



**THE CORPORATION OF THE TOWNSHIP OF SOUTHWOLD**

**BY-LAW NO. 2025-18**

**Being a By-Law to adopt the 2025 Sanitary Sewer  
System Operating and Capital Budgets**

**WHEREAS** it is necessary for the Council of the Township of Southwold, pursuant to Section 290 (1) of the Municipal Act 2001, S.O. 2001, c.25, to prepare and adopt a budget including estimates of all sums required during the year for the purposes of the municipality;

**AND WHEREAS** the Council for the Township of Southwold desires to adopt Operating and Capital Budgets for the Southwold Sanitary Sewer System.

**NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWNSHIP  
OF SOUTHWOLD ENACTS AS FOLLOWS:**

1. That the 2025 Sanitary Sewer Operating Budget, attached as Schedule "A", and forming part of this by-law, is hereby adopted.
2. That the 2025 Sanitary Sewer System Capital Budget, attached as Schedule "B", and forming part of this by-law, is hereby adopted.

**READ A FIRST AND SECOND TIME, CONSIDERED READ A THIRD TIME AND  
FINALLY PASSED THIS 10<sup>th</sup> DAY OF MARCH, 2025.**

Original signed by:

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Mayor  
Grant Jones

Original signed by:

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CAO/Clerk  
Jeff Carswell

**Sanitary Operating**

Account	2024 YTD	2024 Budget	2025 Forecast	\$ Variance	% Variance	Notes	2026 Forecast	2027 Forecast
<b>Talbotville</b>								
<b>Revenue</b>								
Talbotville Sanitary Connection Fees	(\$154,234)	\$0	(\$96,000)	(\$96,000)	0.00 %		\$0	\$0
Talbotville Per HH Flat Rate	(\$84,186)	(\$64,673)	(\$92,960)	(\$28,288)	43.74 %		(\$95,526)	(\$108,968)
Talbotville Per M3 Rate	(\$151,421)	(\$107,901)	(\$192,201)	(\$84,300)	78.13 %		(\$293,908)	(\$335,264)
Transfer from Talbotville Sewer Reserve	\$0	\$0	\$0	\$0	0.00 %		\$0	
<b>Total Revenue</b>	<b>(\$389,841)</b>	<b>(\$172,574)</b>	<b>(\$381,162)</b>	<b>(\$208,588)</b>	<b>120.87 %</b>		<b>(\$389,434)</b>	<b>(\$444,231)</b>
<b>Expenses</b>								<b>Inc. operating c</b>
Wages	\$100,748	\$74,000	\$122,677	\$48,677	65.78 %	New - allocation of staff time	\$126,357	\$189,536
Overhead	\$32,252	\$23,252	\$38,669	\$15,417	66.30 %		\$39,829	\$59,744
Roads Labour Allocation(Site Maint)	\$0	\$0	\$0	\$0	0.00 %		\$0	\$0
Roads Machine Time Allocation(Site Maint)	\$0	\$0	\$0	\$0	0.00 %		\$0	\$0
Training	\$140	\$0	\$325	\$325	0.00 %		\$335	\$345
Utilities	\$58,602	\$51,002	\$59,000	\$7,998	15.68 %	Based on Prior Year Actuals	\$60,770	\$106,348
Consumables, Chemicals	\$68,043	\$31,000	\$50,000	\$19,000	61.29 %	Consumables, Chemicals (+30 %), supplies	\$51,500	\$90,125
Property Tax PIL	\$5,381	\$5,150	\$5,600	\$450	8.74 %	Based on Actuals	\$5,768	\$10,094
Property Maintenance	\$2,931	\$1,545	\$3,000	\$1,455	94.17 %		\$3,090	\$3,183
Computer Support	\$2,519	\$0	\$2,500	\$2,500	0.00 %		\$2,575	
Telephone/Internet	\$2,496	\$0	\$2,600	\$2,600	0.00 %	Starlink internet, cell phone		
Insurance	\$3,930	\$4,205	\$4,331	\$126	3.00 %		\$4,461	\$4,595
Legal	\$0	\$1,030	\$1,050	\$20	1.94 %		\$1,082	\$1,114
System Maintenance	\$10,590	\$8,000	\$22,800	\$14,800	185.00 %	Additional breakdown starting 2022 - see below	\$23,484	\$41,097
Misc	\$1,391	\$1,030	\$1,100	\$70	6.80 %		\$1,133	\$1,167
Contracted Services	\$251	\$5,000	\$5,150	\$150	3.00 %	Other contracted service ie. Waste Coll, Generator Insp, Driveway snow removal, etc.	\$5,305	\$5,464
OCWA Contract	\$99,899	\$99,899	\$101,797	\$1,898	1.90 %	OCWA agreement updated	\$104,851	\$183,489
OCWA Extra/Out of Scope	\$39,212	\$46,350	\$47,741	\$1,391	3.00 %	Based on Prior Years	\$49,173	
Wastewater Testing	\$6,206	\$6,180	\$6,365	\$185	3.00 %	Based on Actuals	\$6,556	\$11,474
Plans and studies	\$0	\$5,150	\$5,305	\$155	3.00 %	Misc Studies, engineering	\$5,464	\$5,628
Replace Activated Carbon - Screening Room	\$6,871	\$2,750	\$2,833	\$83	3.00 %	\$5,000 every other year, annualized to \$2,500	\$2,917	\$3,005
Cleaning Raw Equalization Tanks	\$4,652	\$8,000	\$10,000	\$2,000	25.00 %		\$10,300	\$10,609
Membrane Cleaning	\$10,839	\$20,000	\$25,000	\$5,000	25.00 %		\$25,750	\$26,523
Sludge/Biosolids Removal	\$25,922	\$13,000	\$13,390	\$390	3.00 %	Sludge press operational-part of OCWA contract	\$13,792	\$14,205
Disolved Oxygen/pH Meter/Probe Repl	\$1,492	\$5,000	\$5,000	\$0	0.00 %	annualized to \$5,000	\$5,150	\$5,305
Cassette Replacement	\$0	\$2,000	\$2,000	\$0	0.00 %		\$2,060	\$2,122
Equipment Failure/Replacement Contingency	\$12,905	\$12,000	\$10,000	(\$2,000)	-16.67 %	items not planned for such as possible equipment, failure(blowers, motors, pumps,switches)	\$10,300	\$10,609
<b>Total Expenses</b>	<b>\$497,272</b>	<b>\$425,543</b>	<b>\$548,232</b>	<b>\$122,690</b>	<b>28.83 %</b>		<b>\$562,001</b>	<b>\$785,778</b>
<b>Net Operating (Revenue)/Expense</b>	<b>\$107,431</b>	<b>\$252,969</b>	<b>\$167,071</b>	<b>(\$85,898)</b>	<b>-33.96 %</b>		<b>\$172,567</b>	<b>\$341,547</b>
<b>Accumulated Operating Deficit</b>								
<b>Talbotville System</b>	<b>\$1,734,431</b>	<b>\$1,627,000</b>	<b>\$1,794,071</b>				<b>\$1,966,639</b>	<b>\$2,308,185</b>

Account	2024 YTD	2024 Budget	2025 Forecast	\$ Variance	% Variance	Notes	2026 Forecast	2027 Forecast
<b>Ferndale/Lynhurst</b>								
<b>Revenue</b>								
Ferndale Monthly	(\$47,188)	(\$47,754)	(\$48,489)	(\$735)	1.54%	Offset below	(\$49,459)	(\$50,448)
Ferndale Per Cubic Meter	(\$77,202)	(\$79,674)	(\$83,496)	(\$3,822)	4.80%	Offset below - to St. Thomas	(\$126,735)	(\$131,804)
Lynhurst Monthly (from St. Thomas)	(\$12,552)	(\$12,825)	(\$13,300)	(\$474)	3.70%	Offset below	(\$13,283)	(\$13,549)
Sewer Investment Income	(\$2,000)	(\$2,000)	(\$2,000)	\$0	0.00%	Reserve Interest - offset below with Transfer to Reserve	(\$2,000)	(\$2,000)
<b>Total Revenue</b>	<b>(\$138,942)</b>	<b>(\$142,253)</b>	<b>(\$147,285)</b>	<b>(\$5,031)</b>	<b>3.54%</b>		<b>(\$191,477)</b>	<b>(\$197,801)</b>
<b>Expenses</b>								
Ferndale Per Cubic Meter to St. Thomas	\$77,202	\$79,674	\$83,496	\$3,822	4.80%	To St. Thomas	\$126,735	\$131,804
Transfer to sewer reserve	\$61,740	\$62,579	\$63,789	\$1,209	1.93%	Ferndale, Lynhurst, Investment from above	\$64,742	\$65,997
Transfer to Capital Projects		\$25,000	\$0	(\$25,000)	-100.00%		\$30,000	
<b>Total Expenses</b>	<b>\$138,942</b>	<b>\$167,253</b>	<b>\$147,285</b>	<b>(\$19,969)</b>	<b>-11.94%</b>		<b>\$221,477</b>	<b>\$197,801</b>
<b>Reserve for Ferndale/Lynhurst</b>	<b>(\$655,224)</b>	<b>(\$658,535)</b>	<b>(\$805,820)</b>				<b>(\$1,027,297)</b>	<b>(\$1,225,098)</b>
<b>Net Reserves - Sanitary</b>		<b>\$968,465</b>	<b>\$988,251</b>				<b>\$939,341</b>	<b>\$1,083,087</b>

Account	2024 YTD	2024 Budget	2025 Forecast	\$ Variance	% Variance	Notes	2026 Forecast	2027 Forecast
<b>Inputs/Assumptions</b>								
92 Talbotville Connections								
130 New connections Talbotville								
170 Connections Ferndale								
5 New Connection Ferndale								
168 m3 per HH as per Water/Wastewater Study								
Rates as per the Water/Wastewater Study								
<b>Connections</b>								
Talbotville		232	333				338	338
Ferndale		175	175				175	175
Lynhurst		47	47				47	47
<b>Growth (calc. based on 6 months)</b>								
Talbotville		10	5					
Talbotville - Other		0	0				0	80
Ferndale								
Lynhurst			2					
HH m3 Water Consumption		168	168				250	250
HH/Month		22.74	23.09				23.55	24.02
m3 Rate Talbotville		2.71	3.41				3.48	3.55
m3 Ferndale (to St. Thomas)		2.71	2.84				2.90	3.01
Talbotville Connection Fees			\$96,000.00					
Talbotville / HH Flat Qtrly		\$64,672.56	\$92,960.34				\$95,526.10	\$108,967.58
Talbotville m3		\$107,901.36	\$192,201.24				\$293,907.90	\$335,263.70
Total Talbotville		\$172,573.92	\$285,161.58				\$389,434.00	\$444,231.28
Ferndale HH		\$47,754.00	\$48,489.00				\$49,458.78	\$50,447.96
Ferndale M3 (to St. Thomas)		\$79,674.00	\$83,496.00				\$126,735.00	\$131,804.40
Total Ferndale		\$127,428.00	\$131,985.00				\$176,193.78	\$182,252.36
Lynhurst HH (from St. Thomas)		\$12,825.36	\$13,299.84				\$13,283.22	\$13,548.88
Total Revenue		\$312,827.28	\$430,446.42				\$578,911.00	\$640,032.52

Schedule B to By-Law No. 2025-18

<b>Sanitary System Capital Forecast</b>				
<b>Capital Items and Projects</b>	<b>Budget</b>	<b>Funding Source</b>		<b>Notes</b>
		<b>Reserve</b>	<b>Other</b>	
<b>2023 Capital</b>				
<b>Carry Forwards</b>				
Antenna/Communication Upgrade	\$3,000		\$3,000	To be funded by Connection Fees
Equipment Storage Building	\$10,000		\$10,000	To be funded by Connection Fees
Forcemain to Development Lands	\$2,500,000		\$2,500,000	To be funded by Connection Fees
Regrading of driveway				Reserve
<b>OCWA Capital Recommendations</b>				
Membrane 1 Replacement	\$170,146		\$170,146	Reserve
<b>2023 Total</b>	<b>\$2,683,146</b>	<b>\$0</b>	<b>\$2,683,146</b>	
<b>2024 Capital</b>				
<b>Carry Forwards</b>				
Antenna/Communication Upgrade	\$3,000		\$3,000	To be funded by Connection Fees
Equipment Storage(plumbing, electrical)	\$5,000		\$5,000	To be funded by Connection Fees
Rate Study (2024/2025)	\$30,000	\$30,000		Reserve
EA Study for Plant relocation/expansion	\$70,000	\$70,000		Reserve-includes contingencies for MECF
<b>2024 Total</b>	<b>\$108,000</b>	<b>\$100,000</b>	<b>\$8,000</b>	
<b>2025 Capital</b>				
WWTP/Pump Station/Forcemain Design	\$450,000		\$450,000	To be funded by Connection Fees
Upgrade to Chemical System	\$22,000	\$22,000		Reserve
Lifting Equipment	\$11,000	\$11,000		Reserve
<b>2025 Total</b>	<b>\$483,000</b>	<b>\$33,000</b>	<b>\$450,000</b>	
<b>2026 Capital</b>				
WWTP/Pump Station Construction	\$20,000,000		\$20,000,000	To be funded by Connection Fees
OCWA Capital Recommendations	\$5,000	\$5,000		Reserve
<b>2026 Total</b>	<b>\$20,005,000</b>	<b>\$5,000</b>	<b>\$0</b>	
<b>2027 Capital</b>				
<b>OCWA Capital Recommendations</b>				
Membrane Pump Discharge Check Valves	\$5,000	\$5,000		Reserve
Membranes: Module Air Diffusers	\$5,000	\$5,000		Reserve
<b>2027 Total</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$0</b>	

The Corporation of The Township of Southwold

(6-Year Recommended Capital/Major Maintenance from 2025 to 2030)

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

Ref. No.	Scope of Work	Year						Compliance	Health & Safety	Repair / Maintenance	Life-cycle Replacement	Improvements	Special Parts Inventory	Approved by Client	Remarks for Project
		2025	2026	2027	2028	2029	2030								
1	Membrane Pump Discharge Check Valves	\$ 2,500.00	\$ -	\$ -	\$ 2,500.00	\$ -	\$ -								Maintenance/Replacement of Check Valves
2	Screenings Room: Activated Carbon Replacement		\$ 5,500.00		\$ 5,500.00		\$ 5,500.00								Carbon material was replaced in both carbon drums in 2022. Life expectancy is about 2 years.
3	Raw Equalization Tank Cleaning	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00								DWCA recommends that the tanks be cleaned 2 times per year. This helps reduce the loading on the fine screen below the effluent station.
4	Plant Diesel Generator Annual Inspection and Fuel	\$ 2,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00								The standby generator is required to have an annual inspection as per the requirements of the Environmental Protection Act (EPA) and to be tested annually as per the owner's order.
5	Backflow Preventor: Annual Verification Inspection	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00								The two on site backflow preventors are required to be tested annually as per the owner's order.
6	Influent and Effluent Flowmeters: Annual Verifications	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00								All flow meters are required to be verified on an annual basis as per the Environmental Protection Act (EPA).
7	Screenings Room: Screenings Bags	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00								Screening bags are required to be regularly replaced as they collect unwanted materials from entering the treatment plant. Increased flushable waste entering the sewer system are required to be removed and inspected for proper performance.
8	Lifting device to lift pumps and equipment	\$ 11,000.00													New lifting device
9	Membranes: Cleaning of Membranes	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00								Membranes were last cleaned by OCHA in the Summer/Fall of 2022. Membranes are required to be cleaned at a minimum two times a year or membranes will perform poorly and reduce plant results. Membranes should be cleaned.
10	Plant chemicals (Chlorine, Alum, Caustic)	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00								Chemicals required for phosphorus removal, and pH adjustments and cleaning of the membranes should be included.
11	Membrane Room: Lifting Equipment Annual Inspection	\$ 1,300.00	\$ 1,300.00	\$ 1,300.00	\$ 1,300.00	\$ 1,300.00	\$ 1,300.00								Membrane room lifting equipment requires annual inspection/verification by a third party.
12	Effluent UV System: bulb and sleeve replacement	\$ 2,500.00	\$ 2,500.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00								UV effluent bulbs and sleeves should be cleaned every two years.
13	Plant Blowers Maintenance (Air Filters/Oil Changes)	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00								The wastewater plant has multiple blowers which require replacement of filters and annual maintenance of oil.
14	Screenings Room: H2S gas detector annual inspection	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00								Screenings Room H2S gas detector requires to be inspected semi-annually and verified by the client.
15	Membrane Cassette Replacement	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00								Placeholder for replacement of fouled/damaged membranes. May be able to use spare reservoirs from Twp/Ward location.
16	Dissolved Oxygen/pH Meter Instrumentation/Probe Replacement	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00								The dissolved oxygen system controls the blowers to ensure instruments operating correctly and efficient operation.
17	Membrane Module Air Diffusers	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -								A 2020 inspection revealed that diffusers in the modules are partially failing and should be replaced. Please see the attached report.
18	Rocket Screw Press Sludge Dewatering Equipment Repairs	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -	\$ -								Screw Press has not been required as all sludge has been hauled in liquid form. This will allow sludge to be dewatered in the future.
19	Contingency: Items not planned for such as possible equipment failure/blowers, motor, pumps switches	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00								Placeholder for unknown breakdown of equipment.
<b>Total Capital Estimate</b>		<b>\$132,000</b>	<b>\$135,300</b>	<b>\$147,300</b>	<b>\$126,300</b>	<b>\$147,300</b>	<b>\$152,800</b>								

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

2025 Recommended Capital Presented by:  
 2025 Recommended Capital Approved by:

Vitaliy Talashok : Senior Operations Manager  
 Sam Sianias : Regional Hub Manager