

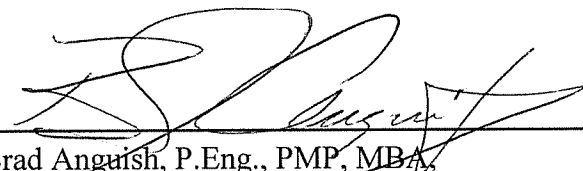


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**Halifax Regional Council**  
**January 11, 2005**

**TO: Mayor Kelly and Members of Halifax Regional Council**

**SUBMITTED BY:**

  
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Brad Anguish, P.Eng., PMP, MBA,  
Director, Environmental Management Services

**DATE:** January 5, 2005

**SUBJECT:** Station Road Sewage Problem

**INFORMATION REPORT**

**ORIGIN**

At the Regional Council Meeting of August 17, 2004, Item No. 10.3.3 (ii), it was MOVED by Councillor Meade, seconded by Councillor Hetherington, that Council request a staff report on the sewage problems on Station Road in Hubbards as per information from Sandy Cameron, District Manager, Department of Environment and Labour, to determine what sources of funding are available from all levels of government to address this problem.

## **BACKGROUND**

Approximately 15 residents of Station Road in Hubbards are currently connected to a common sanitary sewage collection and disposal system. The existing system consists of a collection pipe that runs along Station Road, crosses Highway 3 and runs through a private property to what appears to be a large septic tank. From there the effluent is discharged to the ocean. The Nova Scotia Department of Environment and Labour (NSDEL) have indicated that the existing disposal system “has virtually no treatment except for solids settlement in the tank.”

The NSDEL have prepared a report dated July 19, 2004, which reviews possible sanitary sewage treatment options for the residents. The report identifies nine possible treatment systems and includes cost estimates and constraints associated with implementing each option. Two options involving conventional on-site disposal systems were deemed to be not feasible due land availability (ie. insufficient land area available to locate individual on-site systems).

The report considered three other on-site systems. Provincial legislation requires that an individual on-site system be located on the same lot as it serves, so for some properties land availability may continue to be an issue.

Four common sewage treatment systems were also considered. Common treatment systems are required to be located on property that is in the ownership or control of an entity responsible for the system. A property large enough to accommodate a common system would have to be acquired. These systems also require a certified operator and that a routine monitoring and reporting program be established.

The study concluded that the costs to install a new system to service the affected properties range from \$200,000 to \$450,000 plus any additional costs associated with land acquisition, engineering fees, contingencies, legal, financing fees and other costs. The re-occurring cost associated with each option also varied.

## **DISCUSSION**

Staff have reviewed a number of potential funding sources and have included discussion of each below. If directed to do so by Council, staff will investigate one or more of these options further.

### **Municipal**

From time-to-time Halifax Regional Municipality (HRM) and/or the Halifax Regional Water Commission (HRWC) are requested to help provide new water and/or sewer infrastructure to communities that are not currently serviced. These requests may originate from two properties, or from a much larger area comprised of hundreds of properties or more.

In many communities there is an expectation that HRM and/or HRWC will fund such projects either in whole or in part. HRM currently has no defined funding source for such projects. Funding the extension of services presents a significant challenge for HRM given the current shortfall of capital funding for the effective operation, maintenance and rehabilitation of wastewater and stormwater systems for which HRM has a legislated responsibility. Capital funds utilized to provide new water and sewer services requested by property owners will divert funds from HRM's legislated obligations regarding existing wastewater and stormwater systems.

However, staff intend to develop a program this year with respect to HRM involvement in new water and sewer projects for existing communities and will present it to Regional Council for consideration. It is contemplated that the program will generally address the following:

- establish a consistent method for requests to be forwarded to HRM and to staff;
- establish criteria for the prioritization of projects;
- define various roles, responsibilities and expected time-lines for stakeholders;
- define resource requirements;
- identify potential internal and external funding sources;
- consult with and define the role of the Halifax Regional Water Commission, Nova Scotia Department of Environment and Labour, the Medical Officer of Health, and other regulatory agencies as required;
- harmonize efforts with the Regional Planning project; and
- identify other possible factors.

Once the program has been presented to Council, staff will be in a better position to respond to this type of request. In consideration of the above, staff are not recommending any funding from the Capital Sewer Budget be allocated to extend sewer services to new areas.

#### Provincial

The province has established the Provincial Capital Assistance Program (PCAP) which is designed to enable the Government of Nova Scotia to contribute financially towards the cost of high priority infrastructure projects in order that the cost burden to municipal governments and taxpayers alike might be reduced to an affordable level. PCAP states that grants of up to 50% for eligible infrastructure projects and up to 100% of engineering may be available.

One type of project eligible for funding under PCAP is the installation of individual and communal in-ground sewage disposal facilities within a Wastewater Management District (WMD). Section 342 of the Municipal Government Act gives municipalities the authority to create a WMD and states as follows:

- 342** (1) A council may, by by-law, establish wastewater management districts.
- (2) A by-law establishing a wastewater management district shall include
- (a) the boundaries of the wastewater management district;
  - (b) the system of wastewater management to be used in the district;
  - and
  - (c) the extent to which the municipality is responsible for the repair, upgrading or replacement of private and municipal sewer systems.
- (3) Where the council has established a wastewater management district, the municipality, its servants and agents may enter on any property within the wastewater management district to repair, upgrade or replace a public or private wastewater system and may, in accordance with the by-law, charge any or all of the costs to the owners of the property served by the system.
- (4) HRM staff have spoken to the Province of Nova Scotia in a general way about PCAP. Staff understand that available funding for this Program is limited with roughly \$750,000 available province wide and \$50,000 individual grants being the norm.

Municipal units wishing to obtain assistance under the PCAP are required to submit a formal written request to the Department of Service Nova Scotia and Municipal Relations. Requests are to be directed to the Minister and need to include some detailed information describing the proposed project.

#### Federal

The \$1-billion Municipal Rural Infrastructure Fund (MRIF) is part of the Government of Canada's latest contribution of \$3 billion toward renewing Canada's public infrastructure. The MRIF is designed to primarily address the public infrastructure needs of Canada's municipalities and rural and remote areas. The MRIF will be delivered federally through regional agencies. In Atlantic Canada, the program is delivered through Atlantic Canada Opportunities Agency (ACOA).

In total across Canada, a minimum of 60 percent of funding under the MRIF, with a minimum of 40 percent per jurisdiction, will target 'green infrastructure' that provides a better quality of life and benefit through sustainable development. These include water, wastewater, solid waste, municipal energy improvements, and public transit. Project selection for the MRIF will be guided by joint federal-provincial/territorial Management Committees. As well, a role for municipal associations will be defined during the negotiations with the provinces and territories. At least 80 percent of funding under the MRIF will be dedicated to municipalities with a population of less than 250,000.

MRIF is not up and running anywhere across the country yet, although some areas have their agreements in place. The deal with Nova Scotia is not signed as they are still working out the terms and conditions and which projects will be prioritized.

It is proposed that a joint application form to be available on Infrastructure Canada's web site be used for the MRIF. It will be based on the form used with most jurisdictions for the delivery of the Infrastructure Canada Program. A time line on when applications will be accepted will also be determined during the negotiations with the provinces and territories.

**BUDGET IMPLICATIONS**

Staff does not recommend that municipal funds be spent to extend sewer services, therefore there are no budget implications at this time.

**FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

**ALTERNATIVES**

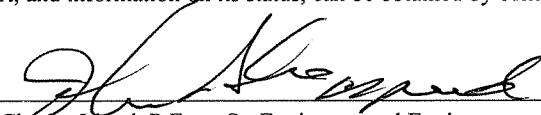
None recommended.

**ATTACHMENT**

None

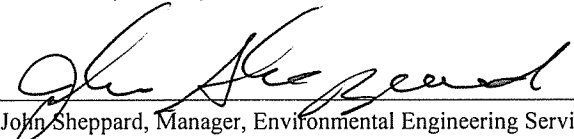
Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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