



**Lakefront
Utility
Services
Inc.**

207 Division Street, Box 577, Cobourg, Ontario K9A 3P6 • www.lusi.on.ca • Tel: (905) 372-2193 • Fax: (05) 372-2581

June 7th, 2024

Mayor Lucas Cleveland
Victoria Hall
55 King Street West
Cobourg, ON K9A 2M2

RE: Urgent Approval Request for Growth-Related Water System Debenture

Dear Mayor Cleveland:

I am writing to you on behalf of Lakefront Utility Services Inc. (LUSI) Board of Directors, regarding the critical matter of approving the \$8.4 million borrowing request for the construction of an Elevated Water Tank (EWT) and Booster Pumping Station (BPS) in the Town of Cobourg. As you are aware, this project is essential to address the pressing needs of our growing community.

As outlined in the July 2021 Cobourg Drinking Water System Master Plan (CDWSMP), the current water infrastructure is insufficient to accommodate the projected population growth, with an estimated shortfall of approximately 20% in storage capacity. With the population expected to increase to approximately 39,000 persons, it is imperative that we take proactive measures to address this shortfall before it escalates further.

Furthermore, the replacement of the aging Cobourg Zone 1 EWT further exacerbates the storage shortfall, making the construction of a new EWT with a 5,000 m³ capacity and a BPS not just a necessity but a priority.

I would like to draw your attention to the significant progress we have made in securing funding for this project. Through the Investing in Canada Infrastructure Program (ICIP) Green Stream, we have secured substantial grants from both the Provincial and Federal governments. However, to fully realize the benefits of this funding and ensure the timely completion of the project, it is imperative that the Corporation of the Town of Cobourg approves the borrowing request without delay.

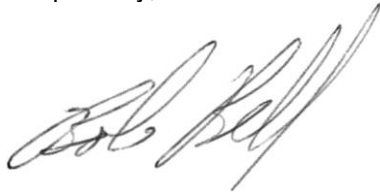
Resolution #2023-49, passed by the LUSI Board on November 23, 2023, outlines the specifics of the borrowing request, which is to be funded by DC charges as outlined in the December 11, 2020, Water Rate Study. The resolution emphasizes the importance of this funding for the Cobourg East Community development portion of the project.

I urge you and the Town Council to prioritize the approval of this borrowing request before the Council break for the summer as we are on a tight schedule to meet construction timelines in accordance with the ICIP \$3.6 million funding or risk having it forfeited. The timely approval of this request will not only ensure the continued funding of ongoing current construction and avoid delays but also demonstrate our commitment to responsible infrastructure planning and development.

Attached is a copy of President Paul's letter to Town Council dated May 21st, 2024 requesting the approval of growth borrowing for capital projects. Should you require any additional information or clarification on this matter, please do not hesitate to contact me directly. Lakefront Utility Services Inc. stands ready to assist and address any concerns that the Council may have.

Thank you for your attention to this matter. I look forward to a favourable response and the opportunity to work together to ensure the prosperity and well-being of our community.

Respectfully,

A handwritten signature in black ink, appearing to read 'Rob Bell', written in a cursive style.

Robert Bell
Chairman, Lakefront Utility Services Inc. (LUSI)

Cc: LUSI Board of Directors
Dereck C. Paul, President & CEO

Incl. 1