

# Report to Council



**Date:** January 16, 2017  
**File:** 1880-90  
**To:** City Manager  
**From:** Utilities Planning Manager  
**Subject:** Sewer Service Contribution Agreement - Ecotex

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## **Recommendation:**

THAT Council receives, for information, the Report from the Utilities Planning Manger dated January 16, 2017 with respect to the Sewer Service Contribution Agreement – Ecotex;

AND THAT Council approves the expenditure of \$299,013 from the Sewer Connection Area 32 reserve for the purposes of entering into the Sewer Service Contribution Agreement with Ecotex Healthcare Linen service;

AND THAT the 2017 Financial Plan be amended accordingly;

AND THAT Council authorizes the City to enter into a Sewer Service Contribution Agreement with Ecotex Healthcare Linen service in the form attached to the Report of the Utilities Planning Manager dated January 16, 2017 with respect to the Sewer Service Contribution Agreement – Ecotex;

AND FURTHER THAT the Mayor and City Clerk be authorized to execute all documents necessary to complete this transaction.

## **Purpose:**

The purpose of this report is to authorize a contribution agreement and the funds necessary to pay for the oversizing of a sanitary forcemain and lift station, and to construct a sanitary gravity main.

## **Background:**

The Ecotex Healthcare Linen service, (Ecotex), has purchased the property, 9750 McCarthy Road, where it seeks to renovate an existing building and create a laundry service. The new business is expected to generate significant sanitary effluent from its linen service and needs to connect to community sewer in order to make their business viable.

In order to reduce future infrastructure costs to the North End Industrial Sewer Connection Area Number 32, staff are recommending a contribution agreement with Ecotex.

This agreement includes:

- A payment of funds from Sewer Connection Area 32 necessary to oversize a sanitary sewer force main, sanitary lift station and to construct a new sanitary gravity main.
- The subject property is part of the Sewer Connection Charge Bylaw 8469, Sewer Connection Area 32. A fee based on expected usage has been included in the agreement.
- A provision to allow Ecotex to install temporary works at the Airport and Highway lift stations has been included. Ecotex requires these temporary works in order to meet their operational timeline of April, 2017. The City has scheduled the construction of permanent capacity upgrades to the Airport/Highway sewer system in 2017 as part of the "Airport Gravity Main Bypass" project.

As the City is paying for the oversizing of infrastructure that Ecotex is constructing, Ecotex will not be entitled to a latecomers' agreement.

**Financial/Budgetary Considerations:**

This project will not adversely affect the 2017 Capital budget, as the project will be solely funded from the Sewer Connection Area 32 capital reserve.

The following is the summary of payments within the agreement between the developer and the City. The total is the proposed sum the City will pay the developer from the Sewer Connection Area 32 reserve:

Cost to the City for building a Gravity main	\$335,021
Costs to the City for Oversizing	\$31,399
Costs to the Developer for Bylaw 8469	(\$67,407)
Connection Fees	
<b>Total</b>	<b>\$299,013</b>

**Internal Circulation:**

Development services  
Financial Services

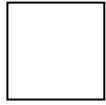
**Considerations not applicable to this report:**

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

Submitted by:

A. Reeder, Utilities Planning Manager

**Approved for inclusion:**



A. Newcombe, Infrastructure Divisional Director

Attachments: Signed Contribution Funding Agreement

cc: Development Services Director  
Financial Services Director  
Utility Services Manager