STAFF REPORT

TO: Committee of the Whole
FROM: Deb Churko
Engineering Technologist
FILE: 5500-22-NBP-01

MEETING: May 12, 2020

SUBJECT: Nanoose Library Petitions for Water Connection

RECOMMENDATIONS

1. That the Board give three readings to “Nanoose Bay Peninsula Water Service Area Amendment Bylaw No. 867.09, 2020”.

2. That the Board give three readings to “Nanoose Bay Bulk Water Supply Local Service Area Amendment Bylaw No. 1049.10, 2020”.

SUMMARY

The owner of 2489 Nanoose Road (Friends of Nanoose Library Centre Society) (the “Library Society”) has petitioned the Regional District of Nanaimo (RDN) to have the Nanoose Library property included within the Nanoose Bay Peninsula Water Service Area in order to connect to the community water supply. Amendments to both the Nanoose Bay Water and Bulk Water service area boundaries are required. If approved, there will be no financial implications to the RDN. All costs required to construct a connection to the water system would be paid by the property owner, and the Capital Charges would be paid by Electoral Area Community Works Funds as directed previously by the Board.

BACKGROUND

The Nanoose Library is located at 2489 Nanoose Road in the Red Gap neighbourhood of Electoral Area E. The property consists of 0.48 hectares (1.19 acres) of cleared land, and the library occupies the single wood frame building on-site. A Location Plan is attached as Figure 1.

The library operates for the benefit of children, families, and retirees in the Nanoose Bay area. The property owner, the Library Society, is a non-profit entity with a board of directors and a small annual operating budget. This organization is not part of the Vancouver Island Regional Library network and therefore relies solely on volunteers and donations for continued operation.

Two washrooms are provided in the library building for public convenience. The library has utilized an on-site groundwater well for toilet flushing and hand-washing to date. New drinking water regulations in British Columbia require increased protection to public health. In this regard, Island Health has ordered extensive upgrades to the tap water available at the library, including the installation of primary and secondary disinfection units (i.e. chlorine and UV). The legal and financial implications of complying with the new drinking water regulations are cost-prohibitive for this small volunteer society. Consequently, the Library Society submitted a
petition to join both the Nanoose Bay Water Service Area and the Nanoose Bulk Water Service Area in order to connect to the RDN’s community water supply.

The *Nanoose Bay Official Community Plan (OCP) Bylaw No. 1400, 2005* supports servicing properties within the Red Gap village area. The library site is located within the designated *Urban Containment Boundary* identified as a priority area for RDN water service. The existing water service area boundary, a watermain, and a water connection stub are located at the property’s edge, thereby making the extension of and connection to the community water system straightforward.

The *Local Government Act* authorizes regional districts to impose a Capital Charge on property owners outside of a water service area who want to join an existing water system. The intent of the Capital Charge is to establish the value of the community water system at a point in time, so that any new connections are assessed a fair share of this value to “buy-in” to the existing water system, and to benefit from the valuable infrastructure already in place. At the November 12, 2019 inaugural Board meeting, a motion was adopted to bring the Nanoose Library Society property into the Nanoose Bay Peninsula Water Service Area, and that, subject to approval by the Union of BC Municipalities, the related Capital Charges of approximately $8,000 be funded through an allocation of Electoral Area ‘E’ Community Works Funds.

The following boundary amendment bylaws are attached to this report for consideration:

- Nanoose Bay Peninsula Water Service Area Amendment Bylaw No. 867.09, 2020; and

**ALTERNATIVES**

1. Adopt the water service area boundary amendment bylaws as proposed; or
2. Provide alternative direction to staff.

**FINANCIAL IMPLICATIONS**

No expenses would be incurred by the RDN to provide a water connection to the Nanoose Library property.

A $300 application fee has been paid to the RDN for a water service area boundary amendment request, pursuant to *Regional District of Nanaimo Planning Services Fees & Charges Bylaw No. 1259.04*.

A Capital Charge Bylaw for the Nanoose Bay Peninsula Water Service Area is currently being developed. At this time, the Capital Charge value is estimated to be approximately $8,000. The RDN Board approved a motion in November 2019 to pay the estimated $8,000 value of capital charges through an allocation of Electoral Area E Community Works Funds. Accordingly, a Capital Charge Deposit agreement was drawn up to allow the Nanoose Library to connect to the RDN water system for a nominal deposit of ten dollars. When the new Capital Charge Bylaw has been adopted (estimated for late 2020), the Library’s capital charge will be paid by the Community Works Fund allotment. This arrangement allows the library to connect to the community water service as soon as possible.

The cost of constructing a water line on private property and disconnecting the well from the library building will be the responsibility of the property owner. In addition, the property owner
will pay the RDN permit fees, a waterline inspection fee, and a water connection fee of $1,045.00.

The RDN recovers the annual costs of providing water service by charging parcel taxes (flat rate property taxes), and user fees (metered water usage). The parcel taxes are billed to property owners once per year through the Surveyor of Taxes Rural Tax Notice. The taxes for the Nanoose Bulk Water and the Nanoose Bay Peninsula Water Service Area were approximately $850/property in 2019. Metered water usage would be billed by actual water usage at the library. The minimum charge in 2019 was $127/year ($31/quarter).

STRATEGIC PLAN IMPLICATIONS

Social Wellbeing - Make the Region a safe and vibrant place for all, with a focus on children and families in programs and planning.

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Deb Churko
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April 21, 2020

Reviewed by:
• M. Walters, Manager, Water Services
• R. Alexander, General Manager, RCU
• P. Carlyle, Chief Administrative Officer

Attachments
1. Figure 1 - Location Plan
2. Nanoose Bay Peninsula Water Service Area Amendment Bylaw No. 867.09, 2020
3. Nanoose Bay Bulk Water Supply Local Service Area Amendment Bylaw No. 1049.10, 2020
Figure 1 – Location Plan

SUBJECT PROPERTY
Lot 9, District Lot 130,
NanOOSE Land District, Plan 22076
2489 NanOOSE Rd

D.L.5

D.L.6

D.L.130