



## **The Rural Municipality of Taché**

### **Lorette Water Supply Project – Local Urban District of Lorette**

#### **Local Improvement Plan # 5 (Line Extensions and Service connections)**

## **1. Description – Lorette Water Supply Project**

The R.M. of Taché Council at the request of the Local Urban District of Lorette Committee has prepared a Local Improvement Plan for the expansion of the Water Utility through line extensions to previously un-serviced areas within the Local Improvement District #1 and service connections to approximately 287 properties. This upgrade will include the establishment of water mains along previously un-serviced streets, the appropriate service line tie-ins at both the water main and disconnection of indoor plumbing system from the well and connection to the municipal system. This will include up to 4m of piping from the water meter to the indoor plumbing system if required to effect a proper connection.

The plan is also inclusive of engineering associated to the works, financing charges and all necessary regulatory requirements for the project to meet applicable standards.

## **2. Estimated Project Costs**

Estimated project costs are as follows:

Distribution water main piping	\$598,000.00
Service connections	\$620,000.00
Engineering and contingencies	\$328,860.00
Project cost	\$1,546,860.00

Project costs include construction costs, material supply, engineering and licensing fees, and a 15% contingency fee.

Design periods for the line extensions and service connections extend to a thirty year period, for the purposes of this Local Improvement plan the borrowing will be designated for a twenty year period.

### 3. Funding and Taxation

Funding for this local improvement plan will be partially met through the Canada Manitoba Infrastructure Program which will fund \$672,000.00.

The balance of funding will be achieved through the application of reserve funds and through the sale of debentures (borrowing). Allocations of \$21,000.00 from the Lorette Utility Reserve and \$57,400.00 from the Lorette Capital Improvement Reserve and a debenture (borrowing) in the amount of \$796,460.00 will complete the required funding.

Costs will be spread over a period of twenty (20) years. The basis for calculating taxes shall be an amount based on the portioned value of assessable property that is real property. . Each unit of land to be connected to the expanded water system or which could be connected in future will be subject to the local improvement tax. This equates to the Local Improvement District # 5 which is attached as Schedule "A".

For information purposes the average full assessed value of a residential property in the Local Urban District of Lorette has been determined to be \$125,000.00. The estimated tax impact of the average value is stated below, for specific property estimated tax impacts Schedule "A" should be referenced.

Amounts required to retire the debt of \$ 796,460.00 based on a twenty year debenture issue at an estimated rate of 7.50% interest would be \$ 1,562,530.07.

Annual Payment	\$ 78,126.51
Cost per \$125,000	\$ 232.76

Annual maintenance of the local improvement is to be funded by the annual utility plan for the Local Urban District of Lorette.