

Dr. Fraser,

Thank you for your question concerning the maintenance and development of the infrastructure in the village of Merrickville-Wolford. As you are aware, roads, bridges, water and sewerage are the foundation of any municipality. Like many municipalities, Merrickville-Wolford faces ongoing challenges to maintain, repair and, where necessary, replace these assets, together with the fleet of vehicles necessary to effect this work. Specifically, Merrickville-Wolford is responsible for one active landfill site; approximately 54 km of gravel roads and 45 km of hard-surface roads, along with all their streetlights and signs; as well as five bridges and one structural culvert, which were constructed in the 1950s to 1960s. Below grade, and of similar age, is the buried infrastructure that provides both water and wastewater services to the village's residents and, of course, above grade, the water-treatment facility on Collar Hill Road.

To your question concerning the ongoing viability and possible expansion of the water and sewerage system to the north side of the village, I can tell you that the existing pipe to the north side is slated to be tested for viability. Depending on the results of this test, there are several possible options to serve the north side of the village which council will evaluate once testing is complete. As it stands, the existing infrastructure on the south side is currently being considered for replacement. Unfortunately, significant groundwater infiltration consumes (depending on the yearly rainfall) 43% plus, of the wastewater capability at our current plant. This is compounded by a limited storm-water infrastructure throughout the village, where a better system could divert the water that does not need to be processed. Currently, our water and wastewater plant is not operating at its full potential but has reached capacity at points during the year because of ground water infiltration. To put it bluntly, we are processing a large amount of ground water instead of effluent. If the plant were to operate at its maximum potential, it is my understanding it could possibly accommodate approximately 800 homes; as it stands, it accommodates a little more than 400. Naturally, as you are aware, all this work comes at a cost, which, of course, is a real concern for all of us in the municipality.

In order to update and assess the condition of the municipality's assets and the associated funds that would be required to maintain and/or replace them, the municipality retained the firm 'Watsons and Associates' to update the 2014 Asset Management Plan as they are typically renewed every 10 years or so; the renewed Asset Management Plan was presented in June 2024. Their report outlined our assets and provided an assessment of the funds required to maintain and, where necessary, to replace them. As you are aware, this fiscal responsibility has been, and will continue to be, a serious challenge for our small township. Their findings are outlined below: The total replacement of core assets = \$34.3 million (based on 2024 values) allocated as follows:

Roads-related (sidewalks, streetlights and signs) = \$3.56M

Facilities = \$21.8M

Fleet and Equipment = \$8.95M

Further to this, the township's 'road network' replacement value is \$54.3 million.

Of course, many of the needs of the municipality are interrelated. Your concerns for the maintenance and development of water and sewerage in the municipality go hand in hand with the maintenance and/or replacement of certain roads as, obviously, it is not cost-effective to dig the same roads twice and, ideally, underground infrastructure should be addressed before road surfaces are replaced. The cost of these repairs alone is not insignificant. A Street Logix report provided in the Summer of 2024 along with our consultant JP2G assessed the municipality's infrastructure sidewalk repairs at \$211K and hard-surface road segment repairs/reconstruction at \$8.79 million.

In addition to the hard-surface roads are the many gravel roads in the municipality. In the 'Gravel Road Needs Study' undertaken in 2023 by JP2G, each gravel road segment was evaluated and categorized as follows:

Good = 5%

Fair = 49%

Poor = 46%

It has been a couple of years since the reports so I would imagine the data has changed. For those roads deemed to be in 'fair' and 'poor' condition, further repairs including re-gravelling and possibly widening and replacement will be required to satisfy the requirements outlined in the Ontario Regulation 239, 'Minimum Maintenance Standards'. Moreover, without continued investment, roads that are currently 'good' and 'fair' will deteriorate to a 'poor' condition and further funds would then be required for their full rehabilitation. Consequently, addressing the existing concerns and elevating the classification of the road network to a 'good' condition will require a significant amount of time, effort and, again, money. The cost for intermittent spot repairs and construction was calculated at \$8.9 million, with \$233K for widening the most affected road segments. Undertaking a full-depth reconstruction to resolve the underlying road base and drainage issues for a long-term solution was calculated at \$16.2 million.

Another large component of the municipality's assets is 'Fleet and Equipment'. Merrickville-Wolford's Public Works' equipment has an average age of 10 years. The Public Works' vehicles / plow trucks have an average age of 12 years and an average of 131% "Useful Life Consumed" (ULC), equating to a 'very poor' rating, with the Fire Department's fleet having an average age of 16 years and 106% ULC, equating to an overall 'poor' rating. Outlined in the municipality's 'Fleet Management Plan', the lifecycle expenditure forecast averages \$832,000 /year for the next the 10 years.

Compounded with all the expenses and challenges that I have outlined above are the financial responsibilities that pertain to the general running costs of a municipality, including, but not limited to, policing, emergency services and staffing.

You mentioned, you are concerned about the high costs associated with living in the village. You are not alone. While tax increases are necessary and are being levied in other municipalities also, they are far from being the answer. Currently, Merrickville-Wolford has an approximate tax base of 1827 ratepayers. A 1% tax increase would raise \$40,435.00. Obviously, to raise the large sums necessary to

undertake all the work we must do to maintain and develop the community, we cannot rely on our tax base alone. Two things are needed to address this financial challenge, growth and “shovel-ready” Projects. Council is working towards shovel-ready projects that staff can use to pursue the many grants that are available to small municipalities in Ontario such as ours, which will also assist in the growth needed; in this way, we (Council) hope to be able to address your concerns and those of our fellow constituents.

I hope this information is helpful and I welcome any further questions that you may have.

You are welcome to share this with others.

Thank you.

Michael Cameron, Mayor.