STAFF REPORT

TO: Committee of the Whole

FROM: Murray Walters
Manager, Water Services

FILE: 5500-22-SP-01

MEETING: January 14, 2020

SUBJECT: Petition Unsuccessful – San Pareil Water Service Area Expansion

RECOMMENDATION

That the residents of the San Pareil neighbourhood be informed that the petition to expand the water service area to include the 41 unconnected properties was not successful.

SUMMARY

There are 41 properties in the San Pareil area of Electoral Area G that are not connected to the community water system operated by Regional District of Nanaimo (RDN) in that area. In 2016 a group of residents requested the RDN allow them to connect to the system. The design of the expansion was completed in 2017 along with a construction cost estimate.

A Capital Cost Charge Bylaw was enacted in February 2019 to set the cost for joining the system. The total estimated cost to each property owner would be approximately $23,000. In April 2019, a public information meeting was held on the subject of expanding the water service area to include the additional 41 properties. In December 2019, a formal petition was sent to the 41 affected property owners. Approval by at least 50% of the affected property owners (i.e. 21 of 41) is required to proceed with the project. Only 10 owners indicated support for the project so the project will not proceed.

Residents of San Pareil will be informed of the result. A notice, for information only, will be provided to Island Health.

BACKGROUND

In 2016, requests were received by the RDN to investigate the inclusion of 41 properties in the San Pareil neighbourhood that are not currently part of the RDN’s San Pareil Water Service Area. The 41 properties are adjacent to and even surrounded in some cases by properties in the service area.

Each of the 41 properties is currently served by a shallow private well. Three property owners in the San Pareil neighbourhood have participated in the RDN’s Drinking Water and Watershed Protection’s well water testing program, and neither these results nor the results from the RDN’s production wells in the area show any issues with water quality.
The engineering design and construction cost estimate for the expansion of the service area, was completed in 2017. The capital cost charge bylaw establishing the cost for new properties to join the service area was enacted in 2019. Following the approval of the Capital Charge Bylaw, a public information session on the project was held in Parksville in April 2019.

A petition was delivered to each of the 41 property owners in early December 2019 seeking approval for a project to connect those properties in the San Pareil neighbourhood not currently connected to the Regional District of Nanaimo’s San Pareil Water Service Area. The total cost for a property owner to connect to the system, as described in the petition and supporting information, was about $23,000. This total included about $12,000 for watermain construction, about $7,400 for the Capital Cost Charge, and an estimated $3,600 for a new service line from the water meter into each house.

Of the 41 petitions delivered to the property owners, only 10 were returned. This is less than the 50% required (50% = 21 properties), and the project will not proceed.

Letters will be sent to the 41 property owners with this information, and a notice will be posted on the Regional District of Nanaimo (RDN) website to inform the residents whom are already part of the RDN’s San Pareil Water Service Area. A notice for information only will also be sent to the Nanaimo, Oceanside, Alberni-Clayoquot Medical Health Officer at the Vancouver Island Health Authority.

**ALTERNATIVES**

1. That the residents of the San Pareil neighbourhood be informed that the petition to expand the water service area to include the 41 unconnected properties was not successful.
2. Provide alternate direction.

**FINANCIAL IMPLICATIONS**

The RDN Board previously approved an allocation of $100,000 to this project from the Electoral Area G Community Works Fund, if the petition was successful. The project will not proceed, and the funds are available for other initiatives within the electoral area.

The engineering and design for this expansion was funded by a $25,000 allocation from the Electoral Area G Community Works Fund in 2017. $12,525 of this allocation was not spent and has been carried forward since 2017 to offset construction costs if the project was to go ahead. These funds will be available for other initiatives within the electoral area.

There are no other financial implications to the RDN or the property owners as a result of this outcome.
STRATEGIC PLAN IMPLICATIONS

Growth Management - Provide effective regional land use planning and responsible asset management for both physical infrastructure and natural assets.

Murray Walters
mwalters@rdn.bc.ca
January 2, 2020

Reviewed by:
• S. De Pol, Director, Water and Wastewater
• J. Hill, Manager, Legislative Services
• R. Alexander, General Manager, Regional and Community Utilities
• P. Carlyle, Chief Administrative Officer