

# MINUTES

## PUBLIC UTILITIES COMMISSION

**PUC BOARDROOM  
325 GRAND AVE E**

**SEPTEMBER 18, 2008  
3:00 PM**

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PRESENT: Chairman Bryon Fluker, Commissioners Steve Pinsonneault, Frank Vercooteren, Sheldon Parsons, Steve Pickard, Mayor Randy Hope, CAO Dave Weldon, General Manager Tom Kissner, Senior Level Advisor Jack Sonneveld, Facility Systems Manager Rob Bernardi and Supervisor Compliance & Monitoring Lilly Snobelen.

Commissioner Joe Faas arrived at 3:30 PM.

**1. CALL TO ORDER**

Chairman Bryon Fluker called the meeting to order at 2:59 PM.

**2. DECLARATION OF PECUNIARY INTEREST**

NONE

**3. APPROVAL OF MINUTES**

- a) June 19, 2008
- b) July 21, 2008

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

**“That the minutes of June 19, 2008 and July 21, 2008 Regular Meetings be approved.”**

**Motion carried**

**4. REPORTS**

- a) 1<sup>st</sup> Concession Road Servicing Project (Wheatley)

MUNICIPALITY OF CHATHAM-KENT

Public Utilities Commission

**TO:** PUC Chairperson and Commissioners  
**FROM:** Jeannie Medeiros  
Technical Assistant/Projects Coordinator, Chatham-Kent PUC  
**DATE:** August 27, 2008  
**SUBJECT:** 1st Concession Road Servicing Project  
(Community of Wheatley)

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**RECOMMENDATIONS**

It is recommended that:

- 1. The proposed 1st Concession Road Servicing Project not proceed at this time.

2. The property owners in this area are informed by letter of the vote results and the PUC action.

### **BACKGROUND**

In May 2008 the Public Utilities Commission (PUC) for the Municipality of Chatham-Kent provided an information package and opinion ballot to residents in the 1st Concession Line and Pickerel Road area for consideration of municipal waterline and sanitary sewer main.

The opinion poll results showed public interest in constructing a sanitary sewer and waterline along 1st Concession Line

### **COMMENTS**

The proposed sanitary distribution system would have provided capacity for Getty's Beach in addition to the proposed development. The sewer on 1st Concession Road would have been a 375 mm diameter main and then discharge to the McLean Street sewer, as shown on page 5.

There is an existing 600 mm diameter transmission main on 1<sup>st</sup> Concession Road, Pickerel Road and McLean Street that delivers treated water to Tilbury. CKPUC does not allow private service connections off this transmission main; therefore, a local waterline would have been required. Hydrants would be required on the new waterlines only at road intersections for flushing purposes since hydrants for fire protection have been provided on the transmission main. The system would have included construction of a 200 mm diameter waterline extending along 1<sup>st</sup> Concession Line from Erie Street South and McLean Road, as shown on page 6.

A total of approximately 5 occupied residential properties and 2 vacant agricultural properties exist within the proposed water distribution area.

Stantec Consulting Ltd. prepared estimated costs for the proposed sanitary sewer and waterline project.

The estimated project cost for the proposed sanitary sewer is \$407,300 including Engineering fees but excluding GST. The estimated cost per connection is \$17,365 (which includes the 2008 Part 12 Charge).

The estimated project cost for the proposed water servicing is \$346,200 including Engineering fees but excluding GST. The estimated cost per connection is \$9,110 (which includes the 2008 Part 12 Charge).

An information and vote package describing the proposed extension project and costs associated was distributed to the benefiting owners on July 25, 2008. A ballot was included with the return date of August 15, 2008.

Sixty-eight percent (68%) of the property owners returned the ballots. The ballot results were thirty-one percent (31%) in favour of proceeding with the water servicing project and thirty-eight (38%) in favour of proceeding with the sanitary servicing project.

It was indicated to the property owners that the PUC would require that a majority were in favour of the project and, that as a guideline, 66% of the returned votes should support the project before administration would recommend that the project proceed to construction. The wording on the ballot page indicated that the project would be evaluated based on the number of returned ballots.

Based on the approved Waterline Assessment Policy requiring 66% support, it is our recommendation that the PUC not proceed with providing servicing to the residences along 1st Concession Road Servicing Project at this time and that the property owners are notified by letter, of the vote results and the PUC action.

### **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

#### 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, 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

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

**CONSULTATION**

Stantec Consulting Ltd. prepared the preliminary engineering information.

**FINANCIAL IMPLICATIONS**

All costs associated with the project would have been recovered through assessment.

Prepared by:

Reviewed by:

\_\_\_\_\_  
Jeannie Medeiros  
Technical Assistant/Projects Coordinator

\_\_\_\_\_  
Jack Sonneveld  
Senior Level Advisor

Reviewed by:

Reviewed by:

\_\_\_\_\_  
Tom Kissner  
General Manager  
Chatham-Kent PUC

\_\_\_\_\_  
C. D. Weldon  
Chief Administrative Officer

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

**“That the proposed 1st Concession Road Servicing Project not proceed at this time.**

**The property owners in this area are informed by letter of the vote results and the PUC action.”**

**Motion carried**

b) Riverline Waterline Extension Looping

MUNICIPALITY OF CHATHAM-KENT

Public Utilities Commission

**TO:** PUC Chairperson and Commissioners  
**FROM:** Jeannie Medeiros  
Technical Assistant/Projects Coordinator, Chatham-Kent PUC  
**DATE:** August 27, 2008  
**SUBJECT:** River Line (9759 to 10646) Waterline Extension / Looping  
(Community of Harwich)

**RECOMMENDATIONS**

It is recommended that:

1. The proposed River Line (9759 to 10646) waterline extension not proceed at this time.
2. The River Line Waterline extension /looping project be included in the 2009 Capital Budget.
3. The property owners in this area are informed by letter of the vote results and the PUC action.

**BACKGROUND**

A previous petition was submitted to the Chatham-Kent Public Utilities Commission (CK PUC) in June 2005 from residents along River Line requesting consideration for municipal water.

Originally, the proposal was estimated based on the construction of a 200 mmØ waterline to be connected to the existing main at 9759 River Line and terminate 335m east of the Mull Road.

The initial vote in December 2005 did not have the support to continue. Ninety-eight percent (98%) of the property owners returned the ballots with only thirty-one percent (31%) in favour of proceeding with the project.

A new petition with a revised route along River Line was submitted to the CK PUC in February 2006. The service area included the construction of a 200 mmØ waterline on River Line starting at 10503 River Line and terminated at #23282 Kent Bridge Road. The system consisted of a 200 mmØ waterline under the Thames River to connect into the existing water system on Longwoods Road.

One hundred percent (100%) of the property owners returned the ballots with seventy-one (71%) in favor. The waterline was constructed and commissioned in the summer of 2007.

The installation of the proposed watermain loop will enhance the quality of water, water pressure, and the water distribution grid.

### **COMMENTS**

The system would connect the waterline from the existing 200 mmØ main at Municipal #9759 River Line and continue easterly on River Line to Municipal #10464, for a distance of approximately 4,123 m.

A total of approximately 24 occupied residential properties and 7 vacant agricultural properties exist within the proposed water distribution area.

Thames Valley Engineering Inc. prepared an estimated cost for the proposed waterline. The estimated cost for the project, including engineering but does not include GST is \$297,706.00.

The estimated cost per connection for the proposed River Line (9759 to 10646) waterline extension, including the 2008 Part 12 Charge is \$12,803.00.

An information and vote package describing the proposed extension project and costs associated was distributed to the benefiting owners on July 31, 2008. A ballot was included with the return date of August 22, 2008.

Ninety-one percent (91%) of the property owners returned the ballots. The ballot results were ten percent (10%) in favour of proceeding with the project.

It was indicated to the property owners that the PUC would require that a majority were in favour of the project and, that as a guideline, 66% of the returned votes should support the project before administration would recommend that the project proceed to construction. The wording on the ballot page indicated that the project would be evaluated based on the number of returned ballots.

Administration feels it would be beneficial for health, fire and economical reasons to extend the waterline from 9759 River Line to 10464 River Line.

By extending the waterline it will provide a continuous water loop system for uninterrupted water service. The health benefit of extending the waterline is improved water quality. The extension will allow the water in the main to flow from both directions and stop it from becoming "stagnant". This would also minimize water waste, or the need to flush the mains to maintain water quality.

Based on the approved Waterline Assessment Policy requiring 66% support, it is recommended that the PUC not proceed at this time with providing water servicing to the residences along River Line (9759 to 10646), however, the project should be included in the 2009 Capital Budget (to proceed in 2009) and that the property owners are notified by letter, of the vote results and the PUC action.

### **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

#### **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, 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

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

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**CONSULTATION**

Thames Valley Engineering Inc. prepared the preliminary engineering information.

**FINANCIAL IMPLICATIONS**

There are no financial implications associated with the recommendations in this report. All costs associated with the project would have been recovered through assessment. The PUC cost associated with proceeding will be included in the 2009 Budget Report.

Prepared by:

Reviewed by:

\_\_\_\_\_  
Jeannie Medeiros  
Technical Assistant/Projects Coordinator

\_\_\_\_\_  
Jack Sonneveld  
Senior Level Advisor

Reviewed by:

Reviewed by:

\_\_\_\_\_  
Tom Kissner  
General Manager  
Chatham-Kent PUC

\_\_\_\_\_  
C.D. Weldon  
Chief Administrative Officer

**Moved by Commissioner Vercoouteren and seconded by Mayor Hope.**

**“That the proposed River Line (9759 to 10646) waterline extension not proceed at this time.**

**The River Line Waterline extension /looping project be included in the 2009 Capital Budget.**

**The property owners in this area are informed by letter of the vote results and the PUC action.”**

**Motion carried**

c) Sixth Line West Waterline Extension

MUNICIPALITY OF CHATHAM-KENT

Public Utilities Commission

**TO:** PUC Chairperson and Commissioners  
**FROM:** Jeannie Medeiros  
Technical Assistant/Projects Coordinator, Chatham-Kent PUC  
**DATE:** August 27, 2008  
**SUBJECT:** Sixth Line West Waterline Extension  
(Community of Raleigh)

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**RECOMMENDATIONS**

It is recommended that:

1. The proposed Sixth Line West waterline extension not proceed at this time.
2. The property owners in this area are informed by letter of the vote results and the PUC action.

**BACKGROUND**

A Sixth Line West petition was submitted to the Chatham-Kent Public Utilities Commission in April 2008.

**COMMENTS**

The system would have been connected to the existing 100 mm diameter main at 5834 Sixth Line West, and headed easterly on Sixth Line West to Municipal #5976 (the last petitioner), a total distance of approximately 675 m.

A total of approximately 4 occupied residential properties and 2 vacant agricultural properties exist within the petitioned area.

Dillon Consulting Limited prepared an estimated cost for the proposed waterline. The estimated cost for the project, including engineering but does not include GST is \$44,135.00.

The estimated cost per connection for the proposed Sixth Line West waterline extension, including the 2008 Part 12 Charge is \$11,050.00.

An information and vote package describing the proposed extension project and costs associated was distributed to the benefiting owners on July 24, 2008. A ballot was included with the return date of August 15, 2008.

One hundred percent (100%) of the property owners returned the ballots. The ballot results were twenty-eight percent (28%) in favour of proceeding with the project.

It was indicated to the property owners that the PUC would require that a majority were in favour of the project and, that as a guideline, 66% of the returned votes should support the project before administration would recommend that the project proceed to construction. The wording on the ballot page indicated that the project would be evaluated based on the number of returned ballots.

Based on the approved Waterline Assessment Policy requiring 66% support, it is our recommendation that the PUC not proceed with providing water servicing to the residences along Sixth Line West and that the property owners are notified by letter, of the vote results and the PUC action.

**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

**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, 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

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

**CONSULTATION**

Dillon Consulting Limited prepared the preliminary engineering information.

**FINANCIAL IMPLICATIONS**

All costs associated with the project would have been recovered through assessment.

Prepared by:

\_\_\_\_\_  
Jeannie Medeiros  
Technical Assistant/Projects Coordinator

Reviewed by:

\_\_\_\_\_  
Tom Kissner  
General Manager  
Chatham-Kent PUC

Reviewed by:

\_\_\_\_\_  
C. D. Weldon.  
Chief Administrative Officer

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

**“That the proposed Sixth Line West waterline extension not proceed at this time.**

**The property owners in this area are informed by letter of the vote results and the PUC action.”**

**Motion carried**

d) Wallace Street/McGregor Line Waterline Extension (Wallaceburg)

MUNICIPALITY OF CHATHAM-KENT

Public Utilities Commission

**TO:** PUC Chairperson and Commissioners  
**FROM:** Jeannie Medeiros  
Technical Assistant/Projects Coordinator, Chatham-Kent PUC  
**DATE:** August 27, 2008  
**SUBJECT:** Wallace Street / McGregor Line Waterline Extension  
(Community of Chatham Township and Wallaceburg)

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**RECOMMENDATIONS**

It is recommended that:

1. The proposed Wallace Street / McGregor Line waterline be approved to proceed.
2. Administration prepares a report to Chatham-Kent Council for the approval of the project and authorization for the necessary By-law under Part XII of the Municipal Act, 2001.
3. The property owners in this area are informed by letter of the vote results and the PUC action.

**BACKGROUND**

A Wallace Street / McGregor Line petition was submitted to the Chatham-Kent Public Utilities Commission in April 2008.

**COMMENTS**

A 150 mmØ main will be connected to the existing 200 mmØ main at 972 Wallace Street on Wallace Street to Municipal #996 for a distance of approximately 155 m. The 150 mmØ main will replace an existing 25 mmØ waterline. All replacement costs will be assumed by the PUC.

The 150 mmØ main at Municipal #996 will extend easterly on Wallace Street / McGregor Line to municipal #7792 (the last petitioner) for a distance of approximately 2,370 m.

A total of eight (8) residential properties and three (3) vacant agricultural properties exist along this portion of the petitioned area.

Dillon Consulting Limited prepared an estimated cost for the proposed waterline. The estimated cost for the whole project, including engineering but does not include GST is \$147,416.00, which includes \$16,325.00 associated with replacing the existing 25 mmØ main on Wallace Street and will be charged to the PUC.

The estimated cost per connection for the proposed Wallace Street / McGregor Line waterline extension, including the 2008 Part 12 Charge is \$16,224.00.

An information and vote package describing the proposed extension project and costs associated was distributed to the benefiting owners on July 24, 2008. A ballot was included with the return date of August 15, 2008.

Eighty-seven percent (87%) of the property owners returned the ballots. The ballot results were ninety-three percent (93%) in favour of proceeding with the project.

On August 11, administration called all the properties involved in the project that the PUC did not receive a ballot from to remind them of the August 15, 2008 due date.

It was indicated to the property owners that the PUC would require that a majority were in favour of the project and, that as a guideline, 66% of the returned votes should support the project before administration would recommend that the project proceed to construction. The wording on the ballot page indicated that the project would be evaluated based on the number of returned ballots.

Based on the approved Waterline Assessment Policy requiring 66% support, it is our recommendation that the PUC proceed with providing water servicing to the residences along Wallace Street / McGregor Line and that the property owners are notified by letter, of the vote results and the PUC action.

It is also recommended that administration prepare a report to Chatham-Kent Council for the approval of the project and authorization for the necessary By-law under Part XII of the Municipal Act, 2001.

### **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

#### **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, 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

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

### **CONSULTATION**

Dillon Consulting Limited prepared the preliminary engineering information.

### **FINANCIAL IMPLICATIONS**

The estimated cost of \$16,325.00 associated with replacing the existing 25 mmø main on Wallace Street and will be allocated to the PUC. All other costs associated with the project will be recovered through assessment.

Prepared by:

\_\_\_\_\_  
Jeannie Medeiros  
Technical Assistant/Projects Coordinator

Reviewed by:

\_\_\_\_\_  
Tom Kissner  
General Manager  
Chatham-Kent PUC

Reviewed by:

\_\_\_\_\_  
C. D. Weldon  
Chief Administrative Officer

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

**“That the proposed Wallace Street / McGregor Line waterline be approved to proceed.**

**Administration prepares a report to Chatham-Kent Council for the approval of the project and authorization for the necessary By-law under Part XII of the Municipal Act, 2001.**

**The property owners in this area are informed by letter of the vote results and the PUC action.”**

**Motion carried**

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## e) Victoria Ave Watermain Replacement (Chatham)

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:** September 9, 2008  
**Subject:** Tender Award: Contract T08-219, Victoria Avenue  
Water Main Replacement, Community of Chatham

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### **RECOMMENDATIONS**

It is recommended that:

1. The tender in the amount of \$288,750.00 including GST for the Victoria Avenue Water Main Replacement in the Community of Chatham be awarded to Henry Heyink Construction Limited.
2. The PUC Chairperson and Commissioners approve the transfer of \$196,727.24 from the Lifecycle Reserve to fund the 2008 Lifecycle Water main Replacement program.

### **BACKGROUND**

The water main replacement upgrade on Victoria Avenue in Chatham was identified as a project in the 5-year plan of the Water Lifecycle Replacement Program, however, not originally intended for 2008 budget approved by the Public Utilities Commission (PUC). The existing water main is approximately 94 years old and consists of primarily a 100mm diameter cast iron line with short lengths of 150mm diameter cast iron line at either end. This section of water main has a history of breaks recorded within the inventory system.

In addition, PUC staff has confirmed concerns with fire flows and residual pressures in this area by undertaking hydrant flow testing last year. The Fire Department has been notified and is aware of these concerns, which further supports assigning a high priority ranking to this project. The replacement of the existing lines with 200mm poly vinyl chloride (PVC) pipe will enhance the pressure, distribution grid and provide additional fire protection to this area.

Following the approval of the 2008 Water Lifecycle Replacement Program and Budget at the beginning of this year, the Engineering and Transportation Division completed a review of other upcoming Municipal and PUC projects for 2009 as other capital budgets were approved. It became apparent as a result of this review that the completion of this project in 2009 would have major traffic corridor implications because of the scheduled St.Clair Street Sewers project for 2009, which has its project limits from McNaughton Avenue south to the Thames River.

Earlier this year collaborative discussions between Engineering and Transportation Division staff and PUC administration regarding these concerns led to the decision to reprioritize this project for completion this year and postpone the completion of Lorne Avenue water main in the Community of Wallaceburg until 2009. In addition to this change in project schedules, the Camden Street Storm Sewer project, which also includes water main replacement component under lifecycle budget, has run into delays in obtaining approvals from the Ministry of Environment for the new storm outlet into the Sydenham River. These delays have resulted in the feasibility of being able to only complete construction of this project in 2009 as well; therefore, making the Victoria Avenue Water main project the last major lifecycle water main project to be funded under the approved 2008 Lifecycle Water Main replacement budget.

Thames Valley Engineering Incorporated carried out the project engineering. The Purchasing Officer received and opened tenders for the work on Thursday, September 4, 2008. The results are as follows:

CONTRACT T08-219 VICTORIA AVENUE WATER MAIN REPLACEMENT COMMUNITY OF CHATHAM		
Rank	Tenderer	Tender Amount
1	Henry Heyink Construction Limited Chatham, Ontario.	\$ 288,750.00
2	Delway Contractors Limited Chatham, Ontario.	\$ 294,000.00
3	G.W. Clarke Drainage Contractors Limited Blenheim, Ontario.	\$ 296,767.32
4	M. R. Dunn Contractors Limited Windsor, Ontario.	\$ 322,985.25
5	B.F. Environmental Limited Windsor, Ontario	\$ 323,874.47
6	United Contracting (London) Limited London, Ontario.	\$ 413,275.80

Thames Valley Engineering Incorporated 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 200mm replacement upgrade water main on Victoria Avenue from Gladstone Avenue to McNaughton Avenue. During the design phase it was determined that in order to support the side streets off Victoria Avenue over its entire length of approximately 1,350 metres, the hydraulic capacity needed to be enhanced, requiring upgrading to 200mm rather than 150mm. In addition, approximately 800m of the south segment length of water main on Victoria Avenue already currently exists as a 200mm water main size.

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 \$41,250. The engineer's most recent estimate for construction was \$299,250 including GST. Six competitive bids were received on the project. The low tender received is 3.5% below the engineer's estimate and 11% below the average of the six tenders received.

Staff concurs with the recommendation to award the tender to Henry Heyink Construction Limited who submitted the lowest tender bid.

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

**COMMUNITY STRATEGIC PLAN**

The recommendations in this report support 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 recommendations will not adversely impact on the remainder of the Community Strategic Plan.

**CONSULTATION**

The Tender was 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 recommendations.

**FINANCIAL IMPLICATIONS**

As previously mentioned, the Victoria Avenue Water main Replacement tender is the last major lifecycle water main project to be funded under the approved 2008 Lifecycle Water Main replacement budget. After closing this final tender, the revised total project costs for the 2008 Lifecycle Water Main replacement program is \$1, 484,727.24. This results in \$196,727.24 of additional funds to be transferred from the Water main Lifecycle Reserve as shown in the summary table below.

The project summary is set out in the following table.

<u>VICTORIA AVENUE WATER MAIN REPLACEMENT</u> <u>CONTRACT T08-219</u> <u>COMMUNITY OF CHATHAM</u>		
	DESCRIPTION	TOTAL
(A) Project Costs	Low Tender, incl. GST	\$ 288,750.00
	Engineering Design & Inspection	\$ 41,250.00
	Less GST Rebate 5%	-\$ 13,750.00
	<b>Total</b>	<b>\$ 316,250.00</b>
(B) Project Funding	Water main Lifecycle	\$ 316,250.00
	<b>Funding Totals</b>	<b>\$ 316,250.00</b>
(C) Water main Replacement Budget Update Summary	Previously Approved 2008 Projects	\$ 1,168,477.24
	Current Project	\$ 316,250.00
	Revised 2008 Total Project Costs	\$ 1,484,727.24
	Total 2008 Approved Budget	-\$ 1,288,000.00
	<u>Additional Lifecycle Reserve Funds Required</u>	<b>\$ 196,727.24</b>
(E) Lifecycle Reserve Update Summary	<u>2007 Lifecycle Reserve Balance (adjusted)</u>	\$ 405,013.75
	<u>2008 Lifecycle Budget</u>	\$ 1,200,000.00
	<u>2008 Lifecycle Reserve Contribution</u>	\$ 200,000.00
	<u>Total Lifecycle Funds Available</u>	\$ 1,805,013.75
	Revised 2008 Total Project Costs	-\$ 1,484,727.24
	<u>Projected 2008 Lifecycle Reserve Balance</u>	<b>\$ 320,286.51</b>

Prepared by:

\_\_\_\_\_  
Nelson Cavacas, C.E.T.  
Manager  
Engineering and Traffic Division

Reviewed by:

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

Reviewed by:

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

Reviewed by:

\_\_\_\_\_  
C. D. Weldon,  
Chief Administrative Officer

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

**“That the tender in the amount of \$288,750.00 including GST for the Victoria Avenue Water Main Replacement in the Community of Chatham be awarded to Henry Heyink Construction Limited.**

**The PUC Chairperson and Commissioners approve the transfer of \$196,727.24 from the Lifecycle Reserve to fund the 2008 Lifecycle Water main Replacement program.”**

**Motion carried**

f) Capital Projects – Unallocated Funds

MUNICIPALITY OF CHATHAM-KENT  
Public Utilities Commission

**TO:** PUC Chairperson and Commissioners  
**FROM:** Jack Sonneveld  
Senior Level Advisor, Chatham-Kent PUC  
**DATE:** September 19, 2008  
**SUBJECT:** Capital Projects – Unallocated funds

RECOMMENDATION

It is recommended that:

1. The allocation of the unallocated capital funds as outlined in Table “A” be approved.

**BACKGROUND**

Chatham-Kent’s original Round 1, Option 2 application for the Ontario Small Town and Rural Development (OSTAR) Infrastructure Program was approved based on \$19,348,448.54 of eligible expenditures.

The maximum Ontario financial assistance was \$6,450,127.79 and the maximum Federal assistance was \$6,449,482.85. The total financial assistance was \$12,899,610.64

**COMMENTS**

Administration has worked closely with the various representatives of the Ministry of Agriculture, Food and Rural Affairs, Rural Community Development Branch during the past few years and they have agreed to a number of revisions to the eligible expenditures.

The final addendum to the Agreement has been completed. The revised eligible costs are \$32,979,785.05. The maximum Ontario financial assistance is \$10,994,361.00 and the maximum Federal assistance is \$7,001,365.00. The total financial assistance was \$17,994,361.

The extra funding amounts to an additional \$5,094,750.36.

Ontario Potable Water Program

Industry Canada announced a program on February 15, 2008 that is providing additional funding to assist municipalities that faced economic challenges related to the implementation of their existing federally funded drinking water projects.

Through the new OPWP, the federal government is assisting municipalities that incurred increased cost as a result of changes to the Ontario Drinking Water Systems Regulations for their potable water projects funded under the Canada-Ontario Infrastructure Program (formerly OSTAR).

The Chatham-Kent file is currently being reviewed by Industry Canada and they will forward potential extra funding information and forms for review.

Allocation of Funds:

Currently there is a balance of \$5,384,963.38 in the Capital Unallocated Account.

The Watermain Lifecycle Reserve Fund is in a deficit position at this time (\$194,986.25). It is recommended that \$600,000 be allocated to the Watermain Lifecycle Reserve to offset the deficit and that the balance of the funds be used to clear up the outstanding balances in the following Capital Accounts:

<b>Recommended Allocation of Capital Funds Table "A"</b>		
<b>Acct.#</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
0275-1791	Transfer to Watermain Lifecycle Reserve	\$ 600,000.00
CHPLTUPG	Chatham Water Plant Upgrades	\$ 204,918.19
CHX401CONN	Charing Cross Rd./Hwy 401 Interconnection	\$ 223,270.38
TIWHWTSP	Tilbury/Wheatley Water Supply Project	\$ 11,195.50
SKWTPH1	South Kent Water Plant	\$ 119,209.09
MRPTHRND	Morpeth Bates Rondeau Waterline Oversizing	\$1,903,973.67
PIONEERWL	Pioneer Waterline Oversizing	\$ 150,540.99
QUNDRAKE	Queens Line/Drake Waterline Oversizing	\$ 122,217.57
COATSWWL	Coatsworth, King & Whittle Waterline	\$ 166,889.34
HWY40SWT	Hwy 40 S Waterline Project	\$ 190,508.38
MIDDLEWL	Middle Line Waterline Project Oversizing	\$ 737,068.63
HIGHGTWPL	Highgate Water Treatment	\$ 15,426.04
HUSYWTLN	Hughes Road Waterline	\$ 50,410.89
	Port Road Oversizing/Looping	\$ 61,100.00
GREGBALWT	Gregory Dr/Baldoon Waterline Looping	\$ 298,221.00
	<b>TOTAL</b>	<b>\$4,854,949.67</b>
	<b>Balance for Capital projects not completed</b>	<b>\$ 530,013.69</b>

**CONSULTATIONS**

The General Manager of the PUC, Gord Quinton, Supervisor, Accounting Operations and Luanne Berkvens, Financial Analyst, Financial Services for the Municipality of Chatham-Kent have been consulted in the preparation of this report.

**FINANCIAL IMPLICATIONS**

The use of the funds will reduce the total amount debentured and any future Federal Funding under the OPWP will also reduce debenturing.

Prepared by:

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

Reviewed by:

\_\_\_\_\_  
 Tom Kissner  
 General Manager,  
 Chatham-Kent PUC

Reviewed by:

\_\_\_\_\_  
 Dave Weldon  
 Chief Administrative Officer

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

**“That the allocation of the unallocated capital funds as outlined in Table “A” be approved.”**

**Motion carried**

**g) 2007 Water & Wastewater Financial Info. Summary**

MUNICIPALITY OF CHATHAM-KENT  
Public Utilities Commission

**TO:** PUC Chairperson and Commissioners  
**FROM:** Jack Sonneveld  
Senior Level Advisor, Chatham-Kent PUC  
**DATE:** September 18, 2008  
**SUBJECT:** 2007 Water & Wastewater Financial Information Summary

**RECOMMENDATION**

It is recommended that:

1. The Water /Wastewater Unaudited Balance Sheets, Reserve Information and Development Charge/Part XII information be received for information.

**BACKGROUND**

The Balance Sheets are presented annually to provide information for management purposes. As well, an annual summary of Reserve Balances is provided. The Development Charges/Part XII Charges were implemented for water and wastewater in 2004.

**COMMENTS**

The attached (Appendix "A") Municipality of Chatham-Kent –Water/Wastewater Division, Unaudited Financial Statements package includes information for the operations and capital to December 31, 2007. The assets and liabilities, including long term capital funding, are also summarized in the report.

**Reserve Balances**

The Water and Wastewater Reserve balances (Appendix "B") are summarized in the following table:

<b>Water &amp; Wastewater Reserve Balances</b>		
<b>(Dec. 31, 2007)</b>		
	<b>Water</b>	<b>Wastewater</b>
Lifecycle Watermains/Sewers	(\$ 194,986.25)	\$1,970,824.19
General	\$1,927,002.57	\$ 95,951.48
Fleet (vehicles)	\$ 426,458.62	\$ 182,767.98
Insurance Risk	\$ 134,840.87	\$ 57,788.95
Workers Comp.	\$ 61,472.15	\$ 26,345.21
PSAB issues	(\$ 377,415.00)	(\$ 333,511.00)
<b>TOTAL</b>	<b>\$1,977,372.96</b>	<b>\$2,000,166.81</b>

The deficit in the Lifecycle Watermains Account is addressed in the report that deals with the allocation of funds from the unallocated capital funds account.

**Development/Part XII Charges:**

Appendix "C" summarizes the information on the funds collected and their transfer to costs associated "growth". The shortfalls of \$2,442,666.81 for water and \$903,303.98 for wastewater will be collected in future years and those funds will be credited to the appropriate accounts.

The Development Charges Study will be updated, as required, by April, 2009

**CONSULTATIONS**

The General Manager of the PUC and Financial Services for the Municipality of Chatham-Kent have been consulted in the preparation of this report.

**FINANCIAL IMPLICATIONS**

There are no financial impacts associated with this report.

Prepared by:

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

Reviewed by:

\_\_\_\_\_  
Tom Kissner  
General Manager,  
Chatham-Kent PUC

Reviewed by:

\_\_\_\_\_  
Dave Weldon  
Chief Administrative Officer

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

**“That the Water /Wastewater Unaudited Balance Sheets, Reserve Information and Development Charge/Part XII information be received for information.”**

**Motion carried**

**h) Lighthouse Cove Service – Wastewater Treatment**

MUNICIPALITY OF CHATHAM-KENT  
Public Utilities Commission

**TO:** PUC Chairperson and Commissioners  
**FROM:** Tom Kissner  
General Manager, Chatham-Kent PUC  
**DATE:** September 9, 2008  
**SUBJECT:** Lighthouse Cove Area Wastewater Treatment

**RECOMMENDATIONS:**

It is recommended that:

1. The agreement for the provision of wastewater treatment services for the growth area of Lighthouse Cove, Town of Lakeshore, be approved.
2. Administration prepare a report to Chatham-Kent Council for approval of the agreement and the necessary Bylaw under Part V of the Municipal Act, 2001 to authorize a municipal service board to supply a municipal service to another municipality.

**BACKGROUND**

A development group from the Lighthouse Cove area approached the Chatham-Kent PUC regarding the possibility of treating the wastewater from the Lighthouse Cove area in 2004. They retained Sco-Terra Engineering to prepare a preliminary wastewater servicing plan.

The Town of Lakeshore has since completed a Water and Wastewater Master Plan Study for the Town of Lakeshore and a "draft report has been released.

**COMMENTS**

The Water and Wastewater Master Plan recommends that the wastewater from the Lighthouse Cove area be treated at a new wastewater treatment plant that will be constructed at Stoney Point.

Administration has met with representatives from Lakeshore and the development group. Due to the length of time required to construct the proposed treatment plant and collection system to Lighthouse Cove (5-10 years), the development group wishes to proceed with an interim solution of pumping the wastewater to the Tilbury WPCP for treatment.

Lakeshore Council has agreed to proceeding with the interim solution under the understanding that once the Stoney Point WPCP and the collection system are constructed, all sewage would be treated by Lakeshore.

Lakeshore would be billed 1.25 times the Chatham-Kent wastewater rate for all wastewater pumped to the Tilbury WPCP.

The proposed agreement provides for the collection of a development/part XII charge on all connections to the proposed collection system for the new growth areas. This charge is equivalent to the charge collected from new Chatham-Kent customers.

#### Agreement

Administration in conjunction with Chatham-Kent has written a wastewater service agreement with a 10 year term. The proposed agreement is very similar to the Water Servicing Agreement that is currently in place with Lakeshore. The agreement has been reviewed by the solicitors of both the Chatham-Kent PUC and the Town of Lakeshore.

#### Potential Revenues:

Historically, Lakeshore experiences on average 5 new user/lot creations annually.

Based on 5 units per year, the estimated revenue would be approximately \$12,000 per year in DC/Part XII charges and \$2,500 in wastewater treatment charges for the first year and an additional \$1,200 per year in wastewater treatment charges in subsequent years.

#### Tilbury WPCP:

The new WPCP is currently operating at approximately 55% of its rated hydraulic capacity.

It is recommended that the Chatham-Kent PUC approve the ten (10) year agreement with the Town of Lakeshore for the provision of wastewater treatment services for the growth areas only at the Lighthouse Cove area.

#### **CONSULTATIONS**

Tilbury WPCP operations staff, C-K Legal Services and Lakeshore administration have been consulted during the preparation of the agreement.

#### **FINANCIAL IMPLICATIONS**

The projected revenues are \$15,000 in the first year and this will increase at a rate of approximately \$13,200 per year (\$28,200 in year 2 and \$41,400 in year 3).

Prepared by:

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

Reviewed by:

Reviewed by:

\_\_\_\_\_  
Tom Kissner  
General Manager,  
Chatham-Kent PUC

\_\_\_\_\_  
Dave Weldon  
Chief Administrative Officer

**Moved by Mayor Hope and seconded by Commissioner Faas.**

**“That the agreement for the provision of wastewater treatment services for the growth area of Lighthouse Cove, Town of Lakeshore, be approved.**

**Administration prepare a report to Chatham-Kent Council for approval of the agreement and the necessary Bylaw under Part V of the Municipal Act, 2001 to authorize a municipal service board to supply a municipal service to another municipality.”**

**Motion carried**

## i) Source Water Protection – Terms of Reference

MUNICIPALITY OF CHATHAM-KENT

PUBLIC UTILITIES COMMISSION

**TO:** PUC Chairperson and Commissioners

**FROM:** Tom Kissner  
General Manager  
Chatham-Kent Public Utilities Commission

**DATE:** September 18, 2008

**SUBJECT:** Source Water Protection

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### **RECOMMENDATION:**

It is recommended that:

1. Administration prepares a report to Chatham-Kent Council for approval of the following recommendations:
  - a. That the Municipality of Chatham-Kent, Public Utilities Commission consents to perform the drinking water source protection work required under the Clean Water Act related to the following systems:
 

Groundwater Supply for the community of Highgate (Drinking Water System #260015587)

Groundwater Supply for the community of Ridgetown (Drinking Water System #220003369)
  - b. That the work including any data compiled while undertaking the drinking water source protection work, required by the Clean Water Act to be shared with the Source Protection Committee so that it may be included in the Assessment Report for the Source Protection Area.
  - c. That the Municipality of Chatham-Kent will, for the systems identified in recommendation Number 1 and upon full funding approval from the Province, undertake all work related for the completion of tasks as outlined in the Thames-Sydenham and Region Terms of Reference.

### **BACKGROUND**

Protecting source waters from contaminants is a major priority in the protection of public health through ensuring a clean, safe drinking water supply. All drinking water sources are vulnerable to a variety of contaminants from a variety of activities. Our municipal water comes from lakes, rivers and underground sources. All of these sources can be linked in a watershed through the water cycle. Drinking water sources can be easily contaminated and long-term problems can develop that are costly or even impossible to correct.

Clean and plentiful water supplies are among the most important natural resources. As population grows and development increases, the challenge to maintain a high quality water supply becomes more complex. The protection of source areas for water is critical. It is for this reason that the Ontario Clean Water Act was passed in October, 2006.

The Clean Water Act applies primarily to municipal drinking water supplies and not to private well water systems. It will help prevent contamination before it poses a risk to human health. The Clean Water Act sets out a new process for source protection planning that requires collaboration among local municipalities, conservation authorities, provincial ministries, communities and stakeholders to identify and work to prevent source water contamination. Every community will be involved in developing an individualized plan to protect its drinking water.

#### **Actions to protect drinking water sources include:**

- identifying threats to water quality and quantity;
- taking action on existing and potential threats; and
- involving the whole community in finding effective solutions.

#### **The Source Protection Process:**

The source protection process will help inform governments, local authorities and residents about the risks to drinking water sources. This information will be used to make informed decisions about what activities to allow, as well as how to manage activities in vulnerable areas around a drinking water source.

The source protection planning process involves the following steps:

- establishing source protection authorities and source protection committees;
- preparing the terms of reference;
- mapping municipal wellhead protection areas and intake protection zones;
- assessing threats to determine whether they pose a negligible, low, moderate or significant risk; and,
- developing source protection plans that ensure significant risks to drinking water are managed so that they are no longer significant, and that moderate risks do not become significant.

#### Source Water Protection Committees:

Local source water protection committees will be responsible for preparing the terms of reference, the assessment report and the source protection plan. There have been opportunities for the public to participate in working groups that were established to tackle a particular issue or area of concern.

The terms of reference outline the steps to be taken to develop and implement a source protection plan. They set out roles and responsibilities of municipalities, source protection authorities, source protection committees and others. The terms of reference are prepared by the source protection committee and submitted for approval to the Ministry of the Environment by the source protection authority

The assessment report is a science based report developed locally for each source protection area. It identifies the risks to be addressed in source protection plans. It documents vulnerable areas, including present and future municipal groundwater and surface water sources, areas where large regional aquifers are being recharged, and aquifers that are vulnerable to contamination. It also involves measuring how much water exists, both at the surface and below ground, how it moves, and how much water is withdrawn, so that it identifies areas where there may be water shortages.

The source protection plan establishes policies on how significant drinking water threats will be reduced or eliminated, identifies who is responsible for taking action, sets timelines and describes how progress will be measured. Plans will build on work currently underway and will recognize or reinforce existing management practices that help protect source water quality and quantity.

#### **COMMENTS**

The Thames-Sydenham and Region 'Draft Proposed Terms of Reference' has been completed. The Terms of Reference documents describe work to be undertaken by the Source Protection Committee, Municipalities and Conservation Authorities to complete the Assessment Report and Source Protection Plans. It identifies tasks to be completed, leads for the tasks, estimated costs and estimated start and end dates for tasks. As well, the terms of reference contain work which has already been undertaken or in progress through Ministry of the Environment technical studies funding. Therefore council resolutions are required for any work shown in the terms of reference as having been lead by the Municipality, including that which has been completed or is in progress. The following table includes all work that the Municipality of Chatham-Kent will lead and has either been completed or is in progress.

Defined Geographic Area	Task	Estimated Start & End Date	Est. Cost
Ridgetown and Highgate well supply systems in the Lower Thames Valley SPA	Delineating and applying vulnerability scores to Well Head Protection Areas	April 1, 2006 to March 31, 2009	\$45,873
Defined Geographic Area	Task	Estimated Start & End Date	Est. Cost
Ridgetown and Highgate well supply systems in the Lower Thames Valley SPA	Identifying issues, inventorying threats and assessing hazards in Well Head Protection Areas	April 1, 2006 to March 31, 2009	\$74,067
Ridgetown and Highgate well supply systems in the Lower Thames Valley SPA	Assess risk in Well Head Protection Areas	April 1, 2006 to June 30, 2009	\$89,967

Previous to the Clean Water Act being passed, Dillon Consulting Ltd. had been retained by the PUC to complete a hydrogeological study for the Ridgetown well system in order to finalize an Environmental Study Report for construction purposes. Because of Dillon's knowledge of the Ridgetown well system, they have been asked to complete the work that is listed in the terms of reference for both the Ridgetown and Highgate well systems, on behalf of the Municipality.

#### **COMMUNITY STRATEGIC PLAN**

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

A: Health- We are a healthy community

A2: Exceed standards for health protection and promotion.

**Desired Outcomes/Proposed Activities**

- Increase user satisfaction.

**CONSULTATIONS**

Chris Tasker, Source Protection Project Manager, Thames-Sydenham and Region Drinking Water Source Protection

**FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendation. The Province of Ontario has already provided \$110,000 in funding and will provide additional funding, most likely through the lead Conservation Authority, for the completion of tasks as outlined in the Clean Water Act, Source Water Protection Terms of Reference.

Prepared by:

Reviewed by:

\_\_\_\_\_  
Tom Kissner  
General Manager  
Chatham-Kent PUC

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

Reviewed by:

\_\_\_\_\_  
C. D. Weldon  
Chief Administration Officer

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

**“That Administration prepares a report to Chatham-Kent Council for approval of the following recommendations:**

**a. That the Municipality of Chatham-Kent, Public Utilities Commission consents to perform the drinking water source protection work required under the Clean Water Act related to the following systems:**

**Groundwater Supply for the community of Highgate (Drinking Water System #260015587)**

**Groundwater Supply for the community of Ridgetown (Drinking Water System #220003369)**

**b. That the work including any data compiled while undertaking the drinking water source protection work, required by the Clean Water Act to be shared with the Source Protection Committee so that it may be included in the Assessment Report for the Source Protection Area.**

**c. That the Municipality of Chatham-Kent will, for the systems identified in recommendation Number 1 and upon full funding approval from the Province, undertake all work related for the completion of tasks as outlined in the Thames-Sydenham and Region Terms of Reference.”**

**Motion carried**

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**j) Green Municipal Fund (GMF)**

MUNICIPALITY OF CHATHAM-KENT

PUBLIC UTILITIES COMMISSION

**TO:** PUC Chairperson and Commissioners

**FROM:** Rob Bernardi, P.Eng.  
Manager, Facilities & Systems Engineering  
Chatham-Kent PUC

**DATE:** September 18, 2008

**SUBJECT:** Green Municipal Fund (GMF) – Wastewater Project Application

---

**RECOMMENDATIONS**

It is recommended that:

1. The Public Utilities Commission supports the Green Municipal fund (GMF) – Wastewater Projects application for the Ridgetown Wastewater Treatment Plant Project.
2. The Public Utilities Commission fully support and is financially committed to the Ridgetown Wastewater Treatment Plant Project.
3. A report be brought to Municipality of Chatham-Kent Council for a resolution describing the level of commitment and financial support for the project.

**BACKGROUND**

The Federation of Canadian Municipalities has launched a Green Municipal Fund (GMF) funding opportunity for capital projects that improve effluent quality from municipal wastewater treatment systems.

Eligible applicants can request up to \$2 million in loans and \$400,000 in grants for each project.

The application deadline for the GMF is no later than midnight (EDT) on October 15, 2008.

**COMMENTS**

In reviewing the applicable PUC projects for this GMF – (Wastewater Projects) opportunity, the Ridgetown Wastewater Treatment Plant Project was the only project that meets the criteria. This project is a municipal wastewater treatment plant that will have improved wastewater effluent quality once the new facility is completed. The Ridgetown Wastewater Treatment Plant Project also has the required pre-requisites completed.

The Ridgetown Wastewater Treatment Plant Project has begun construction in August of 2008. The project is still eligible for funding even though construction has started. The value of the project is currently estimated at \$16,436,155. Canada-Ontario Municipal Rural Infrastructure Fund (COMRIF) Intake Three program funding of \$5,333,332 was awarded to the project and therefore \$11,102,823 is being paid for by the Public Utilities Commission.

As part of the application requirements, there is a requirement for municipal council resolution describing the level of commitment and financial support for the project and GMF application.

Therefore, it is recommended that:

- The Public Utilities Commission supports the Green Municipal fund (GMF) – Wastewater Projects application for the Ridgetown Wastewater Treatment Plant Project.
- The Public Utilities Commission fully support and is financially committed to the Ridgetown Wastewater Treatment Plant Project.
- A report be brought to Municipality of Chatham-Kent Council for a resolution describing the level of commitment and financial support for the project.

**COMMUNITY STRATEGIC 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

**Desired Outcomes/Proposed Activities**

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

**CONSULTATION**

PUC staff have been involved in the preparation of this report through general discussions regarding GMF.

**FINANCIAL IMPLICATIONS**

There are no financial implications resulting from the recommendations of this report. Funding provided by GMF (Green Municipal Fund) for this wastewater project, will reduce impact on future wastewater rates for all Chatham-Kent wastewater customers.

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:

\_\_\_\_\_  
 Tom Kissner,  
 General Manager  
 Chatham-Kent PUC

\_\_\_\_\_  
 C. D. Weldon,  
 Chief Administrative Officer

**Moved by Mayor Hope and seconded by Commissioner Pinsonneault.**

**“That the Public Utilities Commission supports the Green Municipal fund (GMF) – Wastewater Projects application for the Ridgeway Wastewater Treatment Plant Project.**

**The Public Utilities Commission fully support and is financially committed to the Ridgeway Wastewater Treatment Plant Project.**

**A report be brought to Municipality of Chatham-Kent Council for a resolution describing the level of commitment and financial support for the project.”**

**Motion carried**

k) Water Bottling Policy

MUNICIPALITY OF CHATHAM-KENT  
 PUBLIC UTILITIES COMMISSION

**TO:** PUC Chairperson and Commissioners

**FROM:** Rob Bernardi, P. Eng.  
Facilities & Systems Manager, Chatham-Kent PUC

**DATE:** September 18, 2008

**SUBJECT:** Bottled Tap Water – Distribution Policy

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### RECOMMENDATIONS

It is recommended that:

1. The Chatham-Kent Public Utilities Commission approve the "Policy for the Distribution of Bottled Tap Water Produced by the Mobile Water Bottling Equipment, September 2008."

### BACKGROUND

The Bottled Tap Water Initiative was first brought to the Commission in March of 2006. The equal partners in the mobile water bottling equipment are The Municipality of Chatham-Kent, The City of Toronto, and the Regional Municipalities of Durham, Peel, Halton, and York. The current partners (six) will be entering into an agreement on the usage and maintenance of the equipment. There is also a draft Standard Operating Procedure (SOP) that will be finalized for all parties to follow. Both the agreement and the SOP are currently being circulated to all the partners.

The last report on the Bottled Tap Water Initiative was provided to the Commission at the regular Commission meeting on May 15, 2008. At that time a draft policy was brought forward and a recommendation was approved to bring back to the Commission a final bottled tap water distribution policy.

### COMMENTS

There needs to be in place a policy that clearly illustrates how bottled tap water produced from the mobile water bottling equipment will be distributed.

In light of recent events and actions by Municipal Councils throughout Ontario and North America regarding the issue of water bottles in the environment and strategies on how to reduce impacts on waste landfills and litter in the environment, it would be beneficial for the Commission to look at implementing the use of the bottled tap water for only emergency situations.

Of further note, some of the partners now will not be moving forward with the use of the mobile tap water bottling equipment. They have become partners with their equal share of the original purchase, but have decided now not to promote and produce water bottles for full scale campaign to promote municipal water.

At the current time, it is recommended that the main distribution of bottled tap water is for supply of water for emergency situations involving a "Do NOT Drink the Water" advisory and for internal municipal use (eg. C-K Fire Department, C-K Training sessions, Council Meetings, etc.). The bottled tap water distribution policy is attached to this report.

The intent is to have a supply of bottled tap water on hand to distribute in the event of a emergency situation. Once annually, a new production of bottled tap water will be produced and stored and then the previous bottles will be distributed as per the policy. If storage time becomes an issue, then the annual bottling period will be shortened.

Therefore, it is recommended Chatham-Kent Public Utilities Commission approve the "Policy for the Distribution of Bottled Tap Water Produced by the Mobile Water Bottling Equipment, September 2008".

### 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

- C1: Develop pride in the community for its environmental assets
- C2: Establish standards for environmental excellence
- C4: Promote responsible consumption of non-renewable resources

Desired Outcomes / Proposed Activities

- Increase public participation in environmental groups, appreciation and education activities and local causes
- Maintain and improve the quantity and quality of ground and surface waters
- Promote solid waste management, sewage treatment and recycling
- Decrease energy consumption within Chatham-Kent

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:

- Mobile Water Bottling Partnership

**FINANCIAL IMPLICATIONS**

The costs associated with the production and operations of the bottled tap water will be an annual operating expense that will be included in the emergency preparedness budget items.

Current costs incurred to date are \$60,000 for the mobile water bottling equipment. Additional costs for bottles, labeling, staff training items to implement the program have not been finalized but will be brought forward in the 2009 budget.

Administration was authorized by Commission to spend up to \$186,500 to implement this program.

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:

\_\_\_\_\_  
 Tom Kissner  
 General Manager  
 Chatham-Kent PUC

\_\_\_\_\_  
 C. D. Weldon  
 Chief Administrative Officer

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

**“That the Chatham-Kent Public Utilities Commission approve the “Policy for the Distribution of Bottled Tap Water Produced by the Mobile Water Bottling Equipment, September 2008.”**

**Commissioner Parsons was opposed.**

**Motion carried**

I) Leamington Water Sampling Agreement (Pulley/Milo Road)

MUNICIPALITY OF CHATHAM-KENT  
 PUBLIC UTILITIES COMMISSION

**TO:** PUC Chairperson and Commissioners

**FROM:** Tom Kissner,  
 General Manager, Chatham-Kent PUC

**DATE:** September 19, 2008

**SUBJECT:** Leamington Area Water Supply Agreement  
 (Pulley/Milo Road Area Sampling)

**RECOMMENDATIONS:**

It is recommended that:

1. The Leamington Water Sampling Agreement be approved and that the Chairperson and Acting General Manager of the Chatham-Kent PUC be authorized to complete the necessary agreement.

**BACKGROUND**

The Chatham-Kent PUC approved a new Water Supply Agreement with Leamington in May of 2008. The agreement provides for the supply of potable water to the customers in the Pulley/Milo Road area. There are approximately 194 customers that receive their potable water from the Wheatley/Tilbury Water Supply.

**COMMENTS**

There appears to have been some confusion regarding the sampling and monitoring of the water system in the Pulley/Milo Road area since the significant changes took place in the other areas that the C-K PUC formerly supplied.

Leamington Water Department has requested that the C-K PUC sample and monitor the water quality in the Pulley/Milo Road area since the water is supplied by C-K.

All costs associated with the sampling and analysis will be billed to Leamington on a semi-annual basis.

It is recommended that the Chatham-Kent PUC approve the Potable Water Sampling Agreement with the Municipality of Leamington and authorize the Chairperson and General Manager to complete the agreements.

**COMMUNITY STRATEGIC PLAN**

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

**CONSULTATIONS**

C-K PUC staff and C-K Legal Services have been consulted.

**FINANCIAL IMPLICATIONS**

There are no financial impacts associated with this report.

Prepared by:

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

Reviewed by:

Reviewed by:

\_\_\_\_\_  
Tom Kissner  
General Manager,  
Chatham-Kent PUC

\_\_\_\_\_  
Dave Weldon  
Chief Administrative Officer

**Moved by Mayor Hope and seconded by Commissioner Faas.**

**“That the Leamington Water Sampling Agreement be approved and that the Chairperson and Acting General Manager of the Chatham-Kent PUC be authorized to complete the necessary agreement.”**

**Motion carried**

**5. INFORMATION**

- a) Water/Wastewater – Revenue & Expenditure

MUNICIPALITY OF CHATHAM-KENT  
Public Utilities Commission

“INFORMATION REPORT”

**TO:** PUC Chairperson and Commissioners

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**FROM:** Jack Sonneveld  
Senior Level Advisor, Chatham-Kent PUC

**DATE:** September 18, 2008

**SUBJECT:** Water/Wastewater Revenues and Expenditures

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For information of the Commission.

**BACKGROUND**

The Summary of Revenues and Expenditures for water and wastewater are prepared monthly for the Commission's review and information.

**COMMENTS**

The year-to-date revenues and expenditures (July & August, 2008) are on historical usage patterns and no significant variances are projected in 2008.

The debt payments have been reported on a monthly basis to provide a better overview of the monthly revenues and expenditures.

**CONSULTATIONS**

Chatham-Kent Utility Services prepared the monthly summaries of budget information.

**FINANCIAL IMPLICATIONS**

No budget impacts are anticipated at this time.

Prepared by:

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Jack Sonneveld  
Senior Level Advisor,  
Chatham-Kent PUC

Reviewed by:

Reviewed by:

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Tom Kissner  
General Manager,  
Chatham-Kent PUC

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Dave Weldon  
Chief Administrative Officer

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

**“To receive this report for information.”**

b) South WTP – Hydro One Invoice

MUNICIPALITY OF CHATHAM-KENT  
Public Utilities Commission

“INFORMATION REPORT”

**TO:** PUC Chairperson and Commissioners

**FROM:** Jack Sonneveld  
Acting General Manager, Chatham-Kent PUC

**DATE:** September 18, 2008

**SUBJECT:** South Water Treatment Plant/Raw Water Pumping Station – Hydro One Invoice

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For information of the Commission.

**BACKGROUND**

Ms. Valerie Law, Business Centre Advisor, Hydro One Networks, contacted the C-K PUC to inform administration that there had been a significant error on the part of Hydro One with the billing of the hydro consumption since 2005 for the South Water Treatment Plant/Raw Water Pumping Station. They have forwarded a spreadsheet of the unbilled costs amounting to \$585,927.54, plus GST, for review and discussion on payment.

**COMMENTS**

Hydro One staff made significant changes to the two hydro meters at the South WTP in 2005. The changes included automatic meter reading through a modem connection to the metering system. The changes were completed on May 3, 2005 but the changes were not mapped appropriately in their data and billing system. As a result, the second hydro meter was never billed since the changes. The mapping has now been corrected and the billing post April 22, 2008 will reflect both services and meters.

Administration has reviewed the Hydro One documentation and historical billings.

In order to minimize the impact on the Water Budget, administration negotiated a settlement for repayment of the outstanding account balance. The final resolution that has been accepted by both parties is summarized as follows:

- a 10% discount with,
- a payment plan up to 24 months.

The revised amount owing is \$527,334.79, plus GST = \$553,701.53. The CSTA calculations for service period April 23, 2005 to April 22, 2008 is \$7,135.80 + \$356.79 (GST) = \$7,492.59. The amount owing of \$553,701.53 minus the CSTA credit \$7,492.59 = \$546,208.94.

The amount to be paid every month for 24 months is approximately \$22,758.70.

South WTP and Raw Water Pump Station "Outstanding Hydro Billing"	
Original outstanding balance	\$585,927.54 (+GST)
GST	\$ 29,296.37
TOTAL	\$615,223.91
Negotiated discount (10%)	-\$ 58,592.75
Revised balance to be paid, including GST	\$553,701.53
CSTA Credit (customer owned transformer credit)	\$ 7,492.59
REVISED TOTAL balance owing, including GST	\$546,208.94
24 monthly installments, including GST	\$ 22,758.70

**CONSULTATIONS**

Ray Payne CEO C-K Energy, the Area Manager, South and Special Projects Coordinator have been consulted.

**FINANCIAL IMPLICATIONS**

The financial impact is \$22,758.70 per month. The annual impact on the Water Budgets is 2008 impact for \$113,793, \$273,104.40 for 2009 and \$159,310.90 for 2010.

Prepared by:

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

Reviewed by:

\_\_\_\_\_  
Tom Kissner  
General Manager,  
Chatham-Kent PUC

Reviewed by:

\_\_\_\_\_  
Dave Weldon  
Chief Administrative Officer

**Moved by Mayor Hope and seconded by Commissioner Pinsonneault.**

**"To receive this report for information."**

**Motion carried**

**6. NEW BUSINESS**

Mayor Hope questioned the status of the PUC property.

Trees are to be planted in the near future and seeding will be completed within the next two weeks.

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7. **NEXT MEETING**

The next PUC Commission meeting is scheduled for Thursday, October 23, 2008 at 3:00 PM in the PUC Boardroom.

8. **ADJOURNMENT**

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

**“That the Regular meeting be adjourned at 4:15 PM and to move In-Camera.”**

**Motion carried**