

Beaver Mines Water and Wastewater On Property Work Frequently Asked Questions

Last Updated: December, 2022

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 their 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.

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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, 2027, or 3 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 Jan 1, 2027, or 3 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.

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

This is not an option. Owners in the Hamlet must connect to both the water and wastewater systems.

Private Property Work Responsibility of Owners

Q) What is Changing?

The MD's proposed utility bylaw will require 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 recently, 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 attend or submit written responses to the public hearing and 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 Service Guidelines are under development to support owners and contractors on clarifying the exact requirements for connection to the water and wastewater systems.

We intend to develop a list of pre-authorized contractors 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, 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.

The proposed utility bylaw waives the cost of supplying the meter for owners whom connect to the system within 90 days of the MD's allowed connection date.

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

The Utility Service Guidelines will 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 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 where applicable
- Remove water softeners that exchange hard minerals such as calcium and magnesium for sodium (Ion exchange water softener)
- Have a plan to decommission/plug existing well (or relicense), and decommission/abandon existing septic tanks and fields

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

Water well licensing and use is within the jurisdiction of Alberta Environment and Parks (AEP). The Utility Service Guidelines (USG's) will provide guidelines for full requirements around options for existing systems.

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.

Well owners must either reclaim their well or relicense for another purpose through AEP. Discussions with AEP have 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. The MD therefore strongly 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

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

The Utility Service Guidelines (USG's) will provide guidance around decommissioning existing systems. Decommissioning will not be a pre-requisite for municipal connection, but having a plan will be. The MD does not have direct oversight over decommissioning existing wells and septic systems and neither of these activities require upfront permitting.

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?

We will be providing a list of pre-authorized contractors for owners. We strongly encourage owners to use these resources. Connection will be mandatory under the proposed 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 some 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 intent for the 90 days 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 proposed 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. We are still working on some of the details in relation to permitting, but work such as plumbing will require plumbers to take responsibility for permitting, construction, and inspection.

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

The associated Utility Service Guidelines (USG's) will provide full details around decommissioning requirements.

In short, septic tanks will 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 Service Guidelines will 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 once the pre-qualification process is complete.

Owners can reach out to the MD office for the time being regarding specific property concerns.

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 is planning 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.

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?

As of December 7th, one (1) additional hydrant needs to be installed along with an additional connection in order to have all hydrants in the area have flow from two directions, which allows them to meet “fire flow” requirements.

Pincher Creek Emergency Services (PCES) will then perform testing on the hydrants when there is a suitable weather window allowing testing. PCES is also updating the fire underwriter’s survey. Once both of these items have 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. However, the fire underwriters’ survey cannot be updated until the last connections are made and sufficient flow from two (2) directions can be maintained for all hydrants.

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.

We plan to engage with BMCA in early 2023 on some joint-funded trail work 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.

At this time, 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 current initial fine proposed 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 Service Guidelines be ready?

The goal is to have these guidelines issued soon after the bylaw fully passes and goes into effect. These documents are intertwined and subject to change based on resident feedback. We are doing our best to get these done within a reasonable timeframe for residents to organize connection where desired in 2023.

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

We are still early in the stages of planning for this. The plan would be for the pre-qualification process to shortly follow the issuance of the Utility Service Guidelines.

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

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