

Report to Council



Date: June 13, 2016

File: 1880-10

To: City Manager

From: Development Engineering Manager

Subject: North Clifton Sanitary Sewer Extension & Individual Lot Connections

Report Prepared in conjunction with: Andrew Reeder, Utilities Planning Manager

Recommendation:

THAT Council receives, for information, the report from the Development Engineering Manager dated June 20, 2016 regarding sewer connection on Clifton Road;

AND THAT Council authorizes the expenditure of \$400,000 plus applicable taxes for the purposes of entering into an agreement with Melcor to construct residential sewer connections and a gravity sewer main along Clifton Road;

AND THAT Council authorize the creation of a Late comer Agreement with the City sewer utility for the purposes of recovering the costs of constructing the works stipulated within the Development Engineering Manager report dated June 08, 2016 along Clifton Road;

AND FURTHER THAT the 2016 Financial Plan be amended to include this additional \$400,000 plus applicable taxes for this project funded from the Wastewater Utility, with the understanding that all costs incurred will be recovered from the benefiting properties.

Purpose:

To authorize funds that will enable the City to build sewer connections from the new developer build sewer main to the edge of road and then authorize a late comers agreement that will enable the City sewer utility to recover these costs when residents wish to connect.

Background:

As a requirement of the North Clifton Development the developer is required to construct a sewer main extension from the existing extent of the main, on Clifton Road North to the North Clifton Development.

Residents residing on this section of road do not have community sewer and have onsite sanitary sewer systems such as septic fields.

This represents an opportunity for the City to coordinate with the developer and construct connections from the sewer main to the edge of the road. This will benefit local residents who will save in sewer connection costs as the construction of the connections, excavation, and restoration costs will be much lower than if the residents decided to connect at a later date. A \$3k - \$5k savings per connection will result from completing the works jointly with the developer. This approach will also provide a benefit to the City as a whole, as future disruptions in traffic will be reduced and cuts/repairs in the asphalt will also be reduced. Asphalt cuts significantly reduce the life expectancy of an asphalt surface. There is also a benefit to residents of the Okanagan at large, as the phosphorous and nitrogen are removed in the waste water treatment process, where septic systems do not remove these materials. These nutrients, may make their way to the lake, when utilizing a septic system and can cause algae blooms and are generally bad for the health of the lake, recreation and drinking water.

Cost recovery for the City sewer utility will occur through a late comer agreement that would be issued to the sewer utility. As residents connect to City sewer a connection fee is collected covering their portion of the City sanitary sewer utility cost. A schedule of the cost zones is shown as schedule A, attached. The costs range per household is between \$ 3,815 and \$11,371 and vary depending on site conditions.

The regulator for onsite sanitary sewer systems is Interior Health. There is a small level of financial risk to the City sewer utility, under this recommended approach as the late comer agreement is limited to a 15-year collection period, and the City cannot force residents to hook up to the sewer system. A letter was sent out to the 72 residents asking if they would like community sewer. Over, 60% of the residents have responded positively indicating that they would like to have community sewer. We have had 7 residents who have responded that do not wish community sewer. The life expectancy of septic fields is generally between 20 to 25years. Homes in the Clifton road area are built between, 1970 and 2000. Because of the small lots and difficult topography, the cost to replace these septic systems is expected to be very high and will likely exceed \$25,000 per home. Given the fact that most septic systems are likely to be at the end of their functional life within the next 10 years, there is a high likelihood that residents will take the lower cost option and connect to the new sewer system. For this reason, staff believe there is a low risk of not recovering costs.

Some residents have expressed a desire to receive a gravity service emanating from a new force main, gravity main and pump station on Prince Edward Drive as they did not wish to pump from their home to the sanitary main. Any such service would require a Local Service Area in order to create such an improvement. In order to review this option, a conceptual level design was completed and costed by MMM/WSP consulting. The cost per connection is approximately \$46,000 per home. Such a Local Service Area would likely need to be a publically initiated service area requiring 50% of the residents inside the service area to vote in favor of community sewer with 50% of the total assessment. Due to this cost it is highly unlikely that any such service area would receive enough support to be successful.

Financial/Budgetary Considerations:

The 2016 Financial Plan will require an addition of \$400,000 plus applicable taxes for the North Clifton sanitary sewer extension, initially funded from the Wastewater Utility, with full recover of all costs from the benefiting properties as set out the Late comer Agreement.

Internal Circulation:

Utilities Planning Manager
Financial Planning Manager

Considerations not applicable to this report:

Legal/Statutory Authority:
Legal/Statutory Procedural Requirements:
Existing Policy:
Financial/Budgetary Considerations:
Personnel Implications:
External Agency/Public Comments:
Communications Comments:
Alternate Recommendation:

Submitted by:

Steve Muenz, Development Engineering Manager

Approved for inclusion:



D. Gilchrist, Divisional Director, Community Planning and
Real Estate

Attachments:

cc: Divisional Director, Civic Operations
Divisional Director, Infrastructure
Divisional Director, Community Planning and Real Estate

Schedule "A" Cost Zones