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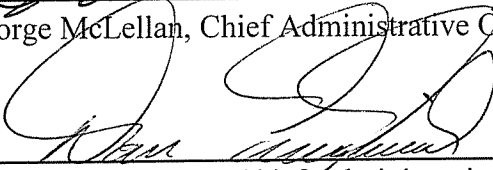
Halifax Regional Council
May 24, 2005

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



George McLellan, Chief Administrative Officer



Dan English, Deputy Chief Administrative Officer

DATE: May 9, 2005

SUBJECT: Armshore Drive - Sewer Servicing

ORIGIN

Petition (Survey) - Armshore Drive - Proposed Sewer Servicing Strategy

RECOMMENDATION

It is recommended that Regional Council:

1. Approve a new Capital Budget project for Armshore Drive Sewer Servicing in the amount of \$160,000 (gross) with the net residual amount (after external funding and other recoveries) funded from a local improvement charge as defined in By-Law L-123, with no net budget increase to HRM.
2. Approve in principle and begin the formal process for the adoption of By-Law L-123 respecting charges for the Armshore Drive Sewer Servicing, attached hereto.

BACKGROUND

At the Regional Council meeting of August 17, 2004, Councillor Linda Mosher presented a petition, signed by a number of residents of Armshore Drive, requesting municipal sewer services. The petition stated in part that “We the residents are willing to incur the costs of said system upon receipt of a cost structure from HRM”. Armshore Drive is currently serviced by central water. Existing sewage disposal is by individual on-site (septic) systems.

One property on Armshore Drive is known to have a malfunctioning septic system. The property owners have installed a holding tank (for effluent) and are taking water conservation measures to reduce the amount of the effluent. The holding tank is pumped out when required, about every three weeks. Due to the topography, size of the lots, and the age of the area’s septic systems, it is probable that other systems may malfunction in the future.

Over the past year, two meetings have been held with HRM staff and a number of residents of Armshore Drive in attendance. The outcome of these meetings is a proposed municipal sewer servicing plan in which a number of properties will be serviced by a gravity connection while others will require an individual private pumping system. There was a consensus that the Local Improvement Charges (LICs) should be recovered on a per lot basis such that properties that can access the gravity sewer will pay one LIC rate while the properties that are required to pump to the common forcemain system will pay one thousand dollars (\$1000) less.

On February 14, 2005 a survey, describing the proposed project plan in more detail, was distributed to the property owners on Armshore Drive. The results of the survey revealed that on a per property basis, 91% of the property owners who responded, and 71% of the total property owners were in favour of proceeding with the installation of sewer services based on the plan presented. The table below provides a more detailed breakdown of the results.

Results	Properties	By Property
Petitions Sent	14	-
Petitions Returned	11	79%
Unreturned/Unmarked	3	21%
Affirmative Replies (of those returned)	10	91%
Negative Replies (of those returned)	1	9%
Affirmative Replies (% of total sent)	10	71%
Negative Replies (% of total sent)	1	7%

DISCUSSION

The estimated gross cost to construct the public portion of the sewer system on Armshore Drive is approximately \$160,000. There are no external funding sources identified at this time . The sewer pipes being constructed are of the minimum size and no oversizing is required.

Using the cost recovery plan recommended at the resident's meeting, the interim LIC rate is estimated to be \$10,800 for the five properties with access to the forcemain system (civic no.'s 5/7, 6, 9, 10 & 12); and \$11,800 for the nine properties with access to the gravity system (civic no.'s 11, 13, 14/16, 15, 17/19, 18, 20, 21/23 & 24/24A) - as indicated on the attached map.

The estimates and figures quoted in this correspondence are based on a preliminary design of the servicing requirements using recent average tender prices in the Municipality for this type of work. The actual cost will vary from the estimate depending upon detailed design requirements and actual tender prices. Therefore, the final LIC rates may increase or decrease from the estimates provided. All project and financial plans must be approved by Regional Council.

The servicing plan for the area identified on the attached map will involve the installation of approximately 180 meters of sanitary sewer. The main pipes will be installed in the travelled portion of the road with one service lateral to the property line of each existing lot. The lateral will be installed at a location agreed upon with the property owner. Property owners will be responsible to construct the service connections from the dwelling to the property line.

The responsibility for removing or decommissioning the existing individual septic systems is the responsibility of each property owner and is regulated by Nova Scotia Environment and Labour (NSEL).

BUDGET IMPLICATIONS

A Local Improvement Charge will be levied to reflect the actual cost of servicing. There are no known sources of external funding identified at this time.

Pollution Control Charges, Trunk Sewer Charges and Sewer Redevelopment Charges, as per By-Law S-100 respecting Sewer Charges, will apply to the property owners as the central sewer services become available.

Although this project is not in the approved capital budget for 2005/06 and will increase the gross debt of the Halifax Regional Municipality, the net debt to the Municipality, after recoveries and local improvement charges, will be \$ 0.

Staff are preparing a report to Council in respect to a policy on projects which come forward after the Capital Budget has been approved.

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

Council could reject the recommendation and abandon the project. However due to the existing and potential public health issues on Armshore Drive, and given that the property owners are funding the construction of the sewer themselves, staff do not recommend this approach.

ATTACHMENTS

1. By-Law L-123 respecting charges for Armshore Drive - Sewer Servicing
2. Letter and petition to residents, dated February 14, 2005

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.

Report Prepared by: Charles Lloyd, P.Eng., Sr. Environmental Engineer, 490-6942

Financial Review by: Kellea Redden May 13/05
May 10-12/05
Kellea Redden, CMA, Financial Consultant, Environmental Management Services, 490-6267

Report Approved by: Brad Anguish
Brad Anguish, P.Eng., Director, Environmental Management Services, 490-4825

Dale MacLennan
Dale MacLennan, C.A., Director, Financial Services, 490-7203

HALIFAX REGIONAL MUNICIPALITY

**BY-LAW NUMBER L-123
RESPECTING CHARGES FOR LOCAL IMPROVEMENT PROJECTS**

Be It Enacted by the Council for the Halifax Regional Municipality that By-Law L-100, the Local Improvement By-Law, be amended as follows:

1. Schedule "A" of By-Law L-100 is amended by adding the following:
 - a) The Armshore Drive project is a plan to install sewer lines to service properties located within the boundaries identified on a plan entitled "Plan of Armshore Drive Sewer Servicing, Local Improvement Charge Area I and Area II, By-Law L-123, dated May 2, 2005" as attached.
 - b) The Project will be funded by local improvement charges based on the entire cost of the project less any other external recoveries.
 - c) A local improvement charge will be imposed at an interim rate of \$10,800 for the five properties with access to the forcemain system (civic no.'s 5/7, 6, 9, 10 & 12); and \$11,800 for the nine properties with access to the gravity system (civic no.'s 11, 13, 14/16, 15, 17/19, 18, 20, 21/23 & 24/24A).
 - d) The interim local improvement charges will be adjusted at the completion of the project, and will be calculated on the basis of the total actual cost of the project at the adjustment date.
 - e) A further charge, yet to be determined, will be levied in respect of all future connections to the sewer and water systems for any properties either existing or created, which are not assessed a local improvement charge.

Done and passed by Council on this _____ day of _____, 2005.

MAYOR





MUNICIPAL CLERK

I, Jan Gibson, Municipal Clerk for the Halifax Regional Municipality, hereby certify that the above noted by-law was passed at a meeting of the Halifax Regional Council held on _____, 2005.

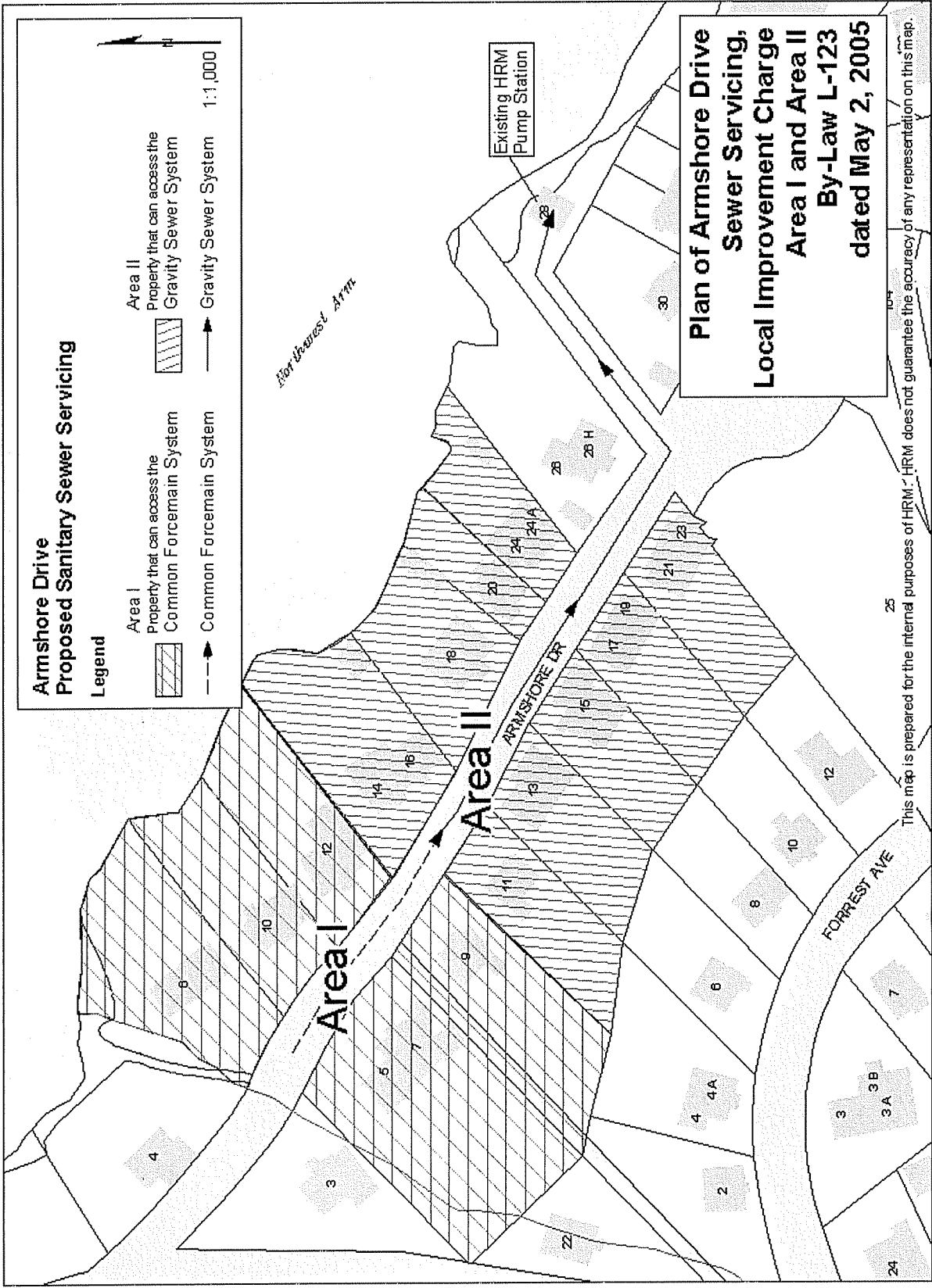
Jan Gibson, Municipal Clerk

**Armshore Drive
Proposed Sanitary Sewer Servicing**

Legend

- | | | | |
|---|---|---|---|
|  | Area I
Property that can access the
Common Forcemain System |  | Area II
Property that can access the
Gravity Sewer System |
|  | Common Forcemain System |  | Gravity Sewer System |

1:1,000



**Plan of Armshore Drive
Sewer Servicing,
Local Improvement Charge
Area I and Area II
By-Law L-123
dated May 2, 2005**

This map is prepared for the internal purposes of HRM. HRM does not guarantee the accuracy of any representation on this map.

To: Property Owners on Armshore Drive, Halifax who may be subject to a Proposed Sewer Servicing Strategy

Date: February 14, 2005

Subject: Survey - Armshore Drive, Halifax - Proposed Sewer Servicing

At the Regional Council meeting of August 17, 2004, Councillor Linda Mosher presented a petition, signed by a number of residents of Armshore Drive, requesting municipal sewer services. The petition stated in part that "We the residents are willing to incur the costs of said system upon receipt of a cost structure from HRM". Armshore Drive is currently serviced by central water. Existing sewage disposal is by individual onsite (septic) systems.

Over the past few months two meetings have been held with HRM staff and a number of residents of Armshore Drive in attendance. The outcome of these meetings is a proposed municipal sewer servicing plan which involves servicing Armshore Drive with a gravity sewer from the existing North West Arm Pump Station to civic 11; and a low pressure (common forcemain) system between civic 11 and the bridge. A number of properties would be serviced by a gravity connection while others will require an individual private pumping system.

The estimated cost to construct the public portion of the sewer system on Armshore Drive is approximately \$160,000. There will be no external funding sources. There was a consensus at the final residents meeting that the Local Improvement Charges (LIC's) would be recovered on a per lot basis such that properties that can access the gravity sewer will pay one LIC rate while the properties that access the common forcemain system will pay \$1,000 less.

If the LIC's were calculated on a per property basis, distributed equally across all 14 lots being serviced, the estimated cost per property would be roughly \$11,400. However if the LIC's are calculated as determined at the last meeting the rates are estimated to be \$10,800 for the five properties with access to the forcemain system (civic no.'s 5/7, 6, 9, 10 & 12) and \$11,800 for the nine properties with access to the gravity system (civic no.'s 11, 13, 14/16, 15, 17/19, 18, 20, 21/23 & 24/24A) - as indicated on the attached map.

The estimates and figures quoted in this correspondence are based on a preliminary design of the servicing requirements using recent average tender prices in the Municipality for this type of work. The actual cost will vary from the estimate depending upon detailed design requirements and actual tender prices. Therefore, the final LIC rates may increase, or decrease from the estimates provided. All project/financial plans must be approved by Regional Council.

LIC charges can be financed over 20 years with interest charged at the rate of 2% above the Municipality's Bankers Prime Rate of Interest at the time the project is presented to the residents as a go forward project and a recommendation to Halifax Regional Council by staff. Billings will be issued annually, and additional or full payments can be made at any time without penalty. Any property lien as a result of charges can be transferred to new owners as long as it is requested by legal counsel and communicated to the HRM by the counsel.

Property owners should also be aware that the Sewer Charges By-Law, which applies to all of HRM, requires payment of Trunk Sewer Charges for all existing buildings in the amount of \$500.00 per dwelling unit and \$0.30 per square foot for all new buildings and building additions. There is also a Sewer Connection Permit fee of approximately \$100.

Another cost consideration for property owners is the work required on private property. Each property owner is responsible to construct and pay for the connection from the home to the property line. The costs can range from \$2,000- \$3,000 (or more) depending on the location of the house, number of walls/steps encountered, amount of rock encountered, or required modifications to the internal plumbing. If a pump is required, the cost may be \$1,000 - \$2,000 higher. These are just staff's estimates and you should obtain independent quotes for your particular situation. The existing septic system will need to be decommissioned, and residents should contact the NS Department of Environment and Labour for details regarding these requirements.

Subsequent to the installation of services, residents will be billed quarterly for water usage and sewer discharge based on metered water consumption. As of April 1, 2004, the residential rate structure is as follows:

Environmental Protection & Wastewater/Stormwater Mgmt	\$.9290/m ³
Water consumption	\$.2780/m ³
Water base rate	\$33.05/quarter

For information purposes, the average residential quarterly water consumption within HRM is 64 m³ resulting in an average quarterly (three months) water and sewer bill of \$110.30. Please note that the Environmental Protection and Wastewater/Stormwater Management charges are subject to change from time-to-time.

For current or future lots that are not subject to charges under this plan, a fee, yet to be determined, will be levied at the time of service connection as a capital contribution towards the project cost.

In an effort to determine full input on the desire to continue the project based on the above plan, we are requesting that each property owner fill out the attached survey form to indicate their support for or against the plan. **Please provide a response by February 28, 2005.**

Please note that any plan must be approved by Halifax Regional Municipality Council. This project has not been presented to Regional Council and that all decisions in respect to this servicing strategy rests with Regional Council and will be considered only during its 2005/06 Capital Budgeting Process.

Charles Lloyd, P.Eng.
Sr. Environmental Engineer
Halifax Regional Municipality
490-6942

Reg Ridgley, CGA
Manager, Strategic Capital Project Support
Halifax Regional Municipality
490-6475

attachments: Armshore Drive, Halifax (Map)

Survey - Armshore Drive, Halifax - Proposed Sewer Servicing Strategy

This survey is to be completed and returned to HRM by February 28, 2005.

Question:

At the last neighbourhood meeting (December 8, 2004) it was determined that the LIC recovery would be calculated as follows:

\$10,800 (estimated) - for the five properties with access to the forcemain system (civic no.'s 5/7, 6, 9, 10 & 12)

\$11,800 (estimated) - for the nine properties with access to the gravity system (civic no.'s 11, 13, 14/16, 15, 17/19, 18, 20, 21/23 & 24/24A).,

Based upon the above estimated costs and the plan described in the attached staff correspondence, are you in favor of receiving Sewer Services ?

YES NO (Circle One)

Name or Company Name - Please Print

Civic Address of the Subject Property - Please Print

Authorized Signature(s)

Date

This questionnaire and any written comments should be forwarded via one of the following:

By Mail: Halifax Regional Municipality
 Design Services
 P. O. Box 1749
 Halifax, NS B3J 3A5
 Attention: Ann Reid

By Hand: Halifax Regional Municipality
 Design Services
 21 Mt. Hope Avenue
 Dartmouth, NS
 Attention: Ann Reid

By Fax:(902) 490-4858