

Introduction



Alberta Water Management and Erosion Control Program

 Who May Apply?

 Grant Assistance

 Conditions for Project Approval and Priorities

 Eligibility Criteria

 Special Policies

 Northern Alberta Erosion Control Area

 Drainage Districts

 Extension of Main Outlets beyond Drainage District Boundaries

 Relocation of Public Roads

 Relocation of Private Dwellings

 Water Management Priority Studies

 Non-Structural Solutions

 Small Off Farm Water Management Projects

Process

- Consultation
- **Preliminary Engineering Report**
- **Funding Approval**
- Construction
- Completion

Introduction

Under the Alberta Water Management and Erosion Control (AWMEC) Program, Alberta Environment provides financial assistance to a Local Authority to resolve surface water management and erosion control problems.

Who May Apply?

A Local Authority as defined under Section 1 of the *Water Act* includes: Municipal Districts, Counties, Cities, Towns, Villages, Summer Villages, Métis Settlements, Irrigation Districts, Drainage Districts, Improvement Districts, Special Areas, Regional Service Commissions and Regional Health Authorities.

Grant Assistance

The department provides grants covering up to 65% of the eligible engineering and construction costs for approved projects. The maximum assistance available is \$275,000 per project. Any financial contributions made by other provincial departments are deducted from the total eligible cost of the project to determine the balance that can be cost shared. Local Authorities are responsible for implementation of their project.

Costs for the operation and maintenance of a project are the responsibility of the Local Authority and are not eligible for cost sharing with the exception of projects located within a Drainage District or the Northern Alberta Erosion Control Area.

Costs for the acquisition of rights of way to allow construction are not eligible for cost sharing.

Conditions for Project Approval and Priorities

The AWMEC Program does not imply cost sharing of all surface water management and erosion control projects. Approval is based on eligibility criteria, technical and economic feasibility, benefits derived and available funds. Although water quality and groundwater problems do exist, this program is not intended to address these types of problems.

The priority of projects to be cost shared in a fiscal year will be determined by the department based on availability of funds, distribution throughout the province, urgency associated in implementing solutions, benefits derived and water management objectives of the government.





Eligibility Criteria

The types of surface water management projects eligible for cost sharing include:

- Erosion control (note: projects to correct slumping and erosion caused by groundwater are not eligible for cost sharing).
- Flow regulation (e.g. lake stabilization, back flood irrigation, storage dams).
- Water based recreation (e.g. community wharves and boat launches, man made lakes).
- Fish, waterfowl and wildlife habitat enhancement.
- Surface raw water supply that secures a community raw water supply from surface water sources where adequate sources do not exist within reasonable distance. It is not however the intent to fund community infrastructure, which is required to direct surface water that exists within reasonable distance to community storage or treatment facilities.
- Special surface water management projects.

Special Policies

Northern Alberta Erosion Control Area

The Northern Alberta Erosion Control Area was established due to the susceptibility of this area to water erosion.

Additional assistance is provided to Local Authorities within this designated area for the rehabilitation of existing projects to current engineering standards. Criteria for additional assistance requires that construction occurred prior to 1978 under the AWMEC Program or its predecessors and for the maintenance of all projects constructed under the AWMEC Program or its predecessors.

For rehabilitation of AWMEC projects constructed prior to 1978, the department can carry out and fund 100% of the engineering and construction costs. The Local Authority is responsible for the acquisition costs of rights of way.

For maintenance of these projects, the Local Authority and the department can enter into a general cost sharing maintenance agreement. For each fiscal year the Local Authority and the department develop schedules outlining the projects to be maintained and the estimated costs. The Local Authority carries out the work and the department can cost share up to 65% of the costs. Funds for this work come from a dedicated portion of the AWMEC Program, which presently amount to 10% of the total AWMEC Program. This funding is intended to cost share maintenance costs which are incurred in a current fiscal year to the maximum allowed. It is not intended to cost share costs incurred in past fiscal years, or costs that exceeded the amount allowed or costs that may be incurred in future fiscal years.

Drainage Districts

The department can cost share up to 65% of the costs of new construction or maintaining the districts' works [to a maximum of \$25,000 per year]. Implementation of the maintenance work is the responsibility of the districts.

Extension of Main Outlets beyond Drainage District Boundaries

The point of an adequate outlet from a drainage district may have to be extended beyond the boundary of the district because of increased flows entering or originating within the district caused by development or from lack of storage within the district that could reduce flows. The department can carry out and fund 100% of the engineering, construction and land acquisition costs for the work located outside the district boundary. Funds for this work come from the operating budgets of the region in which the project is located. The department can then cost share up to 65% of the costs of maintaining the work, implementation of which is the responsibility of the districts.

Relocation of Public Roads

Where public roads are endangered because of bank erosion caused by water in defined watercourses and where it is more economical than erosion control works, the department can cost share up to 65% of the cost to a maximum of \$275,000 of relocating the public road.

Relocation of Private Dwellings

In circumstances where bank erosion of a defined watercourse occurs after the construction of a dwelling and through no fault of the landowner, the department can cost share up to 65% of the cost of relocating the dwelling to another location on the original property. The maximum contribution by the department shall not exceed the lesser of \$275,000 or the contribution that could have been made towards the cost of providing above ground in stream erosion control works or the appraised value of the dwelling. Local Authorities are responsible for implementation of the work. Projects to correct bank erosion and slumping caused by ground water are not eligible for cost sharing.

Water Management Priority Studies

The department can cost share up to 65% (to a maximum grant of \$30,000) of the cost of studies of defined water basins within a Local Authority. The studies would identify existing surface water problems, determine remedies, establish priorities and establish monitoring programs. It is intended to define existing surface water problems and prioritize the implementation of solutions. It is not intended to fund engineering reports of individual projects separate from the implementation of a project nor is it intended to fund planning studies to accommodate future development.

Non-Structural Solutions

Cost sharing of preliminary engineering reports can occur once the project is implemented. The department can cost share an engineering report for a potential AWMEC project where a non-structural solution to correct a surface water management problem (purchase of easement or land, zoning by-laws) is recommended and implemented. Cost sharing will be at 65% of the cost of the report to a maximum of \$30,000.

Small Off Farm Water Management Projects

These projects are defined as benefiting as few as one (1) to three (3) landowners usually involving public lands or public works (road allowances/roads) and generally costing less than \$30,000. For each project the department requires a less intensive preliminary engineering report that can be prepared by one familiar with water management technology but not necessarily a professional engineer. The projects are cost shared with the Local Authority and the Water Act Approval is issued to the individual landowners. Operation and maintenance requirements are the responsibility of the landowner and are not eligible for cost sharing regardless of the location of the project within the province.

Process

Consultation

Regional staff will conduct a joint inspection/meeting with a representative from the Local Authority to discuss options and the potential for eligibility for review of a project under the AWMEC Program. If appropriate, the Local Authority is advised to prepare and submit a preliminary engineering report.

Preliminary Engineering Report

This report is required by the department to formally identify a project, to determine its technical and economic feasibility, its benefits and impacts and its eligibility for cost sharing under the AWMEC Program. The report identifies the water management concern, alternate solutions and a recommendation for implementation. Cost estimates are provided, and benefits and environmental impacts are identified and quantified if possible. Guidelines for preparation of Preliminary Engineering Reports are available from Alberta Environment.

Generally, Preliminary Engineering Reports are prepared for a Local Authority by a qualified engineering consultant or if appropriate, the Local Authority's professional engineering staff. Department staff can assist Local Authorities in the development of terms of reference for the selection of suitable engineering consultants to prepare a preliminary engineering report.

The Local Authority submits the preliminary engineering report to Regional Staff. Regional staff reviews the report and determine if all relevant issues have been addressed, sufficient detail is included and if the project is eligible for cost sharing under the AWMEC Program.







Funding Approval

When a project is accepted for funding by the Minister under the AWMEC Program, the department and the Local Authority enter into a cost sharing agreement. The agreement outlines the terms and conditions applicable to the funding.

Grants to Local Authorities for eligible projects can consist of up to 65% of the construction and engineering costs of the project, to a maximum of \$275,000 per project. The cost of the preliminary engineering report is considered part of the cost of the project. Larger projects may be broken down into phases or components with each phase/component being considered an individual project eligible for funding. Each phase or component of a larger project must not be contingent upon future work for its technical and economic competency and must be able to function independent of further construction.

Grants to a Local Authority in any one fiscal year must cover the department's full contribution to the project, notwithstanding the Local Authority may take up to three (3) years to implement and complete the project. Commitments to a Local Authority to fund any eligible project will not be made until funds are available in the AWMEC Program, the Minister has approved a grant for the project and a cost sharing agreement between the Local Authority and the department has been executed.

The Local Authority shall maintain the grant funds in a separate account and shall use the funds only for the payment of construction and engineering costs of the project excluding GST. Upon completion of the project, any surplus funds including interest shall be reimbursed to the Minister of Finance.

Subject to all legislative requirements, Local Authorities may construct a project that has an approved preliminary engineering report and is eligible for cost sharing notwithstanding a commitment by the department to fund the project. The Local Authority is responsible for all costs incurred. The Local Authority may apply for cost sharing of these previously constructed projects for two subsequent fiscal years after the year in which the project was substantially completed. If funding is approved, the grant amount will be based on the funding formula current at the time of approval. If funding is not approved within these two years the project then becomes ineligible for future funding.



Construction

The Local Authority is responsible for the construction of an approved project within the framework of the approved preliminary report. Regional staff can provide advice to the Local Authority regarding the development of terms of reference for the selection of engineering consultants who would carry out the detailed design, develop contract documents and perform the construction management for the project. Local Authorities should follow the principles of the Agreement on Internal Trade - Chapter 5. In brief, the requirement is that for projects estimated to cost in excess of \$100,000, construction services should be obtained through public bids.

If the Local Authority decides to construct a project through direct hire it shall inform the Regional Staff of its decision, stating the reasons as to why the Agreement on Internal Trade is not applicable. The Local Authority should also be aware of the Report of the Premier's Task Force on Construction Contracts. The department recommends Local Authorities adopt the principles of contracting outlined in this document. The Local Authority shall obtain the necessary approvals/agreements prior to commencing construction of the project. Approvals/agreements include (but are not limited to) those required by the provincial and federal governments, utility and resource companies, and landowners.

The Local Authority shall inform Regional Staff of the progress of construction of the project and present regular forecasts of its cost of completion. If substantial cost overruns are predicted, the Local Authority must document the reasons for the overrun. Regional staff will determine if the overruns are to be cost shared or recommend measures that may be taken to reduce the scope of the project, in order to maintain original budgets.



Completion

The Local Authority shall inform Regional Staff of a project's completion and provide a project completion certificate. The Local Authority is also required to provide itemized accounts outlining the project cost, excluding GST. Costs must be supported by actual invoices paid and invoices shall be presented upon request. The Local Authority shall also present an accounting of the grant received including earned interest.

Regional staff will review the accounts and determine if a surplus or a deficit of grant funds exists. If surplus grant funds exist this surplus must be reimbursed to the Minister of Finance. If a deficit in grant funds exists Regional Staff shall determine if additional funds are to be paid to the Local Authority. If additional funding is approved the existing grant agreement will be amended (up to a maximum Provincial contribution of \$275,000 for the whole project) and to determine the timing of any additional payments.

The Local Authority shall submit an "as-constructed" report to Regional Staff as soon as practical after completion of the project. This report shall contain "as-constructed" plans, a brief description of the construction of the project with appropriate photographs and a summary of the project costs. Guidelines for the preparation of "as-constructed" reports are available from Regional Staff.

For further information, contact a District Office within the following Regions

<u>Northern Region</u> Peace River (780) 624-6167 Edmonton (780) 427-5296

<u>Central Region</u> Spruce Grove (780) 960-8600 Red Deer (403) 340-7052

<u>Southern Region</u> Calgary (403) 297-6582 Lethbridge (403) 382-4254

