



RURAL MUNICIPALITY OF MORRIS

LOCAL IMPROVEMENT PLAN NO. 2020 - 01

FOR

Watermain to Rosenort Industrial Park & New/Expansion of Water Reservoir Capacity

(Pursuant to Subsection 315(1) of *The Municipal Act*)

(a.) Description of the Proposed Local Improvement

The local improvement proposed herein involves construction of New Water Reservoir(s) to service the Rural Municipality of Morris Utility System. This project is required to supplement the water capacity for a portion of the rural water system and also to supply adequate water for the community of Rosenort. The Rural Municipality of Morris has been successful in obtaining funding through the Manitoba Water Services Board under the Restart Manitoba Program to help offset the costs.

The project is estimated to cost \$1,620,000.00 and will be financed as follows:

Cash Grant from Manitoba Water Services Board – Restart Manitoba Program	\$810,000.00
Rural Municipality of Morris Economic Reserve Funds \$100,000.00	
Rural Municipality of Morris Local Improvement Debenture	<u>\$710,000.00</u>
Total Project	<u><u>\$1,620,000.00</u></u>

(b.) Local Improvement District(s) to be Taxed

The local Improvement District under this Plan will be all users of the Rural Municipality of Morris Water Utility System.

(c.) Identification of Potential Taxpayers Under the Plan

Potential ratepayers will be all property owners that are connected to the Rural Municipality of Morris Water Utility System.

(d.) Method and Rate of Calculating Local Improvement Tax

Schedule "B" to Rural Municipality of Morris By-law No. 1757/2020

The method for calculating the Local Improvement tax will be through water utility rates. The current water rate of \$13.00/1,000 gallons of water for Rural customers and \$19.01/1,000 gallons of water for Urban customers is sufficient to cover the annual debt repayment. No rate increase is being proposed.

(e.) Estimated Cost of Local Improvement

This project is estimated to cost \$1,620,000.00. A basic budget is shown below:

Watermain to Rosenort Industrial Park	\$100,000.00
Water Reservoir	<u>\$1,520,000.00</u>
Total Estimated Project Cost	<u>\$1,620,000.00</u>

(f.) Sources of Funding

The cost of the project will be financed as follows:

Manitoba Water Services Board – Restart Program	\$810,000.00
Rural Municipality of Morris Economic Reserve	100,000.00
Rural Municipality of Morris Local Improvement Borrowing	<u>710,000.00</u>
Total Project	<u>\$1,620,000.00</u>

(g.) Particulars of Borrowing

Amount	\$710,000.00
Term	20 Years
Interest Rate	5.0% per annum
Annual payment	\$56,972.24
Applicable to	All users of the Rural Municipality of Morris Water Utility System

(h.) Funding of Maintenance of Proposed Local Improvement

The annual maintenance costs associated with the local improvements proposed herein will be covered under the Rural Municipality of Morris Utility Operating Budget.

Prepared by Larry Driedger – Chief Administrative Officer

Date Prepared: September 2020