



RURAL WATER SERVICING TO LAKEVIEW & MILO ESTATES

LOCAL IMPROVEMENT PLAN

Approved: September 23, 2026

Local Improvement Plan prepared in accordance with Municipal Government Act, Part 10, Division 7 (Local Improvement Tax). The proposal of the local improvement is a result from the petitions of:

- Lakeview Properties Homeowners Association (LPHA) – Plan 413688
- Homeowners of Milo Estates – Plan 9612524 and Lot 2310322-2-21

1) **Description of the Proposed Local Improvement and its location**

The McGregor Regional Water System is currently being developed to construct a Regional Water Treatment Plant within the Village of Milo with waterlines extending out to also service the Village of Arrowwood and the hamlet of Mossleigh. This Regional Water System project is being funded by the Water for Life grant funding and through municipal contributions.

This Regional Water System also allows the potential for additional rural water servicing as the Regional Water Treatment Plant will have the capacity to produce sufficient water to service these distribution systems; however, these additional connections to the regional system are in-eligible costs for the Regional Water System funding.

In accordance with the Municipal Government Act (MGA), Section 392 & 393(2), Vulcan County (the “County”) received multiple Petitions Requesting Construction of a Local Improvement - to formally request the County for the installation of potable water services to the property line of each lot:

- **Lakeview Estates (LE)** – petition received from a representative of the “Lakeview Properties Homeowners Association (LPHA) - (Plan 413688)” on December 3, 2025
 - The petition noted that they followed a structured and transparent process to bring this request forward.
 - Of the 16 properties, they received 15 signatures (93.75% approval) – **exceeds the 2/3 requirement per MGA 392(2)(a)**
- **Milo Estates (ME)** – petition received from a representative of the “Homeowners of Milo Estates (Plan 9612524 and Lot 2310322 2 21)” on April 6, 2026
 - The petition noted efforts have been made to contact all property owners within the affected area. Including an initial information letter outlining the proposed water line project were sent to all property owners via email, subsequent follow-up meetings were held with residents to discuss the proposal.
 - Of the 19 properties, they received 14 signatures (73.68% approval) – **exceeds the 2/3 requirement per MGA 392(2)(a)**

In accordance with MGA, Section 394, as a local improvement was proposed, the County shall prepare a local improvement plan; in which, the County engaged MPE Engineering to initially design the feasibility of the rural water servicing to Milo/Lakeview Estates, with proposed cost estimated and proposed waterline locations. *See Appendix A for MPE’s Northeast Side Lake McGregor Rural Water Servicing Feasibility – Option 1.*

On July 23, 2026, Vulcan County also hosted a Rural Water Servicing Open House to go over the proposed local improvement and to get feedback from the community. The Local Improvement includes the installation of potable water services to the property line of each lot; therefore, the connection/installation to the waterline (including use of Rural Water Emitter), would be at the responsibility and cost of the landowners, should they choose to connect to the water systems.

2) Parcels of Land included in the Local Improvement Plan

The following is a listing of the parcels of land included within the Local Improvement Plan, including those parcels/tax roll accounts that the local improvement tax will be imposed:

Ref.	Sub-division	Location	Plan – Block – Lot	Tax Roll *
1	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -1	311210017
2	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -2	311210025
3	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -3	311210033
4	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -4	311210041
5	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -5	311210058
6	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -6	311210066
7	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -7	311210074
8	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -8	311210082
9	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -9	311210090
10	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -10	311210108
11	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -11	311210116
12	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -12	311210124
13	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -13	311210132
14	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -14	311210140
15	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -15	311210157
16	Lakeview Estates	SE-36-18-22-4 PT	0413688 -1 -16	311210165
17	Milo Estates	N-25-18-22-4 PT	9612524 - -2	310800206
18	Milo Estates	N-25-18-22-4 PT	9612524 - -3	310800305
19	Milo Estates	N-25-18-22-4 PT	9612524 - -4	310800404
20	Milo Estates	N-25-18-22-4 PT	9612524 - -5	310800503
21	Milo Estates	N-25-18-22-4 PT	9612524 - -6	310800602
22	Milo Estates	N-25-18-22-4 PT	9612524 - -7	310800701
23	Milo Estates	N-25-18-22-4 PT	9612524 - -8	310800800
24	Milo Estates	N-25-18-22-4 PT	9612524 - -9	310800909
25	Milo Estates	N-25-18-22-4 PT	9612524 - -10	310801006
26	Milo Estates	N-25-18-22-4 PT	9612524 - -11	310801105
27	Milo Estates	N-25-18-22-4 PT	9612524 - -12	310801204
28	Milo Estates	N-25-18-22-4 PT	9612524 - -13	310801303
29	Milo Estates	N-25-18-22-4 PT	9612524 - -14	310801402
30	Milo Estates	N-25-18-22-4 PT	9612524 - -15	310801501
31	Milo Estates	N-25-18-22-4 PT	9612524 - -16	310801600
32	Milo Estates	N-25-18-22-4 PT	9612524 - -17	310801709
33	Milo Estates	N-25-18-22-4 PT	9612524 - -18	310801808
34	Milo Estates	N-25-18-22-4 PT	9612524 - -19	310801907
35	Milo Estates	N-25-18-22-4 PT	2310322-2-21	310802004

**the Assessed Person / Owner of the related parcels of land listed above would be liable to pay the local improvement tax, should a local improvement tax bylaw be passed relating to the applicable local improvement plan.*

Rural Water Servicing to Lakeview & Milo Estates

Local Improvement Plan – September 23, 2026

3) Financial Impacts relating to the Local Improvement Plan

Vulcan County engaged MPE Engineering to initially design the feasibility of the rural water servicing to Milo/Lakeview Estates, with proposed cost estimated and proposed waterline locations. See Appendix A for MPE's Northeast Side Lake McGregor Rural Water Servicing Feasibility – Option 1.

The following is a financial analysis on the Local Improvement Plan:

MPE Cost Estimate (Appendix A)	\$ 865,000.00
Cost adjustment from original estimates	<u>(432.50)</u>
Total Estimated Cost of the Local Improvement (note 1)	\$ 864,567.50
Municipal Contribution (30% up to maximum)	\$(259,370.25)
Projected Recovery through Capital Repair Surcharges (note 2)	<u>\$(194,250.00)</u>
Total Special Assessment against All Serviced Parcels	\$ 410,947.25
Total Number of Parcels	<u>35 parcels</u>
Total Special Assessment Per Serviced Parcel	\$ 11,741.35
Annual Service Rate per Parcel (25-year term – note 3)	\$ 469.65
Total yearly Assessment Against All Benefitting Parcels	\$ 16,437.89

Note 1 - Estimated Cost of the Local Improvement

The total Estimated Cost of the Local Improvement is based on the cost projections provided by MPE and is inclusive of projected direct costing and includes a 15% contingency. The actual cost of the local improvement would be applied in the local improvement tax bylaw.

Note 2 - Capital Repair Surcharges

As part of the County's Utility Fees for Service, based on the 2026 Fee for Service Bylaw (Bylaw 2026-002), in addition to water consumption fees (based on a per cubic meter rate), the County charges a flat fee of \$37.00 on a bi-monthly basis for water service as a "Water Capital Repair Surcharge" to partially fund waterline repairs and future capital replacement. To further support the Local Improvement Plan, the County will utilize these funds for the next 25 years period to offset the costs of the Local Improvement (\$37.00 per bi-monthly equates to \$222.00 per year per parcel x 35 parcels = \$7,770.00 per year recovery x 25-year recovery period = \$194,250.00 total cost recovery). As this is an ongoing fee for service with utilities (with no expiry year), there is no prepayment options available.

Note 3 - Service Rate per Parcel

Based on the Total Special Assessment against All Serviced Parcels of \$410,947.25 (total cost less municipal contribution and cost recovery through the Capital Repair Surcharges); the total cost of \$11,741.35 would be allocated to each parcel within the Local Improvement Plan. The County will contribute the related financing/interest costs of the Local Improvement Plan. Each Owner of the related parcels would have the option to either have a full payout option of \$11,741.35 or through a local improvement levy be charged \$469.65 on to your annual tax roll account a period of 25 years (projected to be for tax years 2028-2052).

*Rates may be adjusted/reduced if additional users request to be added to the Local Improvement.

Rural Water Servicing to Lakeview & Milo Estates

Local Improvement Plan – September 23, 2026

The following is a summary of the Local Improvement Plan:

- **Estimated cost of Local Improvement** as per MGA 395(1)(d) - **\$864,567.50**
The estimated costs are outlined in Appendix A (*MPE's Northeast Side Lake McGregor Rural Water Servicing Feasibility – Option 1*) and these costs outlined are compliant with eligible costs included within MGA 365(2). The description of the proposed local improvement and its location is outlined in Section 1 of the Local Improvement Plan as per MGA 395(a) & MGA 395(g).
- **Funding of Local Improvement** as per MGA(1)(f) are comprised of the following:
 - I. **Vulcan County Contribution** – Includes that **30% of the construction costs up to a maximum of \$259,370.25** for the McGregor Rural Water Servicing be paid by General Capital Reserves. The County is also contributing the related financing/interest costs of the Local Improvement Plan.
 - II. **Local Improvement Tax** – Includes an estimate of **\$469.65 per parcel**, totalling \$16,437.89 per year (35 parcels); which will recover a **total of \$410,947.25 over a 25-year period**.
 - Taxes are applied on a per parcel basis per MGA 395(c).
 - Recovery is over a 25-year period per MGA 395(e).
 - Parcels of land / landowners that would have tax imposed and be liable to pay the tax levies are listed specifically in Section 2 of the Local Improvement Plan as per MGA 395(b).
 - III. **Other sources of Revenues** – Includes an estimated **total of \$194,250.00** of Water Capital Repair Surcharge recovery through utility account billings over a 25-year period. This funding source will recover these estimated contributions to the Local Improvement.

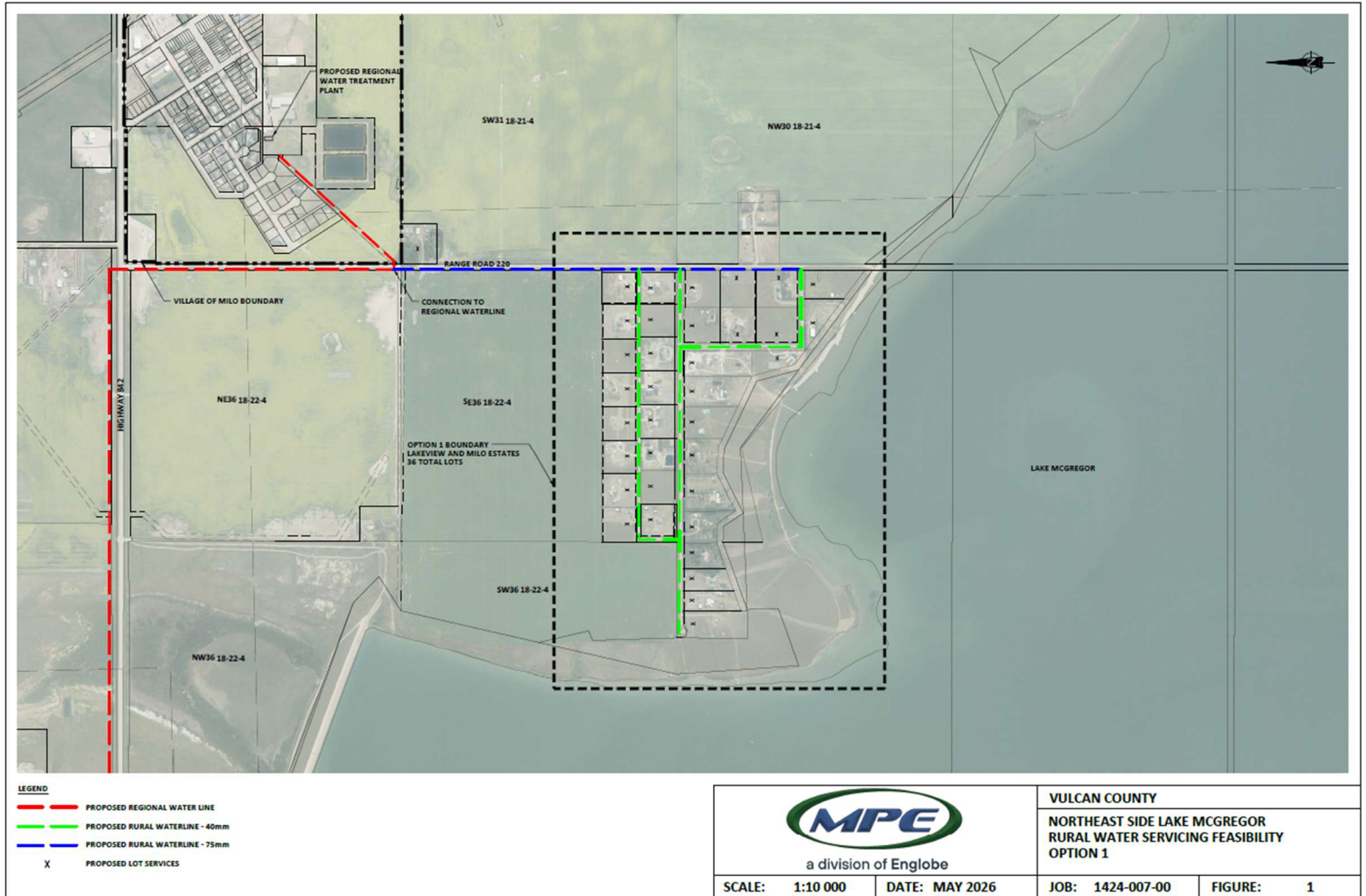
4) Local Improvement Plan Notification and Subsequent Application

Subsequent to the approval of the Local Improvement Plan, MGA 396 outlines the procedures that are in place before a Local Improvement Tax Bylaw is established. The following are the projected timelines moving forward:

- **Local Improvement Plan approval date: September 23rd, 2026**
- **Mailing date of Notices** sent out to landowners / persons who will be liable to pay the local improvement tax – MGA 396(1): **September 25th, 2026**
- **Deadline for “Petition Against”** the Local Improvement plan – 30-days from sending notices as per MGA 396(4): **October 25th, 2026**
- If there is no sufficient petition against the Local Improvement plan by the stated deadline, the County may undertake the local improvement and impose the local improvement tax at any time in the 3 years following the sending of the notices.

APPENDIX "A"

MPE's Northeast Side Lake McGregor Rural Water Servicing Feasibility – Option 1



Option 1 - Lakeview and Milo Estates		QUANTITY	UNIT	UNIT PRICE	COST
1	General Requirements/Mobilization/Demobilization/Insurance/Profit	1	L.S.	\$ 73,000.00	\$ 73,000.00
2	Miscellaneous Utility Crossings	12	each	\$ 2,500.00	\$ 30,000.00
3	Connection to Existing Watermain - Assume Completed Under Regional Project				\$ -
4	Air Release Valves	1	each	\$ 15,000.00	\$ 15,000.00
5	Flush Points	4	each	\$ 9,000.00	\$ 36,000.00
6	Isolation Valves				
a)	40mm	3	each	\$ 2,500.00	\$ 7,500.00
b)	75mm	2	each	\$ 3,500.00	\$ 7,000.00
7	19mm Water Services	36	each	\$ 5,000.00	\$ 180,000.00
8	Supply and Install HDPE Pipe and Fittings				
a)	40mm diameter	2600	m	\$ 55.00	\$ 143,000.00
b)	75mm diameter	1200	m	\$ 90.00	\$ 108,000.00
9	Pressure Reducing Vault with Meter	1	each	\$ 80,000.00	\$ 80,000.00
SUBTOTAL					\$ 680,000.00
CONTINGENCY (15%)					\$ 102,000.00
REGULATORY APPROVALS					\$ 5,000.00
LAND ACQUISITION NOT REQUIRED					\$ -
ENGINEERING (10%)					\$ 78,000.00
TOTAL					\$ 865,000.00

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