

# THE CORPORATION OF THE MUNICIPALITY OF KINCARDINE

Council Agenda Wednesday December 7, 2011

## **(A) PL 2011 - 022**

**Subject: Water and Sanitary Sewage Servicing Community of Inverhuron, Building Canada Fund 2009**

### **Report Summary:**

As a result of the Class Environmental Assessment process and input received from the Steering Committee and members of the general public, Servicing Alternative 3 Extend both water and sanitary sewer servicing to Inverhuron, was confirmed as the preferred solution to the identified problem. To mitigate potential impacts associated with implementation of the preferred alternative, a number of recommendations were identified by the Steering Committee.

### **Origin:**

Building Canada Fund 2009 is an Infrastructure Investment Program for the benefit of Ontarians to improve and renew public infrastructure and to advance federal and provincial objectives of economic growth, cleaner environment and strong and prosperous communities.

### **Existing Policy:**

Municipal Class Environmental Assessment Planning and Design Process.

### **Analysis:**

In March 2009, the Municipality received grant funding in the amount of \$6,000,000 for the extension of water distribution and sanitary sewage collection facilities in the Inverhuron urban area. In May 2009, the Class EA was initiated. As part of the public consultation program there have been three public information meetings; July 9, 2011, July 17, 2010 and June 27, 2009. Previous Council updates November 16, 2011, July 6, 2011 and June 15, 2011.

### **A) Selection of a Preferred Alternative**

April 16, 2010, at the Inverhuron Steering Committee meeting a Problem Statement was defined:

*Given current servicing standards, existing sewage and water infrastructure associated with the Inverhuron settlement area is insufficient to service the current population. The age and condition of existing services pose a potential health risk to the community based on the density of development and factors associated with the current environmental setting.*

At the same Steering Committee meeting the servicing alternative solutions were presented and the preferred alternative was:

**Option 3 Extend both Water and Sanitary Services to Inverhuron.**

Reasons: addresses Risks Associated with Geology, requires little

maintenance, services all lot sizes and consistent with existing infrastructure. The Class EA process is nearing completion. Staff needs Council's concurrence on the selection of the preferred alternative in order to finalize the Environmental Assessment and publish a Screening Report which documents the EA process.

**Recommendation**

THAT the Council of the Municipality of Kincardine approve the selection of Servicing Alternative 3 – the Extension of both water and sanitary sewer servicing to Inverhuron, as the preferred solution in conjunction with the Class EA for Water and Sanitary Sewer Servicing Community of Inverhuron

**B) Steering Committee's Recommended Mitigation Measures**

The Final Steering Committee meeting was held on October 14, 2011. To mitigate potential impacts associated with implementation of the preferred alternative, a number of recommendations were identified by the Steering Committee and were presented to Council by BM Ross on November 16, 2011.

**Committee Recommendation #1:**

That municipal water be extended to all residents of Inverhuron and that payment of capital charges associated with the project be mandatory, but that connection to the waterline be optional.

**Staff Comment**

Staff supports the Guiding Principal that Council endorsed regarding the concept of mandatory connection policies for all Inverhuron sewage and water customers and recommends that the capital and operating charges be mandatory mainly because of environmental issues associated with the current private water supply. Staff feels that it is imperative that homeowners begin using the municipal water supply. (loss of revenue minimum of \$400.00 per household per year if no water connection)

**Recommendation #1**

THAT the Council of the Municipality of Kincardine approve the Guiding Principal being the concept of mandatory connection for all Inverhuron sewage and water residents and direct municipal staff to prepare a connection by-law in conjunction with the Inverhuron Class EA. (Includes properties serviced at the time of pipeline construction)

**Committee Recommendation #2:**

That Council consider the fairness of the capital reserve contribution for Inverhuron residents, in light of other capital charges being borne by the community and the current state of the sewage capital reserve fund.

**Staff Comment**

Staff supports the Guiding Principal that council endorsed regarding the inclusion of capital and reserve contributions to the water and sewer project. The payment of the nominal fee to capital and reserve funds is in lieu of having to pay for a sewage treatment facility. The current fee is \$1700 capital

and \$75 reserve for sewage and \$300 reserve for water.

**□ Recommendation #2**

THAT the Council of the Municipality of Kincardine approve the Guiding Principal of the requirement of the capital and reserve charge be included in the Inverhuron water and Sewage project.

**Committee Recommendation #3**

That the Municipality contribute a share of the capital charges for the Inverhuron Sewage and Water Project, above and beyond any contribution made toward future development associated with development charges.

**Staff Comment**

The funding of construction and maintenance of sewer and water facilities has historically been expensed to benefitting users. Staff does not support any additional part above and beyond future development of the project being funded by the general tax rate.

**□ Recommendation #3**

*THAT the Council of the Municipality of Kincardine approve the funding of future development costs associated with the Inverhuron servicing and that no additional funds be directed to the project from the general tax base.*

**Committee Recommendation #4:**

That a grace period for connection to the sewage collection system should be permitted for septic systems that are less than 10 years old (as of 2011).

**Staff Comment**

Staff agrees with this recommendation, as noted the capital is mandatory, this would allow a minimum number of homeowners (approximately 16 to 20) to defer their connection. Details regarding the grace period will be finalized in conjunction with a Water and Sewer Connection By-Law.

**□ Recommendation #4**

THAT the Council of the Municipality of Kincardine support the implementation of a grace period for connection to the sanitary collection system in Inverhuron for septic systems that are less than 10 years old (as of 2011).

**Committee Recommendation #5:**

That Servicing Alternative #3, the low pressure collection system, be selected as the preferred sewage servicing solution for Inverhuron.

**Staff Comment**

Staff concur with this recommendation and also support the guiding principal that the Municipality will assume the ownership and maintenance of all grinder units installed as part of the option 3 with no additional charge to the annual sewer charge.

**□ Recommendation #5**

THAT the Council of the Municipality of Kincardine approve the selection of Sanitary Servicing Alternative #3, the low pressure collection system and

approve the guiding principle regarding ownership and maintenance of the grinder units, in conjunction with the Inverhuron Class EA.

**Committee Recommendation #6:**

That prior to extending municipal water along Lake Street South, Council carefully consider the small number of residents who actually want/need water, taking into consideration the environmental damage and extra costs which would result from replacement of the existing sewer in order to install the waterline.

**Staff Comment**

The installation of municipal water on Lake St. South is a requirement of the project and can only be accomplished if parts of the existing sanitary sewer are replaced. Staff have given direction to the Engineers that at final design stage replacement of parts of the sewer and disturbance of natural environment on Lake St south are to be kept to an absolute minimum.

**Recommendation #6**

THAT the Council of the Municipality of Kincardine direct the project engineers to pursue a design on Lake St. South that minimizes, as much as is reasonable, disruption to the vegetation and the existing sewer.

**Community Plan Considerations:**

Ensure that growth is being conducted in balance with consideration for the environment.

Ensure our policies are positioned to ensure financial sustainability for our community

**Financial Considerations:**

This is a project approved under the Building Canada Fund 2009 for a 2/3 Grant of an estimated \$9,114,600.

**Options:**

1. That Council grant approval for the above noted motions as presented.
2. That Council grant approval for the above noted motions as modified.
3. That Council not grant approval at this time.

**Preferred Option:** The preferred option is #1 in order to continue to finalize the Environmental Assessment and publish a Screening Report which documents the EA process. Matter to be considered at the December 14, 2011 Council meeting.

**ACAO's Comments:** I concur

**Delegations** – None noted.

**COW RECOMMENDATION**