



FAQs:

PROPOSED BORROWING BYLAW NO. 1320/19

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## RENEWAL OF THE RAW WATER RESERVOIR

**NANTON, AB (February 21<sup>st</sup> 2019)** – At its Regular Meeting on February, 19<sup>th</sup> 2019, Council gave first reading to Borrowing Bylaw No. 1320/19, which is intended to facilitate borrowing of up to \$1, 250,000 for the purpose of renewal of the raw water reservoir.

### WHY IS THIS NECESSARY?

*It is essential that the Town act now.* The raw water pond (over 30 years old) has never been de-sludged or dredged and the percentage of water storage is consequently down to approximately 40 per cent of the designed capacity. The consequence of this situation is that raw water storage is significantly reduced to the point that this project can no longer be deferred if significant conservation measures are to be avoided in the near term. There are no senior government grant aid funding opportunities for a larger capital renewal project of this nature at present. Improving raw water storage capacity is the **primary** driver for this project. A **secondary** benefit may be that treated water will improve in terms taste and odour for residents.

### WHERE DOES THE SLUDGE/ SEDIMENT COME FROM?

The vast majority of it is creek sand, sediment and silt. Over the years there has been a number of different suction methods used as the water was pumped from Mosquito Creek to the raw water reservoir. The Town presently has an infiltration gallery to help, among other things, mitigate the amount of the solids coming from the creek, but it has not always been so. There is only a certain time of the year when the creek is high enough that Public Works can draw from it and fill the reservoir. This is also when the creek has the most suspended solids in the water that settle out in the pond.

### WILL THIS PROJECT BE THE LAST MAJOR PROJECT AROUND THE WATER UTILITY?

No. In the coming years, the Town will also need address a number of additional projects, possibly including the construction of a second raw water reservoir. The Town is actively implementing a range of measures to improve water quality and distribution in the Town, as identified by ISL Engineering in its August 2016 *Taste and Odour Study*. Council is mindful that the community can only tolerate so much expense at any given time.

### WILL THE PROJECT DEFINITELY COST \$1.25 MILLION?

No. Council and staff are hopeful that the project will cost less and will only borrow what is required. The Town may choose to undertake some additional raw water capacity and quality improvements at the reservoir (that were recommended in the *Taste and Odour Study*) should the project come in significantly under budget.

### WHAT WILL THE IMPACT BE ON MY PROPERTY TAXES?

If the total \$1,250,000 is needed the annual debt servicing payment for the loan at current interest rates will be \$73,465.18 per annum, meaning an approximate \$62 per household increase to annual taxes. The impact is kept this low by having a borrowing term of 25 years. The increase necessary is already in the preliminary approved budget for 2019.

### **COULD THIS SITUATION HAPPEN AGAIN IN ANOTHER 5-10 YEARS?**

Only if de-sludging is not done on a regular preventative schedule going forward. The Town is committed to a higher level of preventative maintenance to ensure this situation does not repeat itself. It is also committed to exploring and establishing increased raw water storage and additional, better quality, supplementary sources. Much will depend on future Provincial and Federal funding for the latter objectives.

### **WHAT IS GOING TO HAPPEN TO MY WATER RATES?**

A Request for Proposals will shortly be issued for an independent utility fee/levy review so that the Town can examine how to phase in appropriate rates and charges that better reflect the cost of funding infrastructure repair and renewal.

### **IS COUNCIL LOOKING AT A REGIONAL 'BIGGER PICTURE' AROUND WATER?**

Yes. A Request for Proposals will shortly be issued for a major regional raw water resource study for the Town of Nanton, Town of Stavely, M.D. of Willow Creek, Town of Fort Macleod and Town of Claresholm. All local governments are in support of examining where they can strategically collaborate with respect to a more secure raw water resource for their communities. This work is being funded by the Province.

### **I LIVE NEAR THE RESERVOIR. SHOULD I EXPECT ANY DISRUPTION OR NOISE?**

There may be some noise disruption once this project begins in the spring. In order to keep the costs of the project as low as possible, the Town may permit contracted service providers to work outside of normal work hours. Residents shall be informed before the project starts.

-Ends-

#### **For more information:**

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