

Joint Lagoon Meeting

16th March 2021 @ 6.30pm ZOOM only

I call this meeting to discuss and hopefully decide any advantages to continue to delay the transmission line or to finalize a decision. The County is getting annoyed enough to start to mention us as the summer villages that are holding up projects in public meetings.

We have several options in front of us

- 1 **We are involved** with transmission line, which will place additional costs on our residences/residents, and leave us with a lagoon that will still need work and repairs;
- 2 **We are Not involved** with transmission line and we continue to truck to Onoway (lagoon fees \$57,750.00 for 2021 and \$68,250.00 for 2022). We would still need to do minimum repairs to lagoon @ \$260,000.00 approx.
- 3 **We are Not involved** with transmission line and continue with engineering to expand lagoon with 4th cell & discontinue using Onoway lagoon. Build cost = \$2,550,000.00. First grant applications made Nov. 2020 for approx. \$1,500,00.00 from both villages.

Trucking

A discussion with Standstone on March 5: indicates that by using the use of transferring to an offsite trailer unit has allowed them to keep tucking costs down at present. Taking to a Receiving station at transmission line would not bring these costs down to any extent. Cost to truck to our lagoon, would need to be reviewed, there may be slight increase due to time involved, but likely this would be offset by the potential of a lower lagoon fee as compared to Onoway or County lagoons . No transfer trailers would be involved.

Grants

The need for grants is recognized, but do they effect a decision on being involved with the transmission line at this time? The very worst case scenario, as I see it, is that there are No grants, we continue to truck to Onoway and pay their lagoon fees, (something that are residences are now used to, and increases are manageable.) And that we repair our lagoon to a minimal level, which could be used if Onoway is closed for repair/maintenance for a limited time.

Even without grants we can do the minimal repairs required for our lagoon to meet original standards and use only on a temporary basis. If we find that we can get Grants then we can decide which options are best, in regards to further expansion and use of our lagoon facility.

O&M costs

You have received the latest costs in the report from Joe duPlessis. I had a discussion with Joe a week prior to this report. He was able to explain some of these costs but I find the latest report still lacking in some respects. The figures for Administrative, Insurance, and audit fees are based on the costs that the Darwell Commission presently pays for running north 43 lagoon and some of their lateral lines. I can accept power and utilities @ \$12,000.00. Contract O&M still seems low to me, as well as minor repairs. Missing are legal, a bi yearly de-sludge, and a yearly line flush (discussion with Joe indicated that at start up volumes the line would be flushed once a year). Personally I would peg contracted O&M @ \$10,000.00, maintenance and repair including 2 de-sludging(s) @ \$2,500.00, legal @ \$1500.00 and a yearly line flush @ \$2000.00, upping the yearly cost from \$118,000.00 to \$125,500 or \$8.96 per m3 (includes lagoon fee @ \$6.50 m3. If you take out lagoon fee it is an additional **\$2.46** m3 just to dump into the line. Again, there is no comparable transmission line from which we can get more accurate costs.

Capital Reserves

In my discussion with Joe, he indicated that the capital reserve fund could be brought in gradually over a couple of years, starting at about 50% of the \$85,522.00 the first year. It would appear that the county might look at this as totally a user fee issue. As the county brings small subdivisions onto the line, those subdivisions would have a form of metering, in which the volume entering the line would adjust the capital reserve cost over the total volume down the line. However, at present the county is only getting about 1/3 hookup to their existing lateral line systems so it is problematic as to how much this would actually affect the overall per meter cost. If the total \$85,522 is put as a user fee it is an additional **\$6.11** per m3, bringing the total cost of using the transmission line to **\$8.57** m3 or \$38.90 for a 1000-gal tank. Plus existing lagoon fees.

Future

In my discussion with Joe I asked, since the whole transmission line project is around \$120,000,000.00 would it not be feasible that Phase A could be brought back in at a future date, when it might be more reasonable a situation for our 2 villages. The answer was Yes although the cost to build may be higher.

Finally: if there is a general consensus that the public does not wish to see any increases in their taxes, or cost of household operations, we should consider the cost of the bad relations with the county, that prolonging our decision will incur.

(I refer to help in getting the release of excess water on county lands that should be coming to our lake as one issue.)

I thank the members for their time in considering this matter and hope to see you all at the upcoming meeting.

Sincerely,

Chair Michael Harney