



Town of Qualicum Beach

MEMO TO: Arrowsmith Water Service
Management Board

DATE: April 26, 2011

MEMO FROM: Arrowsmith Water Service
Management Committee

FILE: 5620-01-AWS

REFERENCE: AWS Program Manager Report

ISSUE

Designation of an AWS Program Manager to lead the implementation of the second phase of the AWS Project, which includes the proposed Englishman River intake, water treatment plant, aquifer storage and recovery system, and related water distribution components.

REFERENCE

- Table 2 – AWS Draft Implementation Plan

BACKGROUND

Since the commissioning of the Arrowsmith Lake Dam in 2000, City of Parksville Engineering and Operations staff have operated the AWS system on behalf of the AWS partners. Tasks associated with AWS policy matters, general administrative and budgeting reports, and meeting activities have been shared between the AWS partners.

More recently, the AWS engaged consulting services to prepare the Conceptual Planning, Budgeting and Scheduling Report (Capital Plan Study), also on this Management Board meeting agenda. In recent months, as this Study was being finalized, the level of involvement for AWS staff has significantly increased. Time-consuming activities have included review and resolution of technical comments pertaining to the Study, negotiations and acquisition of land for the treatment plant, public presentations, press releases, and development of a Communications Plan.

While support from the AWS partners is still necessary and expected, given the timing and complexity of the tasks ahead it is prudent that a Program Manager be appointed to lead the implementation of the components associated with the second phase of the AWS Project. The next phase of the project is a major capital and administrative initiative and represents a significant investment for the Joint Venture. As indicated in the attached Table 2, "AWS Draft Implementation Plan," 22 planning phase tasks are proposed for completion in 2011 in order to commission the new water treatment plant, intake, and related components, by 2016. To date, only a few of these tasks have been initiated. With year 2011 nearly one-third over, the project is falling behind schedule.

FINANCIAL IMPLICATIONS

The fully-burdened annual compensation (including salary and benefits), plus applicable expenses (i.e. vehicle allowance, travel expenses) for the Program Manager position, is estimated to be \$125,000. The AWS Program Manager will be needed full time to implement the AWS Project through commissioning in 2016. Therefore, the preliminary cost for this position is estimated as:

$$\$125,000 \times 5.5 \text{ years} = \mathbf{\$687,500}$$

Sufficient funds are available in the AWS 2011 Provisional Budget, approved on March 17, 2011, to fund the proposed AWS Program Manager position as a result of purchasing the water treatment plant site below the budget allocation. The 2011 Final Budget, and subsequent year budgets, will need to be adjusted to reflect AWS Program Manager compensation and expenses, subject to approval of the AWS Board.

RECOMMENDATIONS

1. The Arrowsmith Water Service Management Board approve the new position of “AWS Program Manager,” effective immediately;
2. The AWS Management Board authorize the AWS Management Committee to direct the Operator, (City of Parksville), to appoint and employ a qualified AWS Program Manager, such appointment subject to approval of the AWS Management Board;
3. The Operator be reimbursed from the AWS Operating Budget for AWS Program Manager compensation and expenses directly attributable to AWS activities.”

**Table 2 - Arrowsmith Water Service
Draft Implementation Plan**

| TIMELINE | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|------------|--|---|------|--|------|------|
| OBJECTIVES | PLANNING | | | | | |
| ACTIONS | <p>Land Negotiation / Land Acquisition / SRWs Liaise with DFO Liaise with MoE Liaise with VIAHA Permit Application Modify Water License Benchmark Testing Pilot Projects to determine Treatment Type Preliminary ASR Investigation Concept Design MoT Permit Approval E & N Permit Approval Grant Application Liaise with Senior Government Possible partnership with MoE on Groundwater Mapping Concept Design and Staging Groundwater Allocation Board Approval Public Participation Communication Strategy Open House Alternate Referendum Process</p> | DESIGN | | CONSTRUCTION AND COMMISSIONING | | |
| | | <p>Develop Terms of Reference Prepare Expressions of Interest Prepare Request for Proposals Treatment Selection Process Selection Product Selection Process Review Permitting Aquifer Storage Recovery (ASR) Review</p> | | <p>Contract Preparation Tender Award Project Management: - Inspection Reports - Construction Approvals - Progress Payments Testing Commissioning Reporting Construction Records Operation and Maintenance Documentation</p> | | |