

# REPORT Meeting Date:2023-10-26 Regional Council

REPORT TITLE: Proposed Construction of Sanitary Sewer on Embleton Road,

Capital Project Number 23-2730, City of Brampton, Ward 6

FROM: Kealy Dedman, Commissioner of Public Works

# **RECOMMENDATION**

1. That a 250mm diameter sanitary sewer be constructed on Embleton Road, from Rivermont Road to 2267 Embleton Road, in the City of Brampton, Ward 6, as a Local Improvement under *Ontario Regulation 586/06;* and

- That the proposed local improvement project at a total estimated project cost of approximately \$879,211 (excluding applicable taxes) be funded from Capital Project 23-2730; and
- 3. That the allocated portion to the benefiting property owners in the amount of \$392,532 (excluding of applicable taxes) be set up as an external recovery under Capital Project 23-2730 and collected as a special charge; and
- 4. That the allocated portion of the costs that would be borne by Huttonville Public School, in the amount of \$486,679 (excluding of applicable taxes), be paid for by the Region, pursuant to the requirements set out in Section 58 of the *Education Act*, financed from wastewater capital stabilization reserve R0242; and
- 5. That the necessary by-law be presented for enactment authorizing the undertaking of the work under Local Improvement Charges Priority Lien Status Regulation (O.Reg.586/06), made pursuant to the Municipal Act, 2001, S.O. 2001, c. 25 and the imposition of sanitary sewer cost per property be resolved at completion of construction, and divided equitably amongst the benefitting properties, 50 per cent based on assessed lot frontage, and 50 per cent based on assessed lot size; and
- 6. That the Regional Clerk forward a copy of the report of the Commissioner of Public Works, listed on the October 26, 2023 Regional Council agenda, titled "Proposed Construction of Sanitary Sewer on Embleton Road, Capital Project Number 23-2730, City of Brampton, Ward 6" to the City of Brampton.

#### **REPORT HIGHLIGHTS**

- The property owners of 2305 and 2267 Embleton Road, in the City of Brampton, Ward 6, submitted a sufficient petition to construct a sanitary sewer approximately 295 metres in length under O.Reg.586/06, in 2023.
- The proposed 250mm sanitary sewer will abut five properties from Rivermont Road to 2267 Embleton Road. Three of the properties will benefit from the sewer, one of which is Huttonville Public School.

# Proposed Construction of Sanitary Sewer on Embleton Road, Capital Project Number 23-2730, City of Brampton, Ward 6

- The total estimated cost for the design and construction of the sanitary sewer is estimated at approximately \$879,211 (excluding applicable taxes).
- The estimated owners' portion in the amount of \$392,532 (excluding applicable taxes) to be established as an external recovery under Capital Project 23-2730 and collected as a special charge as per O.Reg.586/06.
- The estimated Huttonville Public School portion in the amount of \$486,679 (excluding applicable taxes), to be paid for by the Region from wastewater capital stabilization reserve R0242.

#### DISCUSSION

#### 1. Background

Local improvements may be owner-initiated to facilitate construction projects for municipal services administered under the *Ontario Regulation 586/06 Local Improvement Charges – Priority Lien Status* made pursuant to the *Municipal Act, 2001,* S.O. 2001, c. 25 (the "Regulation"). They offer communities the opportunity to obtain municipal services. In the Region of Peel, local improvement projects are typically for watermains, sanitary sewers or noise walls.

The benefitting property owners of 2305 and 2267 Embleton Road have submitted a sufficient petition in accordance with the Regulation for the construction of a local improvement sanitary sewer abutting their properties. These properties are currently serviced by septic systems. Staff propose a 250mm diameter local Improvement sanitary sewer, approximately 295 metres long, to be built on Embleton Road, from Rivermont Road to 2267 Embleton Road. Please refer to Appendix I for the proposed sanitary sewer location map. The benefitting property owners signed in favour of the project, which represents 100 per cent of the total properties and 100 per cent of the total value of the lots liable to be specially charged. This petition was certified by the Regional Clerk on May 11, 2023.

The properties located at 2375 and 2378 Embleton Road abut the proposed sanitary sewer however these have been deemed non-benefiting properties due to access to alternative sanitary sewer servicing and a portion of the property at 2378 Embleton Road cannot feasibly connect to a gravity sewer. The Huttonville Public School at 2322 Embleton Road also abuts the proposed sanitary sewer and is currently serviced by septic system, and thus will benefit from the local improvement. However, section 12 (7) of the Regulation states that special charges that become payable while the lot remains exempt shall be paid by the municipality and are not collectable from the owner. Section 58 of the *Education Act*, R.S.O. 1990, c. E.2 (the "Education Act") states that a by-law passed pursuant to Part XII of the *Municipal Act*, 2001 S.O. 2001, c. 25 (the "Municipal Act, 2001") that imposes fees or charges does not apply to a school board. A local improvement by-law granted under the Regulation is made pursuant to Part XII of the *Municipal Act*, 2001 and therefore, the Region will bear the cost of the school's portion of the project.

Notice of the Region's intention to pass a by-law to undertake the proposed sanitary sewer as a local improvement at the meeting of the Regional Council to be held on October 26, 2023, was given to the public on the Region's Website Public Notice Page on September 25, 2023, posted to the Brampton Guardian website on September 29, 2023 and

# Proposed Construction of Sanitary Sewer on Embleton Road, Capital Project Number 23-2730, City of Brampton, Ward 6

sent by letter to the owners of the lots on Embleton Road, on September 17, 2023, in accordance with section 4 and 6 of the Regulation.

#### FINANCIAL IMPLICATIONS

The total estimated cost to design, construct, and provide overall administration for approximately 295 metres of 250mm diameter sanitary sewer on Embleton Road, to service three properties, is \$879,211 (excluding applicable taxes). Staff recommend that a new Capital Project 23-2730 be created in this amount, excluding applicable taxes.

A portion of the project cost (\$392,532) will be paid proportionally by the benefitting properties based on lot size in assessed area and lot frontage. Property area was included to resolve fair proportional costs, given the irregular shaped nature of some of the Embleton Road properties. The two benefitting properties will contribute 45 per cent of the total project cost collected as a special charge. The special charge may be paid in a lump sum at project completion, or over a 15-year period through a bill generated from the Region's billing system and administered by Public Works Operations Support Division. Additionally, an interest rate will be added to the costs, to be determined at the time the by-law is enacted. The Region will fund the balance of the project cost (\$486,679) representing the share of the Huttonville Public School from wastewater capital stabilization reserve R0242. Please refer to Appendix II for the detailed design and construction cost allocation summary.

Upon completion of the project the new sanitary sewer will be incorporated into the Region's wastewater collection system, and no further costs for operations and maintenance, outside of normal fees for water and wastewater servicing, will be borne by the property owners.

# **RISK IMPLICATIONS**

A perceived risk is implied in the Region paying for the project up-front and recouping the cost after completion. This risk is accounted for by the fact that non-payment of Regional billing will result in the addition of the costs being transferred to property taxes. Any non-paid amounts will be collected in a like manner to outstanding property taxes.

# **BILL 112 RISKS AND IMPLICATIONS**

On May 18, 2023, the Province introduced Bill 112, the *Hazel McCallion Act (Peel Dissolution)*, 2023 that will dissolve the Peel Region and make the cities of Brampton and Mississauga and the Town of Caledon single-tier municipalities, effective January 1, 2025. There is the risk construction of the local improvement going beyond the timeline of the proposed dissolution. The proposed legislation provides for the establishment of a Transition Board to make recommendations on implementing the dissolution. Details of the transition including matters as they relate to Regional roles and responsibilities are not known at this time and will be addressed in future reporting to Regional Council. Additional assessment to support the transition under Bill 112 will be provided as further details become known.

#### **LEGAL IMPLICATIONS**

Section 16 (5) of the Regulation provides that irregularly shaped lots shall have their costs increased or decreased on a just and equitable basis as compared with other lots, having regard to the situation, value, and superficial area of the lot. Since 2267 Embleton Road is an

# Proposed Construction of Sanitary Sewer on Embleton Road, Capital Project Number 23-2730, City of Brampton, Ward 6

irregularly shaped lot, the proportional cost has been divided into a cost per lot frontage and cost per lot area. This approach is consistent with how Peel has dealt with past local improvement projects with irregularly shaped lots.

Section 20 of the Regulation provides that before a special charge may be imposed for local improvements the Regional Treasurer shall prepare a local improvement roll setting out the cost of the work, every lot to be specially charged, the name of the owner and the manner in which to be specially charged, every lot that would be exempt from being specially charged, and when the special charges shall be paid, and the lifetime of the Project.

Section 12 (7) of the Regulation states that special charges that become payable while the lot remains exempt shall be paid by the municipality and are not collectable from the owner. Section 58 of the *Education Act* provides for exemption for school boards. The Region will fund the balance of the project cost representing the share of the Huttonville Public School.

As outlined in the Regulation, upon completion of this project, and to impose a special charge and certify the Local Improvement Roll, a Committee of Revision hearing may be held to consider any objections to the special charge and any staff proposed revisions.

The Committee of Revision hearing shall be cancelled if there are no objections or proposed revisions received seven (7) days prior to the scheduled hearing. Subsection 21(5) of the Regulation provides that if no objection or proposed revision is received under this section, the Treasurer shall certify the Local Improvement Roll, without a hearing by the Committee.

# **CONCLUSION**

Property owners of Embleton Road have submitted a sufficient petition to install approximately 295 metres of 250mm diameter sanitary sewer. It is recommended that the proposed sanitary sewer be constructed in accordance with the Regulation and the necessary by-law for recovery of the benefitting property owners' share of the cost.

### **APPENDICES**

Appendix I – Proposed Sewer Location Map Appendix II – Detailed Design and Construction Cost Allocation Summary

Kealy Dedman, Commissioner of Public Works

Leaf Da

Authored By: Mike Faye, Project Manager, Water and Wastewater Division