

Water System Operating								
Account	2022 Budget	2022 Projected	2023 Budget	\$ Variance	% Variance	Notes	2024 Forecast	2025 Forecast
Revenue								
Water Billings	(\$1,426,642)	(\$1,460,689)	(\$1,519,863)	(\$93,221)	6.53%		(\$1,366,777)	(\$1,462,446)
Water Billings - Industrial	(\$25,000)	(\$29,900)	(\$10,000)	\$15,000	-42.86%		(\$684,000)	(\$696,000)
Water Billings - Tri-County Water System	(\$378,000)	(\$378,000)	(\$399,560)	(\$21,560)	5.04%		(\$422,000)	(\$448,000)
Water Filling Station	(\$9,930)	(\$9,930)	(\$10,103)	(\$173)	2.67%		(\$10,260)	(\$10,440)
Construction Water	(\$20,550)	(\$17,000)	(\$5,850)	\$14,700	-73.50%		(\$13,350)	(\$14,100)
Water meter fees & misc	(\$101,250)	(\$108,876)	(\$66,875)	\$34,375	-76.39%	Related to new connection estimates	(\$106,250)	(\$76,250)
Water Connection and curbstops fees	(\$631,968)	(\$487,519)	(\$243,013)	\$388,955	-72.57%	offset by transfer to reserve-significant increase related to anticipated new builds--offset below	(\$491,587)	(\$522,019)
Penalty & Interest	(\$12,500)	(\$12,880)	(\$10,000)	\$2,500	-20.83%		(\$10,000)	(\$10,000)
Grants	\$0	\$0	\$0	\$0	0.00%		\$0	\$0
Water Investment Income	(\$65,000)	(\$85,000)	(\$85,000)	(\$20,000)	40.00%	offset by transfer to reserve--offset below	(\$85,000)	(\$90,000)
Water Truck Revenue	(\$2,500)	\$0	\$0	\$2,500	-23.81%	Truck usage by other departments		
Water Department Revenue	(\$2,673,340)	(\$2,589,794)	(\$2,350,265)	\$323,076	-12.91%		(\$3,189,224)	(\$3,329,255)
Expenditures								
Salaries and Wages	\$140,000	\$140,000	\$160,000	\$20,000	16.00%	Wages and Salaries - Allocation from Admin (Accounting Clerk, Treasurer, CAO), Dir of Infrastructure and Water/WW & Compliance Superintendent + New Summer Student	\$164,800	\$169,744
Overhead	\$43,000	\$43,000	\$50,000	\$7,000	35.00%		\$51,500	\$53,045
Roads Wages Allocated	\$2,500	\$500	\$500	(\$2,000)	0.00%	Misc Road Time	\$515	\$530
Health & Safety	\$500	\$25	\$150	(\$350)	0.00%	increased due to staffing changes	\$155	\$159
Training & mileage	\$3,000	\$2,500	\$2,500	(\$500)	-62.50%	increased due to staffing changes	\$2,575	\$2,652
Utilities	\$10,000	\$10,000	\$10,000	\$0	0.00%		\$10,300	\$10,609
Materials and Supplies	\$3,000	\$3,100	\$3,308	\$308	15.39%	Better reflects historical costs	\$3,407	\$3,509
Clothing Allowance		\$600	\$1,000	\$1,000			\$1,030	\$1,061
Property maintenance	\$2,700	\$2,700	\$2,881	\$181	7.24%	reflective of prior year actuals	\$2,967	\$3,056
Roads equipment time	\$15,000	\$1,600	\$15,000	\$0	0.00%	reflective of prior year actuals	\$15,450	\$15,914
Postage and Courier	\$5,000	\$5,000	\$5,000	\$0	0.00%		\$5,150	\$5,305
Telephone & internet	\$5,000	\$5,000	\$5,000	\$0	0.00%	reflective of prior year actuals	\$5,150	\$5,305
Legal and Audit fees	\$2,500	\$2,500	\$2,500	\$0	0.00%	reflective of prior year actuals	\$2,575	\$2,652
Insurance	\$40,000	\$40,800	\$48,144	\$8,144	23.95%	Anticipating 18% increase in premium	\$49,588	\$51,076
System Maintenance	\$11,500	\$11,500	\$12,000	\$500	10.00%	reflective of prior year average, difficult to predict	\$12,360	\$12,731
Equipment Costs	\$73,868	\$126,000	\$50,000	(\$23,868)	-26.52%	Total fluctuates with number of service connections, costs dependent on work required, repairs, waterline breaks, etc	\$51,500	\$53,045
Memberships & subscriptions	\$1,500	\$575	\$1,000	(\$500)	-86.96%	increased due to staffing changes	\$1,030	\$1,061
Water truck fuel and maintenance	\$4,500	\$4,500	\$2,019	(\$2,481)	-70.90%		\$2,079	\$2,142
OCWA Contract	\$123,500	\$123,506	\$131,775	\$8,275	6.99%	Agreement cost increased CPI 6.7%	\$135,728	\$139,800
OCWA Extra/Out of Scope Work	\$10,000	\$61,000	\$25,000	\$15,000	100.00%		\$25,750	\$26,523
Vehicle - Summer Student			\$2,400	\$2,400			\$2,472	\$2,546
Water Testing	\$0	\$0	\$0	\$0	0.00%	OCWA covers costs	\$0	\$0
Studies, standards	\$15,000	\$15,000	\$0	(\$15,000)	-300.00%	Misc. minor studies, engineering	\$0	\$0
Water Costs	\$1,110,927	\$1,400,000	\$1,286,095	\$175,168	15.99%	2022-consumptions assumed below (metered use + 20% loss)	\$1,324,678	\$1,364,418
Miscellaneous Waterline Costs	\$25,000	\$13,075	\$25,000	\$0	0.00%	Breaks, major repairs	\$25,750	\$26,523
Transfer to Reserve - Water	\$328,377	\$89,794	\$180,981	(\$147,396)	-43.91%		\$0	\$0
Transfer to Reserve - Connections	\$631,968	\$487,519	\$243,013	(\$388,955)	-72.57%	connection fees transferred to reserve--offset above	\$250,303	\$257,812
Transfer to Reserve - Investment Income	\$65,000		\$85,000	\$20,000	40.00%	investment interest transferred to reserve--offset above	\$87,550	\$90,177
Amortization			\$0	\$0	0.00%		\$0	\$0
Water Department Expenditures	\$2,673,340	\$2,589,794	\$2,350,265	(\$323,075)	-12.91%		\$2,234,362	\$2,301,393
Water Department	\$0	(\$0)	\$0	\$0	43.22%		(\$954,862)	(\$1,027,862)

Inputs/Assumptions								
1766 Water Connections								
130 New connections Estimated - revenue based on 50% to account for occupancy through 2022								
168 m3 per HH as per Water/Wastewater Study								
Rates as per the Water/Wastewater Study								
Dutton Dunwich consumption estimated at 200,000 m3								
Water loss estimated at 20%								
Rates	2022		2023				2024	2025
Primary Water Purchase rate (/m3)	\$0.9400		\$0.9649	\$0.0348	4.00%		\$1.0200	\$1.0600
Secondary Water Purchase Rate (/m3)	\$0.5900		\$0.6229	\$0.0342	6.51%		\$0.6200	\$0.6400
Southwold Rate (/m3)	\$1.2100		\$1.2100	\$0.0000	0.00%		\$1.2100	\$1.2100
Southwold Water Fill Station (/m3)	\$1.7800		\$1.7800	\$0.0000	0.00%		\$1.7800	\$1.7800
Fill Station m3	3000		\$3,000.0000					
Southwold Rate Capital Pass Through to Dutton Dunwich	\$0.3600		\$0.4100	\$0.0350	12.73%		\$0.4700	\$0.5400
Dutton Dunwich m3	200000		\$200,000.00					
Southwold Monthly Base Rate	\$13.51		\$13.51	\$0.0000	0.00%		\$13.51	\$13.51
Construction Water	\$160.00		\$160.00				\$160.00	\$160.00
Total Rates								
Southwold (/m3)	\$2.75		\$2.7978	\$0.0690	2.65%		\$2.85	\$2.91
Southwold Water Fill Station (/m3)	\$3.31		\$3.3678	\$0.0690	2.17%		\$3.42	\$3.48
Dutton Dunwich (/m3)	\$1.89		\$1.9978	\$0.1040	6.23%		\$2.11	\$2.24
water quarterly charge	\$40.53		\$40.53	3.00%			\$40.53	\$40.53
water consumption	\$2.680		\$2.820	4.00%			\$2.750	\$2.750
water consumption fill station	\$3.240		\$3.380	4.00%			\$3.310	\$3.310
Resulting Rate Increases continued								
Total Rate to Charge Dutton Dunwich for water pulled through	\$203,232.7900						\$233.5800	\$233.9600
Development and Growth assumptions			2023				2023	2024
In-fill / Rural	15		5				5	5
DHP phase I	0		0				0	0
DHP phase II	25		7				15	15
DHP Condo			32				20	
Enclave	0		2				28	0
Enclave Condo								
Woodland								
Municipal property Union and Talbot	0							
Florence Court	5							
Southside	0		0				0	0
Farhi	85		29				70	70
Total anticipated development	130		75				138	90
Consumption assumptions			2023				2023	2024
estimated household consumption	283,080		352,988				332,576	351,728
(note increases based on average occupancy mid-year)								
Total Connection assumptions			2022				2022	2022
estimated households	1,620		1,766				1,613	1,751

Schedule "B" to By-law No. 2022-97

2021 Water Capital - Not Raised from Tax Levy

Capital Items and Projects	Budget	Funding Source		Notes
		Reserve	Other	
2022 Capital				
Carried Forward				
Lynhurst Reconstruction (Water Portion)	\$1,100,000	\$1,100,000		Water Reserve - based on Eng Est. 2021-11-26
Water Supply Study - Add'l work - From 2021	\$15,000	\$15,000		Water Reserve
OCWA Recommendations - see attached	\$32,500	\$32,500		Water Reserve
Meter Reading Software Update	\$10,000	\$10,000		Water Reserve - Needed, existing software no longer supported
2022 Total	\$1,157,500	\$1,157,500	\$0	
2023 Capital				
2016 Pickup Truck Replacement	\$50,000	\$50,000		Water Reserve
Shedden Rechlorination Station-retro-fit	\$34,000	\$34,000		Water Reserve
PW New Building (Water Portion)	\$914,000	\$914,000		Water Reserve
OCWA Recommendations - see attached	\$27,000	\$27,000		Water Reserve
2023 Total	\$1,025,000	\$1,025,000	\$0	
2024 Capital				
Rate Study (2024/2025)	\$15,000	\$15,000		Water Reserve
OCWA Recommendations - see attached	\$23,500	\$23,500		Water Reserve
2024 Total	\$38,500	\$38,500		
2025 Capital				
Rate Study (2024/2025)	\$15,000	\$15,000		Water Reserve
OCWA Recommendations - see attached	\$16,500	\$16,500		Water Reserve
2025 Total	\$31,500	\$31,500		
2026 Capital				
OCWA Recommendations - see attached	\$16,000	\$16,000		Water Reserve
2026 Total	\$16,000	\$16,000	\$0	

2027 Capital				
OCWA Recommendations - see attached	\$18,500		\$18,500	Water Reserve
2027 Total	\$18,500		\$18,500	\$0

The Corporation of the Township of Southwold

(6-Year Recommended Capital/Major Maintenance from 2023 to 2028)




The Ontario Clean Water Agency has identified the following capital projects/major maintenance for your review and approval.

Ref. No.	Scope of Work	Cost Estimate						Compliance	DWQMS RA Outcome*	Health & Safety	Repair / Maintenance	Lifecycle Replacement	Improvement	Spare Parts Inventory	Approved by Client	Rationale for Project
		2023	2024	2025	2026	2027	2028									
Shedden Re-Chlorination Facility																
1	Purchase chlorine pump/rebuild kit for spare parts inventory	\$ -	\$ 2,000.00	\$ -	\$ 2,000.00	\$ -	\$ -									Currently spare pump rebuild kit is in stock inventory. Placeholder in 2024.
2	Building Condition Assessment Recommendations		\$ -	\$ -												Implementation of Condition Assessment Recommendations per the IRC Group Report. These costs have been removed and the Township will coordinate and replacements or repairs.
3	Chlorine analyzer(s) parts: inlet and outlet (membrane caps, pH standards, cl2 probe replacement, pH probe replacement, electrolyte)	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00									Chlorine probes required every 3- 5 years for inlet and outlet analyzer, pH probes require annual replacement.
Total Estimate - Recommended Capital		\$2,000	\$4,000	\$2,000	\$4,000	\$2,000	\$2,000									
Distribution System																
1	Fire flow testing	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ -	\$ -	\$ -									Fire flow testing on hydrants last completed in 2017. Recommend to start again in five years or when Ford water tower is taken out of service.
2	Hydrant maintenance and repairs	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00									Placeholder for possible repairs or replacement.
3	Chamber S029 PRV: Inspect/Service/Rebuild	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -									Recommend for inspection/service/rebuild of PRVs at chamber S029.
4	Sample Station replacement	\$ 5,500.00	\$ -	\$ -	\$ 5,500.00	\$ -	\$ -									Due to failed components in the sample station, OCWA recommends for it to be removed and replaced in 2023 and 2026.
5	Sample station maintenance/repairs/rebuild kits	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00									Purchase spare rebuild kits and on-going maintenance to sample stations, ball valves and plungers.
6	Valve/Service Locator/Repair Parts/Equipment	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00									Supplies for locating valves during hydrant inspection/valve operations, repair parts for breaks to ensure stock available for after hour repairs.
7	Fire Hydrant/Sample Station Painting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -									To maintain fire hydrant and sample station exterior condition. Township will paint hydrants using internal resources.
8	Auto flusher maintenance: replace controllers, lids, etc	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00									Four auto flushers require regular maintenance/replacement of parts: including controllers, valves.
Total Estimate - Recommended Capital		\$25,000	\$29,500	\$19,500	\$20,000	\$14,500	\$14,500									
Total Capital Estimate		\$27,000	\$33,500	\$21,500	\$24,000	\$16,500	\$16,500									

2023 Recommended Capital Presented by:
2023 Recommended Capital Approved by:

Mark Harris
Dale LeBritton

* **NOTE** : a requirement of DWQMS v. 2.0 is to consider the outcomes of the risk assessment (RA) documented under Element 8 as part of the system's infrastructure review

Legend:
 H High priority recommended to be completed in upcoming year
 M Medium priority recommended to be completed in 1 to 3 years
 L Low priority recommended to be completed in years 4 to 5