

Attachment: Traditional Servicing Cost Estimates

		Erin Ridge North	City Owned Badger	RR260
Traditional Servicing	Estimated Front-Ended OSL Capital Cost (Millions)	\$27.30	\$16.30	\$14.50
	Estimated Additional Capital Cost (Millions)	\$6.42	\$8.90	\$7.25
	Estimated Total Capital Cost Required (Millions)	\$33.72	\$25.20	\$21.75
	Estimated Current OSL Recoverables (Millions)	\$21.12	\$15.52	\$13.96
	Estimated Additional Recoverable (Millions)	\$4.48	\$0.00	\$0.00
	Net Cost Under Current OSL Model (Millions)	\$12.60	\$9.68	\$7.79
	Best Case Potential Net Cost after Annexation (Millions)	\$8.12	\$9.68	\$7.79

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	Assumptions and Bases	Sanitary OSL Projects 2 and 3 have been re-estimated based on UMP cost assumptions and information provided by Avillia/Landrex (and verified through the City of Leduc) - revised total for Projects 2 and 3 are \$10.2 and \$8.2 million, respectively. \$3.2 M for portion of NRR required for access to Campus Site (to edge of quarter section), Storm OSL Project 5. Assumed \$2.9 million for additional non-OSL related servicing. Sanitary projects 2 and 3 have been revised so that only the accommodations for a future expansion of Project 2 (\$1.7 million) is allocated to 'Future Development'. Storm project 5 has 'Future Development' share of \$2.784 million. In total \$4.48 of OSL projects are currently allocated to areas outside of our existing boundaries; additional recoverable could take in excess of 30 years.	Sanitary OSL Project 8, assumed 2 new sanitary OSL Projects (serving land within existing boundary) to provide a trunk to Project 8. Assumed storm can be discharged to Villeneuve Road ditch at a controlled rate as a temporary measure, so only 300 m storm sewer with appropriate discharge structure is assumed – future storm OSL project will likely be required. Assumed 2 Water connections to facilitate looping, 1 from Norelle, the other from Hogan at N. Ridge Drive. Assumed 200 m of upgraded road along Villeneuve and signalized intersection (OSL eligible). Added \$1M for stripping and grading to keep consistency with other proposals. Added \$1M for ASP cost.	Sanitary OSL Project 8, assumed 1 new sanitary OSL Project (serving land within existing boundary) to provide a trunk to Project 8, Assumed storm can be discharged to Villeneuve Road ditch as a temporary measure, so only 300 m storm sewer with appropriate discharge structure is assumed – future storm OSL project will likely be required. Assumed 2 Water connections to facilitate looping, 1 from Norelle, the other from Norwood Close. Assumed 400 m of upgrade of Range Road 260 required for upgrade, plus signalized intersection (at Villeneuve - OSL eligible).

Notes:

- Sanitary OSL Project 2 = L1 – North East Lift Station
- Sanitary OSL Project 3 = F1 – North East Force Main
- Sanitary OSL Project 8 = S3 – Phase 2b - North Interceptor
- Storm OSL Project 5 = NE Area Storm – Trunk and Outfall

