

WATERWORKS CAPITAL INVESTMENT STRATEGY

On May 17, 2011, Council passed a resolution on a capital investment strategy.

(Describe the objectives of the waterworks capital investment strategy.)

The town's new Reverse Osmosis water treatment system is in the process of being commissioned. It is estimated that the total cost of the project will be \$370,600. Funding in the amount of \$196,290 was received under the Canada-Saskatchewan Infrastructure Stimulus Fund. A loan of \$110,000 and the balance of the cost will be covered from general municipal revenue.

The Water Infrastructure Fee that is being implemented will cover the debt re-payments on the water project.

During the process of applying for a Permit to Construct on the water project, the Ministry of Environment has required the Town of Norquay to provide a written statement regarding necessary lagoon upgrades. The Permit to Construct on the water treatment system would not be approved without such commitment from the Town of Norquay. At the September 22, 2010 Council meeting, resolution #103/10 was passed as follows:

1. A commitment from the Town of Norquay to upgrade the current lagoon to be compliant with Sask. Environment regulations within the next 3 years.
2. A timeline of the process as follows:
 - a. By December 31, 2010 – Hire consultant to provide a pre-design report indicating options.
 - b. By May 15, 2011 – Consultant to provide pre-design to Council.
 - c. By August 31, 2011 – Council to review options and funding.
 - d. Spring of 2012 – Tender Project.
 - e. Summer of 2013 – Construction to be complete.
3. Funding of the project will be reviewed:
 - a. Letter to Ministry of Municipal Affairs requesting additional Building Canada – Communities Component funding.
 - b. Research other funding opportunities between now and spring of 2012 when project to be tendered.
 - c. Review of sewer rates to be conducted by May 1, 2011.
 - d. Other funding sources to be reviewed by May 1, 2011.

The current water rate policy will allow substantial revenue to cover the operating and maintenance costs of the utility as well as provide some funding for reserves for future capital costs.

The objective of the waterworks capital investment strategy is to address anticipated waterworks infrastructure maintenance, and future infrastructure replacements in a timely fashion so as to ensure the municipal waterworks provides safe drinking water to residents and businesses.

The strategy will need to be re-addressed once the sewage lagoon upgrades required are determined.

This capital investment strategy will ensure that safe drinking water can be provided to the residents and businesses in the community in the present and future.