

BY-LAW NO. 79-27

A BY-LAW TO ENTER INTO A SUBDIVISION AGREEMENT.

IT IS HEREBY ENACTED THAT THE VILLAGE OF COBDEN ENTER INTO A SUBDIVISION AGREEMENT WITH DAWSON WELK.

THE AGREEMENT SHALL BECOME PART OF THIS BY-LAW, AND SHALL BE ATTACHED HERETO.


Section 11 (E) SHALL BE ADDED TO THE AGREEMENT AS FOLLOWS:

11 (E) A PERFORMANCE PERIOD OF THIRTEEN MONTHS SHALL APPLY ON ALL SERVICES PROVIDED BY THE SAID SUBDIVIDOR.

READ A FIRST TIME THIS THE TWELFTH DAY OF NOVEMBER, 1979

READ A SECOND TIME THIS THE TWELFTH DAY OF NOVEMBER, 1979

READ A THIRD TIME AND PASSED.



REEVE



CLERK-TREASURER

VILLAGE OF COBDEN
SUBDIVISION AGREEMENT

THIS AGREEMENT made this day of

BETWEEN:

MR. DAWSON WELK
hereinafter called the "Owner"
of the first part;

- and -

CORPORATION OF THE VILLAGE OF COBDEN
hereinafter called the "Municipality"
of the second part;

WHEREAS the lands affected by this agreement are in Block G, Registered Plan Number 65 in The Village of Cobden and containing approximately 3.4 acres as shown on Schedule 'A' hereto annexed.

AND WHEREAS the Owner purports to be the Owner of the above described lands.

AND WHEREAS the Municipality will require the Owner to construct and install certain public services to serve such land, to undertake to make such financial arrangements with the Municipality for the installation and construction of the said services and to make financial arrangements for the provision of such other services as herein set forth and to enter into certain supplementary agreements, all of which are hereinafter more particularly referred to.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of other good and valuable considerations and the sum of One Dollar (\$1.00) of lawful money of Canada, now paid by the Municipality to the Owner (the receipt whereof is hereby acknowledged) the Owner hereby covenants, promises and agrees with the Municipality as follows:

1. The following schedules are attached hereto and form part of this Agreement:

- A - Plan of Subdivision.
- B - List of Works to be Constructed by the Owner and Estimated Costs
- C - Requirements of Road Construction
- D - Land Dedications and Easements
- E - Conditions of Draft Approval

2. SCOPE OF WORK

The Owner covenants and agrees to construct and install all of the works more particularly set out in Schedule 'B' annexed hereto. The said works shall be completed by the Owner in a good and workmanlike manner in accordance with good engineering practice.

3. GENERAL CONDITIONS

- (a) The conditions of approval required of the Subdivider by the Village shall be as set out in the terms of this Agreement including the schedules attached hereto.

The Owner further covenants and agrees with the Village that:

4. ENGINEERING

The Owner is responsible for the design and supervision of the construction of the roads, and any filling, grading and drainage works incidental thereto in the Subdivision but such design and supervision shall be subject to the approval of the Village. The Owner shall employ competent engineers registered by the Association of Professional Engineers of Ontario, and acceptable to the Village

- (i) To design roads and services plans;
- (ii) To prepare the necessary specifications;
- (iii) To obtain the necessary approvals in conjunction with the Village
- (iv) To supervise the construction of and filling and grading
- (v) To maintain all records of construction relating to;
- (vi) To prepare and furnish all plans and drawings of;

all of the work as may be required by the Village.

Following the completion of the work, the Engineer shall provide the Village with a certificate to the effect that all services have been completed to its satisfaction and in accordance with approved plans and specifications.

5. ROADS

- (a) The word "road" as used herein shall mean those public roads or parts thereof designated for the purpose of this Agreement as shown on Schedule 'A'.
- (b) Roads shall be constructed to the specifications required by the Corporation of the Village of Cobden as established by the Village and set out on Schedule 'C' of this Agreement.
- (c) The Owner and the Municipality agree to each paying 50 percent of the cost of paving Ross Street within the bounds of the Subdivision as shown on Schedule 'A' attached hereto.
- (d) Upon completion of construction, the Owner shall guarantee the existing roads against defects in workmanship and materials for a period of one year from the date of the Engineer's Certificate referred to in Paragraph 4.

6. DRAINAGE

- (a) The Owner will construct the necessary works to provide for storm water drainage within the Subdivision in accordance with accepted engineering practice and to the satisfaction of the Village.
 - (b) The Owner agrees not to interfere in any way with any existing drain or water course, without the written permission of the Village.
 - (c) The Owner agrees to pay all costs incurred for any change in drainage or culverts along or under the Canadian Pacific Railway Track.
7. (a) The Owner agrees to provide fencing along the Canadian Pacific Railway right-of-way, immediately adjacent to his property, to the satisfaction of the Canadian Pacific Railway and the Municipality
- (b) The Owner agrees to confirm to Minister's Condition Number Ten (10) in that he will provide adequate noise abatement measures for the property to the satisfaction of the Ministry of the Environment
 - (c) The Owner agrees to advise all perspective purchasers in all offer to purchase and sale agreements that the adjacent Canadian Pacific Railway Line may be a source of noise.

8. HYDRO

The Owner shall make suitable arrangements with Ontario Hydro for the provision of Hydro services within the Plan of Subdivision.

9. BELL TELEPHONE

The Owner shall arrange with Bell Canada Limited, for Bell Telephone service within the bounds of the Subdivision.

10. ACCESS TO LOTS

During the construction and maintenance of the said roads and drainage works as aforesaid, the Owner shall provide access to owners of lots over the roads on the subdivision and the Owner covenants and agrees that it shall indemnify and save harmless the Township from all manner of claims, demands, actions and causes of action, of every nature and kind whatsoever whether arising out of any act or failure to act by the Owner, its servants, agents, workmen or independent contractors.

11. ACCEPTANCE OF THE WORKS

- (a) Before applying for final acceptance of any of the works or any part thereof, the Owner shall supply the Village with a Statutory Declaration that all accounts for work and materials have been paid except normal guarantee holdbacks, and that there are no claims for liens or otherwise in connection with such work done or materials supplied for or on behalf of the Owner.
- (b) When the works set out in this Agreement or any parts thereof have been completed in accordance with this Agreement and specifications, and all Village accounts have been paid, and the Engineer has issued a certificate indicating that said works have been completed to his satisfaction, then the Council agrees to pass a resolution accepting the completed work. In the case of roads the Council agrees to pass a by-law accepting the roads.
- (c) Upon the said resolution and by-laws being passed the ownership of the works shall vest in the Village and the Owner shall have no claim or rights thereto, other than those accruing to it as Owner of the lands abutting on streets on which the works were installed.

- (d) The performance by the Owner of its obligations under this Agreement to the satisfaction of the Village shall be a condition precedent to the acceptance by the Village.

12. PROGRESS OF WORK

The Village shall have the right to inspect the installation of services at any time. If the Village is not satisfied that the installation of the services is being done in accordance with the plans and specifications or in accordance with good engineering practice, the Village may stop the work for any length of time until they are so satisfied; and if the Village deems that work is not being proceeded with in a proper manner by the contractor, they may stop the work by that Contractor and require that another contractor be placed on the job to complete such work, and any additional costs involved shall be paid by the Owner.

13. ISSUANCE OF BUILDING PERMITS

- (a) The Owner shall not apply for nor shall any one claiming title from his or under his or their authority apply for a building permit to construct a dwelling on any lot in the subdivision until the roads and services have been installed and accepted by the Village with the exception of the asphalt surfaces of the roads.
- (b) Notwithstanding the foregoing restriction respecting the application for building permits, the Owner or any one claiming title from him may apply for building permits before the installation of the roads and services provided the applicant for a building permit undertakes in writing that occupancy of the dwelling shall not be given until the roads and services have been completed and accepted by the Village.
- (c) If a building permit is issued before the roads and services are completed and accepted by the Village, the Owner shall maintain the roads to a reasonable extent, until the roads are completed and accepted by the Village.
- (d) The Owner shall advise any persons purchasing lots from him of the terms herein restricting the application for building permits and require a purchaser to covenant likewise.

14. FINANCIAL REQUIREMENTS

- (a) Upon registration of the plan of subdivision the Owner shall deposit with the Village, security for the performance of the Owner's obligations guaranteeing payment of the money to be paid by the Owner as herein required, and further guaranteeing that the roads will be installed, as hereinafter required and that all defects in the roads that become apparent within one year from the acceptance thereof will be promptly and properly repaired or replaced;
- (b) The Owner shall also provide an insurance policy with an insurance company satisfactory to the Village insuring for the joint benefit of the Owner and the Village, against public liability and property damage arising out of the construction and installation of any work to be performed pursuant to this contract. The coverage shall continue with respect to the roads for a period of one year after completion and acceptance of the roads and with respect to the other services for a period of one year after completion and acceptance of the other services. The policy shall have limits of Liability in an amount to be specified by the Village but shall not be less than \$500,000.00. The Owner shall satisfy the Village from time to time that the premiums for the insurance policy have been paid and that the insurance is in full force and effect.

14. FINANCIAL REQUIREMENTS (Cont'd)

- (d) The Owner shall pay the taxes levied on all of the land in accordance with the assessment thereof until the land has been assessed according to the registered plan, after which the Owner shall pay the taxes levied on the lots which the Owner continues to own.

15. LAND DEDICATION AND EASEMENTS

- (a) The Owner agrees with the Village that he shall at the request of the Village convey to the Village or to such person as shall be designated by the Village the easements for public utilities and/or drainage facilities as may be required by the appropriate authorities and the Owner agrees to execute and register at his expense such documents as may be required to carry out the intention of this paragraph.
- (b) The Owner shall forthwith convey to the Village the one foot reserves shown as Blocks on Schedule 'A' and described in Schedule 'D' hereto annexed. The deeds therefore shall be registered at the expense of the Owner immediately following the registration of the said Plan.
- (c) The Owner agrees to deed to the Village a parcel of land representing 5 percent (5%) of the area being developed or alternately pay to the Village a sum to be negotiated. Such land dedication or alternative cash settlement is described in Schedule 'D' to this Agreement.

16. ARBITRATION

In the event of any dispute arising between the parties hereto concerning any matter relevant to this Agreement, such dispute shall be settled and determined by the County Court Judge of the County of Renfrew acting as an arbitrator.

17. REGISTRATION OF AGREEMENT

This Agreement shall be registered at the expense of the Owner immediately following the registration of the said Plan and the registered duplicate of this Agreement and any deed or deeds of conveyance to the Village shall be lodged with the Village Clerk.

18. CANCELLATION OF AGREEMENT

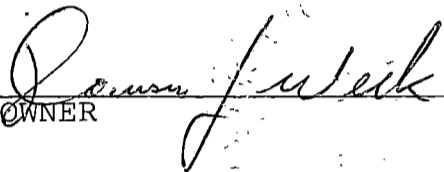
In the event that the Plan of Subdivision has not been registered within one year from the date of this Agreement, the Village may at its option, on one month's notice to the Owner, declare this Agreement to be null and void.


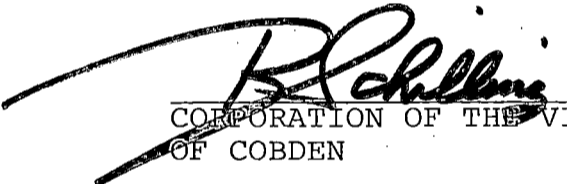
19. SUBSEQUENT PARTIES

- (a) This Agreement shall ensure to the benefit of and be binding upon the parties hereto, their heirs, executors, administrators, successors and assigns.
- (b) The covenants, agreements, conditions and undertakings assumed by and/or imposed upon the Owner by this Agreement are deemed to be a covenant and run with and bind the lands comprised in the said Plan of Subdivision or any part thereof.

IN WITNESS WHEREOF the parties hereto have hereunto affixed their corporate seals duly attested to by the hands of their proper signing officers in that behalf.

SIGNED, SEAL AND DELIVERED
IN THE PRESENCE OF


OWNER



CORPORATION OF THE VILLAGE
OF COBDEN

Approved and Authorized by
By-Law Number

Enacted the **3RD** day of **MAY** A.D. 19**77**

SCHEDULE 'B'

LIST OF WORKS TO BE CONSTRUCTED BY THE OWNER
AND ESTIMATED COSTS

(Estimate Subject to Tender)

ROAD

1. Ross Street - from Boundary of
Subdivision to 555' to the northeast \$10,300.00

SANITARY SEWER

1. 590 L.F. of 8" Ø Asbestos Cement Sewer \$20,700.00
2. 12 Service Connections \$4,200.00

WATER SYSTEM

1. 610 L.F. of 6" Ø Ductile Iron Class 50
Watermain \$16,900.00
2. 12 Service Connections \$4,200.00

VILLAGE OF COBDEN

SCHEDULE 'C'

REQUIREMENTS FOR ROAD CONSTRUCTION

GENERAL

All roads shall be constructed in accordance with approved design drawings.

The Owner will construct a 32' asphalt road (including 5' shoulders) in accordance with the following specifications.

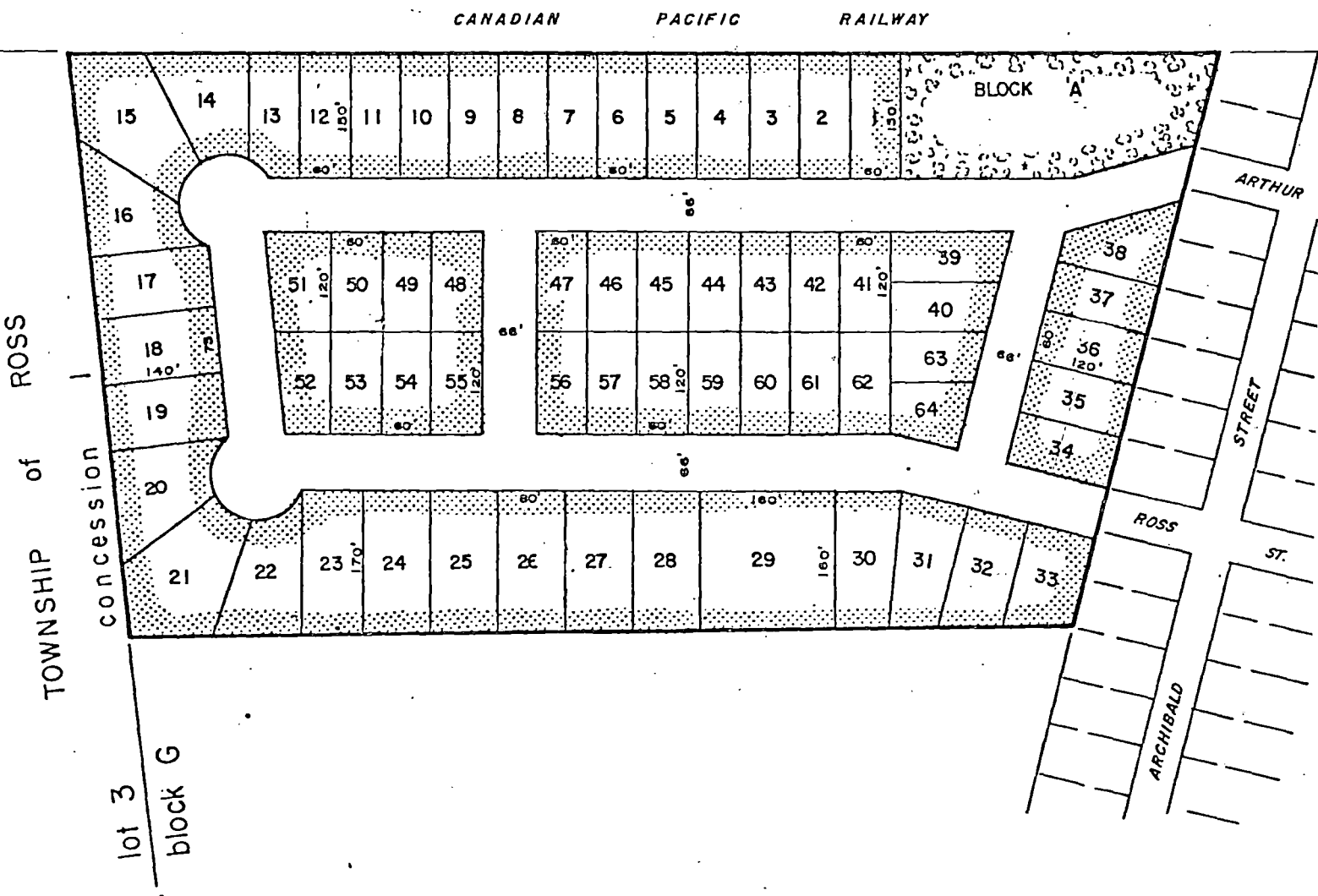
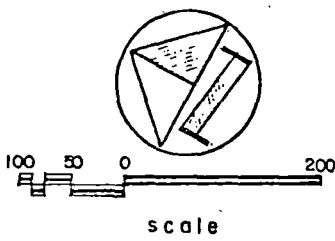
REQUIRED CROSS-SECTION FOR ROADS

SURFACE WIDTH	22'
SHOULDER WIDTH	5'
ROADWAY SURFACE	2" H.L. 4
DEPTH OF GRANULAR SURFACE	6" Granular 'A' 6" Granular 'C'
DITCHES	Minimum depth from edge of shoulder to bottom of ditch inverts 18" Maximum depth from edge of shoulder to bottom of ditch invert 24"
MAXIMUM GRADIENT	12%

SCHEDULE 'D'
LAND DEDICATIONS AND EASEMENTS

1. FOR PARK PURPOSES

A parcel of land representing 5% (1.2 Acres) of the total area (24.8 acres) to be subdivided will be dedicated to the Village of Cobden under a separate reference plan. The land to be dedicated to the Village is shown as Block 'A' on the plan below.



SCHEDULE 'E'

CONDITIONS OF DRAFT APPROVAL

RE: M.O.H. File No. 47-T-75113

OWNER: Dawson J. Welk Ltd.

LOCATION: Block 'G' R.P. #65
Village of Cobden

The Minister's Conditions and amendments applying to the approval of the final plan for registration:

No.	Conditions
1.	That this approval applies to the draft plan, by D.W. Patterson, Ontario Land Surveyor, dated November 21, 1975, which shows a total of 69 lots.
2.	That the road allowances included in this draft plan of subdivision shall be dedicated as public highways.
3.	That the street shall be named to the satisfaction of the Municipality.
4.	That the owner conveys land in the amount of 5% of the land included in the plan to the municipality for park purposes pursuant to the provisions of Section 33(5) (a) of The Planning Act. Alternatively, the municipality may accept cash in lieu of the said conveyance and, under the provisions of section 33 (8) of The Planning Act, the municipality is hereby authorized to do so.
5.	That any dead ends and open sides of road allowances created by this plan of subdivision shall be terminated in one-foot reserves, to be conveyed to the municipality and held in trust by the municipality until required for future road allowances or the development of adjacent land.

NO.	Conditions
5.	That prior to the signing of the final plan by the Minister, we are to be advised that the area to be subdivided has been zoned "single family residential" in an appropriate restricted area by-law passed under section 35 of The Planning Act by the municipal council and approved by the Ontario Municipal Board.
7.	That the subdivider's agreement between the owner and the municipality include a provision whereby the owner will install a 6 foot high chain link fence along the Canadian Pacific Railway right-of-way. The maintenance of the fence will be the responsibility of the adjacent future purchasers.
8.	That a clause be included in the subdivider's agreement that any change in drainage or culverts along or under the Canadian Pacific Railway tracks should be done at the expense of the owner.
9.	That prior to the signing of the final plan by the Minister, we are to be advised by the Ministry of the Environment that sufficient capacity exists in the municipality's sewage treatment plant to provide for this development.
9.	(a) That the subdivision agreement between the owner and the municipality make provision with wording satisfactory to the Ministry of the Environment, whereby this proposal shall be phased to coincide with the expansion of the present sewage and water works facilities.

No.	Conditions
10.	That the subdivision agreement between the owner and the municipality contain provision with wording satisfactory to the Ministry of the Environment whereby the owner will provide adequate noise abatement measures for the property to the satisfaction of the Ministry of the Environment. In addition, all prospective purchasers shall be notified in all Offer to Purchase and Sale Agreements that the adjacent Canadian Pacific Railway line may be a source of noise.
11.	That the subdivision agreement between the owner and the municipality be registered by the municipality against the lands to which it applies.
12.	That such easements as may be required for utility or drainage purposes shall be granted to the appropriate authority.
13.	That the owner agrees in writing to satisfy all the requirements, financial and otherwise, of the municipality concerning the provision of roads, installation of services and drainage.
14.	That prior to the signing of the final plan by the Minister, we are to be advised by the municipality that conditions 1 to 12 have been carried out to their satisfaction. The clearance letter from the municipality shall include a brief statement for each condition detailing how each has been satisfied and carried out
15.	That prior to the signing of the final plan by the Minister, we are to be advised by the Ministry of the Environment that condition 9 has been carried out to their satisfaction, with a brief but complete statement detailing how this condition has been satisfied.

TO BE RETAINED BY MUNICIPALITY

Ministry of the Environment

135 St. Clair Ave. W.
Toronto 195,
Ontario

Sewage Works No. E-0230-70

VILLAGE OF CUBBER

Provincially-Financed Programme

Project Development Branch

VILLAGE OF COBDEN

PROVINCIAL SEWAGE WORKS PROGRAMME

#1-0230-70

B R I E F

PROJECT DEVELOPMENT BRANCH

APRIL 1972

B A C K G R O U N D

On March 17, 1970, the Council of the Village of Cobden passed a resolution requesting that their present sewage treatment facilities be enlarged and improved as a Provincially-owned project. The former OWRC, now part of the Ministry of the Environment, gave approval on July 9, 1970 for the development of a Provincial project involving the acquisition of the existing sewage treatment works and the construction of improved treatment facilities. The firm of J. L. Richards & Associates Ltd. had prepared a preliminary report on a sewage lagoon in 1962 for the municipality and being familiar with the village's requirements, was formally authorized to prepare a design report for the Provincial project on September 24, 1970.

A conceptual brief was received from the consultant on November 30, 1970 and was distributed to various divisions within the former Commission for staff review and comments.

On March 8, 1971 our staff met with the consultant to discuss the project. As a result of that meeting, our Research Branch carried out studies on the existing treatment works with respect to phosphorus removal, flows and organic loadings. On July 29, 1971 the consultant was then authorized to proceed with the preparation of the design report.

On December 20, 1971 the design report was received from the consultant. After staff review, technical approval was given to the report by the Sanitary Engineering Branch. A financial analysis was then prepared by the Project Development Branch and it is on the basis of these calculations that tentative rates were approved on March 30, 1972 and this proposal was prepared.

DESCRIPTION OF PROPOSED WORKS (to be constructed in one stage)

The existing sewage treatment plant will be upgraded to provide secondary treatment, together with phosphorus removal. The plant will be designed for an average daily flow of 154,000 gpd utilizing the extended aeration process.

The plant, located east of the intersection of Pembroke Street and Boundary Road, will consist of a new comminution chamber, modifications to the existing grit channels, primary clarifier and piping, with a new sludge holding tank, aeration tanks, settling tanks, chlorine contact chamber, blower building and outfall to an existing swamp which discharges into Muskrat Lake.

The existing primary clarifier will be utilized as a storm tank at times of maximum flow as the municipality presently experiences very excessive hydraulic flows to the existing plant. The new plant will be designed to handle a maximum flow of 0.5 mgd with flows in excess of this amount discharged to the existing primary tank. During periods of low flow, the primary tank would be drained and discharged to the aeration tank.

The existing sanitary sewers in the village will remain the responsibility of the municipality and were not considered as part of this Provincial programme. It should be noted that the municipality should give top priority to a programme to exclude infiltration water from existing sanitary sewers. All storm sewer connections, catch basins, weeping tile, rain water leaders, etc. should be eliminated from the existing sewage collection system.

BASIS OF ANALYSIS

ESTIMATED CAPITAL COSTS

The total estimated capital cost of the project is \$351,000. Provincial assistance will be provided to the Village of Cobden by the Province of Ontario at the rate of 6 per cent. Based on current estimates, \$21,060 of the initial gross capital cost will be provided by the Province of Ontario.

Under Section VIII of The National Housing Act, the Central Mortgage & Housing Corporation (CMHC) has a scheme by which it will provide a loan to finance certain parts of the works. Since CMHC provides this money at a rate lower than the prevailing market price and since part of its loan is forgivable, the Corporation can also be considered to be giving assistance to the Village of Cobden.

We are hopeful that a CMHC loan in the amount of \$234,000, of which \$58,500 would be forgiven, can be provided for the works in your municipality and this has been taken into account in the financial analysis which was used to determine the rates.

The capital costs of the new works can be broken down as follows:

Excavation, backfill and surface finishing	\$ 39,000
Structural concrete	84,500
Blower and control building	26,000
Mechanical and plumbing	97,500
Electrical work	19,500
Yard piping, manholes, etc.	13,000
Miscellaneous	13,000
Contingencies (4.5% +)	<u>13,000</u>
	\$305,500
Engineering, legal, miscellaneous and interest during construction (15%)	<u>45,500</u>
	<u>\$351,000</u>

The above costs have been analysed on the basis of a 40-year financing period at an interest rate of 8 per cent per year. The CMHC portion of financing has been based on 7 1/2 per cent over 40 years.

COST TRENDS

In all of the costs used to determine the rates, we have used an estimated 1974 dollar value. The rates do not reflect on any trend which may be related to future increases with respect to construction and operating costs.

POPULATION AND SEWAGE FLOWS

In analysing the financing of the project, it has been assumed that part of the costs will be recovered by charging 93.5 cents for every 1,000 gallons of sewage treated at the plant. This figure, which for convenience is referred to as the service rate, was determined in part

by using the consulting engineer's estimates of the population growth of Cobden, the number of properties in the community which will be connected to the sewage works, and the amount of sewage treated for the 20-year design period being used. The table below summarizes our consultant's projections.

T A B L E	SEWAGE FLOWS AND POPULATION PROJECTIONS FOR THE VILLAGE OF COBDEN		
	<u>1974</u>	<u>1983</u>	<u>1993</u>
Year			
Total Equivalent Population	970	1,065	1,172
Total Connected Population	873	1,040	1,172
Daily Per Capita Flow (gpcd)	100	109	120
Daily Average Sewage Flow (gallons)	87,300	113,000	141,000
Annual Sewage Flows (million gallons)	31.9	41.2	51.5

It has been assumed that in the first year of operation there will be a per capita daily sewage flow of 100 gallons. It should be noted that this is a calculated average and the consultant is not suggesting that each person in Cobden will produce 100 gallons of sewage every day. It should also be noted that experience has shown that as the operation of a sewage works progresses through the years, the daily per capita average flow can be expected to increase. In Cobden the consultant has predicted that the daily per capita flow will increase gradually from 100 gallons in the first year to 120 gallons in the 20th year.

It should also be noted that the above service rate was determined on the consultant's assumption that the present collection system presently services about 90 per cent of the total population in Cobden.

OPERATING COSTS

In addition to the cost of building the works, there will, of course, be costs incurred on an annual basis to operate them. These costs are to be recovered by a portion of the user rate. They include such costs as salaries, hydro bills, fuel, chemicals, general supplies, equipment, maintenance and sundries.

PROPOSAL

T I M I N G

This proposal should be thoroughly studied by the Reeve, every member of Council and the municipal clerk. When this has been done, the Council can then decide whether or not to accept it as is, request changes, or reject it. If Council accepts this proposal, the Clerk can make the necessary calculations and the Council can deal with the associated by-laws at either a regular meeting or a special meeting. The action required by the Clerk and the Council is spelled out in detail in the accompanying "Outline of Procedures and Instructions". Since a great deal remains to be done in the development of the project before the works can be placed in operation, it is respectfully suggested that these matters be attended to as soon as possible.

Assuming that Council accepts the proposal and acts on it, the next step in the development of the programme is to obtain the approval of the Ontario Municipal Board. As part of our service, we will make the application to the Board on behalf of the municipality. Then, assuming the Board grants its approval, a detailed design of the works suitable for use in construction will be prepared and construction can begin. We estimate that the works can be placed in operation by May, 1975. It should be noted that this tentative date can be affected by the length of time spent by the municipality in dealing with the proposal and by the length of time required to obtain Ontario Municipal Board approval. Our present experience is that the Board will very likely require that the programme be advertised locally and, if there are objections from the citizens, order that a hearing be held. *

R A T E S

The Ministry of the Environment must, of course, be reimbursed by the municipality for the costs incurred in the construction and operation of the works. The municipality in turn must recover the cost from its citizens. The method employed by the municipality to collect the revenue to pay the Ministry is at the discretion of the municipality. The Ministry is not in a position to bill the consumers directly.

This proposal contains a revenue recovery method which is widely used and has been found to be acceptable to the Ontario Municipal Board. We are recommending that the costs incurred in the construction and operation of the works be recovered by the municipality by the following rate.

(a) Service Rate

The previously-mentioned service rate of 93.5 cents per 1,000 gallons to cover the majority of the cost of construction and operation of the works. This rate is calculated essentially by dividing the Ministry's total estimated expenses for the first twenty years (principal, interest, operating costs, etc. less capital assistance and less the capital equivalent of sewage rates other than the user rate if applicable) by the total amount of sewage expected in the first 20 years.

As noted in the "Outline of Procedures" included in this proposal, it is recommended that the village impose a surcharge on the water bill to meet this charge. This surcharge would apply to all properties which are provided with both water and sewage service.

Any properties that are connected to the sewage system but not to the municipal water system would be required to pay the service charge by means of an equivalent foot frontage rate.

TYPICAL HOME CHARGE

We have estimated that a typical home charge in the Village of Cobden, will be \$119.45. This estimate was calculated by assuming an average occupancy of 3.5 persons per home and an average per capita sewage flow of 100 gpd.

The following example illustrates the calculations made to arrive at this value.

USER

100 gpcd x 3.5 persons/home = 350 gallons/day/home

350 gallons/day/home x 365 days/year = 127,750 gallons/year/home

127,750 gallons/year/home x 93.5¢/1,000 gallons = \$119.45/home/yr.

Please note the calculation of this figure incorporates a number of assumptions which may or may not be true in individual cases and is presented here for illustrative purposes only. It should therefore be borne in mind that in many cases the home charge will be much lower, particularly after the municipal Clerk has made the appropriate calculations to arrive at user charges as outlined in Appendix "A" to the "Outline of Procedures and Instructions".

INITIAL RATE ADJUSTMENT

Provision has been made in the agreement for a rate adjustment at various intervals to account for conditions that have changed since the previous rate was determined. These adjustments should be necessary as construction costs, operating costs, and flows are not expected to exactly equal the present estimates, and payments from the municipality may not be identical to those expected. Clause 12(d) of the agreement outlines the terms of this rate adjustment.

SUMMARY OF ESTIMATED REVENUE

We will be billing the municipality for the user rate portion of the revenue on a monthly basis. Using the consultant's estimated 31.9 million gallons sewage flow in the first year and a rate of 93.5 cents per 1,000 gallons of sewage, the billing would amount to \$29,826 for the first year.

Since the user charge recovers only enough revenue to meet our annual billing, Clause 12(a)(ii) in the proposed agreement stipulates that if applicable, the municipality shall turn over all frontage, connection or other sewage rate revenue for this proposed system to the Ministry.

The Ministry's contractors use the most up-to-date methods of sewage works construction. However, even with the best sewage works practice, it cannot be assumed that the only material to enter the collector sewers will be that discharged from the establishments connected to the sewage works. Some additional liquid will inevitably find its way into the collector system. Since this material will also pass through our meter at the sewage treatment plant, the municipality will be billed for these flows. Our rates are based on the consultant's flow estimates which include this infiltration.

In summary, the revenue that would be sent to the Ministry in the first year, based on the assumptions we have used in this brief, would be as follows:

User Charge 31.9 mg @ 93.5¢
per 1,000 gallons = \$29,826*

*Please note that if the village wishes to recover additional revenue in order to cover its own administration expenses such as printing, postage and handling of bills, any such amount must be raised in addition to the \$29,826 outlined above.

OUTLINE OF PROCEDURES AND INSTRUCTIONS

RELATED TO

PROVINCIAL SEWAGE WORKS PROGRAMME

#1-0230-70

VILLAGE OF COBDEN

PROJECT DEVELOPMENT BRANCH

APRIL 1972

B R I E F

A brief has been included in the proposal to provide a general description of the proposed works and an explanation of the assumptions utilized in calculating the proposed rates. Each member of Council should read the brief and be thoroughly familiar with its contents.

FORM OF AGREEMENT

A draft form of the agreement proposed to be used to provide for the provision of sewage service to the Village of Cobden by the Ministry of the Environment is enclosed. This is a standard form of agreement for Provincial sewage works programmes. This agreement is in draft form only and is provided now so that Council can refer to it when it passes the Execution of Agreement By-law described below. Therefore, it should not be signed or dated at this time. When Ontario Municipal Board approval is obtained, legal copies of the agreement will be sent to the municipality for execution by the Reeve and Clerk.

The agreement cites May 1, 1975 as the date of commencement for the operation of the works. The selection of this date was based on the estimated time required to obtain various approvals, to execute the agreement, the consultant's estimate of the time required to complete final design and also includes 12 months for the construction of the works. This date must be considered tentative until the timing associated with the further development of the programme has been more firmly established. We will make every effort to move this date forward if possible.

If the Village Council wishes to have the Ministry consider the initiation of final design prior to receiving approval from the Ontario Municipal Board, a resolution in this regard should be passed by Council and submitted to the Project Development Branch, together with the executed by-laws contained in this proposal.

EXECUTION OF AGREEMENT BY-LAW

The agreement mentioned above cannot be executed by Council unless a by-law providing for such execution has been passed by Council. A form of by-law for this purpose is enclosed and should be passed by Council subject to the approval of the Ontario Municipal Board.

SEWAGE RATE BY-LAW

Before the municipality can collect the revenue to meet our anticipated charges, the following by-law must be passed.

A sewage rate by-law to recover the annual charge for sewage service (user rate).

An explanation of this charge as enacted by the sewage rate by-law is discussed below.

SEWAGE RATE BY-LAW (SEWAGE SERVICE)

This by-law provides for the collection of the user charge. It is recommended that this charge be collected as a surcharge on the water bill. Assuming that the municipality's water bill charges are fair and equitable, this percentage surcharge should represent a fair and equitable charge which will vary according to the amount of sewage treated for each user of the system. Please note that there are two blanks in the by-law form for the insertion of the percentage surcharge(s) the municipality intends to impose. The surcharge should be calculated and inserted in the two blank spaces before the by-law is passed. Appendix "A" to this outline provides a sample calculation of determining the surcharge on the water bills.

Please remember that our billing will be based on all flows reaching the sewage treatment facilities and will include domestic, industrial and commercial flows and, of course, the previously-mentioned infiltration. Council may wish to charge different rates to the different types of users based on the type and amount of sewage discharged. Ordinarily, domestic users will contribute the lowest sewage flows. Such "wet" industries as food processing plants, and commercial users such as laundromats, car washes, etc., will contribute relatively high volumes of sewage.

In the case of Cobden, a water programme is also being developed and we have explained in detail how to set up the water rates so that they will be equitable. We therefore expect that a special surcharge will not need to be applied to special users as the sewage surcharge will be directly proportional to the water rate. For example, if the water rate for a restaurant were twice that of a home, then the sewage rate would also be twice that of a home if the same surcharge applied to each.

There may be some cases in Cobden where there is a connection to the sewage works but no connection to the municipal water works. In these cases, because of a condition imposed by the Ontario Municipal Board, it is necessary to replace the user charge by an equivalent frontage charge. This involves dividing the user rate for a typical home by the foot frontage of the lot. A blank space has been provided in the by-law for the insertion of the user charge for a typical home. (See Appendix "B" for a sample calculation). Since Council will probably want to provide for an exemption from frontage for flankage, a space has been provided in clause 3(a) of the user rate by-law for this purpose.

All blanks of this by-law should be completed and passed by Council subject to the approval of the Ontario Municipal Board.

ONTARIO MUNICIPAL BOARD

Immediately after the by-laws have been dealt with by the Council, one set of certified copies with the Corporate Seal affixed to each should be returned to our Project Development Branch for further action including the submission to the Ontario Municipal Board requesting approval for the municipality to enter into the agreement. One set of documents is to be retained by the Municipality.

The Ontario Municipal Board will require a detailed breakdown of how the municipality proposes to collect the revenue to meet our billing. Therefore, would you please submit to us the amounts Council expects to receive from all surcharges imposed, a mill rate, if applicable, and any other source of revenue. We will also require a breakdown of the charges to a typical home. A suggested form of a statement of expected revenues and expenditures for year one is enclosed as Appendix "C".

INDUSTRIAL WASTES

As specified in paragraph 3(a) of the sewage agreement, the municipality must pass a by-law in a form approved by this Ministry to control the discharge of sewage into the sewer, sewer system or sewage works of the municipality. In this regard, our Industrial Wastes Branch will be writing to you shortly to determine the extent of the work required in the preparation of such a by-law.

SUMMARY OF ACTION REQUIRED

1. Obtain total annual water revenue for the area which is presently serviced with sewers.
2. Using the figure from #1 above, calculate the water bill surcharge using the example in Appendix "A" as a guide.
3. Insert the surcharge figure in the sewage service (user rate) by-law.
4. Calculate the equivalent frontage rate using Appendix "B" as an example.
5. Insert the figure from #4 above in the appropriate blank in the sewage rate (user charge) by-law.
6. Insert the flanking exemption which Council wishes to stipulate in the appropriate blank in clause 3(a) in the sewage service (user rate) by-law.
7. After all the by-laws have been signed by the Reeve and the Clerk and the Corporation Seal has been affixed to each, insert one certified true copy

of each in this folder and return it to our Project Development Branch. One copy of each of the by-laws and the draft form of agreement should be retained by the municipality. Please note that the draft form of agreement should not be signed at this time.

8. Prepare a summary of anticipated revenues (Appendix "C").
9. Prepare a typical home charge using the example in Appendix "D" as a guide.
10. The statement of anticipated revenues and a statement of the typical home charge should be sent to our Project Development Branch along with the proposal folder.

A P P E N D I X "A"

SAMPLE CALCULATION FOR A SURCHARGE ON A WATER BILL

1. Year one revenues for service have been used.
2. Annual estimated service revenue for sewage service - 31.9 mg at 93.5¢ per 1,000 gallons, is \$29,826.
3. Total annual service revenue for water for the entire village has been assumed at (30.1 mg x 143.2¢/1,000 gallons) = \$43,103 (see water proposal).

However, it should be noted that the existing water distribution system is more extensive (i.e. serves more people) than the existing sewage collection system. Since the surcharge would apply only to those persons who are receiving both sewage and water service, the Clerk should determine exactly the total annual water revenue billing, excluding municipal levies such as a mill levy, only for the area that is sewered. For example, in our analysis it was assumed that only 90% of the people receiving water service are also receiving sewage service. Therefore, a maximum of 90% of the water bill revenue anticipated from the sewered area (not the entire village) should be used in your calculations (e.g. \$43,103 x 90%) = \$38,790. The Clerk should familiarize himself with the existing sewage area and should carefully determine the exact water revenue to be received from this area through water billings.

$$\begin{aligned} \text{SURCHARGE} &= \frac{\text{year one sewage service revenue}}{\text{year one water service revenue from sewered area}} \\ &= \frac{\$29,826}{\$38,790} = 76.9\% \text{ (Say 77\%)} \end{aligned}$$

Note: The above example has been calculated on the assumption that a single surcharge would apply throughout the entire area serviced by existing sewers. If special users, who have their own private water supply were to be charged special rates, the corresponding revenues from these special users should be deducted from the totals before the surcharge is calculated.

A P P E N D I X "B"

SAMPLE CALCULATION FOR EQUIVALENT FRONTAGE RATE

1. Water revenue for a typical home in the area proposed to be provided with sewage service is assumed to be \$95.09 (Use the figure that you calculated from Appendix "A" of the water proposal.)

2. The water bill surcharge is assumed to be 77%.

$$\text{Equivalent frontage rate} = \$95.09 \times .77 = \$73.22$$

Using the above assumptions, section 2 of the sewage service (user rate) by-law would then read as follows:

2. The sewage rate shall be imposed in each year commencing in the year 1974 and shall be a foot frontage rate of \$73.22 divided by the frontage on the lands designated

NOTES:

1. This frontage charge applies only if the sewage service cannot be levied as a surcharge on the water bill.

2. This charge does not reduce or eliminate any other frontage charge imposed on property for sewage or water works.

A P P E N D I X "C"

STATEMENT OF EXPECTED REVENUES AND EXPENDITURES

VILLAGE OF COBDEN

PROVINCIAL SEWAGE WORKS PROGRAMME

#1-0230-70

EXPENDITURES (to the Ministry of the Environment)

Sewage Service - 31.9 million gallons @ 93.5¢
per 1,000 gallons \$29,826

Total Expenditures \$29,826

VILLAGE ADMIN. COSTS

3000 32,826

REVENUES (to be raised by village)

Sewage Service - surcharges of 98 % of
* (By-law No. 73-16) domestic and non-domestic
billings of \$33,905

\$ 33,227.

Total Revenue*

\$ 33,227.

TYPICAL HOME CHARGE

* Sewage Service - 98 % surcharge on
annual water billing
of \$71.50

\$ 70.07

Total*

\$ 70.07

* Blanks to be completed by the municipality.

A P P E N D I X "D"

SAMPLE CALCULATION OF TYPICAL HOME CHARGE

Water revenue from a typical home in the serviced area is ASSUMED to be \$95.09.

The water bill surcharge is assumed to be 77 per cent.

Therefore, a typical home charge is as follows:

Water bill surcharge	77 per cent of \$95.09 =	\$73.22
Total		<u>\$73.22</u>