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REGIONAL WATER METER CHAMBERS TOWNS OF NEWMARKET AND EAST GWILLIMBURY

(Regional Council at its meeting on April 19, 2007, referred the foregoing report to the next Transportation and Works Committee meeting on May 2, 2007.)

The Transportation and Works Committee recommends the adoption of the recommendations contained in the following report, March 29, 2007, from the Commissioner of Transportation and Works and Commissioner of Finance:

1. RECOMMENDATIONS

It is recommended that:

1. The water meter chambers set out in this report be included in the proposed 2007 Development Charge Bylaw Update.
2. Regional Council consent to the interim water servicing agreements as set out in this report between the Town of Newmarket and Town of East Gwillimbury, subject to the Town of Newmarket and East Gwillimbury Councils agreeing to the terms of the additional interim water servicing agreements, including proposed extensions to service the Harvest Hills subdivision and a commercial site on Green Lane in the Town of East Gwillimbury.
3. The Regional Clerk forward this report to the Clerks of the municipalities of Newmarket and East Gwillimbury.

2. PURPOSE

The purpose of this report is to recommend the inclusion of five proposed water meter chambers located at the Newmarket and East Gwillimbury boundary in the proposed 2007 Development Charge Bylaw Update, and to recommend that Council consent to interim water servicing agreements between the Town of Newmarket and Town of East Gwillimbury.

3. BACKGROUND

Presently, the Town of East Gwillimbury relies on the Newmarket municipal water system to distribute Regional water supply to service lands in the Yonge Street and Green

Lane area, as well as the existing industrial developments at Harry Walker Parkway at Green Lane and Leslie Street (*See Attachment 1*).

There are three existing water servicing agreements between the Town of East Gwillimbury and the Town of Newmarket.

The existing Trinity commercial complex at the southwest corner and the Fetlar Theatre site at the southeast corner of Yonge Street and Green Lane are serviced by the Newmarket water system through the following agreements:

- Fetlar Theatre and Commercial Complex Agreement (2000).
- Trinity Commercial Complex Agreement (2002).

The existing industrial subdivisions, namely NewGwill and Queensville/Caratuck, at Harry Walker Parkway are serviced by the Newmarket water system through the following agreement:

- NewGwill and Queensville/Caratuck Agreement (2001).

New development in the southwest quadrant of the Yonge Street and Green Lane area, being the Harvest Hills residential subdivision, will also have to rely on interim servicing from the Newmarket water service as the Town of East Gwillimbury wishes to proceed immediately. Newmarket has agreed to the extension of its water service to East Gwillimbury and a new agreement is currently being reviewed to extend water service to the Harvest Hills subdivision. East Gwillimbury is seeking a further water service extension agreement from the Town of Newmarket to service an approved commercial development in the northeast quadrant of the Yonge Street and Green Lane area.

While these agreements provide a cost effective way to service East Gwillimbury in the interim, East Gwillimbury has expressed that, in the longer term, servicing of East Gwillimbury should be made directly from regional supply. Town and Regional staff met and discussed the issues and are in concurrence that future servicing of East Gwillimbury will be provided by a direct connection to the Region's water supply system and that a common strategy be developed to phase out the reliance on servicing from the Newmarket water system. Regional infrastructure is being constructed on Bathurst Street to reinforce supply to the area.

The Provincial Growth Plan "Places to Grow" identifies an area within the Town of East Gwillimbury including the communities of Sharon, Queensville and Holland Landing as a growth area with forecasts expected to exceed the current planned population (*see Attachment 2*). In 2006, the Town of East Gwillimbury completed the Employment Lands Economic Review Study which helped to ensure that there are adequate employment lands to support the Town's future growth, and has now taken the next step to carry out a Town-wide Official Plan Review to bring its official plan into conformity with the

Provincial Growth Plan. In conjunction with the official plan review, Town has also commenced a water and sanitary sewer master plan study. Regional staff is now working closely with Town staff to coordinate their master plan study with the Region's Water and Wastewater Master Plan Update. This coordination effort will ensure that a common long term servicing strategy be developed to address the inter-municipal servicing issues and to allow East Gwillimbury to become directly serviced by the Region over time.

In the meantime, it is agreed between the Town of East Gwillimbury and Regional staff that a logical first step towards providing direct service to East Gwillimbury is to have a system in place that could meter East Gwillimbury consumption. Newmarket has expressed a need to achieve a Regional water servicing plan that will confirm final meter locations for a system that provides independent water servicing to East Gwillimbury. Since the meters will be necessary for any interim Newmarket/East Gwillimbury agreements, to avoid duplication of cost, there is value to ensuring the meters conform with Regional requirements and are capable of assumption by the Region. The earliest opportunity for the Region to assume the meters will be when the costs of the meters have been included in the approved 2007 Regional Development Charges By-Law. To this end, five proposed water meters at the Newmarket and East Gwillimbury boundary have been tentatively identified as follows (also see *Attachment 1*):

- Town of Newmarket watermain extension on Woodspring Avenue.
- Town of Newmarket watermain extensions on Yonge Street (2 meters).
- Region's watermain on Leslie Street.
- Town of East Gwillimbury watermain on Harry Walker Parkway.

Regional staff are working closely with both Towns to pursue efficiencies in determining the phasing of infrastructure, including the location of the meters near the municipal boundary.

It is expected that subject to finalizing the permanent Regional water servicing plan for East Gwillimbury, these meter chambers will become part of the Region's long term water servicing system and be used to meter the East Gwillimbury's consumption.

4. ANALYSIS AND OPTIONS

In September 2006, Regional Council adopted a policy on the "Regional Jurisdiction – Water Infrastructure" in which water infrastructure for metering municipal flow is considered to be an asset under Regional jurisdiction.

The above water meter chambers are an integral part of the Region's long term water supply system required to meter the Town's flow. In accordance with the Regional jurisdiction policy, it is recommended that since these water meters will be Regionally owned, they be included in the 2007 Development Charge Bylaw Update.

While the timing of installing the above water meter chambers depends on the upcoming infrastructure phasing plans recommended in the Water and Wastewater Master Plan Update, opportunities may arise where the work can be easily constructed by developers at the same time they are installing related works in the vicinity. In this case, a development charge credit agreement would have to be prepared, with the principles of agreement approved by Council. Since the work will be assumed by the Region, the water meter chambers have to be constructed to Regional standard, and this requirement should form part of the principles of agreement.

Section 89 of the *Municipal Act, 2001* stipulates that a lower-tier municipality shall not purchase water from another municipality without consent from the upper-tier municipality. The three existing agreements between the Town of Newmarket and Town of East Gwillimbury have served both municipalities well. Prior to the extension of Regional supply mains to East Gwillimbury, the interim servicing agreements are an efficient way of providing water service to East Gwillimbury. It is therefore recommended that Council consent to the existing agreements. In addition, it is also recommended that the proposed extension of Newmarket water system to service the Harvest Hills subdivision and commercial development at Green Lane and Yonge Street be permitted and Council give consent to the related servicing agreement(s).

5. FINANCIAL IMPLICATIONS

The cost of the water meter chamber works is estimated to be approximately \$500,000. This cost will be included in the current Development Charge By-law update. The timing for the installation of the proposed chambers will be determined by the Water and Wastewater Master Plan Update along with other infrastructure needed to service the expected growth in East Gwillimbury. Where water meter chambers are to be constructed by developers, staff will report to and obtain approval from Council the principles of the development charge credit agreement.

6 LOCAL MUNICIPAL IMPACT

East Gwillimbury has expressed that, in the longer term, servicing of East Gwillimbury should be made directly from Regional supply. The inclusion of the water meter chambers in the Development Charge By-law is a constructive step in moving towards direct water service to East Gwillimbury.

Newmarket has requested that it be consulted as part of the finalization of the long term permanent servicing plan for East Gwillimbury to ensure that any decommissioning of the extended services does not adversely impact the Newmarket system such that it continues to function as intended to meet Newmarket's own needs.

7 CONCLUSION

Regional staff has recommended the inclusion of five water meters in the 2007 Development Charge By-law update. This will permit the Region to meter the flow to East Gwillimbury in the future and provide better service to the municipality.

For more information on this report contact Tracey McLean, extension 5095, Acting Manager Technical Support Group of the Water and Wastewater Branch in the Transportation and Works Department.

The Senior Management Group has reviewed this report.

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