

REGION OF OTTAWA CARLETON  
 RÉGION D'OTTAWA CARLETON

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REPORT  
 RAPPORT

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Our File/N/Réf.            W.1.2.121  
 Your File/V/Réf.

DATE                        27 October 1998

TO/DEST.                  Co-ordinator  
                                  Planning and Environment Committee

FROM/EXP.                Director of Engineering  
                                  Finance Commissioner  
                                  Acting Regional Solicitor

SUBJECT/OBJET          **FINANCE**  
                                  **CARLSBAD ALTERNATIVE STANDARD WATER SYSTEM**  
                                  **IMPOSITION OF CHARGES**

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### **DEPARTMENTAL RECOMMENDATION**

**That Planning and Environment Committee recommend to Regional Council that:**

- 1. A charge of \$2032 be imposed upon all lots of record upon which a single dwelling is located and upon all lots of record upon which a single dwelling could be constructed;**
- 2. The charges in respect of future lots be the same as those identified in recommendation 1 with the addition of interest from 1 March 1999 at the rate in effect on that date;**
- 3. With respect to existing lots of record, owners have until 1 March 1999 to elect to pay the lump amount or to have the sum collected through the tax roll over a 10 or 20 year period.**

### **BACKGROUND**

Through a series of reports commencing with Planning and Environment Committee Report 24, Item 1 (adopted by Regional Council on 14 February 1996), Regional Council approved the installation of an alternative water system for the Carlsbad Springs area. This alternative water system provides a constant flow to the dwelling this eliminating peak demands thereby reducing the pipe size required for the distribution network. Peak demands in homes are met with in-house

reservoirs. The reduced pipe diameters and the installation method using trenchless technologies significantly reduced the cost of the project from those of a "conventional system". In all, over 35 km of mainline watermain was installed and an area of 53 square km was serviced with safe potable water where uncertain groundwater supply of both quantity and quality exists. The innovative approach to provide safe potable water to this area was financially supported by the Province on the basis of a demonstrative project and it was also recognized by the Consulting Engineers of Canada with an Award of Merit in the Fall of 1997.

The area to be serviced by the Carlsbad Springs Alternative Standards Water Supply System was determined through Regional Official Plan Amendments No. 57, 62 and 70. The total number of residential units provided for by the system is 778, composed of the following:

Type of Lot	Number of Lots
NCC/ORC Properties	25
Other Serviced Properties	701
Sub-Total, Presently Serviced Properties	726
Severance and Infill Allowance	52
Total Number of Properties to contribute to net project cost	753 (701 + 52)
Total Properties	778 (753 + 25)

The Region does not have the legal authority to impose a charge on the lots owned by the National Capital Commission or the Ontario Realty Corporation. However, prior to extending the services to the lots in question, the N.C.C. and O.R.C. did agree to pay their portion of the costs of the system. The contribution in respect of the N.C.C. and O.R.C. properties was deducted before arriving at the net project cost.

In addition to the allocation for residential uses, a modest allocation was made for non-residential uses. The total of 778 properties above includes this allocation.

### FINANCING ANALYSIS

The Carlsbad Springs Alternative Standards Water System has been provided with a 70% subsidy by the Province of Ontario. The principles for the financing of the remaining cost of this water system were set forth in Planning and Environment Committee Report 24, Item 1. The report stated that all users of the system would be charged on a uniform basis. With respect to the question of the time period for repayment of the capital charge, the Vars and Carp projects have established the precedent that the owner can pay the amount owing in one lump sum or have it amortized on the tax roll over a 10 or 20 year period.

ITEM	AMOUNT
Gross Cost	\$6,136,732.04
G.S.T. Rebate	-217,571.76
Recovery from N.C.C./O.R.C.	-303,122.17
Sub-Total	5,616,038.11
Provincial Subsidy	-3,931,226.68
In-house recovery	-154,680.00
Net Project Cost for Residents/Other Users	1,530,131.43
Properties Sharing in Project Cost	753
Unit Rate	\$2,032

This unit rate compares favourable with the estimated cost of \$3,050 contained within the Environmental Study Report for the Carlsbad Springs project.

In addition, property owners who participated in the programme for the supply of in-house meter sets and storage tanks will be invoiced for the purchase of these items at the same time as they are assessed the unit rate. This cost, after subsidy by the province, ranges from \$270 to \$345 depending on the size of storage tank ordered.

*Approved by E.A. Johnston*

*Approved by Jim Miller, P. Eng.*

*Approved by J.C. LeBelle*