

Corporate Report

NO: R065

COUNCIL DATE: May 4, 2009

REGULAR COUNCIL

TO: Mayor & Council DATE: April 29, 2009

FROM: General Manager, Engineering PROJECT FILE: 4703-106

SUBJECT: Policy for Interim Sewer Connections in Bridgeview

RECOMMENDATION

The Engineering Department recommends that Council adopt the policy titled "Interim Sewer Connections in Bridgeview", which is attached as Appendix I to this report.

INTENT

The purpose of this report is to obtain Council approval for a new City Policy on interim sanitary sewer service connections in Bridgeview to allow development to proceed in advance of the replacement of the existing vacuum sewer system.

BACKGROUND

In 2006, Council adopted a replacement strategy for the Bridgeview Vacuum Sewer System (VSS). The replacement strategy in general calls for a low-pressure sewer system (LPS) to service the industrial and commercial areas and a steep grade gravity sewer system (SGS) to service the residential areas. Council at that same time adopted a moratorium on new connections to the VSS because of overall capacity constraints in the VSS and the excessive maintenance costs of the VSS.

The complete replacement system is estimated to cost \$32 million. This is about seven times the City's annual total sewer capital budget. Because of this significant cost, the replacement will be undertaken in phases over a number of years depending on the availability of funding.

The City has recently received an \$8.5 million grant under the BC Build Canada Infrastructure Program to start the replacement process by constructing the West Cell SGS as illustrated in Appendix II. This West Cell will service the western half of the residential area of Bridgeview.

Staff is continuing to explore various options to fund the remaining stages of the replacement work. The options include internal borrowing, further grant applications, local area service and increasing the sewer rates and levies to provide additional capital funding. A further report will be forwarded to Council when the study of the options is complete.

Vacant Lots in Bridgeview

There are 567 residential lots in Bridgeview. Of these, 22 are undeveloped single-family lots that front the VSS. As a result of the moratorium that was adopted by Council, the owners of these vacant lots cannot build on their lots until the replacement system is constructed fronting the lots.

Another 20 undeveloped residential lots do not front a sewer system at all. Among these, 16 are narrow residential lots, having a width of 30 feet. Since extensions to the VSS are not currently allowed, these lots are not developable until a new sewer system is in place.

DISCUSSION

Some of the owners of the undeveloped residential lots in Bridgeview have expressed frustration with not being able to build a house on their lot. They argue that the City has a share of responsibility in providing sanitary service, as their lot would have been serviced if not for the deterioration of the VSS over time. The City's position is that:

- it is unfair to subsidize services to residential developments with general revenue funding, as the City's policy is that development pays for all development-related costs; and
- the cost of providing sewer service to these undeveloped lots is prohibitive to the City.

Although the Bridgeview residential area has limited development/redevelopment potential, the City has received a number of building permit applications that were not processed due to the moratorium. To facilitate development in the areas outside the West Cell for which funding has recently been received, staff have reviewed whether there may be an opportunity to allow new connections to the VSS. Based on this review, a new proposed Interim Servicing Policy has been developed, which if approved by Council would allow for sewer connections to some of the undeveloped lots in the Bridgeview area.

Interim Servicing Policy:

The proposed interim servicing policy applies to properties in the following categories of vacant lots that front the existing vacuum sewer system as illustrated in the attached map (Appendix II):

- single family residential lots, including lot consolidations, and
- lots in the 'capacity pocket' as illustrated in Appendix II on a case-by-case basis based on a capacity review in each circumstance.

These lots can secure a connection to the VSS or temporary LPS extension provided the owners, by way of a restrictive covenant, agree to:

- support any future local area service (LAS) and pay any latecomer charges that
 are applicable to their lot, despite having an interim connection to the sewer
 system;
- pay all costs of replacing the interim sewer service connection with a permanent connection to the replacement system when it is in place; and
- pay their share of the cost of the replacement system.

The proposed interim servicing policy does not apply to the following:

- lots not fronting vacuum sewer; and
- lots not in the 'capacity pocket' as illustrated on the map attached in Appendix II.

Considering the significant financial commitment of the owner towards the costs of interim servicing allowed under this policy, it is proposed that any property approved for an interim connection will be subject to the following:

- 1. if the application is for a connection to a single family residence and includes the installation of an LPS extension, the property's entire share of replacement system costs will be deferred until the replacement system is installed; or
- 2. if the application is for a connection to a single family residence from a fronting VSS, 50% of the property's share of the costs of the replacement system will be deferred until the replacement system is installed; or
- 3. if the application is for a connection to other than a single family residence, the full amount of the property's share of costs of the replacement sewer is to be paid at the time of approval of the interim connection as a cash in lieu payment.

Servicing Industrial and Commercial Areas

In support of the Surrey Economic Investment Action Plan, staff is currently developing a strategy to pre-service industrial and commercial areas, both in Bridgeview and in South Westminster. In this strategy, areas that are most economically feasible to service in the short term will be given priority. A separate Corporate report will be forwarded to Council regarding this strategy in the next few weeks.

CONCLUSION

Based on the above it is recommended that Council adopt the proposed interim sanitary sewer servicing policy for Bridgeview, which is attached as Appendix I to this report.

Vincent Lalonde, P.Eng. General Manager, Engineering

VL/KZ/RL/brb

Appendix I - Policy for Interim Sewer Connections in Bridgeview Appendix II - Bridgeview Interim Sanitary Sewer Servicing Map

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CITY POLICY

No.

REFERENCE: APPROVED BY: CITY COUNCIL

REGULAR COUNCIL MINUTES DATE:

HISTORY: NEW

TITLE: Interim Sewer Connections in Bridgeview

In advance of the replacement of the Bridgeview Vacuum Sewer System (VSS), this policy provides for interim sanitary connections to the following categories of developments in Bridgeview:

- 1. dwellings to be constructed on vacant single family residential lots through either:
 - connection to a fronting VSS main if the VSS main has capacity; or
 - an interim low pressure sewer system (LPS) extension, if feasible, and
- 2. other developments through connection to a fronting VSS main where the VSS has capacity as illustrated on attached map. Approval for these types of connections will be made on a case-by-case basis based on a VSS capacity review in relation to the development that is proposed.

Where a connection is deemed to be available, the owner of the lot that will be serviced by the connection must, through registration of a restrictive covenant on the lot, commit to the following:

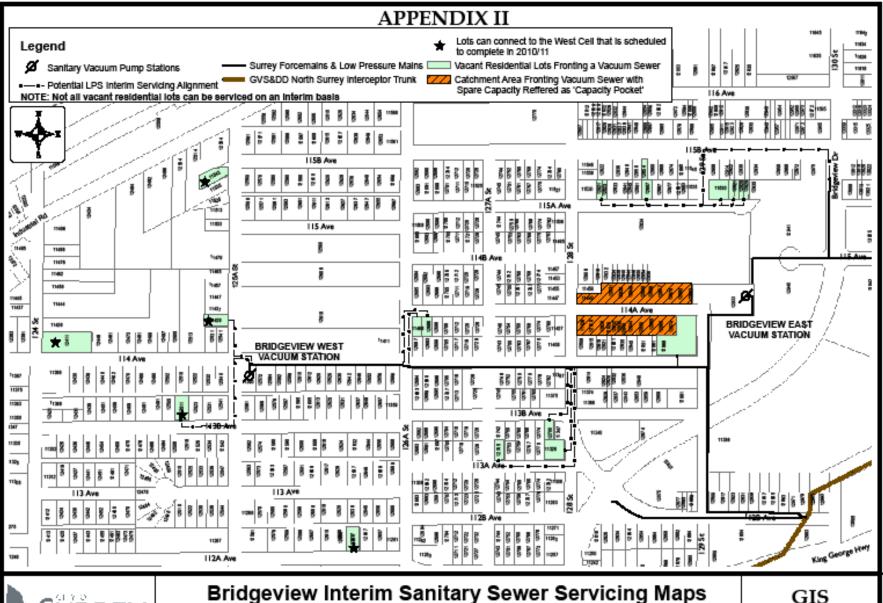
- 1. support any future sanitary local area services (LAS) and pay any latecomer charges that apply to the lot at the time that the latecomer agreement is executed;
- 2. pay all costs to reconnect the development on the lot to the replacement system (i.e., replacing the VSS) when the replacement system is in place; and
- 3. pay their share of the costs for the construction of the replacement system.

This policy only applies to existing vacant single-family residential lots that are fronting a VSS main and for developments in areas where the VSS has remaining capacity.

Considering the significant financial commitment of the owner towards the costs of interim servicing allowed under this policy, any property approved for an interim connection will be subject to the following:

- if the application is for a connection to a single family residence and includes the installation of an LPS extension, the property's entire share of replacement system costs will be deferred until the replacement system is installed; or
- if the application is for a connection to single family residence from a fronting VSS, 50% of the property's share of the costs of the replacement system will be deferred until the replacement system is installed; or
- if the application is for a connection to other than a single family residence, the full amount of the property's share of costs of the replacement sewer is to be paid at the time of approval of the interim connection as a cash in lieu payment.

Subdivisions, larger developments, industrial and commercial developments outside the 'capacity pocket' will not be allowed to connect to the VSS.





Residential Vacant Lots Fronting a Vacuum Sewer and Areas where the Vacuum Sewer System has Spare Capacity

GIS SECTION

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.

PRODUCED BY ENGINEERING, GIS SECTION: April 7, 2009, JJR

Lot sizes, Legal descriptions and encumbrances must be confirmed at the Land Title Office

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