



REPORT

To: Rural Budgets Administration Committee

Report Number: ENV-RBAC-034

From: Daris Gillis, Environmental Services Manager

Date: November 25, 2021

Subject: Kelly Lake Sewer Condition Assessment & 2022 Capital Request

RECOMMENDATION #1:

That the Rural Budgets Administration Committee approve the supplementary request of \$135,000 payable from the Area D Community Works Gas Tax fund, to be issued to Function 606 – Kelly Lake Sewer, as outlined in the 2021 Kelly Lake Sewer Condition Assessment.

RECOMMENDATION #2:

That the Rural Budgets Administration Committee allocate \$20,000 from Area D Fair Share to be transferred into the capital reserve for Function 606 – Kelly Lake Sewer in the 2022 budget.

BACKGROUND/RATIONALE:

The Kelly Lake Sewer Collection system was constructed in 1995-1996 and consists of a lift station, a five stage settling lagoon, constructed wetland, and an outflow pipe to Steeprock Creek. The collection portion of system consists of 2.4 km of sanitary sewer pipe and associated manholes.

Aligning with the current Regional Board Strategic Plan, a condition assessment of the Kelly Lake Sewer Collection system was conducted in 2021 by Simo Management Inc. The scope of the assessment was to determine the current condition and remaining service life of the system, and to identify required system repairs along with associated costs. The Kelly Lake system is estimated to have at least 20 years of remaining service life with proper maintenance and repairs. The cost for total replacement of the collection system in 2021 dollars is \$2,997,528.

Table 1 highlights the areas within the system that will require immediate repairs in order to maintain proper functioning of the collection system. Cost estimates have been built with a 50% contingency.

Table 1. Cost of Repairs and Maintenance for 2022.

Repairs/Immediate Maintenance	Estimated Cost of Repairs/Replacement
Pipes	\$ 25,000
Manholes	\$ 35,000
Lagoons/Lift Station	\$ 65,000
Construction Oversight	\$ 10,000
Total:	\$135,000

A supplemental capital request form is attached for the Committee’s consideration.

ALTERNATIVE OPTIONS:

1. That the Rural Budgets Administration Committee provide further direction.

STRATEGIC PLAN RELEVANCE:

- Organizational Effectiveness
 - Develop a Corporate Asset Management Program

FINANCIAL CONSIDERATION(S):

The current parcel tax requisition for the Kelly Lake Sewer function is \$23,437. In order to cover the cost of replacement in 2041, staff are recommending an increase in parcel tax by 5% to allow for an annual incremental increase, which will eventually be able to allow the function to sustain itself.

As of October 31, 2021 the balance available after the remaining commitments in Electoral Area D are as follows:

- Peace River Agreement: \$592,594.35,
- Gas Tax Reserve fund: \$1,238,444.68, and
- Fair Share Reserve fund: \$1,854,311.67.

COMMUNICATIONS CONSIDERATION(S):

None at this time.

OTHER CONSIDERATION(S):

In order to allow for growth in this metis community, there are multi-family dwellings proposed for construction. It is recommended that a user fee bylaw be developed to allow for each dwelling to be billed individually for use of the sewer system.

Attachments:

1. 2021 Kelly Lake Sewer Condition Assessment
2. 2022 Kelly Lake Sewer Capital Request Form