



DRUMHELLER

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East Coulee/Lehigh Water Distribution Project

Questions and Answers

Q1. The letter sent to the East Coulee and Lehigh residents by the Town of Drumheller, in paragraph one states that the transmission project is 90% paid by the Province and 10% paid by the utility water users, and paragraph 2 discusses the distribution system which will be paid for by a local improvement charge.

Answer: Paragraph one is discussing the transmission line extension from Cambria to East Coulee. This is a separate project totalling \$4.4 million, of which 90% is paid by the Province, and the remaining 10% being paid by the water utility at large. The remainder of the letter is referring to the distribution system, which is a separate project for the East Coulee and Lehigh residents to connect their homes to the Transmission Line. This distribution project is estimated at \$3.2 million which is to be paid as a Local Improvement by the persons who will benefit by this project. This local improvement cost is estimated at \$15,614 per connection.

Q2. The distribution system is being paid by only 204 properties, of which 25 properties can be deferred for up to 20 years. The map shows there are about 300 lots involved in this project.

Answer: A developable piece of property in East Coulee is: a minimum of 2,500 square feet of contiguous property on one registered title, or in Lehigh: a minimum of 15,000 square feet of property because of the size requirements for a private sewer system, of contiguous property on one registered title. Because of the title count, the number of the 'developable property' count is drastically reduced.

Q3. What makes a property a 'required connection' and a 'deferred connection'?

Answer: A single parcel of land containing a residence is considered an 'immediate connection'. Vacant properties, but contiguous to the developed or developable property considered as an 'immediate connection' may defer their connection charge until: an improvement takes place, the property is sold, or the property is subdivided. Regardless, Legislation requires that a deferred property must have the connection fee paid by the end of the 20 year term.

An example of 'immediate' and 'deferred' property is in order: Lots 1 to 7 of contiguous property are owned by one person; however lots 1 to 5 are on one title, lots 6 and 7 registered on separate titles, meaning there are 3 individual titles attached to these 7 properties. Lots 1 to 3 contain a house and a yard, lots 4 and 5 are vacant, but all are registered on the same title. Lots 6 and 7 are both vacant and are registered on separate titles. This means that the titled property containing lots 1 to 5 are listed as an immediate connection, and lots 6 and 7 can both be deferred.

Q4. How was the \$15,614 per connection calculated?

Answer: The engineers arrive at a 'best estimate' for the cost and time frame for the project completion. The bylaw for the local improvement must be written based on the project information. The project still has to go to tender, be awarded, and the construction phase completed. When these final numbers are determined the Local Improvement charges are recalculated. In addition, the Town Administration is required to evaluate the property count for the 20 years of the local improvement and annually recalculate all the local improvements because of annual subdivisions or consolidation of titles.. This may potentially decrease (or increase) the amount of the local improvement during this period annually.

Q5. When do I need to physically connect to the water distribution system?

Answer: You have only 2 years to make your connection. This does not mean that your connection fee, or the local improvement, can be delayed, only the physical connection to your residence.

Q6. How can I register my complaint and vote against the proposed Local Improvement?

Answer: Provincial legislation requires that 2/3 of the owners comprising a minimum of 50% of the assessment base must petition against the project to defeat it.

Q7. If the Local Improvement Plan is not supported by the residents will the Transmission Line Project still go ahead? If it does proceed, what equipment is attached to the Transmission Line project?

Answer: The Transmission Line funding has been approved by the Province without conditions regarding Local Improvement connections. As a minimum, a number of fire hydrants will be installed, plus one bulk water fill station at Lehigh and East Coulee.

Q8. If the Distribution Project proceeds, what would be the impact on my house insurance?

Answer: Based on a sampling of residences from an Insurance Broker, East Coulee residents could see a 1/3 reduction of their property insurance by moving from 'fire hall' to 'fire hydrant' protection. Lehigh residents could see a 1/2 reduction of their property insurance by moving from 'fire truck' to 'fire hydrant' protection.

Q9. If the Distribution Project proceeds, what would be the impact on my property assessment?

Answer: Although the impact to the assessment is based entirely on property sales which are too early to determine, the assessors have estimated that there could be a 20% increase in property assessment, or an increase of \$20 in property taxes for a \$10,000 property.

Q10. Are there any grants available for the lower income or senior residents to assist in paying for this connection?

Answer: A separate handout has been prepared.