



SEWER SERVICE FOR ROSSMORE AVENUE WEST OF THE CP RAIL LINE

INTRODUCTION

The Rural Municipality of West St. Paul has provided you with this information package on the proposed Local Improvement Plan for the installation of wastewater sewer on Rossmore Avenue west of the CP Rail Line.

We encourage you to ask any questions that you may have. Please refer questions to your councillor or to Dave Romanow (ph: 204-338-0306) at the RM of West St. Paul regarding this information or project plans.

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PROJECT OUTLINE

What are we proposing?

A wastewater sewer is proposed to be installed on Rossmore Avenue to service 22 properties immediately west of the CP Railway. Sewer services are proposed to be installed for each lot within the Local Improvement District from the sewer main to the limit of the road right-of-way.

Why?

The wastewater sewer project currently being constructed on Rossmore and Addis between the railway line and Main Street is under budget and the Municipality would like to maximize the grant funding in place by extending the sewer further west on Rossmore Avenue.

The Municipality is continuing efforts to extend municipal wastewater service to all properties within the Red River Corridor Designated Area established by the Province of Manitoba in 2009. Replacement or modification of failing septic fields are prohibited within this area. Homes with failing wastewater systems will be required by Provincial regulations to install holding tanks.

Who is affected?

Twenty two (22) properties fronting onto Rossmore Avenue west of the CP Rail will be affected.

How much will the project cost?

The current estimate for the project is approximately \$462,500.

Who will pay for the project?

The project will be split between the RM of West St. Paul and the Clean Water and Wastewater Fund (CCWF) with a maximum contribution of \$228,475 from CCWF. A local improvement district will be created for this project and the residents that are directly benefitting from the project will pay for it.

When will the project be constructed?

Pending approval of the Local Improvement Plan, construction could begin later this spring and is anticipated to take approximately three (3) months to complete.

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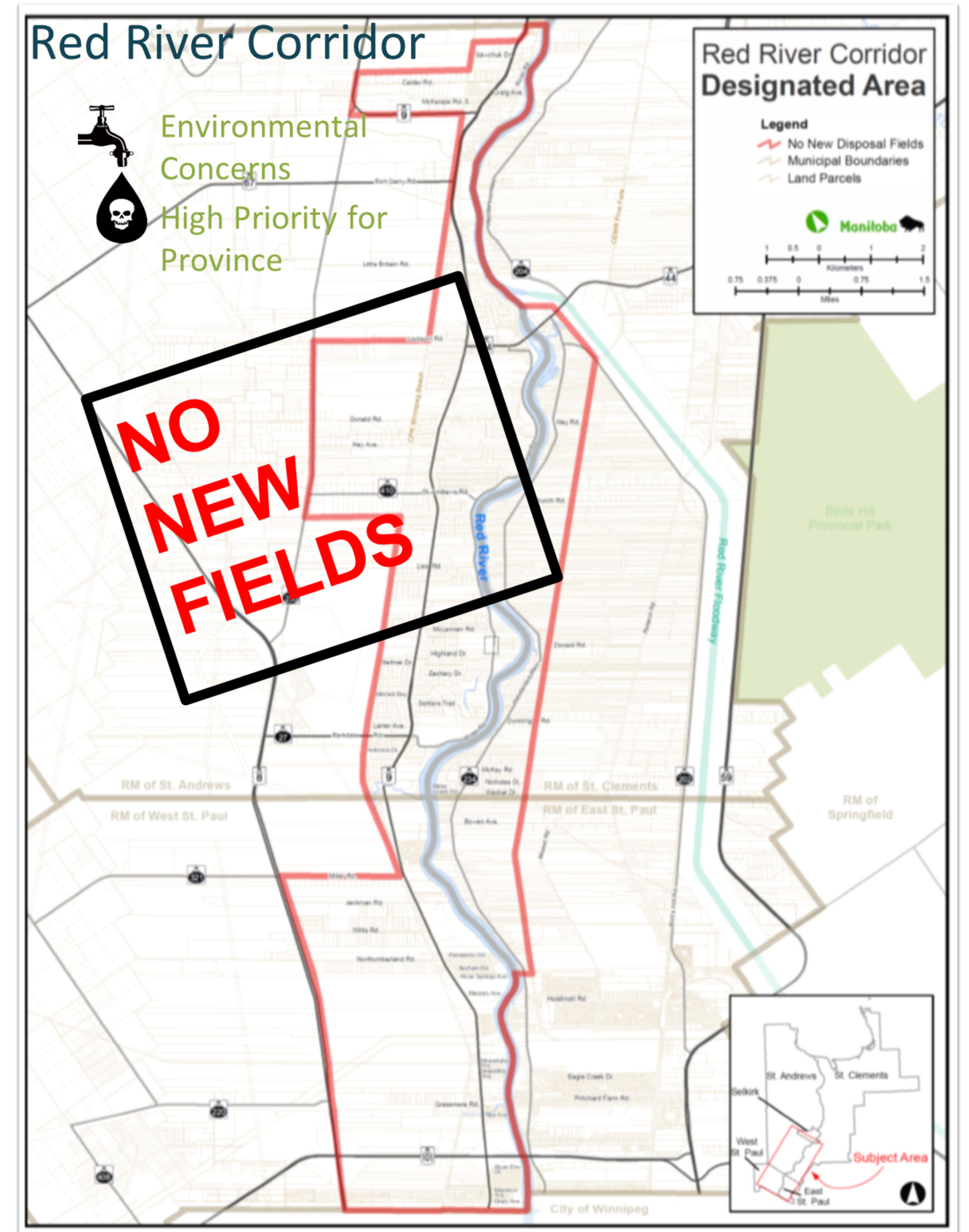
RED RIVER CORRIDOR DESIGNATED AREA

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

Requirement to Connect to New Wastewater Collection System

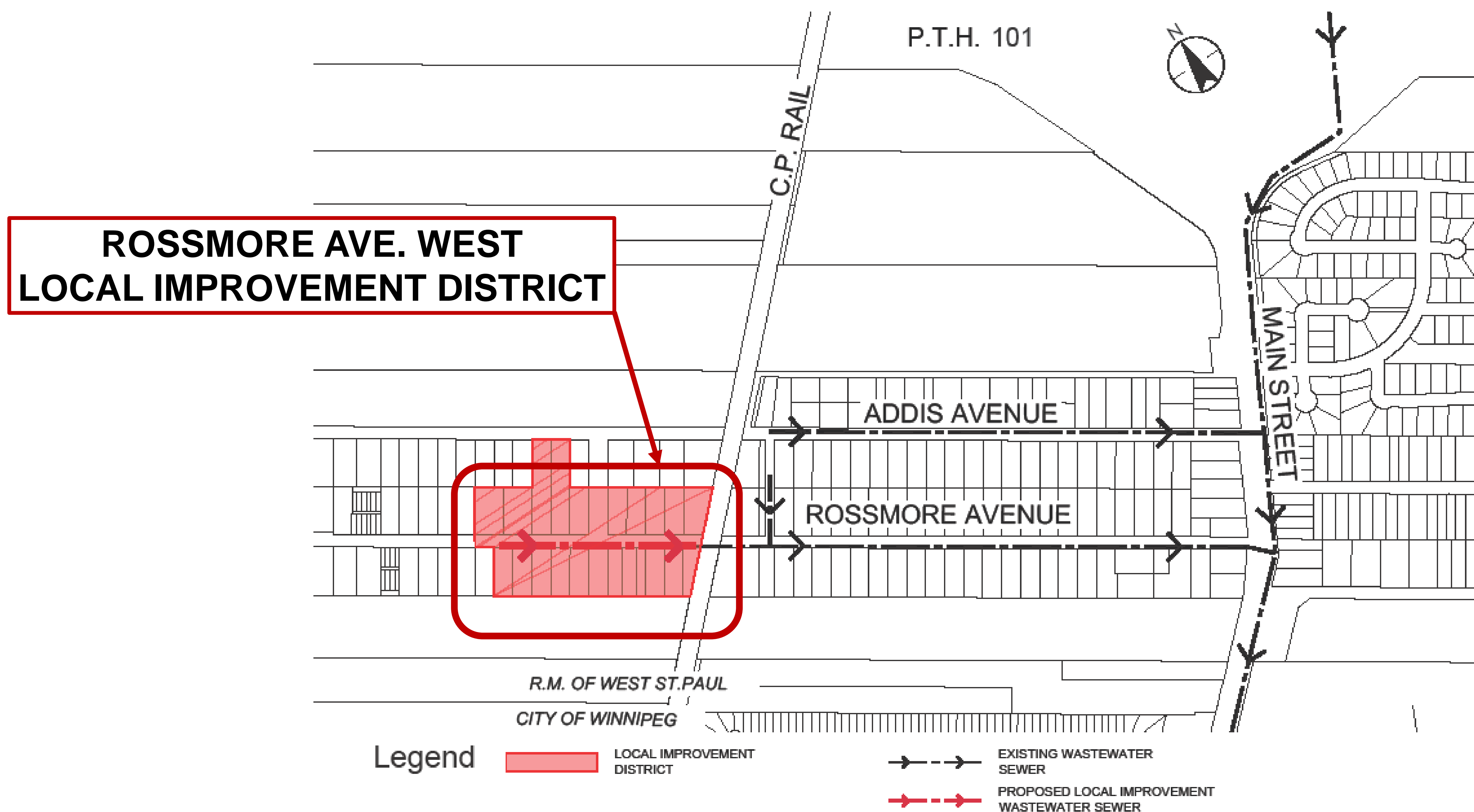
8.1(1) If a wastewater collection system is installed in an area not previously serviced by a wastewater collection system, an owner of land in that area must

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



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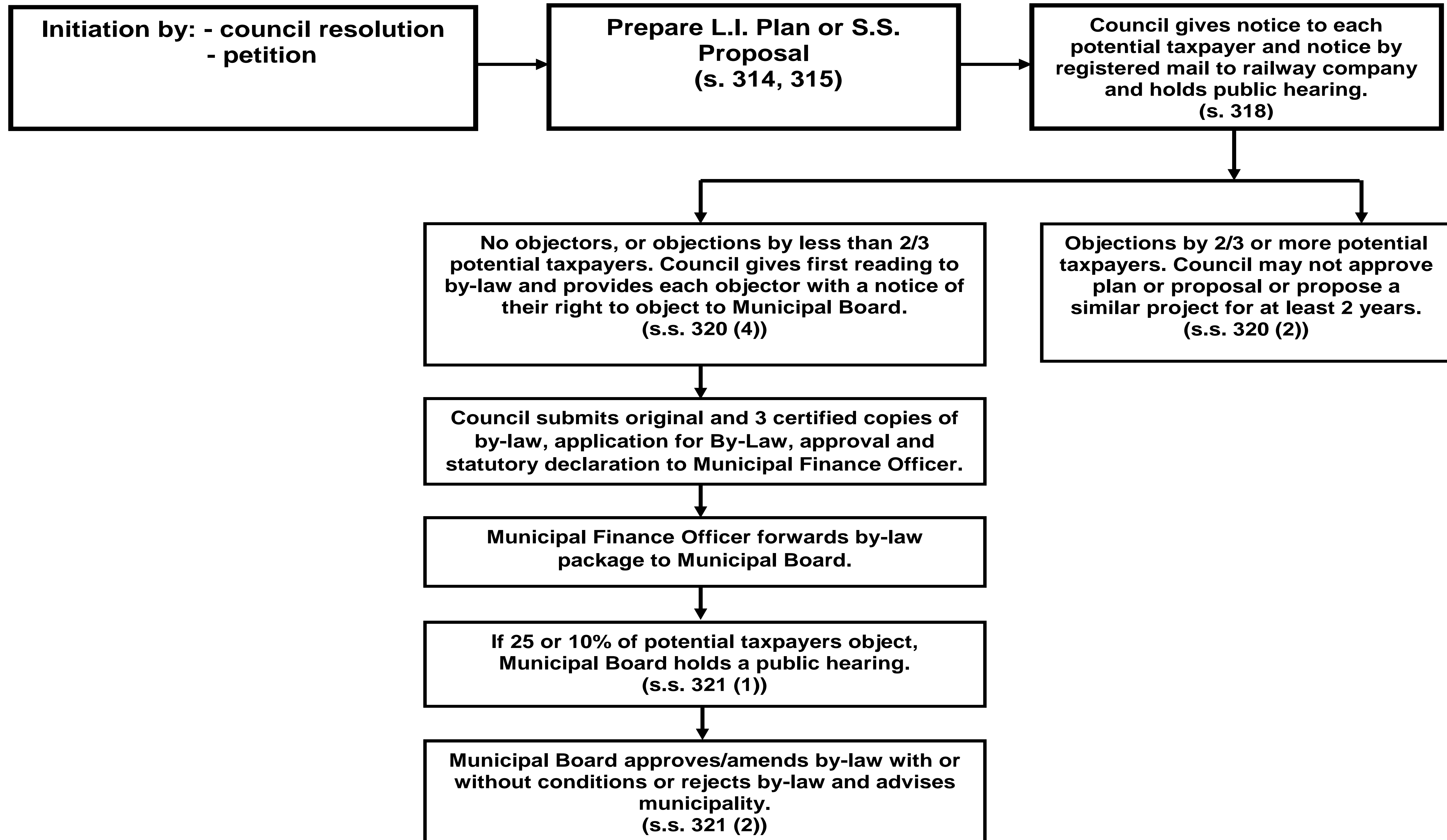
PROPOSED SEWER SERVICING PLAN



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PROCESS FOR LOCAL IMPROVEMENT PLAN

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



PRELIMINARY OPINION OF PROBABLE COST

Item	Description	Unit Amount
1	Sewer Installation	\$ 279,000.00
2	Manhole	\$41,250.00
3	Video Inspection	\$4,650.00
4	Sewer Service Installation	\$80,180.00
5	Sewer Service Risers	\$4,000.00
6	Pavement Restoration	\$20,000.00
7	Rossmore Connection	\$6,870.00
8	Engineering & Contingency	\$19,550.00
9	MWSB Project Management	\$2,000.00
	Subtotal	\$457,500.00
10	RM Costs	\$5,000.00
	Total Project Costs	\$462,500.00
	less Grant	(\$228,475.00)
	Cost to Ratepayer	\$234,025.00

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OTHER COSTS

In addition to the cost of the Local Improvement Plan for the work on municipal property, there are other costs that cannot be included in the LID and must be paid for directly by the individual property owners. These costs include the following.

Buy-in Charge Levied by the City of Winnipeg

Each existing residential property connecting to the municipal wastewater system must pay a one-time buy-in charge of \$2,600 (2020 rate). This charge is levied to pay for wastewater treatment capacity required to treat the wastewater generated by the new sewer service and will be charged to the resident upon connecting to the wastewater system on their first utility bill.

Sewer Service Piping and Connection on Private Property

Installation of the sewer service on your property from the stub at the municipal right-of-way limit to your home must be completed by a licensed contractor and costs paid directly by the homeowner to the contractor. Existing septic and holding tanks must also be decommissioned once the service connections have been made. Typical costs for this work can range from \$4,800 to \$8,000, depending on factors such as the length of pipe required, access to the connection point and obstructions such as trees, fences, decks and paved surfaces. A list of registered licensed contractors can be located on the RM's website.

Water Meter

Water meters are required to be installed at each property for the purpose of estimating wastewater generation and quarterly billing for the wastewater utility. Installation of the meters will be completed by the RM of West St. Paul. For those residents who had a meter installed during the meter installation program a one-time charge of \$376.58 will be levied. For those residents who did not have a meter installed a one-time charge of approximately \$600 will be levied. These amounts will be invoiced on the utility bill to the property owner once they are connected to the wastewater service. The water meters will be equipped with remote monitoring capabilities for billing purposes to allow the RM to obtain water meter readings from outside the residence. Product information is available from the RM upon request.

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UTILITY RATES

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

Sewer utility rates paid by sewer customers in the RM of West St. Paul will consist of the following components, as per Sewer Rate By-Law 2019-06:

- City of Winnipeg Sewer Rate of \$2.80 per Cubic Meter (with a quarterly minimum charge of \$39.20);
- City of Winnipeg Quarterly Participation Fee of \$63.25;
- RM of West St. Paul Quarterly Service Charge of \$26.48; and
- RM of West St. Paul Sewer Commodity Fee of \$0.43 per Cubic Meter (with a quarterly minimum charge of \$6.02).

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

The average quarterly wastewater bill in West St. Paul in 2019 was \$196.32 and the average customer produced 33 cubic metres of wastewater.

Sewer Installation & Restoration	\$462,500
Funding – Clean Water and Wastewater Fund (49.4% of eligible costs)	- \$228,475
Cost To Ratepayer	\$234,025

PROJECTED COST OF PROJECT

\$234,025.00

TERM

20 YEARS

INTEREST RATE ESTIMATED

4.25%

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

ANNUAL PAYMENT

\$ 17,603.30

*RATES ARE ESTIMATED

Cash Option - \$10,637.50 per parcel

**Finance Option - \$800.15 per parcel
(to be levied annually for 20 years)**

Charges will be levied upon completion of the project.

Residents will have 30 days to select the cash option.

LOCAL IMPROVEMENT PLAN - FINANCING COST COMPARISON

	Original By-Law		Amending By-Law	Variance
Project Cost	\$234,025	Final Cost of Project	\$234,025	
Term	20 years	Term	20 years	
* Estimated Interest Rate	4.25%	*Estimated Interest Rate	3.25%	
Total Interest 20 years	\$118,041.51	Total Interest 20 years	\$87,894.58	\$30,147
Payment Options		Payment Options		
Per Parcel - Cash Option (one-time payment)	\$10,637.50	Per Parcel - Cash Option (one-time payment)	\$10,637.50	\$0
Per Parcel - Finance Option (per year)	\$800.15	Per Parcel - Finance Option (per year)	\$732	\$69
Number of Properties	22	Number of Properties	22	

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

*The example above demonstrates that an Interest Savings of \$30,147 can be achieved if the final interest rate is reduced by 1%.

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COST COMPARISON - MUNICIPAL SEWER vs PRIVATE HOLDING TANK

RM Sewer (Utility Bills)	
Quarterly Average Consumption (cubic meter)	33
Quarterly Average Utility Bill	\$ 197
Yearly Average Utility Bill	\$ 788
10 Year Operating costs	\$ 7,880
CAPITAL COST OF WASTEWATER SERVICES	
Cost of LID (rounded to nearest dollar)	\$ 10,638
Cost of private sewer connection	\$ 8,000
COW buy in*	\$ 2,600
Water Meter cost (rounded to nearest dollar)**	\$ 377
Total Capital Cost	\$ 21,615
After 10 years incl. operating costs	\$ 29,495
After 20 years incl. operating costs	\$ 37,375

Private Holding Tank	
Quarterly Average Consumption (cubic meter)	33
Quarterly Average Pumpouts	7
Cost Per Pump Out *	\$ 150
Average Quarterly Cost	\$ 1,050
Average Yearly Cost	\$ 4,200
10 Year Operating Costs	\$ 42,000
CAPITAL COST OF HOLDING TANK	
Cost of Tank Installation**	\$ 11,000
After 10 years incl. operating costs	\$ 53,000
After 20 years incl. operating costs	\$ 95,000

*2020 rate subject to change

**cost during the community wide meter program

*Prices range from \$140-\$160

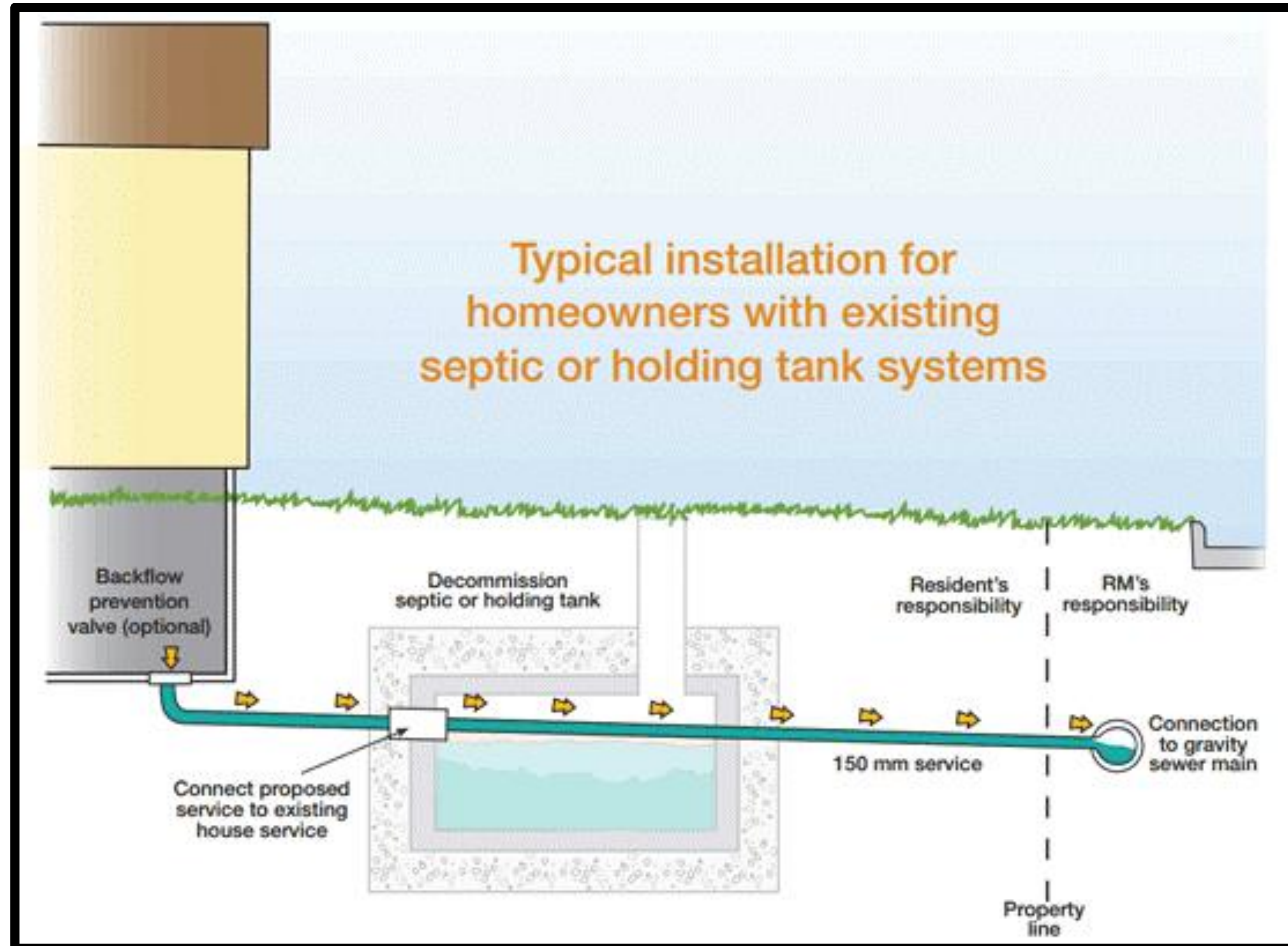
**Average cost \$11-15,000

Estimated current cost of meter installation \$600

All costs are estimated

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TYPICAL SEWER SERVICE CONNECTION



The estimated project schedule is outlined below.

- Information Package March 28, 2020 (hand delivered)
 - Public Borrowing By-law Hearing April 6, 2020
 - Municipal Board Decision April 2020
 - Construction May to July
- If a Municipal Board Hearing is required, the project schedule could be extended by several months at a minimum and potentially cancelled due to funding deadline.
 - If project doesn't proceed, grant funding may not be available in future years.