

Drivers for Changes in Capital Investment

Since Provisional approval, the capital budget has increased by \$29.4 million or 12.0%. Below are two tables detailing the major changes arising since Provisional approval.

Changes in Capital Investment Funding

Investment Type (\$M)	2026 Final	2026 Prelim	\$ Change	% Change
Water	118.2	112.7	5.5	4.9%
Wastewater	41.6	36.8	4.8	13.0%
Solid Waste and Recycling	26.3	17.5	8.8	50.3%
Regional Parks	24.3	23.6	0.7	3.0%
Arts and Recreation	14.9	11.6	3.3	28.4%
Safety and Emergency Management	13.6	11.2	2.4	21.4%
Business Systems and Processes	12.1	10.5	1.6	15.2%
Climate Action	6.5	6.3	0.2	3.2%
Housing and Health ¹	6.1	5.4	0.7	13.0%
Local Government	5.3	3.9	1.4	35.9%
Transportation	3.4	3.6	-0.2	-5.6%
Planning	0.7	0.6	0.1	16.7%
People	0.7	0.6	0.1	16.7%
Total	\$273.7	\$244.3	\$29.4	12.0%

¹Includes the Land, Banking and Housing Service

Adjustments to the Capital Plan include the following major changes:

Water:

- \$2.1 million in delayed work on system upgrades and expansion from 2025 to 2026 for Saanich Peninsula Water.
- \$0.9 million in project delays related to the reservoir seismic isolation valves and asset management plan work for Saanich Peninsula Water.
- \$0.5 million delayed construction from 2025 to 2026 for upgrades to Main No. 4 and Main No.1 in the Regional Water Supply.
- (\$0.5) million deferred to 2027 for the storage tank replacement for the Skana Water service - Grant revenue funding will be pursued going forward, rather than pursuing debt funding.
- (\$0.8) million delayed to 2027 for the water storage tank replacement for Surfside Park Estates - Grant revenue funding will be pursued going forward, rather than pursuing debt funding.

Wastewater:

- \$2.0 million for project delays related to the optimization of the residual treatment facility operations for Core Area Wastewater (CAWTP) have resulted in work being carried forward from 2025 to 2026. This project is a multi-year project with costs expected to be carried forward until completion.
- \$1.3 million for project delays related to the Harling pump station replacement for CAWTP have resulted in costs being carried forward from 2025 to 2026. This project is a multi-year project with costs expected to be carried forward until completion.
- \$0.5 million for project delays related to the biosolids advanced thermal plant for CAWTP have resulted in costs being carried forward from 2025 to 2026.
- (\$0.5) million due to increased progression in 2025 on the wastewater treatment plant upgrades for Maliview Sewer resulting in less costs being carried forward from 2025 to 2026.

Solid Waste & Recycling:

- \$2.5 million for project delays from 2025 to 2026 on the Landfill Gas Utilization project and the associated Gas and Leachate Collection Pipe Extension project at Hartland Landfill, to accommodate plan logistics and material procurement.
- \$1.7 million carried forward to 2026 for contract closeout and final acceptance of the Renewable Natural Gas Optimization project at Hartland Landfill.
- \$1.2 million for additional carryforward from 2025 to 2026 for procurement of work for the Contractor Workshop Relocation project at Hartland Landfill.
- \$1.0 million deferred from 2025 to 2026 for the Wheel Wash, Fence Replacement and Quarry Wall Liner projects at Hartland Landfill. This is due to prioritization of Cell 5A and 5B work in 2025.
- \$1.0 million for contractor delays related to the Hartland Amenity project results in costs being carried forward from 2025 to 2026.
- \$0.7 million for delays in project design for the Hartland North Electrical project, resulting in costs being carried forward from 2025 to 2026.
- \$0.5 million for procurement being carried forward from 2025 to 2026 for the Hartland North driveway upgrades at Willis Point.

Arts & Recreation:

- \$1.0 million for the planning of the new recreation facility within the Panorama Recreation service.
- \$0.8 million in project delays related to loan authorization and Agricultural Land Commission approval for the skate park renewal within SEAPARC, delayed the project until Fall 2025. Remaining project costs being carried forward to 2026.
- \$0.4 million for arena renovations at Panorama for the purpose of increasing accessibility.
- \$0.4 million for SEAPARC for several projects including a new ice resurfacers and carryforward for painting the pool and arena exterior, and domestic hot water replacement.
- \$0.3 million for Royal Theatre and McPherson Theatre services, including repairing the building envelope and stand alone canopies.

Safety and Emergency Management:

- \$2.5 million in project delays related to the upgrades and improvements for the Sooke Lake and Deception Water Supply area dams within the Regional Water Supply service have resulted in costs being carried from 2025 to 2026.
- \$0.3 million carried forward from 2025 to 2026 for the acquisition of a replacement Rescue/First Responder truck for East Sooke Fire Protection. Acquisition delayed due to lack of availability in 2025.
- (\$1.0) million for the Nex-Gen 911 project for the 911 Call Answer service being moved from 2026 to 2027.

Changes in Capital Investment Funding

Investment Funding Source (\$M)	2026 Final	2026 Prelim	\$ Change	% Change
Operating and Work in Progress (WIP)	115.7	96.2	19.5	20.3%
Debenture Debt	80.6	77.0	3.6	4.7%
Reserve Funding	51.4	47.1	4.3	9.1%
Grants	17.5	17.0	0.5	2.9%
Donations and Third-Party Funding	8.5	7.0	1.5	21.4%
Total	\$273.7	\$244.3	\$29.4	12.0%

Operating and Work in Progress:

- \$7.5 million in timing adjustments for funding within Solid Waste and Recycling projects, including Landfill Gas utilization, Renewable Natural Gas optimization, contractor workshop relocation and the Hartland amenity project.
- \$3.5 million in timing adjustments for funding several projects within Water across eight services including, Regional Water Supply, Juan De Fuca Water Distribution and Lyall Harbour Boot Cove Water.
- \$3.3 million in timing adjustments for funding within Safety and Emergency Management across eight services, including regulatory compliance, dam safety and analyses of the Sooke Lake and Deception Water Supply Area and Goldstream Water Supply Area dams, upgrades and improvements to the Sooke Lake and Deception Water Supply Area Goldstream Water Supply Area dams and integrating dam performance and Hydromet to SCADA.
- \$1.6 million in timing adjustments for funding within Wastewater across five services, including optimization of the Residual Treatment Facility Operations, replacement of electrical and instrumentation as part of the Ganges Wastewater Treatment Program and IT database programs for Environmental Protections.
- \$1.5 million in timing adjustments for funding within Business Systems and Processes including the SAP Lifecycle replacement project and data centre replacements.
- \$1.3 million in timing adjustments for funding within Arts and Recreation across five services, including lighting upgrades for the Panorama Recreation facility and parking lot, upgrading the flooring at Panorama Recreation and repairing standalone canopies at McPherson Theatre.
- The balance is related to capital funding changes across 39 services.

Debenture Debt:

- \$3.0 million in timing adjustments for funding within Wastewater projects including the replacement of the Harling Pump Station, the Biosolids Advanced Thermal Plant, the Pump Station renewal program and the Shoreline Trunk Sewer Upgrade.
- \$0.5 million in timing adjustments for funding within Water projects across six services including SCADA Upgrades and Expansion, and the deferral of Storage Tank replacements in both Surfside park estates and Skana Water.
- (\$0.7) million in timing adjustments within Climate Action on the Heat Recovery System projects for both SEAPARC and Panorama Recreation.

Reserve Funding:

- \$1.3 million in timing adjustments for funding within Solid Waste and Recycling including Gas and Leachate Collection Pipe extension, the North End Wheel Wash, north and east fence replacement and Quarry Wall liner.
- \$1.1 million in new projects and timing adjustments for funding within Arts and Recreation including replacing the mower for the golf course, a new Ice Resurfacers, and Ball Field Development.
- \$1.0 million in new projects and timing adjustments for funding within Water including, including Reservoir Seismic Isolation Valves, updating the Asset Management Plan for Saanich Peninsula Water and the installation of the Throup Road Watermain for Juan de Fuca Water Distribution.
- \$0.5 million in new projects and timing adjustments for funding within Wastewater across five services, including Microwave Radio Upgrades in both Core Area and Saanich-Peninsula Wastewater, and IT Core Infrastructure replacement.
- The balance is related to capital funding changes across 44 services.