

# City budget moves on water issues

Extensive capital program includes several major projects

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- BY DAVE STEWART

It's going to be a busy year for Charlottetown's Water and Sewer Utility.

City council passed its annual budget Tuesday, a \$ 54.5- million document that includes \$ 10 million for the utility itself.

The budget contains an extensive capital program that addresses major projects such as spending \$ 2.6 million to begin work on a new source of water in Miltonvale, continuing the Spring Park combined sewer separation project to help clean up the Charlottetown Harbour and Hillsborough River (cost \$ 3.8 million), and the first phase of a multiyear program to convert the entire city to water meters. That will cost the city \$ 385,000.

Coun. Cecil Villard, chair of the administrative services committee, said the city needs to retire enough debt so it can finance the new well field project without raising water and sewer rates.

"I think we are taking a very responsible approach; a very phased- in approach that allows us to do all the site work this year (and) allows us to get the engineering work underway," Villard told the media following his budget address.

The city also maintained the status quo on property taxes. In fact, there's been no change in property taxes since amalgamation, with the exception of 2005 when residential taxes dropped two cents and commercial taxes jumped four cents.

The city also revealed its net debt increased by only \$ 1.5 million over a four- year period between December 2007 and December 2011. The debt currently sits at \$ 74 million. During the same time frame, the net debt per capita and the cost per capita to service the debt decreased.

Villard said the incoming harmonized sales tax (HST) will have an impact on the city, to the tune of a \$ 1.4million financial hit but the

province is handing over \$ 1 million to ease the blow. He said the city will have a better idea, department by department, how the HST truly impacts services next year.

Council passed the budget 8- 2 with Couns. Mitch Tweel and Danny Redmond voting against the \$ 54.5- million financial plan. Tweel said the city needs to get moving on the new water source now.

The largest portion of the city's expenditures goes to the Water and Sewer Utility at \$ 10 million. Policing comes in second at \$ 8.2 million with public works a close third with a budget of \$ 7.4 million.

There was no mention of Const. Tim Keizer's position at Colonel Gray High School. Villard said the city will be meeting with the province in May and June to talk about the program.

The city set aside \$ 264,000 for 2014 celebrations to recognize the 150th anniversary of the Charlottetown Conference. That money will be used for hosting duties for the many conferences coming to the new P. E. I. Convention Centre. The ECMAs, Federation of Canadian

Municipalities Sustainability Conference and the Atlantic Mayors Congress are a few examples of what is coming.

The city has budgeted \$ 310,000 to carry out final property and engineering designs for the St. Peters Road roundabout and \$ 500,000 to construct a roundabout at the airport.

City hall is getting some new carpet and flooring at a cost of \$ 150,000 to dress it up for 2014. Street construction and resurfacing will cost \$ 2.4 million, money that will come from federal gas tax or New Deal funding.

Another big- ticket item in Tuesday's budget was \$ 2.2 million being set aside to address property and architectural designs on a new fire hall. The facility was recommended in a study by the insurance industry.

"We need to find a large piece of land and we're still working to try and procure that," Villard said.

The Charlottetown Civic Centre is getting \$ 82,500 in upgrades. That money goes to the installation of emergency doors and frames and a new scissor lift.

Council passed a resolution Tuesday asking the province to collect an additional 15 cents per \$ 100 of assessment on all commercial properties within the Business Improvement Area. The money would be used by Downtown Charlottetown Inc. to market the city.