



Capital Regional District

Notice of Meeting and Meeting Agenda Surfside Park Estates Water Service Committee

Thursday, October 31, 2024

2:00 PM

Goldstream Conference Room, 479 Island
Highway, Victoria, BC

Members of the public can watch the live meeting via MS Teams link: [Click here](#)
Alternatively, you can listen by dialing in via phone: +1 778-402-9211, Participant Code 71997552
followed by #. Audio and video participation is disabled.

MEMBERS:

L. Vallee (Chair)
P. Brent, Electoral Area Director
R. Noyes
K. Wall
W. Mulvin

1. Territorial Acknowledgement

2. Approval of Agenda

3. Adoption of Minutes

3.1. [24-1100](#) Minutes of the June 27, 2024 Surfside Park Estates Water Service Committee

Recommendation: That the minutes of the June 27, 2024 meeting be adopted.

Attachments: [Draft Minutes - June 27, 2024](#)

4. Chair's Remarks

5. Presentations/Delegations

*Delegations will have the option to participate electronically. Please complete the [online](#)
application for "Addressing the Board" on our website and staff will respond with details.*

*Alternatively, you may email your comments on an agenda item to the Surfside Park
Estates Water Service Committee at iwsadministration@crd.bc.ca. Requests must be
received no later than 4:30 p.m. two calendar days prior to the meeting.*

6. Senior Manager's Report

7. Committee Business

7.1. [24-1029](#) Surfside Park Estates Water Service 2025 Operating and Capital Budget

Recommendation: 1. That the 2025 Operating and Capital Budget be approved as presented; and \$14,000 2024 deficit be included as an expenditure to be recovered from revenue in the 2025 financial plan as required by Local Government Act (LGA) Section 374 (11); and any remaining deficit be balanced on the 2024 Reserve Funds transfer (Capital Reserve Fund and/or Operating Reserve Fund).

2. That the Surfside Park Estates Water Service Committee recommends that the Electoral Area Services Committee recommend that the Capital Regional District Board approve the 2025 Operating and Capital Budget and the five-year Financial Plan for the Surfside Park Estates Water Service as presented.

Attachments: [Surfside Budget Report](#)
[Appendix A](#)

7.2. [24-1072](#) Capital Project Status Reports and Operational Updates - October 2024

Recommendation: There is no recommendation. This report is for information only.

Attachments: [Project & Operations Update](#)

8. Correspondence

9. New Business

10. Adjournment

Next Meeting: At the call of the Chair

MINUTES OF A MEETING OF THE Surfside Park Estates Water Service Committee, held Thursday, June 27, 2024 at 2 p.m., In the Goldstream Conference Room, 479 Island Highway, Victoria, BC

PRESENT: Committee Members: L. Vallee (Chair) (EP); K. Wall (vice-chair); P. Brent (EA Director) (EP); W. Mulvin (EP); R. Noyes (EP)
Staff: J. Marr, Senior Manager, Infrastructure Engineering; D. Robson, Manager, Saanich Peninsula & Gulf Islands Operations; L. Hardiman, Manager, Asset Management; M. Risvold (Recorder)

EP = Electronic Participation

The meeting was called to order at 2:04 pm.

1. TERRITORIAL ACKNOWLEDGEMENT

The Chair provided the Territorial Acknowledgement.

2. APPROVAL OF AGENDA

MOVED by P. Brent, **SECONDED** by R. Noyes,
That the agenda be approved.

CARRIED

3. ADOPTION OF MINUTES

MOVED by R. Noyes, **SECONDED** by P. Brent,
That the minutes of the February 13, 2024 Surfside Park Estates Water Service Committee meeting be adopted.

CARRIED

4. CHAIR'S REMARKS

The Chair made no remarks.

**5. PRESENTATIONS/DELEGATIONS
THERE WERE NONE.**

6. SENIOR MANAGER'S REPORT

D. Robson advised the following:

- The 2025 service budget is currently under way and will be presented to the committee in the fall.
- Electoral Areas Water Conservation Bylaw: Stage 1 is currently in effect as of May 1 and water conservation signage has been posted in the community.
- Union of BC municipalities grant application: CRD has applied for a grant for water conservation signage. If the grant application is successful, the water conservation signage will be similar to the current wildfire risk signage within the community.

7. COMMITTEE BUSINESS

7.1. 2023 Annual Report

D. Robson spoke to item 7.1.

The report was received for information.

7.2. Asset Replacement Report Card

L. Hardiman spoke to item 7.2.

Staff responded to the following questions:

- If there is a prediction of what the cost may be for watermain replacements in 2050. Staff noted it could be a significant capital cost and advised there is time to begin increasing the capital reserve fund.
- The timing of the identified and necessary upcoming asset replacements. Staff advised that providing funds are available, the work on asset replacements can be completed before the slated year of 2051.

Staff advised when a leak is identified, a leak report is prepared. The report describes observations that were made including the condition of the pipe and backfill materials which will help determine how fast the watermain replacement program will need to advance. The service currently has approximately six-million dollars' worth of assets.

The report was received for information.

7.3. Capital Project Status Reports and Operational Updates – June 2024

J. Marr spoke to item 7.3.

The report was received for information.

8. CORRESPONDENCE

There was none.

9. NEW BUSINESS

The committee discussed water loss increasing over the years.

Staff advised the current leak detection program has identified zones and areas where repairs will likely be completed during or after the summer. One location is relatively small but indicates larger water loss in a 20-meter section, however, nothing appears at the surface. Due to the terrain, it is very rare to see any leakage at the surface within the Surfside Park Estates Water Service. Staff further advised that the Surfside Water System contains all glued joint pipe, and any movement could cause a pin-sized leak. All work being completed is to standard with bedding material. Unauthorized connections are also a possibility and difficult to identify. Discussion ensued.

10. ADJOURNMENT

MOVED by W. Mulvin, **SECONDED** by R. Noyes,
That the June 27, 2024 Surfside Park Estates Water Service Committee meeting be adjourned
at 2:36 pm.

CARRIED

CHAIR

SECRETARY

DRAFT

**REPORT TO SURFSIDE PARK ESTATES WATER SERVICE COMMITTEE
MEETING OF THURSDAY, OCTOBER 31, 2024**

SUBJECT Surfside Park Estates Water Service 2025 Operating and Capital Budget

ISSUE SUMMARY

To present the 2025 Operating and Capital Budget for Committee approval, pursuant to Bylaw No. 3131, "Surfside Park Estates Water Service Committee Bylaw No. 1, 2003".

BACKGROUND

The Capital Regional District (CRD) is required by legislation under the *Local Government Act* (LGA) to prepare an annual Operating and Capital budget and a five-year Financial Plan. CRD staff have prepared the budget and financial plan, shown in Appendix A, for the Surfside Park Estates 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 that could lead to potential future capital improvements.

In preparing the Operating Budget, CRD staff considered:

- Actual expenditures incurred between 2022 and 2024
- Anticipated changes in level of service (if any)
- Maximum allowable tax requisition
- Annual cost per taxable folio and per Single Family Equivalent (SFE)

Factors considered in the preparation of the Capital Expenditure Plan included:

- Available funds on hand
- Projects in progress
- Condition of existing assets and infrastructure
- 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 years 2026 to 2029 may change in future years.

BUDGET OVERVIEW

Operating Budget

It is projected that the operating expenses in 2024 will be approximately \$43,544 over budget. Factors contributing to the operating overage include emergency response and corrective maintenance primarily due to the following events:

- Replacement of water tank failed solar battery system.
- Additional two unplanned arsenic media replacements during the year.

Surfside Park Estates Water Service Committee – October 31, 2024
Surfside Park Estates Water Service 2025 Operating and Capital Budget

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- Unplanned leak detection efforts to address an increase in daily water production.
- Emergency response water system leak on Barque Road. A water service line was damaged during a hydro pole installation by a contractor performing work for others.
- Well 5A pump electrical repairs.
- Woodale pressure regulating valve station corrective maintenance that included the replacement of a failed isolation valve.

Other contributing factors for the operating overage is an increase in labour for routine operations and maintenance of the water system provided by the Saanich Peninsula and Gulf Island operations staff. Routine operations were historically provided by an on-island contractor which ceased in August 2022. Although contract for services is under expended for the year, this amount only partially offsets CRD labour costs to provide the operation and maintenance services.

It is projected that the 2024 operating revenue will be approximately \$1,884 over budget primarily due to the service receiving an insurance claim for an emergency response to a water system leak on Barque Road.

As a result, there is an overall estimated operating deficit of approximately \$41,600. To balance the operating budget, it is proposed that the planned 2024 transfers to the Capital Reserve Fund (CRF) and the Operating Reserve Fund (ORF) in the amount of \$15,000 and \$2,000 respectively not be made. Additionally, that a transfer from the ORF in the amount of \$10,660 to be made as 2024 revenue to cover some of the deficit. The remaining deficit of \$14,000 must be carried forward to the 2025 operating budget immediately and be included as an expenditure to be recovered from revenue in 2025 financial plan as required by LGA Section 374(11).

Operating costs for 2025 (excluding 2025 one-time cyclical program funded by ORF for prefilter media replacement in the amount of \$5,000) has increased by \$14,818 (13.2%) compared to 2024. The increase is primarily to account for core inflation, increase in arsenic media changes from 5 to 7, an adjustment for energy use and labour costs reflecting the renewed collective agreement since 2023.

Municipal Finance Authority (MFA) Debt

The service is currently carrying no debt.

Operating Reserve Fund

The 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 2025 transfers to the operating reserve be set at \$3,250. The Operating Reserve Fund balance at the end of 2024 is projected to be approximately \$5,501. There is \$12,000 of planned maintenance to be funded by the Operating Reserve Fund over the next five years.

Capital Reserve Fund

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

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Surfside Park Estates Water Service 2025 Operating and Capital Budget

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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 budgeted transfer to the CRF be set at \$15,000 in 2025. The CRF balance at the end of 2024 is projected to be approximately \$56,132.

Capital Expenditure Plan

The Five-year Capital Plan includes \$2,542,500 of expenditures to be funded by a combination of the service's CRF and new debt (debt funded projects are not approved until after the Alternate Approvals Process is complete).

An Alternative Approval Process (AAP) (23-01) is to be funded through the CRF for a total of \$15,000 in 2025 and is required to obtain elector input into borrowing strategies for multiple projects that have been identified with a debt funding source. A complete list of the capital projects can be found in Appendix A, but some of the most significant debt funded capital projects include:

- The Wood Dale Drive Water Main Replacement (24-01) proposed for as early as 2026, which is a specific project for replacement of approximately 200m of watermain currently isolated due to known leaks.
- Water Storage Tank Replacement (25-01), proposed to commence design efforts as early as 2025, which will replace the existing water storage tank in an alternate location as previously identified in the previous conceptual design.
- Watermain Replacement Program (28-01), proposed as a future placeholder project for replacement of select watermains within the distribution network. This budget estimate will need to be further analysed and refined as the replacement date approaches.

Table 1 below provides the future debt servicing cost simulation for analytical purposes only with the indicative interest rate provided by MFA at the time of simulation.

Table 1 – 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>
Future Borrowing(s) Estimation	25	2025	2050	4.55%	\$50,000	\$1,267	\$2,275	\$3,542
	25	2026	2051	4.40%	\$1,550,000	\$39,268	\$68,200	\$107,468
	25	2027	2052	4.40%	\$400,000	\$10,134	\$17,600	\$27,734
	25	2028	2053	4.40%	\$50,000	\$1,267	\$2,200	\$3,467
	25	2029	2054	4.40%	\$450,000	\$11,400	\$19,800	\$31,200
Total					\$2,500,000	\$63,335	\$110,075	\$173,410

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 the 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 \$173,410 equates to approximately \$1,651.52 cost per parcel.

Capital Projects Fund

As specific capital projects are approved, the funding revenues for them are transferred into the Capital Projects Fund from multiple funding sources if applicable, including the CRF, grant funding, external contributions, and debt. Any funds remaining upon completion of a project are transferred back to the CRF for use on future capital projects or its original non-CRF funding sources if required.

User Charge and Parcel Tax

The service is funded by parcel tax and fixed user charge. Properties connected to the water system pay the annual fixed user charge and all properties within the local service area are responsible for the parcel tax. Table 2 below summarizes the 2025 over 2024 changes for parcel tax and user charge.

Table 2 – 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	\$24,620	105	\$246.79	\$104,852	70	\$1,497.89	\$1,744.68
2025	\$30,529	105	\$306.02	\$129,980	70	\$1,856.86	\$2,162.88
Change (\$)	\$5,909	0	\$59.23	\$25,128	0	\$358.97	\$418.20
Change (%)	24.00%	0.00%	24.00%	23.97%	0.00%	23.97%	23.97%

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

RECOMMENDATIONS

1. That the 2025 Operating and Capital Budget be approved as presented; and \$14,000 2024 deficit be included as an expenditure to be recovered from revenue in the 2025 financial plan as required by Local Government Act (LGA) Section 374 (11); and any remaining deficit be balanced on the 2024 Reserve Funds transfer (Capital Reserve Fund and/or Operating Reserve Fund).
2. That the Surfside Park Estates Water Service Committee recommends that the Electoral Area Services Committee recommend that the Capital Regional District Board approve the 2025 Operating and Capital Budget and the five-year Financial Plan for the Surfside Park Estates Water Service as presented.

Submitted by:	Jason Dales, B.SC., WD IV, Senior Manager, Wastewater Infrastructure Operations
Submitted by:	Joseph Marr, P.Eng., Senior Manager, Infrastructure Engineering
Concurrence:	Varinia Somosan, CPA, CGA, Senior Manager, Financial Services / Deputy CFO
Concurrence:	Alicia Fraser, P. Eng., General Manager, Integrated Water Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT(S)

Appendix A: 2025 Budget - Surfside Water Service Budget

CAPITAL REGIONAL DISTRICT

2025 Budget

Surfside Park Estates (Mayne)

Commission Review

OCTOBER 2024

Service: 2.667 Surfside Park Estates (Mayne)

Committee: Electoral Area

DEFINITION:

To provide for the construction of water supply and distribution facilities for the Surfside Park Estates Water Service Area.
Bylaw No. 3087 (November 12, 2003).

PARTICIPATION:

The Southern Gulf Islands Surfside Park Estates Water Service Area #46, V(764).

MAXIMUM LEVY:

Greater of \$79,500 or \$13.97 / \$1,000 on actual assessed value of land and improvements.

COMMISSION:

Surfside Park Estates Water Service committee established by Bylaw No 3131 (June 14, 2004)

FUNDING:

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

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

Connection Charge: Actual Cost + 15% Admin fee (minimum connection \$400)

RESERVE:

Capital Reserve Fund, established by Bylaw # 3191 (July 16, 2004)
Operating Reserve Fund, established by Bylaw # 4144 (December 14, 2016)

2.667 - Surfside Park Estates (Mayne)

	2024		BUDGET REQUEST				FUTURE PROJECTIONS			
	BOARD BUDGET	ESTIMATED ACTUAL	CORE BUDGET	ONGOING	ONE-TIME	TOTAL	2026	2027	2028	2029
<u>OPERATING COSTS</u>										
Operations Services Contract	20,630	6,000	24,700	-	-	24,700	25,190	25,690	26,200	26,720
Repairs & Maintenance	6,030	7,400	6,210	-	5,000	11,210	6,330	6,450	13,570	6,700
Allocations	8,906	8,906	9,319	-	-	9,319	9,571	9,770	9,973	10,179
Water Testing	4,336	5,370	4,540	-	-	4,540	4,002	4,080	4,158	4,237
Electricity	4,330	6,000	5,500	-	-	5,500	5,610	5,720	5,830	5,950
Supplies	20,240	29,700	26,130	-	-	26,130	26,660	27,200	27,750	28,310
Labour Charges	37,100	79,000	38,810	-	-	38,810	39,590	40,380	41,190	42,010
Other Operating Expenses	11,000	13,740	12,181	-	-	12,181	12,530	12,896	13,287	13,706
TOTAL OPERATING COSTS	112,572	156,116	127,390	-	5,000	132,390	129,483	132,186	141,958	137,812
*Percentage Increase over prior year			13.2%	0.0%	4.4%	17.6%	-2.2%	2.1%	7.4%	-2.9%
<u>DEBT / RESERVES</u>										
Transfer to Operating Reserve Fund	2,000	-	3,250	-	-	3,250	7,000	7,000	9,000	9,000
Transfer to Capital Reserve Fund	15,000	-	15,000	-	-	15,000	20,235	20,890	23,665	24,310
MFA Debt Principal	-	-	-	-	-	-	1,267	40,534	50,668	51,935
MFA Debt Interest	-	-	-	569	-	569	19,325	74,875	88,625	95,225
MFA Debt Reserve Fund	-	-	-	500	-	500	15,500	4,000	500	4,500
TOTAL DEBT / RESERVES	17,000	-	18,250	1,069	-	19,319	63,327	147,299	172,458	184,970
TOTAL COSTS	129,572	156,116	145,640	1,069	5,000	151,709	192,810	279,485	314,416	322,782
*Percentage Increase over prior year			12.4%	0.8%	3.9%	17.1%	27.1%	45.0%	12.5%	2.7%
<u>FUNDING SOURCES (REVENUE)</u>										
Estimated Balance CFW from 2024 to 2025	-	(14,000)	-	-	14,000	14,000	-	-	-	-
Transfer from Operating Reserve Fund	-	(10,660)	-	-	(5,000)	(5,000)	-	-	(7,000)	-
User Charges	(104,852)	(104,852)	(118,480)	-	(11,500)	(129,980)	(155,980)	(226,171)	(248,789)	(261,231)
Other Revenue	(100)	(1,984)	(200)	-	-	(200)	(200)	(200)	(200)	(200)
TOTAL REVENUE	(104,952)	(131,496)	(118,680)	-	(2,500)	(121,180)	(156,180)	(226,371)	(255,989)	(261,431)
REQUISITION - PARCEL TAX	(24,620)	(24,620)	(26,960)	(1,069)	(2,500)	(30,529)	(36,630)	(53,114)	(58,427)	(61,351)
*Percentage increase over prior year										
User Fee			13.0%	0.0%	11.0%	24.0%	20.0%	45.0%	10.0%	5.0%
Requisition			9.5%	4.3%	10.2%	24.0%	20.0%	45.0%	10.0%	5.0%
Combined			12.3%	0.8%	10.8%	24.0%	20.0%	45.0%	10.0%	5.0%

Surfside Park Estates (Mayne)
 Summary Schedule
 2025 - 2029 Financial Plan

Reserve/Fund Summary

	Estimated	Budget				
	2024	2025	2026	2027	2028	2029
Operating Reserve Fund	5,501	3,751	10,751	17,751	19,751	28,751
Capital Reserve Fund	56,132	28,632	48,867	69,757	93,422	117,732
Total	61,633	32,383	59,618	87,508	113,173	146,483

Reserve Schedule

Reserve Fund: Surfside Water - Operating Reserve Fund Bylaw 4144

The Operating Reserve Fund (ORF) is used to undertake the cyclical maintenance activities, to fund the procurement of equipment and supplies that typically do not occur on an annual basis and also to be used for emergency unplanned repairs. Operating surplus from time to time can be transferred to ORF.

Reserve Cash Flow

Fund:	1500	Estimated	Budget				
Fund Centre:	105216	2024	2025	2026	2027	2028	2029
Beginning Balance		15,471	5,501	3,751	10,751	17,751	19,751
Transfer from Ops Budget		-	3,250	7,000	7,000	9,000	9,000
Expenditures		-	(5,000)	-	-	(7,000)	-
Planned Maintenance Activity			Prefilter media replacement			Reservoir cleaning & inspection	
Deficit Recovery		(10,660)					
Interest Income*		690					
Ending Balance \$		5,501	3,751	10,751	17,751	19,751	28,751

<u>Assumptions/Background:</u>

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

Reserve Fund: Surfside Water - Capital Reserve Fund - Bylaw 3191

To provide for capital expenditures or in respect of capital projects and land, machinery or equipment necessary for them and extension or renewal of existing capital works.

Reserve Cash Flow

Fund:	1066	Estimated	Budget				
Fund Centre:	101850	2024	2025	2026	2027	2028	2029
Beginning Balance		53,732	56,132	28,632	48,867	69,757	93,422
Transfer from Ops Budget		-	15,000	20,235	20,890	23,665	24,310
Transfer from Cap Fund		-					
Transfer to Cap Fund		-	(42,500)	-	-	-	-
Interest Income*		2,400					
Ending Balance \$		56,132	28,632	48,867	69,757	93,422	117,732

<u>Assumptions/Background:</u>

* Interest in planning years nets against inflation which is not included.
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**CAPITAL REGIONAL DISTRICT
FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2025 to 2029**

Service No.	2.667 Surfside Park Estates (Mayne)	Carry Forward from 2024	2025	2026	2027	2028	2029	TOTAL
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EXPENDITURE

Buildings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	\$0	\$20,000	\$0	\$0	\$0	\$0	\$0	\$20,000
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Engineered Structures	\$15,000	\$72,500	\$1,550,000	\$400,000	\$50,000	\$450,000	\$450,000	\$2,522,500
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	\$15,000	\$92,500	\$1,550,000	\$400,000	\$50,000	\$450,000	\$450,000	\$2,542,500

SOURCE OF FUNDS

Capital Funds on Hand	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debenture Debt (New Debt Only)	\$0	\$50,000	\$1,550,000	\$400,000	\$50,000	\$450,000	\$450,000	\$2,500,000
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	\$15,000	\$42,500	\$0	\$0	\$0	\$0	\$0	\$42,500
	\$15,000	\$92,500	\$1,550,000	\$400,000	\$50,000	\$450,000	\$450,000	\$2,542,500

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>L - Land S - Engineering Structure B - Buildings V - Vehicles E - 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>Study - Expenditure for feasibility and business case report. New - Expenditure for new asset only Renewal - Expenditure upgrades an existing asset and extends the service ability or enhances technology in delivering that service Replacement - 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>Debt - Debenture Debt (new debt only) ERF - Equipment Replacement Fund Grant - Grants (Federal, Provincial) Cap - Capital Funds on Hand Other - Donations / Third Party Funding Res - Reserve Fund WU - Water Utility</p> <p>If there is more than one funding source, additional rows are shown for the project.</p>

Service: **2.667** **Surfside Park Estates (Mayne)**

Project Number 23-01 **Capital Project Title** Alternative Approval Process **Capital Project Description** Undertake an alternative approval process to borrow funds to carry out water system improvements in future years.

Project Rationale Funds are required to conduct an alternative approval process for future funding of water system improvements including storage tank and water main replacement.

Project Number 24-01 **Capital Project Title** Wood Dale Drive Water Main Replacement **Capital Project Description** Replace approximately 200 m of leaking water main along Wood Dale Drive.

Project Rationale Funds are required to replace approximately 200 m of 150 mm diameter PVC water main that is leaking along Wood Dale Drive.

Project Number 24-02 **Capital Project Title** Source Water Surveillance **Capital Project Description** Construct source water surveillance for water quantity monitoring.

Project Rationale Construct source water surveillance for water quantity monitoring.

Project Number 25-01 **Capital Project Title** Water Storage Tank Replacement **Capital Project Description** Design and construction new water storage tank.

Project Rationale Design and construction new water storage tank following the previously completed conceptual design.

Service:	2.667	Surfside Park Estates (Mayne)
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Project Number	25-02	Capital Project Title	Replacement of UV Equipment	Capital Project Description	Existing UV equipment is at end of life and is needing repair parts which are no longer supported.
Project Rationale	Replacement of UV Unit that is approaching end of life and is no longer supported by the supplier.				

Project Number	28-01	Capital Project Title	Watermain Replacement Program	Capital Project Description	Replacement of select watermains within the distribution network to address leaks and reduce non revenue water.
Project Rationale	Interim budget to advance watermain replacements within the water system. Budget and prioritization will be further refined continually through planning and design.				

2.667 - Surfside Park Estates (Mayne)

Capital Projects

Updated @ Sep 23, 2024

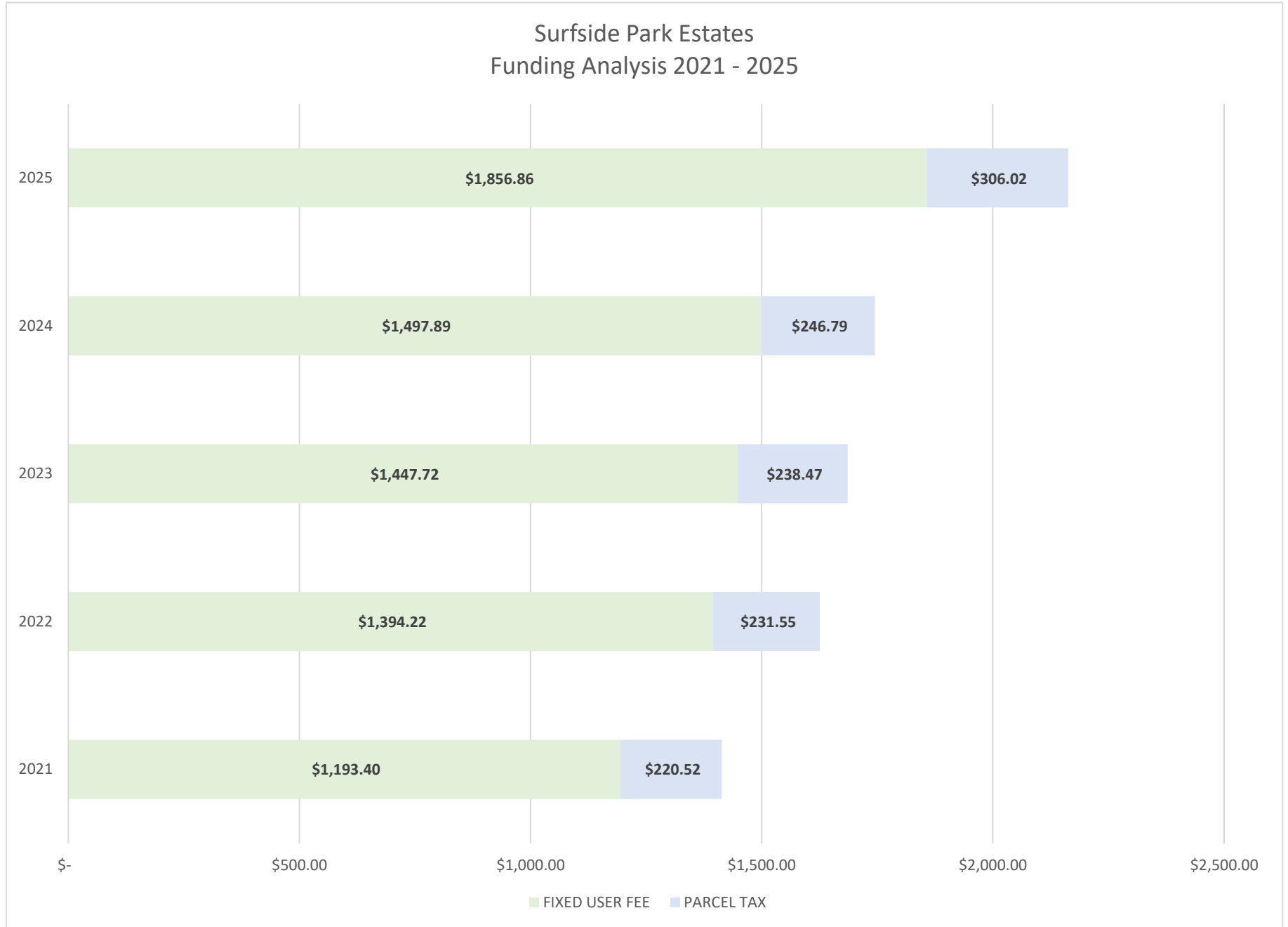
Year	Project#	Capital Plan#	Status	Capital Project Description	Total Project Budget	Spending		Total Funding in Place
						Expenditure Actuals	Remaining Spending	
2023	CE.850.4500	21-01	Open	Surfside Water System Review	25,000	21,420	3,580	25,000
				Totals	25,000	21,420	3,580	25,000

Service: **2.667 Surfside Park Estates (Mayne)** Committee: **Electoral Area**

<u>Year</u>	<u>Taxable Folios</u>	<u>Parcel Tax</u>	<u>SFE's</u>	<u>User Charge*</u>	<u>Tax & Charges</u>	<u>Bylaw</u>	<u>Actual Assessments \$(000's)</u>
2012	107	\$326.11	64	\$953.30	\$1,279.41	3847	14,943.50
2013	107	\$326.11	64	\$953.30	\$1,279.41	3892	13,249.40
2014	107	\$326.11	64	\$953.30	\$1,279.41	3924	12,331.30
2015	107	\$326.11	64	\$953.30	\$1,279.41	3987	12,398.30
2016	106	\$329.15	64	\$1,058.10	\$1,387.25	4074	13,735.30
2017	106	\$329.16	64	\$1,058.10	\$1,387.26	4170	13,782.40
2018	106	\$332.29	65	\$1,100.40	\$1,432.69	4233	15,871.30
2019	106	\$332.29	65	\$1,150.92	\$1,483.21	4274	15,522.80
2020	105	\$279.09	66	\$1,178.82	\$1,457.91	4337	19,308.40
2021	105	\$220.52	68	\$1,193.40	\$1,413.92	4389	19,316.90
2022	105	\$231.55	68	\$1,394.22	\$1,625.77	4471	28,308.20
2023	105	\$238.47	68	\$1,447.72	\$1,686.19	4524	30,285.30
2024	105	\$246.79	70	\$1,497.89	\$1,744.68	4587	29,388.10
2025	105	\$306.02	70	\$1,856.86	\$2,162.88		

Change from 2024 to 2025

\$59.23	\$358.97	\$418.20
24.00%	23.97%	23.97%





**REPORT TO SURFSIDE PARK ESTATES WATER SERVICE COMMITTEE
MEETING OF THURSDAY, OCTOBER 31, 2024**

SUBJECT Capital Project Status Reports and Operational Updates – October 2024

ISSUE SUMMARY

To provide the Surfside Park Estates Water Service Committee with capital project status reports and operational updates.

BACKGROUND

The Surfside Park Estates Water System is located on the southwest side of Mayne Island in the Southern Gulf Islands Electoral Area and provides drinking water to approximately 70 customers. Capital Regional District (CRD) Integrated Water Services is responsible for the overall operation of the water system with day-to-day operation, maintenance, design, and construction of water system facilities provided by the CRD Infrastructure Engineering and Operations Divisions. The quality of drinking water provided to customers in the Surfside Park Estates Water System is overseen by the CRD Water Quality Section.

CAPITAL PROJECT UPDATE

23-01 | Alternative Approval Process

Project Description: Undertake an Alternative Approval Process (AAP) or petition to borrow funds to carry out water system improvements in future years.

Project Rationale: Capital Reserves are insufficient to carry out needed capital improvements in the water service. In the absence of grant funding, approval to secure debt will be required in order to proceed with capital improvements.

Project Update and Milestones:

- CRD have incorporated preliminary cost estimates into the 2025 Capital Plan and will await Committee review and comment prior to proceeding with the means to secure debt funding.

Milestone	Completion Date
Funding approved	March 2024

OPERATIONAL UPDATE

This is an operational update reporting period from February through May 2024.

- Weekly routine operational site visits by Saanich Peninsula and Gulf Islands Operations Staff. Routine site visits are typically performed on Thursdays. Daily Supervisory Control and Data Acquisition (SCADA) system checks to confirm steady state system operations.
- RFP 2024-945 for the operations and maintenance of the water system was reviewed and awarded to CMG Services. Training for the contract operator commenced in early September.

**Surfside Park Estates Water Service Committee – October 31, 2024
Capital Project Status Reports and Operational Updates – October 2024**

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- Changeout of Water Treatment Plant arsenic filtration Vessel A in June, Vessel A and Vessel B August.
- Additional water sampling and water system flushing performed in August as a result of monthly arsenic test results recorded at or near the maximum allowable concentration as required under the Canadian Drinking Water Guidelines.

RECOMMENDATION

There is no recommendation. This report is for information only.

Submitted by:	Dan Robson, A.Sc.T., Manager, Saanich Peninsula and Gulf Islands Operations
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Concurrence:	Jason Dales, B.Sc., WD IV., Senior Manager, Infrastructure Wastewater Operations
Concurrence:	Alicia Fraser, P.Eng., General Manager, Integrated Water Services