

## REPORT TO COUNTY COUNCIL

# County Road 4 Water Services Extension Project

**To:** Warden and Members of County Council

**From:** Director of Corporate Services

## RECOMMENDATION

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1. That By-law No. 6643-2024, being a by-law to authorize the funding sources and mandatory connection for the County Road 4 Water Services Extension Project, be presented to Council for enactment.

## REPORT HIGHLIGHTS

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- The purpose of this report is to authorize funding sources for the extension of watermain services as part of the County Road 4 Water Services Extension project in Woodstock, completed in 2022 – servicing 2 existing developed properties, 1 vacant property and to enable development to the North area of Woodstock.
- Total cost for the watermain portion of the project is \$4,391,314, of which \$26,450 is the share of costs benefitting the three existing properties.
- In addition to the total cost of the project the following costs are added to each benefiting property in accordance with the 2024 Fees and Charges By-law No. 4889-2007:
  - \$350 for a water meter; and
  - \$75 for the water application to connect review fee.

## IMPLEMENTATION POINTS

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Upon County Council's approval of this report and passing of the authorizing by-law, staff will proceed to bill the benefitting developed property owners, as set out in Schedule "B" of the by-law. Property owners will be presented with options to pay a lump sum payment without interest or through a debenture with interest which will be collected with their property taxes. The final interest rate related to debenture financing will be confirmed at the time of debenture approval by Council.

Fees and charges associated with the vacant property will be banked and collected at the time of future development or service connection.

### Financial Impact

The project expenditures were funded from the Water – Woodstock and Water – Woodstock Development Charges Reserves..

Developed properties receive a 25% grant from the Community Servicing Assistance Program (CSAP). Where the CSAP calculation exceeds the maximum, the amount exceeding the maximum threshold is also paid by CSAP. The 2022 CSAP maximum threshold (cost for each equivalent service) is \$12,275 for water. There is one property included in the bill out, that was not developed at the time of construction, and is not eligible for the CSAP grant.

The Community Servicing Assistance Program (CSAP) funds, and amounts attributed to the benefitting property owners will be contributed to the Water – Woodstock Reserve upon completion of the billing for this project.

The funding sources to be authorized by the project funding by-law are set out in Table 1.

Table 1 – Project Funding

Description	Project Cost	Attributed to Benefitting Properties	CSAP	Reserve Funded Expenditures	Development Charges
Watermain	\$4,391,314	\$22,043	\$4,408	\$456,593	\$3,908,270

### Communications

County Policy No. 6.05 “Water and Sewer Services Financing Policy” includes a section on Public Consultation requirements, which states that the County will, to the best of its ability, ensure that property owners are informed of the intention to service and the potential impacts on property owners. Accordingly, the various communication points that occurred with impacted property owners related to this project are described below.

- Pre-construction communications and project updates were issued by County Public Works to impacted residents as part of the watermain extension project, as follows:
  - Community Update dated April 20, 2020;
  - Pre-Construction Notice dated June 16, 2021;
  - Notice of Construction advertised in the local newspaper July 2021; and
  - Construction Update, May 2022.
- Direct mail communication was sent to impacted property owners in November of 2023 informing them that connection fees associated with the project would be calculated once

final project costs are confirmed, and to inform that County staff would be offering an information session in 2024.

- A notice dated May 21, 2024, notifying affected property owners that public consultation was being offered through pre-scheduled telephone calls on June 3 or 12, 2024 to provide additional information and inform affected benefitting homeowners of cost implications. One property owner scheduled a call.
- Letters were sent to existing developed property owners and to the development property owner on June 10, 2024, informing that a by-law to bill this project to benefitting property owners was anticipated to be passed at the July 10, 2024 Council meeting.



Upon enactment of By-law No. 6643-2024 a letter will be sent to each developed property owner providing them with payment options for the charges related to their property, and a letter will be sent to the vacant property owner identifying the amount banked for payment at the time of future development.

## 2023-2026 STRATEGIC PLAN

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Oxford County Council approved the [2023-2026 Strategic Plan](#) on September 13, 2023. The Plan outlines 39 goals across three strategic pillars that advance Council’s vision of “Working together for a healthy, vibrant, and sustainable future.” These pillars are: (1) *Promoting community vitality*, (2) *Enhancing environmental sustainability*, and (3) *Fostering progressive government*.

The recommendation in this report supports the following strategic goals.  
[Strategic Plan Pillars and Goals](#)

PILLAR 1	PILLAR 2	PILLAR 3
		
<b>Promoting community vitality</b>	<b>Enhancing environmental sustainability</b>	<b>Fostering progressive government</b>
<p>Goal 1.2 – Sustainable infrastructure and development</p> <p>Goal 1.3 – Community health, safety and well-being</p>		<p>Goal 3.4 – Financial sustainability</p>

See: [Oxford County 2023-2026 Strategic Plan](#)

## DISCUSSION

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### Background

During 2022, the County of Oxford extended water servicing along County Road 4 in Woodstock to enable development to the north area of Woodstock and service existing properties. This project was highlighted in both the 2008 North Woodstock Water/Wastewater Servicing Study and the 2012 Woodstock Water Distribution Master Plan as the preferred servicing strategy to accommodate development in the north area of Woodstock, north of Pittock Reservoir.

The County's current practice is to require properties with access to a municipal sanitary and/or water system to connect. Through the capital billing project process, a mandatory connection date is established to allow a minimum of one full construction season before the deadline. This date may be extended depending on certain circumstances. Banked properties (those without buildings that require services, such as a building without plumbing and vacant lots) are not subject to the mandatory connection date, however are required to connect at the time of development.

Total project costs have been analysed and all costs assigned to replace existing infrastructure, or allocated to growth and funded by development charges, were subtracted from the total project cost to determine the extension costs allocated to existing benefitting property owners.

The *Municipal Act, 2001*, as amended, gives Council the authority to defer or alter tax payments in certain situations. County of Oxford By-law No. 4825-2003 also provides tax relief for eligible landowners with disabilities and/or low income. Property owners that feel the financial obligations associated with this project will result in financial hardship are encouraged to contact County staff upon receiving the billing notice to discuss the process and their eligibility for a deferral.

### Comments

With County Council approval of this report and adoption of the by-law, County staff will proceed to bill the benefitting property owners the amount noted within the by-law. Property owners will have the option to pay a lump sum payment without interest or through a debenture payment plan, paid through their annual property tax bill. The debenture payment plan options offer either 5 year repayment terms where 50% is debentured and 50% paid as a lump sum payment or 10 year repayment terms for the full amount including interest with no option for early payout. Under the lump sum payment option, the County is paid up front. Alternatively, property owners may choose to arrange private financing with more personalized terms.

There are two existing developed properties serviced by this project with each being billed \$8,817 of the total watermain extension costs less \$2,204 in CSAP funding, plus \$350 for a water meter and \$75 for the application to connect review fee, for a net cost of \$7,038 per property.

There is one vacant property serviced by this project, being billed \$8,817 towards watermain extension costs, plus \$350 for a water meter and \$75 for the watermain application to connect

review fee, for a total cost of \$9,242.

Schedule “B” of the authorizing by-law provides a list of benefitting properties by roll number having existing buildings that will be required to connect to water services by October 31, 2025, being the mandatory connection date as set out in the by-law.

Also forming part of the by-law is a map of the area serviced by the project - see Attachment 1 to this report.

## **CONCLUSIONS**

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The proposed funding model as described within this report is prepared in accordance with County policies and procedures. As such, staff recommends that Council authorize the funding sources to recover costs for this project as set out in the By-law.

## **SIGNATURES**

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### **Report author:**

Original signed by

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Jennifer Lavallee, CPA, CGA  
Manager of Capital Planning

### **Departmental approval:**

Original signed by

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Lynn S. Buchner, CPA, CGA  
Director of Corporate Services

### **Approved for submission:**

Original signed by

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Benjamin R. Addley  
Chief Administrative Officer

## **ATTACHMENT**

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Attachment 1 –County Road 4 Water Services Extension Project Area Map