



PO Box 1749  
Halifax, Nova Scotia  
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**Item No. 12**  
**Halifax Regional Council**  
**July 6, 2010**

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

**SUBMITTED BY:**

A handwritten signature in blue ink, appearing to read "Phil Townsend".

Phil Townsend, Acting Deputy Chief Administrative Officer - Operations

**DATE:** May 28, 2010

**SUBJECT:** Pinedale Park Subdivision Water Utility

### **INFORMATION REPORT**

#### **ORIGIN**

January 19, 2010 (item 13.1) Motion of Regional Council:

MOVED BY Councillor Rankin, seconded by Councillor Lund, that Halifax Regional Council request a staff report outlining how the Municipality may assist Halifax Water in an effort to provide a solution to the water quality in Pinedale Park. MOTION PUT AND PASSED.

#### **BACKGROUND**

Pinedale Park is a small development with 55 lots found off Prospect Bay Road (Map A). The subdivision was developed in the early 1970's and is serviced by a private water utility that is owned by the developer of the subdivision. The water has uranium contamination higher than the accepted level set out in the Guidelines for Canadian Drinking Water Quality and, subsequently, residents are on a do-not-use advisory. The utility is unable to afford the anticipated required upgrades and has requested that Halifax Water take over its ownership. Due to the area's location, it is prohibitively expensive to extend central services to the residents; upgrades to the utility will be required instead.

## **DISCUSSION**

### **Study Required**

Halifax Water has been working with the utility owner for several years, attempting to rectify this problem. Halifax Water has developed a conceptual design and preliminary cost estimate for upgrading the system. However, the design has two areas of cost uncertainty that must be resolved through further study before Halifax Water can submit an application to NSURB to take over the utility:

1. Treatment of Waste Stream: The proposed treatment process will produce a waste stream which must be managed to Nova Scotia Department of Environment (NSE) standards. The waste stream is a liquid concentrate of compounds removed during the treatment process including, in this case, uranium. Waste stream treatment can be a significant cost for a small system such as this. A preliminary design must be completed and commented on by NSE before cost estimates are finalized.
2. The conceptual design relies on locating a new well within the subdivision. A well exploration program must be conducted to finalize the cost of securing the additional water source.

The cost of a study to address these two issues is estimated at \$75,000. There is potential for up to 100% funding from the Province for this study, through the Provincial Capital Assistance Program (PCAP).

Staff of HRM and Halifax Water will submit a letter to the Province requesting consideration for Provincial Capital Assistance Program (PCAP) funding for an exploratory study to address water issues in the Pinedale Park Subdivision.

Staff will hold a public meeting(s) to identify the extent of water concerns, explore possible solutions, and level of public support for Halifax Water to take over the Pinedale Park Water Utility.

### **Possible Outcomes**

The study will identify how much it will cost to upgrade the system in advance of Halifax Water considering take-over. Unless external sources of funding are found, all costs associated with studies and service installation are to be borne by the property owners. This will be collected through a local improvement charge (LIC) by-law.

The PCAP program may contribute up to 100% of the costs of studies and 50% of service installation costs. In the event the Province determines that no PCAP funds can be made available for this study and/or for the necessary upgrades to the system, staff will consult with the property owners and prepare a report with alternatives for Council's consideration.

Should the Province approve funds for the study, a consultant will be retained under the auspices of Halifax Water. Once the study is complete, staff will have a better indication of possible solutions for this project, and the property owners will be consulted regarding the options and associated costs. Should there be support from the property owners to proceed with the take-over of the utility, staff will provide a report to Regional Council with a proposed LIC By-law to implement the project.

### **Policy**

The Regional Plan does not specifically address situations such as the Pinedale Park water utility. Policies SU-12 and SU-13 speak to the establishment of new Water Service Areas or to the expansion of existing Water Services Areas, primarily intended to address the provision of water service by the major trunk water distribution systems. The Pinedale Park subdivision is serviced by a small independent water system currently under the management of a private water utility, and is not designated as a formal Water Service Area under the Regional Subdivision By-law. Because it is distant from, and independent of, the major trunk servicing system, is a small system with no capability to service a larger area, and simply involves a take-over of the utility by Halifax Water, staff feels there is no requirement to amend the Subdivision By-law in this case. Similar circumstances are found in other areas in HRM where small, independent central water systems exist and are not included in a Water Service Area.

### **BUDGET IMPLICATIONS**

The costs associated with the recommended community engagement process can be accommodated within the approved operating budget for C320 Regional Community Planning. There are no approved funds to undertake the recommended study.

### **FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN**

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

### **COMMUNITY ENGAGEMENT**

HRM's takeover of the water utility will involve community engagement and the engagement process will be consistent with the intent of the HRM Community Engagement Strategy, the *Halifax Regional Municipality Charter* and the Public Participation Program approved by Council on February 25, 1997.

The proposed level of community engagement is consultation, achieved through public meetings to discuss issues and solutions, surveying all landowners to identify support for the upgrades and take-

over by Halifax Water as well as a public hearing before Regional Council in the event an LIC By-law is required to be approved.

The proposed takeover of the water utility will potentially impact the following stakeholders: local residents, property owners, Halifax Water and HRM Finance Department.

It is recommended that Council authorize staff to commence a community engagement process aimed at assisting property owners, in terms of both technical and procedural matters, in resolving this problem. Once the results of this initial process are determined, staff will report back to Council for review and direction.

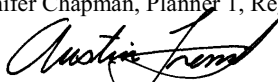
### **ATTACHMENTS**

Map A: Pinedale Park Subdivision

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.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: Jennifer Chapman, Planner 1, Regional & Community Planning, 490-4949


Report Approved by:

  
Austin French, Manager of Planning Services, 490-6717

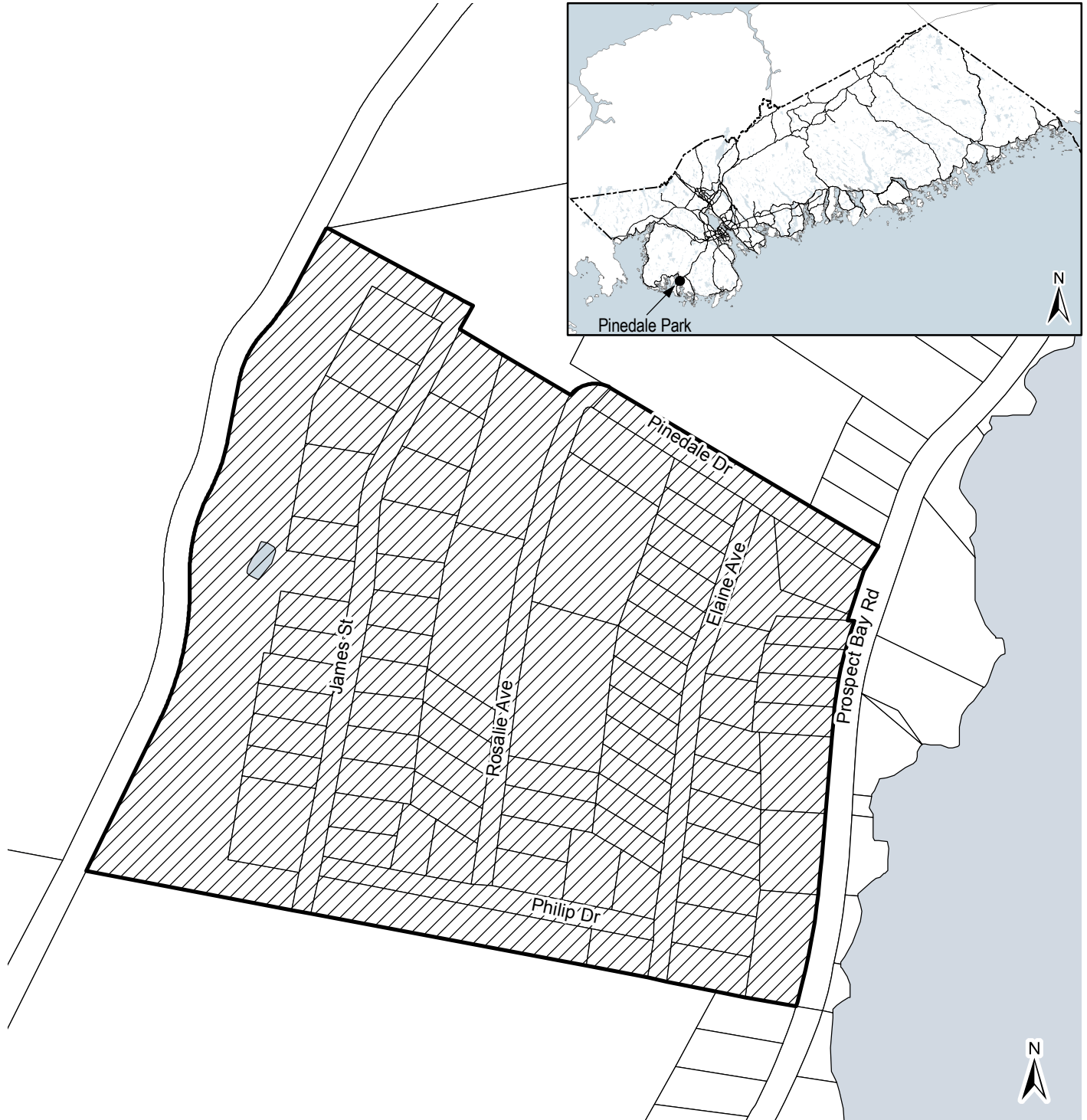
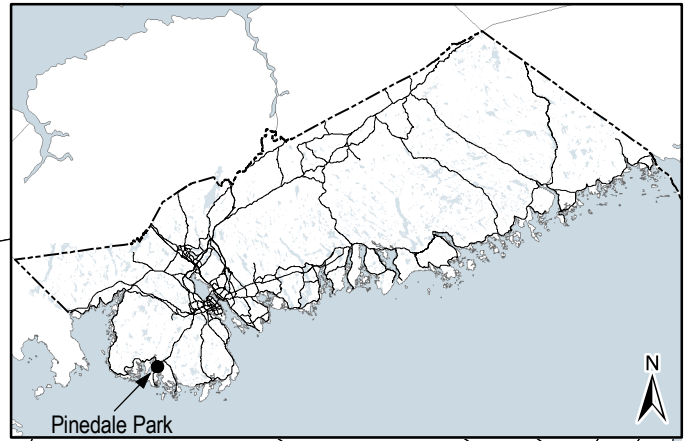
Financial Approval by:

  
Cathie O'Toole, CGA, Director of Finance, 490-6308

Report Approved by:

  
Paul Dunphy, Director of Community Development

# MAP A



## Pinedale Park Water Utility Upgrade

 Pinedale Park Subdivision

**HALIFAX**  
REGIONAL MUNICIPALITY  
REGIONAL AND COMMUNITY  
PLANNING SERVICES

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m

Prospect  
Plan Area

HRM does not guarantee the accuracy of any  
representation on this plan.