



Notice of Meeting and Meeting Agenda  
Fernwood and Highland Water Service Commission

Monday, November 4, 2024

11:00 AM

SIMS Boardroom  
124 Rainbow Road  
Salt Spring Island BC

Budget

MS Teams Link: [Click here](#)

G. Holman, B. Travelbea, L. Travelbea, and C. Wentworth

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 Acknowledgment

2. Approval of Agenda

3. Adoption of Minutes

3.1. [24-1113](#) Minutes of October 31, 2023 Fernwood and Highland Water Service Commission Budget Meeting

**Recommendation:** That the minutes of the October 31, 2023 meeting be adopted as circulated.

**Attachments:** [Minutes: October 31, 2023](#)

4. New Business

4.1. [24-1042](#) 2025 Operating and Capital Budget

**Recommendation:** That the Fernwood and Highland Water Service Commission:

A. FERNWOOD AND HIGHLAND WATER SERVICE

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

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

B. HIGHLAND WATER SERVICE

1. Approve the 2025 operating and capital budget as presented; and,

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

C. FERNWOOD WATER SERVICE

1. Approve the 2025 operating budget as presented; and,

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

**Attachments:** [Staff Report: 2025 Operating and Capital Budget- Fernwood and Highland](#)  
[Appendix A: 2025 Budget Fernwood and Highland Water Service Budget](#)  
[Appendix B: 2025 Budget Highland Water Service Budget](#)  
[Appendix C: 2025 Budget Fernwood Water Service Budget](#)

## 5. Adjournment

### Next Meeting

-TBD



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**Minutes of the Fernwood Highland Water Local Services Commission Budget Meeting  
Held October 31, 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:** Laura Travelbea (Chair); Brian Travelbea; and, Carolin Wentworth

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

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

**1. Call to Order**

Commissioner L. Travelbea called the meeting to order at 10:07 am.

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

Commissioner L. Travelbea provided a Territorial Acknowledgement.

- Commission acknowledges Committee Clerk Shayla Burnham for her service to the commission and welcomes MacKenzie Williamson as Committee Clerk.

**3. Approval of Agenda**

**MOVED** by Commissioner B. Travelbea, **SECONDED** by Commissioner Wentworth, that the Maliview Sewer Local Services Commission agenda of October 31, 2023 be approved as amended by adding item number 4. Director and Commissioner Reports, as well as moving item number 4. Adoption of Minutes of October 17, 2022 to item number 5 and following items be reordered accordingly.

**CARRIED**

**4. Director and Commissioner Report**

- Provisional Capital Regional District Board approval of 2024 Capital Budget.
- 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.

**5. Adoption of the Minutes of October 03, 2022**

**MOVED** by Commissioner B. Travelbea, **SECONDED** by Director Holman, that the Fernwood Highland water Services Commission meeting minutes of October 03, 2022 be adopted as presented.

**CARRIED**

**6. New Business**

**6.1 2024 Operating and Capital Budget**

Commissioner Wentworth left the meeting at 10:50 am.

**MOVED** by Commissioner B. Travelbea, **SECONDED** by Director Holman, That the Fernwood and Highland Water Service Commission:

**A. FERNWOOD AND HIGHLBAND WATER SERVICE**

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

**B. HIGHLAND WATER SERVICE**

1. Approve the 2024 operating and capital budget as presented; and,
2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2024 Operating and Capital Budget and the Five-Year Financial Plan for the Highland Water Service as presented.

**C. FERNWOOD WATER SERVICE**

1. Approve the 2024 operating budget as presented; and,
2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2024 Operating Budget and the Five-Year Financial Plan for the Fernwood Water Service as presented.

**CARRIED**

**6. Next meeting – TBD**

7. Adjournment

**MOVED** by Commissioner L. Travelbea,  
That the meeting be adjourned at 11:25 a.m.  
**CARRIED**

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**CHAIR**

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**SENIOR MANAGER**



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**REPORT TO FERNWOOD HIGHLAND WATER SERVICE COMMISSION  
MONDAY, NOVEMBER 04, 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 3911, "Highland Fernwood Water Service Commission Bylaw No. 1, 2015" the Commissions' 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 5-year financial plan including Operating Budgets and Capital Expenditure Plans annually. CRD staff have prepared the financial plan shown in Appendix A to this report for the Fernwood Highland Water Service.

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 potentially leading to future capital improvements.

In preparing the Operating Budget, CRD 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. Inputs from Operations and Maintenance
5. 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**

**A. FERNWOOD AND HIGHLAND WATER SERVICE**

***Operating Budget***

It is projected that total operating expenses in 2024 will be over budget by approximately \$25,399. Factors contributing to the operating overage include emergency response and corrective maintenance primarily due to the following events:

- Emergency response to water system breaks at:
  - 299 Maliview Drive
  - 321 Maliview Drive (water service line connection)
  - 172 Maliview Drive (water service line connection)
  - 315 Fernwood Drive (water service line connection)
  - 1060 Walkers Hook (service line and hydrant/standpipe connection)
  - 930 Walkers Hook (service line connection)
  - 231 Fernwood Road (service line connection)
  - 142 Trincomali Heights (service line connection)
- Water Treatment Plant:
  - Raw water pump replacement
  - Air saturator pump corrective maintenance.

The debt servicing cost will be \$19,173 below the budget since the planned new borrowing of \$913,000 in 2024 is now deferred to 2025 and 2026.

It is projected that the 2024 operating revenue will be \$7,292 under budget primarily because of projected lower than budgeted water sales.

This results in an overall service deficit of approximately \$13,518 (\$25,399 - \$19,173 + \$7,292). To balance the operating budget, it is proposed that the planned 2024 transfer to the operating reserve fund be reduced by the deficit amount. Otherwise, the resulting deficit in 2024 must immediately be included as an expenditure to be recovered from revenue in 2025 financial plan as required by Local Government Act Section 374(11).

Operating costs for 2025 (excluding one-time cyclical programs funded by ORF for reservoir cleaning and inspection in 2024) has increased by \$16,675 (4.7%) 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 3754 to borrow \$500,000 was approved and adopted in 2011 for the construction of a combined Highland-Fernwood water supply system. Table 1 below summarizes the detailed information for existing MFA debt issue related to LA3754.

***Table 1 – Existing Debt Summary***

MFA Issues	Term	Borrowing Year	Retirement Year	Refinance Year	Original Interest Rate	Current Interest Rate	Principal	Principal Payment	Interest Payment	Total Annual Debt Cost
LA3754-117	15	2011	2026	2021	3.25%	1.47%	\$500,000	\$26,841	\$7,350	\$34,191

***Operating Reserve Fund***

Operating Reserve Fund (ORF) is used to fund cyclical maintenance activities, equipment and supplies purchases that typically do not occur on an annual basis to mitigate the swings in expense and revenue requirement year over year. Typical maintenance activities include hydrant/standpipe maintenance, reservoir cleaning and inspection and ground water well

servicing. Additionally, the ORF is also used to respond to unforeseen events and operating emergencies.

The ORF transfers planned in the budget are evaluated and guided by the CRD Operating Reserve Guidelines endorsed by the CRD Board.

It is proposed that the 2025 transfer to the Operating Reserve Fund be set at \$30,000. The Operating Reserve Fund balance at the end of 2024 is projected to be \$137,083. There is \$40,000 of planned maintenance to be funded by the Operating Reserve over the next five years.

**Capital Reserve Fund**

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

The CRF transfers planned in the budget are evaluated and influenced by the funding required to support the five-year capital expenditure plan and the emergency response to infrastructure failures, also guided by the CRD Capital Reserve Funding Guidelines endorsed by the CRD Board.

It is proposed that the 2025 budgeted transfer to the Capital Reserve Fund be set at \$128,340. The Capital Reserve Fund balance at the end of 2024 is projected to be \$72,780.

**Capital Expenditure Plan**

The 5-year plan includes \$12,245,000 of expenditures to be funded by the service’s capital funds on hand, Capital Reserve Fund, grants and new debt. Public engagement and a referendum are planned to take place in 2025 to borrow funds for various projects.

Five (5) new projects have been added to the 2025-2029 Capital Plan as follows:

1. Investigate DAF Residuals Disposal Alternatives (25-02) - \$5,000 (Reserve)
2. Safe Work Procedures (19-03) - \$13,000 (Capital funds on hand)
3. Waste Pump Design and Construct (19-02) - \$38,000 (Capital funds on hand)
4. Power Generation Equipment Detailed Design (21-02) - \$10,000 (Reserve)
5. Safety Improvements for WTP (22-03) - \$25,000 (Capital)

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 nine (9) projects for a total of \$11,670,000. Please refer to the 2025 – 2029 Five Year Capital Plan for details on these projects.

**Table 2 - Future New Debt Simulation**

	Term	Borrowing Year	Retirement Year	Estimated Interest Rate	Principal	Principal Payment	Interest Payment	Total Annual Debt Cost
<b>Future Borrowing(s) Estimation</b>	25	2025	2050	4.55%	\$790,000	\$20,014	\$35,945	\$55,959
	25	2026	2051	4.40%	\$1,800,000	\$45,601	\$79,200	\$124,801
	25	2027	2052	4.40%	\$3,750,000	\$95,003	\$165,000	\$260,003
	25	2028	2053	4.40%	\$2,665,000	\$67,515	\$117,260	\$184,775
	25	2029	2054	4.40%	\$2,665,000	\$67,515	\$117,260	\$184,775
<b>Total</b>					<b>\$11,670,000</b>	<b>\$295,648</b>	<b>\$514,665</b>	<b>\$810,313</b>



At the commencement of each loan, 1% of the gross amount borrowed is withheld and retained by MFA as Debt Reserve Fund (DRF). In order 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 \$810,313 equates to approximately \$2,433 cost per parcel.

**Capital Project Fund**

As specific capital projects are approved, the funding revenues for them are transferred into the Capital Project Fund from the Capital Reserve Fund. Any funds remaining upon completion of a project are transferred back to the Capital Reserve Fund for use on future capital projects.

**User Charge and Parcel Tax**

Fixed user charge, parcel tax, and variable sale of water based on consumption fund the service. 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 tiered water consumption rates are unchanged from 2024. Table 3 below summarizes the 2025 over 2024 changes for parcel tax and user charge.

**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	Parcel Tax & User Charge
2024	\$77,630	333	\$245.36	\$414,032	321	\$1,289.82	<b>\$1,535.18</b>
2025	\$87,756	333	\$277.37	\$435,538	320	\$1,361.06	<b>\$1,638.43</b>
Change (\$)	\$10,126	0	\$32.01	\$21,506	-1	\$71.24	<b>\$103.25</b>
Change (%)	13.04%	0.00%	13.05%	5.19%	-0.31%	5.52%	<b>6.73%</b>

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

**A. HIGHLAND WATER SERVICE**

**Operating Budget**

The sole purpose of this budget is to repay existing debt and to complete the Valve Distribution Renewal project.

**Municipal Finance Authority (MFA) Debt**

Loan Authorization Bylaw 3580 to borrow \$559,000 was approved and adopted in 2009 for water distribution system upgrades and construct of a new water treatment plan. Table 4 below summarizes the detailed information for existing MFA debt issue related to LA3580.

**Table 4 - Existing Debt Summary**

MFA Issues	Term	Borrowing Year	Retirement Year	Refinance Year	Original Interest Rate	Current Interest Rate	Principal	Principal Payment	Interest Payment	Total Annual Debt Cost
LA3580-106	15	2009	2024	2019	4.13%	2.25%	\$250,000	\$12,485	\$5,625	\$18,110
LA3580-118	15	2012	2027	2022	3.40%	3.39%	\$150,680	\$8,653	\$5,108	\$13,761
<b>Total</b>							<b>\$400,680</b>	<b>\$21,138</b>	<b>\$10,733</b>	<b>\$31,871</b>

**Capital Expenditure Plan**

The 5-year plan includes \$10,000 of expenditures related to Middle Reservoir repairs and Upper Reservoir repair/replacement work to be carried forward into 2025.

**Capital Project 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).

**Parcel Tax**

Parcel tax funds the service. Table 5 below summarizes the 2025 over 2024 changes for parcel tax. The major decrease in 2025 is due to one debt retirement in 2024.

**Table 5 – Parcel Tax Summary**

Budget Year	Parcel Tax	Taxable Folios Numbers	Parcel Tax per Folio*
2024	\$31,726	254	\$131.46
2025	\$13,664	254	\$56.62
Change (\$)	-\$18,062	0	-\$74.84
Change (%)	-56.93%	0.00%	-56.93%

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

**B. FERNWOOD WATER SERVICE**

**Operating Budget**

The sole purpose of this budget is to repay existing debt.

**Municipal Finance Authority (MFA) Debt**

Loan Authorization Bylaw 3581 to borrow \$195,000 was approved and adopted in 2009 for water distribution system upgrades and interconnection to new Highlands’s water treatment plant. Table 6 summarizes the detailed information for existing MFA debt issue related to LA3581.

**Table 6 - Existing Debt Summary**

MFA Issues	Term	Borrowing Year	Retirement Year	Refinance Year	Original Interest Rate	Current Interest Rate	Principal	Principal Payment	Interest Payment	Total Annual Debt Cost
LA3581-106	15	2009	2024	2019	4.13%	2.25%	\$100,000	\$4,994	\$2,250	\$7,244
LA3581-110	15	2010	2025	2020	4.50%	1.28%	\$50,000	\$2,684	\$640	\$3,324
LA3581-118	15	2012	2027	2022	3.40%	3.39%	\$45,000	\$2,584	\$1,526	\$4,110
<b>Total</b>							<b>\$195,000</b>	<b>\$10,262</b>	<b>\$4,416</b>	<b>\$14,678</b>

**Capital Expenditure Plan**

There is no capital expenditures planned for this debt servicing only budget for 2025-2029.

**Parcel Tax**

Parcel tax funds the service. Table 7 below summarizes the 2025 over 2024 changes for parcel

tax. The major decrease in 2025 is due to one debt retirement in 2024.

**Table 7 – Parcel Tax Summary**

Budget Year	Parcel Tax	Taxable Folios Numbers	Parcel Tax per Folio*
2024	\$14,621	79	\$194.79
2025	\$7,075	79	\$94.26
Change (\$)	-\$7,546	0	-\$100.53
Change (%)	-51.61%	0.00%	-51.61%

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

**RECOMMENDATION**

That the Fernwood and Highland Water Service Commission:

**A. FERNWOOD AND HIGHLAND WATER SERVICE**

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

**B. HIGHLAND WATER SERVICE**

1. Approve the 2025 operating and capital budget as presented; and,
2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2025 Operating and Capital Budget and the Five-Year Financial Plan for the Highland Water Service as presented.

**C. FERNWOOD WATER SERVICE**

1. Approve the 2025 operating budget as presented; and,
2. Recommend that the Electoral Areas Committee recommend that the CRD Board approve the 2025 Operating Budget and the Five-Year Financial Plan for the Fernwood 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 Fernwood and Highland Water Service Budget](#)

Appendix B: [2025 Budget Highland Water Service Budget](#)  
Appendix C: [2025 Budget Fernwood Water Service Budget](#)

# **CAPITAL REGIONAL DISTRICT**

## **2025 Budget**

### **Highland/Fernwood Water (SSI)**

#### **Commission Review**

NOVEMBER 2024

**DEFINITION:**

To construct water works for the provision, supply, treatment, conveyance, storage and distribution of water for the Salt Spring Island Highland and Fernwood Water Service, Bylaw No. 3753 (April 13, 2011). Amended Bylaw No. 3878 (Aug. 14, 2013).

**PARTICIPATION:**

Local Service Area #63, 3(764)

**MAXIMUM LEVY:**

Greater of \$350,000 or \$2.572 / \$1,000 of actual assessed value of land and improvements.

**COMMISSION:**

Fernwood and Highland Water Service Commission - Bylaw 4371 (Dec. 09, 2020)

**FUNDING:**

**Parcel Tax:** Annual, levied only on all 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 38 cubic metres or portion - \$0.64 / cubic metre
- Next 68 cubic metres or portion - \$2.00 / cubic metre
- Greater than 106 cubic metres - \$5.13 / cubic metre

**Water Connection Charge:** Actual cost for the connection.

**RESERVE FUND:**

Established by Bylaw #3907 (April 16, 2014)

**2.621 - Highland/Fernwood 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>										
Sludge Hauling Contract	9,950	8,800	10,250	-	-	10,250	10,460	10,670	10,880	11,100
Waste Sludge Disposal	15,460	15,700	15,920	-	-	15,920	16,240	16,560	16,890	17,230
Repairs & Maintenance	29,440	30,500	9,720	-	-	9,720	29,910	10,100	10,300	10,500
Allocations	24,436	24,436	26,577	-	-	26,577	27,304	27,844	28,393	28,962
Water Testing	19,750	19,745	20,380	-	-	20,380	20,790	21,210	21,630	22,060
Electricity	22,000	23,350	22,660	-	-	22,660	23,110	23,570	24,040	24,520
Supplies	24,700	24,700	25,420	-	-	25,420	25,920	26,430	26,940	27,470
Labour Charges	212,906	240,000	222,730	-	-	222,730	227,190	231,740	236,370	241,100
Other Operating Expenses	19,370	16,180	21,030	-	-	21,030	41,758	42,945	44,187	65,487
<b>TOTAL OPERATING COSTS</b>	<b>378,012</b>	<b>403,411</b>	<b>374,687</b>	<b>-</b>	<b>-</b>	<b>374,687</b>	<b>422,682</b>	<b>411,069</b>	<b>419,630</b>	<b>448,429</b>
*Percentage Increase over prior year			-0.9%			-0.9%	12.8%	-2.7%	2.1%	6.9%
<u>DEBT / RESERVES</u>										
Transfer to Capital Reserve Fund	76,076	76,076	128,340	-	-	128,340	75,810	71,000	32,450	108,275
Transfer to Operating Reserve Fund	65,000	51,482	30,000	-	-	30,000	30,000	10,000	10,000	10,000
MFA Debt Principal	26,841	26,841	26,841	-	-	26,841	46,855	65,615	160,618	228,133
MFA Debt Interest	17,393	7,350	7,350	8,986	-	16,336	63,095	156,395	309,460	426,720
MFA Debt Reserve Fund	9,280	150	210	7,900	-	8,110	18,210	37,500	26,650	26,650
<b>TOTAL DEBT / RESERVES</b>	<b>194,590</b>	<b>161,899</b>	<b>192,741</b>	<b>16,886</b>	<b>-</b>	<b>209,627</b>	<b>233,970</b>	<b>340,510</b>	<b>539,178</b>	<b>799,778</b>
<b>TOTAL COSTS</b>	<b>572,602</b>	<b>565,310</b>	<b>567,428</b>	<b>16,886</b>	<b>-</b>	<b>584,314</b>	<b>656,652</b>	<b>751,579</b>	<b>958,808</b>	<b>1,248,207</b>
*Percentage Increase over prior year			-0.9%	2.9%		2.0%	12.4%	14.5%	27.6%	30.2%
<u>FUNDING SOURCES (REVENUE)</u>										
Transfer from Operating Reserve Fund	(20,000)	(20,000)	-	-	-	-	(20,000)	-	-	(20,000)
Sales - Water	(60,000)	(54,000)	(60,000)	-	-	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
User Charges	(414,032)	(412,740)	(426,448)	(9,090)	-	(435,538)	(479,090)	(574,910)	(747,380)	(971,590)
Other Revenue	(940)	(940)	(1,020)	-	-	(1,020)	(1,030)	(830)	(840)	(860)
<b>TOTAL REVENUE</b>	<b>(494,972)</b>	<b>(487,680)</b>	<b>(487,468)</b>	<b>(9,090)</b>	<b>-</b>	<b>(496,558)</b>	<b>(560,120)</b>	<b>(635,740)</b>	<b>(808,220)</b>	<b>(1,052,450)</b>
<b>REQUISITION - PARCEL TAX</b>	<b>(77,630)</b>	<b>(77,630)</b>	<b>(79,960)</b>	<b>(7,796)</b>	<b>-</b>	<b>(87,756)</b>	<b>(96,532)</b>	<b>(115,839)</b>	<b>(150,588)</b>	<b>(195,757)</b>
*Percentage increase over prior year										
Sales			0.0%	0.0%		0.0%	0.0%	0.0%	0.0%	0.0%
User Fee			3.0%	2.2%		5.2%	10.0%	20.0%	30.0%	30.0%
Requisition			3.0%	10.0%		13.0%	10.0%	20.0%	30.0%	30.0%
<b>Combined</b>			<b>2.7%</b>	<b>3.1%</b>		<b>5.7%</b>	<b>9%</b>	<b>18%</b>	<b>28%</b>	<b>28%</b>

Highland/Fernwood 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	137,083	167,083	177,083	187,083	197,083	187,083
Capital Reserve Fund	72,780	82,620	13,430	33,430	55,880	164,155
<b>Total</b>	<b>209,863</b>	<b>249,703</b>	<b>190,513</b>	<b>220,513</b>	<b>252,963</b>	<b>351,238</b>



## Reserve Schedule

### Reserve Fund: 2.621 Highland/Fernwood 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 etc.

## Reserve Cash Flow

Fund: Fund Centre:	1500 105205	Estimated	Budget				
		2024	2025	2026	2027	2028	2029
<b>Beginning Balance</b>		101,101	137,083	167,083	177,083	187,083	197,083
<b>Transfer from Ops Budget</b>		51,482	30,000	30,000	10,000	10,000	10,000
<b>Expenditures</b>		(20,000)	-	(20,000)	-	-	(20,000)
Planned Maintenance Activity		Reservoir cleaning & inspection		Reservoir cleaning & inspection			Reservoir cleaning & inspection
<b>Interest Income*</b>		4,500					
<b>Ending Balance \$</b>		<b>137,083</b>	<b>167,083</b>	<b>177,083</b>	<b>187,083</b>	<b>197,083</b>	<b>187,083</b>

### Assumptions/Background:

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

**Reserve Schedule**

**Reserve Fund: 2.621 Highland/Fernwood Water (SSI) - Capital Reserve Fund - Bylaw 3991**

For capital repairs, additions and improvements to water system infrastructure

**Reserve Cash Flow**

Fund: Fund Centre:	1088 102156	Estimated	Budget				
		2024	2025	2026	2027	2028	2029
Beginning Balance		111,444	72,780	82,620	13,430	33,430	55,880
Transfer from Ops Budget		76,076	128,340	75,810	71,000	32,450	108,275
Transfer to Cap Fund		(117,500)	(118,500)	(145,000)	(51,000)	(10,000)	-
Interest Income*		2,760					
<b>Ending Balance \$</b>		<b>72,780</b>	<b>82,620</b>	<b>13,430</b>	<b>33,430</b>	<b>55,880</b>	<b>164,155</b>

**Assumptions/Background:**

\* 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>2.621</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>Highland &amp; Fernwood 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	\$1,066,500	\$1,119,000	\$1,945,000	\$3,801,000	\$2,715,000	\$2,665,000	\$12,245,000	
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>\$1,066,500</b>	<b>\$1,119,000</b>	<b>\$1,945,000</b>	<b>\$3,801,000</b>	<b>\$2,715,000</b>	<b>\$2,665,000</b>	<b>\$12,245,000</b>	

**SOURCE OF FUNDS**

Capital Funds on Hand	\$170,500	\$170,500	\$0	\$0	\$0	\$0	\$170,500	
Debenture Debt (New Debt Only)	\$790,000	\$790,000	\$1,800,000	\$3,750,000	\$2,665,000	\$2,665,000	\$11,670,000	
Equipment Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Grants (Federal, Provincial)	\$40,000	\$40,000	\$0	\$0	\$40,000	\$0	\$80,000	
Donations / Third Party Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Reserve Fund	\$66,000	\$118,500	\$145,000	\$51,000	\$10,000	\$0	\$324,500	
	<b>\$1,066,500</b>	<b>\$1,119,000</b>	<b>\$1,945,000</b>	<b>\$3,801,000</b>	<b>\$2,715,000</b>	<b>\$2,665,000</b>	<b>\$12,245,000</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 #:

2.621

Service Name:

Highland & Fernwood Water (SSI)

PROJECT DESCRIPTION				PROJECT BUDGET & SCHEDULE									
Project Number	Capital Expenditure Type	Capital Project Title		Total Project Budget	Asset Class	Funding Source	Carryforward	2025	2026	2027	2028	2029	5 - Year Total auto-populates
19-05	New	Referendum or Alternative Approval Process - Funding for Future Projects	Undertake a referendum or AAP to borrow funds to carry out the intake, DAF, back up power and upper reservoir projects.	\$ 40,000	\$	Cap	\$ 40,000	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
21-01	New	Public Engagement for Future Projects	Public engagement for the intake, DAF, back up power and upper reservoir projects.	\$ 10,000	\$	Cap	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 10,000
22-01	New	Back up Power	Construction of back up power system. Includes CRD project management.	\$ 470,000	\$	Debt	\$ 470,000	\$ 470,000	\$ -	\$ -	\$ -	\$ -	\$ 470,000
21-03	New	Highland Upper Reservoir Replacement	Construction to replace existing leaking upper reservoir. Includes CRD project management.	\$ 1,330,000	\$	Debt	\$ -	\$ -	\$ 1,330,000	\$ -	\$ -	\$ -	\$ 1,330,000
21-04	New	Water main AC replacement strategy and preliminary design	Conduct water main replacement assessment and develop a phased replacement strategy (13 km).	\$ 115,000	\$	Debt	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
21-04	New	Water main AC replacement strategy and preliminary design	CRD Project Management		\$	Res	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000
21-05	New	Water Main AC replacement detailed design	Water Main AC replacement detailed design. Includes CRD project management.	\$ 230,000	\$	Debt	\$ -	\$ -	\$ 230,000	\$ -	\$ -	\$ -	\$ 230,000
23-01	New	Phased program of AC Water main replacement	Engineering and construction of replacement/renewal of failing water main for high priority areas (\$1000/m over 5 years). Includes construction services and CRD project management.	\$ 13,000,000	\$	Debt	\$ -	\$ -	\$ -	\$ 2,665,000	\$ 2,665,000	\$ 2,665,000	\$ 7,995,000
24-01	New	Fernwood PS Hazard Assess and Demolition	Assessment of hazard and demolition. Includes CRD project management.	\$ 60,000	\$	Res	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000
25-01	New	Fence installation around storage reservoirs	Install fencing around all reservoirs and WTP. Includes CRD project management.	\$ 140,000	\$	Debt	\$ -	\$ -	\$ 140,000	\$ -	\$ -	\$ -	\$ 140,000
23-07	Renewal	WTP SCADA Upgrades - WTP Communications and Control Upgrades	To upgrade RTU programming software to Workbench. Replace the RTU and PLC controller due to age and criticality to current CRD I/O standards. At end of life for SCADAPAC 357e Series PLCs and add equipment feedback wiring to monitor valve position, motor speed etc. Includes CRD project management.	\$ 220,000	\$	Debt	\$ 220,000	\$ 220,000	\$ -	\$ -	\$ -	\$ -	\$ 220,000
24-02	New	Highlands Middle Reservoir Repair	Install new manway in Reservoir, replace temporary piping with permanent, possible power line relocation.	\$ 115,000	\$	Debt	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
24-02	New	Highlands Middle Reservoir Repair	CRD Project Management		\$	Res	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ 15,000
24-03	New	WTP driveway improvements	Gravel portion of driveway requires regular maintenance to provide safe access to buildings. Upgrade driveway to asphalt or concrete. Includes CRD project management.	\$ 35,000	\$	Res	\$ 35,000	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000
24-04	Replacement	WTP Bring safety chain to specification.	Removable chain requires replacement with a code compliant removable portion of pipe railing. Retrofit with removable railing. Includes CRD project management.	\$ 13,000	\$	Cap	\$ 12,500	\$ 12,500	\$ -	\$ -	\$ -	\$ -	\$ 12,500
24-05	Replacement	Fernwood Reservoir 1. Repair roof top railing and check for building code compliance and replace or repair	Code compliance/replacement and ladder enclosure and upper railing are rusting and require assessment. Includes CRD project management.	\$ 15,500	\$	Cap	\$ 15,500	\$ 15,500	\$ -	\$ -	\$ -	\$ -	\$ 15,500
24-06	New	Critical Spares; Chlorine pump and coagulant pump	Purchase spares. Includes CRD project management.	\$ 12,000	\$	Cap	\$ 11,500	\$ 11,500	\$ -	\$ -	\$ -	\$ -	\$ 11,500
24-08	Replacement	WTP, replace Mitronics FLT Ultrasonic Probe	Mitronics unit not supported replace with Siemens. Includes CRD project management.	\$ 11,500	\$	Res	\$ -	\$ 11,500	\$ -	\$ -	\$ -	\$ -	\$ 11,500
24-09	New	Addition of another tank is required for backwashing of two filters in sequence.	Rinse water tank currently allows only one filter backwash at a time due to its size. Includes CRD project management.	\$ 16,000	\$	Res	\$ 16,000	\$ -	\$ -	\$ 16,000	\$ -	\$ -	\$ 16,000
24-10	New	Replace or re-line Middle Reservoir - Design	Middle Reservoir is leaking and needs a new liner or to be replaced. Includes CRD project management.	\$ 95,000	\$	Res	\$ -	\$ -	\$ 95,000	\$ -	\$ -	\$ -	\$ 95,000
24-11	New	Replace or re-line Middle Reservoir - Construction	Replace or re-line Middle Reservoir - Construction. Includes construction services and CRD project management.	\$ 1,085,000	\$	Debt	\$ -	\$ -	\$ -	\$ 1,085,000	\$ -	\$ -	\$ 1,085,000
24-12	New	Replace Upper Reservoir Pumphouse - Design and Construction	Replace Upper Reservoir Pumphouse - Design. Includes construction and CRD project management.	\$ 35,000	\$	Res	\$ -	\$ -	\$ -	\$ 35,000	\$ -	\$ -	\$ 35,000
24-13	New	Install Strainer upstream of North End Road PRV	Install Strainer upstream of North End Road PRV. Includes CRD project management.	\$ 17,000	\$	Res	\$ -	\$ 17,000	\$ -	\$ -	\$ -	\$ -	\$ 17,000
27-01	Study	Update Asset Management Plan	Revise McElhanney Condition Assessment to SAMP.	\$ 50,000	\$	Grant	\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ -	\$ 40,000
27-01	Study	Update Asset Management Plan	CRD Project Management		\$	Res	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ 10,000
19-01	Replacement	Replace intake	Construct new intake and screen	\$ 267,000	\$	Cap	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000
19-01	Replacement	Replace intake	Construct new intake and screen		\$	Grant	\$ 40,000	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
25-02	Study	Investigate DAF Residual Disposal Alternatives	Investigate alternatives for the disposal of DAF residuals.	\$ 5,000	\$	Res	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -	\$ 5,000
19-03	New	Safe Work Procedures	Safe Work Procedures	\$ 17,000	\$	Cap	\$ 13,000.00	\$ 13,000.00	\$ -	\$ -	\$ -	\$ -	\$ 13,000
19-02	New	Waste Pump Design and Construct	Waste Pump Design and Construct	\$ 80,000	\$	Cap	\$ 38,000.00	\$ 38,000.00	\$ -	\$ -	\$ -	\$ -	\$ 38,000
21-02	New	Power Generation Equipment (early approval)	Detailed design of back-up power generation equipment.	\$ 59,000	\$	Res	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 10,000
22-03	New	Safety Improvements for WTP	Design and installation of lifting apparatus over saturator vessel and rescue apparatus over DAF tank.	\$ 40,000	\$	Cap	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000
													\$ -
			<b>Grand Total</b>	<b>\$ 17,583,000</b>				<b>\$ 1,119,000</b>	<b>\$ 1,945,000</b>	<b>\$ 3,801,000</b>	<b>\$ 2,715,000</b>	<b>\$ 2,665,000</b>	<b>\$ 12,245,000</b>

Service: 2.621 Highland & Fernwood Water (SSI)

<b>Project Number</b>	19-05	<b>Capital Project Title</b>	Referendum or Alternative Approval Process - Funding for Future Projects	<b>Capital Project Description</b>	Undertake a referendum or AAP to borrow funds to carry out the intake, DAF, back up power and upper reservoir projects.
<b>Project Rationale</b>	Undertake a referendum or AAP to borrow funds to carry out the intake, back up power and upper reservoir projects.				

<b>Project Number</b>	21-01	<b>Capital Project Title</b>	Public Engagement for Future Projects	<b>Capital Project Description</b>	Public engagement for the intake, DAF, back up power and upper reservoir projects.
<b>Project Rationale</b>	Public engagement for the intake and upper reservoir projects to inform residents so they can make informed decision on approval and borrowing..				

<b>Project Number</b>	22-01	<b>Capital Project Title</b>	Back up Power	<b>Capital Project Description</b>	Construction of back up power system. Includes CRD project management.
<b>Project Rationale</b>	Design and construction of a backup power system needed in the event of a power failure to continue to provide water to the community.				

<b>Project Number</b>	21-03	<b>Capital Project Title</b>	Highland Upper Reservoir Replacement	<b>Capital Project Description</b>	Construction to replace existing leaking upper reservoir. Includes CRD project management.
<b>Project Rationale</b>	Upper reservoir is leaking and wasting water. Needs to be replaced.				

Service: 2.621 Highland & Fernwood Water (SSI)

<b>Project Number</b>	21-04	<b>Capital Project Title</b>	Water main AC replacement strategy and preliminary design	<b>Capital Project Description</b>	Conduct water main replacement assessment and develop a phased replacement strategy (13 km).
<b>Project Rationale</b>	The asbestos cement water main system needs to be replaced so this will assess the system and create a strategy to deal with it along with design drawings and specifications.				

<b>Project Number</b>	21-05	<b>Capital Project Title</b>	Water Main AC replacement detailed design	<b>Capital Project Description</b>	Water Main AC replacement detailed design. Includes CRD project management.
<b>Project Rationale</b>	Develop detailed design for the replacement of the asbestos cement water distribution piping system based on the strategy developed in Project 21-04.				

<b>Project Number</b>	23-01	<b>Capital Project Title</b>	Phased program of AC Water main replacement	<b>Capital Project Description</b>	Engineering and construction of replacement/renewal of failing water main for high priority areas (\$1000/m over 5 years). Includes construction services and CRD project management.
<b>Project Rationale</b>	The asbestos cement water main system needs to be replaced. This project is for the engineering and construction of replacement/renewal of failing water main for high priority areas (\$1000/meter over 10 years).				

<b>Project Number</b>	24-01	<b>Capital Project Title</b>	Fernwood PS Hazard Assess and Demolition	<b>Capital Project Description</b>	Assessment of hazard and demolition. Includes CRD project management.
<b>Project Rationale</b>	This project will assess the hazards and demolish the obsolete Fernwood Pump Station.				

Service: 2.621 Highland & Fernwood Water (SSI)

<b>Project Number</b> 25-01	<b>Capital Project Title</b> Fence installation around storage reservoirs	<b>Capital Project Description</b> Install fencing around all reservoirs and WTP. Includes CRD project management.
<b>Project Rationale</b> This fence is required for community safety (child access etc.) and security of the asset (vandalism).		

<b>Project Number</b> 23-07	<b>Capital Project Title</b> WTP SCADA Upgrades - WTP Communications and Control Upgrades	<b>Capital Project Description</b> To upgrade RTU programming software to Workbench. Replace the RTU and PLC controller due to age and criticality to current CRD I/O standards. At end of life for SCADAPAC 357e Series PLCs and add equipment feedback wiring to monitor valve position, motor speed
<b>Project Rationale</b> Various improvements identified in the AMP and by Operations including upgrade RTU programming software to Workbench. Replace the RTU and PLC controller due to age and criticality to current CRD I/O standards.		

<b>Project Number</b> 24-02	<b>Capital Project Title</b> Highlands Middle Reservoir Repair	<b>Capital Project Description</b> Install new manway in Reservoir, replace temporary piping with permanent, possible power line relocation.
<b>Project Rationale</b> Current access is too close to the overhead power line and requires scaffolding access for cleaning. A manway on the side of the tank will provide safer access. Temporary piping needs to be replaced by permanent piping		

<b>Project Number</b> 24-03	<b>Capital Project Title</b> WTP driveway improvements	<b>Capital Project Description</b> Gravel portion of driveway requires regular maintenance to provide safe access to buildings. Upgrade driveway to asphalt or concrete. Includes CRD project management.
<b>Project Rationale</b> Current access road is filled with potholes and creates a hazard for vehicles.		

<b>Project Number</b> 24-04	<b>Capital Project Title</b> WTP Bring safety chain to specification.	<b>Capital Project Description</b> Removable chain requires replacement with a code compliant removable portion of pipe railing. Retrofit with removable railing. Includes CRD project management.
<b>Project Rationale</b> E H & S issue. Current chain needs to be relaces as it does not meet O H & S requirements.		



Service: 2.621 Highland & Fernwood Water (SSI)

<b>Project Number</b> 24-05	<b>Capital Project Title</b> Fernwood Reservoir 1. Repair roof top railing and check for building code compliance and replace or repair	<b>Capital Project Description</b> Code compliance/replacement and ladder enclosure and upper railing are rusting and require assessment. Includes CRD project management.
<b>Project Rationale</b> E H & S issue. Current railing needs to be replaces as it does not meet O H & S requirements.		

<b>Project Number</b> 24-06	<b>Capital Project Title</b> Critical Spares; Chlorine pump and coagulant pump	<b>Capital Project Description</b> Purchase spares. Includes CRD project management.
<b>Project Rationale</b> These components are critical facility operation and should be on hand for easy replacement to ensure continued service.		

<b>Project Number</b> 24-08	<b>Capital Project Title</b> WTP, replace Miltronics FLT Ultrasonic Probe	<b>Capital Project Description</b> Miltronics unit not supported replace with Siemens. Includes CRD project management.
<b>Project Rationale</b> Obsolete equipment must be replaced prior to failure.		

<b>Project Number</b> 24-09	<b>Capital Project Title</b> Addition of another tank is required for backwashing of two filters in sequence.	<b>Capital Project Description</b> Rinse water tank currently allows only one filter backwash at a time due to its size. Includes CRD project management.
<b>Project Rationale</b> Operational issue. Another tank will proved efficiencies and reduce maintenance costs.		

<b>Project Number</b> 24-10	<b>Capital Project Title</b> Replace or re-line Middle Reservoir - Design	<b>Capital Project Description</b> Middle Reservoir is leaking and needs a new liner or to be replaced. Includes CRD project management.
<b>Project Rationale</b> Tank is at the end of its useful life and needs to be re-line or ideally, replaced. This is the design phase of the project.		

Service: 2.621 Highland & Fernwood Water (SSI)

<b>Project Number</b> 24-11	<b>Capital Project Title</b> Replace or re-line Middle Reservoir - Construction	<b>Capital Project Description</b> Replace or re-line Middle Reservoir - Construction. Includes construction services and CRD project management.
<b>Project Rationale</b> Tank is at the end of its useful life and needs to be re-line or ideally, replaced. This is the construction phase of the project.		

<b>Project Number</b> 24-12	<b>Capital Project Title</b> Replace Upper Reservoir Pumphouse - Design and Construction	<b>Capital Project Description</b> Replace Upper Reservoir Pumphouse - Design. Includes construction and CRD project management.
<b>Project Rationale</b> Tank is at the end of its useful life and needs to be re-line or ideally, replaced. This is the CRD PM phase of the project.		

<b>Project Number</b> 24-13	<b>Capital Project Title</b> Install Strainer upstream of North End Road PRV	<b>Capital Project Description</b> Install Strainer upstream of North End Road PRV. Includes CRD project management.
<b>Project Rationale</b> Need to install strainer upstream of PRV in order to ensure trouble free operation and reduce maintenance costs.		

<b>Project Number</b> 27-01	<b>Capital Project Title</b> Update Asset Management Plan	<b>Capital Project Description</b> Revise McElhanney Condition Assessment to SAMP.
<b>Project Rationale</b> Revise existing AMP to include facility modifications and additions since last AMP.		

Service: 2.621 Highland & Fernwood Water (SSI)

<b>Project Number</b> 19-01	<b>Capital Project Title</b> Replace intake	<b>Capital Project Description</b> Construct new intake and screen
<b>Project Rationale</b> Replace temporary inlet line and intake structure.		

<b>Project Number</b> 25-02	<b>Capital Project Title</b> Investigate DAF Residual Disposal Alternatives	<b>Capital Project Description</b> Investigate alternatives for the disposal of DAF residuals.
<b>Project Rationale</b> Investigate alternatives for the disposal of DAF residuals to reduce disposal costs.		

<b>Project Number</b> 19-03	<b>Capital Project Title</b> Safe Work Procedures	<b>Capital Project Description</b> Safe Work Procedures
<b>Project Rationale</b> Develop additional SWPs to incorporate recent changes to facility.		

<b>Project Number</b> 19-02	<b>Capital Project Title</b> Waste Pump Design and Construct	<b>Capital Project Description</b> Waste Pump Design and Construct
<b>Project Rationale</b> Design and construct waste pump to handle DAF residuals.		

Service: 2.621 Highland & Fernwood Water (SSI)

Project Number 21-02

Capital Project Title

Power Generation Equipment (early approval)

Capital Project Description

Detailed design of back-up power generation equipment.

Project Rationale Provide design for back up power equipment to ensure continuity of service.

Project Number 22-03

Capital Project Title

Safety Improvements for WTP

Capital Project Description

Design and installation of lifting apparatus over saturator vessel and rescue apparatus over DAF tank.

Project Rationale E H & S issue. Design and installation of lifting apparatus over saturator vessel and rescue apparatus over DAF tank.

## 2.621 - Highland/Fernwood Water (SSI)

### Capital Projects

Updated @ Sep 03, 2024

Year	Project#	Capital Plan#	Status	Capital Project Description	Total Project Budget	Spending		Total Funding in Place
						Expenditure Actuals	Remaining Spending	
2019	CE.677.7501	19-01	Open	Water Intake and Screen	227,000	65,388	161,612	227,000
2019	CE.699.4501	19-03	Open	Safe Work Procedures	17,000	4,146	12,854	17,000
2020	CE.707.7501	19-02	Open	Waste Pump Design and Construct	80,000	36,530	43,470	80,000
2021	CE.735.4501	21-02	Open	Power generation equipment - Design*	59,000	53,548	5,452	49,000
2023	CE.677.4601	22-03	Open	Safety Improvement for H&F WTP	40,000	10,740	29,260	40,000
2024	CE.677.4602	24-06	Open	Spares, Chlorine & Coagulant Pumps	12,000	164	11,836	12,000
2024	CE.677.4603	24-04	Open	Safety chain replacement WTP	13,000	407	12,593	13,000
2024	CE.677.4501	19-05	Open	Referendum for Borrowing H/F Water	40,000	27	39,973	40,000
2024	CE.677.4502	21-01	Open	Public Engagement High/Fern Water	10,000	54	9,946	10,000
2024	CE.677.5101	24-05	Open	Reservoir 1. Repair roof top railing	15,500	-	15,500	15,500
<b>Totals</b>					<b>513,500</b>	<b>171,004</b>	<b>342,496</b>	<b>503,500</b>

\* Including \$10k budget increase in 2025 capital plan

Service:

2.621 Highland/Fernwood Water (SSI)

Committee: Electoral Area

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax Per Folio</u>	<u>SFEs</u>	<u>User Charge Per SFE</u>	<u>Total Tax &amp; Charges</u>	<u>Bylaw</u>	<u>Actual Assessments \$(000's)</u>
2016	333	\$173.84	317	\$704.93	\$878.77	4073	\$131,385
2017	333	\$173.84	319	\$817.51	\$991.35	4208	\$149,011
2018	333	\$173.84	319	\$861.75	\$1,035.58	4236	\$167,935
2019	333	\$173.84	320	\$858.15	\$1,031.99	4311	\$177,921
2020	333	\$179.60	321	\$881.88	\$1,061.48	4339	\$191,456
2021	333	\$237.05	321	\$1,182.53	\$1,419.58	4395	\$201,818
2022	333	\$237.05	321	\$1,182.53	\$1,419.58	4470	\$281,106
2023	333	\$237.05	321	\$1,217.09	\$1,454.14	4525	\$308,761
2024	333	\$245.36	321	\$1,289.82	\$1,535.18	4586	\$284,303
2025	333	\$277.37	320	\$1,361.06	\$1,638.43		

Change from 2024 to 2025

\$32.01

13.05%

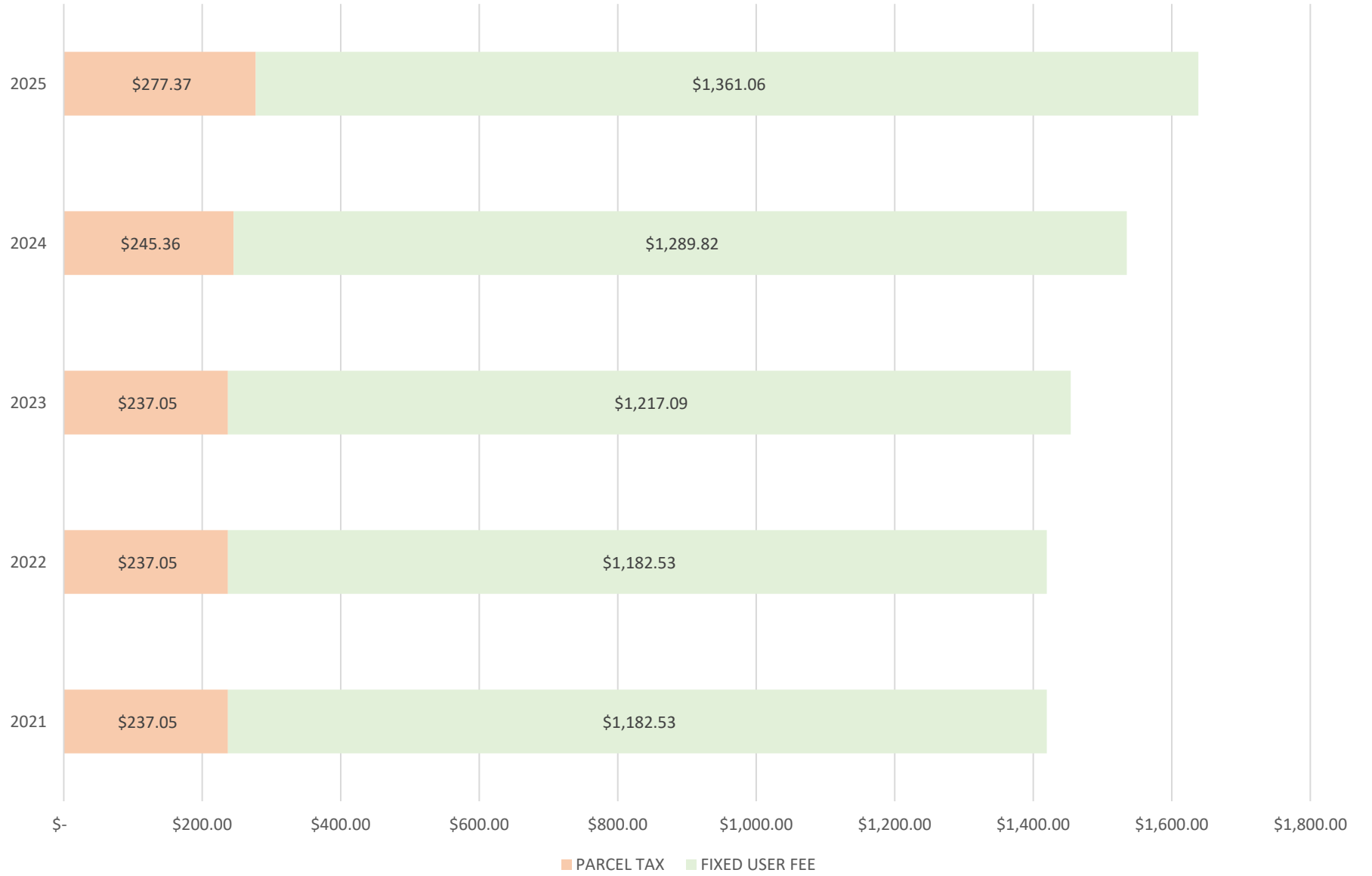
\$71.24

5.52%

\$103.25

6.73%

### Highland/Fernwood Water (SSI) Funding Analysis 2021 - 2025



# **CAPITAL REGIONAL DISTRICT**

## **2025 Budget**

### **Highland Water System (SSI)**

#### **Commission Review**

NOVEMBER 2024



**DEFINITION:**

To provide and operate water supply and distribution facilities for the Salt Spring Island Highland Water System Specified Area. Bylaw No. 847 (March 25, 1981). Local Service Establishment Bylaw No. 1937 (October 9, 1991).

**PARTICIPATION:**

Local Service Area #13, H(764)

**MAXIMUM LEVY:**

Greater of \$120,000 or \$5.50 / \$1,000 of actual assessed value of land and improvements.

**MAXIMUM CAPITAL DEBT:**

Authorized:	LA3580 (April 3, 2009)	\$559,000
Borrowed:	SI Bylaw 3634 (2009, 4.13%)	(\$250,000)
	SI Bylaw 3817 (2012, 3.4%)	(\$150,680)
Expired:		(\$158,320)
Remaining:		\$0

**COMMISSION:**

Fernwood and Highland Water Service Commission- Bylaw 4371 (Dec. 09, 2020)

**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 by Special Act.

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

**RESERVE FUND:**

Highland Water System Capital Reserve Fund, Bylaw No. 1501 (Dec. 17, 1986)

2.620 - Highland Water System (SSI) - Debt Only

	2024		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2026	2027	2028	2029
<u>OPERATING COSTS</u>										
Allocations	27	27	23	-	-	23	24	25	-	-
<b>TOTAL OPERATING COSTS</b>	<b>27</b>	<b>27</b>	<b>23</b>	<b>-</b>	<b>-</b>	<b>23</b>	<b>24</b>	<b>25</b>	<b>-</b>	<b>-</b>
*Percentage Increase over prior year						-14.8%	4.3%	4.2%	NA	NA
<u>DEBT</u>										
MFA Debt Principal	21,138	21,138	8,653	-	-	8,653	8,653	8,653	-	-
MFA Debt Interest	10,733	10,733	5,108	-	-	5,108	5,108	2,554	-	-
MFA Debt Reserve Fund	90	90	60	-	-	60	60	60	-	-
<b>TOTAL DEBT</b>	<b>31,961</b>	<b>31,961</b>	<b>13,821</b>	<b>-</b>	<b>-</b>	<b>13,821</b>	<b>13,821</b>	<b>11,267</b>	<b>-</b>	<b>-</b>
<b>TOTAL COSTS</b>	<b>31,988</b>	<b>31,988</b>	<b>13,844</b>	<b>-</b>	<b>-</b>	<b>13,844</b>	<b>13,845</b>	<b>11,292</b>	<b>-</b>	<b>-</b>
*Percentage Increase over prior year						-56.7%	0.0%	-18.4%	NA	NA
<u>FUNDING SOURCES (REVENUE)</u>										
Estimated Balance c/fwd from 2024 to 2025	-	120	(120)	-	-	(120)	-	-	-	-
Balance c/fwd from 2023 to 2024	(172)	(172)	-	-	-	-	-	-	-	-
Other Income	(90)	(210)	(60)	-	-	(60)	(60)	(60)	-	-
<b>TOTAL REVENUE</b>	<b>(262)</b>	<b>(262)</b>	<b>(180)</b>	<b>-</b>	<b>-</b>	<b>(180)</b>	<b>(60)</b>	<b>(60)</b>	<b>-</b>	<b>-</b>
<b>REQUISITION - PARCEL TAX</b>	<b>(31,726)</b>	<b>(31,726)</b>	<b>(13,664)</b>	<b>-</b>	<b>-</b>	<b>(13,664)</b>	<b>(13,785)</b>	<b>(11,232)</b>	<b>-</b>	<b>-</b>
*Percentage increase over prior year Requisition						-56.9%	0.9%	-18.5%	NA	NA

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

<b>Service No.</b>	<b>2.620 Highland Water (SSI)</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>
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**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	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$10,000
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,000</b>

**SOURCE OF FUNDS**

Capital Funds on Hand	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$10,000
Debenture Debt (New Debt Only)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants (Federal, Provincial)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Donations / Third Party Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,000</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 #: 2.620

Service Name: Highland Water (SSI)

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
16-01	Renewal	Infrastructure Upgrades (Valve Distribution)	Middle and Upper Reservoir Repairs	\$ 126,973	\$	Cap	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 10,000
													\$ -
													\$ -
													\$ -
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			<b>Grand Total</b>	<b>\$ 126,973</b>			<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,000.00</b>

Service:

2.620

Highland Water (SSI)

Project Number

16-01

Capital Project Title

Infrastructure Upgrades (Valve Distribution)

Capital Project Description

Middle and Upper Reservoir Repairs

**Project Rationale** These funds are reserved for Highland only upgrade/repairs/replacement. The middle reservoir needs an access hatch and a replacement of a failed outlet piping and it has also recently starts to leak. The upper reservoir has been leaking and needs to be replaced. The fund is reserved for the repair of Middle reservoir and the planning, option analysis and the design of Upper Reservoir replacement.

**2.620 - Highland Water System (SSI)**

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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.360	Open	Middle and Upper Reservoir Replacement	126,973	104,886	22,087	126,973
			<b>Totals</b>	<b>126,973</b>	<b>104,886</b>	<b>22,087</b>	<b>126,973</b>

Service:

2.620 Highland Water System (SSI)

Committee: Electoral Area

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax</u>	<u>Number SFE's</u>	<u>User Charge</u>	<u>Bylaw</u>	<u>Actual Assessments</u>	<u>Converted Assessments</u>
2016	254	\$153.79	244	\$0.00	4073	911,979,953	9,200,860
2017	254	\$153.88	244	\$0.00	4208	104,068,888	10,464,573
2018	254	\$154.27	244	\$0.00	4236	116,044,437	11,668,285
2019	254	\$152.65	239	\$0.00	4311	126,933,707	12,762,562
2020	254	\$126.44	246	\$0.00	4339	136,331,012	13,701,537
2021	254	\$128.95	246	\$0.00	4395	139,308,437	14,017,388
2022	254	\$127.76	246	\$0.00	4470	195,287,412	19,657,255
2023	254	\$131.75	246	\$0.00	4525	214,230,545	21,563,060
2024	254	\$131.46	246	\$0.00	4586	196,291,058	19,741,241
2025	254	\$56.62	246	\$0.00			

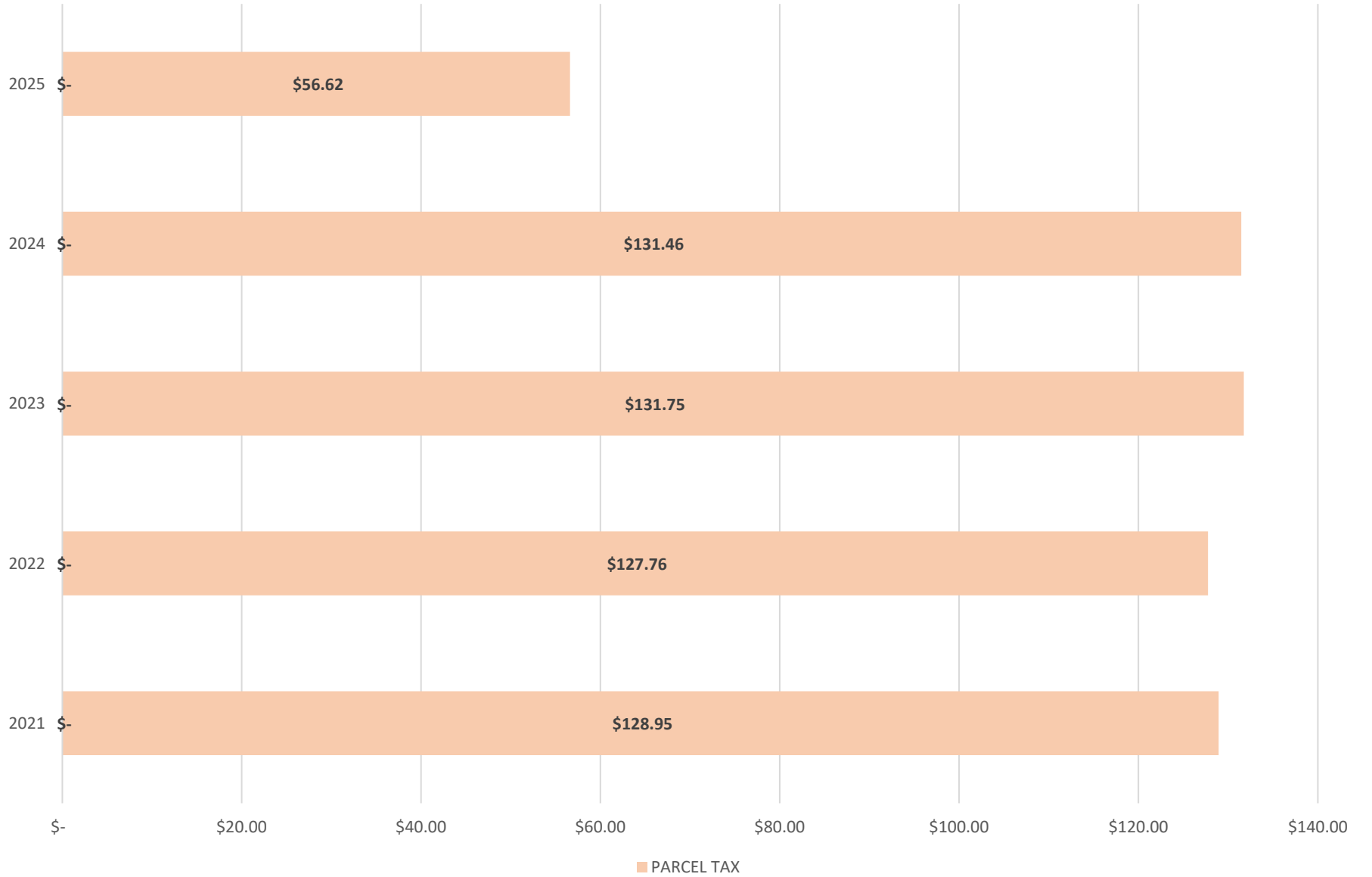
**Change from 2024 to 2025**

-\$74.84

-56.93%



### Highland Water System(SSI) Funding Analysis 2021 - 2025



# **CAPITAL REGIONAL DISTRICT**

## **2025 Budget**

### **Fernwood Water (SSI)**

#### **Commission Review**

NOVEMBER 2024

**Service:** 2.660 Fernwood Water (SSI)

**Committee:** Electoral Area

**DEFINITION:**

To provide, operate and maintain water supply and distribution facilities for the Fernwood Water Local Service Area on Salt Spring Island Bylaw No. 1772 (January 1990). Amended Bylaw No. 2034 (July 15, 1992).

**PARTICIPATION:**

Fernwood Area of Salt Spring Island. Local Service Area #6, F(764).

**MAXIMUM LEVY:**

Greater of \$56,000 or \$5.07 / \$1,000 of actual assessed value of land and improvements.

**COMMISSION:**

Fernwood and Highland Water Service Commission- Bylaw 4371 (Dec. 09, 2020)

**FUNDING:**

Any deficiencies after user charge and/or parcel tax to be levied on taxable hospital assessments.  
Parcel Tax: - Annual, levied only on properties capable of being connected to the system.

**RESERVE FUND BYLAW:**

Bylaw No. 1832.

2.660 - Fernwood Water (SSI) - Debt Only	2024		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	2025 ONGOING	ONE-TIME	TOTAL	2026	2027	2028	2029
<u>OPERATING COSTS</u>										
Allocations	13	13	11	-	-	11	11	11	-	-
<b>TOTAL OPERATING COSTS</b>	<b>13</b>	<b>13</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>-</b>	<b>-</b>
*Percentage Increase over prior year						-15.4%	0.0%	0.0%	NA	NA
<u>DEBT</u>										
MFA Debt Principal	10,262	10,262	5,268	-	-	5,268	2,584	2,584	-	-
MFA Debt Interest	4,416	4,416	1,846	-	-	1,846	1,526	763	-	-
MFA Debt Reserve Fund	40	40	40	-	-	40	40	40	-	-
<b>TOTAL DEBT</b>	<b>14,718</b>	<b>14,718</b>	<b>7,154</b>	<b>-</b>	<b>-</b>	<b>7,154</b>	<b>4,150</b>	<b>3,387</b>	<b>-</b>	<b>-</b>
<b>TOTAL COSTS</b>	<b>14,731</b>	<b>14,731</b>	<b>7,165</b>	<b>-</b>	<b>-</b>	<b>7,165</b>	<b>4,161</b>	<b>3,398</b>	<b>-</b>	<b>-</b>
<u>FUNDING SOURCES (REVENUE)</u>										
Estimated Balance c/fwd from 2024 to 2025	-	50	(50)	-	-	(50)	-	-	-	-
Balance c/fwd from 2023 to 2024	(70)	(70)	-	-	-	-	-	-	-	-
Other Revenue	(40)	(90)	(40)	-	-	(40)	(40)	(40)	-	-
<b>TOTAL REVENUE</b>	<b>(110)</b>	<b>(110)</b>	<b>(90)</b>	<b>-</b>	<b>-</b>	<b>(90)</b>	<b>(40)</b>	<b>(40)</b>	<b>-</b>	<b>-</b>
<b>REQUISITION - PARCEL TAX</b>	<b>(14,621)</b>	<b>(14,621)</b>	<b>(7,075)</b>	<b>-</b>	<b>-</b>	<b>(7,075)</b>	<b>(4,121)</b>	<b>(3,358)</b>	<b>-</b>	<b>-</b>
*Percentage increase over prior year Requisition						-51.6%	-41.8%	-18.5%	NA	NA

Service:

2.660 Fernwood Water (SSI)

Committee: Electoral Area

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax</u>	<u>SFEs</u>	<u>User Charge</u>	<u>Tax &amp; Charges</u>	<u>Bylaw</u>	<u>Actual Assessments \$(000's)</u>
2016	79	\$256.16	73	\$0.00	\$256.16	4073	38,592.17
2017	79	\$256.46	73	\$0.00	\$256.46	4208	40,186.91
2018	79	\$257.80	73	\$0.00	\$257.80	4236	44,942.60
2019	79	\$252.87	74	\$0.00	\$252.87	4311	51,890.35
2020	79	\$215.00	75	\$0.00	\$215.00	4339	50,987.50
2021	79	\$179.76	75	\$0.00	\$179.76	4395	55,124.65
2022	79	\$192.02	75	\$0.00	\$192.02	4470	62,509.50
2023	79	\$195.29	75	\$0.00	\$195.29	4525	85,818.67
2024	79	\$194.79	75	\$0.00	\$194.79	4586	88,012.38
2025	79	\$94.26	75	\$0.00	\$94.26		

Change from 2024 to 2025

-\$100.53

-51.61%

Fernwood Water (SSI)  
Funding Analysis 2021 - 2025

