

WATER POLICY

Subject: Water Policy

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The County of Northern Lights has outlined the provision of potable, treated water as a priority in its strategic plan. The goal of the Water Policy is to have established guidelines for the continued expansion of rural municipal water services. These guidelines will ensure that this expansion is controlled and serves the best interests of the entire County.

The County of Northern Lights proposes to do this by relying on the policy to help guide decision making when considering opportunities for water expansion whether they are internally driven or involve external stakeholders.

Chief Elected Official

Chief Administrative Officer

This policy is intended to outline the priorities and parameters of the County of Northern Lights with respect to the funding and installation of potable water infrastructure throughout the municipality. This policy also identifies the County role with respect to existing non-potable water sources provided by the County as well as water co-op's currently providing non-potable water services.

The goal of the policy is to ensure that greater than 90% of residences within the County have reasonable access to a source of potable water with over 75% of residents being serviced directly through a potable water distribution system, by the year 2021.

A. Priorities

1. Service Type

The priority for the provision of potable water will be as follows:

1. Residential
2. Farm Residences
3. Farm & Commercial Water Operations
4. Local Businesses
5. Industrial Operations

This priority listing will be used to allocate capital spending with respect to water infrastructure.

If two or more capital projects are scheduled to proceed and there is limited funding, the project that falls within the higher priority will take precedence.

If the projects are in the same priority class, the availability of potable water and the locations of the projects will be used to determine priority.

2. Priority Areas

Residential/Farm Residences

The Municipal Development Plan and current population densities are the primary determining factors in setting the location priorities for residential water infrastructure.

Council can use its discretion to identify areas of greater priority within the County when it comes to the provision of water services.

Council can amend the boundaries of the priority locations on a case by case basis.

Funding will be directed based on the projects submitted and how they fall within the existing priorities. The priority areas are identified as follows:

1. Water servicing along future water line from Peace River to Dixonville:
 - a. Weberville Area - along Secondary Highway 743 (2 mi on each side), from South Boundary to 3 miles north of intersection with Secondary Highway 986
 - b. Warrensville Area – along Chinook Valley Road (2 mi on each side), north and south of Secondary Highway 986
2. 6 mile radius around the Town of Manning
3. 3 mile radius around the Hamlets of Dixonville, North Star,
4. 3 mile radius around Hotchkiss, Notikewin and Deadwood Truckfill Stations
5. Ward 1
6. Ward 2
7. Ward 6
8. Ward 4
9. Ward 5
10. Ward 3
11. Ward 7

Farming/Commercial Water Operations & Local Businesses

It is recognized that farming and commercial operations are enhanced through the availability of sources of high flow capacity, potable water stations to fill sprayers or commercial water trucks for water delivery.

As many of these sources originate out of the need for potable water sources for residential developments and farm residences, there are no specific priorities with respect to location.

Industrial Operations

Industrial operations typically require huge volumes of water that are typically beyond the design capacity of our existing truck fill stations. In order to meet the demands of the industry, special dedicated truck fill stations would be required. These stations would need to be in close proximity to the area of industrial activity as well as to the source of high volumes of water.

Priority locations for these are as follows:

1. Manning Area – north of Manning Water Treatment Plant

2. Dixonville Area – east of Dixonville Water Treatment Plant

3. Availability of Water

As the County covers a huge area, it is recognized that the availability of water sources vary greatly throughout the municipality. A large portion of the southern municipality is fortunate to have a reliable underground source of clean, drinkable, but untreated water, while the northern portion has to rely on surface water that needs to be treated.

For purposes of this policy, potable water is to be considered available if a residence lies within an eight mile radius of a truck fill station, water treatment plant or if the area is serviced by water distribution system.

For areas in the southern portion, because of their proximity to the Town of Peace River and Grimshaw, potable water is to be considered available if the residence is within three miles from the southern border of the municipality.

B. Parameters

Identifying parameters is required to ensure that there is consistent treatment and adequate due diligence is undertaken with respect to capital decisions involving water infrastructure and provision of funding to water co-ops for the same purpose.

This portion of the water policy will divide the provision of water services into a number of subsections based on whether the water is potable or non-potable, whether the service is based on a distribution point like a truck fill or is directly connected to a residence either by the County or a water co-op.

1. Non-Treated

a) Community Water Supplies (CWS)

The water that is available through these supplies will be made available free of charge to residents of the County.

These sites will be marked with “Non-potable Water” signs.

The County will only maintain existing infrastructure, no new non-potable water infrastructure will be installed.

Community water supplies that are deemed to be beyond their useful life will be taken out of service at the sole discretion of the County.

Once a potable water source is available in an area (as determined by the Availability of Water section above) for a period of 2 years, the closest CWS will be taken out of service.

Wherever possible, a six month notice of closure will be given for any CWS that will be closing with the notice posted at the CWS as well as through local newspaper, website, etc.

The disposal of a CWS site is permitted and will follow the following process:

1. The County may retain surface water CWS's (dugouts) as a source of water for dust control and firefighting purposes.
2. Offered to the owner of the balance of the quarter at a price established by Council or the County may sell the land and well in accordance with the asset disposal policy.

b) Funding to Water Co-operatives (Untreated)

The County is supportive of those water co-ops that are providing untreated water services to residents of the County.

The County will assist in funding the replacement of existing and new capital infrastructure if it is deemed to be necessary for the continued provision of this water service or if it is deemed to benefit the area.

All funding must be formalized through an agreement.

This support, financial and otherwise, will only continue if treated water in the vicinity is considered to be unavailable.

Untreated water co-op's will be strongly urged to convert their system and connect to the treated water system in that area once treated water becomes available.

Funding will be provided on a case by case basis and will require a formal proposal from the water co-op.

The County will have no involvement in the day to day operations of the water co-op.

2. Treated Water

a) Hamlets

All residences and businesses within the registered hamlets of Dixonville, North Star, Notikewin and Deadwood will be required to be connected to the water system if there is a distribution system within the Hamlet. Rural waterlines within a hamlet are not considered a distribution system.

In Hamlets with a distribution system:

- a) the water will be provided as a pressurized service that is comparable to other services within the hamlet or in other County hamlets.
- b) Water rates will be set through the water rate bylaw.
- c) The installation of water services will be through either pre-payment or local improvement.
- d) If there are multiple locations for water servicing and they are not adjacent to each other, separate local improvement plans may be required.
- e) The hook-up fee for this treated water service in hamlets will be \$10,000. Costs in excess of \$10,000 per service will be funded by the County provided that the total cost of water servicing is less than \$58,000 per hook-up.

b) Rural Distribution System

The County will consider directly connecting residents to existing water services that are immediately adjacent to hamlet boundaries as well as those in more rural areas.

The request for servicing must be made in writing to the County. Requests can be made by both individuals as well as groups of residences in a geographic area.

The proximity limits for these hook-ups will be in accordance with priority areas identified in Section 2.

The hook-up fee for these services will be established in the water rate bylaw and will be \$10,000.00. The County will cover the additional costs within these proximity limits.

The threshold cost for providing water services to an individual residence or a group of residences will be \$58,000 per hook-up. The County will not provide water servicing to areas when this threshold is exceeded unless the property owner(s) are willing to pay the costs that exceed the \$58,000 in addition to their \$10,000 hook-up fee.

Where the overall cost of a phase is increased by the cost of portions of the system (lines, valves, etc) being upsized to service future phases, those incremental costs will not be included in determining the average per hookup costs.

Wherever possible, the rural distribution system will be designed to be a pressure system. The decision of a pressure or trickle system will be based on cost and water pressures.

If a single residence is being hooked up within an existing phase, line pressure will be the primary factor in determining the system type:

1. If the line pressure at the residence is lower than 40psi, the service will be required to be a trickle system.
2. If the line pressure is over 40psi, the property owner will be given a choice on whether the service will be a trickle or pressure system.

For a new service being introduced into a previously un-serviced geographic area (phase), the decision on system type will be based primarily on cost:

1. If the cost of providing a pressure system for an area will be more than 10% higher than the cost of providing a trickle service for that same area, the water system will be determined to be a trickle system.

Residents seeking water services are urged to communicate with other residents in the immediate vicinity in order to keep costs low as possible.

If a property owner within an approved phase chooses not to connect during construction, and later applies as an "add on", the hookup cost may be increased to \$12,500.00. In the event of a new owner, this additional cost will not apply.

The advantages and disadvantages of each system type will be clearly outlined to all potential customers.

The County, at its own discretion, will be responsible for costs associated with up-sizing the line to accommodate future growth, installation of testing and flushing points, tracer wire as well as other related costs.

Special conditions apply to the following section:

Future Subdivisions

Recognizing that water is a priority for Council, every effort will be made to ensure that potable water is made available in multi-parcel subdivisions at the time of development.

New subdivisions falling within the Priority Areas #1,2,3 will be required to install water lines meeting County specifications as a condition of the subdivision. These costs will be the responsibility of the property developer. Each lot within the subdivision will still be required to pay the \$10,000 hook-up fee to access the County water service.

These requirements will only fall to new subdivisions with greater than 5 lots.

Existing subdivisions will fall under the general guidelines established above.

Multi-Unit Developments (Commercial and/or Residential)

As there is a higher demand on water usage where there are buildings with multiple tenants, some parameters must be put in place to address the higher costs associated with these installations.

In addition to the regular hook-cost that will be charged, the owner of the property will also be charged on a 100% recoverable basis, the cost of upsizing the line to accommodate the increased volume as well as any costs associated with installing multiple meters.

Easements and Crop Damage

In the event a landowner refuses to provide an easement for a rural waterline, and the County is required to go around the property thereby experiencing additional costs as a result of the re-routing, the landowner will be required to pay the full cost of a hookup to the water system if they then apply for service at some time in the future.

Where a landowner requires the waterline across his/her property in order to access water for their own home quarter, the County will not provide crop damage on that portion of the waterline. This is in recognition that the provision of water is a subsidy to the landowner and they should therefore not benefit twice

by also being paid for the crop loss. Where the same landowner has easements on other properties, they will receive payment for crop damage on those lands as per the County's policy.

Truck Fill Stations

Truck fill stations will be strategically located so as to ensure that 90% of County residents will have to travel no more than 8 miles to the nearest source of potable water.

If the distance to a truck fill is more than 8 miles and there are more than 10 residences affected, the County will consider constructing an additional truck fill in order to service the area.

Construction will commence no more than 5 years after the need is recognized and will be subject to budget limitations and subsequent verification that the issue exists.

Truck fill rates will be charged in accordance with the water rate bylaw.

Where truckfills are not feasible due to low population, etc., Council may consider other methods of water service (i.e. truck delivery).

c) Funding to Water Co-operatives

In those areas where the County does not provide direct water servicing to County residents, the County will provide financial support to water co-ops that are seeking to construct water lines throughout the rural areas of the County.

Funding of water co-ops will be based on available budget. Every effort will be made to make at least \$2.0 million available for advancement of treated water co-op initiatives on an annual basis.

Water co-ops are to identify areas within the County that are likely to fall within the annual budget and provide a plan detailing preliminary costs, # of hook ups, etc no less than 12 (twelve) months prior to wanting to begin construction.

All funding must be formalized through an agreement. Requirements for regular reporting to Council will be set out in such an agreement.

The agreement must include the following parameters:

- a) Within a given area or phase, the average per hook-up cost cannot exceed \$58,000 including the member contribution
- b) The Customer Contract must be approved by the County with respect to the type of use, cost responsibility for vacant lots and fee structures
- c) A minimum hook-up fee of \$10,000 is required
- d) An administration fee of no more than 1% of the construction costs will be permitted to cover indirect costs such as insurance, accounting fees, etc..
- e) That ownership of the lines will revert to the County upon completion of construction unless the warranty is not transferable.
- f) The criteria that water co-ops are to use to provide trickle versus pressure will be based the same criteria identified in Section B.2.B: Parameters-Potable Water-Rural Distribution Systems.
- g) New subdivisions shall be charged \$10,000 per lot plus all additional costs for upsizing of lines, and other costs.
- h) The \$10,000 hookup fee shall be reviewed annually by Council.

Areas that will be serviced through water co-ops can overlap with existing and/or future water service areas of the County.

Administration

1. Refer to the County Water bylaw for water rates and conditions of service.