

## Waterworks 2025 budget

Lakefront Utility Services Inc. (“LUSI”) has a Service Level Agreement (“SLA”) to be the water systems operator for the Town of Cobourg’s water treatment and distribution system, operating as Waterworks (WW). WW continues to experience and plan for customer growth based on a Water Master Plan completed in 2020. The Water Master Plan assumptions flowed into the 2020 Rate Study for establishing rates over a five-year framework (2021 to 2025). The 2021 Rate Study is the current rates framework and is the basis for the 2025-2029 budgeted water revenue. The Rate Study is expected to be updated along with the Master Plan in 2025 for the next five-year framework (2026-2030).

WW’s 5-year budget has been developed with strategic objectives for staffing and succession planning, automation, operational and administrative efficiencies. The entire management team has been part of the budget process via budget deadlines and excel schedules by providing insight and input based on their areas of expertise. This has been embraced as an ongoing learning opportunity and a foundational approach going forward.

WW is providing a 2025 5-year plan with the following assumptions:

- The 2024 projections are based on:
  - June 2024 year to date financials statements, prorated to the end of year and adjusted for timing differences.
  - TD loans April 2024 \$7.3M for **non-Growth** projects a per the Rate Study framework (2021-2025) and Sept 2024 \$2.0M (**Growth** related debenture approved for \$8.2M) for funding of the Water Tower and Booster Tank project.
- The 2025 budget is based on:
  - 2024 projections plus inflationary increases and one time or ongoing identified items.
  - 2024-2029 capital plans provided and reviewed with Operations and the Executive team.
  - Alignment with TD banking covenants.
  - Investments within staffing and system development and automation.
  - Updated Rate Study in 2025
- **Income Statement**
  - Revenue
    - Sale of water revenue is budgeted to reflect:
      - 2025 increase 9.7% - based on rate study price escalation of 7.2% and customer growth of 2.5%.
      - 2026-2029 assumes a rate study price escalation of 7.2% and customer growth rate of 2.5% annually.
    - Development charges 2025-2029 totaling \$4,552K based on 3 years’ average customer growth rate (2022-2024) and discussions with Operations management team to identify new subdivision developments for the next 5 years.
    - Other revenues for 2025-2029 are budgeted to increase based on 3% to 2.5% inflation.
    - Interest income is based on the budgeted cash on hand and rates of 1.75% to 1.25% and the reduction of Interco interest in 2025 due to repayment of the LUSI Interco AR balance.
  - Amortization expense is budgeted to increase 10-4% for the 2025-2029 budget term due to capital expenditures and depreciation adjustments to reflect the extension of asset useful lives.

- OM&A expenses are budgeted for the following items:
  - 2025-2027 3% inflation and 2028-2029 2.5% inflation.
  - Staffing roles consisting of:
    - Hiring in 2025 a Water Supervisor, Corp. Administrative Manager, Financial Analyst and Supply Chain Analyst. The Financial Analyst, Corp./Admin Manager and Supply Chain Analyst are shared costs with LUSI, LUI and Waterworks. Note the Supply Chain Analyst role will be part of the Stores cost base and will be allocated to capital and expense based on the value of materials posted to jobs.
    - Retirement of the Manager of Capital Projects (\$240k burdened) effective January 1, 2026.
  - Consultant costs have been budgeted downward for 2025 through 2026, offsetting new staffing hires.
  - Efficiency investments in:
    - Customer Service automation for Customer Move IN/OUT via the internet for \$7.5k annually.
    - Finance software upgrade selection process starting in 2025.
    - Phone service, Adobe and Meraki switch licenses expanding automation.
  - Insurance premiums are budgeted to increase 15% annually to account for increased property and asset values.
- Finance expense is budgeted to reflect interest on TD 2023 loan balance of \$900k, 2024 loan balance of \$9,900k and 2025 loan balances of \$\$15,700k.
- Ending accumulated surplus is estimated to increase 4.5% to 7.6% range for 2024 to 2029 resulting in an ending accumulated surplus increase of 41% from 2023 to 2029.
  
- **Balance sheet**
  - Cash is budgeted based on capital expenditures, working capital funding, loan financing and Interco AR balances being repaid during the 5-year budget period.
  - Interco accounts reflect:
    - Due from LUSI is paid in full by December 2025 via accessing WW TD loans (\$7.3M plus \$8.2M) offset by Water Tower project payments and LUI 2024 repayment of Interco AP to LUSI and subsequently to WW.
    - Due to Town of Cobourg is the sewer/wastewater accounts receivable and has been moved to LUSI's financial statements effective 2024
    - Due to Holdco payable is repaid by December 2025.
  - The net tangible capital assets are projected to grow 2024 to 2029 timeframe by \$18.6M or 46.6%.
  - Debt consists of:
    - 2023 TD ending debts (three) totaling \$900k provided in May/June 2021 with rates of 2.70%-2.92% and will be fully paid by 2027.
    - TD debt of \$7.3M April 2024 with a rate of 5.04%. The funds will be used to fund the **non-growth** projects identified in the 2020 Rate Study and the non-growth portion of the Water Tank and Booster Station project, due to some capacity of the new tank replacing the old Ontario Water Tank (1).

- WW has received Council approval and TD approved an additional growth debt totaling \$8.2M as a principal and interest facility in August 2024 the funds will be used to fund the **growth** portion of the Water Tank and Booster Station project and the debt will be funded by future Development Charges. \$2.0M of the \$8.2M was accessed in September 2024 with an interest rate of 4.41%. The balance of the loan facility for \$6.2M is estimated to be accessed in 2025 with an interest rate of 4.0%.
- Banking covenants with TD have been evaluated and ensured compliance within the 2025-2029 budget period.

**Capital Budget**

WW applies a systematic planning process for all capital initiatives based on the Water Master Plan and the Water Rate Study reports. This process allows capital investments to be measured to ensure compliance and maintenance for safe and reliable operation of the WW water distribution system and alignment of best practices for WW within the water industry.

**Drivers and Influences**

- ✓ Rate study identified projects
- ✓ Developer Driven (growth related)
- ✓ Municipal Driven
- ✓ Infrastructure renewal
- ✓ Customer Demand
- ✓ Capacity Requirements
- ✓ Asset Management Capital Expenditures (regulatory and legislative requirements)
- ✓ Reliability Improvements

**Capital Grouping:**

Capital projects have been grouped into two defined investment categories listed below, based on the ‘trigger’ driver of the expenditure:

**Distribution plant** - investments involve expanding/replacing/refurbishing system assets to expand and extend the original service life of the assets and maintain the ability of WW’s distribution system’s reliability. Modifications to WW’s distribution system to ensure the distribution system continues to meet operational objectives while addressing anticipated future customer water servicing requirements.

**General plant** - investments are modifications, replacements or additions to WW’s assets that are not part of the distribution system; including land and buildings; tools and equipment; rolling stock and electronic devices and software used to support day-to-day business and operations activities.

**Waterworks Drinking System Strategy - 2025-2029**

The following table represents WW’s summary of capital investments for the 2022-2029 timeframe:

WATERWORKS OF THE TOWN OF COBOURG										
Summary of Capital Budget										
2025										
Project categories	Actual			Budget	Projections	Budget	Forecast			
	2021	2022	2023	2024	2024	2025	2026	2027	2028	2029
Distribution projects		2,378,729	3,892,821	8,083,395	8,105,395	8,665,964	6,252,549	6,355,560	2,911,500	1,319,000
General plant		57,935	432,331	391,100	321,100	264,730	859,740	449,450	1,152,700	674,650
<b>Total Capital expenditures</b>	-	<b>2,436,664</b>	<b>4,325,152</b>	<b>8,474,495</b>	<b>8,426,495</b>	<b>8,930,694</b>	<b>7,112,289</b>	<b>6,805,010</b>	<b>4,064,200</b>	<b>1,993,650</b>
Increase(decrease) %			77.5%	95.9%	94.8%	6.0%	-20.4%	-4.3%	-40.3%	-50.9%

### 2024 Capital Budget: Project Review/ Recap

Major Capital Budget projects accomplished during 2024 were:

- **WC2024-001: Zone 1 Elevated Tank & Zone 2 Booster Pumping Station (Z1 ET & Z2 BPS) Project Management/Engineering- CIMA+**
  - CIMA+ conducts day-to-day contract management/inspections to ensure that Landmark Structure Co. adheres to the Zone 1 ET & Zone 2 BPS Construction Contract and allocated budget.
- **WC2023-022: Zone 1 Elevated Tank & Zone 2 Booster Pumping Station-Contractor and Status**
  - Landmark Structure Co. is on schedule for completion August 2025 within the allocated budget.
  - There has been no increase in cost since the 2024 Budget was passed, or delays for the Z1 ET & Z2 BPS.
- **WC2023-023 Linear Z1 ET & Z2 BPS: D'Arcy Street & Alexandria**
  - Encompasses the linear works into Z1 ET & Z2 BPS from D'Arcy Street. This cost is apportioned equally between current users (non-growth) and by future users (growth).
  - The cost of the linear works leaving the Z1 ET & Z2 BPS to Alexandria is wholly apportioned to future growth as is the trunk watermain.
  - Serving the Cobourg East Community found in the Secondary Plan- Tribute Development to Brook Road North.
  - On September 24<sup>th</sup>, 2024. Premier Doug Ford announced Ontario Government had awarded \$25 Million to the Town of Cobourg under the Housing-Enabling Water Systems Fund (HEWSF) to expedite drinking water and wastewater servicing of 2,266 new homes.
  - The funding agreement between the Province and TOC will fund all linear infrastructure, but this component will be expedited and completed through a separate tender and will require LUSI to fund the Linear Works and submit to the Town of Cobourg for reimbursement payments through the HEWSF.
  - Timeline:
    - Design and Drawings – Complete.
    - Tender- November 05- November 26, 2024.
    - Tender Review- November 27- 29, 2024.
    - LUSI Board Approval- December 2024.
    - Tender Award- January 2025.
    - Construction- February 03 - May 26, 2025.
- **WC2024-002: Z1 ET & Z2 BPS Linear- CIMA+ Project Management**
  - CIMA+ will perform tendering, tender review and make recommendations, award the project management, and provide day-to-day oversight during construction. The bulk of the work will be completed in 2025.
- **WC2024-003: Water Main Design**

- Project is ongoing and recurring; currently completing King Street West; William Street to Burnham Street- estimated 850 meters. Design scheduled for 2024 completion.
- WC2024-004: Hydrant Coding- flow testing
  - Complete – Under National Fire Protection Association standard 291 fire flow tests and colour coding of hydrants to indicate the available fire service water supply from hydrants. Testing also identifies deficiencies to inform corrective action to ensure adequate fire flow within the DWS. NFPA 291 stipulates that hydrant shall be flowed tested on a 5-year interval to verify capacity and colour coding of the hydrant.
- WC2024-005: Boggs Road, Watermain
  - Complete - Extension of watermain from West Street in Northam Industrial Park to Boggs Road; looping the water system to provide better flow into Elgin Street East and remove a dead end. Project hold-back will be paid out at completion of the 2-year warranty period.
- WC2024-015: Westwood Watermain Replacement Project
  - Complete - This project is a carry-over from 2023. Project hold-back will be paid out at completion of the 2-year warranty period.
- WC2024-006: Programmable Logic Controller (PLC) Upgrade to Strathy Water Tower & Ewart Street Booster Pumping Station
  - Identified in the rate study, this project upgrades obsolete PLCs to match new PLCs in the Z1 ET & Z2 BPS enabling communication between all stations directly. The project is scheduled to be completed in 2024 but will be carried over in 2025 due to delays in component manufacturing.
- WC2024-007: Replace SCADA Pack 32 PLCs @ Ewart St. BPS
  - Identified in the rate study, this project upgrades obsolete PLCs to match new PLCs in the Z1 ET & Z2 BPS enabling communication between all stations directly. The project is scheduled to be completed in 2024 but will be carried over in 2025 due to delays in component manufacturing.
- WC2024-008: Replace SCADA Pack 32 PLCs @ Zone 2 Strathy Water Tower
  - Identified in the rate study, this project upgrades now obsolete PLCs to match new PLCs in the Z1 ET & Z2 BPS enabling communication between all stations directly. The project is scheduled to be completed in 2024 but will be carried over in 2025 due to delays in component manufacturing.
- WC2024-009: TOC Asset Management
  - Complete - This project, carried over from 2023, meets the Asset Management Plan requirements for the TOC. The Asset Management plan encompassed the Water Treatment Plant (WTP), Ewart Street BPS, Strathy Water Tower & Victoria Street Water Tower.
- WC2024-010: Raw Water Inspection
  - Recurring - This line item includes the annual inspection and any repairs to the intake cribbing that may have been damaged since the previous inspection. General Diving inspects the raw water intake line located 850 meters offshore. General Diving provides a video and written report, detailing any repairs that required coinciding with the subsequent year's inspection.
- WC2024-011: IT Hardware and Software
  - This is recurring line item encompasses budgets for the purchase of computers/phones/program licencing/software upgrades.
- WC2024-012: Tools
  - This recurring line-item budgets for the purchase of tools for the Distribution System and Water Treatment Plant Operators' use as required.
- WC2024-013: Building Maintenance
  - This recurring line-item budgets for the completion of unscheduled building maintenance at Office building at 207 Division Street.
- WC2024-014: Water Meter Purchases
  - This recurring line-item budgets for the purchase of RF Meter stock for resale to builders/developers.

**2025 Capital Budget: Projects Review**

- Zone 1 Elevated Tank & Zone 2 Booster Pumping Station Project Management/Engineering- CIMA+
  - CIMA+ conducts day-to-day contract management/inspections to ensure that Landmark Structure Co. adheres to the Zone 1 ET & Zone 2 BPS Construction Contract and allocated budget. This project will be completed in 2025.
- Zone 1 Elevated Tank & Zone Booster Pumping Station- Construction cost.
  - This project is carried over from 2024 and budgets project completion costs for Landmark Structure Co.
- Linear Z1 ET & Z2 BPS- D'Arcy Street
  - Encompasses the linear works into Z1 ET & Z2 BPS from D'Arcy Street. This cost is apportioned equally between current users and by future growth. To be completed in 2025.
- Linear Z1 ET & Z2 BPS-Alexandria Drive
  - This budgets for the cost of the linear works leaving the Z1 ET & Z2 BPS to Alexandria is wholly apportioned to future growth as is the trunk watermain serving the Cobourg East Community found in the Secondary Plan- Tribute Development to Brook Road North. To be completed in 2025.
- Z1 ET & Z2 BPS- CIMA+ Project Management Linear Watermain Work
  - CIMA+ will perform tendering, tender review and make recommendations, award the project management and day-to-day oversight during construction. The bulk of the work will be completed in 2025.
- EA Process – New Zone 3- Cobourg East Community Development
  - Zone 3 BPS is classified as Schedule-B EA, land acquisition is required.
  - Zone 3 Water Storage facilities is classified as Schedule-B EA, land acquisition is required
  - The EA process will be a minimum of 8 months. The Average Schedule B Water and Wastewater EA is 21 months in duration.
- Cobourg Water Master Plan Update
  - Cobourg Water Master Plan was approved in 2020. Once Z1 ET & Z2 BPS has been completed, a Cobourg Master Plan update to reflect the changes/ improvements to the Cobourg DWS & to inform the 2025 Water Rate Study will be required.
- Water Rates Study and Financial Plan Update
  - Required for 2026 and to inform the Cobourg Water Master Plan update.
- Water Main Design
  - Project is ongoing and recurring; Methodology used is to design water main Replacement Projects in the year prior the construction year.
  - 2026 water main replacement projects requiring 2025 design include Spencer Street, Walton & Monroe Street and possibly Anne Street (Water Main ca. 1935).
  - New design of Future Kerr Street- 1b: Northside of Railway at Brook Road North from D'Arcy Street to Railway Crossing at Brook Road North to tie-in to the Brook Road North Watermain under the HEWSF project.
- Water Main- Condition Assessment
  - The Condition Assessment rates the conditions of the Distribution System, ranking criteria use the following:
    - Age of the watermain.
    - Material used when constructed- Cast Iron/ Ductile Iron/ AC/ PVC.
    - Water quality & number of customer complaints.
    - Number of water breaks or repairs.

- Assessment will also be used to support the Cobourg Water Master Plan up-date for future water main replacement projects.
- **Water Treatment Plant- Condition Assessment**
  - The WTP Assessment will support both the Cobourg Water Master Plan up-date and compliments the TOC Asset Management Reports.
- **Distribution Valve Replacement**
  - Part of the ongoing maintenance program for the Cobourg Distribution System that replaces valves as required.
- **Hydrant Coding- flow testing**
  - Under National Fire Protection Association standard 291 fire flow tests and colour coding of hydrants to indicate the available fire service water supply from hydrants. Testing also identifies deficiencies to inform corrective action to ensure adequate fire flow within the DWS. NFPA 291 stipulates that hydrants shall be flowed tested on a 5-year interval to verify capacity and colour coding of the hydrant.
- **Hydrant Coating- Painting**
  - Once the flow testing has been completed as per NFPA 291 Flow Testing, hydrants are painted to indicate the flow colour to identify volume capacity for the Fire Department.
- **ICI Meter Audits**
  - This line-item funds contracting Neptune to verify larger meters for Industrial/ Commercial/ Institutional (ICI) users. This ensures that LUSI captures all revenue and limits/improve water losses through unbilled revenue in the ICI sector.
- **King Street Culvert- watermain up-grade**
  - TOC is scheduled to replace the King Street West culvert in 2025, LUSI will upgrade the water main section going under the new culvert and install new valves on both side of the culvert to mitigate risk of failure of critical infrastructure lacking redundancy.
- **King Street West Watermain Replacement- William Street to Cobourg Creek Bridge**
  - This joint project with TOC will complete approximately ½ (440 meters) of the King Street west to William Street to Burnham Street project in 2025, the remaining will be completed in 2026.
- **Alexandria Drive Watermain Replacement**
  - This project will replace a section of old watermain at end of service life to enhance water flow & quality in Zone 2 around the Cobourg Community Center (CCC) & Z1 ET & Z2 BPS. One of the worst rated from the 2017 Water Main Condition Report.
- **Raw Water Intake Inspection**
  - Recurring - This line item includes the annual inspection and any repairs to the intake cribbing that may have been damaged since the previous inspection. General Diving inspects the raw water intake line located 850 meters offshore. General Diving provides a video and written report, detailing any repairs that required coinciding with the subsequent year's inspection.
- **Chlorine Sample Pump**
  - This line item budgets for replacement of sample pump approaching end of life cycle.
- **WTP Filter Influent Channel Valve**
  - This line-item budgets for the replacement of the valve that controls the flow into the filter from the clarifier. The valve was not replaced during the Filter Plant upgrades in 2016/ 2017. The valve has reached it's end of cycle and has been identified as a high-risk critical piece of infrastructure lacking redundancy, If the valve should fail in the closed position, flow into the filters from the Clarifier will be impossible, jeopardizing the provision of water to the TOC.
- **IT Hardware CJE**
  - This line-item budget is managed by the Director of Finance for IT hardware for WW.
- **IT Software DW**
  - This line-item budget for required billing system upgrades for WW.

- IT Software CJE
  - Updated software for WW required as ongoing Cyber threat mitigation.
- Peristaltic Pump for the Contact Chamber Chlorine Analyzer
  - Regulatory requirement, pump has reach end of life cycle.
- Tools
  - This recurring line-item budgets for the purchase tools for the Distribution System and Water Treatment Plant Operators' use as required.
- Building Maintenance
  - This recurring line-item budgets for the completion of unscheduled building maintenance at Office building at 207 Division Street.



**2026 Capital Budget: Projects Review**

- Decommission Zone 1 Elevated Tank water mains (Victoria Street)
  - Following Z1 ET & Z2 BPS project completion, the obsolete Zone 1 Elevated Water Tower at Victoria Street will be removed from service. Linear Infrastructure will be removed from the site and adjusted to improve water flow and water quality in the area around Ontario Street and the Kraft Block immediately south. The Cobourg Water Model will be used to predict watermain removal and repair requirements.
- Watermain Design
  - Project is ongoing and recurring; Methodology used is to design water main replacement projects in the year prior the construction year.
  - Watermain Replacement Projects.
    - Perry Street (D'Arcy Street to Church Street 505 meters).
    - Green Street (Queen Street to Perry Street 240 meters).
    - Watermain Expansion (Growth) Project Brook Road N & Future Brook Road N (HEWSF).
- Distribution Valve Replacement
  - Part of ongoing maintenance program for Cobourg Distribution System valves replacement.
- ICI Meter Audits
  - This line-item funds contracting Neptune to verify larger meters for Industrial/ Commercial/ Institutional (ICI) users. This ensures that WW captures all revenue and limits water loss through unbilled revenue in the ICI sector.
- Decommission Victoria Street Tower Bowl
  - This line item budgets for a portion of the decommissioning of the obsolete zone 1 Tower at Victoria street. As part of the decommissioning process, WW will remove the bowl of the tower from the pedestal. The Pedestal will remain as a communication structure; Cobourg Police & Fire have communications equipment located at the Tower.
- Hydrant Coding- flow testing
  - Complete – under National Fire Protection Association standard 291 fire flow tests and colour coding of hydrants to indicate the available fire service water supply from hydrants. Testing also identifies deficiencies to inform corrective action to ensure adequate fire flow within the DWS. NFPA 291 stipulates that hydrants shall be flowed tested on a 5-year interval to verify capacity and colour coding of the hydrant.
- Hydrant Coating- Painting
  - Once the flow testing has been completed as per NFPA 291 Flow Testing, hydrants are painted to indicate the flow colour to identify volume capacity for the Fire Department.
- Auto Flusher
  - This line item budgets for the purchase of devices which, when installed in water quality problem areas, ameliorate water quality concerns to extend use of end-of life linear assets past their typical life cycle until slated for capital replacement.
- Densmore Road – New Water Main
  - This line item budgets for growth related water main construction servicing the Cobourg East service area funded as part of the HEWSF project with the TOC.
- Brook Road North – New Water Main
  - This line item budgets for growth related water main construction servicing the Cobourg East service area funded as part of the HEWSF project with the TOC.
- D'Arcy Street – New Water Main and Replacement
  - This is captured by the HEWSF project for water into and out of the Z1 ET & Z2 BPS.
- Future Kerr Street – New Water Main

## Waterworks

### 2025 OM&A and Capital Budget

- This line item budgets for a project identified in both Rate Study & Cobourg Water Master Plan as-1b: Northside of Railway at Brook Road North from D'Arcy Street to Railway Crossing at Brook Road North to tie-in to the Brook Road North Watermain as growth related under the HEWSF project.
- King Street West- Cobourg Creek Bridge to Burnham Street Water Main Replacement Project
  - This line item budgets for a joint project with the TOC, completing the remaining half of the 800m project of watermain replacement on Kings St west from William to Burnham. The 2026 component completes the remaining ½ (380 meter) from the Creek west to Burnham St.
- Spencer Street Water Main Replacement Project
  - This line-item budgets for the 210m water main replacement project from Division to George Street identified in the rate study as a 2024 project that has been delayed. This is a Joint project with the TOC who will complete the sewer component.
- Watson & Monroe Streets Water Main Replacement Project
  - This line-item budgets for the water main replacement project on Walton Street and Munroe St. from Chapel to the dead end. This project was identified in the rate study as a 2023 project that has been delayed. This is a Joint project with the TOC, who will complete the sewer component.
- Shoreline Fencing WTP
  - This line item budgets for the item entitled “shoreline railing” in the rate study. A more economical (and secure) measure is to complete the installation of chain-link fencing along the southern property edge at the Water Treatment Plant. The project has been divided into 2 years to complete.
- Raw Water Intake Inspection
  - Recurring - This line item includes the annual inspection and any repairs to the intake cribbing that may have been damaged since the previous inspection. General Diving inspects the raw water intake line located 850 meters offshore. General Diving provides a video and written report, detailing any repairs that required coinciding with the subsequent year’s inspection.
- ROV Inspections Clarifier/ High Lift Well/ Reservoir
  - This line item budgets for periodic Regulatory Inspections required by DWQMS (Drinking Water Quality Management System).
- Replace GAC Filter Media @ WTP
  - This line item budgets for the replacement of filter media as part of the life cycle refurbishment of filters. The GAC (Granular Activated Carbon) within the filters have life expectancy of approximately 5 years and was last replaced in January 2021.
- IT Hardware
  - This line item budgets for the Director of Finance to purchase/approve hardware for WW.
- IT Software
  - This line-item budget for required software upgrades for WW.
- Tools
  - This recurring line-item budgets for Dist. System and Water Treatment Plant Operators’ use.
- Wachs-valve Operating System (Truck Mounted)
  - With the TOC projected in growth, there are more valves from within the Distribution System. In addition to providing operational redundancy. This will give LUSI two valves exercising options and we will be able send out more than 1 crew as required.
- Building Maintenance
  - This recurring line-item budgets for the completion of unscheduled WTP building maintenance.

**2027 Capital Budget: Projects Review**

- Tower Inspection 2 year
  - This line item budgets for the Z1 ET construction warranty inspection required 2 years after completion of construction.
- Strathy Water Tower- Inspection/ Exterior Wash/ Maintenance
  - 2019 the Strathy Tower was re-habilitated. Typically, towers require exterior washing after 8 years as well as inspection inside the bowl and mixing equipment, along with planned maintenance routines.
- Water Main Design
  - Project is ongoing and recurring; Methodology used is to design water main Replacement Projects in the year prior the construction year.
  - 2028 Watermain Replacement Projects
    - Green Street (Perry Street to Bay Street 120 meters) identified in the rates study, deferred from 2024. This is a Joint project with the TOC who will complete the sewer component.
    - Bay Street- 425 meters & Currely Way- 120 meters & Park Street- 290 meters.
- Distribution Valve Replacement
  - Part of the ongoing maintenance program for the Cobourg Distribution System that replaces valves as required.
- ICI Meter Audits
  - This line-item funds contracting Neptune to verify larger meters for Industrial/ Commercial/ Institutional (ICI) users. This ensures that WW captures all revenue and limits water loss through unbilled revenue in the ICI sector.
- Hydrant Coding- flow testing
  - Under National Fire Protection Association standard 291 fire flow tests and colour coding of hydrants to indicate the available fire service water supply from hydrants. Testing also identifies deficiencies to inform corrective action to ensure adequate fire flow within the DWS. NFPA 291 stipulates that hydrants shall be flowed tested on a 5-year interval to verify capacity and colour coding of the hydrant.
- Hydrant Coating- Painting
  - Once the flow testing has been completed as per NFPA 291 Flow Testing, hydrants are painted to indicate the flow colour to identify volume capacity for the Fire Department.
- Perry Street Water Main Replacement
  - This line item budgets for water main replacement identified in the rate study and deferred from 2023. The project, from D'Arcy to Church Street encompasses the replacement of 505 meters of water main. This is Joint project with the TOC who will complete the sewer component.
- Green Street Water Main Replacement – 2 year completion
  - This line item budgets for water main replacement identified in the rate study and deferred from 2024. The project, from Queen Street to Perry Street encompasses the replacement of 240 meters of water main. This is Joint project with the TOC who will complete the sewer component.
- Brook Road North New Watermain
  - This line item budgets for new water main identified in the rate study as growth-related servicing for Cobourg East service area. Going north on Brook Road North Hydro Substation to Tribute Phase 2 access road installing 490 meters of new water main.
- Future Brook Road North
  - This line-item budgets for new water main identified in the rate study as growth-related servicing for Cobourg East service area. Interconnecting the existing sub-trunk watermain south of the railway tracks to the Brook Road North HEWSF project this project will install 260 meters of new

watermain. This item provides additional security of supply, between the 2 zones through redundancy.

- Campbell Street
  - This joint project with the TOC will see the replacement of 160 meters of water main that has not been identified in the rate study as in need of replacement. However, the AC transite main ca. 1948 is > 75% of projected service life. The TOC has identified the street as very high priority for sanitary replacement and replacing water main slightly early in a project coinciding with TOC will result in a significant cost reduction for LUSI in the Watermain component.
- Replace Low Lift Pumps Discharge Valves
  - This line item budgets for the replacement of low lift discharge valves that have reached end of life. Replacement with surge-buster valves provides ancillary benefit of prolonged plant pipe longevity.
- Raw Water Intake Inspection
  - Recurring - This line item includes the annual inspection and any repairs to the intake cribbing that may have been damaged since the previous inspection. General Diving inspects the raw water intake line located 850 meters offshore. General Diving provides a video and written report, detailing any repairs that required coinciding with the subsequent year's inspection.
- Distribution Truck
  - Replacement of a 2013 distribution truck projected to have 280,000 km. The vehicle, years past service life expectations, will be likely to incur major mechanical failure and repair requiring an order of magnitude greater than its' residual value.
- Shoreline Fencing WTP
  - This line item budgets for the item entitled "shoreline railing" in the rate study. A more economical (and secure) measure is to complete the installation of chain-link fencing along the southern property edge at the Water Treatment Plant. The project has been divided into 2 years to complete.
- IT Hardware
  - This line item budgets for the Director of Finance to purchase/approve hardware for WW.
- IT Software
  - This line item budgets for required software upgrades for WW.
- Tools
  - This recurring line-item budgets for the purchase of tools for the Distribution System and Water Treatment Plant Operators' use as required.
- Building Maintenance
  - This recurring line-item budgets for the completion of unscheduled building maintenance.

**2028 Capital Budget: Projects Review**

- Distribution Truck
  - Replacement of a 2014 distribution truck projected to have 280,000 km. The vehicle, years past service life expectations will be likely to incur major mechanical failure and repair requiring an order of magnitude greater than its' residual value.
- Watermain Design
  - Project is ongoing and recurring; Methodology used is to design water main Replacement Projects in the year prior the construction year.
  - 2029 Watermain Replacement Projects
    - Water Street- 245 meters.
    - Church Street- 260 meters.
    - White Street oversizing- 600 meters.
- Distribution Valve Replacement
  - Part of the ongoing maintenance program for the Cobourg Distribution System that replaces valves as required.
- ICI Meter Audits
  - This line-item funds contracting Neptune to verify larger meters for Industrial/ Commercial/ Institutional (ICI) users. This ensures that WW captures all revenue and limits water loss through unbilled revenue in the ICI sector.
- Hydrant Coding- flow testing
  - Under National Fire Protection Association standard 291 fire flow tests and colour coding of hydrants to indicate the available fire service water supply from hydrants. Testing also identifies deficiencies to inform corrective action to ensure adequate fire flow within the DWS. NFPA 291 stipulates that hydrants shall be flowed tested on a 5-year interval to verify capacity and colour coding of the hydrant.
- Hydrant Coating- Painting
  - Once the flow testing has been completed as per NFPA 291 Flow Testing, hydrants are painted to indicate the flow colour to identify volume capacity for the Fire Department.
- Green Street Water Main Replacement
  - This line item budgets for water main replacement identified in the rate study and deferred from 2024. The project completes staged water main replacement of Green Street by replacing water main from Perry Street to Bay Street. This is Joint project with the TOC who will complete the sewer component.
- Future Brook Road North **Oversizing New Water Main**
  - This project may not be needed because of the HEWSF.
- Bay Street, Currely Way & Park Street Water Main Replacement
  - This line item budgets for water main replacement Bay Street- 425 meters & Currely Way- 120 meters & Park Street- 290 meters. This is Joint project with the TOC who will complete the sewer component.
- Danforth Road North- oversizing New Water Main
  - This project may not be needed because of the HEWSF.
- Intake Pipe Upgrades
  - This line item budgets for Inspection & maintenance work identified in the rate study on the raw water intake line from the Low Lift Well at the WTP to Raw Water Cribbing- 850 meters. Raw Water Intake Inspection.
- Raw Water Intake Inspection
  - Recurring - This line item includes the annual inspection and any repairs to the intake cribbing that may have been damaged since the previous inspection. General Diving inspects the raw water

intake line located 850 meters offshore. General Diving provides a video and written report, detailing any repairs that required coinciding with the subsequent year's inspection.

- Upgrade Wastewater Discharge System
  - This line-item budget for linear Infrastructure from the On-site Sewage Pumping Station to intersection at Abbott Blvd, to get to the gravity sewer system improving waste discharge characteristics- 285 meters.
- IT Hardware
  - This line item budgets for the Director of Finance to purchase/approve hardware for WW.
- IT Software
  - This line item budgets for required software upgrades for WW.
- Tools
  - This recurring line-item budgets for the purchase tools for the Distribution System and Water Treatment Plant Operators' use as required.
- Building Maintenance
  - This recurring line-item budgets for the completion of unscheduled building maintenance.
- Refurbish Low Lift pumps
  - This line item budgets for refurbishment of low lift pumps identified in the rate study. This item will include an assessment of all low lift pumps to inform the decision on the nature and extent of refurbishment of two pumps identified.

**2029 Capital Budget: Projects Review**

- Watermain Design
  - Project is ongoing and recurring; Methodology used is to design water main Replacement Projects in the year prior the construction year.
  - In 2030 Watermain Replacement Projects. Once the Cobourg Water Master Plan & Cobourg Rate Study has been completed in 2025 and 2026, Watermain Replacement Projects will be identified for design.
- Distribution Valve Replacement
  - Part of the ongoing maintenance program for the Cobourg Distribution System that replaces valves as required.
- ICI Meter Audits
  - This line-item funds contracting Neptune to verify larger meters for Industrial/ Commercial/ Institutional (ICI) users. This ensures that WW captures all revenue and limits water loss through unbilled revenue in the ICI sector.
- Hydrant Coding- flow testing
  - Under National Fire Protection Association standard 291 fire flow tests and colour coding of hydrants to indicate the available fire service water supply from hydrants. Testing also identifies deficiencies to inform corrective action to ensure adequate fire flow within the DWS. NFPA 291 stipulates that hydrants shall be flowed tested on a 5-year interval to verify capacity and colour coding of the hydrant.
- Hydrant Coating- Painting
  - Once the flow testing has been completed as per NFPA 291 Flow Testing, hydrants are painted to indicate the flow colour to identify volume capacity for the Fire Department.
- Water Street Watermain Replacement Project Water Main Replacement
  - This is Joint project with the TOC who will complete the sewer component.
- Church Street Watermain Replacement Project
  - This is Joint project with the TOC who will complete the sewer component.
- White Street Watermain Oversizing Project
  - The oversizing of both east and west Brooks for the white St Crossing have been identified in the rate study as items deferred from original timings of 2023-2025. These projects perform crucial east-west redundancy in Zone 2 for the Elgin Street Trunk main which currently has no alternate supply west from Ontario Street.
- Replacement Alum Tank (2)
  - This line item budgets the replacement of Composite Alum tanks at the Water treatment plant for the storage of bulk coagulant crucial to treatment operations. Identified as an item in the rate study slated for completion between 2025 and 2030, these tanks are approaching end of service life and will likely be replaced by in-situ built cedar stave tanks.
- Raw Water Intake Inspection
  - Recurring - General Diving to inspect the raw water intake line located 850 meters offshore. This line item includes the annual inspection and any repairs to the intake cribbing that may have been damaged since the previous inspection. General Diving provides a video and written report, detailing any repairs that required coinciding with the subsequent year's inspection.
- ROV Inspection Clarifier/ High Lift Well/ Reservoir
  - Regulatory Inspections required by DWQMS (Drinking Water Quality Management System).
- IT Hardware
  - This line item budgets for purchase/approve hardware for WW.
- IT Software
  - This line item budgets for required software upgrades for WW.

- Tools
  - This recurring line-item budgets for the purchase tools for the Distribution System and Water Treatment Plant Operators' use as required.
- Building Maintenance
  - This recurring line-item budgets for the completion of unscheduled building maintenance.
- Equip High Lift Pumps with VFD's
  - This line item budgets for the installation of VFDs on high lift pumps. Identified in the rate study.



Waterworks

2025 OM&A and Capital Budget

WATERWORKS OF THE TOWN OF COBOURG										
Capital Budget budget and forecast										
2024										
			Budget				Projection			
Job #	Project description	Rate study/Non-rate study	Total Project Cost	Gross	Grant Contributions	Net	Gross	Grant Contributions	Net	Carry Forward
	Tower and BPS Project Management/Engineer (CIMA+)		1,018,000	610,800	-	610,800	610,800	-	610,800	-
	Zone 1 Tower		15,050,000	9,030,000	-	9,030,000	9,030,000	-	9,030,000	-
	ICIP Grant		(3,657,341)	-	(2,194,405)	(2,194,405)	-	(2,194,405)	(2,194,405)	-
	Upfront cost from Developers		(7,816,458)	-	-	-	-	-	-	-
	Linear Z1 Tower & Z2 BPS:D'Arcy & Alexandra (CIMA+ Est)		2,390,000	-	-	-	-	-	-	-
	Z1 Tower and Z2 BPS: CIMA+ Project Management (10% est)		239,000	-	-	-	-	-	-	-
APH 1832	<b>Total Tower Project</b>		<b>7,223,201</b>	<b>9,640,800</b>	<b>(2,194,405)</b>	<b>7,446,395</b>	<b>9,640,800</b>	<b>(2,194,405)</b>	<b>7,446,395</b>	-
	Water Main Design		75,000	75,000	-	75,000	75,000	-	75,000	-
	Hydrant Coding - flow testing		12,000	12,000	-	12,000	12,000	-	12,000	-
APH 1832	<b>Total Distribution Projects</b>		<b>87,000</b>	<b>87,000</b>	-	<b>87,000</b>	<b>87,000</b>	-	<b>87,000</b>	-
	Boggs Road (PW to Elgin Street) provides redundancy		250,000	250,000	-	250,000	250,000	-	250,000	-
	Westwood- carry over		2,375,000	300,000	-	300,000	322,000	-	322,000	-
APH 1832	<b>Total Watermain Replacement Project</b>		<b>2,625,000</b>	<b>550,000</b>	-	<b>550,000</b>	<b>572,000</b>	-	<b>572,000</b>	-
APH 1832	PLC Upgrade For Strathy and Booster		70,000	70,000	-	70,000	-	-	-	-
APH 1832	Replace SCADA Pack 32 PLCs @ Ewart St BPS		107,000	107,000	-	107,000	107,000	-	107,000	-
APH 1832	Replace SCADA Pack 32 PLCs @ Zone 2 Straty Rd		71,000	71,000	-	71,000	71,000	-	71,000	-
APH 1832	TOC Asset Management		20,000	20,000	-	20,000	20,000	-	20,000	-
APH 1832	Raw Water inspection		8,000	8,000	-	8,000	8,000	-	8,000	-
APH 1920	IT Hardware		25,000	25,000	-	25,000	25,000	-	25,000	
APH 1925	IT Software		25,000	25,000	-	25,000	25,000	-	25,000	
APH 1930	Tools		45,100	45,100	-	45,100	45,100	-	45,100	-
APH 1808	Building betterments		20,000	20,000	-	20,000	20,000	-	20,000	-
	<b>Total General Plant</b>		<b>391,100</b>	<b>391,100</b>	-	<b>391,100</b>	<b>321,100</b>	-	<b>321,100</b>	-
	<b>Total Capital Expenditures</b>		<b>10,326,301</b>	<b>10,668,900</b>	<b>(2,194,405)</b>	<b>8,474,495</b>	<b>10,620,900</b>	<b>(2,194,405)</b>	<b>8,426,495</b>	-
	Total Distribution Capital		9,935,201	10,277,800	(2,194,405)	8,083,395	10,299,800	(2,194,405)	8,105,395	-
	Total General Plant Capital		391,100	391,100	-	391,100	321,100	-	321,100	-
	<b>Total Capital</b>		<b>10,326,301</b>	<b>10,668,900</b>	<b>(2,194,405)</b>	<b>8,474,495</b>	<b>10,620,900</b>	<b>(2,194,405)</b>	<b>8,426,495</b>	-

Waterworks

2025 OM&A and Capital Budget

WATERWORKS OF THE TOWN OF COBOURG							
Capital Budget							
2025							
Job #	Project description	Rate study/Non-rate study	Total Project Cost	Carry Forward	Gross	Grant Contributions	Net
	Tower and BPS Project Management/Engineer (CIMA+)	Rate Study	1,018,000	-	407,200	-	407,200
	Zone 1 Tower	Rate Study	15,050,000	-	6,020,000	-	6,020,000
	ICIP Grant		(3,657,341)	-	-	(1,462,936)	(1,462,936)
	Upfront cost from Developers		(7,816,458)	-	-	-	-
	HEWSF Grant					(649,700)	(649,700)
	Linear Z1 Tower & Z2 BPS:D'Arcy (CIMA+ Est)	Rate Study	1,390,000	-	1,390,000	(365,000)	1,025,000
	Linear Z1 Tower & Z2 BPS: Alexandria (CIMA+ Est)	Rate Study	1,000,000	-	1,000,000		1,000,000
	Z1 Tower and Z2 BPS: CIMA+ Project Management (10% est)	Rate Study	139,000	-	139,000	-	139,000
APH 1832	<b>Total Tower Project</b>		<b>7,123,201</b>	<b>-</b>	<b>8,956,200</b>	<b>(2,477,636)</b>	<b>6,478,564</b>
	EA Proc- Zone 3- Cobourg East Community Development	Non-Rate Study	150,000		150,000		150,000
	Master Plan Update	Non-Rate Study	25,000		25,000		25,000
	Water Rates & Financial Plan	Rate Study	19,000		19,000		19,000
	Water Main Design	Non-Rate Study	75,000	-	75,000		75,000
	Watermain- Condition Assessment	Non-Rate Study	20,000		20,000		20,000
	Water Treatment Plant- Condition Assessment	Non-Rate Study	5,000		5,000		5,000
	Distribution Valves Replacement	Non-Rate Study	50,000		50,000		50,000
	Hydrant Flow Testing	Non-Rate Study	15,000		15,000		15,000
	Hydrant Coating - painting	Non-Rate Study	20,000		20,000		20,000
	ICI Meter Audits	Non-Rate Study	35,000	-	35,000		35,000
APH 1832	<b>Total Distribution Projects</b>		<b>414,000</b>	<b>-</b>	<b>414,000</b>	<b>-</b>	<b>414,000</b>
					-		-
	King Street Culvert	Rate Study	100,000		100,000		100,000
	King Street West - William to bridge	Rate Study	1,398,400	-	1,398,400		1,398,400
	Alexandria dr	Non-Rate Study	275,000	-	275,000		275,000
APH 1832	<b>Total Watermain Replacement Project</b>		<b>1,773,400</b>	<b>-</b>	<b>1,773,400</b>	<b>-</b>	<b>1,773,400</b>
APH 1832	Raw Water Intake Inspection	Rate Study	10,000		10,000		10,000
APH 1832	Chlorine Sampe pump	Rate Study	5,000	-	5,000		5,000
APH 1832	WTP filter influent channel valve	Non-Rate Study	100,000		100,000		100,000
APH 1920	IT Hardware CJE	Rate Study	35,500	-	35,500		35,500
APH 1925	IT Software DW	Rate Study	27,500	-	27,500		27,500
APH 1925	IT Software CJE	Rate Study	28,250	-	28,250		28,250
APH 1930	Parastolic Pump for Contact Chamber Analyzer	Rate Study	8,480		8,480		8,480
APH 1930	Tools	Rate Study	30,000	-	30,000		30,000
APH 1808	Building Maintenance	Rate Study	20,000	-	20,000		20,000
	<b>Total General Plant</b>		<b>264,730</b>	<b>-</b>	<b>264,730</b>	<b>-</b>	<b>264,730</b>
	<b>Total Capital Expenditures</b>		<b>9,575,331</b>	<b>-</b>	<b>11,408,330</b>	<b>(2,477,636)</b>	<b>8,930,694</b>
	Total Distribution Capital		9,310,601	-	11,143,600	(2,477,636)	8,665,964
	Total General Plant Capital		264,730	-	264,730	-	264,730
	<b>Total Capital</b>		<b>9,575,331</b>	<b>-</b>	<b>11,408,330</b>	<b>(2,477,636)</b>	<b>8,930,694</b>

Waterworks

2025 OM&A and Capital Budget

<b>WATERWORKS OF THE TOWN OF COBOURG</b>						
<b>Capital Budget</b>						
<b>2026</b>						
<b>Job #</b>	<b>Project description</b>	<b>Rate study/Non-rate study</b>	<b>Total Project Cost</b>	<b>Gross</b>	<b>Grant Contributions</b>	<b>Net</b>
	Decommission Zone 1 Elevated Tank water mains (Victoria St.)	Rate Study	396,000	396,000		396,000
APH 1832	<b>Total Tower Project</b>		<b>396,000</b>	<b>396,000</b>	-	<b>396,000</b>
	Water Main Design	Rate Study	80,000	80,000		80,000
	Distribution Valves Replacement	Non-Rate Study	50,000	50,000		50,000
	ICI Meter Audits	Non-Rate Study	50,000	50,000		50,000
	Decommission Victoria St Tower bowl	Rate Study	400,000	400,000		400,000
	Hydrant Painting	Non-Rate Study	22,000	22,000		22,000
	Hydrant Coding - flow testing	Non-Rate Study	12,000	12,000		12,000
	Autoflusher	Non-Rate Study	10,000	10,000		10,000
APH 1832	<b>Total Distribution Projects</b>		<b>624,000</b>	<b>624,000</b>	-	<b>624,000</b>
	Desmore Rd (see my note)	Rate Study	371,000	371,000		371,000
	Brook Rd. N	Rate Study	305,280	305,280	(222,854)	82,426
	D'Arcy St.	Rate Study	621,160	621,160	(453,447)	167,713
	Fut. Kerr St.	Rate Study	1,143,740	1,143,740	(834,930)	308,810
	King st Bridge to Burnham	Rate Study	1,273,600	1,273,600		1,273,600
	Spencer	Rate Study	559,000	559,000		559,000
	Walton and Monroe	Rate Study	2,470,000	2,470,000		2,470,000
APH 1832	<b>Total Watermain Replacement Project</b>		<b>6,743,780</b>	<b>6,743,780</b>	<b>(1,511,231)</b>	<b>5,232,549</b>
APH 1832	Shoreline fencing	Rate Study	10,000	10,000		10,000
APH 1832	Raw Water Intake Inspection	Rate Study	10,000	10,000		10,000
APH 1832	ROV Inspection Clarifier/ High Lift Well/ Reservoir	Non-Rate Study	20,000	20,000		20,000
APH 1832	Replace GAC Filter Media @ WTP	Rate Study	603,140	603,140		603,140
APH 1920	IT Hardware	Rate Study	11,600	11,600		11,600
APH 1925	IT Software	Rate Study	95,000	95,000		95,000
APH 1940	Tools	Rate Study	30,000	30,000		30,000
APH 1940	Wach- valve turner (truck mounted)	Non-Rate Study	60,000	60,000		60,000
APH 1808	Building Maintenance	Rate Study	20,000	20,000		20,000
	<b>Total General Plant</b>		<b>859,740</b>	<b>859,740</b>	-	<b>859,740</b>
	<b>Total Capital Expenditures</b>		<b>8,623,520</b>	<b>8,623,520</b>	<b>(1,511,231)</b>	<b>7,112,289</b>
	Total Distribution Capital		7,763,780	7,763,780	(1,511,231)	6,252,549
	Total General Plant Capital		859,740	859,740	-	859,740
	<b>Total Capital</b>		<b>8,623,520</b>	<b>8,623,520</b>	<b>(1,511,231)</b>	<b>7,112,289</b>

Waterworks

2025 OM&A and Capital Budget

<b>WATERWORKS OF THE TOWN OF COBOURG</b>						
<b>Capital Budget</b>						
<b>2027</b>						
<b>Job #</b>	<b>Project description</b>	<b>Rate study/Non-rate study</b>	<b>Total Project Cost</b>	<b>Gross</b>	<b>Grant Contributions</b>	<b>Net</b>
	Tower Inspection 2 year					-
	Strathy Water Tower- Inspection/wash Exterior maint	Non-Rate Study	30000	30,000		30,000
						-
						-
APH 1832	<b>Total Tower Project</b>		<b>30,000</b>	<b>30,000</b>	-	<b>30,000</b>
	Water Main Design	Rate Study	80,000	80,000		80,000
	Distribution Valves Replacement	Non-Rate Study	50,000	50,000		50,000
	ICI Meter Audits	Non-Rate Study	50,000	50,000		50,000
	Hydrant Painting	Non-Rate Study	24,000	24,000		24,000
	Hydrant Coding - flow testing	Non-Rate Study	13,000	13,000		13,000
APH 1832	<b>Total Distribution Projects</b>		<b>217,000</b>	<b>217,000</b>	-	<b>217,000</b>
	Perry St. (D'Arcy to Church 505m)	Rate Study	1,666,500	1,666,500		1,666,500
	Green St. (Queen to Perry 240m)	Rate Study	324,000	324,000		324,000
	Brook Rd. N	Rate Study	2,903,760	2,903,760		2,903,760
	Fut Brook Rd. N	Rate Study	839,300	839,300		839,300
	Campbell St	Non-Rate Study	375,000	375,000		375,000
						-
APH 1832	<b>Total Watermain Replacement Project</b>		<b>6,108,560</b>	<b>6,108,560</b>	-	<b>6,108,560</b>
APH 1832	Replace Low Lift Pumps discharge valves	Rate Study	250,000	250,000		250,000
APH 1832	Raw Water Intake Inspection	Rate Study	10,000	10,000		10,000
APH 1832	Shoreline fencing	Rate Study	10,000	10,000		10,000
APH 1930	Distribution Truck	Non-Rate Study	85,000	85,000		85,000
APH 1920	IT Hardware	Rate Study	11,950	11,950		11,950
APH 1925	IT Software	Rate Study	32,500	32,500		32,500
APH 1930	Tools	Rate Study	30,000	30,000		30,000
APH 1808	Building Maintenance	Rate Study	20,000	20,000		20,000
	<b>Total General Plant</b>		<b>449,450</b>	<b>449,450</b>	-	<b>449,450</b>
	<b>Total Capital Expenditures</b>		<b>6,805,010</b>	<b>6,805,010</b>	-	<b>6,805,010</b>
	Total Distribution Capital		6,355,560	6,355,560	-	6,355,560
	Total General Plant Capital		449,450	449,450	-	449,450
	<b>Total Capital</b>		<b>6,805,010</b>	<b>6,805,010</b>	-	<b>6,805,010</b>

<b>WATERWORKS OF THE TOWN OF COBOURG</b>						
<b>Capital Budget</b>						
<b>2028</b>						
<b>Job #</b>	<b>Project description</b>	<b>Rate study/Non-rate study</b>	<b>Total Project Cost</b>	<b>Gross</b>	<b>Grant Contributions</b>	<b>Net</b>
						-
						-
	Distribution Truck	Non-Rate Study	80,000	80,000		80,000
	Water Main Design	Rate Study	80,000	80,000		80,000
	Distribution Valves Replacement	Non-Rate Study	50,000	50,000		50,000
	ICI Meter Audits	Non-Rate Study	50,000	50,000		50,000
	Hydrant Painting	Non-Rate Study	24,000	24,000		24,000
	Hydrant Coding - flow testing	Non-Rate Study	13,000	13,000		13,000
						-
APH 1832	<b>Total Distribution Projects</b>		<b>297,000</b>	<b>297,000</b>	-	<b>297,000</b>
	Green (Perry to Bay)	Rate Study	312,000	312,000		312,000
	Fut Brook Rd. N. (Oversizing)	Rate Study	312,000	312,000		312,000
	Bay and Currely way and park	Rate Study	1,600,000	1,600,000		1,600,000
	Danforth Rd. N (Oversizing)	Rate Study	390,500	390,500		390,500
						-
APH 1832	<b>Total Watermain Replacement Project</b>		<b>2,614,500</b>	<b>2,614,500</b>	-	<b>2,614,500</b>
APH 1832	Intake Pipe upgrades	Rate Study	156,200	156,200		156,200
APH 1832	Raw Water Intake Inspection	Rate Study	10,000	10,000		10,000
APH 1832	Upgrade wastewater dischrg sys (On-site SPS)	Rate Study	711,000	711,000		711,000
APH 1832	Refurbish low lift pumps	Rate Study	178,200	178,200		178,200
APH 1920	IT Hardware	Rate Study	27,300	27,300		27,300
APH 1925	IT Software	Rate Study	20,000	20,000		20,000
APH 1930	Tools	Rate Study	30,000	30,000		30,000
APH 1808	Building Maintenance	Rate Study	20,000	20,000		20,000
	<b>Total General Plant</b>		<b>1,152,700</b>	<b>1,152,700</b>	-	<b>1,152,700</b>
	<b>Total Capital Expenditures</b>		<b>4,064,200</b>	<b>4,064,200</b>	-	<b>4,064,200</b>
	Total Distribution Capital		2,911,500	2,911,500	-	2,911,500
	Total General Plant Capital		1,152,700	1,152,700	-	1,152,700
	<b>Total Capital</b>		<b>4,064,200</b>	<b>4,064,200</b>	-	<b>4,064,200</b>

Waterworks

2025 OM&A and Capital Budget

<b>WATERWORKS OF THE TOWN OF COBOURG</b>						
<b>Capital Budget</b>						
<b>2029</b>						
<b>Job #</b>	<b>Project description</b>	<b>Rate study/Non-rate study</b>	<b>Total Project Cost</b>	<b>Gross</b>	<b>Grant Contributions</b>	<b>Net</b>
				-		-
				-		-
	Water Main Design	Rate Study	80,000	80,000		80,000
	Distribution Valves Replacement	Non-Rate Study	50,000	50,000		50,000
	ICI Meter Audits	Non-Rate Study	50,000	50,000		50,000
	Hydrant Painting	Non-Rate Study	26,000	26,000		26,000
	Hydrant Coding - flow testing	Non-Rate Study	13,000	13,000		13,000
APH 1832	<b>Total Distribution Projects</b>		<b>219,000</b>	<b>219,000</b>	-	<b>219,000</b>
	Water St	Non-Rate Study	650,000	650,000		650,000
	Church st	Non-Rate Study	450,000	450,000		450,000
	White st oversizing	Rate Study	-	-		-
APH 1832	<b>Total Watermain Replacement Project</b>		<b>1,100,000</b>	<b>1,100,000</b>	-	<b>1,100,000</b>
APH 1832	Replace Alum Tanks (2)	Rate Study	400,000	400,000		400,000
APH 1832	Raw Water Intake Inspection	Rate Study	10,000	10,000		10,000
APH 1832	ROV Inspection Clarifier/ High Lift Well/ Reservoir	Non-Rate Study	20,000	20,000		20,000
APH 1832	Equip HL pumps 1&2 with VFDs	Rate Study	162,000	162,000		162,000
APH 1920	IT Hardware	Rate Study	12,650	12,650		12,650
APH 1925	IT Software	Rate Study	20,000	20,000		20,000
APH 1940	Tools	Rate Study	30,000	30,000		30,000
APH 1808	Building Maintenance	Rate Study	20,000	20,000		20,000
	<b>Total General Plant</b>		<b>674,650</b>	<b>674,650</b>	-	<b>674,650</b>
	<b>Total Capital Expenditures</b>		<b>1,993,650</b>	<b>1,993,650</b>	-	<b>1,993,650</b>
	Total Distribution Capital		1,319,000	1,319,000	-	1,319,000
	Total General Plant Capital		674,650	674,650	-	674,650
	<b>Total Capital</b>		<b>1,993,650</b>	<b>1,993,650</b>	-	<b>1,993,650</b>

Waterworks

2025 OM&A and Capital Budget

WaterWorks											
5 year Balance Sheet budget											
2024											
	ACTUAL				BUDGET	PROJECTION	BUDGET	FORECAST			
	2021	2022	2023	ytd June 30/24	2024	2024	2025	2026	2027	2028	2029
<b>ASSETS</b>											
<b>Financial Assets</b>											
Cash	3,836,317	1,828,659	839,057	978,296	5,676,274	2,900,680	10,787,753	7,289,870	4,297,693	4,137,658	7,784,185
AR	911,352	1,351,422	1,679,696	1,156,567	1,434,000	931,000	959,000	988,000	1,018,000	1,049,000	1,081,000
Unbilled	498,276	578,182	455,441	508,904	614,000	470,000	485,000	500,000	515,000	531,000	547,000
Due from LUSI	-	4,507,405	5,106,812	8,559,762	-	7,000,000	-	-	-	-	-
	<b>5,245,945</b>	<b>8,265,668</b>	<b>8,081,006</b>	<b>11,203,529</b>	<b>7,724,274</b>	<b>11,301,680</b>	<b>12,231,753</b>	<b>8,777,870</b>	<b>5,830,693</b>	<b>5,717,658</b>	<b>9,412,185</b>
<b>Liabilities</b>											
AP & accrued charges	2,122,152	2,587,427	3,429,971	1,338,972	2,280,000	3,533,000	3,639,000	3,749,000	3,862,000	3,978,000	4,098,000
Due to Town of Cobourg	448,005	2,112,363	1,380,841	559,752	2,112,363	-	-	-	-	-	-
Due to Holdco	-	-	18,800	18,800	-	-	-	-	-	-	-
Long term debt	1,301,176	1,113,374	920,309	8,120,818	5,061,894	9,931,334	15,673,751	15,198,778	14,705,711	14,323,082	14,019,481
Employee future benefits	267,747	254,524	305,400	305,400	254,524	305,400	305,400	305,400	305,400	305,400	305,400
	<b>4,139,080</b>	<b>6,067,688</b>	<b>6,055,321</b>	<b>10,343,742</b>	<b>9,708,781</b>	<b>13,769,734</b>	<b>19,618,151</b>	<b>19,253,178</b>	<b>18,873,111</b>	<b>18,606,482</b>	<b>18,422,881</b>
<b>Net Financial Assets</b>	<b>1,106,865</b>	<b>2,197,981</b>	<b>2,025,685</b>	<b>859,787</b>	<b>(1,984,507)</b>	<b>(2,468,054)</b>	<b>(7,386,398)</b>	<b>(10,475,308)</b>	<b>(13,042,417)</b>	<b>(12,888,824)</b>	<b>(9,010,696)</b>
<b>Non-Financial Assets</b>											
Prepays	176,218	11,789	186,905	92,908	14,000	193,000	199,000	205,000	212,000	219,000	226,000
Inventories	117,199	101,824	119,584	147,067	109,000	124,000	128,000	132,000	136,000	141,000	146,000
Tangible capital assets	29,148,147	30,204,433	33,094,748	36,001,005	38,453,525	39,995,009	47,250,888	52,465,696	57,174,104	58,988,121	58,646,620
<b>Total Non-Financial Assets</b>	<b>29,441,564</b>	<b>30,318,046</b>	<b>33,401,237</b>	<b>36,240,980</b>	<b>38,576,525</b>	<b>40,312,009</b>	<b>47,577,888</b>	<b>52,802,696</b>	<b>57,522,104</b>	<b>59,348,121</b>	<b>59,018,620</b>
<b>Accumulated Surplus</b>	<b>30,548,428</b>	<b>32,516,028</b>	<b>35,426,923</b>	<b>37,100,770</b>	<b>36,592,018</b>	<b>37,843,956</b>	<b>40,191,491</b>	<b>42,327,389</b>	<b>44,479,687</b>	<b>46,459,298</b>	<b>50,007,925</b>

**Waterworks**

**2025 OM&A and Capital Budget**

<b>WaterWorks</b>											
<b>5 year Income Statement budget</b>											
<b>2025</b>											
	<b>ACTUAL</b>				<b>BUDGET</b>	<b>PROJECTION</b>	<b>BUDGET</b>	<b>FORECAST</b>			
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>ytd June 30/24</b>	<b>2024</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>Revenue</b>											
Sale of water	5,709,323	6,044,381	6,408,675	3,408,349	6,963,397	6,816,698	7,021,199	7,231,835	7,448,790	7,635,010	7,825,885
Other revenue	154,811	228,157	329,130	308,878	272,715	435,309	448,368	461,819	475,674	487,565	499,754
Development charges	55,726	188,124	815,034	-	30,900	30,900	849,250	576,700	707,000	469,000	1,950,000
Interest income	8,321	48,356	198,959	170,469	16,995	340,938	211,525	104,606	49,155	46,572	91,016
<b>Total Revenue</b>	<b>5,928,181</b>	<b>6,509,018</b>	<b>7,751,798</b>	<b>3,887,696</b>	<b>7,284,007</b>	<b>7,623,845</b>	<b>8,530,341</b>	<b>8,374,960</b>	<b>8,680,619</b>	<b>8,638,148</b>	<b>10,366,656</b>
<b>Expenses</b>											
Amortization	1,337,734	1,380,378	1,434,837	727,145	1,583,476	1,526,234	1,674,814	1,897,481	2,096,602	2,250,183	2,335,151
Interest on long term debt	21,648	33,635	28,372	71,481	285,945	332,160	471,164	458,378	445,073	431,227	417,701
Interest on HST Voluntary Disclosure	393,244	45,817	89,517	-	-	-	-	-	-	-	-
Water Distribution	858,347	907,571	997,332	305,548	962,842	939,311	1,023,011	1,055,942	1,090,084	1,047,865	1,082,282
Administration	1,564,765	1,448,514	1,508,994	813,671	1,913,019	1,570,108	2,136,663	1,923,793	1,965,988	2,047,758	2,075,444
Water treatment plant	698,627	725,503	781,851	296,004	769,686	839,000	877,154	903,469	930,573	881,504	907,451
(Gain) Loss on disposal	(16,500)	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>4,857,865</b>	<b>4,541,418</b>	<b>4,840,903</b>	<b>2,213,849</b>	<b>5,514,969</b>	<b>5,206,812</b>	<b>6,182,806</b>	<b>6,239,062</b>	<b>6,528,320</b>	<b>6,658,537</b>	<b>6,818,029</b>
<b>Annual surplus</b>	<b>1,070,317</b>	<b>1,967,600</b>	<b>2,910,895</b>	<b>1,673,847</b>	<b>1,769,039</b>	<b>2,417,033</b>	<b>2,347,535</b>	<b>2,135,898</b>	<b>2,152,299</b>	<b>1,979,610</b>	<b>3,548,627</b>
Opening Accumulated Surplus	29,478,111	30,548,428	32,516,027	35,426,923	34,822,979	35,426,923	37,843,955	40,191,491	42,327,388	44,479,687	46,459,297
<b>Ending Accumulated Surplus</b>	<b>30,548,428</b>	<b>32,516,027</b>	<b>35,426,923</b>	<b>37,100,770</b>	<b>36,592,018</b>	<b>37,843,955</b>	<b>40,191,491</b>	<b>42,327,388</b>	<b>44,479,687</b>	<b>46,459,297</b>	<b>50,007,924</b>



**Waterworks**

**2025 OM&A and Capital Budget**

<b>WaterWorks</b>											
<b>5 year Cash Flow Statement budget</b>											
<b>2025</b>											
	<b>ACTUAL</b>				<b>BUDGET</b>	<b>PROJECTION</b>	<b>BUDGET</b>	<b>FORECAST</b>			
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>ytd June 30/24</b>	<b>2024</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>Operating activities</b>											
Annual surplus	1,070,317	1,967,600	2,910,895	1,673,847	1,769,039	2,417,033	2,347,535	2,135,898	2,152,299	1,979,610	3,548,627
<b>Items not effecting cash</b>											
Amortization	1,337,734	1,380,378	1,532,688	776,183	1,583,476	1,526,234	1,674,814	1,897,481	2,096,602	2,250,183	2,335,151
Gain(Loss) on disposal	(16,500)	-	-	-	-	-	-	-	-	-	-
Change in employee future benefits	17,072	(13,223)	50,876	-	-	-	-	-	-	-	-
Capital contributions	102,449	(67,983)	(97,851)	(49,038)	2,194,405	2,194,405	2,477,636	1,511,231	-	-	-
<b>Total</b>	<b>2,511,072</b>	<b>3,266,772</b>	<b>4,396,608</b>	<b>2,400,992</b>	<b>5,546,920</b>	<b>6,137,672</b>	<b>6,499,986</b>	<b>5,544,610</b>	<b>4,248,901</b>	<b>4,229,793</b>	<b>5,883,778</b>
Change in non-cash working capital	1,181,534	(2,581,980)	(867,994)	(5,828,859)	2,000	(2,466,174)	7,053,000	56,000	57,000	57,000	60,000
<b>Total Non-Cash Items</b>	<b>3,692,606</b>	<b>684,792</b>	<b>3,528,614</b>	<b>(3,427,867)</b>	<b>5,548,920</b>	<b>3,671,498</b>	<b>13,552,986</b>	<b>5,600,610</b>	<b>4,305,901</b>	<b>4,286,793</b>	<b>5,943,778</b>
<b>Investing activities</b>											
Purchase of PP&E	(2,637,063)	(2,504,647)	(4,343,234)	(3,633,403)	(10,668,900)	(10,620,900)	(11,408,330)	(8,623,520)	(6,805,010)	(4,064,200)	(1,993,650)
Proceeds on disposal	16,500	-	18,082	-	-	-	-	-	-	-	-
<b>Total investing activities</b>	<b>(2,620,563)</b>	<b>(2,504,647)</b>	<b>(4,325,152)</b>	<b>(3,633,403)</b>	<b>(10,668,900)</b>	<b>(10,620,900)</b>	<b>(11,408,330)</b>	<b>(8,623,520)</b>	<b>(6,805,010)</b>	<b>(4,064,200)</b>	<b>(1,993,650)</b>
<b>Financing activities</b>											
Repayment of LTD	(105,518)	(187,802)	(193,065)	(99,491)	(277,141)	(288,975)	(457,583)	(474,973)	(493,067)	(382,629)	(303,602)
Proceeds of LTD	1,406,694	-	-	7,300,000	4,418,725	9,300,000	6,200,000	-	-	-	-
<b>Total financing activities</b>	<b>1,301,176</b>	<b>(187,802)</b>	<b>(193,065)</b>	<b>7,200,509</b>	<b>4,141,584</b>	<b>9,011,025</b>	<b>5,742,417</b>	<b>(474,973)</b>	<b>(493,067)</b>	<b>(382,629)</b>	<b>(303,602)</b>
<b>Increase (decrease) in cash</b>	<b>2,373,219</b>	<b>(2,007,657)</b>	<b>(989,603)</b>	<b>139,239</b>	<b>(978,396)</b>	<b>2,061,623</b>	<b>7,887,073</b>	<b>(3,497,883)</b>	<b>(2,992,177)</b>	<b>(160,036)</b>	<b>3,646,527</b>
<b>Cash beginning of year</b>	<b>1,463,098</b>	<b>3,836,317</b>	<b>1,828,659</b>	<b>839,057</b>	<b>6,654,670</b>	<b>839,057</b>	<b>2,900,680</b>	<b>10,787,753</b>	<b>7,289,870</b>	<b>4,297,693</b>	<b>4,137,658</b>
<b>Cash end of year</b>	<b>3,836,317</b>	<b>1,828,659</b>	<b>839,057</b>	<b>978,296</b>	<b>5,676,274</b>	<b>2,900,680</b>	<b>10,787,753</b>	<b>7,289,870</b>	<b>4,297,693</b>	<b>4,137,658</b>	<b>7,784,185</b>

**Waterworks**

**2025 OM&A and Capital Budget**

<b>WaterWorks</b>											
<b>Budgeted Operating Expenses Summary</b>											
<b>2025</b>											
	<b>ACTUAL</b>				<b>BUDGET</b>	<b>PROJECTION</b>	<b>BUDGET</b>	<b>FORECAST</b>			
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>ytd June 30/24</b>	<b>2024</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Water Distribution	858,347	907,571	997,332	305,548	962,842	939,311	1,023,011	1,055,942	1,090,084	1,047,865	1,082,282
Administration	1,564,765	1,448,514	1,508,994	813,671	1,913,019	1,570,108	2,136,663	1,923,793	1,965,988	2,047,758	2,075,444
Water Treatment Plant	698,627	725,503	781,851	296,004	769,686	839,000	877,154	903,469	930,573	881,504	907,451
<b>Total</b>	<b>3,121,738</b>	<b>3,081,588</b>	<b>3,288,177</b>	<b>1,415,223</b>	<b>3,645,547</b>	<b>3,348,418</b>	<b>4,036,828</b>	<b>3,883,203</b>	<b>3,986,645</b>	<b>3,977,127</b>	<b>4,065,177</b>
% change inc(decr)		-1.3%	6.7%		18.3%	8.7%	20.6%	-3.8%	2.7%	-0.2%	2.2%
\$ change inc(decr)		(40,150)	206,588		563,959	266,830	688,410	(153,625)	103,441	(9,518)	88,050