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**STICKS ALLISON WATER LOCAL SERVICE COMMITTEE**  
 Notice of Meeting on **Thursday, November 24, 2022 at 9:30 a.m.**  
 Goldstream Conference Room, 479 Island Highway, Victoria, BC

For members of the **public who wish to listen to the meeting** via telephone please call **1-833-353-8610** and enter the **Participant Code 1911461 followed by #**. You will not be heard in the meeting room but will be able to listen to the proceedings.

B. Russell (Chair)  
M. Menyhart

P. Brent, Electoral Area Director  
H. Schofield

J. Fenby

## AGENDA

### 1. APPROVAL OF AGENDA

### 2. ADOPTION OF MINUTES .....3

*Recommendation: That the minutes of the June 30, 2022 meeting be adopted.*

### 3. CHAIR'S REMARKS

### 4. PRESENTATIONS/DELEGATIONS

*The public are welcome to attend Committee meetings in-person.*

*Delegations will have the option to participate electronically. Please complete the [online](#) application for "Addressing the Board" on our website and staff will respond with details.*

*Alternatively, you may email your comments on an agenda item to the Sticks Allison Water Local Service Committee at [iwsadministration@crd.bc.ca](mailto:iwsadministration@crd.bc.ca).*

*Requests must be received no later than 4:30 p.m. two calendar days prior to the meeting.*

### 5. SENIOR MANAGER'S REPORT

### 6. COMMITTEE BUSINESS

#### 6.1. 2023 Operating and Capital Budget .....6

*Recommendation: That the Sticks Allison Water Local Service Committee:*

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

#### 6.2. Project and Operations Update .....21

*There is no recommendation. This report is for information only.*

*To ensure quorum, advise **Mikayla Risvold 250.474.9518** if you cannot attend.*

**Sticks Allison Water Local Service Committee  
Agenda – November 24, 2022**

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**7. CORRESPONDENCE**

**8. NEW BUSINESS**

**9. ADJOURNMENT**

**Next Meeting:** At the call of the Chair



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**MINUTES OF A MEETING OF THE Sticks Allison Water Local Service Committee, held Thursday, June 30, 2022 at 1 p.m., In the Goldstream Conference Room, 479 Island Highway, Victoria, BC**

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**PRESENT: Committee Members:** B. Russell (Chair); J. Fenby (EP); C. Menyhart (EP); H. Schofield (EP)

**Staff:** M. McCrank, Senior Manager, Wastewater Infrastructure Operations; I. Jesney, Senior Manager, Infrastructure Engineering; M. Risvold, Committee and Administrative Clerk (recorder)

**REGRETS:** P. Brent, Acting Electoral Area Director

EP = Electronic Participation

The meeting was called to order at 1:00 pm.

**1. APPROVAL OF AGENDA**

**MOVED** by J. Fenby, **SECONDED** by C. Menyhart,  
That the agenda be approved.

**CARRIED**

**2. ADOPTION OF MINUTES**

**MOVED** by J. Fenby, **SECONDED** by H. Schofield,  
That the minutes of the February 24, 2022 meeting be adopted.

**CARRIED**

Staff responded to a question from the committee regarding placing plywood protection over the asbestos cement (AC) pipes to avoid damage when very heavy vehicles, such as construction equipment, drive over top. Staff advised there is no evidence the pipe is at undue risk from vehicle traffic, even if by large machines.

**3. CHAIR'S REMARKS**

The Chair provided the following remarks:

- Climate change effecting the weather pattern
- Good water quality
- Thanked staff for addressing the committee's concerns

The committee requested receiving meeting notices and draft minutes earlier. Staff advised the standard is to produce the agenda and materials 72 hours prior to the meeting.

**4. PRESENTATIONS/DELEGATIONS**

There were none.

## **5. SENIOR MANAGER'S REPORT**

- **Bylaw No. 4448 – A Bylaw to Amend Appointments for the Sticks Allison Water Local Service Committee (Bylaw No. 2558)**

M. McCrank provided an overview of Bylaw 4448. He advised there will be two vacancies on the committee, and noted advertisements for vacancies will be posted in September for 30 days. Nominations will be recommended to the Board by the Electoral Area Director. The term will be for two years beginning January 1 of the subsequent year until December 31 of the following year. An overview was provided to the committee on the authority and expectations of committees. A meeting will take place in November to review the Operating and Capital Budget, and a date will be provided to the committee when has been determined.

- **Verbal discussion to introduce draft Local Service Area Water Conservation Bylaw**

M. McCrank introduced the draft Local Service Area Water Conservation Bylaw, advising it will likely be enacted in Spring 2023. He added that current water conservation measures are voluntary. The new bylaw will bring standardization throughout the local services and the ability to enforce conservation. The draft bylaw will be shared with the committee for review and comment prior to adoption.

Discussion ensued regarding rainwater conservation tanks.

## **6. COMMISSION BUSINESS**

### **6.1. Project and Operations Update**

Staff provided updates on capital projects and operations.

Discussion ensued regarding the number of connections in the water service.

Staff responded to a question from the committee regarding a previous leak. Staff advised a moderate to large leak can significantly impact a small system in terms of raw water resources and storage volumes.

Staff advised the Aquifer Impact Study (22-02) will be removed from the 2023 budget and noted that the previous minutes discussed postponing the Aquifer Impact Study, budgeted for \$5,000, indefinitely, pending the Islands Trust Aquifer Study results. Discussion ensued.

### **6.2. 2021 Annual Report**

M. McCrank introduced the 2021 Annual Report.

Staff responded to a question from the committee regarding production, demand and water sampling. Staff advised there has not been a need to introduce a proactive leak detection program for the service, and a major leak caused an increase in non-revenue water in 2021. The aquifer level is above average for July, however staff recommend the community remains vigilant with water conservation.

**Sticks Allison Water Local Service Committee  
Minutes – June 30, 2022**

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Stage 1 voluntary water conservation measures remain in the area. Water samples are taken quarterly, and the location is based on risk assessment. The production meter is read monthly and consumption is quarterly. Staff will review the ability of adding the metals water quality table to the website.

Discussion ensued regarding:

- Water supply level above average
- Manganese sampling location
- Frequency of sampling minerals
- Monthly connection readings

**7. CORRESPONDENCE**

There was none.

**8. NEW BUSINESS**

I. Jesney advised M. McCrank is leaving the CRD effective September 2022.

The Chair thanked M. McCrank for his service.

**9. ADJOURNMENT**

**MOVED** by B. Russell, **SECONDED** by J. Fenby,  
That the June 30, 2022 meeting be adjourned at 2:00 pm.

**CARRIED**

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**CHAIR**

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**SECRETARY**



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## REPORT TO STICKS ALLISON WATER LOCAL SERVICE COMMITTEE MEETING OF THURSDAY, NOVEMBER 24, 2022

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**SUBJECT**     **Sticks Allison Water Local Service 2023 Operating and Capital Budget**

### **ISSUE SUMMARY**

To present the 2023 Operating and Capital Budget for Committee approval, pursuant to Bylaw No 2558, "Sticks Allison Water Local Service Committee Bylaw No. 1, 1998."

### **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 five-year Financial Plan. CRD staff have prepared the budget and financial plan shown in Appendix A for the Sticks Allison Water Local Service.

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:

- Actual expenditures incurred between 2020 and 2022
- Anticipated changes in level of service (if any)
- Maximum allowable tax requisition
- Annual Cost per taxpayer and per single family equivalent (SFE)

Factors considered in the preparation of the Capital Expenditure Plan included:

- Available funds on hand
- Projects already in progress
- Condition of existing assets and infrastructure
- 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 years 2024 to 2027 may be changed in future years.

### **BUDGET OVERVIEW**

#### ***Operating Budget***

It is projected that the operating expenses in 2022 will be approximately \$618 over budget. The operating overage is primarily due to higher electricity costs related to the installation of heat trace equipment on the water treatment plant exterior piping that were damaged during the cold weather event in late 2021.

It is projected that the 2022 operating revenue will be on budget.

These result in an overall estimated operating deficit of \$618. To balance the 2022 operating budget, it is proposed that the 2022 transfer to the Operating Reserve Fund (ORF) be reduced by the actual deficit amount. This reduced reserve fund transfer results in a deficiency within the reserve funding target levels, which will require replenishment in 2023 and future years' planning. Otherwise, the resulting deficiency in 2022 must immediately be included as an expenditure (deficit carry forward) to be recovered from revenue in the 2023 financial plan as required by the *Local Government Act* Section 374(11).

The 2023 over 2022 operating costs (excluding 2022 and 2023 one-time cyclical program funded by ORF for well inspection and reservoir cleaning respectively) has been increased by \$3,984 (8.4%). The increase is primarily due to core inflation, an increase in energy charges as result of new electrical equipment and an increase in 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 (SSI) and have operational oversight of all CRD local services on Salt Spring Island and Southern Gulf Islands (SGI). 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.

### ***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, reservoir cleaning, 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 unplanned emergency repairs.

It is proposed that transfers to the operating reserve be set at \$7,500 to ensure future maintenance activities are fully funded and an optimal balance in the reserve fund be maintained. There is \$10,000 of planned maintenance to be funded by the operating reserve fund over the next five years. The ORF balance at the end of 2022 is projected to be \$1,862.

### ***Capital Reserve Fund (CRF)***

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

It is proposed that the budgeted transfer to the CRF be set at \$11,535 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 capital reserve balance at the end of 2022 is projected to be \$9,304.

### ***Capital Expenditure Plan***

The five-year plan includes \$25,000 of expenditures to be funded by the services' CRF. Service Line Replacements (22-01) will be installed in 2023 with a budget of \$5,000, and Source Water Surveillance (24-01) will be initiated with a budget of \$20,000 in 2024.

### ***Capital Projects Fund***

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

### ***User Charge and Parcel Tax***

The service is funded by parcel tax, fixed user charge, and variable water consumption charge. Properties connected to the water system pay the fixed 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 1 below summarizes the 2023 over 2022 changes for parcel tax and user charge.

**Table 1 – Parcel Tax and User Charge Summary**

| Budget Year | Parcel Tax | Taxable Folios Numbers | Parcel Tax per Folio* | User Charge | SFE Numbers | User Charge per SFE | Parcel Tax & User Charge |
|-------------|------------|------------------------|-----------------------|-------------|-------------|---------------------|--------------------------|
| 2022        | \$5,000    | 38                     | \$138.49              | \$62,804    | 36          | \$1,744.56          | <b>\$1,883.05</b>        |
| 2023        | \$5,100    | 38                     | \$141.26              | \$64,739    | 37          | \$1,749.70          | <b>\$1,890.96</b>        |
| Change (\$) | \$100      | 0                      | \$2.77                | \$1,935     | 1           | \$5.14              | <b>\$7.91</b>            |
| Change (%)  | 2.00%      | 0.00%                  | 2.00%                 | 3.08%       | 2.78%       | 0.29%               | <b>0.42%</b>             |

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

## **RECOMMENDATIONS**

That the Sticks Allison Water Local Service Committee:

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

|              |  |
|--------------|--|
| Submitted by | Jason Dales, BSc., WD IV, Senior Manager, Wastewater Infrastructure Operations |
| Submitted by | Rianna Lachance, BCom., CPA, CA, Senior Manager, Financial Services            |
| Concurrence  | Ian Jesney, PEng., Acting General Manager, Integrated Water Services           |
| Concurrence  | Ted Robbins, BSc., CTech., Chief Administrative Officer                        |

## **ATTACHMENT**

### **Appendix A: 2023 Sticks Allison Water Service Budget**



# **CAPITAL REGIONAL DISTRICT**

## **2023 Budget**

### **Sticks Allison Water**

#### **Commission Review**

NOVEMBER 2022

Service: 2.665      Sticks Allison Water (Galiano)

Committee: Electoral Area

#### DEFINITION:

To establish, acquire, operate and maintain a water supply system for the Sticks Allison Water Area. The service is to supply, treat, convey, store and distribute water. Local Service Area Bylaw No.2556 (January 28, 1998).

#### PARTICIPATION:

Local Service Area

#### MAXIMUM LEVY:

Greater of \$18,700 or \$2.27 / \$1,000 of actual assessed value of land and improvements. To a maximum of \$75,814.

#### MAXIMUM CAPITAL DEBT:

|                       |                             |            |         |            |
|-----------------------|-----------------------------|------------|---------|------------|
| AUTHORIZED TO BORROW: | LA Bylaw No. 2557           | 148,000    |         |            |
| BORROWED:             | SI Bylaw No. 2632 - Mar '99 | -20,000    | 15 Year | ended 2013 |
|                       | SI Bylaw No. 2684 - Dec '99 | -81,260    | 15 Year | ended 2014 |
| PREPAYMENT:           | \$3,895 x 12                | -46,740    |         |            |
| REMAINING:            |                             | <u>\$0</u> |         |            |

#### COMMISSION:

Sticks Allison Local Service Committee established by Bylaw No. 2558.

#### FUNDING:

|                     |   |
|---------------------|---|
| User Charge:        | Annual charge per single family equivalency unit connected to the system.<br>Excess Consumption Fee-for metered water use per service connection in excess of 136 cubic meters per three months: \$2.20 per cubic meter |
| Parcel Tax:         | Annual parcel tax levied only on properties capable of being connected to the system, and participating in debt servicing.  |
| Connection Charges: | Actual cost plus 15% administration fee - minimum connection of \$400   |

#### RESERVE FUND:

Capital Reserve Fund - Bylaw No. 2740.  
Operating Reserve Fund - Bylaw No. 4144.

| 2.665 - Sticks Allison Water         | 2022            |                  | BUDGET REQUEST  |                |                |                 | FUTURE PROJECTIONS |                 |                 |                 |
|--------------------------------------|-----------------|------------------|-----------------|----------------|----------------|-----------------|--------------------|-----------------|-----------------|-----------------|
|                                      | BOARD BUDGET    | ESTIMATED ACTUAL | CORE BUDGET     | ONGOING        | ONE-TIME       | TOTAL           | 2024               | 2025            | 2026            | 2027            |
| <u>OPERATING COSTS</u>               |                 |                  |                 |                |                |                 |                    |                 |                 |                 |
| Repairs & Maintenance                | 5,990           | 5,700            | 1,020           | -              | 5,000          | 6,020           | 6,030              | 1,040           | 1,050           | 1,060           |
| Allocations                          | 3,298           | 3,298            | 3,496           | -              | -              | 3,496           | 3,567              | 3,638           | 3,711           | 3,784           |
| Water Testing                        | 2,190           | 1,600            | 2,233           | -              | -              | 2,233           | 2,278              | 2,324           | 2,371           | 2,418           |
| Electricity                          | 1,390           | 3,000            | 2,500           | -              | -              | 2,500           | 2,550              | 2,600           | 2,650           | 2,700           |
| Supplies                             | 812             | 750              | 710             | -              | -              | 710             | 720                | 730             | 740             | 750             |
| Labour Charges                       | 35,000          | 35,000           | 35,000          | 2,380          | -              | 37,380          | 39,310             | 40,100          | 40,900          | 41,720          |
| Other Operating Expenses             | 3,840           | 3,790            | 4,165           | -              | -              | 4,165           | 4,240              | 4,320           | 4,400           | 4,490           |
| <b>TOTAL OPERATING COSTS</b>         | <b>52,520</b>   | <b>53,138</b>    | <b>49,124</b>   | <b>2,380</b>   | <b>5,000</b>   | <b>56,504</b>   | <b>58,695</b>      | <b>54,752</b>   | <b>55,822</b>   | <b>56,922</b>   |
| *Percentage Increase over prior year |                 |                  | -6.5%           | 4.5%           | 9.5%           | 7.6%            | 3.9%               | -6.7%           | 2.0%            | 2.0%            |
| <u>CAPITAL/RESERVES</u>              |                 |                  |                 |                |                |                 |                    |                 |                 |                 |
| Transfer to Operating Reserve Fund   | 6,000           | 5,382            | 7,500           | -              | -              | 7,500           | 7,000              | 7,000           | 7,000           | 7,000           |
| Transfer to Capital Reserve Fund     | 5,000           | 5,000            | 11,535          | -              | -              | 11,535          | 11,235             | 11,600          | 11,990          | 12,380          |
| <b>TOTAL CAPITAL / RESERVES</b>      | <b>11,000</b>   | <b>10,382</b>    | <b>19,035</b>   | <b>-</b>       | <b>-</b>       | <b>19,035</b>   | <b>18,235</b>      | <b>18,600</b>   | <b>18,990</b>   | <b>19,380</b>   |
| <b>TOTAL COSTS</b>                   | <b>63,520</b>   | <b>63,520</b>    | <b>68,159</b>   | <b>2,380</b>   | <b>5,000</b>   | <b>75,539</b>   | <b>76,930</b>      | <b>73,352</b>   | <b>74,812</b>   | <b>76,302</b>   |
| <u>FUNDING SOURCES (REVENUE)</u>     |                 |                  |                 |                |                |                 |                    |                 |                 |                 |
| Balance CFW from 2021 to 2022        | 9,984           | 9,984            | -               | -              | -              | -               | -                  | -               | -               | -               |
| Transfer from Operating Reserve Fund | (5,000)         | (5,000)          | -               | -              | (5,000)        | (5,000)         | (5,000)            | -               | -               | -               |
| Sales - Water                        | (600)           | (600)            | (600)           | -              | -              | (600)           | (600)              | (600)           | (600)           | (600)           |
| User Charges                         | (62,804)        | (62,804)         | (62,359)        | (2,380)        | -              | (64,739)        | (66,030)           | (67,352)        | (68,702)        | (70,082)        |
| Other Revenue                        | (100)           | (100)            | (100)           | -              | -              | (100)           | (100)              | (100)           | (100)           | (100)           |
| <b>TOTAL REVENUE</b>                 | <b>(58,520)</b> | <b>(58,520)</b>  | <b>(63,059)</b> | <b>(2,380)</b> | <b>(5,000)</b> | <b>(70,439)</b> | <b>(71,730)</b>    | <b>(68,052)</b> | <b>(69,402)</b> | <b>(70,782)</b> |
| <b>REQUISITION - PARCEL TAX</b>      | <b>(5,000)</b>  | <b>(5,000)</b>   | <b>(5,100)</b>  | <b>-</b>       | <b>-</b>       | <b>(5,100)</b>  | <b>(5,200)</b>     | <b>(5,300)</b>  | <b>(5,410)</b>  | <b>(5,520)</b>  |
| *Percentage increase over prior year |                 |                  |                 |                |                |                 |                    |                 |                 |                 |
| Sales                                |                 |                  | 0.0%            |                |                | 0.0%            | 0.0%               | 0.0%            | 0.0%            | 0.0%            |
| User Fee                             |                 |                  | -0.7%           | 3.8%           |                | 3.1%            | 2.0%               | 2.0%            | 2.0%            | 2.0%            |
| Requisition                          |                 |                  | 2.0%            |                |                | 2.0%            | 2.0%               | 1.9%            | 2.1%            | 2.0%            |
| <b>Combined</b>                      |                 |                  | <b>-0.5%</b>    | <b>3.5%</b>    |                | <b>3.0%</b>     | <b>2.0%</b>        | <b>2.0%</b>     | <b>2.0%</b>     | <b>2.0%</b>     |

Sticks Allison Reserves  
Summary Schedule  
2023 - 2027 Financial Plan

| Reserve/Fund Summary   |           |        |        |        |        |        |
|------------------------|-----------|--------|--------|--------|--------|--------|
|                        | Estimated | Budget |        |        |        |        |
|                        | 2022      | 2023   | 2024   | 2025   | 2026   | 2027   |
| Operating Reserve Fund | 1,862     | 4,362  | 6,362  | 13,362 | 20,362 | 27,362 |
| Capital Reserve Fund   | 9,304     | 15,839 | 7,074  | 18,674 | 30,664 | 43,044 |
| Total                  | 11,166    | 20,201 | 13,436 | 32,036 | 51,026 | 70,406 |

|                         |
|-------------------------|
| <b>Reserve Schedule</b> |
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|---|
| <b>Reserve Fund: 2.665 - Sticks Allison Water - Operating Reserve Fund - Bylaw 4144</b> |
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|   |
|---|
| Reserve fund used for: unforeseen operational repairs and maintenance; infrequent maintenance activities such as reservoir cleaning and inspection, hydrant maintenance and well inspections. |
|---|

|                          |
|--------------------------|
| <b>Reserve Cash Flow</b> |
|--------------------------|

| Fund: 1500<br>Fund Centre: 105215 | Estimated                     | Budget                            |                     |               |               |               |
|-----------------------------------|-------------------------------|-----------------------------------|---------------------|---------------|---------------|---------------|
|                                   | 2022                          | 2023                              | 2024                | 2025          | 2026          | 2027          |
| <b>Beginning Balance</b>          | 1,426                         | 1,862                             | 4,362               | 6,362         | 13,362        | 20,362        |
| <b>Transfer from Ops Budget</b>   | 5,382                         | 7,500                             | 7,000               | 7,000         | 7,000         | 7,000         |
| <b>Expenditures</b>               | (5,000)                       | (5,000)                           | (5,000)             | -             | -             | -             |
| Planned Maintenance Activity      | Well and well pump inspection | Reservoir cleaning and inspection | Hydrant maintenance |               |               |               |
| <b>Interest Income*</b>           | 53                            |                                   |                     |               |               |               |
| <b>Ending Balance \$</b>          | <b>1,862</b>                  | <b>4,362</b>                      | <b>6,362</b>        | <b>13,362</b> | <b>20,362</b> | <b>27,362</b> |

|                                       |
|---------------------------------------|
| <b><u>Assumptions/Background:</u></b> |
|---------------------------------------|

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

|                         |
|-------------------------|
| <b>Reserve Schedule</b> |
|-------------------------|

|   |
|---|
| <b>Reserve Fund: 2.665 Sticks Allison Water - Capital Reserve Fund - Bylaw 2740</b> |
|---|

|   |
|---|
| To provide for capital expenditures or in respect of capital projects and to provide redemption of debentures issued. |
|---|

|                          |
|--------------------------|
| <b>Reserve Cash Flow</b> |
|--------------------------|

| Fund: 1068<br>Fund Centre: 101890 | Estimated | Budget  |          |        |        |        |
|-----------------------------------|-----------|---------|----------|--------|--------|--------|
|                                   | 2022      | 2023    | 2024     | 2025   | 2026   | 2027   |
| Beginning Balance                 | 4,250     | 9,304   | 15,839   | 7,074  | 18,674 | 30,664 |
| Transfer from Ops Budget          | 5,000     | 11,535  | 11,235   | 11,600 | 11,990 | 12,380 |
| Transfer from Cap Fund            | -         |         |          |        |        |        |
| Transfer to Cap Fund              | -         | (5,000) | (20,000) | -      | -      | -      |
| Interest Income*                  | 54        |         |          |        |        |        |
| Ending Balance \$                 | 9,304     | 15,839  | 7,074    | 18,674 | 30,664 | 43,044 |

|                                       |
|---------------------------------------|
| <b><u>Assumptions/Background:</u></b> |
|---------------------------------------|

|   |
|---|
| * 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**

| <b>Service No.</b> | <b>2.665</b>                          | <b>Carry Forward from 2022</b> | <b>2023</b> | <b>2024</b> | <b>2025</b> | <b>2026</b> | <b>2027</b> | <b>TOTAL</b> |
|--------------------|---------------------------------------|--------------------------------|-------------|-------------|-------------|-------------|-------------|--------------|
|                    | <b>Sticks Allison Water (Galiano)</b> |                                |             |             |             |             |             |              |

**EXPENDITURE**

|                       |         |         |          |     |     |     |          |
|-----------------------|---------|---------|----------|-----|-----|-----|----------|
| Buildings             | \$0     | \$0     | \$0      | \$0 | \$0 | \$0 | \$0      |
| Equipment             | \$0     | \$0     | \$20,000 | \$0 | \$0 | \$0 | \$20,000 |
| Land                  | \$0     | \$0     | \$0      | \$0 | \$0 | \$0 | \$0      |
| Engineered Structures | \$5,000 | \$5,000 | \$0      | \$0 | \$0 | \$0 | \$5,000  |
| Vehicles              | \$0     | \$0     | \$0      | \$0 | \$0 | \$0 | \$0      |

|                |                |                 |            |            |            |                 |
|----------------|----------------|-----------------|------------|------------|------------|-----------------|
| <b>\$5,000</b> | <b>\$5,000</b> | <b>\$20,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$25,000</b> |
|----------------|----------------|-----------------|------------|------------|------------|-----------------|

**SOURCE OF FUNDS**

|                                 |         |         |          |     |     |     |          |
|---------------------------------|---------|---------|----------|-----|-----|-----|----------|
| Capital Funds on Hand           | \$0     | \$0     | \$0      | \$0 | \$0 | \$0 | \$0      |
| Debenture Debt (New Debt Only)  | \$0     | \$0     | \$0      | \$0 | \$0 | \$0 | \$0      |
| Equipment Replacement Fund      | \$0     | \$0     | \$0      | \$0 | \$0 | \$0 | \$0      |
| Grants (Federal, Provincial)    | \$0     | \$0     | \$0      | \$0 | \$0 | \$0 | \$0      |
| Donations / Third Party Funding | \$0     | \$0     | \$0      | \$0 | \$0 | \$0 | \$0      |
| Reserve Fund                    | \$5,000 | \$5,000 | \$20,000 | \$0 | \$0 | \$0 | \$25,000 |

|                |                |                 |            |            |            |                 |
|----------------|----------------|-----------------|------------|------------|------------|-----------------|
| <b>\$5,000</b> | <b>\$5,000</b> | <b>\$20,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$25,000</b> |
|----------------|----------------|-----------------|------------|------------|------------|-----------------|

CAPITAL REGIONAL DISTRICT  
5 YEAR CAPITAL PLAN  
2023 - 2027

|  |   |   |   |
|--|---|---|---|
| <b>Project Number</b><br>Project number format is "yy-##"<br>"yy" is the last two digits of the year the project is planned to start.<br>"##" is a numerical value. For example, 23-01 is a project planned to start in 2023.<br><br>For projects in previous capital plans, use the same project numbers previously | <b>Capital Project Description</b><br>Briefly describe project scope and service benefits.<br>For example: <i>"Full Roof Replacement of a 40 year old roof above the swimming pool area; The new roofing system is built current energy standards, designed to minimize maintenance and have an expected service life of 35 years".</i> | <b>Carryforward from 2022</b><br>Input the carryforward amount from the 2022 capital plan that is remaining to be spent. Forecast this spending in 2023 to 2027.  | <b>Project Drivers</b><br><b>Maintain Level of Service</b> = Project maintains existing or improved level of service.<br><b>Advance Board or Corporate Priority</b> = Project is a Board or Corporate priority.<br><b>Emergency</b> = Project is required for health or safety reasons.<br><b>Cost Benefit</b> = Economic benefit to the organization.  |
| <b>Capital Expenditure Type</b><br><b>Study</b> - Expenditure for feasibility and business case report.<br><b>New</b> - Expenditure for new asset only<br><b>Renewal</b> - Expenditure upgrades an existing asset and extends the service ability or enhances technology in delivering that service                  | <b>Total Project Budget</b><br>Provide the total project budget, even if it extends beyond the 5 years of this capital plan.  | <b>Funding Source Codes</b><br>Debt = Debenture Debt (new debt only)<br>ERF = Equipment Replacement Fund<br>Grant = Grants (Federal, Provincial)<br>Cap = Capital Funds on Hand<br>Other = Donations / Third Party Funding<br>Res = Reserve Fund<br>STLoan = Short Term Loans<br>WU = Water Utility<br>If there is more than one funding source, use additional rows for the project.   | <b>Long-term Planning</b><br><b>Master Plan / Servicing Plan</b> = Plan that identifies new assets required to meet future needs.<br><b>Asset Management Plan / Sustainable Service Delivery Plan</b> = Integrated plan that identifies asset replacements based on level of service, criticality, condition, risk, replacement costs as well as external impacts.<br><b>Replacement Plan</b> = Plan that identifies asset replacements based primarily on asset age or asset material/type.<br><b>Condition Assessment</b> = Assessment that identifies asset replacements based on asset condition. |
| <b>Capital Project Title</b><br>Input title of project. For example "Asset Name - Roof Replacement", "Main Water Pipe Replacement".  | <b>Asset Class</b><br><b>L</b> - Land<br><b>S</b> - Engineering Structure<br><b>B</b> - Buildings<br><b>V</b> - Vehicles  | <b>Cost Estimate Class</b><br>Class A (±10-15%) = Estimate based on final drawings and specifications; used to evaluate tenders.<br>Class B (±15-25%) = Estimate based on investigations, studies or preliminary design; used for budget planning.<br>Class C (±25-40%) = Estimate based on limited site information; used for program planning.<br>Class D (±50%) = Estimate based on little/no site information; used for long-term planning. |   |

Service #: 2.665

Service Name: Sticks Allison Water (Galiano)

| Project List and Budget |                          |  |  |                      |             |                |                        |         |          |      |      |      |                |
|-------------------------|--------------------------|--|--|----------------------|-------------|----------------|------------------------|---------|----------|------|------|------|----------------|
| Project Number          | Capital Expenditure Type | Capital Project Title                  | Capital Project Description  | Total Project Budget | Asset Class | Funding Source | Carryforward from 2022 | 2023    | 2024     | 2025 | 2026 | 2027 | 5 - Year Total |
| 22-01                   | New                      | Service Line Replacement (Provisional) | Replace failed/leaking service lines when required                 | \$5,000              | S           | Res            | \$5,000                | \$5,000 | \$0      | \$0  | \$0  | \$0  | \$5,000        |
| 24-01                   | New                      | Source Water Surveillance              | Construct source water surveillance for water quantity monitoring. | \$20,000             | E           | Res            | \$0                    | \$0     | \$20,000 | \$0  | \$0  | \$0  | \$20,000       |
|                         |                          |  |  |                      |             |                |                        |         |          |      |      |      |                |
|                         |                          |  |  |                      |             |                |                        |         |          |      |      |      |                |
|                         |                          |  | GRAND TOTAL  | \$25,000             |             |                |                        | \$5,000 | \$20,000 | \$0  | \$0  | \$0  | \$25,000       |



|          |       |                                |
|----------|-------|--------------------------------|
| Service: | 2.665 | Sticks Allison Water (Galiano) |
|----------|-------|--------------------------------|

|                   |   |                       |  |                             |  |
|-------------------|---|-----------------------|--|-----------------------------|--|
| Project Number    | 22-01   | Capital Project Title | Service Line Replacement (Provisional) | Capital Project Description | Replace failed/leaking service lines when required |
| Project Rationale | Funds are required to fund replacement of failed/leaking service lines. |                       |  |                             |  |

|                   |   |                       |                           |                             |  |
|-------------------|---|-----------------------|---------------------------|-----------------------------|--|
| Project Number    | 24-01   | Capital Project Title | Source Water Surveillance | Capital Project Description | Construct source water surveillance for water quantity monitoring. |
| Project Rationale | Funds are required to conduct a study with adjoining wells on the impacts to the aquifer to review long and short term viability. |                       |                           |                             |  |

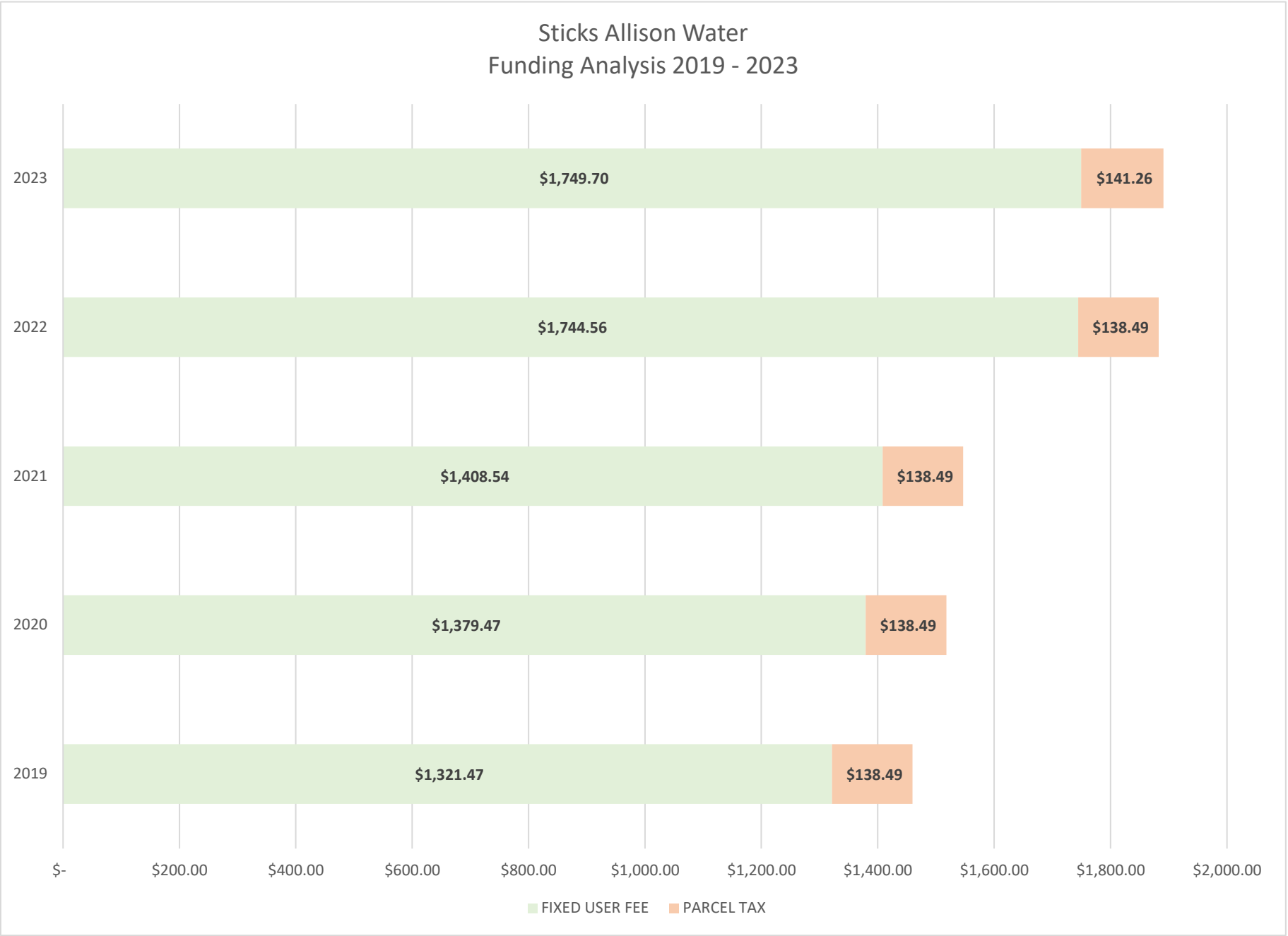
**2.665 - Sticks Allison Water****Capital Projects***Updated @ Oct 14, 2022*

| Year | Project#    | Capital Plan# | Status | Capital Project Description                           | Total Project Budget | Spending            |                    | Total Funding in Place |
|------|-------------|---------------|--------|---|----------------------|---------------------|--------------------|------------------------|
|      |             |               |        |   |                      | Expenditure Actuals | Remaining Spending |                        |
| 2021 | CE.787.1601 | 20-01         | Open   | Supply of Backup Generator Equipment                  | 17,500               | 15,787              | 1,713              | 17,500                 |
| 2021 | CE.787.1602 | 22-01         | Open   | Supply and Installation of Tank Water Level Equipment | 7,500                | 6,132               | 1,368              | 7,500                  |
|      |             |               |        |   |                      |                     |                    |                        |
|      |             |               |        |   |                      |                     |                    |                        |
|      |             |               |        | <b>Totals</b>   | <b>25,000</b>        | <b>21,918</b>       | <b>3,081</b>       | <b>25,000</b>          |

Service: **2.665 Sticks Allison Water**Committee: **Electoral Area**

| <u>Year</u> | <u>Taxable Folios</u> | <u>Parcel Tax</u> | <u>SFE's</u> | <u>User Charge*</u> | <u>Tax &amp; Charges</u> | <u>Bylaw</u> | <u>Actual Assessments \$(000's)</u> |
|-------------|-----------------------|-------------------|--------------|---------------------|--------------------------|--------------|-------------------------------------|
| 2011        | 26                    | \$339.39          | 34           | \$1,064.06          | <b>\$1,403.45</b>        | 3778         | 16,972.80                           |
| 2012        | 26                    | \$339.39          | 34           | \$1,066.18          | <b>\$1,405.57</b>        | 3823         | 17,006.80                           |
| 2013        | 26                    | \$339.39          | 34           | \$1,149.12          | <b>\$1,488.51</b>        | 3892         | 16,379.60                           |
| 2014        | 26                    | \$215.64          | 34           | \$1,149.12          | <b>\$1,364.76</b>        | 3924         | 14,813.40                           |
| 2015        | 26                    | \$215.76          | 34           | \$1,149.12          | <b>\$1,364.88</b>        | 3987         | 15,182.70                           |
| 2016        | 26                    | \$202.40          | 34           | \$1,274.84          | <b>\$1,477.24</b>        | 4074         | 15,026.10                           |
| 2017        | 38                    | \$138.49          | 34           | \$1,192.94          | <b>\$1,331.43</b>        | 4170         | 16,542.10                           |
| 2018        | 38                    | \$138.49          | 34           | \$1,274.71          | <b>\$1,413.19</b>        | 4233         | 18,810.10                           |
| 2019        | 38                    | \$138.49          | 34           | \$1,321.47          | <b>\$1,459.96</b>        | 4274         | 20,954.60                           |
| 2020        | 38                    | \$138.49          | 34           | \$1,379.47          | <b>\$1,517.96</b>        | 4337         | 21,810.80                           |
| 2021        | 38                    | \$138.49          | 35           | \$1,408.54          | <b>\$1,547.03</b>        | 4389         | 23,488.00                           |
| 2022        | 38                    | \$138.49          | 36           | \$1,744.56          | <b>\$1,883.05</b>        | 4471         | 33,398.30                           |
| 2023        | 38                    | \$141.26          | 37           | \$1,749.70          | <b>\$1,890.96</b>        |              |                                     |

**Change from 2022 to 2023**\$2.77  
2.00%\$5.14  
0.29%\$7.91  
0.42%**\* A variable consumption charge is paid in addition to the fixed user charge.**





Making a difference...together

## REPORT TO STICKS ALLISON WATER LOCAL SERVICE COMMITTEE MEETING OF THURSDAY, NOVEMBER 24, 2022

**SUBJECT**     Capital Project Status Reports and Operational Updates – November 2022

### **ISSUE SUMMARY**

To provide the Sticks Allison Water Local Service Committee with capital project status reports and operational updates.

### **BACKGROUND**

The Sticks Allison Water System is located on the north shore of Galiano Island in the Southern Gulf Islands Electoral Area and provides drinking water to approximately 35 customers. Capital Regional District (CRD) Integrated Water Services is responsible for the overall operation of the water system with day-to-day operation, design and construction of water system facilities provided by the CRD Infrastructure Engineering and Operations Division. The quality of drinking water provided to customers in the Sticks Allison Water System is overseen by the CRD Water Quality Section.

### **CAPITAL PROJECT UPDATE**

#### **22-01 | Service Line Replacement**

Project Description: Replace failed/leaking service lines.

Project Rationale: Funds are required to fund replacement of failed/leaking service lines.

Project Update and Milestones:

| <b>Milestone</b>   | <b>Completion Date</b>   |
|--|--------------------------|
| Operations will utilize funds to replace failed or leaking service lines | As and when needed basis |

### **OPERATIONAL UPDATE**

This is an operational update reporting period from June 2022 through October 2022.

- Troubleshooting and corrective maintenance performed on the chemical feed pump and sodium hypochlorite analyser.
- Primarily routine operations during this reporting period that include weekly checks of the water treatment plant/pump station and reservoir site; weekly water sampling and testing for chlorine residuals and turbidity and monthly bacteriological water sampling and testing.

**Sticks Allison Water Local Service Committee – November 24, 2022**  
**Capital Project Status Reports and Operational Updates – November 2022**

2

**RECOMMENDATION**

There is no recommendation. This report is for information only.

|               |   |
|---------------|---|
| Submitted by: | Jared Kelly, P.Eng., Manager, Capital Projects  |
| Submitted by: | Dan Robson, A.Sc.T., Manager, Saanich Peninsula and Gulf Islands Operations             |
| Concurrence:  | Joseph Marr, P.Eng., Acting Senior Manager, Infrastructure Engineering                  |
| Concurrence:  | Jason Dales, B.Sc., WD IV., Acting Senior Manager, Wastewater Infrastructure Operations |
| Concurrence:  | Ian Jesney, P.Eng., Acting General Manager, Integrated Water Services                   |