



Town of The Blue Mountains

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Date: March 10, 2025

Re: Capital Charges for Wastewater Servicing Extensions - Public Information Centre

This memo is intended to provide a summary of the questions, comments and answers that were received prior to, or asked during, the Public Information Centre (PIC) held on March 6, 2025. The PIC was held virtually on Microsoft Teams beginning at 2:00 p.m. A total of 35 individuals attended the meeting including Town staff and the project team.

Included below is a table with the questions and comments that were submitted before, during and after the meeting. To see all of the questions, comments and answers that were brought forward during the PIC, please view the [full recording of the meeting](#).

Comments/Questions Received

Madge Le Grice Emailed 2/13/2025	<p>I recently was required to install a new septic system at a cost of \$40,000. After inquiring for several years if there was any chance of sewers coming to Prices subdivision and told that there was nothing in the budget for that, I installed a new septic. My monetary options?</p> <p>Staff Response: Under the Town's Affordability Policy, you may defer the payment for up to 10 years following the time of billing – however the deferral includes financing costs – it should be noted that you are able to finance over 20 years if required.</p> <p>A resident qualifies for this deferral if the system was installed or significantly upgraded within 5 years of the improvement billing being assessed.</p> <p>**Note that you will receive an unconnected charge on your water bill beginning 11 months from the time that the service was made available. ** This charge will begin on your May Utility Billing.</p>
Beata Grabowski Emailed 2/13/2025	<p>Hello, Re; Prices subdivision wastewater cost.</p> <p>Please reference my letter was posted on the BM website before Dec 9, 2024 meeting (in response to Agenda item FAF.24.143)</p> <p>In summary: Did the Town consider newly created lots in the Prices subdivision + future development of over 100 units + Lodge on the South side of Orchards to share the sewer installation cost?</p> <p>Staff Response: Yes, in the Price's project, a total of \$520K was deducted from the project costs. This reduction was based on the trunk's capacity to service up to 511 units, including existing homes, resulting in an 89% eligibility for Development Charges</p>

	<p>(DC).Wastewater project was initiated by the Town to provide for a future growth (ref#1), not by the homeowners. My sewer is working perfectly fine. As a retiree, why would I agree to incur a cost of: \$27,156.10 (sewer installation) +\$12,000 (cost for connection) + new monthly fees + loan financing fees, a cost of over \$40,000+ in total?</p> <p>Staff Response: To address localized flooding caused by inadequate drainage, and to provide Municipal servicing to un-serviced residential areas in line with the goals of the Town's Official Plan.</p> <p>The construction cost was over the budget by approx. \$4600+, the cost that was not agreed upon, or explained. The budget was within Town of BM control, not homeowners. Why homeowners are being penalized for the budget overages?</p> <p>Staff Response: The total project costs were reported as follows over time:</p> <ul style="list-style-type: none"> • 2018 PIC - \$1,390,141 - \$26,110 per property (based on 58 properties) • 2021 PIC - \$1,421,000 - \$26,626 per property (based on 65 properties) • Actual 2024 PIC - \$1,310,586 - \$27,165.10 per property (based on actual 60 properties serviced) <p>In 2018, the financing rate was quoted at 2.8%, recently in 2024, at 4.3%. The Town should honour the lowest possible rate during this timeframe. Again, communicating with all homeowners was within Town control.</p> <p>Staff Response: Varying interest rates were used throughout the project period and are indicative of the timing of when the costs were being quoted – these amounts were used as examples of interest rates – staff will present varying options to Council. (Noting that the 2018 letter stated 3.25% and the 2021 PIC/Staff Report was at 2.8%).</p>
<p>Kevin Richard</p> <p>Asked during the meeting 3/6/2025</p>	<p>The quoted per unit costs for the Craigleith Wastewater Treatment Plant and Craigleith Wastewater Collection are the same across all three projects. Is every property connected to the trunk sewer line paying this same fee, or is it just the properties that received wastewater servicing through these projects?</p> <p>Staff Response: The Town has two methods for collecting these fees. The first is through local improvement charges, which include wastewater servicing extensions. Any property benefitting from a wastewater servicing extension in the Craigleith sewer shed will pay these fees. The second is through Development Charges. These fees are paid for new developments or new builds by the property developer.</p>

Jeff Mainella Asked in the Meeting Chat 3/6/2025	<p>Can you display the cost of borrowing for each option 10/20&25yr?</p> <p>Staff Response: Town Finance staff will be able to provide the full cost of borrowing including interest for each financing option as detailed below:</p> <table><tr><td></td><td></td><td>3.72%</td><td>4.31%</td><td>4.43%</td></tr><tr><td>Summary Interest Cost</td><td>Principal</td><td>10 Year Interest Cost</td><td>20 Year Interest Cost</td><td>25 Year Interest Cost</td></tr><tr><td>Price's Development</td><td>\$27,165.10</td><td>\$5,861.79</td><td>\$13,917.07</td><td>\$18,305.19</td></tr><tr><td>Drakes Path</td><td>\$32,074.84</td><td>\$6,921.24</td><td>\$16,432.43</td><td>\$21,613.61</td></tr><tr><td>Birch View Trail</td><td>\$33,437.73</td><td>\$7,215.32</td><td>\$17,130.62</td><td>\$22,531.96</td></tr></table> <p>Also keeping in mind the current interest environment, can we get a more current offer for the 10 year borrowing charge or the option for a 5 yr if the rate is considerably better?</p> <p>Staff Response: The rates included in the presentation are based on what’s currently being offered by Infrastructure Ontario. A 5-year repayment option has not been offered for past projects, but Town staff can investigate to see if it would be significantly different and bring this forward to Council for consideration. Noting that the 5-year rate listed as of March 7, 2025 is 3.23%.</p>			3.72%	4.31%	4.43%	Summary Interest Cost	Principal	10 Year Interest Cost	20 Year Interest Cost	25 Year Interest Cost	Price's Development	\$27,165.10	\$5,861.79	\$13,917.07	\$18,305.19	Drakes Path	\$32,074.84	\$6,921.24	\$16,432.43	\$21,613.61	Birch View Trail	\$33,437.73	\$7,215.32	\$17,130.62	\$22,531.96
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Michael Lloyd Asked in the Meeting Chat 3/6/2025	<p>My property was purchased (by me) in March 2023 after sewer installation and was sold as 'Municipal Sewer'. Will the town be contacting the previous resident to obtain the outstanding cost based on the balance at time of sale.</p> <p>Staff Response: Because the amount wasn’t levied on the property prior to the sale being completed, this matter would have to go back to the lawyers who completed the sale.</p> <p>Why were the charges not levied against the property at the time of the installation?</p> <p>Staff Response: A by-law to levy the capital charges against the property cannot be brought forward until after the construction work is completed and the warranty period on the construction work has concluded.</p>																									
Cathy Cunningham Asked during the meeting 3/6/2025	<p>If I choose the 10 year financing plan, am I able to opt out early by paying the remaining balance?</p> <p>Staff Response: Yes, property owners are able to pay off the remaining balance of the loan in full at any time during the financing period without penalty.</p>																									

<p>Madge Le Grice</p> <p>Asked during the meeting 3/6/2025</p>	<p>I recently installed a very expensive septic system. I understand why property owners must pay for the local improvements, but why am I penalized with a fee if I choose not to connect immediately?</p> <p>Staff Response: Non-connection fees are collected to be used for system maintenance. This is to ensure the system is readily available to you when you do connect. The Town recommends connecting to sanitary system as soon as possible, as communal water and sewers are the preferred method of servicing as this protects human health and the environment.</p>
<p>Mark Maskens</p> <p>Asked in the Meeting Chat 3/6/2025</p>	<p>Are the quoted interest rates variable or fixed for the term?</p> <p>Staff Response: The interest rates quoted are fixed for the term.</p>
<p>Luis Oliveira</p> <p>Asked in the Meeting Chat 3/6/2025</p>	<p>If someone chooses a 10yr term and opts to pay it in full after 5 years, would they still have to pay the remaining interest for years 5-10?</p> <p>Staff Response: No, you do not have to pay any remaining interest if you choose to pay out early. You will only pay the remaining principal owing at that time.</p>
<p>Tracy</p> <p>Asked in the Meeting Chat 3/6/2025</p>	<p>If a homeowner chooses 10 year payment plan and property is sold before the 10 year mark what happens to the balance owing? Continue on property tax bill for remainder of term?</p> <p>Staff Response: As part of the closing on the property, the balance is to be paid prior to transfer of ownership.</p>
<p>Terry German</p> <p>Asked during the meeting 3/6/2025</p>	<p>When the water line was brought to my vacant lot, it was explained to me that the unconnected fee was for infrastructure maintenance. I thought that maintenance fees would have been included in my property taxes.</p> <p>Staff Response: Property taxes are not used to fund the Town's water and wastewater systems. These services are completely separate and funded solely through user fees.</p>
<p>Beata</p> <p>Asked in the Meeting Chat 3/6/2025</p>	<p>What is the non-connection fee? thank you</p> <p>Staff Response: The non-connection fee is \$27.28/month.</p>