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REPORT TO SAANICH PENINSULA WATER COMMISSION
MEETING OF OCTOBER 21, 2025

SUBJECT **Saanich Peninsula Water Service 2026 Capital and Operating Budget**

ISSUE SUMMARY

To provide an overview of the 2026 Saanich Peninsula Water Service operating and capital budget, highlighting the changes from the 2025 budget and the proposed 2026 budget figures. The report generally follows the sequence of information provided in the attached draft budget document (Appendix A).

BACKGROUND

The draft 2026 Saanich Peninsula Water Service (SPWS) budget has been prepared for the Saanich Peninsula Water Commission's (Commission) consideration. The Commission will make budget recommendations to the Capital Regional District (CRD) Board through the Committee of the Whole in October. As in previous years, the draft 2026 budget has been prepared considering the CRD Board's 2026 service planning and financial expectations, which include identifying opportunities to realign or reallocate resources and seek potential efficiencies between departments and services, reviewing of service levels and adjustments related to regulatory compliance, and undertaking infrastructure improvements to maintain service levels across the service area. The following sets out the key components of the budget.

2025 Year-End Financial Projections

Operating expenses for 2025 are projected to be $254,404 (13.5%) below budget at year-end, primarily due to lower operations allocation expenses. Wholesale water purchase costs are expected to be $86,293 (1.6%) over budget due to higher-than-forecasted water demand. Debt servicing costs are projected to be $208,972 (95.3%) under budget due to the partial deferral of the SPW System Upgrade and Expansion project (Capital Project No. 21-05), which has been carried forward to 2026 in the capital plan.

Water sales are projected to exceed the budget by $125,499 (1.6%) driven by increased demand, while other revenue will be under budget by $129,000 (46.6%). Other revenue includes user charges, interest income on working capital, and earnings on Municipal Finance Authority (MFA) debt reserve funds. The year-end surplus will be balanced by increasing the transfer to the capital reserve fund by $373,582 (62.3%) (Page 4 of Appendix A).

Year-end revenue and expenditure projections are summarized on the next page:

Budget Item	Projected Variance ($)	Projected Variance (%)
Expense		
Distribution System Operating Expenditures	$(254,404)	(13.5%)
Wholesale Water Purchase from Regional Water Service	$86,293	1.6%
Debt Servicing - Principal and Interest	$(208,972)	(95.3%)
Revenue		
Water Sales	$125,499	1.6%
Other	$(129,000)	(46.6)%
Surplus	**$373,582**	**4.5%**

2026 Budget

Operating Budget

The 2026 operating budget reflects an increase in non-discretionary expenses related to anticipated wage/salary increases, corporate support service allocation increases, and other operating expense increases such as electricity costs. The net core 2026 operating budget increase is $96,694 (5.1%).

Wholesale Water Expenditure

The SPWS is responsible for distributing and selling drinking water to the municipalities within its service area. To do so, it purchases treated drinking water from the Regional Water Supply System. The cost of this purchase is based on projected demand within the Saanich Peninsula Water system and the 2026 wholesale water rate set by the Regional Water Supply Service.

Total water consumption in the service area is projected to continue increasing year over year, primarily due to growth. The 2025 year-end actual consumption is estimated at 6,500,000 cubic metres, 100,000 cubic metres over budget. The recommended 2026 water rate is based on a budgeted demand of 6,600,000 cubic metres (Page 7 of Appendix A), an increase of 400,000 cubic metres over the 2025 budgeted.

The 2025 demand estimate was set early in the budget cycle using the best available data at the time. Subsequent summer consumption data suggests that actual 2025 demand is projected to reach 6.6 million. The budget maintained the conservative year end projection for 2025-year end projected but adjusted the 2026 estimate to better reflect observed consumption trends.

The proposed 2026 CRD Regional Water Supply wholesale water rate is $0.9314 per cubic metre, representing a 7.91% increase over the 2025 rate, subject to approval by the Regional Water Supply Commission (Page 8 of Appendix A). This rate increase is being driven by I investments to renew the existing assets, well as investments to ensure reliable drinking water in the face of climate change and population growth. This rate also reflects the recent purchase of the Kapoor Lands.

The wholesale water purchase expense, based on the proposed 2026 Regional Water Supply wholesale water rate and the 2026 Saanich Peninsula Water budget demand volume, has been set at $6,146,976, an increase of $623,136 (11.3%) over 2025 resulting from an increase in projected demand combined with the Wholesale water rate increase.

Capital Budget

There are several capital projects planned for 2026 with a total value of $15,611,500, the majority of which is attributed to Capital Project No. 21-05, which includes construction of the Bear Hill Trunk Watermain extension project that was recently awarded for construction. This single project accounts for 70% of the five-year capital plan and is the single largest project this service has funded in recent years.

A five-year capital plan is presented for information. The value of the five-year (2026-2030) capital plan is currently $22,290,633 including an on-going budget allowance for post-disaster water supply equipment and infrastructure improvements.

The Development Cost Charge (DCC) program represents $855,960 of the five-year (2026-2030) capital plan, and reflects the projects included in the DCC program update. At year-end 2025, the DCC reserve fund balance is estimated to be $2,222,842 (Page 8-14 of Appendix A).

Capital and Debt Expenditures

The planned transfer to the capital reserve fund in 2026 is $400,000, a reduction of $200,000 from the 2025 budgeted contribution. At year-end, the capital reserve fund balance is estimated to be $5,200,942 which is available to fund major capital projects.

Loan authorization Bylaw No. 4411 in the amount of $12,900,000 was approved in 2021 to allow continued partial funding of the five-year capital plan. Staff forecast borrowing under this bylaw with be undertaken in fall of 2026. The debt servicing costs associated with this loan will begin in 2026 and come into full effect in 2027. In 2026, the debt service cost increased $356,102, which represented 38% of the 2026 budget increase.

The planned transfer to the equipment replacement fund in 2026 is $150,000, an increase of $50,000 from the 2025 contribution. At year-end, the equipment replacement fund balance is estimated to be $1,737,029, which is available to fund minor capital and operational equipment replacements including vehicles.

The changes from 2025 to 2026 SPWS expenditures are summarized graphically in Appendix D.

Proposed Agricultural Water Rate

At their meeting of November 26, 2024, the Water Advisory Committee recommended that the Regional Water Supply Commission maintain the current agricultural water rate. This was presented to the Regional Water Supply Commission at their meeting of January 15, 2025.

In the absence of any other direction, the 2026 agricultural water rate is maintained at the same 2025 rate of $0.2105 per cubic metre, subject to the Regional Water Supply Commission's approval. The Regional Water Supply agricultural water rate budget funds the difference between the municipal retail water rate and the CRD agricultural water rate.

A summary of the agricultural water volumes and agricultural water rate payments for 2011 to 2024 is attached as Appendix C.

Proposed 2026 Saanich Peninsula Wholesale Water Rate

The proposed 2026 SPWS wholesale water rate is $1.3593 per cubic meter, an 8.1% increase over the 2025 rate. The increase in annual wholesale water cost for the average household assuming 239 cubic meters per year would be $24.34 (Page 7 of Appendix A).

The Agricultural Research Station rate has been set at $1.3945 per cubic meter, a 7.9% increase over the 2025 rate. Although both the SPWS and agricultural rates are increasing by the same amount ($0.1018) from 2025 to 2026, the percentage increase is lower for agriculture (7.9% vs. 8.1%) due to its higher 2025 starting rate.

Water Rate and Wholesale Water Rate History and Projection
The Saanich Peninsula Water rate and Regional Water Supply rate history and projection is attached as Appendix B. The rates may be adjusted in the future to reflect actual revenue and expenditure circumstances and water demand volumes.

ALTERNATIVES

Alternative 1
The Saanich Peninsula Water Commission recommends that the Committee of the Whole recommend that the Capital Regional District Board:

1. Approve the 2026 Operating and Capital Budget and the Five-Year Capital Plan;
2. Approve the 2026 Saanich Peninsula Water Service wholesale water rate of $1.3593 per cubic meter, and the Agricultural Research Station water rate of $1.3945 per cubic meter, adjusted, if necessary, by any changes in the Regional Water Supply wholesale water rate;
3. Direct staff to balance the 2025 actual revenue and expense on the transfer to capital reserve fund;
4. Direct staff to update carry forward balances in the 2026 Capital Budget for changes after year end; and
5. Direct staff to amend the Wholesale Water Rates Bylaw accordingly.

Alternative 2
The Saanich Peninsula Water Commission recommends that the Committee of the Whole recommend that the Capital Regional District Board:

1. Approve the 2026 Operating and Capital Budget and the Five-Year Capital Plan;
2. Approve the 2026 Saanich Peninsula wholesale water rate, and the Agricultural Research Station water rate as amended (amended rate), adjusted, if necessary, by any changes in the Regional Water Supply wholesale water rate;
3. Direct staff to balance the 2025 actual revenue and expense on the transfer to capital reserve fund;
4. Direct staff to update carry forward balances in the 2026 Capital Budget for changes after year end; and,
5. Direct staff to amend the Wholesale Water Rates Bylaw accordingly.

IMPLICATIONS

Financial Implications

If the proposed budget is amended, the implications could vary depending on how the budget is amended and the impact on specific programs, on-going operations, or the capital work program. One-time reductions in reserve fund contributions could be considered by the Commission to help mitigate the budget and rate increases, but additional capital financing could result in the longer term.

CONCLUSION

The draft 2026 Saanich Peninsula Water Service budget is presented for the Saanich Peninsula Water Commission's consideration. The Commission will make budget recommendations to the Capital Regional District Board through the Committee of the Whole in October. The draft 2026 Saanich Peninsula Water Service budget was prepared considering the Capital Regional District Board's 2026 service planning and financial expectations. A proposed increase in operating and capital funding that includes an increase in the wholesale water costs from the Regional Water Supply Service, combined with an adjusted revenue budget, is resulting in a recommended wholesale water rate of $1.3593 per cubic meter, an 8.1% increase over the 2025 rate.

RECOMMENDATION

The Saanich Peninsula Water Commission recommends that the Committee of the Whole recommend that the Capital Regional District Board:

1. Approve the 2026 Operating and Capital Budget and the Five-Year Capital Plan;
2. Approve the 2026 Saanich Peninsula Water Service wholesale water rate of $1.3593 per cubic meter, and the Agricultural Research Station water rate of $1.3945 per cubic meter, adjusted, if necessary, by any changes in the Regional Water Supply wholesale water rate;
3. Direct staff to balance the 2025 actual revenue and expense on the transfer to capital reserve fund;
4. Direct staff to update carry forward balances in the 2026 Capital Budget for changes after year end; and
5. Direct staff to amend the Wholesale Water Rates Bylaw accordingly.

Submitted by:	Alicia Fraser, P. Eng., General Manager, Infrastructure and Water Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer & General Manager, Finance & Technology
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENTS

Appendix A: Draft 2026 SPWS Budget
Appendix B: SPWS Retail Rate and RWS Wholesale Rate - History and Projection
Appendix C: Agricultural Water Rate Funding Comparisons 2011-2024
Appendix D: 2026 Budget Waterfall

APPENDIX A

CAPITAL REGIONAL DISTRICT

2026 BUDGET

Saanich Peninsula Water Supply

COMMISSION REVIEW

October 2025

Service:	2.610	Saanich Peninsula Water Supply	Committee: Saanich Peninsula Water

DEFINITION:

To purchase water and to acquire, design, construct, reconstruct, purchase, maintain and operate facilities and to acquire property easements, licences and authorities for the supply of water to Central Saanich, North Saanich, and Sidney, for distribution by the municipalities. Letters Patent, December 22, 1976; revised Sept. 27, 1984. Amended SLP April 27, 1978 and March 19, 1986.

SERVICE DESCRIPTION:

This service provides for the purchase of wholesale water for supply to Central Saanich, North Saanich, and Sidney, for distribution within their municipalities. Included in the program is the responsibility to provide design, construction, operation and maintenance, licenses, and water quality monitoring to the service area.

PARTICIPATION:

Central Saanich / North Saanich / Sidney

MAXIMUM LEVY:

MAXIMUM CAPITAL DEBT:

As established by Inspector of Municipalities.

COMMISSION:

Saanich Peninsula Water Commission established by Letters Patent to advise the Board with respect to this function.

FUNDING:

Costs are recovered through the sale of wholesale water.

CAPITAL DEBT:

Authorized:	$12,900,000	2021 - (MFA Bylaw No. 4411 - Saanich Peninsula Water Supply Water Works)
Borrowed:	$0	
Remaining:	$12,900,000	

Change in Budget 2025 to 2026

Service:	**2.610 Saanich Peninsula Water Supply**	**Total Expenditure**	**Comments**
2025 Budget		**8,325,361**	
Changes:			
	Allocation - Operations	72,574	Increased operating costs including contribution to ERF
	Allocation - Standard Overhead	19,520	Increase in 2025 Operating Costs
	Wholesale Water Expenditure	623,136	Increased wholesale water rate and budgeted demand
	Transfer to Capital Reserve Fund	(200,000)	
	Transfer to Equipment Replacement Fund	50,000	
	Debt Servicing Costs	356,102	Interest expense on temporary debt to finance capital plan
	Other Costs	4,600	
	Total Other Changes	925,932	
2026 Budget		**9,251,293**	

Summary of % Expense Increase

Wholesale Water Purchase	7.5%
Operations Allocation	0.9%
Debt Servicing Costs	4.3%
Balance of increase	-1.6%
% expense increase from 2025:	***11.1%***

Overall 2025 Budget Performance
(expected variance to budget and surplus treatment)

Water demand is forecasted slightly higher than budget ($126k), while operational costs are forecasted below budget due principally to lower operation allocations ($237k). The forecasted net surplus of $374k will be transferred to the service's Water Capital Reserve.

Program Group: CRD-Saanich Peninsula Water Supply			2026 BUDGET REQUEST				FUTURE PROJECTIONS			
SUMMARY	2025 BOARD BUDGET	2025 ESTIMATED ACTUAL	2026 CORE BUDGET	2026 ONGOING	2026 ONE-TIME	TOTAL (COL 4, 5 & 6)	2027	2028	2029	2030
1	2	3	4	5	6	7	8	9	10	11
OPERATING EXPENDITURES:										
ALLOCATION - OPERATIONS	1,224,190	987,320	1,296,764	-	-	1,296,764	1,322,748	1,349,241	1,376,243	1,403,788
UTILITIES	238,150	237,700	247,750	-	-	247,750	252,710	257,770	262,930	268,190
OPERATING - OTHER COSTS	213,660	196,576	208,660	-	-	208,660	214,631	220,799	227,174	233,786
ALLOCATION - STANDARD OVERHEAD	206,221	206,221	225,741	-	-	225,741	262,974	268,744	274,347	280,068
TOTAL OPERATING EXPENDITURES	1,882,221	1,627,817	1,978,915	-	-	1,978,915	2,053,063	2,096,554	2,140,694	2,185,832
*Percentage increase over prior year board budget			5.14%			5.14%	3.75%	2.12%	2.11%	2.11%
WHOLESALE WATER PURCHASE FROM RWS	5,523,840	5,610,133	6,146,976	-	-	6,146,976	6,736,637	7,641,007	8,823,920	10,209,810
CAPITAL EXPENDITURES & TRANSFERS										
TRANSFER TO CAPITAL RESERVE FUND	600,000	973,582	400,000	-	-	400,000	400,000	400,000	400,000	400,000
TRANSFER TO EQUIPMENT REPLACEMENT FUND	100,000	100,000	150,000	-	-	150,000	200,000	200,000	200,000	200,000
TOTAL CAPITAL EXPENDITURES & TRANSFERS	700,000	1,073,582	550,000	-	-	550,000	600,000	600,000	600,000	600,000
DEBT SERVICING										
DEBT-INTEREST & PRINCIPAL	219,300	10,328	575,402	-	-	575,402	1,277,084	1,277,084	1,277,084	1,277,084
TOTAL DEBT EXPENDITURES	219,300	10,328	575,402	-	-	575,402	1,277,084	1,277,084	1,277,084	1,277,084
TOTAL EXPENDITURES	8,325,361	8,321,860	9,251,293	-	-	9,251,293	10,666,784	11,614,645	12,841,698	14,272,726
SOURCES OF FUNDING-OPERATIONS										
REVENUE -WATER SALES	(8,048,251)	(8,173,750)	(8,971,513)	-	-	(8,971,513)	(10,512,984)	(11,457,765)	(12,681,688)	(14,109,526)
REVENUE -OTHER	(277,110)	(148,110)	(279,780)	-	-	(279,780)	(153,800)	(156,880)	(160,010)	(163,200)
TOTAL SOURCES OF FUNDING FROM OPERATIONS	(8,325,361)	(8,321,860)	(9,251,293)	-	-	(9,251,293)	(10,666,784)	(11,614,645)	(12,841,698)	(14,272,726)
SOURCES OF FUNDING-REQUISITION										
PROPERTY TAX REQUSITION FOR DEBT	-	-	-	-	-	-	-	-	-	-
TOTAL REQUSITION	-	-	-	-	-	-	-	-	-	-
TRANSFER FROM PRIOR YEAR	-	-	-	-	-	-	-	-	-	-
TRANSFER TO FOLLOWING YEAR	-	-	-	-	-	-	-	-	-	-
TOTAL CARRY FORWARD (SURPLUS)/ DEFICIT	-	-	-	-	-	-	-	-	-	-
TOTAL SOURCES OF ALL FUNDING	(8,325,361)	(8,321,860)	(9,251,293)	-	-	(9,251,293)	(10,666,784)	(11,614,645)	(12,841,698)	(14,272,726)
Percentage increase over prior year's board budget			11.12%			11.12%	15.30%	8.89%	10.56%	11.14%
Water Rate $ per cu. m.	$ 1.2575					$ 1.3593	$ 1.5809	$ 1.7101	$ 1.8788	$ 2.0749
Percentage increase	4.99%					8.10%	16.30%	8.17%	9.86%	10.44%

2026 Demand Estimate

Retail Demand

Years	Actual Demand cu. metre		Budgeted Demand cu.metre	
2020	6,860,322		6,800,000	
2021	7,556,244		6,800,000	
2022	7,239,389		6,900,000	
2023	7,422,128		6,335,000	2
2024	6,863,797		6,400,000	
2025	6,500,000	1	6,400,000	
2026 Demand Estimate	**6,600,000**			

1. Projected consumption for 2025

2. 2023 Demand estimate reduction reflects First Nations becoming wholesale customers of Regional Water Supply.

Summary of Supply Water Rates to Participating Municipalities

	2022	2023	2024	2025	2026	$ Change	% Change
Retail (direct) water rate							
Saanich Peninsula Retail cost per cu.m.	$ 1.0886	$ 1.1439	$ 1.1978	$ 1.2575	$ 1.3593	$ 0.1018	8.10%
Agricultural Research Station cost per cu. m.	$ 1.1238	$ 1.1791	$ 1.2330	$ 1.2927	$ 1.3945	$ 0.1018	7.88%

Summary of Wholesale Water Purchase Rates from Regional Water Supply

	2022	2023	2024	2025	2026	$ Change	% Change
CRD Wholesale Water purchase cost per cu. m.	$ 0.7332	$ 0.7698	$ 0.8094	$ 0.8631	$ 0.9314	$ 0.0683	7.91%

Summary of Supply Water Rates to Participating Municipalities

	2022	2023	2024	2025	2026	$ Change	% Change
Retail (direct) water rate							
Unit cost per cu.m.	$ 1.0886	$ 1.1439	$ 1.1978	$ 1.2575	$ 1.3593	$ 0.1018	8.10%

Retail Water Rate Increase
Impact on Participating Municipalities' Water Bill

Average consumption: * 239.0 cubic meters

Charge for Two Months Consumption	Year	Annual Charge	2026 Annual Change, $
Average Consumption	2025	$ 300.54	
	2026	$ 324.88	$ 24.34
Half Average Consumption	2025	$ 150.27	
	2026	$ 162.44	$ 12.17
Twice Average Consumption	2025	$ 601.09	
	2026	$ 649.76	$ 48.67

** Average Annual Consumption based on 2.303 people per household, per BC Stats 2024 projection*

CAPITAL REGIONAL DISTRICT

FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2026 to 203(

Service No. 2.610 Sannich Peninsula Water Supply	Carry Forward from 2025	2026	2027	2028	2029	2030	TOTAL
EXPENDITURE							
Buildings	$0	$0	$0	$0	$0	$0	$0
Equipment	$850,000	$1,150,000	$300,000	$300,000	$50,000	$50,000	$1,850,000
Land	$0	$0	$0	$0	$0	$0	$0
Engineered Structures	$13,322,500	$14,461,500	$1,679,133	$2,000,000	$1,250,000	$1,050,000	$20,440,633
Vehicles	$0	$0	$0	$0	$0	$0	$0
	$14,172,500	**$15,611,500**	**$1,979,133**	**$2,300,000**	**$1,300,000**	**$1,100,000**	**$22,290,633**
SOURCE OF FUNDS							
Capital Funds on Hand	$0	$0	$0	$0	$0	$0	$0
Debenture Debt (New Debt Only)	$11,370,000	$11,370,000	$0	$0	$0	$0	$11,370,000
Equipment Replacement Fund	$0	$200,000	$200,000	$200,000	$200,000	$200,000	$1,000,000
Grants (Federal, Provincial)	$0	$0	$0	$0	$0	$0	$0
Donations / Third Party Funding	$67,500	$67,500	$0	$0	$0	$0	$67,500
Reserve Fund	$2,735,000	$3,974,000	$1,779,133	$2,100,000	$1,100,000	$900,000	$9,853,133
	$14,172,500	**$15,611,500**	**$1,979,133**	**$2,300,000**	**$1,300,000**	**$1,100,000**	**$22,290,633**

Definitions for the 5-year Capital Plan

Asset Class	Asset class is used to classify assets for financial reporting in accordance with the Public Sector Accounting Board (PSAB) 3150. **L** - Land **S** - Engineering Structure **B** - Buildings **V** - Vehicles **E** - Equipment
Capital Expenditure Type	Capital expenditure type is used for reporting on asset investments and may be used to justify operational needs for a service. **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
Carryforward	Represents the carryforward amount from the prior year capital plan that is remaining to be spent. Forecast this spending over the next 5 years.
Funding Source	**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 If there is more than one funding source, additional rows are shown for the project.

CAPITAL REGIONAL DISTRICT

5 YEAR CAPITAL PLAN

2026 - 2030

Service #: 2.610

Service Name: Saanich Peninsula Water Supply

PROJECT DESCRIPTION				PROJECT BUDGET & SCHEDULE									
Project Number	Capital Expenditure Type	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward from 2025	2026	2027	2028	2029	2030	5 - Year Total
SYSTEM UPGRADES AND REPLACEMENTS													
18-04	New	Post Disaster Emergency Water Supply	Identify and procure emergency systems for post disaster preparedeness	$ 1,785,000	S	Res	$ 150,000	$ 300,000	$ 150,000	$ 150,000	$ 150,000	$ -	$ 750,000
20-02	New	Hamsterly Pump Station Backup Power Generator	Addition of a backup power generator at the Hamsterly Pump Station	$ 1,010,867	S	Res	$ 790,000	$ -	$ 190,000	$ 800,000	$ -	$ -	$ 990,000
21-01	New	Level of Service Agreement	Determine and develop appropriate level of service agreements with the participating municipalities for water supply.	**$ 125,000**	S	Res	$ 75,000	$ 125,000	$ -	$ -	$ -		$ 125,000
21-04	Renewal	SCADA Upgrades	SCADA upgrades and planning in conjunction with the Juan de Fuca Water Distribution, Saanich Peninsula Water and Wastewater, and Core Area Wastewater Services.	$ 1,450,000	E	Res	$ 600,000	$ 800,000	$ 200,000	$ 200,000	$ 50,000	$ 50,000	$ 1,300,000
21-05	Renewal	SPW System Upgrade and Expansion	Upgrade vulnerable sections of the SPWS system to a more resilient system and increase operational flexibility.	$ 14,700,000	S	Res	$ -	$ -	$ -	$ -	$ -	$ -	$ -
21-05	Renewal				S	Debt	$ 11,370,000	$ 11,370,000	$ -	$ -	$ -	$ -	$ 11,370,000
22-02	New	Microwave Radio Upgrades	To provide a high bandwidth communications backbone to the SPW/SPWW systems, a microwave communications system will be installed.	$ 550,000	E	Res	$ 250,000	$ 350,000	$ 100,000	$ 100,000	$ -	$ -	$ 550,000
23-01	Study	Master Plan and DCC Program Update	5-year update of the DCC program and initiate SPWS Master Plan as recommended in last DCC update.	**$ 117,972**	S	Res	$ 110,500	**$ 111,000**	$ -	$ -	$ -	$ -	$ 111,000
23-01	Study	DCC Program Update	5-year update of the DCC program.	**$ 1,000**	S	Res	$ 500	**$ 1,000**	$ -	$ -	$ -	$ -	$ 1,000
25-01	New	Hamsterly Pump Station Capacity Upgrade	Increase the capacity of the Hamsterly Pump Station to address increased water demand. This is the service's contribution to the DCC project.	$ 6,040	S	Res	$ -	$ 6,040	$ -	$ -	$ -	$ -	$ 6,040
24-01	Decommission	Dean Park Road Well Decommissioning	Decommissioning of a groundwater well(s) on Dean Park Road.	$ 250,000	S	Res	$ 130,000	$ 230,000	$ -	$ -	$ -	$ -	$ 230,000
24-02	New	Reservoir Seismic Isolation Valves	Addition of seismic isolation valves at various Saanich Peninsula tanks.	$ 800,000	S	Res	$ 200,000	$ 200,000	$ -	$ -	$ -	$ -	$ 200,000
26-01	Decommission	Decommissioning of Various Sites/Components	Various existing facilities within SPWS have redundant valves and piping that require removal.	$ 150,000	S	Res	$ -	$ -	$ 50,000	$ 50,000	$ 50,000	$ -	$ 150,000
25-02	Study	Asset Management Plan	Update the asset management plan with recent study information.	$ 750,000	S	Res	$ 90,000	**$ 140,000**	**$ 100,000**	**$ 100,000**	**$ 100,000**	**$ 100,000**	$ 540,000
25-03	Study	Operational Optimization Review	Review the SPWS system from an operational perspective to investigate operational efficiencies and improvements.	$ 200,000	S	Res	$ 80,000	**$ 180,000**	$ -	$ -	$ -	$ -	$ 180,000
25-04	Study	Cloake Hill/Deep Cove Hydraulic Assessment	Detailed analysis of Cloake Hill Tank and Deep Cove Pump Station. Driven by the 2021 heat dome event and results of the DCC program and Strategic Plan Update	$ 100,000	S	Res	$ 75,000	$ 75,000	$ -	$ -	$ -	$ -	$ 75,000
27-01	Replacement	Cloake Hill/Deep Cove Upgrades	Potential Construction Upgrades	$ 1,000,000	S	Res	$ -	$ -	$ 500,000	$ 500,000	$ -	$ -	$ 1,000,000
25-05	Renewal	Asset Capital Improvement/Replacement Program	Ongoing program to continually address multiple, small to mid-scale capital improvements to the Saanich Peninsula Water System.	$ 2,550,000	S	Res	$ 25,000	**$ 600,000**	$ 200,000	$ 200,000	$ 750,000	$ 750,000	$ 2,500,000
25-06	New	SCADA System Cybersecurity	Shared project budget to improve cyber security in the SCADA system.	$ 100,000	S	Other	$ 67,500	$ 67,500	$ -	$ -	$ -	$ -	$ 67,500
Sub-Total System Upgrades and Replacements				**$ 25,645,879**			**$ 14,013,500**	**$ 14,555,540**	**$ 1,490,000**	**$ 2,100,000**	**$ 1,100,000**	**$ 900,000**	**$ 20,145,540**
ANNUAL PROVISIONAL ITEMS													
24-03	Renewal	Pump Station, Meter Station, Valve Repair, Transmission Main & Storage Tank Repairs, Replacements and decommissioning.	Planned and unplanned infrastructure and equipment renewal.	$ 1,200,000	S	ERF	$ -	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,000,000
													$ -
Sub-Total Annual Provisional Items				**$ 1,200,000**			**$ -**	**$ 200,000**	**$ 200,000**	**$ 200,000**	**$ 200,000**	**$ 200,000**	**$ 1,000,000**
DEVELOPMENT COST CHARGE (DCC) PROGRAM													
22-01	Study	Water Strategic Plan Update	Update the strategic plan to inform future works and identify hydraulic deficiencies.	$ 33,028	S	Res	$ 30,000	$ 30,000	$ -	$ -	$ -	$ -	$ 30,000
23-01	Study	Master Plan and DCC Program Update	5-year update of the DCC program and initiate SPWS Master Plan as recommended in last DCC update.	**$ 132,028**	S	Res	**$ 79,500**	**$ 129,000**	$ -	$ -	$ -	$ -	$ 129,000
23-01	Study	DCC Program Update	5-year update of the DCC program.	**$ 99,000**	S	Res	**$ 49,500**	**$ 99,000**	$ -	$ -	$ -	$ -	$ 99,000
20-02	New	Hamsterly Pump Station Backup Power Generator	Addition of a backup power generator at the Hamsterly Pump Station	$ 289,133	S	Res	$ -	$ -	$ 289,133	$ -	$ -	$ -	$ 289,133
25-01	New	Hamsterly Pump Station Capacity Upgrade	Increase the capacity of the Hamsterly Pump Station to address increased water demand.	$ 597,960	S	Res	$ -	$ 597,960	$ -	$ -	$ -	$ -	$ 597,960
													$ -
Sub-Total Development Cost Charge (DCC) Program				**$ 1,151,149**			**$ 159,000**	**$ 855,960**	**$ 289,133**	**$ -**	**$ -**	**$ -**	**$ 1,145,093**
			Grand Total	**$ 27,997,028**			**$ 14,172,500**	**$ 15,611,500**	**$ 1,979,133**	**$ 2,300,000**	**$ 1,300,000**	**$ 1,100,000**	**$ 22,290,633**

Service: **2.610** **Saanich Peninsula Water Supply**

Project Number	18-04	**Capital Project Title**	Post Disaster Emergency Water Supply	**Capital Project Description**	Identify and procure emergency systems for post disaster preparedeness
Project Rationale	In the event of a disaster, it is proposed to have in place the ability to source, treat (if required) and distribute drinking water during the initial and sustained response and recovery phases to the public. Initial investigation has highlighted areas, such as having hardened hydrants/standpipes that the CRD should be investing in. Additional funds are required to start implementing these additional works.				

Project Number	20-02	**Capital Project Title**	Hamsterly Pump Station Backup Power Generator	**Capital Project Description**	Addition of a backup power generator at the Hamsterly Pump Station
Project Rationale	Addition of a backup power generator at the Hamsterly Pump Station. Project is temporary being deferred due to market escallation and considerations for combining with future Capacity upgrades.				

Project Number	21-01	**Capital Project Title**	Level of Service Agreement	**Capital Project Description**	Determine and develop appropriate level of service agreements with the participating municipalities for water supply.
Project Rationale	Determine and develop appropriate level of service agreements with the participating municipalities for water supply.				

Project Number	21-04	**Capital Project Title**	SCADA Upgrades	**Capital Project Description**	SCADA upgrades and planning in conjunction with the Juan de Fuca Water Distribution, Saanich Peninsula Water and Wastewater, and Core Area Wastewater Services.
Project Rationale	The existing SCADA system is nearing end of life for equipment. The SCADA system provides vital operational monitoring and control information for the Saanich Peninsula Water System. Additionally, the Juan de Fuca Water Distribution, Saanich Peninsula Wastewater, Regional Water System, and Core Area Wastewater services require similar upgrades and integration. This project will be carried out with the other services so that an fully integrated system can be implemented.				

Service:	2.610	Saanich Peninsula Water Supply

Project Number	Capital Project Title	Capital Project Description
21-05	SPW System Upgrade and Expansion	Upgrade vulnerable sections of the SPWS system to a more resilient system and increase operational flexibility.

Project Rationale This project is for expansion and replacement of watermains and appurtenances within the Saanich Peninsula Water Supply system for infrastructure renewal and improved resiliency.Funds are required for detailed design and construction of the Bear Hill Trunk extension section of transmission main from Mt Newton to the Dean Park Lower tank along East Saanich Road, preliminary design of the transmission main from McTavish Tank to Mills Road, and preliminary design of the Dean Park Feeder Main between Dean Lower and Dean Middle Tanks. Additional funding will be required to complete construction of all three project components but the design delivery and construction of the Bear Hill Trunk component are being delivered in partner with similar projects in the RWS system.

Project Number	Capital Project Title	Capital Project Description
22-02	Microwave Radio Upgrades	To provide a high bandwidth communications backbone to the SPW/SPWW systems, a microwave communications system will be installed.

Project Rationale Multiple facilities throughout the CRD RWS system require additional bandwidth to allow for proper monitoring and control. This project will enable the initial design and preliminary installation of a high bandwidth microwave backbone that will be able to be leveraged by multiple CRD operational groups. The installation of this backbone will be coordinated with the other IWS service areas.

Project Number	Capital Project Title	Capital Project Description
23-01	Master Plan and DCC Program Update	5-year update of the DCC program and initiate SPWS Master Plan as recommended in last DCC update.

Project Rationale This project aims to update the Master Plan and DCC Program to support long-term infrastructure planning and ensure that development cost charges (DCCs) reflect future growth needs. It should provide a list of DCC-eligible projects to guide future investment decisions.

Project Number	Capital Project Title	Capital Project Description
25-01	Hamsterly Pump Station Capacity Upgrade	Increase the capacity of the Hamsterly Pump Station to address increased water demand. This is the service's contribution to the DCC project.

Project Rationale In the 2018 KWL DCC Update report, the Hamsterly Pump Station was identified to require addition of a third pump to meet increased water demand. Increase the capacity of the Hamsterly Pump Station to address increased water demand. This project will be reassessed in the subsequent DCC update prior to progressing.

Service: **2.610** **Saanich Peninsula Water Supply**

Project Number	24-01	**Capital Project Title**	Dean Park Road Well Decommissioning	**Capital Project Description**	Decommissioning of a groundwater well(s) on Dean Park Road.
Project Rationale	Decommissioning of a former groundwater well at 1557 Dean Park Road. Initial decommissioning may only including well sealing for compliance with provincial regulations but eventually the electrical and concrete structure will also need to be decommissioned.				

Project Number	24-02	**Capital Project Title**	Reservoir Seismic Isolation Valves	**Capital Project Description**	Addition of seismic isolation valves at various Saanich Peninsula tanks.
Project Rationale	Seismic valve upgrades at Cloake Hill, Bear Hill, Dawson and Lower Dean Tanks.				

Project Number	26-01	**Capital Project Title**	Decommissioning of Various Sites/Components	**Capital Project Description**	Various existing facilities within SPWS have redundant valves and piping that require removal.
Project Rationale	Various decommissioning of old assets that are no longer required in the system.				

Project Number	25-02	**Capital Project Title**	Asset Management Plan	**Capital Project Description**	Update the asset management plan with recent study information.
Project Rationale	Update the strategic asset management plan based upon recent studies such as the DCC Program Update. The update will inform future capital works.				

Project Number	25-03	**Capital Project Title**	Operational Optimization Review	**Capital Project Description**	Review the SPWS system from an operational perspective to investigate operational efficiencies and improvements.
Project Rationale	Engineering and Operations coordination and assessment of the SPWS system to better document operational procedures and assess opportunities for improvement.				

Service: **2.610** **Saanich Peninsula Water Supply**

Project Number	25-04
Capital Project Title	Cloake Hill/Deep Cove Hydraulic Assessment
Capital Project Description	Detailed analysis of Cloake Hill Tank and Deep Cove Pump Station. Driven by the 2021 heat dome event and results of the DCC program and Strategic Plan Update
Project Rationale	Detailed analysis of Cloake Hill Tank and Deep Cove Pump Station. Driven by the 2021 heat dome event and results of the DCC program and Strategic Plan Update.

Project Number	27-01
Capital Project Title	Cloake Hill/Deep Cove Upgrades
Capital Project Description	Potential Construction Upgrades
Project Rationale	Potential upgrades to be further scoped following completion of the Assessment in Project #25-04.

Project Number	25-05
Capital Project Title	Asset Capital Improvement/Replacement Program
Capital Project Description	Ongoing program to continually address multiple, small to mid-scale capital improvements to the Saanich Peninsula Water System.
Project Rationale	This program will fund items such as replacement of valves (line, air, check, PRV, etc), replacement and addition of instrumentation, decommissioning infrastructure and other mid sized improvements. This program will primarily address items that are more complex than can be delivered under the Annual Provisional account (24-03) but will comprise of smaller projects than those listed in the SPW System Upgrade and Expansion Program (21-05). Budget forecasts will be further influenced by asset management plans and operational coordination.

Project Number	25-06
Capital Project Title	SCADA System Cybersecurity
Capital Project Description	Shared project budget to improve cyber security in the SCADA system.
Project Rationale	Project budget to improve cyber security in the SCADA System. CRD IT Department to lead and provide implementation support.

Project Number	24-03
Capital Project Title	Pump Station, Meter Station, Valve Repair, Transmission Main & Storage Tank
Capital Project Description	Planned and unplanned infrastructure and equipment renewal.
Project Rationale	Annual Provisional Account to address planned and unplanned infrastructure and equipment renewals.

Project Number	22-01
Capital Project Title	Water Strategic Plan Update
Capital Project Description	Update the strategic plan to inform future works and identify hydraulic deficiencies.
Project Rationale	A water distribution system changes with development demand. A periodic update of the strategic plan to identify hydraulic deficiencies and inform future works is periodically required to ensure the level of service.

2.610 Saanich Peninsula Water
Summary Schedule
2026 - 2030 Financial Plan

Asset Profile

Saanich Peninsula Water

One of the 16 CRD drinking water systems across the region, Saanich Peninsula Water Supply obtains treated drinking water from the Regional Water Supply System and is responsible for the wholesale trunk water supply systems for Central Saanich, Sidney & North Saanich. Assets include land, 46 kilometres of water supply mains, nine balancing reservoirs, nine pumping stations, two pressure reducing stations, nine supply meters and two rechlorination stations.

Reserve/Fund Summary

	Estimated	Budget				
	2025	2026	2027	2028	2029	2030
DCC Reserve Account	2,222,842	1,366,882	1,077,749	1,077,749	1,077,749	1,077,749
Equipment Replacement Fund	1,737,029	1,687,029	1,687,029	1,687,029	1,687,029	1,687,029
Capital Reserve	5,200,942	5,600,942	4,221,809	2,521,809	1,821,809	1,321,809
Total	**9,160,813**	**8,654,853**	**6,986,587**	**5,286,587**	**4,586,587**	**4,086,587**

2.610 Saanich Peninsula Water
Development Cost Charges
2026 - 2030 Financial Plan

Development Cost Charges Reserve Schedule

Reserve Fund: Saanich Peninsula Water Development Cost Charges (Bylaw # 3208)

Saanich Peninsula Water Development Cost charges (DCC's) was adopted in 2005 for the purpose of providing funds to assist with the capital costs of providing, constructing, altering or expanding the Districts water & wastewater systems that services the Member Municipalites.

Reserve Cash Flow

Fund: 1009, Fund Center: 101353 - DCC Water System only	Estimated	Budget				
	2025	2026	2027	2028	2029	2030
Beginning Balance	2,162,842	2,222,842	1,366,882	1,077,749	1,077,749	1,077,749
Transfers to Reserve from Operating	-					
Transfers from Reserve based on DCC-capital plan	-	(855,960)	(289,133)	-	-	-
Transfers from Revenue Fund						
DCC's received from Member Municipalities						
Interest Income*	60,000					
Ending Balance $	**2,222,842**	**1,366,882**	**1,077,749**	**1,077,749**	**1,077,749**	**1,077,749**

General Comments:
Saanich Peninsula Water Development Cost Charges (DCC's) was adopted in 2005 for the purpose of providing funds to assist with the capital costs of providing, constructing, altering or expanding the Districts water & wastewater systems that services the Member Municipalites.

The above cash flow only reflects DCC Reserve information for Water System only (Wastewater's information will be provided in the Wastewater budgets). These Reserve funds are received from member municipalities as Development Cost Charges (DCC's) to provide for the capital costs of water capacity system improvements within the service areas.

In December 2018 the bylaw was ammended to remove Develoment Cost Charges on new projects to recognize that the fund's balance exceeded the total of current development projects.

2.610 Saanich Peninsula Water
Equipment Replacement Reserve Schedule
2026 - 2030 Financial Plan

Equipment Replacement Reserve Schedule

Reserve Fund: Saanich Peninsula Water-Equipment Replacement Reserve (covered by CRD-ERF Bylaw)

Reserve Cash Flow

Fund: 1022 Fund Center: 101452	**Estimated**	**Budget**				
	2025	**2026**	**2027**	**2028**	**2029**	**2030**
Beginning Balance	1,867,029	1,737,029	1,687,029	1,687,029	1,687,029	1,687,029
Equipment purchases (Based on Capital Plan)	(240,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Transfer from Operating Budget	100,000	150,000	200,000	200,000	200,000	200,000
Interest Income*	10,000					
Ending Balance $	**1,737,029**	**1,687,029**	**1,687,029**	**1,687,029**	**1,687,029**	**1,687,029**

General Comments: The fund is used to replace water system infrastructure throughout the system as failing components are identified and not funded through operating budgets.

2.610 Saanich Peninsula Water
Capital Reserve Fund
2026 - 2030 Financial Plan

Capital Reserve Fund Schedule

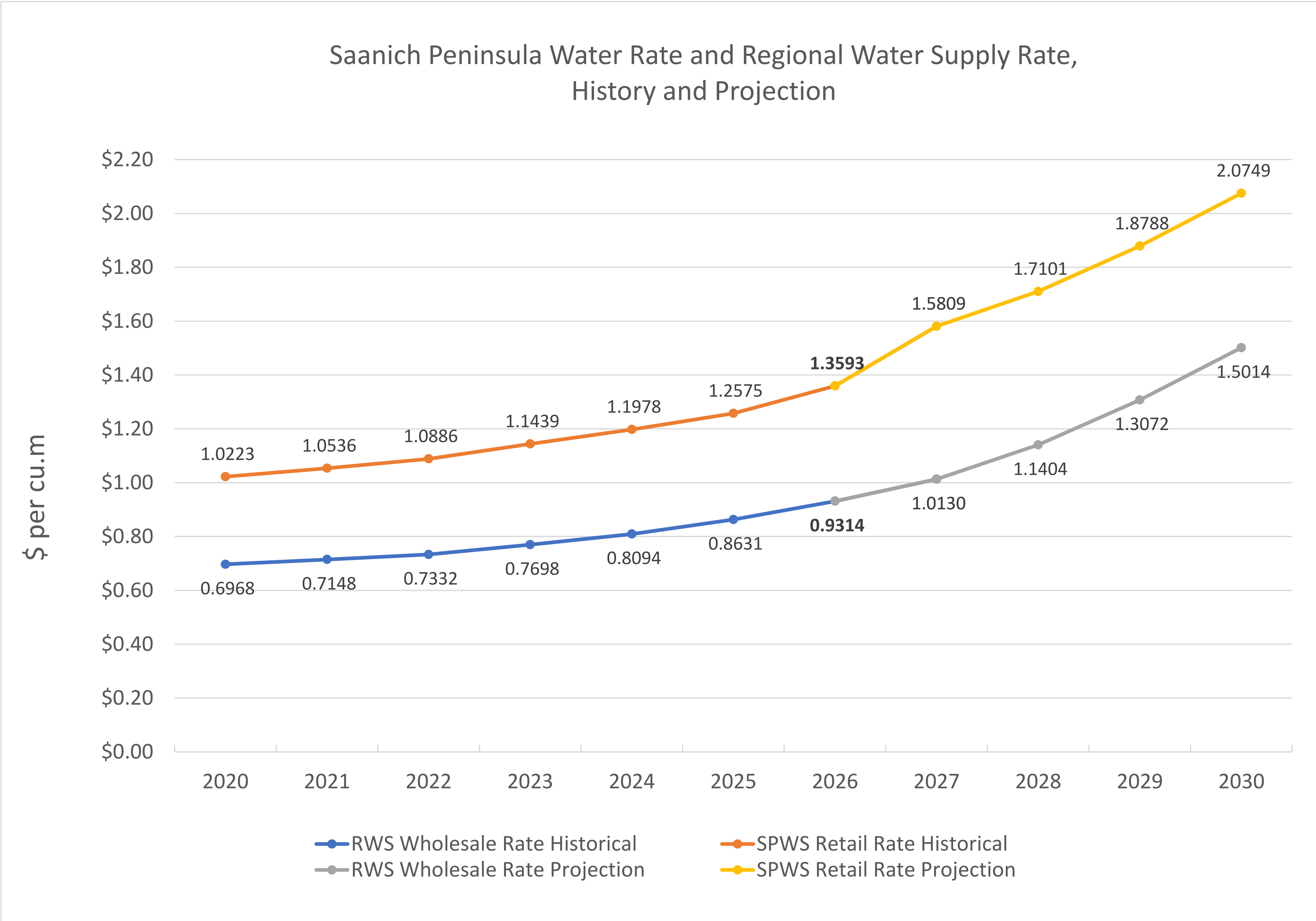
Reserve Fund: Saanich Peninsula Water Capital Reserve Fund (Bylaw #1397)

Reserve Cash Flow

Fund: 1009 Fund Center: 102159	Estimated	Budget				
	2025	2026	2027	2028	2029	2030
Beginning Balance	4,127,360	5,200,942	5,600,942	4,221,809	2,521,809	1,821,809
Transfers from Reserve based on capital plan	-	-	(1,779,133)	(2,100,000)	(1,100,000)	(900,000)
Transfer from Operating Budget	973,582	400,000	400,000	400,000	400,000	400,000
Interest Income*	100,000					
Ending Balance $	**5,200,942**	**5,600,942**	**4,221,809**	**2,521,809**	**1,821,809**	**1,321,809**

General Comments:
Saanich Peninsula Water Capital Reserve Fund was adopted in 1985 for the purpose of capital payments including planning, engineering and legal costs for providing, latering or expanding water system infrastructure related to the Saanich Peninsula Water Supply System.

The fund is used for the purpose of funding the Service Capital infrastructure related directly or indirectly to water facilities, (excluding DCC) capital expenditures


Saanich Peninsula Water Rate and Regional Water Supply Rate,
History and Projection
$ per cu.m
$2.20
$2.00
$1.80
$1.60
$1.40
$1.20
$1.00
$0.80
$0.60
$0.40
$0.20
$0.00
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
1.0223
1.0536
1.0886
1.1439
1.1978
1.2575
1.3593
1.5809
1.7101
1.8788
2.0749
0.6968
0.7148
0.7332
0.7698
0.8094
0.8631
0.9314
1.0130
1.1404
1.3072
1.5014
RWS Wholesale Rate Historical
SPWS Retail Rate Historical
RWS Wholesale Rate Projection
SPWS Retail Rate Projection

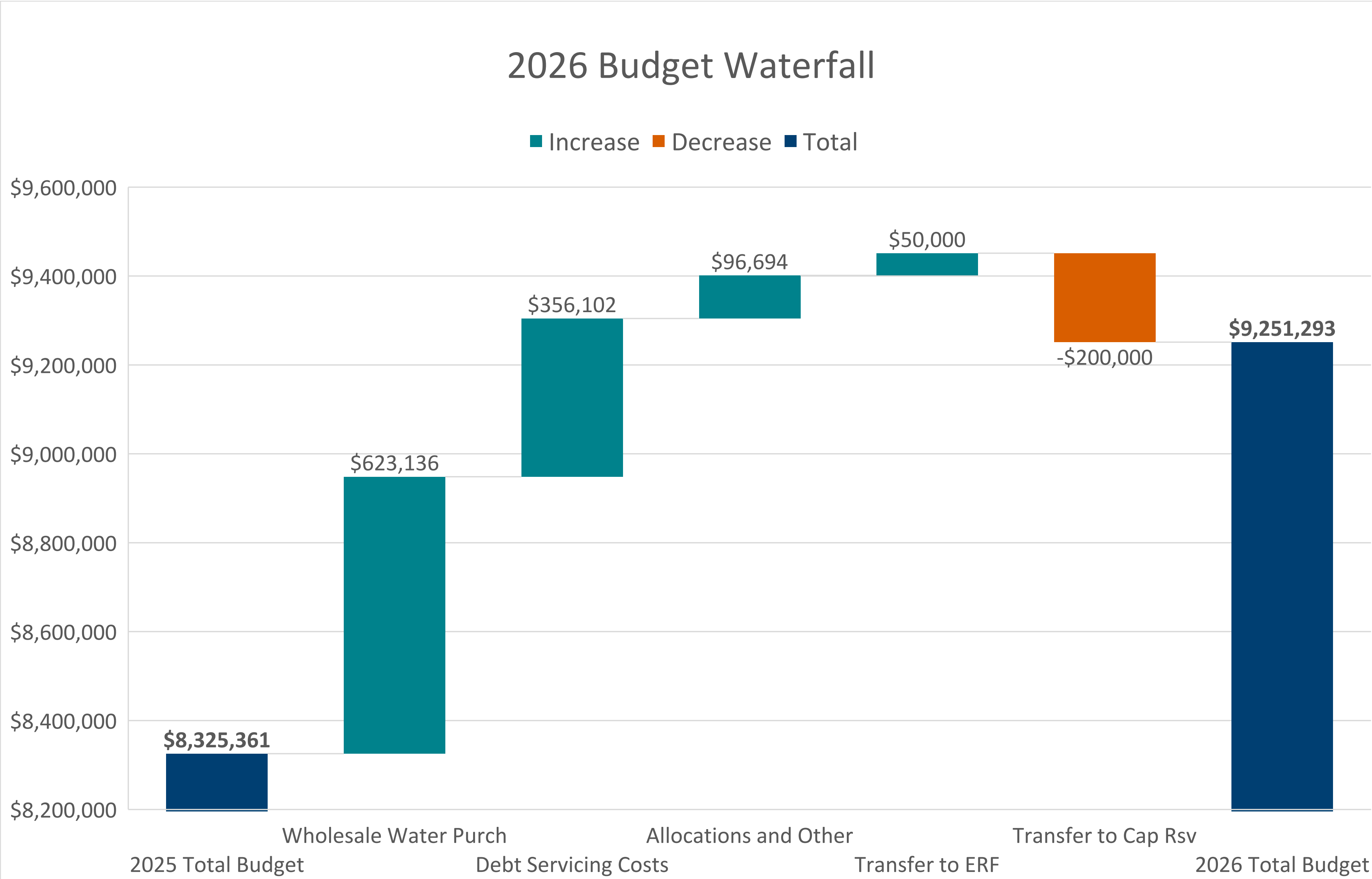
REGIONAL WATER SUPPLY COMMISSION
Agricultural Water Rate Funding Comparisons 2011 - 2024

	No. of AR Accounts	No. of AG Accounts	AR Volume m3	AG Volume m3	Avg AR Volume m3 (Vol/Accts)	Avg AG Volume m3	Agri Rate Consumption Costs	Agri Fixed Charge Costs	Total Agri Subsidy Paid out (Cons + Fixed)	Avg Agri Cost $ (Paid/Accts)	%age of Total Paid out	Rate Differential: Municipal Rate m3 A	Rate Differential: Agri Rate m3 B	Rate Differential: Muni-CRD Diff m3 A - B
Western Communities & Sooke *														
2024	85	21	38,614	53,786	454	2,561	$ 229,355	$ -	$ 229,355	$ 2,164	11.9%	$ 2.6927	$ 0.2105	$ 2.4822
2023	86	16	46,589	62,912	542	3,932	$ 255,805	$ -	$ 255,805	$ 2,508	11.6%	$ 2.5466	$ 0.2105	$ 2.3361
2022	85	17	45,564	37,292	536	2,194	$ 181,612	$ -	$ 181,612	$ 1,781	10.6%	$ 2.4024	$ 0.2105	$ 2.1919
2021	84	16	53,773	63,222	640	3,951	$ 245,409	$ -	$ 245,409	$ 2,454	12.3%	$ 2.3081	$ 0.2105	$ 2.0976
2020	84	15	42,432	51,118	505	3,408	$ 187,605	$ -	$ 187,605	$ 1,895	11.9%	$ 2.2159	$ 0.2105	$ 2.0054
2019	86	14	36,598	50,277	426	3,591	$ 165,297	$ -	$ 165,297	$ 1,653	11.1%	$ 2.1132	$ 0.2105	$ 1.9027
2018	95	18	40,657	19,669	428	1,093	$ 112,411	$ -	$ 112,411	$ 995	7.9%	$ 2.0739	$ 0.2105	$ 1.8634
2017	81	11	33,458	11,628	413	1,057	$ 76,754	$ -	$ 76,754	$ 834	5.6%	$ 1.9129	$ 0.2105	$ 1.7024
2016	80	11	41,248	8,652	516	787	$ 84,950	$ -	$ 84,950	$ 934	5.9%	$ 1.9129	$ 0.2105	$ 1.7024
2015	79	11	33,537	7,078	425	643	$ 64,968	$ -	$ 64,968	$ 722	5.1%	$ 1.8101	$ 0.2105	$ 1.5996
2014	79	11	29,419	9,074	372	825	$ 60,769	$ -	$ 60,769	$ 675	5.6%	$ 1.7892	$ 0.2105	$ 1.5787
2013	80	11	25,532	5,578	319	507	$ 46,438	$ -	$ 46,438	$ 510	4.7%	$ 1.7032	$ 0.2105	$ 1.4927
2012	79	13	23,617	5,932	299	456	$ 40,828	$ -	$ 40,828	$ 444	4.3%	$ 1.5922	$ 0.2105	$ 1.3817
2011	75	11	27,910	4,893	372	445	$ 43,641	$ -	$ 43,641	$ 507	5.2%	$ 1.5409	$ 0.2126	$ 1.3283
Central Saanich														
2024	297	49	485,371	234,707	1,634	4,790	$ 1,086,758	$ 4,606	$ 1,091,364	$ 3,154	56.8%	$ 1.9460	$ 0.2105	$ 1.7355
2023	266	48	539,888	283,819	2,030	5,913	$ 1,269,148	$ 6,674	$ 1,275,822	$ 4,063	57.8%	$ 1.9240	$ 0.2105	$ 1.7135
2022	277	50	398,069	279,385	1,437	5,588	$ 1,005,694	$ 7,050	$ 1,012,744	$ 3,097	59.3%	$ 1.8600	$ 0.2105	$ 1.6495
2021	277	50	466,809	307,970	1,685	6,159	$ 1,150,198	$ 7,050	$ 1,157,248	$ 3,539	57.9%	$ 1.8600	$ 0.2105	$ 1.6495
2020	278	49	375,646	233,214	1,351	4,759	$ 873,579	$ 6,768	$ 880,347	$ 2,692	56.0%	$ 1.8047	$ 0.2105	$ 1.5942
2019	276	47	421,804	210,499	1,528	4,479	$ 862,430	$ 2,162	$ 864,592	$ 2,677	58.0%	$ 1.7260	$ 0.2105	$ 1.5155
2018	278	49	378,593	297,433	1,362	6,070	$ 866,699	$ 7,003	$ 873,702	$ 2,672	61.3%	$ 1.6350	$ 0.2105	$ 1.4245
2017	296	49	398,087	298,522	1,345	6,092	$ 792,125	$ 7,003	$ 799,128	$ 2,316	58.7%	$ 1.5575	$ 0.2105	$ 1.3470
2016	297	51	446,241	303,419	1,502	5,949	$ 879,396	$ 7,191	$ 886,587	$ 2,548	61.1%	$ 1.5139	$ 0.2105	$ 1.3034
2015	294	51	412,060	246,292	1,402	4,829	$ 739,282	$ 7,144	$ 746,426	$ 2,164	58.4%	$ 1.4582	$ 0.2105	$ 1.2477
2014	294	49	361,801	190,895	1,231	3,896	$ 596,515	$ 6,808	$ 603,323	$ 1,759	55.7%	$ 1.4033	$ 0.2105	$ 1.1928
2013	296	45	321,518	194,848	1,086	4,330	$ 542,837	$ 4,186	$ 547,023	$ 1,604	55.7%	$ 1.3799	$ 0.2105	$ 1.0525
2012	280	41	325,663	210,906	1,163	5,144	$ 518,454	$ 5,658	$ 524,112	$ 1,633	55.6%	$ 1.2841	$ 0.2105	$ 0.9662
2011	210	38	312,702	169,206	1,489	4,453	$ 462,183	$ 5,244	$ 467,427	$ 1,885	56.1%	$ 1.2867	$ 0.2126	$ 0.9667
North Saanich **														
2024	104	21	83,051	113,138	799	5,388	$ 269,215	$ -	$ 269,215	$ 2,154	14.0%	$ 1.8562	$ 0.2105	$ 1.6457
2023	103	20	56,716	119,706	551	5,985	$ 281,923	$ -	$ 281,923	$ 2,292	12.8%	$ 1.8085	$ 0.2105	$ 1.5980
2022	107	19	52,167	107,838	488	5,676	$ 235,367	$ -	$ 235,367	$ 1,868	13.8%	$ 1.6815	$ 0.2105	$ 1.4710
2021	105	18	62,904	126,579	599	7,032	$ 265,276	$ -	$ 265,276	$ 2,157	13.3%	$ 1.6105	$ 0.2105	$ 1.4000
2020	102	16	57,433	108,453	563	6,778	$ 223,532	$ -	$ 223,532	$ 1,894	14.2%	$ 1.5580	$ 0.2105	$ 1.3475
2019	94	15	58,278	95,030	620	6,335	$ 201,370	$ -	$ 201,370	$ 1,847	13.5%	$ 1.5240	$ 0.2105	$ 1.3135
2018	100	16	97,574	70,726	976	4,420	$ 220,982	$ -	$ 220,982	$ 1,905	15.5%	$ 1.5240	$ 0.2105	$ 1.3135
2017	100	13	151,773	53,551	1,518	4,119	$ 245,456	$ -	$ 245,456	$ 2,172	18.0%	$ 1.4643	$ 0.2105	$ 1.2538
2016	100	12	148,450	36,774	1,485	3,065	$ 230,697	$ -	$ 230,697	$ 2,060	15.9%	$ 1.4560	$ 0.2105	$ 1.2455
2015	106	14	151,656	38,066	1,431	2,719	$ 230,948	$ -	$ 230,948	$ 1,925	18.1%	$ 1.4278	$ 0.2105	$ 1.2173
2014	98	14	133,853	30,372	1,366	2,169	$ 194,919	$ -	$ 194,919	$ 1,740	18.0%	$ 1.3974	$ 0.2105	$ 1.1869
2013	102	13	141,845	30,647	1,391	2,357	$ 200,004	$ -	$ 200,004	$ 1,739	20.4%	$ 1.3700	$ 0.2105	$ 1.1595
2012	99	13	117,497	45,227	1,187	3,479	$ 188,679	$ -	$ 188,679	$ 1,685	20.0%	$ 1.3700	$ 0.2105	$ 1.1595
2011	101	13	106,393	34,921	1,053	2,686	$ 163,558	$ -	$ 163,558	$ 1,435	19.6%	$ 1.3700	$ 0.2126	$ 1.1574
Saanich														
2024	62	58	42,377	126,972	684	2,189	$ 322,017	$ 10,934	$ 332,952	$ 2,775	17.3%	$ 2.1120	$ 0.2105	$ 1.9015
2023	76	54	47,961	168,198	631	3,115	$ 382,061	$ 10,230	$ 392,291	$ 3,018	17.8%	$ 1.9780	$ 0.2105	$ 1.7675
2022	66	56	36,146	129,467	548	2,312	$ 267,879	$ 11,330	$ 279,209	$ 2,289	16.3%	$ 1.8280	$ 0.2105	$ 1.6175
2021	74	55	49,933	158,309	675	2,878	$ 318,923	$ 11,050	$ 329,973	$ 2,558	16.5%	$ 1.7420	$ 0.2105	$ 1.5315
2020	68	53	40,416	144,443	594	2,725	$ 268,877	$ 10,867	$ 279,745	$ 2,312	17.8%	$ 1.6650	$ 0.2105	$ 1.4545
2019	68	51	37,086	140,512	545	2,755	$ 249,436	$ 10,278	$ 259,714	$ 2,182	17.4%	$ 1.6150	$ 0.2105	$ 1.4045
2018	70	49	37,503	111,896	536	2,284	$ 208,786	$ 9,996	$ 218,782	$ 1,839	15.3%	$ 1.5910	$ 0.2105	$ 1.3805
2017	80	50	38,201	132,092	478	2,642	$ 229,604	$ 9,719	$ 239,324	$ 1,841	17.6%	$ 1.5600	$ 0.2105	$ 1.3495
2016	71	53	36,409	139,764	513	2,637	$ 237,745	$ 10,056	$ 247,802	$ 1,998	17.1%	$ 1.5600	$ 0.2105	$ 1.3495
2015	75	51	74,841	129,225	998	2,534	$ 226,276	$ 9,727	$ 236,003	$ 1,873	18.5%	$ 1.5420	$ 0.2105	$ 1.3315
2014	72	53	46,230	177,633	642	3,352	$ 213,981	$ 9,883	$ 223,863	$ 1,791	20.7%	$ 1.4560	$ 0.2105	$ 1.2455
2013	65	50	35,745	122,456	550	2,449	$ 179,004	$ 9,655	$ 188,659	$ 1,641	19.2%	$ 1.3420	$ 0.2105	$ 1.1315
2012	68	47	38,212	138,455	562	2,946	$ 180,466	$ 9,235	$ 189,701	$ 1,650	20.1%	$ 1.2320	$ 0.2105	$ 1.0215
2011	71	46	101,235	121,896	1,426	2,650	$ 149,584	$ 9,118	$ 158,703	$ 1,356	19.0%	$ 1.1530	$ 0.2126	$ 0.9404
Totals														
2024	548	149	649,413	528,603	1,185	3,548	$ 1,907,345	$ 15,540	$ 1,922,885	$ 2,759	100%			
2023	531	138	691,154	634,635	1,302	4,599	$ 2,188,937	$ 16,904	$ 2,205,842	$ 3,297	100%			
2022	535	142	531,946	553,982	994	3,901	$ 1,690,553	$ 18,380	$ 1,708,933	$ 2,524	100%			
2021	540	139	633,419	656,080	1,173	4,720	$ 1,979,806	$ 18,100	$ 1,997,906	$ 2,942	100%			
2020	532	133	515,927	537,228	970	4,039	$ 1,553,594	$ 17,635	$ 1,571,229	$ 2,363	100%			
2019	524	127	553,766	496,318	1,057	3,908	$ 1,478,533	$ 12,440	$ 1,490,973	$ 2,290	100%			
2018	543	132	554,327	499,724	1,021	3,786	$ 1,408,879	$ 16,999	$ 1,425,878	$ 2,112	100%			
2017	557	123	621,519	495,793	1,116	4,031	$ 1,343,940	$ 16,722	$ 1,360,663	$ 2,001	100%			
2016	548	127	672,348	488,609	1,227	3,847	$ 1,432,788	$ 17,247	$ 1,450,036	$ 2,148	100%			
2015	554	127	672,094	420,661	1,213	3,312	$ 1,261,474	$ 16,871	$ 1,278,344	$ 1,877	100%			
2014	543	127	571,304	407,973	1,052	3,212	$ 1,066,184	$ 16,691	$ 1,082,874	$ 1,616	100%			
2013	543	119	524,640	353,529	966	2,971	$ 968,283	$ 13,841	$ 982,124	$ 1,484	100%			
2012	526	114	504,989	400,520	960	3,513	$ 928,426	$ 14,893	$ 943,320	$ 1,474	100%			
2011	457	108	548,240	330,916	1,200	3,064	$ 818,967	$ 14,362	$ 833,329	$ 1,475	100%			

* **Western Communities do not charge a fixed charge**

** **North Saanich charges the fixed charge on property taxes**

*** **AR - Agriculture/Residential customers receive a rebate on consumption over 455 cubic meters annual as the meter feeds both premise and land.**
AG - Agriculture customers receive a rebate on the entire consumption annually as the meter is dedicated only for land


2026 Budget Waterfall
Increase
Decrease
Total
$9,600,000
$9,400,000
$9,200,000
$9,000,000
$8,800,000
$8,600,000
$8,400,000
$8,200,000
$8,325,361
$623,136
$356,102
$96,694
$50,000
-$200,000
$9,251,293
2025 Total Budget
Wholesale Water Purch
Debt Servicing Costs
Allocations and Other
Transfer to ERF
Transfer to Cap Rsv
2026 Total Budget

Making a difference...together

REPORT TO SAANICH PENINSULA WASTEWATER COMMISSION
MEETING OF OCTOBER 21, 2025

SUBJECT **Saanich Peninsula Wastewater Service 2026 Capital and Operating Budget**

ISSUE SUMMARY

To provide an overview of the 2026 Saanich Peninsula Wastewater Service operating and capital budget, highlighting the variances from the 2025 budget and the proposed 2026 budget figures. The report generally follows the sequence of information provided in the attached draft budget document (Appendix A).

BACKGROUND

The draft 2026 Saanich Peninsula Wastewater Service budget has been prepared for the Saanich Peninsula Wastewater Commission's (Commission) consideration. The Commission will make budget recommendations to the Capital Regional District (CRD) Board through the Committee of the Whole in October. As in previous years, the draft 2026 budget has been prepared considering the CRD Board's 2026 service planning and financial expectations, which includes identifying opportunities to realign or reallocate resources and seek potential efficiencies between departments and services, reviewing of service levels and adjustments related to regulatory compliance, and undertaking infrastructure improvements to maintain service levels across the service area. The following sets out the key components of the budget.

2025 Year-End Financial Projections

The estimated 2025 operating costs are projected at $4,128,340, slightly exceeding the budget by $3,824. The primary contributor to this variance is waste sludge hauling, which is $148,623 over the budget due to increased landfill disposal rates and trucking costs in 2025. These additional expenses have been largely offset by savings from reduced labour expenses resulting from unplanned vacancies. In addition, deferring the Municipal Finance Authority loan has generated temporary saving of $94,173.

On the revenue side, income from the Panorama Recreation Centre District Energy System (DES) is $21,159 below budget. Although heat consumption has remained consistent with the previous year, the rate was lowered to align more closely with the market rate.

Overall, the combined effect of these revenue and expenditure variances results in a year-end surplus of $69,190, which will be transferred to the Capital Reserve Fund to support future capital projects.

2026 Budget

Operating Budget
The 2026 combined operations and reserve budget is $5,404,480, representing an increase of $189,474 or 3.63% increase over the 2025 budget.

The increase in the operating budget is primarily due to non-discretionary items including:

- Higher waste sludge hauling expenses, driven by increased trucking and landfill disposal rates ($175,869 increase).
- Wage and salary adjustments related to requirements of the collective agreement ($20,251 increase).
- Debt servicing costs associated with planned long-term borrowing ($53,003 increase).

The increase is offset by reductions in:

- Utility costs ($12,112 decrease).
- Transfer to reserves ($57,890 decrease).

There is a 35% increase in the debt service cost for a total of $151,253. This increase is due to the planned $4.765 million long-term borrowing for 2026 capital projects which are focused on existing asset renewal.

Additionally, a one-time allocation of $35,000 has been included for cyclical maintenance to dismantle and clean the heat exchanger. Since these costs exceed routine maintenance, they will be funded through a transfer from the Operating Reserve Fund.

2026 Capital Budget
There are several projects planned for 2026 with a total value of $ 6,855,000 including $50,000 allocated to review the Development Cost Charges (DCC) program. The 2026 capital program consists of projects related to replacement of equipment that is at the end of its service life and projects required to address operational issues.

Some of the more significant projects include:

- The odour control upgrades at the wastewater treatment plant.
- Replacement of pumps at Keating pumpstation.
- Manhole repairs and replacement.

The 2026 capital program will be mainly funded through the newly established Municipal Finance Authority debt, and the remaining projects are funded through the existing reserves.

The five-year capital plan (2026–2030) valued at $16,915,000 is presented for information. Please refer to Appendix A for detail. The nearly $17 million plan will be funded through a combination of debt, grants, the Capital Reserve, and the Equipment Replacement Fund.

Reserve Funding
There are three reserve funds established for this service. Reserves serve several specified purposes, including stabilizing revenue requirements and funding capital renewal and replacement. The service has the following funds:

*Operating Reserve***:** This reserve is available to fund significant maintenance tasks that occur irregularly rather than on a yearly basis, such as odour control system carbon replacement, outfall inspections, and DES heat exchanger cleaning. The operating reserve fund balance at the end of 2025 is estimated to be $1,432,645. As the plant continues to age, maintaining a healthy operating reserve is critical to addressing any unexpected operational emergencies. For 2026, a planned transfer of $35,000 is proposed to support the operating reserve fund, resulting in a balance of

$1,472,845 at the end of 2026.

Capital Reserve: There are two portions in the Reserve Fund:
- Development Cost Charges (DCCs) are deposited in the DCC portion and expenditures are restricted to fund growth.
- Surplus funds from the Operating budget are transferred to the Capital Reserve and used to fund capital projects.

The 2025 estimated DCC reserve fund balance is $320,148, and the estimated 2025 year-end capital reserve fund balance is $1,430,339 inclusive of a $69,190 estimated surplus transfer. For 2026, the planned transfer to the capital reserve fund is $646,650.

Equipment Replacement Reserve: This reserve is available to fund minor capital and operating machinery and equipment replacements. The planned transfer to the equipment replacement fund in 2026 is $212,500. At the end of 2026, the equipment replacement fund balance is estimated to be $1,476,279.

Internal Recovery – Other
The operating expenses are partially offset by $138,991 in internal recoveries ($60,000 from heating recovery and $78,991 from laboratory recovery). DES revenue is generated from the sale of energy to the Panorama Recreation Centre. Estimated revenue is calculated based on annual energy rate, which takes into account prior-year natural gas market rates and projected energy consumption for the year.

At the start of 2025, the rate was reduced to align with the market, and the 2026 rate is anticipated to remain at a level similar to the 2025 level. Accordingly, the 2026 revenue projection is based on the 2025 natural gas rate and anticipated demand. The remaining internal recoveries relate to Saanich Peninsula Wastewater Laboratory and Facilities activities provided to other services.

Requisition
The requisition is allocated to the service participants based on the percentage allocation of prior year actual usage data (October 1, 2024 to September 30, 2025). The cost-sharing percentages for 2026 will be determined in October and are not anticipated to undergo significant changes compared to 2025. The overall 2026 requisition for Saanich Peninsula trunk sewers, treatment and disposal is $5,222,947 representing a 5.97% increase over 2025.

Programs Under Environmental Services Operations
As part of the CRD's regulatory commitments under the Saanich Peninsula Liquid Waste Management Plan, the following three additional services are requisitioned separately from the Saanich Peninsula Wastewater Treatment Plant. They are listed below for reference. The corresponding program budgets are included in Appendix A, following the Saanich Peninsula Wastewater budget. Overall, the total requisition for these three services in 2026 represents a 12.5% decrease.
- **Saanich Peninsula – Stormwater Quality Management:** In 2026, there is an ongoing cost of $10,000, which will be funded from the operating reserve.
- **Saanich Peninsula – Source Control Stormwater:** The increase in 2026 is attributed to inflationary costs.
- **Liquid Waste Management Plan (Peninsula):** For 2026–2028, there is an ongoing cost of $75,000 per year, funded from the operating reserve.

ALTERNATIVES

Alternative 1
The Saanich Peninsula Wastewater Commission recommends that the Committee of the Whole recommend that the Capital Regional District Board:

1. Approve the 2026 Saanich Peninsula trunk sewers, treatment and disposal operating and capital budget and the 2026 Saanich Peninsula Liquid Waste Management Plan (LWMP) program budgets including the LWMP administration budget, the Saanich Peninsula Stormwater Quality Management Program budget and the Saanich Peninsula Stormwater Source Control budget;
2. Direct staff to update carry forward balances in the 2026 Capital Budget for changes after year end; and
3. Direct staff to balance the 2025 actual revenue and expense on the transfer to capital reserve fund.

Alternative 2
The Saanich Peninsula Wastewater Commission recommends that the Committee of the Whole recommend that the Capital Regional District Board:

1. Approve as amended, the 2026 Saanich Peninsula trunk sewers, treatment and disposal operating and capital budget and the 2026 Saanich Peninsula Liquid Waste Management Plan (LWMP) program budgets including the LWMP administration budget, the Saanich Peninsula Stormwater Quality Management Program budget and the Saanich Peninsula Stormwater Source Control budget, and the Harbours Environmental Action Service (Peninsula) budget;
2. Direct staff to update carry forward balances in the 2026 Capital Budget for changes after year end; and
3. Direct staff to balance the 2025 actual revenue and expense on the transfer to capital reserve fund.

IMPLICATIONS

Financial Implications

If the proposed budget is amended, the implications could vary depending on how the budget is amended and the impact on specific programs, on-going operations, or the capital work program. One-time reductions in reserve fund contributions could be considered by the Commission to help mitigate the budget and rate increases, but reducing contributions to reserves would limit the ability to address future infrastructure needs and respond to unforeseen emergencies.

CONCLUSION

This 2026 Saanich Peninsula Wastewater Service budget is presented for the Saanich Peninsula Wastewater Commission's consideration. The Commission will make budget recommendations to the Capital Regional District Board through the Committee of the Whole in October. The draft 2026 Saanich Peninsula Wastewater Service budget reflects the operating costs of the Saanich Peninsula Wastewater Treatment Plant and the conveyance system, as well as the environmental program and capital costs. The financial implications of the 2026 operating and capital budget vary by participant, depending on the operating and capital cost apportionments associated with annual flow and allocated treatment capacity.

RECOMMENDATION

The Saanich Peninsula Wastewater Commission recommends that the Committee of the Whole recommend that the Capital Regional District Board:

1. Approve the 2026 Saanich Peninsula trunk sewers, treatment and disposal operating and capital budget and the 2026 Saanich Peninsula Liquid Waste Management Plan (LWMP) program budgets including the LWMP administration budget, the Saanich Peninsula Stormwater Quality Management Program budget and the Saanich Peninsula Stormwater Source Control budget;
2. Direct staff to update carry forward balances in the 2026 Capital Budget for changes after year end; and
3. Direct staff to balance the 2025 actual revenue and expense on the transfer to capital reserve fund.

Submitted by:	Alicia Fraser, P. Eng., General Manager, Infrastructure and Water Services
Concurrence:	Glenn Harris, Ph. D, R.P.Bio., Acting General Manager, Parks, Recreation & Environmental Services
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer & General Manager, Finance & Technology
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT

Appendix A: Draft 2026 SPWW Service and Program Budgets

CAPITAL REGIONAL DISTRICT

2026 BUDGET

Saanich Peninsula Wastewater

SAANICH PENINSULA WASTEWATER COMMISSION

October 2025

Service: 3.718 Saanich Peninsula Wastewater **Committee: Environmental Services**

DEFINITION:

Provision of sewage treatment and disposal through treatment plant facilities and outfall for member participants.

SERVICE DESCRIPTION:

This program is for the provision of wastewater collection and treatment to the Saanich Peninsula municipalities of Central Saanich, North Saanich, and Sidney. Although the largest component of the program budget is for the operation and maintenance of the systems, many other key programs are funded through and support these budgets including engineering (capital projects), odour control, and marine monitoring and protection.

PARTICIPATION:

Operating costs to be recovered by requisition to all participating members based on measured flow from previous year.

MAXIMUM LEVY:

Establishment Bylaw No. 2388/2439 - Greater of $5,663,000 or $1.56 / $1,000 of actual assessed value of land and improvements.

MAXIMUM CAPITAL DEBT:

		Authorized	Borrowed	Remaining
Authorized:	LA Bylaw 4596	$ 7,720,000	$ -	7,720,000

SPWWS SEWER SYSTEM:

Location	Cost Sharing Allocation: Annual Wastewater Flows
Airport	2.13%
Sidney	38.50%
Pauquachin	1.44%
Central Saanich	41.35%
North Saanich	15.91%
Tseycum	0.54%
IOS	0.12%
Total	100.00%

FUNDING:

Requisition

RESERVE FUND:

Saanich Peninsula Wastewater Commission approved that operating surpluses be transferred to capital reserve fund, starting with 2009 budget (approved Nov 6, 2008).

Change in Budget 2025 to 2026

Service: **3.718 Saanich Peninsula Wastewater**	**Total Expenditure**	**Comments**
2025 Budget	**5,215,006**	
Operating Changes:		
Operating	20,251	Inflation-related increases in operating costs, offset by reduced maintenance requirements
Laboratory	7,419	Inflation cost
Heat Recovery	(12,112)	Reducing electricity budget to align with actual usage
Biosolids Mgmt.	175,869	Waste sludge hauling budget increased due to higher disposal rates for landfilling and trucking costs
Allocation - Standard Overhead	2,935	Calculation based on prior year's budget
Reserve Transfers	(57,890)	Reduction in reserve transfers due to increased biosolids management costs
Debt Serving	53,003	Debt cost related to capital projects for replacement of aged infrastructure
Total Other Changes	189,474	
2026 Budget	**5,404,480**	
Summary of % Expense Increase		
Debt servicing cost	***1.0%***	
Balance of increase	***2.6%***	
% expense increase from 2025:	***3.6%***	
% Requisition increase from 2025 (if applicable):	***5.97%***	*Requisition funding is 96.6% of service revenue*

Overall 2025 Budget Performance
(expected variance to budget and surplus treatment)

A one-time favorable variance of $69,000 is forecasted and will be transferred to the Capital Reserve Fund.

3.718 - Saanich Peninsula Wastewater	2025 BOARD BUDGET	2025 ESTIMATED ACTUAL	BUDGET REQUEST 2026 CORE BUDGET	2026 ONGOING	2026 ONE-TIME	2026 TOTAL	FUTURE PROJECTIONS 2027	2028	2029	2030
OPERATING COSTS										
Operating	3,088,128	2,942,506	3,073,379	-	35,000	3,108,379	3,283,174	3,251,027	3,390,080	3,415,685
Laboratory	186,232	186,232	193,651	-	-	193,651	199,371	205,257	211,315	217,560
Heat Recovery	149,623	150,447	137,511	-	-	137,511	140,274	143,082	145,942	148,864
Biosolids Mgmt.	620,377	769,000	796,246	-	-	796,246	1,049,069	1,052,047	1,055,079	1,058,188
Allocation - Standard Overhead	80,155	80,155	83,090	-	-	83,090	84,586	86,278	88,003	89,763
TOTAL OPERATING COSTS	**4,124,516**	**4,128,340**	**4,283,877**	**-**	**35,000**	**4,318,877**	**4,756,473**	**4,737,690**	**4,890,419**	**4,930,060**
*Percentage Increase over prior year		0.09%	3.86%	0.00%	0.85%	4.71%	10.13%	-0.39%	3.22%	0.81%
CAPITAL / RESERVE										
Transfer to Operating Reserve Fund	74,940	74,940	75,200	-	-	75,200	75,510	85,820	96,130	106,450
Transfer to Equipment Replacement Fund	531,300	531,300	212,500	-	-	212,500	217,410	221,760	226,200	230,724
Transfer to Capital Reserve Fund	386,000	455,190	646,650	-	-	646,650	427,380	438,130	438,890	439,670
Debt Reserve Fund	30,000	-	47,650	-	-	47,650	16,000	7,500	2,500	500
MFA Principal Payment	-	-	0	-	-	0	265,603	348,524	387,392	400,349
MFA Interest Payment	68,250	4,077	103,603	-	-	103,603	253,065	317,306	346,244	355,504
TOTAL CAPITAL / RESERVES	**1,090,490**	**1,065,507**	**1,085,603**	**-**	**-**	**1,085,603**	**1,254,968**	**1,419,040**	**1,497,356**	**1,533,196**
TOTAL COSTS	5,215,006	5,193,847	5,369,480	-	35,000	5,404,480	6,011,442	6,156,730	6,387,776	6,463,256
*Percentage Increase over prior year		-0.41%	2.96%	0.00%	0.67%	3.63%	11.23%	2.42%	3.75%	1.18%
Internal Recovery - Other	(158,602)	(137,443)	(138,991)	-	-	(138,991)	(141,770)	(144,600)	(147,490)	(150,432)
Recovery - Other	-	-	-	-	-	-	-	-	-	-
OPERATING COSTS LESS INTERNAL RECOVERIES	5,056,404	5,056,404	5,230,489	-	35,000	5,265,489	5,869,672	6,012,130	6,240,286	6,312,824
*Percentage Increase over prior year		0.00%	3.44%	0.00%	0.69%	4.14%	11.47%	2.43%	3.79%	1.16%
SOURCES OF FUNDING (REVENUE)										
Surplus / (Deficit)										
Balance C/F from Prior to Current Year										
Grants in Lieu of Taxes	(7,542)	(7,542)	(7,542)	-	-	(7,542)	(5,295)	(5,295)	(5,295)	(5,295)
Transfer from Own Funds	(120,000)	(120,000)	-	-	(35,000)	(35,000)	(130,000)	(30,000)	(100,000)	(55,000)
TOTAL REVENUE	**(127,542)**	**(127,542)**	**(7,542)**	**-**	**(35,000)**	**(42,542)**	**(135,295)**	**(35,295)**	**(105,295)**	**(60,295)**
REQUISITION	**(4,928,862)**	**(4,928,862)**	**(5,222,947)**	**-**	**-**	**(5,222,947)**	**(5,734,377)**	**(5,976,835)**	**(6,134,991)**	**(6,252,529)**
*Percentage increase over prior year		0.00%	5.97%	0.00%	0.00%	5.97%	9.79%	4.23%	2.65%	1.92%

PARTICIPANTS: C. Saanich, N. Saanich, Sidney, Airport

CAPITAL REGIONAL DISTRICT

FIVE YEAR CAPITAL EXPENDITURE PLAN SUMMARY - 2026 to 2030

Service No.	3.718 Saanich Peninsula Wastewater	Carry Forward from 2025	2026	2027	2028	2029	2030	TOTAL
	EXPENDITURE							
	Buildings	$0	$0	$0	$0	$0	$0	$0
	Equipment	$505,000	$990,000	$2,000,000	$1,160,000	$250,000	$50,000	$4,450,000
	Land	$0	$0	$0	$0	$0	$0	$0
	Engineered Structures	$3,390,000	$5,865,000	$3,000,000	$1,000,000	$950,000	$1,650,000	$12,465,000
	Vehicles	$0	$0	$0	$0	$0	$0	$0
		$3,895,000	**$6,855,000**	**$5,000,000**	**$2,160,000**	**$1,200,000**	**$1,700,000**	**$16,915,000**
	SOURCE OF FUNDS							
	Capital Funds on Hand	$0	$0	$0	$0	$0	$0	$0
	Debenture Debt (New Debt Only)	$2,640,000	$4,765,000	$1,600,000	$750,000	$250,000	$50,000	$7,415,000
	Equipment Replacement Fund	$555,000	$1,070,000	$400,000	$380,000	$200,000	$200,000	$2,250,000
	Grants (Federal, Provincial)	$0	$0	$2,550,000	$580,000	$0	$1,450,000	$4,580,000
	Donations / Third Party Funding	$0	$0	$0	$0	$0	$0	$0
	Reserve Fund	$700,000	$1,020,000	$450,000	$450,000	$750,000	$0	$2,670,000
		$3,895,000	**$6,855,000**	**$5,000,000**	**$2,160,000**	**$1,200,000**	**$1,700,000**	**$16,915,000**

Definitions for the 5-year Capital Plan

Asset Class	Asset class is used to classify assets for financial reporting in accordance with the Public Sector Accounting Board (PSAB) 3150. **L** - Land **S** - Engineering Structure **B** - Buildings **V** - Vehicles **E** - Equipment
Capital Expenditure Type	Capital expenditure type is used for reporting on asset investments and may be used to justify operational needs for a service. **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
Carryforward	Represents the carryforward amount from the prior year capital plan that is remaining to be spent. Forecast this spending over the next 5 years.
Funding Source	**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 If there is more than one funding source, additional rows are shown for the project.

CAPITAL REGIONAL DISTRICT

5 YEAR CAPITAL PLAN

2026 - 2030

Service #: 3.718

Service Name: Saanich Peninsula Wastewater

PROJECT DESCRIPTION				PROJECT BUDGET & SCHEDULE									
Project Number	Capital Expenditure Type	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward from 2025	2026	2027	2028	2029	2030	5 - Year Total
Project Number	apital Expenditure Typ	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward	Year 1	Year 2	Year 3	Year 4	Year 5	Year Totalauto-popula
WASTEWATER TREATMENT PLANT													$ -
23-03	Renewal	Odour Control Upgrade Construction	Odour control upgrades are required in numerous rooms and spaces at the treatment plant in order to meet health and safety requirements and prevent ongoing corrosion in some concrete tanks.	$ 1,000,000	S	Res	$ 500,000	$ 500,000	$ -	$ -	$ -	$ -	$ 500,000
23-03	Renewal	Odour Control Upgrade Construction		$ 3,500,000	S	Debt	$ 2,300,000	$ 3,500,000	$ -	$ -	$ -	$ -	$ 3,500,000
26-01	Renewal	Replace Covers on Primary Clarifiers	Replace covers over clarifiers to more easily removable geomembrane cover system.	$ 200,000	E	ERF	$ -	$ -	$ 200,000	$ -	$ -	$ -	$ 200,000
23-04	Replacement	Replace SCADA Servers and Ethernet Upgrades	Existing servers are EOL and need to be replaced to meet current CRD specifications and standards	$ 250,000	S	ERF	$ 250,000	$ 250,000	$ -	$ -	$ -	$ -	$ 250,000
24-01	Renewal	Sludge Tanks and Process Sump Cleaning and Repairs	Detailed Structural assessment of the primary clarifier No. 2 and sludge tanks to determine whether repairs are required. Cleaning, repair and apply protective coating on concrete surfaces inside of the sludge tanks and process sump is required to prevent ongoing corrosion and extensive structural damage.	$ 2,050,000	S	Grant	$ -	$ -	$ 2,050,000	$ -	$ -	$ -	$ 2,050,000
24-01	Renewal	Sludge Tanks and Process Sump Cleaning and Repairs		$ 950,000	S	Debt	$ 10,000	$ 410,000	$ 450,000	$ -	$ -	$ -	$ 860,000
28-01	Study	Bazan Bay Outfall Inspection	Follow-up inspection of Bazan Bay Outfall	$ 250,000	S	Res		$ -	$ -	$ 250,000	$ -	$ -	$ 250,000
24-02	Replacement	Standby Power Assessment and Replacement	Original standby genset is nearing end of life and AECOM recommended completing a power load assessment and upgrading to a new genset that can provide standby power to the whole treatment plant.	$ 30,000	E	Res	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24-02	Replacement	Standby Power Assessment and Replacement	Original standby genset is nearing end of life and AECOM recommended completing a power load assessment and upgrading to a new genset that can provide standby power to the whole treatment plant.	$ 920,000	E	Debt	$ 30,000	$ 180,000	$ 650,000		$ -	$ -	$ 830,000
24-03	Replacement	SCADA Equipment Replacement	Project to review and address the maturation of SCADA hardware throughout the service areas.	$ 1,000,000	E	Debt	$ 200,000	$ 200,000	$ 250,000	$ 250,000	$ 250,000	$ 50,000	$ 1,000,000
24-04	Replacement	SPWWTP PLC Replacement	PLC and CPUs at SPWWTP are at the end of life and must be replaced. The Schneider product currently used at the SPWWTP was discontinued in 2018 and will no longer be supported as of 2026.	$ 500,000	E	Debt	$ 50,000	$ 100,000	$ 250,000	$ -	$ -	$ -	$ 350,000
26-02	Study	Wastewater Treatment Plant Model Development	Initial assessment and plant modelling exercise to help assess future plant optimization.	$ 150,000	E	Res		$ 50,000	$ 50,000	$ 50,000	$ -	$ -	$ 150,000
26-03	Renewal	Decarbonization Improvements at SPWWTP	Project to carry out decarbonization improvement recommendations as developed through the 2024 Low Carbon Electrification Study.	$ 120,000	E	Res		$ 120,000	$ -	$ -	$ -	$ -	$ 120,000
26-03	Renewal	Decarbonization Improvements at SPWWTP		$ 1,080,000	E	Grant		$ -	$ 500,000	$ 580,000	$ -	$ -	$ 1,080,000
PUMP STATIONS													
24-05	Replacement	Keating Pump Station - Pump Replacement	The existing pumps are nearing end of life and are becoming more difficult to maintain.	$ 600,000	S	ERF	$ 230,000	$ 530,000	$ -	$ -	$ -	$ -	$ 530,000
GENERAL										$ -	$ -	$ -	$ -
21-04	Replacement	Voice Radio Replacement	Replacement of the voice radios, in coordination with the RWS, SPW, JDF, and Core Area services.	$ 85,000	E	ERF	$ 30,000	$ 30,000	$ -	$ -	$ -	$ -	$ 30,000
18-10	Replacement	Equipment Replacement - Annual Provisional	Funds are required for emergency replacement of equipment that is unplanned and outside maintenance contingencies.	$ 1,200,000	S	ERF	$ -	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 200,000	$ 1,000,000
22-02	New	Microwave Radio Upgrades	To provide a high bandwidth communications backbone to the SPW/SPWW systems, a microwave communications system will be installed.	$ 550,000	E	Res	$ 150,000	$ 250,000	$ 100,000	$ 100,000	$ -	$ -	$ 450,000
24-06	Replacement	IT Core Infrastructure Replacement	Replacement of Core IT infrastructure such as servers, network switches, UPS, etc for equipment end of life	$ 240,000	E	ERF	$ 45,000	$ 60,000	$ -	$ 180,000	$ -	$ -	$ 240,000
29-01	Study	Inflow and Infiltration (I&I) Management Plan Update	Future update to the Saanich Peninsula Wastewater I&I Plan	$ 50,000	S	Res		$ -	$ -	$ -	$ 50,000	$ -	$ 50,000
26-04	**Study**	**Wastewater Strategic Planning**	Create a strategic plan for wastewater within the CRD to guide decision making and long-term planning	$ 50,000	S	Res		$ 50,000					$ 50,000.00
GRAVITY SEWERS & MANHOLES													$ -
20-04	Renewal	Manhole Repairs and Replacement	Based upon inspections, high priority repairs and relining will start on some MH's in Central Saanich and Sidney. Repairs/relining will be scheduled in the next 5 years.	$ 100,000	S	Res	$ -	$ -	$ -	$ -	$ -	$ -	$ -
20-04	Renewal	Manhole Repairs and Replacement	Based upon inspections, high priority repairs and relining will start on some MH's in Central Saanich and Sidney. Repairs/relining will be scheduled in the next 5 years.	$ 850,000	S	Debt	$ 50,000	$ 375,000	$ -	$ 500,000	$ -	$ -	$ 875,000
27-02	Renewal	Trunk Sewer Relining - Ph2	Based upon CCTV inspection, about another 1600m of 500mm dia asbestos cement sewer should be lined in 2029.	$ 1,450,000	S	Grant		$ -	$ -	$ -	$ -	$ 1,450,000	$ 1,450,000
27-02	Renewal	Trunk Sewer Relining - Ph2		$ 750,000	S	Res		$ -	$ -	$ 50,000	$ 700,000	$ -	$ 750,000
27-03	Renewal	Flushing and CCTV Inspection	SPWW sewers should be cleaned and inspected on a 5-basis. The next 5-year inspection is planned for 2027.	$ 150,000	S	Res		$ -	$ 150,000	$ -	$ -	$ -	$ 150,000
27-04	Renewal	I&I Flow Monitoring	Flow Monitoring leading up to I&I Plan Updates	$ 150,000	S	Res		$ -	$ 150,000	$ -	$ -	$ -	$ 150,000
PRESSURE PIPES & APPERTUNANCES													$ -
DEVELOPMENT COST CHARGE (DCC) PROJECTS													$ -
23-01	Renewal	DCC Program - 5-year Update	5-year update of the DCC program.	$ 75,000	S	Res	$ 50,000	$ 50,000	$ -	$ -	$ -	$ -	$ 50,000
													$ -
													$ -
			Grand Total	**$ 18,300,000**			**$ 3,895,000**	**$ 6,855,000**	**$ 5,000,000**	**$ 2,160,000**	**$ 1,200,000**	**$ 1,700,000**	**$ 16,915,000**

Service: **3.718** **Saanich Peninsula Wastewater**

Project Number	23-03
Capital Project Title	Odour Control Upgrade Construction
Capital Project Description	Odour control upgrades are required in numerous rooms and spaces at the treatment plant in order to meet health and safety requirements and prevent ongoing corrosion in some concrete tanks.
Project Rationale	Construction improvements to be implemented based on recommendations made in the KWL report. Odour control upgrades are required in numerous rooms and spaces at the treatment plant in order to meet health and safety requirements and prevent ongoing corrosion in some concrete tanks.

Project Number	26-01
Capital Project Title	Replace Covers on Primary Clarifiers
Capital Project Description	Replace covers over clarifiers to more easily removable geomembrane cover system.
Project Rationale	The existing aluminum checker plate covers on the clarifiers are difficult to remove. A more easily removeable geomembrane cover system will allow for better operation and maintenance of the clarifiers and prolong carbon life in the odour control system.

Project Number	23-04
Capital Project Title	Replace SCADA Servers and Ethernet Upgrades
Capital Project Description	Existing servers are EOL and need to be replaced to meet current CRD specifications and standards
Project Rationale	Existing servers are EOL and need to be replaced to meet current CRD specifications and standards

Project Number	24-01
Capital Project Title	Sludge Tanks and Process Sump Cleaning and Repairs
Capital Project Description	Detailed Structural assessment of the primary clarifier No. 2 and sludge tanks to determine whether repairs are required. Cleaning, repair and apply protective coating on concrete surfaces inside of the sludge tanks and process sump is required to prevent ongoing corrosion and extensive structural damage.
Project Rationale	Primary Clarifier No. 1 and the oxidation tanks have had detailed structural assessments, funds are required to conduct a detailed assessment of primary clarifier No. 2 and the sludge tanks to determine whether concrete repairs are required similar to the oxidation tanks and primary clarifier No. 1.

Service: **3.718** **Saanich Peninsula Wastewater**

Project Number	27-01	**Capital Project Title**	SPWWTP Road Upgrades	**Capital Project Description**	Construct drainage and pavement replacement on the SPWWTP access road.
Project Rationale	The access road to the SPWWTP will be 27 years old and is showing localized pavement failure. Additionally, the road drainage system requires some rehabilitation to maintain its function. Funds are required to design the drainage improvements and pavement repairs, and carry out the improvements.				

Project Number	28-01	**Capital Project Title**	Bazan Bay Outfall Inspection	**Capital Project Description**	Follow-up inspection of Bazan Bay Outfall
Project Rationale	Follow up 2028 inspection of Bazan Bay outfall to meet MWR requirements for 5-years inspection frequencies following the 2023 inspection. Considerations for ROV, Electromagnetic and dye tracing.				

Project Number	24-02	**Capital Project Title**	Standby Power Assessment and Replacement	**Capital Project Description**	Original standby genset is nearing end of life and AECOM recommended completing a power load assessment and upgrading to a new genset that can provide standby power to the whole treatment plant.
Project Rationale	Original standby genset is nearing end of life and AECOM recommended completing a power load assessment and upgrading to a new genset that can provide standby power to the whole treatment plant.				

Project Number	24-03	**Capital Project Title**	SCADA Equipment Replacement	**Capital Project Description**	Project to review and address the maturation of SCADA hardware throughout the service areas.
Project Rationale	Project to review and address the maturation of SCADA hardware throughout the service areas.				

Service:	**3.718**	**Saanich Peninsula Wastewater**			

Project Number	24-04	**Capital Project Title**	SPWWTP PLC Replacement	**Capital Project Description**	PLC and CPUs at SPWWTP are at the end of life and must be replaced. The Schneider product currently used at the SPWWTP was discontinued in 2018 and will no longer be supported as of 2026.
Project Rationale	PLC and CPUs at SPWWTP are at the end of life and must be replaced. The Schneider product currently used at the SPWWTP was discontinued in 2018 and all support will be terminated in 2026.				

Project Number	26-02	**Capital Project Title**	Wastewater Treatment Plant Model Development	**Capital Project Description**	Initial assessment and plant modelling exercise to help assess future plant optimization.
Project Rationale	Model development will better help to fine tune processes andbetter analyze and optimize current and future operations.				

Project Number	26-03	**Capital Project Title**	Decarbonization Improvements at SPWWTP	**Capital Project Description**	Project to carry out decarbonization improvement recommendations as developed through the 2024 Low Carbon Electrification Study.
Project Rationale	Saanich Peninsula WWTP is within the top 5 GHG emitters in the CRD portfolio. Supported by the Government of Canada and Provinc eof BC through the CleanBC Custom Program, a low carbon electrification report was carried out by Prism Engineering in 2024 which recommends improvements that will reduce reliance on natural gas, including a water source heat pump and domestic hot water pre-heating				

Project Number	24-05	**Capital Project Title**	Keating Pump Station - Pump Replacement	**Capital Project Description**	The existing pumps are nearing end of life and are becoming more difficult to maintain.
Project Rationale	Replacement of existing pumps at existing facility.				

Service: **3.718** **Saanich Peninsula Wastewater**

Project Number	26-04	**Capital Project Title**	Wastewater Strategic Planning	**Capital Project Description**	Create a strategic plan for wastewater within the CRD to guide decision making and long-term planning
Project Rationale	High level framework of strategic priorities and commitments for liquid waste within the CRD. The strategic plan will guide decision making and long term planning required for executing the CRD Wastewater Master Plan.				

Project Number	21-04	**Capital Project Title**	Voice Radio Replacement	**Capital Project Description**	Replacement of the voice radios, in coordination with the RWS, SPW, JDF, and Core Area services.
Project Rationale	Replacement of the voice radios, in coordination with the RWS, SPW, JDF, and Core Area services.				

Project Number	18-10	**Capital Project Title**	Equipment Replacement - Annual Provisional	**Capital Project Description**	Funds are required for emergency replacement of equipment that is unplanned and outside maintenance contingencies.
Project Rationale	Funds are required for emergency replacement of equipment that is unplanned and outside maintenance contingencies.				

Project Number	22-02	**Capital Project Title**	Microwave Radio Upgrades	**Capital Project Description**	To provide a high bandwidth communications backbone to the SPW/SPWW systems, a microwave communications system will be installed.
Project Rationale	Multiple facilities throughout the CRD RWS system require additional bandwidth to allow for proper monitoring and control. This project will enable the initial design and preliminary installation of a high bandwidth microwave backbone that will be able to be leveraged by multiple CRD operational groups. The installation of this backbone will be coordinated with the other IWS service areas.				

Project Number	24-06	**Capital Project Title**	IT Core Infrastructure Replacement	**Capital Project Description**	Replacement of Core IT infrastructure such as servers, network switches, UPS, etc for equipment end of life
Project Rationale	Project for IT Core Infrastructure Replacement associated with SPWWS. Program to be managed by IT.				

Service: **3.718** **Saanich Peninsula Wastewater**

Project Number	29-01	**Capital Project Title**	Inflow and Infiltration (I&I) Management Plan Update	**Capital Project Description**	Future update to the Saanich Peninsula Wastewater I&I Plan
Project Rationale	Continual improvements I&I Management reduce the impact on limiting capacity on conveyance and treatment infrastructure.				

Project Number	20-04	**Capital Project Title**	Manhole Repairs and Replacement	**Capital Project Description**	Based upon inspections, high priority repairs and relining will start on some MH's in Central Saanich and Sidney. Repairs/relining will be scheduled in the next 5 years.
Project Rationale	During the trunk sewer main inspections in 2018-2019, the manholes were inspected as well. A number of manholes were identified with major defects requiring repairs or relining, mostly in Central Saanich and Sidney. Funds are required to retain a contractor to carry out manhole repairs.				

Project Number	27-02	**Capital Project Title**	Trunk Sewer Relining - Ph2	**Capital Project Description**	Based upon CCTV inspection, about another 1600m of 500mm dia asbestos cement sewer should be lined in 2029.
Project Rationale	The trunk sewer mains were inspected in 2018-2019 resulting in approximately 800 m of 500 mm diameter asbestos cement sewer pipe requiring relining to maintain integrity. Funds are required to retain a contractor to conduct the pipe relining starting where Phase 1 left.				

Project Number	27-03	**Capital Project Title**	Flushing and CCTV Inspection	**Capital Project Description**	SPWW sewers should be cleaned and inspected on a 5-basis. The next 5-year inspection is planned for 2027.
Project Rationale	Flushing and CCTV inspection program for pipe condition of SPWW sewers.				

Project Number	27-04	**Capital Project Title**	I&I Flow Monitoring	**Capital Project Description**	Flow Monitoring leading up to I&I Plan Updates
Project Rationale	Monitoring to facilitate future plan updates.				

Service:	**3.718**	**Saanich Peninsula Wastewater**			
Project Number	23-01	**Capital Project Title**	DCC Program - 5-year Update	**Capital Project Description**	5-year update of the DCC program.
Project Rationale	Update to DCC will better align Developer Cost Charges with upgrades to the system required for growth.				

Summary Schedule
2026 - 2030 Financial Plan

Asset Profile

Saanich Peninsula Wastewater Assets

Construction of the Saanich Peninsula Wastewater Treatment Plant (SPWWTP) was completed in January 2000 to provide wastewater service for Central Saanich, North Saanich and Sidney, as well as the local First Nations, Victoria Airport Authority, and the Institute of Ocean Sciences Centre. Annually, the SPWWTP produces on average 3,600 tonnes of sludge which is currently hauled being treated at the Residuals Treatment Facility at Hartland. The SPWWTP heat recovery system was commissioned in February 2011 and has supplied treatment plant effluent waste heat to the Panorama Recreation Center for heating its swimming pools since then. Assets in the Saanich Peninsula Wastewater System include land, the SPWWTP and a secondary treatment plant, three pumping stations, thermal recovery and other buildings, 14 kilometres of collections and conveyance (gravity & pressure) mains, and a marine outfalls.

Reserve/Fund Summary

	Estimate	Budget				
	2025	**2026**	**2027**	**2028**	**2029**	**2030**
Capital Reserve Funds	1,750,487	2,127,137	2,204,517	2,292,647	2,081,537	2,621,207
Equipment Replacement Fund	1,778,779	1,476,279	1,293,689	1,135,449	1,161,649	1,192,373
Operating Reserve Fund	1,432,645	1,472,845	1,418,355	1,474,175	1,470,305	1,521,755
Total	**4,961,911**	**5,076,261**	**4,916,561**	**4,902,271**	**4,713,491**	**5,335,334**

See attached reserve schedules for projected annual cash flows.

Capital Reserve Fund Schedule - SPWWTP

Capital Reserve Fund SPWWTP - DCC Portion and Capital Reserve Portion

Bylaw 2760 established a Reserve Fund for the Saanich Peninsula Wastewater System. There are two portions in the Reserve Fund: Development Cost Charges is deposited in the DCC portion and expenditures are restricted. Surplus funds from the Operating budget are deposited to the Capital Reserve portion and expenditures provide for capital works.

DCC Portion
Fund: 1012
Fund Center: 101356

	Estimate	Budget				
	2025	**2026**	**2027**	**2028**	**2029**	**2030**
Beginning Balance	252,148	320,148	370,148	470,148	570,148	670,148
Planned Capital Expenditure (Based on Capital Plan)	-	(50,000)		-	-	-
Transfer OUT - To Capital Reserve						
Fund Return						
Transfer IN - DCC Funding	60,000	100,000	100,000	100,000	100,000	100,000
Interest Income	8,000	-	-	-	-	-
Ending Balance $	**320,148**	**370,148**	**470,148**	**570,148**	**670,148**	**770,148**

Assumptions/Background:
Surplus funds from the Operating budget are deposited to the Capital Reserve portion and expenditures provide for capital works.
Approved capital expenditures to be funded by DCC to be determined, as under review.

Capital Reserve Portion
Fund: 1012
Fund Center: 102022

	Estimate	Budget				
	2025	**2026**	**2027**	**2028**	**2029**	**2030**
Beginning Balance	1,230,149	1,430,339	1,756,989	1,734,369	1,722,499	1,411,389
Planned Capital Expenditure	(300,000)	(320,000)	(450,000)	(450,000)	(750,000)	-
Transfer from Ops Budget	386,000	646,650	427,380	438,130	438,890	439,670
Planned transfer from DCC Funds			-	-	-	-
Surplus	69,190					
Interest Income*	45,000	-	-	-	-	-
Ending Balance $	**1,430,339**	**1,756,989**	**1,734,369**	**1,722,499**	**1,411,389**	**1,851,059**

Saanich Peninsula Commission approved that operating surpluses be transferred to capital reserve fund each year, starting with 2009 budget.
The planned purchase amount may differ from the five-year capital plan summary due to carryover from the previous year.
* Interest should be included in determining the estimated ending balance for the current year. Interest in planning years nets against inflation which is not included.

	2025	2026	2027	2028	2029	2030
Total both funds	1,750,487	2,127,137	2,204,517	2,292,647	2,081,537	2,621,207

ERF Reserve Fund Schedule SPWWTP

ERF: SPWWTP ERF or PERS Fund for Equipment

ERF Reserve to fund replacement of equipment that lasts less than 15 years in the NWT System. Also called PERS (Priority Equipment Replacement). Example motors, pumps... There are 2 PERS, Trunks and Treatment Plant; and 1 ERF for SPWWTP Lab Equipment

Equipment Replacement Fund- SPWWTP
Fund: 1022
Fund Center: 101700

	Estimate	Budget				
	2025	**2026**	**2027**	**2028**	**2029**	**2030**
Beginning Balance	1,615,979	1,778,779	1,476,279	1,293,689	1,135,449	1,161,649
Planned Purchase (Based on Capital Plan)	(375,000)	(515,000)	(400,000)	(380,000)	(200,000)	(200,000)
Estimated Surplus						
Transfer IN (from Ops Budget)	531,300	212,500	217,410	221,760	226,200	230,724
Interest Income*	6,500					
Ending Balance $	**1,778,779**	**1,476,279**	**1,293,689**	**1,135,449**	**1,161,649**	**1,192,373**

The ERF funds the replacement or repair of equipment with a service life of 15 years or less. In the past the ERF has also been referred to as a Priority Equipment Replacement Strategy (PERS). There are three individual ERF funds; Wastewater Treatment Plant (E00561), Trunk Sewers (E00562) and Saanich Peninsula Laboratory Equipment (E00586)

The planned purchase amount may differ from the five-year capital plan summary due to carryover from the previous year.

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

Profile

Saanich Peninsula Wastewater

Starting in 2003, maintenance reserve accounts were established for operating and maintenance activities that typically do not occur annually. These maintenance activities are large expense and to and to avoid large swings in the operating budget, funds are set aside annually to undertake this maintenance. The maintenance activities are the replacement and disposal of the odour control carbon at the treatment plant approximately every 2 years, replacement and disposal of the odour control carbon at Keating Pump Station every 5 years, the regulatory inspection of the Bazan Bay marine outfall every 5 years and the cleaning and rebuild of the District Energy Sharing System heat exchanger every 5-8 years.

Operating Reserve Schedule

Operating Reserve Schedule	**Estimate**	**Budget**				
Fund: 1500 Fund Center: 105204	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Beginning Balance	1,432,705	1,432,645	1,472,845	1,418,355	1,474,175	1,470,305
Transfer In						
Planned Purchase	(120,000)	(35,000)	(130,000)	(30,000)	(100,000)	(55,000)
Surplus	-					
Transfer from Ops Budget	74,940	75,200	75,510	85,820	96,130	106,450
Interest Income*	45,000	-	-	-	-	-
Ending Balance $	**1,432,645**	**1,472,845**	**1,418,355**	**1,474,175**	**1,470,305**	**1,521,755**

Assumptions/Background:

Maintenance Reserve Account: Outfall Inspection, Odour Control Carbon Replacement, Heat Recovery Exchange System Cleaning

* Interest should be included in determining the estimated ending balance for the current year. Interest in planning years nets against inflation which is not included.

CAPITAL REGIONAL DISTRICT

2026 BUDGET

Saanich Peninsula - Stormwater Quality Management

Commission REVIEW

October 2025

Service: 1.537 Saanich Peninsula - Stormwater Quality Management **Commission: Saanich Peninsula Waste Water**

DEFINITION:

Establishment Bylaw No. 3642 (2009), as amended by Bylaw No. 4141 (2017), to identify pollution in stormwater run-off from land in the service area.

SERVICE DESCRIPTION:

The service provides a stormwater quality program in the Saanich Peninsula to coordinate and provide information for management of stormwater quality and surface water resources. The program identifies levels of contaminants in stormwater discharges and prioritizes the level of public health and environmental concern posed by the discharges and then works to reduce/eliminate the contaminants.

PARTICIPATION:

District of Central Saanich, North Saanich and Town of Sidney.

MAXIMUM LEVY:

Greater of $106,017 or $0.0103/$1,000 of actual assessments.

MAXIMUM CAPITAL DEBT:

Nil

COMMITTEE:

Saanich Peninsula Wastewater Commission

FUNDING:

The apportionment of annual operating costs among the participating areas shall be on the basis of one -sixth in proportion to the population of the participating areas, one-sixth in proportion to the land area of the participating areas, one -sixth in proportion to the length of shoreline in each of the participating areas, and one-half in proportion to the number of high and medium priority discharges of stormwater to the environment in the prior year within the boundaries of each of the participating areas, as determined by the Capital Regional District Board.

USER CHARGE:

N/A

Service: 1.537 Saanich Peninsula - Stormwater Quality Management **Commission: Saanich Peninsula Waste Water**

COST SHARING ALLOCATION:

	Stormwater
Central Saanich	27.21%
North Saanich	34.69%
Sidney	24.93%
Tsawout Nations	3.99%
Tsartlip Nations	4.52%
Pauquachin Nations	2.68%
Tseycum Nations	1.98%
Total	**100.00%**

Note:
* Service established effective 2010; previously provided by agreement

Bylaw 4141

APPENDIX A

1.537 Saanich Peninsula - Stormwater Quality Mgmt	2025 BOARD BUDGET	2025 ESTIMATED ACTUAL	BUDGET REQUEST 2026 CORE BUDGET	2026 ONGOING	2026 ONE-TIME	2026 TOTAL	2027 TOTAL	2028 TOTAL	2029 TOTAL	2030 TOTAL
OPERATING COSTS:										
Operating Expenditures	86,757	86,757	89,648	-	-	89,648	92,272	94,988	97,539	100,406
Contract For Services	21,134	21,134	21,515	-	-	21,515	21,945	22,384	22,832	23,288
Consultant Expenses	20,861	20,861	19,827	-	-	19,827	19,049	18,211	17,573	16,651
TOTAL OPERATING COSTS	**128,753**	**128,753**	**130,990**	**-**	**-**	**130,990**	**133,266**	**135,584**	**137,943**	**140,345**
*Percentage Increase over prior year		0.0%	1.7%	0.0%	0.0%	1.7%	1.7%	1.7%	1.7%	1.7%
CAPITAL / RESERVE										
Transfer to Equipment Replacement Fund	-	-	-	-	-	-	-	-	-	-
Transfer to Operating Reserve Fund	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL / RESERVES	-	-	-	-	-	-	-	-	-	-
TOTAL COSTS	128,753	128,753	130,990	-	-	130,990	133,266	135,584	137,943	140,345
*Percentage Increase over prior year		0.0%	1.7%	0.0%	0.0%	1.7%	1.7%	1.7%	1.7%	1.7%
FUNDING SOURCES (REVENUE)										
Surplus / (Deficit)										
Balance C/F from Prior to Current year	-	-	-	-	-	-	-	-	-	-
Grants in Lieu of Taxes	(4,508)	(4,508)	(4,508)	-	-	(4,508)	(4,508)	(4,508)	(4,508)	(4,508)
Transfer From Operating Reserve	-	-	(10,000)	-	-	(10,000)	(10,180)	(10,363)	(10,550)	(10,740)
TOTAL REVENUE	(4,508)	(4,508)	(14,508)	-	-	(14,508)	(14,688)	(14,871)	(15,058)	(15,248)
REQUISITION	**(124,245)**	**(124,245)**	**(116,482)**	**-**	**-**	**(116,482)**	**(118,578)**	**(120,713)**	**(122,885)**	**(125,097)**
*Percentage Increase over prior year	0.0%	0.0%	-6.2%	0.0%	0.0%	-6.2%	1.8%	1.8%	1.8%	1.8%

PARTICIPANTS: Central Saanich, North Saanich, Sidney

1.537 Saanich Peninsula - Stormwater Quality Mgmt
Operating Reserve Summary
2026 - 2030 Financial Plan

Profile

Saanich Peninsula - Stormwater Quality Mgmt

Established by Bylaw No. 4147 to enable CRD services to set aside operating funds to cover cyclical expenditures, unforeseen operating expenses, special one-time operating projects, as well as to mitigate fluctuations in revenue.

Operating Reserve Schedule

Operating Reserve Schedule	Estimate	Budget				
Fund: 1500 Fund Center: 105520	2025	2026	2027	2028	2029	2030
Projected year end balance						
Beginning Balance	97,802	102,140	92,140	81,960	71,597	61,047
Planned Purchase	-	-	-	-	-	-
Transfer from/to Ops Budget		(10,000)	(10,180)	(10,363)	(10,550)	(10,740)
Interest Income*	4,338	-	-	-	-	-
Total projected year end balance	**102,140**	**92,140**	**81,960**	**71,597**	**61,047**	**50,307**

* Interest should be included in determining the estimated ending balance for the current year. Interest in planning years nets against inflation which is not included.

CAPITAL REGIONAL DISTRICT

2026 BUDGET

Saanich Peninsula - Source Control Stormwater

Commission REVIEW

October 2025

Service: 1.538 Saanich Peninsula - Source Control Stormwater **Commission: Saanich Peninsula Waste Water**

DEFINITION:

To regulate, prohibit and impose requirements in respect of discharges to the municipal stormwater system and water courses Bylaw No. 3906 (adopted August, 2013), amended by Bylaw No. 4140 (2016).

SERVICE DESCRIPTION:

The service provides a regulatory stormwater source control program in the Saanich Peninsula to manage stormwater quality in the municipal drainage systems.

PARTICIPATION:

Districts of Central Saanich, North Saanich and Town of Sidney.

MAXIMUM LEVY:

Maximum Levy: Greater of $51,715 or $0.005/$1,000 of actual assessments.

MAXIMUM CAPITAL DEBT:

Nil

COMMITTEE:

Saanich Peninsula Wastewater

FUNDING:

The annual costs for the service, net of grants and other revenues, shall be apportioned on the basis of:
a) The population of the participating areas; and
b) The population estimate as determined annually by the Regional Planning Services department of the Capital Regional District.

USER CHARGE:

N/A

1.538 San Pen - Source Control Stormwater	2025 BOARD BUDGET	2025 ESTIMATED ACTUAL	BUDGET REQUEST 2026 CORE BUDGET	2026 ONGOING	2026 ONE-TIME	2026 TOTAL	2027 TOTAL	2028 TOTAL	2029 TOTAL	2030 TOTAL
OPERATING COSTS:										
Operating Expenditures	62,006	59,555	54,537	-	-	54,537	55,365	56,926	58,531	60,183
Contract For Services	8,923	10,000	8,084	-	-	8,084	8,076	9,282	9,470	9,664
TOTAL OPERATING COSTS	**70,929**	**69,555**	**62,621**	**-**	**-**	**62,621**	**63,441**	**66,208**	**68,001**	**69,847**
*Percentage Increase over prior year		-1.9%	-11.7%	0.0%	0.0%	-11.7%	1.3%	4.4%	2.7%	2.7%
CAPITAL / RESERVE										
Transfer to Operating Reserve Fund	-	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL / RESERVES	-	-	-	-	-	-	-	-	-	-
TOTAL COSTS	70,929	69,555	62,621	-	-	62,621	63,441	66,208	68,001	69,847
*Percentage Increase over prior year		-1.9%	-11.7%	0.0%	0.0%	-11.7%	1.3%	4.4%	2.7%	2.7%
FUNDING SOURCES (REVENUE)										
Surplus / (Deficit)										
Balance C/F from Prior to Current year	-	-	-	-	-	-	-	-	-	-
Grants in Lieu of Taxes	(1,594)	(1,594)	(1,594)	-	-	(1,594)	(1,594)	(1,594)	(1,594)	(1,594)
Transfer From Operating Reserve	(10,673)	(9,299)	(606)	-	-	(606)	(1,535)	(2,628)	(2,691)	(2,763)
TOTAL REVENUE	(12,267)	(10,893)	(2,200)	-	-	(2,200)	(3,129)	(4,222)	(4,285)	(4,357)
REQUISITION	**(58,662)**	**(58,662)**	**(60,421)**	**-**	**-**	**(60,421)**	**(60,312)**	**(61,986)**	**(63,716)**	**(65,490)**
*Percentage Increase over prior year		0.0%	3.0%	0.0%	0.0%	3.0%	-0.2%	2.8%	2.8%	2.8%
PARTICIPANTS: Central Saanich, North Saanich, and Sidney										
AUTHORIZED POSITIONS:										
Salaried	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Term	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

1.538 San Pen - Source Control Stormwater
Operating Reserve Summary
2026 - 2030 Financial Plan

Profile

San Pen - Source Control Stormwater

Established by Bylaw No. 4147 to enable CRD services to set aside operating funds to cover cyclical expenditures (such as legal challlenges and investigations), unforeseen operating expenses, special one-time operating projects, as well as to mitigate fluctuations in revenue.

Operating Reserve Schedule

Operating Reserve Schedule (Fund: 1500 / FC: 105521)	Estimate	Budget				
	2025	2026	2027	2028	2029	2030
Projected year end balance						
Beginning Balance	61,322	54,727	54,121	52,586	49,958	47,267
Planned Purchase	(9,299)	(606)	(1,535)	(2,628)	(2,691)	(2,763)
Transfer from/to Ops Budget		-	-	-	-	-
Interest Income*	2,704	-	-	-	-	-
Total projected year end balance	**54,727**	**54,121**	**52,586**	**49,958**	**47,267**	**44,504**

* Interest should be included in determining the estimated ending balance for the current year. Interest in planning years nets against inflation which is not included.

CAPITAL REGIONAL DISTRICT

2026 BUDGET

L.W.M.P. Peninsula Programs

Commission REVIEW

October 2025

Service: 3.720 L.W.M.P. (Peninsula) **Saanich Peninsula Wastewater Commission**

DEFINITION:

Implementation of the Liquid Waste Management Plan for the Saanich Peninsula. Bylaw No. 2388 (1996), amended by Bylaw No. 2439 (1996) and Bylaw No. 3073 (2003)

SERVICE DESCRIPTION:

To manage the Saanich Peninsula Liquid Waste Management Plan (SPLWMP) and implement the commitments approved under the plan as required:

- planning, reporting, amendment preparation, implementation of commitments, biosolids management program, resource recovery development and inflow/infiltration enhancement program

MAXIMUM LEVY:

Greater of $5,663,000 or $1.56 / $1,000 of actual assessments

MAXIMUM CAPITAL DEBT:

Nil

COMMITTEE:

Saanich Peninsula Wastewater Commission

FUNDING:

Requisition

RESERVE FUND:

Bylaw No. 4144 Operating Reserve Fund

Service: 3.720 L.W.M.P. (Peninsula) **Saanich Peninsula Wastewater Commission**

COST SHARING ALLOCATION - ANNUAL WASTEWATER FLOWS

Central Saanich	43.18%
North Saanich (*see note below)	16.61%
Sidney	40.21%
Total	**100.00%**

Note:
* North Saanich taxes all of North Saanich, including the Airport, as LWMP benefits all of North Saanich, and not just the sewer area. (March 18, 2002)

Change in Budget 2025 to 2026
Service: 3.720 LWMP (PENINSULA)

	Total Expenditure	Comments
2025 Budget	**57,819**	
Change in Wages & Benefits:		
Base wages & benefits change		
Step increase/paygrade change	-	
Total Change in Wages & Benefits	-	
Other Changes:		
Contract for Services	72,411	To hire a public consultation facilitator if the SPWWC confirms that a LWMP rewrite is required. A rewrite will be a multi-year, multi-stakeholder process.
Standard Overhead Allocation	51	Increase in 2025 operating costs
Transfer to Operating Reserve	(22,593)	To Fund Contarct For Services. If the SPWWC confirms that a LWMP rewrite is required, similar draws from reserve will be required in the next couple of years.
Other Costs	1,155	Increase in environmental protection and RWC engineering allocation
Total Other Changes	51,024	
2026 Budget	**108,843**	

Summary of % Expense Increase		
2026 Base salary and benefit change	0.0%	
Contract of Services	125.2%	
Standard Overhead Allocation	0.1%	
Operating Reserve Transfers	-39.1%	
Balance of increase	2.0%	
% expense increase from 2025:	***88.2%***	
% Requisition increase from 2025 (if applicable):	***1.8%***	*Requisition funding is 0 % of service revenue*

Overall 2025 Budget Performance
(expected variance to budget and surplus treatment)

The overall 2025 budget performance is anticipated to align with the approved budget, with no significant variances expected. At this time, no operating surplus or deficit is projected, and no surplus treatment actions are anticipated.

3.720 - LWMP (PENINSULA)	2025 BOARD BUDGET	2025 ESTIMATED ACTUAL	BUDGET REQUEST 2026 CORE BUDGET	2026 ONGOING	2026 ONE-TIME	2026 TOTAL	2027 TOTAL	2028 TOTAL	2029 TOTAL	2030 TOTAL
OPERATING COSTS:										
Operating Expenditures	35,226	35,226	36,432	-	-	36,432	37,492	38,586	39,713	40,870
Contract For Services	-	-	72,411	-	-	72,411	72,393	72,360	-	-
TOTAL OPERATING COSTS	**35,226**	**35,226**	**108,843**	**-**	**-**	**108,843**	**109,885**	**110,946**	**39,713**	**40,870**
*Percentage Increase over prior year		0.0%	209.0%	0.0%	0.0%	209.0%	1.0%	1.0%	-64.2%	2.9%
CAPITAL / RESERVE										
Transfer to Operating Reserve Fund	22,593	22,593	-	-	-	-	-	-	-	-
TOTAL CAPITAL / RESERVES	22,593	22,593	-	-	-	-	-	-	-	-
TOTAL COSTS	57,819	57,819	108,843	-	-	108,843	109,885	110,946	39,713	40,870
*Percentage Increase over prior year		0.0%	88.2%	0.0%	0.0%	88.2%	1.0%	1.0%	-64.2%	2.9%
OPERATING COSTS LESS INTERNAL RECOVERIES	57,819	57,819	108,843	-	-	108,843	109,885	110,946	39,713	40,870
*Percentage Increase over prior year		0.0%	88.2%	0.0%	0.0%	88.2%	1.0%	1.0%	-64.2%	2.9%
FUNDING SOURCES (REVENUE)										
Surplus / (Deficit)										
Balance C/F from Prior to Current year	-	-	-	-	-	-	-	-	-	-
Grants in Lieu of Taxes	(949)	(949)	(949)	-	-	(949)	(949)	(949)	(949)	(949)
Transfer From Operating Reserve	-	-	(75,000)	-	-	(75,000)	(75,450)	(75,908)	(4,061)	(4,594)
TOTAL REVENUE	(949)	(949)	(75,949)	-	-	(75,949)	(76,399)	(76,857)	(5,010)	(5,543)
REQUISITION	**(56,870)**	**(56,870)**	**(32,894)**	**-**	**-**	**(32,894)**	**(33,486)**	**(34,089)**	**(34,703)**	**(35,327)**
*Percentage Increase over prior year		0.0%	-42.2%	0.0%	0.0%	-42.2%	1.8%	1.8%	1.8%	1.8%

PARTICIPANTS: Central Saanich, North Saanich, Sidney

3.720 L.W.M.P. Peninsula
Operating Reserve Summary
2026 - 2030 Financial Plan

Profile

L.W.M.P. Peninsula

Established by Bylaw No. 4144 to enable CRD services to set aside operating funds to cover cyclical expenditures, unforeseen operating expenses, special one-time operating projects, as well as to mitigate fluctuations in revenue.

Operating Reserve Schedule

Operating Reserve Schedule	Estimate	Budget				
Fund: 1500 Fund Center: 105527	2025	2026	2027	2028	2029	2030
Beginning Balance	256,780	288,798	213,798	138,348	62,440	58,379
Planned Purchase		(75,000)	(75,450)	(75,908)	(4,061)	(4,594)
Transfer from Ops Budget	22,593	-	-	-	-	-
Interest Income*	9,425	-	-	-	-	-
Total projected year end balance	**288,798**	**213,798**	**138,348**	**62,440**	**58,379**	**53,785**

Assumptions/Background:
Retain reserve balance for future LWMP planning projects.

* Interest should be included in determining the estimated ending balance for the current year. Interest in planning years nets against inflation which is not included.