

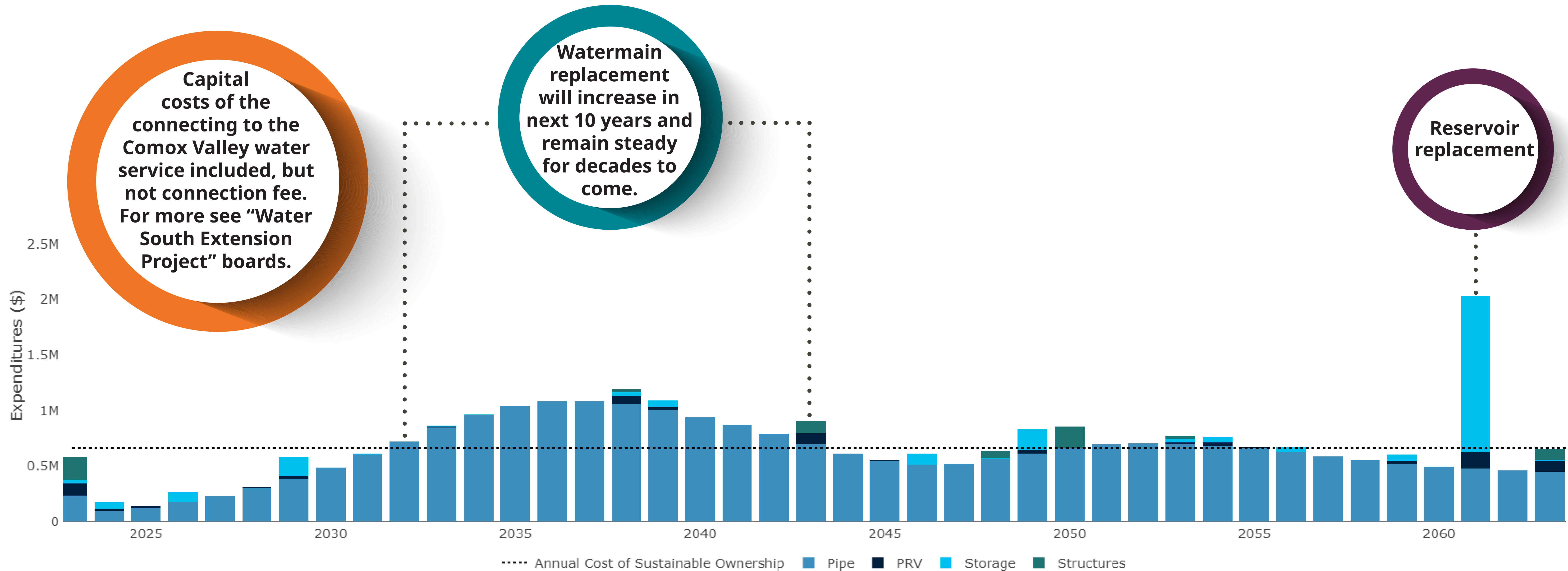
Royston WLSA: Assets & Replacements

Royston Water Local Service Area currently receives water from the Village of Cumberland's water system, with its source at Allen Lake. Planning for the Royston Water System's future includes managing its current assets and looking ahead to a change in water source per the water supply agreement with the Village.



The Royston service's assets include

- Two reservoirs
- Six pressure reducing valves to manage the water coming down the hill.
- A re-chlorination station
- About 44 km in water mains.



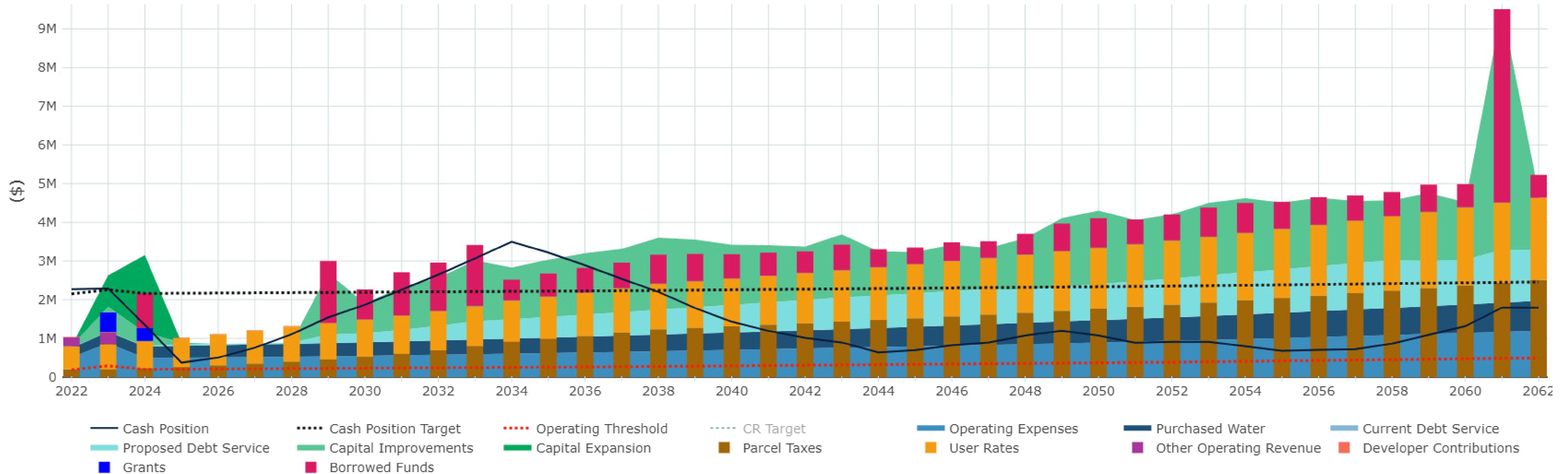
Royston WLSA: Planning Costs Ahead

The long-term financial model maps out the necessary operations and maintenance costs and capital costs to ensure sustainable delivery of the water service.



The long-term financial model assumes:

- A 2.5 % inflation factor on all operations and maintenance costs beyond the current five-year financial plan
- It assumes we would replace 'like-for-like' in the case of infrastructure replacements – and that any upsizing required for development would be paid for through development charges.



? Questions? Ask staff for more information.

Rate Increase Options & Impacts

The CVRD understands that any rate increase is difficult for ratepayers – and that increases to water rates might be only one of a few cost increases they’ll see in the years to come. Directors considered the cost impacts for residents, and balancing the interests for current and future users, and will review every four years.

Rate Component	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
User Rates															
	7%	7%	7%	7%	7%	2.5% per year matching inflation									
Parcel Tax															
5 Year	34%	34%	34%	34%	34%	3% per year									
10 Year	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	18%	3% per year			
15 Year	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	7.9%	7.9%	7.9%	7.9%

.....  Selected Option

Total Costs of Water (with inflation)

	Current	2024	2025	2026	2027	2028
Parcel Tax	\$200	\$230	\$265	\$304	\$350	\$402
User Rate (Avg. 248m3/yr)	\$605	\$647	\$692	\$741	\$792	\$848
CICC: Water Extension South	-	-	-	-	\$450	\$450
TOTAL COST	\$805	\$877	\$957	\$1,045	\$1,592	\$1,700

Water South Extension Project

The Comox Valley Regional District (CVRD) is working with project partners, K'ómoks First Nation and City of Courtenay to extend water servicing to Royston, K'ómoks Treaty Settlement Lands and areas of south Courtenay. The initiative is called the Water South Extension Project.



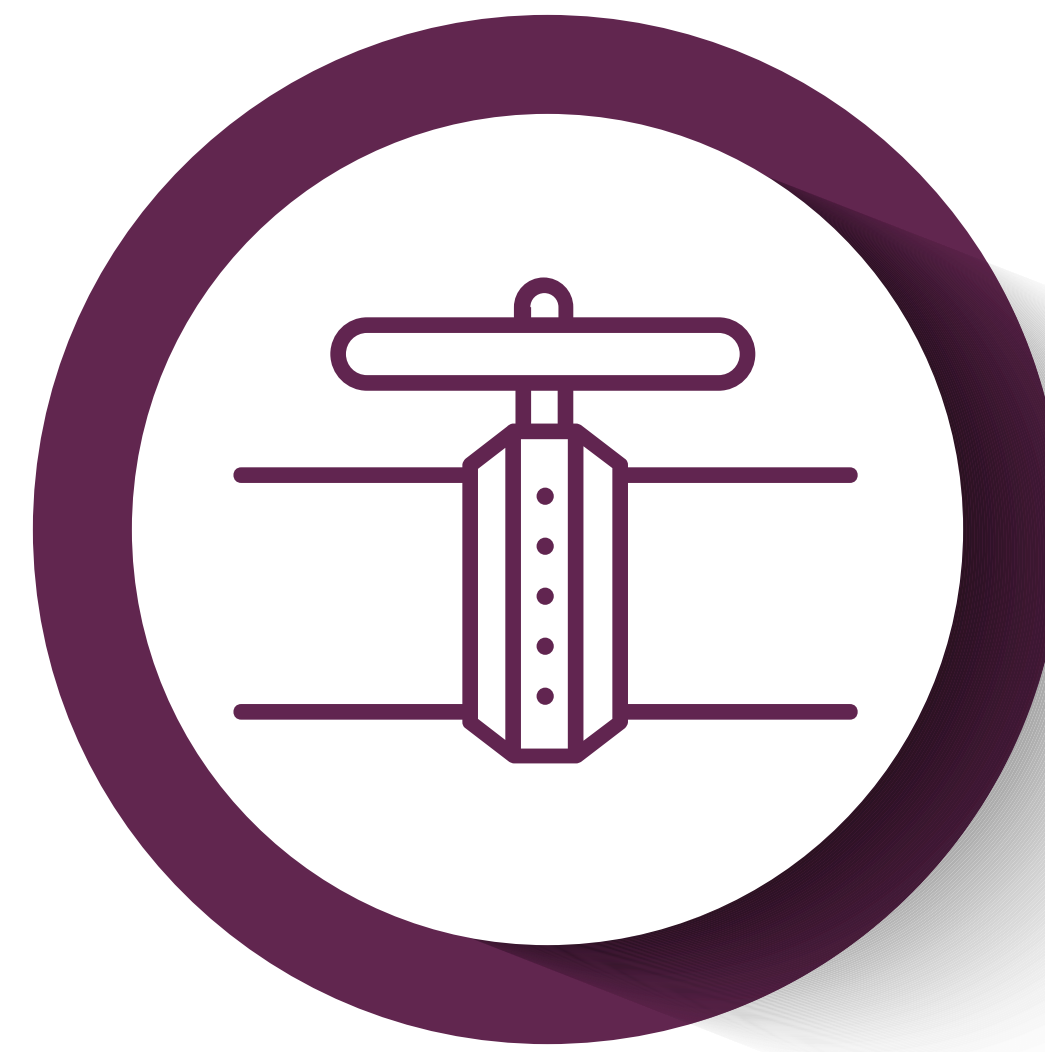
Terms of Agreement

Royston's current Water Supply Agreement with Cumberland requires that the CVRD find an alternate water source for Royston as water demands within the Village increase due to growth.



Treatment Capacity

The Water South Extension Project would connect Royston and surrounding areas to the new Comox Valley Water Treatment Plant.



New Infrastructure

The Water South Extension Project will include the installation of a water transmission line and related infrastructure such as valves and meters. Some grant funding has been secured for the project.



Partnership with K'ómoks

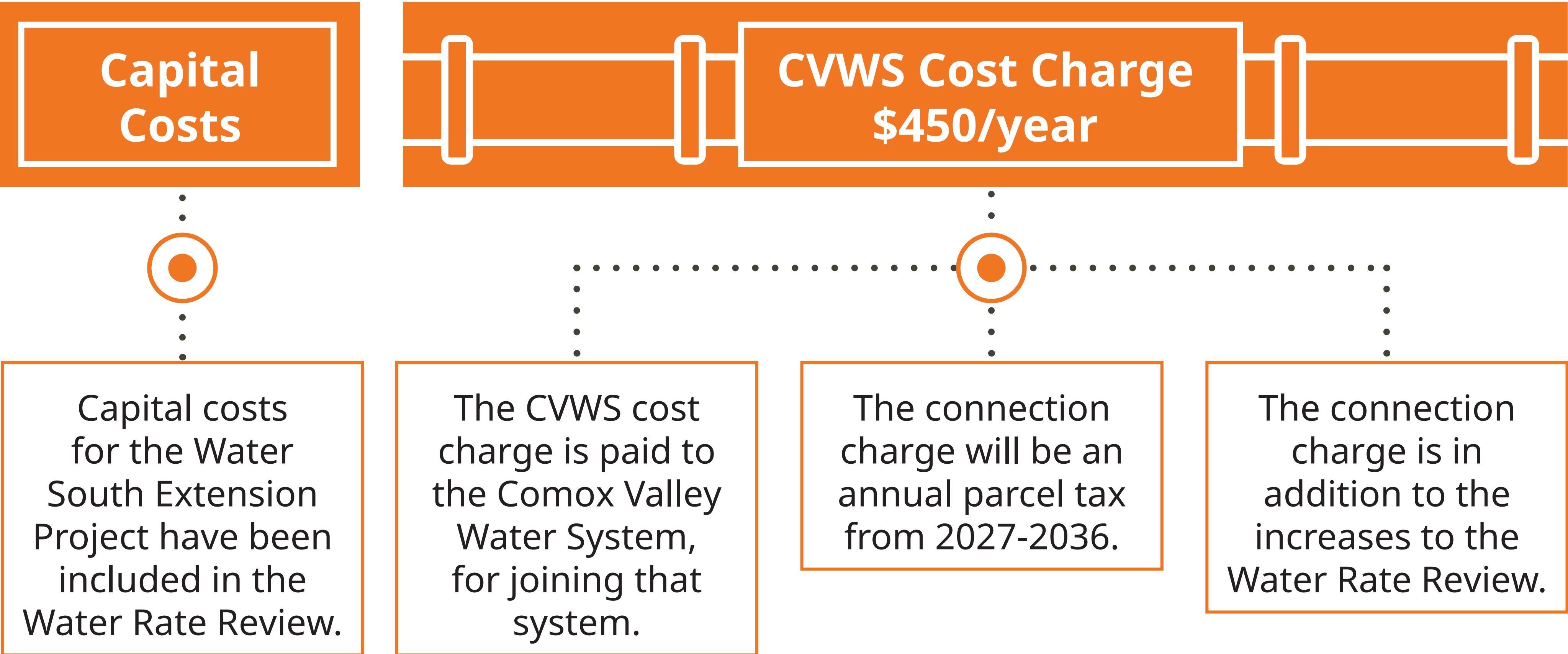
The CVRD committed to extending water service to K'ómoks Treaty Settlement Lands in the south region as part of a mutual benefit agreement drafted for the Comox Valley Water Treatment Project.

Costs and Timeline for Water Upgrades

The project is proposed as a partnership between K'ómoks First Nation, City of Courtenay and the CVRD, with new infrastructure to be paid for by all partners and owned by the Comox Valley Water Service.

The Costs

There are two components to the cost of the water extension project: Capital costs of the construction and the connection charge (CICC).



The Timeline

The project is still in preliminary stages, and there are a number of project agreements and approvals required before all partners can fully commit to the WSEP. Below is the current proposed roadmap for the project ahead.

