

Briefing Note

Title	Alcomdale Water Pipeline Project Update
Issue	Presentation of the Alcomdale Water Pipeline Project Update.
Previous Council Direction	<p><u>August 22, 2017</u> Motion 365/17: That Council award the contract for the Alcomdale Water Pipeline Project (2017) to Weaver Group Ltd., as the lowest compliant bidder at a contract price of \$3,107,875 (plus GST).</p> <p><u>March 28, 2017</u> Motion 125/17: That Council authorize the Mayor to execute the Memorandum of Agreement between Alberta Transportation and Sturgeon County for the Water for Life Program and Clean Water and Wastewater Fund.</p> <p>Motion 126/17: That Council direct Administration to take action as indicated within the Request for Decision dated March 28, 2017.</p> <p>Motion 127/17: That the Request for Decision dated March 28, 2017 remain confidential per Section 24 of the Freedom of Information and Protection of Privacy Act.</p> <p>Motion 128/17: That Council endorse the Alcomdale Waterline funding plan, which authorizes the transfer of an additional \$479,310 from the Utility Capital Reserve 8.19 for Sturgeon County's share of the project costs, to be repaid through water rates.</p> <p>Motion 129/17: That Council approve the water pipeline Route #1, as recommended by Stantec Engineering, with the final route determined based on land negotiations.</p> <p>Motion 130/17: That Council authorize negotiations with stakeholders as discussed In-Camera.</p> <p><u>November 10, 2016</u> Motion 344/16: That Council authorize the Mayor to submit a letter on behalf of Sturgeon County Council accepting the cost shared (90%) grant under the Water</p>

March 24, 2015

Motion 105/15: That County Council directs Administration to prepare a local improvement plan for the Alcomdale Waterline, and complete the inter-basin transfer agreement application, after grant funding approval for the water supply line has been received.

December 9, 2014

Motion 397/14: That County Council approves up to \$100,000 in funding from general operating reserve to complete an inter-basin transfer agreement application.

October 28, 2014

Motion 333/14: That County Council accepts the recommendations of the Alcomdale Waterline Feasibility Report and that County Council approves submission of a request for funding under the Water for Life program to install a waterline from Busby to Alcomdale as outlined in the Alcomdale Waterline Feasibility Report.

Motion 334/14: That County Council approves submission of a request for funding under the Water for Life to install a waterline from Busby to Alcomdale as outlined in the Alcomdale Waterline Feasibility Report.

Motion 333/14: That County Council accepts the recommendations of the Alcomdale Waterline Feasibility Report.

August 12, 2014

Motion 397/14: That County Council approves up to \$100,000 in funding from general operating reserve to complete an inter-basin transfer agreement application subject to public support determined by public consultation prior to January 31, 2015.

December 10, 2013

Motion 542/13: That County Council approves submission of the Amended Action Plan to Alberta Environment and Sustainable Resource Development (AESRD) by December 31, 2013.

October 8, 2013




Motion 440/13: That County Council directs Administration to research and investigate costs associated with an interim solution to provide potable water for use by the residents of Alcomdale.

April 23, 2013

Motion #165/13: That County Council approves up to \$25,000 in funding from contingency to complete a feasibility study to assess the

	water supply options for Alcomdale Water Co-operative.
Report	<p><u>Background Information</u></p> <ul style="list-style-type: none"> On June 21, 2013, Alcomdale was issued a Boil Water Advisory by Alberta Health Services, as a result of a reclassification of their raw water source. The letter indicated that the advisory would stay in effect until a new source of water or treatment could be determined. On June 16, 2016, Sturgeon County received a letter from the Minister of Alberta Infrastructure and Transportation that stated Sturgeon County will receive a grant of 90 per cent of the estimated eligible projects, or up to \$313,380 for the detailed design of a water pipeline to Alcomdale. On September 1, 2016, the Federal Government approved the Alcomdale Water Pipeline Project as eligible for 50 per cent funding under the Clean Water and Wastewater Fund. On October 18, 2016, Sturgeon County received a letter from the Minister of Alberta Infrastructure and Transportation which stated that Sturgeon County will receive a grant of 90% of the estimated eligible projects, or up to \$4,268,520, for the construction of a water pipeline to Alcomdale. With the Alcomdale Water Pipeline Project funded under both the Water for Life Grant and the Clean Water and Wastewater Fund Grant, the project is eligible for 90 per cent funding up to \$5,141,300. On January 11, 2017, Stantec was awarded the contract for the detailed design, tendering and project management for the Alcomdale Water Pipeline Project. On March 28, 2017, Council approved Stantec's recommended route via Range Road 264 (Option 1B) as the best route to service water for Alcomdale residents. Negotiations for private lands along route 1B failed. However, Administration was able to discuss rerouting that ended up benefiting the Morinville Colony. On March 28, 2017, Council approved funding the County's contribution (10 per cent) up to \$514,130 from the Federal and Provincial Grant programs. Council determined that the best approach would be to fund the \$514,130 through Utility Reserves and repay it back within 15 years by incorporating into the consumption water rate as a supplemental charge. Based on the amount of potential rural connections, the Morinville Colony and the amount of historical water consumption in Alcomdale, it is anticipated that a supplemental charge of \$1.00/m³ will recoup the cost of this expenditure in 15 years. Based on the results of the tender evaluation, Stantec Consulting recommends Weaver Group Ltd. be awarded the contract for the

	<p>Alcomdale Water Pipeline in the amount of \$3,107,875 plus GST</p> <ul style="list-style-type: none"> Contract was awarded to Weaver Group Ltd. as the lowest compliant bidder at a contract price of \$3,107,874 (plus GST). The water pipeline is expected to be commissioned by March 31, 2018. <p><u>External Communication</u></p> <ul style="list-style-type: none"> Administration will continue communicating the project plan with Alcomdale residents, rural residents along the route and the Morinville Colony after awarding of the contract. 42 Letters have been mailed out to residents along the route. Received response from 11 interested residents. Morinville Colony has been communicated to. Staff have facilitated public opens houses and attended Alcomdale Water Co-op board meetings where applicable. <p><u>Relevant Policy/Legislation/Practices:</u></p> <ul style="list-style-type: none"> 2012 Standards and Guidelines for Municipal Waterworks, Wastewater and Storm Drainage Systems Alcomdale License to Operate
Implication	<p><u>Strategic Alignment:</u></p> <p>Respect the Natural Environment - Sturgeon County will continue to comply with Provincial and Federal regulations and legislation.</p> <p>Maintain and Enhance Strong Communities – A water pipeline to Alcomdale promotes and protects the safety of people and property to ensure safe drinking water.</p> <p>Strong Local Governance and Regional Leadership – constructing a waterline to Alcomdale considers fiscal stability and sustainability as it is the only option that provides a positive net revenue.</p> <p>Planned Growth – A water pipeline to Alcomdale will promote and target growth around planned infrastructure.</p> <p><u>Organizational:</u></p> <p>Additional work will include; continue meeting with the water co-op, engaging rural residents along the route, and working directly with the Morinville Colony representatives.</p> <p><u>Financial:</u></p> <ul style="list-style-type: none"> The County's contribution to the project is 10% of the overall projects costs.

	<ul style="list-style-type: none"> • Funding of the County's portion up to \$514,130 paid through utility reserves. • Sturgeon County's contribution to be recouped through utility water rates and connection fees. • Having a supplemental charge of \$1.00/m³ for customers tying into the Alcomdale Waterline, will pay for itself within a 15-year period. • Connection fees for rural customers along the route and Morinville Colony to be determined based on Land Negotiations. • A majority of project funds are expected to be fully disbursed by March 31, 2018. Some holdbacks will be in place through the warranty period.
Follow Up Action	None.
Attachment (s)	<ol style="list-style-type: none"> 1. Alcomdale Water Co-op Letter 2. Presentation
Report Reviewed by:	 Jeff Yanew, Utility Operations Supervisor, Utility Services  Lisa Liusz Senio, Manager, Utility Services  Rick Wojtkiw, Acting County Commissioner-CAO