



THE CORPORATION OF THE TOWNSHIP OF SOUTHWOLD

BY-LAW NO. 2025-72

Being a By-Law to adopt the 2026 Wastewater 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 Wastewater System.

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

1. That the 2026 Wastewater System Operating Budget, attached as Schedule "A", and forming part of this by-law, is hereby adopted.
2. That the 2026 Wastewater 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 8th DAY OF DECEMBER, 2025.**

Original signed by:

Mayor
Grant Jones

Original signed by:

CAO/Clerk
Jeff Carswell

Wastewater Operating

Account	2025 YTD	2025 Budget	2026 Forecast	\$ Variance	% Variance	Notes	2027 Forecast	2028 Forecast
Talbotville								
Revenue								
Talbotville Sanitary Connection Fees	(\$130,419)	(\$96,000)	(\$100,032)	(\$4,032)	4.20 %		(\$200,064)	(\$200,064)
Talbotville Per HH Flat Rate	(\$77,296)	(\$92,960)	(\$98,886)	(\$5,925)	6.37 %		(\$103,072)	(\$108,137)
Talbotville Per M3 Rate	(\$190,452)	(\$192,201)	(\$246,271)	(\$54,070)	28.13 %		(\$290,707)	(\$304,993)
Transfer from Talbotville Sewer Reserve	\$0	\$0	\$0	\$0	0.00 %			
Total Revenue	(\$398,167)	(\$381,162)	(\$445,189)	(\$64,027)	16.80 %		(\$593,843)	(\$613,195)
Expenses							Inc. operating due to plant exp:	
Wages		\$122,677	\$120,835	(\$1,842)	-1.50 %	New - allocation of staff time	\$123,252	\$125,717
Overhead		\$38,669	\$35,844	(\$2,825)	-7.31 %		\$36,561	\$37,292
Roads Labour Allocation(Site Maint)		\$0	\$0	\$0	0.00 %		\$0	\$0
Roads Machine Time Allocation(Site Maint)	\$564	\$0	\$0	\$0	0.00 %		\$0	\$0
Training		\$325	\$335	\$10	3.00 %		\$341	\$348
Utilities	\$34,381	\$59,000	\$60,770	\$1,770	3.00 %	Based on Prior Year Actuals	\$61,985	\$63,225
Consummables, Chemicals	\$55,615	\$50,000	\$30,000	(\$20,000)	-40.00 %	Consumables, Chemicals (+30 %), supplies	\$30,600	\$31,212
Property Tax PIL	\$5,473	\$5,600	\$5,768	\$168	3.00 %	Based on Actuals	\$5,883	\$6,001
Property Maintenance	\$3,667	\$3,000	\$7,500	\$4,500	150.00 %		\$7,650	\$7,803
Computer Support	\$897	\$2,500	\$2,575	\$75	3.00 %		\$2,627	\$2,679
Telephone/Internet	\$1,635	\$2,600	\$2,678	\$78	3.00 %	Starlink internet, cell phone	\$2,732	\$2,786
Insurance	\$4,474	\$4,331	\$4,474	\$143	3.29 %	Replacement value for WWTP updated	\$4,563	\$4,655
Legal	\$0	\$1,050	\$1,050	\$0	0.00 %		\$1,071	\$1,092
System Maintenance	\$5,790	\$22,800	\$14,300	(\$8,500)	-37.28 %	Based on OCWA recommendations	\$14,586	\$14,878
Memberships & Subscriptions	\$145	\$0	\$300	\$300	0.00 %	employee certifications	\$306	\$312
Misc	\$0	\$1,100	\$1,100	\$0	0.00 %		\$1,122	\$1,144
						Other contracted service ie. Waste Coll, Generator		
Contracted Services	\$7,632	\$5,150	\$5,305	\$155	3.00 %	Insp, Driveway snow removal, etc.	\$5,411	\$5,519
OCWA Contract	\$101,797	\$101,797	\$119,197	\$17,400	17.09 %	OCWA agreement updated 2026	\$121,581	\$124,013
OCWA Extra/Out of Scope	\$49,404	\$47,741	\$49,173	\$1,432	3.00 %	Based on Prior Years	\$50,156	\$51,159
Wastewater Testing	\$8,931	\$6,365	\$8,900	\$2,535	39.82 %	Based on Actuals	\$9,078	\$9,260
Plans and studies	\$0	\$5,305	\$0	(\$5,305)	-100.00 %	Misc Studies, engineering	\$0	\$0
Replace Activated Carbon - Screening Room	\$0	\$2,833	\$2,000	(\$833)	-29.39 %	\$5,000 every other year, annualized to \$2,500	\$2,040	\$2,081
Cleaning Raw Equalization Tanks	\$5,725	\$10,000	\$12,000	\$2,000	20.00 %		\$12,240	\$12,485
Membrane Cleaning	\$26,730	\$25,000	\$25,000	\$0	0.00 %		\$25,500	\$26,010
Sludge/Biosolids Removal	\$8,649	\$13,390	\$13,000	(\$390)	-2.91 %	Sludge press operational-part of OCWA contract	\$13,260	\$13,525
Disolved Oxygen/pH Meter/Probe Repl	\$0	\$5,000	\$5,000	\$0	0.00 %	annualized to \$5,000	\$5,100	\$5,202
Cassette Replacement	\$2,592	\$2,000	\$2,000	\$0	0.00 %		\$2,040	\$2,081

Account	2025 YTD	2025 Budget	2026 Forecast	\$ Variance	% Variance	Notes	2027 Forecast	2028 Forecast
Equipment Failure/Replacement Contingency	\$5,895	\$10,000	\$10,000	\$0	0.00 %	items not planned for such as possible equipment, failure(blowers, motors, pumps,switches)	\$10,200	\$10,404
Transfer to Reserve and Unfunded Capital		\$0	\$100,032	\$100,032	0.00 %		\$200,064	\$200,064
Total Expenses	\$329,996	\$548,232	\$639,135	\$90,903	16.58 %		\$749,949	\$760,947
Net Operating (Revenue)/Expense	(\$68,171)	\$167,071	\$193,946	\$26,875	16.09 %		\$156,106	\$147,752
Accumulated Operating Deficit								
Talbotville System	\$1,666,260	\$1,794,071	\$1,988,017				\$2,144,123	\$2,291,875

Account	2025 YTD	2025 Budget	2026 Forecast	\$ Variance	% Variance	Notes	2027 Forecast	2028 Forecast
Shedden								
Revenue								
Shedden Connection Fees		\$0	(\$100,032)	(\$100,032)	0.00 %		\$400,128	\$400,128
Shedden Per HH Flat Rate		\$0	(\$361)	(\$361)	0.00 %		\$5,154	\$14,268
Shedden Per Cubic Meter		\$0	(\$3,595)	(\$3,595)	0.00 %		\$14,535	\$29,652
Total Revenue		\$0	(\$103,988)	(\$103,988)	0.00 %		\$419,817	\$444,048
Expenses								
Haulage		\$0	\$33,000	\$33,000	0.00 %	haulage prior to WWTP in operation		
Transfer to sewer reserve		\$0	\$0	\$0	0.00 %			
Total Expenses		\$0	\$33,000	\$0	0.00 %			
Reserve for Shedden								
Ferndale/Lynhurst								
Revenue								
Ferndale Monthly	(\$40,016)	(\$48,489)	(\$49,659)	(\$1,170)	2.41 %	Offset below	(\$50,653)	(\$51,666)
Ferndale Per Cubic Meter	(\$52,054)	(\$83,496)	(\$86,399)	(\$2,903)	3.48 %	Offset below - to St. Thomas	(\$89,855)	(\$93,449)
Lynhurst Monthly (from St. Thomas)		(\$13,300)	(\$14,147)	(\$847)	6.37 %	Offset below	(\$14,430)	(\$14,719)
Sewer Investment Income	\$0	(\$2,000)	(\$2,000)	\$0	0.00 %	Reserve Interest - offset below with Transfer to Reserve	(\$2,000)	(\$2,000)
Total Revenue	(\$92,070)	(\$147,285)	(\$152,206)	(\$4,921)	3.34 %		(\$156,938)	(\$161,834)
Expenses								
Ferndale Per Cubic Meter to St. Thomas	\$82,238	\$83,496	\$86,399	\$2,903	3.48 %	To St. Thomas	\$89,855	\$93,449
Transfer to sewer reserve	\$63,789	\$63,789	\$65,807	\$2,018	3.16 %	Ferndale, Lynhurst, Investment from above	\$67,083	\$68,384
Transfer to Capital Projects		\$0	\$30,000	\$30,000	0.00 %			
Total Expenses	\$146,027	\$147,285	\$182,206	\$34,921	23.71 %		\$156,938	\$161,834
Reserve for Ferndale/Lynhurst	(\$601,832)	(\$805,820)	(\$784,038)				(\$940,975)	(\$1,102,809)
Net Reserves - Sanitary	\$1,064,428	\$988,251	\$1,203,980				\$1,203,148	\$1,189,066

Account	2025 YTD	2025 Budget	2026 Forecast	\$ Variance	% Variance	Notes	2027 Forecast	2028 Forecast
Inputs/Assumptions								
340 Talbotville Connections								
10 New connections Talbotville/Shedden								
172 Connections Ferndale								
168 m3 per HH as per Water/Wastewater Study								
Rates as per the Water/Wastewater Study								
Connections								
Talbotville		333	340				345	355
Ferndale		175	172				172	172
Lynhurst		47	49				49	49
Shedden							5	25
Fingal								
Growth (calc. based on 6 months)								
Talbotville		5	5				10	10
Talbotville - Other		0	0					0
Ferndale			0					
Lynhurst		2	0					
DHP Shedden Meadows			5				20	20
Fingal								20
HH m3 Water Consumption		168	168				168	168
HH/Month		23.09	24.06				24.54	25.03
m3 Rate Talbotville		3.41	4.28				4.94	5.04
m3 Ferndale (to St. Thomas)		2.84	2.99				3.11	3.23
Talbotville Connection Fees		\$96,000.00	\$100,032.00				\$200,064.00	\$200,064.00
Shedden Connection Fees			\$100,032.00				\$400,128.00	\$400,128.00
Fingal Connection Fees								\$400,128.00
Talbotville / HH Flat Qtrly		\$92,960.34	\$98,885.70				\$103,072.10	\$108,137.35
Talbotville m3		\$192,201.24	\$246,271.20				\$290,707.20	\$304,993.38
Total Talbotville		\$285,161.58	\$345,156.90				\$393,779.30	\$413,130.74
Ferndale HH		\$48,489.00	\$49,659.39				\$50,652.57	\$51,665.63
Ferndale M3 (to St. Thomas)		\$83,496.00	\$86,399.04				\$89,855.00	\$93,449.20
Total Ferndale		\$131,985.00	\$136,058.43				\$140,507.58	\$145,114.83
Lynhurst HH (from St. Thomas)		\$13,299.84	\$14,147.15				\$14,430.09	\$14,718.70

Account	2025 YTD	2025 Budget	2026 Forecast	\$ Variance	% Variance	Notes	2027 Forecast	2028 Forecast
Shedden HH Flat Qtrly			\$360.90				\$5,153.60	\$14,268.12
Shedden m3			\$3,595.20				\$14,535.36	\$29,652.13
Total Shedden			\$3,956.10				\$19,688.96	\$43,920.26
Fingal HH Flat Qtrly								\$3,003.82
Fingal m3								\$8,472.04
Total Fingal								\$11,475.85
Total Revenue		\$430,446.42	\$499,318.57				\$548,716.97	\$572,964.26

Wastewater System Capital Forecast				
			Funding Source	
Capital Items and Projects	Budget	Reserve	Other	Notes
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
Upgrade to Zeeweed	\$215,000	\$215,000		Reserve
2026 Total	\$20,215,000	\$215,000	\$20,000,000	
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	
2028 Capital				
2028 Total	\$0	\$0	\$0	
2029 Capital				
Membrane Pump Discharge Check Valves	\$5,000	\$5,000		Reserve
2029 Capital	\$5,000	\$5,000	\$0	

The Corporation of The Township of Southwold

(6-Year Recommended Capital/Major Maintenance from 2026 to 2031)

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

Ref. No.	Scope of Work							Compliance	Health & Safety	Repair / Maintenance	Lifecycle Replacement	Improvement	Spare Parts Inventory	Approved by Client	Rationale for Project
		2026	2027	2028	2029	2030	2031								
	Talbotville Waste Water Treatment														
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	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00								OWCA recommends that the tanks be cleaned 2 times per year. This helps reduce the loading on the fine screen allowing more efficient operation
4	Plant Diesel Generator : Annual Inspection and Fuel	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00								The stand-by generator is required to have an annual inspection as per the requirements of the Environmental Compliance Approval (ECA) need to fill the fuel in 2025
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 preventers are required to be tested annually as per the township's bylaw
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 Compliance Approval (ECA)
7	Screenings Room: Screenings Bags	\$ 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 wipes entering the sewer system are increasing wear, frequent bag changeouts, and increased fine screen performance
8	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 OCWA in the Summer/Fall of 2022. Membranes are required to be cleaned at a minimum two time a year or membranes will perform poorly and reduce plant capacity. Price on chemicals is higher. Cleaning ZeeWeed
9	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 phosphorous removal, and pH adjustments and cleaning of the membranes during backwashes
10	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.
11	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.
12	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 replacement of oil
13	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 third party
14	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 cassettes from ZeeWeed transition
15	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 critical to ensure instruments operating correctly to ensure efficient operation
16	Membrane :Module Air Diffusers	\$ -	\$ 5,000.00	\$ -		\$ -	\$ -								A 2020 inspection revealed that diffusers in the modules are partially failing and should be replaced during the next cleaning process
17	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 for bin removal
18	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.
Total Capital Estimate		\$123,300	\$136,300	\$120,300	\$128,300	\$120,300	\$125,800								

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

2026 Recommended Capital Presented by:
2026 Recommended Capital Approved by:

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