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**SKANA WATER SERVICE COMMITTEE**  
Notice of Meeting on **Thursday, September 29, 2016 at 10am**  
Main Conference Room, 479 Island Highway, Victoria, BC

J. Sanders (Chair)  
R. Hagkull

Director D. Howe

R. Johnston

G. Fryling

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**AGENDA**

1. Approval of Agenda
2. Election of Chair
3. Adoption of Minutes of April 12, 2016
4. Quarterly Water Bill Updates (staff report)
5. 2017 Operating and Capital Budget (staff report)
6. New Business
7. Adjournment

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*To ensure quorum, advise Lorrie Siemens 250.360.3087 or [lsiemens@crd.bc.ca](mailto:lsiemens@crd.bc.ca) if you cannot attend.*



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**Minutes of a Meeting of the Skana Water Service Committee**  
**Held Tuesday, April 12, 2016 in the Main Conference Room, 479 Island Highway,**  
**Victoria, BC**

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**PRESENT:** **Committee Members:** J. Sanders (C), B. Bovet, G. Fryling  
**Staff:** M. Cowley, Senior Manager, Infrastructure Engineering; M. McCrank, Senior Manager, Infrastructure Operations; D. Robson, Manager, Saanich Peninsula and Gulf Islands Operations, S. Mason, Manager, Water Engineering and Planning, C. Moch, Manager, Water Quality (for Item 4); I. Sander, Manager, Capital Projects (for Item 5); J. Marr, Project Engineer (for Item 6); L. Siemens (recorder)

**ABSENT:** Director D. Howe

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

**1. Approval of Agenda**

**MOVED** by B. Bovet, **SECONDED** by G. Fryling,  
 That the agenda be approved as distributed.

**CARRIED**

**2. Adoption of Minutes of September 21, 2015**

**MOVED** by G. Fryling, **SECONDED** by B. Bovet,  
 That the minutes of September 21, 2015 be adopted as previously distributed.

**CARRIED**

**3. Water System Operations Report – 2015 and First Quarter of 2016**

D. Robson presented a written report.

**MOVED** by J. Sanders, **SECONDED** by B. Bovet,  
 That the Skana Water Service Committee receive the report for information.

**CARRIED**

**4. Water Quality Update – Skana Water System**

C. Moch presented a written report.

**MOVED** by J. Sanders, **SECONDED** by G. Fryling,  
 That the Skana Water Service Committee:

1. Approve the proposed action plan for the Well #13 as presented;
2. Authorize funding of up to \$8,000 from Capital Reserve Fund 1067 to investigate Well #8 and conduct further investigative and potential remedial work for Well #13; and

3. Direct staff to report back on the condition and findings of the well investigations.

**CARRIED**

**5. Condition Assessment of Potable Water Storage Tanks**

I. Sander presented a written report. A replacement document for Attachment 2 of the report was distributed. The agenda will be updated on the website.

**MOVED** by J. Sanders, **SECONDED** by G. Fryling,  
That the Skana Water Service Committee:

1. Receive the report for information;
2. Direct staff to continue operating and patching the tanks as best as possible until they can be replaced; and
3. Direct staff to budget for the replacement of the tank with a new glass fused steel or polyurethane tank starting with a public engagement and referendum process in 2017 and to replace the tank in 2018.

**CARRIED**

**6. Draft Strategic Asset Management Plan for Skana Water System**

S. Mason presented a written report.

**MOVED** by J. Sanders, **SECONDED** by B. Bovet,  
That the Skana Water Service Committee accept this report and draft Strategic Asset Management Plan and direct the CRD staff to amend the 2016 capital expenditure plan and include the proposed operating and capital expenditures in the draft 2017 Operating and Capital budget for the committees consideration at the budget meeting later this year.

**CARRIED**

**7. Review of Action List**

The action list was reviewed and updated.

Information Arising from Action List

- The draft SAMP was provided as part of this meeting.
- More discussion is required regarding metering and rate structures.

**8. New Business**

There was no new business.

**9. Adjournment**

**MOVED** by B. Bovet, **SECONDED** by J. Sanders,  
That the meeting be adjourned at 11:20 a.m.



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**REPORT TO SKANA WATER SERVICE COMMITTEE  
MEETING OF THURSDAY, SEPTEMBER 29, 2016**

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**SUBJECT     QUARTERLY WATER BILL UPDATES**

**ISSUE**

The purpose of this report is to provide details to the Skana Water Service Committee on their request for information on how the water bills can be updated to include personal historical water consumption for the individual water users as well as the mean volume of water consumed for the entire service.

**BACKGROUND**

The Capital Regional District (CRD) area has experienced drought conditions for the past several years. This has driven voluntary conservation efforts in the local service areas in which we the CRD provide water services. Several of the water services have inquired if the CRD could provide more details within their personal water bills so that customers can better track the progress of their water conservation efforts. The requests have centred around two aspects of the bills:

1. The ability to look historically at personal consumption; and
2. The ability to compare personal consumption against the average consumption for the entire service.

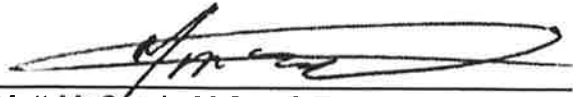
Utilizing the water billing software currently in use for the CRD's largest water distribution service (Juan de Fuca Water Distribution Service with 25,600 accounts), consumption history and customized service information messages can be made available. Future billing and payment option enhancements are proposed for 2017 through a Billing Software Enhancement Project. The use of the billing format could be extended to the Local Service Areas (LSA), with an expectation that each LSA would fund the future administration costs related to customization of information.

**CONCLUSION**

The CRD is proposing to implement a capital project to enhance the utility billing and payment options for the Juan de Fuca Water Distribution Service in 2017. This billing format could be extended to each LSA if directed by the Service. The project will explore options to include historical information for the individual as well as the entire service.

**RECOMMENDATION**

That the Skana Water Service Committee receive this report as information and request verbal updates as to the progress of the Billing Software Enhancement Project.



Matt McCrank, M.Sc., P.Eng.  
Senior Manager, Infrastructure Operations  
Integrated Water Services



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

MMc:ls



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**REPORT TO SKANA WATER SERVICE COMMITTEE  
MEETING OF THURSDAY, SEPTEMBER 29, 2016**

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**SUBJECT     2017 OPERATING AND CAPITAL BUDGET**

**ISSUE**

This report provides a synopsis of the 2017 operating and capital budget, highlighting significant proposed changes related to operational expenditures, debt charges, any capital expenditures and revenue for the Skana water service.

In accordance with the establishment Bylaw No. 3133, the Skana Water Service Committee shall: *"Upon its establishment, and in November of each year, the committee must approve an annual budget for the services provided in the Water 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 Treasurer of the Regional Board for the approval of the Regional Board and for inclusion in the Regional Board's provisional and annual budgets."*

**BACKGROUND**

**2016 Estimated Actual Revenue and Expense**

The estimated actual operating expense is projected to be \$5,730 under budget as a result of:

- Lower than budgeted expenditures for:
  - electricity (\$360)
  - labour charges (\$4,060).
- Higher than budgeted expenditures for:
  - Contract for services (\$4,720)
  - Other operating expenses (\$620)
- Unspent contingency in the amount of \$6,650.

The estimated actual revenue is projected to be \$200 over budget as a result of higher than expected late payment penalties and interest income.

This results in a projected year-end operating surplus of \$5,930.

It is proposed that the 2016 year-end surplus not be carried forward to 2017 as revenue as done in previous budget years and that the projected year-end surplus be transferred to the maintenance reserve account and the capital reserve fund as follows:

- maintenance reserve: increase by \$2,900 over budgeted amount of \$1,000.
- capital reserve fund: increase by \$3,030 over budgeted amount of \$1,970.

### 2017 Operating Expense

A decrease in the 2017 operating expense of \$5,960 (-11.9%) is proposed as shown below:

- Decrease budgeted expenditures for:
  - electricity (\$310)
  - labour charges (\$250)
    - The labour charge out rate in previous budgets included overhead charges related to vehicles. Vehicle overhead costs are now removed from the labour charge out rate and is now tracked separately as a “vehicle allocation” (\$710)
  - contingency (\$6,650)
- Increase in budgeted expenditures for:
  - contract for services (\$150)
  - repairs & maintenance (\$10)
  - allocations (\$850)
    - Overhead charges related to vehicles were previously accounted for in the labour charge-out rate. Vehicle costs are now removed from the labour rate and are now tracked and charged under a “vehicle allocation” (\$710)
  - water testing (\$40)
  - supplies (\$10)
  - other operating expenses (\$190)
    - As a result of the new Water Sustainability Act, that came into effect in early 2016, ground water users are now required to pay an annual rental fee for such use for each well owned.

### 2017 Debt and Reserve Funds

#### **Maintenance Reserves:**

Maintenance Reserves are to be used for the purchase of equipment and supplies that are not typically replaced annually such as filter media, ultraviolet lamps and sensors and other various items that are not included in the operating budget.

It is proposed that transfers to the maintenance reserves remain at \$1,000 for 2017.

The maintenance reserve balance at the end of 2016 is projected to be \$6,445.

#### **Capital Fund Summary:**

There is a total of \$15,060 remaining from funding for capital projects that have been undertaken since 2011, as shown in Table 1 below:

**Table 1: Summary of Capital Project History.**

	Year	Budget	Funding			Remaining		
			CRF	CWF	Spent	Funds	Budget	To CRF
Reservoir Pipework	2011	12,554	15,000	-	(12,554)	2,446	-	2,446
SAMP	2011	12,500	2,500	10,000	(8,294)	4,206	4,206	
Replace valve boxes	2011	1,315	5,000	-	(1,315)	3,685	-	3,685
Reservoir tanks study	2015	10,000	10,000	-	(6,194)	3,806	3,806	
Safety Equipment	2016	773	2,000	-	(773)	1,227	-	1,227
Well inspection & remediation	2016	8,000	8,000	-	(9,325)	(1,325)	-	(1,325)
Interest		-	-	-	-	1,015	-	
<b>Total</b>		<b>46,369</b>	<b>42,500</b>	<b>10,000</b>	<b>(38,454)</b>	<b>15,060</b>	<b>9,239</b>	<b>6,033</b>

All of the projects except for the SAMP and the Reservoir tanks study have been completed. Therefore, it is proposed that the net residual funds from completed capital projects, in the amount of \$6,033 be transferred back to the Capital Reserve Fund.

**Capital Reserve Fund:**

It is proposed that \$3,010 be transferred to the Capital Reserve Fund in 2017.

The capital reserve fund balance at the end of 2016 is projected to be \$57,510.

**Municipal Finance Authority Debt:**

The 2016 Municipal Finance Authority (MFA) Debt interest expense of \$4,090 includes \$1,410 on \$29,200 that was borrowed in 2007 to fund a Waterworks facility project. Since that particular debt issue will reach its 10<sup>th</sup> anniversary during 2017 (of a 15 year amortization), it is likely that the interest rate will be reduced by MFA. However, the amount of the reduction will not be known until 2017. Therefore, it is proposed that the budget for 2017 remain at the 2016 level and that the 2017 budget be balanced on the transfer to the Capital Reserve Fund, once the actual interest expense amount is known.

2017 Revenue (User Charge and Parcel Tax)

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

- The user charge increase from \$36,590 to \$39,770. Based on 46 single family equivalents (SFE) this equates to \$864.57, or \$51.46 over the 2016 amount.



- o The increase is partially the result of not carrying forward the 2016 operating surplus as revenue.
- The parcel tax remain at \$19,350; based on 73 taxable folios and including the 5.25% surveyor of taxes fee (a handling fee charged by the Province for collecting taxes) this equates to \$278.98 per parcel, unchanged from the previous year.

Capital Plan 2017 and Five Year Forecast (2018-2021)

The Skana water committee met on April 12, 2016 at which time three significant issues were raised and discussed, those being related to:

- 1) The presentation and recommendations related to the draft Strategic Asset Management Plan;
- 2) Delivery of the water storage tank condition assessment reports; and ,
- 3) A water quality issue related to Well #13.

The Committee directed staff to bring these issues forward for its consideration in the 2017 capital budget process and they are listed below in Table 2. Additional detail for each proposed expenditure is provided in the attached budget documents.

**Table 2: Summary of Proposed Capital Projects.**

No.	Project Title	Budget Estimate	Project Year
1	Safety Equipment Well # 8	\$2,000	2017
2	Groundwater Study	\$10,000	2017
3	Public Engagement/Referendum	\$10,000	2017
4	Well #8 Upgrade – Liner and Seal	\$10,000	2017
5	Well #13 Upgrade	\$6,000	2017
6	Storage Tank Replacement	\$210,000 to \$400,000	2018
7	Water Quality Study	\$15,000	2019
8	Well #8 Upgrade	\$25,000	2021

**RECOMMENDATION**

That the Skana Water Service Committee recommends that the CRD Board:

1. Approve the 2017 operating and capital budget for the Skana Water Service as presented;
2. Approve the 2017 Parcel Tax Rate of \$278.98 and User Charge of \$864.57 for the Skana Water Service;
3. Balance the 2016 actual revenue and expense on the 2016 transfer to the capital reserve fund; and
4. Authorize the proposed transfer of \$6,033 from the Capital Project Fund WSV185143 to the Capital Reserve Fund 1067.



Ian Jesney, P.Eng.  
Sr. Manager, Infrastructure Engineering  
Integrated Water Services



Matthew McCrank, M.Sc., P.Eng.  
Sr. Manager, Infrastructure Operations  
Integrated Water Services



Rianna Lachance, B.Com., CPA, CA  
Manager, Financial Planning & Analysis  
Financial Services



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

DR/SM/PD:ls  
Attachments:

1. Budget Committee Sheets
2. Proposed User Rate Scenarios

# **CAPITAL REGIONAL DISTRICT**

## **2017 Budget**

### **Skana Water (Mayne)**

#### **Committee Review**

Compiled and Presented by CRD Finance

Sep 2016

<b>Service: 2.642 Skana Water (Mayne)</b>	<b>Committee: Electoral Area Services</b>
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**DEFINITION:**

To provide for the construction of water supply and distribution facilities for Skana Water Service Area. Bylaw No. 3090 (November 12, 2003).

**PARTICIPATION:**

Southern Gulf Islands Skana Water Service Area #47, U(764)

**MAXIMUM LEVY:**

Greater of \$54,100 or \$9.65 / \$1,000 to a maximum of \$111,182.

**MAXIMUM CAPITAL DEBT:**

AUTHORIZED:	LA Bylaw No. 3090 (Nov. 12/03)	157,700		
BORROWED:	S.I. Bylaw No. 3154 (Apr. 22/04)	(78,850)	2.40% 2014 Remaining:	\$32,889
	S.I. Bylaw No. 3196	(39,500)	4.98% 2014 Remaining:	\$16,476
	S.I. Bylaw No. 3457 (2007)	(29,200)	4.82% 2014 Remaining:	\$17,682
	Expired Nov 2008	(10,150)		
		<u>0</u>		

**REMAINING:**

**COMMISSION:**

Skana Water Service committee established by Bylaw # 3133 (Dec 10, 2003).

**FUNDING:**

<b>User Charge:</b>	Annual charge per single family equivalency unit connected to the system.
<b>Parcel Tax:</b>	Annual charge only on properties capable of being connected to the system.
<b>Connection Charges:</b>	At cost or minimum of \$1,000.

**RESERVE FUND:**

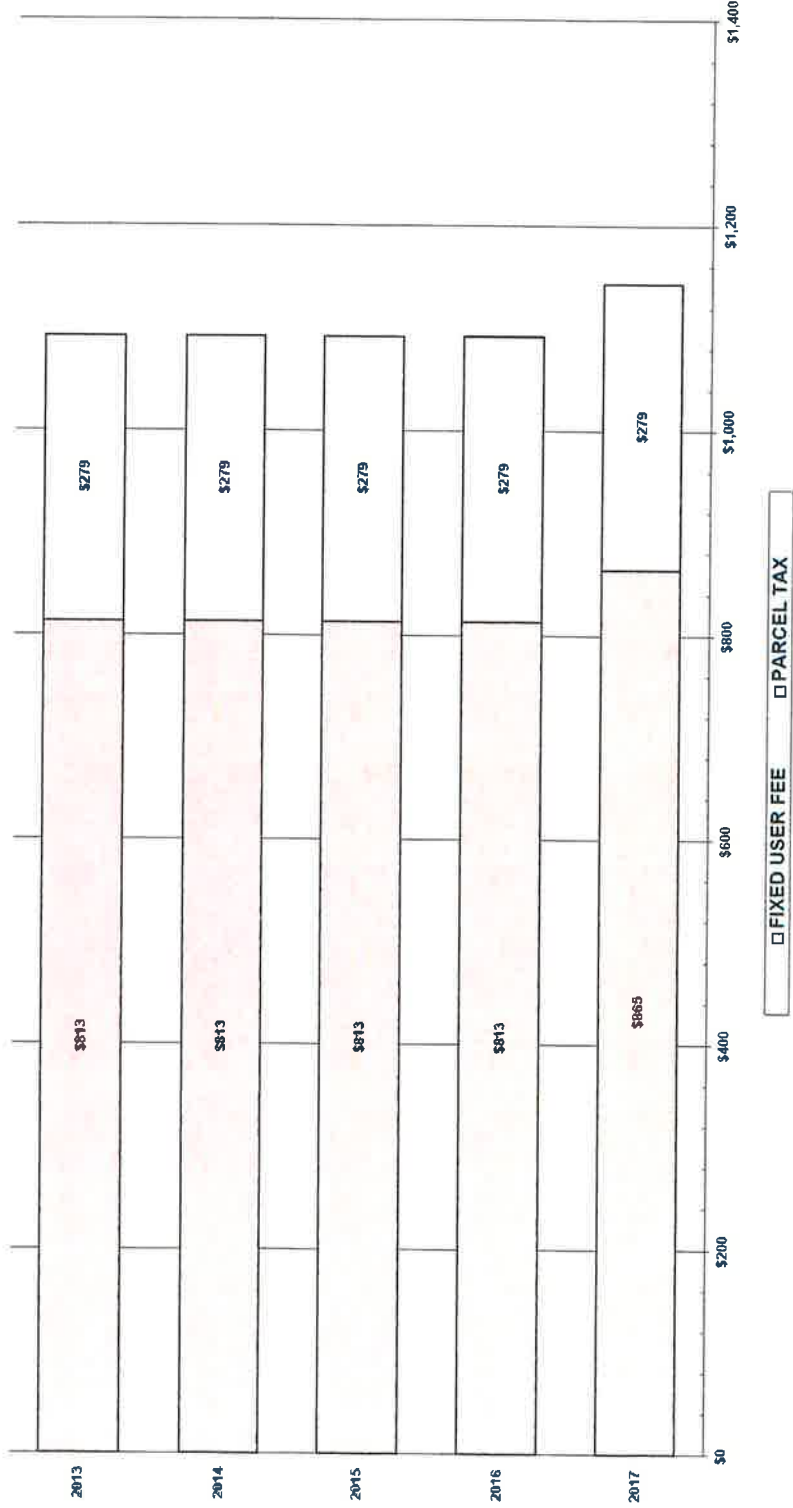
Fund 1067, established by Bylaw # 3192 (July 14, 2004)

	2016		BUDGET REQUEST			FUTURE PROJECTIONS				
	BOARD BUDGET	ESTIMATED ACTUAL	2017 CORE BUDGET	2017 ONGOING	2017 ONE-TIME	2017 TOTAL	2018	2019	2020	2021
<b>Skana Water (Mayne)</b>										
<b>OPERATING COSTS:</b>										
JLB Services Contract	10,280	15,000	10,430	-	-	10,430	10,640	10,850	11,070	11,290
Repairs & Maintenance	1,060	1,060	1,070	-	-	1,070	1,100	1,130	1,160	1,190
Allocations	5,650	5,650	6,500	-	-	6,500	6,620	6,740	6,860	6,980
Water Testing	2,600	2,600	2,640	-	-	2,640	2,690	2,740	2,790	2,850
Electricity	1,700	1,340	1,390	-	-	1,390	1,420	1,450	1,480	1,510
Supplies	1,100	1,100	1,110	-	-	1,110	1,130	1,150	1,170	1,190
Labour Charges	18,050	13,990	17,800	-	-	17,800	18,160	18,530	18,910	19,290
Contingency	6,650	-	-	-	-	-	-	-	-	-
Other Operating Expenses	2,950	3,570	3,140	-	-	3,140	3,190	3,240	3,300	3,360
<b>TOTAL OPERATING COSTS</b>	<b>50,040</b>	<b>44,310</b>	<b>44,080</b>	<b>-</b>	<b>-</b>	<b>44,080</b>	<b>44,950</b>	<b>45,830</b>	<b>46,740</b>	<b>47,660</b>
*Percentage increase over prior year						-11.9%	2.0%	2.0%	2.0%	2.0%
<b>DEBT/RESERVES</b>										
Transfer to Maintenance Reserve	1,000	3,900	1,000	-	-	1,000	1,020	1,040	1,060	1,080
Transfer to Capital Reserve Fund	1,970	5,000	3,010	-	-	3,010	3,310	4,110	11,620	11,920
MFA Debt Reserve Fund	-	-	-	-	-	-	-	-	-	-
MFA Debt Principal	6,940	6,940	6,940	-	-	6,940	28,420	28,420	22,930	22,930
MFA Debt Interest	4,090	4,090	4,090	-	-	4,090	7,420	23,140	21,410	21,410
<b>TOTAL DEBT / RESERVES</b>	<b>14,000</b>	<b>19,930</b>	<b>15,040</b>	<b>-</b>	<b>-</b>	<b>15,040</b>	<b>40,170</b>	<b>56,710</b>	<b>57,020</b>	<b>57,340</b>
<b>TOTAL COSTS</b>	<b>64,040</b>	<b>64,240</b>	<b>59,120</b>	<b>-</b>	<b>-</b>	<b>59,120</b>	<b>85,120</b>	<b>102,540</b>	<b>103,760</b>	<b>105,000</b>
<b>FUNDING SOURCES (REVENUE)</b>										
Estimated balance C/F from 2016 to 2017	-	-	-	-	-	-	-	-	-	-
Balance C/F from 2015 to 2016	(8,100)	(8,100)	-	-	-	-	-	-	-	-
Connection Charges	-	-	-	-	-	-	-	-	-	-
User Charges	(36,590)	(36,590)	(39,770)	-	-	(39,770)	(40,570)	(41,380)	(42,210)	(43,050)
Transfer from Maintenance Reserve	-	-	-	-	-	-	-	-	-	-
Other Revenue	-	(200)	-	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>(44,690)</b>	<b>(44,890)</b>	<b>(39,770)</b>	<b>-</b>	<b>-</b>	<b>(39,770)</b>	<b>(40,570)</b>	<b>(41,380)</b>	<b>(42,210)</b>	<b>(43,050)</b>
<b>REQUISITION - PARCEL TAX</b>	<b>(19,350)</b>	<b>(19,350)</b>	<b>(19,350)</b>	<b>-</b>	<b>-</b>	<b>(19,350)</b>	<b>(44,550)</b>	<b>(61,160)</b>	<b>(61,550)</b>	<b>(61,950)</b>
*Percentage increase over prior year						8.7%	2.0%	2.0%	2.0%	2.0%
User Charges						0.0%	130.2%	37.3%	0.6%	0.6%
Requisition Combined.						5.7%	44.0%	20.5%	1.2%	1.2%

**Service:** 2.642 Skana Water (Mayne) Committee: Electoral Area Services

<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>Assessments \$(000's)</u>
2011	72	\$279.00	41	\$789.22	\$1,068.22	3778	16,030
2012	73	\$279.00	42	\$813.00	\$1,092.00	3823	14,233
2013	73	\$279.00	42	\$813.00	\$1,092.00	3892	13,153
2014	73	\$279.00	43	\$813.00	\$1,092.00	3924	12,466
2015	73	\$278.99	44	\$812.95	\$1,091.94	3987	11,521
2016	73	\$278.98	45	\$813.11	\$1,092.10	4074	11,521
2017	73	\$278.98	46	\$864.57	\$1,143.55		11,521

**CAPITAL REGIONAL DISTRICT  
 Skana Water (Mayne)  
 FUNDING ANALYSIS  
 2013-2017**



Actual Costs 2013-2016, Projected 2017  
 Prepared by CRD Finance  
 09/22/2016

**CAPITAL REGIONAL DISTRICT CAPITAL PLAN**

**CAPITAL BUDGET FORM**  
 2017 & Forecast 2018 to 2021

Service #: 2.642  
 Service Name: Skana Water (Mayne)

By Capital Expenditure											
No.	Project Code	Capital Project Description	Asset Class	Funding Source	Carry Forward	2017	2018	2019	2020	2021	Total Project Budget
17-01	New	Safety Equipment - Well #8	Eq	Res	-	2,000	-	-	-	-	2,000
17-02	New	Groundwater Study	S	Res	-	10,000	-	-	-	-	10,000
17-03	New	Public Engagement/Referendum	S	Res	-	10,000	-	-	-	-	10,000
17-04	Renewal	Well #8 Upgrade - Liner and Seal	S	Res	-	10,000	-	-	-	-	10,000
17-05	Renewal	Well #13 Upgrade	S	Res	-	6,000	-	-	-	-	6,000
18-01	Replacement	Storage Tank Replacement	Eq	Debt	-	-	400,000	-	-	-	400,000
19-01	New	Water Quality Study	S	Debt	-	-	-	-	-	-	15,000
21-01	New	Well #8 Upgrade - Electrical / Controls	S	Debt	-	-	-	-	-	25,000	25,000
<b>TOTAL ANNUAL CAPITAL EXPENDITURE</b>					-	38,000	400,000	15,000	-	25,000	478,000

**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  
 Eq - Equipment

**Capital Expenditure Type**  
 New Expenditure for new asset only  
 Renewal Expenditure replaces an existing asset and extends the service ability or enhances technology in delivering that service  
 Replacement Expenditure replaces an existing asset



Service: 2.642 Skana Water (Mayne)

Committee: Electoral Area Services

17-01	<b>Safety Equipment - Well #8</b> Eyewash safety equipment was approved for installation in 2016 at Well #13 as determined by the CRD safety advisor and WorkSafe BC officer and if Well # 8 is to be used more frequently, then additional eyewash safety equipment and drench hose may be required at this site (to be confirmed by the CRD safety advisor)	\$2,000
17-02	<b>Groundwater Study</b> Due to the varying levels in the Skana well water level, it is proposed to conduct a high-level groundwater study of the existing aquifer and identify any groundwater protection issues related to the new Water Sustainability Act of 2016. As part of this study it is proposed to conduct a water audit of the system to determine if there are any appreciable leaks in the system and further determine the condition of the PVC pipe and water service connections.	\$10,000
17-03	<b>Public Engagement/Referendum</b> A loan will be required to fund the storage tank replacement and any other capital work which will not be included under the capital reserve fund. The proposed loan will require public engagement and a referendum.	\$10,000
17-04	<b>Well #8 Upgrade - Liner and Seal</b> A recent inspection of Well #8 identified a number of deficiencies. Recommended improvements include the installation of new well liner, replacement of the well seal, and other associated minor improvements to protect it from surface runoff.	\$10,000
17-05	<b>Well #13 Upgrade</b> Well #13 was inspected by Drillwell Enterprises on May 25, 2016. This inspection identified required repairs including new PVC well piping, upgrades to the well head seal, and leveling of the the well casing at the surface.	\$6,000
18-01	<b>Storage Tank Replacement</b> The existing storage tanks are at the end of their design life and do not meet seismic requirements. It is proposed to replace the existing tanks with a glass fused steel tank.	\$400,000
19-01	<b>Water Quality Study</b> Due to the adverse water quality event in December 2015 a groundwater study on well #13 and its connected aquifer is proposed to determine any required changes to the treatment process that may be required.	\$15,000
21-01	<b>Well #8 Upgrade - Electrical /Controls</b> At present, well #8 is operated manually (requires the operator to attend the site to turn the well pump on and off to fill the reservoir) and additionally does not have SCADA remote monitoring. If the well #8 groundwater source is to be considered a long term water supply, it is recommended that this facility be upgraded to operate automatically and include remote monitoring.	\$25,000

**Reserve Schedule**

**Reserve Fund: 2.642 Skana Water Capital Reserve Fund (Bylaw No.: 3192)**

**Reserve Cash Flow**

**Fund: 1067 Fund Center: 101849**

	Estimate 2016	Budget				
		2017	2018	2019	2020	2021
Beginning Balance	56,453	57,514	22,524	25,834	29,944	41,564
Transfer to Cap Fund (Based on Capital Plan)	(10,000)	(38,000)	-	-	-	-
Transfer from Cap Fund	6,033					
Transfer from Operating Budget	5,000	3,010	3,310	4,110	11,620	11,920
Interest Income*	27	-	-	-	-	-
<b>Ending Balance \$</b>	<b>57,514</b>	<b>22,524</b>	<b>25,834</b>	<b>29,944</b>	<b>41,564</b>	<b>53,484</b>

**Assumptions/Background:**

Transfer whatever the operating budget will allow

\* 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.