

<b>Flagged item # and description</b>	<b>Flagged Item #5</b>  <b>Ardrossan Water Supply New Main</b>  With respect to the Ardrossan Water Supply New Main design and land capital project, shown on page 95, when will the total costs for the new main be known, and how will the costs be recovered, if not by levy?
<b>Date of request</b>	November 28, 2017
<b>Councillor</b>	R. Frank
<b>Department / Division</b>	IPS Division
<b>Staff lead</b>	Stacy Fedechko, Jeff Hutton, Laura Probst

**Response:**

An accurate cost for construction will be available when the design is complete. The purpose of the design dollars is to answer a number of questions including the estimated cost of construction. For many capital projects the request for design dollars and construction dollars are submitted in separate budget years. This is a deliberate strategy taken in an effort to deliver more accurate construction budget requests to Council. The design will be complete in 2018. This will position the project to be submitted to Council for consideration as part of the 2019 or 2020 budget package.

Based on high level master planning information it is estimated that the construction will cost \$13 million dollars. The requested design dollars will be used to determine a more accurate construction estimate, identify the proposed alignment and also the recommended timing or trigger conditions. The timing will also be informed and adjusted based on the pace of development in an effort to deliver just in time infrastructure. The MDP which was approved on September 5, 2017 includes an adjustment to the maximum population for Ardrossan. This new population limit will also be incorporated into the design.

Section 1.2 of the 2017 Offsite Development Levies Bylaw (Bylaw 47-2017) states:

*“Country Residential and Hamlets – when serviced by County system the County constructs and recovers the costs through “contributions in aid of construction” and utility rates policy. In addition systems tying into urban water system will also pay a Connection Fee established and set forth under the Fees & Charges Bylaw.”*

Included in the 2017 Ardrossan water contributions in aid of construction (CIAC) is the \$500,000 representing the water supply main, design and land. We are collecting the developers’ share on a development by development basis through the Development Agreement.