

**A SPECIAL MEETING OF THE
COUNCIL OF THE TOWN OF LADYSMITH
AGENDA
6:00 P.M.**

Tuesday, November 9, 2021
City Hall Council Chambers
410 Esplanade

Pages

1. CALL TO ORDER AND ACKNOWLEDGEMENT

The Town of Ladysmith acknowledges with gratitude that this meeting takes place on the traditional, unceded territory of the Stz'uminus First Nation.

1.1. INFORMATION ON HOW TO VIEW / ATTEND THE MEETING

Members of the public may attend meetings in person in accordance with COVID-19 safety protocols. Masks are mandatory. As space in the Council Chamber is limited, public attendance will be on a first-come, first-served basis as space permits.

View the livestream on YouTube:

<https://www.youtube.com/channel/UCH3qHAExLiW8YrSuJk5R3uA/featured>.

2. AGENDA APPROVAL

Recommendation

That Council approve the agenda for this Special Meeting of Council for November 9, 2021.

3. 2022 BUDGET WORKSHOP - WATER AND SEWER UTILITY INTRODUCTION

3.1. Presentation and Council Discussion

3

3.2. Public Input and Questions

4. UNFINISHED BUSINESS

4.1. Standing and Community Committee Representatives (Referred from November 2, 2021 Regular Council Meeting)

- Committee of the Whole
- Waterfront Implementation Committee
- Community Planning Advisory Committee
- Protective Services
- Parks, Recreation & Culture Advisory Committee
- Official Community Plan Steering Committee
- Arts & Heritage Hub Design Steering Committee
- Liquid Waste Management Plan
- Youth Advisory Committee
- Public Art Task Group
- Stocking Lake Advisory Committee
- Celebrations Committee (Ladysmith Days)
- Festival of Lights
- Chamber of Commerce
- Ladysmith Downtown Business Association
- Social Planning Cowichan
- Ladysmith Community Justice Program

5. ADJOURNMENT



Budget 2022

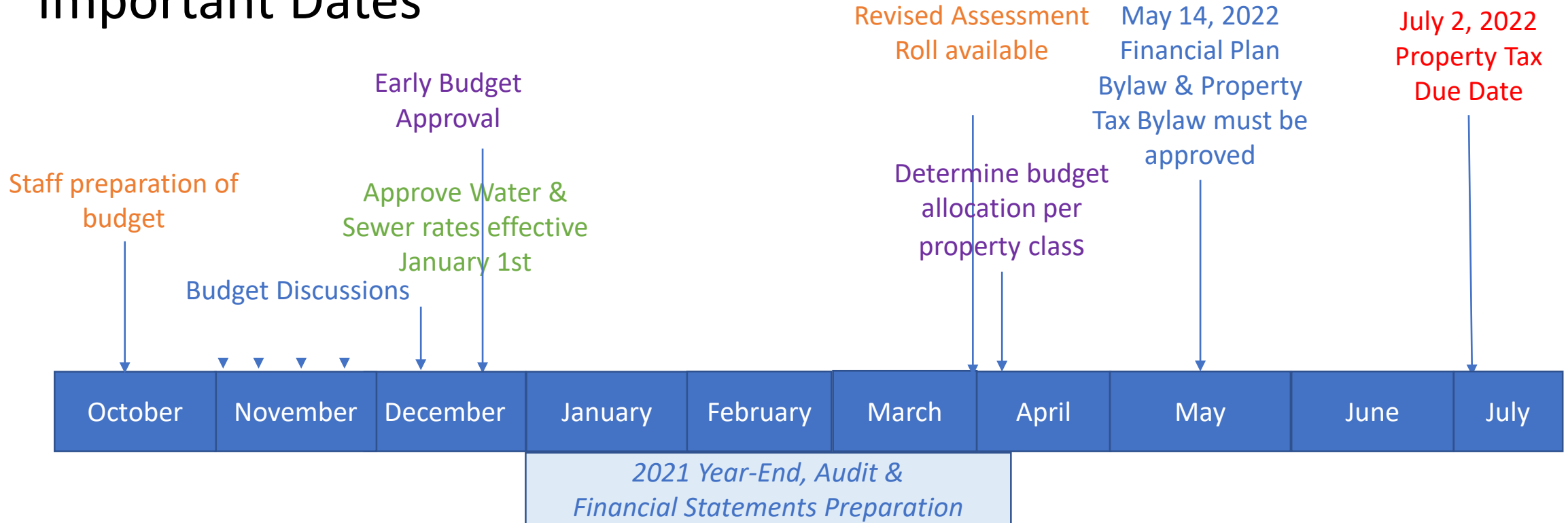
Budget Workshop #2 – November 9, 2021

Outline for Budget Workshop #2

- Important Dates
- Detail review of sewer & water budgets
- Next meeting



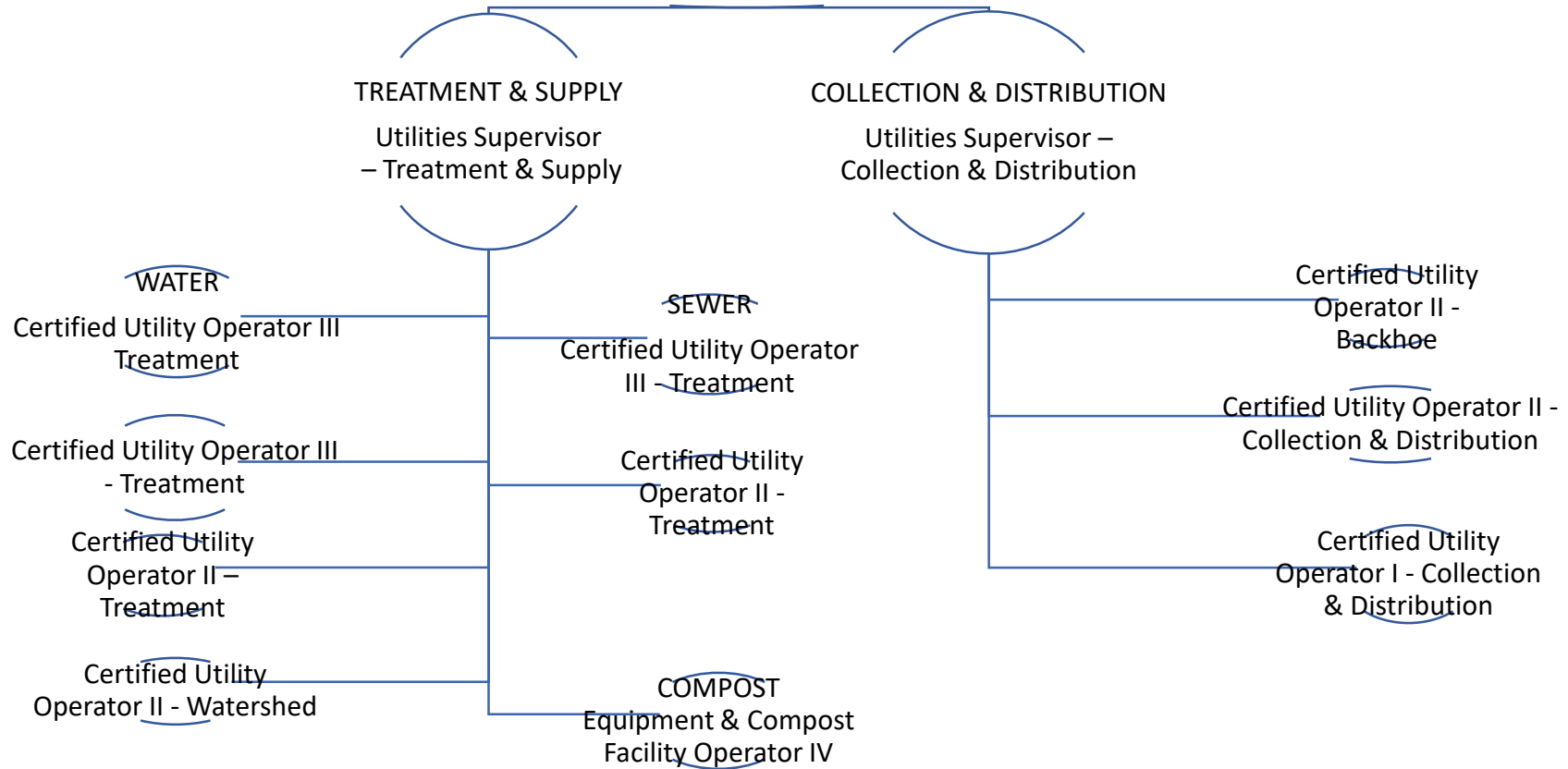
Important Dates



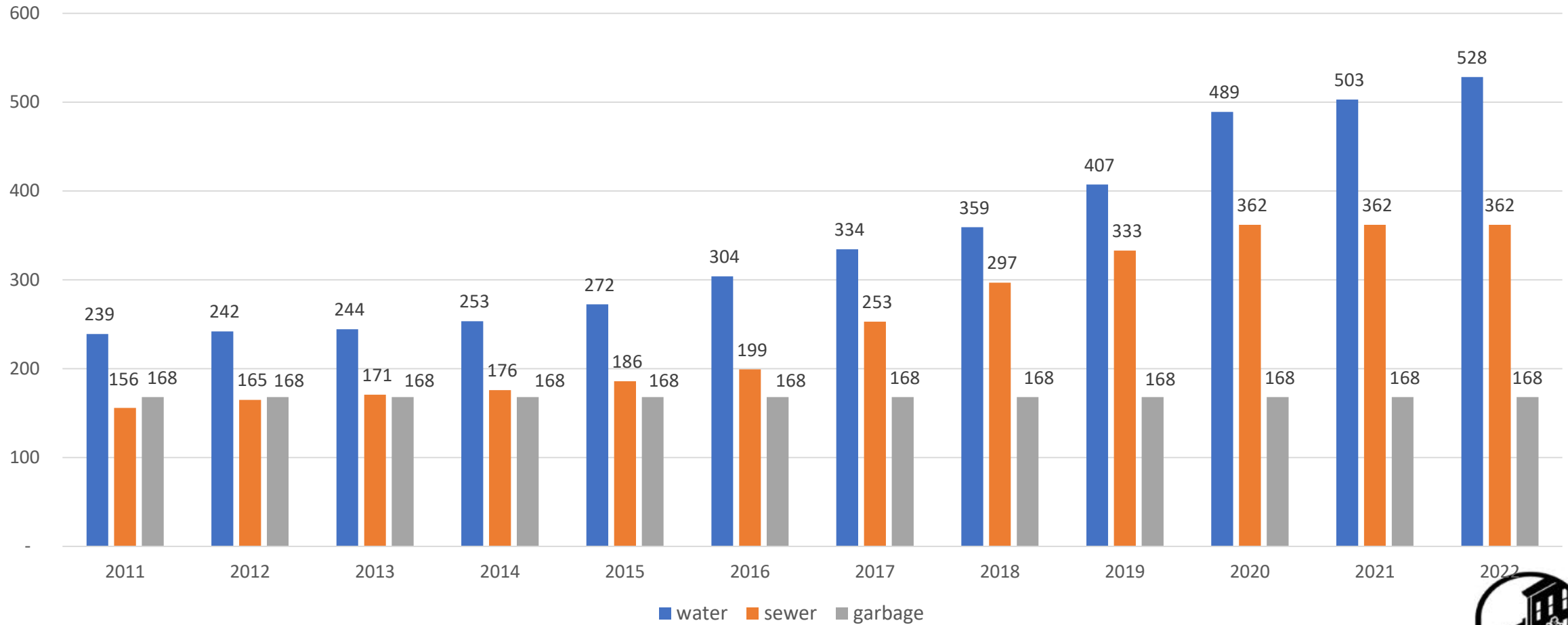


Sewer & Water Operating Budgets

INFRASTRUCTURE SERVICES



Utility Charges



LADYSMITH

INFRASTRUCTURE

We will advance projects that address climate change, renew our infrastructure, protect natural and built assets and accommodate future growth.

1. Ensure that the Town's water supply system meets the needs of current and future residents and the demands of climate change



2. Maintain an effective and efficient waste water treatment system that meets the needs of the population and supports the long-term health of the Ladysmith Harbour



3. Implement an asset management plan to replace and maintain aging infrastructure



4. Improve overall service delivery through greater integration of departments



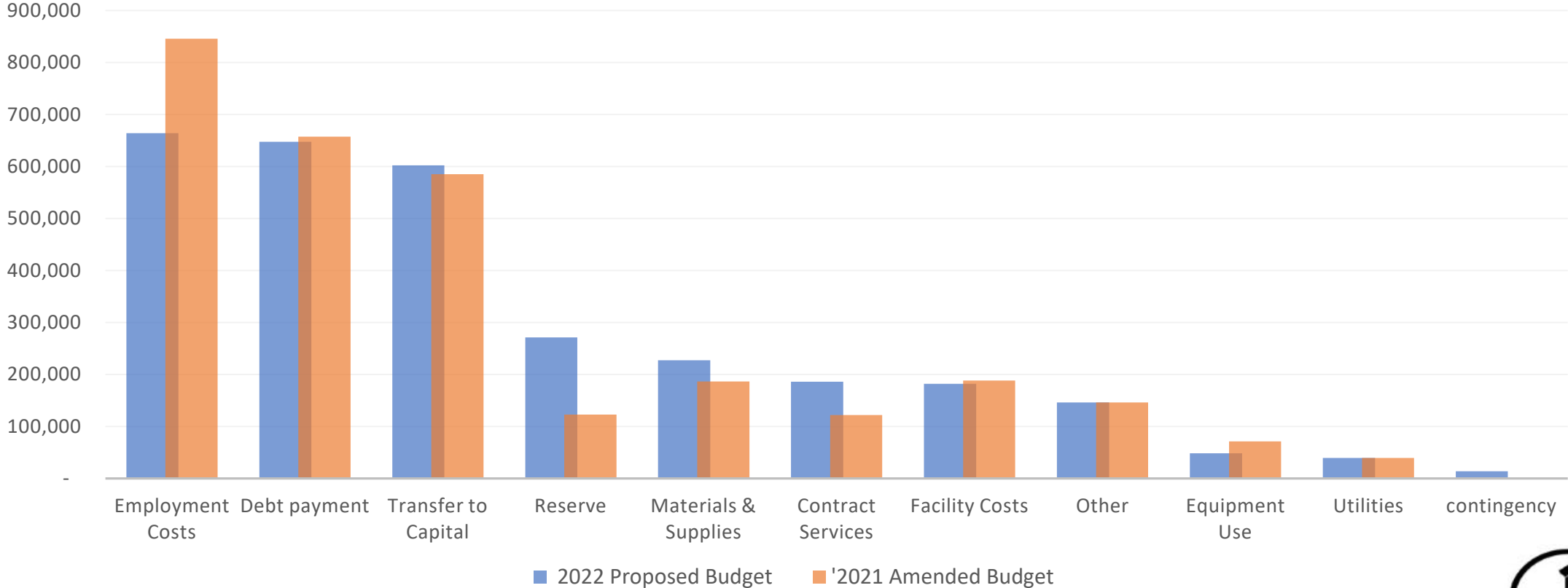
Major projects to help us achieve our strategic priorities under Infrastructure include:

- ▶ Increase the storage capacity of our water supply system at Holland Lake
- ▶ Upgrade the supply main from Stocking Lake to the balancing reservoir
- ▶ Examine options and costs for a new City Hall or other approaches to centralizing Town departments
- ▶ Upgrade 4th Avenue by repaving surfaces, replacing infrastructure and improving safety to support active transportation



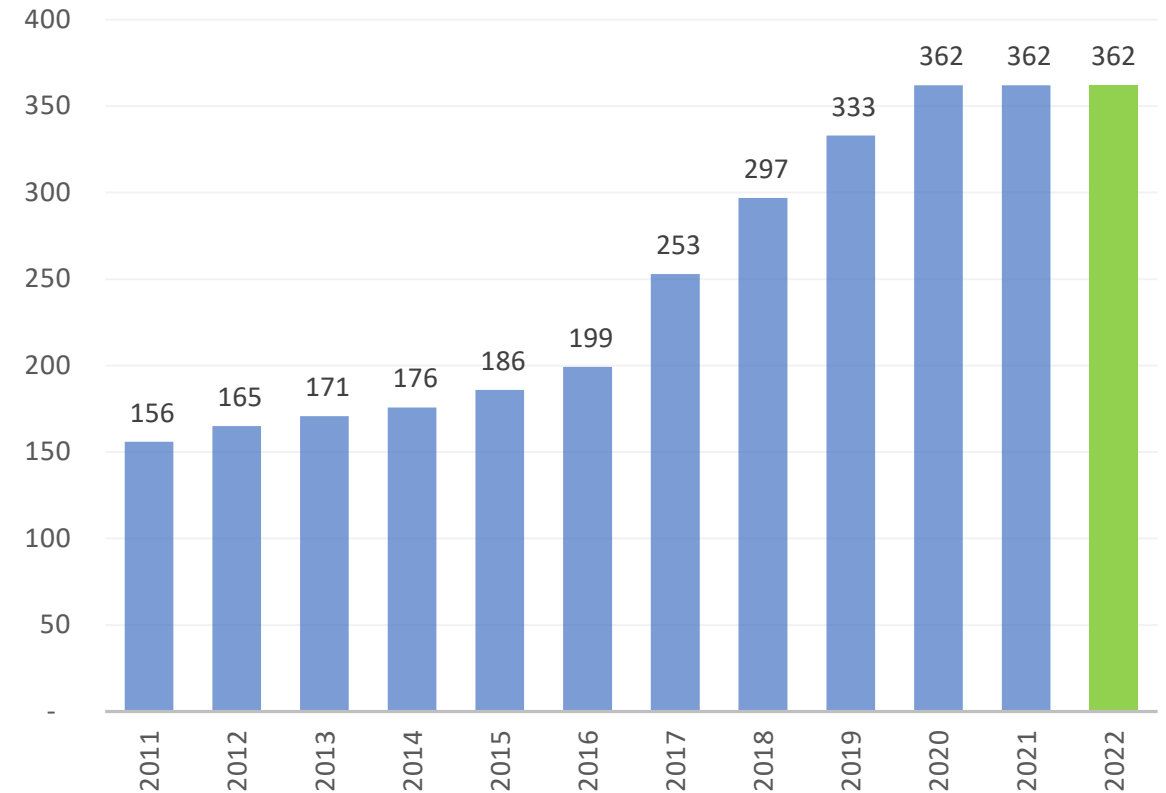
Sewer Budget

Sewer Utility Expense by Category



SEWER				
Year	Q1	Q2	Q3	Q4
2011	39	39	39	39
2012	39	42	42	42
2013	42	42.90	42.90	42.90
2014	42.90	42.90	45	45
2015	45	45	48	48
2016	48	50.40	50.40	50.40
2017	50.40	67.50	67.50	67.50
2018	74.25	74.25	74.25	74.25
2019	74.25	86.25	86.25	86.25
2020	90.56	90.56	90.56	90.56
2021	90.56	90.56	90.56	90.56
2022	90.56	90.56	90.56	90.56

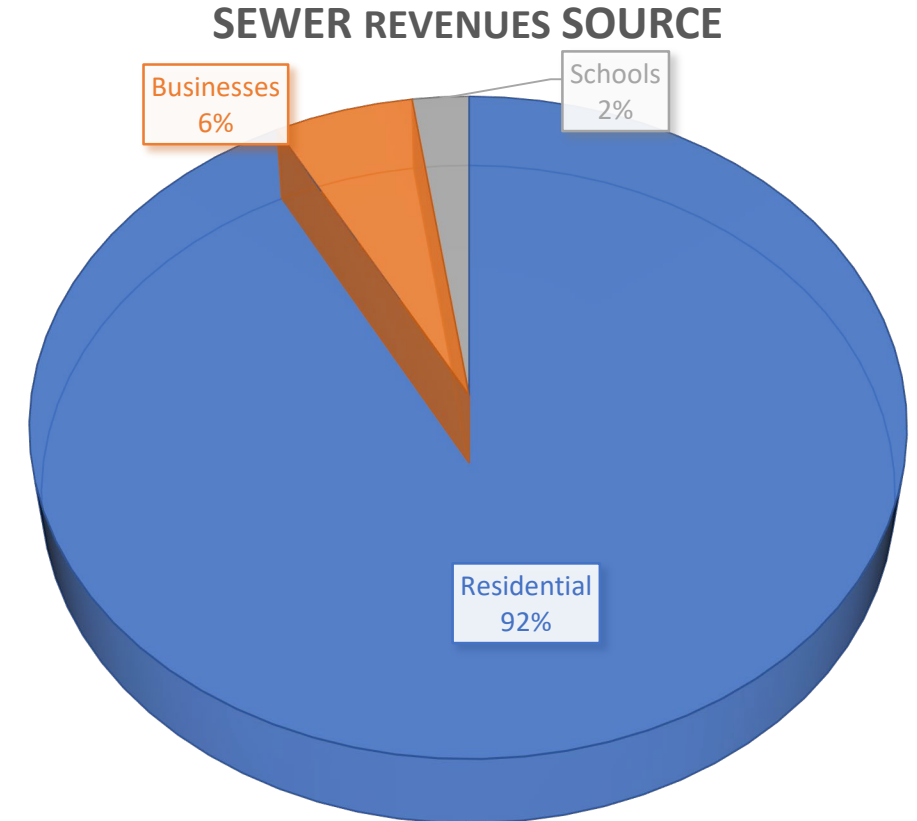
Annual Sewer Utility Charges



Sewer Billing

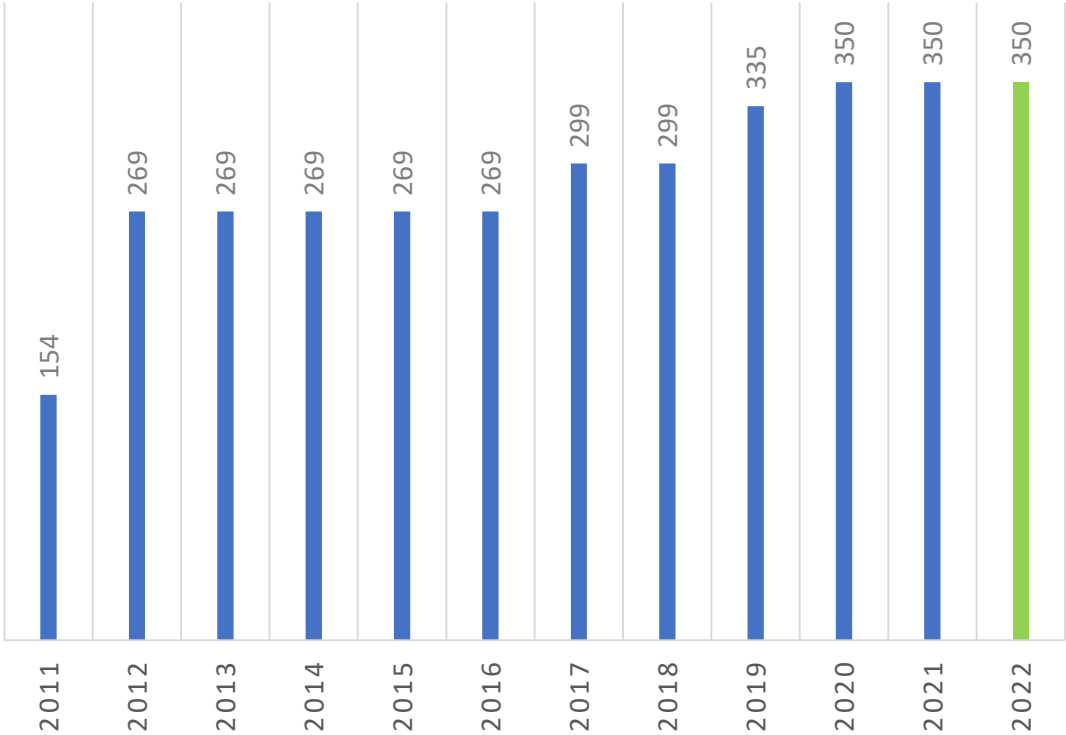
Generates \$1,631,796

	# of units	Annual Total \$
residential	4,148	1,502,737
rooming house per room	27	1,494
restaurant, cafes, dining rooms	23	17,347
business	168	60,863
laundromat	1	1,198
service station no car wash	3	1,087
church/hall/lodge	10	2,804
per bed	9	1,516
service station with car wash	3	2,418
school per class room	103	37,315
Public or social club with lounge	2	1,508
beer parlour	2	1,508



*Celebrate our Present.
Embrace our Future.
Honour our Past.*

SEWER PARCEL TAX



# TOL parcels	3,786
# SFN parcels	25

Funding generated for parcels	\$ 1,365,544
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Funding used for:	
• Debt	647,500
• Reserve	115,959
• Capital	602,085



	Estimated Cost	Sewer Utility	DCC	Reserve	Contribute
Environmental Phase 2 Study Cont.	150,000	100,000	50,000		
Holland Creek Development Downstream (offsite improvements)	443,000	42,085	42,085		358,830
Ludlow Pump Station Upgrade	750,000		375,000	375,000	
Rocky Creek Sanitary Upgrade - Boundary to Ludlow	675,000		337,500	337,500	
Inflow & Infiltration Connections	60,000	60,000			
Ludlow Lift Station - Generator	100,000	100,000			
Compost Weigh Scales	75,000	75,000			
Compost Curing Building	225,000	225,000			
Grand Total	2,478,000	602,085	804,585	712,500	358,830



Impact to Average Household
Utilities - Sewer

Sewer Rates	2021	2022	Difference
Per Month	\$ 30.19	\$ 30.19	\$0
Per Billing Cycle	\$ 90.56	\$ 90.56	\$0
Per Year	\$ 362.25	\$ 362.25	\$0

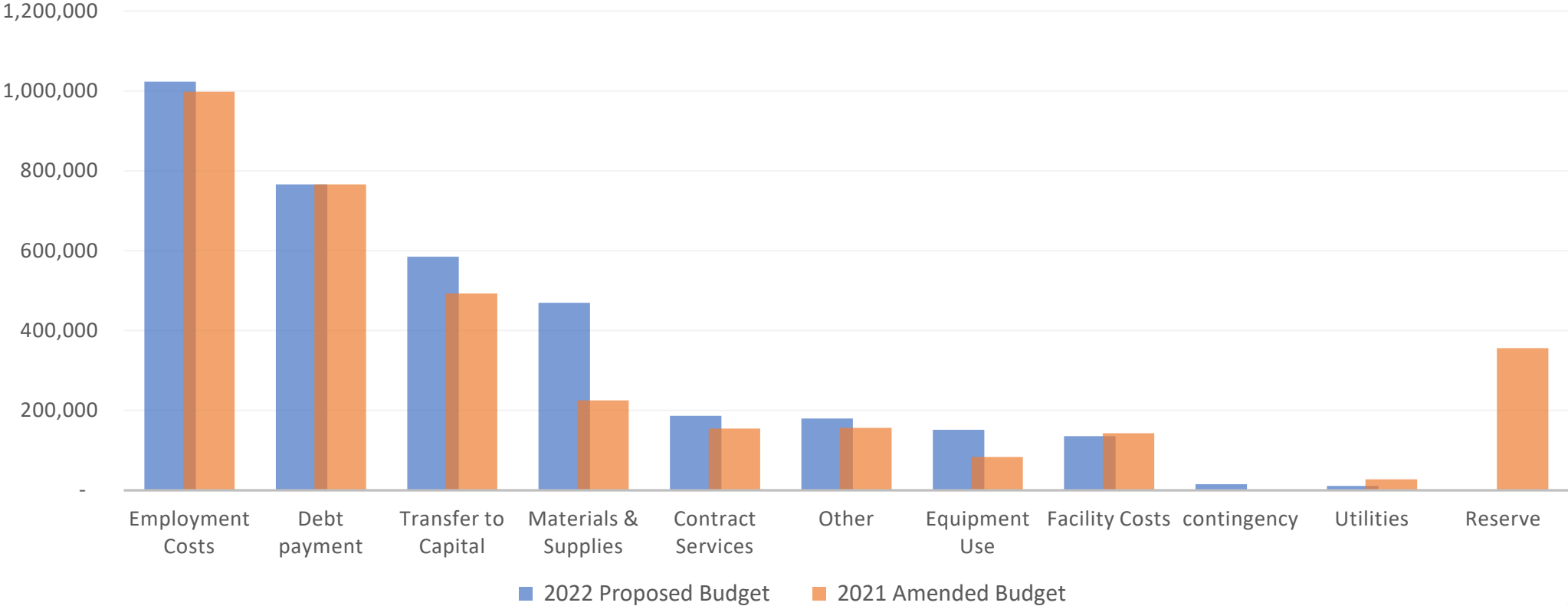
Sewer Parcel Tax	2021	2022	Difference
Per Year	\$ 350	\$ 350	\$ 0





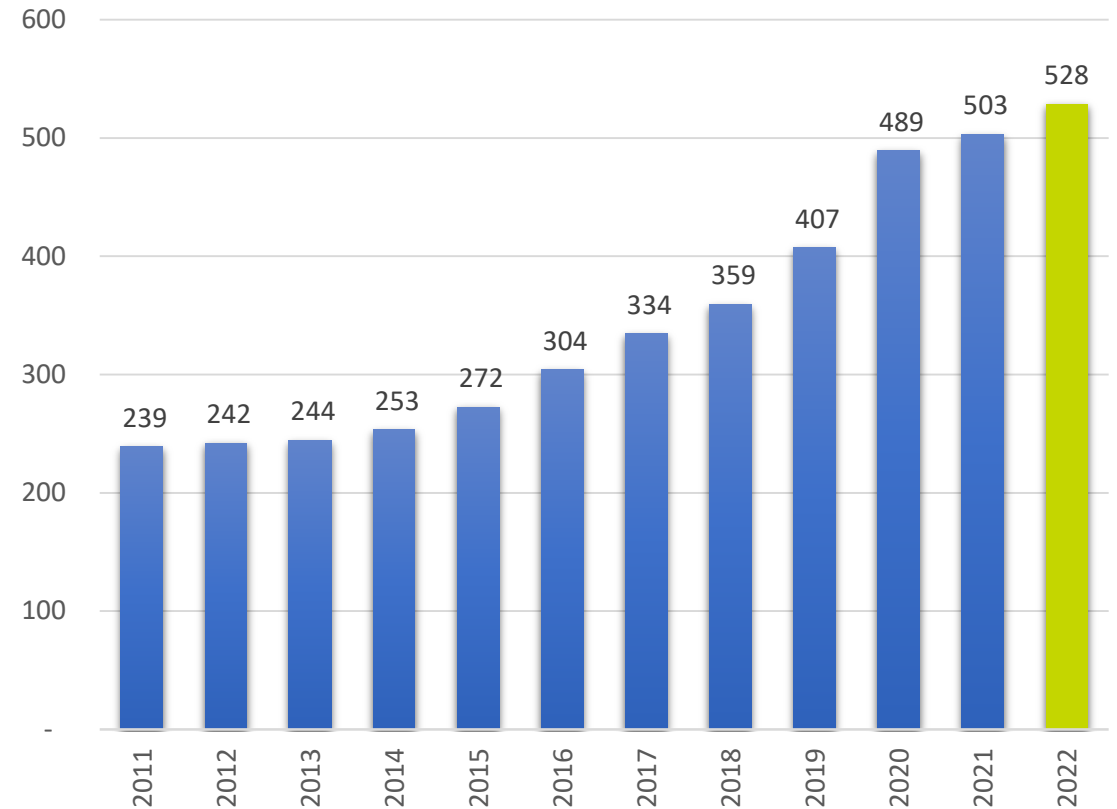
Water Budget

Water Utility Expense by Category



Water				
Year	Q1	Q2	Q3	Q4
2011	59.75	59.75	59.75	59.75
2012	59.75	60.75	60.75	60.75
2013	60.75	61.20	61.20	61.20
2014	61.20	61.20	65.50	65.50
2015	65.50	65.50	70.70	70.70
2016	70.70	77.77	77.77	77.77
2017	77.77	85.55	85.55	85.55
2018	89.83	89.83	89.83	89.83
2019	89.83	105.70	105.70	105.70
2020	122.16	122.16	122.16	122.16
2021	125.82	125.82	125.82	125.82
2022	132.11	132.11	132.11	132.11

Water Utility Charges

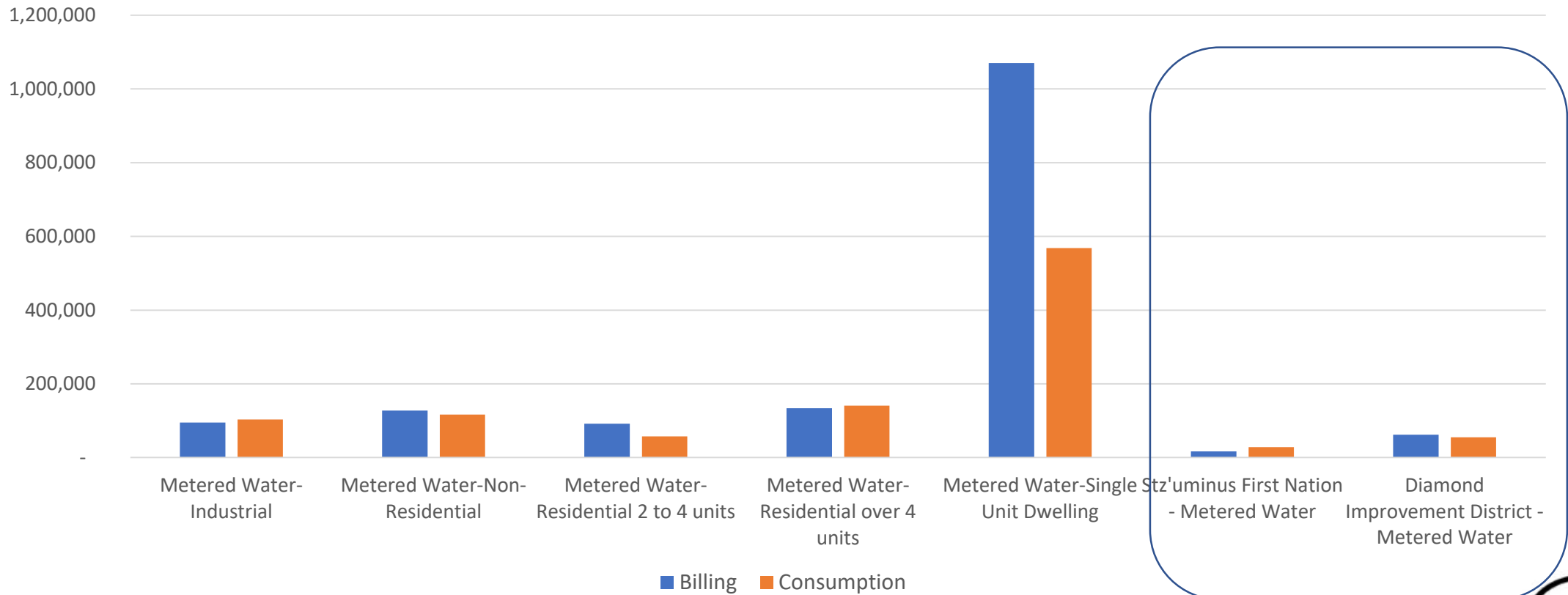


Water Billing
Generates \$1,518,474

	# of units	Q1 (proposed rates)	Q2 (proposed rates)	Q3 (proposed rates)	Q4 (proposed rates)
Metered Water-Industrial	3	23,200	27,186	28,336	16,293
Metered Water-Non-Residential	140	26,335	31,259	43,499	26,514
Metered Water-Residential 2 to 4 units	200	22,146	22,685	26,070	21,017
Metered Water-Residential over 4 units	39	32,446	33,103	36,342	31,972
Metered Water-Single Unit Dwelling	3063	222,119	263,058	367,390	217,502

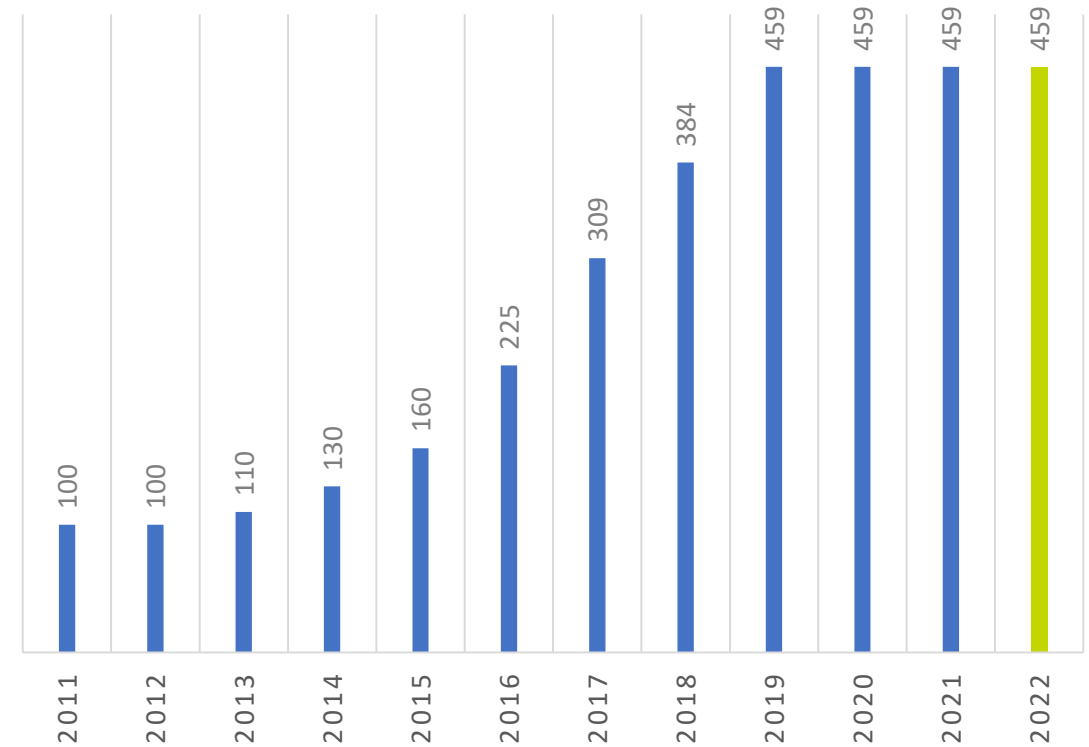


Water Billing



# parcels - TOL	3,786
# parcel equivalent – Diamond	159
# parcel equivalent - SFN	25
Parcel Tax Revenue	1,822,322
Funding used for:	
• Debt (existing)	382,180
• Debt (proposed)	383,511
• Low Flow Rebate	7,500
• Capital	660,000
• Reserve	0
• Funding Ops:	
• Facility	135,400
• Admin Allocation	172,542
• Operations	81,189

WATER PARCEL



	Estimated Cost	Water Utility	DCC	Reserve	Carry Over
Chicken Ladder Flood Hardening	400,000			400,000	
Water main Replacement High St 1st to Hwy	165,000	165,000			
Irrigation Upgrades - HWY	50,000	50,000			
Diamond Meter & Vault Replacement - Rocky Creek Rd	125,000	125,000			
Holland lake Dam Inspection Report	40,000	40,000			
Edgewood Estates Meter Replacement	125,000			76,932	48,068
Flow Instrumentation - Banon Creek & Holland Dam Phase 1	150,000		75,000	75,000	
Diamond Meter Replacement - Cemetery	40,000	40,000			
Water main Replacement - Kitchener St 1st - TCH	165,000	165,000			
Grand Total	1,260,000	585,000	75,000	551,932	48,068



Impact to Average Household
Utilities - Water

Water Rates	2021	2022	Difference
Per quarter	\$ 125.82	\$ 132.11	\$ 6.29
Per Year	\$ 503.28	\$ 528.45	\$ 25.17

**based on 90m³ SFD*

Water Parcel Tax	2021	2022	Difference
Per Year	\$ 459	\$ 459	\$ 0



Next Meeting – November 16th, 2021

- Direction to prepare the:
 - water rates bylaw, effective January 1st, 2022.
 - water parcel tax bylaw for 2022
 - sewer rates bylaw remains in effect
 - sewer parcel tax bylaw for 2022
- Introduction of Capital Projects



WE VALUE YOUR FEEDBACK

If you have any comments, questions or suggestions, we want to hear from you. Send us an e-mail to info@ladysmith.ca or by call City Hall at **250.245.6400**.

WE WANT TO HEAR WHAT YOU HAVE TO SAY. CONNECT WITH US:

-  Send an E-mail to info@ladysmith.ca
-  Mail a Note to Town of Ladysmith City Hall, 410 Esplanade, Box 220, Ladysmith, B.C. V9G 1A2
-  Follow us on Facebook www.facebook.com/LadysmithBC
-  Follow us on Twitter [@TownOfLadysmith](https://twitter.com/TownOfLadysmith)
-  Follow us on Instagram [ladysmithbc](https://www.instagram.com/ladysmithbc)

2022 Financial Plan - Proposed Capital List

Public Works

Water

Project Name Holland Dam Inspection Report

Description The Town must retain a consultant to perform a safety review of Holland Dam. The review must be complete by a different consultant the previous reports per legislation

Purpose 5-year dam safety review required by the Province

Consequence of not funding Out of compliance

Priority Critical

Strategic Priority Infrastructure

Risk Level Very High Risk

Early Budget Approval

YEAR	2022
Amounts	\$40,000

Funding Sources:

Taxation	0
Water Utility	40,000
Sewer Utility	0
Reserve	0
DCC	0
Gas Tax	0
Carry-forward	0
Borrow	0
Donation/Other	0
Grant-confirmed	0
Grant - TBD	0

Project Name Water main Replacement - High St 1st - TCH

Description Abandoning cast iron main between 1st Ave. & highway

Purpose To replace with 200 mm pvc pipe

Consequence of not funding Cast iron pipe will continue to fail and will cause water pressure issues and water quality issues

Priority Critical

Strategic Priority Infrastructure

Risk Level High Risk

Early Budget Approval

YEAR	2022
Amounts	\$165,000

Funding Sources:

Taxation	0
Water Utility	165,000
Sewer Utility	0
Reserve	0
DCC	0
Gas Tax	0
Carry-forward	0
Borrow	0
Donation/Other	0
Grant-confirmed	0
Grant - TBD	0

2022 Financial Plan - Proposed Capital List

Project Name <u>Chicken Ladder Flood Hardening</u>			
Description	During high flood events, water flows over adjacent are of dam and down access road causing erosion.	YEAR	2022
		Amounts	\$400,000
Purpose	To repair eroded surface adjacent to the spillway at Chicken Ladder	Funding Sources:	
		Taxation	0
		Water Utility	0
		Sewer Utility	0
Consequenc eof not funding	Road erosion and potential exposing of water mains servicing the Town	Reserve	400,000
		DCC	0
		Gas Tax	0
		Carry-forward	0
Priority	Critical	Borrow	0
		Donation/Other	0
Strategic Priority	Infrastructure	Grant-confirmed	0
		Grant - TBD	0
Risk Level	High Risk		
	<input type="checkbox"/> Early Budget Approval		

Project Name <u>Flow Instrumentation - Banon Creek & Holland Dam Ph1</u>			
Description	DCC Project	YEAR	2022
		Amounts	\$150,000
Purpose	DCC Project	Funding Sources:	
		Taxation	0
		Water Utility	0
		Sewer Utility	0
Consequenc eof not funding	DCC	Reserve	75,000
		DCC	75,000
		Gas Tax	0
		Carry-forward	0
Priority	Critical	Borrow	0
		Donation/Other	0
Strategic Priority	Infrastructure	Grant-confirmed	0
		Grant - TBD	0
Risk Level	Medium Risk		
	<input type="checkbox"/> Early Budget Approval		

2022 Financial Plan - Proposed Capital List

Project Name **Edgewood Water Meter Replacement**

<i>Description</i>	Edgewood water meter is located at Edgewood Estates. Meter to be installed outside of private building in a municipal owned vault.	YEAR	2022
		Amounts	\$76,932
<i>Purpose</i>	Currently the water meter and the configuration of water infrastructure for the water meter is not functional, this will need to be upgraded to municipal standards.	<u>Funding Sources:</u>	
		Taxation	0
		Water Utility	0
		Sewer Utility	0
<i>Consequence of not funding</i>	Edgewood Estates will continue to have fluctuating water meter readings	Reserve	76,932
		DCC	0
		Gas Tax	0
		Carry-forward	0
<i>Priority</i>	Critical	Borrow	0
<i>Strategic Priority</i>	Infrastructure	Donation/Other	0
	<input checked="" type="checkbox"/> Early Budget Approval	Grant-confirmed	0
<i>Risk Level</i>	Medium Risk	Grant - TBD	0

Project Name **Diamond meter replacement**

<i>Description</i>	Remove meter at Cemetery from existing chambers and install new meters upstream	YEAR	2022
		Amounts	\$40,000
<i>Purpose</i>	Existing chamber housing the water meters are not Town owned and pose confined space challenges.	<u>Funding Sources:</u>	
		Taxation	0
		Water Utility	40,000
		Sewer Utility	0
<i>Consequence of not funding</i>	continued difficulty for staff to access chamber for water servicing.	Reserve	0
		DCC	0
		Gas Tax	0
		Carry-forward	0
<i>Priority</i>	Important but not critical	Borrow	0
<i>Strategic Priority</i>	Infrastructure	Donation/Other	0
	<input checked="" type="checkbox"/> Early Budget Approval	Grant-confirmed	0
<i>Risk Level</i>	High Risk	Grant - TBD	0

2022 Financial Plan - Proposed Capital List

Project Name **Diamond Meter & Vault Replacement**

<i>Description</i>	Remove meter at Rocky Creek from existing chambers and install new meters upstream from existing chambers.	YEAR	2022
		Amounts	\$125,000
<i>Purpose</i>	Existing chamber housing the water meters are not Town owned and pose confined space challenges.	<u>Funding Sources:</u>	
		Taxation	0
		Water Utility	125,000
		Sewer Utility	0
		Reserve	0
<i>Consequence of not funding</i>	continued difficulty for staff to access chamber for water servicing.	DCC	0
		Gas Tax	0
		Carry-forward	0
<i>Priority</i>	Important but not critical	Borrow	0
		Donation/Other	0
<i>Strategic Priority</i>	Infrastructure	Grant-confirmed	0
		Grant - TBD	0
<i>Risk Level</i>	High Risk		

Early Budget Approval

Project Name **Water main Replacement - Kitchener 1st - TCH**

<i>Description</i>	Abandoning cast iron water main 1st Ave. & highway	YEAR	2022
		Amounts	\$165,000
<i>Purpose</i>	Install 200 mm pvc pipe in downtown core	<u>Funding Sources:</u>	
		Taxation	0
		Water Utility	165,000
		Sewer Utility	0
		Reserve	0
<i>Consequence of not funding</i>	Cast iron pipe with continue to fail and will cause water quality issues	DCC	0
		Gas Tax	0
		Carry-forward	0
<i>Priority</i>	Important but not critical	Borrow	0
		Donation/Other	0
<i>Strategic Priority</i>	Infrastructure	Grant-confirmed	0
		Grant - TBD	0
<i>Risk Level</i>	Medium Risk		

Early Budget Approval

2022 Financial Plan - Proposed Capital List

Project Name		<u>Irrigation Upgrades - Highway</u>	
Description	Existing irrigation system requires overhaul to ensure efficient watering	YEAR	2022
		Amounts	\$50,000
Purpose	Replace irrigation system on highway islands.	<u>Funding Sources:</u>	
		Taxation	0
		Water Utility	50,000
		Sewer Utility	0
		Reserve	0
		DCC	0
		Gas Tax	0
		Carry-forward	0
		Borrow	0
		Donation/Other	0
		Grant-confirmed	0
		Grant - TBD	0
Consequence of not funding	Continue to waste water on irrigating asphalt surfaces.		
Priority	Important but not critical		
Strategic Priority	Infrastructure		
Risk Level	Medium Risk	<input checked="" type="checkbox"/> Early Budget Approval	

Sewer/Compost

Project Name		<u>Ludlow Lift Station - Generator</u>	
Description	Generator Ludlow Lift Station	YEAR	2022
		Amounts	\$100,000
Purpose	Install a generator at the Ludlow lift station located on Ludlow Road. The generator will keep the lift station functional in the event of a power failure.	<u>Funding Sources:</u>	
		Taxation	0
		Water Utility	0
		Sewer Utility	100,000
		Reserve	0
		DCC	0
		Gas Tax	0
		Carry-forward	0
		Borrow	0
		Donation/Other	0
		Grant-confirmed	0
		Grant - TBD	0
Consequence of not funding	Staff continue to pump/ haul sewage in the event of a power failure; risk of a release of raw sewage into the receiving environment if the lift station overflowed.		
Priority	Critical		
Strategic Priority	Infrastructure		
Risk Level	High Risk	<input type="checkbox"/> Early Budget Approval	

2022 Financial Plan - Proposed Capital List

Project Name **Holland Creek Development Downstream (offsite improvements)**

Description	DCC Project	YEAR	2022
		Amounts	\$443,000
Purpose	DCC Project	<u>Funding Sources:</u>	
		Taxation	0
		Water Utility	0
		Sewer Utility	42,085
		Reserve	0
Consequence of not funding	DCC	DCC	42,085
		Gas Tax	0
		Carry-forward	0
Priority	Critical	Borrow	0
		Donation/Other	358,830
Strategic Priority	Infrastructure	Grant-confirmed	0
		Grant - TBD	0
Risk Level	Medium Risk	<input type="checkbox"/> Early Budget Approval	

Project Name **Ludlow Pump Station Upgrade**

Description	DCC Project	YEAR	2022
		Amounts	\$750,000
Purpose	DCC Project	<u>Funding Sources:</u>	
		Taxation	0
		Water Utility	0
		Sewer Utility	0
		Reserve	375,000
Consequence of not funding	DCC	DCC	375,000
		Gas Tax	0
		Carry-forward	0
Priority	Critical	Borrow	0
		Donation/Other	0
Strategic Priority	Infrastructure	Grant-confirmed	0
		Grant - TBD	0
Risk Level	Medium Risk	<input type="checkbox"/> Early Budget Approval	

2022 Financial Plan - Proposed Capital List

Project Name **Rocky Creek Sanitary Upgrade - Boundary to Ludlow**

Description	DCC Project	YEAR	2022
		Amounts	\$675,000
Purpose	DCC Project	<u>Funding Sources:</u>	
		Taxation	0
		Water Utility	0
		Sewer Utility	0
Consequence of not funding	DCC	Reserve	337,500
		DCC	337,500
		Gas Tax	0
		Carry-forward	0
Priority	Critical	Borrow	0
		Donation/Other	0
Strategic Priority	Infrastructure	Grant-confirmed	0
		Grant - TBD	0
Risk Level	Medium Risk	<input type="checkbox"/> Early Budget Approval	

Project Name **Environmental Impact Study Y2**

Description	DCC Project	YEAR	2022
		Amounts	\$150,000
Purpose	DCC Project	<u>Funding Sources:</u>	
		Taxation	0
		Water Utility	0
		Sewer Utility	100,000
Consequence of not funding	DCC	Reserve	0
		DCC	50,000
		Gas Tax	0
		Carry-forward	0
Priority	Critical	Borrow	0
		Donation/Other	0
Strategic Priority	Infrastructure	Grant-confirmed	0
		Grant - TBD	0
Risk Level	Medium Risk	<input type="checkbox"/> Early Budget Approval	

2022 Financial Plan - Proposed Capital List

Project Name Inflow & Infiltration Connections

<i>Description</i>	To continue with reducing storm water infiltration into the sanitary sewer system.	YEAR	2022
		Amounts	\$60,000
<i>Purpose</i>	Asset Replacement	<u>Funding Sources:</u>	
		Taxation	0
		Water Utility	0
		Sewer Utility	60,000
		Reserve	0
		DCC	0
		Gas Tax	0
		Carry-forward	0
		Borrow	0
		Donation/Other	0
		Grant-confirmed	0
		Grant - TBD	0
<i>Consequence of not funding</i>	Exceed permitted volume in WWTP and cause untreated overflows into the harbour		
<i>Priority</i>	Important but not critical		
<i>Strategic Priority</i>	Infrastructure		
<i>Risk Level</i>	High Risk	<input type="checkbox"/> Early Budget Approval	

Project Name Compost Curing Building

<i>Description</i>	construct 4-bay concrete block building at Compost Facility.	YEAR	2022
		Amounts	\$225,000
<i>Purpose</i>	Building was proposed in 2019 and staff were able to utilize Increased sludge volumes from the operation of the Water Treatment Plant mean existing system is unable to keep up	<u>Funding Sources:</u>	
		Taxation	0
		Water Utility	0
		Sewer Utility	225,000
		Reserve	0
		DCC	0
		Gas Tax	0
		Carry-forward	0
		Borrow	0
		Donation/Other	0
		Grant-confirmed	0
		Grant - TBD	0
<i>Consequence of not funding</i>	No place to cure bio solids to meet OMAR.		
<i>Priority</i>	Important but not critical		
<i>Strategic Priority</i>	Infrastructure		
<i>Risk Level</i>	High Risk	<input type="checkbox"/> Early Budget Approval	

2022 Financial Plan - Proposed Capital List

Project Name **Compost Weigh Scales**

Description Construct a truck scale at Composting facility

YEAR

2022

Amounts

\$75,000

Purpose Materials brought into and removed from site must be weighed in accordance with OMAR

Funding Sources:

Taxation 0

Water Utility 0

Sewer Utility 75,000

Reserve 0

DCC 0

Gas Tax 0

Carry-forward 0

Borrow 0

Donation/Other 0

Grant-confirmed 0

Grant - TBD 0

Consequence of not funding Will be out of compliance with OMAR

Priority Important but not critical

Strategic Priority Operations
Natural & Built Infrastructure

Early Budget Approval

Risk Level Medium Risk

		ANNUAL TOTAL	\$3,689,932		
Taxation	0	DCC	879,585	Grant - TBD	0
Water Utility	585,000	Reserve	1,264,432	Borrow	0
Sewer Utility	602,085	Gas Tax	0	Donation/Other	358,830
C/F	0	Grant-confirmed	0		