

**Town of Blaine Lake  
Waterworks Capital Investment Strategy  
2020**

On August 18th, 2008 Council revisited the Capital Investment Strategy resolution passed on July 17th, 2006 to ensure that it still met the Town's future infrastructure requirements.

The objective of the waterworks capital investment strategy is to address anticipated waterworks infrastructure maintenance, the immediate drinking water infrastructure problems and future infrastructure replacements in a timely fashion so as to ensure the municipal waterworks provides safe drinking water to residents and businesses. The strategy uses the 2005 waterworks system assessment that was required by Saskatchewan Environment for infrastructure planning.

To cover the costs of future waterworks infrastructure maintenance and replacements, Council will continue to combine increases to water and sewer rates as well as investing any capital reserves to build waterworks reserves. The long term goal is for the waterworks infrastructure to be self sustaining.

This capital investment strategy will ensure that safe drinking water can be provided to the residents and businesses in the community in the present and future.

In 2018, Council reviewed the community need for water distribution and began exploring options to upgrade the current system and an Reverse Osmosis system was determined to meet those needs. Due to available funding, this project was 75% completed in 2020, with expected operation of the plant in late 2021 which is ahead of earlier predictions. Council will meet their financial obligation as outlined below.

In 2020, Council reviewed the water rates and increased the Infrastructure Fee from \$25.00 to \$35.00 in anticipation of increased costs to cover infrastructure costs such as water meters, isolation and gate valves, fire hydrants and rehab to the infrastructure of the pump house. At that time, it was identified that an additional fee would be needed in 2021 upon approval from the SMB, to address the loan/financing costs associated with the construction of the New Water Treatment Plant. Council is dedicated to ensuring that accurate billing is done and will review same annually to address any overage/underage of the ratio.

Project	Planned Year of Completion	2020	Future cost*	Sources of funding
<b>Water Treatment Plant System Upgrade</b>	2021	\$ 1,260,500.00	\$ 800,500.00	Financing, NBC Grant- Federal reserves
<b>Water Meter Replacement</b>	2022	\$ -	\$ 60,000.00	

\*Assuming a 5% rate of inflation per year

For future waterworks capital plans, projects will be prioritized based on what is needed to ensure safe drinking water.

<b>Annual Financial Overview for 2020</b>	
Total 2020 waterworks revenues (as reported in 2020 Trial Balance) **	<b>253,572.00</b>
Total 2020 waterworks expenditures (as reported in 2020 Trial Balance)**	<b>282,640.00</b>
Comparison of waterworks revenues to expenditures plus debt payments, expressed as a ratio:	
$\frac{253,572.00}{282,640.00}$	<b>90% .9 Ration</b>
Reserves: Amount of reserves available for Water & Sewer capital infrastructure - \$354,324	
Copies of the Waterworks Rate Policy, the Drinking Water Quality and Compliance Annual Notice, and the 2005 Waterworks System Assessment are available at the Town Office.	
** At time of completion - 2020 Audited Financials were not available - Extension Bylaw passed	