



*wonderful*  
WEST ST. PAUL



# Proposed LIP 2019-01

PUBLIC HEARING

BY-LAW NO. 2019-01

LOCAL IMPROVEMENT PLAN NO. 2019-01

Monday, February 11, 2019

6:00 p.m.

Sunova Centre

# ROSSMORE & ADDIS WASTEWATER SEWER PROJECT

## WELCOME AND INTRODUCTION

The Rural Municipality of West St. Paul welcomes you to this Public Hearing to provide information on a proposed Local Improvement Plan for the installation of wastewater sewers on Rossmore Avenue and Addis Avenue between Main Street and the railway.

Members of Council and Administration from the R.M. of West St. Paul and representatives from Stantec Consulting Limited (Project Engineer) are here today to answer questions and provide information on the project plans. We encourage you to ask any questions that you may have.

Comment sheets are also available if you wish to provide written questions or feedback.

- **Welcome and Introduction**
- **Red River Corridor Designated Area**
- **Process for Local Improvement Plan**
- **Proposed Sewer Servicing Plan**
- **Preliminary Opinion of Probable cost**
- **Local Improvement Plan Costs**
- **Local Improvement Plan Financing**
- **Local Improvement Plan – Cost per Parcel**
- **Local Improvement Plan – Financing Cost Comparison**
- **Cost Comparison – RM Sewer vs. Private Holding Tank**
- **Other Costs**
- **Typical Sewer Service Connection**
- **Utility Rates**
- **Project Schedule**

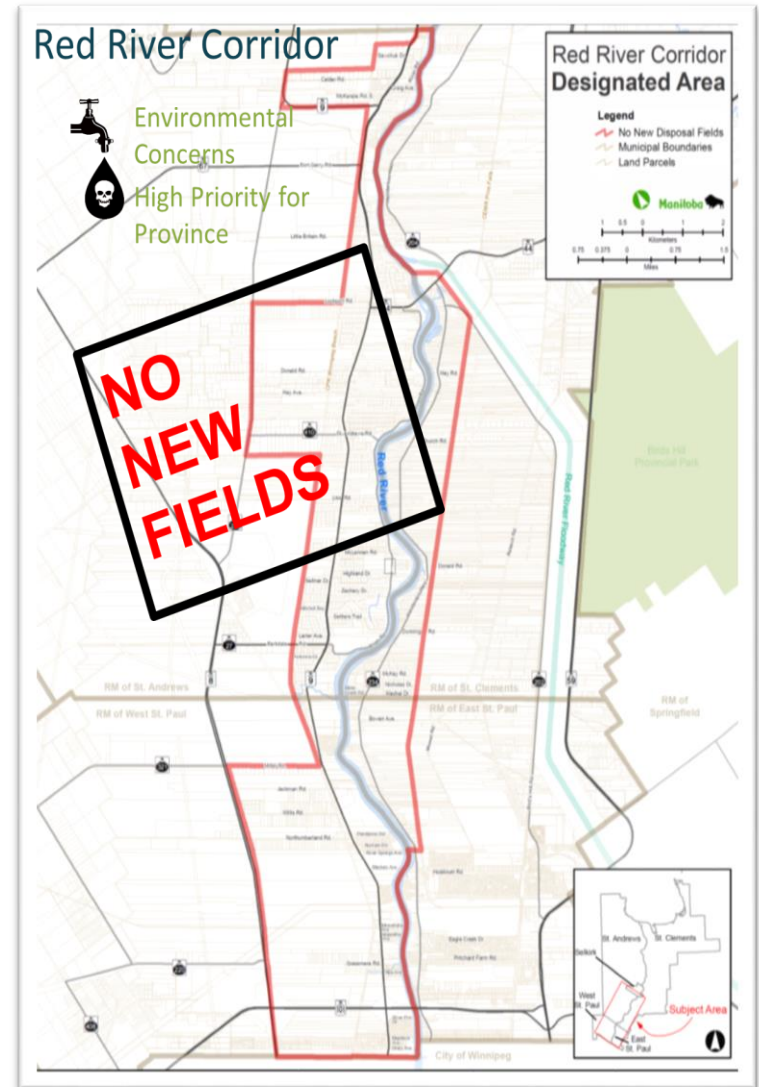
# ROSSMORE & ADDIS WASTEWATER SEWER PROJECT

## RED RIVER CORRIDOR DESIGNATED AREA

- Onsite Wastewater Management Systems Regulations (83/2003) pursuant to The Environment Act are administered by Manitoba Conservation.
- The Red River Corridor Designated Area was established in 2009 under an amendment to these Regulations.
- Replacement or modification of existing septic fields and construction of new septic fields are prohibited within this Designated Area.
- Failed septic fields can only be replaced by holding tanks in the RRCD area
- Detailed information on the Regulations is available from Manitoba Sustainable Development ([www.gov.manitoba.ca/sd/envprograms/wastewater/index.htm](http://www.gov.manitoba.ca/sd/envprograms/wastewater/index.htm))
- An excerpt from Section 8 of these Regulations is shown below.  
**Requirement to Connect to New Wastewater Collection System**

**8.1(1) If a wastewater collection system is installed in an area not previously serviced by a wastewater collection system, an owner of land in that area must**

- (a) connect his or her wastewater sources to the wastewater collection system; and
- (b) take any onsite wastewater management system or privy located on the land out of service and decommission it; before the earlier of
- (c) the passing of a period of five years from the day that the wastewater collection system was installed; or
- (d) the transfer or subdivision of the land. M.R. 156/2009



# What's Next?

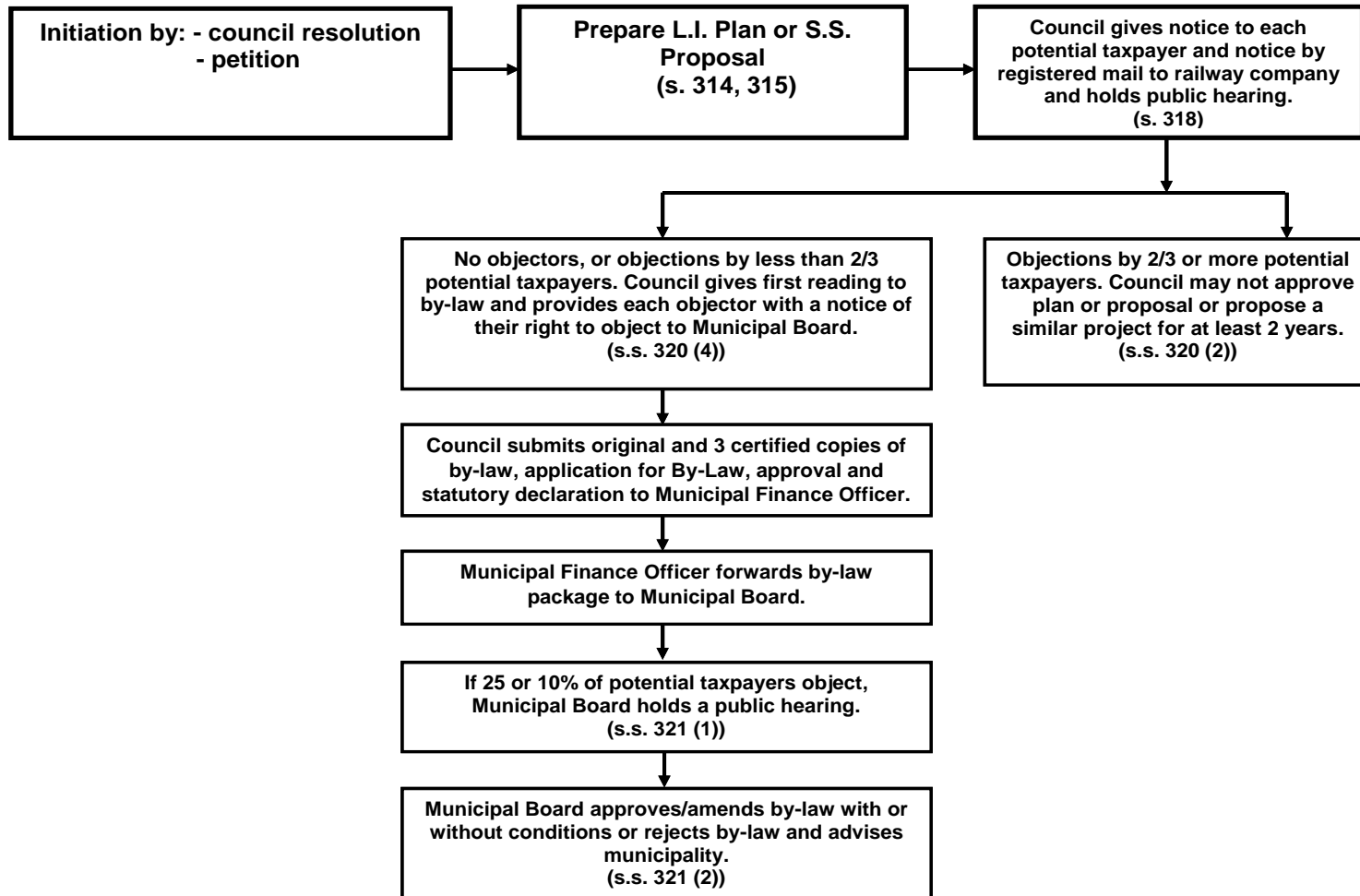
- Creating LIP#2019-01 which allows the municipality to charge only the taxpayers who will benefit from the local improvement provided.
- **By-Law No. 2019-01** is what we are discussing this evening for the new local improvement district.

This Public Hearing is being held to give you, the taxpayers, the opportunity to review, consider and support or object to the plan before it is adopted.

# ROSSMORE & ADDIS WASTEWATER SEWER PROJECT

## PROCESS FOR LOCAL IMPROVEMENT PLAN

A Local Improvement District or LID is a special public improvement area created by a municipality to allow for public financing of a public improvement project that benefits private property. The process for establishing a LID is outlined in the following flow chart.





# Local Improvement Plan

The proposed local improvement is for the financing for the extension of wastewater services to 107 parcels down Rossmore and Addis Avenues from Main Street to the tracks.



## IF LOCAL IMPROVEMENT IS NOT APPROVED

1. The RM will lose the grant funding and may not get similar funding for quite some time.
2. Similar project cannot be proposed for two years.





# The Process

After the presentation, everyone who has signed in to speak to the By-Law will be given an opportunity to ask questions or voice their concerns.

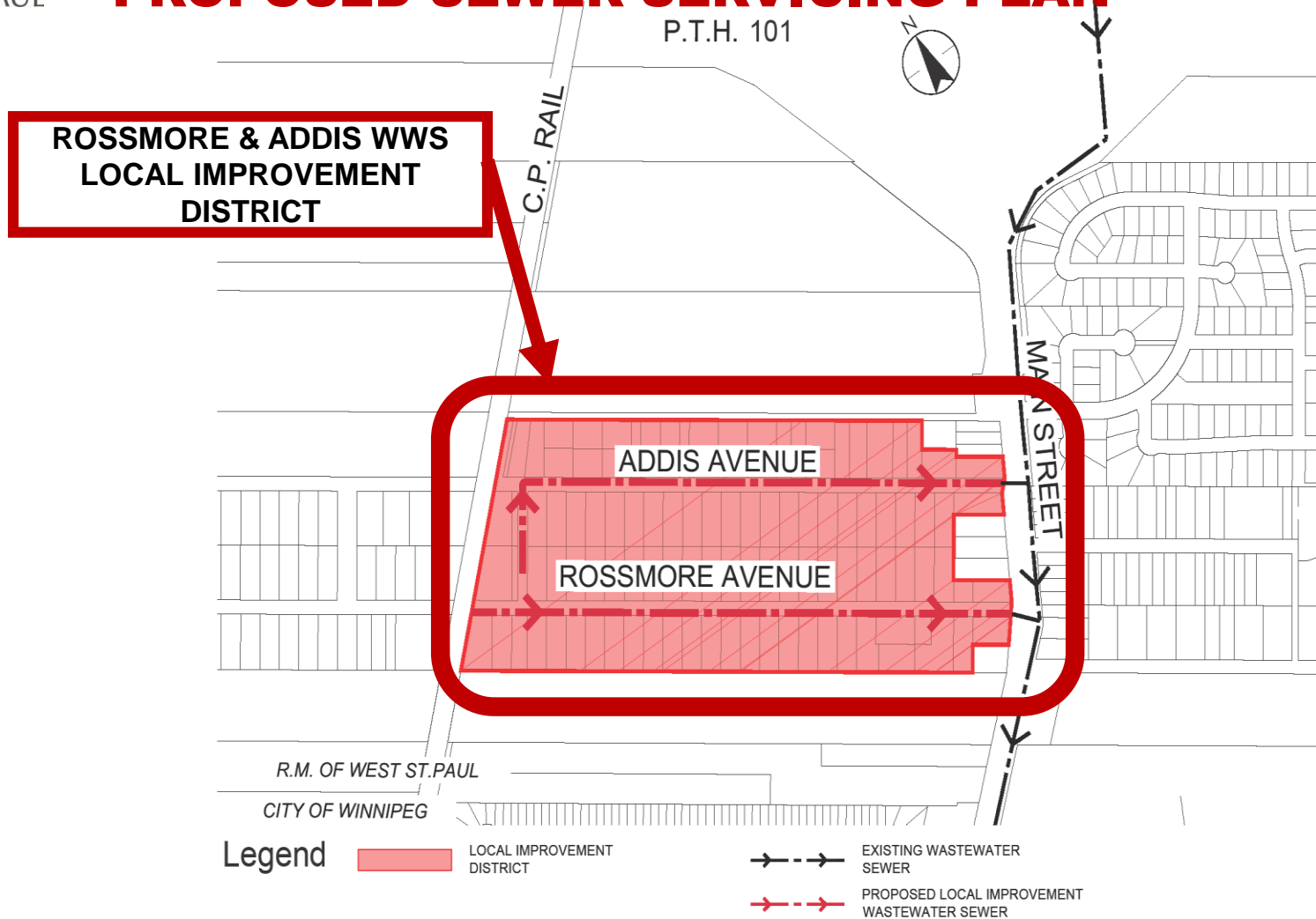
At the close of the Public Hearing you will be required to return to the Administration Staff in order to register your opposition to the By-Law.

## MAP OF LIP #2019-01 ROSSMORE & ADDIS



# ROSSMORE & ADDIS WASTEWATER SEWER PROJECT

## PROPOSED SEWER SERVICING PLAN





# Local Improvement Plan

## Method of Calculating the Local Improvement

The Local Improvement project will be recovered by a local improvement tax based on a per parcel basis on each benefiting property.

# **ROSSMORE & ADDIS WASTEWATER SEWER PROJECT**

## **PRELIMINARY OPINION OF PROBABLE COST**

<b>Item</b>	<b>Description</b>	<b>Unit Amount</b>
1	Sewer Installation	1,848,000.00
2	Manhole	456,000.00
3	Video Inspection	35,000.00
4	Sewer Service Installation	576,875.00
5	Sewer Service Risers	27,000.00
6	Pavement Restoration	112,500.00
7	Obstruction Removal	15,000.00
8	Engineering & Contingency	867,593.75
9	MWSB Project Management	<u>75,000.00</u>
	Subtotal	4,012,968.75
10	RM Costs	<u>114,042.00</u>
	Total Project Costs	4,127,010.75
	less Grant	<u>(2,006,484.38)</u>
	Cost to Ratepayer Rounded up	<b>2,120,600.00</b>



### **LOCAL IMPROVEMENT PLAN COSTS**

Sewer Installation & Restoration	\$4,127,010.75
Funding – Manitoba Water Services Board (50%)	- <u>2,006,484.38</u>
Cost To Ratepayer Cost rounded up	<b>\$2,120,600.00</b>
Maximum Grant Allowed	<b>\$2,076,250.00</b>

# **ROSSMORE & ADDIS WASTEWATER SEWER PROJECT**

## **LOCAL IMPROVEMENT PLAN - FINANCING**

**PROJECTED COST OF PROJECT**

**\$2,120,600.00**

**TERM**

**20 YEARS**

**INTEREST RATE ESTIMATED**

**6.25%**

The Province of Manitoba (Municipal Relations) recommends adding 1-2% to the current rate to cover any rate increases by the Bank of Canada. Once the project is completed the municipality will be able to lock in the interest rate at that time. The final amending by-law will use the interest rate the from financial institution which provides the lowest rate.

**ANNUAL PAYMENT**

**\$ 188,653.39**

**\*RATES ARE ESTIMATED**

## **LOCAL IMPROVEMENT PLAN – COST PER PARCEL**

**Cash Option - \$19,818.69 per parcel**

**Finance Option - \$1,763.12 per parcel  
(to be levied annually for 20 years)**

**Charges will be levied upon completion of the project.**

**Residents will have 30 days to select the cash option.**



# ROSSMORE & ADDIS WASTEWATER SEWER PROJECT

## LOCAL IMPROVEMENT PLAN - FINANCING COST COMPARISON

	Original By-Law		Amending By-Law	Variance
<b>Project Cost</b>	\$ 2,120,600	<b>Final Cost of Project</b>	\$ 2,120,600	
<b>Term</b>	20 years	<b>Term</b>	20 years	
<b>* Estimated Interest Rate</b>	6.25%	<b>*Estimated Interest Rate</b>	4.25%	
Yearly Payment	\$ 188,653	Yearly Payment	\$ 159,511	\$ 29,142
Per Parcel - Cash Option (one time payment)	\$ 19,819	Per Parcel - Cash Option (one time payment)	\$ 19,819	\$ 0
Per Parcel - Finance Option (per year)	\$ 1,763	Per Parcel - Finance Option (per year)	\$ 1,491	\$ 272
Number of Properties	107	Number of Properties	107	
Total Interest 20 years	\$ 1,652,467.79	Total Interest 20 years	\$ 1,069,623.71	\$ 582,844.08

The Province of Manitoba (Municipal Relations) recommends adding 1-2% to the current rate to cover any rate increases by the Bank of Canada. Once the project is completed the municipality will be able to lock in the interest rate. The final amending by-law will use the interest rate from the financial institution which can provide the lowest rate.

\* The example above demonstrates that a Interest Savings of \$582,844.08 can be achieved if the final interest rate is reduced by 2%.

# ROSSMORE & ADDIS WASTEWATER SEWER PROJECT

## **COST COMPARISON - RM SEWER vs PRIVATE HOLDING TANK**

<b>RM Sewer (Utility Bills)</b>	
Quarterly Average Consumption (cubic meter)	35
Quarterly Average Utility Bill	\$ 199
Yearly Average Utility Bill	\$ 794
10 Year Operating costs	\$ 7,941
<b>CAPITAL COST OF WASTEWATER SERVICES</b>	
Cost of LID	\$ 19,819
Cost of private sewer connection	\$ 8,000
COW buy in*	\$ 2,450
Water Meter cost**	\$ 377
Total Capital Cost	\$ 30,645
After 10 years incl. operating costs	\$ 38,586
After 20 years incl. operating costs	\$ 46,528

<b>Private Holding Tank</b>	
Quarterly Average Consumption (cubic meter)	35
Quarterly Average Pumpouts	8
Cost Per Pump Out *	\$ 150
Average Quarterly Cost	\$ 1,167
Average Yearly Cost	\$ 4,667
10 Year Operating Costs	\$ 46,667
<b>CAPITAL COST OF HOLDING TANK</b>	
Cost of Tank Installation**	\$ 11,000
After 10 years incl. operating costs	\$ 57,667
After 20 years incl. operating costs	\$ 104,333

\*2018 rate subject to change

\*\*cost during the community wide meter program

\*Prices range from \$140-\$160

\*\*Average cost \$11-15,000

Estimated current cost of meter installation \$ 600

All costs are estimated



## Local Improvement Plan

### Annual Operating & Maintenance Cost of the Proposed Local Improvement:

The annual maintenance costs associated with the local improvement proposed will be recovered in the annual operating budget of the utility. The Municipality has completed a Sewer Rate Study which has established consumer rates. These rates are approved by The Public Utilities board.



# **LIP#2019-01**

## **Additional Costs**

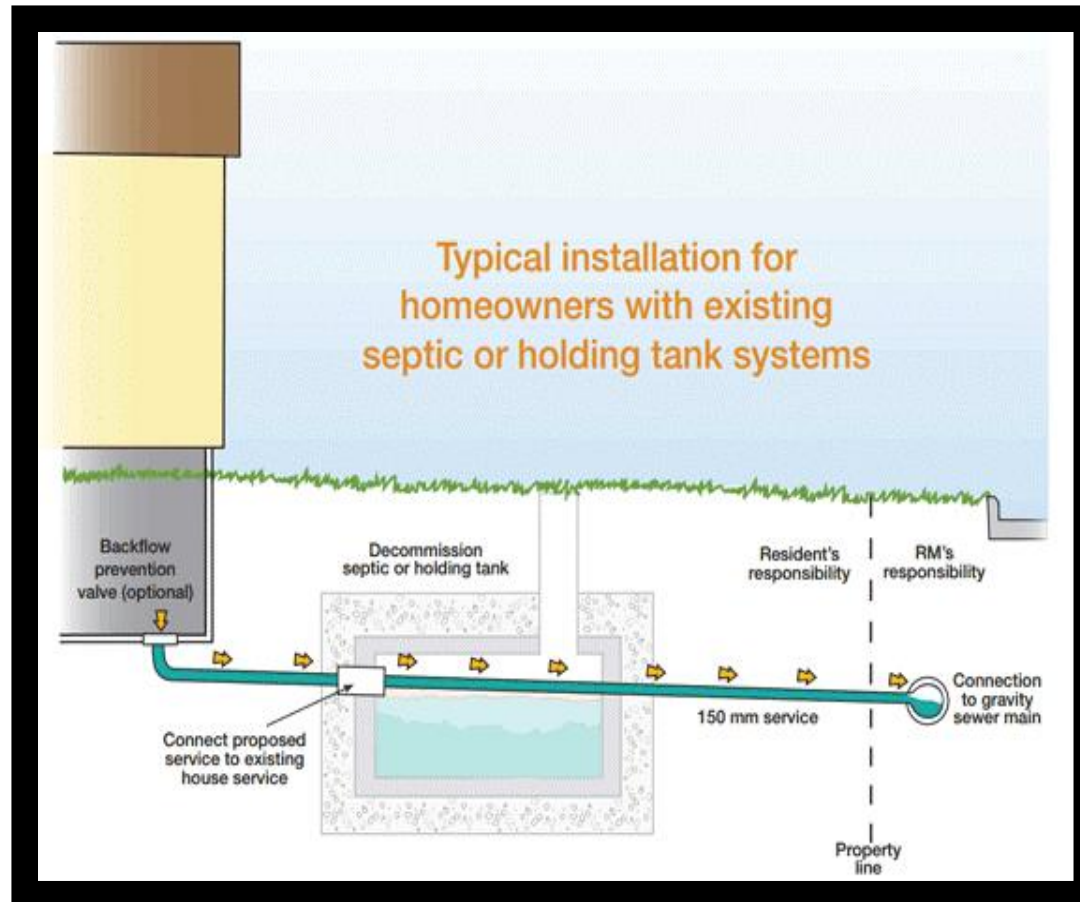
### **Existing Residents Only**

- City of Winnipeg Connection Fee \$2450\*
- Water Meter installed under the Neptune Program - \$396.40\*\*
- Water Meter not installed \$492.80 plus installation fees
- Private connection costs \$4800-\$8000

\*2018 fee – subject to yearly increase

# ROSSMORE & ADDIS WASTEWATER SEWER PROJECT

## TYPICAL SEWER SERVICE CONNECTION



# LIP#2017-01

## Additional Costs



Additional Costs such as the water meter, City of Winnipeg connection fee and the private connection costs are the responsibility of each taxpayer and cannot be put on the annual tax statement.

These costs along with quarterly utility bills will be invoiced by the RM.

# **ROSSMORE & ADDIS WASTEWATER SEWER PROJECT**

## **UTILITY RATES**

Once constructed, the ongoing operation, maintenance and eventual replacement of the sewer system will be paid for by utility customers based on the amount of water they use. Water usage will be measured by meters installed in homes and businesses and sewer bills will be issued quarterly based on your water usage.

Sewer utility rates paid by sewer customers in the R.M. of West St. Paul will consist of the following components:

- ☐ City of Winnipeg Sewer rate ( \$2.80/cubic meter for 2018 with a quarterly minimum charge of \$39.20);
- ☐ City of Winnipeg annual administration fee ( \$243.31 for 2018);
- ☐ R.M. of West St. Paul annual administration fee (\$60) for salaries and insurance, audit fees, P.U.B. fees etc. and
- ☐ R.M. of West St. Paul utility reserve fee (5% of sewer charge) to cover repairs and maintenance of the sewer system.

Utility rates are based on a user-pay philosophy and are subject to review and approval by the Manitoba Public Utilities Board.

The average quarterly wastewater bill in West St. Paul in 2018 was \$198.53 and the average customer produced 35 cubic metres of wastewater.



# Benefits

- As our community continues to grow, we need a sustainable solution to ensure West St. Paul remains an attractive place to live and invest, and, that we're ensuring our kids and our families have clean air, water and soil.
- Will address the current environmental concerns.
- The wastewater collection system meets or exceeds the regulation.
- Increases the value of your investment.



## **PROJECT SCHEDULE**

The estimated project schedule is outlined below.

- |  |                            |
|--|----------------------------|
| <input type="checkbox"/> Public Open House               | January 17, 2019           |
| <input type="checkbox"/> Public Borrowing By-law Hearing | February 11, 2019          |
| <input type="checkbox"/> Municipal Board Decision        | April, 2019                |
| <input type="checkbox"/> Construction                    | June 1 to November 1, 2019 |
- 
- ☐ If a Municipal Board Hearing is required, the project schedule would be extended by several months at a minimum.
  - ☐ If project doesn't proceed, grant funding will not be available in future years.



# **QUESTIONS REGARDING BY-LAW NO. 2019-01 & LIP #2019-01**

**Please remember, you must be  
registered to speak**



**Please remember to register if you  
are in support or if you have an  
objection to the By-Law with  
Administration Staff tonight.**



# **COUNCIL TO GIVE FIRST READING TO BY-LAW NO. 2019-01**



# THANK YOU FOR ATTENDING



# CONTACT INFORMATION

## Wastewater System Project

[wastewaterproject@weststpaul.com](mailto:wastewaterproject@weststpaul.com)

204-338-0306

website: [www.weststpaul.com](http://www.weststpaul.com)

or

Manitoba Sustainable Development  
Environmental Compliance & Enforcement

204-945-7072



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