

County of St. Paul

Water Supply Decision

Alberta Environment – indicates that the County must make a decision regarding water supply as the drinking water standards and guidelines changed in 2006. Alberta Environment allows municipalities 10 years to comply – therefore we have until 2016 to get the supply or a new Water Treatment Plant put in place or at minimum have a plan to move forward. Based on the discussions I have had with Alberta Environment, they believe that the two options that the County has to consider for supply to Ashmont/Lottie lake are:

Option A – Connection to Spedden

Option B – Connection to St. Paul

Alberta Environment does not consider an upgrade or new Water Treatment Plant as a viable option due to the quality of water of the Beverly Channel and required treatment process (Reverse Osmosis) required to get high quality of water. Alberta Environment has indicated that both options being considered will provide residents a high-quality of water and they would support either option.

Option A – Connection to Spedden

What we know:

1. Capital Cost of Transmission Line \$3.5 Million
 - Lowest initial capital cost
 - Capacity only to 2021
2. Purchase price of water \$2.20/cubic meter
3. Required upgrades past 2021 \$2.1 Million
 - Upgrades s/b paid by Province
4. Estimated cost of water for residents \$3.58/cubic meter
5. Additional Cost of pipe to get to Mallaig \$1.6 Million
(this is the amount of pipe from Ashmont to Abilene junction)
6. Number of potential connections along line 26
7. Preferred project for Alberta Transportation – best chance for funding approval.

Total Capital cost (includes distance from Abilene to Mallaig as this will required to extend line in future)

\$7.3 Million

Unknowns/Risks:

1. Water Supply Agreement - Northeast Water Commission
2. Water Transmission Agreement – Highway 28/63 Water Commission
3. Compared to the population of the communities serviced by the Highway 28/63 Water Commission, Ashmont, Lottie Lake, and Mallaig can have a significant impact to the system. This means that the County’s consumption represents a significant portion of demand and could impact the costs that would be attributed to the County for future upgrades to the transmission system beyond 2021.
4. Supply Interruption – we are a long distance from the source (Edmonton)
5. System will have limited room for population growth in the County without upgrades.

Option B – Connection to St. Paul**What we know:**

1. Capital Cost of Transmission Line \$7.5 Million
 - Town of St. Paul to Ashmont, which crossed the Abilene Junction
 - Higher initial capital cost
2. Purchase price of water \$1.05/cubic meter
3. Estimated cost of water for residents \$2.71/cubic meter
 - Based on 90% funding of entire project
4. Number of Potential Connections 52
5. Deal with our neighbours – Town of St. Paul

Total Capital cost (the amount from Abilene to Mallaig is in this – on route from St. Paul)

\$7.5 Million

Unknowns/Risks:

1. Water Supply Agreement – Town of St. Paul
2. Diversion License – through the Town of St. Paul or County
 - Big concern regarding the ability to get a diversion license for the required water for Ashmont/Lottie Lake/Mallaig.
 - AE indicates that in order to get a diversion license, AE will want some assurance that the Town of St. Paul will be willing to take over the pumping infrastructure and costs

associated with bringing water from the North Saskatchewan River to Lac St. Cyr. This is a \$250,000/year cost (not including replacement of pumps/pipe) that would have to be included in the cost of water – which is currently not included in the cost.

- In discussion the Town CAO, they are not interested in taking over this infrastructure or re-entering that conversation at this time.
 - Significant cost of the \$250,000 is related to lake stabilization of Lac St. Cry
3. This system will service Town of St. Paul and Town of Elk Point. The population or demand required by the County on this system would be less significant overall, therefore the County would likely be responsible for a lower portion of future system upgrade costs. Also the Town of St. Paul's Water Treatment Plant is currently being upgraded under the Water for Life Grant.
 4. Grant availability. This is not the preferred project of the Water for Life – Alberta Transportation staff.