

Meeting Date: February 7, 2022
Department: Engineering and Public Works
Report No.: EPW-2022-01
Submitted by: Jake Straus, Director of Engineering and Public Works
Approved by: Fred Tranquilli, Chief Administrative Officer / Clerk

SUBJECT: Sanitary Sewer Private Drain Connection Charge

RECOMMENDATION: THAT: Council receive Report EPW-2022-01- Sanitary Sewer Private Drain Connection Charge as information; and
THAT: Council approve a \$17,500 mandatory connection charge for all Owners of a property that receive a Sanitary Sewer connection point to their property line; and
THAT: Council direct staff to notify the affected Owners on Adelaide Road and Queen St. in Mt Brydges about the requirement for payment and payment options; and
THAT: Council direct staff to have payments start September 1, 2022.

STRATEGIC PLAN ALIGNMENT:

This matter is in accord with the following strategic priorities:

- Local Infrastructure – Households and businesses in Strathroy-Caradoc are supported by reliable, financially responsible and well-maintained infrastructure networks

BACKGROUND:

New sanitary sewers are being added to facilitate growth and allow for development as the Municipality of Strathroy-Caradoc continues to grow. As roads are upgraded, the Municipality installs new infrastructure, such as new sanitary connections to the property line of each property to minimize future disruptions. If the Owner of the property would like to connect to the sanitary sewer, they could arrange to co-ordinate it during the construction or, if they elect to wait, they will then have a connection point at their property line.

The current By-Law 64-14 for Sewage System Discharge Regulations states that Owners of a building on land abutting a street or alley through which access to a sanitary sewer main is available, shall connect the building to the sanitary sewer system of the Municipality. The Owner of a building which is existing as of December 15, 2014 and which building is affected by the bylaw may be exempted from the connection requirement providing that the owner of the building pays a minimum monthly charge.

Staff recommend that Council consider revisiting this exemption in the future to further incentivize connections.

In the event that a Building has a septic system that requires replacement, the Owner is not permitted to install a new septic system, but is required to connect to the sanitary sewer where available.

The installation of new sanitary sewers and the associated piping to the property line shall be subject to cost recovery.

On October 17, 2019, Council approved proceeding with the Sanitary Sewer Extension of Queen St., Mt Brydges. The connection of these six units was completed with the mandatory fee of \$17,500 per service approved to recover the costs of this extension. At the time that the final connection fees are determined for the entire community servicing project, if it is less than the fee charged, the residents would be credited the difference. However, if the final approved fees are in excess of these charges, these six units would not be billed the additional costs. No costs to date have been charged to the Owners for this work.

On December 20, 2021, a staff report was presented to Council containing four options for recovery of the installation costs for the new sanitary sewer connection points to the property line.

Council directed staff to follow up with a report recommending a fixed fee of \$17,500 per connection. To summarize, a fixed fee of \$17,500 per connection will be assessed to the Owner(s) of a property for which a connection point is provided.

For this option, all Owners will be charged a fixed fee of \$17,500 per connection.

COMMENTS:

There are several projects, which have been completed, are currently under construction or are planned for construction. A consistent approach to billing Owners will need to be implemented and communicated to the affected Owners. The work completed in Mount Brydges on Queen Street in 2019 and on Adelaide Road in 2021 has not yet been billed to the Owners. The communication plan for this information includes sending a letter on February 10, 2022 directly to Owners notifying them that they have either already received the sanitary connections or will be receiving the sanitary connections on Adelaide Road and Queen St. This letter will detail the requirement for payment of connection fees and options for payment.

On February 16, 2022, a notice will be posted on the Municipal website regarding Sanitary Sewer Private Drain Connections.

On March 15, 2022, a follow up letter will be sent by registered mail to any Owners who have not responded to the initial letter. In this letter, Owners will be advised that in the absence of a response the connection fee will be added to their Property Tax Bill.

On April 15, 2022 a follow up will be sent by regular mail to Owners who have still not responded, reminding them that if they do not respond and identify their payment preferences the Municipality will

add the full balance to their Tax Assessment. This fixed number will be reviewed annually to stay current with market conditions with recommendations to Council as needed.

CONSULTATION:

The preparation of this report and recommendation was completed in consultation with:

- Chief Administrative Officer
- Director of Building and Planning
- Director of Financial Services
- Manager of Environmental Services

FINANCIAL IMPLICATIONS:

Each Property Owner will be assessed \$17,500 for a new Sanitary Private Drain Connection installed to the property line.

The funding options include:

- 1) The Owner may pay the full amount once service is provided
- 2) The Municipality may offer a low interest loan program. This will be a loan at XX% for a term of XX years. This will result in a cost of \$XXX.XX per month and would be added to the Owner's Tax Bill.

It should be noted that connection fees paid previously by any of these Owners for their connection would be subtracted from the \$17,500 fee.

ATTACHMENTS:

None