

District of Lantzville THE WINDS WATER SYSTEM LOCAL AREA SERVICE PROJECT QUESTIONS & ANSWERS (Q&A)

The Winds Water System Local Area Service Establishment will be subject to a Petition Against process with a closing date of August 27, 2024. In addition to the information previously distributed (view on the <u>District website</u>), this Q&A is to respond to questions about the project. For regular information updates visit www.lantzville.ca, [under the Business tab, then the Current Projects tab titled The Winds Water Service July 20, 2024], email district@lantzville.ca or call the Municipal Hall (250.933.8082) with your questions.

Q1: Why is the District of Lantzville proposing undertaking The Winds Water System (TWWS) Local Area Service project at this time?

A1: In December 2021, the District applied under the "Investing in Canada Infrastructure Program (Green Infrastructure – Environmental Quality Sub-Stream)" to expand municipal water service to the Winds Residential Area, which would facilitate water connections for approximately 140 currently unserviced households. Grants from the Federal and Provincial governments will fund 70% of the estimated \$9,296,506 project. The District of Lantzville commits to funding the remaining 30% (up to \$3,598,388 plus borrowing interest) all of which would be funded through a Local Area Service (with benefitting property owners repaying the District through an annual water parcel tax for a pre-set term), subject to a petition against by the property owners. It is important that the District is ready to proceed with the project, as the grant was approved in 2023.

Q2: What is the advantage to hooking up to the municipal water system?

A2: Advantages to hooking up to municipal water system includes:

- Reduced risk of contamination due to well failures
- Improved environmental conditions
- Improved fire protection and potential for reduced home insurance rates
- If the well is decommissioned, there are no further maintenance costs
- Peace of mind

Q3: When will owners of property within The Winds Water System Local Service Area be able to connect to water if it is approved?

A3: Many steps in this complex project still need to occur before connection would be possible, e.g., approval of bylaws, grant approval, interim borrowing, detailed design, acquiring rights of way where required, construction, borrowing, parcel tax roll, etc. If approvals are received, the connection date is estimated to be in 2026.

Q4: Once water becomes available, how long do owners of property within The Winds Water System Local Service Area have to connect?

A4: All properties with improvements within The Winds Water Service System Local Service Area must be connected within one year after completion of The Winds water line construction.

Q5: What is the timing for The Winds water line construction work to begin?

A5: The District anticipates starting The Winds water line construction in mid to late-2025; however, this is subject to the timing of other steps that must occur first, e.g., receiving approval from the Province for the borrowing bylaw, development of the detailed design, acquiring rights of way where required, finalization of the detailed design, and awarding of the construction contract.

Q6: Do you have a plan that would show where the water line is going to go in relation to my property located within The Winds Water Service System Local Service Area?

A6: A preliminary plan will be available on the District's website. During detailed design (after bylaws are approved), the District will consult with the property owner about the most convenient location for the water connection at the property line.

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Q7: Is it a must that I connect to the utility service installed under the LAS?

A7: Yes, you must connect your property within one year of completion of The Winds water line construction. The only exception would be for bare land, where connection would be delayed until an improvement is constructed.

Q8: Can I keep my existing well?? Is it a must that it be decommissioned?

A8: Yes, you can keep your existing well ONLY for irrigation use as it will not be potable water. If you choose to keep your existing well, at time of connection, you will be required to prove that a check valve/backflow preventor assembly has been installed.

Q9: Will property owners have to pay the Water Parcel Tax if they petition against the project?

A9: If the Petition Against fails, yes.

Q10: My property is vacant, do I still pay the Water Parcel Tax?

A10: Yes.

Q11: (a) What is included in the Water Parcel Tax (not to exceed \$25,521 up front or estimated at \$1,405 annually over thirty years, subject to borrowing and interest costs)? Is this just to tie into the system or does this cover the cost for us to dig and run the line from our home?

A11: (a) The grant and the Water Parcel Tax will cover the District's construction cost to bring the water line and connection points to the property line of properties identified within The Winds Water Service System Local Service Area. The cost of digging and running the line from your home or business to the property line/connection point is the responsibility of the property owner.

Q11: (b) What additional costs will be required? Is this just to tie into the system or does this cover the cost for us to dig and run the line from our home?

A11: (b) There is also a Water Connection Permit Application Fee of \$5,912.26 and an Inspection Fee of \$200.00 as well as the items identified in the chart below:

Description	One-time Cost	Ongoing Cost	Paid by Property Owner To	When Payment Required
Construction of water line from house to property line to connect to water line	Unknown. Subject to location of house, length of water pipe, depth of water line, soil condition and amount of excavation. Obtain a cost estimate from a contractor.	nil	A Contractor selected by the property owner to construct the water line on your property	When property connecting to the water line, i.e. within one year after construction completion
RDN Building Permit & Inspection of Water Connection Works Cost (includes title search fee)	\$115 if within one year of completion OR \$265, if later	nil	Regional District of Nanaimo	At time of Building Permit Water Connection application. Property owner/ contractor to schedule and call for water connection works inspection at least two business days prior to proposed inspection time.
Utility Billing – water user fee (funds the operation and maintenance of the water supply and distribution system	nil	Current minimum quarterly water rate of \$94 (per consolidated Water Rates & Regulations Bulgus No. 66	District of Lantzville	Billed Quarterly – to each property owner after connected to the system. Your water user fee is based on water consumption; however, it is subject to a minimum charge of \$94 per quarter. High water use = higher water fee. This charge will appear

Bulaw No. 66,

amendment)

2007, subject to

on your utility invoice, once

connected to the system.

- Q12: If we choose the 30-year payment option for the Water Parcel Tax, is that amount deferrable or would we have to pay it each year like the garbage and recycling user fee?
- A12: For BC homeowners who qualify for the Provincial Property Tax Deferment Program for their principal residence, the Water Parcel Tax for their principal residence can be deferred. However, like the garbage and recycling fee, the quarterly Water User Fee is not deferrable (current fee is based on water consumption and is subject to a minimum charge of \$94 per quarter).
- Q13: If we do not pay the up-front \$25,521 cost and choose the 30-year parcel tax payment, can this be paid off at any given time during the 30 years with no penalty?
- A13: No. There is no option to pay off the balance during the 30-year term; the only lump sum payment option is at the beginning, before the 30-year Water Parcel Tax payments begin.
- Q14: Will disruption or damage to my property (paved or concrete driveways, fencing, trees, lawn, decks, and patios) during installation of water system be repaired or costs covered by the District of Lantzville?
- A14: *a)* Work conducted on your property will be by your contractor, within your control and any related damage or costs are the responsibility of the property owner and/or for you to claim from your contractor subject to the terms of your contract. The District is not responsible for costs on private property. Two exceptions are:
 - i) If you are located on one of the properties across which the District will be seeking a right of way to run The Winds water line. In this case, any damage caused by work conducted by the District will be repaired to the state that it was in prior to construction, or better.
 - ii) Damage caused during the installation within the road right of way in which case the District shall repair it to match to existing standard.
- Q15: Can the property owner use any contractor to connect their house to the municipal water line?
- A15: Yes. We recommend that you ensure that your contractor is fully knowledgeable of the Regional District of Nanaimo (RDN) specifications and BC Building Code associated with installing the water connection works on your property, as you/your contractor will be applying to the RDN for a Building Permit-Water Connection, the RDN will be inspecting the works, and, after passing inspection, your contractor will connect your line to the municipal water line.

Please note: Applicant must contact the RDN Building Department to request inspections at least 48 hours (two business days) prior to proposed inspection time. Water lines must be inspected prior to backfilling and the connection will be completed after inspection is approved. Obtain copy of 'final' approval from RDN (following pass of inspection).

NOTE: Should you require further clarification, please contact the RDN Building Inspection Department at 250.390.6530.

- Q16: When will property within The Winds Water Service System Local Service Area start being levied the Water Parcel Tax?
- A16: The Water Parcel Tax (based on actual construction cost, **not to exceed \$25,521 up front or estimated at \$1,405 annually over thirty years**, subject to borrowing and interest costs) will be levied as soon as possible after The Winds water line construction is completed and the system is operational, estimated to be 2026. Prior to levying the Water Parcel Tax, the District will inform property owners of the amount and of the opportunity to pay the cost up-front if they so choose.

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Q17: When should I pay, and should I pay at once? (Water Parcel Tax)

A17: At the end of the The Winds water line construction project, the actual cost attributed to each property will be determined (per Bylaw No. 336 it must not exceed \$25,521) and added to the tax roll. Owners can either pay in full at once or choose to pay over 30 years. The decision lies with the property owner.

Q18: Can a property owner withdraw their Petition Against form after it was submitted to the District?

A18: A property owner can write to the Director of Corporate Administration requesting that their name be removed from the Petition Against prior to the August 27, 2024, Petition Against deadline. If this happens, their original Petition Against form will not be counted when the Director of Corporate Administration certifies the results. A property owner cannot request removal after the Petition Against deadline has passed.

Q19: Can the number of responses received while the Petition Against is underway be released to the public?

A19: No. Releasing the information could alter the outcome of the Petition Against process, as property owners may base their decision on the number of response forms already submitted and whether the threshold has been met (Petition Against signed by more than 50% of property owners of properties within "The Winds" AND with a total assessed value of 50 percent of the land and improvements in the Service Area). The appropriate time to release the number of responses is after the deadline for submissions has passed and when the Director of Corporate Administration has certified the results and provided the report to Council.

Printed on: 7/11/2024 9:39:44 AM