

Beaver Mines Water and Wastewater On Property Work Frequently Asked Questions

Last Updated: Julyne, 2023

Background

The MD of Pincher Creek (MD) released proposed changes to Hamlet of Beaver Mines Property Owners November 2nd, 2022 regarding mandatory connections and private property work.

A discussion was held December 1, 2022 where residents voiced there concerns and asked questions regarding the proposed changes. The MD has received various questions before and after said meeting regarding the proposed changes. This document summarizes the frequently asked questions for the proposed path discussed with Hamlet of Beaver Mines Property Owners.

Update 2: July 18th, 2023

Pre-qualified contractors are available on the MD website. **Updates are shown highlighted and emboldened for convenience.**

Update 2: June 22nd, 2023

The Utility Service Guidelines were released publically May 30th, 2023. The pre-qualification process is now open to Contractor submissions.

Update 1: March 3rd, 2023

The first reading of the supporting Utility Bylaw 1344-22 passed 1st reading November 22, 2022. A public Hearing held January 10th, 2023. 2nd reading passed February 14th, 2023. 3rd and final reading of the bylaw passed February 28th, 2023

There has been some change in direction during the passing of the utility bylaw as a result of property owner feedback. This document has been updated to reflect those changes.

Table of Contents

Background.....	1
Update 2: July 18 th , 2023	1
Update 2: June 22 nd , 2023	1
Update 1: March 3 rd , 2023	1
Mandatory Connections.....	4
Q) What is Changing?.....	4
Q) Why will connections be mandatory?	4
Q) Why is connection required by January 1, 2028, or 4 years from accepting wastewater flow? .	4
Q) What if I wish to keep using my well for water and/or septic system for wastewater?	4
Private Property Work Responsibility of Owners	4
Q) What is Changing?.....	4
Q) What is the reasoning for the change?	4
Q) Why are property owners being informed now?.....	5
Q) What support will the MD be providing to ease the burden of this change?.....	5
Q) When can property owners connect to the system?	5
Q) What are the requirements to connect to the systems?	5
Q) Can I keep using my existing water well for non-household purposes?.....	6
Q) When do I need to decommission my existing well and/or septic tanks and who approves the plan?.....	6
Q) What if I do not have time or cannot afford to manage connection to the system?.....	6
Q) Can owners sign a liability clause to have the MD complete the work on their property and finance over 20 years?.....	7
Q) Can the MD create precedent and do something that has not been done before to offer financing?	7
Q) What is the estimated cost to hookup?	7
Q) Why does the MD believe equitable and cost effective work can not be done under a single contract ran by the MD?.....	7
Q) Can the MD provide more than 90 days (from date of connection allowance) to receive the incentive for free water meters?.....	7
Q) How much do Water Meters cost?.....	7
Q) Why will Ion Exchange water softeners need to be removed?.....	8
Q) Can owners do their own backhoe work?	8
Q) Do septic tanks need to be decommissioned and removed?	8
Q) Will the MD be offering property specific engineering or design assistance?	8
Q) Will the MD be covering permitting costs?	8
Q) Are there plenty of qualified location contractors?	8
General Project and Water Questions.....	8
Q) How much has the MD invested into the water projects and what could have been spent elsewhere?	8

Q) When will hydrants be active and can the MD provide a letter to residents for insurance purposes?	8
Q) What tree restoration will be done under the current contracts and when will this begin?	9
Q) Why can't the MD do what was done in Lundbreck?	9
Q) If there are groundwater problems will these be looked at before a private contractor is on site?	9
Q) Has the MD looked at other ways to assist residents with the cost?	9
Q) What would the average monthly cost be for resident's utility bills?	9
Q) Can the MD pay for the work with the grants received?.....	9
Q) Is the MD planning for alternatives if not enough people are hooked up right away?	10
Q) Is the MD planning alternatives if the appeal is successful or results in further delay? What guarantee is there?	10
Q) How many septic systems have failed in the Hamlet?	10
Q) What is the outcome or penalty if connections are not done?.....	10
Q) Why was the MD not aware of legal implications of using a single contractor on private property?.....	10
Q) When will the Utility Services Guidelines be ready?	10
Q) When will the list of pre-qualified contractors be ready?	10
Q) Can water be activated now or before the Wastewater system is active?	10

Mandatory Connections

Q) What is Changing?

The MD is proposing an updated utility bylaw to make connection to the water and wastewater system mandatory. The MD is proposing all developed properties within the Hamlet be connected by January 1, 2028, or 4 years from acceptance of wastewater flow, whichever is later.

Q) Why will connections be mandatory?

It is in the best interest of the public to make connection to the water system mandatory. The MD has received multiple letters from Alberta Health Services (AHS) regarding serious concerns about the drinking water quality within the Hamlet due to multiple failed private sewage systems. AHS has advised that water be treated to make it safe for human consumption and has indicated their support for installation of potable water and a wastewater system. The MD is required to provide service to a wastewater treatment system for Hamlets connected to new water distribution systems per the *Alberta Potable Water Regulation Section 5(3)*.

The MD has invested a significant amount of capital and resources towards this project and, per typical utility operation, must recover some of the ongoing operational costs through its usage.

Q) Why is connection required by January 1, 2028, or 4 years from accepting wastewater flow?

The MD understands that not all owners will have the immediate funds available to connect to the system as soon as it is online and that some owners may have scheduling conflicts and/or other needs that do not allow them to complete immediate upgrades. The intent is to give owners a reasonable amount of time to complete the upgrades and/or find financing as required. The MD heard concerns from some residents that the timeline was too short to obtain the required funds and will therefore intends to provide an additional year to connect.

Q) What if I wish to keep using my well for water and/or septic system for wastewater?

For household purposes, all owners in the Hamlet must connect to both the water and wastewater systems. Owners must use municipal water and wastewater systems. Owners must decommission/abandon existing septic systems.

There must be no potential for cross connection between existing wells and the municipal water system. The MD does not regulate abandonment of water wells, nor will the MD be ensuring compliance and enforcement of provincial and federal regulations related to them. The Utility Services Guidelines (USG's) provide owners with awareness of the governing provincial regulations and recommendations regarding existing wells.

Private Property Work Responsibility of Owners

Q) What is Changing?

The MD's utility bylaw requires owners be responsible to arrange construction for private property work to connect to the water and wastewater system. Owners will be responsible to pay contractors directly and ensure connection, permitting, and inspection requirements are met.

Q) What is the reasoning for the change?

In consultation with legal, we had to modify our plan in order to protect both the MD and property owners from an unacceptable level of risk. Some of the potential risk includes, but is not limited to:

- A lack of precedent on a municipality hiring a contractor to complete utility service connection work on private property, unless enforcement of a bylaw is required
- Section 264 of the *Municipal Government Act (MGA)* prohibits municipalities from lending money to individuals
- Damaging relationships in the event of disagreements on the quality/scope of construction or use of certain contractors

- No assurance that the MD can secure preferred pricing

Q) Why are property owners being informed now?

Until mid-2022, the MD was not aware of the legal implications of using a single contractor on private property. In order to support connection to the systems, and the change in service level the MD had to review and propose changes to the utility bylaw. This took time.

Property owners are encouraged to reach out to Administration or your Councillor on any further questions or concerns.

Q) What support will the MD be providing to ease the burden of this change?

Utility Services Guidelines have been developed to support owners and contractors on clarifying the exact requirements for connection to the water and wastewater systems. The USG's can be found on our website at <https://mdpincercreek.ab.ca/content.php?p=730>.

The pre-qualified contractors process is now open. **Contractors have been listed** whom have read and understood the guidelines and have the qualifications required to complete work on private property. Owners will be able to hire whom they choose to do the work (pre-qualification is not mandatory), with connection dependant on meeting permitting and inspection requirements.

Q) When can property owners connect to the system?

As construction progresses in 2023, we will provide updates on the progress of work. Connection to both water and wastewater systems will be allowed when the treatment system is able to take flows. Currently, this is anticipated in Autumn 2023. The MD will issue an exact date when it is ready to allow final connection to the systems. **Owners are not able to connect to the systems prior to this date.**

Depending on their existing installation, property owners will be able to arrange with contractors, at their discretion, to have private systems installed excluding final connections to the MD infrastructure prior to the date of connection issuance. Owners and contractors must avoid having any connection points that would allow existing water setups (wells, cisterns, etc.) to backflow to MD infrastructure. This includes, but is not limited to: swivel or changeover devices, removable sections, jumper connections, and bypass arrangements.

It is important to note that contractors and owners agree to indemnify and hold harmless the MD, MD's employees, and agents from any and all actions, claims, demands and costs whatsoever, arising directly or indirectly, out of any act or omission of the contractors or owners or their agents, with respect to carrying out work on private property prior to the date of connection allowance.

The utility bylaw waives the cost of supplying the meter for owners whom connect to the system within 9 months of the MD's allowed connection date.

Q) What are the requirements to connect to the systems?

The Utility Services Guidelines provide the full connection requirements. In summary, owners must:

- Meet the requirements of the National Plumbing Code (sizing, type of lines, backflow prevention, etc.)
- Ensure connections are applied for and permitted prior to construction and inspected prior to backfill
- Install an MD supplied water meter
- Remove all potential for cross connection; cisterns and wells must be fully disconnected and cross connection control devices must be installed if applicable
- Remove water softeners that exchange hard minerals such as calcium and magnesium for sodium (Ion exchange water softener)
- Have a plan to decommission/abandon existing septic tanks and fields

Q) Can I keep using my existing water well for non-household purposes?

The MD does not regulate abandonment/relicensing of water wells. The MD does not have any compliance and enforcement rights under the utility bylaw regarding abandonment/relicensing water wells. The guidance below is provided for owner's awareness based on provincial regulation.

Water well licensing and use is within the jurisdiction of Alberta Environment and Protected Areas (AEP). The Utility Service Guidelines (USG's) provide landowners with awareness of the AEP requirements around options for existing systems.

AEP states that under *Water Act Section 23(2)* and *Water (Ministerial) Regulation Section 8*, any owners whom currently have a water well to which a Household Right is claimed but are entitled to receive water through a pipeline for Municipal purposes, lose this right.

AEP states well owners shall therefore reclaim their well or relicense for another purpose. AEP has indicated that relicensing old wells is not typically successful as wells must meet today's standards. There are also costs to get things such as a pump test, well log, and water chemistry completed. AEP therefore encourages residents to decommission their well.

AEP can be contacted directly regarding specific wells:

- Regulatory Assurance Division Alberta Environment and Parks Southern Region
- Jeff Gutsell M.Sc., P.Geol. Hydrogeologist
- Jeff.Gutsell@gov.ab.ca
- Tel. 403-381-5301

The MD has been advised that there is likely no path for the MD to apply on behalf of well owners for mass/individual exemptions to the *Water Act* and the *Regulation* as these are considered private matters between landowners and the province.

Q) When do I need to decommission my existing well and/or septic tanks and who approves the plan?

The Utility Services Guidelines (USG's) provide guidance around decommissioning existing septic systems.

Decommissioning not be a prerequisite for municipal connection, but having a plan to decommission existing septic systems is. The MD does not have direct oversight over decommissioning existing wells and neither of these activities require upfront permitting.

AEP recommends wells be reclaimed as soon as reasonably practical. At time of publication of this FAQ, the MD is not aware of any legislative requirement regarding specific timeframes required for reclamation.

At no point during installation of private lines may there be cross-connection with existing water and wastewater sources (wells and septic tanks). Foregoing this requirement is a chargeable offense under the Utility Bylaw.

Q) What if I do not have time or cannot afford to manage connection to the system?

A list of pre-qualified contractors for owners can be found on our website at

<https://mdpincercreek.ab.ca/content.php?p=731>. We strongly encourage owners to use these resources.

Connection will be mandatory under the utility bylaw.

We will support residents wherever possible to ensure safe water is obtained by all owners within the Hamlet.

Q) Can owners sign a liability clause to have the MD complete the work on their property and finance over 20 years?

This is not an option. Due to reasoning mentioned above and MGA regulations, the MD cannot act as a bank and finance back over 20 years. Waiving liability via a signed document does not forego the MD of the requirement to follow MGA regulation.

Q) Can the MD create precedent and do something that has not been done before to offer financing?

No. The MD has considered multiple paths to offer financing on the project to residents for on-property work within the regulations of the MGA. Local improvement taxes, utility rate riders, and utility rate capital cost recovery, to name a few. All of these paths were deemed subject to unequitable/unfair cost recovery or novel.

The MD's legal consultation has led us to conclude that creating precedent by going with a novel solution is not an acceptable level of risk for all MD ratepayers including Beaver Mines.

Q) What is the estimated cost to hookup?

Connection costs will be highly property dependant. Connections will vary in distance and slope. Some owners may require or want drilled connections, need trees removed, have different logistical requirements with existing systems, have different restoration requirements, etc.

Rough estimate would be \$5,000-\$10,000 per our engineering company for a basic installation. However, variability of properties and decommissioning requirements could result in costs exceeding this estimate.

Q) Why does the MD believe equitable and cost effective work can not be done under a single contract ran by the MD?

We looked at multiple ways to structure a Tender to provide cost effective work. Options considered included having all work Tendered under a lump-sum and setting up a Tender on a unit pricing basis for those whom are connected to the system, with set unit pricing for each cost option, such as tree removal, trenched vs. drilled connection, paving restoration, landscaping rehabilitation, etc. Other options were also considered.

The lump-sum option was deemed to be unfair to residents with shorter and simpler connections, as there is not a fair way to split costs among residents. It also created risk for excess additional costs in the event that landowners wanted more work done than what could be provided under an agreed to contractual price, and change orders needed to be made post contract award.

The unit-price option was also deemed to create risk for property owners as (among other reasons) the variability between properties would need to be priced into the initial Tender by a contractor, and based on consultations with contractors, this would negate and potentially result in pricing higher than if landowners managed the contract on one-off basis.

Q) Can the MD provide more than 90 days (from date of connection allowance) to receive the incentive for free water meters?

The MD has considered this request and will now provide the free water meter incentive for 9 months from date of connection allowance. The intent is to help get the system operational, the waste system is more cost effective to operate if more residents are hooked up in a tight time period.

This will make commissioning more cost effective, enabling the MD to keep rates lower over the long term.

Q) How much do Water Meters cost?

The charge under the Utility Bylaw is actual cost incurred by the MD + 5%. Current net pricing for the required water meters in 2023 is anticipated to be \$720 for standard sizing.

Owners must purchase and install the MD supplied water meters. They are remote-read water meters and will need to be installed with anti-tamper protection.

Q) Why will Ion Exchange water softeners need to be removed?

Ion Exchange Water Softeners are any water treatment device that exchanges the naturally-occurring minerals in water with salt or any other chemical in the process called ion exchange. These types of water softeners produce sodium based waste (salt water in high concentration). This is not an acceptable household wastewater product.

Q) Can owners do their own backhoe work?

Residents can do their own work as long as the requirements of the Utility Bylaw and associated Utility Service Guidelines (USG's) are met from a permitting, construction, and inspection standpoint. Work such as plumbing indoors will require plumbers to take responsibility for permitting, construction, and inspection.

Q) Do septic tanks need to be decommissioned and removed?

The Utility Services Guidelines (USG's) provide full details around decommissioning requirements.

In short, septic tanks do not need to be extracted, although this is an option. It is not a code requirement to remove them. Residents may abandon in place by removing solids from the tank, flushing it, rupturing the bottom, and filling with a suitable fill material. Utility Services Guidelines provide more detail around this and timeline requirements for decommissioning.

At no time can there be cross connection between water and wastewater systems when municipal connections are made.

Q) Will the MD be offering property specific engineering or design assistance?

We encourage owners to reach out to contractors.

Q) Will the MD be covering permitting costs?

All on-property work shall be paid for by landowners, including permitting costs.

Q) Are there plenty of qualified location contractors?

The MD has planned a pre-qualification process for landowners whom do not have the resources or relationships with contractors in the area. Yes, there are contractors in the area whom are qualified to do the work. A list of pre-qualified contractors can be found here: <https://mdpincercreek.ab.ca/content.php?p=731>

General Project and Water Questions

Q) How much has the MD invested into the water projects and what could have been spent elsewhere?

The Beaver Mines Water and Wastewater Projects currently have total combined budgets of \$14.1 Million. \$10.5 Million consists of water project specific federal and provincial grants. These grants could have been applied for elsewhere in the MD.

\$3.4 Million consists of MD allocated provincial grant funds which can be used for any capital project in the MD. An additional \$200,000 has been funded from MD reserves.

Q) When will hydrants be active and can the MD provide a letter to residents for insurance purposes?

The final hydrant installation and critical connection required for fire flow was completed in early January, 2023. The MD began valve testing for this portion of the water system when weather allowed in mid February. Deficiencies were noted and work is underway to resolve so MD handover can occur. **The MD will then work**

with Pincher Creek Emergency Services (PCES) have completed testing on the hydrant system and are currently updating the Fire Underwriters Survey to arrange testing on hydrants when weather allows.

PCES is also updating the fire underwriter's survey. Once both of these items have been this has been completed, the MD will issue a letter to property owners.

PCES has indicated that in the event of an emergency, the hydrants with water to them could be used.

Q) What tree restoration will be done under the current contracts and when will this begin?

BYZ's contract does not include any tree restoration for off-property work. BYZ has until the end of June to complete project restoration.

Engagement with BMCA has begun on some joint-funded trail work between 4th and 5th St. outside the scope of current projects.

Q) Why can't the MD do what was done in Lundbreck?

Lundbreck has had water and wastewater service pre-dating the Cowley to Castle Water line expansion. The infrastructure upgrades done in Lundbreck were different than what has been completed in Beaver Mines.

Water meters were installed as part of the upgrade, but the majority of on-property connections existed prior to the MD completing upgrades about 10 years ago.

Q) If there are groundwater problems will these be looked at before a private contractor is on site?

Groundwater is prevalent throughout Beaver Mines. Ground has been disturbed, so likely to see a bit more coming to surface right now. Contractors can perform dig tests to assess ground conditions. Contractors should be prepared to expect high groundwater. No additional assessment will be completed by the MD prior to private contractor work.

Q) Has the MD looked at other ways to assist residents with the cost?

The MD has considered multiple paths to offer financing on the project to residents for on-property work within the regulations of the MGA. Local improvement taxes, utility rate riders, and utility rate capital cost recovery, to name a few. All of these paths were found to be either unlawful at this stage of the project, deemed subject to unequitable/unfair cost recovery, or novel and subject to challenge.

The MD's legal consultation has led us to conclude that creating precedent by going with a novel solution is not an acceptable level of risk for all MD ratepayers including Beaver Mines.

We encourage residents to reach out to their local finance institution if payment over time is desired.

Q) What would the average monthly cost be for resident's utility bills?

At current Utility Bylaw rates, estimating an average user would pay \$25-\$35/month.

Current rates are: \$20 water and \$12 sewer base rate every 2 months, \$1.15/m³ consumption for water.

The base rates are transferred into reserves for future capital replacement, the consumption fees are meant to offset some of the costs of delivering that service. The cost of delivering the service could be MD time, minor (non-capital) repairs and maintenance, power, etc.

Q) Can the MD pay for the work with the grants received?

No. Private property work is not an eligible grant cost under any of the received grants.

Q) Is the MD planning for alternatives if not enough people are hooked up right away?

Yes, we are planning for alternatives so the people whom do hookup right away have minimal service interruption.

Q) Is the MD planning alternatives if the appeal is successful or results in further delay? What guarantee is there?

The MD is looking at alternate short term options. However, there is no guarantee related to these options yet.

The bylaw does not have provisions to charge additional costs for hauling or other temporary wastewater solutions.

Q) How many septic systems have failed in the Hamlet?

We are aware of at least 2 resulting in potential groundwater contamination through discussion with AHS.

Q) What is the outcome or penalty if connections are not done?

The fine in the bylaw is \$500 per system, followed by an increase to \$1,000 per system if refusal continues. The MD will also have the ability at this point to go onto properties to enforce connection, albeit, not a desirable outcome for either party.

Q) Why was the MD not aware of legal implications of using a single contractor on private property?

The legal precedent related to making connections mandatory changed after the MD's initial plan was released to residents.

The MD was aware there were risks with the initial plan. However, development of the Tender combined with the legal opinions received while working through an update of the bylaw and the changes in legal precedent defined the risks. This new Council and Administration concluded that a change in path was necessary after months of consultation and regrets the previous contrasting communication to residents.

Q) When will the Utility Services Guidelines be ready?

The MD has released the USG's, they can be found on the website at <https://mdpinchercreek.ab.ca/content.php?p=730>.

Q) When will the list of pre-qualified contractors be ready?

The pre-qualification process is now open to contractor submissions **and can be found on the website.**

Q) Can water be activated now or before the Wastewater system is active?

No. We cannot activate water distribution systems without providing connection to an approved wastewater system.