

WOODWORTH LAKE DAM REPLACEMENT

LOAN AUTHORIZATION INFORMATION

Frequently Asked Questions



GOAL: To replace the 100 year old dam with a piece of infrastructure to last the next 100 years.

What are we doing?

We are replacing the Woodworth Lake Dam. Our primary water source is from Woodworth Lake. This project is considered Phase 2 of the 3 Phase water project to secure our water source.

Why are we doing it?

It was built by our forefathers in 1910 and is at the end of its life span. To continue utilizing this pristine gravity fed water provision to the community, it must be replaced.



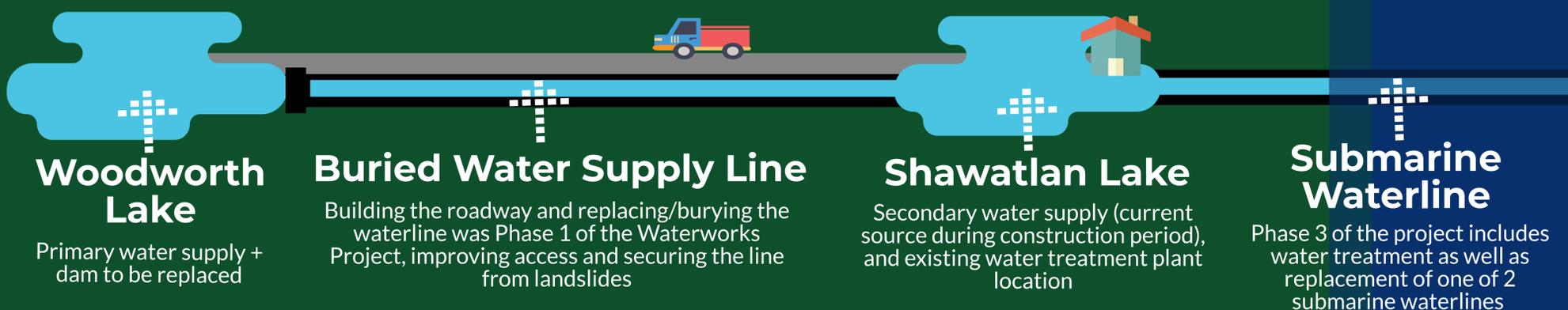
Photo of the dam from the 1920's, looking much the same as it does today

How much will it cost and what does it include?

The total cost of the project is expected to be \$23 Million. This cost includes the engineering, design, and construction of the Dam. It also contemplates access to the remote site by barge for supplies, equipment, and daily transfer of workforce. \$22 Million will be budgeted for the project starting in 2020, with ~\$1 million already spent on initial engineering and design works.

How will construction and activation proceed?

The City is currently using its secondary water source at Shawatlan Lake located downstream of Woodworth Lake (see below) for the duration of construction. The replacement dam will be built in front of the existing dam, and once completed, the old Dam will be decommissioned and the lake recharged thereby putting the new dam in operation. At that time the City will switch back to using the Woodworth Lake water source.



How will it be financed?

The City applied for and obtained a grant in the amount of \$7.1 Million from the Provincial and Federal Government in 2017. The City's wholly owned subsidiary, Prince Rupert Legacy Inc. (Legacy) plans to allocate \$5.9 Million towards the dam project, and the remaining \$10 Million is to be financed by debt obtained through the Municipal Finance Authority.



Will water rates increase to repay the debt?

No. The annual debt repayments are to be made through a dividend from Legacy meaning there are no plans to increase water rates to cover the replacement of the dam.

What is needed from Council to proceed?

In order to borrow funds to pay for the replacement of the Woodworth Lake Dam, Council must pass a Loan Authorization Bylaw. Council needs assent from eligible voting aged residents to approve loan bylaws. Council has opted to request assent through the Alternative Approval Process which allows Council to proceed with an action (in this case borrowing) unless at least 10% of the eligible electors indicate their opposition within a legislated period.

How do I support Council's decision to borrow for the Water Dam Replacement?

Given Council has elected to seek assent through the Alternative Approval Process, you can **support** Council **by not signing** the elector response form.

How do I indicate I do not agree with borrowing funds to replace the Water Dam?

To disagree with borrowing funds to replace the Woodworth Lake Dam, you must sign an elector response form to indicate your disagreement. An elector response form is available at City Hall and the Prince Rupert Library, and blank forms can be mailed, faxed, or emailed, upon request. Only forms with original signatures may be submitted. To qualify for submission before the deadline, they must be submitted in person or by mail to City Hall and be received by the Corporate Administrator **no later than 4:30 P.M. on Friday, July 24th, 2020**. Postmarks WILL NOT be accepted as date of submission and forms WILL NOT be accepted by FAX.

What happens if 10% or more electors indicate they disagree?

If at least 10% of the eligible electors state their opposition to obtaining a loan to finance the remainder of the Dam replacement, the matter will then require Assent of the Electors which is obtained by voting and the majority at the ballot decides whether Council may proceed.

RE:BUILD RUPERT

The overall goal of the replacement of the Woodworth Lake Dam is to ensure access to our primary water source is not placed in jeopardy through aging infrastructure. Replacing a dam in a remote area is a costly but necessary undertaking for the health and wellbeing of the community. The action of obtaining debt to finance the remainder of the project is considered necessary to adhere to the contract for service and for rebuilding a vital piece of city infrastructure.

FOR MORE INFORMATION, CONTACT:

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