

**THE CORPORATION OF THE MUNICIPALITY OF MCDOUGALL
MINUTES OF A SPECIAL MEETING OF COUNCIL
HELD ON TUESDAY MARCH 14, 2006
Re: NOBEL WATER PROJECT COST REVIEW**

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PRESENT

Council : Mayor Dale Robinson, Councillors Jeff Gilchrist, Kim Dixon, Joe Johnson, and Dean Adams

Staff : Garfield Eaton,

Consultants , Abacus Engineering ,John Thompson, President

1) Call of Meeting to Order

Resolution 2006/47

Johnson/Adams

THAT this Special meeting of Council be called to order at 7 p.m. and

THAT notice of this meeting is hereby waived and that the meeting be declared regularly constituted. **“Carried”**

2) Declarations of Interest

None were declared.

3) Deputations

Mayor Robinson welcomed our consultants John Thompson who is present tonight to provide an update on the Nobel water system tender and costs .

John Thompson first presented a cost estimate for the water main extension along Municipal Drive to connect the public works and fire hall facilities to the system. This estimate is based on the tender costs and will require the contractor RFQ to confirm, assumptions are noted at the bottom of the calculation.

John Thompson then presented a two page report entitled Interconnecting Watermain Project Cost Contributions dated March 13th, 2006 . This report contained numerous calculations relating to system service capacity, service design, total funded project cost , cost of extras and the allocation of cost to different users ie. existing, potential and maximum. The report also calculated the cost to service after the project was done . For

example the cost of extras for hydrants and t-connections would be \$239,000 during the project construction but if not done until later the cost would escalate to \$956,000. An additional calculation highlighted the fact that if the project was properly funded we would be receiving \$5,274,000 from OSTAR and NOHFC versus the currently approved amount of \$3,561,000 for a shortfall of \$1,713,000.

4) General Discussion and Direction on Nobel Water project

This report was reviewed in detail and Council is extremely concerned with the unit cost of the project and the fact that it is being unfunded. Council must proceed as they are under Provincial Ministry of the Environment Orders. Council directed John Thompson to prepare a series of calculations to determine the Frontage, Connection and Service Charges to fund the project over 15 to 20 years.

John Thompson requested that in order to protect our tender pricing we need to move forward with a contractor pre-construction meeting and we require direction relating to cost of additional items and extension of service on Municipal Drive.

Resolution 2006/48 was moved by Councillor K. Dixon, seconded by Councillor J. Gilchrist

THAT Abacus Engineering is approved to include in the Nobel water project contract the following extras that are not part of the funded project:

- 1) Water main extension along Municipal Drive to connect the Public Works and Firehall facilities and future connections.
 - 2) Additional items along the transmission line route to provide fire protection and future service connections.
- “ Carried”**

5) General Items and New Business

Nil

6) Closed Session

Nil

7) Ratification of Matters from Closed Session

Nil

8) Adjournment

Resolution 2006/49

Adams/Johnson

THAT this special meeting of Council be adjourned at 8:42 p.m.

“Carried”

Mayor, Dale Robinson

Clerk ,Garfield Eaton