



**Mackenzie County**

# **COMMITTEE OF THE WHOLE MEETING AGENDA**

**APRIL 24, 2018**

**10:00 A.M.**

**COUNCIL CHAMBERS  
FORT VERMILION, AB**



**MACKENZIE COUNTY  
COMMITTEE OF THE WHOLE MEETING**

**Tuesday, April 24, 2018  
10:00 a.m.**

**Fort Vermilion Council Chambers  
Fort Vermilion, Alberta**

**AGENDA**

1. Policy UT006 Municipal Rural Water Servicing – Endeavor to Assist Policy 5
2. Fort Vermilion Airport Terminal Building 41
3. Review of Strategic Planning Workshop Draft Plan (to be distributed at the meeting) 43
4. Next Meeting – June 26, 2018
- 5.
- 6.





Mackenzie County

# REQUEST FOR DIRECTION

<b>Meeting:</b>	<b>Committee of the Whole Meeting</b>
<b>Meeting Date:</b>	<b>April 24, 2018</b>
<b>Presented By:</b>	<b>Fred Wiebe, Director of Utilities</b>
<b>Title:</b>	<b>Policy UT006 Municipal Rural Water Servicing – Endeavor to Assist Policy</b>

## BACKGROUND / PROPOSAL:

At the August 24, 2016 Council meeting the following motion was made:

***MOTION 16-08-656 MOVED*** by Councillor Wardley  
*That administration draft an endeavor to assist policy for lateral water lines.*  
**CARRIED**

Administration has researched multiple options and reviewed and drafted a policy that we feel will assist in the expansion of the rural waterlines in Mackenzie County.

The intent is to present the policy to Council for review and to continue discussion and the recommended changes.

## OPTIONS & BENEFITS:

The power point presentation will walk through some of the different options that Council can use as an endeavor to assist to make the installation of rural waterlines more equitable. The new policy includes:

- Financial options on funding the lateral lines;
- A deposit system that confirms the public’s demand for water delivery;
- An incentive element that will encourage rural ratepayers to connect in a timely manner;
- Include a Rural Water Servicing Agreement also confirming public demand’s commitment;

Author: F. Wiebe Reviewed by: \_\_\_\_\_ CAO: L. Racher

## **COSTS & SOURCE OF FUNDING:**

The costs for the installation of the waterlines will be borne by the ratepayers that are interested in connecting to the rural waterlines. The new policy gives options for multiple different financial initiatives to assist in making the installation of lateral waterlines more feasible. Some of the incentives include:

- An incentive through the deposit to have people “buy-in” at the start;
- A shared \$8000 connection fee to those that opt in at the beginning;
- County may consider funding a portion or all of the engineering costs;
- Miscellaneous costs such as gravel, clearing/grubbing;
- County may pay for lateral waterline oversizing;
- Provide financial arrangements whereby customer can make payments over a set period of time;
- County may fund for all connections that are deferred to a later date;
- County may absorb all or part of interest charges

The policy outlines steps whereby the commitment is shown by the ratepayers and it proceeds to get budget and project approval from Mackenzie County Council prior to proceeding. The total project costs will be on a case by case basis.

Grant funding for municipalities seem to mostly be based around regionalized systems. For farmers there is the Growing Forward 2 grant initiative where they can apply and take advantage of funding up to a maximum of \$5000. Administration will continue to research rural water funding opportunities.

## **SUSTAINABILITY PLAN:**

Mackenzie County’s strategy within the sustainability is to bring potable water closer to residents but not necessarily provide them with rural water connections.

*Strategy C5.2 Provide additional rural potable water truck fill sites so all residents reside within 35 minutes of potable water.*

## **COMMUNICATION:**

Any changes to the UT006 policy would be updated on the County’s website.

Author: F. Wiebe Reviewed by: \_\_\_\_\_ CAO: L. Racher

**RECOMMENDED ACTION:**

Simple Majority

Requires 2/3

Requires Unanimous

For review and discussion.

**Author:** F. Wiebe **Reviewed by:** \_\_\_\_\_ **CAO:** L. Racher





## Rural Water Servicing - Endeavor to Assist



2018-03-23 Mackenzie County Rural Water Servicing Policy

## The County's Goal

"That safe and healthy potable water is made available to the majority of rural residents through a County water distribution system in a cost efficient, effective and responsible manner".



Mackenzie County Rural Water Servicing Policy

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## County's Objectives



To meet the County's Goal, the following Objectives will need to be addressed:

- ▶ Pursuant to Council resolution # 16-08-656, develop a policy that will provide endeavor to assist initiatives for rural ratepayers interested in connecting to the County's water distribution system;
- ▶ Address the criteria that will lead in the success of the County's rural water servicing program that will result in the expansion of the County's water distribution system;
- ▶ Establish a Communication Plan to inform the rural residents on the benefits of the program;
- ▶ Develop financial options that will encourage rural ratepayer's "Buy-in" with the goal to maximize participation into the program;
- ▶ Develop an incentive that will encourage rural ratepayers to connect during the installation of the infrastructure;
- ▶ Develop an overall "Servicing Plan" that identifies servicing zones that Council may consider extending its water distribution depending upon public demand;

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## Program Advertised




1. advise the public on the existence of the County's Rural Water Servicing Policy and the criteria required for Council to approve of a Project;
2. solicit on encouraging public from service areas to submit expressions of interest with a September 30 deadline for responses;
3. advise that Council's consideration to construct will be in the subsequent year on receiving expression of interests;
4. advise that expression of interests to be presented to Council, must include the Deposit Fee from each of the property owners expressing their commitment on proceeding with the Project;
5. advise the residents of the requirement that the County's Rural Potable Water Servicing Agreement must be executed prior to the County proceeding with the Project;
6. present all received expressions of interest to Council received prior to the deadline during annual budget deliberations.

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## Program Deadline Dates



**Mackenzie County**

- ▶ January 15<sup>th</sup>, 2019 County advertises the program soliciting expressions of interest from the public;
- ▶ September 30<sup>th</sup>, 2019 Submissions of interests and \$1,000 Deposits from residents of service areas are received by County. Rural ratepayers that wish to pay their Deposit at a later date however, no later than at the execution of the Agreement, will pay \$2,000;
- ▶ October 31<sup>st</sup>, 2019 CAO presentation of the submissions of interests from service area residents for Council's consideration to proceed or deny the expansion of the water distribution system Project;
- ▶ December 31<sup>st</sup>, 2019 Council approves the budget to proceed with the Project to expand the County's water distribution system to service the area considered by Council;
- ▶ January 30<sup>th</sup>, 2020 Engineering firm authorized to proceed with the engineering design, estimates and project management;
- ▶ March 1<sup>st</sup>, 2020 Preliminary engineering estimates provided;
- ▶ March 31<sup>th</sup>, 2020 CAO presentation of engineering estimate for Council's consideration on Endeavor to Assist initiatives that may be considered for the Project;

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## Program Deadline Dates Continued...



**Mackenzie County**

- ▶ May 1<sup>st</sup>, 2020 Rural ratepayers that have demonstrated their expression of interest are presented with the Rural Potable Water Servicing Agreement and will be required to complete all financial arrangements with the County by May 31<sup>st</sup>;
- ▶ May 31<sup>th</sup>, 2020 Rural ratepayers are to complete the execution of the Rural Potable Water Servicing Agreement. Those that are executing the Agreement and have not paid the \$1,000 Deposit, will now be required to pay \$2,000 as a non-refundable Deposit Fee;
- ▶ June 30<sup>th</sup>, 2020 CAO presentation to Council for decision to proceed with Project with respect to the number of residents completing their requirement on signing of the Rural Potable Water Servicing Agreement;
- ▶ July 15<sup>th</sup>, 2020 Call for Tenders
- ▶ August 15<sup>th</sup>, 2020 Subject to Council approval, Contractor is awarded the Contract to proceed with construction;
- ▶ October 31<sup>st</sup>, 2020 Construction complete, and water system improvements commissioned;
- ▶ December 31<sup>st</sup> Project Final Report submitted.

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## Project Decision Criteria

The County Council will consider expanding its rural water distribution system on an annual basis, while guided in their decision-making by the following primary criteria:

1. Budgetary consideration for that year;
2. Average cost per service for the service areas with the highest public demand;
3. Water distribution system capacity and;
4. Public demand from a service area;
5. The demand guideline meets 70% of the rural ratepayers from a service area are committed to the Program.

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## Customer Agreement

- ▶ Declarations:
- ▶ We hereby acknowledge and declare that:
- ▶ I (we) acknowledge that I (we) have read the contents of this agreement in its entirety and;
- ▶ I (we) acknowledge that I (we) understand the intent of this agreement is for the County to servicing our property with municipal potable water and;
- ▶ I (we) accept the terms of our financial responsibility as described within the Agreement's Part B-Financial Schedule;
- ▶ Accept that the Agreement will be registered on title.

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## Policy Development

MOTION 16-08-656

MOVED by Councillor Wardley  
*That administration draft an endeavor to assist policy for lateral water lines.*



The current Municipal Rural Water Servicing Policy - UT006 addresses the County's Trunk Waterlines and the Connections to the Trunk system. The policy does refer to encouraging rural ratepayers in the County's undertaking the installation of new Lateral Waterlines. The new Endeavor to Assist policy will provide incentives to the potential Customers to connect to the County's making potable water available to rural ratepayers in a cost efficient and responsible manner. The new policy will include:

- ▶ Financial options on funding the lateral lines;
- ▶ A Deposit system that confirms the public's demand for water delivery;
- ▶ An incentive element that will encourage rural ratepayers to connect in a timely manner;
- ▶ Include a Rural Water Servicing Agreement also confirming Public Demand's commitment;

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## Servicing cost adjustment options



Following are servicing cost reductions that Council may consider:

1. Connection Fees deduction - Bylaw fee is \$8,000 per Connection;
2. County may absorb part or all of project engineering/surveying costs;
3. County may absorb part or all of the interest charges associated with the Customer's individual financial arrangements;
4. County may consider an Endeavour To Assist by absorbing misc. costs such as:
  - a) Grading and gravelling;
  - b) Clearing & grubbing;
  - c) Driveways, culverts, drainage;
  - d) Marker posts.
5. County may consider including a selection the options on reducing the individual servicing costs

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## Rural Water Servicing Typical Total Cost

MacKenzie County Rural Water Servicing				
Estimate for servicing scenario				
Description of Items	Measurements		Unit Cost	Item Cost
	Length (m)	Each		
Supply and Installation				
75mm (3") HDPE Lateral waterline	4,000	1	9.60	38,400.00
25mm (1") service waterline	220	10	24.29	53,438.00
25mm(1") curb stop	1	10	778.32	7,783.20
meter package	1	10	1,284.97	12,849.70
Road Crossings	1	4	2,937.07	11,748.28
Trenching & backfilling	6,220	1	17.62	109,596.40
Connections to Trunk main per policy	1	10	8,000.00	80,000.00
Sub Total				313,815.58
Contingency			0.15	47,072.34
sub total				360,887.92
Engineering/Surveying/Environmental			0.10	36,088.79
Total Project Cost				396,976.22
Cost per Customer		10		39,697.67

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## CONCLUSION

In summary, an Endeavour to assist for rural ratepayers to participate into the County's proposed Rural Water Delivery Program, the following major elements of a successful program will need to be addressed:

Council to direct Administration to develop a water delivery program for rural ratepayers that will include however not limited to the following::


1. Develop a servicing feasibility study that includes:
  - a. determine service areas;
  - b. determine design criteria for Lateral Waterline installation and service connections;
2. Develop a policy that addresses all aspects of the program;
  - a. process on meeting the program's Goal & Objectives;
  - b. determine Public Demand and commitments secured;
  - c. development of servicing agreements;
  - d. establish deposit, connection and servicing fee structure that is fair and equitable;
  - e. Establish Customer and County responsibilities;
3. Develop a Financial Plan that:
  - a) provides the County with source of funding for the project &;
  - b) develop an affordable debt payment plan for the County's customers;
  - c) establish procedures for consideration by Council in approval of cost reduction options;
  - d) Council direct Administration to seek financial assistance for the program from senior level governments ie: feasibility studies
4. Develop a Communication Plan informing affected rural customers ;

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# THANK YOU

## Questions & Comments

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## Mackenzie County

Title	Municipal Rural Water Servicing – Endeavor to Assist Policy	Policy No.	UT006
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Legislation Reference	Municipal Government Act
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### Purpose:

Mackenzie County owns and operates multiple municipal water systems: Hamlet of Fort Vermilion, Hamlet of La Crete and Hamlet of Zama. Property owners residing or having a property outside of hamlet boundaries are desirous of gaining access to the municipal water systems., ~~and Mackenzie County desires to make the quality potable water available to Mackenzie County rural ratepayers through introduction of the rural water system~~ to provide potable water to Mackenzie County rural ratepayers based on an acceptable financial arrangement that ensures all costs associated with the municipal water system improvements are reasonable and accounted for.

### POLICY STATEMENT

This policy is designed to set forth the general guidelines ~~for constructing main rural water trunk lines and a process and sequence for future lateral extensions from the main water trunk lines~~ and a process that addresses the needs for the County's water distribution system future extensions within the County's rural communities.

Mackenzie County's rural water services to be delivered echoing the Water for Life goals:

- a) Safe, secure drinking water (public health and prosperity);
- b) Healthy aquatic ecosystems (defining and achieving healthy aquatic ecosystems);
- c) Reliable quality water supplies for a sustainable economy (balanced approach: healthy/sustainable ecosystems, the economy, human health).

Mackenzie County will make their best efforts to encourage information sharing within the ~~Mackenzie Region, and whenever possible and feasible, seek regional water partnerships. Mackenzie County will select technologies and practices that promote water conservation~~ County's rural communities.

Through this Policy, the County's primary objective is to:

- promote expansion of the rural water distribution system through installation of new Lateral and Service Waterlines within service areas if feasible to do so and;
- to provide rural property owners with several Endeavor to Assist initiatives that may promote the expansion of the water distribution system.

## **Definitions**

**Connection Fee** – a rural water tie in fee of \$8,000 paid to Mackenzie County as per the Fee Schedule Bylaw which is required when connecting to the County's water distribution system;

**Connection** – connection of the parcel of land to the County's water distribution system;

**Customer** – owner of the parcel of land connecting to the County's water distribution system;

**Customer's Total Fees** – total amount, as described within Part C – Financial Schedule of the Agreement, owed by the rural property owner for connecting to the County's water distribution system. The Fee includes the Deposit, Connection & the Rural Servicing Fees;

**Deposit** – is the amount of \$1,000 that is submitted to the County as part of the initial rural ratepayer's expression of interest which will all be applied to the rural property owner's Rural Servicing Fee; or the amount of \$2,000 paid to the County for rural ratepayers that did not submit a deposit before the September 30<sup>th</sup> deadline 50% of which will be applied to the rural property owner's Rural Servicing Fee with the other 50% being extra payment to Mackenzie County;

**Lands** – means the physical land that is located within the private property side as it relates to the County's servicing of potable water to the County's rural Customers;

**Lateral Waterlines** – are waterlines that extend from the County's Trunk Waterlines forming part of the County's water distribution network;

**Project** – to include all works and costs associated with the installation of Lateral Waterlines and Service Waterlines up to the property line;

**Rural Servicing Fee** – Customer's fee as set out in the Rural Potable Water Servicing Agreement which includes the Customer's portion of costs for construction of the Lateral Waterline; servicing from the Lateral Waterline up to the owner's property line; including the curb stop and meter chamber;

**Service Waterlines** – is a potable waterline connected to the County's water distribution system that services the rural property owners up to the private property line

**Trunk Waterlines** – are the County’s main waterline feeders distributing water from the County’s water treatment plants through to the County’s water distribution system.

## **GUIDELINE**

### **1. ~~Main~~ Trunk Waterlines**

Mackenzie County shall undertake construction of the ~~main water~~ Trunk Waterlines in the phases as described in this policy. The County will seek provincial and/or federal ~~funding~~ financial assistance to fund the ~~main water~~ Trunk Waterline ~~construction~~ improvements.; The remaining amount may be funded through the general municipal tax and/or reserves, ~~and/or connection fees~~ and the financial contributions generated from individual rural ratepayer’s Rural Servicing Fees. A long term debenture may also be obtained subject to the County’s policy and the regulated debt borrowing limit as established by the Municipal Government Act (MGA).

The routes of the main trunk waterlines will be ~~determined by the~~ subject to County’s Council formal approval for each of the following phases in consultations with municipal engineers and with an endeavor to achieve the most cost effective outcome:

- Phase I - From Hamlet of Fort Vermilion to Hamlet of La Crete
- Phase II - From Hamlet of La Crete - South (La Crete Saw Mill)
- Phase III - From Town of High Level – South (Ainsworth OSB Plant)
- Phase IV - From Hamlet of Fort Vermilion to Boyer
- Phase V - From Boyer to the Town of High Level
- Phase VI - From La Crete South Extension to Blue Hills

It is preferred that all municipal water lines, including Trunk and Lateral Waterlines, be constructed within the existing road allowances to avoid the need to obtain additional right-of-way or easements. Other options may be considered subject to the appropriate legal mechanism that shall be established in securing County’s access to the waterlines during construction and subsequently for routine repair and maintenance; these must be registered against the applicable properties in Alberta Land Titles. No financial compensation shall be provided by the County to a property owner due to a utility right-of-way easement.

Construction of each Phase is subject to available budget as may be approved by Council on an annual basis.

## 2. Water Distribution System

The County Council will consider expanding its rural water distribution system on an annual basis, while guided in their decision-making by the following:

- a) budgetary consideration for that year;
- b) average cost per service for the service areas with the highest public demand;
- c) water distribution system capacity and;
- d) public demand from a service area.

## 3. Lateral (~~Extension~~) Construction Waterline Improvements

In order to encourage continuing expansion of the County's water distribution systems within servicing areas, ~~a ratepayer or a group of ratepayers~~ rural customers shall will be permitted to connect a Lateral Waterline extension to the County's main Trunk Waterline system within this policy's guideline subject to Council's approval.

~~Mackenzie County may undertake construction of laterals if sufficient demand from the ratepayers is determined. The sufficient demand shall mean the construction is financially feasible and acceptable on a cost recovery basis by the affected ratepayers. While the County's intent is to establish cost recovery fees for laterals, any construction proposed to be subsidized at any rate shall be subject to available and approved County budget.~~

~~At a request of the ratepayers, Mackenzie County will facilitate a community meeting and will assist with the preparation of a business case to determine whether sufficient demand exists. Each request will be assessed on an individual basis with participation of the affected ratepayers. A combination of financial recovery instruments may be considered: connection fees, developer's contributions, offsite levies, and/or local improvement. These will be determined on a case by case basis for individual areas.~~

~~The sizing of a lateral extension line shall be determined on a case per case basis by the County. Unless otherwise approved by CAO or designate, a lateral extension pipeline shall be not less than 3" (three inches) in diameter. The lateral extension pipeline must be made of acceptable materials which must be approved by the County. Water tie-in and installations must be inspected and approved by the County or representative.~~

~~The County may contribute funding for oversizing a line if required for future growth. This decision is at the County's sole discretion and subject to budget and requires a prior written agreement. An offsite levy bylaw may be established to offset the oversizing cost.~~

~~Council reserves the right to make the final decision regarding any lateral extension.~~

#### **4. Customer's Water Service**

The county rural water servicing will be limited to the trickle fill water distribution system. Trickle fill water distribution is a low-pressure system that continuously fills a water holding tank based on a preset amount of water the property uses and is controlled by a float valve.

A rural connection will typically include the following:

- low pressure trickle, that continuously fills a water holding tank;
- a flow valve with a restricted flow of 1 gal/min (4.54 l/min) for residential & 2 gal/min for commercial;
- a water holding tank and pump are required for all service connections;
- the Customer shall be responsible for the supply and installation costs of a suitable holding tank (typical and recommended, 2- day supply), a pump and connections to the service pipe and building pipe network;

#### **5. Program Advertised**

The County will:

- solicit on encouraging public from service areas to submit expressions of interest with a September 30<sup>th</sup> deadline for responses;
- advise that consideration to construct will be in the subsequent year on receiving expression of interests;
- advise the public on the existence of the County's Rural Water Servicing Policy and the criteria required for Council to approve of a Project;
- advise that expression of interests to be presented to Council, must include the Deposit Fee from each of the property owners expressing their commitment on proceeding with the Project;
- advise the residents of the requirement that the County's Rural Potable Water Servicing Agreement must be executed prior to the County proceeding with the Project;
- present all received expressions of interest to Council received prior to the deadline during annual budget deliberations.

#### **6. Program Approval Steps**

The following list includes an example of key deadline dates that will assure the success of a Project moving forward in a timely manner:

January 15, 2019	County advertises the program soliciting expressions of interest from the public.
September 30, 2019	Submissions of interests and \$1,000 Deposits from residents of service areas are received by County. Rural ratepayers that wish to pay their Deposit at a later date however, no later than at the execution of the Agreement, will pay \$2,000.
October 31, 2019	CAO presentation of the submissions of interests from service area residents for Council's consideration to proceed or deny the expansion of the water distribution system Project.
December 31, 2019	Council approves the budget to proceed with the Project to expand the County's water distribution system to service the area considered by Council.
January 30, 2020	Engineering firm authorized to proceed with the engineering design, estimates and project management.
March 1, 2020	Preliminary engineering estimates provided.
March 31, 2020	CAO presentation of engineering estimate for Council's consideration on Endeavor to Assist initiatives that may be considered for the Project.
May 1, 2020	Rural ratepayers that have demonstrated their expression of interest are presented with the Rural Potable Water Servicing Agreement and will be required to complete all financial arrangements with the County by May 31 <sup>st</sup> .
May 31, 2020	Rural ratepayers are to complete the execution of the Rural Potable Water Servicing Agreement. Those that are executing the Agreement and have not paid the \$1,000 Deposit, will now be required to pay \$2,000 as a non-refundable Deposit Fee.
June 30, 2020	CAO presentation to Council for decision to proceed with Project with respect to the number of residents completing their requirement on signing of the Rural Potable Water Servicing Agreement.
July 15, 2020	Call for Tenders.
August 15, 2020	Subject to Council approval, Contractor is awarded the Contract to proceed with construction.

October 31, 2020	Construction complete, and water system improvements commissioned.
December 31, 2020	Project Final Report submitted.

## 7. Public Interest & Commitment

Public Request – The residents within a service area that display at least 70% of the rural property owners are committed to connect to the County’s water distribution system will be a serious contender for approval. The residents in the service area expressing their interest will be required to:

- a) Pay the Deposit and submission of interest to the County by September 30 deadline that includes the following:
- b) Grants to the County a blanket easement, if required, confirming the property owner will sign a formal easement agreement in favor of Mackenzie County for granting the County the right to;
  - i. provide for all construction needs in installation of the water servicing improvement &:
  - ii. where appropriate, provide the County with access for operations and maintenance purposes;
- c) Acknowledged that non-payment of the Rural Servicing Fee or future water servicing/consumption fees will result in transfer of the unpaid amounts to the property’s tax roll.

Agreement Term, this agreement shall continue to apply except to the extent that it is inconsistent with Mackenzie County utility bylaws, in which case the applicable bylaw provision shall prevail. This agreement shall terminate, and the Deposit be returned to the Customer following September 30<sup>th</sup> of the year that is two years following the execution of this agreement by the Customer and the County, if Mackenzie County has not commenced construction of the expansion of the water distribution system to the service area in which the Lands are located and which will provide potable water service to the Lands.

Fees to Connect - subject to Council approving of servicing areas, each rural ratepayer connecting to the County’s water distribution system will be required to pay Fees as levied in accordance with the Rural Potable Water Servicing Agreement.

Lateral Oversizing – Lateral Waterlines that are installed as part of the Project will have a minimum size of 50 millimeters (2 inches) in diameter with the cost of the Lateral Waterline forming part of the Customer Total Fee. The County, subject to Council approval, may contribute for oversizing to address the potential of future growth.

## **8. Construction within Easements**

Preference is to construct the water distribution system on road rights-of-way however in some cases; easements may be required when crossing private properties;

No water lines will be constructed unless an easement, when required, is signed and registered against a property where the construction is to take place. Preference is to have blanket easements in place whenever possible. Blanket easement is done by description and is for a defined area of a property parcel; Following a two-year warranty/maintenance period, the rural customer /landowner will be responsible for all maintenance costs of Land affected by the installation of the Lateral Waterline improvements;

Compensation for crops damaged will be accounted for under the Contractor's Project costs at a rate as per *Policy PW035 Crop Damage Compensation*.

### **Other**

~~Mackenzie County's water service will be limited to the trickle fill water distribution in all rural areas. Trickle fill water distribution is a low pressure system that continuously fills a water holding tank based on the amount of water the property uses and is controlled by a float valve.~~

~~It is preferred that all water lines be constructed within the existing road allowances to avoid the need to obtain additional right-of-way or easements. Other options may be considered subject to the appropriate legal mechanism that shall be established securing the County's access to the lines during construction and subsequently for routine repair and maintenance; these must be appropriately registered against the applicable properties in Alberta Land Titles at no cost to the County. No financial compensation shall be provided by the County to a property owner due to a utility right-of-way easement.~~

## **9. Administrative Responsibilities**

The Chief Administrative Officer or Designate shall be responsible for monitoring compliance with this policy.

### **FEES**

#### **1. Rural Customer's Servicing Fee**

The Rural Servicing Fee covers all Project costs associated with the Lateral Waterline and the following rural customer's Service Waterline improvements:



- Customer's Service Waterline from the County's water distribution system service connection up to and including;
- The curb-stop and metering chamber located in proximity of the property line;

Customers will be responsible for all costs associated with installation of the portion of Service Waterline located on private property. Customers will have the option of utilizing the County's Project Contractor to install the Service Waterline from the metering chamber to the private dwelling. County will include within the Project Contract Schedule, a provisional item that will carry the Service Waterline construction costs of the Customer's private property portion. The arrangement for this option will be solely between the Contractor and property owner.

The Customer is responsible for all maintenance costs of the water Service Waterline portion located on private property.

## **2. Fees to Connect**

The Connection Fee, in accordance with the County's Fee Schedule Bylaw, will be required prior to the connection to the County's water distribution system:

- a) Pursuant to Part "B" Section 2(a) of the Agreement, a Deposit and Connection Fee which will form part of the Rural Servicing Fee as established in the Rural Potable Water Servicing Agreement if connected at the execution of the Agreement or;
- b) Pursuant to Part "B" Section 2(b) of the Agreement, a Deposit and Connection Fee which will form part of the Rural Servicing Fee as established in the Rural Potable Water Servicing Agreement if connected subsequent to the execution of the Agreement.

## **3. Usage Fee for Services**

All Customers connected to the County's water distribution system shall be required to pay monthly water consumption fees as established in the County's Fee Schedule Bylaw.

## **4. Financial Arrangements**

Financial arrangements for the construction of the Lateral and customer Service Waterlines will be required to ensure that all costs associated with the improvements are accounted for. The financial arrangements will require Council approval prior to proceeding with the construction of the waterline improvements.

## **ENDEAVOR TO ASSIST**

Under this policy, Council may approve several costs saving initiatives that will favor rural property owners interested in connecting to the County's water distribution system. The following are examples of cost reduction initiatives that the County may consider for individual Projects:

### **1. Fee Reduction**

Connection Fee, as per the County's Fee Schedule bylaw, charges \$8,000 to each new Customer to connect to the County's water distribution system. Council may consider that the Fee to be charged as a "one-time" cost of \$8,000 to all the Customers connecting to the system at time of Project construction.

### **2. Engineering Costs**

The County may consider funding a portion of the Project engineering and /or surveying costs.

### **3. Miscellaneous Costs**

The County may cancel selected operational costs that are attributable to the Project however typically are considered operational type activities such as:

- Grading & gravelling;
- Clearing & grubbing;
- Driveway, culverts and drainage repairs;
- Marker posts, guard rails, barricades and signs;
- Council may consider reducing – adjustment of Financial interest charges imposed upon the Customer based on the Customer's Rural Servicing Fee charges.

### **4. Financial Initiatives**

Council may approve financial arrangements that will provide rural property owners that have an interest and are committed to proceed with the Project. The following are financial Endeavor to Assist initiatives that could be considered by Council for approval:

#### **a) Lateral oversizing**

To ensure that water capacity is available for future growth, the County may fund the oversizing of Lateral Waterlines. Subject to Council approval, the County will establish an Endeavor to Assist financial arrangement that will impose a charge for future Customers connecting into the oversized Lateral

Waterline. This will provide future Customers the assurance on the availability of adequate water capacity and will provide the County with an approved financial process to recover the funds invested into the Lateral Watermain oversizing.

**b) Servicing costs financed**

Customer, subject to Council approval, may request the County's assistance on providing financial arrangements to account for the Rural Servicing Fee costs. Financial arrangements will be performed on an individual case basis that will be led by the County's Finance Department.

**c) Connection deferral**

The policy's guideline for a servicing area with at least 70% of the property owners committing to proceed with the Program will be a serious consideration for approval. Each property owner will share equally in all costs of the construction of the Lateral and Service Waterline improvements. If a service area is approved to proceed without 100% commitment, Council may approve of an Endeavor to Assist for those that decide to defer their individual Connections. The following is a list of considerations that form part of this Endeavor to Assist initiative:

- i. All costs associated with the Project will be equally shared by all Customers benefitting from the water distribution system expansion;
- ii. The County will fund all Connections deferred to a later date;
- iii. The County will recover the funds provided towards the deferred Connections through an Endeavor to Assist financial arrangement with the rural property owners;
- iv. All rural property owners deferring their Connections to a date that follows the completion of the construction, will be required to acknowledge that the County has provided them with notification on the financial consequences based on their decision.
- v. The Endeavor to Assist amount will be paid to the County, including an additional financial charge interest charge based on the interest incurred for the duration of the period in deferring the Connection;

**d) Interest charges**

Council may absorb all or part of the interest charges that will be accounted for any funding provided by the County.

**e) Local Improvement Plan**

The Local Improvement Plan is specifically an option that County residents, under the Municipal Government Act (MGA), have the legal right to petition Council requesting the County to proceed with the expansion of the water

distribution system. The residents will have control on this initiative and are required to follow the rules as set out within the MGA.

## 5. Attachments

- a) Schedule 1 – Rural Potable Water Servicing Agreement
- b) Schedule 1 Part A - Service Area Map
- c) Schedule 1 Part B - Fees
- d) Schedule 1 Part C – Financial Schedule
- e) Schedule 1 Part D - Caveat

	<b>Date</b>	<b>Resolution Number</b>
<b>Approved</b>	14-Jan-14	14-01-034
<b>Amended</b>	28-Sep-16	16-09-680
<b>Amended</b>		

## Schedule 1

### **RURAL POTABLE WATER SERVICING AGREEMENT**

#### BETWEEN:

MACKENZIE COUNTY  
a municipal corporation in the Province of Alberta  
(hereinafter "The County")

and

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owners of Land within Mackenzie County  
(hereinafter "the Customer")

#### WHEREAS:

Mackenzie County Council, on an annual basis, considers expanding its rural potable water distribution system to provide potable water to additional properties within County servicing areas subject to Council approval.

The Customer owns the property described in Part A to this agreement (the "Lands") and wishes to have those Lands connected to the Mackenzie County water distribution system upon Mackenzie County determining the Lands are within a service area for which the Mackenzie County water distribution system will be expanded.

Mackenzie County will consider expanding the Mackenzie County water distribution system when:

- public demand is demonstrated within an identified service area;
- the rural water distribution system has the capacity for expansion and;
- budgetary considerations have been established.

Entering into this agreement is a commitment by the Customer that the Lands are to be serviced by the Mackenzie County water distribution system when the system is adjacent to the Lands.

Mackenzie County has authority under the *Municipal Government Act* to pass bylaws in relation to municipal public utilities.

NOW THEREFORE:

1. In consideration of Mackenzie County expanding the municipal water distribution system to a service area including the Lands and to connecting the Lands to that system when such water distribution system is approved for construction in the service area in which the Lands are located, the Customer agrees as follows:
  - a. the Customer hereby requests that a Service Waterline be provided to the Lands from the Mackenzie County water distribution system when available to the Lands;
  - b. Mackenzie County and their contracting and engineering representatives may enter on the Lands for the purposes of constructing the Service Waterline, including the service connection to the Lands;
  - c. unless Mackenzie County otherwise directs, the County will carry out the construction of the Service Waterline and service connection on the Lands. The Customer shall pay, in advance of construction of the Service Waterline, the Connection Fee and all costs of construction of the service connection to the Lands (the "Rural Servicing Fee"). The construction of the service connection shall comply to industry standards with Mackenzie County specifications for service connections;
  - d. as of the date of this agreement, the Rural Servicing Fees are set out in Part B to this agreement and in accordance to the County's Fee Schedule Bylaw.
  - e. acknowledges that all costs of construction of the ratepayer's Service Waterline within this agreement are based on an estimate. The final cost will be determined at the completion of the Project and will be described as, actual cost, replacing the original estimated cost;

- f. acknowledges that the actual costs for the construction of the Customer's Service Waterline to private property is to be included within the Agreement and described as Customer's Rural Servicing Fee.
  - g. Acknowledges that a Deposit of \$1000 per the County's Fee Schedule Bylaw, will by Mackenzie County either be:
    - i. returned to the Customer if this agreement terminates pursuant to section 3 of this agreement; or
    - ii. applied in full or in part as per this policy to the Customer's total Rural Servicing Fee payable by the Customer;
    - iii. The Deposit shall not earn interest while held by the County;
  - h. comply with all County utility bylaws, Fee Schedule Bylaw, and relevant County policies and standards;
  - i. pay all rates or consumption fees charged by Mackenzie County for delivery of potable water to the Lands accordance with the County's Fee Schedule Bylaw;
2. Except as provided below, this agreement shall continue to apply, except to the extent that it is inconsistent with Mackenzie County bylaws, in which case the applicable bylaw provision shall prevail.
  3. This agreement shall terminate, and the Deposit be returned to the Customer two years following the execution of this agreement, if construction of the County's Project that, includes extension of the County's water distribution system and rural property Service Waterlines, has not commenced.
  4. The Customer acknowledges that Mackenzie County is entitled to rely upon this agreement as a request for connection of the Lands to the Mackenzie County water distribution system regardless of a change in ownership of the Lands following execution of this agreement.

5. This agreement shall be registered on Title.

DRAFT #6 revision#1



**Agreement Acceptance - Signatures**

**Declarations:**

We hereby acknowledge and declare that:

- (a) I (we) acknowledge that I (we) have read the contents of this agreement in its entirety and;
- (b) I (we) acknowledge that I (we) understand the intent of this agreement is for the County to servicing our property with municipal potable water and;
- (c) I (we) accept the terms of our financial responsibility as described within the Agreement's Part B-Financial Schedule;
- (d) Accept that the Agreement will be registered on title.

**Signatures:**

**Customer**

*Print Name(s)* \_\_\_\_\_

*Signature(s):* \_\_\_\_\_

*Witness* \_\_\_\_\_

\_\_\_\_\_

*(Street Address or Postal Box Number)*

\_\_\_\_\_

*(City, Province & Postal Code)*

**Mackenzie County**

*Print Name* \_\_\_\_\_

*Title* \_\_\_\_\_

*Signature:* \_\_\_\_\_

*Date* \_\_\_\_\_

## Part A – Service Area Map

### a) Legal Description of the Customer's Lands

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### b) Site Plan boundaries of Project

DRAFT #6 revision#1

## **Part B - Fees**

### **1. Deposit Fee**

Customer initializing a commitment to the Project by providing a Deposit per the County's Fee Schedule Bylaw to Mackenzie County. The Deposit shall be held by Mackenzie County and either be:

- a. returned to the Customer if this agreement terminates pursuant to sections 2 & 3 of this agreement; or
- b. applied in full or in part to the Rural Servicing Fee payable by the Customer;

### **2. Connection Fee**

An incentive has been incorporated into this policy to encourage all benefitting property owners to connect to the County's water distribution system at the time of construction. The incentive is; only one connection fee of \$8,000 will be charged and equally shared with all Customers connecting during construction. Each Customer connecting after construction will each be subjected to the \$8,000 connection fee per the Fee Schedule Bylaw.

- a. During construction – a fee in accordance with the County's Fee Schedule Bylaw if the Lands are connected to the Mackenzie County water distribution system during the construction phase of the Lateral and Service Waterlines within the service area where the Lands are located, plus any amount owing pursuant to the Rural Potable Water Servicing Agreement or;
- b. After Construction – a fee in accordance with the County's Fee Schedule Bylaw if the Lands are connected to the Mackenzie County water distribution system after the construction phase of the Lateral and Service Waterlines within the service area where the Lands are

located, plus any amount owing pursuant to the Rural Potable Water Servicing Agreement.

### **3. Rural Servicing Fee**

Customer acknowledges and accepts that the actual costs of the Project payable items by the Customer, will determine the Customer's total Rural Servicing Fee that will be payable to the County.

- a. Estimated costs - based on an estimated construction costs of the Lateral Waterline and the Service Waterline up to the property line. The estimated cost for construction is required to initialize the Customer's commitment and intent on proceeding with the Project;
- b. Actual costs - Customer acknowledges the estimated costs for the Rural Servicing Fee will be replaced with the actual costs of the construction immediately following completion of the Project. The actual cost replacing the estimated cost will be included and form part of this agreement.

### **4. Customer Total Fees**

It is understood and accepted by the Customer that the Customer Total Fees include the non-refundable Deposit fee, as per the County's Fee Schedule Bylaw, that is applied to the Customer's Total Fee. It is also understood that the estimated costs (refer to 3a above) will be replaced with the actual costs (refer to 3b above) and will complete the Agreement's Financial Schedule forming part of this agreement.

### **5. Service Waterline**

It is understood that the Customer has an option of using the Project Contractor for installation of the Service Water line portion that is located on private property. The Customer will be responsible to the Project Contractor if

the Customer desires the Project Contractor to install the Service Waterline from the metering chamber located in proximity of the property line to the dwelling.

**Part C - Financial Schedule  
for  
Rural Servicing Fee**

- 1. Deposit \$ \_\_\_\_\_  
(refer to Part B section 1)
  
- 2. Connection Fee (refer to Part B section 2)  
(refer to Part B section 2)
  - i. During construction fee \$ \_\_\_\_\_
  - ii. After construction fee \$ \_\_\_\_\_
  
- 3. Rural Servicing Fee  
(refer to Part B section 3)
  - i. Estimated costs \$ \_\_\_\_\_
  - ii. Actual costs \$ \_\_\_\_\_
  
- 4. Customer's Total Fees \$ \_\_\_\_\_  
(refer to Part B section 4)
  
- 5. Service Waterline -Customer option \$ \_\_\_\_\_  
(refer to Part B section 5)

**Customer's acceptance:**

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Customer Signature

\_\_\_\_\_  
Witness Name

\_\_\_\_\_  
Customer Name

**Part D - Caveat**

TO THE REGISTRAR NORTH ALBERTA LAND REGISTRATION DISTRICT

TAKE NOTICE that I, Mackenzie County

of La Crete in the Province of Alberta,

claim an interest with respect to *purpose of caveat* pursuant to the *document referred to* between *name on title* and the County of Mackenzie No. 23, pursuant to Section *that authorizes issuance of caveats* of the Municipal Government Act, Revised Statutes of Alberta 2000.

in *legal land location*

Excepting thereout all mines and minerals.

being Lands described in Certificate of Title, *title number – unless new titles are issued then leave blank* standing in the register in the name of *exact name on title* and I forbid the registration of any person as transferee or owner of, or of any instrument affecting the said estate, unless the instrument or certificate of title, as the case may be, is expressed to be subject to my claim.

I APPOINT \_\_\_\_\_ of Mackenzie County at (place) \_\_\_\_\_ in the Province of Alberta, as the place at which notices, and proceedings related hereto may be served.

DATED this \_\_\_\_\_ day of \_\_\_\_\_ A.D. year

\_\_\_\_\_  
*agent's name* , Agent

### AFFIDAVIT IN SUPPORT OF CAVEAT

CANADA )  
 PROVINCE OF ALBERTA )  
 )  
 )  
 TO WIT ) I, *agent's name*  
 ) of Mackenzie County  
 ) in the Province of Alberta

Solemnly Affirm and

Declare :

1. That I am the agent for the above-named Caveator.
2. THAT I believe that the said Caveator has a good and valid claim upon the said Lands and I say that this Caveat is not being filed for the purpose of delaying or embarrassing any person in or proposing to deal therewith.

Affirmed before me )  
 )  
 at *place* )  
 )  
 in the Province of Alberta, )  
 )  
 this *day* day of *month* )  
 )  
 \_\_\_\_\_ ) *agent's name*  
 A.D. *year* )

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A Commissioner for Oaths in and for the  
 Province of Alberta





Mackenzie County

# REQUEST FOR DIRECTION

<b>Meeting:</b>	<b>Committee of the Whole Meeting</b>
<b>Meeting Date:</b>	<b>April 24, 2018</b>
<b>Presented By:</b>	<b>Doug Munn, Director of Community Services</b>
<b>Title:</b>	<b>Fort Vermilion Airport Terminal Building</b>

**BACKGROUND / PROPOSAL:**

At the August 8, 2017 Council Meeting administration was directed to encourage Expressions of Interest from the community for organizations interested in making use of the Fort Vermilion Airport Terminal Building. One letter was received expressing interest from the Fort Vermilion & Area Board of Trade. After several meetings the Board of Trade has indicated that they no longer have an interest in this particular building however would be willing to salvage certain components with Council's permission.

The building is currently sitting at the airport property and should be moved this year. Administration is interested in getting some direction from Council regarding the relocation of the building. There may be a small salvage value to the building.

**OPTIONS & BENEFITS:**

1. Direct administration to prepare a request for proposals for the salvage and demolition of the building.
2. Other ideas.

**COSTS & SOURCE OF FUNDING:**

There are no funds in the 2018 budget for the disposal of this building.

**SUSTAINABILITY PLAN:**

Author: D. Munn Reviewed by: \_\_\_\_\_ CAO: \_\_\_\_\_

**COMMUNICATION:**

**RECOMMENDED ACTION:**

Simple Majority       Requires 2/3       Requires Unanimous

For Discussion

Author: \_\_\_\_\_ Reviewed by: \_\_\_\_\_ CAO: \_\_\_\_\_



Mackenzie County

# REQUEST FOR DIRECTION

<b>Meeting:</b>	<b>Committee of the Whole Meeting</b>
<b>Meeting Date:</b>	<b>April 24, 2018</b>
<b>Presented By:</b>	<b>Byron Peters, Deputy Chief Administrative Officer</b>
<b>Title:</b>	<b>Review of Strategic Planning Workshop Draft Plan</b>

**BACKGROUND / PROPOSAL:**

A strategic planning workshop was held on April 9, 2018 with Council and Management. A draft copy of the plan will be presented at the meeting for review and discussion.

**OPTIONS & BENEFITS:**

**COSTS & SOURCE OF FUNDING:**

**SUSTAINABILITY PLAN:**

**COMMUNICATION:**

**RECOMMENDED ACTION:**

- Simple Majority
  Requires 2/3
  Requires Unanimous

For review and discussion.

Author: C. Gabriel Reviewed by: \_\_\_\_\_ CAO: \_\_\_\_\_

