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Staff Report

Infrastructure & Public Works

Report To: Committee of the Whole
Meeting Date: November 14, 2016
Report Number: CSPW.16.147
Subject: Huron Street Sanitary Servicing Reimbursement
Prepared by: John Caswell, Manager of Water & Wastewater Services

A. Recommendations

THAT Council receive Staff Report CSPW.16.147 entitled, "Huron Street Sanitary Servicing Reimbursement";

AND THAT Council approve Option 2 and reimburse the owner of Part Lot 41 and Part Lot 43/Lot 44 for one third (1/3) of the total project cost for the Huron Street Sanitary Extension in the amount of \$24,736.14.

B. Overview

This report recommends that the owner of Part Lot 41 and Part Lot 43/Lot 44 (owner) who up fronted costs associated with the Huron Street Sanitary Extension in 2007 be reimbursed 1/3 of the project cost.

C. Background

The Huron Street sanitary sewer was extended from Lansdown Street westerly to the end of Huron Street in 2007 to provide sanitary sewer laterals to three properties (Part Lot 41, Lot 42 and Part Lot 43/Lot 44) fronting on Huron Street.

In 2004, the owner of Part Lot 41 and Part Lot 43/Lot 44 requested the installation of the sanitary sewer in order to gain approval for a building permit on Part Lot 41. On November 16, 2004 Council directed staff to proceed with the Huron Street Sanitary Sewer Extension provided that funding for this project be received upfront in full prior to engineered drawings, agency approvals or the subsequent tender were initiated.

At that time, only the owner of Part Lot 41 and Part Lot 43/Lot 44 was interested in connecting to the sanitary sewer. However, three laterals were extended at the time of construction to include Lot 42. Council directed that the owner of Lot 42 would pay an appropriate share of the cost for construction at the time (s)he connected to the sanitary sewer. No agreement was executed between the Town and the owner stipulating these conditions.

The owner did upfront the full costs to extend municipal sanitary sewers to the end of Huron Street West and the final completion of the 200 mm sewer took place on July 23, 2008.

Recently the Infrastructure and Public Works Department was made aware that Lot 42's new property owner made a connection to the sanitary on Huron Street being unaware of the Council directive to pay an equal share of the cost for constructing the sanitary extension down Huron Street. The owner of Part Lot 41 and Part Lot 43/44 is requesting reimbursement.

D. Analysis

In reviewing the existing files for the Huron Street sanitary extension it was verified there is no signed agreement between the Town and the owner who up fronted the servicing costs. However, it was Council's intention that a 1/3 share of the project costs be assessed to Lot 42 upon connection, and that this share be returned to the owner of Part Lot 41 and Part Lot 43/Lot 44.

Legally, the current owners of Lot 42 are not responsible for reimbursing the owner of Part Lot 41 and Part Lot 43/Lot 44 as they were unaware of these costs when they purchased the property. There is no mechanism established that would allow the Town to impose these costs.

There are two options listed below for Council's consideration:

1. Due to the length of time and the fact that there is no signed agreement the Town will not refund any monies to the owner;
2. The Town could consider approving the reimbursement of the owner of Part Lot 41 and Part Lot 43/Lot 44 for 1/3 of the project cost with the funds to be taken from the Wastewater rate Stabilization Reserve. The 1/3 share of the project is \$24,736.14.

Staff recommend that Council approve Option 2 and reimburse the subject for 1/3 of the total project cost in the amount of \$24,736.14. Council required the subject to provide the funding upfront for the provision of sanitary services to Huron Street West and intended that the subject would be reimbursed for 1/3 of the project's cost. The Town received a newly construction portion of 200mm sanitary sewer on Huron Street and three connections from which it will receive ongoing revenue.

E. The Blue Mountains Strategic Plan

Goal #4: Promote a Culture of Organizational & Operational Excellence

Goal #5: Ensure Our Infrastructure is Sustainable

F. Environmental Impacts

Not applicable.

G. Financial Impact

Should Council approve Option 2 and reimburse the subject for 1/3 of the project's cost being \$24,736.14 this funding will be taken from the Wastewater Rate Stabilization Reserve.

H. In consultation with

Ruth Prince, Director of Finance & IT Services/Treasurer

Sam Dinsmore, Deputy Treasurer/Manager of Accounting & Budgets

John Metras, Town Solicitor

I. Attached

None.

Respectfully submitted,

John Caswell

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