

CHATHAM-KENT PUBLIC UTILITIES COMMISSION

St. Clair Road, Heritage Line and Murray Street Proposed Watermain

PROJECT INFORMATION OVERVIEW

September 2024

Background Information

The Public Utilities Commission for the Municipality of Chatham-Kent (CK PUC) received a petition in April 2024 requesting consideration for municipal water located along St. Clair Road, Heritage Line and Murray Street in the former Community of Chatham Township.

This information package is being distributed to explain in detail, the potential for the extension of a municipal waterline into this area.

Proposed Water Distribution System

The proposed water distribution system must meet present and future demands associated with the service area derived from the request received. The watermain design does not include fire protection or large flow capabilities.

The system will connect to the existing 150mm diameter watermain in front of 851 Murray Street and continue south down Murray Street and St. Clair Road for approximately 2,702 metres using a 100mm diameter watermain and then travel southwest on Heritage Line for approximately 1,540 metres using a 50mm diameter watermain.

Water service connections, 25 mm (1") diameter, from the mainline pipe to the road limit will be provided for each existing occupied and vacant residential, commercial and industrial lots and occupied agricultural lots located along the proposed watermain route. Service connections to vacant agricultural properties will not be provided unless specifically requested by the property owner at full assessment. Vacant agricultural properties must clearly state in the comments section on the included ballot that they wish to receive a connection otherwise one will not be provided.

Preliminary Project Cost Estimate

The minimum sized line that is sufficient to meet the flow requirement, within the study area, is 100mm diameter on Murray Street and St. Clair Road and 50mm diameter on Heritage Line. All affected property owners will be responsible for the minimum size waterline.

The estimated project cost is shown below.

Table 1: Cost Estimates

Scenario	Estimate
Estimated Project Cost – 100 & 50mm Ø Waterline	\$2,198,292

The above costs include Engineering, Ministry of the Environment, Conservation and Parks (MECP) approvals and HST.

The estimated project cost is preliminary and may be subject to change upon final detailed design. Actual costs can only be determined upon completion of final design and the tendering process.

If during the tendering stage, the total construction cost per assessment is greater than 10% of the estimated amount, CK PUC will notify you of the increase and allow you to

revote on the project to determine if you still wish for it to proceed. If the total construction cost per assessment is less than 10% over the estimated amount, the project will proceed without notifying the residents.

Typical Water Service Connection Charge

The project costs are divided amongst the properties along the waterline route. A detailed breakdown of the typical water service connection charge for the proposed project based on the estimated project cost and the assessment rationale is shown on Table 2.

Table 2: Connection Charges

Scenario	Estimate
Assessment Project Cost	\$2,198,292
100% Assessment – Residential - Single Family Dwelling Includes 2024 Part XII charge (\$6,262.40)	\$79,539
125% Assessment – Residential – Two Houses on Property Includes 2024 Part XII Charge (\$6262.40).	\$97,858
100% Assessment – Vacant Residential / Commercial Property 2024 Part XII Charge do not apply at this time	\$73,276
25% Assessment – Vacant Agricultural Land 2024 Part XII Charge do not apply	\$18,319

Property owners will be responsible for the cost of extending the water service from the road property line into their individual home/building. This cost typically ranges from \$1000 to \$3,000 but varies based on the specific site conditions. A water meter will also be required at an additional cost and is supplied by CK PUC.

Please note: Commercial and industrial properties will be required to have a water meter pit located just inside the property line on their new service. The water meter pit is the responsibility of the property owner and must follow CK PUC standards. A backflow preventer will be required and would need to be located above grade/ inside the building.

After the watermain project is commissioned and if a property owner decides to hook-up to the water service provided, a monthly flat rate will apply. Monthly rural 2024 water service charge (flat rate) for a standard residential meter is \$29.14 and \$1.42 per cubic meter of water.

Charge under Part XII of the Ontario Municipal Act

As of April 26, 2004, the CK PUC has introduced a Part XII Charge Bylaw, which applies to all new users of municipal water and sanitary sewer systems in order to offset costs associated with the water and wastewater infrastructure. The per-unit Part XII Charge associated with a municipal water distribution project is as follows:

	<u>2024</u>
Single and Semi-Detached Residence	\$6262.40
Multiple Dwellings	\$4020.00

Apartments (2+ Bedrooms)	\$4069.60
Apartments (Bachelor & 1 bedroom)	\$2460.80
Greenhouses	\$0.87 / ft ²
Commercial (gross floor area)	\$4.51 / ft ²
Institutional (gross floor area)	\$4.51 / ft ²
Industrial (gross floor area)	\$0.56 / ft ²

Assessment Rationale

The following water service connection assessment rationale has been developed by the CK PUC:

- 100% service connection charge to be applied against each existing occupied and vacant residential/commercial/industrial lot receiving one connection and each occupied agricultural lot receiving one connection
- Service connection charge (25% of actual) to be applied against each additional dwelling on a single property, which does not receive an additional connection
- Service connection charge (25% of actual) to be applied against each vacant agricultural property, which does not receive a connection

Financing Options

Each property owner will have the option to pay for the connection charge based on the lump sum at the time construction is completed, or in the form of an amortized annual charge financed through the Municipality over five (5), ten (10), or fifteen (15) years. Local improvement projects are financed through the Municipality by property owners to the bank's Prime Rate (CIBC) as of January 1st, 2024 plus 1.5%**.

**Prime Rates are relative to the year the project is completed.

Financing rates associated with local improvement projects that are financed through the Municipality by property owners will be locked for the period of the financing.

A summary of typical payment options based on the estimated project cost is provided in Table 3 as follows:

Table 3: Financing Charges

Assessment	Lump Sum Charge	5 Year Option (8.70%)	10 Year Option (8.70%)	15 Year Option (8.70%)
100% Assessment (Single Family Dwelling)	\$79,539	\$20,290	\$12,231	\$9,693
125% Assessment (Two Houses on Property)	\$97,858	\$24,963	\$15,047	\$11,926

100% Assessment (Vacant Residential & Commercial Land)	\$73,276	\$18,692	\$11,268	\$8,930
25% Assessment (Vacant Agricultural Land)	\$18,319	\$4,673	\$2,817	\$2,233

Please note the following:

- Any charge placed on the tax roll may be paid out early and the rate of interest to the debenture/loan expiry date will be used to calculate the payout amount required and;
- Any property involved in a severance will require a full payout of the local improvement charge prior to registration of the deeds.

Public Information Center

A virtual Public Information Center (PIC) will be available on our website to explain the project, background information, CK PUC assessment rationale and connection costs. The PIC materials will be available online starting on September 16th, 2024 and will be available until October 4th, 2024.

To access the PIC materials, please visit the project page for this petition under the Municipal Projects area on the Chatham-Kent website at the following web address:

<https://www.chatham-kent.ca/localgovernment/municipalprojects/Pages/St-Clair-Road-Watermain.aspx>

Please review the PIC material and webpage prior to submitting your ballot. Ballots can be submitted to CK PUC between September 16th and October 4th, 2024.

The Next Step

A ballot is included in this package and should be filled out and returned to the CK PUC on/before Friday, October 4th, 2024 before 3:30 p.m. local time. You can email, mail, fax, or drop it off at any Municipal Centre in the Municipality of Chatham-Kent or CK PUC office. Only the votes returned are counted. If you do not vote, you accept the direction provided by those that do.

The CK PUC Waterline and Sanitary Sewer Assessment Policy for Un-serviced areas requires that sixty-six (66%) of the property owners must vote in favour of the project in order for it to proceed to construction.

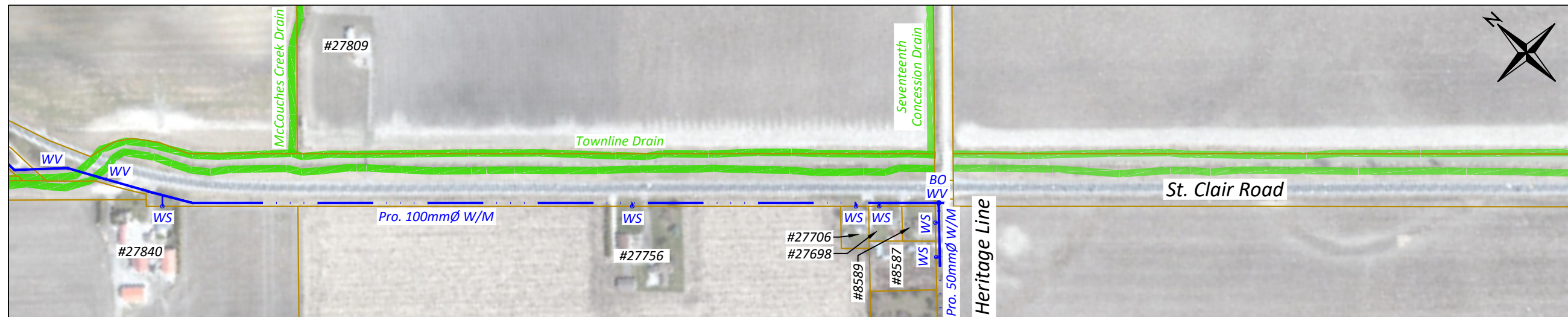
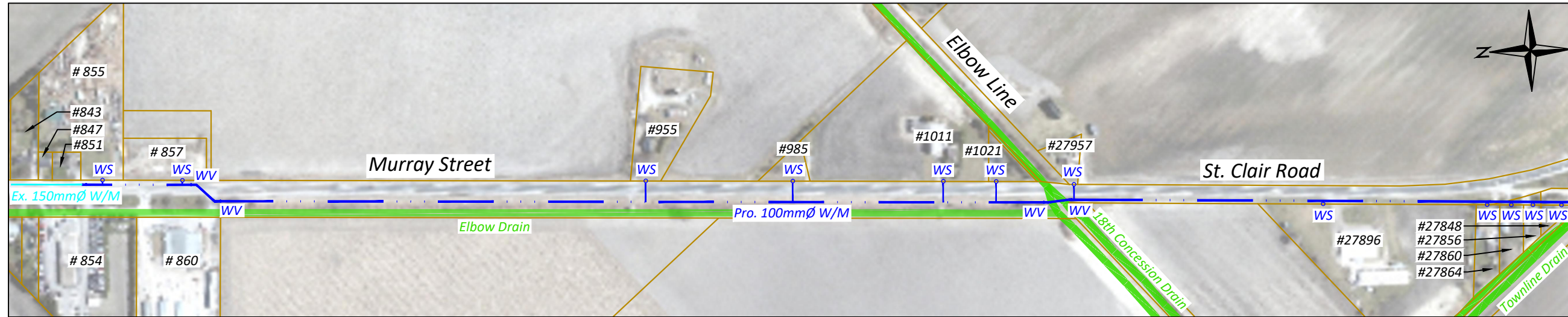
Individual returned ballots remain confidential but the total final results from the property owners will be presented to the CK PUC Commission for final approval. After the ballots are collected and counted, the information will be reported to the next Commission meeting. The Commission Meetings are held on the third Thursday of the month. The Commission will approve the project to proceed or to turn it down. After the Commission

Meeting, the property owners involved will be informed by mail of the results. Vote results are kept confidential, only final percentages are announced.

Contact

Any concerns with respect to the project can be directed to:

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MURRAY STREET AND ST. CLAIR ROAD
 2702m OF 100mmØ PVC DR-18 WATERMAIN INSTALLED BY DIRECTIONAL DRILLING
 7-100mmØ GATE VALVE
 1-BLOW OFF ASSEMBLY
 16-25mmØ SERVICE CONNECTIONS

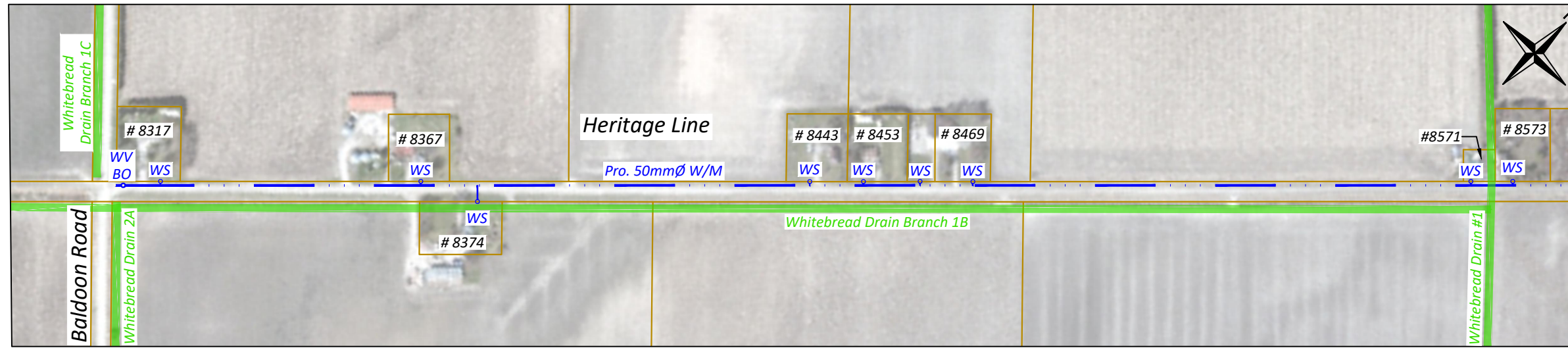
PLAN
 SCALE: 1 : 5,000



No.	DATE	ISSUANCE
1.	09-SEP-24	Estimate

ST. CLAIR ROAD AND HERITAGE LINE
 WATERMAIN EXTENSION
 COMMUNITY OF CHATHAM TOWNSHIP

2024p264 v2
 Sheet No.
 1 of 2



HERITAGE LINE
 1540m OF 50mmØ PVC SDR-21 WATERMAIN INSTALLED BY DIRECTIONAL DRILLING
 2-50mmØ GATE VALVE
 1-BLOW OFF ASSEMBLY
 11-25mmØ SERVICE CONNECTIONS

PLAN
 SCALE: 1 : 5,000



No.	DATE	ISSUANCE
1.	09-SEP-24	Estimate

ST. CLAIR ROAD AND HERITAGE LINE
 WATERMAIN EXTENSION
 COMMUNITY OF CHATHAM TOWNSHIP

St. Clair Road & Heritage Line Water Service Connection Assessment

August 27, 2024



Legend

- 25% Assessment = 0.25 Vote
- 100% Assessment = 1 Vote
- 125% Assessment = 1.25 Vote
- Property Not Assessed
- Road Network

Municipality of Chatham-Kent Infrastructure General Data Disclaimer:
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