



Agenda No: 6.8

Mtg. Date: October 26, 2015

TO: Regional Board
FROM: Chris Radford
Director of Community Services
DATE: October 19, 2015
SUBJECT: Westshore Water System – Reservoir Capital Project

Regional Board Report

Purpose: To provide a justification for the Westshore Water System budget amendment.

Executive Summary:

The Regional District of Central Okanagan 2015 – 2019 Financial Plan currently identifies \$318,000 for reservoir improvements in the Westshore Water System in 2016. Staff is recommending increasing the budget to \$848,000 in order to build two new reservoirs. The new reservoirs will replace the two existing reservoirs that service the entire Westshore Water System.

New reservoirs are the top capital priority for the Westshore Water System. Currently, the reservoirs that service the Westshore Water System are not able to be properly maintained and cleaned, corrosion of the construction material is thought to be negatively impacting water quality and resulting in leakage. In addition, constructing two new reservoirs will allow staff to ensure fireflow and peak flow capacity is also met. Overall, the Westshore reservoirs are far from meeting current construction standards.

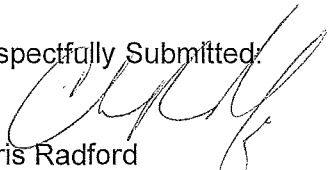
The primary reason for increasing the project scope and budget is to take advantage of the beneficial economies of scale that will result from combining the Westshore reservoirs project with the \$3,000,000 Killiney Beach Water System improvement project. Recent experience and feedback has indicated that in order to receive competitive pricing and widespread interest in rural construction projects it is beneficial to maximize the project size and value.

Capital reserve funds available for this project are shown in detail in the Budget Amendment report included in the Board package. Staff will be seeking approval in December to proceed with the project in Q1 of 2016, and will be reviewing the possible use of Community Works Funding during the 2016 Budget process.

RECOMMENDATION:

THAT the Regional Board receive the Westshore Water System – Reservoir Capital Project report for information.

Respectfully Submitted:


Chris Radford
Director of Community Services

Prepared by: Peter Rotheisler, Manager of Environmental Services

Approved for Board Consideration


Brian Reardon, CAO