

Halifax Regional Council

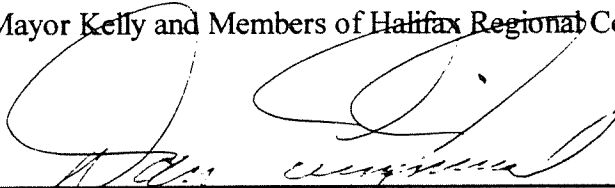
August 20, 2002

Aug. 27, 2002

September 17, 2002

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Dan English, Acting Chief Administrative Officer

DATE: August 19, 2002

SUBJECT: Little Salmon River Subdivision Water Servicing

ORIGIN

Canada -Nova Scotia Infrastructure Program.

RECOMMENDATION

IT IS RECOMMENDED THAT:

1. The Capital Budget for the Little Salmon River Subdivision Water Servicing be approved in the amount of \$1,900,000 (gross), with the net residual amount (after Infrastructure Funding and other recoveries) funded from frontage and acreage charges.
2. The Halifax Regional Water Commission (HRWC) be appointed as the contracting agency to extend water service to the Little Salmon River Subdivision.
3. Approve in principle and begin the formal process for the adoption of By-Law Number L- 112, Respecting Charges for the Little Salmon River Subdivision Water Servicing, attached hereto.

BACKGROUND

The results of a community meeting on September 11, 2000 indicated that there was a community health issue and a general consensus that the Halifax Regional Municipality be requested to advance this servicing strategy under the Federal/Provincial Infrastructure Program. The results of a preliminary petition from this same time frame indicated that only 42% of residents were in favor of proceeding with the installation of water services, and a number of respondents indicated that they could not afford the costs of servicing without cost sharing .

DISCUSSION

The total capital cost of construction to extend water service within the full limits of the Little Salmon River Subdivision is estimated to be \$1,900,000.00.

The HRWC and HRM applied for and were successful in receiving 2/3 funding towards the estimated \$1,900,000.00 cost from the Canada/Nova Scotia Infrastructure program.

The balance of the funding will form a frontage charge and acreage charge to abutters calculated as follows:

Estimated total project cost	\$1,900,000
Less:	
Approved Infrastructure Funding(2/3)	\$1,266,667
HRWC Stewardship grant	<u>\$152,000</u>
Recoverable from abutters	\$481,333
Estimated frontage for non acreage lots	14032
Estimated Acreage affected by servicing	25.42
Estimated Frontage rate	\$ 25.15
Estimated Acreage rate**	\$5478.00

** After applying a factor of 92% to raw acreage to allow for boundary and road adjustments

It should be noted that estimates were based on a preliminary design of the servicing requirements using recent average tender prices experienced by the HRWC for this type of work. The actual cost may vary from the estimate depending upon detailed design requirements and actual tender prices.

To allow for unforeseen works and applying an amount of 3 % contingency, it is estimated that an interim frontage charge of \$26.00 and an interim acreage charge of \$5600 per acre would be sufficient to fully finance the servicing, and which is the interim rate recommended in By-Law L-112.

Project Scope

The servicing plan, identified on the attached map, will involve installation of approximately 3000 metres of 200mm to 300mm diameter water mains in the traveled portion of the road with one lateral to the property line of each existing lot. The lateral will be installed at a location mutually agreed to with the property owner. At approximately 150m intervals a fire hydrant will be installed and generally located approximately 1.5m from the edge of the road.

Community Participation

Subsequent to the Community Meeting of September 11, 2000, and the preliminary petition, a notice to residents and petition dated June 17, 2002, copy attached, were distributed to all residents affected by the servicing strategy. In addition , a meeting was held on June 27, 2002 at the Black Cultural Centre in Cherry Brook.

Based upon petition results there is a significant concern that a number of wells have documented quality and/or quantity problems, however the community is not overwhelmingly in acceptance of the servicing strategy. The results as of August 8, 2002, of the June 17, 2002 petitioning process follows:

Based upon Petitions Sent

Description	By One Reply Per Property Owner	By Recoverable Frontage	By Properties with Homes	By Those with Acreage Parcels
Affirmative Replies	58 (56.3%)	6660 feet(47.5%)	53 (57.0%)	12.09 acres(47.6%)
Negative Replies	31 (30.1%)	3960 feet (28.2%)	31 (33.3%)	2.4 acres(9.4%)
Unreturned/ unmarked	14 (13.6%)	3412 feet(24.3%)	9 (9.7%)	10.93acres(43.0%)
Total	103	14032 feet	93	25.42 acres

Based upon Petitions Returned

Description	By One Vote Per Property Owner	By Recoverable Frontage	By Properties with Homes	By Those with Acreage Parcels
Affirmative Replies	58 (65.2%)	6660 feet(62.7%)	53 (63.1%)	12.09 acres (83.4%)
Negative Replies	31 (34.8%)	3960 feet (37.3%)	31 (36.9%)	2.4 acres (16.6%)
Total	89	10,620 feet	84	14.49 acres

During the public meeting of June 27, 2002, there was some objection to the counting of responses on the basis of one per property owner irrespective of the fact that an individual may have several properties. The above tables were prepared to demonstrate that regardless of the method used to tabulate the petitions, the results are similar. Also during the meeting it was suggested, with the assistance of a circulated notice, titled Project Financing, that the charges resulting from this Project be paid through an increase in water rates, throughout the entire HRM receiving HRWC water services. Staff do not consider this a viable alternative.

The application for federal and provincial financial support was predicated on the need to address the water quality and quantity issues. Since 1995 water quality concerns have been documented and it is quite possible that the quality has subsequently deteriorated. Any further studies would serve no useful purpose especially now that infrastructure funding is available and brings the frontage charge in at a level which is consistent with other water servicing initiatives currently approved and under construction within the HRM.

Water Quantity and Quality Issues

Notwithstanding the recent petition results, staff is concerned about the current water supply within the Little Salmon River Subdivision. An extensive water quality/quantity survey was completed in July, 1995 and revealed some serious deficiencies in the area. Of 86 homes that were surveyed, 25.6% of wells contained arsenic levels above 25 parts per billion (ppb), the maximum acceptable concentration (MAC) as outlined in the Guidelines for Canadian Drinking Water Quality (GCDWQ) as published by Health Canada. In addition, another 18.6% of wells contained arsenic levels in the range of 10 to 25 ppb. This information is provided in recognition that the current MAC for arsenic in Canada may be lowered to 10 ppb in the future. The MAC for arsenic levels in the United States was recently lowered from 50 to 10 ppb, as mandated by the Federal Environmental Protection Agency.

Aside from arsenic, 39.5% of wells contained total coliforms and 9.3% contained E.coli.

Based on the serious deficiencies in the water quality within the Little Salmon River Subdivision and the moderate support from area residents, staff recommend extension of water service through the Infrastructure Works Program.

The By-Law process provides residents with sufficient time to prepare and schedule for the Public Hearing Process.

BUDGET IMPLICATIONS

The proposed 2002-2003 Capital Budget includes a section on Regional Council's infrastructure funding priorities and those projects approved to date. The Little Salmon River Subdivision Water Servicing has been approved by Halifax Regional Council and the Infrastructure Funding Partners.

A frontage and acreage charge will be levied to reflect the actual cost of these phases less any Federal, Provincial or other funding. Therefore, net debt charges to the Municipality will not increase and the costs to finance will be borne directly by those being serviced.

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 and the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES


1. Council could reject the recommendation and abandon the project, thereby directing the funding approved by the Canada /Nova Scotia Infrastructure Program to other projects.
2. Council could direct staff to return to the community to obtain increased input and report back to Council their findings.


ATTACHMENTS

- 1) Map, Little Salmon River Subdivision Water Servicing CD 002022, By-Law L-112, dated July 10, 2002.
- 2) Letter and petition to residents of June 17, 2002
- 3) By-Law L-112 Respecting Charges for Little Salmon River Subdivision Water Servicing

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.

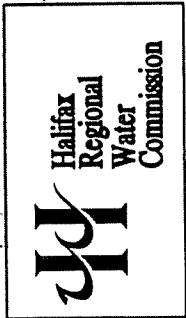
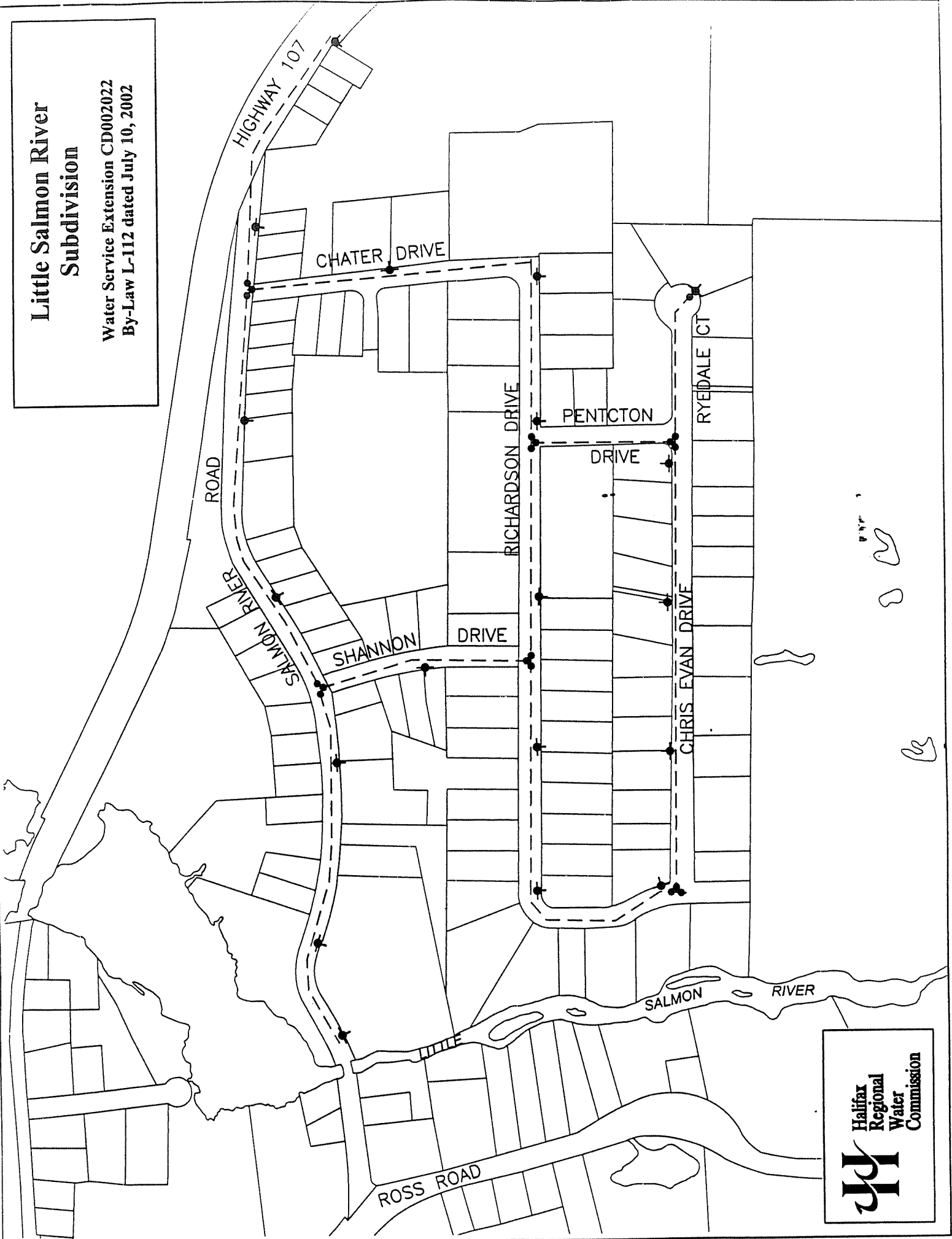
Report Prepared by: Reg H. Ridgley, CGA, Manager, Strategic Capital Project Support 490-6475
Jamie Hannam, P.Eng, Chief Engineer, HRWC 490-4804

Approved by :  Blaine Rodney, CA., Acting General Manager, HRWC 490-4812


Dawn Keizer, CA, Acting Director, Financial Services 490-7203

Little Salmon River Subdivision

Water Service Extension CD002022
By-Law L-112 dated July 10, 2002



HALIFAX
REGIONAL MUNICIPALITY

Councillor Ron Cooper

Cole Harbour North - Cherry Brook
cooperr@region.halifax.ns.ca
HRM Web Site: www.region.halifax.ca

44 Dalkeith Drive
Cole Harbour, NS B2W 4EB
Tel: 902-462-4887 Fax: 902-435-8031
Cell: 902-488-4804

June 17, 2002

Dear Residents:

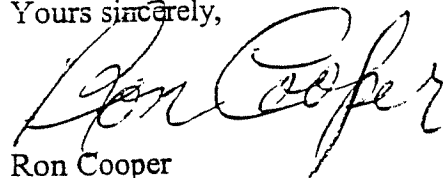
This letter, along with the enclosed material, is intended to bring you up to date on the water extension project for the Little Salmon River Subdivision area. We have been successful in having Infrastructure Fund monies committed to cover two-thirds of the costs, resulting in a per footage charge of \$26.00.

The Municipality now requires that the by-law for charges be in place, prior to final approval of the project. This requires that the information meeting be held as soon as possible and that continued residential support be confirmed. At the upcoming meeting on June 27, staff will be available to explain the project, details of financing, cost deferral options and repayment periods.

It is important that the confirmation slips be returned prior to or at the meeting.

I am looking forward to having this project completed as soon as possible.

Yours sincerely,



Ron Cooper
Councillor - District 4

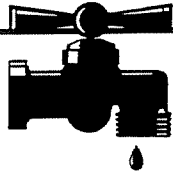
Enclosures

HALIFAX

REGIONAL MUNICIPALITY

Residents of the
Salmon River Subdivision

are invited to attend a Community Meeting
To discuss the Water Servicing Strategy



Black Cultural Centre
1149 Main Street
7:00 pm
Thursday, June 27, 2002

Please Attend!
Your input is important!

For More Information, please contact:

Councillor Ron Cooper

cooperr@region.halifax.ns.ca

Phone: 902-488-4804

Fax: 902-435-8031

or

Margo R. Murphy

Councillors Office

murphymr@region.halifax.ns.ca

Phone: 902-490-4086

Fax: 902-490-4122

To: Residents of Little Salmon River Area Affected by the Water Servicing Strategy

Prior to construction design, tender specifications, issuance of tenders and submission to Halifax Regional Council for approval, staff wishes to provide information to residents of the Little Salmon River area who may be provided with water under the proposed Water Servicing Strategy. The approval process will require a By-Law, with the following anticipated scheduling:

- July 2, 2002 Council Session - Staff report to Council and Notice of Motion proposing By-Law.
- July 9, 2002 Council Session - First Reading of By-Law.
- Advertisement of two weeks.
- August 20, 2002 Council Session - Public Hearing, Second Reading and By-Law adoption.

The servicing plan, identified on the attached map, will involve installation of 8 inch to 12 inch water mains in the traveled portion of the road with one lateral to the property line. The lateral will be installed at a location mutually agreed upon with the property owner. At approximately 500 foot intervals fire hydrants will be installed and generally located approximately 5 feet from the edge of the road. The attached map shows the approximate location of the proposed water infrastructure.

The results of a community meeting on September 11, 2000, indicated that there is a community health issue and a general consensus that the Halifax Regional Municipality be requested to advance this servicing strategy under the Federal/Provincial Infrastructure Program. The results of a preliminary petition indicated that only 42% of residents were in favor of proceeding with the installation of water services. However, at that time, a number of respondents indicated that they could not afford the costs of servicing without cost sharing.

The full cost to service is now estimated at \$1,900,000. This estimate is based on a preliminary design of the servicing requirements using recent average tender prices in the Halifax Regional Water Commission (HRWC) area for this type of work. The actual cost will vary from the estimate depending upon detailed design requirements and actual tender prices. It should be noted that this amount is only an estimate and cost sharing from other levels of government will be affected as a result. Therefore, the ultimate abutter's frontage charge may increase, or decrease.

The Municipality and the HRWC have secured two-thirds funding under the Provincial and Federal Government Infrastructure Program, in the amount of \$1,266,667. In addition the HRWC will provide a stewardship grant in the amount of \$152,000. Based upon estimated costs and the approved funding, a recoverable amount from abutters remains of approximately \$481,000.

Based upon the preliminary estimates and the configuration of the land and lots being serviced, it is estimated that a frontage charge of \$26.00 per lineal foot frontage and an acreage charge of \$5,600 (for those lots so designated in the attached map) will be sufficient to fully finance the installation of water services. Those lots designated acreage will not receive a foot frontage levy in addition to the acreage charge.

All frontages will be determined in accordance with the provisions of By-Law L-100. Corner lot frontages can be affected by this By-Law. Should you need further clarification you should contact one of the undersigned.

Without the Federal and Provincial infrastructure program and HRWC stewardship cost sharing, the frontage charge is estimated at \$93.00 per lineal foot frontage and the acreage charge approximately \$20,290. This would render the servicing strategy cost prohibitive.

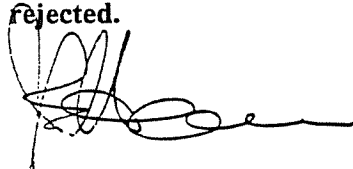
For current or future lots created through lot subdivision, which do not have street frontage or assessed an acreage charge, a fee of \$1,500 will be levied at the time of water service connection as a capital contribution. It should be noted that the Federal and Provincial infrastructure cost sharing represents two thirds of the estimated costs. This means that should costs be lower than the estimated \$1,900,000, the cost sharing will be reduced. If costs exceed \$1,900,000, increased cost sharing may not be forthcoming, and therefore, the estimated frontage and acreage charges will have to increase.

Since the first petition was inconclusive in respect to community support for the project, before Halifax Regional Council approval is requested on all aspects of the servicing, it is important that we hear from you. Please complete the petition section below and return to Margo R Murphy, Council Assistant, Councillors' Office, indicating your preference for or against this servicing strategy.

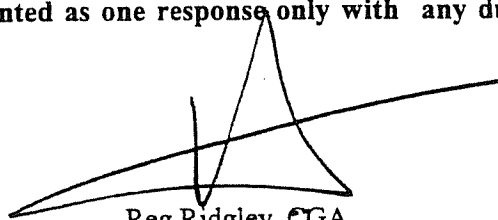
Please complete the petition section indicating your preference for or against this servicing strategy and

- bring it with you for submission at the Public Meeting; or
- return it to Margo R Murphy, Council Assistant, Councillor's Office, in the enclosed envelope; or
- fax it to (902) 490-4122.

Please note that each property will be counted as one response only with any duplication being rejected.



Jamie Hannam, P.Eng
Chief Engineer, Engineering
Halifax Regional Water Commission
(902) 490-4804



Reg Ridgley, CGA
Manager, Strategic Capital Project Support
Financial Services
Halifax Regional Municipality
(902) 490-6475

Dated June 17, 2002

Please detach

I/We agree / disagree (please circle one) that the Little Salmon River Water Servicing Strategy, the boundary of which is defined in the map attached hereto, proceed to Halifax Regional Municipal Council for approval, subject to a rate not exceeding \$26.00 per lineal foot frontage and an acreage rate not exceeding \$5,600.

Name: (Please Print)

Street Address

Signature(s)

Date

HALIFAX REGIONAL MUNICIPALITY

BY-LAW NUMBER L- 112 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 Little Salmon River Subdivision project is a plan to install water lines to service properties located within the boundaries identified on a plan entitled "Little Salmon River, CD002022, By-Law L-112, July 10, 2002" as attached.
 - (b) The Project will be funded by local improvement charges based on the entire cost of the project less any federal, provincial or other revenue.
 - (c) The local improvement charges will be imposed at an interim rate of \$26.00 per lineal foot on each property which abuts in whole or in part of any street and an interim acreage charge of \$5600.00 per acre for those properties so designated on the plan
 - (d) Acreage charge calculations shall be applied at 92% of recorded acreage
 - (e) 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, less any federal or provincial or other funding.
 - (f) A further charge of one thousand five hundred dollars (\$1500.00) is hereby levied in respect of all future connections to the water systems for properties which are not assessed a local improvement charge.

Little Salmon River Subdivision

Water Service Extension CD002022
By-Law L-112 dated July 10, 2002

