

Mapleton's Water and Wastewater Upgrades

Business Case Study for the Proposed Municipal Services Corporation (MSC)

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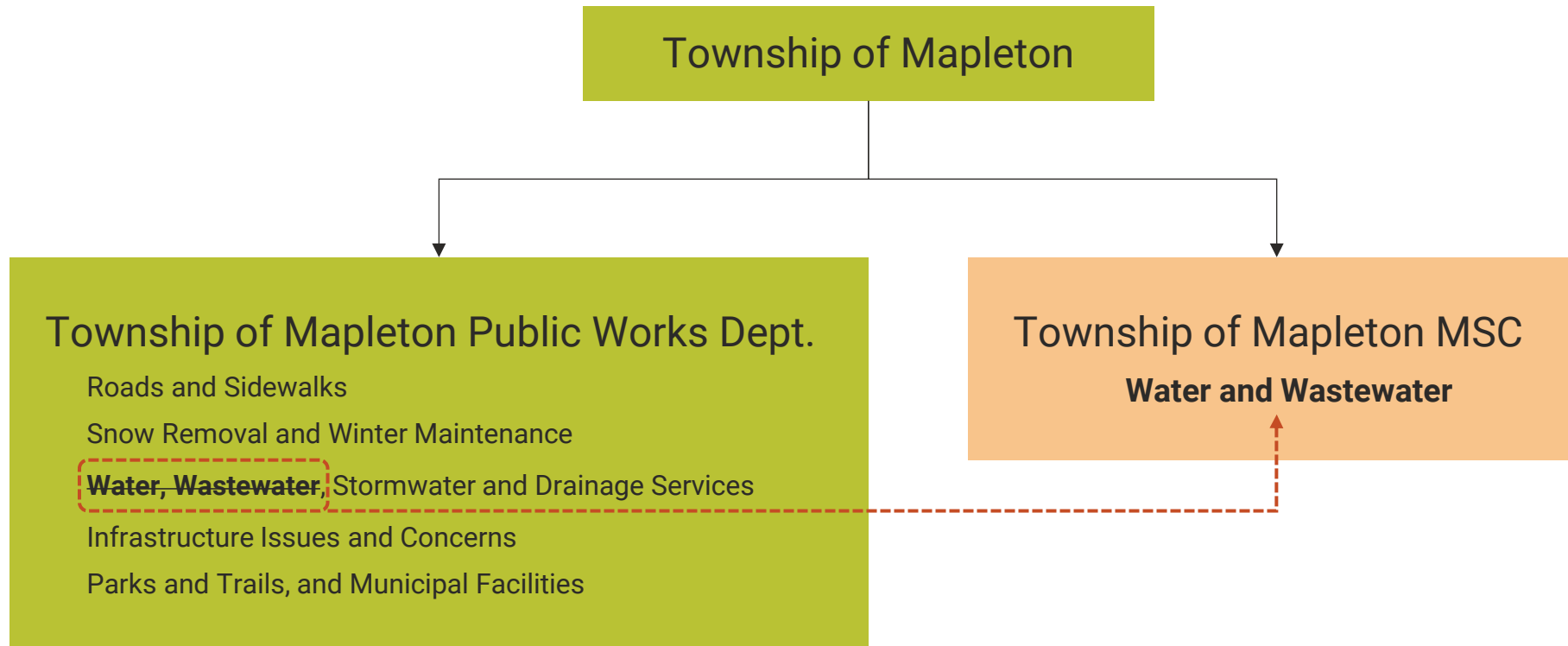
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01 - MSC Structure



02 - Why an MSC? Why Now?

	Funding Options for the Township	Funding Options for the MSC	
External Grant Funding	Not enough to cover required capital project	Bring available funds to the MSC to help fund the capital project	Benefit #1: Financial Flexibility Can combine grant funds, development charge revenues, and financing to pay for capital project
Development Charges	Lack of upfront revenue for capital project		
Financing	Constraints due to municipal borrowing limit	Leverage both private capital and investment grade debt to finance the balance of the capital stack	Benefit #2: Overcome Financial Restrictions Bring in gap financing that does not consolidate to the municipalities balance sheet (removes municipal borrowing limitations, increasing overall borrowing capacity)

03 - Benefits of the Proposed MSC



Flexibility in Financing

Ability to combine grant funds, development charge revenues, and financing to pay for capital project



Overcome Financial Restrictions

Secure additional financing without impacting the municipality's balance sheet (removes municipal borrowing limitations, increasing overall borrowing capacity)



Skills Based Board

Ability to include private sector expertise while retaining full public ownership and control (financial, design, operations etc.)



Sustainability

'Utilities pay for utilities' model ensures transparent accounting and management, giving ratepayers clarity and setting the Township up for long-term success

04 - Governance and Personnel

Mayor and Council

Township of Mapleton

Township staff involved in water/wastewater

(contracted to provide the same services to the MSC as they previously were to the Township)



MSC Board of Directors:

3-5 Township Members – Staff and Council (100% voting rights)

1-2 Private Members (advisory only, no voting rights)



MSC

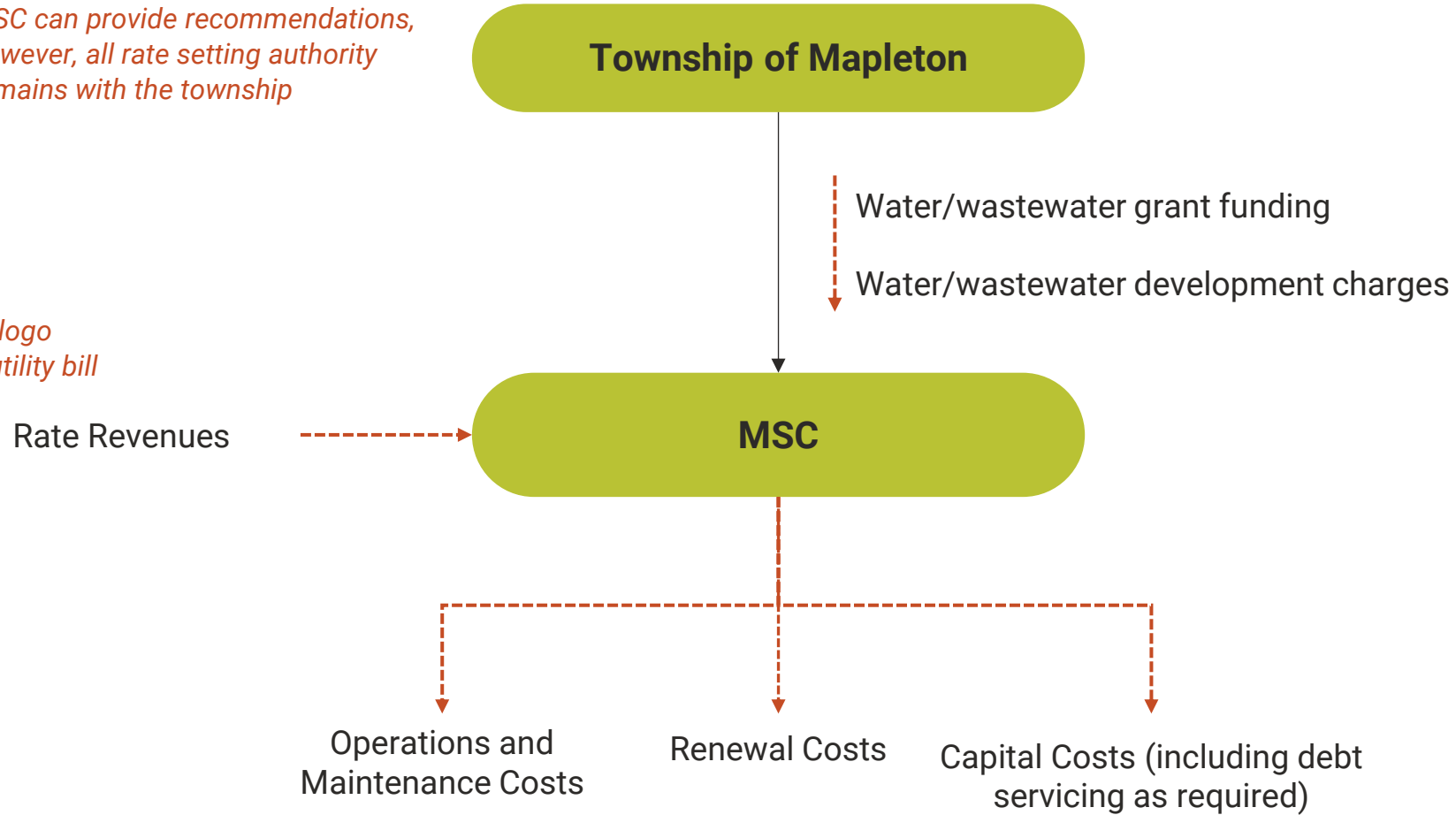
Third Party O&M



05 - Flow of Funds

MSC can provide recommendations, however, all rate setting authority remains with the township

MSC name and logo will be on your utility bill



06 - Implementation Process

Requirement (O.Reg. 599/06): ✓ Business Case ✓ Public Consultation

January 2025 – April 2025

Jan 28:

Notice of Public Consultation:

MSC Business Case, key information, and FAQ provided on Mapleton's website

Jan 28 – Feb 28:

Public Consultation:

Open for 1 month and will include a public meeting

Mar 2025:

Approval to Establish MSC:

Council will review the public feedback and address comments as needed – Then, Council will vote in favor of or against the establishment of the MSC

Mar – Apr 2025:

Establish MSC:

If council votes to establish the MSC, establishment will take approximately 2 months