



Making a difference...together

GANGES SEWER LOCAL SERVICE COMMISSION
Notice of Meeting on **Thursday, September 10, 2015 at 10:00 am**
Salt Spring Public Library, 129 McPhillips Avenue, Salt Spring Island, BC

Wayne McIntyre

John Sprague

Louis Pepin

Gary Utter

Rod Scotvold

AGENDA

1. Approval of Agenda

2. Approval of Minutes – August 18, 2015

3. Chair and Director Reports

4. Reports

4.1 GANGES WASTEWATER INFRASTRUCTURE RENEWAL PROJECT - NEW BUILDING CANADA FUND – SMALL COMMUNITIES FUND GRANT APPLICATION STATUS AND NEXT STEPS

That the Ganges Sewer Local Service Commission:

- A. Receive the letter from the New Building Canada Fund - Small Communities Fund for information;
- B. Update the resolutions from August 18, 2015 Commission meeting and approve the following:
 - i. All work is subject to the 30 day quashing period being completed and the CRD receiving a Certificate of Approval to undertake the necessary borrowing;
 - ii. Direct staff to prepare a project plan for the commission's approval at the November meeting;
 - iii. Direct staff to gather information required for design contracted services and prepare an RFP – work to be done concurrently with developing the project plan;
 - iv. Utilize a design-bid-build procurement model to deliver the project works with consideration of design-build (i.e. pump stations);
 - v. Approve \$30,000 from Capital Reserves to fund staff time required to prepare an initial RFP and gather information required for design contracted services to be project ready; and
 - vi. Reaffirm the approved 2015 budget work to spend up to \$1,222,000 for rehabilitation work. Money will be available by utilizing internal short term borrowing until MFA funds are available.

To ensure quorum, advise Tracey Shaver 250 537 4448 if you cannot attend.



4.2 2016 OPERATING AND CAPITAL BUDGET

That the Ganges Sewer Local Service Commission recommends that the Capital Regional District Board:

1. Approve the 2016 operating and capital budget for the Ganges Sewer Service as presented;
2. Approve the 2016 Parcel Tax of \$136.07 for the Ganges Sewer Service;
3. Approve the projected 2016 Average Residential User Charge of \$512.81; and
4. Balance the 2015 actual revenue and expense on the 2015 transfer to the capital reserve fund.

5. New Business

6. Outstanding Business

7. Adjournment



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**Minutes of the Regular Meeting of the Ganges Sewer Local Service Commission
Held August 18, 2015 at the Salt Spring Public Library, 129 McPhillips Avenue, Salt
Spring Island, BC**

DRAFT

PRESENT: **Commission Members:** Gary Utter (Chair), Louis Pepin, Rod Scotvold, John Sprague (10:24am)
 Staff: Karla Campbell, Senior Manager, Keith Wahlstrom, Engineer; Peter Sparanese, IWS Senior Manager; Malcolm Cowley, Manager Regional Wastewater, Dan Robson, IWS Operations Manager, Dale Puskas, Project Engineer, Erin Jory, Recording Secretary
 Absent: Wayne McIntyre, CRD Director

Chair Utter called the meeting to order at 10:22 am.

1. Approval of Agenda

MOVED by Commissioner Pepin, **SECONDED** by Commissioner Scotvold,
That the Ganges Sewer Local Service Commission agenda of August 18, 2015 be approved.

CARRIED

2. Approval of Minutes June 12, 2015

MOVED by Commissioner Scotvold, **SECONDED** by Commissioner Pepin,
That the Ganges Sewer Local Service Commission minutes of June 12, 2015 be approved.

CARRIED

3. Chair and Director Reports

No reports presented.

4. Reports

**4.1 Ganges Wastewater Infrastructure Renewal Project Referendum Results and
Next steps**

MOVED by Commissioner Scotvold, **SECONDED** by Commissioner Sprague,
That the Ganges Sewer Local Service Commission:

A. Receive the results of the Referendum for information;

B. Direct staff to continue with advancing the project by:

- i. Prepare a project plan for the commission's approval at the November meeting;
- ii. Utilize a design-bid-build procurement model to deliver the project works with consideration of design-build (i.e. pump stations); and

- iii. Approve \$30,000 from Capital Reserves to fund staff time required to prepare an initial RFP and gather information required for design contracted services to be project ready;

C. Direct staff to wait until November 1, 2015 for potential announcements on the New Building Canada Fund – Small Communities Fund grant before conducting works eligible for grant funding.

5. New Business

No items.

6. Outstanding Business

No items.

7. Adjournment

MOVED by Commissioner Pepin, **SECONDED** by Commissioner Scotvold,
That the meeting be adjourned at 11:04 am.

CARRIED

CHAIR

SENIOR MANAGER



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REPORT TO GANGES SEWER LOCAL SERVICE COMMISSION MEETING OF THURSDAY, SEPTEMBER 10, 2015

SUBJECT GANGES WASTEWATER INFRASTRUCTURE RENEWAL PROJECT - NEW BUILDING CANADA FUND – SMALL COMMUNITIES FUND GRANT APPLICATION STATUS AND NEXT STEPS

ISSUE

To present the results of the application for a grant to the New Building Canada Fund - Small Communities Fund and update the next steps to advance the Wastewater Infrastructure Renewal Project.

BACKGROUND

New Building Canada Fund – Small Communities Fund Grant Update

On Thursday, August 20, 2015, the Capital Regional District (CRD) received a letter (attached) from the Oversight Committee, Small Communities Fund informing the CRD that the Ganges Infrastructure Replacement Project was not selected for funding. The letter confirmed that the funding program had been oversubscribed, receiving far more applications than could be accommodated. The letter did indicate that there would be second intake for receiving grant applications again, but the date for the second intake was not announced.

Wastewater Infrastructure Renewal Project Next Steps

Continuing the advancement of the project, the next steps in the process are presented in the following table:

PROGRESS - NEXT STEPS IN THE PROCESS

1. Ganges Commission - Approval of Option 1 (\$3,900,000)	Jan 8 Complete
2. CRD Board approval of 1st, 2nd & 3rd readings - Loan Authorization Bylaw.	Feb 11 Complete
3. Send Loan Authorization Bylaw to Inspector of Municipalities (4-6 weeks)	Feb 15 Complete
4. Submit New Building Canada – Small Communities Fund Grant Application	Feb 18 Complete
5. Confirm a loan amortization period (20 year selected)	Mar 30 Complete
6. Approval of Open house	Mar 30 Complete
7. Prepare draft Community Notice & FAQ	Mar 30 Complete
8. Ganges Commission Meeting	Mar 30 Complete
9. CRD Board to establish Referendum question, polls & Officer	May 13 Complete
10. Based Referendum date of Jul 25 – Approval of Inspector of Municipalities	May 21 Complete
11. Ganges Commission Meeting – Project Status	Jun 2 Complete
12. Mail-out Community Notice & FAQ	Jun 17 Complete
13. Town Hall meeting	Jun 23 Complete

PROGRESS - NEXT STEPS IN THE PROCESS

14. Advertise official notices prior to Referendum	Jun – Jul Complete
15. Advance voting (Wednesday before vote)	Jul 15, 22 Complete
16. Referendum Voting Day	Jul 25 Complete
17. Board receives Referendum results and, if successful, adopts bylaws	Aug 12 Complete
18. Ganges Commission Meeting – Next Steps	Aug 18 Complete
19. CRD Finance Committee Approves Temporary Borrowing Bylaw	Sept 2 Complete
20. Results of the Application for a Grant from the Building Canada Fund - Small Communities Fund	Sept 10
21. 30-day quashing period ends	Sept 14
22. CRD Board Approves Temporary Borrowing Bylaw	Oct 14
23. Apply for Certificate of Approval from the Ministry of Community, Sport and Cultural Development	Oct 16
24. Secure initial short term borrowing through CRD	Oct/Nov 2015
25. Present Commission with Project Plan	Nov 2015
26. Secure long term borrowing through MFA	Spring 2016

Current Direction to Staff

At the August 18, 2015 meeting the Commission passed several resolutions directing staff to undertake work on the project, with one of the resolutions being:

“Direct staff to wait until November 1, 2015 for potential announcements on the New Building Canada Fund – Small Communities Fund grant before conducting works eligible for grant funding.”

Now that the CRD has received notification that they were not successful in receiving a grant for this project, this resolution should be updated.

2015 Ganges Sewer Capital Budget

The Ganges Sewer capital budget included \$1,222,000 in capital expenditures in 2015. This budget value assumed an early referendum and approval date. Based on the current timing and the August 18, 2015 staff report, it is not possible to complete all the identified work in 2015, but the project can now move ahead without further delay.

Temporary Borrowing Bylaw

At the CRD Finance Committee meeting of September 2, 2015, Bylaw 4036 – the *Temporary Borrowing Bylaw for Capital Financing* (Ganges Sewer Wastewater System) was approved. This bylaw allows the Ganges Infrastructure Replacement Project to access money and to proceed with the project once the 30 day quashing period has expired (September 14, 2015).

The bylaw will now go to the October 6, 2015 CRD Board Meeting for adoption.

ALTERNATIVES

Alternative 1

That the Ganges Sewer Local Service Commission:

- A. Receive the letter from the New Building Canada Fund - Small Communities Fund for information;
- B. Update the resolutions from August 18, 2015 Commission Meeting and approve the following:
 - i. All work is subject to the 30 day quashing period being completed and the CRD receiving a Certificate of Approval to undertake the necessary borrowing;
 - ii. Direct staff to prepare a project plan for the commission's approval at the November meeting;
 - iii. Direct staff to gather information required for design contracted services and prepare an RFP – work to be done concurrently with developing the project plan;
 - iv. Utilize a design-bid-build procurement model to deliver the project works with consideration of design-build (i.e. pump stations);
 - v. Approve \$30,000 from Capital Reserves to fund staff time required to prepare an initial RFP and gather information required for design contracted services to be project ready; and
 - vi. Reaffirm the approved 2015 budget work to spend up to \$1,222,000 for rehabilitation work. Money will be available by utilizing internal short term borrowing until MFA funds are available.

Alternative 2

That the Ganges Sewer Local Service Commission receive the letter from the New Building Canada Fund - Small Communities Fund for information;

IMPLICATIONS

Alternative 1 – The recommendation in the August 18, 2015 staff report to not proceed with components of the project that were eligible for NBCF – SCF was to ensure the community received the maximum potential grant. A grant was not received; therefore there is no benefit in delaying work.

The recommendations as re-written continue to move the project forward without undue delay.

Alternative 2 – The Ganges Sewer Local Services Commission may postpone components of the project at the increased risk of equipment failure resulting in non-compliance and environmental impacts.

CONCLUSION

Not receiving the NBCF – SCF grant has removed one constraint from the project proceeding. With this unknown removed, completing the project plan and retaining a consultant is the next requirement in advancing the project.

Delaying the work increases the chance that equipment will fail before it can be replaced. Premature failures typically cost more than strategic replacement and there is a greater potential of a non-compliance discharge.

RECOMMENDATION

That the Ganges Sewer Local Service Commission:

- A. Receive the letter from the New Building Canada Fund - Small Communities Fund for information;
- B. Update the resolutions from August 18, 2015 Commission meeting and approve the following:
 - i. All work is subject to the 30 day quashing period being completed and the CRD receiving a Certificate of Approval to undertake the necessary borrowing;
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Keith Wahlstrom, P.Eng.
Manager, Engineering
Salt Spring Island Electoral Area

Dale Puskas, P.Eng.
Acting Manager, Wastewater Engineering
and Planning

Karla Campbell
Senior Manager
Salt Spring Island Electoral Area
Concurrence

Malcolm Cowley, P.Eng.
Senior Manager, Infrastructure
Engineering and Operations
Concurrence

Ted Robbins, B.Sc., C.Tech.
General Manager, Integrated Water
Services
Concurrence

KW:ts

Attachments: 1: Letter from New Building Canada Fund – Small Communities Fund

New Building Canada Fund - Small Communities Fund

MINISTRY OF TRANSPORTATION AND INFRASTRUCTURE
5C - 940 Blanshard Street, Victoria, BC V8W 3E6

August 19, 2015

Cliff# 236982

Bob Lapham
Chief Administrative Officer
Capital Regional District
PO Box 1000
Victoria, BC V8W 2S6

Dear Bob Lapham:

Re: New Building Canada Fund - Small Communities Fund (NBCF-SCF)
N20109 - Ganges Wastewater System Infrastructure Replacement

Thank you for your application for funding under the New Building Canada Fund - Small Communities Fund (NBCF-SCF). After careful consideration, the above noted project was not selected for funding.

The program received significantly more applications than could be funded. This decision does not reflect on the importance of this project, but rather the degree by which the program has been oversubscribed. All applications were equitably reviewed and given consideration for funding.

The NBCF-SCF program will have a second application intake. The date of this intake has not been determined. Additional program information can be found at the NBCF-SCF website at: www.gov.bc.ca/smallcommunitiesfund.

If you have any questions, please do not hesitate to contact Liam Edwards, Executive Director, Local Government Infrastructure and Finance Branch, Ministry of Community, Sport and Cultural Development, at 250-387-4060.

Thank you for your interest in the NBCF-SCF. I wish you every success with your community project.

Yours truly,



Patrick C. Livolsi, P. Eng.
Provincial Co-Chair, Oversight Committee, Small Communities Fund
Assistant Deputy Minister
Infrastructure and Major Projects Division

.../2



cc: Sean Nacey, Senior Manager
Infrastructure Development Branch
Ministry of Transportation and Infrastructure

Liam Edwards, Executive Director
Local Government Infrastructure and Finance Branch
Ministry of Community, Sport and Cultural Development

Peter Sparanese
Senior Manager, Infrastructure Engineering & Operations
Capital Regional District



Making a difference...together

**REPORT TO GANGES SEWER LOCAL SERVICE COMMISSION
MEETING OF THURSDAY SEPTEMBER 10, 2015**

SUBJECT 2016 OPERATING AND CAPITAL BUDGET

ISSUE

This report provides a synopsis of the 2016 operating and capital budget, highlighting significant proposed changes related to operational expenditures, debt charges, any capital expenditures and revenue for the Ganges Sewer Service.

In accordance with Bylaw No. 3693, "Ganges Sewer Local Commission Establishment Bylaw states, *"Before the end of November of each year, the Commission shall be presented with a five year operating and capital budgets for the services provided in the Service Area which shall include estimates for the administrative, development, maintenance, operational and other expenses, including debt charges, and shall submit such expenditure estimates, together with estimates for expected revenue, in a form approved by the Financial Officer of the CRD for the approval of the Regional Board and for inclusion in the Regional Board's preliminary and annual budgets."*

BACKGROUND

2015 Estimated Actual Operation Revenue and Expense

The estimated actual 2015 operating cost is projected to be **\$66,716** under budget primarily the result of:

1. lower than budgeted expenditures for:
 - a. sludge hauling contracts (\$3,600)
 - b. screening, grit and waste sludge disposal (\$39,020)
 - c. repairs and maintenance (\$4,040)
 - d. supplies (\$550)
 - e. labour charges (\$19,680)
 - f. other operating expenses (\$1,530)
2. higher than budgeted expenditures for:
 - a. allocations (\$324)
 - b. water (\$1,380)

The estimated actual operating revenue is projected to be approximately **\$6,940** under budget due to lower water use/consumption.

This results in a projected year-end surplus of **\$59,776**.

It is proposed that the projected year-end surplus be transfer to capital reserves in order to help fund future capital improvements.

2016 Operating Expense

A decrease in the 2016 operating expense of **\$15,120** (-2.4%) is proposed. This is primarily a result of:

1. increase expenditure for:
 - a. sludge hauling contracts (\$600)
 - b. repairs and maintenance (\$1,690)
 - c. electricity (\$3,630)
 - d. water (\$1,380)
 - e. supplies (\$160)
 - f. labour charges (\$2,640)
 - g. other operating expenses (\$1,150)
2. decrease expenditure for:
 - a. screening, grit and waste sludge disposal (\$25,020) as a result of identifying operating efficiencies.
 - b. allocations (\$1,350)

2016 Debt/Reserves

Maintenance Reserves:

Maintenance reserves are to be used for the purchase of equipment and supplies that are typically not replaced annually such as, ultraviolet lamps and sensors and other various items; and for certain operation and maintenance activities that are not typically performed annually such as outfall inspections and an increase in sewer collection system flushing and repairs to mitigate inflow and infiltration and reduce the risk of overflows due to blockages.

It is proposed that transfers to the maintenance reserves be increased from \$1,500 to \$21,500. The maintenance reserve balance at the end of 2015 is projected to be **\$3,500**.

Capital Reserve Fund:

It is proposed that the transfer to capital reserve fund be set at \$64,900 in 2016, decreasing to \$63,950 in 2017 and \$50,000 in 2018 to 2020. This reduced transfer helps offset the increase the users will be seeing as a result of the rehabilitation project while at the same time recognizing the need to start to save for replacement of components with life expectancy (example – membrane reactors) is less than the debt servicing life.

The capital reserve fund balance at the end of 2015 is projected to be **\$147,065**.

Capacity Purchase Reserve Fund:

There is also a Capacity Purchase Reserve Fund with a projected balance of **\$72,224** at the end of 2015. The use of these funds is restricted to the future expansion of the system related to development.

MFA Debt

Presently, there is no debt servicing costs for Ganges sewer. However, additional short term debt may begin in late 2015 to undertake capital improvements and will increase as the money

is borrowed. The 2016 debt servicing costs are projected to be \$73,800. A more detailed debt payment program will be developed as the rehabilitation project plan and schedule is finalized and therefore the 2016 debt charge may need to be adjusted. As previously noted, the proposed transfer to capital is \$64,900 in 2016 and this transfer can be adjusted if needed to balance any changes in the debt charges.

2016 Revenue (User Charge and Parcel Tax)

In order to meet operating expenses and debt servicing costs it is proposed that:

- The practice of carrying forward year-end surplus amounts as revenue be reconsidered and all annual expenditures be funded through revenue generated in that year.
- user charge increase from \$556,940 to \$710,960; this results in the “average” residential user charge to increase from \$413.83 per year to \$512.81 per year for each residential property connected to the system. \$53.26 (54%) of the proposed increase is the result of incurring new debt related to the sewer system rehabilitation program. The remaining \$45.72 is related to the lost surplus carry forward as revenue as well as increased contributions to the maintenance and capital reserve funds.
- parcel tax remains unchanged at \$54,170; this results in a parcel tax of \$136.07 per year for each parcel within the service area,
- other revenue increase from \$0 to \$660,
- there is no carry-forward of surplus.

Capital Plan 2016

The major capital improvement plan for the Ganges Sewer System was approved by referendum on July 25, 2015. The \$3.9 million dollar project will be undertaken over a period of 4 years. Details of the expected work, timelines and budgets are contained in separate reports provided to the Commission.

The 2016 capital plan expenditure for the sewer system rehabilitation is \$2,700,420

Forecast 2017-2020

The operating costs are estimated to rise 2% per year over the next 5 years. However, borrowing for the significant capital expenditures planned for 2017-2020, will result in a corresponding rise in the operating budget. The increase is the repayment the loan and interests costs, recognizing that the money will be recovered through user fees. Further, it is recognized that certain components (membranes) will need replacing in approximately 10 years and a replacement reserve fund needs to be created for those replacements.

Additional projects anticipated for Ganges are outlined in the attached budget and include:

- 2017 Sewer System rehabilitation (\$846,760)
- 2018 Sewer System rehabilitation (\$328,789)
- 2019 Sewer System rehabilitation (\$32,178)
- 2019 Strategic Asset Management Plan (SAMP) (\$27,566)

RECOMMENDATION

That the Ganges Sewer Local Service Commission recommends that the Capital Regional District Board:

1. Approve the 2016 operating and capital budget for the Ganges Sewer Service as presented;
2. Approve the 2016 Parcel Tax of \$136.07 for the Ganges Sewer Service;
3. Approve the projected 2016 Average Residential User Charge of \$512.81; and
4. Balance the 2015 actual revenue and expense on the 2015 transfer to the capital reserve fund.

Dan Robson, A.Sc.T
Manager, Saanich Peninsula and Gulf
Islands Infrastructure Operations

Keith Wahlstrom, P.Eng.
Manager, Engineering
Salt Spring Island Electoral Area

Peggy Dayton, BCom, CPA
Senior Financial Advisor
Finance and Technology

Karla Campbell
Senior Manager, Salt Spring Island Electoral
Area
Concurrence

Malcolm Cowley, P.Eng.
Senior Manager, Infrastructure
Engineering
Concurrence

Ted Robbins, BSc., C Tech.
General Manager, Integrated Water Services
Concurrence

Attachment: Ganges Sewer 2016 Budget

CAPITAL REGIONAL DISTRICT

2016 Budget

Ganges Sewer Utility (SSI)

Committee Review

Compiled and Presented by CRD Finance

September 2015

Service: 3.810 Ganges Sewer Utility (SSI)

Committee: Electoral Area Services

DEFINITION:

To provide, operate and maintain sewage collection treatment and disposal facilities in the Ganges area on Salt Spring Island.
(Letters Patent - March, 1978; Bylaw No. 492, 1978) Local Service Conversion Bylaw No. 1923, July 12, 1991.

PARTICIPATION:

Ganges - C(764) LSA#10

MAXIMUM LEVY:

Greater of \$270,000 or \$7.46 / \$1,000 to a maximum of \$1,632,623 on actual assessed value of land and improvements.

COMMISSION:

Ganges Sewer Local Services Committee established by Bylaw No. 1906, April 24, 1991.

FUNDING:

Any deficiencies after user charge and/or frontage tax or parcel tax to be levied on taxable school assessments, excluding all the property of BC Hydro and Power Authority.

User Charge:

Based on water consumption billed annually to properties connected to the system.

Parcel Tax:

Annual charge based only on properties capable of being connected to system.

Connection Charge:

Based on actual cost.

RESERVE FUND:

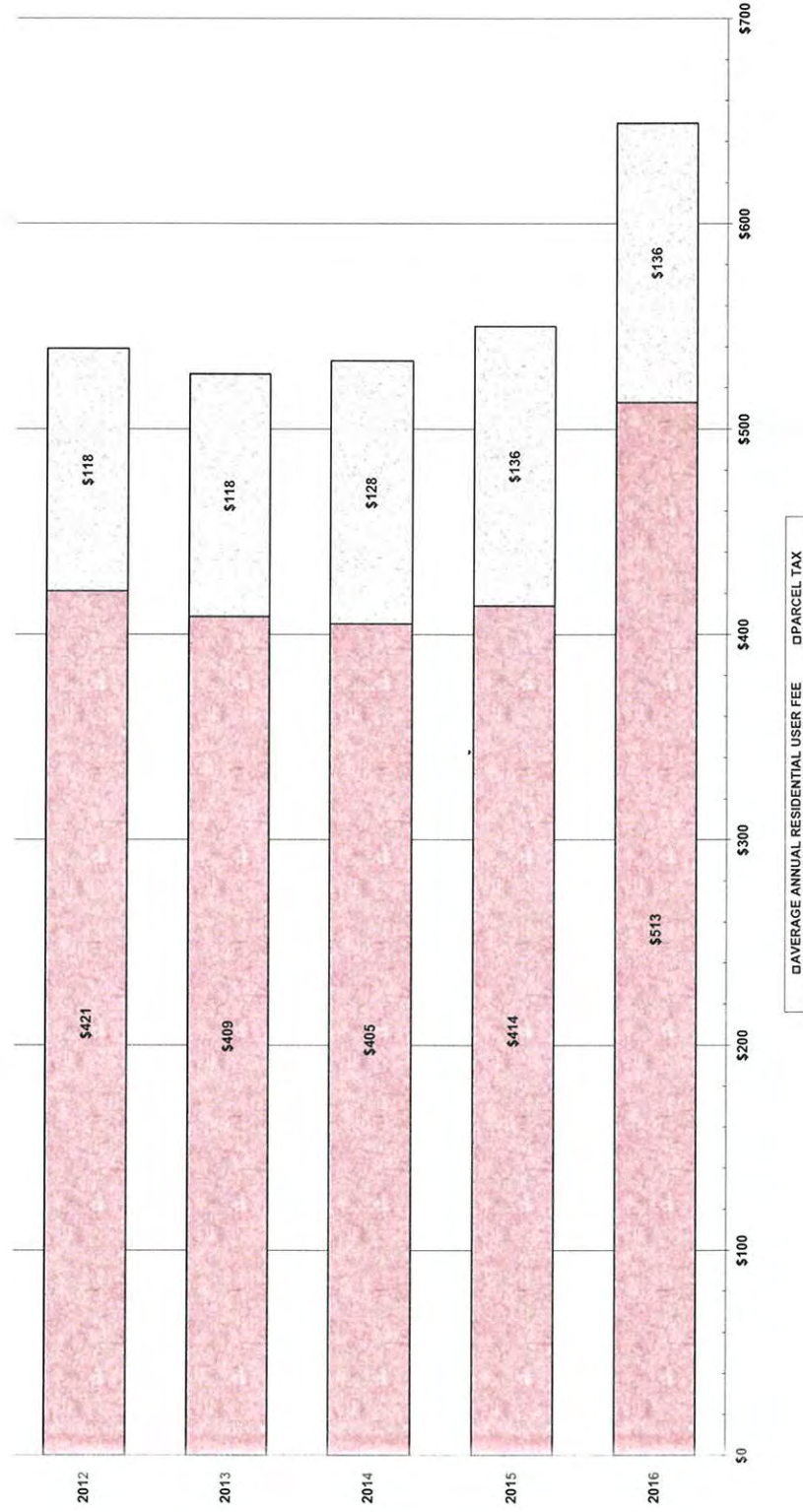
Bylaw No. 3125 (November 26, 2003)

Ganges Sewer Utility (SSI)	2015		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	2016 CORE BUDGET	2016 SUPPLEMENTARY	2016 TOTAL		2017	2018	2019	2020
OPERATING COSTS:										
Sludge Hauling Contracts	30,600	27,000	31,200	-	31,200		31,820	32,460	33,110	33,770
Screenings, Grit & Waste Sludge Disposal	146,020	107,000	121,000	-	121,000		123,420	125,890	128,410	130,980
Repairs & Maintenance	9,940	5,900	11,630	-	11,630		11,860	12,100	12,340	12,580
Allocations	44,370	44,694	43,020	-	43,020		43,870	44,750	45,650	46,560
Electricity	60,500	60,500	64,130	-	64,130		65,410	66,720	68,050	69,410
Water	3,120	4,500	4,500	-	4,500		4,590	4,680	4,770	4,870
Supplies	15,100	14,550	15,260	-	15,260		15,570	15,880	16,200	16,520
Labour Charges	284,190	264,510	286,830	-	286,830		289,140	294,920	300,820	306,840
Contingency	-	-	-	-	-		-	-	-	-
Other Operating Expenses	26,870	25,340	28,020	-	28,020		28,580	29,140	29,710	30,310
TOTAL OPERATING COSTS	620,710	553,994	605,590	-	605,590		614,260	626,540	639,060	651,840
*Percentage Increase over prior year					-2.4%		1.4%	2.0%	2.0%	2.0%
DEBT/RESERVES										
Transfer to Maintenance Reserve Fund	1,500	1,500	21,500	-	21,500		23,100	23,100	23,100	23,100
Transfer to Capital Reserve Fund	12,680	72,456	64,900	-	64,900		63,950	50,000	50,000	50,000
MFA Principal Payment	-	-	-	-	-		95,470	125,530	137,200	138,260
MFA Interest Payment	-	-	46,800	-	46,800		84,930	93,730	101,010	101,660
MFA Debt Reserve/Charges	22,400	22,400	27,000	-	27,000		8,500	3,300	300	-
TOTAL DEBT / RESERVES	36,580	96,356	160,200	-	160,200		275,950	295,660	311,610	313,020
TOTAL COSTS	657,290	650,350	765,790	-	765,790		890,210	922,200	950,670	964,860
FUNDING SOURCES (REVENUE)										
Estimated balance C/F from 2015 to 2016	-	-	-	-	-		-	-	-	-
Balance C/F from 2014 to 2015	(46,140)	(46,140)	-	-	-		-	-	-	-
Connection Charges	-	-	-	-	-		-	-	-	-
User Charges	(556,940)	(550,000)	(710,960)	-	(710,960)		(835,370)	(867,350)	(895,810)	(909,990)
Other Revenue	(40)	(40)	(660)	-	(660)		(670)	(680)	(690)	(700)
TOTAL REVENUE	(603,120)	(596,180)	(711,620)	-	(711,620)		(836,040)	(868,030)	(896,500)	(910,690)
REQUISITION	(54,170)	(54,170)	(54,170)	-	(54,170)		(54,170)	(54,170)	(54,170)	(54,170)
*Percentage increase over prior year							17.5%	3.8%	3.3%	1.6%
User Charge					29.3%		0.0%	0.0%	0.0%	0.0%
Parcel Tax					0.0%		16.3%	3.6%	3.1%	1.5%
Combined					26.6%					

Service:	3.810	Ganges Sewer Utility (SSI)	Committee: Electoral Area Services
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<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax</u>	<u>Residential</u>		<u>Assessments \$(000's)</u>
			<u>SFE's</u>	<u>User Charge</u> <u>Taxes & Chgs</u>	
2010	381	\$118.04	565	\$388.26	213,515
2011	382	\$118.04	567	\$420.99	219,117
2012	408	\$120.02	567	\$408.51	213,020
2013	415	\$129.23	570	\$405.04	221,913
2014	419	\$136.06	584	\$413.83	224,108
2015	419	\$136.07	584	\$413.83	218,850
2016 Budget	419	\$136.07	583	\$512.81	218,850
				\$98.98	
				\$53.26	
				\$45.72	

CAPITAL REGIONAL DISTRICT GANGES SEWER FUNDING ANALYSIS 2012-2016



Actual Costs 2012-2015, Projected 2016
Prepared by CRD Finance
04/09/2015

CAPITAL BUDGET FORM

2016 & Forecast 2017 to 2020

Service #:

3.810

Service Name:

Ganges Sewer Utility (SSI)

Year (1)	Type Code (2)*	Specific Project Description (3)	Capital	Funding		Grant Program Sponsor (6)	Loan Authorization # (7)	Participants (8)	%
			Expense	Source (4) **	Amount Total (5)				
2016	S	Sewer System rehabilitation	2,700,420	D	2,700,420				
2017	S	Sewer System rehabilitation	846,760	D	846,760				
2018	S	Sewer System rehabilitation	328,789	D	328,789				
2019	S	Sewer System rehabilitation	32,178	D	32,178				
2019	S	SAMP	27,566	G	27,566				
		TOTAL	3,935,713		3,935,713				
Type Codes (2) *			Funding Source Codes (4) **			C = Capital Funds on Hand			
L	= Land		D = Debt (new debt only)			R = Reserve Fund			
S	= Engineering Structures		E = Equipment Replacement Fund			S = Short Term Loans			
B	= Buildings		G = Grants (Federal , Provincial)			L = Lands Sales			
V	= Vehicles		O = Donations / Third Party Funding						
E	= Equipment								

Sewer System Rehabilitation (2016)**\$2,700,420****Replace Fine Screen, Membranes, Cleaning Tank Heater**

The fine screen, membranes, crane, cleaning tank heater, effluent piping and pumps and recirculation piping at the Ganges wastewater treatment plant have reached their end of life and need to be replaced. The budget for this item is for design and the upgrades required for the replacement of these components.

Inflow and Infiltration Program - Phase 1

The Stantec engineering study conducted in 2011 noted that there are increased sewage flows during rainfall events, suggesting inflow and infiltration issues, reducing usable capacity at the Ganges wastewater treatment plant. The budget for this item is to conduct a study to identify areas of inflow and infiltration.

Replace Harbour House Pump Station & SCADA

The Harbour House pump station is at end of life and replacement is required. The intention is to reuse the existing concrete structure; if possible, SCADA will be added to this station. The budget for this item is for replacement of the mechanical and electrical equipment as well as provision of SCADA.

Resolve Outfall Deficiencies

The outfall for the Ganges wastewater treatment plant was inspected in 2012 with noted deficiencies – five sacrificial anodes could not be located, a flange bolt was noted as being unsecured. The budget for this item is for 10 new anodes, hammer testing the flange bolts and replacing any flange bolts requiring replacement.

Turbidity Meter Replacement

The turbidity meter for the Ganges wastewater treatment plant is at its end of life and requires replacement. The budget for this item is for procurement and replacement with a new turbidity meter.

Blower Vibration Testing and Repairs

The blowers at the Ganges wastewater treatment plant have been identified as requiring vibration testing to maintain proper operation and prevent premature failure. The budget for this item is for vibration testing of the blowers and any repairs if required.

Sludge Thickening Tank and Membranes

The membranes that perform the sludge thickening, separate from the membrane bioreactor, are starting to have breakthrough of total suspended solids, affecting effluent quality. The budget for this item is for replacement of the membranes and the tank.

Replace Flow Meters with Mag Meters

Three flow meters currently used at the Ganges wastewater treatment plant are the old, unreliable paddlewheel style flow meters and in need of replacement.

Remove Old RBC Components

The RBC tank at the Ganges wastewater treatment plant has not been in operation since the mid-1990's. The components will be removed so that the RBC tank could serve as equalization storage.

Replace 208V Motor Control Centre

The existing motor control centre at the Ganges wastewater treatment plant is at its end of life and need of replacement. This is the remaining electrical work to bring the facility up to the current Electrical Code. This budget item will be for replacement of the motor control centre.

Sewer System Rehabilitation (2017)**\$846,760.00****Replace Roofing, Paint Building, Replace Fence**

The Ganges WWTP building requires the roofing to be replaced and siding to be repainted. The site security fence surrounding the site is falling down in areas, and not present in others. This budget item will be for painting the building, replacing the roof and site security fence.

Inflow and Infiltration Program - Phase 2

As an extension of the 2016 Capital Project – Inflow & Infiltration Program Phase I, this project will address issues highlighted in

Replace Manson Pump Station & SCADA

The Harbour House pump station is at end of life and replacement is required. The intention is to reuse the existing concrete structure, if possible. SCADA will be added to this station. The budget for this item is for replacement of the mechanical and electrical equipment as well as provision of SCADA.

Convert RBC Tank to Equalization Tank

As an extension of the 2016 Capital Project – Remove Old RBC Components at the Ganges WWTP, this budget item is for procurement and installation of mechanical equipment to convert the old RBC tank to an equalization tank, which will add storage capacity to better manage peak flow events

Service: 3.810 Ganges Sewer Utility (SSI)

Committee: Electoral Area Services

Sewer System Rehabilitation (2018)

\$328,789.00

Influent Pump Station & Piping Replacement

The Ganges wastewater treatment plant influent pump station is at end of life, the pumps, process piping and valves require replacement and the site underground piping to the fine screen is of suspect condition. The budget for this item is for replacement of the mechanical and electrical equipment as well as replacement of some of the site piping.

Sewer System Rehabilitation (2019)

\$32,178.00

Replace Automatic Valves and Actuators

The Ganges wastewater treatment plant valves and actuators will need to be replaced in 2019.

Strategic Asset Management Plan - SAMP (2019)

\$27,566

A strategic asset management plan has been partially completed and provides supporting documentation to the work anticipated from 2016 to 2019. This phase of the SAMP will consolidate the current utility infrastructure and identify where further studies, policies, maintenance needs or projects are required.

Reserve Schedule

Reserve Fund: 3-810 Ganges Sewer Utility (SSU) Capital Reserve Fund - Bylaw 3125

For capital repairs, additions and improvements to sewage system infrastructure

Reserve Cash Flow

	Estimate		Budget		Budget	
	2015	2016	2017	2018	2019	2020
Fund: 1056 Fund Center: 101836 & 101900						
Beginning Balance	159,333	219,289	284,189	348,139	398,139	448,139
Transfer to Cap Fund (Based on Capital Plan)	(14,500)	-	-	-	-	-
Transfer from Operating Budget	72,456	64,900	63,950	50,000	50,000	50,000
Interest Income*	2,000	-	-	-	-	-
Ending Balance \$	219,289	284,189	348,139	398,139	448,139	498,139

* 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.

Reserve Cash Flow

	Estimate		Budget		Budget	
	2015	2016	2017	2018	2019	2020
Fund: 1056 Fund Center: 101836						
Beginning Balance	88,109	147,065	211,965	275,915	325,915	375,915
Transfer to Cap Fund	(14,500)	-	-	-	-	-
Transfer from Ops Budget	72,456	64,900	63,950	50,000	50,000	50,000
Interest Income	1,000	-	-	-	-	-
Ending Balance \$	147,065	211,965	275,915	325,915	375,915	425,915

Reserve Cash Flow

	Estimate		Budget		Budget	
	2015	2016	2017	2018	2019	2020
Fund: 1056 Fund Center: 101900						
Beginning Balance	71,224	72,224	72,224	72,224	72,224	72,224
Transfer from Ops Budget	-	-	-	-	-	-
Interest Income	1,000	-	-	-	-	-
Ending Balance \$	72,224	72,224	72,224	72,224	72,224	72,224

For use only to fund costs resulting from expansion of service

	Reserve Schedule
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Reserve Fund: 3.810 Ganges Sewer Maintenance Reserve (GL 290050)

For unforeseen operational repairs and maintenance
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	Reserve Cash Flow
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Fund: 1056 Fund Center: 101836 & 101900		Estimate	Budget			
		2015	2016	2017	2018	2019
Beginning Balance		2,000	3,500	25,000	46,500	68,000
						89,500
Transfer from Operating Budget		1,500	21,500	21,500	21,500	21,500
Expenditures						(6,400)
Ending Balance \$		3,500	25,000	46,500	68,000	89,500
						104,600