The principle of taxation is by land values only exclusive of improvements. The amount of mone, necessary to pay interest and sinking fund charges is levied by an annual rate upon all of the lands within the district on an equalized basis of assessment. The assessment is equalized by a board consisting of three persons appointed by the Public Utilities Commissioner at the request of the Administration Board. Tax rates will not be levied on the various municipalities for water district expenditure until 1918.

The affairs of the District are conducted by an Administration Board consisting of the Mayor of the City of Winnipeg, as Chairman, the members of the Board of Control, the Mayor and one member of the Saint Boniface Council, the Mayor of Transcona, and the Reeves of the Municipalities of Saint Vital, Fort Garry, Assinibola, East and West Kildonan.

Subject to the authority of the Administration Board, the Corporation is under the management of, at present, two Commissioners, R. D. Waugh, Chairman, and J. H. Ashdown. W. G. Chace is Chief Engineer, and J. H. Fuertes, of New York City, is Consulting Engineer.

The main engineering features of the system, which is some 97 miles in length, comprise a construction railway, with 111 miles of track, including nine sidings, spurs to gravel pits, yards, etc.; a dyke and channel at 1-dian Bay for the diversion of the Falcon River into Snowshoe Bay; a concrete cut and cover gravity aqueduct with appurtenant works 81 miles in length from the intake at Indian Bay to a 250,000,000-gallon reservoir, to be built later, at Deacon Southeast of Transcona; 10 miles of 5 feet 6 inches diameter reinforced concrete pipe from the reservoir at Deacon to the Red River, and 2,3 miles of 48-inch cast iron pipe from the Red River to the McPhillips street reservoir in Winnipeg. The difference in elevation between Shoal Lake and Winnipeg is approximately 300 feet.

In the Fall of 1913 active work was begun and survey parties were put into the field to locate the most economical line; at the same time the designing of the aqueduct was in progress to find the method of construction most suitable for the conditions of the country through which the line passes. The work progressed favorably, and in the Spring of 1914 the final location was established and the contract let for clearing the right-of-way, which varies from 300 to 500 feet in width. A large part of this right-of-way was obtained by grants from the Dominion Government.

The year 1914 was spent clearing the right-of-way and building the railroad between Shoal Lake and Winnipeg, also in building the dyke across Indian Bay. This dyke is approximately 7,000 feet long, and contains about 230,000 yards of material, all of which was obtained from a borrow pit and a quarry located at the north end of the dyke. A large number of drainage and off-take ditches were necessary in order to drain