



CITY COUNCIL REPORT

TITLE:

SOUTHWEST WATER & WASTEWATER SERVICING

PRESENTER:

Kyle Winters

DEPARTMENT:

Engineering Services

ATTACHMENTS:

DATE:

8/10/2026

CLEARANCE / APPROVALS:

Ryan Nickel Director of Planning & Buildings

Ryan Nickel General Manager

Dave Wardrop City Manager

RECOMMENDATION(S):

That \$1,475,000 be authorized to be expended to advance water and wastewater servicing of the Southwest Growth Area;

And further that the expenditures be funded from the following reserves:

Development Charge Water Network Reserve: \$885,000

Development Charge Wastewater Network Reserve: \$590,000;

And further that internal financing of \$750,000 from the Development Charge Wastewater Network Reserve to the Development Charge Water Network Reserve be authorized, with interest calculated at 4.45% annually and repayment over 15 years from future water network development charge collections.

BACKGROUND:

The City of Brandon is looking to advance the installation of water and wastewater servicing ahead of roundabout construction at two locations, the intersection of 26th Street & Maryland Avenue and the intersection of 34th Street & Manitou Drive.

The intersection of 26th Street & Maryland Avenue requires installation of a 300m watermain in advance of roundabout construction. This watermain was just recently identified in the growth servicing study completed early in 2026.

The intersection of 34th Street & Manitou Drive requires installation of a 300mm watermain crossing to connect the water distribution networks within the Bellafield and Brookwood subdivisions. A short extension to the wastewater main is also required to extend past the limits of the future roundabout.

The watermain installation at 26th & Maryland will be tendered as part of the roundabout construction project. A separate tender will be issued for the water and wastewater servicing through 34th Street & Manitou Drive.

ANALYSIS:

The proposed watermain and wastewater infrastructure is required to support planned growth within the Southwest Growth Area and Bellafield Subdivision.

Construction of the underground infrastructure in advance of the future roundabouts will eliminate the need for future excavation through newly constructed roadway infrastructure and reduce future construction and restoration costs.

The project will establish infrastructure required to support future development and expansion of the municipal water and wastewater systems in the Southwest growth area.

LEGISLATIVE REQUIREMENTS:

As per the Tendering and Procurement Policy, Council approval is required when the contract value cannot be accommodated in the current year’s financial plan.

STRATEGIC ALIGNMENT:

Installation of these services will allow for growth to continue in the southwest. This aligns with Council’s goal to foster an environment that supports economic growth and development.

FINANCIAL IMPACT:

The estimated total project cost is \$1,475,000 including engineering, contingency and ancillary costs.

Funding is proposed as follows:

Development Charge Water Network Reserve: \$885,000

Development Charge Wastewater Network Reserve: \$590,000

The DC Wastewater Network Reserve has a projected closing balance of \$2,035,685 for 2026. The DC Water Network Reserve has a projected closing balance of \$245,060 and does not have sufficient capacity to accommodate its proportionate share of the project costs.

To address the shortfall, Administration is recommending an internal borrowing arrangement between the DC Water Network Reserve and the DC Wastewater Network Reserve. This approach is consistent with financing options identified within the Development Charges Background Study to address reserve shortfalls during the transition period and is intended to ensure that growth-related infrastructure is ultimately funded by the appropriate development charge reserve.

Administration is recommending internal financing of \$750,000 from the Development Charge Wastewater Network Reserve. The financing will be repaid from future water network development charge collections over a period not exceeding 15 years, with interest charged at the City's current borrowing rate of 4.45%.

Administration is currently developing a Reserve Policy that will establish a formal framework for inter-reserve borrowing, including approval requirements, repayment terms and interest provisions. The policy is expected to be presented to Council in September 2026. As this framework has not yet been adopted, Administration is seeking Council's approval of this financing arrangement as a standalone transaction.

RISK ASSESSMENT:

Deferral of the project may result in increased future construction costs associated with excavation through the planned Manitou Drive roundabout and related roadway restoration. Delaying the project may also impact the timing of future development within the Bellafield Subdivision and Southwest Growth Area by delaying the availability of municipal services. Future construction costs may also increase due to inflation and market conditions.

COMMUNICATION STRATEGY:

Information regarding the project will be communicated through the City's standard construction notification procedures. Adjacent property owners, developers and affected stakeholders will be notified prior to commencement of construction activities.

CONCLUSION:

It is recommended that \$1,475,000 be authorized to be expended to advance water and wastewater servicing of the Southwest Growth Area.

And further that the expenditures be funded from the following reserves:

Development Charge Water Reserve: \$885,000

Development Charge Wastewater Reserve: \$590,000