

# MINUTES

## PUBLIC UTILITIES COMMISSION

**WALLACEBURG WPCP  
795 GILLARD STREET**

**MAY 24, 2007  
4:00 PM**

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PRESENT: Chairman Bryon Fluker, Commissioners Sheldon Parsons, Frank Vercouteren, Steve Pinsonneault, Senior Level Advisor Jack Sonneveld, General Manager Scott Prail, Facility Systems Manager Rob Bernardi, Manager (North) Tom Kissner, and Supervisor of Compliance and Monitoring Robin Dudley.

Commissioner Steve Pickard arrived at 4:40 PM.

ABSENT: Mayor Randy Hope, Commissioner Joe Faas, A/CAO Gerry Wolting,

**1. CALL TO ORDER**

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

**2. DECLARATION OF PECUNIARY INTEREST**

NONE

**3. APPROVAL OF MINUTES**

- a) April 26, 2007
- b) April 26, 2007 Closed Session Minutes

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

**“That the minutes of April 26, 2007 Regular Meeting and Closed Session Meeting be approved.”**

**Motion carried**

**4. REPORTS**

- a) PUC In-Camera Report

PUC IN-CAMERA REPORT

The PUC met in-camera on April 26, 2007 and would report the following for the approval of the PUC:

The PUC considered a report with respect to GreenField Ethanol. It was moved and carried that:

- 1. Chatham-Kent PUC approve the Extra Strength Sewage Discharge Agreement between the Corporation of the Municipality of Chatham-Kent, Chatham-Kent PUC and GreenField Ethanol Inc.
- 2. The General Manager be authorized to execute the agreement.

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

**“To receive the report.”****Motion carried****b) Queen’s Line, Davidson Road and Wheeler Line – Sanitary Servicing Study**

MUNICIPALITY OF CHATHAM-KENT

PUBLIC UTILITIES COMMISSION

TO PUC Chairperson and Commissioners

FROM Jack Sonneveld  
Senior Level Advisor, Chatham-Kent PUC

DATE March 01, 2007

SUBJECT Queen’s, Davidson and Wheeler Line - Sanitary Servicing Study

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**RECOMMENDATIONS**

It is recommended that:

1. The Chatham-Kent Public Utilities Commission approve the construction of the pumping station, sanitary sewer and sanitary sewage forcemain for servicing the East Tilbury (Queen’s Line, Davidson Road and Wheeler Line) area.
2. The Chatham-Kent Public Utilities Commission approve the proposed funding formula for the costs associated with the construction of the pumping station, sanitary sewer and sanitary sewage forcemain.

**BACKGROUND**

Global Vehicle Systems and its subsidiary Global Composite Manufacturing (GCM) have secured a contract with Calgary based RS Technologies. They are in the process of expanding the current business located at 3707 Queen’s Line in Tilbury as well as establishing a new location for the production. The Calgary based RS Technologies together with Global Vehicle Systems Inc. will be producing a world class product for the utility industry.

The contract between GCM of Tilbury, and RS Technologies of Alberta, leverages the strengths of both companies. RS Technologies has developed a new modular, durable and environmentally friendly utility transmission pole product. GCM will apply its experience in automation to refine the pole manufacturing process and to produce the RStandard™ poles for RS Technologies.

Global Composite Manufacturing Inc. is a subsidiary of Global Vehicle Systems Inc., a Canadian based, privately held corporation that designs, manufactures and supplies custom automation equipment, production painting and injection moulding services to the automotive, heavy truck and recreational vehicle industries.

Global Vehicle Systems (GVS) are proceeding with the construction of a major addition to the existing facility in Tilbury. They have formally requested a sanitary sewer due to problems with the existing septic tank system.

This project brings 100 permanent new jobs and 50-60 temporary jobs for initial start up to Tilbury, Ontario.

**COMMENTS**

The Todgham & Case Associates completed a detailed review of the existing sanitary sewer capacity on Queen’s Line and the possibility of servicing the area. The study revealed that the existing sanitary sewer has the capacity to handle the wastewater effluent from the Queen’s, Davidson and Wheeler Line Sanitary Service Area.

The study area is comprised of a currently developed area and undeveloped area. The developed area, being approximately 9 hs in size, is comprised of 4 residential lots and 5 industrial/commercial lots, located along Queen’s line. The area also includes 7 residential lots and 3 industrial/commercial lots along Wheeler Line. The 18 Wheeler Truck Stop is currently serviced by a private sewage pump station, which discharges in to the 200 mm sanitary sewer along Queen’s Line.

The undeveloped area is comprised of approximately 15 ha of farmland contained between Queen’s Line Davidson Road and Wheeler Line.

The design approach is considered an interim approach to servicing the immediate area, while considering the future long term servicing strategy as outlined in the Tilbury/Highway 401 Industrial Corridor Servicing Review Study completed in February 2001.

The preferred servicing option accommodates the needs of GVS and future servicing requirements for the immediate surrounding area (total 24 ha). The associated costs are summarized as follows:

- Install 210 m sanitary sewers on Queen's Line.
- Construct a pumping station at the easterly limit of the currently developed properties along Queen's Line
- Construct a forcemain

East Tilbury Sanitary Servicing (Queen's, Davidson & Wheeler Line)	
<u>Description:</u>	<u>Est. Cost:</u>
Install 210 m sanitary sewers on Queen's Line	\$ 82,000
Pump station	\$172,000
Forcemain to existing sanitary sewer	\$179,300
Land acquisition	\$ 10,000
Engineering and Contingencies	\$110,825
<b>TOTAL ESTIMATED COST</b>	<b>\$554,125</b>

In order to complete the servicing of the area that is currently developed, an additional estimated expenditure of \$500,000 will be required for the installation of the sanitary sewage collection system.

Cost Recovery:

Based on the connection cost of \$10,700 for the South Chatham Project and the assumption that the majority of the Ind./Com properties would be assessed the 2 x rate, it is projected that \$337,500 would be recovered from the existing development area. This equates to a charge equal to \$37,500 per ha. (\$15,182/acre).

The cost recovery from the area to be developed (15 ha or 37 acres) would be \$562,500

COMMUNITY STRATEGIC PLAN

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

B Economy – We are a prosperous community

B3. Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities.

Expected Results:

Increase and maintain a balance level of serviced industrial and commercial lands.

2007 Strategic Direction #2:

We will support sustainable growth in business and industry with an emphasis on next generation energy, environmental industries and related technologies.

Goals:

- 2.1 We will attract \$3B in sustainable investment in new and existing next generation energy, environmental industries and related technologies.
- 2.2 We will support the creation of 3,000 net new jobs.
- 2.3 We will partner with other organizations to create a centre of excellence research campus for alternative energy, environmental industries and related

CONSULTATIONS

Todgham & Case Associates prepared the necessary information and associated costs.

FINANCIAL IMPLICATIONS

The estimated Chatham-Kent cost of \$554,125 will be funded as part of the Tilbury Wastewater Treatment Plant and Lyon Avenue Pumping Station Project.

The proposed cost sharing arrangement is similar to the cost sharing arrangement that the PUC previously had with Metaldyne in community of Thamesville and Autoliv in the community of Tilbury.

Prepared by:

\_\_\_\_\_  
Jack Sonneveld  
Senior Level Advisor, Chatham-Kent PUC

Reviewed by:

\_\_\_\_\_  
Scott Praill, CET, B.Comm.  
General Manager, Chatham-Kent PUC

Reviewed by:

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

**Moved by Commissioner Vercoouteren and seconded by Commissioner Pinsonneault.**

**“That the Chatham-Kent Public Utilities Commission approve the construction of the pumping station, sanitary sewer and sanitary sewage forcemain for servicing the East Tilbury (Queen’s Line, Davidson Road and Wheeler Line) area.**

**The Chatham-Kent Public Utilities Commission approve the proposed funding formula for the costs associated with the construction of the pumping station, sanitary sewer and sanitary sewage forcemain.”**

**Motion carried**

**c) Ridgetown Wastewater Treatment Plant Project Environmental Study**

MUNICIPALITY OF CHATHAM-KENT  
PUBLIC UTILITIES COMMISSION

TO: PUC Chairperson and Commissioners  
FROM: Rob Bernardi, P. Eng.  
Facilities & Systems Manager, Chatham-Kent PUC  
DATE: May 24, 2007  
SUBJECT: Ridgetown Wastewater Treatment Plant Project Environmental Study Report (ESR)

**RECOMMENDATIONS**

It is recommended that:

1. The Chatham-Kent Public Utilities Commission approve the Environmental Study Report (ESR) for the Ridgetown Wastewater Treatment Plant Project prepared by Associated Engineering Ltd. / Todgham & Case Associates Inc.

**BACKGROUND**

The Municipality of Chatham-Kent is proposing to upgrade and expand the Ridgetown Sewage Treatment Lagoons in order to service current and future growth within the Community of Ridgetown. The current Sewage Treatment Lagoon System is in non-compliance with its Certificate of Approval (C of A). Limitations in storage capacity are also being experienced with the current treatment facility. In order to meet the current and future growth considerations for the Community of Ridgetown, the upgrade and expansion of the Ridgetown Sewage Treatment Lagoons is fundamentally necessary. The Municipality of Chatham-Kent is considering the replacement of the existing sewage treatment facility with a conventional sewage treatment plant capable of meeting the 20-year growth projections in the Community of Ridgetown.

The current treatment facility is operating at approximately 85% to 90% on an average daily basis and is experiencing constraints in terms of its effluent discharge quality. As a result of the limitations in its hydraulic capacity, a minimal amount of additional growth

will be permitted within the Community of Ridgetown prior to the need to implement a development freeze throughout the Community.

Over the past several years, improvements to the original Sewage Treatment Lagoon Facility were undertaken through the introduction of an intermittent sand filtration process and aerated lagoon facility to help sustain and improve on the overall performance of the treatment facility. At the time, the anticipation by the Municipality was that inevitably a complete upgrade and expansion of the Sewage Treatment Lagoons would be necessary in order to sustain continued growth within the community of Ridgetown.

On January 10, 2007, the Federal and Provincial Governments announced that the COMRIF Intake Three Program will invest a total of \$5,333,332 towards eligible costs for the upgrade of the Ridgetown Wastewater Treatment Plant. The eligible cost for the COMRIF program is \$8 million and is associated with expenses for upgrading, not due to growth. The funding amounts to two-thirds of \$8 million (two-thirds equals \$5,333,332). Ineligible expenses include costs to expand for future growth.

Associated Engineering Ltd. / Todgham & Case Associates Inc. (Associated) was retained in February 2007 to under take the Municipal Class Environmental Assessment (Class EA) as well as the preliminary design, detailed design and construction administration for the project. Associated have completed the Environmental Study Report (ESR) as part of the Class EA process and will proceed with the preliminary design.

#### COMMENTS

The planning and design process for this project has been conducted according to the requirements for a "Schedule C" project as identified in the Municipal Engineers Association's Class EA document. The Class EA document specifies a five-phase process to be followed. The first three phases have been completed and the Environmental Study Report (ESR) having been completed will satisfy phase four. It is requested that the Commission approve the ESR completed by Associated so that the Notice of Completion can be posted. Upon the completion of a 30-day public review period, phase five will commence with the further detailed design, tendering, construction and environmental monitoring of the project.

The Ridgetown Wastewater Treatment Plant (WWTP) project involves the following:

- Upgrade to the existing sanitary pumping station
- New mechanical wastewater treatment plant
- New site services (potable water, roadway, fencing) for the new plant
- Decommissioning of some existing lagoon cells

An executive summary prepared by Associated (see attached) summarizes the preferred design alternatives for the proposed Ridgetown WWTP. The following also summarizes the preferred design concepts for the project.

#### Preferred Location

The preferred location for the new mechanical plant is within the existing cell 2 (south east corner) north of the CN property. This location is outside the Business Park (Industrial Park) and removed from residential properties. It also does not restrict future expansion capability of the Business Park and creates an increased buffer separation from the Business Park. See attached photograph of existing area.

Some of the disadvantages include being farther from the existing inlet and outfall of the system. It also requires new access road through existing properties or CN property.

#### Preferred Treatment Process

The preferred treatment process is Continuous Flow Activated Sludge. This process was selected based on its proven track record, its ability to expand to meet future needs, and its positive impact on both the natural and socio-economic environments.

#### Alterations to Cell 2

In order to construct the plant, a berm must be placed across the cell. A portion of the cell will be drained and the sludge on the bottom will be removed and taken to a landfill. The new plant will be constructed in the drained area.

#### Alterations to the existing Erie Street sanitary pump station

In order to have true standby capabilities at this pump station, the existing configuration must be upgraded. Both existing pumps are required for operation with no standby capacity. Therefore, the wet well and control building will be reconstructed for a three pump configuration, two duty pumps (for operation) and one standby pump for emergencies or when a duty pump requires service.

#### Septage Haulers

As part of this construction, provision for septage haulers will be made.

Inlet structure

The raw sewage would be received, screened and degrittied at the inlet structure. The screenings and grit would be disposed of to landfill.

In addition this structure will be constructed to allow for future expansion. At the moment, there is only one sewer feeding the existing treatment plant. However, if further commercial/industrial land is developed or if outlying areas are brought into the plant, then two more sewers may be added. When this extra flow arrives, it may be necessary to expand the treatment plant. It is prudent to design the reception chamber with these possibilities in mind.

Outlet Structure

It is our intention to reuse the existing outlet structure located in the Gawne Drain, however, if that is not possible due to elevations, we will reconstruct the existing outlet. If reconstruction is necessary, we will obtain all required approvals for working within the Gawne Drain.

Access to plant

A new access will be constructed from Mitton Line across from Mitton Industrial Park Road into the new mechanical plant area. This access road may also include required utilities, forcemain and gravity sewer to the existing outlet. The CN property is currently for sale for a 20 mile length. The steel rails have been removed and the railway is decommissioned. CN will not sell a portion of the property separately. The PUC is investigating options for purchasing this property for a future utility corridor. Discussions have taken place with Chatham-Kent - Infrastructure and Engineering Services (IES) and Chatham-Kent Hydro. Chatham-Kent IES are estimating the value of materials that is recoverable if the property were to be purchased. The total CN property is being sold for approximately \$475,000.

Existing process Buildings

At present there are two existing buildings (one for chemical addition and one pump station) located at the northeast corner of Mitton Line and Mitton Industrial Park Road. It is our intention to reuse these buildings if possible, however that cannot be determined until detailed design is completed. If these buildings become redundant then salvageable equipment will be removed and reused.

Remaining lagoon cells

The aerated lagoon will be decommissioned as part of this work. Decommissioning means draining and treating the effluent and the sludge removed and managed in accordance with applicable regulations.

The remainder of cell 2 or possibly cell 3 will be required for the proposed wastewater treatment plant, however, it is the intent of the PUC to decommission whatever cells are not required for the final treatment process. The decommissioning will be completed in accordance with applicable regulations.

Next Steps

The project team on behalf of the PUC will be publishing its report for a public review period. The Class EA process entitles members of the public, interest groups and review agencies to review the ESR for 30 days. During this time, any person, interest group or agency that has outstanding concerns which cannot be resolved by discussion with the PUC may request a Part II Order by submitting a written request to the Ministry of the Environment. If no Part II Order requests are received within the 30-day review period, the PUC will proceed with design and construction of the preferred design concept.

Schedule

The timelines for the project have been summarized in the following table.

Task	Timing
ESR Approved	May 24, 2007
Notice of Completion	May 30, 2007
End of 30-day public review period	June 29, 2007
Pre-Design	May to July 2007

Detailed Design	July to November 2007
Tender period	November 2007
Award of construction contract	December 2007
Contract completion	January 2009

### COMMUNITY STRATEGIC PLAN

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

#### B. Economy - We are a prosperous community

B3: Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities

#### C. Environment – We are a green community

C2: Establish standards for environmental excellence

#### Desired Outcomes / Proposed Activities

- Advocate for essential provincial and federal investment and equitable tax policies to support financing and effective operation of sustainable transportation systems, and water, sewer and waste management services
- Support new infrastructure investments and modernize existing infrastructure
- Maintain and improve the quantity and quality of ground and surface waters
- Increase the number of homes, businesses and farms on municipal water and sewage

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

### CONSULTATION

The following have been consulted during the preparation of this report:

- Associated Engineering Ltd. / Todgham & Case Associates Inc.
- Chatham-Kent -Infrastructure and Engineering Services
- Chatham-Kent Hydro Inc.

### FINANCIAL IMPLICATIONS

The costs of engineering fees and capital costs for this project has been included in the two-thirds COMRIF Intake Three funding that will be given to the Municipality of Chatham-Kent. The entire capital costs will be distributed through to January 2010 (warranty period is one year from proposed construction completion of January 2009). The majority of the capital costs will be incurred in late 2007 and 2008.

The current estimated capital cost of this undertaking is \$10 million. Under the COMRIF program, only \$8 million are eligible costs which deal with upgrading. Costs associated with expanding for future growth are ineligible under the COMRIF program and would be carried by the PUC (approx. \$2 million).

The table below summarizes capital cost distribution.

<b>Capital Cost Distribution</b>			
Eligible Costs	COMRIF (2/3 funding)	\$5,333,332	\$8,000,000
	PUC (1/3 coverage)	\$2,666,666	
Ineligible Cost	PUC	\$2,000,000	\$2,000,000
<b>Total Capital Cost</b>			<b>\$10,000,000</b>

The actual capital cost to PUC is equal to PUC Eligible Cost plus PUC Ineligible Cost which total \$4,666,666.

Revised estimated capital costs will be provided when Associated have completed the Preliminary Design for the project.

Prepared by:

\_\_\_\_\_  
 Rob Bernardi, P. Eng.  
 Facilities & Systems Manager  
 Chatham-Kent PUC

Reviewed by:

\_\_\_\_\_  
 Scott Prail, CET, B. Comm.  
 General Manager  
 Chatham-Kent PUC

Reviewed by:

\_\_\_\_\_  
 Gerry Wolting, B. Math., CA  
 Acting CAO

**Moved by Commissioner Pinsonneault and seconded by Commissioner Parsons.**

**“That the Chatham-Kent Public Utilities Commission approve the Environmental Study Report (ESR) for the Ridgetown Wastewater Treatment Plant Project prepared by Associated Engineering Ltd. / Todgham & Case Associates Inc.”**

**Motion carried**

d) Tender Award: Sanitary Sewer Evaluation - Dresden

MUNICIPALITY OF CHATHAM-KENT  
 INFRASTRUCTURE AND ENGINEERING SERVICES  
 ENGINEERING AND TRANSPORTATION DIVISION

TO: Scott J. Prail, CET, B.Comm.  
 General Manager, Chatham-Kent PUC

FROM: Stephen E. Jahns, B.A.Sc., P.Eng., CMMII  
 Manager, Infrastructure and Transportation  
 Engineering and Transportation Division

DATE: May 11, 2007

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SUBJECT: Award of Tender: T07-148  
Sanitary Sewer and Combined Sewer Evaluation  
Community of Dresden, Municipality of Chatham-Kent

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### RECOMMENDATIONS

It is recommended that:

1. The tender in the amount of \$14,954.50 (\$14,108.02 + GST) be awarded to the firm of 1223254 Ontario Limited operating as Sewer Maintenance Services of Kingsville, Ontario.
2. The General Manager of the Chatham-Kent PUC approve the tender award in accordance with the Purchasing Policy of the Municipality of Chatham-Kent.

### BACKGROUND

Over the past year, Chatham-Kent PUC has received a number of reports from Engineering and Transportation Division which have outlined the results of sanitary and combined sewer investigations conducted within the Municipality of Chatham-Kent. Such reports have typically been of a reactive nature in that these investigations sought to identify the cause(s) of existing issues being experienced with sewers within a particular community or neighborhood within the Municipality. Such issues may include poor conveyance of flows, continued maintenance issues, and possibly even flooding.

The award of this tender marks a departure from such reactive investigations as the 2007 PUC Lifecycle Sanitary Sewer Budget has been developed to include allowances for the planned and systematic inspection of both sanitary and combined sewers within the urban communities of Chatham-Kent. By phasing the work over a five or six year cycle, this process seeks to investigate the vast majority of such sewer infrastructure.

### COMMENTS

In late 2006, Engineering and Transportation Division developed the 2007 PUC Lifecycle Sanitary Sewer Budget which included allowances for the planned and systematic inspection of both sanitary and combined sewers within the urban communities of Chatham-Kent. In late 2006 and early 2007, Engineering and Transportation Division, in dialogue with the PUC and its supervisory staff, undertook to develop the first wave of tenders associated with this work.

The tenders include the following scope of work so as to evaluate and document the existing sewer infrastructure within the study areas:

- flushing of sanitary sewer lines
- cctv inspection to document existing condition
- fog testing
- maintenance hole inspection

Flushing of sanitary sewer lines serves the purpose of cleansing existing lines of any accumulated matter and affords evaluators a clearer view of the sewer infrastructure during evaluation by closed circuit television methods. CCTV inspection also allows the PUC delivery of video or DVD copies of all inspections should they be required for reference in future years.

Fog testing is the process of forcing "fog" filled air into the sewer system. The fog under pressure will fill the line and any connections. Whether in a municipal mainline sewer, residential or industrial system, breaks or illegal taps in the sewer line will allow the fog to escape and surface through the ground or pipe work quickly revealing the source of the problem.

The process of fog testing sees a non-toxic "fog" introduced into the existing system. Additional pressure (only enough to overcome atmospheric pressure) is introduced to facilitate dispersion of the fog throughout the entire system. Provided openings exist for the fog to flow, fog tests are effective, regardless of surface characteristics, soil make-up and depth of sewer lines.

Fog testing is the most cost effective and efficient way to locate infiltration (inflow) and exfiltration (outflow) problems in sewer systems. It is used to find leaks, inflow sources and most restrictive conditions within the sewer lines. Fog testing is also an extremely efficient method for tracking piping systems and other mapping purposes.

The work identified within this contract is located within the area identified in Appendix A and seeks to evaluate 4.0 kilometres of sanitary sewer lines and 55 maintenance holes structures.

Tenders were let in April, 2007 and were received and opened on May 8, 2007 by the Purchasing Officer. The results are as presented in the following table:

Table 1 - Tender Results Contract T07-148 Sanitary Sewer and Combined Sewer Evaluation Community of Dresden, Municipality of Chatham-Kent		
Rank	Bidder and Location	Tender Amount (including GST)
1	Sewer Maintenance Systems – Kingsville, Ontario	\$14,954.50 <sup>A</sup>
2	Benko – London, Ontario	\$27,979.36
3	Veolia Sewer Services Incorporated – Pickering, Ontario	\$28,195.89
Note A: Corrected value arithmetic error noted but did not result in a change in rank		

Engineering and Transportation Division has reviewed the tenders and notes that they are complete in all respects. All fees associated with this project will be funded through the 2007 PUC Lifecycle Sanitary Sewer Budget. A detailed financial breakdown associated with this project is provided in the Financial Implications section of this report.

Prior to the commencement of any work, the contractor is required to circulate notices to area residents advising them of the work schedule and details regarding the nature of the work to be done.

COMMUNITY STRATEGIC PLAN

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

A. Health – We are a healthy community

A1: Provide sufficient capacity to sustain community health and economic growth

B. Economy – We are a prosperous community

B3: Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities

Desired Outcomes

- Support new infrastructure investments and modernize existing infrastructure

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

CONSULTATION

The tenders were developed by Engineering and Transportation Division and consider operational information brought forward by PUC and Public Works Supervisory Staff.

The tenders were opened by the Purchasing Officer and reviewed by the Tendering Committee comprised of the Purchasing Officer, Corporate Services, the Director, Financial Services/Treasurer, Corporate Services and the Director, Engineering and Transportation Division, Infrastructure and Engineering Services.

FINANCIAL IMPLICATIONS

The recommendations associated with this report have an associated financial implication of \$14,954.50 (\$14,108.02 + GST) which is to be funded from the 2007 PUC Lifecycle Sanitary Sewer Budget.

Prepared by:

Reviewed by:

\_\_\_\_\_  
Stephen E. Jahns, B.A.Sc., P.Eng., CMM II  
Manager, Infrastructure and Transportation  
Division Infrastructure and Engineering Services

\_\_\_\_\_  
Gary Northcott, P. Eng.  
Director, Engineering and Transportation Engineering and Transportation  
Infrastructure and Engineering Services

Reviewed by:

Approved by:

\_\_\_\_\_  
Leo Denys, P. Eng.  
General Manager  
Infrastructure and Engineering Services

\_\_\_\_\_  
Scott J. Praill, CET, B.Comm.  
General Manager, Chatham-Kent PUC

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

**“That the tender in the amount of \$14,954.50 (\$14,108.02 + GST) be awarded to the firm of 1223254 Ontario Limited operating as Sewer Maintenance Services of Kingsville, Ontario.**

**The General Manager of the Chatham-Kent PUC approve the tender award in accordance with the Purchasing Policy of the Municipality of Chatham-Kent.”**

**Motion carried**

e) Tender Award: Sanitary Sewer Evaluation – Ridgetown

MUNICIPALITY OF CHATHAM-KENT  
 INFRASTRUCTURE AND ENGINEERING SERVICES  
 ENGINEERING AND TRANSPORTATION DIVISION

TO: Scott J. Prail, CET, B.Comm.  
 General Manager, Chatham-Kent PUC

FROM: Stephen E. Jahns, B.A.Sc., P.Eng., CMMII  
 Manager, Infrastructure and Transportation  
 Engineering and Transportation Division

DATE: May 11, 2007

SUBJECT: Award of Tender: T07-150  
 Sanitary Sewer and Combined Sewer Evaluation  
 Community of Ridgetown, Municipality of Chatham-Kent

**RECOMMENDATIONS**

It is recommended that:

1. The tender in the amount of \$23,345.94 (\$22,024.48 + GST) be awarded to the firm of 1223254 Ontario Limited operating as Sewer Maintenance Services of Kingsville, Ontario.
2. The General Manager of the Chatham-Kent PUC approve the tender award in accordance with the Purchasing Policy of the Municipality of Chatham-Kent.

**BACKGROUND**

Over the past year, Chatham-Kent PUC has received a number of reports from Engineering and Transportation Division which have outlined the results of sanitary and combined sewer investigations conducted within the Municipality of Chatham-Kent. Such reports have typically been of a reactive nature in that these investigations sought to identify the cause(s) of existing issues being experienced with sewers within a particular community or neighborhood within the Municipality. Such issues may include poor conveyance of flows, continued maintenance issues, and possibly even flooding.

The award of this tender marks a departure from such reactive investigations as the 2007 PUC Lifecycle Sanitary Sewer Budget has been developed to include allowances for the planned and systematic inspection of both sanitary and combined sewers within the urban communities of Chatham-Kent. By phasing the work over a five or six year cycle, this process seeks to investigate the vast majority of such sewer infrastructure.

**COMMENTS**

In late 2006, Engineering and Transportation Division developed the 2007 PUC Lifecycle Sanitary Sewer Budget which included allowances for the planned and systematic inspection of both sanitary and combined sewers within the urban communities of Chatham-Kent. In late 2006 and early 2007, Engineering and Transportation Division, in dialogue with the PUC and its supervisory staff, undertook to develop the first wave of tenders associated with this work.

The tenders include the following scope of work so as to evaluate and document the existing sewer infrastructure within the study areas:

- flushing of sanitary sewer lines
- cctv inspection to document existing condition
- fog testing
- maintenance hole inspection

Flushing of sanitary sewer lines serves the purpose of cleansing existing lines of any accumulated matter and affords evaluators a clearer view of the sewer infrastructure during evaluation by closed circuit television methods. CCTV inspection also allows the PUC delivery of video or DVD copies of all inspections should they be required for reference in future years.

Fog testing is the process of forcing "fog" filled air into the sewer system. The fog under pressure will fill the line and any connections. Whether in a municipal mainline sewer, residential or industrial system, breaks or illegal taps in the sewer line will allow the fog to escape and surface through the ground or pipe work quickly revealing the source of the problem.

The process of fog testing sees a non-toxic "fog" introduced into the existing system. Additional pressure (only enough to overcome atmospheric pressure) is introduced to facilitate dispersion of the fog throughout the entire system. Provided openings exist for the fog to flow, fog tests are effective, regardless of surface characteristics, soil make-up and depth of sewer lines.

Fog testing is the most cost effective and efficient way to locate infiltration (inflow) and exfiltration (outflow) problems in sewer systems. It is used to find leaks, inflow sources and most restrictive conditions within the sewer lines. Fog testing is also an extremely efficient method for tracking piping systems and other mapping purposes.

The work identified within this contract is located within the area identified in Appendix A and seeks to evaluate 5.9 kilometres of sanitary sewer lines and 89 maintenance holes structures.

Tenders were let in April, 2007 and were received and opened on May 8, 2007 by the Purchasing Officer. The results are as presented in the following table:

Table 1 - Tender Results Contract T07-150 Sanitary Sewer and Combined Sewer Evaluation Community of Ridgeway, Municipality of Chatham-Kent		
Rank	Bidder and Location	Tender Amount (including GST)
1	Sewer Maintenance Systems – Kingsville, Ontario	\$23,345.94
2	Veolia Sewer Services Incorporated – Pickering, Ontario	\$40,350.38
3	Benko – London, Ontario	\$40,993.05 <sup>A</sup>
Note A: Corrected value arithmetic error noted but did not result in a change in rank.		

Engineering and Transportation Division has reviewed the tenders and notes that they are complete in all respects. All fees associated with this project will be funded through the 2007 PUC Lifecycle Sanitary Sewer Budget. A detailed financial breakdown associated with this project is provided in the Financial Implications section of this report.

Prior to the commencement of any work, the contractor is required to circulate notices to area residents advising them of the work schedule and details regarding the nature of the work to be done.

#### COMMUNITY STRATEGIC PLAN

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

##### A. Health – We are a healthy community

A1: Provide sufficient capacity to sustain community health and economic growth

##### B. Economy – We are a prosperous community

B3: Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities

#### Desired Outcomes

- Support new infrastructure investments and modernize existing infrastructure

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

#### CONSULTATION

The tenders were developed by Engineering and Transportation Division and consider operational information brought forward by PUC and Public Works Supervisory Staff.

The tenders were opened by the Purchasing Officer and reviewed by the Tendering Committee comprised of the Purchasing Officer, Corporate Services, the Director, Financial Services/Treasurer, Corporate Services and the Director, Engineering and Transportation Division, Infrastructure and Engineering Services.

#### FINANCIAL IMPLICATIONS

The recommendations associated with this report have an associated financial implication of \$23,345.94 (\$22,024.48 + GST) which is to be funded from the 2007 PUC Lifecycle Sanitary Sewer Budget.

Prepared by:

Reviewed by:

Stephen E. Jahns, B.A.Sc., P.Eng., CMM II  
 Manager, Infrastructure and Transportation  
 Division Infrastructure and Engineering Services

Gary Northcott, P. Eng.  
 Director, Engineering and Transportation Engineering and Transportation  
 Infrastructure and Engineering Services

Reviewed by:

Approved by:

Leo Denys, P. Eng.  
 General Manager  
 Infrastructure and Engineering Services

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

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

**“That the tender in the amount of \$23,345.94 (\$22,024.48 + GST) be awarded to the firm of 1223254 Ontario Limited operating as Sewer Maintenance Services of Kingsville, Ontario.**

**The General Manager of the Chatham-Kent PUC approve the tender award in accordance with the Purchasing Policy of the Municipality of Chatham-Kent.”**

**Motion carried**

f) Tender Award: Sanitary Sewer Evaluation – Thamesville

MUNICIPALITY OF CHATHAM-KENT

INFRASTRUCTURE AND ENGINEERING SERVICES

ENGINEERING AND TRANSPORTATION DIVISION

TO: Scott J. Prail, CET, B.Comm.  
 General Manager, Chatham-Kent PUC

FROM: Stephen E. Jahns, B.A.Sc., P.Eng., CMMII  
 Manager, Infrastructure and Transportation  
 Engineering and Transportation Division

DATE: May 11, 2007

SUBJECT: Award of Tender: T07-151  
 Sanitary Sewer and Combined Sewer Evaluation  
 Community of Thamesville, Municipality of Chatham-Kent

#### RECOMMENDATIONS

It is recommended that:

1. The tender in the amount of \$7,137.98 (\$6,733.95 + GST) be awarded to the firm of 1223254 Ontario Limited operating as Sewer Maintenance Services of Kingsville, Ontario.
2. The General Manager of the Chatham-Kent PUC approve the tender award in accordance with the Purchasing Policy of the Municipality of Chatham-Kent.

#### BACKGROUND

Over the past year, Chatham-Kent PUC has received a number of reports from Engineering and Transportation Division which have outlined the results of sanitary and combined sewer investigations conducted within the Municipality of Chatham-Kent. Such reports have typically been of a reactive nature in that these investigations sought to identify the cause(s) of existing issues being experienced with sewers within a particular community or neighborhood within the Municipality. Such issues may include poor conveyance of flows, continued maintenance issues, and possibly even flooding.

The award of this tender marks a departure from such reactive investigations as the 2007 PUC Lifecycle Sanitary Sewer Budget has been developed to include allowances for the planned and systematic inspection of both sanitary and combined sewers within the urban communities of Chatham-Kent. By phasing the work over a five or six year cycle, this process seeks to investigate the vast majority of such sewer infrastructure.

COMMENTS

In late 2006, Engineering and Transportation Division developed the 2007 PUC Lifecycle Sanitary Sewer Budget which included allowances for the planned and systematic inspection of both sanitary and combined sewers within the urban communities of Chatham-Kent. In late 2006 and early 2007, Engineering and Transportation Division, in dialogue with the PUC and its supervisory staff, undertook to develop the first wave of tenders associated with this work.

The tenders include the following scope of work so as to evaluate and document the existing sewer infrastructure within the study areas:

- flushing of sanitary sewer lines
- cctv inspection to document existing condition
- fog testing
- maintenance hole inspection

Flushing of sanitary sewer lines serves the purpose of cleansing existing lines of any accumulated matter and affords evaluators a clearer view of the sewer infrastructure during evaluation by closed circuit television methods. CCTV inspection also allows the PUC delivery of video or DVD copies of all inspections should they be required for reference in future years.

Fog testing is the process of forcing “fog” filled air into the sewer system. The fog under pressure will fill the line and any connections. Whether in a municipal mainline sewer, residential or industrial system, breaks or illegal taps in the sewer line will allow the fog to escape and surface through the ground or pipe work quickly revealing the source of the problem.

The process of fog testing sees a non-toxic “fog” introduced into the existing system. Additional pressure (only enough to overcome atmospheric pressure) is introduced to facilitate dispersion of the fog throughout the entire system. Provided openings exist for the fog to flow, fog tests are effective, regardless of surface characteristics, soil make-up and depth of sewer lines.

Fog testing is the most cost effective and efficient way to locate infiltration (inflow) and exfiltration (outflow) problems in sewer systems. It is used to find leaks, inflow sources and most restrictive conditions within the sewer lines. Fog testing is also an extremely efficient method for tracking piping systems and other mapping purposes.

The work identified within this contract is located within the area identified in Appendix A and seeks to evaluate 1.7 kilometres of sanitary sewer lines and 22 maintenance holes structures.

Tenders were let in April, 2007 and were received and opened on May 8, 2007 by the Purchasing Officer. The results are as presented in the following table:

Table 1 - Tender Results Contract T07-151 Sanitary Sewer and Combined Sewer Evaluation Community of Thamesville, Municipality of Chatham-Kent		
Rank	Bidder and Location	Tender Amount (including GST)
1	Sewer Maintenance Systems – Kingsville, Ontario	\$7,137.98
2	Benko – London, Ontario	\$12,097.97 <sup>A</sup>
3	Veolia Sewer Services Incorporated – Pickering, Ontario	\$13,371.53 <sup>A</sup>

Note A: Corrected value arithmetic error noted but did not result in a change in rank.

Engineering and Transportation Division has reviewed the tenders and notes that they are complete in all respects. All fees associated with this project will be funded through the 2007 PUC Lifecycle Sanitary Sewer Budget. A detailed financial breakdown associated with this project is provided in the Financial Implications section of this report.

Prior to the commencement of any work, the contractor is required to circulate notices to area residents advising them of the work schedule and details regarding the nature of the work to be done.

COMMUNITY STRATEGIC PLAN

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

A. Health – We are a healthy community

A1: Provide sufficient capacity to sustain community health and economic growth

B. Economy – We are a prosperous community

B3: Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities

Desired Outcomes

- Support new infrastructure investments and modernize existing infrastructure

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

CONSULTATION

The tenders were developed by Engineering and Transportation Division and consider operational information brought forward by PUC and Public Works Supervisory Staff.

The tenders were opened by the Purchasing Officer and reviewed by the Tendering Committee comprised of the Purchasing Officer, Corporate Services, the Director, Financial Services/Treasurer, Corporate Services and the Director, Engineering and Transportation Division, Infrastructure and Engineering Services.

FINANCIAL IMPLICATIONS

The recommendations associated with this report have an associated financial implication of \$7,137.98 (\$6,733.95 + GST) which is to be funded from the 2007 PUC Lifecycle Sanitary Sewer Budget.

Prepared by:

Reviewed by:

\_\_\_\_\_  
Stephen E. Jahns, B.A.Sc., P.Eng., CMM II  
Manager, Infrastructure and Transportation  
Division Infrastructure and Engineering Services

\_\_\_\_\_  
Gary Northcott, P. Eng.  
Director, Engineering and Transportation Engineering and Transportation  
Infrastructure and Engineering Services

Reviewed by:

Approved by:

\_\_\_\_\_  
Leo Denys, P. Eng.  
General Manager  
Infrastructure and Engineering Services

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

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

**“That the tender in the amount of \$7,137.98 (\$6,733.95 + GST) be awarded to the firm of 1223254 Ontario Limited operating as Sewer Maintenance Services of Kingsville, Ontario.**

**The General Manager of the Chatham-Kent PUC approve the tender award in accordance with the Purchasing Policy of the Municipality of Chatham-Kent.”**

**Motion carried**

g) Tender Award: Talbot Rd. Watermain Replacement - Wheatley

MUNICIPALITY OF CHATHAM-KENT

INFRASTRUCTURE AND ENGINEERING SERVICES

PUBLIC UTILITIES COMMISSION

TO: PUC Chairperson and Commissioners

FROM: Nelson Cavacas, C.E.T.  
Manager, Infrastructure and Development Engineering

DATE: May 11, 2007

Subject: Tender Award: Contract T07-133, Talbot Road  
Water Main Replacement, Community of Wheatley

### RECOMMENDATION

It is recommended that:

1. The tender in the amount of \$194,439.82 including GST for the Talbot Road Water Main Replacement in the Community of Wheatley be awarded to G.W. Clarke Drainage Contractor.

### BACKGROUND

The watermain replacement upgrade on Talbot Road in Wheatley was identified as a project in the 2007 budget approved by the Public Utilities Commission (PUC) and is the continuation of last year's replacement as the third and final phase. The existing water main is approximately 75 years old and consists of a 150mm diameter along Talbot Road.

In addition, PUC staff has confirmed concerns with fire flows and residual pressures by undertaking hydrant flow testing in this area. The replacement of the existing lines with 300mm poly vinyl chloride (PVC) pipe will enhance the pressure, distribution grid and provide additional fire protection to this area.

Dillon Consulting Limited carried out the project engineering. The Purchasing Officer received and opened tenders for the work on Tuesday May 8, 2007.

The results are as follows:

<b>CONTRACT T07-133 TALBOT ROAD WATER MAIN REPLACEMENT COMMUNITY OF WHEATLEY</b>		
Rank	Tenderer	Tender Amount
1	G.W. Clarke Drainage Contractors Limited Blenheim, Ontario	\$ 194,439.82
2	Delway Contractors Limited Chatham, Ontario	\$ 222,600.00
3	Henry Heyink Construction Limited Chatham, Ontario	\$ 223,660.00
4	Marchand Excavating Contractors Limited Comber, Ontario	\$ 317,641.80

Dillon Consulting Limited has reviewed the tenders and advised that the tenders are complete in all respects. Their recommendation letter (Appendix A) is attached.

### COMMENTS

The project consists of the installation of a new 300mm replacement upgrade water main on Talbot Road from Victoria Street to west boundary of the Municipality of Chatham-Kent. This extends from the first phase where a new 300mm replacement upgrade water main on Talbot Road from Erie Street to Victoria Street was completed in 2005. This establishes a necessary water supply to support future proposed commercial and residential development, which is approximately 17 hectares in area within the community of Wheatley. This will also provide for a secondary loop to the Wheatley water system to run north through these lands to be developed and connect back into the 300mm water main on Erie Street North next to the Wheatley Area Public School.

The project also includes new water service connections, fire hydrants and appurtenances. A site map of the water main replacement has been attached for reference (see Appendix B).

The engineering costs including design, tendering and contract administration are \$30,000. The engineer's most recent estimate for construction was \$205,000 including GST. Four competitive bids were received on the project. The low tender received is below the engineer's estimate and within the total overall approved budget amount for lifecycle water main replacements.

In addition, there is asphalt resurfacing of this road section from Victoria Street west to the Chatham-Kent / Leamington boundary, which was identified for resurfacing under the roads lifecycle program. This work is being coordinated through this contract to enhance road restoration and avoid scheduling conflicts with the completion of this work. The additional costs of \$41,640 to complete this asphalt resurfacing work will be funded from the Municipality of Chatham-Kent's Roads Lifecycle Budget as indicated in the Financial Implications section.

Engineering and Transportation staff concur with the recommendation to award the tender to G.W. Clarke Drainage Contractors Limited who submitted the lowest tender bid.

The project breakdown is summarized in the Financial Implications section of this report.

**COMMUNITY STRATEGIC PLAN**

The recommendation in this report supports the following objective and strategic direction:

B. Economy – We are a prosperous community

B3: Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities

Desired Outcomes / Proposed Activities

- Support new infrastructure investments and modernize existing infrastructure

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

CONSULTATION

The Tenders were opened by the Purchasing Officer and reviewed by the Tendering Committee, which includes the Purchasing Officer, Corporate Services, the Director, Financial Services/Treasurer, Corporate Services and the Director, Engineering and Transportation Division, Infrastructure and Engineering Services.

The General Manager of Water and Wastewater Services was consulted in the preparation of this report and supports the recommendation.

FINANCIAL IMPLICATIONS

The project summary is set out in the following table.

<u>TALBOT ROAD WATERMAIN REPLACEMENT</u> <u>CONTRACT T07-133</u> <u>COMMUNITY OF WHEATLEY</u>		
	<b>DESCRIPTION</b>	<b>TOTAL</b>
(A) Budget Estimate	Watermain Lifecycle Replacement	\$ 175,000.00
	Roads Lifecycle	\$ 50,000.00
	<b>Total</b>	<b>\$ 225,000.00</b>
(B) Project Costs	<b>DESCRIPTION</b>	<b>TOTAL</b>
	Low Tender, incl. GST	\$ 194,439.82
	Engineering Design & Inspection	\$ 30,000.00
	Less GST Rebate 6%	-\$ 11,006.03
	<b>Total</b>	<b>\$ 213,433.79</b>
(C) Project Funding	Watermain Lifecycle	\$ 171,793.79
	Roads Lifecycle	\$ 41,640.00
	<b>Funding Totals</b>	<b>\$ 213,433.79</b>
(D) Watermain Replacement Budget Update Summary	Total 2007 Approved Budget	\$ 1,250,000.00
	Current Project	-\$ 171,793.79
	<b>Balance Remaining</b>	<b>\$ 1,078,206.21</b>
(E) Roads Lifecycle Update Summary	Roads Lifecycle Budget (prior yr.)	\$ 6,685,365.00
	Previously Approved	-\$ 4,568,862.46

	<b>Current Project</b>	-\$ 41,640.00
	<b>Balance Remaining</b>	\$ 2,074,862.54

Projects are still pending in Chatham, Ridgetown, Dresden, Tilbury and Wallaceburg that account for the balance of the 2007 Lifecycle Water Main replacement budget.

Prepared by:

Reviewed by:

\_\_\_\_\_  
 Nelson Cavacas, C.E.T.  
 Manager,  
 Infrastructure and Development Engineering  
 Engineering and Transportation Division

\_\_\_\_\_  
 Gary Northcott, P. Eng.  
 Director,  
 Engineering and Transportation Division

Reviewed by:

Reviewed by:

\_\_\_\_\_  
 Leo Denys, P. Eng.  
 General Manager  
 Infrastructure and Engineering Services

\_\_\_\_\_  
 Acting Chief Administrative Officer  
 Gerry Wolting, B.Math, CA

**Moved by Commissioner Vercoouteren and seconded by Commissioner Pinsonneault.**

**“That the tender in the amount of \$194,439.82 including GST for the Talbot Road Water Main Replacement in the Community of Wheatley be awarded to G.W. Clarke Drainage Contractor.”**

**Motion carried**

h) Bothwell Sanitary Sewer

MUNICIPALITY OF CHATHAM-KENT  
 PUBLIC UTILITIES COMMISSION

TO: PUC Chairperson and Commissioners  
 FROM: Rob Bernardi, P. Eng.  
 Facilities & Systems Manager, Chatham-Kent PUC  
 DATE: May 24, 2007  
 SUBJECT: Bothwell Sanitary Sewers Servicing Project

**RECOMMENDATIONS**

It is recommended that:

1. The Chatham-Kent Public Utilities Commission approve the Bothwell Sanitary Sewers Servicing Project.
2. Administration prepare a report to Chatham-Kent Council for approval of the Bothwell Sanitary Sewer Servicing Project and the necessary by-law under Part XII of the Municipal Act, 2001.

**BACKGROUND**

The project was initiated in April 2004 by reviewing the background of the area and collecting data. The Class Environmental Assessment (Class EA) involved identifying the problem and indicated that contamination was occurring in the storm drains and ditches and the probable source is failing septic systems within the community of Bothwell.

The first public consultation took place on June 30<sup>th</sup>, 2004 in Bothwell. During the periods of July to December 2004 development of alternative solutions was conducted, refinement of costing of preferred alternatives took place, and a preliminary design report was prepared. In December 2004 and January 2005 a funding application was prepared for the Canada-Ontario Municipal Rural Infrastructure Fund (COMRIF). The Bothwell project was one of the 10 projects in Chatham-Kent in which funding had been applied for (The COMRIF application was not successful for funding). The second public consultation took place on February 16, 2005 in Bothwell in which Earth Tech presented the preferred solution to the contamination problem.

At its regular meeting on March 24, 2005, the Chatham-Kent Public Utilities Commission approved the Environmental Study Report (ESR) document so that it could be placed on display for public review for the required 30-day review period. During the mandatory review period appeals were sent to the Minister of the Environment for a Part II Order.

The Ministry had been reviewing the request since July 22, 2005.

On January 24, 2007 the Minister of the Environment issued a letter to the Chatham-Kent PUC (see attached) to inform us that a decision has been made that an individual environmental assessment is not required. Even though Chatham-Kent has demonstrated that it has planned and developed this project in accordance with the provisions of the Class EA, the Minister has imposed a number of conditions on the project that are to be fulfilled. The imposed conditions are listed in the attached Minister's letter. The imposed conditions on the project will have additional costs associated with project completion.

At its regular meeting on February 22, 2007, the Chatham-Kent Public Utilities Commission approved the following recommendations:

1. *The Mayor write a letter to the Provincial Government to ask for financial assistance for the property owners included in the Bothwell Sanitary Sewer Project.*
2. *Administration investigate the next steps and financial impact on both the project delays to date as well as on the conditions imposed by the Minister of the Environment.*

The intent was to bring back a report to the Commission after the recommendations had been carried out in order for the Commission to decide how to proceed. This report recommends next steps.

COMMENTS

The office of Chatham-Kent Mayor Randy Hope issued a letter to the Minister of the Environment on March 28, 2007. The letter highlighted the financial hardship that this project would cause the property owners in Bothwell based on the demographics of the community. Please see attached for copy of letter.

The Environmental Assessment & Approvals Branch of the Ministry of the Environment issued a reply to the Mayor's letter on April 19, 2007 (NOTE: date of March 19, 2004 is incorrectly stated on the letter received). The letter indicates that they understand the concerns about the financial viability of the project and states that funding programs such as COMRIF, are offered from time to time and encourages to pursue those programs. See attached letter.

The consulting firm of Earth Tech Canada Inc. has also provided expected impact of the conditions imposed and provided a status update of the project budget and schedule.

Capital Cost Estimate (Budget)

The estimated capital cost Earth Tech presented in the Class EA was \$10,970,000, including engineering and contingency. These costs were current to March 2005. Given the delay, an increased cost will be realized due to inflation. Also, the additional engineering cost associated with the Part II order response, the expected costs of the additional studies or the additional costs to implement the output of the studies is estimated at \$250,000. Therefore, the new revised estimate for the total project is \$13,000,000. The revised numbers were based on inflation and historical unit costs for construction. The cost presented in the ESR includes the cost of the full upgrades to the Thamesville Water Pollution Control Plant (WPCP) which is estimated at approximately \$1,600,000.

The estimated cost per connection for a property in Bothwell was provided as \$12,600 at the public meeting on February 16, 2005. Construction inflation for these types of works, in general, has been rising during the last two years on an average of 5% per annum. Using this figure, the construction cost estimate in 2007 dollars is \$13,900 (this includes the 2004 Development Charge).

The project estimated costs are listed in the following table.

<b>Project Component</b>	<b>Previous Estimated Cost</b>	<b><u>Revised</u> Estimated Cost</b>
Assessable Cost Per Connection	\$12,600	\$13,900
PUC Cost	\$5,230,000	\$6,670,000
Total Cost	\$10,970,000	\$13,000,000

Costs incurred to date by Earth Tech to carry out the Class EA amount to approx \$194,000.

Overall Project Schedule

The Class EA identified an overall project schedule that has obviously been significantly impacted by the MOE review. The following table updates the proposed schedule. The schedule must take into consideration the following:

- Some detailed design must take place prior to the additional Environmental Investigations and Archeological Assessment.
- The Environmental Study and Archeological field work should be completed in the spring or early summer.
- The overall timeframe for detailed design can be expected to be extended by 3-6 months due to the studies.
- The outcome of the studies will serve as an input to detailed design.
- The project should be tendered in the late winter so that construction can start as early in the spring.
- The project will require two independent contracts – one for the collection system and one for the pump station and forcemain.
- The upgrades to Thamesville could either be a third contract or part of the forcemain contract.

Activity	Original Timeframe	Revised Timeframe
Detailed Design	Late 2005 to early 2006 (approx. 6 months)	May 2007 to February 2008 (approx. 9 - 12 months)
Additional Studies	N/A	Spring - Summer 2007
Construction	Spring – Fall 2006	Spring – Fall 2008
Commissioning	Winter 2006	Early Winter 2008

The above schedule demonstrates the need to proceed with detailed design in a timely fashion to avoid delaying the project by a full year.

It is recommended not delaying the project any further due to the rising construction costs (construction inflation continues to grow at a rate much higher than inflation).

It is also recommended that Administration prepare a report to Chatham-Kent Council for approval. The Bothwell Sanitary Sewer Servicing Project will require planned capital investment, however Council must approve any planned PUC debt. Administration will prepare the necessary reports and by-law under Part XII of the Municipal Act, 2001 for approval.

It should be noted that the Chatham-Kent Public Utilities Commission is committed to investigating and exploring for new funding program possibilities for this project at the Provincial and Federal levels.

COMMUNITY STRATEGIC PLAN

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

B. Economy - We are a prosperous community

B3: Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities

C. Environment – We are a green community

C2: Establish standards for environmental excellence

Desired Outcomes / Proposed Activities

- Advocate for essential provincial and federal investment and equitable tax policies to support financing and effective operation of sustainable transportation systems, and water, sewer and waste management services
- Support new infrastructure investments and modernize existing infrastructure
- Maintain and improve the quantity and quality of ground and surface waters
- Increase the number of homes, businesses and farms on municipal water and sewage
- Provide an efficient and adequate wastewater treatment system to meet the needs of the growing community by maintaining high quality sewer utilities.
- Support new infrastructure investments and modernize existing infrastructure.
- Provide increased economic and growth opportunities.

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

CONSULTATION

The General Manager of Chatham-Kent PUC and Senior Level Advisor of Chatham-Kent PUC comments have been included in this report. Earth Tech Canada Inc. were consulted in the preparation of this report.

FINANCIAL IMPLICATIONS

The estimated financial implications of \$13,000,000 will be offset by the connection assessment costs (sanitary sewer collection costs) to property owners in Bothwell of \$6,330,000. Therefore total estimated capital cost to the PUC is \$6,670,000 (transmission and treatment costs). This has been an anticipated capital cost already incorporated into the PUC long range rate structure.

Costs incurred to date include engineering fees to complete the Class EA and amount to \$194,000.

The entire capital costs will be distributed through to January 2009. The majority of the costs will be incurred in 2008 during construction. The costs will be included in future Capital Budgets.

Prepared by:

Reviewed by:

\_\_\_\_\_  
Rob Bernardi, P. Eng.  
Facilities & Systems Manager  
Chatham-Kent PUC

\_\_\_\_\_  
Jack Sonneveld  
Senior Level Advisor  
Chatham-Kent PUC

Reviewed by:

Reviewed by:

\_\_\_\_\_  
Scott Praill, CET, B. Comm.  
General Manager  
Chatham-Kent PUC

\_\_\_\_\_  
Gerry Wolting, B. Math., CA  
Acting CAO

**Moved by Commissioner Vercoouteren and seconded by Commissioner Pinsonneault.**

**“That this report be deferred to the next Regular PUC Commission meeting on June 21, 2007.”**

**Motion carried**

**5. INFORMATION**

- a) Bottled Tap Water Initiative
- b) Water/Wastewater Revenue & Expenditure
- c) Leamington Area Water Supply Agreement
- d) Municipal Drinking Water Licensing Program at a Glance.....
- e) Financial Plans Regulations for Municipal Drinking Water License Program

**Moved by Commissioner Parsons and seconded by Commissioner Pinsonneault.**

**“To receive items A – E for information.”**

**Motion carried**

**6. NEW BUSINESS**

General Manager Scott Praill requested that the Commission allow fill from a sewer project be brought to the PUC grounds to possibly be used for a toboggan hill.

**Moved by Commissioner Pinsonneault and seconded by Commissioner Pickard.**

**“To allow the fill to be brought to the PUC grounds.”**

**Motion carried**

General Manager Prail also stated that the MOE has issued an order for the PUC staff to sample 20 homes and 5 fire hydrants for lead, by May 31, 2007. Letters are being hand delivered to residents in a certain area in Chatham stating that their home might be approached to be tested for lead. Sample results must be sent to the MOE by June 6, 2007.

Commissioner Parsons congratulated Tom Kissner on an excellent presentation to the WATCH (Wallaceburg Area Team for a Cleaner Habitat) in Wallaceburg.

Commissioner Parsons requested that the PUC Commission meetings start at an earlier time ie: 2:00 PM. This matter will be brought back to the June 21, 2007 PUC Commission meeting.

**7. NEXT MEETING**

The next PUC Commission meeting is scheduled for Thursday June 21, 2007 in Thamesville. The Commission is invited to tour the Dresden WPCP (5 Camden St.) and Thamesville WPCP (20 Victoria St. S.). The Regular meeting will follow the tour of Thamesville WPCP at the Thamesville Town Hall (upstairs).

**8. ADJOURNMENT**

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

**“That the Regular meeting be adjourned at 5:00 PM.”**

**Motion carried**