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TOWNSHIP OF KING FUNDING REQUEST – NOBLETON LOCAL SANITARY SERVICING

The Environmental Services Committee recommends the adoption of the recommendations contained in the following report dated September 30, 2009, from the Commissioner of Environmental Services.

1. RECOMMENDATIONS

It is recommended that:

1. The Region provide a financial contribution of \$1.3M to the Township of King's program to deliver a local sanitary collection system in the community of Nobleton subject to the following Regional conditions:
 - The Township of King Council require mandatory connection to new local sanitary sewers for all existing units in Nobleton, including proper decommissioning of their septic systems.
 - That the Township of King agree that the next phase for design and construction of local sanitary sewers will service existing units within the 100m radius zone of influence of the Regional production wells to ensure wellhead protection as soon as possible.
 - That payment of the financial contribution be made upon the Township of King's award of construction contract that will provide local sanitary servicing to existing units within the 100m radius zone of influence of the Regional production wells.
 - That existing units within the 100m radius zone of influence be connected to the local sanitary sewer and have their septic systems decommissioned within three (3) years.
 - That the Township of King not allow any connections of existing units to new local sanitary sewers until spring of 2010, so the Region can winterize the Nobleton Water Pollution Control Plant and not have to operate the plant with inadequate flows through winter.
2. The Regional Clerk forward this report to the Clerk at the Township of King.

2. PURPOSE

The purpose of this report is to seek Council authorization for the Region to provide a \$1.3M financial contribution to the Nobleton local sanitary servicing project, subject to Regional conditions, as requested by Township of King Council (*See Attachment 1*).

3. BACKGROUND

Nobleton's Official Plan allows for growth

Nobleton's official plan allows the community to grow to a population of 6500 from the existing 3200, but future development requires a communal sanitary servicing system due to smaller lot sizes. All of the existing units in Nobleton are serviced by individual septic systems.

The Class Environmental Assessment (EA) was initiated in October 1995 to determine a preferred alternative for a communal sanitary servicing system for the community of Nobleton. The Class EA included five public meetings and was completed in June 2003.

In June 2004, Regional Council authorized the Region to enter into an area specific prepaid development charge (DC) credit agreement with the largest landowner in Nobleton. Under the terms of this agreement, the landowner was required to front-end finance and deliver the Regional component of a communal sanitary servicing system. The landowner would recover the growth portion of the project costs through the DC credits, but was required to pay for the non-growth portion of the project costs so that Nobleton residents would not be burdened with this cost.

The Region was required to oversee the landowner's delivery of the project to ensure the Region's standards and requirements were met.

The Township of King was responsible to deliver the local sanitary servicing project as their part in Nobleton's new communal sanitary servicing system.

The Nobleton Sewer Works project is the Regional component of the Nobleton Communal Sewer System

The Nobleton Sewer Works project consists of a Water Pollution Control Plant (WPCP), an Effluent Outfall with a Constructed Wetland, a Sewage Pumping Station (SPS), and a Sanitary Forcemain (*See Attachment 2*).

The total cost of the Nobleton Sewer Works project, approximately \$21M, is covered by development credits (growth portion at 57%) and by the developer (non-growth portion at 43%). The developer, Hamleys Developments Inc. (Hamelys), will be the owner of the project for two years after commissioning and the Region will operate the WPCP and SPS. The project is being commissioned in October 2009, but there is currently no sanitary flow available. The commissioning will be completed with water for proper hydraulic operation. Once there is an adequate sanitary flow, the WPCP will then be tested for its effectiveness to treat the sewage to meet effluent discharge requirements.

Phases 1 and 2 of the Nobleton Local Sanitary Servicing project are complete

The Township of King has completed Phases 1 and 2 of the Nobleton Local Sanitary Servicing project, which allows for 202 of the existing 1,148 units to be connected to the new local sanitary sewers. This also allows Hamleys to service their future development. The majority of the remaining phases of the local collection system have not yet been designed.

Phosphorous offsetting is required to operate the new Nobleton WPCP

The Certificate of Approval for the Region's Sewer Works Project includes a phosphorous offsetting strategy, which was required by the Ministry of the Environment (MOE) to allow the WPCP to discharge effluent into the Humber River.

The Humber River is classified as a "Policy 2" water body by the MOE, because the phosphorous concentrations in the river exceed the Provincial Water Quality Guidelines and Objectives. Under this policy, the MOE approved the Class EA for the Sewer Works Project provided that the increased phosphorous loading to the Humber River is offset by reductions from other sources in the watershed.

A Phosphorous Offset Strategy was prepared for this project and accepted by the MOE. Refer to Section 4 for more details.

Septic Systems within 100m radius of the three production wells in Nobleton are to be decommissioned to meet changing regulatory requirements

It is anticipated that Nobleton's Source Protection Plan, which will be prepared in accordance with the *Clean Water Act*, will classify septic systems within the 100m radius zone of influence of production wells as a significant threat to the water supply. Three Regional production wells currently provide drinking water capacity in Nobleton and their locations are depicted in *Attachment 3*.

The *Clean Water Act* does not currently regulate removal of septic systems within the 100m radius of production wells. York Region staff supports taking a proactive approach to ensure the affected units are serviced in the next phase of the Nobleton Servicing program.

York Region has three main objectives to meet under this project

The Region's three main objectives are as follows:

- To have adequate sanitary flows to the WPCP for effective operation of the plant

- To be in compliance with the Certificate of Approval regarding the phosphorous offsetting strategy
- To meet the anticipated regulatory needs of the *Clean Water Act*

Township of King first suggested cost sharing local sanitary sewers earlier this spring

The Township of King first suggested the idea of cost sharing local sanitary sewer works with York Region unofficially earlier this spring. A meeting was held between York Region staff and Township of King Staff in mid June 2009 where the Region indicated that they were open to the idea, but that the Region could not proceed without an official request from the Township of King Council.

In late June 2009, a meeting was held with York Region's Capital Planning and Delivery staff and the Township of King's Engineering and Public Works staff to determine the cost to provide sanitary service to the units within the 100m radius zone of influence. The estimated costs totalled \$1.329M as detailed in the next section.

At the Township of King Council meeting held on July 6, 2009, Council approved an Engineering Department report, which included a recommendation that the Township of King request York Region to consider \$1.3M contribution for the Nobleton Sanitary Sewer in our 2010 budget.

In mid September 2009, York Region staff met with King Township's Director of Engineering and Public Works to discuss York Region's financial contribution and the concerns the Region had regarding mandatory connections, phosphorous offsetting and source water protection. The Township acknowledged these concerns and informed York Region staff that his department will be recommending mandatory connections to Township of King Council at the next council.

Currently the Township of King has not approved a sanitary sewer connection By-law to make it mandatory for existing units to connect to the new local sanitary sewers

At the Township of King Council meeting held on September 21, 2009, Council accepted its Engineering and Public Works Department's recommendations for mandatory connections for existing units to connect to the new local sanitary sewer as well as to proceed with the design and construction of the phases within the 2-year zone of influence of the Regional production wells (*see Attachment 4*). The 2-year zone of influence area includes the 100m radius zone of influence area.

The Township of King's Engineering and Public Works Department is preparing a sanitary sewer connection by-law which they plan to have ready for public review no later than October 23, 2009. The by-law will be available for review by the public for

three weeks after which time it will be presented to Council for approval at their council meeting scheduled for November 16, 2009. Only when the by-law is approved by Council will mandatory connection for existing units be in effect.

Without mandatory connection to the new local sanitary collection system, it would be very difficult for the Region to meet the objectives listed above.

4. ANALYSIS AND OPTIONS

Providing adequate sanitary flows to the Nobleton Water Pollution Control Plant is required for the plant to operate effectively

Sanitary flow from a minimum of 310 units (equivalent) is needed to operate the WPCP effectively. Phases 1 and 2 of the local sanitary servicing project have been completed, which allow servicing of the following units:

Table 1
Units That Can be Serviced in 2010

Works	Units
Phases 1 and 2	202
Developer Phase 1	150*
TOTAL	352

*Developer forecasted sales

This total meets the minimum sanitary flow required for the WPCP to operate effectively. Without mandatory connections, this would not be possible.

Meeting requirements of phosphorous offsetting strategy will make the project compliant with the Certificate of Approval

To meet the phosphorous reductions detailed in the Phosphorous Offset Strategy, the existing units need to be connected to the new local sanitary sewers and their existing septic systems decommissioned prior to connecting new units. Phosphorous reduction achieved from decommissioning of the existing septic systems is the largest component of the phosphorous offsetting strategy. The other components are re-naturalization of tablelands in Nobleton and upgrades to the Toronto and Region Conservation Authority (TRCA) Albion Hills dairy farm upstream of the WPCP effluent outfall.

Without mandatory connections, requirements of the phosphorous offsetting strategy will not be met and the project will not be in compliance with the Certificate of Approval. This means that the Nobleton WPCP would not be allowed to operate.

Protecting the wellhead of Nobleton production wells will meet future requirements under the *Clean Water Act*

Connecting existing units that have septic systems within the 100m radius zone of influence of the Nobleton production wells to the new local sanitary sewers is a proactive approach to Nobleton Source Protection Plan that will be prepared to meet the future regulatory needs of the *Clean Water Act*.

Septic systems of approximately 44 existing units are located within the 100m radius zone of influence of the Nobleton production wells. Ten of these existing units can be connected to the new local sanitary sewers completed under the Township of King's Phases 1 and 2 works, and the other 34 existing units are to be serviced by future works. Without mandatory connections, the anticipated requirements of the *Clean Water Act* will not be met. This would mean that the Region could be required to undertake the works required to ensure wellhead protection. For this reason, it is recommended that servicing of the 10 plus 34 units within the 100m radius of the productions wells be completed in the next stage of the Nobleton Servicing program.

York Region plans to move ahead with source water protection and the implementation of the *Clean Water Act*, but has a number of concerns regarding MOE's proposed approaches for implementing source water protection. MOE is in the early stages of developing content and preparation of the Source Protection Plans; with further stakeholder consultation; including York Region the process should become clearer.

It is York Region's goal to resolve this issue before it becomes a requirement in Nobleton's Source Protection Plan.

Township of King's requested financial contribution of \$1.3M fairly represents costs to ensure wellhead protection for three Nobleton production wells

The cost to the Region to ensure wellhead protection in Nobleton would include providing sanitary servicing for 44 existing units within the 100m radius zone of influence of the Nobleton production wells. The estimated costs to service the 44 existing units are as follows:

Table 2
Cost to Service 44 Units Within 100m Radius of the Nobleton Production Wells

Works	Units	Estimated Construction Cost
Phases 1 and 2	10	\$ 250,000
Future Work	34	\$1,079,000
TOTAL		\$1,329,000

The Township of King's request for a financial contribution to their Nobleton local sanitary servicing project in the amount of \$1.3M fairly represents costs to ensure regional source water protection objectives.

5. FINANCIAL IMPLICATIONS

Township of King Council has requested a Regional financial contribution of \$1.3 Million towards their Nobleton Local Sanitary Servicing project

A Regional financial contribution of \$1.3M would account for 4.5% of the Township of King's total cost of \$29.1M for the Nobleton Local Sanitary Servicing project. Local developers are contributing \$3.0M. Municipal development charge credits will total \$5.4M with the remaining \$19.4M being collected through local user rates.

Township of King staff indicates that agreements with the participating developers allow for further negotiations for increased contributions in return for concessions such as increased densities.

Township of King has requested a 2010 financial contribution

Sufficient funds have been included in the draft 2010 10 Year Capital Budget to support the Township of King's request for a financial contribution in the amount of \$1.3M. This financial contribution will be made primarily to ensure source water protection in Nobleton and therefore the funds will come from user rates.

6. LOCAL MUNICIPAL IMPACT

This Regional contribution will lessen the financial burden for existing Nobleton residents to connect to the new local sanitary sewers as well as protect Nobleton's local groundwater supply by removing existing septic systems from within the 100m radius zone of influence around the community's production wells.

With the Regional financial contribution, Township of King can expedite implementation of the remainder of the servicing works and ensure wellhead protection as soon as possible. This will also be advantageous to the Township of King if future stimulus funding opportunities become available.

7. CONCLUSION

It is recommended that a Regional financial contribution of \$1.3M be made to the Township of King, for implementation of the Nobleton Local Sanitary Servicing project.

To ensure that Regional interests are met, it is also recommended that the following conditions be attached to the Regional financial contribution:

- The Township of King Council requires mandatory connection to the new local sanitary sewers for all existing units in Nobleton, including proper decommissioning of their septic systems.
- That the Township of King agrees that the next phase for design and construction of local sanitary sewers will service the existing units within the 100m radius zone of influence of the Regional production wells to ensure wellhead protection as soon as possible.
- That payment of the financial contribution be made upon The Township of King's award of the construction contract that will provide local sanitary servicing to the existing units within the 100m radius zone of influence of the Regional production wells.
- That the existing units within the 100m radius zone of influence be connected to the local sanitary sewer and have their septic system decommissioned within three (3) years.
- That the Township of King not allow any connections of existing units to the new local sanitary sewers until the spring of 2010, so the Region can winterize the Nobleton WPCP and not have to operate the plant with inadequate flows through the winter.

For more information on this report, please contact Daniel Kostopoulos, Director, Capital Planning and Delivery, Environmental Services at extension 5070.

The Senior Management Group has reviewed this report.

(The four attachments referred to in this clause are attached to this report).

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TOWNSHIP OF KING

COMMITTEE OF THE WHOLE REPORT

The following item from the Committee of the Whole Report of July 6th, 2009 was adopted by Council at its meeting of July 6th, 2009.

COPIES TO: FILE

CAO, ROB FLINDALL, STEPHEN KITCHEN

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C.O.W. #2009-154

Engineering & Public Works Department Report Number OP2009-16

Re: Results of Public Information Meeting on June 15th, 2009

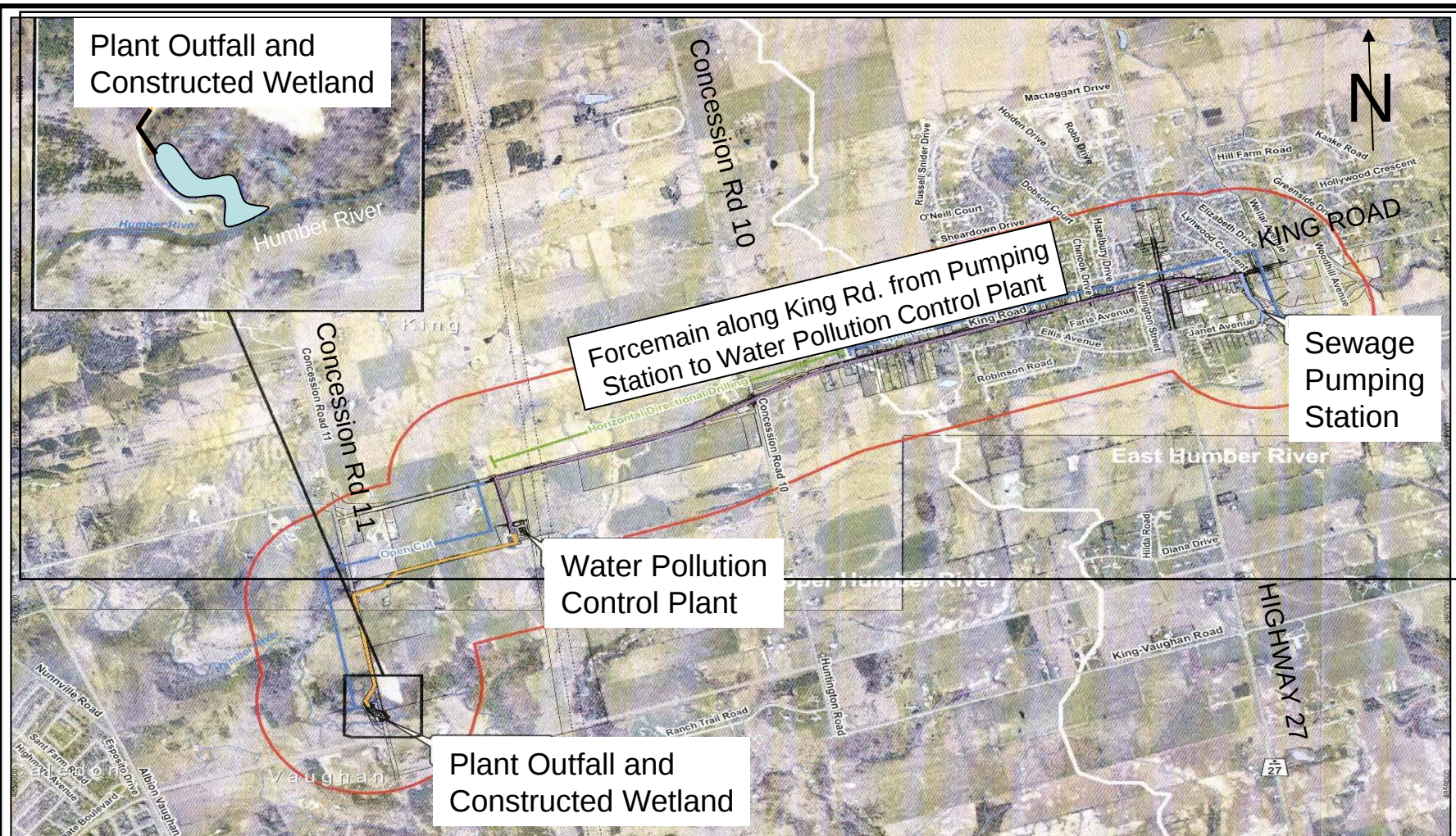
Regarding the Nobleton Sewer System Project

Committee considered Engineering & Public Works Department Report Number OP-2009-16 regarding an update with respect to the Nobleton Sanitary Sewer Program and the results of the Public Information Centre that was held on June 15, 2009.

Committee recommends that Engineering Department Report Number OP-2009-16 be received, and the recommendations therein be approved, as amended, as follows:

1. Report No. OP09-16 be received.
2. Staff proceeds with the detailed design of a sanitary sewer system for the remainder of the community of Nobleton and issue a Request for Proposal for engineering services.
3. That the existing contract for the Wellar Avenue sewer be extended to connect St. Mary's School to the existing sanitary sewer system along Hill Farm Road to the Wellar Avenue outlet, subject to the School Board entering into an Agreement with the Township of King to front ending the costs of the sanitary sewer to their connection point.
4. That Staff be authorized to negotiate and enter into a front-ending agreement with the School Board.
5. Township of King request the Region of York to consider including \$1.3 million dollars for the Nobleton Sanitary Sewers in their 2010 Budget to assist in the implementation of the required Humber River phosphorus off-loading program and Source Water Protection program for the Nobleton Drinking Water wells.
6. Staff report back with a detailed implementation plan for the servicing of the entire community and the decommissioning of existing septic systems with-in 5-9 years in order to meet the phosphorus off-loading program requirements associated with the construction of the waste water treatment plant.

CHRIS SOMERVILLE
CLERK



LOCATION PLAN

Nobleton Sewer Works Project
 Township of King Funding Request
 – Nobleton Local Sanitary Servicing



ENVIRONMENTAL SERVICES



LOCATION PLAN

Nobleton Productions Wells
Township of King Funding Request
– Nobleton Local Sanitary Servicing



ENVIRONMENTAL SERVICES

TOWNSHIP OF KING**COMMITTEE OF THE WHOLE REPORT**

The following item from the Committee of the Whole Report of September 21st, 2009 was adopted by Council at its meeting of September 21st, 2009.

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CAO, ROB FLINDALL, STEPHEN KITCHEN

C.O.W. #2009-208**Engineering & Public Works Department Report Number OP09-22****Re: Nobleton Sanitary Sewer Servicing Program Implementation**

Committee recommends that Engineering & Public Works Department Report Number OP09-22 be received and the recommendations therein be approved, as amended, as follows:

1. Report No. OP09-22 be received.
2. Staff proceeds with the recommended implementation plan for the servicing of all of Option '3' of Report OP09-22 within the period of 2009-2012.
3. Staff prepare the necessary By-law requiring connection to the Nobleton sanitary sewage system and for recovering the cost of the program through a property assessment charge.
4. That the assessment By-law and charges be based on the Residential Unit Equivalent method described in this report.
5. That the assessment By-law provide a requirement for mandatory connection sanitary sewer collection system and decommissioning existing septic systems for all properties in the service area.
6. That staff continue to seek additional contributions and funding in order to reduce the overall assessment costs for the residents of Nobleton and King Township.
7. That staff be authorized and directed to do all things necessary to give effect to this resolution.
8. That the Township proceeds with the remainder of the community at a later date as additional funding becomes available.

CHRIS SOMERVILLE
CLERK