

## Domestic Water Well Program Guidelines

### Program objectives

This program is designed to facilitate the construction of a domestic potable water source on residential properties within the Yukon Government's property taxation authority and for residential properties located within the boundary of a participating municipality that cannot connect to municipal services.

This program will help ease the long-term costs of water delivery in these areas, while providing access to a reliable, clean source of drinking water.

### Definitions

**“abandoned well”** means any well regarded as ‘completed’ for the purposes of this program, but which is not an operating well;

**“applicant”** means any property owner attempting to access funds under this program whose taxes are paid up to date at the time of application;

**“completion”** means a project that has reached a stage where the Property Assessment and Taxation Branch can now release funds and levy the required Local Improvement Charge;

**“domestic purposes”** means the use of water for normal household requirements, including sanitation, human consumption and food preparation;

**“groundwater”** means all water under the surface of the ground whether in liquid or solid state, which is not affected by surface sources;

**“groundwater well”** means any drilled well that is at least 15 metres away from any surface water source and at least 30 metres deep, and which meets standards set out in the Canadian Ground Water Association Guidelines for Water Well Construction;

**“municipal property”** means real property that is located within the boundaries of a municipality participating in the Domestic Water Well Program that is unable to connect to existing services;

**“owner”** of an eligible property means:

- (a) an owner with fee simple title to the eligible property,
- (b) if the eligible property is the subject of an agreement for sale under which the seller is the Government of Yukon or the Government of Canada, the purchaser under the agreement,
- (c) if the eligible property is on land that is leased from a First Nation, the Government of Yukon or the Government of Canada, and the lessee under the lease is responsible for the payment of property tax in respect of the eligible property, the lessee,

- (d) if the eligible property is Settlement Land of a First Nation under a land claim final agreement that is approved and has the force of law under An Act Approving Yukon Land Claim Final Agreements, the First Nation, and
- (e) if the eligible property is land which has been reserved or set aside, by notation in the property records of Aboriginal Affairs and Northern Development Canada, for the use and benefit of a band (as defined in the Indian Act (Canada), that Department acting on behalf of the band;

**“potable water”** means water provided by a domestic water system that is safe to drink and fit for domestic purposes without further treatment and which meets the Canadian Guidelines for Drinking Water Quality;

**“private dwelling”** means

- (a) a structure that is legally occupied as a private residence, or
- (b) if only part of a structure is occupied as a private residence, that part of the structure;

**“property value”** means the value as determined on an annual basis for property assessment and taxation purposes and may be different from market value;

**“registered service provider”** means an entity that is legally entitled to work in the Yukon and is listed on the Service Provided Registry;

**“registered well driller”** means any well driller able to legally work in the Yukon and listed on the Well Driller Registry;

**“rural property”** means real property located outside of the boundaries of a municipality;

**“Service Provider Registry”** is a registry kept with the Property Assessment & Taxation Branch which lists eligible service providers that have agreed to meet certain conditions, as set out below;

**“surface water”** means water from a source which is open to the atmosphere and includes streams, lakes, rivers, creeks, springs, and any other type of well that is under the influence of surface sources;

**“surface water well”** for the purposes of this program, means any well that is not a groundwater well, as defined above and includes, but is not limited to, horizontal wells, vertical wells, dug wells, and all shallow wells;

**“treatment”** means any physical, biological or chemical process which makes water potable.

**“well cap”** means a secure, vermin-proof cover, lid or structure that prevents direct and unintended or unauthorized access to the well;

**“Well Driller Registry”** is a registry kept with the Property Assessment & Taxation Branch that lists any well drillers eligible to drill groundwater wells under this program.

## **Principles and practices**

The Domestic Water Well Program is based on the following general principles and practices. These principles and practices will be used to guide operational decisions that are not explicitly covered in the accompanying regulations (all principles are of equal importance):

- a) *Responsiveness to needs of Yukoners living on rural residential properties outside municipal boundaries or on residential properties without access to services within participating municipalities*

The provision of safe, reliable, affordable drinking water responds directly to numerous ongoing requests from residential property owners.

- b) *Full cost recovery*

All property owners are responsible for any costs incurred through this program.

- c) *Risk rests with property owner*

Any risks associated with drilling a well, including the possibility of a well producing non potable water, a low-flow well and/or any other foreseen or unforeseen outcomes, rests with the applicant in all cases and must be addressed before funding is released through this program.

- d) *Taxes must be current*

All applicants to this program must have their taxes paid up to date.

## **Criteria and program components**

### **Eligibility:**

- property owners whose rural residential properties are within the Yukon government's property taxation authority; and
- property owners whose residential properties are located within the boundary of a participating municipality and are not served or able to be served by a municipal water system.

This program is available to eligible residents for the purposes of constructing a new ground water well, the installation of a surface water well, reconstruction, replacement, or improvements to existing drilled ground water wells and surface water wells, as long as the wells are for domestic use and all work is done by a registered service provider.

Applicants to this program will also be eligible to upgrade or install elements related to water storage. However, this program is not available to be used for any components related to the hauling of bulk water, including but not limited to storage tanks for trucks and any other element of a water-hauling system.

Only those projects whose estimated costs exceed \$1,000 are eligible under this program.

Financing:

The level of program funding is set annually through appropriations. That funding will be subject to approval of the Yukon Legislative Assembly.

Funding for individual projects will be limited to 25 per cent of the assessed value of the real property, less any existing Local Improvements, and to a maximum of \$50,000.

Individual project costs are estimated at the design phase, and application for funding will be based on that assessment. If costs rise above the estimated amount, but do not exceed the \$50,000 or 25%-ceiling, the applicant will be allowed to claim the full cost of the project. If costs rise above ceiling, the applicant will only be able to claim that portion of project costs that fall below \$50,000 or the 25%-ceiling, whichever is lower.

All projects funded under this program will be coordinated by a Registered Service Provider. *The funds released under this program will be released to the service provider.*

Upon completion and once the costs are known, a regulation pursuant to the *Assessment and Taxation Act* will be prepared, to attach a Local Improvement Charge to the property, for the recovery of project costs.

Local Improvement Charges are payable on an annual basis for a defined period of 5, 10 or 15 years.

Interest will be applied to any Local Improvement Charges, based on the Bank of Canada rate at the time the application was approved.

***No deferrals are allowed.***

Application:

All applications must include:

- An identified Registered Service Provider that has agreed to undertake the project coordination and to fulfill all the duties of the service provider;
- A signed contract with a registered service provider.
- A full assessment of all costs associated with the project;
- A breakdown of all the necessary component parts of the installed system or improvement;
- A treatment plan, including a detailed description of any treatment equipment, for all surface-water wells and for any other wells, where it is anticipated that treatment will be required (*Note: If, after installing a well, the water from that well does not meet Canadian Guidelines for Drinking Water Quality, a treatment system that addresses identified water quality issues will have to be installed before the project will be deemed to be complete*);
- A rough schedule setting out how long the work will take to complete.

- A rough site plan or sketch demonstrating where on the property the well will be in relation to surface water sources, septic systems or any other site likely to impact a well. The plan or sketch must meet existing requirements and current standards for well placement.

*Contracting with well drillers:*

When installing groundwater wells, applicants may only use well drillers registered through the Well Driller Registry.

*Well Driller Registry:*

This registry is designed to help applicants find qualified well drillers.

For groundwater wells, all well drillers on this list agree to construct wells that meet the minimum standards set out in the Canadian Ground Water Association guidelines.

A listing on this Registry should not be interpreted as an endorsement from the Government of Yukon.

***Contracting with a Registered Service Provider***

For all projects, applicants may only use service providers registered through the Service Provider Registry.

***Service Provider Registry:***

This registry is designed to help applicants find qualified Service Providers.

All Registered Service Providers agree to undertake the duties listed in the “Project Completion” section of this program.

Registered Service Providers will also be the entity that will receive payment from the Government of Yukon. The Registered Service Provider also agrees to pay all outstanding receipts related to the project and identified as having been funded under this program.

A listing on this Registry should not be interpreted as an endorsement from the Government of Yukon.

***Project Completion***

To be deemed complete, the Registered Service Provider will have to submit:

- A full bacterial and chemical analysis of well water from any newly installed system, which demonstrates that the water meets current Canadian Guidelines for Drinking Water Quality;
- A clear demonstration that a full treatment plan and appropriate system is in place, if analyses indicate treatment is required (If the well is a surface-water well, treatment will be a required component of any application);

- Proof, in the form of receipts, that well drilling has been completed by a Registered Well Driller;
- Well logs that include well location, depth, flow rate, water quality before treatment and where applicable, indication that the well is capped;

The applicant must sign off on the project to indicate satisfaction of completed work.

If all of the above conditions have been met, provision of all receipts related to work done will be deemed to be an indication of completion.

#### Abandoned wells:

If the applicant decides not to follow project through to full completion, the applicant can still access funding under this program.

Lack of completion could be due to running out of available funding before drilling is complete, not being able to afford the treatment or storage requirements once well is drilled, a decision by the applicant not to proceed any further, or any other reason deemed acceptable by the Property Assessment & Taxation Branch.

To be deemed 'complete' in the case of an abandoned well, the applicant will have to demonstrate that the well hole has been appropriately capped and meets standards set out in the Canadian Ground Water Association guidelines.

In the case of an abandoned well, provision of receipts for work done, including capping, would be sufficient to demonstrate 'completion'.

Funding may be accessed to finish work on an 'abandoned' well, once the applicant has paid enough of the existing LIC off to allow the applicant to reapply for additional funding.

#### **Application and Approval Process**

Application forms are available from, and must be submitted to, the Property Assessment and Taxation Branch of Community Services. Requests are dealt with on a first-come, first-served basis.

Applicants are encouraged to solicit competitive proposals from service providers, as all costs are fully recoverable and will be borne by the applicant.

As a part of the application, the applicant must provide:

- A design for providing potable water for domestic use, including cost estimate and detailed list of required components, or an improvement to an existing system, a detailed list of all required components;
- Proof of ownership/title;
- A declaration that the responsibility for maintenance and safety of the well rests with the applicant.

***There are seven basic steps from application to completion:***

1. Property owner requests information from the Property Assessment and Taxation Branch and is provided with a maximum allowable amount for project and a complete information package;
2. Applicant reviews registry list and selects service provider(s);
3. Applicant gets quotes, fills out application and submits to Property Assessment and Taxation Branch;
4. If the project receives approval, applicant signs the agreement allowing the Property Assessment and Taxation Branch to apply a Local Improvement Charge to property taxes;
5. Project proceeds and well is installed to 'completion', as defined for the purposes of this program;
6. Final project submission made and reviewed by the Property Assessment and Taxation Branch;
7. Property Assessment and Taxation Branch approves and pays invoices and levies appropriate Local Improvement Charge.

As stated above, once project is approved, the Property Assessment and Taxation Branch will require the property owner to enter into an Agreement authorizing the project and agreeing to a Local Improvement Charge for full cost-recovery either by the Yukon government (for rural properties) or the participating municipality (for municipal properties).