed within 30-40 years. M. Brown responded that the OCP looked at infrastructure and that council will see water needs meet the OCP. T. Westbroek added that Qualicum Beach wants to work with partners.

F. Manson indicated that Parksville is not prepared to extend the AWS agreement with the existing provision that all three partners must have consent – governance model needs to change.

F. Manson advised that a borrowing referendum may go forward at the end of 2013 or early 2014 and will be structured so residents of all bulk water benefitting areas vote in a single referendum. If a referendum fails, treatment of surface water will be still be mandated and the Minister could step in.

#### **ADJOURNMENT**

MOVED M. Lefebvre, SECONDED B.Avis, that the meeting be adjourned.  
TIME 11:35 AM.

CARRIED

---

J. Stanhope, Chairperson