

# MINUTES

## PUBLIC UTILITIES COMMISSION

S-K WATER TREATMENT PLANT  
18970 CHARING CROSS RD

JANUARY 20, 2005  
TOUR 3:00 PM – MEETING TO FOLLOW

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PRESENT: Chairman Bryon Fluker, Commissioners Janet McGuigan, Joe Faas, Tom McGregor, Frank Vercouteren, Mayor Diane Gagner, CAO, Joe Pavelka, General Manager, Water & Wastewater Services, Jack Sonneveld, and Director, Scott Prail.

ABSENT: Commissioner Jim Brown and Facility, Systems Manager, Rob Bernardi.

1. **CALL TO ORDER**

Chairman Bryon Fluker called the meeting to order at 4:00 PM.

2. **SELECTION OF COMMISSION CHAIRPERSON**

Moved by Mayor Gagner and seconded by Commissioner Vercouteren.

“That the Chairperson hold that seat for the duration of the election.”

**Motion carried**

3. **DECLARATION OF PECUNIARY INTEREST**

NONE

4. **APPROVAL OF MINUTES**

a) December 2, 2004

Moved by Commissioner Vercouteren and seconded by Commissioner McGuigan.

“That the minutes of December 2, 2004 Regular Meeting be approved.”

**Motion carried**

## 5. REPORTS

Item 5 (e) was moved up.

e) WSIB Claim Summary for the Chatham-Kent PUC.

MUNICIPALITY OF CHATHAM-KENT

PUBLIC UTILITIES COMMISSION

**TO:** PUC Chairperson and Commissioners  
**FROM:** Jack Sonneveld  
 General Manager, Chatham-Kent PUC  
**DATE:** January 20, 2005  
**SUBJECT:** WSIB Claim Summary for the Chatham-Kent PUC

### RECOMMENDATION

It is recommended that:

1. A letter recognizing the water/wastewater operations staff for their diligence in having only zero (0) lost time claims in 2004 be sent out from the Public Utilities Commission.

### BACKGROUND

The Chatham-Kent PUC has shown a significant decline in the amount of WSIB claims since the year 2000.

### COMMENTS

The following summary on the WSIB Claims shows a significant decline in WSIB claims within the Chatham-Kent PUC.

<b>Chatham-Kent PUC Lost Time Injuries</b>	
<b>Year</b>	<b>Total</b>
1999	12
2000	11
2001	6
2002	8
2003	1
2004	0

The significant reductions in the number of Lost Time Injuries are possible as a result of:

- The PUC has budgeted sufficient money to ensure that training can be provided for all staff. All staff are required to have a minimum of 40 hours of training per year in accordance with Regulation 435/93 of which approximately 50% involves Health & Safety training.
- Increased awareness of Health & Safety issues. The Health & Safety Committee consists of representatives for the North, Central and South, along with two Management representatives. This committee holds monthly Health & Safety Meetings and does monthly inspections of the facilities to address any Health & Safety concerns.

The Chatham-Kent PUC achieved zero (0) lost time injuries for the year 2004.

### CONSULTATIONS

Denise Lidster, Manager of Health & Safety was consulted.

**FINANCIAL IMPLICATIONS**

Due to the low frequency of lost time injuries, the PUC was able to transfer from a Schedule 1 to a Schedule 2 insurance rate plan. By doing this, the PUC is able to save approximately \$27,400.00 per year on premiums.

Prepared by:

Reviewed by:

\_\_\_\_\_  
Jack Sonneveld  
General Manager  
Chatham-Kent PUC

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Joe G. Pavelka, P. Eng  
Chief Administrative Officer

Mayor Gagner presented the PUC Health & Safety members, Mike Heyens, Bruce Dramnitzke, Matt Sonneveld, Lilly Snobelen, and Robin Dudley, a plaque congratulating the PUC for 0 Lost Time to Injuries.

**Moved by Commissioner Faas and seconded by Commissioner Vercouteren.**

**“That A letter recognizing the water/wastewater operations staff for their diligence in having only zero (0) lost time claims in 2004 be sent out from the Public Utilities Commission.”**

**Motion carried**

Item 5 (c) was next on the agenda due to public interest.

c) Bates Subdivision Waterline Extensions

**MUNICIPALITY OF CHATHAM-KENT**

**PUBLIC UTILITIES COMMISSION**

**TO:** PUC Chairperson and Commissioners  
**FROM:** Scott J. Prail, CET, B. Comm.  
Director, Chatham-Kent PUC  
**DATE:** January 20, 2005  
**SUBJECT:** Bates Subdivision Waterline extensions.

**RECOMMENDATIONS**

It is recommended that:

1. The Public Utilities Commission authorizes administration to negotiate with willing property owner the installation of adequately sized water mains, on a full cost recovery basis.
2. The Public Utilities Commission approve the minimum single service connection to the installed lines be set at the same assessment (100%) of the above negotiated price until January 1, 2011.
3. After January 1 2011, the Public Utilities Commission approves the minimum single service connection assessment (100%) in the defined area at \$6,128.

**BACKGROUND**

Since approval of the Southeast Kent / Rondeau Bay Waterline Project administration has been approached by a number of land owners that passionately want water services to their property. Recognizing that balloting was carried out two times with only 20 % of the owner wanting water, there has been a great deal of disappointment and frustration in the area. There have been at minimum 4 additional requests for petition since October 2004.

**COMMENTS**

One of the requests that were submitted falls under the commission's watermain extension policy, which is, the cost to extend the main to the requesting property for the same or lower cost than the assessed cost in the petitioned area.

Others in the subdivision can not be serviced under the same policy, the construction costs are too high, and they cannot get the required 66% support to assess the entire area. Local owners understand this policy, and support it, but would like to be provided services in a similar manner. Discussions have indicated that they are willing to pay for the entire installation costs if there is not the required support. The commission has considered similar recommendations in the past, Communication Road/Hwy 401 Corridor Water Servicing Project, Thamesville Supply/Baseline Road Waterline, and a section of Wildwood Line on the Rondeau project, these projects allowed for owner to opt out of connections.

This proposal will allow willing owners to opt in, and cover cost incurred by the local distribution system. The recommendations also promote a common sense approach to encouraging participation. If an owner has a short term need for water (within 5 years) they would consider participating to lower the assessed cost to all participating owner. There is no advantage to opt out, unless you really don't need the water. Recommendation 3 returns the connection cost to the area rate set out in the assessment by-law approved in the August 18 2004, commission reports.

The goal is to provide water to residence requesting it without carrying any additional debt. This will also avoid assessing any land owners that do not want the service.

**CONSULTATION**

The General Manager, Public Utilities Commission has been consulted in the preparation of this report:

The Director, Legal Services has been consulted in the preparation of this report to ensure there are no legal issues with this direction.

**COMMUNITY STRATEGIC PLAN IMPACT**

The recommendations in this report support the following objectives and strategic directions:

A. Health: Providing a safe, caring and healthy environment

A2: Health: Providing adequate infrastructure to support, enhance and sustain existing and future growth.

C. Environment: Sustaining and Enhancing our Environmental Assets

C3: Environment: Establish standards for environmental excellence.

**Expected Results**

- Increase user satisfaction.

The recommendations will not adversely impact on the remainder of the Community Strategic Plan.

**FINANCIAL IMPLICATIONS**

There are no costs related to these recommendations, all costs will be recovered from participating home owners, or the projects will not proceed.

Prepared by:

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Scott J. Prail, CET B. Comm.  
Director, Chatham-Kent PUC

Reviewed by:

Reviewed by:

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Jack Sonneveld  
General Manager  
Chatham-Kent Public Utilities Commission

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Joe G. Pavelka, P.Eng.  
Chief Administrative Officer

**Moved by Mayor Gagner and seconded by Commissioner McGuigan.**

**“To defer this report and Administration meet with the interested parties to see what terms they’d be willing to agree to in order for them to get water in an area that had 80% petitioners turn down the water.”**

**Motion carried**

a) Community of Bothwell – Water Supply

**MUNICIPALITY OF CHATHAM-KENT  
Public Utilities Commission**

**TO** PUC Chairperson and Commissioners  
**FROM** Jack Sonneveld,  
General Manager, Chatham-Kent PUC  
**DATE** January 20, 2005  
**SUBJECT** Community of Bothwell - Water Supply

**RECOMMENDATION**

It is recommended that:

1. The Two Year Water Purchase Agreement between the Municipality of Southwest Middlesex and the Chatham-Kent Public Utilities Commission be approved.
2. The Chairperson and the General Manager of the Chatham-Kent Public Utilities Commission be authorized to sign the necessary agreements.

**BACKGROUND**

The potable water for the community of Bothwell is currently purchased from the Municipality of Southwest Middlesex(SWM). The average water consumption is approximately 90,000 cubic meters per year. The current agreement expired on December 31, 2004.

The previous agreement contained a complicated formula used to calculate water rates. The calculation included the cost of water from the West Lorne WTP, debenture payments for the standpipe and upgrading, as well as operating and maintenance costs for a portion of the water system that transmits the potable water through to Chatham-Kent.

The water rate has risen from \$1.067 per M3 in 2000 to \$1.52 per M3 in 2004. In addition to these costs, a 10% administration fee is added by Southwest Middlesex Utilities and another 3% is added by the Village of Newbury.

Administration reviewed the 2004 rate calculations with SWM and they have agreed to the revised water rates for 2004 of \$1.2483 per M3 to June 30 and \$1.3583 per M3 for the balance of 2004. The administration fees are in addition to the calculated rates.

**COMMENTS**

Administration met with representatives from SWM to review the water charges. Based on our review of the water rate calculations we have recommended that SWM charge the cost of water plus 44% ( $\$0.93 \times 1.44 = \$1.339$ ). This fee includes administration charges of 5%.

Southwest Middlesex Council reviewed the Chatham-Kent proposal and approved a 2005 water rate based on the water rate charged by the Tri County Water Management Board to SWM plus 45%. This includes a 5% administration fee and snow removal costs for the metering chamber. The 2005 water rate will be \$1.35/M3.

The revised water rate for 2005 is 9.6% less than the total 2004 charges and it is recommended that the Chatham-Kent Public Utilities Commission approve the Two Year Water Supply Agreement with the Municipality of Southwest Middlesex.

SWM is also processing a rebate of the 2004 overpayments. The estimated amount is \$22,851.30.

**COMMUNITY STRATEGIC PLAN IMPACT**

The recommendations in this report do not impact the Community Strategic Plan.

**CONSULTATIONS**

Betty Gordon at the Village of Newbury has been consulted since they are also impacted by the changes. Legal Services has also reviewed the draft agreement.

**FINANCIAL IMPLICATIONS**

The estimated overcharges for 2004 of \$22,851.30 will be credited to the 2004 Operating Budget. There are no impacts on the 2005 Budget.

Prepared by:

Reviewed by:

\_\_\_\_\_  
Jack Sonneveld,  
General Manager  
Chatham-Kent PUC

\_\_\_\_\_  
Joe G. Pavelka, P.Eng.  
Chief Administrative Officer

**Moved by Commissioner McGregor and seconded by Commissioner Faas.**

**“That the Two Year Water Purchase Agreement between the Municipality of Southwest Middlesex and the Chatham-Kent Public Utilities Commission be approved.**

**The Chairperson and the General Manager of the Chatham-Kent Public Utilities Commission be authorized to sign the necessary agreements.**

**And to add:**

**The PUC Director be added as an alternate on the Tri-County Water Board.”**

**Motion carried**

b) Purchase of Chatham-Kent Hydro Property

**MUNICIPALITY OF CHATHAM-KENT  
Public Utilities Commission**

**TO** PUC Chairperson and Commissioners  
**FROM** Jack Sonneveld,  
General Manager, Chatham-Kent PUC  
**DATE** January 20, 2005  
**SUBJECT** Purchase of Chatham-Kent Hydro Property  
(169 Chatham Street North, Blenheim)

**RECOMMENDATION:**

It is recommended that:

1. The purchase of the former Blenheim PUC property from Chatham-Kent Hydro at the cost of \$80,000 be approved, subject to completion of a successful modified Phase 1 Environmental Site Assessment.
2. The Chatham-Kent Public Utilities Commission be named as co-insured by Chatham-Kent Hydro for the electrical sub station.
3. The General Manager of the Chatham-Kent Public Utilities Commission be authorized to sign the necessary documents

**BACKGROUND:**

The former Blenheim PUC building was used by both water and hydro services in the past. The property is located at the corner of Chatham Street N. and Cathcart Street in Blenheim. Chatham-Kent Hydro does not require this building for their operations. Water & Wastewater Services currently utilizes the building for water distribution servicing repairs, parts and vehicle storage for the South Area. It should be noted that an electrical sub station is included on this property.

**COMMENTS:**

This building is no longer required by C-K Hydro and they have asked the Chatham-Kent Public Utilities Commission if they would be interested in purchasing the property.

Mr Jim Kovacs, Century 21 Real Estate performed a fair market value assessment on this property at \$80,000 to \$85,000 (copy attached).

Chatham-Kent Hydro has offered this property to the PUC for \$80,000 and a modified Phase 1 Environmental Site Assessment will be completed before the sale is closed.

C-K Hydro owns an electrical sub station on this property and would maintain control and ownership of the equipment. They have agreed to pay an annual lease amount for the substation property of \$200 for approximately fifteen (15) years.

Emergency Medical Services is renting space in the building for a vehicle stationed in Blenheim. They have stated that they wish to continue the lease. The monthly lease revenue is \$300 (\$3,600 annually).

The Chatham-Kent IES Department also utilizes the building during the winter months to store the sidewalk snowplows. This works out much better and saves considerable time by not having to move the equipment from the old MTO Garage located near the Blenheim Golf Course.

It is recommended that the Chatham-Kent PUC approve the purchase of the Blenheim PUC property (169 Chatham Street N., Plan 106, Pt BLK A, Frontage 121.45) from Chatham-Kent Hydro at a cost of \$80,000.00, subject to the successful completion of the modified Phase 1 Environmental Site Assessment

#### **CONSULTATIONS:**

Pat Bruette, IES, was contacted and they would like to continue to utilize the building in the future. Alan Deville, Coordinator, Emergency Medical Services/Emergency Management was contacted and they are very satisfied with continuing to rent space in the building.

#### **FINANCIAL IMPLICATIONS:**

The funding was included in the 2005 operating and maintenance budget.

Prepared by:

Reviewed by:

\_\_\_\_\_  
Jack Sonneveld  
General Manager, Chatham-Kent PUC

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Joe Pavelka, P.Eng.  
CAO, Chatham-Kent

**Moved by Commissioner Vercooteren and seconded by Commissioner Faas.**

**“That the purchase of the former Blenheim PUC property from Chatham-Kent Hydro at the cost of \$80,000 be approved, subject to completion of a successful modified Phase 1 Environmental Site Assessment.**

**The Chatham-Kent Public Utilities Commission be named as co-insured by Chatham-Kent Hydro for the electrical sub station.**

**The General Manager of the Chatham-Kent Public Utilities Commission be authorized to sign the necessary documents.”**

**Motion carried**

d) East Chatham/Southeast Chatham Sanitary Sewer Servicing Project

#### **MUNICIPALITY OF CHATHAM-KENT**

Public Utilities Commission

**TO:** PUC Chairperson and Commission Members

**FROM:** Scott J. Prail, CET, B. Comm.  
Director, Chatham-Kent PUC

**DATE:** January 20, 2005

**SUBJECT:** East Chatham/Southeast Chatham Sanitary Sewer Servicing Project  
(Communities of Chatham, Chatham and Harwich Townships)

#### **RECOMMENDATIONS**

It is recommended that:

- Administration negotiates utility easements along Communications Road (Highway #40) between Longwoods Road and Park Avenue East for the installation of a sanitary force main for the East Chatham/Southeast Chatham Area Sanitary Sewer Servicing Project.

**BACKGROUND:**

The Chatham-Kent Public Utilities Commission at its March 18, 2004 meeting approved that administration proceed with the East Chatham Sanitary Sewer Project, and report to Chatham-Kent Council. Subsequently Chatham-Kent Council approved the project and administration has been working on final design for the project. Final design requires a meeting with any stakeholders that are impacted by the design of the project. Since the force main from north of the river to the south and along Park Avenue East follows #40 Highway, approval was required from the Ministry of Transportation.

**COMMENTS:**

Our consultants, Todgham & Case Associates, have met with the Ministry of Transportation, to confirm alignment of the sanitary sewer trunk main, and force main. The ministry will not allow the mains to be located within the Highway 40 right of way. They have concerns that in the future the highway will be widened to a 4 lane profile, and the sewers would then be located under the paved surface.

Understanding the future requirements of the Ministry on these abutting lands, we have reviewed our needs for a utility corridor. The ministry has indicated they will require a 3m wide parcel of property in order to implement their future plans. They anticipate acquiring this as developer's request rezoning of the lands, which will drive out the need to widen the highway. Considering this and our needs we are recommending a 10 m wide utility easement. The sewer will be aligned in the most westerly 7m, to avoid any further objections from the ministry. This easement is sufficient for installing future water servicing.

We have contacted the abutting land owners to ensure that no strong objections are present. All understand what is needed, and are willing to negotiate.

The total easement area required is 1.09 ha which includes 0.09 ha to cross the Thames River. Because the river is a navigable water way, the process to acquire rights to cross is lengthy. Discussions have started with the Ministry of Natural Resources, and we do not expect any issues to develop.

**STRATEGIC CORPORATE PLAN :**

The recommendations in this report support the following objectives and strategic directions:

A: Providing a Safe, Caring and Healthy Environment.

A2: Providing adequate infrastructure to support, enhance and sustain existing and future growth

C: Sustaining and Enhancing our Environmental Assets

C3: Establish standards for environmental excellence

**Expected results:**

- Improvements to sewage infrastructure system
- Improve the environment
- Provide increased economic and growth opportunities

The recommendations will not adversely impact on the remainder of the Community Strategic Plan.

**CONSULTATIONS:**

Todgham & Case Associates prepared the proposed sewer alignments, detailed servicing plans and cost estimates.

**FINANCIAL IMPLICATIONS:**

Final negotiated agreement costs are not known at this time. Based on preliminary discussions and past practices the project contingency will be sufficient to cover this increased cost. It is estimated this will require approximately \$10,000 to \$15,000 to secure the easements.

Prepared by:

\_\_\_\_\_  
Scott J. Prail, CET B. Comm.  
Director, Chatham-Kent PUC

Reviewed by:

Reviewed by:

\_\_\_\_\_  
Jack Sonneveld,  
General Manager, Chatham-Kent PUC

\_\_\_\_\_  
Joe Pavelka, P.Eng.  
Chief Administrative Officer

**Moved by Commissioner McGuigan and seconded by Commissioner McGregor.**

**“That Administration negotiates utility easements along Communications Road (Highway #40) between Longwoods Road and Park Avenue East for the installation of a sanitary force main for the East Chatham/Southeast Chatham Area Sanitary Sewer Servicing Project.”**

**Motion carried**

## **6. INFORMATION**

- a) Water/Wastewater Revenues & Expenditures
- b) Media Notice – Health & Family Services
- c) The Observer re: Sewer and water bills to jump 15.9%
- d) The Sudbury Star re: Water/sewer rates soar: Already up 40% in four years
- e) From MOE re: Amendments to Drinking Water Systems Regulation
- f) AMO re: MOE announces administrative fees for permit to take water app.
- g) AMO re: MOE announces an information kit and fact sheets for drinking water systems
- h) Tri County Water Management Committee
- i) Chatham-Kent PUC project schedule
- j) Verbal - COMRIF

PUC Director, Scott Praill, verbally reported that the COMRIF application had been received and that he would be meeting with the local MP's and MPP's to discuss this application and that sewer separation projects are included in the COMRIF application.

**Moved by Commissioner Vercooteren and seconded by Commissioner McGregor.**

**“To receive the information.”**

**Motion carried**

## **7. NEW BUSINESS**

NONE

## **8. NEXT MEETING**

The next PUC Commission meeting is scheduled for Thursday, February 24, 2005 at 3:00 PM for a tour of the Wallaceburg intake, Water Treatment Plant and Water Pollution Control Plant with the regular meeting to follow at the Water Pollution Control Plant.

## **9. ADJOURNMENT**

**Moved by Mayor Gagner and seconded by Commissioner Vercooteren.**

**“That the Regular meeting be adjourned at 5:05 PM and to move In-Camera.”**

**Motion carried**