



Making a difference...together

CEDAR LANE WATER SERVICE COMMISSION

Notice of Meeting on **Monday, October 31, 2022 at 10:00 AM**

Salt Spring Island Library Meeting Room, 129 McPhillips Avenue, Salt Spring Island, BC

Gary Holman

Jason Griffin

Cathy Lenihan

Marianne Hobbs

Zoom: <https://us06web.zoom.us/j/81930289351?pwd=SEVJTERUZWhaQW1WRXFpaUQxMENUdz09>

AGENDA

- 1. Territorial Acknowledgement / Call Meeting to Order**
- 2. Approval of Agenda** **1**
- 3. Adoption of the Minutes of October 7, 2021** **2-4**
- 4. Chair and Director Reports**
- 5. New Business**
 - 5.1 2023 Operating and Capital Budget** **5-21**

That the Cedar Lane Water Services Commission:

 1. Approve the 2023 operating and capital budget as presented and that the 2022 actual operating surplus or deficit be balanced on the 2022 Reserve Funds transfer (CRF and/or ORF).
 2. Recommend that the Electoral Area Committee recommend that the CRD Board approve the 2023 Operating and Capital Budget and the five-year Financial Plan for the Cedar Lane Water Service as presented.
 - 5.2 135 Kangro Road Water Licence Application for Proposed New Use**
- 6. Outstanding Business – None**
- 7. Election of Chair and Commissioners**
- 8. Next Meeting – TBD**
- 9. Adjournment**



Making a difference...together

Minutes of the Meeting of the Cedar Lane Water Service Commission
Held Thursday, October 7, 2021, Salt Spring Island Library 129 McPhillips Avenue,
Salt Spring Island, BC

Present: **CRD Director:** Gary Holman
Commission Members: Lynda Wilcox, Jason Griffin, Cathy Lenihan
Staff Present: Karla Campbell, Senior Manager, Salt Spring Island Electoral Area, Dean Olafson, Manager SSI Engineering, Lia Xu, Manager, Finance Services (via Zoom), Matthew McCrank, Senior Manager, Wastewater Infrastructure Operations, Wastewater Infrastructure Operations, Infrastructure Operations (via Zoom), and Shayla Burnham, Recording Secretary
DRAFT

1. Territorial Acknowledgement / Call Meeting to Order

Chair Griffin provided a Territorial Acknowledgement and called the meeting to order at 12:05 pm.

2. Limited Space Meeting Resolution

MOVED by Commissioner Griffin, **SECONDED** by Commissioner Lenihan, that this resolution applies to the Cedar Lane Water Service Commission for the meeting being held on October 7, 2021, and that the attendance of the public at the place of the meeting will be limited in accordance with the applicable requirements or recommendations under the Public Health Act, despite the best efforts of the Commission because:

- a. The available meeting facilities cannot accommodate more than (20) people in person, including members of the Commission and staff, and
- b. There are no other facilities presently available that will allow physical attendance of the Commission and the public in sufficient numbers; and

That the Commission is ensuring openness, transparency, accessibility and accountability in respect of the open meeting by the following means:

- a. By making the meeting agenda, as well as the other relevant documents, available on the CRD website, and directing interested persons to the website by means of the notices provided in respect of the meeting,
- b. By making the minutes of the meeting available on the CRD website following the meeting.

CARRIED

Commissioner Wilcox joined the meeting at 12:07 pm.

3. Approval of Agenda

MOVED by Commissioner Griffin, **SECONDED** by Commissioner Lenihan, that the Cedar Lane Water Service Commission meeting agenda of October 7, 2021 be approved as amended by adding Item 7.1 Water License Issue.

CARRIED

4. Approval of Minutes of November 5, 2020

MOVED by Commissioner Griffin, **SECONDED** by Commissioner Lenihan, that the Cedar Lane Water Service Commission approve the minutes of November 5, 2020 as presented.

CARRIED

5. Director, Chair and Commissioner Reports

Director Holman briefly reported:

- Provisional Budget to be approved by October 27, 2021 and Final Budget to be approved in March 2022.

Chair Griffin briefly reported:

- Expressed concern for a new well drilled on a private residence.

6. New Business

6.1 2022 Capital and Operating Budget

- 2021 operating expenses expected to be over budget by \$9,591.
- Debt expected to be retired in 2024.
- Three projects added to the 2022-2026 Cedar Lane Capital Plan:
 1. 21-03 Referendum or Alternative Approval Process – Funding for Manganese Removal Project and Others.
 2. 21-04 Public Engagement for Manganese Removal Project and Others.
 3. 21-05 New Water Treatment Plant Manganese Removal Construction.
- Staff confirmed that due to legal requirements rate payers must be asked when borrowing funds.
- Staff confirmed that Vancouver Island Health Authority (VIHA) could require the Capital Regional District (CRD) to complete work on the manganese removal system through a health order.
- Discussion regarding the Referendum, Alternative Approval Process and Positive Petition were discussed with the Commission requesting the low cost Positive Petition be used as a budget placeholder due to the low number of residents within the service area.

MOVED by Director Holman, **SECONDED** by Commissioner Wilcox, that the Cedar Lane Water Service Commission recommend maintaining the transfer to capital reserve at 2021 levels (\$2,170.00) and, reduce the estimated cost for voter to approval process in the capital plan from \$30,000 to \$15,000.

CARRIED

MOVED by Commissioner Griffin, **SECONDED** by Commissioner Wilcox, that the Cedar Lane Water Service Commission approve the 2022 operating and capital budget as amended, and that the 2021 actual deficit be carried forward to the 2022 operating budget to be recovered by revenue immediately.

CARRIED

MOVED by Commissioner Griffin, **SECONDED** by Commissioner Wilcox, that the Cedar Lane Water Service Commission recommend that the Electoral Area Services Committee recommend that the CRD Board approve the 2022 Operating and Capital Budget and the five-year Financial Plan for the Cedar Lane Water Service as amended.

CARRIED

- Grant funding opportunities were discussed.
- Staff confirmed that drought had impacted the reservoir cleaning and confirmed it would be completed by end of 2021.

Lia Xu left the meeting at 2:01 pm.

7. Outstanding Business

7.1 Water License Issue – discussed in item 5 Director, Chair and Commissioner Reports.

8. Adjournment

MOVED by Commissioner Griffin, **SECONDED** by Commissioner Wilcox, that the meeting be adjourned at 2:04 pm.

CARRIED

CHAIR

SENIOR MANAGER

**REPORT TO CEDAR LANE WATER SERVICE COMMISSION
MONDAY, OCTOBER 31, 2022**

SUBJECT **2023 Operating and Capital Budget**

ISSUE SUMMARY

To present the 2023 operating and capital budget. In accordance with Bylaw No 3505, "Cedar Lane Water Service Commission Bylaw No. 1, 2008" the Commission's approval of the annual budget is required.

BACKGROUND

The Capital Regional District (CRD) is required by legislation under the *Local Government Act* (LGA) to prepare an annual operating and capital budget and a 5-year financial plan including Operating Budgets and Capital Expenditure Plans annually. CRD staff have prepared the financial plan shown in Appendix A.

The Operating Budget includes the regular annual costs to operate the service. The Capital Expenditure Plan shows the anticipated expenditures for capital additions. These may include purchases of new assets or infrastructure, upgrades or improvements to existing assets or asset review and study work that could potentially lead to future capital improvements.

In preparing the Operating Budget, CRD staff considered:

1. Actual expenditures incurred between 2020 and 2022
2. Anticipated changes in level of service (if any)
3. Maximum allowable tax requisition
4. Annual cost per taxpayer and per SFE

Factors taken into consideration in the preparation of the Capital Expenditure Plan included:

1. Available funds on hand
2. Projects already in progress
3. Condition of existing assets and infrastructure
4. Regulatory, environmental and health and safety factors.

Adjustments for surpluses or deficits from 2022 may be made in January 2023. The CRD Board will give final approval to the budget and financial plan in March 2023.

The Financial Plan for the years 2024 – 2027 may be changed in future years.

BUDGET OVERVIEW

Operating Budget

It is projected that the 2022 operating expenses will be approximately \$4,414 under budget as one time variance mainly due to lower repair and maintenance and contract for services. It is projected that the 2022 operating revenue will be on budget.

As a result, there is an overall estimated operating surplus of approximately \$4,414. To balance the 2022 budget, it is proposed that the 2022 transfer to Capital Reserve Fund be increased by the actual surplus amount to support the capital projects.

The 2023 over 2022 operating costs (excluding 2022 one-time cyclical program funded by ORF - \$5,000) has been increased by \$1,118 (2.1%). The increase is primarily to account for inflation and increased labour charges.

Increased labour charges are a result of the addition of a dedicated 'on-island' Manager of Operations that will be based on Salt Spring Island and have operational oversight of all CRD local services on Salt Spring Island and Southern Gulf Islands. The total labour cost for this position will be cost shared among 14 local utility services on SSI and SGI. The primary drivers for this role are to address regulatory requirements, workload management, capital project coordination and integration and to provide additional oversight and support to worker health and safety.

Additionally starting in 2023, operations and maintenance services currently contracted to North Salt Spring Waterworks District will cease and through the addition of new CRD operations staff, CRD will take over on the service delivery. This results in a reduction in contracted services and an increase in labour charges of equal costs, no net impact on 2023 operating costs.

Municipal Finance Authority (MFA) Debt

Loan Authorization Bylaw 3425 to borrow \$168,000 was approved and adopted in 2007 for constructing new waterworks. \$60,000 of this loan authorization was issued in 2008 and retired in 2018. Table 1 below summarizes the detailed information for existing MFA debt issue related to LA3425.

Table 1 - Existing Debt Summary

<i>MFA Issues</i>	<i>Term</i>	<i>Borrowing Year</i>	<i>Retirement Year</i>	<i>Refinance Year</i>	<i>Original Interest Rate</i>	<i>Current Interest Rate</i>	<i>Principal</i>	<i>Principal Payment</i>	<i>Interest Payment</i>	<i>Total Annual Debt Cost</i>
LA3425-106	15	2009	2024	2019	4.13%	2.25%	\$108,000	\$5,394	\$2,430	\$7,824

Operating Reserve Fund

The Operating Reserve Fund is used to undertake maintenance activities that typically do not occur on an annual basis. Typical maintenance activities include hydrant/standpipe maintenance and reservoir cleaning and inspection and ground water well servicing. The operating reserve also funds the procurement of equipment and supplies that are not purchased on an annual basis. Additionally, the operating reserve could be used for emergency unplanned repairs.

It is proposed that 2023 transfers to the operating reserve fund be set at \$4,130 to ensure future maintenance activities are fully funded and an optimal reserve fund balance be maintained. There is \$20,000 of planned maintenance to be funded by the Operating Reserve Fund over the next five years.

The Operating Reserve Fund balance at the end of 2022 is projected to be approximately \$1,257.

Capital Reserve Fund

The Capital Reserve Fund is to be used to pay for capital expenditures that are not funded by other sources such as grants, operating budget, or debt.

It is proposed that transfers to the Capital Reserve Fund be set at \$15,000 in 2023. The reserve fund transfer planning is influenced by the funding required to support the five-year capital expenditure plan, the emergency response to infrastructure failures and guided by *Capital Reserve Funding Guidelines* endorsed by the CRD Board in aiming to achieve the optimal reserve fund level to ensure long-term prudent and sustainable management of service delivery objectives through capital investments.

The balance at the end of 2022 is projected to be approximately \$7,703.

Capital Expenditure Plan

The 5-year plan includes \$1,077,000 of expenditures to be funded from the Capital Reserve Fund, debt, and grant.

The following projects were added or updated in the 2023-2027 five-year capital plan:

1. Install New Exhaust System in WTP (24-01) - \$22,000
2. Analysis and Design for Replacement of AC Pipe (700 m) (25-01) - \$68,000
3. Demolition and Replacement of Mansell PS Building (26-02) - \$35,000
4. Construction for Replacement of AC Pipe (700 m) (26-01) - \$580,000
5. The budget for the design and construction of a back-up power system (21-01) was increased to reflect the costs more accurately from \$16,500 to \$112,000.

Table 2 below provides the future debt servicing cost simulation for analytical purposes with the indicative interest rate provided by MFA at the time of simulation

Table 2 – Future New Debt Simulation

<i>Future Borrowing(s) Estimation</i>	<i>Term</i>	<i>Borrowing Year</i>	<i>Retirement Year</i>	<i>Estimated Interest Rate</i>	<i>Principal</i>	<i>Principal Payment</i>	<i>Interest Payment</i>	<i>Total Annual Debt Cost</i>
	25	2023	2048	4.60%	\$90,000	\$2,635	\$4,140	\$6,775
	25	2025	2050	4.90%	\$68,000	\$1,991	\$3,332	\$5,323
	25	2026	2051	4.90%	\$290,000	\$8,490	\$14,210	\$22,700
	25	2027	2052	4.90%	\$290,000	\$8,490	\$14,210	\$22,700
Total					\$738,000	\$21,606	\$35,892	\$57,498

At the commencement of each loan, 1% of the gross amount borrowed is withheld and retained by MFA as Debt Reserve Fund (DRF). To provide the full amount to fund the capital project, this 1% DRF amount is budgeted in operating budget in the year of borrowing. However, there is no principal payment required in the year of borrowing. The estimated debt servicing cost of \$57,498 equates to approximately \$1,554 cost per parcel.

Capital Projects Fund

As specific capital projects are approved, the funding revenues for them are transferred into this Capital Project Fund from multiple funding sources if applicable, including Capital Reserve Fund (CRF), grant funding, external contributions, and debt. Any funds remaining upon completion of a project will be transferred back to its original funding source(s).

User Charge and Parcel Tax

The service is funded by parcel tax, fixed user charges and variable water consumption charge. Properties connected to the water system pay the annual user charge and all properties within the local service area are responsible for the parcel tax. The 2023 water rate for consumption charge remains unchanged from 2022.

Table 3 below summarizes the 2023 over 2022 changes for parcel tax and user fee.

Table 3 – Parcel Tax and User Charge Summary

<i>Budget Year</i>	<i>Parcel Tax</i>	<i>Taxable Folios Numbers</i>	<i>Parcel Tax per Folio*</i>	<i>User Charge</i>	<i>SFE Numbers</i>	<i>User Charge per SFE</i>	<i>Parcel Tax & User Charge</i>
2022	\$15,000	37	\$426.69	\$49,777	37	\$1,345.32	\$1,772.01
2023	\$16,200	37	\$460.82	\$55,300	39	\$1,417.95	\$1,878.77
Change (\$)	\$1,200	0	\$34.13	\$5,523	2	\$72.63	\$106.76
Change (%)	8.00%	0.00%	8.00%	11.10%	5.41%	5.40%	6.02%

* Includes the 5.25% admin fee charged by the Ministry of Finance (not CRD revenue)

RECOMMENDATION

That the Cedar Lane Water Services Commission:

1. Approve the 2023 operating and capital budget as presented and that the 2022 actual operating surplus or deficit be balanced on the 2022 Reserve Funds transfer (CRF and/or ORF).
2. Recommend that the Electoral Area Committee recommend that the CRD Board approve the 2023 Operating and Capital Budget and the five-year Financial Plan for the Cedar Lane Water Service as presented.

Submitted by	Karla Campbell, MBA, BPA, Senior Manager, Salt Spring Island Electoral Area
Submitted by	Jason Dales, B.Sc, WD IV, Senior Manager, Infrastructure Operations
Submitted by	Rianna Lachance, BCom, CPA, CA, Senior Manager Financial Services
Concurrence	Robert Lapham, MCIP, RPP, Chief Administrative Officer

JD/KC/RL/sb

Appendix A: [2023 Budget Cedar Lane Water Service Budget](#)

CAPITAL REGIONAL DISTRICT

2023 Budget

Cedar Lane Water (SSI)

Commission Review

OCTOBER 2022

Service: 2.628 Cedar Lane Water (SSI)

Committee: Electoral Area

DEFINITION:

To provide and operate water supply and distribution facilities for the Salt Spring Island Cedar Lane Water Service Area.
Bylaw 3424 (Oct 10, 2007)

PARTICIPATION:

Local Service Area #31, P(764)

MAXIMUM LEVY:

Greater of \$54,000 or \$4.76/ \$1,000 of actual assessed value of land and improvements to a maximum of \$137,327.

MAXIMUM CAPITAL DEBT:

Authorized:	LA Bylaw No. 3425 (Oct 10, 2007)	\$168,000
Borrowed:	SI Bylaw 3514 (Feb 13, 2008)	(\$60,000)
	SI Bylaw 3634 (Aug 12, 2009)	(\$108,000)
Remaining:		<u>\$0</u>

COMMISSION:

Cedar Lane Water Service Commission established by Bylaw 3505, Feb 13, 2008.

FUNDING:

Parcel Tax: Annual charge only on properties capable of being connected to the system.

User Charge:

Annual Fixed Fee per single family dwelling unit or equivalent.
The consumption charge for water will be the total volume of water metered to the water service connections, measured in cubic meters at the following rate:

- First 30 cubic metres or portion - \$2.50 / cubic metre
- Next 30 cubic metres or portion - \$9.00 / cubic metre
- Greater than 61 cubic metres - \$25.00 / cubic metre

RESERVE FUND BYLAW:

Cedar Lane Water Service Capital Reserve Fund, Bylaw #3582 (Nov 12, 2008).
Cedar Lane Water Service Operating Reserve Fund, Bylaw #4144 (Dec 14, 2016).

2.628 - Cedar Lane Water (SSI)		2022		BUDGET REQUEST				FUTURE PROJECTIONS			
		BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	2023 ONGOING	ONE-TIME	TOTAL	2024	2025	2026	2027
OPERATING COSTS											
Operations Contract	22,650	21,100	22,650	(13,220)	-	9,430	-	-	-	-	
Repairs & Maintenance	6,600	5,000	1,650	-	-	1,650	-	1,690	1,730	1,810	
Allocations	4,889	4,889	3,999	-	-	3,999	-	4,077	4,156	4,318	
Water Testing	3,100	2,640	3,162	-	-	3,162	-	3,225	3,290	3,355	
Electricity	4,670	4,670	4,810	-	-	4,810	-	4,910	5,010	5,210	
Supplies	1,570	1,460	1,610	-	-	1,610	-	1,640	1,670	1,730	
Labour Charges	11,464	11,000	11,500	14,750	-	26,250	-	35,510	36,210	37,680	
Other Operating Expenses	3,200	2,970	3,350	-	-	3,350	-	3,410	3,480	3,530	
TOTAL OPERATING COSTS	58,143	53,729	52,731	1,530	-	54,261	-	54,462	55,546	76,662	
*Percentage Increase over prior year			-9.3%	2.6%		-6.7%		0.4%	2.0%	38.0%	
DEBT / RESERVES										-24.6%	
Transfer to Capital Reserve Fund	2,170	6,584	15,000	-	-	15,000	-	18,000	30,500	28,000	
Transfer to Operating Reserve Fund	3,200	3,200	4,130	-	-	4,130	-	4,300	6,136	7,437	
MFA Debt Reserve Fund	30	30	930	-	-	930	-	30	710	2,930	
MFA Debt Principal	5,394	5,394	5,394	-	-	5,394	-	8,028	2,635	4,626	
MFA Debt Interest	2,430	2,430	3,465	-	-	3,465	-	6,570	4,973	11,025	
TOTAL DEBT / RESERVES	13,224	17,638	28,919	-	-	28,919	-	36,928	44,954	54,018	
TOTAL COSTS	71,367	71,367	81,650	1,530	-	83,180	-	91,390	100,500	130,680	
FUNDING SOURCES (REVENUE)										122,065	
Balance CFW from 2021 to 2022	10,090	10,090	-	-	-	-	-	-	-	-	
Transfers from Operations Reserve Fund	(5,000)	(5,000)	-	-	-	-	-	-	-	-	
Sales - Water	(11,500)	(11,500)	(11,500)	-	-	(11,500)	-	(11,500)	(11,500)	(11,500)	
User Charges	(49,777)	(49,777)	(53,770)	(1,530)	-	(55,300)	-	(62,210)	(69,920)	(78,590)	
Other Revenue	(180)	(180)	(180)	-	-	(180)	-	(180)	(180)	(180)	
TOTAL REVENUE	(56,367)	(56,367)	(65,450)	(1,530)	-	(66,980)	-	(73,890)	(81,600)	(110,270)	
REQUISITION - PARCEL TAX	(15,000)	(15,000)	(16,200)	-	-	(16,200)	-	(17,500)	(18,900)	(20,410)	
*Percentage Increase over prior year			0.0%	3.1%		0.0%		0.0%	0.0%	0.0%	
Sales			8.0%			11.1%		12.5%	12.4%	12.4%	
User Charge			8.0%			8.0%		8.0%	8.0%	8.0%	
Requisition			6.8%	2.0%		8.8%		9.9%	10.0%	10.1%	
Combined						8.8%				10.3%	

Cedar Lane Water (SSI)
 Reserve Summary Schedule
 2023 - 2027 Financial Plan

Reserve/Fund Summary						
	Estimated	Budget				
	2022	2023	2024	2025	2026	2027
Operating Reserve Fund	1,257	5,387	9,687	15,823	3,260	7,143
Capital Reserve Fund	7,703	20,703	13,703	44,203	7,203	26,303
Total	8,960	26,090	23,390	60,026	10,463	33,446

Reserve Schedule

Reserve Fund: 2.628 Cedar Lane Water (SSI) - Operating Reserve Fund - Bylaw 4144

Reserve fund used for: unforeseen operational repairs and maintenance; infrequent maintenance activities such as reservoir cleaning and inspection, hydrant maintenance and ground water well maintenance.

Reserve Cash Flow

Fund: Fund Centre:	1500 105208	Estimated	Budget				
		2022	2023	2024	2025	2026	2027
Beginning Balance		3,027	1,257	5,387	9,687	15,823	3,260
Transfer from Ops Budget		3,200	4,130	4,300	6,136	7,437	3,883
Expenditures		(5,000)	-	-	-	(20,000)	-
Planned Maintenance Activity		Well No.1 Inspection				Reservoir cleaning & inspection	
Interest Income*		30					
Ending Balance \$		1,257	5,387	9,687	15,823	3,260	7,143

Assumptions/Background:

* Interest is included in determining the estimated ending balance for the current year. Interest in planning years nets against inflation which is not included.

Reserve Schedule

Reserve Fund: 2.628 Cedar Lane Water (SSI) - Capital Reserve Fund

Bylaw 3582

Reserve Cash Flow

Fund: Fund Centre:	1076 102020	Estimated	Budget				
		2022	2023	2024	2025	2026	2027
Beginning Balance		42,387	7,703	20,703	13,703	44,203	7,203
Transfer from Ops Budget		6,584	15,000	18,000	30,500	28,000	19,100
Transfer from Cap Fund		-					
Transfer to Cap Fund		(41,500)	(2,000)	(25,000)	-	(65,000)	-
Interest Income*		233					
Ending Balance \$		7,703	20,703	13,703	44,203	7,203	26,303

Assumptions/Background:

Transfer as much as operating budget will allow.

* Interest is included in determining the estimated ending balance for the current year. Interest in planning years nets against inflation which is not included.

CAPITAL REGIONAL DISTRICT
FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2023 to 2027

Service No.	2.628							
	Cedar Lane Water (SSI)	Carry Forward from 2022	2023	2024	2025	2026	2027	TOTAL
EXPENDITURE								
Buildings		\$0	\$0	\$0	\$0	\$35,000	\$0	\$35,000
Equipment		\$0	\$22,000	\$0	\$0	\$0	\$0	\$22,000
Land		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures		\$110,000	\$165,000	\$117,000	\$128,000	\$320,000	\$290,000	\$1,020,000
Vehicles		\$0	\$0	\$0	\$0	\$0	\$0	\$0
		\$110,000	\$187,000	\$117,000	\$128,000	\$355,000	\$290,000	\$1,077,000
SOURCE OF FUNDS								
Capital Funds on Hand		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debenture Debt (New Debt Only)		\$0	\$90,000	\$0	\$68,000	\$290,000	\$290,000	\$738,000
Equipment Replacement Fund		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants (Federal, Provincial)		\$65,000	\$95,000	\$92,000	\$60,000	\$0	\$0	\$247,000
Donations / Third Party Funding		\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund		\$45,000	\$2,000	\$25,000	\$0	\$65,000	\$0	\$92,000
		\$110,000	\$187,000	\$117,000	\$128,000	\$355,000	\$290,000	\$1,077,000

CAPITAL REGIONAL DISTRICT
5 YEAR CAPITAL PLAN
2023 - 2027

Project Number: Project number format is "Yy-##" "Yy" is the last two digits of the year the project is planned to start. "##" is a numerical value. For example, 25-01 is a project planned to start in 2023.	For projects in previous capital plans, use the same project numbers previously assigned.
Capital Expenditure Type Study - Expenditure on feasibility and business case report. New - Expenditure on new asset only. Renewal - Expenditure on upgrading an existing asset and extends the service ability or enhances technology in deliverer that service. Replacement - Expenditure replaces an existing asset.	
Capital Project Title Initial project report (for example, "Asset Name - Road Replacement", "Main Water Pipe Replacement",	

Capital Project Description Briefly describe project scope and service benefits. <i>For example: "Full Road Replacement of a 40-year old road along the swimming pool area. The new road system is built current engine standards, designed to minimize maintenance and have an expected service life of 35 years".</i>	Project Objectives Maintain level of Service - Project maintains existing or improved level of service. Advance Board of Corporate Priority - Project is a Board or Corporate priority. Emergency - Project is required for health or safety reasons. Cost Benefit - Economic benefit to the organization.
Total Project Budget Provide the total project budget, even if it extends beyond the 5 years of this capital plan.	
Asset Class L - Land S - Engineering Structure B - Buildings V - Vehicles	
Funding Source Codes Debt = Debt/Revenue Debt (new debt only) EFF = Equipment Replacement fund Grant = Grants (Federal, Provincial) Capo = Capital Funds on Hand Other = Donations / Third Party Funding Res = Reserve fund STLom = Short term loans WU = Water Utility If there is more than one funding source, use additional rows for the project.	Long-term Planning Master Plan / Service Plan = Plan that identifies new assets required to meet future needs. Asset Management Plan / Sustainable Service Delivery Plan - Integrated plan that identifies asset replacements based on level of service, critically, condition, risk, replacement costs, as well as external impacts. Replacement Plan = Plan that identifies asset replacements based primarily on asset age or asset materiality/type. Condition Assessment = Assessment that identifies asset replacements based on asset condition.
Cost Estimate Class Class A (10-15%) = Estimate based on final drawings and specifications, used to evaluate tenders. Class B (15-25%) = Estimate based on investigations, studies or preliminary design, used for budget planning. Class C (25-40%) = Estimate based on limited site information, used for program planning. Class D (450%) = Estimate based on little/no site information, used for long-term planning.	

Service #:	2.628
Service Name:	Cedar Lane Water (SI)

[illegible]

Service: 2.628		Cedar Lane Water (SSI)	
Project Number 18-01		Capital Project Title Abandon unused wells	Capital Project Description Decommission wells
Project Rationale The original system drilled five wells, and two (well #1 and #5) are in production and operate separately. Wells that are no longer in use must be closed to avoid potential future aquifer contamination. Abandoning a well must be in accordance with Groundwater Protection Regulations			
Project Number 21-01		Capital Project Title Power generation equipment design and construction	Capital Project Description Design and construction of back up power generation for WWTP and Pump stations.
Project Rationale Design and construction of back up power generation for WWTP and Pump stations to maintain potable water service during power outages.			
Project Number 23-01		Capital Project Title Investigation for new groundwater sources	Capital Project Description Conduct study and site investigation to identify groundwater sources and new well location
Project Rationale Conduct study and site investigation to identify groundwater sources and new well location as the current wells are depleting. In the SAMP of April 2020 by McElhanney Consulting Services Ltd. It was noted that a new well will be required in the next 1 to 5 years at a cost of \$60K.			
Project Number 21-03		Capital Project Title Detailed Hydrogeological Assessment	Capital Project Description Conduct a detailed hydrogeological assessment of the Cedar Lane water system.
Project Rationale Detailed study of groundwater source, state of the aquifer, ground water balance and potential risks and concerns are required to support a sustainable groundwater supply for the residents of the Cedar Lane Water Service Area. Note that approval for a CWF grant was obtained on August 10th, 2020.			
Project Number 21-06		Capital Project Title WTP Manganese removal construction	Capital Project Description Construct and install manganese removal system
Project Rationale Health Canada has changed manganese limits. Maximum acceptable concentration (MAC) for total manganese in drinking water is 0.12 mg/L (120 µg/L). Cedar Lane water testing results can exceed this threshold value and sometimes double. There is some urgency to get this done as it is a potential health issue. SSI Engineering intends to get the design done (by third party consultant) in the last half of 2022.			

Install New Exhaust System WTP		
Project Number 24-01	Capital Project Title	Capital Project Description An exhaust system is required to remove dangerous gases before maintenance personnel enter the space.
Project Rationale An exhaust system is required to remove dangerous gases before maintenance personnel enter the space.		
Project Number 25-01	Capital Project Title AC Pipe Replacement Plan. Analysis and Design	Capital Project Description Analysis and Design for AC Pipe replacement. 500m.
Project Rationale Analysis and design to replace the asbestos cement piping distribution system. All such piping systems need to be replaced on SSI.		
Project Number 26-01	Capital Project Title AC Pipe Replacement Plan. Construction	Capital Project Description Construction of new pipelines to replace AC
Project Rationale Construction to replace the asbestos cement piping distribution system. All such piping systems need to be replaced on SSI.		
Project Number 26-02	Capital Project Title Mansell PS Building Upgrade	Capital Project Description Existing building requires upgrading.
Project Rationale The existing Mansell PS Building is in a state of disrepair and needs to be upgraded.		

2.628 Cedar Lane Water

Capital Projects

Updated @ Oct 04, 2022

Year	Project#	Status	Capital Project Description	Total Project Budget	Spending		Total Funding in Place
					Expenditure Actuals	Remaining Spending	
2019	CE.699.4505	Close	Safe Work Procedures	5,330	5,330	-	5,330
2020	CE.735.4503	Open	Power Generation Equipment-Study	5,000	49	4,952	5,000
2021	CE.780.4501	Open	Manganese Removal	61,500	13,435	48,065	61,500
2022	CE.780.4502	Open	Public Engagement for Mn Treatment Project	5,000	-	5,000	5,000
2022	CE.780.4503	Open	Referendum or APP for Mn Treatment Project	5,000	-	5,000	5,000
			Totals	81,830	18,814	63,017	81,830

Service:

2.628 Cedar Lane Water (SSI)

Committee: Electoral Area

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax</u>	<u>SFE's</u>	<u>User Charge*</u>	<u>Tax & Charges</u>	<u>Bylaw</u>	<u>Actual Assessments \$(000's)</u>
2012	37	\$826.44	37	\$763.11	\$1,589.55	3822	14,605.43
2013	37	\$615.94	37	\$763.11	\$1,379.05	3891	13,690.33
2014	37	\$615.94	37	\$763.11	\$1,379.05	3891	13,719.03
2015	37	\$615.85	37	\$763.24	\$1,379.09	3993	13,478.10
2016	37	\$615.85	37	\$763.24	\$1,379.09	4073	13,824.40
2017	37	\$644.59	37	\$774.89	\$1,419.48	4171	15,179.00
2018	37	\$604.93	37	\$854.89	\$1,459.82	4236	17,881.90
2019	37	\$372.36	37	\$960.81	\$1,333.17	4311	21,162.91
2020	37	\$339.95	37	\$991.86	\$1,331.81	4339	21,130.41
2021	37	\$285.14	37	\$1,163.43	\$1,448.57	4395	22,158.21
2022	37	\$426.69	37	\$1,345.32	\$1,772.01	4470	28,850.11
2023	37	\$460.82	39	\$1,417.95	\$1,878.77		

Change from 2022 to 2023

\$34.13	\$72.63	\$106.76
8.00%	5.40%	6.02%

* A variable consumption charge is paid in addition to the fixed user charge.

Cedar Lane Water Funding Analysis 2019 - 2023

