

**REPORT TO PORT RENFREW UTILITY SERVICES COMMITTEE
MEETING OF TUESDAY, JULY 2, 2024**

SUBJECT **Port Renfrew Sewer Utility Services 2024 Capital Plan Amendment for the Genset Upgrade Project**

ISSUE SUMMARY

Additional funds are required to complete the Genset Upgrade Project to provide standby power for the Wastewater Treatment Plant.

BACKGROUND

The Genset Upgrade Project (22-01) to purchase and install a new generator was initiated as the current generator at the Wastewater Treatment Plant does not have sufficient power for the entire facility during a power outage, which reduces the treatment plant's ability to meet effluent criteria during power outages. A new generator has been procured and the Capital Regional District (CRD) has now requested quotations for contractors to complete the installation. Based on the supply costs to date and the quote for installation efforts, additional funding of \$20,000 is required to cover any contingency costs, CRD staff time for oversight, management and integration. It is proposed that the project budget be increased from \$100,000 to \$120,000 by utilizing \$20,000 from the Capital Reserve Fund (CRF).

ALTERNATIVES

Alternative 1

That the Port Renfrew Utility Services Committee recommends that the Electoral Areas Committee recommends to the Capital Regional District Board that the Port Renfrew Sewer 2024 Capital Plan be amended to increase the Genset Upgrade Project (22-01) budget from \$100,000 to \$120,000, an increase of \$20,000 funded from the Capital Reserve Fund.

Alternative 2

That this report be referred back to staff for additional information.

IMPLICATIONS

Financial Implications

Additional funding of \$20,000 is required to support installation, CRD oversight, management, and integration. This project has approved budget of \$100,000 funded by grant funding through the Community Works Fund (Gas Tax) of \$90,000 and by the service's CRF of \$10,000. The construction industry has seen significant escalation recently and the revised cost estimates are higher than initially budgeted. The service's CRF will have an estimated balance of \$39,000 at the end of 2024, which is sufficient to fund the additional \$20,000 for this project.

Service Delivery Implications

Without the upgrades, the wastewater treatment plant will be unable to provide sufficient power for the aeration process during power outages, which will continue to have an impact on effluent quality.

Environmental & Climate Action

By extension of the service delivery implications noted above, by not proceeding with this amendment, the project will need to be further delayed and power outages will continue to have reduced effluent quality, which increases the impact on the receiving waters.

CONCLUSION

A Capital Plan amendment is required to move forward with the generator installation for the Port Renfrew Wastewater Treatment Plant. The implications of not proceeding with the amendment have been outlined above. Funding for the additional fees is proposed to be provided from Capital Reserves.

RECOMMENDATION

That the Port Renfrew Utility Services Committee recommends that the Electoral Areas Committee recommends to the Capital Regional District Board that the Port Renfrew Sewer 2024 Capital Plan be amended to increase the Genset Upgrade Project (22-01) budget from \$100,000 to \$120,000, an increase of \$20,000 funded from the Capital Reserve Fund.

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