

CAPITAL PROFILE REPORT

PROFILE NAME: **RIVER FOR LIFE**
 PROFILE: **CM-23-9640**
 DEPARTMENT: **Financial Services & Utilities - Utilities**
 BRANCH: **Sanitary Utility**
 PROGRAM:
 LEAD BRANCH:
 BUDGET CYCLE: **2015-2018**

FUNDED

PROFILE STAGE: **Post Budget Approval**
 PROFILE TYPE: **Composite**
 PROFILE MANAGER: **Chris Ward**
 LEAD BRANCH MANAGER:
 ESTIMATED START: **January, 2017**
 ESTIMATED COMPLETION: **December, 2018**

Service Category: Utilities**Major Initiative:****GROWTH****50****RENEWAL****50****PREVIOUSLY APPROVED:****2,746****BUDGET REQUEST:****-1,200****TOTAL PROFILE BUDGET:****1,546**

PROFILE DESCRIPTION

This strategy will lay the groundwork for water quality improvement projects on the 30-year horizon. Led by Drainage Services, a strategic framework was created followed by implementation plans. The implementation plans includes four processes and five programs that lay the groundwork for how River for Life will be implemented after the strategy is completed. In 2014, an adaptive management process, triple bottom line process, and funding strategy will be developed in order to ensure that the strategy is sustainable in the long term. Projects that may develop out of this strategy include grey infrastructure and green infrastructure as well as upgrades to the Gold Bar wastewater treatment plant. City operations may also be analyzed for any possible water quality improvement. Partnerships with other organizations that share the same goals as River for Life strategy will also be developed and reinforced to broaden the target audience.

PROFILE BACKGROUND

River for Life is the City's 30-year water quality strategy to reduce pollutant discharge in the wastewater, stormwater and combined sewer systems. A focus of the last approval to operate issued by Alberta Environment and Sustainable Resource Development was on long term pollution reduction strategies. The next operating approval will be issued in 2015. As with the last approval, pollutant loading and continuous improvement will be a theme throughout. As we are transitioning to a maximum allowable load (MAL) regulatory regime, the City can be expected to move forward on a 'maintain or improve' philosophy as it relates to our discharges. If work does not proceed on the River for Life strategy, and no improvements made, we could expect more pressure from the regulator to improve on our discharges when the MAL regulations come out, there will be a larger gap to close between where the City will be and where the City has to go.

PROFILE JUSTIFICATION

River for Life is the City's 30-year water quality strategy to reduce pollutant discharge in the wastewater, stormwater and combined sewer systems, pollutant loading and continuous improvement will be a theme throughout. As we are transitioning to a maximum allowable load (MAL) regulatory regime, the City can be expected to move forward on a 'maintain or improve' philosophy as it relates to discharges. If work does not proceed on the River for Life strategy, and no improvements made, we could expect pressure from the regulator to improve on our discharges when the MAL regulation come out. River for Life is also a strategy that demonstrates the City of Edmonton is an environmental leader when it comes to one of our City's greatest resources, the North Saskatchewan River. Long term measures that will show the results of projects built include our volume of CSO discharged as well as the contaminant loading to the river.

STRATEGIC ALIGNMENT

The River for Life strategy is an implementation plan under The Way We Green and maintains that Edmonton is an environmental leader on the world stage.

ALTERNATIVES CONSIDERED

This project covers all of the water quality improvement projects. By covering the entire spectrum of projects, the only alternative to this profile will be the do nothing alternative. With regulatory requirements, this will not be an option.

COST BENEFITS

The goal of the River for Life strategy will be to reduce the impact from discharges in to the North Saskatchewan River. The river is a very important natural resource for the City, Province, and Country. Projects that will be identified through the strategy will have the potential to positively impact a number of other city strategies.

KEY RISKS & MITIGATING STRATEGY

Cost will be a risk with water quality improvement programs and projects. Mitigating factors would be to get the projects in the budget early and to educate decision makers on the strategy.

RESOURCES

Construction work will most likely be conducted by contractors. There will be an ongoing project management role by Drainage Planning to track project status as well as to track the success of the projects in the context of the strategy.

CONCLUSIONS AND RECOMMENDATIONS

Projects that will be identified have the potential to positively impact a number of other city strategies. Green infrastructure can help provide habitat and increase biodiversity as well as reduce the heat island effect caused by cities.

CHANGES TO APPROVED PROFILE

2016 Fall SCBA (CA#40): (2.2) There is a scope reduction in the preliminary work in this budget cycle, and a delay to 2019 which has resulted from stakeholder interactions being more intensive than originally anticipated.

2016 Fall SCBA (CA#40): (2.6) Transfer From CM-31-9640 River for Life to CM-23-9640 River for Life; in order to combine Storm to Sanitary to become one Business Area.

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PROFILE NUMBER: **CM-23-9640**

BRANCH: **Sanitary Utility**

FUNDED

PROFILE TYPE: **Composite**

CAPITAL BUDGET AND FUNDING SOURCES (000's)

| | Prior Years | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Beyond 2025 | Total |
|-----------------|----------------------------------|------|-------|-------|------|------|------|------|------|------|-------------|-------|
| APPROVED BUDGET | Approved Budget | | | | | | | | | | | |
| | Original Budget Approved | - | 87 | 141 | - | - | - | - | - | - | - | 228 |
| | 2016 Cap Council | - | 1,013 | 1,504 | - | - | - | - | - | - | - | 2,517 |
| | Current Approved Budget | - | 1,101 | 1,645 | - | - | - | - | - | - | - | 2,746 |
| | Approved Funding Sources | | | | | | | | | | | |
| | Drainage Retained Earnings | - | 440 | 658 | - | - | - | - | - | - | - | 1,098 |
| | Self-Liquid. Debent.-Sanitary | - | 660 | 987 | - | - | - | - | - | - | - | 1,647 |
| | Current Approved Funding Sources | - | 1,101 | 1,645 | - | - | - | - | - | - | - | 2,746 |

| | | | | | | | | | | | | |
|----------------|---------------------------------------|---|------|------|---|---|---|---|---|---|---|--------|
| BUDGET REQUEST | Budget Request | - | -289 | -911 | - | - | - | - | - | - | - | -1,200 |
| | Revised Funding Sources (if approved) | | | | | | | | | | | |
| | Drainage Retained Earnings | - | -116 | -364 | - | - | - | - | - | - | - | -480 |
| | Self-Liquid. Debent.-Sanitary | - | -173 | -547 | - | - | - | - | - | - | - | -720 |
| | Requested Funding Source | - | -289 | -911 | - | - | - | - | - | - | - | -1,200 |

| | | | | | | | | | | | | |
|------------------------------|-------------------------------|---|-----|-----|---|---|---|---|---|---|---|-------|
| REVISED BUDGET (IF APPROVED) | Revised Budget (if Approved) | - | 812 | 734 | - | - | - | - | - | - | - | 1,546 |
| | Requested Funding Source | | | | | | | | | | | |
| | Drainage Retained Earnings | - | 325 | 294 | - | - | - | - | - | - | - | 618 |
| | Self-Liquid. Debent.-Sanitary | - | 487 | 440 | - | - | - | - | - | - | - | 927 |
| | Requested Funding Source | - | 812 | 734 | - | - | - | - | - | - | - | 1,546 |

CAPITAL BUDGET BY ACTIVITY TYPE (000's)

| | Activity Type | Prior Years | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Beyond 2025 | Total |
|------------------------------|---------------|-------------|------|------|------|------|------|------|------|------|------|-------------|-------|
| REVISED BUDGET (IF APPROVED) | Construction | - | 671 | 548 | - | - | - | - | - | - | - | - | 1,219 |
| | Design | - | 141 | 186 | - | - | - | - | - | - | - | - | 327 |
| | Total | - | 812 | 734 | - | - | - | - | - | - | - | - | 1,546 |

OPERATING IMPACT OF CAPITAL

Type of Impact:

| Branch: | Rev | Exp | Net | FTE | Rev | Exp | Net | FTE | Rev | Exp | Net | FTE | Rev | Exp | Net | FTE |
|------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Total Operating Impact | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |