

July 14, 2016

File No. 5600-30-SWS/06

Dear Resident:

RE: Arbutus Ridge Wastewater System Upgrade Project

Further to the information presented by the Cowichan Valley Regional District (CVRD), at the June 22, 2016 AGM, the following provides a summary of the wastewater upgrade project and provides customers with details on the next steps in the project.

The central issue is that the disposal fields have reached the end of their service-able lifespan, partly due to faulty original construction, and have failed. This has been evident for some time as treated sewage has been surfacing on the ground of fairways 2 and 3 creating a public health and environmental concern and putting the system out of compliance with the Ministry of Environment's operating permit.

Over the past two years, the CVRD has worked with an engineering consulting company, and the Civil Works Committee, to investigate the failing system and provide long-term solutions. Three viable options were identified and are summarized below:

Option A. Replace the existing dispersal field trenches

- This work may be completed under the current operating permit with the Ministry of Environment
- Requires acquiring additional land to allocate for a standby field as the original land designated for the standby field is now disposal field 2
- The existing treatment infrastructure nearing the end of its serviceable lifespan would need eventual replacement

Option B. Replace the existing treatment infrastructure with **existing** technology and add components capable of producing Class A effluent

- Replace the existing disposal field with a smaller field (made possible because of the cleaner effluent generated by the treatment plant)
- Move from the existing Permit to Registration with the Ministry of Environment (some expense associated with this)

Option C. Replace the existing treatment infrastructure with **new** technology capable of producing Class A effluent

- Replace the existing disposal field with a smaller field (possible because of the cleaner effluent generated by the treatment plant)
- Move from the existing Permit to Registration with the Ministry of Environment (some expense associated with this)
- Option of using the treated effluent as irrigation on the golf course and elsewhere

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Together, with the Civil Works Committee, the option identified as providing the best, long-term sustainable solution is Option C. The high quality effluent will result in a smaller footprint for the disposal field (eliminating the requirement to secure a reserve field), as well as providing a longer lifespan for the disposal field.

The net cost for Option C is \$2,750,000 (Class D estimate). Assuming a conservative interest rate of 4% over a 25-year borrowing term this amount would result in monthly fees of \$62-65/month/household. This figure is comprised of approximately \$39 allocated for operation and maintenance and \$23-26 for borrowing costs. Current fees are \$34.80/month/household. An application for a grant has been submitted to the competitive New Building Canada fund and, if successful, would reduce the borrowing costs portion. Further, \$175,000 in gas tax has been awarded to the project by the CVRD board at the recommendation of your area Director Matteus Clement.

At this point, the CVRD welcomes any questions or concerns from members of the community. As the CVRD cannot borrow the required funds without approval from the community, it is important that customers are well informed and express any concerns to the CVRD. Please see the bottom of this letter for contact information should you want any clarification or would like to provide any feedback on the recommended option.

Provided that feedback from the community supports Option C, the next step in the process is to work with a consulting firm to prepare a more detailed cost estimate (Class C cost estimate). This more detailed cost will be reflected in a Petition process as a means for the CVRD to gain approval from the community to borrow the funds to perform the upgrade. A Petition form will be prepared and circulated to every household in Arbutus Ridge for signature. For the petition process to be successful a minimum of 50% of the property owners representing 50% of assessed property values must sign the petitions. We anticipate having the petition ready for distribution to residents in mid-March 2017.

Assuming the Petition process is successful, construction on the project would not likely commence until 2018, as detailed engineering design and the administrative portion of the project will take some time to complete.

As mentioned above questions and/or feedback is welcomed and may be directed to Lisa Dagenet or myself at 250-746-2530 or emailed to es@cverd.bc.ca or in person at the Engineering Department, second floor, 175 Ingram Street in Duncan.

Yours truly,

Brian Dennison, P.Eng., Manager,
Water Management Division
Engineering Services