



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

Wednesday, October 16, 2024

11:00 AM

SIMS Boardroom  
124 Rainbow Road  
Salt Spring Island BC

### Budget

MS Teams Link: [Click here](#)

G.Holman, T. Boulter, J. Griffin, M. Hobbs

The Capital Regional District strives to be a place where inclusion is paramount and all people are treated with dignity. We Pledge to make our meetings a place where all feel welcome and respected.

#### 1. Territorial Acknowledgement

#### 2. Approval of Agenda

#### 3. Adoption of Minutes

- 3.1. [24-968](#) Minutes of October 17, 2023 Cedar Lane Water Service Commission Budget Meeting

**Recommendation:** That the minutes of the October 17, 2023 meeting be adopted as circulated.

**Attachments:** [Minutes: October 17, 2023](#)

#### 4. New Business

- 4.1. [24-967](#) 2025 Operating and Capital Budget

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

1. Approve the 2025 operating and capital budget as presented and that the 2024 actual operating surplus or deficit be balanced on the 2024 Reserve Funds transfer (CRF and/or ORF).

2. Recommend that the Electoral Area Committee recommend that the CRD Board approve the 2025 Operating and Capital Budget and the Five-Year Financial Plan for the Cedar Lane Water Service as presented.

**Attachments:** [Staff Report: 2025 Operating and Capital Budget-Cedar Lane](#)

[Appendix A: 2025 Budget Cedar Lane Water Service Budget](#)

#### 5. Adjournment

**Next Meeting**

-TBD



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**Minutes of the Cedar Lane Water Service Commission Budget Meeting  
Held October 17, 2023 at the Salt Spring Island Multi Space, 124 Rainbow Road,  
Salt Spring Island, BC**

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**DRAFT**

**Present:**

**Director:** Gary Holman

**Commission Members:** Tanisha Boulter (Chair); Jason Griffin;  
Marianne Hobbs

**Staff:** Karla Campbell, Senior Manager SSI Electoral Area; Lia Xu, Manager,  
Finance Services (via Teams); Dan Robson, Manager, Saanich Peninsula and  
Gulf Islands Operations (via Teams); Dean Olafson, Manager Engineering,;  
Mackenzie Williamson, Committee Clerk

These minutes follow the order of the agenda although the sequence may have varied.

**1. Call to Order**

Commissioner Boulter called the meeting to order at 12:31 pm.

**CARRIED**

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

Commissioner Boulter provided a Territorial Acknowledgement.

**CARRIED**

**3. Approval of Agenda**

**MOVED** by Commissioner Griffin, **SECONDED** by Commissioner Boulter, that the Cedar Lane Water Service Commission agenda of October 17, 2023 be approved as amended by adding item number 5. Director and Commissioner Reports, as well as moving item number 5. New Business to item number 6. and, adding item number 6.2 Kangro Well Update.

**CARRIED**

**4. Adoption of the Minutes of October 31, 2022**

**MOVED** by Commissioner Hobbs, **SECONDED** by Commissioner Griffin, that the Cedar Lane Water Service Commission meeting minutes of October 31, 2022 be approved as presented.

**CARRIED**

**5. Director and Commissioner Report**

- Salt Spring Island Local Community Commission currently reviewing referral from the Islands Trust regarding the possibly acquiring the Salt Spring Island Watershed Protection Alliance (SSIWPA) Service.

**6. New Business**

**6.1 2024 Operating and Capital Budget**

**MOVED** by Commissioner Griffin, **SECONDED** by Commissioner Hobbs, that the Cedar Lane Water Service Commission:

1. Approve the 2024 operating and capital budget as presented and that the 2023 actual operating surplus or deficit be balanced on the 2023 Reserve Funds transfer (CRF and/or ORF).

**CARRIED**

**MOVED** by Commissioner Boulter, **SECONDED** by Commissioner Griffin, that the Cedar Lane Water Service Commission:

2. Recommend that the Electoral Area Committee recommend that the CRD Board approve the 2024 Operating and Capital Budget and the Five-Year Financial Plan for the Cedar Lane Water Service as presented.

**CARRIED**

**6.2 Kangro Well Update**

- Following potential communications with the Kangro developer in regard to the new well, staff will contact Island Health regarding postponement of the manganese treatment facility.

**7. Next meeting – TBD**

**8. Adjournment**

**MOVED** by Commissioner Boulter, that the meeting be adjourned at 2:11 p.m.

**CARRIED**

\_\_\_\_\_  
**CHAIR**

\_\_\_\_\_  
**SENIOR MANAGER**



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**REPORT TO CEDAR LANE WATER SERVICE COMMISSION  
MEETING OF WEDNESDAY, OCTOBER 16, 2024**

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**SUBJECT    2025 OPERATING AND CAPITAL BUDGET**

**ISSUE SUMMARY**

To present the 2025 operating and capital budget. In accordance with Bylaw No 3505, "Cedar Lane Water Service Commission Bylaw No. 1, 2008" the Commission's approval of the annual budget is required.

**BACKGROUND**

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

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

In preparing the Operating Budget, Staff considered:

1. Actual expenditures incurred between 2022 and 2024
2. Anticipated changes in level of service (if any)
3. Maximum allowable tax requisition
4. Annual cost per taxpayer and per SFE

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

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

Adjustments for surpluses or deficits from 2024 may be made in January 2025. The CRD Board will give final approval to the budget and financial plan in March 2025.

The Financial Plan for the years 2026 – 2029 may be changed in future years.

**BUDGET OVERVIEW**

***Operating Budget***

It is projected that the 2024 operating expenses will be approximately \$2,315 over budget. Factors contributing to the operating overage include emergency response and corrective maintenance primarily due to the following events:

- Several callouts for UV system faults and corrective maintenance
- Unplanned door lock replacements required for CRD operations access keying

The debt servicing cost will be \$9,408 below the budget since the planned new borrowing of \$448,000 in 2024 is now deferred to 2025 and 2026.

It is projected that the 2024 operating revenue will be as budgeted.

As a result, there is an overall estimated operating surplus of approximately \$7,093 (\$9,408 - \$2,315). To balance the 2024 budget, it is proposed that the 2024 transfer to Capital Reserve Fund be increased by this amount.

Operating costs for 2025 (excluding 2024 one-time cyclical programs funded by the ORF) has increased by \$3,062 (5.3%) compared to 2024. The increase is primarily to account for core inflation and labour costs reflecting the renewed collective agreement since 2023.

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

Loan Authorization Bylaw 3425 to borrow \$168,000 was approved and adopted in 2007 for constructing new waterworks. Of the total loan authorization \$60,000 was issued in 2008 and retired in 2018. Table 1 below summarizes the detailed information for existing MFA debt issue related to LA3425 which will be retired in 2024.

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

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

***Operating Reserve Fund***

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

It is proposed that 2025 transfers to the operating reserve fund be set at \$8,000. The Operating Reserve Fund balance at the end of 2024 is projected to be approximately \$9,225. There is \$20,000 of planned maintenance to be funded by the Operating Reserve Fund over the next five years.

**Capital Reserve Fund**

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

The reserve fund transfer planning is influenced by the funding required to support the five-year capital expenditure plan, the emergency response to infrastructure failures and guided by *Capital Reserve Funding Guidelines* endorsed by the CRD Board.

It is proposed that transfers to the Capital Reserve Fund be set at \$33,770 in 2025. The balance at the end of 2024 is projected to be approximately \$50,460.

**Capital Expenditure Plan**

The 5-year plan includes \$2,197,000 of expenditures to be funded from the Capital Reserve Fund, grants, capital funds on hand, and debt.

The following project was added to the 2025-2029 five-year capital plan:

1. Public Engagement for debt funded projects (21-04) - \$5,000 (Capital funds on hand)

Table 2 below provides the future debt servicing cost simulation for analytical purposes with the indicative interest rate provided by MFA at the time of simulation. The debt servicing is for seven (7) projects for a total of \$1,807,000. Please refer to the 2025 – 2029 Five Year Capital Plan for details on these projects.

**Table 2 – Future New Debt Simulation**

	<i>Term</i>	<i>Borrowing Year</i>	<i>Retirement Year</i>	<i>Estimated Interest Rate</i>	<i>Principal</i>	<i>Principal Payment</i>	<i>Interest Payment</i>	<i>Total Annual Debt Cost</i>
<b>Future Borrowing(s) Estimation</b>	25	2025	2050	4.55%	\$143,000	\$3,623	\$6,507	\$10,130
	25	2026	2051	4.40%	\$374,000	\$9,475	\$16,456	\$25,931
	25	2028	2053	4.40%	\$645,000	\$16,340	\$28,380	\$44,720
	25	2029	2054	4.40%	\$645,000	\$16,340	\$28,380	\$44,720
<b>Total</b>					<b>\$1,807,000</b>	<b>\$45,779</b>	<b>\$79,723</b>	<b>\$125,501</b>

At the commencement of each loan, 1% of the gross amount borrowed is withheld and retained by MFA as Debt Reserve Fund (DRF). To provide the full amount to fund the capital project, this 1% DRF amount is budgeted in operating budget in the year of borrowing. However, there is no principal payment required in the year of borrowing. The estimated debt servicing cost of \$125,501 equates to approximately \$3,392 cost per parcel.

**Capital Projects Fund**

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

**User Charge and Parcel Tax**

The service is funded by parcel tax, fixed user charges and variable water consumption charge. Properties connected to the water system pay the annual user charge and all properties within the local service area are responsible for the parcel tax. The 2025 water rate for consumption charge remains unchanged from 2024.

Table 3 below summarizes the 2025 over 2024 changes for parcel tax and user fee.

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

Budget Year	Parcel Tax	Taxable Folios Numbers	Parcel Tax per Folio*	User Charge	SFE Numbers	User Charge per SFE	Total Parcel Tax & User Charge
2024	\$17,820	37	\$506.91	\$60,832	39	\$1,559.79	<b>\$2,066.70</b>
2025	\$21,389	37	\$608.43	\$72,990	39	\$1,871.54	<b>\$2,479.97</b>
Change (\$)	\$3,569	0	\$101.52	\$12,158	0	\$311.75	<b>\$413.27</b>
Change (%)	20.03%	0.00%	20.03%	19.99%	0.00%	19.99%	<b>20.00%</b>

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

**RECOMMENDATION**

That the Cedar Lane Water Services Commission:

1. Approve the 2025 operating and capital budget as presented and that the 2024 actual operating surplus or deficit be balanced on the 2024 Reserve Funds transfer (CRF and/or ORF).
2. Recommend that the Electoral Area Committee recommend that the CRD Board approve the 2025 Operating and Capital Budget and the Five-Year Financial Plan for the Cedar Lane Water Service as presented.

Submitted by:	Dan Ovington, BBA , Senior Manager, Salt Spring Island Electoral Area
Submitted by:	Jason Dales, B.Sc, WD IV, Senior Manager, Infrastructure Operations
Submitted by:	Varinia Somosan, CPA, CGA, Sr. Mgr., Financial Services / Deputy CFO
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

DO/JD/VS/:mw

Appendix A: [2025 Budget Cedar Lane Water Service Budget](#)



# **CAPITAL REGIONAL DISTRICT**

## **2025 Budget**

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

#### **Commission Review**

OCTOBER 2024

**DEFINITION:**

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

**PARTICIPATION:**

Local Service Area #31, P(764)

**MAXIMUM LEVY:**

Greater of \$54,000 or \$4.76/ \$1,000 of actual assessed value of land and improvements.

**MAXIMUM CAPITAL DEBT:**

Authorized:	LA Bylaw No. 3425 (Oct 10, 2007)	\$168,000
Borrowed:	SI Bylaw 3514 (Feb 13, 2008)	(\$60,000)
	SI Bylaw 3634 (Aug 12, 2009)	(\$108,000)
Remaining:		<u>\$0</u>

**COMMISSION:**

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

**FUNDING:**

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

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

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

**RESERVE FUND BYLAW:**

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

2.628 - Cedar Lane Water (SSI)

	2024		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2026	2027	2028	2029
<u>OPERATING COSTS</u>										
Operations Contract	2,150	160	2,210	-	-	2,210	2,250	2,300	2,350	2,400
Repairs & Maintenance	6,710	6,210	1,760	-	-	1,760	21,800	1,840	1,880	1,920
Allocations	5,825	5,825	6,542	-	-	6,542	6,704	6,834	6,965	7,098
Water Testing	3,360	3,340	3,420	-	-	3,420	3,489	3,559	3,630	3,702
Electricity	4,810	4,400	4,950	-	-	4,950	5,050	5,150	5,250	5,360
Supplies	1,660	3,580	1,710	-	-	1,710	1,740	1,770	1,810	1,850
Labour Charges	35,565	39,000	37,210	-	-	37,210	37,960	38,720	39,500	40,290
Other Operating Expenses	3,070	2,950	3,410	-	-	3,410	3,537	3,672	3,817	3,973
<b>TOTAL OPERATING COSTS</b>	<b>63,150</b>	<b>65,465</b>	<b>61,212</b>	<b>-</b>	<b>-</b>	<b>61,212</b>	<b>82,530</b>	<b>63,845</b>	<b>65,202</b>	<b>66,593</b>
*Percentage Increase over prior year			-3.1%			-3.1%	34.8%	-22.6%	2.1%	2.1%
<u>DEBT / RESERVES</u>										
Transfer to Capital Reserve Fund	10,930	18,023	33,770	-	-	33,770	36,405	48,335	68,820	75,800
Transfer to Operating Reserve Fund	4,000	4,000	8,000	-	-	8,000	8,000	5,000	5,000	5,000
MFA Debt Reserve Fund	4,510	30	-	1,430	-	1,430	3,740	-	6,450	6,450
MFA Debt Principal	5,394	5,394	-	-	-	-	3,623	13,098	13,098	29,438
MFA Debt Interest	7,358	2,430	-	1,627	-	1,627	10,621	22,963	30,058	58,438
<b>TOTAL DEBT / RESERVES</b>	<b>32,192</b>	<b>29,877</b>	<b>41,770</b>	<b>3,057</b>	<b>-</b>	<b>44,827</b>	<b>62,389</b>	<b>89,396</b>	<b>123,426</b>	<b>175,126</b>
<b>TOTAL COSTS</b>	<b>95,342</b>	<b>95,342</b>	<b>102,982</b>	<b>3,057</b>	<b>-</b>	<b>106,039</b>	<b>144,919</b>	<b>153,241</b>	<b>188,628</b>	<b>241,719</b>
*Percentage Increase over prior year			8.0%	3.2%		11.2%	36.7%	5.7%	23.1%	28.1%
<u>FUNDING SOURCES (REVENUE)</u>										
Transfers from Operations Reserve Fund	(5,000)	(5,000)	-	-	-	-	(20,000)	-	-	-
Sales - Water	(11,500)	(11,500)	(11,500)	-	-	(11,500)	(11,500)	(11,500)	(11,500)	(11,500)
User Charges	(60,832)	(60,832)	(70,930)	(2,060)	-	(72,990)	(87,590)	(109,490)	(136,860)	(177,920)
Other Revenue	(190)	(190)	(160)	-	-	(160)	(160)	(160)	(160)	(160)
<b>TOTAL REVENUE</b>	<b>(77,522)</b>	<b>(77,522)</b>	<b>(82,590)</b>	<b>(2,060)</b>	<b>-</b>	<b>(84,650)</b>	<b>(119,250)</b>	<b>(121,150)</b>	<b>(148,520)</b>	<b>(189,580)</b>
<b>REQUISITION - PARCEL TAX</b>	<b>(17,820)</b>	<b>(17,820)</b>	<b>(20,392)</b>	<b>(997)</b>	<b>-</b>	<b>(21,389)</b>	<b>(25,669)</b>	<b>(32,091)</b>	<b>(40,108)</b>	<b>(52,139)</b>
*Percentage increase over prior year										
Sales			0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%
User Charge			16.6%	3.4%		20.0%	20.0%	25.0%	25.0%	30.0%
Requisition			14.4%	5.6%		20.0%	20.0%	25.0%	25.0%	30.0%
<b>Combined</b>			<b>14.1%</b>	<b>3.4%</b>		<b>17.4%</b>	<b>17.8%</b>	<b>22.7%</b>	<b>23.1%</b>	<b>28.2%</b>

Cedar Lane Water (SSI)  
 Reserve Summary Schedule  
 2025 - 2029 Financial Plan

**Reserve/Fund Summary**

	<b>Estimated</b>	<b>Budget</b>				
	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Operating Reserve Fund	9,255	17,255	5,255	10,255	15,255	20,255
Capital Reserve Fund	50,460	14,230	45,635	3,970	37,790	113,590
<b>Total</b>	<b>59,714</b>	<b>31,484</b>	<b>50,889</b>	<b>14,224</b>	<b>53,044</b>	<b>133,844</b>

## Reserve Schedule

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

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

## Reserve Cash Flow

Fund: Fund Centre:	1500 105208	Estimated	Budget				
		2024	2025	2026	2027	2028	2029
<b>Beginning Balance</b>		9,815	9,255	17,255	5,255	10,255	15,255
<b>Transfer from Ops Budget</b>		4,000	8,000	8,000	5,000	5,000	5,000
<b>Expenditures</b>		(5,000)	-	(20,000)	-	-	-
Planned Maintenance Activity		Building/Facility Maintenance/ Security		Reservoir cleaning & inspection			
<b>Interest Income*</b>		440					
<b>Ending Balance \$</b>		<b>9,255</b>	<b>17,255</b>	<b>5,255</b>	<b>10,255</b>	<b>15,255</b>	<b>20,255</b>

### Assumptions/Background:

\* Interest in planning years nets against inflation which is not included.

**Reserve Schedule**

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

Bylaw 3582

**Reserve Cash Flow**

Fund: 1076 Fund Centre: 102020	Estimated	Budget				
	2024	2025	2026	2027	2028	2029
Beginning Balance	26,267	50,460	14,230	45,635	3,970	37,790
Transfer from Ops Budget	18,023	33,770	36,405	48,335	68,820	75,800
Transfer from Cap Fund	5,000					
Transfer to Cap Fund	-	(70,000)	(5,000)	(90,000)	(35,000)	-
Interest Income*	1,170					
<b>Ending Balance \$</b>	<b>50,460</b>	<b>14,230</b>	<b>45,635</b>	<b>3,970</b>	<b>37,790</b>	<b>113,590</b>

**Assumptions/Background:**

Transfer as much as operating budget will allow.

\* Interest in planning years nets against inflation which is not included.

**CAPITAL REGIONAL DISTRICT**  
**FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2025 to 2029**

<b>Service No.</b>	<b>2.628</b>	<b>Carry Forward from 2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>TOTAL</b>
	<b>Cedar Lane Water (SSI)</b>							

**EXPENDITURE**

Buildings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures	\$383,000	\$403,000	\$379,000	\$90,000	\$680,000	\$645,000	\$2,197,000	\$2,197,000
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>\$383,000</b>	<b>\$403,000</b>	<b>\$379,000</b>	<b>\$90,000</b>	<b>\$680,000</b>	<b>\$645,000</b>	<b>\$2,197,000</b>	<b>\$2,197,000</b>

**SOURCE OF FUNDS**

Capital Funds on Hand	\$80,000	\$80,000	\$0	\$0	\$0	\$0	\$80,000	\$80,000
Debenture Debt (New Debt Only)	\$228,000	\$143,000	\$374,000	\$0	\$645,000	\$645,000	\$1,807,000	\$1,807,000
Equipment Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants (Federal, Provincial)	\$0	\$110,000	\$0	\$0	\$0	\$0	\$110,000	\$110,000
Donations / Third Party Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund	\$75,000	\$70,000	\$5,000	\$90,000	\$35,000	\$0	\$200,000	\$200,000
	<b>\$383,000</b>	<b>\$403,000</b>	<b>\$379,000</b>	<b>\$90,000</b>	<b>\$680,000</b>	<b>\$645,000</b>	<b>\$2,197,000</b>	<b>\$2,197,000</b>

## Definitions for the 5-year Capital Plan

Asset Class	<p>Asset class is used to classify assets for financial reporting in accordance with the Public Sector Accounting Board (PSAB) 3150.</p> <p><b>L</b> - Land  <b>S</b> - Engineering Structure  <b>B</b> - Buildings  <b>V</b> - Vehicles  <b>E</b> - Equipment</p>
Capital Expenditure Type	<p>Capital expenditure type is used for reporting on asset investments and may be used to justify operational needs for a service.</p> <p><b>Study</b> - Expenditure for feasibility and business case report.  <b>New</b> - Expenditure for new asset only  <b>Renewal</b> - Expenditure upgrades an existing asset and extends the service ability or enhances technology in delivering that service  <b>Replacement</b> - Expenditure replaces an existing asset</p>
Carryforward	<p>Represents the carryforward amount from the prior year capital plan that is remaining to be spent. Forecast this spending over the next 5 years.</p>
Funding Source	<p><b>Debt</b> - Debenture Debt (new debt only)  <b>ERF</b> - Equipment Replacement Fund  <b>Grant</b> - Grants (Federal, Provincial)  <b>Cap</b> - Capital Funds on Hand  <b>Other</b> - Donations / Third Party Funding  <b>Res</b> - Reserve Fund  <b>WU</b> - Water Utility</p> <p>If there is more than one funding source, additional rows are shown for the project.</p>



CAPITAL REGIONAL DISTRICT

5 YEAR CAPITAL PLAN

2025 - 2029

Service #:

2.628

Service Name:

Cedar Lane Water (551)

PROJECT DESCRIPTION				PROJECT BUDGET & SCHEDULE									
Project Number	Capital Expenditure Type	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward	2025	2026	2027	2028	2029	5 - Year Total auto-populates
18-01	Renewal	Abandon unused wells	Decommission wells	\$ 10,000	S	Res	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000
21-01	New	Power generation equipment design and construction	Design of back up power generation for WWTP and Pump stations.	\$ 310,000	S	Res	\$ 60,000	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000
21-01	New	Power generation equipment design and construction	Construction of back up power generation for WWTP and Pump stations. Includes construction, construction services and CRD project management		S	Debt	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000
23-01	New	Investigation for new groundwater sources	Conduct study and site investigation to identify groundwater sources and new well location. Includes CRD project management.	\$ 35,000	S	Debt	\$ 35,000	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000
21-03	New	Detailed Hydrogeological Assessment	Conduct a detailed hydrogeological assessment of the Cedar Lane water system.	\$ 55,000	S	Debt	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
21-03	New	Detailed Hydrogeological Assessment	CRD project management		S	Res	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000
21-06	New	WTP Manganese treatment construction / chlorine exhaust	Construct and install manganese removal system and exhaust in chlorine room. Includes construction management and CRD project management.	\$ 376,500	S	Debt	\$ 110,000	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ 110,000
21-06	New	WTP Manganese treatment construction / chlorine exhaust	Construct and install manganese removal system and exhaust in chlorine room. Includes construction management and CRD project management.		S	Grant	\$ -	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ 110,000
21-06	New				S	Cap	\$ 70,000	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000
24-02	New	WTP provide spare pressure pump and sub-drive unit	WTP provide spare pressure pump and sub-drive unit. Includes CRD project management.	\$ 33,000	S	Debt	\$ 33,000	\$ 33,000	\$ -	\$ -	\$ -	\$ -	\$ 33,000
24-03	New	Mansell Well #1 Building Remove structure and rebuild a useable structure to surround the well	Demolition of existing, design and construction of new well house structure. Includes hazard assessment and CRD project management.	\$ 39,000	S	Debt	\$ -	\$ -	\$ 39,000	\$ -	\$ -	\$ -	\$ 39,000
24-04	New	Referendum or Alternative Approval Process - Funding for Future Projects	Seek service area electors approval to fund projects. Public Engagement for Future Projects. Undertake a referendum or AAP to borrow funds.	\$ 15,000	S	Res	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 10,000
24-04	New				S	Cap	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000
21-04	New	Public Engagement	Public Engagement for debt funded projects	\$ 5,000	S	Cap	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000
27-01	Study	Update Asset Management Plan	Update Asset Management Plan.	\$ 35,000	S	Res	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ 30,000
27-01	Study	Update Asset Management Plan	CRD project management		S	Res	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ 5,000
25-01	New	Water main AC replacement strategy and preliminary design	Conduct water main replacement assessment and develop a phased replacement strategy (1200m). Includes CRD project management.	\$ 24,000	S	Res	\$ -	\$ -	\$ -	\$ 24,000	\$ -	\$ -	\$ 24,000
25-02	New	Water Main AC replacement detailed design	Water Main AC replacement detailed design. Includes CRD project management.	\$ 56,000	S	Res	\$ -	\$ -	\$ -	\$ 56,000	\$ -	\$ -	\$ 56,000
26-01	New	Phased program of AC Water main replacement	Engineering and construction of replacement/renewal of failing water main for high priority areas (\$1000/m). Includes construction services and CRD project management.	\$ 1,290,000	S	Debt	\$ -	\$ -	\$ -	\$ -	\$ 645,000	\$ 645,000	\$ 1,290,000
													\$ -
			<b>GRAND TOTAL</b>	<b>\$ 2,283,500</b>				<b>\$ 403,000</b>	<b>\$ 379,000</b>	<b>\$ 90,000</b>	<b>\$ 680,000</b>	<b>\$ 645,000</b>	<b>\$ 2,197,000</b>

Service: 2.628 Cedar Lane Water (SSI)

Project Number 18-01 Capital Project Title Abandon unused wells Capital Project Description Decommission wells

Project Rationale The original system drilled five wells, and two (well #1 and #5) are in production and operate separately. Wells that are no longer in use must be closed to avoid potential future aquifer contamination.

Project Number 21-01 Capital Project Title Power generation equipment design and construction Capital Project Description Design of back up power generation for WWTP and Pump stations.

Project Rationale Design and construction of back up power generation for WWTP and Pump stations to maintain potable water service during power outages.

Project Number 23-01 Capital Project Title Investigation for new groundwater sources Capital Project Description Conduct study and site investigation to identify groundwater sources and new well location. Includes CRD project management.

Project Rationale Conduct study and site investigation to identify groundwater sources and new well location as the current wells are depleting. In the SAMP of April 2020 by McElhanney Consulting Services Ltd. It was noted that

Project Number 21-03 Capital Project Title Detailed Hydrogeological Assessment Capital Project Description Conduct a detailed hydrogeological assessment of the Cedar Lane water system.

Project Rationale Detailed study of groundwater source, state of the aquifer, ground water balance and potential risks and concerns are required to support a

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

Project Rationale Health Canada has changed manganese limits. Maximum acceptable concentration (MAC) for total manganese in drinking water is 0.12 mg/L (120 µg/L). Cedar Lane water testing results can exceed this

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

Project Rationale This is a critical component of the WTP so it is prudent to have a spare on hand to ensure continuity of service.

Service: 2.628 Cedar Lane Water (SSI)

Project Number 24-03

Capital Project Title Mansell Well #1 Building Remove structure and rebuild a useable structure to surround the well

Capital Project Description Demolition of existing, design and construction of new well house structure. Includes hazard assessment and CRD project management.

Project Rationale Current structure is deteriorating and is at the end of its useful life and requires replacement.

Project Number 24-04

Capital Project Title Referendum or Alternative Approval Process - Funding for Future Projects

Capital Project Description Seek service area electors approval to fund projects. Public Engagement for Future Projects. Undertake a referendum or AAP to borrow funds.

Project Rationale Obtain residents approval to fund future projects and authorize borrowing.

Project Number 27-01

Capital Project Title Update Asset Management Plan

Capital Project Description Update Asset Management Plan.

Project Rationale Revise and update Asset Management Plan to include modification to WTP.

Project Number 25-01

Capital Project Title Water main AC replacement strategy and preliminary design

Capital Project Description Conduct water main replacement assessment and develop a phased replacement strategy (1200m). Includes CRD project management.

Project Rationale Analysis and design to replace the asbestos cement piping distribution system. All such piping systems need to be replaced on SSI.

Project Number 25-02

Capital Project Title Water Main AC replacement detailed design

Capital Project Description Water Main AC replacement detailed design. Includes CRD project management.

Project Rationale Based on the preliminary design done in Project 25-01, develop detailed design to replace all asbestos cement distribution piping.

Project Number 26-01

Capital Project Title Phased program of AC Water main replacement

Capital Project Description Engineering and construction of replacement/renewal of failing water main for high priority areas (\$1000/m). Includes construction services and CRD project management.

Project Rationale Construction to replace the asbestos cement piping distribution system. All such piping systems need to be replaced on SSI.

Service:

2.628

Cedar Lane Water (SSI)

Project Number

21-04

Capital Project Title

Public Engagement

Capital Project Description

Public Engagment for debt funded projects

Project Rationale

Inform residents of future projects so they can make informed decision on approval and borrowing.

**2.628 Cedar Lane Water**

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**Capital Projects**

Updated @ Sep 05, 2024

Year	Project#	Status	Capital Project Description	Total Project Budget	Spending		Total Funding in Place
					Expenditure Actuals	Remaining Spending	
2020	CE.735.4503	Close	Power Generation Equipment-Study	5,000	-	5,000	5,000
2021	CE.780.4501	Open	Manganese Removal	156,500	80,175	76,325	156,500
2022	CE.780.4502	Open	Public Engagement	5,000	-	5,000	5,000
2022	CE.780.4503	Open	Referendum or AAP	5,000	-	5,000	5,000
			<b>Totals</b>	<b>171,500</b>	<b>80,175</b>	<b>91,325</b>	<b>171,500</b>

Service:

2.628 Cedar Lane Water (SSI)

Committee: Electoral Area

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax</u>	<u>SFE's</u>	<u>User Charge*</u>	<u>Tax &amp; Charges</u>	<u>Bylaw</u>	<u>Actual Assessments \$(000's)</u>
2012	37	\$826.44	37	\$763.11	\$1,589.55	3864	14,605.43
2013	37	\$615.94	37	\$763.11	\$1,379.05	3891	13,690.33
2014	37	\$615.94	37	\$763.11	\$1,379.05	3925	13,719.03
2015	37	\$615.85	37	\$763.24	\$1,379.09	3993	13,478.10
2016	37	\$615.85	37	\$763.24	\$1,379.09	4073	13,824.40
2017	37	\$644.59	37	\$774.89	\$1,419.48	4208	15,179.00
2018	37	\$604.93	37	\$854.89	\$1,459.82	4236	17,881.90
2019	37	\$372.36	37	\$960.81	\$1,333.17	4311	21,162.91
2020	37	\$339.95	37	\$991.86	\$1,331.81	4339	21,130.41
2021	37	\$285.14	37	\$1,163.43	\$1,448.57	4395	22,158.21
2022	37	\$426.69	37	\$1,345.32	\$1,772.01	4470	28,850.11
2023	37	\$460.82	39	\$1,417.95	\$1,878.77	4525	32,193.51
2024	37	\$506.91	39	\$1,559.79	\$2,066.70	4586	28,117.71
2025	37	\$608.43	39	\$1,871.54	\$2,479.97		

**Change from 2024 to 2025**

\$101.52	\$311.75	\$413.27
20.03%	19.99%	20.00%

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

Cedar Lane Water  
Funding Analysis 2021 - 2025

