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**REPORT TO ELECTORAL AREAS COMMITTEE
MEETING OF WEDNESDAY, JUNE 08, 2022**

SUBJECT **Complete the Beddis Water Intake Project**

ISSUE

CRD staff intend to complete the design of the Beddis Water Intake Project. Additional funds will be required from the Capital Reserve Fund to complete the design.

BACKGROUND

The Beddis Intake Screen project was first initiated in 2019 and the detailed design for the “offshore” portion is essentially complete. The only work remaining for the offshore portion is the revision to the length of the vertical section leading to the screen on the intake structure. The work remaining is for the “onshore” portion of the design, something not originally contemplated in the initial design but necessary for the successful completion of the project. In April of 2021, the CRD declined to proceed with the “onshore” portion of the project as there were insufficient funds to contract for the work at the time. The design consultant for the project has submitted a Change Order for the onshore portion in the amount of \$24,874.50. The current balance remaining for the design portion of the project is a deficit of (-\$2,600.00). The balance in the Capital Reserve Fund is currently \$26,282 which will soon be increased by the return of surplus funds from the Lautman Reservoir Demolition Project of approximately \$10,274 for a total of \$36,556.

ALTERNATIVES

Alternative 1

That the Electoral Areas Committee recommends to the Capital Regional District Board:
That the 2022 Five Year Financial Plan be amended to transfer \$32,725 from the Beddis Capital Reserve Fund so that detailed engineering and design can be completed for both the offshore and onshore portions.

Alternative 2

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

IMPLICATIONS

A delay in the transfer of the funds will unduly postpone the project until 2023 where changes will need to be made to the 2023 Capital Plan in order to fund the project to complete detailed design. Construction might not then occur until 2024. The table below quantifies the costs to date, costs to complete and the balance needed to be transferred.

	\$ Amount
Project Funding – Initial Funding	\$20,000
Costs to Date	\$22,600
Balance Remaining (Deficit)	(\$2,600)

Change Order for Onshore Portion	\$24,875
CRD Project Management and Internal Costs	\$2,500
Contingency	\$2,750
Total Revised Project Budget	\$30,125
Funding Required from CRF	\$32,725
Remaining CRF funds	\$3,831

CONCLUSION

There are adequate funds in the Capital Reserve Fund to complete the detailed design for the onshore portion and remaining offshore portion of the Beddis Intake project and avoid schedule delays. Note though that the remaining balance in the Capital Reserve Fund will remain quite low with very little “replenishment” currently planned for either 2023 or 2024. Prudent financial management will be required starting in 2023 to increase the balance to a level that is in accordance with good financial management practices.

RECOMMENDATION

That the Electoral Areas Committee recommends to the Capital Regional District Board:
 That the 2022 Five Year Financial Plan be amended to transfer \$32,725 from the Beddis Capital Reserve Fund so that detailed engineering and design can be completed for both the offshore and onshore portions.

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