



*District of*  
**SECHELT**

# **Sewer Operating and Capital**

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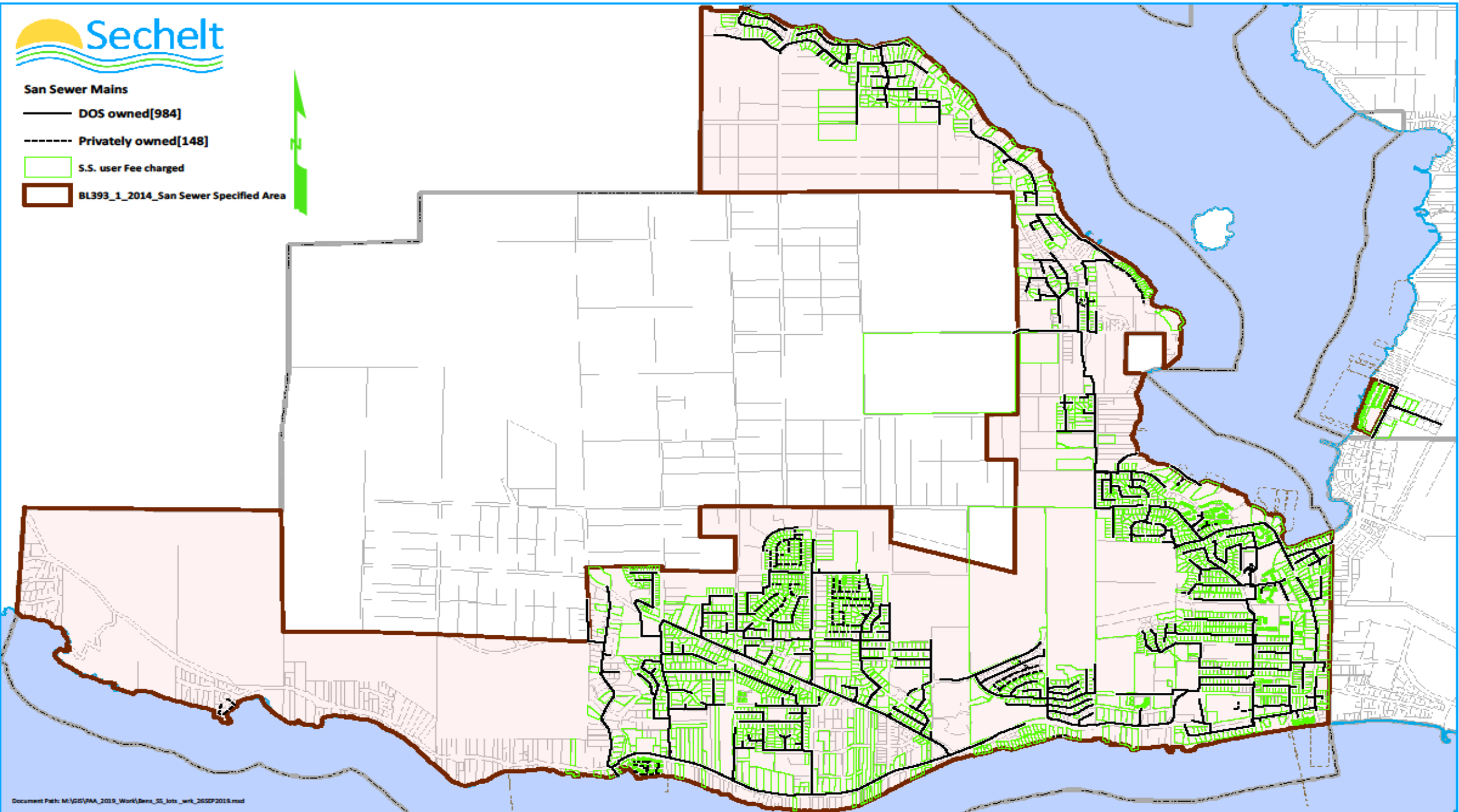
**San Sewer Mains**

— DOS owned[984]

- - - - - Privately owned[148]

□ S.S. user Fee charged

□ BL393\_1\_2014\_San Sewer Specified Area



# Sewer Operating Fund

- **The Sanitary Sewer operations oversees the general operation and maintenance of the following:**
  - Water Resource Center
  - Dusty Road Pre-treatment Plant
  - Entire sewer collection system, which includes 50 kilometers of underground sanitary sewer piping systems
  - 9 lift stations.
  - Out fall

# Sewer Operating Fund

Revenues	\$ 3,060,261
Expenses	4,654,804
<u>Amortization</u>	<u>(1,221,260)</u>
Surplus (deficit)	(373,290)

# Sewer Operating Fund

User Fees	(\$1,567,287)
Collection	(\$4,000)
Connections	(\$3,500)
Treatment	(\$1,113,074)
Interest Earned	(\$52,400)
Septage receiving (Dusty Road)	(\$320,000)
<b>Revenues</b>	<b>(\$3,060,261)</b>
Administration	\$362,750
Collection	\$605,734
Connection	\$0
Treatment	\$2,625,347
Dusty Road septage receiving	\$320,000
Principal payments	\$740,770
<b>Expenses</b>	<b>\$4,654,804</b>
<b>Amortization</b>	<b>(\$1,221,260)</b>
<b>Surplus (deficit)</b>	<b>(\$373,290)</b>

# New & One Time Costs Included

Project	Department	2020 Budget Request
Liquid Waste Management Plan (LWMP)	Engineering	\$40,000
<b>New FTE WRC Operator (Est @ grid 8)</b>	<b>Sewer Treatment</b>	<b>\$87,170</b>
<b>Servicing of Odour Control System</b>	<b>Sewer Treatment</b>	<b>\$14,000</b>
Norwest Bay Rd Lift Station Upgrade	Sewer Treatment	\$15,000
<b>Gas Detection &amp; Flow Servicing &amp; Calibration</b>	<b>Sewer Treatment</b>	<b>\$5,000</b>
<b>Greenhouse Maintenance</b>	<b>Sewer Treatment</b>	<b>\$6,000</b>
Urgent - Outfall Inspection	Sewer Treatment	\$20,000
Diffuser Replacement in FBR's	Sewer Treatment	\$39,000
<b>Replacement Carbon for Odour Control</b>	<b>Sewer Treatment</b>	<b>\$25,500</b>
Spare Parts for Lift Stations	Sewer Treatment	\$12,000
Software & Hardware Update for Greenhouse Control	Sewer Treatment	\$6,000
<b>Spare Valves &amp; Actuators for WRC</b>	<b>Sewer Treatment</b>	<b>\$13,000</b>
Wacker Pumps for Emergency Response	Sewer Collection	\$8,500
<b>Parts for Disinfection Units (Bulbs)</b>	<b>Sewer Treatment</b>	<b>\$12,000</b>
<b>Headworks Service</b>	<b>Sewer Treatment</b>	<b>\$23,000</b>
<b>HVAC &amp; Boiler Service Requirements</b>	<b>Sewer Treatment</b>	<b>\$9,000</b>
<b>Blower Service</b>	<b>Sewer Treatment</b>	<b>\$10,000</b>
Dusty Rd solids handling inquiry	Septage Receiving	\$20,000
		<b>\$365,170</b>

# Septage Receiving

# Septage Receiving

<b><u>Septage Receiving Revenue</u></b>		<b>\$320,000</b>
Septage Receiving Expenses		\$175,750
<b><u>Septage Receiving Transfer to Reserve</u></b>		<b>\$144,250</b>
<b>Total</b>		<b>\$320,000</b>

## **Capital Related to Dusty Road**

Septage Sewer Disposal	2021	\$500,000
Removal of Solids from Lagoon	2022	\$200,000
Site Closure & Redevelopment Plan	2022	\$150,000
<b><u>Septage Sewer Disposal</u></b>	<b>2024</b>	<b>\$500,000</b>
<b>Totals</b>		<b>\$1,350,000</b>



# Septage Receiving

## Current rate

- General Biosolids Disposal Fee 23 cents per imperial gallon
- (\$5.06 cents per litre)
- (\$50.60 per cubic meter)

## Recommendation

- General Biosolids Disposal Fee 51 cents per imperial gallon
- (\$11.22 cents per litre)
- (\$112.18 per cubic meter)

# Septage Receiving 2020

Septage receiving	\$710,000
Septage receiving Expenses	175,750
<u>Septage receiving Transfer to reserve</u>	<u>534,250</u>
Total	\$710,000

Capital related to septage \$ 0

Reserve balance at end of 2020 \$ 534,250

# Septage Receiving Long term

## 2021

Septage receiving	\$710,000
Septage receiving Expenses	175,750
Septage receiving Transfer to reserve	534,250
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Total	\$710,000

Projects related to septage \$ 650,000

Reserve balance at end of 2021 \$ 418,500

# Septage Receiving Long term

## 2022

Septage receiving	\$710,000
Septage receiving Expenses	175,750
Septage receiving Transfer to reserve	534,250
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Total	\$710,000

Capital related to septage \$ 200,000

Reserve balance at end of 2022           \$ 752,750

# Septage Receiving Long term

## 2023

Septage receiving	\$710,000
Septage receiving Expenses	175,750
Septage receiving Transfer to reserve	534,250
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Total	\$710,000

Capital related to septage \$ 0

Reserve balance at end of 2023 \$ 1,287,000

# Septage Receiving Long term

## 2024

Septage receiving	\$710,000
Septage receiving Expenses	175,750
Septage receiving Transfer to reserve	534,250
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Total	\$710,000

Capital related to septage \$ 500,000

Reserve balance at end of 2024 \$ 1,321,250

# Septage Receiving Long term

## 2025

Septage receiving	\$710,000
Septage receiving Expenses	175,750
Septage receiving Transfer to reserve	534,250
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Total	\$710,000

Capital related to septage \$ 0

Reserve balance at end of 2025 \$1,855,500

# Septage Receiving Long term

## 2026

Septage receiving		\$710,000
Septage receiving Expenses		175,750
Septage receiving Transfer to reserve		<u>534,250</u>
Total		\$710,000
Capital related to septage	\$ 0	
Reserve balance at end of year	\$2,389,750	



# Sewer Operations

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User Fees	(\$1,567,287)
Collection	(\$4,000)
Connections	(\$3,500)
Treatment	(\$1,113,074)
Interest Earned	(\$52,400)
<b>Revenues</b>	<b>(\$2,740,261)</b>
Administration	\$362,750
Collection	\$605,734
Connection	\$0
Treatment	\$2,625,347
Principal payments	\$740,770
<b>Expenses</b>	<b>\$4,334,804</b>
<b>Amortization</b>	<b>(\$1,221,260)</b>
<b>Surplus (deficit)</b>	<b>(\$373,290)</b>

# Sewer Operations 2020

The District will need to increase fees to \$373,290 for operations and an additional \$281,320 for capital totaling \$654,610. A 10% increase to sewer user fees equals \$154,000.

Residential User fee	\$ 371	→	\$ 529	→	\$158
Senior Citizen's apartment rate	\$ 228	→	\$ 325	→	\$ 97
Commercial Rate	\$ 780	→	\$ 1,114	→	\$334

Parcel taxes would remain at \$ 274

# Sewer Operations

User Fees	\$2,233,384
Collection	\$4,000
Connections	\$3,500
Treatment	\$1,153,074
<b>Revenues</b>	<b>\$3,393,958</b>
Administration	\$352,014
Collection	\$605,395
Connection	\$0
Treatment	\$2,624,232
Principal payments	\$740,770
<b>Expenses</b>	<b>\$4,322,411</b>
<b>Amortization</b>	<b>(\$1,221,260)</b>
<b>Surplus (deficit) (Available for Capital)</b>	<b>\$292,807</b>

# Sewer Operations 2021

The District will need to increase fees by \$ 89,335 for operations, an increase of \$ 185,418 for capital and 207,075 for debt payments for a total of \$481,828. A 10% increase to sewer user fees equals \$223,338

Residential User fee	\$ 529	➔	\$ 643	➔	\$114
Senior Citizen's apartment rate	\$ 325	➔	\$ 395	➔	\$ 70
Commercial Rate	\$ 1,114	➔	\$ 1,355	➔	\$241

Parcel taxes would remain at \$ 274

# Sewer Operations 2022

The District will need to increase fees by \$ 108,608 for operations and an increase of \$78,000 for debt payments for a total of \$186,608. A 10% increase to sewer user fees equals \$271,521

Residential User fee	\$ 643	➔	\$ 687	➔	\$ 44
Senior Citizen's apartment rate	\$ 395	➔	\$ 421	➔	\$ 26
Commercial Rate	\$ 1,355	➔	\$ 1,447	➔	\$ 92

Parcel taxes would remain at \$ 274

# Sewer Operations 2023

The District will need to increase fees by \$ 119,469 for operations. A 10% increase to sewer user fees equals \$298,673

Residential User fee	\$ 687	➔	\$ 714	➔	\$ 27
Senior Citizen's apartment rate	\$ 421	➔	\$ 437	➔	\$ 16
Commercial Rate	\$ 1,447	➔	\$ 1,504	➔	\$ 57

Parcel taxes would remain at \$ 274

# Sewer Operations 2024, 2025, 2026

The District would not need to increase fees for operations or Capital unless needed. User fees would be reviewed annually

Residential User fee	\$ 687	➔	\$ 714	➔	\$ 27
Senior Citizen's apartment rate	\$ 421	➔	\$ 437	➔	\$ 16
Commercial Rate	\$ 1,447	➔	\$ 1,504	➔	\$ 57

Parcel taxes would remain at \$ 274



# Sewer Capital

(See 5 Year Capital Plan for details)

# Capital Funding

Sewer Fund Totals	2019 Carried to 2020	2020 New	2020
Sewer Capital Reserve	\$28,000	\$253,320	\$281,320
Development Cost Charges	-	\$863,085	\$863,085
Grants & Contributions	\$90,000	\$638,520	\$728,520
MFA Financing	-	\$935,375	\$935,375
Gas Tax Reserve	-	-	-
<b>Totals</b>	<b>\$118,000</b>	<b>\$2,690,300</b>	<b>\$2,808,300</b>

# Capital Funding 5 year

<b>Sewer Fund Totals</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Sewer Capital Reserve	\$281,320	\$466,738	\$181,314	\$401,864	\$317,360
Septage Sewer Reserve		\$650,000	\$200,000		\$500,000
Development Cost Charges	\$863,085	\$221,513	\$365,186	\$691,886	\$976,140
Grants & Contributions	\$728,520	\$1,237,500	\$1,237,500	\$1,462,500	\$2,512,500
Capital Reserve	-	-	-	-	-
MFA Financing	\$935,375	\$350,000	-	-	-
Gas Tax Reserve	-	-	-	-	-
	<b>\$2,808,300</b>	<b>\$2,925,750</b>	<b>\$1,984,000</b>	<b>\$2,556,250</b>	<b>\$4,306,000</b>

# Sewer Reserves

# Reserves (January 1, 2020)

## Reserves, Surplus & DCC's

Sewer Surplus	\$239,660
Sewer Capital Reserve	\$87,292
Public Works Yard Reserve	\$844,464
Septage Reserve (new)	\$0
Sewer DCC's	\$2,313,181

# Reserve balances long term

(estimated end of year)

<b>Sewer Fund Totals</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Sewer Capital Reserve	\$ 87,292	\$ 87,292	\$172,716	\$237,590	\$386,968
Septage Sewer Reserve	\$534,250	\$418,500	\$752,750	\$1,287,000	\$1,321,250
Development Cost Charges Sewer	\$1,450,096	\$1,228,583	\$863,397	\$171,511	-
Sewer Accumulated Surplus	\$239,660	\$239,660	\$239,660	\$239,660	\$239,660
Public Works Reserve	\$844,464	-	-	-	-
	<b>\$3,155,762</b>	<b>\$1,974,035</b>	<b>\$2,028,523</b>	<b>\$1,935,761</b>	<b>\$1,143,249</b>

# Conclusion

The Sewer Operating Fund is under funded from a revenue perspective.

Critical work need to be completed in 2020 & 2021.

Significant increase to Septage fees proposed for 2020.

Proposed to increase Sewer User fees to pay for critical work.

2.8 Million of capital planned for 2020.

The addition of 1 FTE included in the proposed budget.