

The Corporation of the City of Kawartha Lakes

Council Report

Report Number ENG2020-005

Meeting Date: March 24, 2020

Title: **Water and Sanitary Servicing to #68 and #70 Russell Street West, Lindsay**

Description: Water and Sanitary Servicing to #68 and #70 Russell Street West, Lindsay

Ward Number: Ward 7

Author and Title: Juan Rojas, Director of Engineering & Corporate Assets

Recommendation(s):

That Report ENG2020- Water and Sanitary Servicing to #68 and #70 Russell Street West, Lindsay, be received;

That an exemption to Section 7.01 (j) of By-Law 2018-039, being a By-Law To Regulate Water and Wastewater Services in the City of Kawartha Lakes, for vacant property at #70 Russell Street West, Lindsay, be approved by Council and fixed rates fees applied from October 2019 be refunded to the Owner; and

That if the Owner applies for a Municipal Service Connection for a single residential water and sanitary sewer service within a 10 year period from the date of removal of the services, and prior to December 31, 2029, the City will replace the single set of residential water and sanitary service laterals to property line of #68 and/or #70 Russell Street West, Lindsay, to serve one residential unit/lot, at the City's expense; and

That Frontage Charges shall be deemed to have been paid for #68 and #70 Russell Street West, Lindsay; and

That the Mayor and Clerk be authorized to execute any documents and agreements required by the approval of this report.

Department Head:_____

Financial/Legal/HR/Other:_____

Chief Administrative Officer:_____

Background:

At the Council Meeting of March 26, 2019, Council adopted the following resolution:

CR2019-244

That Report PUR2019-009, 2019-31-CQ Peel St and Russell St Reconstruction, be received;

That Coco Paving be awarded 2019-31-CQ Peel St and Russell St Reconstruction, for the quoted price of \$5,740,907.61;

That CIMA+ be awarded Contract Administration and Inspection Services on Peel St and Russell St Reconstruction, for the quoted price of \$289,771.70;

That subject to receipt of the required documents, the Mayor and Clerk be authorized to execute the agreements to award the contract; and

That the Procurement Division be authorized to issue a Purchase Order.
Carried

During the Russell Street West reconstruction project, it was determined that although the construction contract included the replacement of the existing water and sanitary service laterals to #68 and #70 Russell Street West, the services would not be replaced as the properties are vacant (see Russell Street West reconstruction design in Appendix A). The 2 pre-existing houses at #68 and #70 were demolished in 2014-2015, and at that time, water and sanitary service laterals were permitted to remain in place to the property line (see Appendix B Location Plan).

Following the road reconstruction project, the property owner of #68 and #70 Russell Street West approached the City. The owner was concerned that the value of the properties had been impacted and that he would be responsible for unnecessary costs to replace the water and sanitary service laterals and the costs would significantly increase following the road improvements (i.e. increased road restoration costs). The owner was also receiving a utility bill from the City for both properties and was concerned for the continued fee, as the services no longer exist to the property line. It was determined after investigation that #68 had mistakenly been captured through the mandatory connection process and has been receiving a bill since January 1, 2018 when the fixed water and sewer rates were imposed on properties subject to the Mandatory Connection By-law. This was an error as the property is vacant and has since been corrected, with the current account for #68 being deactivated and all fees paid since January 1, 2018 will be refunded to the property owner. In addition, the original utility billing account had been deactivated (in 2004) prior to Section 7.01 (j) requirements being imposed in By-law 2018-039 (originally 2011-260) as it relates to

demolished buildings, therefore there has been no fees paid for this property since 2004.

This report addresses a recommended water and sanitary servicing strategy for #68 and #70 Russell Street West and associated fees.

Rationale:

The City does not extend new water and sanitary service laterals to vacant lands where there is no scheduled development or development application and services will be left dormant for an extended period of time. There is risk of damage and deterioration of the service laterals, and could result in groundwater infiltration into the systems or undetected leaks from water services.

As per the City's By-Law 2018-039 To Regulate Water and Wastewater Services in the City of Kawartha Lakes (see Appendix C), Section 7.01 Demolition of a Building, (j) states that "*The owner shall be responsible for the payment of the fixed rate charge specified in Schedule "A" to this By-Law.*" Since the demolition of the 2 residential units, the owner has continued to pay the fixed rate charge for #70 Russell St. W. The fixed rate charge was not applied to #68 Russell Street West following the demolition, due to an administrative error, however the City re-activated the utility account in 2018 and applied the fixed rate billing.

The City recommends that since service laterals have been removed from the main to the property line, the properties at #68 and #70 Russell Street West shall be exempt from further utility billing fees for vacant property and fixed rates fees applied since October 2019, the date of service removal, be refunded to the Owner.

The City also recommends that if the Owner apply for a Municipal Service Connection to support construction, within a 10 year period from the date of removal of the services, and prior to December 31, 2029, the City will replace the single set of residential service laterals (one 19mm diameter water service and one 100mm diameter sanitary service) to property line, at the City's expense. The City realized cost savings through the reconstruction contract by not installing the service laterals. Frontage Charges shall be deemed to have been paid for the properties as residential units pre-existed on the lots. This information shall be recorded on the tax roll for future reference.

In the event that the proposed development type changes during that time period (i.e. multi residential, commercial, etc.), the Owner shall be responsible for the full costs associated with the water and sanitary service connections.

After December 31, 2029, any application for municipal water and/or sanitary service received for either #68 or #70 Russell Street West will be processed as per the standard requirements in effect at that time. During construction, staff were in contact with the owner and the owner was supportive of the resolution.

Other Alternatives Considered:

The City could proceed to re-install the water and sanitary service laterals to #68 and #70 Russell Street West through the 2020 workplan, and the owner would continue to apply the fixed rate billing as per the requirements of By-Law 2018-039, Section 7.01. As noted earlier, there is risk to the municipal servicing infrastructure if the Owner does not plan to re-develop the lots at this time and service laterals are left dormant indefinitely. There is also risk of a future lot design conflict if the location of the service laterals limit the siting a house and entrance location.

If the owner chooses to pursue an alternative development proposal, the service lateral sizes or number of services may not meet the servicing requirements of the development and will have to be removed and capped at the main.

Financial/Operation Impacts:

The City realized a cost savings through the Russell Street West Reconstruction project. The project was completed under budget and excess funds were returned to the Engineering Capital Budget for future projects. If the owner chooses to reconstruct one residential unit at properties at #68 and/or #70 Russell Street West before December 31, 2029, the City will install the residential water and sanitary service laterals through a current Capital Project.

Relationship of Recommendation(s) To The 2020-2023 Strategic Plan:

This project relates to Goal 1 by maintaining the City's existing infrastructure:

- Goal 1 – A Vibrant and Growing Economy

It also aligns with the Strategic Enablers of "Efficient Infrastructure & Asset Management" and "Responsible Fiscal Resource Management".

Servicing Implications:

There is adequate water and sanitary sewer servicing capacity for the residential development as permitted by the current zoning, at #68 and #70 Russell Street West.

Consultations:

Bryan Robinson, Director of Public Works
Amber Hayter, Supervisor Water and Wastewater Operations

Attachments:

Appendix A – Russell Street Reconstruction Design



Russell St. W.
Drawings.pdf

Appendix B – Location Plan



**Appendix A General
Location Plan 70 Ru:**

Appendix C – By-Law 2018-039



2018-039
Consolidated Bylaw

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Department Head: Juan Rojas, Director of Engineering & Corporate Assets

Department File: