

Appendix # B

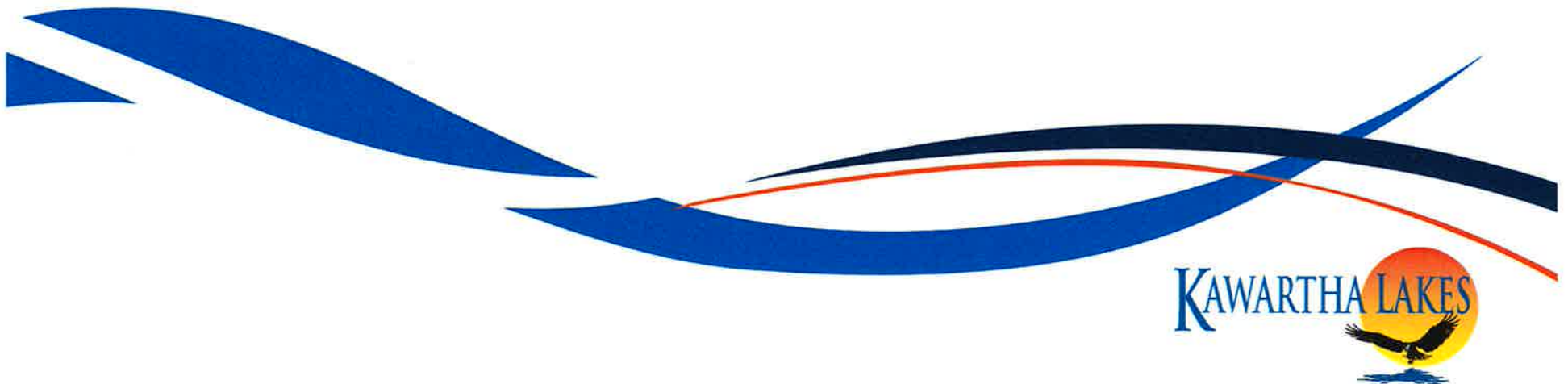
to

Report # WW2019-003

# Water Wastewater Service Connection Strategy

Water and Wastewater Division

September 18<sup>th</sup>, 2018



# Presentation Overview

1. History of Mandatory Connection By-law
2. Black Belt Project/By-law Amendments
  - i. Fenelon Falls Pilot Project/Exemptions
  - ii. Recent amendment By-law 2014-255
3. Comparison of by-law with other municipalities in Ontario
4. Moving Forward
5. Staff Recommendation
6. Questions

# Original Mandatory Connection By-law

- City of Kawartha Lakes endorsed first mandatory connection by-law on April 12, 2005 known as By-law 2005-75 “A By-law to Require Owners of Buildings to Connect such Buildings to Water Works and Wastewater Works in the City of Kawartha Lakes”
- General intent of by-law was to ensure property owners in CKL connected to municipal services as they became available



# Lean Six Sigma Black Belt Project

- In 2014 Bylaw 2005-75 was reviewed by multiple departments and a number of deficiencies were determined
- As there were too many deficiencies, a new by-law was created to address concerns
  - By-Law 2014-255 “A By-Law to Require Owners of Buildings to Connect Such Buildings to Drinking Water Systems And/Or Wastewater Collection Systems in the City of Kawartha Lakes”
- Need for phased in approach for implementation

# Pilot Project in Fenelon Falls

- At the beginning of the pilot project there were 36 properties that qualified for connection to either water, wastewater or both municipal services
- 11 were removed from the pilot due to restrictions on wastewater capacity at the time
- To date:
  - 22 of the 25 properties have received a conditional exemptions to connect at this time by Council
  - 2 properties connected
  - 1 property is currently with by-law enforcement due to non-compliance

# Exempted Properties

- Properties in Fenelon Falls were conditionally exempted on the premise that both water & wastewater services were not available at this time
- Will be required to connect once wastewater is available to help reduce cost for installation
- Are still required to pay the monthly fixed rate portion of the Water Rates



# Benefits of being connected to Municipal Water/Wastewater Services

Properties adjacent to but not connected to existing water and/or wastewater infrastructure are still benefitting from the services being available to them with:

- Increased property values
- Properties within areas that are fire rated receive reduce insurance premiums
- Municipally serviced properties through source protection legislation are less susceptible to risk from contamination, drought, and well interference from nearby development(s)
- Reserved capacity for property to connect at any time to municipal services
- Guaranteed safe drinking water source

# Recent Amendment

- Based on benefitting factors Council directed the By-law be amended in Sept 2017 to charge those properties that meet the requirements for mandatory connection the annual fixed rate costs after 3 months notice
- Amended by-law enables recovery of an approximate \$60,000 per year in additional revenue (based on 2018 rates)
- This revenue will help cover basic costs for maintenance and replacement of existing infrastructure



## Mandatory Connection By-law Comparison

Municipality and related by-law	Timing of Connection	Stipulated connection distance	Decommissioning of old systems included?	Can city enter onto private property and connect building at owners expense?
CKL By-Law 2014-255	18 months	Parcel of land within 1 ft. of Hwy/St. in which a w/ww main is located	Yes, owner must decommission previous services at their own expense as they connect to municipal services	Yes and added to tax roll as lien. Municipal Act S. 398 (2)
Stratford By-law 28	6 months	Building must be within 300 feet from property line	Not referenced	Not referenced
West Grey By-law 25-2015	12 months	Any house, building or occupied structure that fronts or has access to a side yard along a municipal watermain or sanitary sewer,	Yes, owner must decommission previous services at their own expense as they connect to municipal services	Yes and added to tax roll as lien. Municipal Act S. 398 (2)
Township of King By-law 2010-38	Only for sewage – 12 months from time of notice to connect and decommission previous system(s)	Not specific – just if sanitary main fronts property	Yes, owner must decommission previous services at their own expense as they connect to municipal services	Yes and added to tax roll as lien. Municipal Act S. 398 (2)
Muskoka By-law 2017-16	24 months but if resident can show system installed within 10 yrs of notification and working, granted additional 10 yrs Must connect ASAP to both services if one service fails though	A building on land abutting any street, alley, or right of way in which there is located a municipal watermain or sanitary sewer and such services are presently available	Included. 435-439 and 446 of Municipal Act	Yes and added to tax roll as lien. Municipal Act S. 398 (2)
City of Cambridge By-law 6-13	Given 36 months to connect	No specific distance. Any house, building or occupied structure that fronts or has access to a side yard along a municipal watermain or sanitary sewer,	Not referenced. States when connection to municipal service is made, the owner must stop using their previous system in favour of new one. No decommissioning required	Yes and added to tax roll as lien. Municipal Act S. 398 (2)

## Mandatory Connection By-law Comparison Continued

Municipality and related by-law	Fines listed in by-law	Hardship clause	Loan program	Is resident charged Fixed rate fees?
CKL By-Law 2014-255	Max fine of \$100,000.00 and set out under Provincial Offences Act (POA)	Not referenced	Credit Granting Policy (CP2017-004) over 10 years if amount > \$1000	Given 3 month notice before fixed rate fee applied to account. No consumption charges until connection made
Stratford By-law 28	\$2000.00 per day not in compliance	Utility Board in place to review and exempt commercial operation when connecting can bankrupt them	Not referenced	Properties are not exempt from capital contribution towards extending lines
West Grey By-law 25-2015	Will be fined unspecified amount in accordance with POA	Not referenced	Not referenced	Water and Sewage Capital and Financing Charge Rates are applied to every building on property that has access to w/ww lines
Township of King By-law 2010-38	Will be fined unspecified amount in accordance with POA	Not referenced	15 year payback period put on tax roll as lien 349(3) of MA  Resident allowed to pay the \$18790.00 over a 4 equal payments within 36 months. If not fully paid, then 1.25% monthly interest and amount put on tax roll.	Not referenced
Muskoka By-law 2017-16	Max fine of \$50,000.00 and set out under Provincial Offences Act (POA)	Must provide >2 quotes. If cost >\$30,000 then exemption can be given to connect	10 year period to pay back. Loan amount cannot exceed cost of connection.	No reference
City of Cambridge By-law 6-13	Not less than \$50,000.00 but not more than \$100,000.00 and set out under Provincial Offences Act (POA)	Commissioner of Transportation and PW can decide to allow the resident the use of a septic tank system if it is determined the connection to works cannot be made available due to capacity limitations	Council can decide to grant a loan for connection cost. Max 5 years to repay plus interest rate (% not referenced) plus an additional 2% of loan added onto total amount.	After 36 months, if owner hasn't connected their property they are charged the fixed/flat rate of a connection and municipal sewage service per month regardless of water usage

# Moving Forward – Option 1

- **Option 1:** Continue to implement by-law as written with remaining properties in Kawartha Lakes being provided notification for connection.
  - ~ 25 - 30 properties per group
- Property owners will be given 18 months to connect as well as disconnect/decommission existing private services



## Moving Forward – Option 2

- **Option 2:** Amend current By-law to require property owners who meet the requirements of mandatory connection to connect to available municipal water and/or wastewater services upon failure of their private infrastructure (private well or septic)
- Property Owner's would continue to pay Fixed Rate as per current by-law

## Moving Forward – Option 3

- **Option 3:** Amend current by-law to extend timeframe to connect following notification from the current 18 months to 36 months
- This will allow property owners more time to come into compliance and allow more time to prepare for connection costs

# Staff Recommendation

- Staff will be recommending **Option 2** in a report to Council on September 25, 2018
- Staff are recommending that the by-law be amended to require property owners who are subject to mandatory connection, connect at such time as their private infrastructure fails
- This has the least financial impact on residents and also alleviates pressures on departmental resources



# Questions?



