

DATE: January 7, 2021**FILE:** 1700-02**TO:** Chair and Directors
Regional District Board**FROM:** Russell Dyson
Chief Administrative OfficerSupported by Russell Dyson
Chief Administrative Officer*R. Dyson***RE: Comox Valley Water Supply System Budget Amendment – Function No. 300****Purpose**

To recommend an amendment to the 2020 - 2024 capital financial plan for the Comox Valley Water Supply System service (Function No. 300) to reallocate the majority of the budgets for the Comox Valley Water Treatment Project (#1035) for 2021 through 2023 into 2020, to ensure sufficient funds are available to implement final phases of the project.

Recommendation from the Chief Administrative Officer:

THAT the 2020 - 2024 financial plan and capital expenditure program for the Comox Valley Water Supply System service, Function 300, be amended by reallocating the approved water infrastructure expenditures in 2021 – 2023 for the Comox Valley Water Treatment Project (#1035), totalling \$36,246,367, into the 2020 fiscal year. These costs will be funded by a combination of capital grants (\$5,755,087), capital works reserves (\$16,137,744) and debt (\$14,353,536).

Executive Summary

- The Comox Valley Water Treatment Project (CVWTP) has progressed quicker than anticipated in spite of the challenges 2020 presented. As the project is invoiced based on the percentage of construction completed, the 2020 expenditures are higher than budgeted. This budget amendment will provide funding to pay the final invoices of 2020 and ensure funding for invoices received in the first quarter of 2021.
- No increase in project budget is required. The project completion remains both on budget and on schedule.
- Staff recommend the entirety of the 2020 - 2024 capital budget for this project, with the exception of the conversion from short-term to long-term debt currently budgeted in 2022, be relocated to 2020. All budgeted expenditures that are not utilized in 2020 will be carried forward into 2021 as part of the upcoming 2021 - 2025 financial planning process.

Prepared by:

C. Gore

Charlie Gore, P.Eng.
Manager Capital Projects

Concurrence:

K. La Rose

Kris La Rose, P.Eng
Senior Manager of Water/
Wastewater Services

Concurrence:

M. Rutten

Marc Rutten, P.Eng
General Manager of
Engineering Services