

TO: Committee of the Whole **MEETING:** September 4, 2018

FROM: Murray Walters
Manager, Water Services **FILE:** 5500-22-NBP

SUBJECT: Madrona Reservoir Statutory Right-of Way Renewal with Island Timberlands

RECOMMENDATION

That the Board approve the renewal of the Statutory Right-of-Way and Road Use Agreement with Island Timberlands for the Madrona reservoir for five years.

SUMMARY

The Regional District of Nanaimo (RDN) operates the Madrona Reservoir as part of the Nanoose Bay Peninsula Water Service area. This equipment is located on Island Timberland's property via a Statutory Right-of-Way (SRW). The SRW agreement expired in 2014. This five year renewal would be valid until 2019.

As part of the SRW renewal, Island Timberlands will also provide the RDN with a Road Use Agreement (RUA) to formally allow water system operators access to the reservoir via their Northwest Bay Haul Road.

BACKGROUND

The Madrona Reservoir Statutory Right-of-Way (SRW) relates to PID #005-629-471 and dates back to 2008. The agreement has not been formally renewed since the term ended in 2014. Appropriate fees relative to the agreement were invoiced by Island Timberlands and paid by the RDN for the periods 2014/2015 and 2015/2016. The proposed five year renewal would be valid from June 1, 2014 until May 31, 2019. The proposed renewal is by letter referencing the original SRW, and is included as Attachment 1. Fees owing would be as follows:

2016/2017 \$1,389.74 + GST (1.2% increase over previous year)

2017/2018 \$1,420.31 + GST (2.2% increase over previous year)

2018/2019 \$1,451.56 + GST (2.2% increase over previous year)

It is anticipated that another five year renewal would be orchestrated in 2019.

The Road Use Agreement (RUA) is required to allow access to the Madrona Reservoir SRW via Island Timberland's Northwest Bay Haul Road. Originally the plan for access to this SRW was through Springford Farm. This proved to be problematic both with the landowner and steepness of the terrain. As a result, RDN staff have been using the haul road for access through verbal

(undocumented) agreement until this point. Island Timberlands has offered to formalize this arrangement by linking the RUA to the SRW at no additional cost. The RUA is similar to other agreements recently signed with Island Timberlands and is included as Attachment 2.

ALTERNATIVES

1. The Board approve the Madrona Reservoir Statutory Right of Way agreement with Island Timberlands, including the Road Use Agreement.
2. Provide alternate direction to staff.

FINANCIAL IMPLICATIONS

The fees for the SRW are budgeted within the Nanoose Bay Peninsula Water Service Area.

STRATEGIC PLAN IMPLICATIONS

This recommendation supports the effective operation of the RDN's Nanoose Bay water system and allows for the continuous provision of safe, sustainable drinking water. The Board's Strategic Plan recognizes the importance of water in supporting our economic and environmental health.



Murray Walters
mwalters@rdn.bc.ca
August 1, 2018

Reviewed by:

- S. De Pol, Director, Water and Wastewater Services
- R. Alexander, General Manager, Regional and Community Utilities
- P. Carlyle, Chief Administrative Officer

Attachments

1. RDN Madrona SRW renewal letter - May 2018 (Island Timberlands)
2. Madrona_Reservoir_RUA-May 2018 (Island Timberlands)