



Addendum to the Works Committee Agenda

Council Chambers
Regional Headquarters Building
605 Rossland Road East, Whitby

Wednesday, February 6, 2019

9:30 AM

7. Works

7.1 Correspondence

- A) Correspondence dated February 3, 2019 from Marysia and Richard Colvin regarding Report #2019-W-13: Additional Background Information Regarding the Legalities of the 2005 Ontoro Boulevard and Range Road Petition Process and Proposed Next Steps, and submitting additional comments

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Recommendation: Refer to consideration of Report #2019-W-13 of the Commissioner of Works

Marysia and Richard Colvin
[REDACTED] Range Road
Ajax, ON [REDACTED]

3 February 2019

Sent Via Email To:

Region of Durham Works Committee

Regional Chair Henry.
Regional Councillor Mitchell, Chair.
Regional Councillor Marimpietri.
Regional Councillor Barton.
Regional Councillor Crawford.
Regional Councillor John Neal.
Regional Councillor Smith.
Regional Councillor McLean.

Regional Councillor Collier.
Regional Councillor Dies.
Regional Councillor Joe Neal.
Regional Councillor Ashe.

Susan Siopis, P.Eng.
Commissioner of Works

Re: Extension of Water Services, Range Road/Ontoro Boulevard, Ajax
Re: Commissioner of Works Reports 2019-W-3, 2019-W-4 and 2019-W-13.

We have the following comments in response to the Commissioner of Works Reports noted above.

Issue - Precedent Setting Across the Region.

We believe that the Range Road/Ontoro Blvd. situation does not have to be precedent setting, if the Region can distinguish it on its facts, from other well water situations that may arise in the future.

Issue – Potential Implications of Grandfathering the Installation of a Watermain:

Scugog Line 6 Petition:

On 10 May 2017 and 13 September 2017, the Region approved two By-Laws regarding a Petition for the construction of a watermain on Scugog Line 6 (By-Law Numbers 27-2017 and 47-2017).

Cost:

Regional Approved Financing for the project	\$ 654,000.
Grant Funding for the project	\$ 540,000.
Frontage Charges	<u>\$ 206,000.</u>
Total Financing	\$1,400,000.

In order to address the Region’s comments regarding the implications of “grandfathering”, it would be helpful to know:

- The reason why Regional Financing was approved in 2017 for the Line 6 project.
- Where the Regional Financing will come from for the Line 6 project.

Issue – Problems with the Petition Process – Open-Ended Contract with the Region:

By signing in favour of the construction of the watermain, property owners are being asked to sign an open-ended contract with the Region, for estimated amounts, with no certainty regarding their ultimate cost exposure.

The Petition Information Sheet states:

...the actual project cost of the watermain will be fully recovered from the benefitting property owners through collection of area specific frontage charges.

The Sign Back Form states:

I...as owner of the above-noted property, have reviewed the information supplied and acknowledge that I will be responsible for the following costs...should this Petition for water services be successful.

- Current Estimated Rate - \$555.74 per metre.

*It is also unclear whether property owners are giving up their right to dispute any aspect of the cost of the project or their specific allotted costs, if they sign in favour of the construction of the watermain.

Issue – Further Unknown Costs relating to the Petition Process:

There appears to be a provision in the Regulation governing the Petition process, which allows property owners to seek a reduction of their costs, if they meet any of the exemption requirements in the Regulation.

When Region Staff were asked about whether this might result in an increase in charges to the other property owners, their response was:

“...you have asked whether any reduction under sections 16 or 17 of Ontario Regulation 586/06 could result in charges to other lots increasing. This is a speculative question, but typically reductions under these sections could result in an increase to the municipality’s costs, rather than to the other owners. However, Regional Council has directed staff that the servicing of Ontoro/Range Road be on a full-cost recovery basis, which means that the Region’s share of the cost must be zero. Accordingly, any future reduction in costs must be considered with that in mind.”

Therefore, in addition to signing an open-ended contract with the Region, there could also be further unknown costs assessed against the property owners.

Issue – Possible Modifications to the Petition Process:

The Region is in a far better position than the property owners to accurately predict the cost of the project. Would it be possible for the Region to put a ceiling on the project cost, as part of the Petition process?

Alternatively, can an “opt-out provision” be incorporated into the Petition process so that when the costs are more definitively known, the property owners can opt out, should the costs be over the estimated costs the Region initially projected for the project?

If any property owners are successful in seeking a reduction of their costs, can the Region agree to be responsible for those costs, as opposed to those costs being added to the costs of the other property owners?

All of the above would help reduce the “unknowns” the property owners are being asked to commit to, which could result in a more successful Petition process.

Issue – Is there a better way to address Well Water Issues in the Region other than through the Petition process?

Is this the time for the Region to consider whether there is any other way to address well water issues in the Region, other than through the Petition process?

As noted above, the Petition process truly does have significant shortcomings.

Issue - Grant Availability:

Another way of reducing the property owners' costs would be to apply grants to the project. Unfortunately, no grants were available at the time the Petition process was commenced and accordingly, the property owners were asked to sign in favour of the watermain construction, without any assurance that grants would become available in the future.

The Petition process might be more successful if the Region were to continue to make enquiries regarding Federal, Provincial and/or Municipal grants and if funding becomes available, to then advise the property owners, so that thereafter, another Petition process could be initiated.

Issue – Concern that Development Charges were not paid by Ontoro/Range Road Property Owners:

We understand the concerns raised, however, development charges may not have been in effect at the time the property owners purchased their properties.

As well, despite not paying development charges, costs were incurred by the property owners for installing dug or drilled wells and septic systems, along with Water Treatment Systems.

Also, property owners have incurred, for many years, the cost of bottled water, the cost of transporting it to their homes and the inconvenience of having to use bottled water for everyday activities like brushing teeth, food preparation, cooking, etc..

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We thank you for taking the time to consider our comments.

Yours truly,

Marysia and Richard Colvin