



# Town of The Blue Mountains

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Regular Mail

Tuesday, March 8, 2022

**RE: Drake's Path Wastewater Extension - Tender Costs and Affordability Update**

To whom it may concern,

Further to the Public Information Centre held on November 24, 2021, the Town of The Blue Mountains Council will be considering the installation of wastewater servicing to your property on Drake's Path at the upcoming Committee of the Whole Meeting on March 29, 2022. This servicing extension will include the extension of wastewater main from County Road 19 and service laterals to property line with the restoration of the roadway to existing conditions (gravel road and grassed boulevard). The Construction Tender for this work was released on February 17, 2022 and closed on March 3, 2022. We now have more accurate costs to provide to the benefitting property owners.

You are being specifically notified of the updated costs because the servicing will be paid by the benefitting property owners. Now that the Town has the tendered costs, the project's affordability will be revisited to ensure that the project is viable.

It is Town policy that the owner of each newly serviced property is responsible for an equal share of the capital costs for the wastewater system. Based on 20 properties on Drake's Path, the individual share of the wastewater servicing is estimated to be \$30,909 using actual tender costs. There is also a \$5,322 Capital Charge for a total of \$36,231. The Town provides repayment options and affordability criteria in Town Policy FAF.17.114 "Affordability Policy for Water and Wastewater Service Extensions". This document is available to be reviewed in detail on the project page at [www.thebluemountains.ca/drakespath](http://www.thebluemountains.ca/drakespath). If the repayment schedule is

over 25 years at 3.31% interest (today's borrowing rate), the annual repayment is \$2,153 which is slightly above the 5% affordability criteria but below the 10% unaffordable threshold. The Affordability Policy outlines that additional analysis needs to occur when the annual payment is between 5% and 10%.

As a property owner, the Town wishes to have your input prior to moving forward to construction. Please provide written submissions to the undersigned by March 20, 2022. These submissions will be appended to the Committee of the Whole Report on March 29, 2022 for Council consideration. If you have additional questions, please do not hesitate to contact the undersigned to discuss the proposed project. You can view all the project background information and updates, as well as subscribe to the project email list, on the Town's dedicated project page at [www.thebluemountains.ca/drakespath](http://www.thebluemountains.ca/drakespath).

Yours Truly,

Mike Humphries, CET  
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Operations Department  
Town of The Blue Mountains, ON

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CC: Shawn Carey, Director of Operations, Town of The Blue Mountains (via email)  
Allison Kershaw, Manager of Water and Wastewater, Town of The Blue Mountains (via e-mail)  
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