

CENTRAL PEACE REGIONAL WATER SUPPLY SYSTEM PHASES 1, 2, and 3

PROJECT OVERVIEW

July 02, 2026

NOTE: Sections that include notable updates are highlighted in bold text.

1. **Steel Pipe Contract for Peace River Valley Hill (Phase 1 & 2 Contract 2):** *The General Contractor for the Contract 2 work is Option Excavating Inc. Horizontal drilling of steel portion of the pipe was completed on February 04, 2025, which was then followed by reaming of the hole with a 26" reamer head. Reaming operations were completed and the 16" (400 mm) diameter steel pipe was successfully pulled back through the reamed drill passage on March 04, 2025. The total length of the HDD steel pipe installation was 1,770 m. The HDD Subcontractor, The Crossing Company, then demobilized their equipment off site. The transition of the pipeline material to high density polyethylene (HDPE) plastic at the top of the hill with installation of the section of HDPE pipe to reach the road allowance at the west end of the field (approximately 900 m) commenced in April 2025 and was completed in May 2025, installed by open cut trenching method of installation. Installation of a valve and temporary pig launch riser was completed in June 2025. Work remaining for the Contract 2 project includes the final installation of the pig launching/receiving concrete vault at the bottom of the hill on the steel pipe portion of the pipeline. The vault at the top of the hill was installed in April 2026. Re-mobilization of equipment to site for the vault installations occurred in February 2026. Construction of a temporary ice road was completed in early March 2026 with D6 dozer and two water trucks to provide access to the pipe location and protect against damage to the farm field. The concrete valve chamber vaults with long delivery dates were delivered to site on March 10, 2026. Installation of the pig launch/receiving vault at the top of the Valley hill together with the corresponding pipe connections were completed in April before the crew moved to the Dunvegan location to install the vault and balance of piping at the bottom of the Valley hill. The vault at the bottom of the hill was confirmed to be undersized to accommodate the higher-pressure valves so a larger vault has been ordered with delivery scheduled for summer 2026. Coordination between the Contract 1 Contractor, Greenfield Construction, and the Contract 2 Contractor, Option Excavating, must be executed for sharing of the work area at the Dunvegan site during the lower vault installations. Option Excavating returned to site in June 2026 to temporarily move some of their materials to provide more working area for Greenfield Construction and to de-mobilize some of their equipment until their return to site later in the 2026 summer season. Option Excavating may coordinate installation of the bottom concrete valve chamber vault and the final sections of steel piping that connect into the vault structure to be completed in August 2026 followed by pipe flushing and leakage testing in September following harvesting of the crop from the field at the top of the Valley hill by the farmer. Final site restoration around the concrete vault locations will follow the installation work.*

2. **River Intake and Raw Water Transfer Station (Phase 1 & 2 Contract 1):** *Following award of the Contract by Saddle Hills County in late May 2025, Greenfield Construction mobilized to the Dunvegan project site and commenced construction on site in July 2025 with the access road construction down the hill to the raw water transfer station location. Bulk excavation of the project site continued through the month of September 2025 and the access roadways were constructed including the access down to the River's edge for the temporary trestle bridge and river structures construction. A 275 Ton crane with 170 foot boom was utilized on the River for the assembly and disassembly of the temporary trestle bridge that provides access to the river intake structure. Construction of the trestle bridge was started in mid-October 2025 and was completed in November 2025. The decision was then made by the Contractor in November to cease further works on the water to avoid the risk of getting caught by the upcoming freezing of the River. Disassembly was completed of the trestle bridge deck platform in December 2025 to protect the structure from the impending high water ice forces of the freeze up and spring thaw ice floes. The driven pile supports for the trestle bridge were left in place for the winter. Installation of the temporary cofferdam isolation system for the river intake structure shall proceed in July 2026 following the re-assembly of the trestle bridge deck that was completed in June. Assembly of a finger pier at the end of the trestle bridge is being completed to provide additional working platform space adjacent to the river intake cofferdam. Work on the trestle bridge was temporarily halted due to the high river water levels from the heavy rains in early July 2026. Work on the trestle bridge will resume this month when the river level recedes. The second 275 Ton crane is being utilized at the Raw Water Transfer Station wet well location. Excavation of the 28 m deep wet well within the secant pile wall shoring system was completed on October 27, 2025. Boring of the 42 inch diameter steel casing for the intake pipes was commenced on October 31, 2025 and was completed on November 27, 2025. A temporary tower staircase into the wet well was installed in to allow for worker access to the bottom of the wet well without use of cranes. The Contractor's winter shutdown schedule consisted of an extended Christmas break from December 12, 2025, to January 18, 2026. Following their return to site on January 19 to resume construction for the 2026 season, the initial work completed was the installation of the river intake piping (three individual pipes) within the previously installed 42 inch steel casing. The pipe sections were welded and then hydraulically pushed into the casing under the river bottom. All weld connections were radiographically inspected prior to acceptance. Following installation of the river intake piping the Contractor completed grout fill installation in the 42 inch steel casing during the week of April 06, 2026 to fill the spaces between the three river intake pipes and the casing. The Contractor then proceeded with contouring (machine grinding) of the interior concrete surfaces of the secant pile wall in advance of commencing construction of the concrete wet well tank structure within the perimeter of the secant pile wall shoring system. The remaining valleys between the secant piles are bridged by plywood backing strips and perimeter drainage panel material is being installed between the secant pile wall and the concrete wet well interior structure. A keyway was cut into the interior surface of the secant pile wall at its base in late May 2026 to provide structural connection between the wet well concrete base slab and the secant pile wall shoring system. Following installation of the reinforcing steel (rebar) for the wet well base slab, the concrete pour for the base slab was completed on June 19, 2026. Wet curing procedures were then implemented for the finished base slab. Construction of the wet well concrete walls shall follow the base slab installation. Photos of the Phase 1 & 2 Contract 1 construction are attached. Construction completion of the Contract 1 facility remains scheduled for autumn 2027.*

3. **HDPE Raw Water Transfer Piping Contracts (Phase 1 & 2 Contracts 3+):** The contracts for the balance of the raw water transfer pipeline that extends from the top of the river valley, south to the new Central Peace Regional Water Treatment Plant site are yet to be tendered. Working together with the County, the adjusted pipeline alignment has been determined, and the County is awaiting notification of additional grant funding from the Province. The design of the piping was re-started in April 2026 and shall be finalized in anticipation of pending approval of funding, to prepare for tendering of the contract(s) in 2026 for construction.
4. **Electrical Service to the Pumping Station:** *The route for servicing of the Raw Water Transfer Station facility shall be from the Village of Rycroft which is the nearest connection point for the required three-phase power supply. Representatives from the County and MPE met with ATCO in Edmonton on February 01, 2023 to review the potential for decreasing the high servicing cost for the Raw Water Transfer Station. An adjusted servicing amount was received from ATCO on March 10, 2023 with an 80% load investment from ATCO as an update on the previous 60% load investment resulting in a cost reduction of approximately \$164K to the previous cost proposal. ATCO has completed site review of the finalized routing of the power line to the River location. Further to meeting with ATCO on March 07, 2024 in Edmonton, a more detailed schedule of the pumping facility usage for the initial years of operation was forwarded to ATCO for re-assessment of the projected monthly billing charges. The County then received a more updated servicing proposal agreement from ATCO in November 2024. The servicing proposal from ATCO was accepted and executed by the County in 2025. The ATCO field crew confirmed their design assumptions on site during September 2025, and a project coordination meeting with ATCO, Saddle Hills County, and MPE Engineering was held on October 17, 2025. ATCO are presently in the process of acquiring regulatory approvals, crossing agreements, laydown areas, and land easements along their powerline route to the Dunvegan project site. A coordination meeting was held on April 01, 2026 between ATCO, Saddle Hills County, and MPE to coordinate details such as the transformer location and grounding requirements at the Dunvegan Raw Water Transfer Station site. The tentative schedule for provision of power service to the Dunvegan location is late autumn 2026.*
5. **Water Treatment Plant Site Raw Water Reservoirs (Phase 3 Contract 1A):** *The tender for the Raw Water Reservoirs contract closed on March 03, 2026. Award of the Contract by Saddle Hills County occurred in early March 2026 to the low bidder, Northern Road Builders, who then initially mobilized to the project site in late March 2026 with a limited contingent of heavy equipment to construct a temporary dugout to capture spring runoff water. The purpose of the dugout was to provide a source of water that could be utilized for the duration of the project earthwork construction for compaction and dust control. Following completion of the temporary dugout excavation, the Contractor then de-mobilized from the project site to allow for the spring melt and runoff. The Contractor re-mobilized to site in mid May 2026 to commence construction of the raw water reservoirs. Topsoil stripping of the site was completed by late May 2026 and excavation of the reservoir cells and construction of the reservoir berm embankments is continuing. The Contractor also commenced installation of the underground piping for the Reservoir Cells in June 2026. Heavy rainfalls that have occurred recently in late June and early July have caused only short disruptions of the earthworks on site. Photos of the Phase 3 Contract 1A construction are attached. Construction completion of the Contract 1A work is scheduled for September 2026.*

6. **Project Budget:** An updated preliminary opinion of probable costs for the project was developed and provided to the County. The estimated costs had increased significantly since the 2018 Pre-Design Report and the County made a request to the Province for additional grant funding under the Water for Life program to make up the projected cost difference. The County had follow up meetings related to the grant request with representatives from the Province and had presented a cash flow projection to the Province that provided a schedule of expenditures over the course of the next three years as it relates to grant funding. The County met with the Province again in March 2024 and again in April 2024, and ultimately received formal response from the Province this June 2024 that confirmed additional grant amounts for the 2025 construction year. A subsequent meeting between the County and the Province for funding support occurred in early November 2024. More recently, the Grant Funding administrators for Alberta Transportation completed a tour of the project construction sites on October 02, 2025, together with the County and MPE Engineering. Saddle Hills County then had a meeting with the Provincial Minister on November 03, 2025 to review the upcoming grant requirements for the overall Central Peace Regional Water Supply System project. Updates to the previous grant applications were completed by the County and forwarded to the Province in November 2025.

NEXT STEPS

7. Continue with the construction for Phase 1 & 2 Contract 2, continue with construction for Phase 1 & 2 Contract 1, detailed design including the drafting of revised plan and profile drawings for the pipeline (Phase 1 & 2 Contract 3+), continue with construction for Phase 3 Contract 1A, continue with regulatory approvals for final construction details, coordination with ATCO for power service to the Raw Water Transfer Station, assist the County to obtain Provincial support for the balance of grant funding for project ultimate completion.

Haj Oshiki, P.Eng.

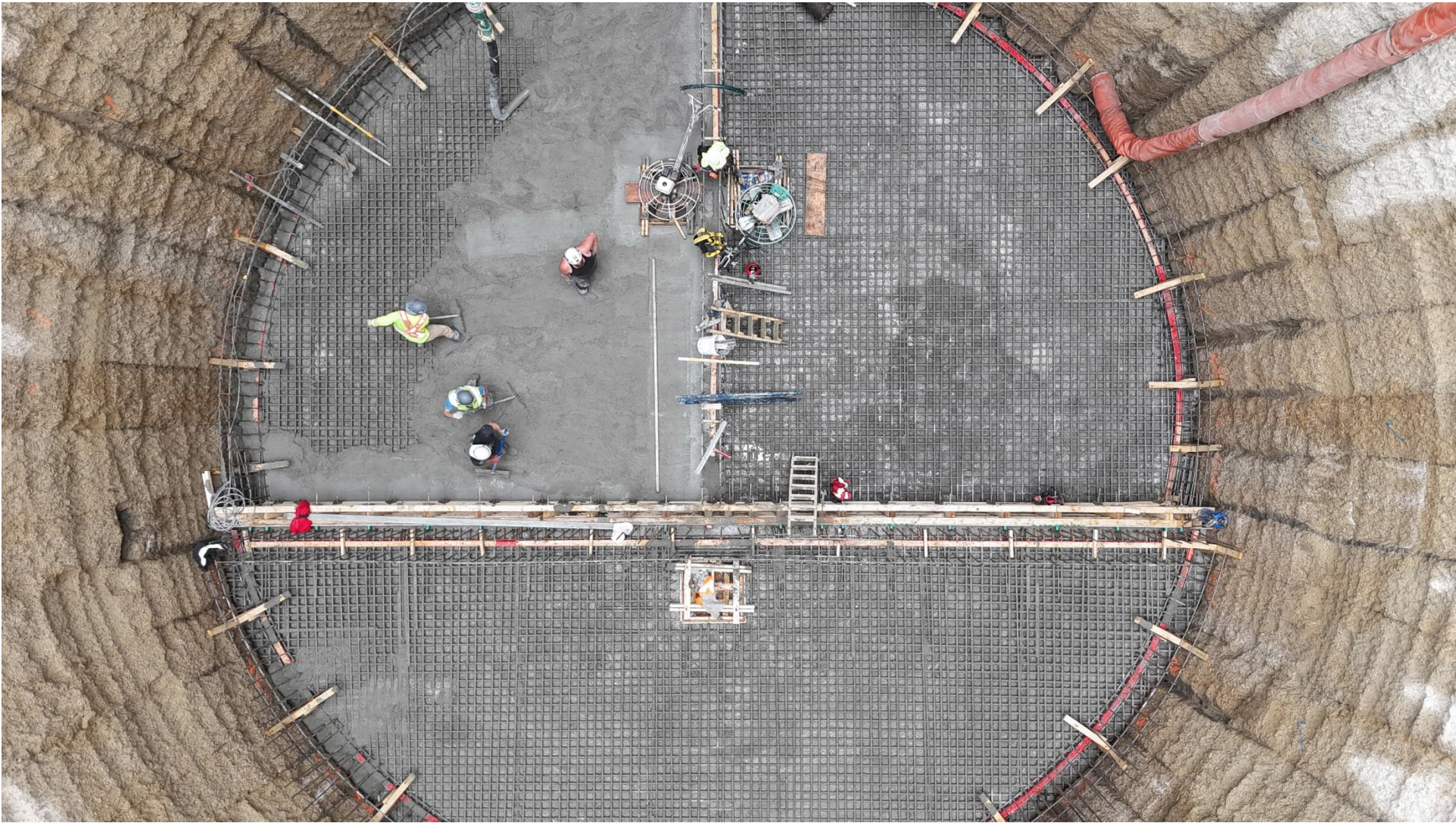
Attachments:

1. **Phase 1 & 2 Contract 1 Construction Photos (5 total photos)**
2. **Phase 3 Contract 1A Construction Photos (3 total photos)**
3. **Phase 3 Contract 1A Comparison View Photos July 01, 2026 by Trevor Siemens, C.E.T.**

1. Phase 1 & 2 Contract 1 River Intake and Raw Water Transfer Station – Wet Well Base Slab Reinforcing Steel Installation



2. Wet Well Base Slab Concrete Pour



3. Wet Well Concrete Base Slab Wet Curing of Finished Concrete



4. Re-Assembly of Temporary Trestle Bridge at River Intake and Construction of Finger Pier



5. High River Level at Trestle Bridge



6. Phase 3 Contract 1A – Raw Water Reservoir Berm Construction



7. Raw Water Reservoir Underground Piping Installation



8. Raw Water Reservoir Site Temporary Rain Delay



Central Peace Regional Water Treatment Plant

Phase 3 Contract 1A: Raw Water Reservoirs 5201-006-01



2026-05-28 NE Corner, Looking SW

Project Progress

- 80% of subcut for all reservoirs complete
- Moved laydown area to the east to allow more stockpile area
- Secured water source and TDL for moisture conditioning water



2026-06-14



2026-07-01

Central Peace Regional Water Treatment Plant

Phase 3 Contract 1A: Raw Water Reservoirs 5201-006-01



2026-05-22 NW Corner, Looking SE

Project Progress

- 80% of subcut for all reservoirs complete
- Moved laydown area to the east to allow more stockpile area
- Secured water source and TDL for moisture conditioning water



2026-06-14



2026-07-01

Central Peace Regional Water Supply System

*Phase 3 Contract 1A: Raw Water Reservoirs
5201-006-01*



2026-05-22 NW Corner, Looking S

Project Progress

- 80% of subcut for all reservoirs complete
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2026-06-14



2026-07-01