



Regional Water Line Project Update

December 2024



PROJECT PHASES

Phase One

Study

Phase Two

Engineering

Phase Three

Construction

Phase One Study

In 2019, the Summer Village of Island Lake approached the Aspen Regional Water Services Commission regarding water supply to the Summer Village. The intent was to provide a truck fill located near the Summer Village of Island Lake (SVIL) and in proximity to Highway 2.

Alberta Transportation awarded the Summer Village of Island Lake a grant under the Alberta Municipal Water and Wastewater Partnership Program to study the cost and physical feasibility of supplying water to the region.

The study's primary objective was to determine the feasibility of water supply to the municipalities around Island Lake and Baptiste Lake through local water treatment or piped supply from the Commission in the Town of Athabasca.

A steering committee was formed in July of 2023 to lead the study and included participants from the following:

- Summer Village of Island Lake
- Summer Village of Island Lake South
- Summer Village of South Baptiste
- Summer Village of West Baptiste
- Summer Village of Whispering Hills
- Athabasca County
- Town of Athabasca
- Aspen Regional Water Services Commission.

The study concluded the following:

- Groundwater wells in the area cannot supply the projected average or peak day demands.
- The Commission's Water Treatment Plant, located on the east side of the Town of Athabasca, has adequate capacity to supply the municipalities around Island Lake and Baptiste Lake.
- Water supply to the region is most feasible through a piped system from the commission.
- The probable cost for the project is approximately 16.6 million dollars.

The project is eligible for funding under the Water for Life Program

In November 2023, Athabasca County applied for funding to complete the engineering and construction of the project through the Province's Water for Life Grant for the design and construction of a waterline to the region with a total estimated capital cost of 16.6 million dollars.

In June 2024, the Province of Alberta approved Athabasca County funding for the project's design and construction, totalling \$15,759,000 for the design (\$819,000) and construction (\$14,940,000) of the water line and fill stations. This represents 90% of expected costs, and the municipalities must pay the remainder.

This was an excellent and exciting milestone for the project, and this collaborative project will benefit the communities for many years to come. The regional water line will provide a safe, secure water source for the growing needs of residential and industrial areas, increase road safety, reduce GHG emissions, and reduce water hauling costs.

Phase Two Engineering

The County has issued a contract to Associated Engineering to conduct the Pre-Design phase of the project, with the strict understanding that any future engineering phases (Detailed Design, Construction Supervision, etc.) may or likely will require a competitive RFP or tender process.

The original concept was to have a fill station at both Baptist and the Summer Village of Island Lake.

The engineering phase of the project is currently underway. With a budget of \$910,000.00, the province has funded \$819,000, and the municipalities have funded \$91,000.00. Preliminary estimates put the engineering Design to be approximately one year from completion.

The following table outlines the funding allocations for engineering based on the 2022 equalized assessment numbers.

Municipality	Percentage	Funding Share
Island Lake	25.035	22,781.85
Island Lake South	5.867	5,339.22
Sunset Beach	7.848	7,141.37
South Baptiste	4.593	4,179.78
Whispering Hills	10.717	9,752.18
West Baptiste	8.490	7,726.03
Athabasca County	36.891	33,570.83

Island Lake agreed to the original funding estimate of \$23,290.59 for the design. The Provincial Local Government Fiscal Framework Grant was approved to fund this portion of the project.

Phase Three Construction

The province has provided 90% of the funding of \$14,940,000 for the project's construction and the municipalities would be required to fund the remaining 10%. Preliminary estimates put the construction schedule to be approximately two years after the design is completed.

Construction funding allocations are based on the 2022 equalized assessment numbers and are laid out in the following table.

Municipality	Percentage	Funding Share
Island Lake	25.035	415,581.00
Island Lake South	5.867	97,396.78
Sunset Beach	7.848	130,271.11
South Baptiste	4.593	76,246.49
Whispering Hills	10.717	177,896.87
West Baptiste	8.490	140,936.43
Athabasca County	36.891	612,390.93

Island Lake aims to use as much available funding from the Local Government Fiscal Framework as possible to fund the Villag's portion of the project. The SVIL funding share would be \$415,581.00.

As the project will go beyond our available grant allocations for the next 3 years, the Summer Village is reviewing multiple solutions to fund this amount. We have also confirmed we are able to apply funds spent to future grants up to 7 years after construction. This would allow us to ensure we can get the funding through grants, but we would be challenged by available surplus cash. The County has offered some solutions to help us manage cash flow, and we are still reviewing other possible solutions.

The SVIL has made no commitment to proceed to Phase Three Construction at this time.

The Summer Village of Island Lake plans to provide further updates as the project progresses and more information becomes available. If you have any questions, concerns, or words of encouragement, please contact the Council or Administration.