

## MEMORANDUM

**To:** Sam Dinsmore, Town of The Blue Mountains  
**From:** Nataliya Kelbas  
**Date:** March 28, 2024  
**Re:** Summary of Changes to DC Model following Consultation

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This memorandum provides a brief description of the changes made to the model and overall impact of those changes.

### A. DEVELOPMENT FORECAST / ALLOCATION OF COSTS

- An update to the allocation of costs for engineering services which are on the 2024-build-out planning horizon from 95% residential and 5% non-residential which was the assumptions used in the last 2 DC Studies (2014 and 2019) to 91% residential and 9% non-residential based on remaining shares of development remaining for each type. Two area-specific share assumptions were maintained due to the nature of the works.
- This shift had an impact of decreasing the residential rates overall and increasing the non-residential rates.
- This review also included additional analysis of the floor space per worker assumptions used in the non-residential forecast. These are more closely aligned with the type of non-residential development forecasted in the Town and is in line with the assumptions used in neighbouring municipalities.
- This adjustment has decreased the non-residential rates as the denominator of the rate calculations has been increased based on increased area to be occupied by the new employees over the same planning period.

## **B. LEVEL OF SERVICE INVENTORIES**

### **i. Parks & Recreation**

- Replacement cost of “Open Natural Parks” was reduced from \$1,430,000 / hectare to \$715,000 / hectare (50% reduction) to account for the lower level of development compared to “Developed Parks” which were unchanged at \$1,430,000 / hectare.
- This change decreased the funding envelope for parks from \$28.4 million to \$23.9 million which has in turn decreased the rates by a similar proportion of 16% or \$1,797 per SDU.

### **ii. Roads & Related**

- Removed “Local – Urban – 2 Lane” from the funding envelope calculation as these roads were likely provided to the Town via subdivision or site plan agreement (or similar mechanism). These are not eligible for DC recoverable costs and have therefore been netted off.
- This change has no impact to the rates as the amount being recovered from DCs does not exceed the maximum allowable funding envelope.

## **C. FIRE CAPITAL PROGRAM**

- BTE share for the New Fire Hall provision has been updated from 50% estimated to 33% based on the number of square feet being replaced versus new area (4,000sq.ft. / 12,000 sq.ft.).
- This change had no impact to the rates as the full funding envelope was being maximized in the Fire service area.

## **D. THORNBURY SEWAGE TREATMENT PLANT**

- An adjustment to account for previously spent DC reserves on Phase 1A of the Thornbury Sewage Treatment Plant has been made reducing the recoverable amount from \$94,297,760 to \$79,315,000.
- This change has decreased the residential and non-residential rates.

## E. CUMULATIVE RATE IMPACTS

Below are tables comparing the rates included in the February 2, 2024 DC Background Study and the new calculated rates as a result of the changes above.

**Table 1: Single and Semi Detached DC Rates (Town-wide)**

Service	Feb 2 2024	Calculated	Difference (\$)	Difference (%)
Public Library	\$1,082	\$1,082	\$0	0%
Fire Services	\$1,687	\$1,687	\$0	0%
Police Department	\$129	\$129	\$0	0%
Parks And Recreation	\$11,341	\$9,544	-\$1,797	-16%
By-Law Enforcement	\$30	\$30	\$0	0%
Solid Waste Management	\$165	\$165	\$0	0%
Development Related Studies	\$366	\$366	\$0	0%
Services Related To A Highway: Public Works	\$1,273	\$1,273	\$0	0%
Services Related To A Highway: Roads & Related	\$21,702	\$20,765	-\$937	-4%
<b>Total Uniform Charge</b>	<b>\$37,775</b>	<b>\$35,041</b>	<b>-\$2,734</b>	<b>-7%</b>

**Table 2: Non-Residential DC Rates (Town-wide)**

Service	Feb 2 2024	Calculated	Difference (\$)	Difference (%)
Public Library	\$0.00	\$0.00	\$0	N/A
Fire Services	\$15.14	\$9.47	-\$6	-37%
Police Department	\$1.15	\$0.72	-\$0	-38%
Parks And Recreation	\$0.00	\$0.00	\$0	N/A
By-Law Enforcement	\$0.27	\$0.17	-\$0	-38%
Solid Waste Management	\$1.48	\$0.93	-\$1	-37%
Development Related Studies	\$3.28	\$2.05	-\$1	-38%
Services Related To A Highway: Public Works	\$11.42	\$7.15	-\$4	-37%
Services Related To A Highway: Roads & Related	\$102.52	\$116.63	\$14	14%
<b>Total Uniform Charge</b>	<b>\$135.28</b>	<b>\$137.12</b>	<b>\$2</b>	<b>1%</b>

**Table 3: Single and Semi Detached DC Rates (Total ASDCs – Town-wide + Water + Wastewater)**

Service Area	Feb 2 2024	Calculated	Difference (\$)	Difference (%)
Craigleith	\$62,358	\$58,560	-\$3,798	-6%
Castle Glen	\$73,143	\$68,886	-\$4,257	-6%
Osler	\$137,022	\$133,754	-\$3,268	-2%
Thornbury East	\$77,089	\$68,111	-\$8,978	-12%
Thornbury West	\$135,223	\$123,726	-\$11,497	-9%
Clarksburg	\$118,023	\$107,287	-\$10,736	-9%
Lora Bay - SA1	\$102,543	\$92,471	-\$10,072	-10%
Lora Bay - SA2	\$88,802	\$79,322	-\$9,480	-11%
Lora Bay - SA3	\$88,904	\$79,420	-\$9,484	-11%
Camperdown	\$102,162	\$93,448	-\$8,714	-9%
Swiss Meadows	\$37,775	\$35,041	-\$2,734	-7%

**Table 4: Non-Residential DC Rates (Total ASDCs – Town-wide + Water + Wastewater)**

Service Area	Feb 2 2024	Calculated	Difference (\$)	Difference (%)
Craigleith	\$248	\$265	\$17	7%
Castle Glen	\$343	\$373	\$30	9%
Osler	\$1,272	\$874	-\$398	-31%
Thornbury East	\$368	\$369	\$1	0%
Thornbury West	\$715	\$761	\$47	7%
Clarksburg	\$885	\$955	\$70	8%
Lora Bay - SA1	\$497	\$516	\$18	4%
Lora Bay - SA2	\$470	\$484	\$15	3%
Lora Bay - SA3	\$440	\$451	\$11	2%
Camperdown	\$663	\$539	-\$124	-19%
Swiss Meadows	\$135	\$137	\$2	1%