

NO: R195

COUNCIL DATE: November 20, 2023

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **November 6, 2023**

FROM: **General Manager, Engineering** FILE: **4722-004**
General Manager, Finance

SUBJECT: **Local Area Service - Sanitary Sewer Extension on 54 Avenue from 12710 to 12807 - 54 Avenue - Final Costs and Apportionment**

RECOMMENDATION

The Engineering Department and the Finance Department recommend that Council:

1. Receive this report for information;
2. Approve the bylaw to amend *Local Area Service Sanitary Sewer Main Extension [Project #4722-004] Bylaw, 2022, No. 20625*, attached as Appendix "I", which reflects the final costs of construction of the Works; and
3. Authorize the City Clerk to bring forward the necessary Amendment Bylaw, attached as Appendix "I" to this report, for the required readings and final adoption.

INTENT

The purpose of this report is to advise Council of the final project costs related to *Local Area Service Sanitary Sewer Main Extension [Project #4722-004] Bylaw, 2022, No. 20625* and to obtain Council approval to bring forward an Amendment Bylaw to apportion the final costs of construction of the project across the benefiting properties.

DISCUSSION

Following a successful property owner petitioning process, which is a necessary part of the Local Area Service ("LAS") procedure, at its Regular meeting on May 9, 2022, Council approved the recommendations of Corporate Report No. R078, 2022, attached as Appendix "II", thereby approving the use of a LAS as the means to finance the construction of a low pressure sanitary sewer main extension across the frontage of lots fronting 54 Avenue from 12710 to 12801 - 54 Avenue, as illustrated in Appendix "III" attached to this report.

Subsequently, *Local Area Service Sanitary Sewer Main Extension [Project #4722-004] Bylaw, 2022, No. 20625* was given the required readings and adopted. The construction work has now been completed and final costs of construction have been determined. The final cost of the Works was approximately 8.3% higher than the estimate that was originally provided to the owners of the properties within the benefitting area due to additional works being required to address poor pavement structure conditions along the sewer alignment. The Completion Certificate, attached as Appendix "IV", for the Works certifies the total cost of \$286,992.86.

Schedule B of the amending bylaw, attached as Appendix “I”, details the apportionment of the final costs of the project to the benefitting properties. As the extended sewer main is a low pressure system and there are several irregular shaped lots in the benefitting area, the cost apportionment is based on the lot area rather than lot frontage.

CONCLUSION

Sanitary sewer main works on 54 Avenue as part of a LAS petition have now been completed. As such, it is recommended that Council approve the final costs and apportionment to the benefitting properties, as well as the necessary Bylaw amendments as part of the LAS project.

Scott Neuman, P.Eng.
General Manager, Engineering

Kam Grewal, CPA, CMA
General Manager, Finance

SW/DM/MZ/cc

Appendix “I” Bylaw No. 21088 to amend *Local Area Service Sanitary Sewer Main Extension [Project #4722-004] Bylaw, 2022, No. 20625*
Appendix “II” Corporate Report No. R078, 2022
Appendix “III” Map Illustrating the Area Covered by the Local Area Service
Appendix “IV” Completion Certificate

APPENDIX "I"

CITY OF SURREY

BYLAW NO. 21088

A bylaw to amend the provisions of "Local Area Service Sanitary Sewer Main Extension [Project # 4722-004] Bylaw, 2022, No. 20625"

The Council of the City of Surrey, ENACTS AS FOLLOWS:

1. "Local Area Service Sanitary Sewer Main Extension [Project # 4722-004] Bylaw, 2022, No. 20625" is hereby amended as follows:

Schedule B is deleted in its entirety and the new Schedule B Engineer's Report, Final Costs & Apportionment, attached hereto and forming a part of this bylaw is inserted in its place.

2. This Bylaw shall be cited for all purposes as "Local Area Service Sanitary Sewer Main Extension [Project # 4722-004] Bylaw, 2022, No. 20625", Amendment Bylaw, 2023, No. 21088"

PASSED FIRST READING on the ____ day of _____, 2023.

PASSED SECOND READING on the ____ day of _____, 2023.

PASSED THIRD READING on the ____ day of _____, 2023.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk, and sealed with the Corporate Seal on the ____ day of _____, 2023.

_____MAYOR

_____CLERK

SCHEDULE B**CITY OF SURREY****ENGINEER'S REPORT – FINAL COSTS AND APPORTIONMENT****LOCAL AREA SERVICE – SANITARY SEWER EXTENSION****By FORMAL PETITION**

Pursuant to Section 212 of the Community Charter, the following work resolved to be undertaken as a Local Area Service.

Works: Sanitary Sewer Main Extension (Low Pressure Sewer)
 Location: Along 54 Avenue from 12710 to 12807 54 Avenue

Total Cost of the Works	\$286,992.86
Total Lot Area of the Properties in the Local Area Service	33,386 m ²
Cost per m ² for the Local Area Service	\$8.60
Amortization Period	15 years
Interest Rate	6.59%

Annual Payment is calculated on individual owner's share amortized over 15 years.

Cost Distribution

No.	Street	Number	Lot Area (m ²)	Cost Per Lot	Annual Payment over 15 Years ¹
1	54 Ave	12741	2,640	\$22,693.98	\$2,427.54
2	54 Ave	12751	2,650	\$22,779.94	\$2,436.74
3	54 Ave	12757	3,135	\$26,949.10	\$2,882.71
4	54 Ave	12761	2,932	\$25,204.07	\$2,696.04
5	54 Ave	12793	4,167	\$35,820.38	\$3,831.65
6	54 Ave	12801	2,024	\$17,398.72	\$1,861.11
7	54 Ave	12807	2,023	\$17,390.12	\$1,860.20
8	54 Ave	12780	2,282	\$19,616.54	\$2,098.35
9	54 Ave	12766	2,306	\$19,822.85	\$2,120.42
10	54 Ave	12750	2,330	\$20,029.15	\$2,142.49
11	54 Ave	12738	2,353	\$20,226.87	\$2,163.64
12	54 Ave	12728	2,272	\$19,530.57	\$2,089.16
13	54 Ave	12710	2,272	\$19,530.57	\$2,089.16
Total			33,386	\$286,992.86	\$30,699.20

- The annual payment will remain constant for the 15-year repayment period. The annual payment contains an interest component based on an interest rate of 6.59% compounded annually over the 15-year repayment period.

CORPORATE REPORT

NO: R078

COUNCIL DATE: April 25, 2022

REGULAR COUNCIL

TO: Mayor & Council DATE: April 20, 2022
FROM: General Manager, Engineering FILE: 4722-004
SUBJECT: Local Area Service – Sanitary Sewer Extension on 54 Avenue from
12710 to 12807 – 54 Avenue

RECOMMENDATIONS

The Engineering Department recommends that Council:

1. Approve the establishment of a Local Area Service to allow a sanitary sewer main extension on 54 Avenue from 12710 to 12807 – 54 Avenue, as illustrated on the map attached to this report as Appendix "I", at an estimated total cost of \$265,000, which costs will be fully recovered by a Local Area Service charge that will be apportioned based on final costs and on a lot area basis all in accordance with City policy; and
2. Authorize the City Clerk to bring forward the necessary Local Area Service Bylaw for the required readings.

INTENT

The purpose of this report is to advise Council of a petition that has been received by the City for the installation of a sanitary sewer main extension by way of a Local Area Service ("LAS") process and to seek Council approval for such works to be constructed under a LAS Bylaw in accordance with City Policy.

DISCUSSION

The owners of properties fronting 54 Avenue from 12710 to 12807 – 54 Avenue (all as illustrated on the map attached as Appendix "I") have petitioned the City to extend a sanitary sewer main to provide sanitary service to the fronting properties. The petition has been certified as being "sufficient" in accordance with the requirements of the *Community Charter*. A copy of the City Clerk's Certificate of Sufficiency is attached to this report as Appendix "II".

To service this area, a typical conventional sewer is not feasible due to an absence of road rights-of-way that follow the natural topography. Therefore, servicing will be achieved through construction of a low pressure sewer system that requires homeowners to provide private pump equipment as their parcel is serviced. Low pressure sewers are used elsewhere in Surrey, particularly in very flat areas or where there are insufficient utility corridors that follow the slope.

The cost of the sanitary sewer extension has been estimated at \$265,000 and will be shared among the properties within the benefiting area based on the lot area and the number of service connections for each property as documented in the Engineer's Report, a copy of which is attached to this report as Appendix "III". This is consistent with the City LAS Policy.

FUNDING

Funding for the sanitary sewer main extension is available in the approved Sanitary Sewer Capital LAS Program with costs to be recoverable over the amortized period of 15 years based on the LAS charges that will be collected from the benefiting properties.

SUSTAINABILITY CONSIDERATIONS

The sanitary sewer main extension supports the City's Sustainability Charter 2.0. In particular, the project relates to the Sustainability Charter 2.0 theme of Infrastructure. Specifically, this project supports the following Desired Outcomes ("DO's") and Strategic Directions ("SD's"):

- All Infrastructure DO₂: Infrastructure systems provide safe, reliable and affordable services;
- All Infrastructure DO₃: Infrastructure systems are designed to protect human health, preserve environmental integrity, and be adaptable to climate change impacts;
- All Infrastructure SD₂: Develop and manage our assets to adapt to technological change; and
- All Infrastructure SD₃: Develop and manage the green infrastructure network to continue to deliver ecosystem services.

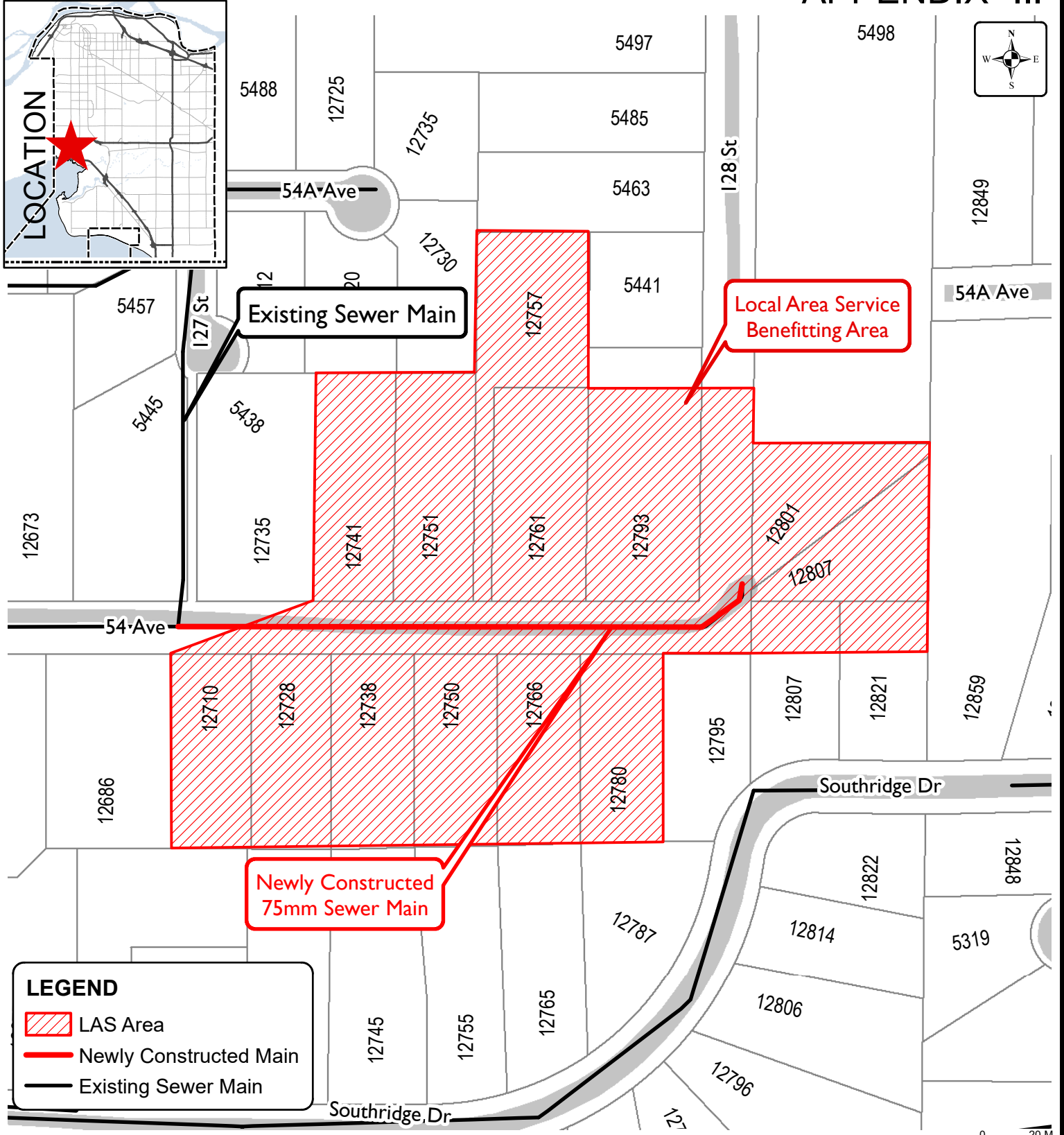
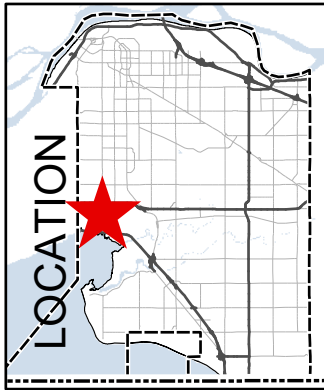
CONCLUSION

Based on the above discussion, it is recommended that Council approve the establishment of the LAS project and authorize the City Clerk to bring forward the necessary LAS Bylaw for the required readings.



Scott Neuman, P. Eng.
General Manager, Engineering

Appendix "I": Map of LAS Area Benefitting Properties
Appendix "II" City Clerk's Certificate of Sufficiency
Appendix "III" Engineer's Report



Existing Sewer Main

Local Area Service Benefitting Area

Newly Constructed 75mm Sewer Main

LEGEND

- LAS Area
- Newly Constructed Main
- Existing Sewer Main

Produced by GIS Section: 23-Oct-2023, JJR

Scale: 1:2,000



Contract No. 4722-003-11
54 Avenue Sewer Extension

ENGINEERING DEPARTMENT

The data provided is compiled from various sources and IS NOT warranted as to its accuracy or sufficiency by the City of Surrey. This information is provided for information and convenience purposes only. Lot sizes, Legal descriptions and encumbrances must be confirmed at the Land Title Office.



COMPLETION CERTIFICATE

Date: November 3, 2023

File: 4722-004

This is to certify that the Works authorized under *Local Area Service Sanitary Sewer Main Extension [Project #4722-004] Bylaw, 2022, No. 20625* are complete.

Scott Neuman, P.Eng.
General Manager, Engineering

As required under the *Local Area Service Sanitary Sewer Main Extension [Project #4722-004] Bylaw, 2022, No. 20625*, I hereby certify that the final cost of the Works has amounted to \$286,992.86.

Kam Grewal, CMA, CPA
General Manager, Finance

- c.c. - City Clerk
- Property Tax Manager
- Local Area Service Clerk