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MAGIC LAKE ESTATES WATER AND SEWER COMMITTEE

Notice of Meeting on **Tuesday, November 14, 2017 at 9:30 a.m.**
Main Conference Room, 479 Island Highway, Victoria, BC

Kathy Heslop (Chair)
Director Dave Howe

David Reed
Wally Foster

John Fossi
Alex Wilson

Joe Gill

AGENDA

1. Approval of Agenda
2. Election of Chair and Vice Chair
3. Motion to Close the Meeting
That the Magic Lake Estates Water and Sewer Committee close the meeting in accordance with the Community Charter, Part 4, Division 3, 90(1)(g) litigation or potential litigation affecting the municipality.
4. Adoption of Minutes of October 10, 2017
5. 2018 Operating and Capital Budgets (staff report)
6. Correspondence
7. New Business
8. Adjournment

To ensure quorum, advise Lorrie Siemens 250.360.3087 or lsiemens@crd.bc.ca if you cannot attend.

**Minutes of a Meeting of the Magic Lake Estates Water and Sewer Committee
Held Tuesday, October 10, 2017 in the Main Conference Room, 479 Island Highway,
Victoria, BC**

PRESENT: **Committee Members:** K. Heslop (Chair), C. Rodash, A. Wilson, J. Petrie
Staff: M. McCrank, Senior Manager, Infrastructure Operations, S. Mason, Manager Water Engineering and Planning, M. Cowley, Manager, Wastewater Engineering and Planning, L. Siemens (recorder)
ABSENT: Director D. Howe, J. Gill, D. Reed

The meeting was called to order at 9:30 a.m.

1. Approval of Agenda

MOVED by J. Petrie, **SECONDED** by C. Rodash,
That the agenda be approved as distributed.

2. Adoption of Minutes of September 12, 2017

CARRIED

MOVED by C. Rodash, **SECONDED** by J. Petrie,
That the minutes of September 12, 2017 be adopted as previously distributed.

3. Motion to Close the Meeting

CARRIED

MOVED by A. Wilson, **SECONDED** by C. Rodash,
That the Magic Lake Estates Water and Sewer Committee close the meeting in accordance with the Community Charter, Part 4, Division 3, 90.1 (e) *the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality.*

CARRIED

The Magic Lake Estates Water and Sewer Committee closed the meeting at 9:32 a.m. and resumed in open session at 10:02 a.m.

4. Water Update

S. Mason presented a verbal report and provided a handout that will be included as part of the agenda package.

5. Wastewater Update

M. Cowley presented a verbal report and provided a handout that will be included as part of the agenda package.

6. Operations Report

M. McCrank presented a verbal report and provided a handout that will be included as part of the agenda package.

7. Correspondence

There was no correspondence.

8. New Business

A discussion took place regarding newts crossing over the Magic Lake dam. The issue arose from communication to a committee member from a member of the Pender Island Conservancy Association. Staff suggested that the committee request further information from the Pender Island Conservancy Association in terms of options for consideration.

A request was made regarding the ability to hold meetings via Skype from Pender Island. L. Siemens will forward the section of Bylaw 3828 (CRD Procedures Bylaw) which pertains to electronic participation at commission meetings to the chair for information.

The committee requested that the Stantec Report titled "Asset Condition Evaluation and Engineering Study" be sent to the current committee members as well as the incoming committee members. L. Siemens will forward the report.

Chair Heslop thanked Jim Petrie for his many years of service on the committee. The Chair also thanked Courtenay Rodash for his term on the committee.

10. Adjournment

MOVED by J. Petrie, **SECONDED** by C. Rodash,
That the meeting be adjourned at 10:44 a.m.

CARRIED



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REPORT TO MAGIC LAKE ESTATES WATER AND SEWER COMMITTEE MEETING OF TUESDAY, NOVEMBER 14, 2017

SUBJECT 2018 OPERATING AND CAPITAL BUDGET

ISSUE

To present the 2018 operating and capital budget. In accordance with Bylaw No 2339 "Magic Lake Estates Water and Sewer Committee Bylaw 1995" the committee's approval of the annual budgets 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 five year Financial Plan. CRD staff have therefore, prepared the financial plans for the following services:

1. Magic Lake Estates Water System Local Service shown in Appendix A.
2. Magic Lake Estates Water System Second Local Service in Appendix B.
3. Magic Lake Estates Sewerage System Local Service shown in Appendix C.

The Operating Budgets 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 potentially leading to future capital improvements.

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

1. Actual expenditures incurred between 2015 and 2017
2. Anticipated changes in level of service (if any)
3. Maximum allowable tax requisition
4. Annual Cost per taxpayer and per Single Family Equivalent (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

The proposed Operating and Capital budget for the Services will be presented to the Electoral Area Services Committee in the fall of 2017. Adjustments for surpluses or deficits from 2017 may

be made in January 2018. The CRD Board will give final approval to the budget and financial plan in March 2018.

The Financial Plan for the years 2019 – 2022 may be changed in future years.

BUDGET OVERVIEW

Magic Lake Estates Water System Local Service

Operating Budget

It is anticipated that operating expenses in 2017 will be \$44,000 under budget. This is primarily due to unspent contingency and lower than anticipated repair and maintenance costs. CRD staff recommend that the budgeted transfer to the Capital Reserve Fund be increased to balance the 2017 budget. The 2018 operating budget has been increased by 2.6% over the 2017 budget to account for inflation.

Municipal Finance Authority (MFA) Debt:

The annual debt servicing cost of \$219,650 will remain unchanged in 2018.

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 inspection. 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 the budgeted transfer to the Operating Reserve Fund remain at \$15,000 in 2018. The operating reserve balance at the end of 2017 is projected to be \$60,000.

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 decreased from the 2017 budget to \$91,920. The balance at the end of 2017 is projected to be approximately \$656,700.

Capital Expenditure Plan

The 5-year plan includes \$1,890,000 of expenditures to be funded by a combination of the service's Capital Reserve Funds and new debt following a public engagement and referendum process planned for 2019. The new debt will fund dam infrastructure improvements and adjustable water intake infrastructure.

Capital Projects 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 is a planned transfer of \$19,961 from the Capital Projects Fund to the Capital Reserve Fund in 2018.

User Charge and Parcel Tax

The user charge and parcel tax fund the service. Typically the user charge funds the operational costs and the parcel tax funds the debt and capital reserve fund contributions. 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 proposed 2018 user charge is \$291.37 per Single Family Equivalent (SFE), an increase from 2017, and the parcel tax is proposed to remain at the 2017 rate of \$497.81 per taxable folio. Historical user charge and parcel tax rates are included for information.

Magic Lake Estates Water System Second Local Service

Operating Budget

This service exists for the sole purpose of recovering debt costs for a water main replacement project completed in 2003.

The estimated actual revenue is \$2,430 over budget as a result of MFA debt surplus fund. It is proposed that the 2018 Budget return the 2017 surplus through negative requisition. 2017 estimated surplus of \$2,430 will be refunded (approx. \$2.87 per parcel). In future there will no longer be a parcel tax requisition.

Municipal Finance Authority (MFA) Debt

The debt is paid off in 2017 and this debt servicing budget will cease to exist.

Magic Lake Estates Sewerage System Local Service

Operating Budget

It is anticipated that operating expenses in 2017 will be approximately \$18,000 over budget, primarily due to additional sludge hauling/disposal costs and additional labour charges as a result of unexpected breakdowns in equipment. The 2018 operating budget has been increased by 2.9% over the 2017 budget to account for inflation and increase in labour charges.

Municipal Finance Authority (MFA) Debt:

It is anticipated that debt servicing cost will be approximately \$72,000 under budget, because of the borrowing amount change from \$785,000 to \$250,000.

MFA debt servicing costs are incurred on debt of \$745,000 issued in 2016 at 2.1% interest and \$250,000 issued in 2017 at 2.85% interest. The annual debt servicing cost will be \$107,600 in 2018.

It is proposed that the MFA debt servicing surplus be used to cover the operating overage and the remaining surplus funds be transferred to the Capital Reserve Fund.

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 treatment facility tank draining/cleaning/inspection and outfall inspections. 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 the budgeted transfer to the operating reserve increase from \$5,000 to \$13,000 to ensure future maintenance activities are fully funded while maintaining an optimum minimum reserve fund balance. There is approximately \$26,000 of planned maintenance over the next 5 years. The Operating Reserve Fund balance at the end of 2017 is projected to be \$8,000.

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 in 2018 to the Capital Reserve Fund be increased from \$53,930 to \$122,750 to fund anticipated future capital replacement projects. The 2017 budgeted cost of MFA debt were not fully expended because funds were not borrowed in 2017 as anticipated and there is no new borrowing anticipated in 2018. The balance at the end of 2017 is projected to be \$151,600.

Capital Expenditure Plan

The 5-year plan includes \$8,125,000 of expenditures to be funded by a combination of the service's Capital Reserve Funds and new debt under a public engagement and referendum process planned in 2018. The new debt will fund Phase II of wastewater system infrastructure improvement projects for the utility.

Capital Projects 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 is a planned transfer of \$59,081 from the Capital Projects Fund to the Capital Reserve Fund in 2018.

User Charge and Parcel Tax

The user charge and parcel tax fund the service. Typically the user charge funds the operational costs and the parcel tax funds the debt and capital reserve fund contributions. 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 proposed 2018 user charge is \$300.41 per Single Family Equivalent (SFE), an increase from 2017, and the parcel tax is proposed to remain at the 2017 rate of \$750.36 per taxable folio. Historical user charge and parcel tax rates are included for information.

RECOMMENDATION

1. That the Magic Lake Estates Water and Sewer Committee approve the 2018 Operating and Capital Budget for the:
 - Magic Lake Estates Water System Local Service as presented and recommend that the 2017 actual surplus or deficit be balanced on the 2017 transfer to the Capital Reserve Fund;
 - Magic Lake Estates Water System Second Local Service as presented and recommend that the 2017 actual surplus or deficit be balanced on the 2018 parcel tax;
 - Magic Lake Estates Sewerage System Local Service as presented and recommend that the 2017 actual surplus or deficit be balanced on the 2017 transfer to the Capital Reserve Fund; and
2. That the Magic Lake Estates Water and Sewer Committee recommend that the Electoral Area Services Committee recommend that the CRD Board approve the 2018 Operating and Capital Budget and the five year Financial Plan for the Magic Lake Estates Water and Sewer Services as presented.

Submitted by:	Matthew McCrank, M.Sc., P.Eng., Senior Manager, Infrastructure Operations
Submitted by:	Ian Jesney, P.Eng. Senior Manager, Infrastructure Engineering
Submitted by:	Amber Donaldson, MA, CPA, CMA, A/Senior Manager, Financial Services
Concurrence	Ted Robbins, B.Sc., C.Tech., General Manager, Integrated Water Services
Concurrence	Robert Lapham, MCIP, RPP, Chief Administrative Officer

MMc/IJ/AD:ls

Attachment: 1

2018MLE ALL Oct 4 2017

CAPITAL REGIONAL DISTRICT

2018 Budget

Magic Lake Estates Water (Pender)

Committee Review

Compiled and Presented by CRD Finance

Nov 2017

Service: 2.630 Magic Lake Estates Water (Pender)**Committee:** Electoral Area Services**DEFINITION:**

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

PARTICIPATION:

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

MAXIMUM LEVY:

Greater of \$160,000 or \$3.50 / \$1,000 of actual assessed value of land and improvements. To a maximum of \$1,151,419

MAXIMUM CAPITAL DEBT:

AUTHORIZED:	LA Bylaw No. 3633 (Nov 2009).	\$ 2,560,000
BORROWED:	SI Bylaw 3677 (Feb 2010).	\$ (723,000)
BORROWED:	SI Bylaw 3759 (Feb 2011).	\$ (250,000)
BORROWED:	SI Bylaw 3850 (Aug 2012).	\$ (559,500)
BORROWED:	SI Bylaw 3882 (Apr 2013).	\$ (1,002,500)
BORROWED:	SI Bylaw 3910 (July 2013).	\$ (25,000)
REMAINING AUTHORIZATION:		\$ <u><u>0</u></u>

COMMITTEE:

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

FUNDING:

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

User Charge:

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

The consumption charge for water will be the total volume of water metered to the water service connections, measured in cubic meters at the following rate: (BL3987 March 2015)

- Greater than 50 cubic metres - \$0.50 / cubic metre
- Greater than 80 cubic metres - \$1.00 / cubic metre

Parcel Tax:

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

Turn on/Turn Off Fee:

\$0 during normal working hours; \$25 outside of normal working hours

Connection Charges:

Actual Engineering and Construction costs, plus 15% Administration costs. The minimum charge is \$500 - Bylaw No. 3387 (Mar 2015)

RESERVE FUND:

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

	2017 BOARD ESTIMATED BUDGET	2018 CORE BUDGET	BUDGET REQUEST			FUTURE PROJECTIONS		
			2018 ONGOING	2018 ONE-TIME	TOTAL	2019	2020	2021
Magic Lake Estates Water (Pender)								
OPERATING COSTS:								
Repairs & Maintenance	26,350	18,500	26,830	-	26,830	27,370	27,910	28,460
Allocations	59,060	40,340	38,080	-	38,080	38,830	39,610	40,410
Water Testing	17,760	17,760	18,120	-	18,120	18,480	18,850	41,220
Electricity	45,670	45,000	47,500	-	47,500	48,450	49,420	19,610
Supplies	50,240	46,710	52,220	-	52,220	52,550	53,590	51,420
Labour Charges	299,570	297,000	337,410	-	337,410	344,150	351,030	55,750
Contingency	10,000	-	-	-	-	-	358,050	365,210
Other Operating Expenses	39,040	38,500	41,860	-	41,860	42,700	43,550	44,420
TOTAL OPERATING COSTS	547,690	503,810	562,000	-	562,000	572,530	583,960	595,640
						2.6%	1.9%	2.0%
							2.0%	2.0%
DEBT/RESERVES								
Transfer to Maintenance Reserve	15,000	15,000	15,000	-	15,000	15,300	15,610	15,920
Transfer to Capital Reserve Fund	98,970	137,850	91,920	-	91,920	50,000	50,000	50,000
MFA Debt Reserve Fund	-	-	-	-	-	127,860	127,860	-
MFA Debt Principal	127,850	127,850	127,860	-	127,860	91,810	91,810	125,980
MFA Debt Interest	91,800	91,800	91,810	-	91,810	125,980	125,980	132,650
TOTAL DEBT / RESERVES	333,620	372,500	326,590	-	326,590	284,970	285,280	372,880
TOTAL COSTS	881,310	876,310	888,590	-	888,590	888,590	889,500	869,240
FUNDING SOURCES (REVENUE)								
Estimated balance C/F from 2017 to 2018	-	-	-	-	-	-	-	-
Balance C/F from 2016 to 2017	(18,000)	(13,000)	(14,000)	-	(14,000)	(14,000)	(14,000)	(14,000)
Sales - Water	-	-	-	-	-	-	-	-
Connection Charges	(8,100)	(8,100)	(8,100)	-	(8,100)	(8,100)	(8,100)	(8,100)
Lease Revenue	(285,920)	(285,920)	(297,200)	-	(297,200)	(297,200)	(297,200)	(297,200)
User Charges	(300)	(300)	(300)	-	(300)	(300)	(300)	(300)
TOTAL REVENUE	(312,320)	(307,320)	(319,600)	-	(319,600)	(319,600)	(319,600)	(319,600)
REQUISITION - PARCEL TAX	(568,990)	(568,990)	(568,990)	-	(568,990)	(537,900)	(549,640)	(648,920)
						0.0%	-5.5%	2.2%
								18.1%
								4.5%

*Percentage increase over prior year

Reserve Schedule

Reserve Fund: 2,630 Magic Lake Estates Water (Pender) Operating Reserve Fund (Bylaw No. 4144)

Reserve fund used for: unforeseen operational repairs and maintenance; infrequent maintenance activities such as reservoir cleaning and inspection, hydrant maintenance etc. Optimum minimum balance of \$50,000 (approximately 10%) of the annual operating budget.

Reserve Cash Flow

		Budget			
		2018	2019	2020	2021
Beginning Balance		45,000	60,000	55,000	70,300
Transfer from Ops Budget		15,000	15,000	15,300	15,610
Expenditures		-	(20,000)	-	(20,000)
	Captains reservoir cleaning				Frigate reservoir cleaning
Ending Balance \$		60,000	55,000	70,300	85,910
					81,830
					98,070

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

Reserve Schedule

Reserve Fund: 2,630 Magic Lake Estates Water (Pender) Capital Reserve Fund - Bylaw 1498

Reserve Cash Flow

Fund: 1024 Fund Center: 101368

		2017	2018	2019	2020	2021	Budget 2022
Beginning Balance		513,908	656,719	188,639	148,639	183,639	233,639
Transfer to Cap Fund (Based on Capital Plan)		(15,000)	(560,000)	(90,000)	(15,000)	-	-
Transfer from Cap Fund		19,961					
Transfer from Operating Budget		137,850	91,920	50,000	50,000	50,000	50,000
Interest Income*			-	-	-	-	-
Ending Balance \$		656,719	188,639	148,639	183,639	233,639	283,639

Assumptions/Background:

Transfer sufficient amounts to mitigate costs of debt

* 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.

CAPITAL REGIONAL DISTRICT CAPITAL PLAN

RM

2018 & Forecast 2019 to 2022

Bold Project Description Denotes New Identified Projects

CAPITAL BUDGET FORM
2018 & Forecast 2019 to 2022
Bold Project Description Denotes New Identified Projects

By Capital Expenditure										
No.	Capital Exp. Type	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carry Forward from 2017				5 Year Total
						2018	2019	2020	2021	
15-01	Replacement	Signal Hill PRV	\$100,000	S Res	\$70,000	\$100,000	\$0	\$0	\$0	\$0
16-03	Replacement	Schooner PRV Upgrade	\$100,000	S Res	\$100,000	\$100,000	\$0	\$0	\$0	\$100,000
17-02	Replacement	Captian Way PRV Upgrade	\$100,000	S Res	\$100,000	\$100,000	\$0	\$0	\$0	\$100,000
17-03	New	ISOPAC Storage and Handling	\$40,000	S Res	\$0	\$35,000	\$0	\$0	\$0	\$100,000
18-03	New	Material Water System Condition Assessment	\$100,000	S Res	\$0	\$100,000	\$0	\$0	\$0	\$35,000
18-04	Renewal	Air Valve Upgrades	\$110,000	E Res	\$0	\$110,000	\$0	\$0	\$0	\$100,000
18-05	New	Frigate Reservoir Railing	\$15,000	E Res	\$0	\$15,000	\$0	\$0	\$0	\$110,000
19-02	Replacement	Buck Lake East Dam Detailed Design	\$80,000	E Res	\$0	\$80,000	\$0	\$0	\$0	\$15,000
19-03	Renewal	Public Engagement for Future Projects	\$10,000	E Res	\$0	\$10,000	\$0	\$0	\$0	\$80,000
20-03	Renewal	Referendum - Funding for Future Projects	\$15,000	E Res	\$0	\$15,000	\$0	\$0	\$0	\$10,000
21-02	Replacement	Design Buck Lake and Magic Lake Adjustable Intakes	\$25,000	E Debt	\$0	\$0	\$0	\$25,000	\$0	\$15,000
21-03	Renewal	Buck Lake East Dam Remediation	\$1,000,000	S Debt	\$0	\$0	\$0	\$1,000,000	\$0	\$25,000
22-01	Replacement	Construction of Adjustable Intakes	\$200,000	E Debt	\$0	\$0	\$0	\$200,000	\$0	\$1,000,000

**TOTAL ANNUAL CAPITAL EXPENDITURES
FIVE YEAR TOTAL (including carry-over)**

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
Res	= Reserve Fund
STL	= Short Term Loans

Asset Class	
L	- Land
E	- Engineering Structure
B	- Buildings
V	- Vehicles
Eq	- Equipment

11,895,000

270,000	560,000	90,000	15,000	1,025,000	200,000	1,890,000
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Funding Source Codes		Capital Expenditure Type
Debt	= Debenture Debt (new debt only)	New
ERF	= Equipment Replacement Fund	Expenditure for new asset only
Grant	= Grants (Federal, Provincial)	Renewal
Cap	= Capital Funds on Hand	Expenditure replaces an existing asset
Other	= Donations / Third Party Funding	Replacement
Res	= Reserve Fund	
STLoan	= Short Term Loans	

Asset Class	
L	- Land
E	- Engineering Structure
B	- Buildings
V	- Vehicles
Eq	- Equipment

Service:	2.630	Magic Lake Estates Water (Pender)
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Asset Class	Engineered Structures	Project Rationale	Capital Project Title	Capital Project Description
Proj. No.	15-01	Confined space PRV stations on the system (Signal Hill, Schooner, and Capstan Way) are badly corroded and operating with pressures as high as 135psi. Failure of could be very serious, with significant loss of water. This project is to replace the first station at Signal Hill. Additional funds are required due to increased construction costs and to meet WorkSafeBC confined space entry requirements.	Signal Hill PRV	Replacement of the Signal Hill PRV station.
Asset Class	Engineered Structures	Project Rationale	Capital Project Title	Capital Project Description
Proj. No.	16-03	Confined space PRV stations on the system (Signal Hill, Schooner, and Capstan Way) are badly corroded and operating with pressures as high as 135psi. Failure of could be very serious, with significant loss of water. This is to replace the second station at Schooner. Additional funds are required due to increased construction costs and to meet WorkSafeBC confined space entry requirements.	Schooner PRV Upgrade	Replacement of the Schooner PRV station.
Asset Class	Engineered Structures	Project Rationale	Capital Project Title	Capital Project Description
Proj. No.	17-02	Confined space PRV stations on the system (Signal Hill, Schooner, and Capstan Way) are badly corroded and operating with pressures as high as 135psi. Failure of could be very serious, with significant loss of water. This is to replace the third station at Capstan Way. Additional funds are required due to increased construction costs and to meet WorkSafeBC confined space entry requirements.	Capstan Way PRV Upgrade	Replacement of the Capstan Way PRV station.

Service: 2.630 Magic Lake Estates Water (Pender)			
Proj. No. 17-03	Capital Project Title ISOPAC Storage and Handling	Capital Project Description ISOPAC storage and handling for safety and operations.	
Asset Class Engineered Structures	Board Priority Area Integrated Water Management	Corporate Priority Area Drinking Water	
	Project Rationale This budget item is to improve the handling and storage of ISOPAC chemical drums to prevent damage to plant equipment and improve worker safety. An assessment will be completed in 2017 for \$5,000 and upgrades are proposed in 2018 for \$10,000. Upon assessment, additional funds are required to construct a shed to house the ISOPAC chemicals and after the process to dose from the shed.		
Proj. No. 18-03	Capital Project Title Material Water System Condition Assessment	Capital Project Description Some concern on the water main pipe material longevity has been raised, a material specialist will be retained to assess the pipe material condition.	
Asset Class Engineered Structures	Board Priority Area Integrated Water Management	Corporate Priority Area Drinking Water	
	Project Rationale Over the last 10 years, there have been a few watermain breaks in the Magic Lake Estates system. The watermains are primarily solvent welded PVC, and there has been some concern on the condition of the PVC pipe and solvent welded connections. This project is retain a material specialist to assess the condition of the pipe and make a recommendation on remaining service life. Funds are required to retain the material specialist to conduct the condition assessment.		
Proj. No. 18-04	Capital Project Title Air Valve Upgrades	Capital Project Description Air valves are old and failing and need to be replaced.	
Asset Class Equipment	Board Priority Area Integrated Water Management	Corporate Priority Area Drinking Water	
	Project Rationale The Magic Lake Estates water system has approximately 18 air valves in mostly failing states. This has a detrimental effect on the operation of the water system. Funds are required for CRD staff to replace the air valves.		

Service: 2.630 Magic Lake Estates Water (Pender)			
Proj. No. 18-05 Asset Class Equipment	Capital Project Title Frigate Reservoir Railing Board Priority Area Integrated Water Management	Capital Project Description Additional railings required for operator safety at the Frigate Reservoir. Corporate Priority Area Drinking Water	Project Rationale <i>The Frigate Reservoir has some railing on top for Operator safety when conducting inspections and general maintenance of the reservoir. Additional railings are required for Operator safety when conducting inspections and general maintenance. Funds are required for procurement and installation of the additional railings.</i>
Proj. No. 19-02 Asset Class Equipment	Capital Project Title Buck lake East Dam Detailed Design Board Priority Area Integrated Water Management	Capital Project Description Design for replacement of the Buck Lake East Dam. Corporate Priority Area Drinking Water	Project Rationale <i>The 2013 geotechnical report identifies a sand layer in the dam that may liquefy during an earthquake, leading to possible dam failure. This item is to complete detailed design and obtain regulatory approvals for the remediation option selected in the preliminary design stage. Also included in this item is engineering contract administration which will take place during the project. This project has been moved from 2016 to 2019.</i>
Proj. No. 19-03 Asset Class Equipment	Capital Project Title Public Engagement for Future Projects Board Priority Area Integrated Water Management	Capital Project Description Inform and engage public within service area on upcoming works that will require borrowing to fund. Corporate Priority Area Drinking Water	Project Rationale <i>Proposed planning and public engagement session for future projects to communicate the need, rationale and costs of water system improvements to the customers. Improvements include Buck Lake East Dam Remediation and Buck and Magic Lake adjustable intakes. Funds are required for staff time to prepare presentation materials, notifications and attend public engagement.</i>

Service: 2.630		Magic Lake Estates Water (Pender)
Proj. No. 20-03	Capital Project Title Referendum - Funding for Future Proj	Capital Project Description Remediation and adjustable intakes to carry out the Buck Lake East Dam construction.
Asset Class Equipment	Board Priority Area Integrated Water Management	Corporate Priority Area Drinking Water <i>Project Rationale Upon completion of public engagement, a referendum is proposed to obtain elector assent to fund future capital projects. This budget item is for presentation materials, notifications, advertisements and other referendum costs.</i>

Proj. No. 21-02	Capital Project Title Design Buck Lake and Magic Lake Adj	Capital Project Description Detailed design of adjustable intakes to inform future capital works to maintain water quality.
Asset Class Equipment	Board Priority Area Integrated Water Management	Corporate Priority Area Drinking Water <i>Project Rationale Magic Lake currently does not have an adjustable intake and the Buck Lake adjustable intake is expected to reach the end of its design life by 2021. This budget item is just to complete a detailed design that can be used for both lakes, and the construction of the new intakes is proposed for 2022.</i>
Proj. No. 21-03	Capital Project Title Buck Lake East Dam Remediation	Capital Project Description Remediation of the Buck Lake East Dam.

Asset Class Engineered Structures	Board Priority Area Integrated Water Management	Corporate Priority Area Drinking Water <i>Project Rationale The 2013 geotechnical report identifies a sand layer in the dam that may liquefy during an earthquake, leading to possible dam failure. This item is to complete remediation of the dam in accordance with the Dam Safety Regulations.</i>
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Service:	2.630	Magic Lake Estates Water (Pender)
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Proj. No. 22-01	Capital Project Title Construction of Adjustable Intakes	Capital Project Description adjustable intakes for Buck and Magic Lake.
Asset Class	Equipment	Board Priority Area Integrated Water Management
Project Rationale	<p><i>Construction of the adjustable intakes for Buck Lake and Magic Lake based upon 2021's capital project for design will be undertaken. Funds are required to procure and install the adjustable intakes.</i></p>	

Magic Lake Estates Water (Pender)

Capital Projects Fund

Project#	Status	Capital Project Description	Total Budget	Expenditure Actuals	Remaining Funds	Funding Source-CWF*	Funding Source-CWF**	Funding Source-Debt***	Funding Source-Interest****	Return Surplus to CRF*	Return Surplus to CRF**
CE-258	OPEN	System Upgrade	8,972,500	(8,609,065)	363,435	360,166	60,000	742,000	2,560,000	50,660	
CE-362	CLOSED	Remove Trees North dam	20,000	(1,815)	18,185	20,000					18,185
CE-363	OPEN	North Dam Right-of-way	10,000	(2,703)	7,298	10,000					
CE-400	OPEN	South Dam safety upgrade	39,000	(17,971)	21,029	39,000					
CE-453	CLOSED	Dam Safety Upgrade	5,000	(3,224)	1,776	5,000					
CE-459	OPEN	Air valve upgrades	8,000	(7,445)	555	8,000					1,776
CE-468	OPEN	Signal Hill PRV	50,000	(17,950)	32,050	50,000					
CE-469	OPEN	Adjustable intake installation	20,000	(4,533)	15,407	20,000					
CE-471	OPEN	Buck Lake building alterations	40,000	(39,184)	816	40,000					
CE-481-5504	OPEN	Safety equipment	8,000	(6,007)	1,993	8,000					
CE-531	OPEN	Electrical Power for Storage Building	8,000	(6,442)	1,518	8,000					
CE-544	OPEN	Schooner PV Upgrade	100,000	0	100,000	100,000					
CE-614	OPEN	ISOPAC Storage & Handling Referendum	5,000	(5,346)	(346)	5,000					
CE-625	OPEN	Buck Lake East Dam Prelim	10,000	0	10,000	10,000					
CE-395	OPEN	Buck Lake Intake Line Assessment	40,000	(37,981)	2,039	40,000					
CE-480	OPEN	Buck Lake East Dam Detailed Design	5,000	(2,867)	2,134	5,000					
CE-483	OPEN	Buck Lake Public Engagement	120,000	(1,560)	118,440	120,000					
CE-514	OPEN	Totals	10,000	0	10,000	10,000					
			9,280,500	(8,716,440)	564,060	668,166	60,000	742,000	2,560,000	50,660	19,961
											0

* CRF (Capital Reserve Fund)

** CWF (Community Works Fund)

*** OPS (Operating Budget)

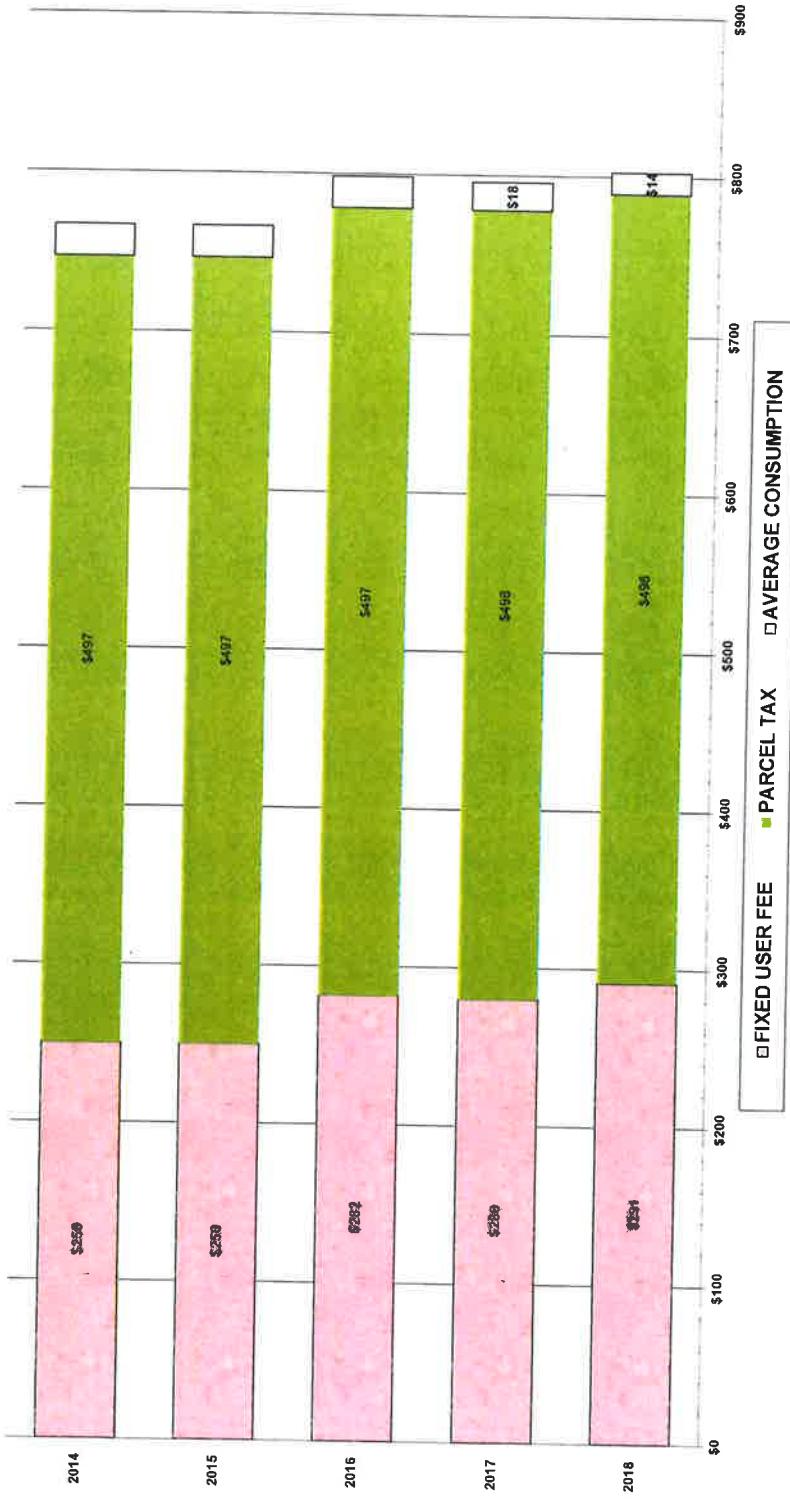
**** Debt (MFA Debt)

***** Interest (Interest Income)

Service:	2.630	Magic Lake Estates Water (Pender)	Committee: Electoral Area Services
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<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax</u>	<u>SFE's</u>	<u>User Charge**</u>	<u>Tax & Charges</u>	<u>Assessments \$(000's)</u>
2012	1,206	\$496.57	1,005	\$250.00	\$746.57	390,273
2013	1,206	\$496.57	1,008	\$250.00	\$746.57	356,311
2014	1,206	\$496.57	1,011	\$250.00	\$746.57	336,526
2015	1,206	\$496.57	1,012	\$250.00	\$746.57	327,129
2016	1,205	\$496.98	1,015	\$281.69	\$778.67	327,129
2017	1,203	\$497.81	1,020	\$280.31	\$778.12	328,977
2018	1,203	\$497.81	1,020	\$291.37	\$789.18	

**CAPITAL REGIONAL DISTRICT
MAGIC LAKE ESTATES WATER, #1 ONLY
FUNDING ANALYSIS
2014-2018**



Actual Costs 2014-2017, Projected 2018
Prepared by CRD Finance
10/23/2017

CAPITAL REGIONAL DISTRICT

2018 Budget

Magic Lake Estates Water (2)

Committee Review

Compiled and Presented by CRD Finance

Nov 2017

Service:	2.635 Magic Lake Estates Water (2)
Committee:	Electoral Area Services

DEFINITION:

LSA-2 A second LSA was established to improve the works and services of Magic Lake Estates Water System.
Bylaw No. 2798 (Sept. 27, 2000).

PARTICIPATION:

Local Service Area # 2 - Q(764) LSA #40

MAXIMUM LEVY:

Greater of \$388,140 or \$2.65 / \$1,000 of actual assessed value of land and improvements, to a maximum of \$944,492.

MAXIMUM CAPITAL DEBT:

AUTHORIZED:	LA Bylaw No. 2799 (September 2000)	2,900,000
BORROWED:	S.I. Bylaw No. 2902 (August 2001)	(726,000)
	S.I. Bylaw No. 2963 (2002)	(1,498,900)
REMAINING AUTHORIZATION PREPAIDS (312):	REDUCES remaining borrowing to:	<u>675,100</u>
		<u>0</u>

COMMITTEE:

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

FUNDING:

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

User Charge:

No User Charge

LSA-2 Annual parcel tax levied only on properties capable of being connected to the system, and participation in debt servicing. Commuted Parcel Tax for prepayment 2001 - 312 properties.
N/A

Connection Charges:

	BUDGET REQUEST			FUTURE PROJECTIONS		
	2017 BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL
Magic Lake Estates Water (2)						
OPERATING COSTS:						
Allocations	2,280	2,280	-	-	-	-
Other Operating Expenses	400	400	-	-	-	-
TOTAL OPERATING COSTS	2,680	2,680	-	-	-	-
*Percentage Increase over prior year						
DEBT/RESERVES						
MFA Debt Principal	69,460	69,460	-	-	-	-
MFA Debt Interest	8,619	8,619	-	-	-	-
TOTAL DEBT / RESERVES	78,079	78,079	-	-	-	-
TOTAL COSTS	80,759	80,759	-	-	-	-
FUNDING SOURCES (REVENUE)						
Estimated balance C/F from 2017 to 2018	-	2,430	(2,430)	-	-	(2,430)
Balance C/F from 2016 to 2017	(38,012)	(38,012)	-	-	-	-
MFA Debt Reserve Surplus	-	(2,430)	-	-	-	-
Other Revenue	(500)	(500)	-	-	-	-
TOTAL REVENUE	(38,512)	(38,512)	(2,430)	-	-	(2,430)
REQUISITION	(42,247)	(42,247)	2,430	-	2,430	-
*Percentage increase over prior year requisition						

*Percentage increase over prior year requisition

Service:	2.635 Magic Lake Estates Water (2)	Committee: Electoral Area Services
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MLE - LSA # 2	Year	Taxable Folios	Parcel Tax	Actual Assessments	Converted Assessments
	2011	895	\$279.39	393,681,900	39,523,039
	2012	894	\$199.15	390,174,100	39,172,961
	2013	894	\$199.15	355,759,000	35,728,747
	2014	894	\$199.15	335,956,601	33,740,591
	2015	894	\$199.15	326,562,300	32,793,591
	2016	893	\$188.92	328,253,800	32,960,922
	2017	891	\$49.90	356,412,200	35,761,520
	2018	891	-\$2.87		

CAPITAL REGIONAL DISTRICT

2018 Budget

Magic Lake Sewer Utility (Pender)

Committee Review

Compiled and Presented by CRD Finance

Nov 2017

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

DEFINITION:

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

PARTICIPATION:

Specified Area - B(764) SA#8

MAXIMUM LEVY:

Greater of \$200,000 or \$7.10 / \$1,000 to a maximum of \$1,421,860 on actual assessed value of land and improvements.

MAXIMUM CAPITAL DEBT:

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

COMMITTEE:

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

FUNDING:

Any deficiencies after user charge and/or frontage tax or parcel tax to be levied on taxable school assessments, excluding property that is taxable for school purposes only by Special Act.

User Charge:

Per single family equivalency unit to connected properties only (Bylaw 4074, April 13, 2016)

Parcel Tax:

Only on properties capable of being connected to system.

Connection Charge:

Actual Engineering and Construction costs, plus 15% Administration costs. The minimum charge is \$500 - Bylaw No. 4074 (April 2016)

RESERVE FUND:

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

2017 BOARD ESTIMATED BUDGET	2018 CORE BUDGET	BUDGET REQUEST			FUTURE PROJECTIONS		
		ONGOING	ONE-TIME	TOTAL	2019	2020	2021
Magic Lake Sewer Utility (Pender)							
OPERATING COSTS:							
Sludge Hauling Contracts	55,900	65,000	57,020	57,020	58,160	59,320	60,510
Grit & Waste Sludge Disposal	54,600	60,400	55,690	55,690	56,800	57,940	59,100
Repairs & Maintenance	8,110	6,700	8,270	8,270	8,440	8,610	8,780
Allocations	48,290	34,590	33,080	33,080	33,740	34,410	35,100
Electricity	21,500	21,800	22,360	22,360	22,810	23,740	24,210
Supplies	14,470	16,210	16,150	16,150	16,470	16,790	17,120
Labour Charges	214,460	237,460	241,704	241,704	246,540	251,470	256,490
Contingency	5,000	-	-	-	-	-	261,620
Other Operating Expenses	27,460	25,700	28,660	28,660	29,240	29,830	30,420
TOTAL OPERATING COSTS	449,790	467,880	462,934	462,934	472,200	481,640	491,260
*Percentage Increase over prior year							
DEBT/RESERVES					2.9%	2.0%	2.0%
Transfer to Capital Reserve Fund	53,930	108,260	122,750	122,750	116,450	116,450	-
Transfer to Operating Reserve Fund	8,000	8,000	13,000	13,000	13,260	13,530	-
Debt Reserve Fund	7,850	2,500	-	-	25,000	35,000	14,080
MFA Principal Payment	130,420	84,810	84,810	84,810	84,810	84,810	15,000
MFA Interest Payment	38,050	16,840	22,790	22,790	22,790	23,620	395,760
TOTAL DEBT / RESERVES	238,250	220,410	243,350	243,350	243,350	283,140	621,250
Sludge Disposal Recovery	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	684,850
TOTAL COSTS NET OF RECOVERIES	678,040	678,270	696,284	696,284	696,284	745,340	1,092,890
FUNDING SOURCES (REVENUE)							
User Charges	(168,910)	(168,910)	(187,154)	(187,154)	(191,100)	(200,690)	(210,480)
Grants in Lieu	(10)	(10)	(10)	(10)	(10)	(10)	(220,440)
Other Revenue	(800)	(1,030)	(800)	(800)	(800)	(800)	(10)
TOTAL REVENUE	(169,720)	(169,950)	(187,964)	(187,964)	(191,910)	(201,500)	(221,290)
REQUISITION- PARCEL TAX	(508,320)	(508,320)	(508,320)	(508,320)	(508,320)	(553,430)	(891,390)
*Percentage Increase over prior year requisition							
					0.0%	8.9%	61.1%
						7.1%	16.0%

Reserve Schedule

Reserve Fund: 3.830 Magic Lake Estates Sewer (Pender) Operating Reserve Fund (Bylaw No. 4144)

Reserve fund used for: unforeseen operational repairs and maintenance; infrequent maintenance activities such as treatment facility tankage draining/cleaning/inspection etc. Optimum minimum balance of \$50,000 (approximately 10%) of the annual operating budget.

Reserve Cash Flow

		Budget				
		2018	2019	2020	2021	2022
Beginning Balance		10,000	8,000	21,000	26,260	31,790
Transfer from Ops Budget		8,000	13,000	13,260	13,530	13,800
Expenditures	(10,000)	-	(8,000)	(8,000)	-	(10,000)
Planned maintenance activity	Outfall inspections		Clean Cannon aeration ditch/clarifier	Clean Schooner oxidation ditch		Outfall inspection
Ending Balance \$	8,000	21,000	26,260	31,790	45,590	49,670

Reserve Schedule

Reserve Fund: 3.830 Magic Lake Estates Sewer (Pender) Capital Reserve Fund (Bylaw No.:1497)

Reserve Cash Flow

Fund: 1042 Fund Center: 101386	Estimate	2017	2018	2019	2020	2021	2022	Budget
Beginning Balance		61,241	151,582	274,332	390,782	390,782	390,782	390,782
Transfer to Cap Fund (Based on Capital Plan)			(77,000)					
Transfer from Cap Fund			59,081					
Transfer from Operating Budget				122,750	116,450	-	-	-
Interest Income								
<u>Ending Balance \$</u>		<u>151,582</u>	<u>274,332</u>	<u>390,782</u>	<u>390,782</u>	<u>390,782</u>	<u>390,782</u>	<u>390,782</u>

CAPITAL REGIONAL DISTRICT CAPITAL PLAN

CAPITAL BUDGET FORM

2018 & Forecast 2019 to 2022

CAPITAL BUDGET FORM
2018 & Forecast 2019 to 2022

Service #: Service Name:

3.830 **Magic Lake Estates Sewer**

FIVE YEAR TOTAL (including carry-over) 8,352,000.00

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
Res	= Reserve Fund
STLoan	= Short Term Loans

Asset Class				
L	- Land			
S		- Engineering Structure		
B		- Buildings		
V		- Vehicles		
E		- Equipment		

625,000 625,000 2,500,000 2,000,000 1,500,000 1,500,000

Capital Expenditure Type	New	Renewal	Replacement
Expenditure for new asset only			
Expenditure replaces an existing asset			
Expenditure replaces an existing asset			

is the service ability or enhances technology in delivering that service

Service: 3.830 Magic Lake Sewer Utility (Pending)			
Proj. No. 16-01	Capital Project Title Replace 325m of Pipe Along Buck Lake	Capital Project Description Replace 325m of asbestos pipe along Buck Lake, as part of the Infrastructure Replacement Phase 1 project.	Corporate Priority Area Environmental Protection
Asset Class Engineered Structures	Board Priority Area Integrated Water Management		
	Project Rationale The existing Asbestos Concrete 150mm diameter sewer along the east side of Buck Lake does not have sufficient capacity, has a shallow grade or reverse grade and needs to be increased to ensure the sewer system does not backup during peak flow events.		
Proj. No. 16-02	Capital Project Title Replace 112m of Pipe on Privateer Rd	Capital Project Description Replace 112m of asbestos pipe along Privateer Road, as part of the Infrastructure Replacement Phase 1 project.	Corporate Priority Area Environmental Protection
Asset Class Engineered Structures	Board Priority Area Integrated Water Management		
	Project Rationale The existing Asbestos Concrete 150mm diameter sewer on Privateers from Dubloon Road to Brigadoon Road does not have sufficient capacity and needs to be increased to a 200mm diameter pipe to ensure the sewer system does not backup during peak flow events.		
Proj. No. 16-04	Capital Project Title Inflow/Infiltration Reduction Program	Capital Project Description Conduct and inflow/infiltration study and possibly some point repairs as part of the Infrastructure Replacement Phase 1 project.	Corporate Priority Area Environmental Protection
Asset Class Engineered Structures	Board Priority Area Integrated Water Management		
	Project Rationale Both Schooner and Cannon wastewater treatment plants are subject to overloading during heavy rainfall events which has resulted in numerous maine discharges that have exceeded our Ministry of Environment discharge permit requirements. A project plan will be developed in 2016, with key areas of investigation identified for further investigation or remediation.		

Service: 3.830 Magic Lake Sewer Utility (Pender)			
		Capital Project Description #N/A	
Proj. No. 18-02	#N/A	Capital Project Title #N/A	
Asset Class		Board Priority Area #N/A	Corporate Priority Area #N/A
		Project Rationale Public engagement is required to determine the direction that the residents will approve for an Infrastructure Replacement program. The budget for this item is for staff time, materials, notification and advertisement to hold and address an open house and town hall and referendum process to seek the residents' input on an infrastructure replacement program for the Magic Lake Estates Sewer Local Service Area.	
Proj. No. 19-01			Based on results of the CCTV inspection from the I&I Reduction Program, replacement of the highest priority pipe (failing and leaking) will be undertaken.
Asset Class	Engineered Structures	Capital Project Title Pipe Replacement	Capital Project Description
		Board Priority Area Integrated Water Management	Corporate Priority Area Environmental Protection
		Project Rationale Much of the wastewater collection system is comprised of asbestos cement (AC) pipe ranging in age up to 50 years old. AC pipe, depending on the soil conditions, can lose structural integrity leading to inflow and infiltration. Funding is required to replace undersized or pipe in poor condition. Due to increased construction costs, additional funds are anticipated.	
Proj. No. 19-02			Upgrade the Galleon, Masthead, Cutlass and Capstan pump stations.
Asset Class	Engineered Structures	Capital Project Title Upgrade 5 Lift Stations	Capital Project Description
		Board Priority Area Integrated Water Management	Corporate Priority Area Environmental Protection
		Project Rationale In 2011 Stantec undertook a condition assessment and identified 5 pump stations, Galleon, Cutlass, Masthead, Bucaneers and Capstan Pump stations, requiring mechanical and electrical upgrades to maintain the current level of service. Funding will be for design and upgrades. Due to borrowing timing, pump station upgrades are proposed to be undertaken in 2020.	

Service: 3.830 Magic Lake Sewer Utility (Pender)			
Proj. No.	Asset Class	Capital Project Title	Capital Project Description
20-01	Engineered Structures	Upgrade Schooner Lift Station	Upgrade the Schooner Lift Station to replace end of life equipment.
		Board Priority Area Integrated Water Management	Corporate Priority Area Environmental Protection
		Project Rationale The Schooner Lift Station is past its serviceable life – the pumps, process piping and valving, pump lifting rails and electrical all have to be replaced. Additionally, confined space entry is required to isolate the pump station. The budget for this item is for design and the upgrades required for the Schooner Lift Station. Due to increased construction costs, additional funds are anticipated.	
21-01	Engineered Structures	Replace Cannon WWTP with Pump St	Replace the over capacity Cannon WWTP with a pump station and foremain to pump wastewater to the Schooner WWTP.
		Board Priority Area Integrated Water Management	Corporate Priority Area Environmental Protection
		Project Rationale The Cannon wastewater treatment plant is subject to overloading during heavy rainfall events which has resulted in numerous marine discharges that have exceeded our Ministry of Environment discharge permit requirements and is at end of life. Additionally, the site is fully built out; no more expansion of the Cannon wastewater treatment plant is possible. The 2012 Stantec report recommends replacement of the Cannon wastewater treatment plant with a pump station and new foremain, pumping sewage to the Schooner wastewater treatment plant via the Schooner Lift Station.	
22-01	Engineered Structures	Schooner WWTP Improvements	Replace and upgrade equipment and operability.
		Board Priority Area Integrated Water Management	Corporate Priority Area Environmental Protection
		Project Rationale	

Magic Lake Sewer Utility (Pender)

Capital Projects Fund

Project#	Status	Capital Project Description	Total Budget	Expenditure Actuals	Remaining Funds	Funding Source- CRF*	Funding Source- CWF**	Funding Source- ORF***	Funding Source-Debt****	Return Surplus to CRF*	Return Surplus to CWF**
CE-406	CLOSED	Chart Drive Septic system	180,000	(145,492)	34,508	120,000	60,000				34,508
CE-472-8301	CLOSED	WWTP Schooner tanks	100,000	(103,832)	(3,832)	100,000					
CE-479	CLOSED	Facilitation WWTP public process	25,000	(13,510)	11,490	25,000					
CE-673	OPEN	MLE WW Ph 2 WW Upf Public Consultation	25,000	(4,306)	20,694	25,000					11,490
CE-583	CLOSED	MLE Swr Schooner & Cannon High Level Ala	7,000	(3,611)	3,389	7,000					
CE-598	CLOSED	MLE Swr Schooner Roof Replacement	15,000	(5,305)	9,695	15,000					3,389
CE-610	OPEN	Cannon Outfall Inspection	5,000	(3,461)	1,540	0					9,695
CE-611	OPEN	Schooner Cove Outfall Inspection	5,000	(191)	4,810	0					5,000
CE-613	OPEN	MLE Swr Schooner Outfall Inspection	30,000	(7,523)	22,477	30,000					
CE-472-8302	OPEN	Chart Drive Septic Field Replacement	710,000	(614,366)	95,034	45,000					665,000
CE-536	OPEN	Replace Sewer Pipe LA4048	628,000	(33,089)	594,911	0					80,000
CE-537	OPEN	Ultrasonic Testing of Schooner Tank	20,000	(12,984)	7,016	0					
CE-539	OPEN	I&I Improvements	217,000	(16,589)	200,411	0					
	Totals		1,750,000	(948,270)	801,730	367,000	60,000	10,000	745,000	58,081	0

* CRF (Capital Reserve Fund)

** CWF (Community Works Fund)

*** ORF (Operating Reserve Fund)

**** Debt (MFA Debt)

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

<u>Taxable Year</u>	<u>Folios</u>	<u>Parcel Tax</u>	<u>SFE's</u>	<u>User Charge</u>	<u>Tax & Charges</u>	<u>Bylaw Charges</u>	<u>Assessments \$(000's)</u>
2012	714	\$414.76	617	\$272.00	\$686.76	3823	238,971
2013	714	\$414.76	621	\$272.00	\$686.76	3892	217,896
2014	714	\$414.76	620	\$272.00	\$686.76	3924	205,430
2015	714	\$414.76	621	\$272.00	\$686.76	3987	199,869
2016	714	\$493.70	623	\$271.12	\$764.83	4074	200,262
2017	713	\$750.36	623	\$271.12	\$1,021.48	4170	217,265
2018	713	\$750.36	623	\$300.41	\$1,050.77		

CAPITAL REGIONAL DISTRICT MAGIC LAKE ESTATES SEWER FUNDING ANALYSIS 2014-2018



Actual Costs 2014-2017, Projected 2018
Prepared by CRD Finance
10/23/2017