Capital Regional District

625 Fisgard St.,
Victoria, BC V8W 1R7

Notice of Meeting and Meeting Agenda
Lyall Harbour Boot Cove Water Local Service Committee

Thursday, November 12, 2026 | **1:00 PM** | **Panorama Boardroom**
1885 Forest Park Dr., North Saanich

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 Participate Conference ID: 890 431 480#

J. Crerar (Chair), C. Curwen (Vice Chair), R. Fawcett (EA Director), T. McLeod, J. Money

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. 26-1146 Minutes of the Lyall Harbour Boot Cove Water Local Service Committee Meeting of June 18, 2026

Recommendation: That the minutes of the Lyall Harbour Boot Cove Water Local Service Committee meeting of June 18, 2026 be adopted as circulated.

Attachments: Minutes: June 18, 2026

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. 26-1140 Senior Manager's Verbal Update - October 2026

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

6.2. 26-0892 Lyall Harbour/Boot Cove Water Service 2027 Operating and Capital Budget

Recommendation: The Lyall Harbour/Boot Cove Water Local Service Committee recommends the Electoral Areas Committee recommend to the Capital Regional District Board:
That the 2027 Operating and Capital Budget and the Five-Year Financial Plan for the Lyall Harbour/Boot Cove Water Local Service be approved as presented.

Attachments: Staff Report: LH/BC 2027 Operating & Capital Budget

Appendix A: LH/BC Water Service Budget

7. Notice(s) of Motion

8. New Business

9. Adjournment

There are no more scheduled meetings for 2026.

Making a difference...together

625 Fisgard St.,
Victoria, BC V8W 1R7

Capital Regional District

Meeting Minutes

Lyall Harbour Boot Cove Water Local Service Committee

Thursday, June 18, 2026 | **2:00 PM** | **Panorama Boardroom**
1885 Forest Park Dr., North Saanich

PRESENT
J. Crerar (Chair), C. Curwen (Vice Chair), P. Brent (EA Director), T. McLeod (EP), J. Money

STAFF: J. Starke, Senior Manager, Southern Gulf Islands Administration; D. Robson, Manager, Saanich Peninsula Gulf Island Operations; S. May, Senior Manager, Corporate Capital Project Delivery Services (EP); C. Whipp Manager, Structures and Systems (EP); M. Miklea, Manager, Legislative Services/Deputy Corporate Officer (EP); J. Rennie, Committee Clerk (Recorder)

EP - Electronic Participation

The meeting was called to order at 2:00 pm.

1. Territorial Acknowledgement

Chair Crerar provided a Territorial Acknowledgement.

2. Approval of Agenda

MOVED by P. Brent, SECONDED by C. Curwen,
That the agenda of the Lyall Harbour Boot Cove Water Local Service Committee meeting of June 18, 2026 be approved.
CARRIED

3. Adoption of Minutes

3.1. 26-0364 Minutes of the Lyall Harbour/Boot Cove Water Local Service Committee of February 19, 2026

MOVED by P. Brent, SECONDED by J. Money,
That the minutes of the Lyall Harbour/Boot Cove Water Local Service Committee meeting of February 19, 2026 be adopted as circulated.
CARRIED

4. Chair's Remarks

Chair Crerar spoke about the well testing that is happening this fall and ensuring there is communication between the committee and staff.

5. Presentations/Delegations

5.1. Presentations

5.1.1. 26-0728 Presentation: Greg Kirkham, President, Old Point Farm; Re: Connection to the Lyall Harbour/Boot Cove Water Service

G. Kirkham presented Item 5.1.1., a request to consider connecting Old Point Farm to the Lyall Harbour Boot Cove Water system.

Discussion ensued on the following:
- purchase of water request and system connection requirements
- current water system, estimations of water consumption and state of wells
- history of farm and full time versus seasonal residency
- need for a technical and infrastructure analysis and criteria for collaboration
- water quality, quantity and feasibility of water purchase
- electronic versus manual monitoring software
- financing and funding requirements and opportunities
- system origination and ongoing maintenance
- timeline considerations, provincial deadlines and well testing program timeframes

5.2. Delegations

There were no delegations.

6. Commission Business

6.1. 26-0729 Senior Manager's Verbal Update - June 2026

J. Starke and D. Robson presented Item 8.1. for information and informed the committee about the stage 3 water conservation.

Discussion ensued on the following:
- water conservation and how conservation levels are determined
- provincial declaration of drought and water resource levels
- current demands, water quality/quantitity and recommendations
- operational decision making and variability among local water services

6.2. 26-0712 Capital Projects and Operational Update - Mid Year

D. Robson, S. May, and C. Whipp presented Item 6.2. for information.

Discussion ensued on the following:
- tender result timeline and requirements
- engineering plan requirements and provincial approvals prior to reporting to committee
- well installations and data collection
- leak detection efforts and processes for leak notification
- fixed user fees versus water consumption fees

6.3. 26-0711 2025 Annual Report

D. Robson presented Item 6.3. for information.

Discussion ensued on the following:
- operational versus non revenue water use
- capital project delivery, debt servicing and labour expenses
- water demand, production and treated versus raw water
- boil water advisory and well testing and sampling schedule
- pressure reducing points within the system

7. Notice(s) of Motion

Director Brent proposed the following Notice of Motion with same day consideration:

"That staff initiate a study after the new well testing results are favourable to quantity and quality of water, to determine what would be required to provide Old Point Farm the quantity of treated water."

MOVED by P. Brent, SECONDED by J. Crerar,
That same day consideration be applied to the Notice of Motion.
CARRIED

Discussion ensued on the quantity and quality of water currently available and the new well testing happening this fall.

MOVED by P. Brent, SECONDED by J. Money,
That staff initiate a study after the new well testing results are favorable to quantity and quality of water, to determine what would be required to provide Old Point Farm the quantity of treated water.
CARRIED

8. New Business

There was no new business.

9. Adjournment

MOVED by C. Curwen, SECONDED by J. Money,
That the Lyall Harbour Boot Cove Water Local Service Committee meeting of June 18, 2026 be adjourned at 3:26 pm.
CARRIED

_____

CHAIR

_____

RECORDER

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REPORT TO LYALL HARBOUR BOOT COVE WATER LOCAL SERVICE COMMITTEE MEETING OF NOVEMBER 12, 2026

SUBJECT **Lyall Harbour/Boot Cove Water Service 2027 Operating and Capital Budget**

ISSUE SUMMARY

To present the 2027 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. 1875, "Lyall Harbour/Boot Cove Water Local Services Committee Bylaw 1, 1990".

BACKGROUND

The 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 plan shown in Appendix A.

The Operating Budget includes the regular annual costs required to operate the service. The Capital Expenditure Plan shows the anticipated expenditure for capital additions. These may include purchases of new assets or infrastructure, upgrades or 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 2024 and 2026.
- 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.
- Projects already in progress.
- Condition of existing assets and infrastructure.
- Regulatory, environmental, and health and safety factors.

Adjustments for surpluses or deficits from 2026 will be made in January 2027. The CRD Board will give final approval to the budget and financial plan in March 2027.

The Financial Plan for the years 2028 to 2031 is forecasted and can be updated in future years.

BUDGET OVERVIEW

Operating Budget

It is projected that the 2026 operating expenses will be approximately $17,322 over budget. Factors contributing to the operating overage include emergency response and corrective maintenance primarily due to the following events:

- Unplanned operational effort related to installation of stormwater culvert on Harris.
- Significant effort and operational time performing water system leak detection activities and corrective work.

- Ultraviolet system troubleshooting and corrective maintenance.
- Additional operational effort maintaining the water treatment plant filtration process because of challenging raw water quality algae events.

These events resulted in additional labour, material and supply costs that exceed operating budget contingencies.

The debt servicing cost will be $29,727 below the budget since the planned new borrowing of $600,000 in 2026 is now deferred to 2027.

It is projected that the 2026 operating revenue will be under budget by approximately $19,125 primarily due to $20,000 lower ORF funding due to deferral of water system flushing program to 2027. This is slightly offset by higher User Fees due to addition of one service connection in 2026.

As a result, there is an overall estimated operating deficit of approximately $6,720 ($17,322 - $29,727 + $19,125). To balance the budget at year-end, the actual deficit may be addressed through reduced 2026 contributions to the Capital Reserve Fund (CRF) and/or Operating Reserve Fund (ORF), funding from the Operating Reserve Fund (ORF), a carry-forward to the 2027 budget as an expenditure in accordance with the *Local Government Act* (LGA) Section 374(11), or a combination of these options.

Based on current projections, $3,360 will be carried forward to the 2027 budget, while the remaining deficit, currently estimated at $3,360 will be addressed through reserve transfer options, subject to funding availability. The actual amount may differ from current estimates and will be determined based on actual year-end results.

Operating costs for 2027 (excluding a one-time cyclical program funded by the ORF in 2026 for the water system flushing program in the amount of $20,000 which has now been deferred to 2027) has increased by $12,729 (5.1%) compared to 2026. The increase is primarily to account for additional operational labor hours to complete weekly and monthly preventative maintenance tasks, an adjustment to external lab water quality testing costs and core inflation for the service.

Municipal Finance Authority (MFA) Debt

After a successful petition obtaining elector assent in 2025, Loan Authorization Bylaw 4678 to borrow up to $2,000,000 was approved and adopted for essential capital renewal and infrastructure upgrades in Lyall Harbour/Boot Cove Water Service system.

The MFA issues long-term debt twice a year, in the spring and in the fall. To provide timely access to funding for the cashflow requirements of project delivery, short-term borrowing will be utilized and later be converted to long-term debt issues.

The debt costs of $48,547 budgeted in 2027 are only an estimate based on many variable assumptions including, but not limited to, cashflow projection, the timing of the temporary loan and its conversion to long-term debt, variable interest rates on the temporary loan, and indicative interest rates for the long-term issues.

Actual debt costs are expected to stabilize over the next two or three years once the long-term issues are locked down with the actual interest rates and terms. The actual debt costs associated with the long-term issues will be presented in future reports once the information becomes available.

Operating Reserve Fund (ORF)
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 changes in expense and revenue requirements 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 $48,000 to $110,000.

It is proposed that the 2027 transfer to the ORF be set at $30,000. The ORF balance at the end of 2026 is projected to be approximately $32,458. There is $35,000 planned maintenance to be funded by the ORF over the next five years.

Capital Reserve Fund (CRF)
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 to be maintained for the service is approximately $653,000.

It is proposed that the budgeted transfer to the CRF be set at $45,900 in 2027. The CRF balance at the end of 2026 is projected to be $92,060. With $30,000 of planned capital expenditures in 2027, the ending CRF balance in 2027 is forecasted to be $107,960, as detailed in Appendix A.

Capital Expenditure Plan
The five-year plan includes $1,940,000 of expenditures for the period 2027 to 2031 to be funded by a combination of the services' CRF, grant funding, and new debt. Loan Authorization Bylaw No. 4678, authorizing borrowing of up to $2,000,000, was approved and adopted following a successful elector assent process (petition) in 2025. As a result, essential capital renewal and infrastructure upgrade projects within the Lyall Harbour/Boot Cove Water Service can be funded through debt financing.

A complete list of capital projects can be found in Appendix A. Some of the most significant debt funded capital projects include:

- Install Lager Supply Line to Tank (22-01) is a project to replace the supply piping between the water treatment plant and storage tank.
- Dam Improvement and Regulatory Requirements (22-02), including $890,000 between previously approved Community Works Funds (CWF) and debt funding, to complete the works determined through the Dam Safety Review (DSR) and design processes.
- Storage Tank Condition Assessment and Repair Details (26-01) is an initial budget to assess leaks that have developed in the tank and to develop a remediation plan.
- Groundwater Well Improvements (27-01) is a placeholder budget to potentially implement improvements following the well assessment that is commencing in 2026.
- Water System Improvements (29-01) is a placeholder budget for future improvements that will be further refined following results of groundwater assessment and asset management planning.

- And, while not a debt funded project, the Asset Management Study (27-03) is proposed in 2027 which will help inform future capital improvements and funding requirements, funded by CRF.

Table 1 below provides the future debt servicing cost simulation, for analytical purposes only, with the indicative interest rate provided by MFA at the time of simulation.

The debt servicing costs simulation is only for project 29-01, Watermain Replacement Program, for a total budget of $500,000. This debt-funded project is subject to a future elector assent approval process (such as a referendum or petition), which is outlined in Capital Project 28-01. Please refer to the 2027 to 2031 five-year Capital Plan for details on this project.

Table 1 – Future New Debt (Unapproved) Simulation

Future Borrowing(s) Estimation	*Term*	*Borrowing Year*	*Retirement Year*	*Estimated Interest Rate*	*Principal*	*Principal Payment*	*Interest Payment*	*Total Annual Debt Cost*
	25	2029	2054	4.90%	$200,000	$5,100	$9,800	$14,900
	25	2030	2055	4.90%	$150,000	$3,826	$7,350	$11,176
	25	2031	2056	4.90%	$150,000	$3,826	$7,350	$11,176
Total					**$500,000**	**$12,752**	**$24,500**	**$37,252**

At the commencement of each loan, 1% of the gross amount borrowed is withheld and retained by MFA as a Debt Reserve Fund (DRF). To provide the full amount to fund the capital project, this 1% DRF amount is budgeted in the 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 $37,252 equates to approximately $215.33 cost per parcel.

CRD staff submitted an application to the Federal Grant Program – Build Communities Strong Fund (BCSF) Direct Delivery Stream seeking $664,000 in funding, with results expected by the end of the year. The grant would fund up to 40% of eligible project costs. The projects have secured borrowing authority through successful petitions in 2025 for Loan Authorization, satisfying the applicant cost-sharing requirement, and meet the program's shovel-ready criteria. This grant application would not have been possible had last years petition not been approved. If the application is successful, the grant funding will reduce the amount of debt financing required for the projects, thereby lowering future debt servicing costs for ratepayers in the service areas.

Capital Projects Fund

As specific capital projects are approved, the funding revenues for them are transferred into the Capital Projects 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 funding source(s).

User Charge and Parcel Tax

The service is funded by fixed user charge and parcel tax. Properties connected to the water system pay the annual user charge and all properties within the local service area are responsible for the parcel tax. Table 2 below summarizes the 2027 over 2026 changes for parcel tax and user charge.

Table 2 – 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*
2026	$169,570	173	$1,031.63	$147,000	169	$869.82	**$1,901.45**
2027	$196,376	173	$1,194.72	$154,350	170	$907.94	**$2,102.66**
Change ($)	$26,806	0	$163.08	$7,350	1	$38.12	**$201.21**
Change (%)	15.81%	0.00%	15.81%	5.00%	0.59%	4.38%	**10.58%**

*Includes 5.25% collection fee charged by the Ministry of Finance (not CRD revenue)
**Single Family Equivalent

The 2027 fixed user charge per SFE based on the budget will be included in the fees and charges bylaw for approval by the CRD Board, effective January 2027.

ALTERNATIVES

Alternative 1
The Lyall Harbour/Boot Cove Water Local Service Committee recommends the Electoral Areas Committee recommend to the Capital Regional District Board:
That the 2027 Operating and Capital Budget and the Five-Year Financial Plan for the Lyall Harbour/Boot Cove Water Local Service be approved as presented.

Alternative 2
The Lyall Harbour/Boot Cove Water Local Service Committee recommends the Electoral Areas Committee recommend to the Capital Regional District Board:
That the 2027 Operating and Capital Budget and the Five-Year Financial Plan for the Lyall Harbour/Boot Cove Water Local Service be approved as amended.

RECOMMENDATION

The Lyall Harbour/Boot Cove Water Local Service Committee recommends the Electoral Areas Committee recommend to the Capital Regional District Board:
That the 2027 Operating and Capital Budget and the Five-Year Financial Plan for the Lyall Harbour/Boot Cove Water Local Service be approved as presented.

Submitted by:	Justine Starke, RPP, MCIP, Senior Manager, Southern Gulf Islands Electoral Area
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

Appendix A: 2027 Budget - Lyall Harbour/Boot Cove Water Service Budget

CAPITAL REGIONAL DISTRICT

2027 Budget

Lyall Harbour Water

Commission Review

NOVEMBER 2026

Service: **2.640 Lyall Harbour Boot Cove Water (Saturna)** **Committee: Electoral Areas**

DEFINITION:

To provide and operate and maintain a domestic water supply and distribution system for the Saturna Island Water Supply and Distribution System Specified Area in the Lyall Harbour/Boot Cove district on Saturna Island. Bylaw No. 2920 (November 28, 2001).

PARTICIPATION:

Specified Area #14 - G(764)

MAXIMUM LEVY:

Greater of $150,000 or $6.90 / $1,000 on actual assessed value of land and improvements.

COMMITTEE:

Lyall Harbour/Boot Cove Water Committee established by Resolution - September 29, 1982
Lyall Harbour/Boot Cove Water Local Services Committee established by Bylaw No. 1875 (December 12, 1990)

FUNDING:

User Charge:	Annual charge per single family equivalency unit connected to the system.
Parcel Tax:	Annual charge levied only on properties capable of being connected to the system.
Connection Charges:	Actual Cost + 15% Admin Fee (Minimum Connection $400)

RESERVE FUND:

Bylaw No. 1785 (February 14, 1990)

APPENDIX A

2.640 - Lyall Harbour Water	2026 BOARD BUDGET	2026 ESTIMATED ACTUAL	BUDGET REQUEST 2027 CORE BUDGET	BUDGET REQUEST 2027 ONGOING	BUDGET REQUEST 2027 ONE-TIME	BUDGET REQUEST 2027 TOTAL	FUTURE PROJECTIONS 2028	FUTURE PROJECTIONS 2029	FUTURE PROJECTIONS 2030	FUTURE PROJECTIONS 2031
OPERATING COSTS										
Repairs & Maintenance	27,620	5,000	7,620	-	20,000	27,620	22,780	7,940	8,100	8,260
Allocations	15,666	15,666	16,899	-	-	16,899	17,280	17,646	18,030	18,422
Water Testing	14,150	14,150	15,105	-	-	15,105	15,534	15,975	16,427	16,891
Electricity	3,600	4,100	3,740	-	-	3,740	3,810	3,890	3,970	4,050
Supplies	6,480	6,315	6,480	-	-	6,480	6,610	6,740	6,870	7,000
Labour Charges	144,820	187,000	154,823	-	-	154,823	157,920	161,080	164,300	167,590
Other Operating Expenses	18,814	16,241	19,212	-	-	19,212	19,670	20,148	20,642	21,171
TOTAL OPERATING COSTS	**231,150**	**248,472**	**223,879**	**-**	**20,000**	**243,879**	**243,604**	**233,419**	**238,339**	**243,384**
*Percentage Increase over prior year			-3.1%		8.7%	5.5%	-0.1%	-4.2%	2.1%	2.1%
DEBT / RESERVES										
Transfer to Operating Reserve Fund	30,000	26,640	30,000	-	-	30,000	30,000	30,000	30,000	30,000
Transfer to Capital Reserve Fund	40,265	40,265	45,900	-	-	45,900	52,255	55,540	59,130	63,015
MFA Debt Reserve Fund - Planned	7,850	1,850	10,150	-	-	10,150	3,000	2,000	1,500	1,500
MFA Debt Principal - Planned	-	-	4,718	-	-	4,718	30,604	38,256	43,356	47,182
MFA Debt Interest - Planned	28,260	4,533	33,679	-	-	33,679	65,643	77,893	86,468	93,818
TOTAL DEBT / RESERVES	**106,375**	**73,288**	**124,447**	**-**	**-**	**124,447**	**181,502**	**203,689**	**220,454**	**235,515**
TOTAL COSTS	**337,525**	**321,760**	**348,326**	**-**	**20,000**	**368,326**	**425,106**	**437,108**	**458,793**	**478,899**
*Percentage Increase over prior year			3.2%		5.9%	9.1%	15.4%	2.8%	5.0%	4.4%
FUNDING SOURCES (REVENUE)										
Estimated Balance c/fwd from 2026 to 2027	-	(3,360)	3,360	-	-	3,360	-	-	-	-
Transfer from Operating Reserve Fund	(20,000)	-	-	-	(20,000)	(20,000)	(15,000)	-	-	-
User Charges	(147,000)	(147,875)	(154,350)	-	-	(154,350)	(162,070)	(170,170)	(178,680)	(187,610)
Grants in Lieu of Taxes	(855)	(855)	(860)	-	-	(860)	(860)	(860)	(860)	(860)
Other Revenue	(100)	(100)	(100)	-	-	(100)	(100)	(100)	(100)	(100)
TOTAL REVENUE	**(167,955)**	**(152,190)**	**(151,950)**	**-**	**(20,000)**	**(171,950)**	**(178,030)**	**(171,130)**	**(179,640)**	**(188,570)**
REQUISITION - PARCEL TAX	**(169,570)**	**(169,570)**	**(196,376)**	**-**	**-**	**(196,376)**	**(247,076)**	**(265,978)**	**(279,153)**	**(290,329)**
*Percentage increase over prior year										
User Fees			5.0%			5.0%	5.0%	5.0%	5.0%	5.0%
Requisition			15.8%			15.8%	25.8%	7.7%	5.0%	4.0%
Combined			**10.8%**			**10.8%**	**16.7%**	**6.6%**	**5.0%**	**4.4%**

Lyall Harbour Water
Reserve Summary Schedule
2027 - 2031 Financial Plan

Reserve/Fund Summary

	Estimated	Budget				
	2026	**2027**	**2028**	**2029**	**2030**	**2031**
Operating Reserve Fund	32,458	42,458	57,458	87,458	117,458	147,458
Capital Reserve Fund	92,060	107,960	140,215	195,755	254,885	317,900
Total	**124,518**	**150,418**	**197,673**	**283,213**	**372,343**	**465,358**

Reserve Schedule

Reserve Fund: 2.640 Lyall Harbour Water System - Operating Reserve Fund - Bylaw 4144

Reserve fund used for: unforeseen operational repairs and maintenance; infrequent maintenance activities such as reservoir cleaning and inspection, filter media replacement etc.

Reserve Cash Flow

Fund: 1500 / **Fund Centre:** 105213	**Estimated**	**Budget**				
	2026	**2027**	**2028**	**2029**	**2030**	**2031**
Beginning Balance	5,638	32,458	42,458	57,458	87,458	117,458
Transfer from Ops Budget	26,640	30,000	30,000	30,000	30,000	30,000
Transfer to Ops Budget	-	(20,000)	(15,000)	-	-	-
Planned Maintenance Activity		Water system flushing program	Reservoir Drain Clean and Inspection			
Interest Income*	180					
Ending Balance $	**32,458**	**42,458**	**57,458**	**87,458**	**117,458**	**147,458**

Assumptions/Background:

Set level of transfers in order to avoid spikes in requisition resulting from unforeseen breakdowns in water infrastructure

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

Reserve Schedule

Reserve Fund: 2.640 Lyall Harbour Water System - Capital Reserve Fund - Bylaw 1785

Surplus money from the operation of the water system may be paid from time to time into the reserve fund.

Reserve Cash Flow

Fund: 1025 / Fund Centre: 101369	Estimated	Budget				
	2026	2027	2028	2029	2030	2031
Beginning Balance	50,187	92,060	107,960	140,215	195,755	254,885
Transfer from Ops Budget	40,265	45,900	52,255	55,540	59,130	63,015
Transfer from Cap Fund	-					
Transfer to Cap Fund	-	(30,000)	(20,000)	-	-	-
Interest Income*	1,608					
Ending Balance $	**92,060**	**107,960**	**140,215**	**195,755**	**254,885**	**317,900**

Assumptions/Background:

To fully fund capital expenditure plan

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

CAPITAL REGIONAL DISTRICT

FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2027 to 2031

Service No.	2.640 Lyall Harbour Boot Cove Water (Sat	Carry Forward from 2026	2027	2028	2029	2030	2031	TOTAL
EXPENDITURE								
Buildings		$0	$0	$0	$0	$0	$0	$0
Equipment		$0	$20,000	$0	$0	$0	$0	$20,000
Land		$0	$0	$0	$0	$0	$0	$0
Engineered Structures		$675,000	$1,100,000	$320,000	$200,000	$150,000	$150,000	$1,920,000
Vehicles		$0	$0	$0	$0	$0	$0	$0
		$675,000	**$1,120,000**	**$320,000**	**$200,000**	**$150,000**	**$150,000**	**$1,940,000**
SOURCE OF FUNDS								
Capital Funds on Hand		$75,000	$75,000	$0	$0	$0	$0	$75,000
Debenture Debt (New Debt Only)		$600,000	$1,015,000	$300,000	$200,000	$150,000	$150,000	$1,815,000
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	$30,000	$20,000	$0	$0	$0	$50,000
		$675,000	**$1,120,000**	**$320,000**	**$200,000**	**$150,000**	**$150,000**	**$1,940,000**

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

2027 - 2031

Service #: 2.640

Service Name: Lyall Harbour Boot Cove Water (Saturna)

PROJECT DESCRIPTION				PROJECT BUDGET & SCHEDULE									
Project Number	Capital Expenditure Type	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward	2027	2028	2029	2030	2031	5 - Year Total auto-populates
22-01	New	Install Larger Supply Line to Tank	Construct a larger supply line to the tank to improve system reliability and operation.	$ 350,000	S	Debt	$ -	$ 50,000	$ 300,000	$ -	$ -	$ -	$ 350,000
22-02	Renewal	Dam Improvement and Regulatory Requirements	Dam Safety Review (DSR) update and Money Lake Dam safety improvements based on the results of the DSR report.	$ 890,000	S	Cap	$ 75,000	$ 75,000	$ -	$ -	$ -	$ -	$ 75,000
22-02	Renewal				S	Debt	$ 500,000	$ 500,000	$ -	$ -	$ -	$ -	$ 500,000
26-01	Study	Storage Tank Condition Assessment and Repair Details	Assess leaks in storage tank and develop a repair detail and assess sampling requirements. Prelim budget increased to potentially address small scale improvements.	$ 100,000	S	Debt	$ 100,000	$ 100,000	$ -	$ -	$ -	$ -	$ 100,000
27-01	New	Groundwater Well Improvements	Placeholder budget to implement improvements to bring well water into service, if deemed feasible in prior studies.	$ 365,000	S	Debt	$ -	$ 365,000	$ -	$ -	$ -	$ -	$ 365,000
27-02	New	Safety Improvements	Funding to support critical safety improvements, such as emergency eye wash and wash down locations	$ 20,000	E	Res	$ -	$ 20,000	$ -	$ -	$ -	$ -	$ 20,000
27-03	Study	Asset Management Study	Budget for asset management assessment to support petition process	$ 10,000	S	Res	$ -	$ 10,000	$ -	$ -	$ -	$ -	$ 10,000
28-01	New	Petition / Alternative Approval Process	Undertake community engagement and a petition or alternative approval process to borrow funds to carry out water system improvements in future years.	$ 20,000	S	Res	$ -	$ -	$ 20,000	$ -	$ -	$ -	$ 20,000
29-01	Replacement	Water System Improvements	Future improvements to the water system. Project will be further refined following the results of the ground water assessment and additional asset management.	$ 500,000	S	Debt	$ -	$ -	$ -	$ 200,000	$ 150,000	$ 150,000	$ 500,000
													$ -
			Grand Total	**$ 2,255,000**				**$ 1,120,000**	**$ 320,000**	**$ 200,000**	**$ 150,000**	**$ 150,000**	**$ ~~1,940,000~~**

Service:	2.640	Lyall Harbour Boot Cove Water (Saturna)

Project Number	22-01	**Capital Project Title**	Install Larger Supply Line to Tank	**Capital Project Description**	Construct a larger supply line to the tank to improve system reliability and operation.
Project Rationale	The supply line to the tank is undersized, installation of a larger supply line will improve operation. Funding is required to construct a larger supply line to the tank.				

Project Number	22-02	**Capital Project Title**	Dam Improvement and Regulatory Requirements	**Capital Project Description**	Dam Safety Review (DSR) update and Money Lake Dam safety improvements based on the results of the DSR report.
Project Rationale	Conduct Dam Safety Review (DSR) report to meet regulatory requirements. Seismic assessment and infiltration assessment. Design and implementation of dam improvements. Work will include filter blanket installation, dam break analysis, DEP update and other improvements recommended through the Dam Safety Review.				

Project Number	26-01	**Capital Project Title**	Storage Tank Condition Assessment and Repair Details	**Capital Project Description**	Assess leaks in storage tank and develop a repair detail and assess sampling requirements. Prelim budget increased to potentially address small scale improvements.
Project Rationale	Engineering condition assessment of the storage tank and known leak points to try and develop effective repair details.				

Project Number	27-01	**Capital Project Title**	Groundwater Well Improvements	**Capital Project Description**	Placeholder budget to implement improvements to bring well water into service, if deemed feasible in prior studies.
Project Rationale	Use of the existing groundwater well may be of value to the service. Specific details of improvements will not be known until after the original investigation is complete.				

Project Number	27-02	**Capital Project Title**	Safety Improvements	**Capital Project Description**	Funding to support critical safety improvements, such as emergency eye wash and wash down locations
Project Rationale	Project to bring water system into compliance with the WorkSafeBC OHS Regulation (Emergency Washing Facilities) and OHS Guidelines. Hazardous chemicals are being handled with inadequate emergency shower/eyewash facilities in place for the type of hazard our workers are exposed to.				

Service:	2.640	Lyall Harbour Boot Cove Water (Saturna)

Project Number	27-03	**Capital Project Title**	Asset Management Study	**Capital Project Description**	Budget for asset management assessment to support petition process
Project Rationale	Asset Management Planning necessary to effectively manage asset life cycles and plan for future improvement works.				

Project Number	28-01	**Capital Project Title**	Petition / Alternative Approval Process	**Capital Project Description**	Undertake community engagement and a petition or alternative approval process to borrow funds to carry out water system improvements in future years.
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	29-01	**Capital Project Title**	Water System Improvements	**Capital Project Description**	Future improvements to the water system. Project will be further refined following the results of the ground water assessment and additional asset management.
Project Rationale	Asset management report card provided in 2023 indicated the aging infrastructure and high upcoming renewal costs. Temporary placeholder budget with project requirements to be further refined with ongoing asset management planning.				

2.640 - Lyall Harbour

Capital Projects

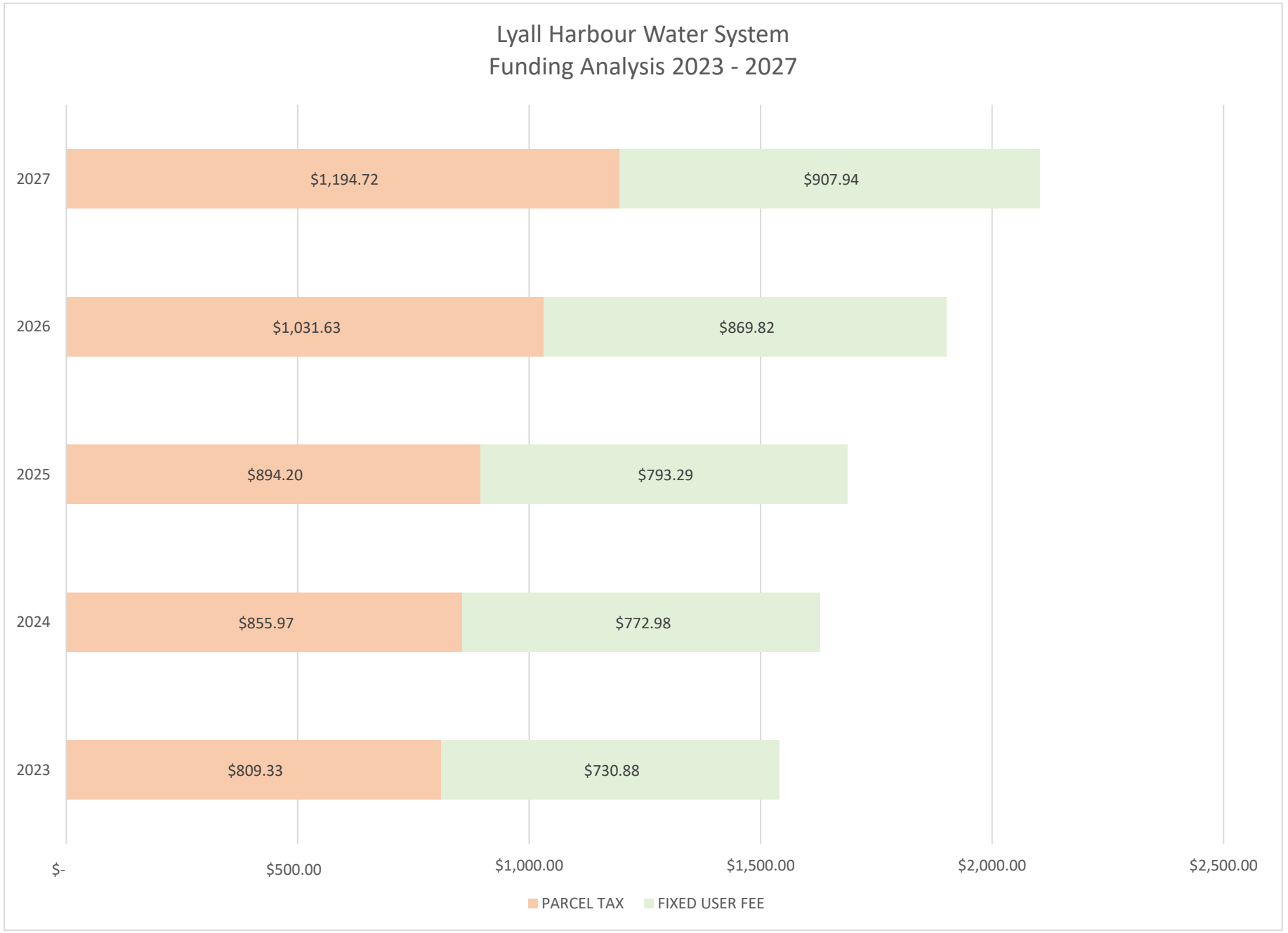
Updated @ Sep 28, 2026

Year	Project#	Capital Plan#	Status	Capital Project Description	Total Project Budget	Spending		Total Funding in Place
						Expenditure Actuals	Remaining Spending	
2022	CE.781.5500	22-02	Open	Money Lake Dam Improvements & Regulatory Requirements	390,000	211,896	178,104	390,000
2025	CE.781.7501	24-01	Open	Culvert Replacement	30,000	5,610	24,390	30,000
2026	CE.781.4605	25-01	Open	New Ground Water Well Assessment	100,000	1,089	98,911	100,000
				Totals	**520,000**	**218,595**	**301,405**	**520,000**

Service: **2.640 Lyall Harbour Water** **Committee: Electoral Areas**

Year	Taxable Folios	Parcel tax per Folio	Number SFE's	User Charge per SFE	Total Tax & Charges	Bylaw
2023	173	$809.33	164	$730.88	$1,540.21	4524
2024	173	$855.97	166	$772.98	$1,628.95	4587
2025	174	$894.20	170	$793.29	$1,687.49	4649
2026	173	$1,031.63	169	$869.82	$1,901.45	4736
2027	173	$1,194.72	170	$907.94	$2,102.66	
Change from 2026 to 2027		*$163.09*		*$38.12*	*$201.21*	
		15.81%		*4.38%*	*10.58%*	

APPENDIX A


Lyall Harbour Water System
Funding Analysis 2023 - 2027
2027
$1,194.72
$907.94
2026
$1,031.63
$869.82
2025
$894.20
$793.29
2024
$855.97
$772.98
2023
$809.33
$730.88
$-
$500.00
$1,000.00
$1,500.00
$2,000.00
$2,500.00
PARCEL TAX
FIXED USER FEE