

**2026-2030**  
**Financial Planning**  
**Core Services**  
Water Supply

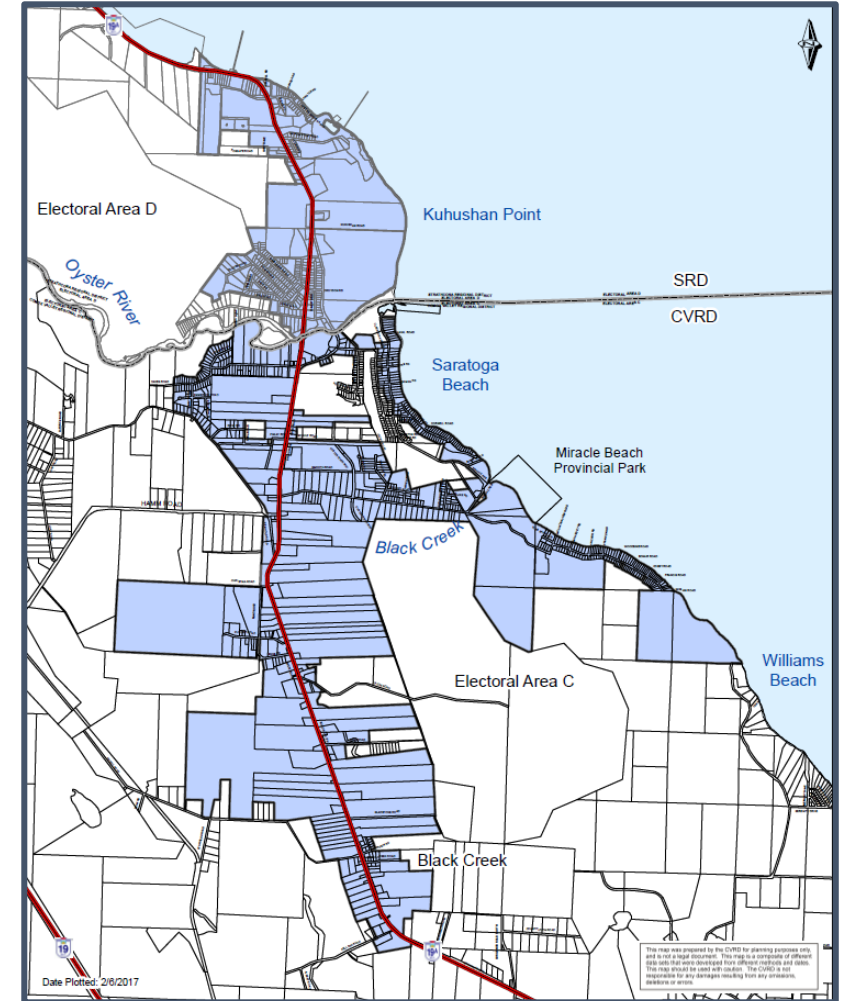
313 Black Creek/Oyster  
Bay Water Service





# Core Service Water Supply

Core Service	Water Supply
Service Name	Black Creek/Oyster Bay Water
Service Sub-functions	None
Purpose	To provide water service to users in the Black Creek Oyster Bay water local service area.
Participants	Defined portion of Electoral Areas C & D
Proposed Changes to Service	System extension to include the Watutco Water System users





# 2025 Accomplishments

- Annual residential water meter replacement program (approx. 80% complete)
- Commissioned Well #6
- Clean-up piping connecting well 1, 2a/b, 4 and 5
- Leak detection survey
- Catherwood T/PRV replacement piping
- BCOB WTP sodium hypo pump skid rebuild and tubing replacement





# 2026 Work Plan

- Complete water meter replacement program
- Install new water conservation signage
- Two PRV installation in preparation for Watutco conversion
- UV capacity study
- Kelland reservoir PLC update
- AM condition assessments





# 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	2.58	2.63
Addition Request		
Full time	0.05	
Part Time		
Temporary /Casual		
Adjustments		
Total Change	0.05	0.00
Ending FTE Balance	2.63	2.63

## Key Notes

- 2026 AM Branch Specialist 0.05 FTE



# Expenses

## Year over Year Change

## Key Notes

- VPN's [+5.8K], Signs [+4K]
- 2025 One-time cost pressure zone analysis [-20K] and Source water protection plan [-15K]
- Asset Management condition assessment [+10K]
- 2026 UV capacity study [+15K]
- Contract service equipment/maintenance [+25K] and R&M equipment [+10K]
- Transfer to service 303 and 304 for distribution and treatment costs [+77K]
- MFA Issue 112 rate change [+42K]

Category	2025 Approved Budget	2026 Proposed Budget	Increase (Decrease)	
			(\$)	(%)
Support Services	\$65,262	\$69,535	4,273	6.5%
Personnel Costs	340,627	366,201	25,574	7.5%
Materials, Supplies & Utilities	181,437	197,282	15,845	8.7%
Contract & General Services	205,042	235,285	30,243	14.7%
Debt Charges	99,123	141,123	42,000	42.4%
Transfer to Reserves	3,744	-	(3,744)	(100.0%)
Transfer to Other Services	14,918	92,056	77,138	517.1%
Minor Capital	11,625	5,253	(6,372)	(54.8%)
<b>Total Expenses</b>	<b>\$921,778</b>	<b>\$1,106,735</b>	<b>\$184,957</b>	<b>20.1%</b>



# Revenue

## Year over Year Change

## Key Notes

- Rates per bylaw
- Expected surplus to cover deficit and avoid further rate increases

Category	2025 Approved Budget	2026 Proposed Budget	Increase (Decrease)	
			(\$)	(%)
Parcel Tax	\$257,275	\$325,950	\$68,675	26.7%
Sale of Services	664,503	680,990	16,487	2.5%
Transfer from Reserve	-	55,562	55,562	100.0%
Prior Year Surplus	-	44,233	44,233	100.0%
<b>Total Revenue</b>	<b>\$921,778</b>	<b>\$1,106,735</b>	<b>\$184,957</b>	<b>20.1%</b>



# Funding Sources

Rate Component	2025	2026	2027	2028	2029	2030
<b>User Rates</b>						
% Increase	2.5% per year to match inflation					
Cost for Avg User (243m3/yr)	\$443	\$453	\$465	\$477	\$489	\$501
<b>Parcel Tax</b>						
% Increase	27%	27%	27%	27%	27%	27%
Cost per Parcel	\$251	\$318	\$404	\$513	\$652	\$828
<b>Total Annual Cost of Water to Average User</b>	<b>\$693</b>	<b>\$772</b>	<b>\$869</b>	<b>\$990</b>	<b>\$1,141</b>	<b>\$1,329</b>



# Operating Budget: 2027-2030 Projections

Category	2027	2028	2029	2030
Parcel Tax	\$414,100	\$525,825	\$668,300	\$848,700
Sale of Services	697,890	715,212	732,967	751,167
Transfer from Reserve	19,087	-	25,352	-
<b>Total Revenue</b>	<b>\$1,131,077</b>	<b>\$1,241,037</b>	<b>\$1,426,619</b>	<b>\$1,599,867</b>
Support Services	\$72,916	\$73,625	\$76,070	\$78,533
Personnel Costs	381,805	395,338	409,384	424,006
Materials, Supplies, Utilities	199,358	205,361	211,596	218,071
Contract & General Service	224,912	194,654	209,514	204,495
Debt Charges	141,123	141,123	383,022	502,870
Transfer to Reserve	18,365	143,339	48,470	82,398
Transfer to Other Services	87,214	82,078	82,906	83,696
Minor Capital	5,384	5,519	5,657	5,798
<b>Total Expenses</b>	<b>\$1,131,077</b>	<b>\$1,241,037</b>	<b>\$1,426,619</b>	<b>\$1,599,867</b>

# 313 Black Creek/Oyster 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

<b>Operating</b>	<b>2026 (Y2)</b>	<b>2027 (Y3)</b>	<b>2028 (Y4)</b>	<b>2029 (Y5)</b>	<b>Total</b>
Human Resource	\$3,613	\$6,441	\$6,441	\$6,441	\$22,936
Consultants	25,000	25,000	-	-	50,000
Shared Benefit	1,886	3,285	1,105	412	6,688
<b>Total Operating Cost</b>	<b>\$30,499</b>	<b>\$34,729</b>	<b>\$7,546</b>	<b>\$6,853</b>	<b>\$79,624</b>



# 2026-2030 Capital Plan

	2026	2027	2028	2029	2030
Meter Replacements	\$50,000	\$50,000	-	-	-
AM driven watermain replacements	-	-	-	\$1,948,693	\$965,451
Kelland Comms	30,000	-	-	-	-
BCOB Pump Upgrade	-	15,000	\$15,000	-	-
<b>Total</b>	<b>\$80,000</b>	<b>\$65,000</b>	<b>\$15,000</b>	<b>\$1,948,693</b>	<b>\$965,451</b>



# 2031-2035 Long-Term Capital Plan

	2031	2032	2033	2034	2035
AM driven watermain replacements	\$924,742	\$3,593,345	\$1,837,134	\$3,226,649	\$2,661,896
<b>Total</b>	<b>\$924,742</b>	<b>\$3,593,345</b>	<b>\$1,837,134</b>	<b>\$3,226,649</b>	<b>\$2,661,896</b>



# New Water Supply



Nov.18, 2022  
PAD CONSTRUCTION

Nov & Dec 2022  
DRILLING & TESTING

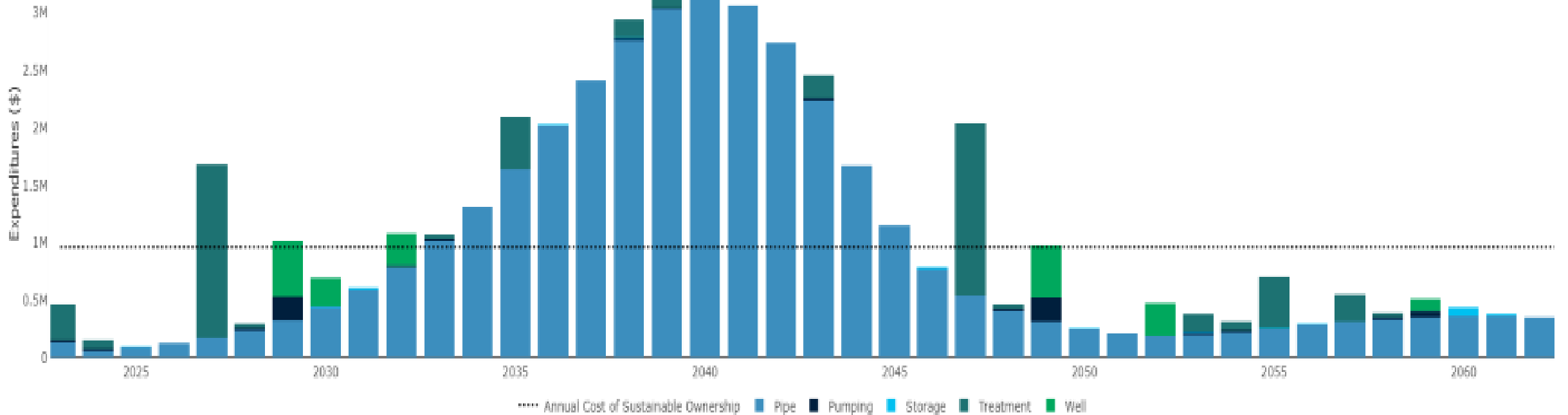
2023  
PERMITTING & DESIGN

2025

- Finish construction and commissioning
- Finalize water license



# Long Term Capital Plan





# 2026-2030 Debt Servicing

<b>31.4%</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
Long Term Debt – Principal	\$73,523	\$73,523	\$73,523	\$240,787	\$323,658
Long Term Debt – Interest	67,600	67,600	67,600	142,235	179,212
<b>Total</b>	<b>\$141,123</b>	<b>\$141,123</b>	<b>\$141,123</b>	<b>\$383,022</b>	<b>\$502,870</b>
Operating Costs	1,106,735	1,131,077	1,241,037	1,426,619	1,599,867
<b>Debt as % of Operating Costs</b>	<b>12.8%</b>	<b>12.5%</b>	<b>11.4%</b>	<b>26.8%</b>	<b>31.4%</b>



# Reserves

## Projected Balances

Reserve	2025 Ending Balance
313 – Future Expenditure Reserve	\$82,287
860 – Capital Works Reserve	\$179,856
897 – Development Cost Charges Reserve	\$459,166
<b>Total</b>	<b>\$721,309</b>



# Future Expenditure Reserve (313)

## Projected Balances

	2026	2027	2028	2029	2030
Opening Balance	\$82,287	\$26,725	\$26,003	\$46,903	\$38,369
Add: Contributions to Reserve	-	-	20,900	-	22,754
Less: Transfers from Reserve	55,562	722	-	8,534	-
<b>Ending Balance</b>	<b>\$26,725</b>	<b>\$26,003</b>	<b>\$46,903</b>	<b>\$38,369</b>	<b>\$61,123</b>



# Capital Works Reserve (860)

## Projected Balances

	2026	2027	2028	2029	2030
Opening Balance	\$179,856	\$99,856	\$34,856	\$142,295	\$173,947
Add: Contributions to Reserve	-	-	122,439	31,652	59,644
Less: Transfers from Reserve	80,000	65,000	15,000	-	-
<b>Ending Balance</b>	<b>\$99,856</b>	<b>\$34,856</b>	<b>\$142,295</b>	<b>\$173,947</b>	<b>\$233,591</b>








# Development Cost Charges Reserve (897)

## Projected Balances

	2026	2027	2028	2029	2030
Opening Balance	\$459,166	\$459,166	\$459,166	\$459,166	\$459,166
Add: Contributions to Reserve	-	-	-	-	-
Less: Transfers from Reserve	-	-	-	-	-
<b>Ending Balance</b>	<b>\$459,166</b>	<b>\$459,166</b>	<b>\$459,166</b>	<b>\$459,166</b>	<b>\$459,166</b>



# Summary

<b>Fiscal Responsibility</b> 	<b>Climate Crisis &amp; Environmental Stewardship &amp; Protection</b> 	<b>Community Partnerships</b> 	<b>Indigenous Relations</b> 	<b>Accessibility, Diversity, Equity &amp; Inclusion</b> 
<p>Asset Management</p> <p>Fair &amp; sustainable water rates established for 2024 through rate review</p>	<p>Fully metered system</p> <p>Conservation user rate structure</p> <p>Reliable &amp; resilient infrastructure- new well</p>	<p>Service partnership between SRD &amp; CVRD</p>	<p>Close communication with K'ómoks First Nation on relevant initiatives such as water licensing</p>	<p>Equitable access to water</p> <p>Consider applications from property owners for water system extension</p>



# Options & Recommendations

That the proposed 2026-2030 Financial Plan for the Service 313 Black Creek/Oyster Bay Water Service be approved.



Questions?