

PUBLIC MEETING
OCTOBER 26, 2010
7:00 P.M.

The Council for the Town of Hanley held a public meeting to update Town water users on the Dundurn Rural Water Utility. Due to the first snowfall of the season, there was not a very good turnout, however, those in attendance found the meeting very informative.

The following is a summary of the information and the questions that arose from the meeting:

Luke Muirhead – Project Manager:

- Luke presented a map of the entire project with the different phases and steps involved and the number of subscribers;
- The progress of the project is on track;
- He explained how the phases of the project will work as far as when water will be turned on at each phase;
- The Town will not likely be getting water till fall of 2011;
- We may be looking at 3 days down time with water supply while the contractors connect the water supply, pressure test the lines, flush the lines and test the quality of the water but we will know ahead of time to let our users know to conserve water during that time.

If you have questions in regards to the overall project, call Luke @ 306-229-6019

Dave Bilanski – Phase III Committee Chairman and Member of the DRWU Board:

- Dave explained his position on the Board for this Phase of the project which includes the Town of Hanley.

If you have any questions in regards to this phase of the project (south of Blackstrap), call Dave @ 306-222-4095

Darice Carlson – CAO for the Town of Hanley:

- Darice presented costs of the project, contingencies, the Town's borrowing and repayment;
- We were approved for an additional Grant from the Saskatchewan Infrastructure Growth Initiative in the amount of \$109,826;
- The Town received a loan from CMHC at an interest rate of 3.42% repayable over 15 years, unfortunately we are unable to make prepayments so the council is encouraging monthly payments added to the water bills which will also help the fixed income senior's and families;
- Payment options were presented –
 - o The council is allowing a pay out of \$4600 with a signed agreement available at the Town Office. This payout must be received at the Office by Dec. 31, 2010. The office will attach the receipt of payout to your copy of the agreement. This agreement is a guarantee for the future so there is no confusion as to the property being paid out;
 - o Because of the structure of the loan and the fact that prepayments can not be made, the council is not encouraging a payout by Dec. 31, 2010 because we

will still have interest payments for the next 15 years and even though we will invest all funds in the account, we are getting less than 3.42% in investment interest now.

- A water bill was presented with the bottom right corner being the area where you will see where the “Infrastructure Fee” is attached as an additional line;
- A small version of the repayment schedule was shown with an explanation of the amortization of the \$4,600 showing interest and principal and how it would be determined if users chose to make extra payments. The total amount that would be paid for each user, or each meter, over 15 years would be \$6,300.97;
- There have been a number of people asking why the Town has to pay for the construction of the pipeline before we even have water. We are a part of the pipeline as a whole and if the subscribers can make interim payments to the construction of the pipeline, the overall borrowing costs can be kept lower, e.g. if DRWU pays more interest on loans, the Town and other subscribers will pay more. Remember that this is “our” pipeline.
- The fees for the water when we are connected to the pipeline will be \$15 per 1000 gallons. The Town has set a minimum of 3000 gallons so the cost of the water bill will be \$45 per month billed quarterly at \$135. This is only an increase of \$11.67 per month if you use 3000 gallons. If you use over 3000 gallons, the charge is \$15/1000 gallons. The minimum was lowered from 5000 gal. to 3000 gal. because 50% of the users used less than 3000 gallons so the lower minimum will benefit the smaller users. The council is not saying that you are limited to 3000 gallons, just that the lower users should not have to pay for extra gallons that they are not using.
- What if I build a house in 5 years? You will be required to pay out the \$4600 to get the water connected;
- What if I sell my house? If you have opted for the monthly charges, the new owner can continue the same way. The charge is attached to the “meter” or the house/building.
- Why did the cost go from \$3500 last year to \$4600 this year? The first estimate did not include a high enough desired flow rate. When the higher flow rate was taken into consideration, the engineering of the project was increased in regards to line sizing and pump capacity;
- What if we end up with excess funds in the Infrastructure Account? This council is trying to build up a fund to pay for aging water infrastructure (e.g. old water lines, main valves, curbstops, pumps, etc.). If the council can see that there are sufficient funds in the account, they can go back to the calculator and revisit fees and charges;
- Would monthly billing charges be easier for a majority of users? It can be quite costly and monthly payments can be taken with post-dated Cheques, on-line payments or phone in your credit card number. If you would like to see monthly billing, please contact the Town Office and we will see how many users are interested.

A number of questions were posed to the DRWU Executive and Town:

- Where will the connection be from the pipeline to the water treatment plant? The connection will take place at the “Y” connector of the SaskWater line in the ditch at the west end of Washington Ave. You can see a culvert above ground. This line will be pressure tested to ensure the existing PVC pipe will withstand the increased water pressure.

- Is there a contingency plan in place if that pipe won't withstand the pressure? Why isn't the 150 feet of pipe being replaced? If the line won't withstand the pressure it will have to be engineered to the water treatment plant possibly with a wet well but the Bullee Consulting Engineers (they designed the system) anticipate that the existing line will work.
- Where are the main shutoffs in the line and can portions of the mainline be isolated? There are shutoffs at every pumphouse and lots of cleanouts along the main line for cleaning and maintenance.
- When will the water be turned on here? The connections will go in stages with pumphouse #1 being connected in late June or early July of 2011, with the progress going to the south as each line is connected, tested and flushed.
- Can the water bills be e-mailed? With the current billing software, we could scan and e-mail the water bills and council is looking at purchasing upgraded software in 2011 that will enable the bills to be saved to a text or PDF to be e-mailed. Please contact the office if you are interested in having your bill e-mailed to you rather than mailed.
- If there is infrastructure money needed for other projects, will we be notified that the council is using the "Infrastructure Fee" money for those projects? The "Infrastructure Fee" money will only be used for water infrastructure and possibly sewer infrastructure if need be. The money will not be used for streets, sidewalks or any other infrastructure. It is set aside for loan repayment and water infrastructure.
- Will the water lines in Town be cleaned? The reservoir will be cleaned prior to the pipeline water being connected but the lines throughout the Town are clean and in good shape.
- Has council taken into consideration the Skating Rink raw water line? Yes, the council has been talking about what to do about supplying the Arena. If SaskWater will sell the existing line to DRWU, we may be able to leave that connection to the Arena.
- Will I get charged more if I have a fire and the hydrants are used? We have no metering system on the hydrants so you will not be charged for that usage.
- Is \$4,600 the final amount? Yes, there have been contingencies of \$300,000 worked into the calculations to cover cost overage.
- Should the Town anticipate a precautionary boil water advisory when the water source is changed? Luke was not sure so will check.
- Will it cost more at the truck fill? The council anticipates the fee will be the same as the Town users at no less than \$15/1000 gallons.

If you have any questions in regards to the Town, please contact the Town Office @ phone # 306-544-2223; fax # 306-544-2261; e-mail townoffice@townofhanley.ca

There has been a lot of confusion as to why the minimum amount of gallons is being decreased.

If we leave the minimum at 5000/month:

Low Users (1000 to 3000 gallons/month) would pay \$75/month.

Higher Users – if the user uses 4000 gallons/month – would pay \$75/month

- if the user uses 5000 gallons/month would pay \$75/month
- if the user uses 6000 gal/month – would pay \$90/month
- if the user uses 7000 gal/month – would pay \$105/month
- if the user uses 8000 gal/month – would pay \$120/month

and so on at \$15/1000 gallons for as much as they want to use.

If we lower the minimum to 3000/month

Low Users (1000 to 3000 gallons/month) would pay \$45/month

Higher Users – if the user uses 4000 gallons/month – would pay \$60/month

- if the user uses 5000 gal/month – would pay \$75/month
- if the user uses 6000gal/month – would pay \$90/month
- if the user uses 7000 gal/month – would pay \$105/month
- if the user uses 8000 gal/month – would pay \$120/month

and so on at \$15/1000 gallons for as much as they want to use.

So if you see from the above, the higher users are not paying any more for the water and will see a benefit with the lower minimum if the usage is at 4000 gallons/month