

**2024-2028  
Financial Planning  
CVRD Core Services  
Sewage Treatment**

335 Comox Valley Sewerage  
Service

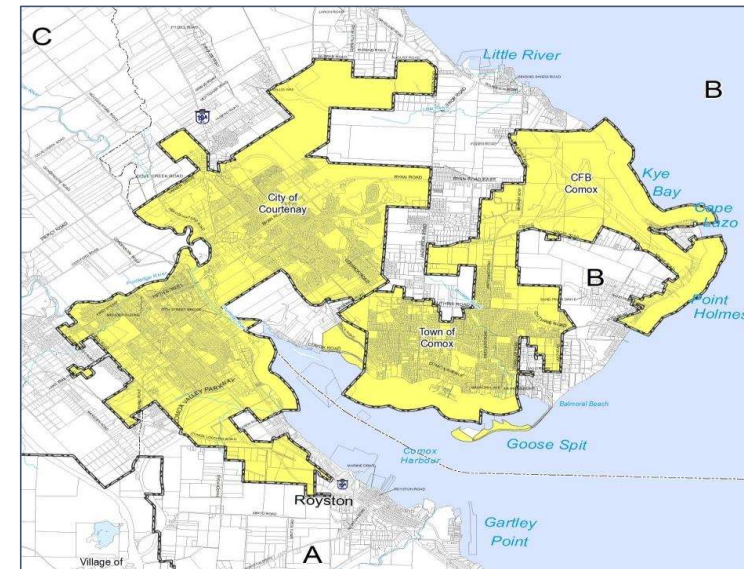




# Core Service

## Sewage Treatment

Core Service	Sewage Treatment
Service Function Name	Comox Valley Sewerage Service
Service Sub-functions	336 – CV Sewerage Service 337 – CV Sewerage Service – Composting 338 – CV Sewerage Service – Pump Station
Purpose	To provide sewage interception, treatment & disposal, septage disposal & biosolids composting facilities
Participants	Comox, Courtenay, K'ómoks First Nation & Department of National Defence
2024 Proposed Changes to Service	Sewer Conveyance Line





## 2023 Accomplishments

- Finished compost facility washroom & lunch room
- Completed value management review of CVWPCC site master plan
- Provincial review of Stage 1 & 2 LWMP
- Amalgamation of solids dewatering controls
- Completed sewer conveyance project procurement
- Installation of 2 EV chargers at CVWPCC
- Secondary clarifier A coatings project





## 2024 Work Plan

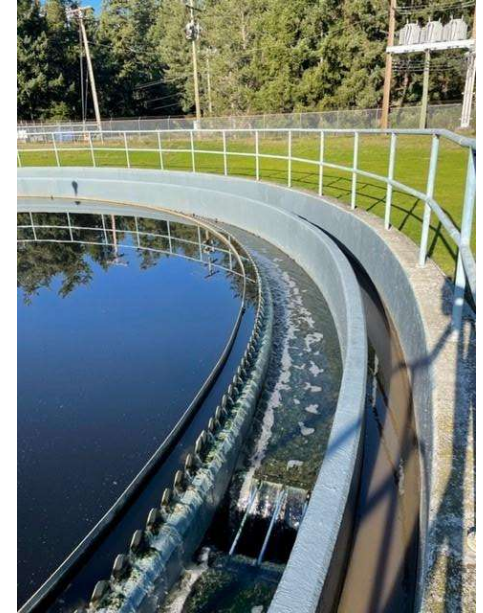
- Begin construction of sewer conveyance project
- Asset management replacements
- Progress LWMP Stage 3 report
- Finalization of site master plan & detailed design of phase 4 upgrades
- Trunk mains & siphon flushing
- Thickener A concrete & steel rehabilitation
- Compost site temperature probe relocation
- Scrubber Scada controls consolidation
- First replacement of Activated Carbon for odour control system





## Trends, Challenges & Opportunities

- Inflow & infiltration (I&I) continues to be a challenge
- Supply chain issues mostly due to supplier staff shortages
- Costs increasing for everything, everyone, & anything





## Strategic Priorities & Initiatives

Type	Initiative	Comment
Board	Sewer Conveyance Project	Procurement complete in 2023, construction beginning in 2024
Board	LWMP for Core & South	Drafting of stage 3 LWMP report planned for 2024, incorporation of south into final Stage 3 report
Board	CEEP	Feasibility studies of initiatives identified in the 2023 energy audit



## Human Resource

	2024	2025
Opening FTE Balance	17.83	16.73
Addition Request		
Full time	0.25	1.57
Part Time		
Temporary /Casual		
Adjustments	(1.35)	
Total Change	(1.10)	1.57
Ending FTE Balance	16.73	18.30

- 2024 reduction from capitalization of PM
- 2024 proposed add Engineering Analyst
- 2025 increase from new branch assistant & water operations operator



# Expenses

## Year over Year Change

## Key Notes

Category	2023 Approved Budget	2024 Proposed Budget	Increase (Decrease)	
			(\$)	(%)
Support Services	\$686,999	\$670,849	(16,150)	(2.4%)
Personnel Costs	2,088,584	2,076,901	(11,683)	(0.6%)
Materials, Supplies & Utilities	1,376,395	1,236,595	(139,800)	(10.2%)
Contract & General Services	1,140,445	1,096,428	(44,017)	(3.9%)
Debt Charges	1,301,959	1,686,274	384,315	29.5%
Transfer to Reserve	2,941,310	3,353,232	411,922	14.0%
Transfer to Other Services	88,939	66,779	(20,160)	(24.9%)
Minor Capital	168,000	168,000	-	-
<b>Total Expenses</b>	<b>9,792,631</b>	<b>10,355,058</b>	<b>562,427</b>	<b>5.7%</b>

- Chemicals [-130K]
- Legal Fees [-50K] for conveyance project
- Increase in debt as conveyance project begins
- Increased reserve contribution





# Revenue

### Year over Year Change

### Key Notes

Category	2023 Approved Budget	2024 Proposed Budget	Increase (Decrease)	
			(\$)	(%)
Requisition	\$8,100,000	9,000,000	900,000	11.1%
Sale of Services	1,262,640	1,354,358	91,718	7.3%
Prior Year Surplus	379,291	-	(379,291)	(100.0%)
Recoveries from Other Functions	50,700	700	(50,000)	(98.6%)
<b>Total Revenue</b>	<b>9,792,631</b>	<b>10,355,058</b>	<b>562,427</b>	<b>5.7%</b>

- Planned increase in municipal requisition due to planned borrowing for conveyance project
- Increase in sales for other contributors
- Less reliance on prior year surplus



## Operating Revenue : 2024 – 2028 Projections

	2024	2025	2026	2027	2028
<b>Municipal Partners (Requisition based on 2023 Actual Sewer Flows)</b>					
City of Courtenay	\$6,218,100	\$6,563,550	\$6,909,000	\$6,909,000	\$7,116,270
Town of Comox	2,781,900	2,936,450	3,091,000	3,091,000	3,183,730
Subtotal	<b>9,000,000</b>	<b>9,500,000</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>10,300,000</b>
<b>Other Partners (User Rates/Operating Contract)</b>					
Department of National Defence	562,948,	591,096	668,978	668,978	668,978
K'omoks First Nation	71,410	74,980	76,480	76,480	76,480
Subtotal	<b>634,358</b>	<b>666,076</b>	<b>745,458</b>	<b>745,458</b>	<b>745,458</b>
<b>Other Revenue (User Fees)</b>					
Septage Disposal/Compost Sales	720,000	751,500	751,500	751,500	751,500
Recoveries from Other Functions	700	700	700	700	700
<b>Total Revenue</b>	<b>10,355,058</b>	<b>10,918,276</b>	<b>11,497,658</b>	<b>11,497,658</b>	<b>11,797,658</b>



## Operating Budget: 2025-2028 Projections

Category	2025	2026	2027	2028
Requisition	\$9,500,000	\$10,000,000	\$10,000,000	\$10,300,000
Sale of Services	1,417,576	1,496,958	1,496,958	1,496,958
Recoveries from Other Functions	700	700	700	700
<b>Total Revenue</b>	<b>10,918,276</b>	<b>11,497,658</b>	<b>11,497,658</b>	<b>11,797,658</b>
Support Services	670,849	670,849	670,849	670,849
Personnel Costs	2,175,635	2,238,337	2,299,715	2,365,980
Materials, Supplies & Utilities	1,253,424	1,467,188	1,521,143	1,595,265
Contract & General Services	769,885	838,788	864,477	915,430
Debt Charges	2,822,270	2,816,026	3,741,832	4,887,201
Transfer to Reserve	3,008,528	3,286,724	2,230,793	1,161,313
Transfer to Other Services	68,685	70,706	72,849	75,120
Minor Capital	149,000	109,000	96,000	124,000
<b>Total Expenses</b>	<b>10,918,276</b>	<b>11,497,659</b>	<b>11,497,658</b>	<b>11,797,658</b>

**335 Comox Valley  
Sewerage Service  
2024-2033 Capital Planning**





## Asset Management Update

- Asset inventory/replacement schedule
- Risk/criticality assessment
- Integration to GIS

### Planned Next Steps:

- Review of DSS software options
- Development of condition assessment program





## 2024-2028 Capital Plan

	2024	2025	2026	2027	2028
1025 – Annual Capital Equipment	\$276,000	\$260,000	\$260,000	-	-
1045 – Sewer Conveyance Upgrades	47,759,000	26,302,116	7,050,000	4,576,000	-
1047 – Asset Mgmt Capital Projects	360,000	175,000	245,000	170,000	\$70,000
1076 – Annual Capital Projects	490,000	300,000	938,036	100,000	1,337,691
1101 – CVWPCC Phase 1 Upgrades	1,000,000	-	-	20,000,000	26,000,000
1102 – Vehicle Capital Purchase	-	240,000	60,000	80,000	-
<b>Total</b>	<b>49,885,000</b>	<b>27,277,116</b>	<b>8,553,036</b>	<b>24,926,000</b>	<b>27,407,691</b>



## 2029-2033 Long Term Capital Plan

	2029	2030	2031	2032	2033
1025 – Annual Capital Equipment	-	-	-	-	\$280,000
1045 – Sewer Conveyance Upgrades	-	-	-	-	-
1047 – Asset Mgmt Capital Projects	\$100,000	\$100,000	\$100,000	\$100,000	100,000
1076 – Annual Capital Projects	100,000	100,000	100,000	100,000	100,000
1101 – CVEPCC Phase 1 Upgrades	-	-	-	-	-
1102 – Vehicle Capital Purchase	-	-	-	100,000	50,000
<b>Total</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>	<b>300,000</b>	<b>530,000</b>



# Sewer Conveyance Project

Core Service  
Sewage Treatment

<u>Expenditures</u>	Approved Budget August 2022	Revised Projected Costs	Change Increase (Decrease)
Design-Build Contract	\$56,278,400	\$55,874,600	(\$403,800)
Design-Bid-Build Contract (CVRD portion + transfers to Town)	\$29,619,400	\$19,896,700	(\$9,722,700)
Indirects (Engineering / Land / Legal / Other)	\$12,615,000	\$13,313,100	\$698,100
Project Management Office (PMO) Costs		\$770,000	\$770,000
Real-time leak detection		\$760,000	\$760,000
CVRD Construction Contingency	\$2,487,200	\$5,401,000	\$2,913,800
<b>Total</b>	<b>\$101,000,000</b>	<b>\$96,015,400</b>	<b>(\$4,984,600)</b>

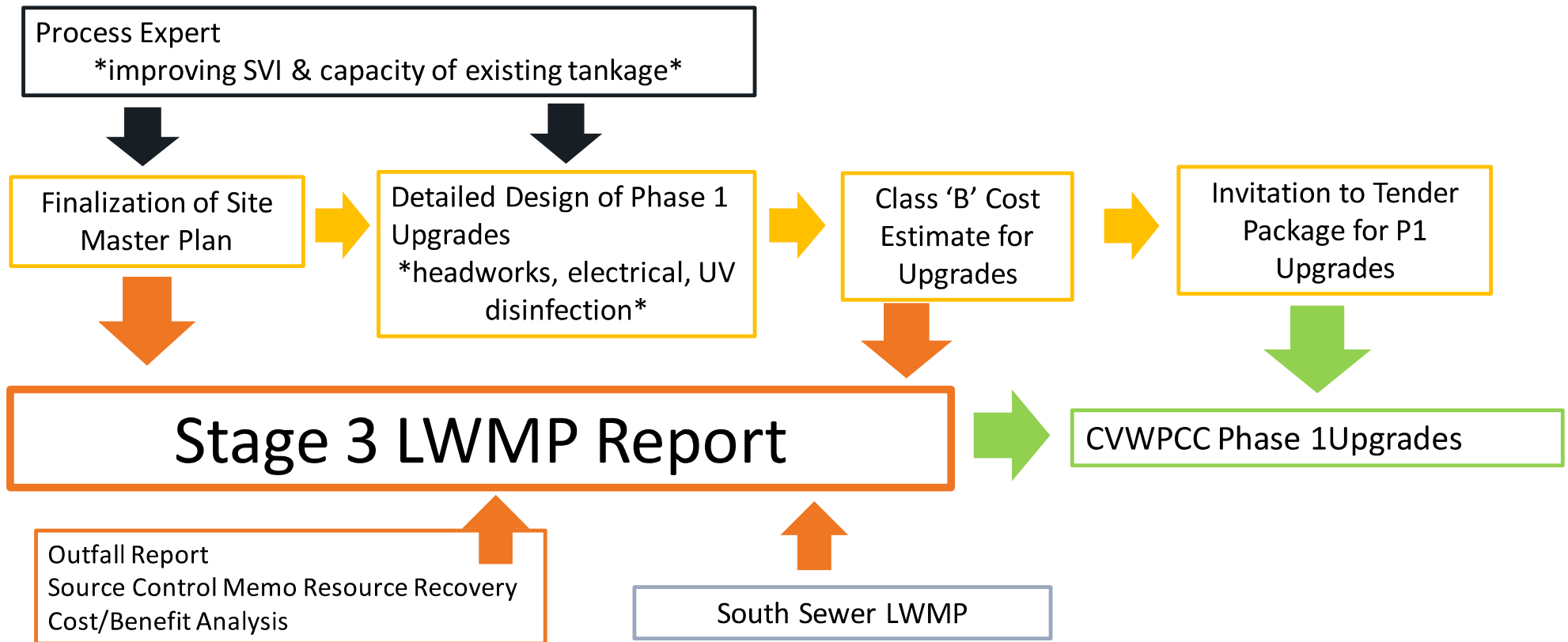
<u>Funding</u>	Approved Funding August 2022	Projected Funding	Change
Capital Works Reserves	\$13,700,000	\$10,700,000	(\$3,000,000)
DCC Reserves	\$18,600,000	\$21,600,000	\$3,000,000
Long Term Debt	\$52,000,000	\$52,000,000	\$0
Short Term Debt	\$16,700,000	\$6,218,400	(\$10,481,600)
Grant Funding	\$0	\$0	\$0
Other - Advance contribution from DND	\$0	\$4,727,000	\$4,727,000
Transfer from other functions	\$0	\$770,000	\$770,000
<b>Total</b>	<b>\$101,000,000</b>	<b>\$96,015,400</b>	<b>(\$4,984,600)</b>





# CVWPCC Upgrades Project

Core Service  
Sewage Treatment





# Reserves

## Projected Balances

Reserve	2023 Ending Balance
335 – Future Expenditure Reserve	\$601,154
846 – Capital Works & Machinery Reserve	4,615,301
896 – Development Cost Charges Reserve	12,025,545
<b>Total</b>	<b>17,242,000</b>



# Future Expenditure Reserve (335)

## Projected Balances

	2024	2025	2026	2027	2028
Opening Balance	\$601,154	\$801,154	\$1,001,154	\$1,201,154	\$1,433,252
Contributions to Reserve	200,000	200,000	200,000	232,098	200,000
Transfers to Operating	-	-	-	-	-
Ending Balance	801,154	1,001,154	1,201,154	1,433,252	1,633,252



## Capital Works & Machinery Reserve (846)

### Projected Balances

	2024	2025	2026	2027	2028
Opening Balance	\$4,615,301	\$4,069,110	\$4,537,314	\$4,427,580	1,806,852
Contributions to Reserve	2,979,809	2,615,105	2,893,302	1,805,272	783,389
Transfers to Capital	3,526,000	2,146,901	3,003,036	4,426,000	1,407,690
Ending Balance	4,069,110	4,537,314	4,427,580	1,806,852	1,182,551








## Development Cost Charges Reserve (896)

### Projected Balances

	2024	2025	2026	2027	2028
Opening Balance	\$12,848,668	\$7,320,668	\$7,567,013	\$5,364,096	\$1,513,121
Contributions to Reserve	2,472,000	2,546,160	2,597,083	2,649,025	2,600,000
Transfers to Capital	8,000,000	2,299,815	4,800,000	6,500,000	3,000,000
Ending Balance	7,320,668	7,567,013	5,364,096	1,513,121	1,113,121

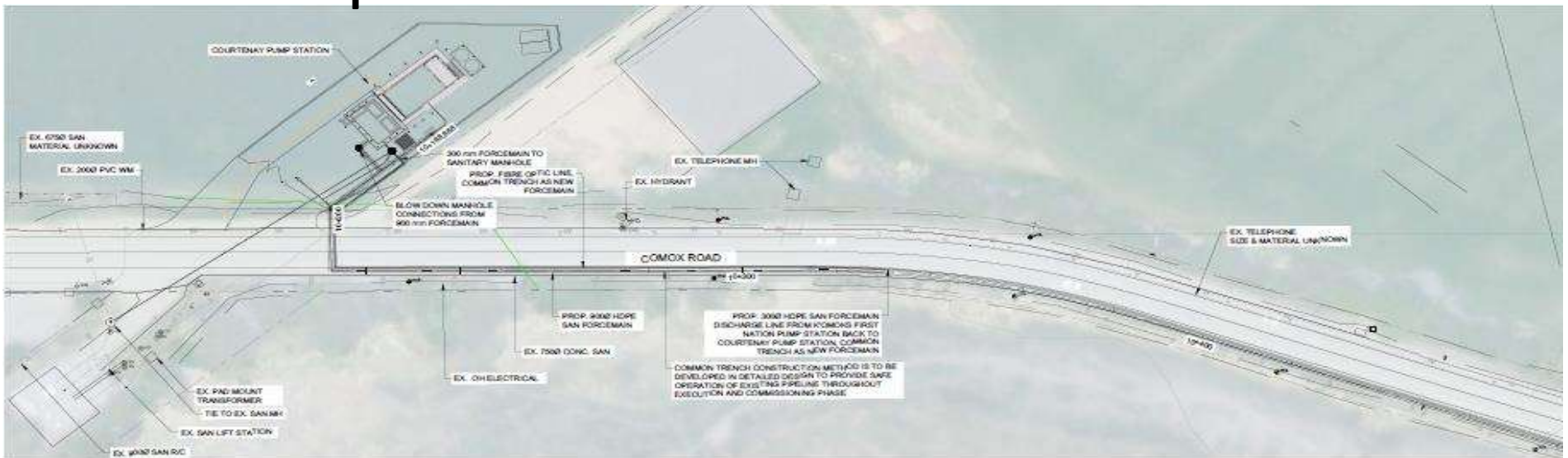


## Summary

Fiscal Responsibility 	Climate Crisis & Environmental Stewardship & Protection 	Community Partnerships 	Indigenous Relations 	Accessibility, Diversity, Equity & Inclusion 
<p>CVSS in period of intense capital spending</p> <p>Strategy strives to spread impact out over existing &amp; future users</p>	<p>Primary driver of LWMP is to reduce environmental risk</p> <p>New infrastructure considers flood construction levels in design &amp; construction of new infrastructure</p>	<p>LWMP process includes intensive consultation with stakeholders</p> <p>Service is a collaboration between service participants</p>	<p>Signed CBA in 2020</p> <p>Adherence to cultural heritage policy for conveyance project</p>	<p>Service provided to member municipalities &amp; service participants</p> <p>Expansion of regional service to south</p>



# Options & Recommendations



That the proposed 2024-2028 financial plan for the function 335, Comox Valley Sewerage Service, be approved.



Questions?