

2018 Capital Budget Amendment – Transmission Meter Installation**Report Purpose**

To amend the 2018 Capital Budget to increase the cost of the Transmission Meter Installation project due to unforeseen contingency requirements to support Suncor and Air Products operations.

Recommendation

THAT an amendment to the 2018 Capital Budget for the Transmission Meter Installation project to increase the cost by \$255,000 (from \$395,000 to \$650,000) to be funded \$325,000 from RU4 Utilities Infrastructure Life Cycle Maintenance and Replacement Reserve and \$325,000 from a third party contribution be approved.

Council History

December 4, 2017 Council approved the 2018 Capital Budget

Other Impacts

Policy: FIN-001-024: Financial Reserves; FIN-001-027: Tangible Capital Assets Financial Reporting Policy.

Legislative/Legal: n/a

Interdepartmental: Corporate Planning, Corporate Finance, Utilities

Summary

In 2005, Strathcona County in partnership with EPCOR began providing grey water (non-potable water) for operations at the Suncor refinery and Air Products hydrogen plant. In order to meet the environmental requirement and maintain operations for Suncor and Air Products, Strathcona County needs to replace the recycled water meter and vault.

The approved budget amount for this project is \$395,000; now the County will be responsible for \$325,000, which is a realized savings of \$70,000. Suncor and Air Products have identified additional work required to ensure there is no impact to their operations during the replacement. This additional work will bring the overall project costs to approximately \$650,000. Suncor and Air Products have agreed to pay for half of the overall project costs in order to ensure their operations are not interrupted. Utilities support this request.

Year	2018	2019	2020	Total
Expenditure by Year	\$400,000	\$250,000	\$0	\$650,000

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Lead Department: Utilities