

2026-2030
Financial Planning
Core Services
Water Supply

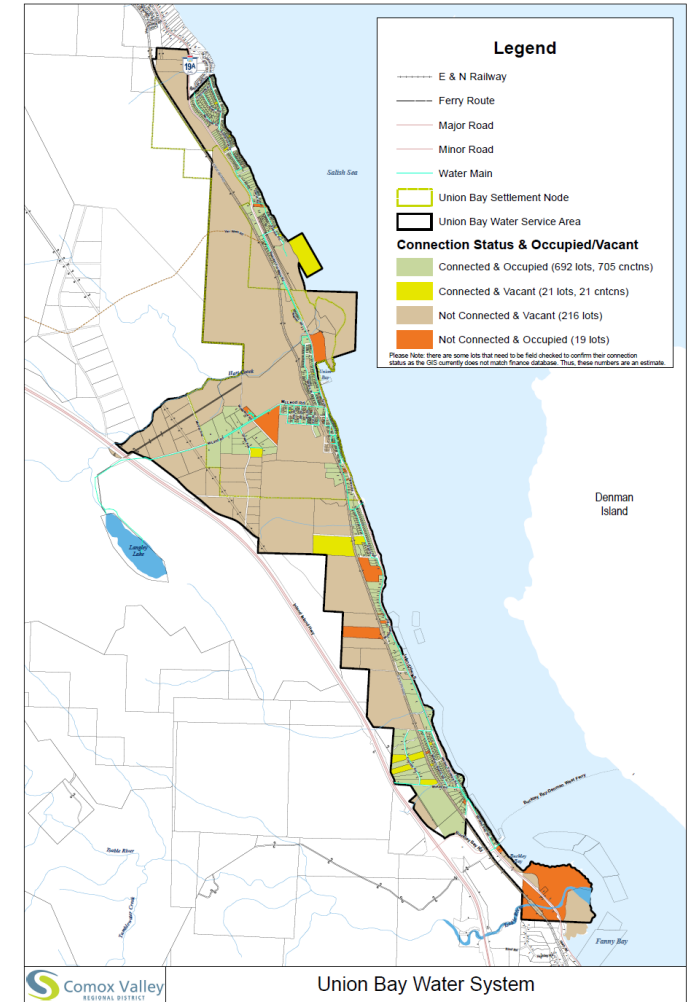
308 Union Bay Water Local
Service Area





Core Service Water Supply

Core Service	Water Supply
Service Name	Union Bay Water Local Service Area (WLSA)
Service Sub-functions	None
Purpose	To provide distribution of water within the Union Bay Local Water Service Area
Participants	Defined portion of Electoral Area A
2026 Proposed Changes to Service	None





2025 Accomplishments

- Watermain Projects
 - Hwy 19a 100mm disconnects
 - Nelson loop watermain and old reservoir site cleanup
- McKay Reservoir Upgrade Project
 - power, comms and kiosk PRVs and meters
- Design and contractor selection for UBWTP reservoir outlet meter
- Power pole and residential water meter 'collector' installations
- Langley Lake maintenance/emergency access to West side of dam
- Painted and labelled all fire hydrants





2026 Work Plan

- Year one of three for meter replacement program
- Commission district metering/auditing program
- Electric valve actuators installed for optimizing filters
- Construction of reservoir outlet meter
- McKay Reservoir upgrades
 - Controls and commissioning which will benefit both quality and conservation
- Dam project
 - Intake inspection/repair with diver





Trends, Challenges & Opportunities

- Long lead times on supplies is now the norm and utilities are adjusting
- Continued escalation of cost of goods and services
- Increasing traffic, archeological, and safety requirements stretching resources
- Skilled and innovative team that is constantly striving to develop things internally



2025 Innovation Example

- Purchased a compressor at beginning of year which can be used for multiple tasks
- Small crews operating in large geographical area
- Ministry road requirements (3 attempts before open cut)
- With input from workers, we retrofitted the compressor internally and built a very versatile unit that saves time and money.



Human Resource

	2026	2027
Opening FTE Balance	2.79	2.85
Addition Request		
Full time	0.06	
Part Time		
Temporary /Casual		
Adjustments		
Total Change	0.06	
Ending FTE Balance	2.85	2.85

- 2026 AM Branch Specialist 0.06 FTE



Expenses

Year over Year Change

Key Notes

- Conservation sign [+8.0K], Software Licences [+2.8K]
- 2025 One-time Mcleod Reservoir study [-10K], inspect/clean lake intake [-10K]
- Contracted equipment & machinery [+10K]
- Transfer to service 303/304 for distribution and treatment costs [+73K]
- 2025 One-time minor equipment WTP interim upgrades [-10K], McLeod RD PRV 2"

Category	2025 Approved Budget	2026 Proposed Budget	Increase (Decrease)	
			(\$)	(%)
Support Services	\$56,070	\$66,525	10,455	18.6%
Personnel Costs	411,632	433,941	22,309	5.4%
Materials, Supplies & Utilities	128,731	143,054	14,323	11.1%
Contract & General Services	263,955	253,996	(9,959)	(-3.8%)
Debt Charges	245,879	245,879	-	-
Transfer to Reserves	103,650	50,987	(52,663)	(50.8%)
Transfer to Other Services	247	72,944	72,697	29,432%
Minor Capital	22,625	5,253	(17,372)	(76.8%)
Total Expenses	\$1,232,789	\$1,272,579	(\$39,790)	(3.2%)



Revenue

Year over Year Change

Key Notes

- Planned rate increases
- Surplus used to maintain rate increase per bylaw

Category	2025 Approved Budget	2026 Proposed Budget	Increase (Decrease)	
			(\$)	(%)
Parcel Tax	\$428,130	\$465,050	\$36,920	8.6%
Sale of Services	712,069	733,927	21,858	3.1%
Prior Year Surplus	92,590	73,602	(18,988)	(20.5%)
Total Revenue	\$1,232,789	\$1,272,579	(\$39,790)	(3.2%)



Funding Sources

Rate Component	2025	2026	2027	2028	2029	2030
User Rates						
% Increase	2.5%	2.5%	1.5% per year			
Cost for Avg User (158m3/yr)	\$895	\$908	\$922	\$936	\$950	\$964
Parcel Tax						
% Increase	8.7%	8.7%	8.7%	8.7%	8.7%	8.7%
Cost per Parcel	\$603	\$655	\$712	\$774	\$841	\$914
Total Annual Cost of Water to Average User	\$1,498	\$1,564	\$1,635	\$1,710	\$1,791	\$1,878



Operating Budget: 2027-2030 Projections

Category	2027	2028	2029	2030
Parcel Tax	\$506,944	\$552,636	\$602,156	\$656,252
Sale of Services	752,234	771,002	790,127	809,966
Transfer from Reserve	10,000	-	9,658	53,768
Total Revenue	\$1,269,178	\$1,323,638	\$1,401,941	\$1,519,986
Support Services	\$69,586	\$70,741	\$73,175	\$75,646
Personnel Costs	452,036	467,645	483,860	500,720
Materials, Supplies, Utilities	138,485	141,736	145,073	148,505
Contract & General Service	177,942	161,992	166,146	170,408
Debt Charges	245,879	321,094	463,805	553,915
Transfer to Reserve	111,597	91,496	-	-
Transfer to Other Services	68,269	63,415	64,225	64,994
Minor Capital	5,384	5,519	5,657	5,798
Total Expenses	\$1,269,178	\$1,323,638	\$1,401,941	\$1,519,986

308 Union Bay Water

2026-2035 Capital Planning





Asset Management Update

- Engage AM specialist
- Progress asset inventory/replacement schedule
- Support corporate AM program development
- Development of condition assessment program
- Develop risk/criticality model
- Complete implementation of CMMS





Asset Management Advancement

Operating	2026 (Y2)	2027 (Y3)	2028 (Y4)	2029 (Y5)	Total
Human Resource	\$4,335	\$7,729	\$7,729	\$7,729	\$27,522
Consultants	80,000	-	-	-	80,000
Shared Benefit	1,362	2,373	798	298	4,831
Total Operating Cost	\$85,697	\$10,102	\$8,527	\$8,027	\$112,353



2026-2030 Capital Plan (Project 1163)

	2026	2027	2028	2029	2030
Water Meter Replacements	\$125,000	\$125,000	\$125,000	-	-
AM driven watermain replacements	-	50,000	987,902	\$1,918,537	\$1,232,250
Spill Containment/Chem Storage	-	30,000	-	-	-
Langley Lake Dam Remediation & Intake	210,000	-	-	-	-
Bibby Hydrant Replacement (Argyle)	15,000	-	-	-	-
Reservoir outlet meter	60,000				
McKay Road reservoir upgrade	200,000				
Total	\$150,000	\$205,000	\$1,112,902	\$1,918,537	\$1,232,250

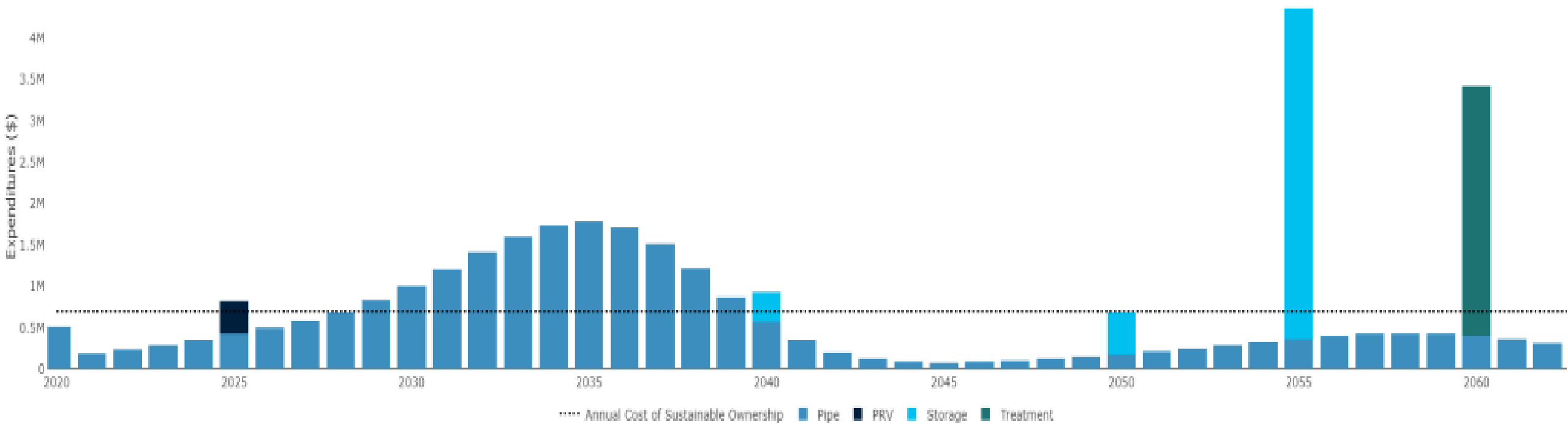


2031-2035 Long-Term Capital Plan (Project 1163)

	2031	2032	2033	2034	2035
AM driven watermain replacements	\$1,521,442	\$1,836,757	\$2,145,638	\$2,399,204	\$2,537,253
Total	\$1,521,442	\$1,836,757	\$2,145,638	\$2,399,204	\$2,537,253



Long Term Capital Plan





2026-2030 Debt Servicing

	2026	2027	2028	2029	2030
Long Term Debt – Principal	\$112,492	\$112,492	\$145,289	\$207,517	\$246,809
Debt – Interest	133,387	133,387	175,805	256,288	307,106
Total	\$245,879	\$245,879	\$321,094	\$463,805	\$553,915
Operating Costs	1,272,579	1,269,178	1,323,638	1,401,941	1,519,986
Debt as % of Operating Costs	19.3%	19.4%	24.3%	33.1%	36.4%



Reserves

Projected Balances

Reserve	2025 Ending Balance
308 – Future Expenditure Reserve	\$86,154
861 – Capital Works Reserve	742,575
Total	\$828,729



Future Expenditure Reserve (308)

Projected Balances

	2026	2027	2028	2029	2030
Opening Balance	\$86,154	\$98,153	\$100,394	\$112,879	\$1003,221
Add: Contributions to Reserve	12,000	12,240	12,485	-	-
Less: Transfers from Reserve	-	10,000	-	9,658	53,768
Ending Balance	\$98,153	\$100,394	\$112,879	\$103,221	\$49,453








Capital Works Reserve (861)

Projected Balances

	2026	2027	2028	2029	2030
Opening Balance	\$742,575	\$631,562	\$525,920	\$430,536	\$334,609
Add: Contributions to Reserve	38,987	99,357	79,011	-	-
Less: Transfers from Reserve	150,000	205,000	174,395	95,927	61,613
Ending Balance	\$631,562	\$525,920	\$430,536	\$334,609	\$272,996



Summary

Fiscal Responsibility 	Climate Crisis & Environmental Stewardship & Protection 	Community Partnerships 	Indigenous Relations 	Accessibility, Diversity, Equity & Inclusion 
Asset Management Fair & sustainable water rates established for 2024 through rate review	Fully metered system Conservation user rate structure Reliable & resilient infrastructure	Management of service by EASC	Close communication with K'omoks First Nation on relevant initiatives	Equitable access to water Consider applications from property owners for water system extension



Options & Recommendations

That the proposed 2026-2030
Financial Plan for Service 308
Union Bay Water Local Service
Area be approved.





Questions?