

Township of North Dundas

COUNCIL REPORT

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| To: | CAO, Mayor and Members of Council |
| From: | Dan Belleau – Director of Public Works |
| Date of Meeting: | January 20, 2015 |
| Subject: | Monthly Report |

- **Salt Dome:** The old wooden structure salt dome has been demolished and a new Tarp Building has been constructed. Our winter sand was delivered winter operation back to normal.
- **Snow Plow financing:** At the last Council meeting, Council asked if we could check in for financing options for a new a plow truck. The last Tandem Truck we bought was at a cost of \$202,000.00 in 2013.

a) Lease agreement:

We are pleased to provide the following cap cost pricing and lease payments:

Capital Cost: \$234,600.00 CDN per unit plus applicable taxes and licensing costs

Monthly Payment: \$3,768.49 CDN per unit per month plus applicable taxes (sales, tire, A/C) in advance. Terms, Conditions, and Assumptions

Lease term is 60 months to a fair market value purchase option.

First and last payments up front.

Option to return the vehicles is subject to GE's standard return conditions. The mileage allowance is 1,000,000 KM

total/full term per truck; \$0.055 per KM surcharge.

Subject to satisfactory review of final invoice and truck specifications.

b) Infrastructure Ontario Loan Payment:

Capital cost \$234,600.00. Monthly payment: \$4,093.57

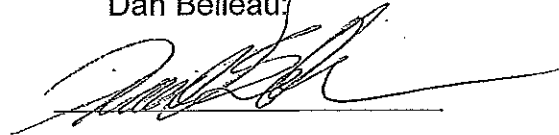
Loan term 60 months (5 years) Total cost after 5 years= \$245,613.93

- **OGRA/ROMA Conference:** John Oswald and I will not be attending the conference in Toronto this year. We will be attending the Municipal Trade Show later this year.
- **On Call Snow Plow Operators:** One of our operators didn't work out. We had to hire a replacement operator.
Recommendation: That Council approve the hiring of Gerald Velthuis at Term 1 of the Part Time Operator Pay schedule.

Angela Rutley



Dan Belleau







Township of

North Dundas

| COUNCIL REPORT | |
|-------------------------|--|
| To: | CAO, Mayor and Members of Council |
| From: | John Oswald – Patrol Foreman/Drainage Superintendent |
| Date of Meeting: | Jan/20/15 |
| Subject: | Drainage Works Update (2015) |

Drainage Report

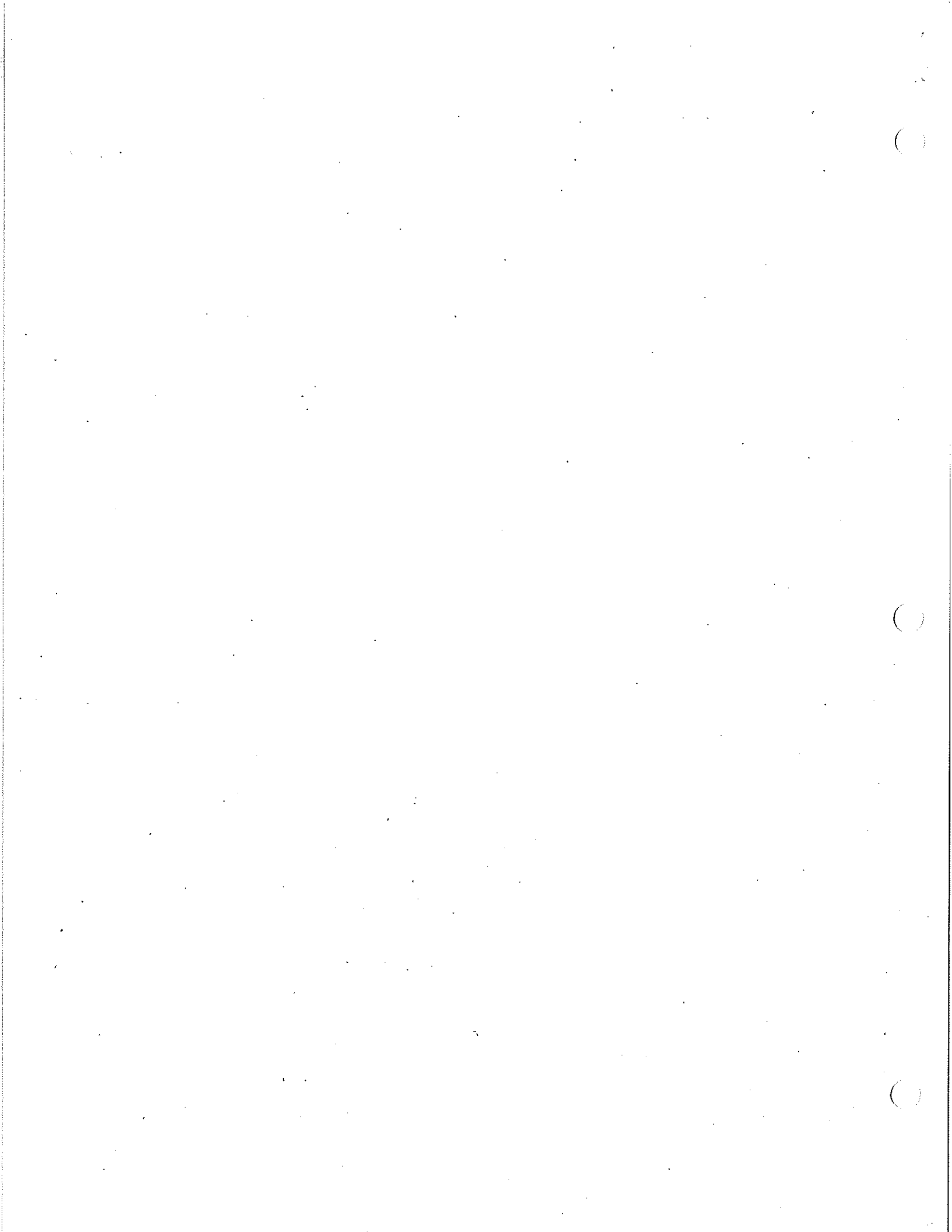
Drain Maintenance for the 2014 season is completed, I ended up doing maintenance on 11 drains the Casselman-Suffel, Dawley Branch #1, Milton Hoy, Wellington Stewart, Stewart Mclean, G.D.Baldwin, Moffat Creek, Pitcher, Bourgeois, Annable Cr, Cross Summers. There are 3 culverts within the above mentioned drains that need cleaning to completely finish up the 2014 year; weather permitting I hope to have the culverts fixed up for spring 2015. I have put a file together for the Drain requests for 2015 cleanings to hand over to the new Drainage Superintendent.

Respectfully submitted,

John Oswald

Approved by:







Township of North Dundas

COUNCIL REPORT

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|-------------------------|--|
| To: | CAO, Mayor and Members of Council |
| From: | Mary Lynn, Water/Sewer Assistant Manager |
| Date of Meeting: | January 20, 2015 |
| Subject: | Water & Sewer Report |

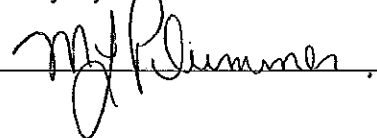
1. Township of North Dundas Water/Sewer Rate BY-LAW NO. 06-2015

Please see attached: BY-LAW NO.06-2015 with the proposed water/sewer rate increases for the Villages of Chesterville and Winchester. The rate increase is based on The Township of North Dundas Drinking Water and Wastewater Study that was completed by Ken Sharratt of Sharratt Water Management Ltd. in September 30, 2013. We will give notice to the public and will bring the By-Law back to be passed at the meeting on February 10th.

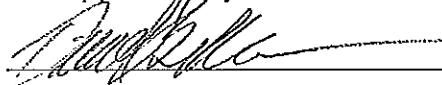
2. Chesterville Lagoon Project:

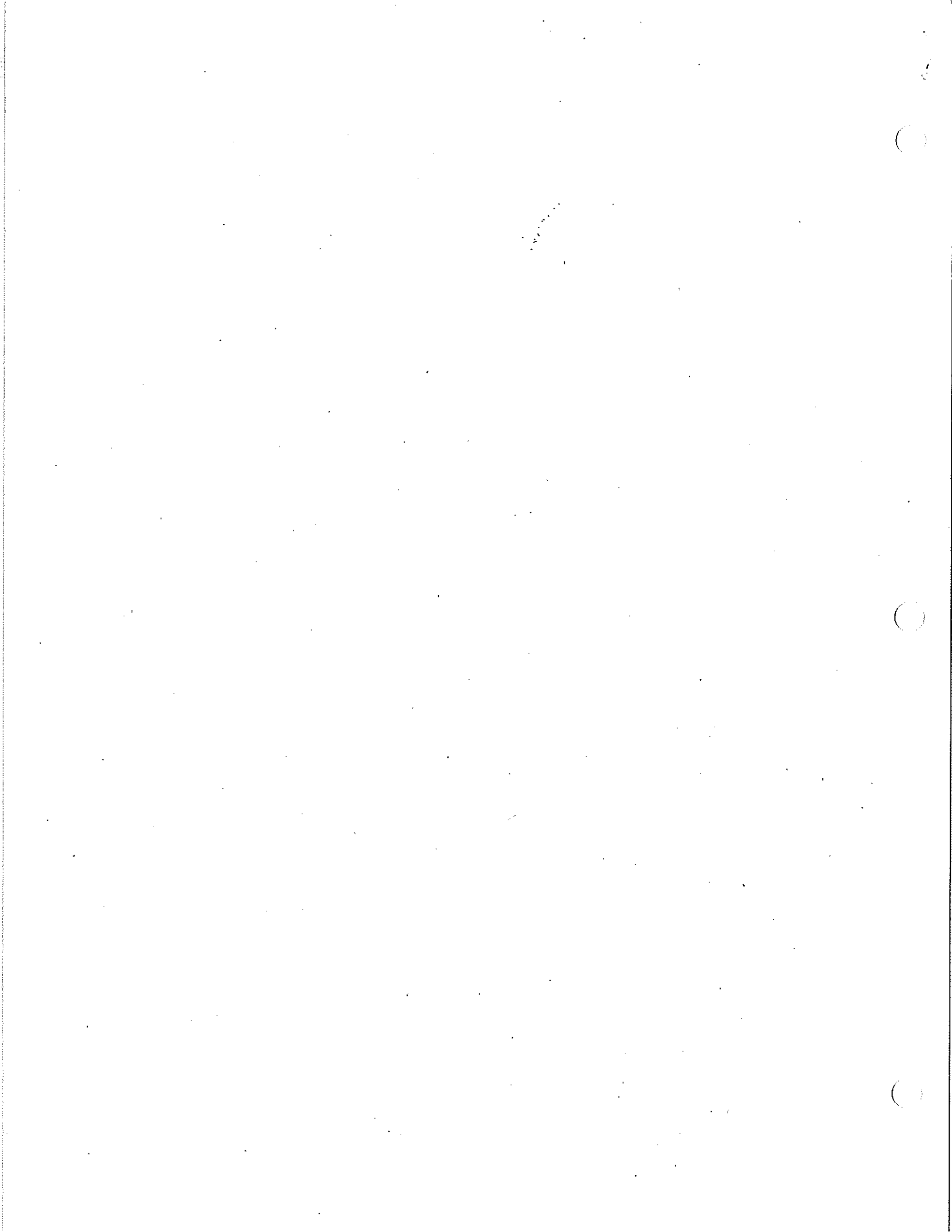
Work is ongoing at the Chesterville Lagoon:

Mary Lynn Plummer



Approved by







Executive Summary

The Township retained the services of the Ontario Clean Water Agency and Sharratt Water Management Ltd to prepare rates for the Township's water and wastewater systems and to prepare a financial plan for the Township's water system that meets the requirements of Ontario Regulation 453/07. The preparation of a financial plan has been prepared as a three-step process:

1. The Ontario Clean Water Agency (OCWA) has identified the future capital and major maintenance needs necessary to maintain the water and wastewater systems to 2020, as well as their timing and costs. These needs are set out in a separate document, and the main findings are in the appendices to this report.
2. Sharratt Water Management Ltd. has taken OCWA's capital and major maintenance data, inflated it to future cost, and developed full cost rates for the water and wastewater systems. The rates that are proposed and the process used to develop them are set out in this report.
3. Water Financial Plan – This is based on the water portion of components 1 and 2 above, as well as the Township's listing of tangible capital assets. We will project the amortization of these assets forward to 2019. The water financial plan is set out in a separate report.

The communities of Winchester and Chesterville are 12 km apart, located in the Township of North Dundas, 60 km southeast of Ottawa. The Township operates water and wastewater systems in Winchester and in Chesterville. Water in both communities is provided by wells, and a project is underway to connect the two communities with a water main. Wastewater treatment in both is provided by lagoon systems. The Township is establishing common water and wastewater rates for both communities.

ES 1 Water Rates

A common water rate is proposed that would be applicable in both communities commencing January 1, 2014. This is set out in table ES1:

Table ES1 North Dundas Metered Combined Water Rates 2013-2020 in Inflated \$

| | | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|------|--------|--------|--------|--------|--------|--------|--------|--------|
| Fixed Rate Paid by All Users/Month | | | | | | | | | |
| Meter Size (Inches) | 0.62 | 7.28 | 7.41 | 7.70 | 8.00 | 8.31 | 8.64 | 8.98 | 9.33 |
| | 0.75 | 7.28 | 7.41 | 7.70 | 8.00 | 8.31 | 8.64 | 8.98 | 9.33 |
| | 1 | 10.19 | 10.37 | 10.78 | 11.20 | 11.64 | 12.09 | 12.57 | 13.06 |
| | 1.5 | 13.11 | 13.33 | 13.86 | 14.40 | 14.96 | 15.55 | 16.16 | 16.79 |
| | 2 | 21.12 | 21.48 | 22.32 | 23.20 | 24.10 | 25.05 | 26.03 | 27.05 |
| | 2.5 | 50.97 | 51.86 | 53.88 | 55.99 | 58.18 | 60.46 | 62.83 | 65.29 |
| | 3 | 80.09 | 81.49 | 84.68 | 87.99 | 91.43 | 95.01 | 98.73 | 102.60 |
| | 4 | 101.94 | 103.71 | 107.77 | 111.98 | 116.36 | 120.92 | 125.65 | 130.58 |
| Volumetric Charge for All Water Used | | | | | | | | | |
| Per cubic metre (219 Imperial gallons) | | 0.85 | 0.89 | 0.93 | 0.97 | 1.01 | 1.05 | 1.10 | 1.15 |

Note 1 2013 shaded information is for Winchester only and is shown only for comparison

Note 2 2014-2020 proposed rates are for both Winchester and Chesterville customers

The above rates represent an increase of 6% per year, including inflation of 2.5% per year, from 2014 to 2020 for someone using 300 cubic metres of water per year. The rate will finance future capital projects from 2014-2020, it will cover projected operating cost increases and it will maintain the capital reserves.



ES2 Wastewater Rates

Wastewater charges are commonly collected by placing a surcharge on water use. This approach makes sense, as the loading a user imposes on the wastewater treatment system is generally related to the amount of water bought by that user. Winchester has utilized this approach in the past, and it is proposed that the Township utilize this approach, as a common rate, now that Chesterville is metered.

OCWA's projection of future capital and major maintenance needs to 2020 has meant that future rate increases are needed, if reserves are to be maintained, and additional debt, over that projected, is to be avoided.

Three wastewater surcharge options are presented. All provide a sustainable financial framework to the 2014-2020 periods. The options represent different paths for getting to that point. Each has different implications for the size of the loan required to finance the Winchester wastewater expansion project in 2016, and each has different implications for the size of the 2014 rate increase for family users in Chesterville. In all options, the surcharge for 2015 to 2020 is the same in both communities. The options are as follows:

Option 1 Full Implementation – this option brings wastewater ratepayers to the same surcharge in 2014. This results in a significant bill increase for families and others using average amounts of water, but minimizes the size of the loan required in 2016.

Option 2 Chesterville Phase in – this option provides a lower surcharge in 2014 to Chesterville users, which reduces the size of the 2014 bill increase to Chesterville families. It results in the need for a larger loan than is needed in option 1.

Option 3 Chesterville and Winchester Phase in – Users in both systems pay the same lower surcharge in 2014 as option 2. This phases in bills in both communities compared to options 1 and 2. It requires a larger loan than is needed in option 2.

The proposed surcharge rates for each option for 2014 to 2020 are set out in table ES2:

Table ES2 North Dundas Proposed Wastewater Surcharges - 2014 to 2020

| | | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|-----------------|--------------|------|------|------|------|------|------|------|
| Option 1 | Chesterville | 151% | 146% | 149% | 151% | 153% | 156% | 158% |
| | Winchester | 151% | 146% | 149% | 151% | 153% | 156% | 158% |
| Option 2 | Chesterville | 130% | 138% | 143% | 149% | 155% | 161% | 164% |
| | Winchester | 146% | 138% | 143% | 149% | 155% | 161% | 164% |
| Option 3 | Chesterville | 128% | 133% | 139% | 145% | 151% | 157% | 163% |
| | Winchester | 128% | 133% | 139% | 145% | 151% | 157% | 163% |

A brief summary of the implications of the three options is presented in table ES3. Impacts that are more detailed are shown in the wastewater section, including a projection of total water and wastewater bills for various users groups shown in tables 6.3, 6.4 and 6.5.