Public Information Session Notes

Proposed Central Water System – Village of Chester
Tuesday, January 15, 2019 – Chester Area Middle School
Municipality of Chester

From 5:30pm to approximately 6:45 pm, residents spoke to Municipal Staff and some of the Councillors present about the central water system proposed for the Village of Chester. Following the informal session, residents were seated and invited to ask questions or make statements.

The following is that feedback, including staff introduction and questions posed by residents present at the session. Interspersed are questions from Facebook Live, which streamed the meeting on the Municipality of Chester's account, as well as written questions given to staff prior to the question and answer part of the Session.

Introduction given by Acting CAO, Malcolm Pitman:

Hello, everyone. We'll get started. Good evening. My name is Malcolm Pitman. I am the Acting CAO and Director of Finance for the Municipality of Chester. Thanks everyone for joining us for this Information Session. Please be aware that we are livestreaming this session over our Facebook account.

If you haven't gathered information sheets, which you see the large ones on the wall, there's ones you can take home with you on the table over there, you can pick them up after the session if you didn't already.

I'm going to start with a brief introduction and then turn the session over to Mr. Carroll Randall, who will facilitate our question-answer session.

As you know, we are investigating a central water system as a means to address the water issues in the Village. Studies have shown that most of the wells tested in the area have poor water quality or quantity issues. This could be affected by the rainfall, age of the wells, construction, well types, maintenance.

As part of the investigation, the Municipality is conducting a non-binding poll to gauge public interest in the project.

The purpose of tonight's session is to provide residents with the most current information we have about a central water system being proposed so that property owners can make an informed choice in the Poll. We have made all of the reports that we have available on our website, we have information sheets; the information sheets are based on our consulting engineering firm studies, and the recommendations that they provided us using geological, geographical and environmental data as well as the best financial projections available at this time.

Since all of this information is provided, we are not doing a formal presentation. Earlier, we had staff available to answer questions, and we're going to have a question-answer session as I just mentioned that will be driven by your questions.

Using the information provided, as well as your knowledge of your own individual circumstances, the Municipality is asking Village property owners a question in a Poll, and the question is:

"The Village of Chester area commonly experiences quantity and quality problems with its drinking water drawn from private wells. A central water system would provide a clean, safe and reliable source of water supply at a cost shared by residents in the proposed service area.

Therefore, are you for - or are you against - the Municipality of the District of Chester (MODC) constructing a central water system for the Village of Chester area?"

When this question is answered by property owners, the results will be considered by Council in their decision-making process. Council will use that as a guide as to whether property owners want to proceed or not. They will look at other factors as well, such as

- votes within individual zones in the Village boundary
- costs and other options available
- how the costs might affect property owners or how not constructing might impact property owners

The results of the poll will be publicized that night, which is Saturday, January 26. They will be available right away. Then, Council will discuss the results at their Committee of the Whole meeting on February 7.

As I mentioned, at tonight's session, our goal is to provide the best information that we have to you so that you can make an informed decision.

We are looking forward to this evening's discussion, and with that, I will now hand the mic over to Carroll Randall and he'll run the question-answer session and facilitate that.

The question and answer part began at 6:45pm with approximately 100 people in attendance. Below are questions from the floor, written submission, and those posted on Facebook.

1. **When do we vote a definite yes or no if we want this new water system?**
    a. The upcoming poll will be nonbinding. Council will discuss the results of the poll and at this time there is no plan to go back to the public.
2. **Why aren't you waiting for summer to present this when summer residents are present?**
    a. We have to get ahead of the funding curve. Our initial letter to the residents was sent out in November. Voter instruction letter was sent out last week. People who are away can vote electronically on the internet or by phone.
3. **So who is asking again for this water supply?**
    a. No one particular person is asking. This has been an on-going issue back as far as 1964 and at various times in between. The water issue has been a topic of discussion for many years.

4. **We may not be able to afford it because of many variables. How much money are we willing to spend on the poll to determine if the water supply is viable or not?**
    a. Council will discuss options once the poll is done and then they will decide how much more to spend. Class D estimate needs to become a Class A estimate eventually. The audience member then replied, "Let's get it right from the get go!"
5. A question was asked, with a lot of detail, about a town in Cumberland County where the municipality covered 70% of residents' water fees. In the event that this current project does not go ahead, it will come back eventually**. Will council take some action now to make sure that there is money in the kitty for the next time**?
    a. Most public utilities are funded by the residents on a user pay basis. If federal and provincial money is not enough council may have to use some of their own reserve funds. But this is not the plan at this moment.
6. **Will the poll results be made public by zone or just a yes and no result?**
    a. Nothing planned other than the current poll results by yes and no.
    b. There is no plebiscite planned at this time.
7. **How many households are having quality and quantity water issues currently? What is the percentage of homes that are having issues? Is there a correlation between dug wells as opposed to drilled wells?**
    a. Needs assessment was done on 80 wells that represent 800 households. 23% had shortages, 85% had issues and 62% contained bacteria. The percentage of drilled wells is much less than dug wells.

8. **How do these figures compare to the rest of the province? Would it not be more economically feasible for people to drill their own wells if they have problems?** If you are going to drill into ground water will it not affect current wells owners who live along Middle River. Are you going to pay to fix this problem? How will a reserve be structured?
    a. Staff did not have an answer for the first question.
    b. The Municipality is not going to solve a problem by creating another problem. We are going to make sure that the water source is attainable for a long time. We are also going to make sure that there will not be an adverse effect on other properties.
    c. How the reserve is structured: either through general taxes or an area rate.
9. **Has the municipality considered any other financial model?** Providing capital subsidy program for owners who have a problem. Similar to program that NS Power has for heat pumps. This audience member was willing to spend tax money to help his neighbours.
    a. No other financial model studied.
10. A question concerning the upgrading of private wells and cisterns was asked. The audience member stated that most of the cost for that option is related to operation and management. He has heard that there is a yearly cost of $1 000 per civic address for treatment services. **Does it normally cost that much a year to make well water safe? Have you looked into cost sharing with federal and provincial monies for private wells?**

a. The $1 000 per year was an estimated cost per homeowner as determined by the study. Everyone's wells need servicing year after year. Water is not free.
b. Staff commented that they were not aware of any available programs for private wells.

11. **Is the village and commission given consideration to economics of the town?** Presently there is no fire suppression available in town and certain buildings cannot be built or rebuilt because of that. Voters should give this consideration when they answer the poll questions.
    a. CBL study talked about how a new water system would impact the growth of the community. There would be positive results for economic growth and population growth, fire protection, maintaining assets and individual insurance premiums.
12. **What considerations were taken into account to breaking up the separate zones?** Zone E (Haddon Hill) sounds like it would require a pumping station. **What are the costs for this pumping station as a percentage of the total cost? Has there been consideration to reduce the zones from 5 to fewer depending on the poll results?**
    a. Five distinct zones for servicing identified in the report.
    b. Booster station – cost not identified in survey. Identify need possibility depending on where the water comes from.
    c. The voting results will be considered by council when they make a decision. This will impact the design of what we built.

13. **Being one of 1 ½ properties on a dead end street will the water line be brought up our street? Does this mean that sewer lines will be brought up as well?**
    a. Water services will be extended to this area but the study does not include central sewer lines.
14. **In light of economic interests of business in water is there an analysis of whether they could pay more?**
    a. Size of connection from the street, the higher your base charge will be.
    b. Consumption would be based on the same fee. Each property will pay the same for connection construction costs. Larger connection will be a higher base fee.
15. **Has consideration been given to stretching out financing by issuing a bond so more people could afford the cost?**
    a. Taking on debt to pay for this. Longer term would reduce annual payments but it would extend beyond that. You might pay less per year but more overall.
16. **Was using groundwater not an option for the new water supply?**
    a. Yes it was an option.
17. **Who gets water first?**
    a. There is no answer to the question yet.
18. **How are rental property owners of multiple properties expected to be able to pay $2 500?**
    a. Each property owner will have their own circumstances. Hard to answer.

19. **If rent goes up to cover these costs how many will be able to afford to stay?**
    a. Not really a question that can be answered.
20. **Bylaw #148 passed within the last year was called an Upgrading Lending Program for water. Is this loan program still available?**
    a. Yes it is. $150 000 per year. $10 000 per property for upgrading water system.
21. **Was there a Public Health and Safety part of the study?** No water tests posted since 1990. **What about chemicals that can be absorbed through the skin?** Beneficial to do so residents for public health and safety reasons. How do you know what to test and who is making that call? Heavy metals in her water, big issue for people under 16. More of a footprint, how do we go about doing that? How are our voices heard?
    a. At this point in time there is no testing of water by the municipality on a global basis. To date no one has asked for that type of water testing.
    b. Municipal government has concerns for public safety. If this is a service we provide than we present to council. Forums like this are where such issues can be brought forward to council as a taxpayer.
22. **If you are moving ahead, can there be a question added to the poll?** It would be good to know how many people are going to actually hook on to the new water system. Some won't be able to afford this. What then? Some may eventually lose their home. There seems to be too many variables now and that is why we have to spend the money to make sure that it is feasible.

a. The question about the number of people who hook up will be asked. Has an impact on sustainable water system. Will have to be determined after the poll.

23. Amortization period of 25 years. Possibility of a municipal bond. **Is it true that the municipalities cannot borrow the money for more than 25 years? Can the municipality issue a bond to make it affordable?**

a. NS Municipal Finance Corporation controls funding and staff will check on this and put the answer in *Voices and Choices.*

[Since the meeting, Malcolm Pitman, Director of Finance/Acting CAO has found the answer: The maximum time to borrow funds from the Municipal Finance Corporation is 25 years.]

24. **Have you given any more thought to the allocation of the capital costs to residents? If someone waits ten years to hook up will the costs be the same?**

a. This was not part of the study and we are not looking into expanding that part of study.

25. Are extra costs for ongoing preventative and associated unknowns going to be included in monthly fees?

a. There is a budget done each year for the water utility. Rates will be based on this.

26. Why has there been no mention of water meters in every home and apartment?

a. There will be water meters for each connection i.e., one per building not individual apartments. Apartment building owners will probably include water in the rent.

27. **Are there results of the water survey on line?**
    a. Report was put in *Voices and Choices.*
28. Concerning road repairs in the past if 67% of residents want it, then everyone pays. **Has this been considered for all the roads when the water is connected**? **Are repairs of the road included in the estimate?**
    a. Class D estimate – included reinstatement of the roads (J class roads). Most should be upgraded to a certain percent if this project should proceed.
29. **There is $130 000 allotted per year for drilled wells. What happens to the loan if this goes through?**
    a. Staff will look into it.

    [Since the meeting, the Director of Finance/Acting CAO has found the answer: The loan would still be owed to MOC. The property owner would be in a similar situation to someone who recently upgraded their well, except that the property owner borrowed funds to do the work.]

30. **Will there continue to be property tax increases?**
31. **Why isn't cost estimates included in the question?**
    a. That is why the information sessions are being held.
32. **Why would the municipality call for a Class D estimate because it doesn't qualify for any funding?**
    a. Matt explained what the difference between a Class D and A estimate is. To receive government funding you need a Class A estimate. Class D is really done to look at a go or no go situation.
33. **Is there any estimate how much growth may occur in the village if this goes through?**
    a. Don't have that number now will put in *Voices and Choices.*

[Since the meeting, the Director of Finance/Acting CAO has found the answer: This is answered in Section 3.3.2.3.3 of the "Socio-Economic Effects" report attached to the CBCL report.

In summary, over 20 years the following increases could occur:

- Taxable commercial assessment - $24.3M to $26.7M
- Jobs – 884 to 1,001
- Taxable residential assessment - $341.6M to $371.6M
- Population – 1,460 to 1,553

The forecast for not going ahead shows decline in all of these areas.

34. If you sell your home what happens? Do costs go to the new owner?

Recommendations on what you do with your old drilled well?

a. This is up to you and the new owner. Whether you sell or not the amount owing for the initial capital cost will still be owed.

[clarification from Malcolm Pitman, Director of Finance/Acting CAO since the meeting: The mandatory capital costs would be charged to property owners over 25 years as a local improvement charge, collected in the same manner as rates and taxes. The only amount to be cleared upon selling a home would be any unpaid charges at the time of the sale, similar to any outstanding taxes. This does not mean the full amount to be collected over the 25 years needs to be cleared at the time of the sale, but only the unpaid charges to date.]

b. Dept. of Environment says that you are still responsible for that well. Well cap needs to be maintained but not needed to be filled in, as long as it is not unsafe.

The meeting adjourned at 8:00 p.m. The vote will take place on Saturday, January 26, but you can also vote online from January 18 to 24.

Q&A section submitted by **dacaraGroup Consulting**

January 17, 2019