



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 10th DAY OF MARCH, 2025.**

Original signed by:

Mayor
Grant Jones

Original signed by:

CAO/Clerk
Jeff Carswell

Sanitary Operating

Account	2024 YTD	2024 Budget	2025 Forecast	\$ Variance	% Variance	Notes	2026 Forecast	2027 Forecast
Talbotville								
Revenue								
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	
Total Revenue	(\$389,841)	(\$172,574)	(\$381,162)	(\$208,588)	120.87 %		(\$389,434)	(\$444,231)
Expenses								Inc. operating c
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
Consummables, 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
						Other contracted service ie. Waste Coll, Generator		
Contracted Services	\$251	\$5,000	\$5,150	\$150	3.00 %	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
Total Expenses	\$497,272	\$425,543	\$548,232	\$122,690	28.83 %		\$562,001	\$785,778
Net Operating (Revenue)/Expense	\$107,431	\$252,969	\$167,071	(\$85,898)	-33.96 %		\$172,567	\$341,547
Accumulated Operating Deficit								
Talbotville System	\$1,734,431	\$1,627,000	\$1,794,071				\$1,966,639	\$2,308,185

Account	2024 YTD	2024 Budget	2025 Forecast	\$ Variance	% Variance	Notes	2026 Forecast	2027 Forecast
Ferndale/Lynhurst								
Revenue								
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)
Total Revenue	(\$138,942)	(\$142,253)	(\$147,285)	(\$5,031)	3.54 %		(\$191,477)	(\$197,801)
Expenses								
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	
Total Expenses	\$138,942	\$167,253	\$147,285	(\$19,969)	-11.94 %		\$221,477	\$197,801
Reserve for Ferndale/Lynhurst	(\$655,224)	(\$658,535)	(\$805,820)				(\$1,027,297)	(\$1,225,098)
Net Reserves - Sanitary		\$968,465	\$988,251				\$939,341	\$1,083,087

Account	2024 YTD	2024 Budget	2025 Forecast	\$ Variance	% Variance	Notes	2026 Forecast	2027 Forecast
Inputs/Assumptions								
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								
Connections								
Talbotville		232	333				338	338
Ferndale		175	175				175	175
Lynhurst		47	47				47	47
Growth (calc. based on 6 months)								
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

Sanitary System Capital Forecast					
			Funding Source		
Capital Items and Projects	Budget		Reserve	Other	Notes
2023 Capital					
Carry Forwards					
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
OCWA Capital Recommendations					
Membrane 1 Replacement	\$170,146			\$170,146	Reserve
2023 Total	\$2,683,146		\$0	\$2,683,146	
2024 Capital					
Carry Forwards					
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
2024 Total	\$108,000		\$100,000	\$8,000	
2025 Capital					
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
2025 Total	\$483,000		\$33,000	\$450,000	
2026 Capital					
WWTP/Pump Station Construction	\$20,000,000			\$20,000,000	To be funded by Connection Fees
OCWA Capital Recommendations	\$5,000		\$5,000		Reserve
2026 Total	\$20,005,000		\$5,000	\$0	
2027 Capital					
OCWA Capital Recommendations					
Membrane Pump Discharge Check Valves	\$5,000		\$5,000		Reserve
Membranes: Module Air Diffusers	\$5,000		\$5,000		Reserve
2027 Total	\$10,000		\$10,000	\$0	

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	2025	2026	2027	2028	2029	2030	Compliance	Health & Safety	Repair/Maintenance	Life Cycle Replacement	Improvement	Solid Parts Inventory	Approved by Client	Remarks for Project
1	Talbotville Waste Water Treatment	\$ 2,500.00	\$ -	\$ -	\$ 2,500.00	\$ -	\$ -								Maintenance/Replacement of Check Valves
2	Membrane Pump Discharge Check Valves		\$ 5,500.00		\$ 5,500.00		\$ 5,500.00								Carbon material was replaced in both carbon drums in 2022. Life expectancy is about 8 years.
3	Screenings Room: Activated Carbon Replacement	\$ 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 filter system and prevent clogging.
4	Raw Equalization Tank Cleaning	\$ 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 manufacturer's instructions.
5	Plant Diesel Generator Annual Inspection and Fuel	\$ 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).
6	Backflow Preventor Annual Verification Inspection	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00								Screenings 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 from the system and discarded. The screeners perform the new lifting device.
7	Influent and Effluent Flowmeters Annual Verifications	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00								Membranes were last cleaned by DWCA 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. Below are the chemicals used to clean the membranes.
8	Screenings Room: Screenings Bags	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00								Chemicals required for phosphorus removal, and pH adjustments and cleaning of the membranes during backwash.
9	Lifting device to lift pumps and equipment	\$ 11,000.00													Membrane room lifting equipment requires annual inspection/verification by a third party.
10	Membranes: Cleaning of Membranes	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00								UV effluent bulbs and sleeves should be cleaned every two years.
11	Plant chemicals (Chlorine, Alum, Caustic)	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00	\$ 55,000.00								The wastewater plant has multiple blowers which require replacement of filters and annual replacement of oil.
12	Membrane Room: Lifting Equipment Annual Inspection	\$ 1,300.00	\$ 1,300.00	\$ 1,300.00	\$ 1,300.00	\$ 1,300.00	\$ 1,300.00								Screenings Room H2S gas detector requires to be inspected semi-annually and verified by the third party.
13	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								Place holder for replacement of fouled/damaged membranes. May be able to use spare membranes from Zee/Wend location.
14	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 cleaned oxygen system controls the blowers to critical to ensure instruments operating correctly and avoid inefficient operation.
15	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								A 2020 inspection revealed that officers in the module are partially failing and should be replaced. Please see the attached report for more information.
16	Membrane Cassette Replacement	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00								Screw Press has not been required as all sludge has been hauled in liquid form. This will allow sludge to be dewatered in the biosolids.
17	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								Place holder for workshop breakdown of equipment.
18	Membrane Module Air Diffusers	\$ -	\$ 5,000.00	\$ -		\$ -	\$ -								
19	Rocket Screw Press Sludge Dewatering Equipment Repairs	\$ -	\$ 5,000.00	\$ -		\$ -	\$ -								
20	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								
Total Capital Estimate		\$132,300	\$131,300	\$117,300	\$126,300	\$117,300	\$122,800								

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:

Vitaly Talashok : Senior Operations Manager
Sam Sianes : Regional Hub Manager