

Municipality Of Chatham-Kent

Public Utilities Commission

To: Mayor and Members of Council

From: Tim Sunderland
General Manager
Chatham-Kent Public Utilities Commission

Date: March 15, 2021

Subject: Eriean Road & Bisnett Line Waterline Project and Assessing By-law (Community of Blenheim)

Recommendations

It is recommended that:

1. The Eriean Road & Bisnett Line Waterline Project and the necessary By-law under Part XII of the Municipal Act, 2001 be approved.
2. Administration be authorized to borrow monies towards the project by the issuance and sale of debentures. Pending the sale of the debentures, the Mayor and Treasurer are authorized to make such temporary borrowing as may be required in order to meet the payments due to vendors.

Background

Due to ongoing issues with Erie Shore Drive, the Chatham-Kent Public Utilities Commission (CK PUC) for the Municipality of Chatham-Kent has decided to install a secondary water supply for the community of Eriean. The new 300 mm diameter watermain will run along Eriean Road from Old Street Line to Erie Shore Drive and will also connect and loop along Bisnett Line. This will reinforce the watermain grid system in the south Chatham-Kent region.

Dillon Consulting Ltd. performed extensive hydraulic modelling and determined that CK PUC is able to supply adequate water capacity for the community of Eriean with the addition of a new watermain on Eriean Road, which would include a watermain along Bisnett Line.

The costs of this proposed project will be shared between CK PUC and any properties that receive a connection within the project boundaries. The residential properties along Eriean Road would be given the option to connect or not.

Comments

The water distribution system network for this area will include the installation of a 300mm diameter main on Erieau Road that will connect to the existing water line at the intersection of Old Street Line and Erieau Road. It will continue south along Erieau Road to Erie Shore Drive. As well, a new 150mm diameter main will be installed on Bisnett Line from Gore Road to Erieau Road to provide looping for this watermain. The watermains will total approximately 7,900 metres.

The forty-one (41) properties along Erieau Road were given the opportunity to buy into the project to acquire a water service. A total of twenty-seven (27) properties are considered a 100% assessment with an estimated cost of \$27,767 which includes the 2020 Part XII Charges of the Municipal Act, 2001. There are two (2) properties that would be considered a 125% assessment with an estimated assessment of \$33,989 including the 2020 Part XII Charges. An additional service connection charge of 25% is applied to these properties that have an additional dwelling but do not receive a second connection. Eight (8) property owners signed "YES" on the Connection Request Form. One (1) of the properties has an additional residential dwelling and requested two (2) service connections. This property is considered a 200% assessment.

Out of the remaining thirty-three (33) properties, six (6) property owners signed "NO" to a water service connection and twenty-seven (27) of the property owners did not return their Connection Forms. The property owners that signed "NO" or did not return their forms will be deferred at an estimated connection cost of \$31,109 not including Part XII Charges. CK PUC would pay for and carry the deferred assessments until the property owners wish to connect.

Currently, there is a 50mm private water line along Bisnett road that extends north from Gore Road approximately 1030 metres. This water line will be replaced with a 150mm municipal water line that extends to Erieau Road. The residents that currently have a connection on this private line will receive a connection on the new municipal line with no assessment fee.

Chatham-Kent Engineering and Transportation and Dillon Consulting Ltd tendered the project according to the Chatham-Kent Municipal tendering procedure. The tendered cost for the project is \$2,159,000 of which \$833,723 was estimated by Dillon Consulting Ltd for the costs to construct the minimum size watermain (100mm diameter) for the properties on Erieau Road to receive a connection. The eight (8) properties that have signed to receive a connection will account for \$249,905 (including Part XII Charge) of the project costs. The remaining cost of \$1,909,095 associated with the carrying costs for the deferred residential properties, the watermain to loop on Bisnett Road, and the oversizing required would be allocated to CK PUC.

It is recommended that Council approve the Erieau Road & Bisnett Line Watermain Project By-law as outlined in Schedule "A" and Schedule "B" and the necessary By-law under Part XII of the Municipal Act, 2001.

Areas of Strategic Focus and Critical Success Factors

The recommendations in this report support the following areas of strategic focus:

- Economic Prosperity:
Chatham-Kent is an innovative and thriving community with a diversified economy
- A Healthy and Safe Community:
Chatham-Kent is a healthy and safe community with sustainable population growth
- People and Culture:
Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community
- Environmental Sustainability:
Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendations in this report support the following critical success factors:

- Financial Sustainability:
The Corporation of the Municipality of Chatham-Kent is financially sustainable
- Open, Transparent and Effective Governance:
The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership
- Has the potential to support all areas of strategic focus & critical success factors
- Neutral issues (does not support negatively or positively)

Consultations

Chief Financial Officer / Treasurer & General Manager, FBITT
Director, CK Legal Services
Dillon Consulting Ltd.

Financial Implications

The oversizing and looping cost allocated to CK PUC are estimated to be \$1,909,905. This project is to be funded through the PUC Capital Water Reserve with the ability to collect connection charges from residents along the new route who may want a Municipal water service.

Prepared by:

Reviewed by:

Sarah Minard, P.Eng.
Engineering Technologist
Chatham-Kent PUC

Rob Bernardi, P. Eng.
Director of Engineering & Compliance
Chatham-Kent PUC

Reviewed by:

Tim Sunderland
General Manager
Chatham-Kent PUC

Attachment: Erieau Road & Bisnett Line Waterline Project Assessing By-law

BY-LAW NUMBER
OF THE CORPORATION OF THE MUNICIPALITY OF CHATHAM-KENT

A By-Law to authorize the construction of a water works and the imposition of a water rate for the payment of the capital cost of the construction of such water works; **(Erieau Road & Bisnett Line Waterline Project)**

FINALLY PASSED the day of , 2021.

WHEREAS the Council of the Corporation of the Municipality of Chatham-Kent authorized the Public Utilities Commission for the Municipality of Chatham-Kent to prepare the plans and specifications for the proposed Water Works.

AND WHEREAS the need for a secondary water supply for the community of Erieau was determined due to ongoing issues on Erie Shore Drive.

NOW THEREFORE the Municipal Council of The Corporation of the Municipality of Chatham-Kent enacts as follows:

SHORT TITLE

1. This By-law may be cited as the “Erieau Road & Bisnett Line Waterline Project” Water Works By-law.

DEFINITIONS

2. In this By-law,
 - (i) “Corporation” means the Corporation of the Municipality of Chatham-Kent;
 - (ii) “Council” means the Council of the Corporation of the Municipality of Chatham-Kent;
 - (iii) “Municipal Act” means the Municipal Act, 2001, as amended from time to time;
 - (iv) “Public Utilities Commission” means the Public Utilities Commission for the Municipality of Chatham-Kent;
 - (v) “Service Connection” means the pipe and appurtenances that connects the waterline to the street line;
 - (vi) “Street line” means the boundary of a property adjoining a road allowance;
 - (vii) “Water Works” means any works for the collection, production, treatment, storage, supply or distribution of water, or any part of such works;
 - (viii) “Water Works Rate” means a charge for the capital cost of water works.

- (ix) "Water line" means the distribution pipe which carries the supply of water along the road allowance.

APPLICATION OF BY-LAW

3. The Water Works referred to herein shall be constructed pursuant to the provisions of the *Municipal Act, 2001*, and shall impose fees and charges under Part XII of that Act.
4. The Water Works, including waterlines and appurtenances, shall be constructed along the lands shown on Schedule "A" attached hereto.
5. The Public Utilities Commission is hereby authorized to make such plans, profiles, and specifications and furnish such information as may be necessary for the making of a contract or contracts for the execution of the Water Works.
6. The Public Utilities Commission is hereby authorized to cause a contract or contracts for the construction of the said Water Works to be made and entered into, including the administration of a tender process, and to execute any related documentation to give effect thereto.
7. The construction of the Water Works shall be carried out and executed under the direction of the General Manager of Water and Wastewater Services for the Public Utilities Commission.
8. The Treasurer for the Corporation may make such arrangements with the Canadian Imperial Bank of Commerce, a chartered bank in Canada, for the temporary advances of monies to meet the cost of the Water Works pending the completion of the same.
9. The Water Works may be financed over a period not more than fifteen (15) years at a rate of interest to be determined by the Treasurer for the Corporation. The Water Works shall be paid for by the imposition of a water works rate on the benefiting lands computed by a unit charge for each parcel or parcels of lands, which is a parcel separately assessed according to the last returned assessment roll, or parcels having received severance consent by the date of this By-law, in accordance with the Schedule of Assessment attached hereto as Schedule "B".

10. Only one Service Connection will be permitted for each separate parcel or parcel having received severance consent by the date of the enactment of this By-law, assessed in Schedule "B", unless specifically provided otherwise in Schedule "B".
11. Council hereby authorizes the borrowing of monies for completion of the Water Works by the issuance and sale of debentures. Pending the sale of the debentures, Council hereby authorizes the Mayor and Treasurer to undertake such temporary borrowing as may be required in order to pay any amounts that become due and payable as a result of proceeding with the Water Works project.

FUTURE CONNECTIONS

12. If a severance occurs on a parcel assessed in Schedule "B," after the date of the enactment of this By-law, the owner(s) of the severed parcel will be required to pay to the Corporation the cost of one unit as set out in Schedule "B."
13. The owner of an existing parcel will be required to pay to the Corporation, the cost of any additional connections to the parcel.

VALIDITY

14. If a court of competent jurisdiction declares any provision or part of this By-law to be invalid or of no force and effect, it is the intention of the Council in enacting this By-law that each and every other provision of this By-law authorized by law, be applied and enforced in accordance with its terms to the extent possible according to law.

THIS By-law come into full force and effect upon the final passing thereof.

READ A FIRST, SECOND AND THIRD TIME this day of , 2021

MAYOR – Darrin Canniff

CLERK – Judy Smith

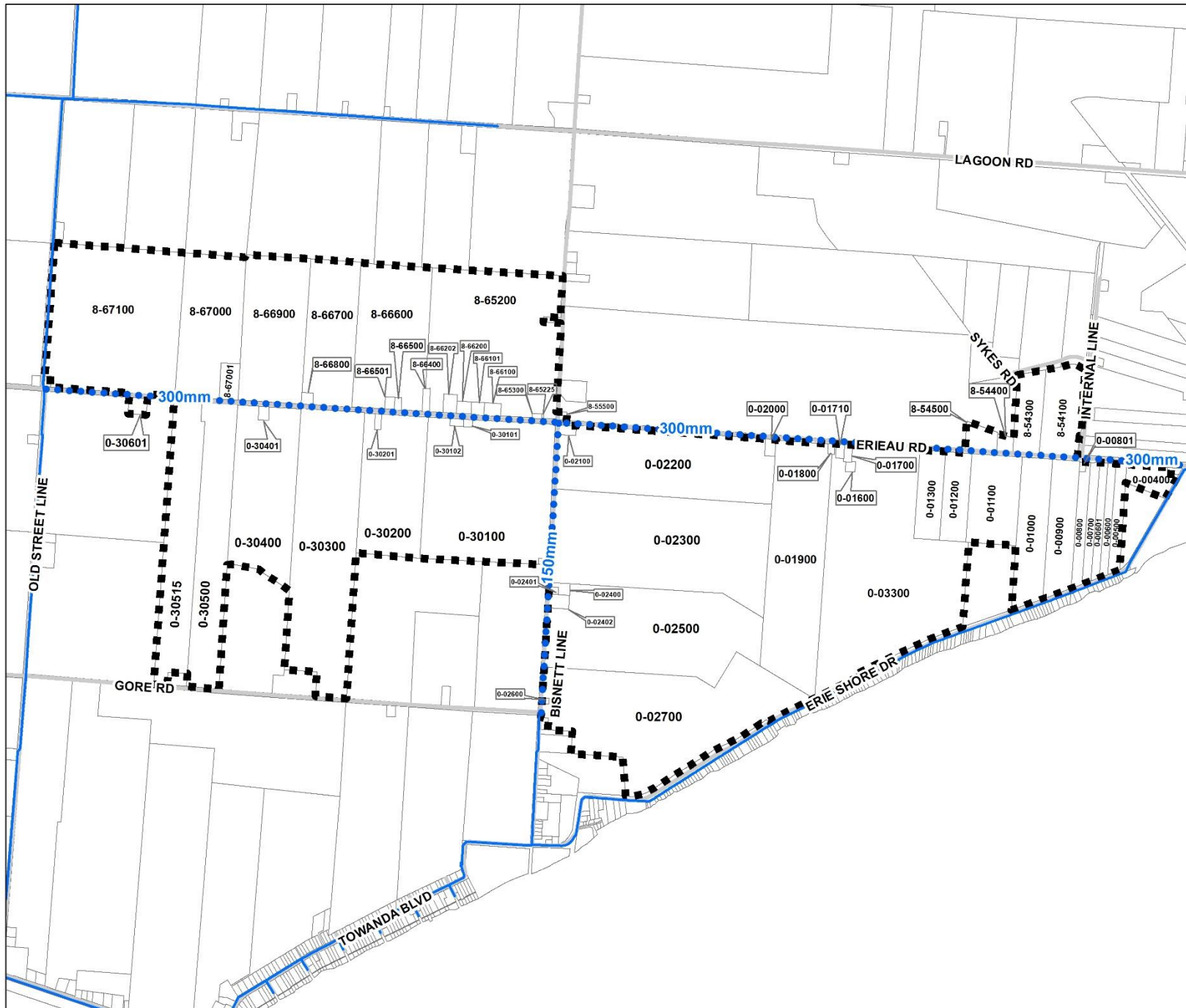
Erieau Road & Bisnett Line Waterline Project

February 23, 2021



Legend

- Proposed Waterline
- Existing Waterline
- Waterline Area Boundary
- Road Network
- Assessment Parcel



Erieau Road & Bisnett Line Waterline Project

Schedule A

Schedule B

**Erieau Road & Bisnett Line Waterline Project
Schedule of Preliminary Assessment**

Schedule of Charges:		
Service Size	Project Assessment (DCs not included)	Future Assessment (DCs not included)
1" Service	\$24,887.25	\$31,109.06
1.5" Service	\$33,100.04	\$41,375.05
2" Service	\$37,330.88	\$46,663.60

ROLL NUMBER	911	STREET	ZONING ASSESSMENT	ASSESSMENT CHARGE	2020 PART XII CHARGE	GROSS PUC ASSESSMENT	DEFERRED ASSESSMENT (DCs NOT INCLUDED)
365014000867100	19087	ERIEAU RD	0.25		USE CURRENT	DEFERRED	\$31,109.06
365014001030601	19064	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014001030515	19016	ERIEAU RD	1	\$24,887.25	\$2,880	\$27,767.25	N/A
365014001030500	19004	ERIEAU RD	1	\$24,887.25	\$2,880	\$27,767.25	N/A
365014000867000		ERIEAU RD	0.25		USE CURRENT	DEFERRED	\$31,109.06
365014000867001	18991	ERIEAU RD	1	\$24,887.25	\$2,880	\$27,767.25	N/A
365014001030400	18948	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014001030401	18950	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014000866900		ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014001030300	18914	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014000866800	18921	ERIEAU RD	1	\$24,887.25	\$2,880	\$27,767.25	N/A
365014000866700	18913	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014001030200		ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014001030201	18856	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014000866600		ERIEAU RD	0.25		USE CURRENT	DEFERRED	\$31,109.06
365014000866501	18849	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014000866500	18847	ERIEAU RD	1	\$24,887.25	\$2,880	\$27,767.25	N/A
365014000866400	18819	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014001030100		ERIEAU RD	0.25		USE CURRENT	DEFERRED	\$31,109.06
365014001030102	18792	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014001030101	18784	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014000865200		ERIEAU RD	0.25		USE CURRENT	DEFERRED	\$31,109.06
365014000866202	18799	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014000866200	18795	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014000866101	18781	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014000866100	18767	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014000865300*	18725 & 18729	ERIEAU RD	2.0	\$49,774.50	\$5,760	\$55,534.50	N/A
365014000865225		ERIEAU RD	EXEMPT				EXEMPT
365014001002000	18414	ERIEAU RD	1	\$24,887.25	\$2,880	\$27,767.25	N/A
365014000855500	18701	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014001001900	18380	ERIEAU RD	1	\$24,887.25	\$2,880	\$27,767.25	N/A
365014001001800	18336	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014001003300		ERIE SHORE DR	CANNOT BE SERVICED		USE CURRENT		N/A
365014001001710	18332	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014001001700 365014001001600	18314 & 18312	ERIEAU RD	1.25		USE CURRENT	DEFERRED	\$38,886.33
365014001001300		ERIEAU RD	CANNOT BE SERVICED		USE CURRENT		N/A
365014001001200		ERIEAU RD	CANNOT BE SERVICED		USE CURRENT		N/A
365014001001100		ERIEAU RD	CANNOT BE SERVICED		USE CURRENT		N/A

ROLL NUMBER	911	STREET	ZONING ASSESSMENT	ASSESSMENT CHARGE	2020 PART XII CHARGE	GROSS PUC ASSESSMENT	DEFERRED ASSESSMENT (DCs NOT INCLUDED)
365014000854500	18157	ERIEAU RD	CANNOT BE SERVICED		USE CURRENT		N/A
365014000854400	18097	ERIEAU RD	CANNOT BE SERVICED		USE CURRENT		N/A
365014001001000	18113	ERIE SHORE DR	CANNOT BE SERVICED		USE CURRENT		N/A
365014001000900	18018	ERIEAU RD	CANNOT BE SERVICED		USE CURRENT		N/A
365014000854300 365014000854100	18049	ERIEAU RD	CANNOT BE SERVICED		USE CURRENT		N/A
365014001000801	18000	ERIEAU RD	1		USE CURRENT	DEFERRED	\$31,109.06
365014001000800	17986	ERIEAU RD	0.25		USE CURRENT	DEFERRED	\$31,109.06
365014001000700		ERIEAU RD	0.25		USE CURRENT	DEFERRED	\$31,109.06
365014001000601		ERIEAU RD	0.25		USE CURRENT	DEFERRED	\$31,109.06
365014001000600		ERIEAU RD	0.25		USE CURRENT	DEFERRED	\$31,109.06
365014001000500		ERIEAU RD	0.25		USE CURRENT	DEFERRED	\$31,109.06
365014001000400		ERIEAU RD	0.25		USE CURRENT	DEFERRED	\$31,109.06
365014001002100	8892 & 8894	BISNETT LINE	1.25		USE CURRENT	DEFERRED	\$38,886.33
365014001002200 365014001002300	8844	BISNETT LINE	1			NO ASSESSMENT	N/A
365014001030000	8825	BISNETT LINE	1			NO ASSESSMENT	N/A
365014001002400	8786	BISNETT LINE	1			NO ASSESSMENT	N/A
365014001002401	8778	BISNETT LINE	1			NO ASSESSMENT	N/A
365014001002402	8776	BISNETT LINE	1			NO ASSESSMENT	N/A
365014001002500		BISNETT LINE	0.25			NO ASSESSMENT	N/A
365014001002700		BISNETT LINE	0.25			NO ASSESSMENT	N/A
365014001002600		BISNETT LINE	1			NO ASSESSMENT	N/A

*Roll 365014000865300 (MN 18725 & 18729) received two service connections (and pays two development charges)