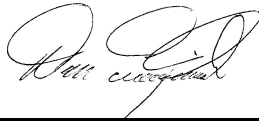


Item No. 10.1.2

**Halifax Regional Council
March 10, 2009**

TO: Mayor Kelly and Members of Halifax Regional Council



SUBMITTED BY:

Dan English, Chief Administrative Officer



Geri Kaiser, Deputy Chief Administrative Officer - Corporate Services
and Strategy

DATE: February 20, 2009

SUBJECT: By-Law L-130: Amendments to Herring Cove Water & Sewer Services

ORIGIN

On July 5, 2005, Regional Council approved By-Law L-124, Respecting Local Improvement Charges for Herring Cove Water and Sewer Servicing.

RECOMMENDATION

It is recommended that Regional Council:

1. Approve in principle and begin the process for the adoption of Local Improvement Charge By-Law L-130, attached hereto as Attachment 1, to:
 - (a) to set the amount for future connection charges for the Herring Cove Water and Sewer Servicing project, and
 - (b) permit the inclusion of the properties located at civic 74 and 78 Ketch Harbour Road within the servicing boundary for this project and to apply the Local Improvement Charges to these properties as provided for in By-Law L-124.

BACKGROUND

By-Law L-124, Respecting Local Improvement Charges for Herring Cove Water and Sewer Servicing, states in Section 1 (f) that “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.”

The By-Law also states in Section 1 (a) that “The Herring Cove Water and Sewer Servicing project is a plan to install sewer lines, water lines, and some storm drainage systems to service properties located within the boundaries identified on a plan entitled “Plan of Herring Cove Water and Sewer Servicing, Local Improvement Charge Area, By-Law L-124, dated May 12, 2005” as attached.”

DISCUSSION

1. Setting the Charge for Future Connections

A number of properties not abutting the system have connected to it over easements since the By-Law was approved by Council. Because they are not abutting the system, they were not charged the Local Improvement Charge under By-Law L-124. Because the By-Law did not set the amount of the charge for future connections to the system, it must be amended at this time so that these properties can be charged.

Staff believe that the most equitable approach to setting the charge for future connections is to base it on the amounts charged to properties abutting the system at the time it was commissioned. Therefore the future connection charges would be set at \$4,700 per property for water, and \$4,600 per property for sewer. Because extension of the existing water and sewer lines is not required, and because the properties which are connected in the future would have to do so over easements as they are not abutting the lines, frontage charges would not apply to future connections.

2. Revising the Servicing Boundary

In a separate issue, the properties located at civic 74 and 78 Ketch Harbour Road were originally excluded from the servicing boundary map for the new water and sewer system because it was thought at that time that these properties were already being serviced as part of Churchill Estates. Since they were unserviced properties and now abut new services installed as part of the Herring Cove Project, the Local Improvement Charges outlined in By-Law L-124 must be applied to them. This includes the rate of \$20 per foot of calculated frontage plus \$4700 per property for water, and \$10 per foot of calculated frontage plus \$4600 per property for sewer. The By-Law must therefore be amended to extend the servicing boundary to include these two properties.

BUDGET IMPLICATIONS

Additional revenues realized by these new billings will be used to offset the cost of debenture debt payments in Fiscal Services operating budget.

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 decide to set charges for future connections on a different basis. An explanation would be required to explain the difference between the amount charged to properties which are abutting the system, and the amount charged to non-abutting properties which connected over easements after the system was commissioned.

ATTACHMENTS

1. Proposed By-Law L-130
2. By-Law L-124 as approved by Council on July 5, 2005
3. Plan of Herring Cove Water and Sewer Servicing, Local Improvement Charge Area, By-Law L-124, dated May 12, 2005

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.


Report Prepared by: Gordon Roussel, Financial Consultant, 490-6468

Report Approved by:



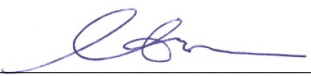
Paul Fleming, Manager, Budget & Financial Analysis, 490-7203

Report Approved by:



Cathie O'Toole, CGA, Director, Finance

Report Approved by:



Catherine Sanderson, Sr. Manager, Financial Services, 490-1562

**HALIFAX REGIONAL MUNICIPALITY
BY-LAW NUMBER L-130
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 under the heading Herring Cove Water and Sewer is amended by adding the following:
 - a) Clause a) is amended by adding “and shall include the properties located at civic 74 and 78 Ketch Harbour Road” immediately after the word “attached”.
 - b) Clause f) is repealed and replaced by the following clause:
 - f) Future connections to the Herring Cove water and sewer systems for any properties either existing or created which are not assessed a local improvement charge shall be charged \$4,700 per property for water and \$4,600 per property for sewer. Civic 74 and 78 Ketch Harbour Road shall be charged in accordance with clause c).

Done and passed by Council on this ____ day of _____, 2009.

MAYOR Peter J. Kelly

MUNICIPAL CLERK

**HALIFAX REGIONAL MUNICIPALITY
BY-LAW NUMBER L-124
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 Herring Cove Water and Sewer Servicing project is a plan to install sewer lines, water lines and some storm drainage systems to service properties located within the boundaries identified on a plan entitled "Plan of Herring Cove Water and Sewer Servicing, Local Improvement Charge Area, By-Law L-124, dated May 12, 2005" as attached.
 - b) The Project will be funded by Local Improvement Charges based on the entire cost of the project less any Halifax Regional Municipality, Halifax Regional Water Commission, (HRWC) Infrastructure Funding and other external recoveries.
 - c) The interim Local Improvement Charges will be imposed at an interim rate of \$20 per foot of calculated frontage plus \$4700 per property for water, and \$10 per foot of calculated frontage plus \$4600 per property for sewer.
 - 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 net cost of the project at the adjustment date,
 - e) The plan area is part of the Herring Cove Road Water Service District (WSD) and, pending approval by the Nova Scotia Utility and Review Board, is subject to a Capital Cost Contribution (CCC) of \$3600/acre on behalf of HRWC. The HRWC CCC charges are included in "c" above for those properties included in the current project plan. For properties outside the current project plan area the CCC charges will be levied at the time these properties receive water service.
 - f) 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

