



Making a difference...together

LYALL HARBOUR / BOOT COVE WATER LOCAL SERVICE COMMITTEE

Notice of Meeting on **Monday, November 23, 2020** immediately following the Annual General Meeting
Goldstream Conference Room, 479 Island Highway, Victoria, BC

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

Jeanne Crerar (Chair)

Michael Fry

Director Dave Howe

John Money

Ian Rowe

Jill Sabre-Makofka

AGENDA

1. ELECTION OF CHAIR

2. APPROVAL OF AGENDA

Recommendation: That the agenda be approved.

3. ADOPTION OF MINUTES OF JUNE 19, 2020

Recommendation: That the minutes of June 19, 2020 be adopted.

4. COMMITTEE BUSINESS

4.1. Money Lake Dam Geotechnical (Verbal Update)

5. LHBC 2020-01 2021 OPERATING AND CAPITAL BUDGET

Recommendation: That the Lyall Harbour/Boot Cove Water Local Service Committee:

1. *Approve the 2021 Operating and Capital Budget, and recommend that the actual deficit in 2020 be carried forward to 2021 and balanced against the 2021 User Charge; and,*
2. *Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2021 Operating and Capital Budget and the five year Financial Plan for the Lyall Harbour/Boot Cove Water Service as presented.*

6. CORRESPONDENCE

7. NEW BUSINESS

8. ADJOURNMENT

Next meeting: At the call of the Chair

Inquires arising from this meeting may be sent to IWSAdmin@crd.bc.ca for direct response.

To ensure quorum, advise Sharon Orr 250-474-9622 if you are unable to attend.



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Agenda Item #3

MINUTES OF THE OF THE LYALL HARBOUR / BOOT COVE WATER LOCAL SERVICE COMMITTEE held Friday, June 19, 2020 - Goldstream Meeting Room, 479 Island Highway, Victoria BC

PRESENT: **Committee Members:** J. Crerar (Chair), Alternate Director B. Mabberley;
J. Money, I Rowe, J. Sabre-Makofka

Staff: I. Jesney, Senior Manager, Infrastructure Engineering; S. Orr (recorder)

REGRETS: M. Fry

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

1. APPROVAL OF AGENDA

MOVED by I. Rowe, and **SECONDED** by J. Money,
That the agenda be approved.

CARRIED

2. ADOPTION OF MINUTES OF OCTOBER 29, 2019

MOVED by J. Money, and **SECONDED** by I. Rowe,
That the minutes of October 29, 2019 be adopted.

CARRIED

3. CHAIRS REMARKS

The Chair stated that in February the water system had some turbidity issues, and in March staff visited Saturna Island to troubleshoot some of the issues prior to the pandemic.

4. FINANCIAL DISCUSSION

I. Jesney answered questions from the Committee regarding:

- Revenue and expense reporting
- Requisition parcel tax
- Hydro service to the water operations equipment
- Insurance coverage
- Municipal Finance Authority borrowing rate

Discussion took place about water rates.

5. GRANTS DISCUSSION

I. Jesney provided information regarding infrastructure grants and stated that to acquire community support for grant applications a referendum would be required.

Discussion ensued and staff answered questions regarding:

- Grant application procedures
- Referendums

6. NEW BUSINESS

Discussions took place regarding:

- Geo-technical work being done to address dam safety
- Boil water advisories
- Turbidity

Watershed Park Discussion

- Discussion ensued regarding the newly dedicated lands for the water service and the impacts from Harris Road and recreational use. Staff stated that they will contact the Ministry of Transportation and Infrastructure regarding run off and debris entering the water source from surrounding roadways.
- Discussion took place about the committee's role in land use decisions for the parks land.

7. ADJOURNMENT

MOVED by I. Rowe, and **SECONDED** by J. Sabre-Makofka,
That the meeting be adjourned at 3:38 pm.

CARRIED

Chair

Secretary



Agenda Item# 5
LHBC2020-02

**REPORT TO LYALL HARBOUR/BOOT COVE WATER LOCAL SERVICE COMMITTEE
MEETING OF MONDAY, NOVEMBER 23, 2020**

SUBJECT 2021 Operating and Capital Budget

ISSUE SUMMARY

To present the 2021 operating and capital budget for Committee approval, pursuant to Bylaw No. 1875, "Lyall Harbour/Boot Cove Water Local Services Committee Bylaw 1, 1990".

BACKGROUND

The Capital Regional District (CRD) is required by legislation under the *Local Government Act* (LGA) to prepare a 5-year financial plan including Operating Budgets and Capital Expenditure Plans annually. CRD staff have therefore prepared the financial plan shown in Appendix A to this report for the Lyall Harbour/Boot Cove Water Local Service.

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

In preparing the Operating Budget, CRD staff took into account:

1. Actual expenditures incurred between 2018 and 2020.
2. Anticipated changes in level of service (if any).
3. Maximum allowable tax requisition.
4. Annual cost per taxpayer and per SFE.

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

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

Adjustments for surpluses or deficits from 2020 will be made in January 2021. The CRD Board will give final approval to the budget and financial plan in March 2021.

The Financial Plan for the years 2022 – 2025 may be changed in future years.

Lyall Harbour/Boot Cove Water Local Service Committee – November 23, 2020
2021 Operating and Capital Budget

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BUDGET OVERVIEW

Operating Budget

It is projected that the 2020 operating expenses will be approximately \$26,955 over budget. Factors contributing to the operating overage include emergency response and corrective maintenance primarily due to the following events:

- Emergency response to a water system leak at 100 East Point Road.
- Emergency response to a water system leak at 112 Payne Road.
- Emergency response to high water turbidity levels and resulting boil water advisory for the service.
- Several emergency responses to low reservoir water levels and resulting leak detection efforts.
- Corrective maintenance performed on the water treatment plant backflow mechanical equipment.
- SCADA communications corrective maintenance

These events resulted in additional labour and material/supply costs that go beyond operating budget contingencies.

It is projected that the 2020 operating revenue will be on budget.

As a result, there is an overall operating deficit of approximately \$26,955. It is proposed to carry forward the 2020 deficit to 2021 operating budget to be recovered through user charge.

The 2021 net operating cost has been increased by \$5,579 (3.7%) over the 2020 budget. The increase is primarily the result of core inflation and an increase in operating supplies (polishing filters).

The 2021 operating budget also includes a \$10,000 expenditure to conduct an inspection of the chlorine contact tank. This work will be funded from the operating reserves.

Municipal Finance Authority (MFA) Debt

Loan Authorization Bylaw 3587 to borrow \$430,000 was approved and adopted in 2008 to construct a new treatment plant, storage tank and installation of meters.

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
LA3587-106	15	2009	2024	2019	4.13%	2.25%	\$250,000	\$12,485	\$5,625	\$18,110
LA3587-110	15	2010	2025	2020	4.50%	1.28%	\$180,000	\$9,663	\$2,304	\$11,967
Total							\$430,000	\$22,148	\$7,929	\$30,077

Lyall Harbour/Boot Cove Water Local Service Committee – November 23, 2020
2021 Operating and Capital Budget

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Operating Reserve Fund

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

It is proposed that transfers to the operating reserve be increased from \$7,500 to \$15,000 for 2020 and future years to ensure future maintenance activities are fully funded and an optimum minimum balance in the reserve fund be maintained. There is \$55,200 of planned maintenance to be funded by the Operating Reserve over the next five years.

The Operating Reserve Fund balance at the end of 2020 is projected to be \$7,512.

Capital Reserve Fund

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

It is proposed that the budgeted transfer to the Capital Reserve Fund be increased from \$10,000 to \$15,000 in 2021 and in future years to build up the reserve balance to fund future capital programs combining with other funding sources as debt and potential grants.

The capital reserve balance at the end of 2020 is projected to be \$26,283.

Capital Expenditure Plan

The 5-year plan includes \$1,276,600 of expenditures, for the period 2021 to 2025, to be funded by a combination of the service's Capital Reserve Fund and grant funding. In 2022, the Alternative Approval Process (APP) is to be funded through the capital reserve for a total of \$15,000 for new debt for future works.

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

Table 2 – Future New Debt Simulation

Future Borrowing(s) Estimation	Term	Borrowing Year	Retirement Year	Refinance Year	Estimated Interest Rate	Principal	Principal Payment	Interest Payment	Total Annual Debt Cost
	15	2022	2037	2032	1.90%	\$143,000	\$8,269	\$2,717	\$10,986

At the commencement of each loan, 1% of the gross amount borrowed is withheld and retained by MFA as Debt Reserve Fund (DRF). In order 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 principle payment required in the year of borrowing.*

**Lyall Harbour/Boot Cove Water Local Service Committee – November 23, 2020
2021 Operating and Capital Budget**

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Capital Project Fund

As specific capital projects are approved, the funding revenues for them are transferred into the Capital Project Fund. Whenever possible, any funds remaining upon completion of a project are transferred back to the Capital Reserve Fund for use on future capital projects. There will be approximately \$10,000 returned to the Capital Reserve Fund from closed projects at year end of 2020.

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. CRD staff propose an increase to both the parcel tax and the user charge in part to finance increases in transfers to the Capital Reserve Fund and Operating Reserve Fund as discussed above.

Table 3 below summarizes the 2021 over 2020 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 Folio 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>
2020	\$131,030	171	\$806.49	\$104,753	164	\$638.74	\$1,445.22
2021	\$133,257	171	\$820.19	\$109,462	164	\$667.45	\$1,487.64
Change (\$)	\$2,227	0	\$13.71	\$4,709	0	\$28.71	\$42.42
Change (%)	1.70%	0.00%	1.70%	4.50%	0.00%	4.50%	2.94%

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

RECOMMENDATION

That the Lyall Harbour/Boot Cove Water Local Service Committee:

1. Approve the 2021 Operating and Capital Budget, and recommend that the actual deficit in 2020 be carried forward to 2021 and balanced against the 2021 User Charge; and,
2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2021 Operating and Capital Budget and the five year Financial Plan for the Lyall Harbour/Boot Cove Water Service as presented.

Submitted by	Matthew McCrank, M.Sc., P.Eng., Senior Manager, Wastewater Infrastructure Operations
Submitted by	Ian Jesney, P.Eng. Senior Manager, Infrastructure Engineering
Submitted by	Rianna Lachance, BCom, CPA, CA, Senior Manager, Financial Services
Concurrence	Ian Jesney, Acting General Manager, Integrated Water Services
Concurrence	Larisa Hutcheson, Acting Chief Administrative Officer

ATTACHMENT

Appendix A: 2021 Lyall Harbour/Boot Cove Budget

CAPITAL REGIONAL DISTRICT

2021 Budget

Lyall Harbour Water

Commission Review

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

Committee: Electoral Area

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. 513 (November 22, 1978).

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. To a maximum of \$437,335.

MAXIMUM CAPITAL DEBT:

AUTHORIZED:	LA Bylaw No. 3587 (Jan 14, 2009)	\$430,000
BORROWED:	SI Bylaw 3634 (Aug 12, 2009)	\$250,000
BORROWED:	SI Bylaw 3677 (Feb 10, 2010)	\$180,000
REMAINING:		<hr/> \$0

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)

2.640 - Lyall Harbour Water

	2020		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2022	2023	2024	2025
<u>OPERATING COSTS</u>										
Repairs & Maintenance	5,110	3,210	5,200	-	10,000	15,200	15,510	20,440	25,780	6,290
Allocations	11,623	11,623	11,820	-	-	11,820	11,787	11,995	12,217	12,442
Water Testing	8,140	8,400	8,280	-	-	8,280	8,450	8,620	8,790	8,970
Electricity	4,160	3,500	4,230	-	-	4,230	4,310	4,400	4,490	4,580
Supplies	2,640	4,850	5,680	-	-	5,680	5,790	5,910	6,030	6,150
Labour Charges	108,375	135,000	110,217	-	-	110,217	112,420	114,670	116,960	119,300
Other Operating Expenses	10,260	10,680	10,460	-	-	10,460	10,660	10,860	11,070	11,290
TOTAL OPERATING COSTS	150,308	177,263	155,887	-	10,000	165,887	168,927	176,895	185,337	169,022
*Percentage Increase over prior year			3.7%			10.4%	1.8%	4.7%	4.8%	-8.8%
Transfer from Operating Reserve Fund	-	-	-	-	(10,000)	(10,000)	(10,200)	(15,000)	(20,000)	-
NET OPERATING COSTS	150,308	177,263	155,887	-	-	155,887	158,727	161,895	165,337	169,022
*Percentage Increase over prior year			3.7%			3.7%	1.8%	2.0%	2.1%	2.2%
<u>DEBT / RESERVES</u>										
Transfer to Operating Reserve Fund	7,500	7,500	15,000	-	-	15,000	22,500	22,500	22,500	22,500
Transfer to Capital Reserve Fund	10,000	10,000	15,000	-	-	15,000	35,000	30,000	30,000	50,000
MFA Debt Reserve Fund	120	120	130	-	-	130	1,560	130	130	130
MFA Debt Principal	21,474	21,474	22,148	-	-	22,148	22,148	30,417	30,417	17,932
MFA Debt Interest	13,725	13,725	7,929	-	-	7,929	8,608	10,646	10,646	3,869
TOTAL DEBT / RESERVES	52,819	52,819	60,207	-	-	60,207	89,816	93,693	93,693	94,431
TOTAL COSTS	203,127	230,082	216,094	-	-	216,094	248,543	255,588	259,030	263,453
<u>FUNDING SOURCES (REVENUE)</u>										
Estimated Balance c/fwd from 2020 to 2021	-	(26,955)	26,955	-	-	26,955	-	-	-	-
Balance c/fwd from 2019 to 2020	33,573	33,573	-	-	-	-	-	-	-	-
Grants in Lieu of Taxes	(697)	(697)	(100)	-	-	(100)	(100)	(100)	(100)	(100)
User Charges	(104,753)	(104,753)	(109,462)	-	-	(109,462)	(118,213)	(130,258)	(138,700)	(148,223)
Other Revenue	(220)	(220)	(230)	-	-	(230)	(230)	(230)	(230)	(130)
TOTAL REVENUE	(72,097)	(99,052)	(82,837)	-	-	(82,837)	(118,543)	(130,588)	(139,030)	(148,453)
REQUISITION - PARCEL TAX	(131,030)	(131,030)	(133,257)	-	-	(133,257)	(130,000)	(125,000)	(120,000)	(115,000)
*Percentage increase over prior year										
User Fees						4.5%	8.0%	10.2%	6.5%	6.9%
Requisition						1.70%	-2.4%	-3.8%	-4.0%	-4.2%
Combined						2.9%	2.3%	2.8%	1.3%	1.7%

Lyall Harbour Water
 Reserve Summary Schedule
 2021 - 2025 Financial Plan

Reserve/Fund Summary						
	Estimated	Budget				
	2020	2021	2022	2023	2024	2025
Capital Reserve Fund	26,283	21,283	33,283	63,283	93,283	143,283
Operating Reserve Fund	7,512	12,512	24,812	32,312	34,812	57,312
Total	33,795	33,795	58,095	95,595	128,095	200,595

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: Fund Centre:	1025 101369	Estimated	Budget				
		2020	2021	2022	2023	2024	2025
Beginning Balance		6,193	26,283	21,283	33,283	63,283	93,283
Transfer from Ops Budget		10,000	15,000	35,000	30,000	30,000	50,000
Transfer from Cap Fund		10,000	-	-	-	-	-
Transfer to Cap Fund		-	(20,000)	(23,000)	-	-	-
Interest Income*		90					
Ending Balance \$		26,283	21,283	33,283	63,283	93,283	143,283

<u>Assumptions/Background:</u>

To fully fund capital expenditure plan
--

* Interest should be included in determining the estimated ending balance for the current year. Interest in planning years nets against inflation which is not included.
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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. Optimum minimum balance of \$13,000 (approximately 10%) of the annual operating budget.

Reserve Cash Flow

Fund: 1500 Fund Centre: 105213	Estimated	Budget				
	2020	2021	2022	2023	2024	2025
Beginning Balance	12	7,512	12,512	24,812	32,312	34,812
Transfer from Ops Budget	7,500	15,000	22,500	22,500	22,500	22,500
Transfer to Ops Budget	-	(10,000)	(10,200)	(15,000)	(20,000)	-
Planned maintenance activity		Chlorine Contact Tank Inspection		Reservoir Cleaning and inspection	Replace filtration Media	
Interest Income	-					
Ending Balance \$	7,512	12,512	24,812	32,312	34,812	57,312

<u>Assumptions/Background:</u>

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

CAPITAL REGIONAL DISTRICT
FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2021 to 2025

Service No.	2.640	Carry	2021	2022	2023	2024	2025	TOTAL
	Lyall Harbour Boot Cove	Forward from						
	Water (Saturna)	2020						

EXPENDITURE

Buildings	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$20,000	\$66,000	\$45,000	\$0	\$0	\$131,000
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures	\$0	\$0	\$725,600	\$420,000	\$0	\$0	\$1,145,600
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$0	\$20,000	\$791,600	\$465,000	\$0	\$0	\$1,276,600

SOURCE OF FUNDS

Capital Funds on Hand	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debenture Debt (New Debt Only)	\$0	\$0	\$143,000	\$0	\$0	\$0	\$143,000
Equipment Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants (Federal, Provincial)	\$0	\$0	\$625,600	\$465,000	\$0	\$0	\$1,090,600
Donations / Third Party Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund	\$0	\$20,000	\$23,000	\$0	\$0	\$0	\$43,000
	\$0	\$20,000	\$791,600	\$465,000	\$0	\$0	\$1,276,600

CAPITAL REGIONAL DISTRICT CAPITAL PLAN

CAPITAL BUDGET FORM
2021 & Forecast 2022 to 2025

Service #:

2.640

Service Name:

Lyall Harbour Boot Cove Water (Saturna)

Proj. No.

The first two digits represent first year the project was in the capital plan.

Capital Exp. Type

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

Funding Source Codes

Debt = Debenture Debt (new debt only)

ERF = Equipment Replacement Fund

Grant = Grants (Federal, Provincial)

Cap = Capital Funds on Hand

Other = Donations / Third Party Funding

Funding Source Codes (cont)

Res = Reserve Fund

STLoan = Short Term Loans

WU = Water Utility

Asset Class

L - Land

S - Engineering Structure

B - Buildings

V - Vehicles

Capital Project Title

Input Title of Project. For example "Asset Name - Roof Replacement", "Main Water Pipe Replacement".

Capital Project Description

Briefly describe project scope and service benefits.

For example: "Full Roof Replacement of a 40 year old roof above the swimming pool area; The new roofing system is built current energy standards, designed to minimize maintenance and have an expected service life of 35 years".

Total Project Budget

This column represents the total project budget not only within the 5-year window.

FIVE YEAR FINANCIAL PLAN

Proj. No.	Capital Exp.Type	Capital Project Title	Capital Project Description	Total Proj Budget	Asset Class	Funding Source	C/F from 2020	2021	2022	2023	2024	2025	5 - Year Total
19-01	Replacement	Air Valve Replacement - Ph 2	Replace aging air valves that are a safety concern.	\$20,000	E	Debt	\$0	\$0	\$20,000	\$0	\$0	\$0	\$20,000
19-02	Replacement	PRV Bypass Assembly Replacement	Construct bypasses on the East Point, Narvaez and Boot Cove PRV stations to maintain system operation while the PRV's undergo maintenance.	\$8,000	E	Res	\$0	\$0	\$8,000	\$0	\$0	\$0	\$8,000
19-03	Replacement	Standpipe and Valve Replacement	Replace the standpipe valves at 119 and 155 East Point Road that are seized and inoperable	\$8,000	E	Debt	\$0	\$0	\$8,000	\$0	\$0	\$0	\$8,000
19-04	New	Alternative Approval Process	Conduct public consultation to inform strategies for a referendum (AAP) to borrow necessary future capital funds. If the grant is not successful.	\$15,000	S	Res	\$0	\$0	\$15,000	\$0	\$0	\$0	\$15,000
19-05	New	Autoflush Installation	Install 3 autoflushes within the water distribution system to maintain distribution water quality.	\$20,000	E	Grant	\$0	\$0	\$20,000	\$0	\$0	\$0	\$20,000
19-06	New	Seepage Pit Construction	Construct a new seepage pit to increase ground filtered water production.	\$45,000	E	Grant	\$0	\$0	\$0	\$45,000	\$0	\$0	\$45,000
20-02	New	Raw Water Turbidity Meter	Supply and install a new turbidity meter in the raw water line to aid in operation of the WTP.	\$10,000	E	Grant	\$0	\$0	\$10,000	\$0	\$0	\$0	\$10,000
21-01	Replacement	Source Water Viability Study	Study to determine vulnerability of the source water and its viability.	\$15,000	S	Debt	\$0	\$0	\$15,000	\$0	\$0	\$0	\$15,000
21-02	Renewal	Dam Safety Review	Conduct an audit type dam safety review.	\$50,000	S	Debt	\$0	\$0	\$50,000	\$0	\$0	\$0	\$50,000
22-01	New	Install Larger Supply Line to Tank	Construct a larger supply line to the tank to improve system reliability and operation.	\$175,000	S	Grant	\$0	\$0	\$175,000	\$0	\$0	\$0	\$175,000
22-02	Renewal	Money Lake Dam Seismic Upgrade	Seismic reinforcement of Money Lake Dam based upon the 2016 Dam Safety Review. To be coordinated with 19-06 Seepage Pit Construction.	\$420,000	S	Grant	\$0	\$0	\$0	\$420,000	\$0	\$0	\$420,000
22-03	New	Improvements for Water Age Reduction	Upgrades to reduce short circuiting, and include rechlorination station at WTP (also satisfies need for second chlorine pump for high demand period).	\$20,000	E	Res	\$0	\$20,000	\$0	\$0	\$0	\$0	\$20,000
23-01	New	WTP Upgrades	Upgrades to the water treatment plant to meet IHA requirements including ozone upgrades and chlorination upgrades.	\$470,600	S	Grant	\$0	\$0	\$420,600	\$0	\$0	\$0	\$420,600
					S	Debt	\$0	\$0	\$50,000	\$0	\$0	\$0	\$50,000
		GRAND TOTAL		\$1,276,600				\$20,000	\$791,600	\$465,000			\$1,276,600

Service: 2.640 Lyall Harbour Boot Cove Water (Saturna)			
Proj. No.	19-01	Capital Project Title	Air Valve Replacement - Ph 2
Asset Class	E	Board Priority Area	No Alignment
Capital Project Description	Replace aging air valves that are a safety concern.		
Corporate Priority Area	Water		
Project Rationale	The air valves are 35 years old and are corroded, giving rise to safety concerns. Project has been deferred to 2022.		
Proj. No.	19-02	Capital Project Title	PRV Bypass Assembly Replacement
Asset Class	E	Board Priority Area	No Alignment
Capital Project Description	Construct bypasses on the East Point, Narvaez and Boot Cove PRV stations to maintain system operation while the PRV's undergo maintenance.		
Corporate Priority Area	Water		
Project Rationale	The inlet and outlet piping at the East Point, Narvaez and Boot Cove PRV stations are very corroded and there is no way to isolate the stations to replace or maintain the pressure reducing valves. It is proposed that new inlet and outlet piping be installed with 100mm gate valves and bypass piping so that customers are not without water when PRV's are being serviced. Project has been deferred to 2022.		
Proj. No.	19-03	Capital Project Title	Standpipe and Valve Replacement
Asset Class	E	Board Priority Area	No Alignment
Capital Project Description	Replace the standpipe valves at 119 and 155 East Point Road that are seized and inoperable		
Corporate Priority Area	Water		
Project Rationale	The standpipe valves at 119 and 155 East Point Road are seized and inoperable. Therefore, the operators cannot use them for flushing or draining of the mains. It is proposed the valves and corroded 50mm supply line to the standpipe be replaced. The scope of work and material pricing was re-evaluated in 2016. It was determined that the budget needed to be increased from \$5,000 to \$8,000 to accommodate the required works. Project has been deferred to 2022.		
Proj. No.	19-04	Capital Project Title	Alternative Approval Process
Asset Class	S	Board Priority Area	No Alignment
Capital Project Description	Conduct public consultation to inform strategies for a referendum (AAP) to borrow necessary future capital funds. If the grant is not successful.		
Corporate Priority Area	Water		
Project Rationale	Future required projects to maintain public safety and level of service require funding in excess of current projected reserve balance. Future funding will be for improvements the Water Treatment Plant to increase reliability and optimize for improved operations, conducting a regulatory requirement for a dam safety review and construct a larger supply line to the storage tank. Funding is required to undertake public consultation to inform borrow strategies and conduct a referendum.		
Proj. No.	19-05	Capital Project Title	Autoflush Installation
Asset Class	E	Board Priority Area	No Alignment
Capital Project Description	Install 3 autoflushes within the water distribution system to maintain distribution water quality.		
Corporate Priority Area	Water		
Project Rationale	Three water mains require frequent flushing to maintain disinfectant residuals and water quality. Flushing requires operator time which can be utilized conducting other maintenance tasks. Funds are required to construct 3 autoflushes. Project has been deferred to 2022.		
Proj. No.	19-06	Capital Project Title	Seepage Pit Construction
Asset Class	E	Board Priority Area	No Alignment
Capital Project Description	Construct a new seepage pit to increase ground filtered water production.		
Corporate Priority Area	Water		
Project Rationale	There have been water quality issues at times when the turbidity in Money Lake increases and water is being directly drawn from the lake. The seepage pit downstream doesn't encounter the same water quality issues. To reduce water quality issues funds are required to construct another seepage pit. Project has been deferred to 2023		

Proj. No.	20-02	Capital Project Title	Raw Water Turbidity Meter	Capital Project Description	Supply and install a new turbidity meter in the raw water line to aid in operation of the WTP.
Asset Class	E	Board Priority Area	No Alignment	Corporate Priority Area	Water
Project Rationale <i>Install a new turbidity meter in the raw water line to aid in operation of the WTP.</i>					
Proj. No.	21-01	Capital Project Title	Source Water Viability Study	Capital Project Description	Study to determine vulnerability of the source water and its viability.
Asset Class	S	Board Priority Area	No Alignment	Corporate Priority Area	Water
Project Rationale <i>Study to determine the medium to long term vulnerability of the source water (Money Lake) and its viability as a water source (quantity and quality) for the LHBC system in light of pressures such as projected demand changes and climate change. Deferred to 2022.</i>					
Proj. No.	21-02	Capital Project Title	Dam Safety Review	Capital Project Description	Conduct an audit type dam safety review.
Asset Class	S	Board Priority Area	No Alignment	Corporate Priority Area	Water
Project Rationale <i>The Dam Safety Regulation (Water Sustainability Act) requires that dams with a "HIGH" failure consequence rating undergo a Dam Safety Review (DSR) at a frequency of every ten years. The previous DSR was conducted in 2011 and the proposed type for the 2021 DSR is a simpler "audit" type.</i>					
Proj. No.	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.
Asset Class	S	Board Priority Area	No Alignment	Corporate Priority Area	Water
Project Rationale <i>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.</i>					
Proj. No.	22-02	Capital Project Title	Money Lake Dam Seismic Upgrade	Capital Project Description	Seismic reinforcement of Money Lake Dam based upon the 2016 Dam Safety Review. To be coordinated with 19-06 Seepage Pit Construction.
Asset Class	S	Board Priority Area	No Alignment	Corporate Priority Area	Water
Project Rationale <i>This is a continuation of project 18-03, where seismic reinforcement of the Money Lake Dam will commence. Funds are required to retain a contractor to undertake the works. Project deferred to 2023.</i>					
Proj. No.	22-03	Capital Project Title	Improvements for Water Age Reduction	Capital Project Description	Upgrades to reduce short circuiting, and include rechlorination station at WTP (also satisfies need for second chlorine pump for high demand period).
Asset Class	E	Board Priority Area	No Alignment	Corporate Priority Area	Water
Project Rationale <i>0</i>					
Proj. No.	23-01	Capital Project Title	WTP Upgrades	Capital Project Description	Upgrades to the water treatment plant to meet IHA requirements including ozone upgrades and chlorination upgrades.
Asset Class	S	Board Priority Area	No Alignment	Corporate Priority Area	Water
Project Rationale <i>Funds are required to upgrade the water treatment plant to meet IHA requirements including ozone upgrades and chlorination works.</i>					

2.640 - Lyall Harbour Water

Capital Projects Fund

Updated @ Oct 05, 2020

Year	Project#	Status	Capital Project Description	Total Project Budget	Expenditure Actuals	Remaining Funds	Funding Source		Total Funding in Place	Return Project Surplus After Completion***
							CRF*	CWF**		CRF*
2017	CE.584	Closed at YE	Dam Safety Improvements - Toe Berm	65,000	21,811	43,189	65,000	-	65,000	10,000
2018	CE.668	Closed at YE	Lyall Harb Seismic Design	40,000	19,072	20,929	7,616	32,384	40,000	-
			Totals	105,000	40,883	64,117	72,616	32,384	105,000	10,000

* CRF (Capital Reserve Fund)

**CWF (Community Works Fund)

*** Actual project surplus will be finalized at 2020 year end

Service: **2.640 Lyall Harbour Water**

Committee: **Electoral Area**

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel tax per Folio</u>	<u>Number SFE's</u>	<u>User Charge per SFE</u>	<u>Total Tax & Charges</u>	<u>Bylaw</u>	<u>Actual Assessments \$(000's)</u>
2011	170	\$560.00	158	\$325.00	\$885.00	3799	\$57,270.06
2012	171	\$560.00	159	\$375.00	\$935.00	3823	\$56,058.96
2013	171	\$560.00	159	\$390.31	\$950.31	3892	\$55,689.76
2014	171	\$600.00	159	\$461.14	\$1,061.14	3924	\$50,581.58
2015	171	\$611.11	159	\$472.48	\$1,083.59	3987	\$48,842.00
2016	174	\$654.18	159	\$528.24	\$1,182.42	4074	\$48,842.00
2017	174	\$667.25	160	\$535.34	\$1,202.59	4170	\$53,211.48
2018	174	\$667.25	160	\$585.06	\$1,252.31	4233	\$56,853.16
2019	174	\$720.90	161	\$624.84	\$1,345.74	4274	\$58,914.38
2020	171	\$806.49	164	\$638.74	\$1,445.22	4337	\$63,381.81
2021	171	\$820.19	164	\$667.45	\$1,487.64		

Change from 2020 to 2021

\$13.71

1.70%

\$28.71

4.50%

\$42.42

2.94%

