

**2020 Capital Budget Amendment – Winfield Heights – Rural Water Service****Report Purpose**

To seek Council approval on an amendment to the 2020 Capital Budget to increase the cost of the Winfield Heights – Rural Water Service project due to current construction market conditions.

**Recommendation**

THAT an amendment to the 2020 Capital Budget to increase funding for the Winfield Heights – Rural Water Service project in the amount of \$265,000 (from \$627,375 to \$892,375), to be funded from Utilities Reserve, be approved.

**Our Prioritized Strategic Goals**

Goal 2 - Manage, invest and plan for sustainable municipal infrastructure

**Report**

On March 23, 2020, Strathcona County signed a Declaration of Sufficiency for a Local Improvement Petition to expand Strathcona County's rural water service to include the country residential homes in the Winfield Heights subdivision on Range Road 232 in the form of a rural (low-pressure trickle) system.

The transmission component of the project was approved to be funded by Strathcona County to strategically position the County for future potential rural water connections along the alignment. The initial cost estimate for the transmission component was \$175,000. Due to the current construction market conditions, the tender price for this project has resulted in an increase in the County-funded component of the transmission main in the amount of \$265,000. There is no change in the Local Improvement Tax amount of the project.

Year	2020	2021	2022	Total
Expenditure by Year	\$46,000	\$775,000	\$71,375	\$892,375

**Council and Committee History**

July 21, 2020	Council approved Bylaw 36-2020 to authorize a local improvement tax levy to pay for the Winfield Heights low-pressure trickle system and Bylaw 37-2020 to authorize the Council of Strathcona County to incur indebtedness by the issuance of debenture(s) in the amount of \$452,375 for the purpose of financing the design and construction of a low-pressure trickle system for the residents of Winfield Heights.
July 21, 2020	Council approved the 2020 Capital Budget Amendment – Winfield Heights – Rural Water Service Budget in the amount of \$627,375, to be funded \$175,000 from the Utilities Reserve (1.4440.5) and \$452,375 through a Local Improvement Tax.
December 5, 2019	Council approved the 2020 Capital Budget.

**Other Impacts**

**Policy:** FIN-001-024: Financial Reserves; FIN-001-027: Tangible Capital Assets Financial Reporting Policy; SER-001-026 Capital Cost Recovery for Water Servicing

**Legislative/Legal:** March 23, 2020 Declaration of Sufficiency for a Local Improvement Petition

**Interdepartmental:** Assessment and Taxation, Corporate Finance, Corporate Planning, Legislative and Legal Services, Utilities

**Master Plan/Framework:** n/a