



HIGHWAY 14 REGIONAL WATER SERVICES COMMISSION

POLICY AND PROCEDURE HANDBOOK

FINANCES

Policy FIN 1.08

POLICY: RESERVE WATER TRANSMISSION MAIN

POLICY STATEMENT

Highway 14 Regional Water Services Commission recognizes the need to plan, financially, for the replacement of tangible capital assets related to the transmission of water.

GUIDELINES

Yearly, the Commission through the budget cycle, will review the fixed charges related to the transmission of water.

Every 5 years, the Commission through the budget cycle will review the rate study in relation to the transmission of water.

Yearly, the Commission through the budget cycle, will review the life cycle asset plan in relation to the transmission of water.

Yearly, the Commission through the budget cycle, will assess the financial risk of the related tangible capital assets.

PROCEDURES

The monies received for the fixed transmission charge will be allocated to a separate reserve and recorded as follows;

- Water Transmission Main. The watermain piping for the conveyance of potable water to distribution systems.
- Water Transmission Valves. The water valves (gate valves) for the control of water in the transmission main.
- Water Transmission Taps. Connections to the watermain in the right of way that extends to the right of way boundary, or to a distribution reservoir.
- Water Transmission Buildings. Buildings that house the pumping, piping, controls and instruments that are required for the operation of the transmission line.

- Water Transmission Buildings, Mechanical, Electrical, and Control systems (excluding SCADA) within each transmission building.
- SCADA – Supervisory Control and Data Acquisition system that allows for real time monitoring of the transmission system to control and secure the system.
- Right of Way. The purchase of the necessary lands to permit an increase in the size of the existing line.

IMPLEMENTATION

The monies collected through the transmission line fixed cost are to be allocated to a capital reserve.

The capital reserve is to be broken down as per the following;

- | | |
|---------------------------|--------|
| • Water Transmission Main | 56.1% |
| • Valves | 4.3% |
| • Taps | 4.3% |
| • Buildings | 6.7% |
| • Building M,E&C | 15.8% |
| • Scada | 10.5 % |
| • Right of Way | 2.9% |

Account Code: 5-41-960-02

Funding from the fixed rate for transmission.

The use of this reserve to fund any expenditure must be by way of a Commission resolution. Funds may be allocated between the different reserves by way of a Commission resolution.

RELATED DOCUMENTS AND LEGISLATION

Engineering report for the transmission tangible capital assets.

DUTIES AND RESPONSIBILITIES

The CAO will ensure the overall effective administration of reserves in accordance with this policy; recommended changes in policy or guideline will be provided to the Commission.

AMENDMENT HISTORY

IMPLEMENTATION

19-69

DIRECTOR'S APPROVAL MOTION #

BT Mankos
CHAIRPERSON

10 Sep 2019
DATE

of