



Notice of Meeting and Meeting Agenda Magic Lake Estates Water and Sewer Committee

Thursday, November 13, 2025

11:30 AM

Goldstream Conference Room
479 Island Hwy
Victoria BC V9B 1H7

Members of the public can view the live meeting via MS Teams link: [Click here](#)

Alternatively, to hear the meeting via telephone:

Call: 1-877-567-6843 and enter the Participant Code 140 750 68#

B. Mongeon (Chair), P. Brent (EA Director), C. Aldridge Sanchez, J. Deschenes, M. Fossil,
S. Kobierski, H. Read

The Capital Regional District strives to be a place where inclusion is paramount and all people are treated with dignity. We pledge to make our meetings a place where all feel welcome and respected.

1. Territorial Acknowledgement

2. Approval of Agenda

3. Adoption of Minutes

3.1. [25-1180](#) Minutes of the Magic Lake Estates Water and Sewer Committee meeting of June 5, 2025

Recommendation: That the minutes of the Magic Lake Estates Water and Sewer Committee meeting of June 5, 2025 be adopted as circulated.

Attachments: [Minutes - June 5, 2025](#)

4. Chair's Remarks

5. Presentations/Delegations

The public are welcome to attend CRD meetings in-person.

Delegations will have the option to participate electronically. Please complete the online application at www.crd.ca/address no later than 4:30 pm two days before the meeting and staff will respond with details.

Alternatively, you may email your comments on an agenda item to the Committee at LegServ@crd.bc.ca.

6. Commission Business

6.1. [25-1139](#) Senior Manager's Verbal Update

Recommendation: There is no recommendation. This verbal update is for information only.

6.2. [25-1146](#) Capital Projects and Operational Update - November 2025

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

Attachments: [Staff Report: Capital Projects and Operational Update – November 2025](#)

6.3. [25-1092](#) Magic Lake Estates Water and Sewer Service 2026 Operating and
Capital Budget

Recommendation: That the Magic Lake Estates Water and Sewer Committee recommends that the Electoral Areas Committee recommend that the Capital Regional District Board approve the 2026 Operating and Capital Budget and the Five-Year Financial Plan for the Magic Lake Estates Water and Sewer Services as presented.

Attachments: [Staff Report: 2026 Operating and Capital Budget](#)
[Appendix A: 2026 Magic Lake Water Service Budget](#)
[Appendix B: 2026 Magic Lake Sewer Service Budget](#)

7. Notice(s) of Motion

8. New Business

9. Adjournment

The next meeting will be held in 2026.

To ensure quorum, please advise Megan MacDonald (mmmacdonald@crd.bc.ca) if you or your alternate cannot attend.

Meeting Minutes

Magic Lake Estates Water and Sewer Committee

Thursday, June 5, 2025

2:00 PM

Goldstream Conference Room
479 Island Hwy
Victoria BC V9B 1H7

PRESENT:

B. Mongeon (Chair), J. Deschenes, M. Fossil, S. Kobierski

STAFF: J. Marr, Senior Manager, Infrastructure Engineering; J. Dales, Senior Manager, Wastewater Infrastructure Operations; J. Kelly, Manager, Capital Projects; J. Starke, Manager, Southern Gulf Islands Service Delivery; M. MacDonald, Legislative Services Coordinator (Recorder)

EP - Electronic Participation

Regrets: P. Brent (EA Director), C. Aldridge Sanchez

The meeting was called to order at 2:23 pm.

1. Territorial Acknowledgement

Chair Mongeon provided a Territorial Acknowledgement.

2. Election of Vice Chair

MOVED by B. Mongeon, **SECONDED** by J. Deschenes,
That the Election of Vice Chair be deferred until the next meeting.
CARRIED

3. Approval of Agenda

MOVED by J. Deschenes, **SECONDED** by B. Mongeon,
That the agenda of the Magic Lake Estates Water and Sewer Committee meeting
of June 5, 2025 be approved.
CARRIED

4. Adoption of Minutes

- 4.1. [25-0652](#) Minutes of the Magic Lake Estates Water and Sewer Committee meeting
of February 11, 2025
- MOVED** by B. Mongeon, **SECONDED** by J. Deschenes,
That the minutes of the Magic Lake Estates Water and Sewer Committee meeting
of February 11, 2025 be adopted as circulated.
CARRIED

5. Chair's Remarks

There were no Chair's remarks.

6. Presentations/Delegations

There were no presentations or delegations.

7. Commission Business

7.1. [25-0650](#) Senior Manager's Verbal Update

J. Dales presented Item 7.1. for information, and provided the following updates:

- involvement of new Electoral Areas Services department
- introduction of new staff support personnel
- water conservation signage project ongoing, installation later this year

7.2. [25-0651](#) Capital Projects and Operational Update - June 2025

J. Dales, J. Marr and J. Kelly presented Item 7.2 for information.

Discussion ensued regarding:

- status of ongoing system repairs
- additional filtration membrane purchased and ready for install
- inflow and infiltration during storm events
- the Chair will follow up with staff regarding request for stormwater information

7.3. [25-0642](#) 2024 Annual Report

J. Dales presented item 7.3. for information.

Discussion ensued regarding:

- perfluoroalkoxy and polyfluoroalkyl substances (PFAS)
- monitoring PFAS levels in drinking water
- staff will provide the Chair with information on testing and monitoring PFAS

8. Notice(s) of Motion

There were no notice(s) of motion.

9. New Business

9.1. [25-0815](#) Meeting Logistics

**MOVED by B. Mongeon, SECONDED by J. Deschenes,
That future Magic Lake Estates Water and Sewer Committee meetings take place
beginning at 11:30 am.
CARRIED**

10. Adjournment

MOVED by B. Mongeon, **SECONDED** by M. FossI,
That the Magic Lake Estates Water and Sewer Committee meeting of June 5,
2025 be adjourned at 3:04 pm.
CARRIED

Chair

Recorder

REPORT TO MAGIC LAKE ESTATES WATER AND SEWER COMMITTEE MEETING OF NOVEMBER 13, 2025

SUBJECT Capital Projects and Operational Update – November 2025

ISSUE SUMMARY

To provide the Magic Lake Estates Water and Sewer Committee with capital project status reports and operational updates.

BACKGROUND

The Magic Lake Estates (MLE) Water and Sewer Systems are located on the south shore of north Pender Island in the Southern Gulf Islands Electoral Area, and provides drinking water services to approximately 1,082 customers, and wastewater services to approximately 651 customers. Capital Regional District (CRD) Infrastructure and Water Services is responsible for the overall operation of the water and wastewater systems with day-to-day operation, maintenance, design and construction of water and wastewater system facilities provided by the CRD Infrastructure, Planning and Engineering and Infrastructure Operations Divisions. The quality of drinking water provided to customers in the MLE Water System is overseen by the CRD Water Quality Division.

CAPITAL PROJECT UPDATE

Magic Lake Estates Water

26-02 | Water Treatment Plant (WTP) Process Pipe Condition Assessment

Project Description: Conduct updated condition assessment of process piping in the Water Treatment Plant (WTP) with potential repairs or segment replacement.

Project Rationale: Weld deficiencies identified following completion of the WTP in 2012/2013 resulted in a settlement and funds to be utilized for future corrective work or replacement. Funding has been reallocated for 2025 to review the condition and address the most critical deficiencies.

Project Update and Milestones:

- After a leak developed at a weld location, CRD drafted a scope of work and specifications for replacement of a segment of pipe that feeds Captain's Tank.
- Caird Mechanical Contractors Ltd. have visited the site and have been issued a purchase order to complete the fabrication and installation. Acuren is being contracted for weld inspection quality control.
- Piping has been factory fabricated and tested. Installation deferred until winter, to be facilitated in low demand season, and to align internal and contractor resourcing.

Milestone	Completion Date
Budget setup complete	March 2025
Specifications developed for segment replacement and Contractor site visit	April 2025
Target fabrication and testing	Q3 2025
Installation	Q4 2025 (Target)

21-04 | Buck Lake Dam Repairs – Phase 1

Project Description: Conduct additional inspections, minor repairs, and performance analysis highlighted in the 2019 Dam Safety Review. Phase 2 of the dam improvements is to be completed in the following five years.

Project Rationale: As a result from the Hatch 2019 Dam Safety Review, funds are required to conduct additional inspections, minor dam repairs, and performance analysis. Phase 2 dam improvements to be completed in the following five years.

The November 26, 2020, staff report outlines the detailed expenditure plan for Phase 1.

Project Update and Milestones:

- Detailed scope of work and acceptable options for preventing high live loads at Buck Lake Dam's west dam have been developed. This was reviewed during the 2022 annual inspection and a scope for warning signage is being proposed to be installed in 2023.
- Consultant was retained to conduct a dam breach analysis for both dams to confirm the dam flood area and improve the dam emergency plan. This report was finalized in January 2023.
- Operations to coordinate with CRD Protective Services so that dam emergencies are part of CRD's Public Alert Notification System (PANS).
- CRD staff are compiling required information for the Dam Emergency Plan and Operating and Maintenance Manuals. Updates were completed January 2023.
- In 2023, engineering assessed options for the installation of a v-notch weir to monitor lower flow seepage rates. This will continue with design work into 2024.
- Engineering consultant onboarded for design in July 2024.
- Design complete and weir plate fabrication underway in third quarter (Q3) 2024.
- Design complete and fabrication completed in Q4 2024.
- Construction could not be facilitated during the 2025 dry weather window due to resourcing constraints. Installation will be targeted for summer 2026.

Milestone	Completion Date
Consultant retained to conduct dam breach analysis	December 20, 2021
Draft Dam Breach Analysis Complete and Comments returned	July 14, 2022
Final Dam Breach Analysis Complete	January 2023
Design of Seepage Weir on West Dam	Q2 2024
Fabrication of Weir Plate Complete	Q4 2024
Installation	Q3 2026

WATER SYSTEM OPERATIONAL UPDATE

This is a water system operational update report from May through October 2025.

- Planned replacement of a failed hydrant isolation valve (MLE060 and MLE047) at Chart Drive and Shoal Road. Corrective work is funded by the Operating Reserve Fund (ORF). Additional failed isolation valves and hydrant drain valves have been identified at various locations that also require replacement and corrective maintenance. This work will be ongoing as resources allow.
- WTP remotely operated vehicle inspection completed on August 27. The planned work was funded by the ORF. The inspection noted visible sediment on floors and walls of both clear well concrete tanks including some unidentified minor debris at a few locations. Future tank cleaning is being planned based on the inspection observations.
- Replacement of the radio communications antenna located at Captains Tank. Unstable radio communications were affecting operations between the Magic Lake Raw Water Pump Station and the Magic Lake WTP resulting in emergency response.
- Installed new water conservation signage by a contractor with support from CRD Communications staff. The sign was fully funded by a grant provided through the Union of British Columbia Municipalities (UBCM). These fixed signs were installed in the same location as the previous fixed outdated signage located at the intersection of Schooner Way and Ketch Road.
- Magic Lake WTP corrective maintenance:
 - Replacement of dissolved air floatation (DAF) train 2 failed flocculator mechanical equipment.
 - Replacement of DAF train 2 actuated flow control valve.
 - Replacement of several large uninterruptible Power Supply UPS units.
- Water system leak repairs:
 - Privateers at Signal Hill (significant repair requiring external resources). Initial repairs completed during this reporting period, however additional repair work is required and planned for completion in November.
 - Privateers water service line leak repair.
 - Signal Hill water service line leak repair.
- Investigated ongoing concern from a resident of excessive water flowing along the ditch line near the intersection of Signal Hill Road and Spyglass Road. CRD Operations staff continue to monitor this site regularly with the primary goal of ruling out a water distribution system leak at this location.
- During regular weekly dam inspections, a significant hole was observed on the face of the Magic Lake dam structure. Action was taken immediately, as per the Magic Lake DEP, triggering a level 1 response that included engaging a technical representative who will prepare a work plan to address the issue and oversee the repairs as required by the Provincial Dam Regulators. Emergency dam repair work is not anticipated to commence until late November.
- Emergency response to a motor vehicle incident that occurred on August 21. A motor vehicle collided with the Bosun Water Booster Station causing significant damage to the wooden structure. The building internal equipment, including pipework and electrical systems, were inspected and no damage identified. Although the building structure sustained damage, there is minimal risk of the building collapsing. An insurance claim has been submitted, and repairs are being coordinated.

Magic Lake Estates Sewer Utility

21-01 | Wastewater Improvements – Pump Station and Treatment Plant Upgrades

Project Description: To complete the renewal, replacement and upgrades to aging and failing sewer infrastructure in the MLE sewer service area. The original scope was to upgrade six pump stations and to provide a second aeration tank and clarifier to Schooner Wastewater Treatment Plant (WWTP). The scope was revised during design and after the tender, due to several reasons including consultant recommendations, operational requests, and escalating costs. The final revised scope was to upgrade two existing pump stations, install a new pump station at Cannon, and install a new membrane bioreactor (MBR) wastewater treatment process at Schooner WWTP.

Project Rationale: Successfully received an Infrastructure Canada grant to complete upgrades on pump stations, install a new pump station at Cannon to pump to Schooner WWTP, and upgrade Schooner WWTP to treat flow from Cannon and renew many components to bring the wastewater system into compliance with environmental regulations.

Project Update and Milestones:

- In September of 2024, the new WWTP was partially commissioned and handed over to the CRD to operate and maintain. As commissioning continued, operational staff identified several deficiencies and additional required improvements, including facility treatment process optimization, programming adjustments, installation of an additional membrane cassette for increased plant capacity, and additional need for onsite technical equipment to monitor the new treatment process. Several occupational health and safety items were identified as needing to be addressed to comply with WorkSafeBC regulatory requirements as well. These safety and required improvement items were not fully identified until the operations of the facility commenced.
- The estimated cost to complete the required improvements is \$300,550 and is to be funded by interest earnings for a total revised project budget of \$11,953,815 from the original budget of \$11,653,265. This budget increase has been added to the 2025 capital plan through a Financial Plan Amendment, which was presented to the CRD Board for approval on November 12, 2025.

Milestone	Completion Date
Preliminary Design (30%)	September 2022
Detailed Design (90%)	December 2022
Tender Period	January 27 – March 14, 2023
Construction Period	May 2023 – November 2024
Commissioning Period	September - November 2024
Substantial Completion	December 10, 2024
Warranty Period	December 10, 2026



Schooner WWTP in Operation

WASTEWATER SYSTEM OPERATIONAL UPDATE

This is a wastewater system operational update report for May through October 2025.

- Operations of the new MBR WWTP:
 - Ongoing treatment optimization/commissioning continues.
 - Ongoing system familiarization and data collection continues.
 - Emergency response to an excessive foaming and wastewater spill event of the bioreactor. The sudden foaming event was attributed to biology treatment plant upset that resulted in the generation of wastewater foam and overflow from the bioreactor. It is suspected to have been caused by intrusion of toxic substance in the sewer collection system. Significant operational oversight was required to manage plant process during the upset.
- Operational support of the installation of an additional membrane cassette as part of the capital project. The additional cassette installation provides more treatment capacity for peak flow conditions.
- Operational planning to remove solids fouling from process tanks.
- Operations training for new wastewater treatment plant.

Table 1: Operating Permit Regulatory Non-compliance reporting for January through April 2025

Facility	May to October Reports Issued	Reports YTD 2025	Total Reports 2024	Cause
Schooner WWTP	2	3	13	Environmental Incidence Reports are issued typically because of: 1. Exceedance of permitted daily maximum flows (756m3/day). Flow exceedances are due to excessive collection system inflow and infiltration (I&I). 2. Exceedance of permitted total suspended solids (TSS) (<45mg/l) or biochemical oxygen demand (CBOD) and other federal regulatory requirements such as toxicity tests 3. Emergency facility bypasses due to equipment failure or inflows that exceed treatment equalization and emergency storage capacity.

RECOMMENDATION

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

Submitted by:	Jason Dales, B.Sc., WD IV., Senior Manager, Infrastructure Wastewater Operations
Concurrence:	Stephen Henderson, MBA., PG.Dip.Eng., BSc, General Manager, Electoral Area Services
Concurrence:	Alicia Fraser, P.Eng., General Manager, Infrastructure and Water Services

**REPORT TO MAGIC LAKE ESTATES WATER AND SEWER COMMITTEE
MEETING OF NOVEMBER 13, 2025**

SUBJECT **Magic Lake Estates Water and Sewer Service 2026 Operating and Capital Budget**

ISSUE SUMMARY

To present the 2026 Operating and Capital Budget for Committee review and recommendation for the approval of the Capital Regional District (CRD) Board and for inclusion in the CRD Five-Year Financial Plan, in accordance with Bylaw No. 2339 "Magic Lake Estates Water and Sewer Committee Bylaw 1995".

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 financial plans for the following services:

- Magic Lake Estates Water System Local Service (Appendix A).
- Magic Lake Estates Sewerage System Local Service (Appendix B).

The Operating Budgets include 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, improvements to existing assets, or asset review and study work potentially leading to future capital improvements.

In preparing the Operating Budget, CRD staff considered:

- Actual expenditures incurred between 2023 and 2025
- Anticipated changes in level of service (if any)
- Maximum allowable tax requisition
- Annual cost per taxpayer and per single family equivalent (SFE)

In preparing the Capital Expenditure Plan, CRD staff considered:

- Available funds
- Projects in progress
- Condition of existing assets and infrastructure
- Regulatory, environmental and health and safety factors

Adjustments for surpluses or deficits from 2025 may be made in January 2026. The CRD Board will give final approval to the budget and financial plan in March 2026.

The Financial Plan for the years 2027 to 2030 is forecasted and can be updated in future years.

BUDGET OVERVIEW

Magic Lake Estates Water System Local Service (Appendix A)

Operating Budget

It is projected that the 2025 operating expenses will be approximately \$139,300 over budget. Factors contributing to the operating overage include emergency response and corrective maintenance primarily due to the following events:

- Emergency response and repairs to the Magic Lake North Dam structure. During regular weekly dam inspections, a significant hole was observed on the face of the dam structure. Action was taken immediately, as per the Magic Lake Dam Emergency Plan (DEP), triggering a Level 1 response that included engaging a technical representative who prepared a work plan to address the issue and oversee the repairs as required by the Provincial Dam Regulators.
- Replacement of the radio communications antenna located at Captains Tank.
- Emergency replacement of the Captains Tank Remote Terminal Unit (RTU) Supervisory Control and Data Acquisition (SCADA) Pack.
- Water system leak repairs:
 - Privateers at Signal Hill (significant repair requiring external resources)
 - Privateers water service line leak repair
 - Signal Hill water service line leak repair
- Water Treatment Plant replacement of:
 - the flocculator gear box
 - the Dissolved Air Filtration (DAF) train 2 actuated flow control valve
 - several large Universal Power Supply (UPS) (back up power battery packs).
 - the Heating Venting Air Conditioning (HVAC) variable frequency drive electrical equipment
 - the failing SCADA server electronic equipment

It is projected that the 2025 operating revenue will be \$10,785 higher than budget primarily due to Municipal Finance Authority (MFA) debt reserve fund earnings from the debt retirement.

Consequently, there is an overall operating deficit of approximately \$128,515. To balance the operating budget at the end of year, the actual deficit will be first recovered by reducing 2025 reserve fund transfers, per funding availability, namely the Capital Reserve Fund (CRF) and/or the Operating Reserve Fund (ORF). The remaining deficit of \$88,515 that cannot be fully recovered by reserve transfers in 2025 must immediately be included as expenditure to be recovered from revenue in 2026 financial plan as required by LGA Section 374(11).

Operating costs for 2026 have increased by \$93,028 (11.9%) compared to 2025. Excluding one-time cyclical programs funded by the ORF in the amount of \$45,000 for fire hydrant corrective maintenance and Schooner Water Treatment Plant tank inspection in 2025; and \$40,000 for Captains and Frigate Tank cleaning and inspection in 2026. The increase is primarily to account for core inflation, and an ongoing labour adjustment to support additional staff allocation amounts for the operations and maintenance of the water system.

Municipal Finance Authority Debt

Loan Authorization Bylaw 3633 (LA3633) was approved and adopted in 2009 to borrow \$2,560,000 to upgrade water treatment and water systems. Table 1 below summarizes the detailed information for existing MFA debt issue related to LA3633.

MFA issue LA3633-110 for \$723,000 borrowing with \$48,066 annual interest and principal costs retires in 2025 and has been removed from Table 1.

Table 1 – Existing Debt Summary

MFA Issues	Term	Borrowing Year	Retirement Year	Refinance Year	Original Interest Rate	Current Interest Rate	Principal	Principal Payment	Interest Payment	Total Annual Debt Cost
LA3633-116	15	2011	2026	2021	4.20%	1.47%	\$250,000	\$13,420	\$1,838*	\$15,258
LA3633-121	15	2012	2027	2022	2.90%	3.39%	\$559,500	\$30,035	\$18,967	\$49,002
LA3633-124	15	2013	2028	2023	3.15%	4.52%	\$1,002,500	\$53,816	\$45,313	\$99,129
LA3633-126	15	2013	2028	2023	3.85%	4.52%	\$25,000	\$1,342	\$1,130	\$2,472
Total							\$1,837,000	\$98,613	\$67,248	\$165,861

*Spring borrowing; Interest payment is half in the year of retirement

Operating Reserve Fund

The ORF is used to fund cyclical maintenance activities, equipment and supplies purchases that typically do not occur on an annual basis to mitigate the swings in expense and revenue requirement year over year. Typical maintenance activities include hydrant/standpipe maintenance, reservoir cleaning and inspection, and ground water well servicing. Additionally, the ORF is used to respond to unforeseen events and operating emergencies.

The ORF transfers planned in the budget are evaluated and guided by the CRD Operating Reserve Guidelines endorsed by the CRD Board. The target balance for the service ranges from \$191,000 to \$436,000.

It is proposed that 2026 transfers to the ORF be set at \$61,250. The ORF balance at the end of 2025 is projected to be approximately \$5,646. There is \$90,000 of planned maintenance to be funded by the ORF over the next five years.

Capital Reserve Fund

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

The CRF transfers planned in the budget are evaluated and influenced by the funding required to support the five-year capital expenditure plan and the emergency response to infrastructure failures, also guided by the CRD Capital Reserve Funding Guidelines endorsed by the CRD Board. The target balance for the service to be maintained is approximately \$1,070,000.

It is proposed that the budgeted transfer to the CRF be set at \$48,910 in 2026. All outstanding issues related to the Water Treatment and System Upgrade project have been resolved and \$453,972 of surplus project funds and interest have been returned to the CRF. The CRF balance at the end of 2025 is projected to be \$770,964.

In addition to the general CRF outlined above, there is a separate reserve fund from the insurance settlement in 2021 of \$592,842, which is dedicated to fund the water treatment plant upgrades in the future. This balance at the end of 2025 is projected to be \$598,487.

Capital Expenditure Plan

The five-year plan includes \$4,025,000 of expenditures to be funded by a combination of capital on hand, the service's CRF, and future debt.

Proposed 2026 capital expenditures include continuation of Phase 1 Buck Lake Dam repairs (21-04), initiation of Phase 2 Buck Lake Dam repairs (26-01), ISOPAC (coagulant chemical)

permanent handling and storage improvements design work, Water Treatment Plant (WTP) Process Pipe condition assessment and upgrades, SCADA improvements, insulation efforts to Pressure Control Station (PCS) kiosks and Petition/Alternative Approval Process (26-03) to inform future borrowing.

Other future planned works include a Watermain Replacement program (27-01), Captains Tank Replacement and ISOPAC Permanent Handling and Storage (27-03), all funded by future debt, pending a successful Petition/Alternative Approval Process (26-03) to obtain elector input into this borrowing proposal.

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. The debt servicing is for three projects totaling \$3,325,000. Please refer to the 2026 through 2030 Five-Year Capital Plan for details.

Table 2 – Future New Debt Simulation

	Term	Borrowing Year	Retirement Year	Estimated Interest Rate	Principal	Principal Payment	Interest Payment	Total Annual Debt Cost
Future Borrowing(s) Estimation	25	2027	2052	4.85%	\$925,000	\$23,591	\$44,863	\$68,453
	25	2028	2053	4.85%	\$1,400,000	\$35,705	\$67,900	\$103,605
	25	2029	2054	4.85%	\$1,000,000	\$25,504	\$48,500	\$74,004
Total					\$3,325,000	\$84,800	\$161,263	\$246,062

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 \$246,062 equates to approximately \$205.74 cost per parcel.

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 its original non-CRF funding sources if required.

User Charge and Parcel Tax

The service is funded by fixed user charges, parcel taxes, and variable water consumption charges.

Properties connected to the water system pay the annual user charge and water consumption and all properties within the local service area are responsible for the parcel tax. The tiered water consumption rates remain unchanged from 2025. The water consumption charge is measured in cubic meters over a three-month billing period at the following tiered rates:

- Greater than 50 cubic meters - \$0.50 per cubic meter
- Greater than 80 cubic meters - \$1.50 per cubic meter

Table 3 below summarizes the 2026 over 2025 changes for parcel tax and user charge.

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>
2025	\$597,460	1196	\$525.77	\$427,931	1082	\$395.50	\$921.27
2026	\$701,965	1196	\$617.74	\$502,960	1082	\$464.84	\$1,082.58
Change (\$)	\$104,505	0	\$91.97	\$75,029	0	\$69.34	\$161.31
Change (%)	17.49%	0.00%	17.49%	17.53%	0.00%	17.53%	17.51%

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

** Single Family Equivalent

The 2026 fixed user charge per SFE and tired water consumption rates based on the budget recommended will be included in the fees and charges bylaw for approval by the CRD Board effective January 2026.

Magic Lake Estates Sewerage System Local Service (Appendix B)

Operating Budget

It is projected that the 2025 operating expenses will be approximately \$12,730 over budget. Factors contributing to the projected overage include emergency response and corrective maintenance primarily due to the following events:

- Higher energy use for new wastewater treatment plant (WWTP) due to more aeration and pumping required by the new membrane process.
- Several weather-related emergency responses affecting facility infrastructure and wastewater treatment processes that require environmental incident response and reporting.
- An unknown suspected contamination event in the sewer collection system created an emergency response at the WWTP causing biological upset and impacted production. The plant was attended to after hours and through a weekend to support the operation.
- Additional labour required to operate and maintain the additional equipment, increased monitoring to the process, and infrequent chemical addition.

It is projected that the 2025 operating revenue will be on budget.

As a result, there is an overall estimated operating deficit of approximately \$12,730. To balance the operating budget at the end of year, the actual deficit will be first recovered by reducing 2025 reserve fund transfers, per funding availability, namely the Capital Reserve Fund (CRF) and/or Operating Reserve Fund (ORF).

In the event the deficit cannot be fully recovered by reserve transfers in 2025, the deficit must immediately be included as expenditure to be recovered from revenue in 2026 financial plan as required by *Local Government Act* (LGA) Section 374(11).

Operating costs for 2026 (excluding 2026 one-time cyclical program funded by the Operating Reserve Fund (ORF) in the amount of \$12,000) have increased by \$85,801 (11.9%) compared to 2025. The increase is primarily to account for additional labour required to operate and maintain the new WTP, increased energy costs, lab supplies, and core inflation adjustments.

Municipal Finance Authority Debt

Loan Authorization Bylaw 4048 (LA4048) to borrow \$1,530,000 was approved and adopted in 2016 for the wastewater system renewal and upgrade. Table 4 below summarizes the detailed information for existing MFA debt issues related to LA4048.

Table 4 – Existing Debt Summary (applicable to all Properties in the service area)

<i>MFA Issues</i>	<i>Term</i>	<i>Borrowing Year</i>	<i>Retirement Year</i>	<i>Refinance Year</i>	<i>Interest Rate</i>	<i>Principal</i>	<i>Principal Payment</i>	<i>Interest Payment</i>	<i>Total Annual Debt Cost</i>
LA4048-139	10	2016	2026	NA	2.10%	\$745,000	\$64,987	\$15,645	\$80,632
LA4048-142	10	2017	2027	NA	3.15%	\$250,000	\$21,808	\$7,875	\$29,683
LA4048-146	10	2018	2028	NA	3.20%	\$535,000	\$46,668	\$17,120	\$63,788
Total						\$1,530,000	\$133,463	\$40,640	\$174,103

Loan Authorization Bylaw 4320 (LA4320), to borrow up to \$6,000,000, was approved and adopted in 2019 for WWTP Improvements. A one-time lump-sum special payment option was provided to the ratepayers, and 137 properties exercised the payment option. As the result, \$1,130,268 was collected from lump-sum payments. In 2021, total of \$3,760,000 was borrowed through two debt issuances, LA4320-153 in the spring and LA4320-156 in the fall, and another \$1,000,000 was borrowed through LA4320-157 in the spring of 2022 to finance the WWTP Improvements project. Only the properties that didn't exercise the one-time lump sum payment option will pay the debt servicing cost related to LA4320 for the debt term of 30 years.

Table 5 below summarizes the detailed information for existing MFA debt issues related to LA4320.

Table 5 – Existing Debt Summary (only applicable to properties no one-time payment received)

<i>MFA Issues</i>	<i>Term</i>	<i>Borrowing Year</i>	<i>Retirement Year</i>	<i>Refinance Year</i>	<i>Interest Rate</i>	<i>Principal</i>	<i>Principal Payment</i>	<i>Interest Payment</i>	<i>Total Annual Debt Cost</i>
LA4320-153	30	Spring 2021	2051	2031	2.41%	\$2,500,000	\$59,248	\$60,250	\$119,498
LA4320-156	30	Fall 2021	2051	2031	1.98%	\$1,260,000	\$29,861	\$24,948	\$54,809
LA4320-157	30	Spring 2022	2052	2032	3.36%	\$1,000,000	\$22,778	\$33,600	\$56,378
Total						\$4,760,000	\$111,887	\$118,798	\$230,685

Operating Reserve Fund

The ORF is used to fund cyclical maintenance activities, equipment and supplies purchases that typically do not occur on an annual basis to mitigate the swings in expense and revenue requirement year over year. Typical maintenance activities include sewer flushing, outfall inspections, and tank clean outs. Additionally, the ORF is used to respond to unforeseen events and operating emergencies.

The ORF transfers planned in the budget are evaluated and guided by the CRD Operating Reserve Guidelines endorsed by the CRD Board. The target balance for the service ranges from \$168,000 to \$384,000.

It is proposed that 2026 transfers to the ORF be set at \$20,520. The ORF balance at the end of 2025 is projected to be approximately \$47,993. There is \$67,000 of planned maintenance to be funded by the ORF over the next five years.

Capital Reserve Fund

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

The CRF transfers planned in the budget are evaluated and influenced by the funding required to support the five-year capital expenditure plan and the emergency response to infrastructure failures, also guided by the CRD Capital Reserve Funding Guidelines endorsed by the CRD Board. The target balance for the service to be maintained is approximately \$773,000.

It is proposed that the budgeted transfer to the CRF be set at \$46,000 in 2026. The capital reserve balance at the end of 2025 is projected to be approximately \$426,103.

Capital Expenditure Plan

The five-year plan includes \$3,960,000 of expenditures to be funded by a combination of capital on hand, the service's CRF, grants, and future debt. In 2026, \$295,000 in expenditures are forecasted, which is primarily for close-out costs associated with the larger WWTP and Pump Station improvements projects that were completed through 2025. This 2026 funding also includes a replacement towable generator. Other future planned works include:

- Renewal of Buccaneer, Capstan, Cutlass and Masthead pump stations (27-02), with some planning/design efforts within the five-year period funded by the CRF, and physical improvements to be deferred while seeking potential grant funding to support;
- Closed-circuit television (CCTV) inspections of asbestos cement (AC) pipe (28-01), funded by the CRF, with the intent of prioritizing pipelines for replacement; and
- AC Sewer Pipe Replacement (28-03) as a placeholder budget to begin replacement of AC sewer pipes. This program is proposed to be funded by future debt, which will be subject to a successful Alternative Approval Process (27-01) to obtain elector input into this borrowing proposal.

Table 6 below provides the future debt servicing cost simulation for analytical purposes with the indicative interest rate provided by the MFA at the time of simulation. The debt servicing is for two projects for a total of \$3,100,000. Part of the debt servicing is for the project 28-03 AC Sewer pipe replacement for a total estimated project budget of \$2,000,000. Only \$1,100,000 of debt planned in 2029 to 2030 is simulated in the table below as the remaining budget of another \$900,000 is outside the scope of the five-year 2026 through 2030 capital plan. Please refer to the 2026 to 2030 Five Year Capital Plan for details on these projects.

Table 6 – Future New Debt Simulation

	Term	Borrowing Year	Retirement Year	Estimated Interest Rate	Principal	Principal Payment	Interest Payment	Total Annual Debt Cost
Future Borrowing(s) Estimation	25	2028	2053	4.85%	\$800,000	\$20,403	\$38,800	\$59,203
	25	2029	2054	4.85%	\$1,300,000	\$33,155	\$63,050	\$96,205
	25	2030	2055	4.85%	\$1,000,000	\$25,504	\$48,500	\$74,004
Total					\$3,100,000	\$79,062	\$150,350	\$229,412

At the commencement of each loan, 1% of the gross amount borrowed is withheld and retained by the MFA as a 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 \$229,412 equates to approximately \$323.57 cost per parcel.

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 the 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 its original non-CRF funding sources if required.

User Charge and Parcel Tax

The service is mainly funded by user charge and parcel tax. Properties connected to the wastewater system pay the annual user charge and all properties within the local service area are responsible for the parcel tax. Table 7 below summarizes the 2026 over 2025 changes for parcel tax and user charge.

Table 7 – Parcel Tax 1 and User Charge Summary

Budget Year	Parcel Tax 1	Taxable Folios Numbers	Parcel Tax per Folio*	User Charge	SFE Numbers	User Charge per SFE	Parcel Tax & User Charge
2025	\$624,830	709	\$927.55	\$317,390	651	\$487.54	\$1,415.09
2026	\$725,071	709	\$1,076.36	\$368,240	651	\$565.65	\$1,642.01
Change (\$)	\$100,241	0	\$148.81	\$50,850	0	\$78.11	\$226.92
Change (%)	16.04%	0.00%	16.04%	16.02%	0.00%	16.02%	16.04%

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

In 2020, property owners were provided the option of paying a one-time lump sum of \$8,249.30 for their share of the cost of the WWTP Upgrade or to pay debt servicing costs over 30 years through parcel tax. The new debt servicing cost must be budgeted and levied separately through a second parcel tax roll (Parcel Tax 2) to facilitate a parcel tax levied only to those taxable folios that did not pay the lump-sum.

The estimated parcel tax on the second parcel roll (Parcel Tax 2), related to the debt servicing cost, is displayed in Table 8 below. Parcel Tax 2 excludes 137 folios that elected to pay the one-time lump sums totaling \$1,130,268.

Table 8 – Parcel Tax 2 Summary – New Debt Only

Budget Year	Parcel Tax 2	Taxable Folios Numbers	Parcel Tax per Folio*
2025	\$229,484	573	\$421.52
2026	\$229,484	573	\$421.52
Change (\$)	0	0	0
Change (%)	0.00%	0.00%	0.00%

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

A summary of total parcel tax (1 and 2) and user charge arranged by payment option on new debt is displayed in table 9 below.

Table 9 – Comparative - Total Parcel Tax and User Charge per Folio by Payment Option

Parcel Tax and User Charge	2025	2026 Lump-sum option			2026 Debt-servicing option		
		Amount	Change (\$)	Change (%)	Amount	Change (\$)	Change (%)
Parcel Tax 1	\$927.55	\$1,076.36	\$148.81	16.04%	\$1,076.36	\$148.81	16.04%
Parcel Tax 2	\$421.52				\$421.52	\$0.00	\$421.52
User Charge	\$487.54	\$565.65	\$78.11	16.02%	\$565.65	\$78.11	16.02%
Total	\$1,836.61	\$1,642.01	\$226.92	16.04%	\$2,063.53	\$226.92	12.36%

The 2026 fixed user charge per SFE based on the budget recommended will be included in the fees and charges bylaw for approval by the CRD Board effective January 2026.

ALTERNATIVES

Alternative 1

That the Magic Lake Estates Water and Sewer Committee recommends that the Electoral Areas Committee recommend that the Capital Regional District Board approve the 2026 Operating and Capital Budget and the Five-Year Financial Plan for the Magic Lake Estates Water and Sewer Services as presented.

Alternative 2

That the Magic Lake Estates Water and Sewer Committee recommends that the Electoral Areas Committee recommend that the Capital Regional District Board approve the 2026 Operating and Capital Budget and the Five-Year Financial Plan for the Magic Lake Estates Water and Sewer Services as amended.

RECOMMENDATION

That the Magic Lake Estates Water and Sewer Committee recommends that the Electoral Areas Committee recommend that the Capital Regional District Board approve the 2026 Operating and Capital Budget and the Five-Year Financial Plan for the Magic Lake Estates Water and Sewer Services as presented.

Submitted by:	Jason Dales, B.Sc., WD IV, Senior Manager, Wastewater Infrastructure Operations
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer & General Manager, Finance & Technology
Concurrence:	Stephen Henderson, General Manager, Electoral Area Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT(S)

Appendix A: 2026 Magic Lake Water Service Budget
 Appendix B: 2026 Magic Lake Sewer Service Budget

CAPITAL REGIONAL DISTRICT

2026 Budget

Magic Lake Water

Commission Review

NOVEMBER 2025

Service: **2.630 Magic Lake Estates Water**

Committee: **Electoral Area**

DEFINITION:

LSA -1 To provide and operate water supply and distribution facilities for the Magic Lake Estates Water System.
Specified Area on North Pender Island. Bylaw No. 1874 (June 11, 1991).

PARTICIPATION:

Local Service Area # 1 - D(764) LSA #9.

MAXIMUM LEVY:

Greater of \$160,000 or \$3.50 / \$1,000 of actual assessed value of land and improvements.

MAXIMUM CAPITAL DEBT:

AUTHORIZED:	LA Bylaw No. 3633 (Nov 2009).		\$	2,560,000
BORROWED:	SI Bylaw 3677 (Feb 2010).	Matures in 2025	\$	(723,000)
BORROWED:	SI Bylaw 3769 (Feb 2011).	Matures in 2026	\$	(250,000)
BORROWED:	SI Bylaw 3850 (Aug 2012).	Matures in 2027	\$	(559,500)
BORROWED:	SI Bylaw 3882 (Apr 2013).	Matures in 2028	\$	(1,002,500)
BORROWED:	SI Bylaw 3910 (July 2013).	Matures in 2028	\$	(25,000)
REMAINING AUTHORIZATION:			\$	<u>0</u>

COMMITTEE:

Magic Lake Estates Water & Sewer Committee established by Bylaw No. 1870 (November 28, 1990).

FUNDING:

Any deficiencies after user charge and/or frontage tax or parcel tax to be levied on taxable school assessments.

User Charge: Annual charge per single family equivalency unit connected to the system.
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:

- Greater than 50 cubic metres - \$0.50 / cubic metre
- Greater than 80 cubic metres - \$1.50 / cubic metre

Parcel Tax: LSA-1 Annual charge only on properties capable of being connected to the system.

Turn on/Turn Off Fee: \$0 during normal working hours; \$25 outside of normal working hours

Connection Charges: Actual Engineering and Construction costs, plus 15% Administration costs. The minimum charge is \$500

RESERVE FUND:

Magic Lake Estates - Water System Capital Reserve Fund. Bylaw No. 1498

Magic Lake Estates - Water System Operating Reserve Fund. Bylaw No. 4144

APPENDIX A

2.630 - Magic Lake Water	2025		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2027	2028	2029	2030
<u>OPERATING COSTS</u>										
Repairs & Maintenance	71,470	114,300	23,150	-	40,000	63,150	48,610	49,070	24,560	25,050
Allocations	59,519	59,519	64,004	-	-	64,004	65,225	66,562	67,909	69,304
Water Testing	22,060	26,560	22,782	-	-	22,782	23,436	24,109	24,803	25,516
Electricity	54,050	45,000	56,080	-	-	56,080	57,200	58,340	59,510	60,700
Supplies	64,450	69,310	71,800	-	-	71,800	73,240	74,700	76,200	77,720
Labour Charges	488,120	580,000	517,441	50,000	-	567,441	578,787	590,357	602,169	614,210
Other Operating Expenses	65,050	69,330	67,492	-	-	67,492	69,328	71,171	73,083	75,046
TOTAL OPERATING COSTS	824,719	964,019	822,749	50,000	40,000	912,749	915,826	934,309	928,234	947,546
*Percentage Increase over prior year			-0.2%	6.1%	4.9%	10.7%	0.3%	2.0%	-0.7%	2.1%
<u>DEBT / RESERVES</u>										
Transfer to Operating Reserve Fund	26,885	26,885	61,250	-	-	61,250	90,000	100,000	100,000	100,000
Transfer to Capital Reserve Fund	40,000	-	48,910	-	-	48,910	121,545	147,815	178,255	175,490
MFA Debt Reserve Fund	1,070	1,070	850	-	-	850	9,980	14,470	10,000	-
MFA Debt Principal	137,425	137,425	98,613	-	-	98,613	85,193	78,749	59,296	84,800
MFA Debt Interest	73,712	73,712	67,248	-	-	67,248	76,626	85,624	124,888	161,263
TOTAL DEBT / RESERVES	279,092	239,092	276,871	-	-	276,871	383,344	426,658	472,439	521,553
TOTAL COSTS	1,103,811	1,203,111	1,099,620	50,000	40,000	1,189,620	1,299,170	1,360,967	1,400,673	1,469,099
*Percentage Increase over prior year			-0.4%	4.5%	3.6%	7.8%	9.2%	4.8%	2.9%	4.9%
<u>FUNDING SOURCES (REVENUE)</u>										
Estimated Balance c/fwd from 2025 to 2026	-	(88,515)	-	-	88,515	88,515	-	-	-	-
Transfer from Operating Reserve Fund	(45,000)	(45,000)	-	-	(40,000)	(40,000)	(25,000)	(25,000)	-	-
Sales - Water	(22,000)	(22,000)	(22,000)	-	-	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)
User Charges	(427,931)	(427,931)	(445,050)	(21,000)	(36,910)	(502,960)	(518,050)	(543,950)	(571,150)	(599,709)
Lease Revenue	(8,100)	(8,100)	(8,100)	-	-	(8,100)	(8,100)	(8,100)	(8,100)	(8,100)
MFA Debt Surplus Fund	-	-	-	-	-	-	-	-	-	-
Other Revenue	(3,320)	(14,105)	(3,110)	-	-	(3,110)	(3,000)	(2,750)	(2,290)	(2,300)
TOTAL REVENUE	(506,351)	(605,651)	(478,260)	(21,000)	11,605	(487,655)	(576,150)	(601,800)	(603,540)	(632,109)
REQUISITION - PARCEL TAX	(597,460)	(597,460)	(621,360)	(29,000)	(51,605)	(701,965)	(723,020)	(759,167)	(797,133)	(836,990)
*Percentage increase over prior year										
Sales - Water			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
User Fees			4.0%	4.9%	8.6%	17.5%	3.0%	5.0%	5.0%	5.0%
Requisition			4.0%	4.9%	8.6%	17.5%	3.0%	5.0%	5.0%	5.0%
Combined			3.9%	4.8%	8.5%	17.1%	2.9%	4.9%	4.9%	4.9%

**Magic Lake Water
Reserve Summary Schedule
2026 - 2030 Financial Plan**

Reserve/Fund Summary

	Estimated	Budget				
	2025	2026	2027	2028	2029	2030
Operating Reserve Fund	5,646	26,896	91,896	166,896	266,896	366,896
Capital Reserve Fund	770,964	557,874	524,419	612,234	710,489	885,979
Capital Reserve Fund - Settlement Fund	598,487	598,487	598,487	598,487	598,487	598,487
Total	1,375,096	1,183,256	1,214,801	1,377,616	1,575,871	1,851,361

Reserve Schedule

Reserve Fund: 2.630 Magic Lakes Estate Water - 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 etc.

Reserve Cash Flow

Fund: Fund Centre:	1500 105212	Estimated	Budget				
		2025	2026	2027	2028	2029	2030
Beginning Balance		22,911	5,646	26,896	91,896	166,896	266,896
Transfer from Ops Budget		26,885	61,250	90,000	100,000	100,000	100,000
Transfer to Ops Budget		(45,000)	(40,000)	(25,000)	(25,000)	-	-
Planned Maintenance Activity		Fire Hydrant Corrective Maintenance & WTP ROV inspection	Frigate & Captains Tank cleaning & inspection	Water distribution system flushing program Ph1	Water distribution system flushing program Ph2		
Interest Income*		850					
Ending Balance \$		5,646	26,896	91,896	166,896	266,896	366,896

Assumptions/Background:

* Interest in planning years nets against inflation which is not included.

Reserve Schedule

Reserve Fund: 2.630 Magic Lakes Estate Water - Capital Reserve Fund

Bylaw 1498

Reserve Cash Flow

Fund:	1024	Estimated	Budget				
		2025	2026	2027	2028	2029	2030
Fund Centre:	101368						
Beginning Balance		448,592	770,964	557,874	524,419	612,234	710,489
Transfer from Ops Budget		-	48,910	121,545	147,815	178,255	175,490
Transfer to Cap Fund		(150,000)	(262,000)	(155,000)	(60,000)	(80,000)	-
Transfer from Cap Fund		453,972**					
Interest Income*		18,400					
Ending Balance \$		770,964	557,874	524,419	612,234	710,489	885,979

Assumptions/Background:

* Interest in planning years nets against inflation which is not included.

** Estimated Surplus from Water System Upgrades, substantially completed in 2016.

Reserve Schedule

Reserve Fund: 2.630 Magic Lakes Estate Water - Capital Reserve Fund (Settlement Funds)

Bylaw 1498

Reserve Cash Flow

Fund: Fund Centre:	1024 102245	Estimated	Budget				
		2025	2026	2027	2028	2029	2030
Beginning Balance		674,487	598,487	598,487	598,487	598,487	598,487
Transfer to Cap Fund		(100,000)	-	-	-	-	-
Interest Income*		24,000					
Ending Balance \$		598,487	598,487	598,487	598,487	598,487	598,487

Assumptions/Background:

* Interest in planning years nets against inflation which is not included.

CAPITAL REGIONAL DISTRICT
FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2026 to 2030

Service No.	2.630	Carry Forward from 2025	2026	2027	2028	2029	2030	TOTAL
	Magic Lake Estates Water (Pender)							

EXPENDITURE

Buildings	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures	\$143,000	\$405,000	\$1,080,000	\$1,460,000	\$1,080,000	\$0	\$4,025,000
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$143,000	\$405,000	\$1,080,000	\$1,460,000	\$1,080,000	\$0	\$4,025,000

SOURCE OF FUNDS

Capital Funds on Hand	\$143,000	\$143,000	\$0	\$0	\$0	\$0	\$143,000
Debenture Debt (New Debt Only)	\$0	\$0	\$925,000	\$1,400,000	\$1,000,000	\$0	\$3,325,000
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	\$0	\$262,000	\$155,000	\$60,000	\$80,000	\$0	\$557,000
	\$143,000	\$405,000	\$1,080,000	\$1,460,000	\$1,080,000	\$0	\$4,025,000

Definitions for the 5-year Capital Plan

Asset Class	Asset class is used to classify assets for financial reporting in accordance with the Public Sector Accounting Board (PSAB) 3150. L - Land S - Engineering Structure B - Buildings V - Vehicles E - Equipment
Capital Expenditure Type	Capital expenditure type is used for reporting on asset investments and may be used to justify operational needs for a service. Study - Expenditure for feasibility and business case report. New - Expenditure for new asset only Renewal - Expenditure upgrades an existing asset and extends the service ability or enhances technology in delivering that service Replacement - Expenditure replaces an existing asset
Carryforward	Represents the carryforward amount from the prior year capital plan that is remaining to be spent. Forecast this spending over the next 5 years.
Funding Source	Debt - Debenture Debt (new debt only) ERF - Equipment Replacement Fund Grant - Grants (Federal, Provincial) Cap - Capital Funds on Hand Other - Donations / Third Party Funding Res - Reserve Fund WU - Water Utility If there is more than one funding source, additional rows are shown for the project.

CAPITAL REGIONAL DISTRICT

5 YEAR CAPITAL PLAN

2026 - 2030

Service #:

2.630

Service Name:

Magic Lake Estates Water (Pender)

PROJECT DESCRIPTION				PROJECT BUDGET & SCHEDULE									
Project Number	Capital Expenditure Type	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward	2026	2027	2028	2029	2030	5 - Year Total auto-populates
21-04	Renewal	Buck Lake Dam Repairs - Phase 1	Conduct additional inspections, minor repairs, and performance analysis highlighted in the 2019 Dam Safety Review. Phase 2 dam improvements to be completed in the following five years.	\$ 202,000	S	Res	\$ -	\$ 22,000	\$ -	\$ -	\$ -	\$ -	\$ 22,000
21-04	Renewal				S	Cap	\$ 13,000	\$ 13,000	\$ -	\$ -	\$ -	\$ -	\$ 13,000
23-01	Renewal	Decommission Magic Lake old Syphon and Replacement of CSP Spill Culverts - Engineering Assessment	Engineering assessment and coordination with Dam Safety Office to develop a plan for decommissioning of the old syphon and replacement of twin CSP spillway culverts.	\$ 80,000	S	Res	\$ -	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ 80,000
23-02	New	ISOPAC Permanent Handling & Storage	Study and design for permanant solution to reduce drum waste and operator handling	\$ 80,000	S	Cap	\$ 70,000	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000
26-01	Renewal	Buck Lake Dam Repairs - Phase 2	Conduct additional geotechnical investigations, seepage analysis, monitoring, tree removal and the next DSR (2029).	\$ 360,000	S	Res	\$ -	\$ 145,000	\$ 75,000	\$ 60,000	\$ 80,000	\$ -	\$ 360,000
26-02	Replacement	WTP Process Pipe Condition Assessment	Conduct an updated condition assessment for process piping in the water treatment plant with potential spot repairs or maintenance (funded from settlement fund)	\$ 100,000	S	Cap	\$ 60,000	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000
26-03	Study	Petition / Alternative Approval Process	Conduct public consultation to inform strategies to borrow necessary future capital funds.	\$ 20,000	S	Res	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 20,000
27-01	Replacement	Water Main Replacement	Replacement of select watermains within the distribution network to address leaks and reduce non revenue water.	\$ 2,000,000	S	Debt	\$ -	\$ -	\$ 200,000	\$ 800,000	\$ 1,000,000	\$ -	\$ 2,000,000
27-02	Replacement	Captains Tank Replacement	Preliminary placeholder budget to be updated following prelim design and aligned with AAP/Petition.	\$ 1,100,000	S	Debt	\$ -	\$ -	\$ 500,000	\$ 600,000	\$ -	\$ -	\$ 1,100,000
26-04	New	SCADA Improvements	Improvements to SCADA system	\$ 25,000	S	Res	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000
26-05	Renewal	Kiosk Insulation	Additional insulation to PRS Kiosks (Signal Hill, Compass Cres, Capstan Lane, Schooner Way).	\$ 50,000	S	Res	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
27-03	New	ISOPAC Permanent Handling & Storage	Installation work following study and successful loan authorization.	\$ 225,000	S	Debt	\$ -	\$ -	\$ 225,000	\$ -	\$ -	\$ -	\$ 225,000
													\$ -
													\$ -
													\$ -
			Grand Total	\$ 4,242,000			\$ 143,000	\$ 405,000	\$ 1,080,000	\$ 1,460,000	\$ 1,080,000	\$ -	\$ 4,025,000

APPENDIX A

Service: **2.630** **Magic Lake Estates Water (Pender)**

Project Number	21-04	Capital Project Title	Buck Lake Dam Repairs - Phase 1	Capital Project Description	Conduct additional inspections, minor repairs, and performance analysis highlighted in the 2019 Dam Safety Review. Phase 2 dam improvements to be completed in the following five years.
Project Rationale	Resulting from the Hatch 2019 Dam Safety Review, funds are required to conduct additional inspections, minor dam repairs, and performance analysis. Phase 2 dam improvements to be completed in the following five years.				
Project Number	23-01	Capital Project Title	Decommission Magic Lake old Syphon and Replacement of CSP Spill Culverts - Engineering Assessment	Capital Project Description	Engineering assessment and coordination with Dam Safety Office to develop a plan for decommissioning of the old syphon and replacement of twin CSP spillway culverts.
Project Rationale	The old syphon at Magic Lake is no longer required, and does not function. Funds are required to remove the overland and underwater pipe, and decommission the underground pipe.				
Project Number	23-02	Capital Project Title	ISOPAC Permanent Handling & Storage	Capital Project Description	Study and design for permanent solution to reduce drum waste and operator handling
Project Rationale	Safety improvements to reduce Operator injury when handling the ISOPAC drums were carried out in 2019-2020. A permanent solution to reduce the use of drums which cannot be readily disposed of, was initiated in concept in 2024 and is anticipated to continue into 2025 for implementation.				
Project Number	26-01	Capital Project Title	Buck Lake Dam Repairs - Phase 2	Capital Project Description	Conduct additional geotechnical investigations, seepage analysis, monitoring, tree removal and the next DSR (2029).
Project Rationale	Resulting from the Hatch 2019 Dam Safety Review, funds are required to conduct additional geotechnical investigations, seepage analysis and monitoring, tree removal, and the next Dam Safety Review (2029).				

APPENDIX A

Service: 2.630 Magic Lake Estates Water (Pender)			
Project Number	26-02	Capital Project Title	WTP Process Pipe Condition Assessment
Capital Project Description	Conduct an updated condition assessment for process piping in the water treatment plant with potential spot repairs or maintenance (funded from settlement fund)		
Project Rationale	Utilizing funding from previous settlement, allocate funding for further assessment and planning for process pipe repairs and possible replacement.		
Project Number	26-03	Capital Project Title	Petition / Alternative Approval Process
Capital Project Description	Conduct public consultation to inform strategies to borrow necessary future capital funds.		
Project Rationale	Funding to conduct an Alternative Approvals Process to solicit public approval to secure debt in order to carry out necessary future Capital improvements.		
Project Number	27-01	Capital Project Title	Water Main Replacement
Capital Project Description	Replacement of select watermain within the distribution network to address leaks and reduce non revenue water.		
Project Rationale	Interim budget to advance watermain replacements within the water system. Budget and prioritization will be further refined continually through planning and design. To include overland HDPE pipe feeding zone 570 from WTP.		
Project Number	27-02	Capital Project Title	Captains Tank Replacement
Capital Project Description	Preliminary placeholder budget to be updated following prelim design and aligned with AAP/Petition.		
Project Rationale			

Service: 2.630 Magic Lake Estates Water (Pender)			
Project Number	26-04	Capital Project Title	SCADA Improvements
Capital Project Description	Improvements to SCADA system		
Project Rationale			
Project Number	26-05	Capital Project Title	Kiosk Insulation
Capital Project Description	Additional insulation to PRS Kiosks (Signal Hill, Compass Cres, Capstan Lane, Schooner Way).		
Project Rationale			
Project Number	27-03	Capital Project Title	ISOPAC Permanent Handling & Storage
Capital Project Description	Installation work following study and successful loan authorization.		
Project Rationale			

2.630 - Magic Lake Water Utility (Pender)

Capital Projects

Updated @ Sep 26, 2025

Year	Project#	Capital Plan#	Status	Capital Project Description	Total Project Budget	Spending		Cap on Hand
						Expenditure Actuals	Remaining Spending	
2010	CE.258.4602		Close	Water System Upgrade	8,976,806	8,622,667	354,139	8,976,806
2021	CE.744	21-03	Open	MLE Safety Improvements	20,000	11,604	8,396	20,000
2021	CE.678	21-04	Open	Buck Lake Dam Upgrades	180,000	93,858	86,142	180,000
2024	CE.779.4501	23-02	Open	ISOPAC Permanent Handling & Storage	80,000	2,459	77,542	80,000
2025	CE.899.7501	26-02	Open	Pipes assessment & replacement	100,000	17,000	83,000	100,000
2025	CE.899.4501	25-01	Open	Captains Tank Concept Design	30,000	-	30,000	30,000
				Totals	9,386,806	8,747,588	639,219	9,386,806

APPENDIX A

Service: **2.630** Magic Lake Water

Committee: Electoral Area

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax Per Folio</u>	<u>SFE's</u>	<u>User Charge Per SFE*</u>	<u>Total Tax & Charges</u>	<u>Bylaw</u>	<u>Actual Assessments \$(000's)</u>
2017	1,203	\$497.81	1,020	\$280.31	\$778.12	4170	\$328,977
2018	1,203	\$497.81	1,020	\$291.37	\$789.18	4233	\$407,279
2019	1,203	\$497.81	1,028	\$302.10	\$799.91	4274	\$469,844
2020	1,202	\$497.81	1,034	\$321.96	\$819.76	4337	\$510,125
2021	1,202	\$497.81	1,043	\$329.39	\$827.20	4389	\$544,464
2022	1,199	\$508.38	1,050	\$334.56	\$842.94	4471	\$757,029
2023	1,196	\$510.41	1,059	\$356.38	\$866.79	4524	\$880,056
2024	1,196	\$510.46	1,072	\$369.62	\$880.08	4587	\$866,832
2025	1,196	\$525.77	1,082	\$395.50	\$921.27	4649	\$867,939
2026	1,196	\$617.74	1,082	\$464.84	\$1,082.58		

Change from 2025 to 2026

\$91.97

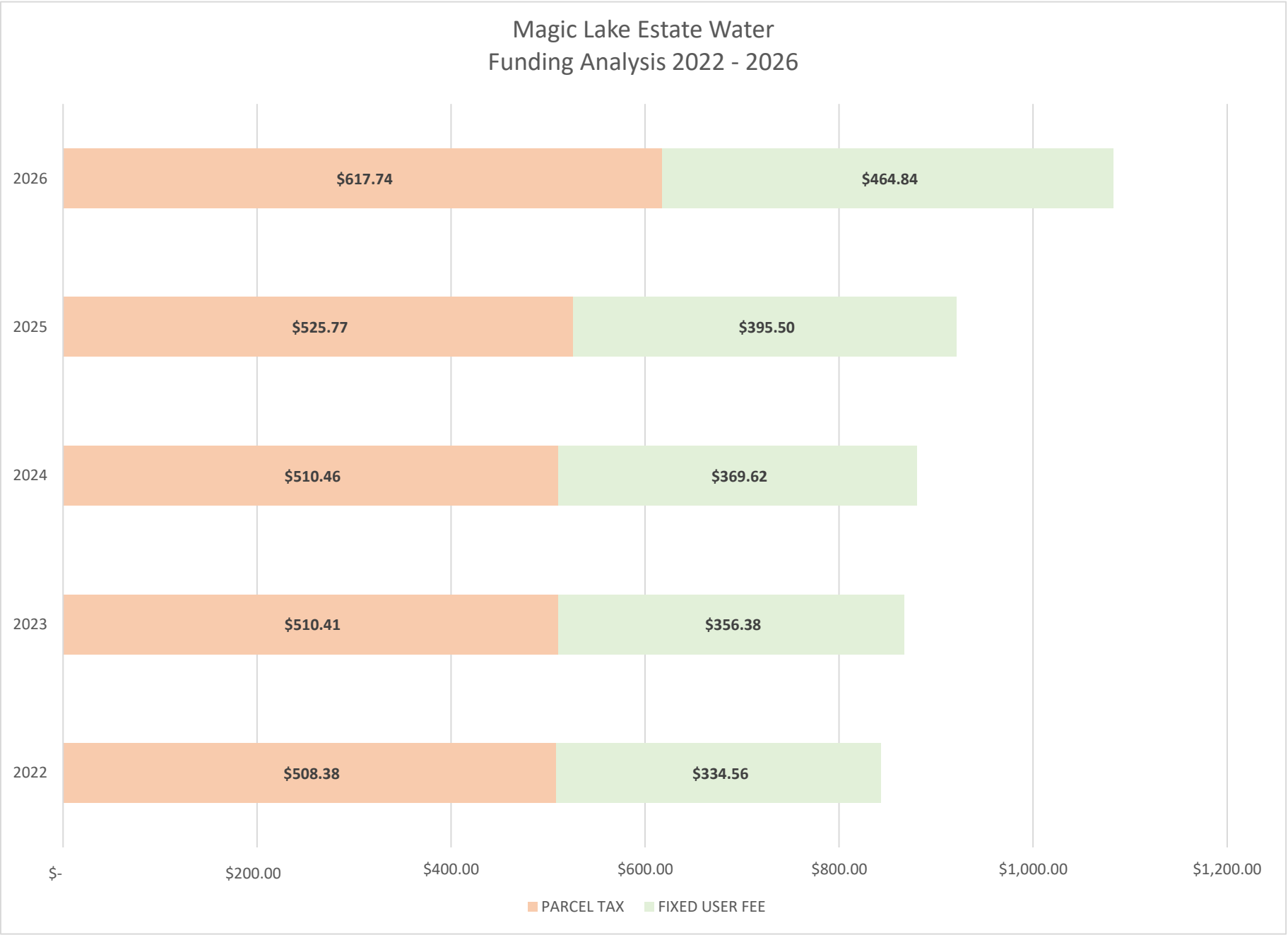
17.49%

\$69.34

17.53%

\$161.31

17.51%



CAPITAL REGIONAL DISTRICT

2026 Budget

Magic Lake Estates Sewer

Commission Review

NOVEMBER 2025

Service:	3.830 Magic Lake Sewer Utility (Pender)	Committee: Electoral Area
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DEFINITION:

To provide, operate and maintain sewage collection and disposal facilities for the Magic Lake Estates Sewerage System Specified Area on North Pender Island (Local Service Establishment Bylaw No. 1873 - June 26, 1991).

PARTICIPATION:

Specified Area - B(764) SA#8

MAXIMUM LEVY:

Greater of \$200,000 or \$7.10 / \$1,000 on actual assessed value of land and improvements.

MAXIMUM CAPITAL DEBT:

AUTHORIZED: LA Bylaw No. 4048 (Dec 2015). Fall Borrowing \$1,530,000 for 10 years

COMMITTEE:

Magic Lake Estates Water & Sewer Committee established by Bylaw No. 1870 (November 28, 1990).

FUNDING:

User Charge: Per single family equivalency unit to connected properties only

Parcel Tax: Only on properties capable of being connected to system.

Connection Charge: Actual Engineering and Construction costs, plus 15% Administration costs. The minimum charge is \$500.

RESERVE FUND:

Magic Lake Estates sewage system capital reserve fund (Dec 17, 1986). Bylaw No. 1497.

APPENDIX B

3.830 - Magic Lake Estates Sewer	2025		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2027	2028	2029	2030
<u>OPERATING COSTS</u>										
Sludge Hauling Contracts	111,240	66,340	113,240	(45,000)	-	68,240	69,600	70,990	72,410	73,860
Grit & Waste Sludge Disposal	87,550	40,830	89,130	(45,000)	-	44,130	45,010	45,910	46,830	47,770
Screening Disposal	20,000	10,000	20,360	-	-	20,360	20,770	21,190	21,610	22,040
Repairs & Maintenance	25,200	21,370	25,650	5,000	5,000	35,650	86,260	31,890	32,520	33,180
Allocations	49,553	49,553	51,900	-	-	51,900	52,859	53,916	54,988	56,094
Electricity	25,780	52,000	26,750	27,250	-	54,000	55,080	56,180	57,300	58,450
Supplies	18,220	15,460	18,540	3,000	7,000	28,540	21,970	22,410	22,860	23,310
Labour Charges	338,283	422,233	358,047	100,000	-	458,047	467,440	477,029	486,808	496,800
Other Operating Expenses	47,591	58,361	57,851	2,500	-	60,351	62,097	63,901	65,774	67,717
TOTAL OPERATING COSTS	723,417	736,147	761,468	47,750	12,000	821,218	881,086	843,416	861,100	879,221
*Percentage Increase over prior year			5.3%	6.6%	1.7%	13.5%	7.3%	-4.3%	2.1%	2.1%
<u>DEBT / RESERVES</u>										
Transfer to Capital Reserve Fund	46,000	46,000	46,000	-	-	46,000	113,345	130,795	129,875	45,895
Transfer to Operating Reserve Fund	15,000	2,286	20,520	-	-	20,520	50,000	50,000	50,000	50,000
Transfer to Equipment Replacement fund	-	-	-	60,000	-	60,000	60,000	60,000	60,000	60,000
Debt Reserve Fund	530	530	610	-	-	610	310	8,210	13,000	10,000
MFA Principal Payment	133,463	133,463	133,463	-	-	133,463	68,476	46,668	20,403	53,558
MFA Interest Payment	40,640	40,640	40,640	-	-	40,640	24,995	26,820	54,563	113,975
TOTAL DEBT / RESERVES	235,633	222,919	241,233	60,000	-	301,233	317,126	322,493	327,841	333,428
TOTAL COSTS	959,050	959,066	1,002,701	107,750	12,000	1,122,451	1,198,212	1,165,909	1,188,941	1,212,649
Sludge Disposal Recovery	(11,940)	(11,940)	(12,150)	-	-	(12,150)	(12,390)	(12,640)	(12,890)	(13,150)
TOTAL COSTS NET OF RECOVERIES	947,110	947,126	990,551	107,750	12,000	1,110,301	1,185,822	1,153,269	1,176,051	1,199,499
*Percentage Increase over prior year			4.6%	11.4%	1.3%	17.2%	6.8%	-2.7%	2.0%	2.0%
<u>FUNDING SOURCES (REVENUE)</u>										
Transfer from Operating Reserve Fund	-	-	-	-	(12,000)	(12,000)	(55,000)	-	-	-
User Charges	(317,390)	(317,390)	(331,990)	(36,250)	-	(368,240)	(379,290)	(386,880)	(394,620)	(402,510)
Grants in Lieu of Taxes	(3,430)	(3,446)	(3,430)	-	-	(3,430)	(3,430)	(3,430)	(3,430)	(3,430)
Other Revenue	(1,460)	(1,460)	(1,560)	-	-	(1,560)	(1,280)	(1,200)	(1,010)	(1,030)
TOTAL REVENUE	(322,280)	(322,296)	(336,980)	(36,250)	(12,000)	(385,230)	(439,000)	(391,510)	(399,060)	(406,970)
REQUISITION - PARCEL TAX	(624,830)	(624,830)	(653,571)	(71,500)	-	(725,071)	(746,822)	(761,759)	(776,991)	(792,529)
*Percentage increase over prior year										
User Fees			4.6%	11.4%	0.0%	16.0%	3.0%	2.0%	2.0%	2.0%
Requisition			4.6%	11.4%	0.0%	16.0%	3.0%	2.0%	2.0%	2.0%
Combined			4.6%	11.4%	0.0%	16.0%	3.0%	2.0%	2.0%	2.0%

APPENDIX B

3.830D - Magic Lake Estates Sewer - Debt Only
6M Phase 1 Wastewater Treatment Plan Upgrade

	2025		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2027	2028	2029	2030
<u>DEBT</u>										
Debt Reserve Fund	1,520	1,520	1,760	-	-	1,760	1,760	1,760	1,760	1,760
MFA Principal Payment	111,887	111,887	111,887	-	-	111,887	111,887	111,887	111,887	111,887
MFA Interest Payment	118,798	118,798	118,798	-	-	118,798	118,798	118,798	118,798	118,798
TOTAL DEBT	232,205	232,205	232,445	-	-	232,445	232,445	232,445	232,445	232,445
<u>FUNDING SOURCES (REVENUE)</u>										
MFA Debt Reserve Earning	(1,520)	(1,520)	(1,760)	-	-	(1,760)	(1,760)	(1,760)	(1,760)	(1,760)
Grants in Lieu of Taxes	(1,201)	(1,201)	(1,201)	-	-	(1,201)	(1,201)	(1,201)	(1,201)	(1,201)
REQUISITION - PARCEL TAX	(229,484)	(229,484)	(229,484)	-	-	(229,484)	(229,484)	(229,484)	(229,484)	(229,484)
*Percentage increase over prior year Requisition			0.0%			0.0%	0.0%	0.0%	0.0%	0.0%

**Magic Lake Estates Sewer
Reserve Summary Schedule
2026 - 2030 Financial Plan**

Reserve/Fund Summary

	Estimated	Budget				
	2025	2026	2027	2028	2029	2030
Operating Reserve Fund	47,993	56,513	51,513	101,513	151,513	201,513
Capital Reserve Fund	426,103	387,103	260,448	266,243	396,118	442,013
Equipment Replacement Fund	-	10,000	20,000	30,000	40,000	50,000
Total	474,095	453,615	331,960	397,755	587,630	693,525

Reserve Schedule

Reserve Fund: 3.830 Magic Lake Sewer System - Operating Reserve Fund - Bylaw 4144
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Reserve fund used for: unforeseen operational repairs and maintenance; infrequent maintenance activities such as treatment facility tankage draining/cleaning/inspection etc.

Reserve Cash Flow

Fund: Fund Centre:	1500 105217	Estimated	Budget				
		2025	2026	2027	2028	2029	2030
Beginning Balance		43,923	47,993	56,513	51,513	101,513	151,513
Transfer from Ops Budget		2,270	20,520	50,000	50,000	50,000	50,000
Planned Expenditures		-	(12,000)	(55,000)	-	-	-
Planned Maintenance Activity			Sewer flushing (\$12K)	Outfall Inspection (\$15K) and sewer flushing (\$40K)			
Interest Income*		1,800					
Ending Balance \$		47,993	56,513	51,513	101,513	151,513	201,513

<u>Assumptions/Background:</u>

* Interest in planning years nets against inflation which is not included.
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Reserve Schedule

Reserve Fund: 3.830 Magic Lake Sewer System - Capital Reserve Fund

Bylaw 1497

Reserve Cash Flow

Fund: Fund Centre:	1042 101386	Estimated	Budget				
		2025	2026	2027	2028	2029	2030
Beginning Balance		425,103	426,103	387,103	260,448	266,243	396,118
Transfer from Ops Budget		46,000	46,000	113,345	130,795	129,875	45,895
Transfer to Cap Fund		(60,000)	(85,000)	(240,000)	(125,000)	-	-
Transfer from Cap Fund		-					
Interest Income*		15,000					
Ending Balance \$		426,103	387,103	260,448	266,243	396,118	442,013

<u>Assumptions/Background:</u>

* Interest in planning years nets against inflation which is not included.
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Reserve Schedule

Reserve Fund: 3.830 Magic Lake Sewer System - Equipment Replacement Fund

To be created in 2025

Reserve Cash Flow

Fund: Fund Centre:	1022 TBD	Estimated	Budget				
		2025	2026	2027	2028	2029	2030
Beginning Balance		-	-	10,000	20,000	30,000	40,000
Transfer from Ops Budget		-	60,000	60,000	60,000	60,000	60,000
Planned Purchases		-	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Interest Income		-					
Ending Balance \$		-	10,000	20,000	30,000	40,000	50,000

<u>Assumptions/Background:</u>

APPENDIX B

CAPITAL REGIONAL DISTRICT FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2026 to 2030

Service No.	3.830	Carry Forward from 2025	2026	2027	2028	2029	2030	TOTAL
Magic Lake Sewer Utility (Pender)								

EXPENDITURE

Buildings	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$60,000	\$160,000	\$50,000	\$50,000	\$50,000	\$50,000	\$360,000
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures	\$100,000	\$135,000	\$240,000	\$925,000	\$1,300,000	\$1,000,000	\$3,600,000
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$160,000	\$295,000	\$290,000	\$975,000	\$1,350,000	\$1,050,000	\$3,960,000

SOURCE OF FUNDS

Capital Funds on Hand	\$160,000	\$160,000	\$0	\$0	\$0	\$0	\$160,000
Debenture Debt (New Debt Only)	\$0	\$0	\$0	\$800,000	\$1,300,000	\$1,000,000	\$3,100,000
Equipment Replacement Fund	\$0	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Grants (Federal, Provincial)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Donations / Third Party Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund	\$0	\$85,000	\$240,000	\$125,000	\$0	\$0	\$450,000
	\$160,000	\$295,000	\$290,000	\$975,000	\$1,350,000	\$1,050,000	\$3,960,000

Definitions for the 5-year Capital Plan

Asset Class	Asset class is used to classify assets for financial reporting in accordance with the Public Sector Accounting Board (PSAB) 3150. L - Land S - Engineering Structure B - Buildings V - Vehicles E - Equipment
Capital Expenditure Type	Capital expenditure type is used for reporting on asset investments and may be used to justify operational needs for a service. Study - Expenditure for feasibility and business case report. New - Expenditure for new asset only Renewal - Expenditure upgrades an existing asset and extends the service ability or enhances technology in delivering that service Replacement - Expenditure replaces an existing asset
Carryforward	Represents the carryforward amount from the prior year capital plan that is remaining to be spent. Forecast this spending over the next 5 years.
Funding Source	Debt - Debenture Debt (new debt only) ERF - Equipment Replacement Fund Grant - Grants (Federal, Provincial) Cap - Capital Funds on Hand Other - Donations / Third Party Funding Res - Reserve Fund WU - Water Utility If there is more than one funding source, additional rows are shown for the project.

CAPITAL REGIONAL DISTRICT

5 YEAR CAPITAL PLAN

2026 - 2030
Service #: 3.830
Service Name: Magic Lake Sewer Utility (Pender)

				PROJECT BUDGET & SCHEDULE									
Project Number	Capital Expenditure Type	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward	2026	2027	2028	2029	2030	5 - Year Total auto-populates
21-02	Renewal	Wastewater Improvements - Pump Station and Treatment Plant Upgrades	1. Renew Galleon and Schooner Pump Stations 2. Replace Cannon WWTP with a new pump station 3. Upgrade Schooner WWTP (headworks, EQ tank, 2nd aeration tank, new clarifiers, electrical/genset) 4. Commissioning	\$ 11,953,815	S	Cap	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
24-01	Replacement	Towable Genset Replacement	Replacement of the towable genset as it is nearing the end of life.	\$ 110,000	E	Res	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
24-01	Replacement	Towable Genset Replacement	Replacement of the towable genset as it is nearing the end of life.		E	Cap	\$ 60,000	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000
27-01	Study	Petition or Alternative Approval Process	Conduct public consultation to inform strategies to borrow necessary future capital funds.	\$ 20,000	S	Res	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
28-01	Renewal	CCTV Inspection of AC Pipe	Conduct a CCTV inspection of all remaining asbestos cement pipe to monitor its condition and identify pipe that might require replacement.	\$ 125,000	S	Res	\$ -	\$ -	\$ -	\$ 125,000	\$ -	\$ -	\$ 125,000
27-02	Renewal	Pump Stations - Mechanical and Electrical Upgrades (Replace when grant received or sufficient funds in CRF)	Renew Buccaneer, Capstan, Cutlass and Masthead Pump Sins	\$ 2,100,000	S	Res	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
27-02	Renewal				S	Debt	\$ -	\$ -	\$ -	\$ 800,000	\$ 1,200,000	\$ -	\$ 2,000,000
28-03	Replacement	AC Sewer Pipe Replacement	Based on CCTV inspection, replace portions of AC sewer pipe that are at end of life.	\$ -	S	Debt	\$ -	\$ -	\$ -		\$ 100,000	\$ 1,000,000	\$ 1,100,000
27-03	Replacement	Chart PS RTU	Connectivity to SCADA Server.	\$ 115,000	S	Res	\$ -	\$ 15,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 115,000
26-01	New	WWTP Optimization	Budget for ongoing operational improvements for additional instrumentation, analytical improvements, etc as operations familiarize and fine tune operation of the plant.	\$ 40,000	S	Res	\$ -	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ -	\$ 40,000
26-02	Replacement	Annual Provisional - Equipment Replacement Fund.	Budget for mechanical and electrical equipment replacement needed for replacement.	\$ 250,000	E	ERF	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
													\$ -
													\$ -
													\$ -
													\$ -
			Grand Total	\$ 16,713,815			\$ 160,000	\$ 295,000	\$ 290,000	\$ 975,000	\$ 1,350,000	\$ 1,050,000	\$ 3,960,000

APPENDIX B

Service: 3.830 Magic Lake Sewer Utility (Pender)			
Project Number	21-02	Capital Project Title	Wastewater Improvements - Pump Station and Treatment Plant Upgrades 1. Renew Galleon and Schooner Pump Stations 2. Replace Cannon WWTP with a new pump station 3. Upgrade Schooner WWTP (headworks, EQ tank, 2nd aeration tank, new clarifiers, electrical/genset)
Project Rationale	Wastewater Improvements - Pump Station and Treatment Plant Upgrades. Commissioning in progress.		
Project Number	24-01	Capital Project Title	Towable Genset Replacement Replacement of the towable genset as it is nearing the end of life.
Project Rationale	Replacement of the towable genset as it is nearing the end of life.		
Project Number	27-01	Capital Project Title	Petition or Alternative Approval Process Conduct public consultation to inform strategies to borrow necessary future capital funds.
Project Rationale	Funding to conduct an Alternative Approvals Process to solicit public approval to secure debt in order to carry out necessary future Capital improvements.		
Project Number	28-01	Capital Project Title	CCTV Inspection of AC Pipe Conduct a CCTV inspection of all remaining asbestos cement pipe to monitor its condition and identify pipe that might require replacement.
Project Rationale	CCTV inspections of AC sewer mains to prioritize replacement.		
Project Number	27-02	Capital Project Title	Pump Stations - Mechanical and Electrical Upgrades (Replace when grant received or sufficient funds in CRF) Renew Buccaneer, Capstan, Cutlass and Masthead Pump Stns
Project Rationale	Additional funding required to carry out the works to upgrade Capstan, Cutlass (top priorities) as well as Buccaneers and Masthead (secondary priority).		

Service: 3.830 Magic Lake Sewer Utility (Pender)			
Project Number	28-03	Capital Project Title	AC Sewer Pipe Replacement
Capital Project Description	Based on CCTV inspection, replace portions of AC sewer pipe that are at end of life.		
Project Rationale	Replacement of AC sewer pipes based on CCTV. Cost estimation to be further developed following CCTV and concept design.		
Project Number	27-03	Capital Project Title	Chart PS RTU
Capital Project Description	Connectivity to SCADA Server.		
Project Rationale			
Project Number	26-01	Capital Project Title	WWTP Optimization
Capital Project Description	Budget for ongoing operational improvements for additional instrumentation, analytical improvements, etc as operations familiarize and fine tune operation of the plant.		
Project Rationale			
Project Number	26-02	Capital Project Title	Annual Provisional - Equipment Replacement Fund.
Capital Project Description	Budget for mechanical and electrical equipment replacement needed for replacement.		
Project Rationale			

3.830 - Magic Lake Sewer Utility (Pender)

Capital Projects Fund

Updated @ Oct 03, 2025

Year	Project#	Capital Plan#	Status	Capital Project Description	Total Project Budget	Spending		Total Funding in Place
						Expenditure Actuals	Remaining Spending	
2020	CE.708	21-02	Open	MLE Wastewater Treatment Plant Upgrade	11,953,815	11,743,246	210,569	11,953,816
2021	CE.775	21-01	Open	MLE Safety Upgrades	30,000	10,408	19,592	30,000
2025	CE.895.1601	24-01	Open	Towable Genset Replacement	60,000	263	59,737	60,000
				Total	12,043,815	11,753,917	289,898	12,043,816

APPENDIX B

Service:	3.830 Magic Lake Sewe	3.830 Magic Lake Sewer Utility (Pender)	Committee: Electoral Area
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<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax 1 per Folio</u>	<u>Taxable Folios</u>	<u>Parcel Tax 2 per Folio</u>	<u>SFE's</u>	<u>User Charge per SFE</u>	<u>Total Tax(1&2) & Charges</u>	<u>Bylaw</u>
2017	713	\$750.36			623	\$271.12	\$1,021.48	4170
2018	713	\$750.37			623	\$300.40	\$1,050.77	4233
2019	713	\$777.60			623	\$381.54	\$1,159.14	4274
2020	714	\$1,029.82			630	\$394.02	\$1,423.83	4337
2021	714	\$850.30	577	\$144.49	635	\$394.02	\$1,388.81	4389
2022	712	\$866.26	575	\$387.35	639	\$405.70	\$1,659.31	4471
2023	709	\$869.92	573	\$430.01	642	\$416.04	\$1,715.97	4524
2024	709	\$900.54	573	\$421.48	651	\$447.08	\$1,769.10	4586
2025	709	\$927.55	573	\$421.52	651	\$487.54	\$1,836.61	4649
2026	709	\$1,076.36	573	\$421.52	651	\$565.65	\$2,063.53	

Change from 2025 to 2026

\$148.81	\$0.00	\$78.11	\$226.92
16.04%	0.00%	16.02%	12.36%

Total Parcel Tax(1) and Charges (lump-sum payment option only)	\$1,642.01
Change from 2025 to 2026	\$226.92
	16.04%



Service:	3.830D Magic Lake Sewer - Debt Service Only -6M
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Bylaw 4363

Total Folios	709	
Folios Paid by One-time Lump Sum	137	one of the the folios that paid the lump-sum is exempt now

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax per Folio</u>
2021	577	\$144.49
2022	575	\$387.35
2023	573	\$430.01
2024	573	\$421.48
2025	573	\$421.52
2026	573	\$421.52
2027	573	\$421.52
2028	573	\$421.52
2029	573	\$421.52
2030	573	\$421.52

Change from 2025 to 2026

\$0.00
0.00%

Magic Lake Estates Sewer - \$6M Debt
Funding Analysis 2022-2026

