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STAFF REPORT: Infrastructure and Public Works



REPORT TO: Committee of the Whole
MEETING DATE: 16 May 2016
REPORT NO.: CSPW.16.040
SUBJECT: Water Distribution Capital Improvements – C3 Water Inc. Presentation
PREPARED BY: John Caswell, Manager of Water & Wastewater Services

A. Recommendations

THAT Council receive Staff Report CSPW.16.040 entitled, “Water Distribution Capital Improvements – C3 Water Inc. Presentation” for their information.

B. Background

Town of The Blue Mountains (Town) retained C3 Water Inc. (C3) in August 2014 to complete a Water Distribution Capital Improvement Plan (CIP). The main tasks of this assignment included:

1. Review the Town’s existing calibrated hydraulic water model;
2. Review water demand analysis and twenty year projected analysis;
3. Review and assessment of Pressure Zone Boundaries;
4. Water Storage Assessment;
5. Identification of Existing and Future Deficiencies;
6. Evaluation and Recommendation of Improvements.

The Town’s Planning Services Division provided the background information required to make planning projections over a twenty-year period to C3. This information formed the basis for projecting development and determining future water needs including consumption, fire protection and storage requirements.

The estimated costs to build out of the Official Plan in the CIP for water distribution system improvements and upgrades is \$94,200,000 of which \$87,800,000 is developer driven and \$6,400,000 is existing deficiencies. The estimates are based on 2015 benchmark costs. It is important to note that a conservative approach has been taken to costing. This includes the provision of a 50% contingency factor since the works are proposed over a long time period.

This CIP provides a needs assessment document from which Staff will be able to identify if any approvals, further environmental assessments or studies are required in order to move projects forward through the budget and tendering process. The CIP will also assist Staff in the development of future Development Charges Background Studies to include the collection of development charges for the proposed works.

There are existing deficiencies in the water system that need to be prioritized to address remedial works. Although there are proposed time lines for projects in the study, the progression of works will depend on available funding. Staff will prepare budgets accordingly and recommend to Council which projects require approval. As per the CIP, this is a five, ten and twenty year plan from 2013 to 2033. These dates commenced from the development of the Town's calibrated hydraulic water model in 2013. It should be noted that for the purposes of the CIP, build out was assumed at 20 years.

Although it is unlikely all of the proposed development to build out of the Official Plan will occur in this time frame, the Town needs to ensure adequate services are available to accommodate existing users and development.

Next Steps

As mentioned previously, the project has taken a conservative approach to establish capital needs for further study and refinement. Based on the findings, two Environmental Assessments (EAs) are required, one in Thornbury & Lora Bay, the other for Craighleith area. Staff will determine the appropriate split for capital works between user rates, development charges and *Municipal Act* charges. Capital sheets will be incorporated into future budget to reflect the work required.

Staff recommends that Council receive the presentation from C3 Water Inc. for their information.

C. The Blue Mountains' Strategic Plan

Reporting on the findings of the Water Distribution Capital Improvement project assists with Strategic Goal #5, "ensure that our infrastructure is sustainable".

D. Environmental Impacts

None.

E. Financial Impact

Staff will evaluate the findings of C3 Water to determine priority capital projects for water infrastructure. The water capital budget will be structured according to the estimated costs and the split between user rates, development charges and *Municipal Act* charges.

F. In Consultation With

C-3 Water Inc. Staff

Ruth Prince, Director of Finance & IT Services/Treasurer

Sam Dinsmore, Manager of Accounting & Budgets

G. Attached

None.

Respectfully submitted,

John Caswell

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