

**Subject: Residents' Petition for the Installation of Sanitary Sewer Infrastructure as a Local Improvement in Taunton Place**

**Filed Number: ACS2023-IWS-AM-0003**

**Report to Environment and Climate Change Committee on 17 October 2023  
and Council 25 October 2023**

**Submitted on October 6, 2023 by Susan Johns, Director, Asset Management,  
Infrastructure and Water Services**

**Contact Person: Meagan Wheeler Cuddihy, Program Manager, Capital Planning  
and Strategic Asset Management**

**Ward: Beacon Hill-Cyrville (11)**

**Objet: Pétition des résidents pour que l'on installe, à titre de projet d'amélioration  
locale, un égout sanitaire place Taunton.**

**Numéro de dossier : ACS2023-IWS-AM-0003**

**Rapport présenté au Comité de l'environnement du changement climatique**

**Rapport soumis le 17 octobre 2023**

**et au Conseil le 25 octobre 2023**

**Soumis le 6 octobre 2023 par Susan Johns, Directrice, Gestion des actifs,  
Direction des services d'infrastructure et des services de l'eau**

**Personne ressource: Meagan Wheeler Cuddihy, Gestionnaire de  
programme, Planification des immobilisations et Gestion stratégique des  
actifs**

**Quartier: Beacon Hill-Cyrville (11)**

## **REPORT RECOMMENDATION(S)**

**That the Environment and Climate Change Committee recommend Council approve the draft by-law in the general form as attached (Document 3) to undertake construction of the sanitary sewer system extension within Taunton Place as petitioned Local Improvement works, in accordance with the cost apportionment outlined in this report.**

## RECOMMANDATION(S) DU RAPPORT

**Que le Comité de l'environnement et du changement climatique recommande au Conseil d'approuver la version provisoire du Règlement selon les modalités générales exposées dans le document ci-joint (document 3) afin de procéder à la construction du prolongement du réseau d'égout sanitaire de la place Taunton en tant que travaux d'amélioration locale demandés, conformément à la répartition des coûts décrite dans le présent rapport.**

## BACKGROUND

There are four existing private properties abutting Taunton Place that remain without access to the municipal sanitary sewer system (refer to Document 1). Municipal drinking water service is already accessible to the four properties. In accordance with the Local Improvement Policy approved by Council in November 2021 (ACS2021-PIE-GEN-0005) and [Ontario Regulation 586/06](#) under the [Municipal Act, 2001](#), servicing of these properties could be considered if:

- the benefiting properties are located within the Public Service Area as identified on the [Official Plan](#);
- the existing public system can accommodate the capacity requirements to service the new area; and
- the property owners sign a petition with at least two-thirds of the total number of properties in support of proceeding with the servicing representing an ownership of at least 50 per cent of the total assessed value of the properties.

Since 2008 there has been interest expressed in sewer servicing by some (previous) owners of these properties but they were unable to achieve sufficient owner support. Interest was again expressed in the summer of 2021. Information packages with cost recovery limits were provided to the owners of each of the four benefiting properties. The petition was provided to the lead petitioner for circulation in the spring of 2022. It was returned to the City on May 30, 2022 with signatures in support of the Local Improvement from the owners of three of the four applicable properties. The petition documents were certified by the City Clerk on June 24, 2022 as having been sufficiently signed as prescribed by *O.Reg. 586/06*.

A sewer extension to the four remaining properties without sewer access would also abut two other private properties along the route that have already received sewer benefit (refer to Document 1). These two properties, 2 Taunton Place and 18 Davidson Drive do not receive benefit from the proposed sewer extension. They are excluded from the current the Local Improvement petition.

Under governing regulation provisions, the City is responsible for the project cost shares that would otherwise apply to excluded properties. The petition was limited to the four unserved properties on the basis that the City would cover the project cost shares that would otherwise apply to the two excluded properties (refer to Document 2). Depending on the final sewer location determined through the engineering design phase, two more properties with existing sewer servicing may yet impact the total non-recoverable City cost share.

The purpose of this report is to seek approval from Council on two matters to be consistent with the terms identified in the certified petition. Firstly, to establish the by-law necessary to undertake the municipal sanitary sewer system extension along Taunton Place as a Local Improvement. And secondly, to establish the capital funding necessary for the construction of the system extension.

## **DISCUSSION**

The four benefiting properties can be serviced by installing a local sanitary sewer on Taunton Place with a connection to the existing sewer system in Davidson Drive. The work involves approximately 135 metres of sanitary sewer main; service lateral installations, within the municipal right-of-way, from the sanitary sewer to the property line; and the related roadway reinstatements.

The trenching for the new sewer installations will have adverse lifecycle implications for both the current watermain and road infrastructure, if the sewer Local Improvement receives approval, replacement of the watermain and road infrastructure would also be advanced to coordinate all work as one capital construction project. The coordinated project would therefore include approximately 135 metres of full-width and depth road reconstruction and watermain replacement, plus approximately 70 metres of resurfacing for the remaining roadway.

Should Council approve the passing of the Local Improvement By-law (Document 3) for the sewer extension, the coordinated project would proceed to engineering design and construction. Design is expected to start in 2024 with construction either late 2025, or early 2026.

### **Capital Costs**

The estimated cost for the completion of the Local Improvement sewer work is \$720,000, including design and engineering, project management and on-site construction inspection. The additional described watermain and road renewal work is currently

estimated at \$950,000. The estimate for all infrastructure capital work through a coordinated project is currently \$1,670,000.

A funding request of \$310,000 was approved as part of the 2023 City Budget (order number 910830). The project design can start once the Local Improvement by-law is passed.

City Funding Estimates			
Sanitary Sewer Local Improvement	Water	Road	Total
\$720,000  <i>(Non-recoverable City cost is \$240,500. Maximum recoverable from property owners is \$412,500 for mainline, plus \$67,000 for four laterals)</i>	\$740,000	\$210,000	<b>\$1,670,000</b>

### Cost Apportionment - Private Property Owners

Local Improvement projects require the City to front-end all the project costs and recover eligible costs from the benefiting private property owners via a levy on the property tax bill known as a Local Improvement charge. The charge to an individual property includes their share of the sanitary sewer cost plus cost of the service laterals constructed within the road allowance up to the property line. To respect the Local Improvement Policy, the maximum share to be recovered from the benefiting property owners is estimated at \$479,500:

- \$412,500 for the mainline works, or \$2,600 per metre of sewer main frontage
- \$67,000 for the portion of the service laterals in the road allowance.

The \$412,500 share of the sanitary sewer main cost is to be portioned between the benefiting private property owners on the basis of full-length property frontage. Individual property owners were provided with information on the charge estimates specific to their property through the petition process; the cost estimates provided reflect the most current estimates by City staff. The cost per property for providing all sanitary sewer works within the public road allowance, including services to the property edge, is in the range of \$96,250 to \$135,750. To meet the terms of *O.Reg.586/06 (Subsection 16.4 (a))*,

apportioning on the basis of full-length property frontage is covered through the terms of the proposed Local Improvement by-law for this project, as shown in the attached draft (Document 3).

### **Additional Costs for Works on Private Property**

The Local Improvement charge is only applicable for works located within publicly owned property, such as road allowances. The City does not undertake work on private property to complete the connection from the service lateral located at the property line to the house. The cost and coordination of the work to install service laterals on private property is the responsibility of the property owner. An information sheet identifying various cost types associated with the private property work was provided to the owners of each property in their information package in advance of circulating the Local Improvement Petition.

### **City's Share of Costs**

Under governing regulation provisions, the City of Ottawa is responsible for the share of the project costs that would otherwise be applicable to the two excluded properties. The City's share of the Local Improvement work is estimated at \$240,500 for the sanitary sewer, \$740,000 for the replacement of a portion of the watermain and \$210,000 for road resurfacing..

For local improvement projects, property owners desire certainty on their financial commitment to decide whether to support the petitioned work. The Local Improvement Policy identifies that for any given local improvement project, the charge rate(s) to the benefiting property owners will not exceed the pre-construction estimated rate(s) approved by Council. This allows the owners' share of the cost to be a capped amount based on the best estimates at the time of the petition.

Should final construction costs exceed the capped limits set out in the petition, the City's share will increase. As already identified, it may also increase dependent on the actual constructed sewer route. Decisions made through the Local Improvement Committee of Revision phase will increase the City's share as well.

### **Imposing the Charge**

All charges are set by By-law and levied on the tax bill. The City allows the full charge for the property to be paid without carrying charges in a lump sum amount before the charge against the property comes into effect. Otherwise, the property owner will pay the charge

with carrying charges in equal annual instalments through the tax bill over a period of 10 years, which is less than the estimated more than 50 year lifetime of the works.

Before the charges are levied on the property tax bill, property owners will be given the opportunity to appeal their respective charges at a Committee of Revision. All affected property owners will be notified in advance of the date, time and location of the committee meeting, as well as the amount of the Local Improvement charge as required by the provincial legislation. If no concerns are expressed prior to the Committee of Revision meeting date, there will be no need for a meeting and the charges will be finalized.

### **Operating Budget Implications**

The Operating Budget impact for the new sewer works is estimated at \$500 annually. This includes maintenance activities, such as cleaning and inspection, but does not include major repairs or ultimate renewal and replacement costs.

When individual property connections are confirmed through the permitting process, sewer surcharge levies will be applied to customers as part of the City's standard billing practice.

### **FINANCIAL IMPLICATIONS**

The total estimated cost of the Local Improvement project is \$720,000. The City's share of the project is \$240,500 and the non-City share, to be recovered from the benefiting property owners, is \$479,500. The integrated costs of \$950,000 are not part of the Local Improvement project and are held in a separate account.

Funding of \$310,000 was approved as part of the 2023 Capital Budget, under account number 910830. Subject to Council approval of this report, a budget adjustment will be processed to reflect the new funding arrangement – the City's share of \$240,500 and the benefiting property owners' share of \$479,500. Should final construction costs exceed the pre-construction estimate of \$720,000, the City would fund 100% of the additional costs.

The Operating Budget impact for the new sewer works is estimated at \$500 annually. This includes maintenance but does not include ultimate renewal and replacement costs.

All charges are set by by-law and levied on the tax bill. The City allows the full charge for the property to be paid without carrying charges in a lump sum amount before the charge against the property comes into effect. Otherwise, the property owner will pay the charge with carrying charges in equal annual instalments through the tax bill over a period of 10 years. To the extent that owners may choose to amortize the charges over a 10-year period, debenture authority in the estimated maximum amount of \$479,500, plus carrying charges, for this project will be established.

## **LEGAL IMPLICATIONS**

There are no legal impediments to the adoption of the recommendation in this report. The submission of this Local Improvement to Committee and Council is in compliance with the process under Ontario Regulation 586/06 as amended.

## **COMMENTS BY THE WARD COUNCILLOR(S)**

Any comments made by the Councillors whose wards are affected by this report should be included in this section. Report writers should work with their Department's Report Coordinators to obtain Councillor comment. This section does not apply to City-wide items. Mandatory if applicable.

Further to [Motion 2022-03/15 approved by Council on December 7, 2022](#), reports about significant City-wide items must include briefings in advance of the report publication and formal comments by Ward Councillor(s) whose ward(s) are directly affected by the issue, as described in this motion.

## **ADVISORY COMMITTEE(S) COMMENTS**

Not applicable.

## **CONSULTATION**

A representative private property owner from the Taunton Place properties without sewer access approached the City in the summer of 2021 for provision of a sanitary sewer. In the fall of 2021, City staff met with owners of the affected properties. The meeting's purpose was to discuss the Local Improvement process for the sanitary sewer installation, the implication to property owners, and the petition requirements. City staff reported the meeting results to ward office staff. In spring 2022, City staff met with homeowners again to provide further clarifications.

Staff distributed individual packages with estimated costs specific to each property to the owners of each of the four benefiting properties in March 2022. The formal Local Improvement petition was provided to the owner acting as the lead petitioner in April 2022 for circulation of the petition for signing. Written notice of the City's intent to consider passing a by-law to undertake the sewer work as a Local Improvement was provided in advance directly to the owners of the four affected properties, and to the public via the City website.

A Committee of Revision phase will be held after construction. Notice of the proposed cost assessment will be provided to each benefiting owner before finalizing the Local Improvement charges for the project.

### **ACCESSIBILITY IMPACTS**

Staff will ensure the sanitary sewer Local Improvement adheres to accessibility standards. This includes legislated Local Improvement public notices and will involve consulting with the appropriate City staff.

### **ASSET MANAGEMENT IMPLICATIONS**

The recommendations documented in this report are consistent with the City's Comprehensive Asset Management (CAM) Program objectives. The implementation of the CAM program enables the City to effectively manage existing and new infrastructure to maximize benefits, reduce risk, and provide safe and reliable levels of service to community users. This is done in a socially, culturally, environmentally, and economically conscious manner. There are long-term life cycle costs for additional infrastructure.

### **CLIMATE IMPLICATIONS**

Not applicable.

### **DELEGATION OF AUTHORITY IMPLICATIONS**

If Council approves the Local Improvement works and construction occurs, the membership for a Committee of Revision will need to be formed before setting charges. Amendments to the Delegation of Authority will be necessary to create a Committee of Revision with members from other City standing committees.

### **ECONOMIC IMPLICATIONS**

Not applicable.



## **ENVIRONMENTAL IMPLICATIONS**

Not applicable.

## **INDIGENOUS, GENDER AND EQUITY IMPLICATIONS**

There are no indigenous, gender or equity implications associated with the sanitary sewer Local Improvement.

## **RISK MANAGEMENT IMPLICATIONS**

There are risk implications. These risks have been identified and explained in the report and are being managed by the appropriate staff.

## **RURAL IMPLICATIONS**

There are no rural implications.

## **TECHNOLOGY IMPLICATIONS**

There are no technology implications to this report.

## **TERM OF COUNCIL PRIORITIES**

Not applicable.

## **SUPPORTING DOCUMENTATION**

Document 1 – [Taunton Place Local Improvement Area Plan](#)

Document 2 – [Petition Cover Sheet\(s\)](#) [personal information redacted]

Document 3 – [Draft Local Improvement By-law for Taunton Place](#)

## **DISPOSITION**

Legal Services will finalize the by-law for undertaking the works as a Local Improvement. They will also circulate the by-law to the Finance Department, Deputy City Treasurer, Revenue Branch to flag for tax certificate and collection purposes.

Infrastructure and Water Services will administer, tender, construct, commission, as well as prepare the post construction Local Improvement documentation necessary to prepare final statement of costs, preliminary special assessment rolls and briefing summaries for the Local Improvement Committee of Revision. Oversight of notices to

private property owners and the public required under the governing Local Improvement legislation will also be provided.