

**2017 Capital Budget Amendment – North of Yellowhead Wastewater – Alberta
Capital Region Wastewater Commission Cost Share****Report Purpose**

To amend the 2017 Capital Budget to add a new North of Yellowhead Wastewater – Alberta Capital Region Wastewater Commission (ACRWC) project to leverage wastewater upgrades being performed by the ACRWC and to take advantage of cost savings.

Recommendation

THAT an amendment to the 2017 Capital Budget to add a new North of Yellowhead Wastewater – Alberta Capital Region Wastewater Commission (ACRWC) project in the amount of \$565,000 to leverage wastewater upgrades being performed by the ACRWC, with \$90,000 to be funded from Utilities Infrastructure Lifecycle Maintenance and Replacement Reserve (11.4440) and \$475,000 to be funded through third party contributions, be approved.

Council History

November 28, 2016 – Council approved the 2017 Capital Budget.

December 10, 2013 – Council approved a capital budget item in the 2014 Capital Budget in the amount of \$14,700,000 for the North of Yellowhead Wastewater Construction.

Strategic Plan Priority Areas

Economy: Participating in the ACRWC's wastewater project to create construction efficiencies resulting in Strathcona County cost savings.

Governance: Partnering with the ACRWC to provide effective and efficient municipal wastewater infrastructure.

Social: n/a

Culture: n/a

Environment: Promoting a sustainable wastewater system that provides environmentally responsible wastewater treatment and disposal.

Other Impacts

Policy: n/a

Legislative/Legal: n/a

Interdepartmental: Financial Services, Utilities

Summary

In late 2017, the ACRWC is proposing to upgrade a 440m long section of their Southeast Regional Trunk Sewer (SERTS) at the intersection of Township Road 534/Aurum Road and Range Road 232. The deteriorating condition of the existing trunk instigated a rehabilitation project, however due to issues regarding maintenance access from the current landowner, the ACRWC has decided to replace the trunk in a new alignment along Range Road 232.

The County's original North of Yellowhead wastewater design proposes a new trunk and manhole under Range Road 232 which will connect to SERTS on the west side of Range Road 232. With the ACRWC's SERTS upgrades, the Range Road 232 crossing will no longer be required as a new connection point for North of Yellowhead will be constructed on the east side of the range road.

By participating in this cost share, the County will take advantage of construction efficiencies and an infrastructure upsizing opportunity which will negate the need for future wastewater tie-in infrastructure for the North of Yellowhead area (estimated cost \$550,000).

If the cost share funding is approved, the ACRWC has requested the County enter into a Memorandum of Agreement for the County's components of the SERTS upgrade.

The projected Strathcona County cash flows for this joint project start in 2017 using ACRWC funds. The County's contribution is projected to take place in 2018. Once construction is complete, the asset will be transferred to Strathcona County. This transfer is projected to occur in 2018.

Year	2017	2018	2019	Total SC Funding
Expenditure by Year	\$ 0	\$ 90,000	\$ 0	\$ 90,000