



## Notice of Meeting and Meeting Agenda Cedar Lane Water Service Commission

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Tuesday, October 17, 2023

12:30 PM

Salt Spring Island Multi Space (SIMS)  
Boardroom, 124 Rainbow Road, Salt Spring  
Island, BC V8K 2V5.

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MS Teams Link: [Click here](#)

T. Boulter (Chair), G.Holman, J. Griffin, M. Hobbs

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. Call to Order

### 2. Territorial Acknowledgement

### 3. Approval of Agenda

### 4. Adoption of Minutes

#### 4.1. [23-704](#) Minutes of October 31, 2022 Cedar Lane Water Service Commission Budget Meeting

**Recommendation:** That the minutes of the October 31, 2022 meeting be adopted as presented.

**Attachments:** [Minutes - October 31, 2022](#)

### 5. New Business

#### 5.1. [23-737](#) 2024 Operating and Capital Budget

**Recommendation:** That the Cedar Lane Water Services Commission:

1. Approve the 2024 operating and capital budget as presented and that the 2023 actual operating surplus or deficit be balanced on the 2023 Reserve Funds transfer (CRF and/or ORF).
2. Recommend that the Electoral Area Committee recommend that the CRD Board approve the 2024 Operating and Capital Budget and the Five-Year Financial Plan for the Cedar Lane Water Service as presented.

**Attachments:** [Staff Report: 2024 Operating and Capital Budget](#)

[Appendix A: 2024 Budget](#)

### 6. Next Meeting - TBD

**7. Adjournment**



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**Minutes of the Cedar Lane Water Service Commission Budget Meeting  
Held Thursday, October 31, 2022, at the Salt Spring Island Library 129 McPhillips Avenue,  
Salt Spring Island, BC**

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**Present:**        **CRD Director:** Gary Holman  
                      **Commission Members:** Jason Griffin, Cathy Lenihan, and Marianne Hobbs  
                      **Staff:** Karla Campbell, Senior Manager SSI Electoral Area; Lia Xu, Manager,  
                      Finance Services; Dan Robson, Manager, Saanich Peninsula and Gulf Islands  
                      Operations; Dean Olafson, Manager Engineering; Shayla Burnham,  
                      Recording Secretary  
                      **DRAFT**

**1. Territorial Acknowledgement / Call Meeting to Order**

Chair Griffin provided a Territorial Acknowledgement and called the meeting to order at 10:00 am.

**2. Approval of Agenda**

**MOVED** by Commissioner Griffin, **SECONDED** by Commissioner Lenihan, that the Cedar Lane Water Service Commission meeting agenda of October 31, 2022 be approved as amended by adding item 5.3 Manganese Treatment Project Update.

**CARRIED**

**3. Approval of Minutes of October 7, 2021**

**MOVED** by Commissioner Griffin, **SECONDED** by Commissioner Lenihan, that the Cedar Lane Water Service Commission approve the minutes of October 7, 2021 as presented.

**CARRIED**

**4. Director, Chair and Commissioner Reports – no reports**

**5. New Business**

**5.1 2023 Operating and Capital Budget**

- The Commission requested reasoning for the CRD's decision to no longer contract North Salt Spring Waterworks District (NSSWD). Staff responded that two existing CRD part-time staff would be increasing their hours to full-time as well as hiring another full-time on-island management role to oversee island wide services and strengthen CRD resources.
- Staff confirmed water service lines are reaching end of useful life.

- The Commission requested staff move Project Number 18-01 Abandon Unused Wells from the year 2024 to 2026 to coincide with Project Number 21-03 Detailed Hydrogeological Assessment.
- The Commission stated that pending a hydrogeological assessment the unused wells could be a potential asset. Staff responded that the unused wells were not registered under the *Water Sustainability Act*. The Commission requested staff explore the possibility of registering the unused wells and report back to the Commission with an update.
- Staff confirmed water service line pipe replacements are not currently eligible for Community Works Funds (CWFs).

**MOVED** by Commissioner Griffin, **SECONDED** by Commissioner Lenihan, that the Cedar Lane Water Service Commission amend the five year capital plan to move Project Number 18-01 Abandon Unused Wells from the year 2024 to 2026 to coincide with Project Number 21-03 Detailed Hydrogeological Assessment.

**CARRIED**

- Staff confirmed the Operating Reserve Fund (ORF) is low.
- The Commission expressed support for backup power following an update on staff fatigue issues, Occupational Health and Safety (OHS) concerns, fire risks, public safety, and financial risks associated in not having backup power.
- Project Number 21-01 Power Generation Equipment Design primarily funded through CWFs.

**MOVED** by Commissioner Griffin, **SECONDED** by Commissioner Lenihan, that the Cedar Lane Water Services Commission:

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

**CARRIED**

## **5.2 135 Kangro Road Water Licence Application for Proposed New Use**

- The Commission updated staff on a new well that had been drilled on Lot 5 at Robinson Road.
- Staff confirmed the *Water Sustainability Act* requires the owner/developer to serve the CRD notice of the new well and that the CRD will have an opportunity to provide comment.
- The Commission requested staff relay quantity and quality concerns to the province regarding the new well.

**5.3 Manganese Treatment Project Update**

- Design underway.
- Quarterly testing continuously positive for manganese.
- Future information sessions will be provided to the Cedar Lane residents to discuss borrowing costs.
- Final design will be submitted to Island Health.
- The Commission requested staff forward the total bid amount to the Commission for information.

**6. Outstanding Business – none**

**7. Election of Chair and Commissioners – deferred**

**8. Next Meeting – TBD**

**9. Adjournment**

**MOVED** by Commissioner Griffin, **SECONDED** by Commissioner Hobbs, that the meeting be adjourned at 12:15 pm.

**CARRIED**

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**CHAIR**

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**SENIOR MANAGER**



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**REPORT TO CEDAR LANE WATER SERVICE COMMISSION  
TUESDAY, OCTOBER 17, 2023**

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**SUBJECT**    **2024 Operating and Capital Budget**

**ISSUE SUMMARY**

To present the 2024 operating and capital budget. In accordance with Bylaw No 3505, "Cedar Lane Water Service Commission Bylaw No. 1, 2008" the Commission's approval of the annual budget is required.

**BACKGROUND**

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

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

In preparing the Operating Budget, Staff considered:

1. Actual expenditures incurred between 2021 and 2023
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 2023 may be made in January 2024. The CRD Board will give final approval to the budget and financial plan in March 2024.

The Financial Plan for the years 2025 – 2028 may be changed in future years.

**BUDGET OVERVIEW**

***Operating Budget***

It is projected that the 2023 operating expenses will be approximately \$10,438 over budget. Factors contributing to the operating overage include emergency response and corrective maintenance primarily due to the following events:

- Cedar Lane Well #1 pump removal and screen obstruction cleaning
- Replacement of failed electrical variable frequency drive equipment

The debt servicing cost will be \$1,935 below the budget since the planned new borrowing of \$90,000 in 2023 is now deferred to 2024.

It is projected that the 2023 operating revenue will be slightly under budget by approximately \$130 due to lower water sales.

As a result, there is an overall estimated operating deficit of approximately \$8,633. In order to balance the 2023 budget, it is proposed that the 2023 transfer to Capital Reserve Fund be decreased by this amount. Otherwise, the resulting deficiency in 2023 must immediately be included as an expenditure to be recovered from revenue in 2024 financial plan as required by *Local Government Act Section 374(11)*.

Operating costs for 2024 (excluding 2024 one-time cyclical program funded by ORF of \$5,000) has increased by \$3,889 (7.2%) compare to 2023. The increase is primarily to account for inflation, labour costs reflecting the renewed collective agreement since 2023 and an additional allocation cost reflecting the administration support from SSI Administration Budget.

***Municipal Finance Authority (MFA) Debt***

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

***Table 1 - Existing Debt Summary***

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

***Operating Reserve Fund***

The Operating Reserve Fund (ORF) is evaluated as outlined in the CRD Operating Reserve Guidelines endorsed by the CRD Board in 2023 and is used to fund cyclical maintenance activities, equipment and supplies purchases that typically do not occur on an annual basis, which creates swings in expense. The ORF is the financial strategy to mitigate the corresponding fluctuation in revenue requirement on an annual basis. Typical maintenance activities include hydrant/standpipe maintenance and reservoir cleaning and inspection and ground water well servicing. Additionally, the operating reserve is also used to respond to unforeseen events and operating emergencies. It is proposed that 2024 transfers to the operating reserve fund be set at \$4,000. The Operating Reserve Fund balance at the end of 2023 is projected to be approximately

\$9,803. There is \$25,000 of planned maintenance to be funded by the Operating Reserve Fund over the next five years.

**Capital Reserve Fund**

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

It is proposed that transfers to the Capital Reserve Fund be set at \$10,930 in 2024. The reserve fund transfer planning is influenced by the funding required to support the five-year capital expenditure plan, the emergency response to infrastructure failures and guided by *Capital Reserve Funding Guidelines* endorsed by the CRD Board in aiming to achieve the optimal reserve fund level to ensure long-term prudent and sustainable management of service delivery objectives through capital investments.

The balance at the end of 2023 is projected to be approximately \$22,402.

**Capital Expenditure Plan**

The 5-year plan includes \$2,172,000 of expenditures to be funded from the Capital Reserve Fund and debt.

The following projects were added to the 2024-2028 five-year capital plan:

1. Spare Pressure Pump and Sub-Drive Unit (WTP) (24-02) - \$33,000 (Debt)
2. Referendum or Alternative Approval Process for Future Projects (24-04) - \$15,000 (Reserve)
3. Update Asset Management Plan (27-01) - \$35,000 (Debt and Reserve)

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 ten (10) projects for a total of \$2,137,000. Please refer to the 2024 – 2028 Five Year Capital Plan for details on these projects.

**Table 2 – Future New Debt Simulation**

	<i>Term</i>	<i>Borrowing Year</i>	<i>Retirement Year</i>	<i>Estimated Interest Rate</i>	<i>Principal</i>	<i>Principal Payment</i>	<i>Interest Payment</i>	<i>Total Annual Debt Cost</i>
<b>Future Borrowing(s) Estimation</b>	25	2024	2049	4.40%	\$448,000	\$11,350	\$19,712	\$31,062
	25	2025	2050	4.30%	\$274,000	\$6,942	\$11,782	\$18,724
	25	2026	2051	4.30%	\$95,000	\$2,407	\$4,085	\$6,492
	25	2027	2052	4.30%	\$675,000	\$17,101	\$29,025	\$46,126
	25	2028	2053	4.30%	\$645,000	\$16,341	\$27,735	\$44,076
<b>Total</b>					<b>\$2,137,000</b>	<b>\$54,140</b>	<b>\$92,339</b>	<b>\$146,479</b>

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 \$146,479 equates to approximately \$3,959 cost per parcel.

**Capital Projects Fund**

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

**User Charge and Parcel Tax**

The service is funded by parcel tax, fixed user charges and variable water consumption charge. Properties connected to the water system pay the annual user charge and all properties within the local service area are responsible for the parcel tax. The 2024 water rate for consumption charge remains unchanged from 2023.

Table 3 below summarizes the 2024 over 2023 changes for parcel tax and user fee.

**Table 3 – Parcel Tax and User Charge Summary**

<i>Budget Year</i>	<i>Parcel Tax</i>	<i>Taxable Folios Numbers</i>	<i>Parcel Tax per Folio*</i>	<i>User Charge</i>	<i>SFE Numbers</i>	<i>User Charge per SFE</i>	<i>Parcel Tax &amp; User Charge</i>
<b>2023</b>	\$16,200	37	\$460.82	\$55,300	39	\$1,417.95	<b>\$1,878.77</b>
<b>2024</b>	\$17,820	37	\$506.91	\$60,832	39	\$1,559.79	<b>\$2,066.70</b>
<b>Change (\$)</b>	\$1,620	0	\$46.09	\$5,532	0	\$141.84	<b>\$187.93</b>
<b>Change (%)</b>	10.00%	0.00%	10.00%	10.00%	0.00%	10.00%	<b>10.00%</b>

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

**RECOMMENDATION**

That the Cedar Lane Water Services Commission:

1. Approve the 2024 operating and capital budget as presented and that the 2023 actual operating surplus or deficit be balanced on the 2023 Reserve Funds transfer (CRF and/or ORF).
2. Recommend that the Electoral Area Committee recommend that the CRD Board approve the 2024 Operating and Capital Budget and the Five-Year Financial Plan for the Cedar Lane Water Service as presented.

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

Appendix A: [2024 Budget Cedar Lane Water Service Budget](#)

# **CAPITAL REGIONAL DISTRICT**

## **2024 Budget**

### **Cedar Lane Water (SSI)**

#### **Commission Review**

OCTOBER 2023

**Service:** 2.628 Cedar Lane Water (SSI)

**Committee:** Electoral Area

**DEFINITION:**

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

**PARTICIPATION:**

Local Service Area #31, P(764)

**MAXIMUM LEVY:**

Greater of \$54,000 or \$4.76/ \$1,000 of actual assessed value of land and improvements to a maximum of \$153,241.

**COMMISSION:**

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

**FUNDING:**

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

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

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

**RESERVE FUND BYLAW:**

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

2.628 - Cedar Lane Water (SSI)	2023		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD	ESTIMATED	CORE	2024		TOTAL	2025	2026	2027	2028
	BUDGET	ACTUAL		BUDGET	ONGOING					
<b>OPERATING COSTS</b>										
Operations Contract	9,430	500	2,150	-	-	2,150	2,190	2,230	2,270	2,320
Repairs & Maintenance	1,650	7,990	1,710	-	5,000	6,710	1,750	21,790	1,830	1,870
Allocations	3,999	3,999	5,825	-	-	5,825	5,925	6,041	6,158	6,277
Water Testing	3,162	2,660	3,360	-	-	3,360	3,424	3,491	3,559	3,628
Electricity	4,810	4,580	4,810	-	-	4,810	4,910	5,010	5,110	5,210
Supplies	1,610	1,380	1,660	-	-	1,660	1,690	1,720	1,750	1,780
Labour Charges	26,250	40,580	35,565	-	-	35,565	36,278	37,007	37,750	38,508
Other Operating Expenses	3,350	3,010	3,070	-	-	3,070	3,130	3,190	3,250	3,320
<b>TOTAL OPERATING COSTS</b>	<b>54,261</b>	<b>64,699</b>	<b>58,150</b>	-	<b>5,000</b>	<b>63,150</b>	<b>59,297</b>	<b>80,479</b>	<b>61,677</b>	<b>62,913</b>
*Percentage Increase over prior year			7.2%		9.2%	16.4%	-6.1%	35.7%	-23.4%	2.0%
<b>DEBT / RESERVES</b>										
Transfer to Capital Reserve Fund	15,000	6,367	10,930	-	-	10,930	9,935	14,325	25,320	13,300
Transfer to Operating Reserve Fund	4,130	4,130	4,000	-	-	4,000	4,000	8,000	8,000	4,000
MFA Debt Reserve Fund	930	30	4,510	-	-	4,510	2,740	950	6,750	6,450
MFA Debt Principal	5,394	5,394	5,394	-	-	5,394	11,350	18,291	20,698	37,799
MFA Debt Interest	3,465	2,430	7,358	-	-	7,358	22,658	32,515	42,835	71,538
<b>TOTAL DEBT / RESERVES</b>	<b>28,919</b>	<b>18,351</b>	<b>32,192</b>	-	-	<b>32,192</b>	<b>50,683</b>	<b>74,081</b>	<b>103,603</b>	<b>133,087</b>
<b>TOTAL COSTS</b>	<b>83,180</b>	<b>83,050</b>	<b>90,342</b>	-	<b>5,000</b>	<b>95,342</b>	<b>109,980</b>	<b>154,560</b>	<b>165,280</b>	<b>196,000</b>
<b>FUNDING SOURCES (REVENUE)</b>										
Transfers from Operations Reserve Fund	-	-	-	-	(5,000)	(5,000)	-	(20,000)	-	-
Sales - Water	(11,500)	(11,350)	(11,500)	-	-	(11,500)	(11,500)	(11,500)	(11,500)	(11,500)
User Charges	(55,300)	(55,300)	(60,832)	-	-	(60,832)	(76,040)	(95,050)	(118,810)	(142,570)
Other Revenue	(180)	(200)	(190)	-	-	(190)	(160)	(160)	(160)	(160)
<b>TOTAL REVENUE</b>	<b>(66,980)</b>	<b>(66,850)</b>	<b>(72,522)</b>	-	<b>(5,000)</b>	<b>(77,522)</b>	<b>(87,700)</b>	<b>(126,710)</b>	<b>(130,470)</b>	<b>(154,230)</b>
<b>REQUISITION - PARCEL TAX</b>	<b>(16,200)</b>	<b>(16,200)</b>	<b>(17,820)</b>	-	-	<b>(17,820)</b>	<b>(22,280)</b>	<b>(27,850)</b>	<b>(34,810)</b>	<b>(41,770)</b>
*Percentage increase over prior year										
Sales			0.0%			0.0%	0.0%	0.0%	0.0%	0.0%
User Charge			10.0%			10.0%	25.0%	25.0%	25.0%	20.0%
Requisition			10.0%			10.0%	25.0%	25.0%	25.0%	20.0%
<b>Combined</b>			<b>8.6%</b>			<b>8.6%</b>	<b>21.8%</b>	<b>22.4%</b>	<b>22.9%</b>	<b>18.6%</b>

Cedar Lane Water (SSI)  
 Reserve Summary Schedule  
 2024 - 2028 Financial Plan

**Reserve/Fund Summary**

	<b>Estimated</b>	<b>Budget</b>				
	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Operating Reserve Fund	9,803	8,803	12,803	803	8,803	12,803
Capital Reserve Fund	22,402	13,332	23,267	27,592	47,912	61,212
<b>Total</b>	<b>32,205</b>	<b>22,135</b>	<b>36,070</b>	<b>28,395</b>	<b>56,715</b>	<b>74,015</b>

## Reserve Schedule

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

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

## Reserve Cash Flow

Fund: Fund Centre:	1500 105208	Estimated	Budget				
		2023	2024	2025	2026	2027	2028
<b>Beginning Balance</b>		5,331	9,803	8,803	12,803	803	8,803
<b>Transfer from Ops Budget</b>		4,130	4,000	4,000	8,000	8,000	4,000
<b>Expenditures</b>		-	(5,000)	-	(20,000)	-	-
Planned Maintenance Activity			Building/Facility Maintenance/Security		Reservoir cleaning & inspection		
<b>Interest Income*</b>		342					
<b>Ending Balance \$</b>		<b>9,803</b>	<b>8,803</b>	<b>12,803</b>	<b>803</b>	<b>8,803</b>	<b>12,803</b>

### Assumptions/Background:

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

**Reserve Schedule**

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

Bylaw 3582

**Reserve Cash Flow**

Fund: Fund Centre:	1076 102020	Estimated	Budget				
		2023	2024	2025	2026	2027	2028
<b>Beginning Balance</b>		17,143	22,402	13,332	23,267	27,592	47,912
<b>Transfer from Ops Budget</b>		6,367	10,930	9,935	14,325	25,320	13,300
<b>Transfer from Cap Fund</b>		-					
<b>Transfer to Cap Fund</b>		(2,000)	(20,000)	-	(10,000)	(5,000)	-
<b>Interest Income*</b>		892					
<b>Ending Balance \$</b>		<b>22,402</b>	<b>13,332</b>	<b>23,267</b>	<b>27,592</b>	<b>47,912</b>	<b>61,212</b>

**Assumptions/Background:**

Transfer as much as operating budget will allow.

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



**CAPITAL REGIONAL DISTRICT**  
**FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2024 to 2028**

<b>Service No.</b>	<b>2.628</b>	<b>Carry Forward from 2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>TOTAL</b>
	<b>Cedar Lane Water (SSI)</b>							

**EXPENDITURE**

Buildings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures	\$0	\$468,000	\$274,000	\$105,000	\$680,000	\$645,000	\$2,172,000	\$2,172,000
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>\$0</b>	<b>\$468,000</b>	<b>\$274,000</b>	<b>\$105,000</b>	<b>\$680,000</b>	<b>\$645,000</b>	<b>\$2,172,000</b>	<b>\$2,172,000</b>

**SOURCE OF FUNDS**

Capital Funds on Hand	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debenture Debt (New Debt Only)	\$0	\$448,000	\$274,000	\$95,000	\$675,000	\$645,000	\$2,137,000	\$2,137,000
Equipment Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants (Federal, Provincial)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Donations / Third Party Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund	\$0	\$20,000	\$0	\$10,000	\$5,000	\$0	\$35,000	\$35,000
	<b>\$0</b>	<b>\$468,000</b>	<b>\$274,000</b>	<b>\$105,000</b>	<b>\$680,000</b>	<b>\$645,000</b>	<b>\$2,172,000</b>	<b>\$2,172,000</b>

**CAPITAL REGIONAL DISTRICT**

**5 YEAR CAPITAL PLAN**

2024 - 2028

Service #

2.628

Service N

Cedar Lane Water (SS)

PROJECT DESCRIPTION				PROJECT BUDGET & SCHEDULE									
Project Number	Capital Expenditure Type	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward	2024	2025	2026	2027	2028	5 - Year Total auto-populates
18-01	Renewal	Abandon unused wells	Decommission wells	\$ 10,000	S	Res	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000
21-01	New	Power generation equipment design and construction	Design of back up power generation for WWTP and Pump stations.	\$ 310,000	S	Debt	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000
21-01	New	Power generation equipment design and construction	Construction of back up power generation for WWTP and Pump stations. Includes construction, construction services and CRD project management.		S	Debt	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000
23-01	New	Investigation for new groundwater sources	Conduct study and site investigation to identify groundwater sources and new well location. Includes CRD project management.	\$ 35,000	S	Debt	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ 35,000
21-03	New	Detailed Hydrogeological Assessment	Conduct a detailed hydrogeological assessment of the Cedar Lane water system.	\$ 55,000	S	Debt	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
21-03	New	Detailed Hydrogeological Assessment	CRD project management		S	Res	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000
21-06	New	WTP Manganese treatment construction / chlorine exhaust	Construct and install manganese removal system and exhaust in chlorine room. Includes construction management and CRD project management.	\$ 270,000	S	Debt	\$ -	\$ 270,000	\$ -	\$ -	\$ -	\$ -	\$ 270,000
24-02	New	WTP provide spare pressure pump and sub-drive unit	WTP provide spare pressure pump and sub-drive unit. Includes CRD project management.	\$ 33,000	S	Debt	\$ -	\$ 33,000	\$ -	\$ -	\$ -	\$ -	\$ 33,000
24-03	New	Mansell Well #1 Building Remove structure and rebuild a useable structure to surround the well	Demolition of existing, design and construction of new well house structure. Includes hazard assessment and CRD project management.	\$ 39,000	S	Debt	\$ -	\$ -	\$ -	\$ 39,000	\$ -	\$ -	\$ 39,000
24-04	New	Referendum or Alternative Approval Process - Funding for Future Projects	Seek service area electors approval to fund projects. Public Engagement for Future Projects. Undertake a referendum or AAP to borrow funds.	\$ 15,000	S	Res	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ 15,000
27-01	Study	Update Asset Management Plan	Update Asset Management Plan.	\$ 35,000	S	Debt	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ 30,000
27-01	Study	Update Asset Management Plan	CRD project management		S	Res	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ 5,000
25-01	New	Water main AC replacement strategy and preliminary design	Conduct water main replacement assessment and develop a phased replacement strategy (1200m). Includes CRD project management.	\$ 24,000	S	Debt	\$ -	\$ -	\$ 24,000	\$ -	\$ -	\$ -	\$ 24,000
25-02	New	Water Main AC replacement detailed design	Water Main AC replacement detailed design. Includes CRD project management.	\$ 56,000	S	Debt	\$ -	\$ -	\$ -	\$ 56,000	\$ -	\$ -	\$ 56,000
26-01	New	Phased program of AC Water main replacement	Engineering and construction of replacement/renewal of failing water main for high priority areas (\$1000/m). Includes construction services and CRD project management.	\$ 1,290,000	S	Debt	\$ -	\$ -	\$ -	\$ -	\$ 645,000	\$ 645,000	\$ 1,290,000
													\$ -
													\$ -
													\$ -
			<b>GRAND TOTAL</b>	<b>\$ 2,172,000</b>			<b>\$ -</b>	<b>\$ 468,000</b>	<b>\$ 274,000</b>	<b>\$ 105,000</b>	<b>\$ 680,000</b>	<b>\$ 645,000</b>	<b>\$ 2,172,000</b>

Service:

2.628

Cedar Lane Water (SSI)

<b>Project Number</b>	18-01	<b>Capital Project Title</b>	Abandon unused wells	<b>Capital Project Description</b>	Decommission wells
<b>Project Rationale</b>	The original system drilled five wells, and two (well #1 and #5) are in production and operate separately. Wells that are no longer in use must be closed to avoid potential future aquifer contamination. Abandoning a well must be in accordance with Groundwater Protection Regulations				

<b>Project Number</b>	21-01	<b>Capital Project Title</b>	Power generation equipment design and construction	<b>Capital Project Description</b>	Design of back up power generation for WWTP and Pump stations.
<b>Project Rationale</b>	Design and construction of back up power generation for WWTP and Pump stations to maintain potable water service during power outages.				

<b>Project Number</b>	23-01	<b>Capital Project Title</b>	Investigation for new groundwater sources	<b>Capital Project Description</b>	Conduct study and site investigation to identify groundwater sources and new well location. Includes CRD project management.
<b>Project Rationale</b>	Conduct study and site investigation to identify groundwater sources and new well location as the current wells are depleting. In the SAMP of April 2020 by McElhanney Consulting Services Ltd. It was noted that a new well will be required in the next 1 to 5 years at a cost of \$60K.				

<b>Project Number</b>	21-03	<b>Capital Project Title</b>	Detailed Hydrogeological Assessment	<b>Capital Project Description</b>	Conduct a detailed hydrogeological assessment of the Cedar Lane water system.
<b>Project Rationale</b>	Detailed study of groundwater source, state of the aquifer, ground water balance and potential risks and concerns are required to support a sustainable groundwater supply for the residents of the Cedar Lane Water Service Area. Note that approval for a CWF grant was obtained on August 10th, 2020.				

Service: **2.628** Cedar Lane Water (SSI)

**Project Number** 21-06 **Capital Project Title** WTP Manganese treatment construction / chlorine exhaust **Capital Project Description** Construct and install manganese removal system and exhaust in chlorine room. Includes construction management and CRD project management.

**Project Rationale** Health Canada has changed manganese limits. Maximum acceptable concentration (MAC) for total manganese in drinking water is 0.12 mg/L (120 µg/L). Cedar Lane water testing results can exceed this threshold value and sometimes double. There is some urgency to get this done as it is a potential health issue. SSI Engineering intends to get the design done (by third party consultant) in the last half of 2022.

**Project Number** 24-02 **Capital Project Title** WTP provide spare pressure pump and sub-drive unit **Capital Project Description** WTP provide spare pressure pump and sub-drive unit. Includes CRD project management.

**Project Rationale**

**Project Number** 24-03 **Capital Project Title** Mansell Well #1 Building Remove structure and rebuild a useable structure to surround the well **Capital Project Description** Demolition of existing, design and construction of new well house structure. Includes hazard assessment and CRD project management.

**Project Rationale**

**Project Number** 24-04 **Capital Project Title** Referendum or Alternative Approval Process - Funding for Future Projects **Capital Project Description** Seek service area electors approval to fund projects. Public Engagement for Future Projects. Undertake a referendum or AAP to borrow funds.

**Project Rationale**

Service:

2.628

Cedar Lane Water (SSI)

<b>Project Number</b>	27-01	<b>Capital Project Title</b>	Update Asset Management Plan	<b>Capital Project Description</b>	Update Asset Management Plan.
<b>Project Rationale</b>					

<b>Project Number</b>	25-01	<b>Capital Project Title</b>	Water main AC replacement strategy and preliminary design	<b>Capital Project Description</b>	Conduct water main replacement assessment and develop a phased replacement strategy (1200m). Includes CRD project management.
<b>Project Rationale</b>	Analysis and design to replace the asbestos cement piping distribution system. All such piping systems need to be replaced on SSI.				

<b>Project Number</b>	25-02	<b>Capital Project Title</b>	Water Main AC replacement detailed design	<b>Capital Project Description</b>	Water Main AC replacement detailed design. Includes CRD project management.
<b>Project Rationale</b>					

<b>Project Number</b>	26-01	<b>Capital Project Title</b>	Phased program of AC Water main replacement	<b>Capital Project Description</b>	Engineering and construction of replacement/renewal of failing water main for high priority areas (\$1000/m). Includes construction services and CRD project management.
<b>Project Rationale</b>	Construction to replace the asbestos cement piping distribution system. All such piping systems need to be replaced on SSI.				

## 2.628 Cedar Lane Water

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### Capital Projects

Updated @ Sep 11, 2023

Year	Project#	Status	Capital Project Description	Total Project Budget	Spending		Total Funding in Place
					Expenditure Actuals	Remaining Spending	
2020	CE.735.4503	Open	Power Generation Equipment-Study	5,000	49	4,952	5,000
2021	CE.780.4501	Open	Manganese Removal	156,500	77,560	78,940	156,500
2022	CE.780.4502	Open	Public Engagement for Mn Treatment Project	5,000	-	5,000	5,000
2022	CE.780.4503	Open	Referendum or APP for Mn Treatment Project	5,000	-	5,000	5,000
			<b>Totals</b>	<b>171,500</b>	<b>77,608</b>	<b>93,892</b>	<b>171,500</b>

Service:

2.628 Cedar Lane Water (SSI)

Committee: Electoral Area

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax</u>	<u>SFE's</u>	<u>User Charge*</u>	<u>Tax &amp; Charges</u>	<u>Bylaw</u>	<u>Actual Assessments \$(000's)</u>
2012	37	\$826.44	37	\$763.11	\$1,589.55	3864	14,605.43
2013	37	\$615.94	37	\$763.11	\$1,379.05	3891	13,690.33
2014	37	\$615.94	37	\$763.11	\$1,379.05	3925	13,719.03
2015	37	\$615.85	37	\$763.24	\$1,379.09	3993	13,478.10
2016	37	\$615.85	37	\$763.24	\$1,379.09	4073	13,824.40
2017	37	\$644.59	37	\$774.89	\$1,419.48	4208	15,179.00
2018	37	\$604.93	37	\$854.89	\$1,459.82	4236	17,881.90
2019	37	\$372.36	37	\$960.81	\$1,333.17	4311	21,162.91
2020	37	\$339.95	37	\$991.86	\$1,331.81	4339	21,130.41
2021	37	\$285.14	37	\$1,163.43	\$1,448.57	4395	22,158.21
2022	37	\$426.69	37	\$1,345.32	\$1,772.01	4470	28,850.11
2023	37	\$460.82	39	\$1,417.95	\$1,878.77	4525	32,193.51
2024	37	\$506.91	39	\$1,559.79	\$2,066.70		

**Change from 2023 to 2024**

	\$46.09	\$141.84	\$187.93
	10.00%	10.00%	10.00%

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

# Cedar Lane Water Funding Analysis 2020 - 2024

