



Interim Sewer Connections in Bridgeview that allows interim connections to allow buildings to be constructed on the few vacant lots that remain in the area.

In April of this year the City received a \$5.67 million grant under the BC Build Canada Infrastructure Program being two-thirds of the estimated cost to build the replacement sewer system in the West Cell of Bridgeview. The City will be contributing one-third of the cost, being \$2.83 million. The schedule for completion of the West Cell SGS is early 2011.

The City's contribution is proposed to be recovered through a Local Area Service (LAS) initiative. The benefiting area of the LAS involves primarily the industrial lands along the outer perimeter of the West Cell of Bridgeview (see Appendix I). The installation of the replacement system will remove the impediment to new development and/or redevelopment in the area. The existing sewer system does not have capacity to accommodate any new development.

### **Scope of Work**

The proposed LPS sewer extensions will benefit the areas that are shaded in pink on the map attached as Appendix I. Appendix I illustrates the limits of the West Cell of the Bridgeview area.

## **DISCUSSION**

### **Rationale**

The construction of the LPS system will allow for the decommissioning of some of the existing VSS served by the west vacuum station and will facilitate industrial development along the South Fraser Perimeter Road. The remaining sections of the VSS that will need to be replaced before a complete decommissioning of the VSS west station is a section on Industrial Road / 116 Avenue from 112 Avenue to 126A Street and a section on the south side of King George Highway from 126A Street to 128 Street. These sections will be replaced next year. Some sections of the VSS including in the vicinity of Industrial Road / 116 Avenue have already been decommissioned as a result of the construction of the SFPR.

### **Cost Recovery Principles**

Although the City is receiving a grant for part of the costs of the replacement system, the City will be required to finance approximately a third of the costs. It is proposed that new development and properties for which there were no pre-existing connections to the system reimburse on an equitable basis a share of the City's financial contribution to the project. The cost recovery principles are:

1. The City will continue to provide sanitary sewer service to its existing customers without sewer replacement charges being applied irrespective of whether the sanitary system has been improved or replaced, except where new development occurs or where a connection is provided to a property that did not have an active connection.
2. New developments will be required to pay for all necessary engineering servicing infrastructure to service the new development.

New developments would include subdivisions, consolidations, development permits, some building permits, development variance permits, temporary use permits, rezonings and new connections to lots where no active connection existed.

Exemptions will be granted to any residential lot where a house is demolished and a new one built. This exemption does not apply to industrial and commercial lots as the replacement system will be relieving the restricted sewage flows that are currently in place on industrial and commercial lots under the *Sanitary Sewer Regulation and Charges By-law* and thus the new replacement system will add value to these lots.

Most of the sanitary service connections in Bridgeview are older than 30 years. The cost for service connection replacement will fall to the owner of each lot, as the *Sanitary Sewer Regulation and Charges By-law* requires the owner to replace the service connection if it is more than 30 years old. This applies to all areas of the City.

### **Cost Apportionment and Recovery**

The estimated cost to the City of this LPS work is \$2.1 million. Costs for the LPS extensions will be apportioned to each benefiting lot proportionate to the length of its frontage and based on the number of service connections servicing each benefiting lot. The total of the LAS charges across all benefiting lots will equal 100% of the City's financial contribution to the project. Charges will be collected at the time of development of the lot or when a new connection is provided to a lot that did not have a prior sanitary sewer connection. Based on preliminary calculations, the LAS charge will be based on a capital cost recovery of approximately \$750 per frontage metre.

### **Compensation for Owners Where a Private Pump System is Required**

The LPS requires that a private pump system be installed on each fronting lot to pump sewage from the lot to the low pressure main. The City will operate and maintain the force main while the private property owner will be responsible for operating and maintaining the private pump system located within their lot. The VSS is expensive to operate and maintain for the City. The LPS system will be much less expensive to operate and maintain for the City; however, the LPS system which includes a private pump system on each lot will be somewhat more expensive to operate and maintain for each of the fronting property owners than they currently experience with their VSS connection. On this basis, staff has determined that it would be reasonable for the City to compensate the owners of those lots on which private pumps will be required in the lump sum amount of \$12,000 per lot to cover the cost of operation, maintenance and replacement of these private pump systems over a life cycle of 50 years.

The City will not force the conversion of the VSS connection to the LPS system immediately upon completion of the LPS system but rather will provide a transition period of 5 years for such reconnections to occur. To establish an incentive for lot owners to transfer their lot connection from the VSS to the LPS earlier the following will be applied to the cost sharing arrangements:

1. The City will decrease its lump sum payment to the lot owner for the installation of a private pump system by \$2,000 per year with each passing year during the 5-year grace period (i.e., in Year 1 if a lot requires a private pump system the City will provide the lot owner with a lump sum contribution of \$12,000. If the owner waits until year 2 to complete the conversion of the connection the City will provide the owner with a lump sum amount of \$10,000, etc.); and
2. At the end of the 5-year grace period after completion of the replacement system, the City will mandate the transfer of the service connection from the VSS to the LPS for all lots that have not yet completed such a transfer.

The City will offer no compensation for the transfer of the sewer connection after the expiry of the 5-year grace period. The VSS will be decommissioned at the end of the 5-year grace period.

### **Public Open House**

An Open House will be held to explain the proposed sewer replacement work, the LAS initiative and the counter petitioning process, the timing for payment of charges under the LAS, the compensation provisions for transferring the private service connections from the VSS to the LPS and the 5-year grace period. This Open House will be held at the commencement of the counter petitioning period related to the proposed LAS. Feedback from the Open House will be reported to Council at the end of the counter-petitioning period along with appropriate recommendations in relation to the processing of an LAS By-law.

### **CONCLUSION**

Based on the above discussion, it is recommended that Council:

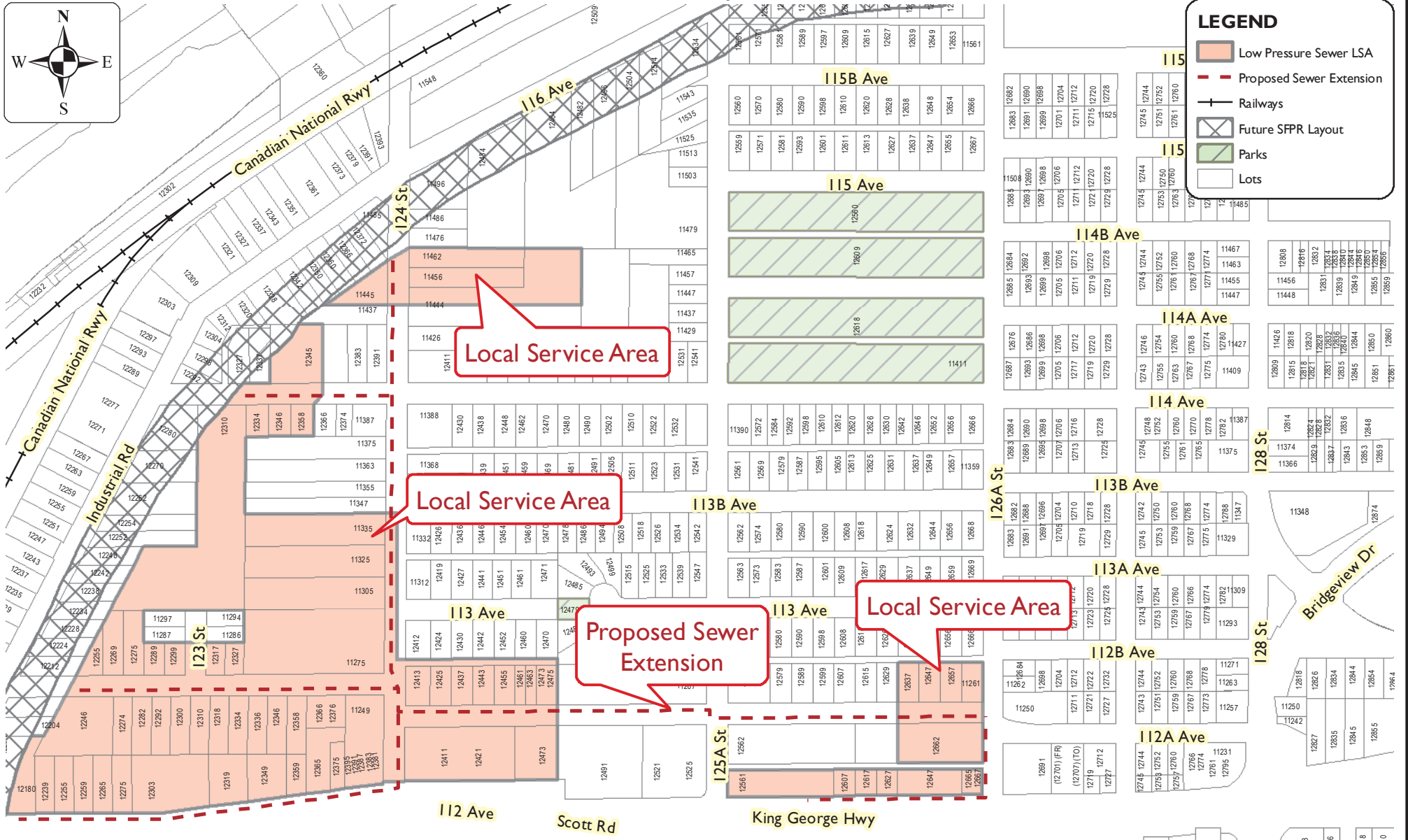
- Approve a Local Area Service (LAS) initiative as a means to finance the replacement of the existing Vacuum Sewer System (VSS) in the West Bridgeview Low Pressure Sewer Area as illustrated in Appendix I at an estimated charge of \$750 per frontage meter, which will allow the City to recover its contribution to the project;
- Authorize staff to initiate the LAS as a Council initiative subject to the counter petitioning process provided in the Community Charter;
- Approve the compensation formula outlined in this report for each owner of a lot that converts the service connection for his/her lot from the VSS system to the Low Pressure Sewer (LPS) system, which will require the installation of a private pump; and
- Approve the mandatory reconnection of the private sewer connections for every lot within the benefiting area from the VSS to the new replacement sewer system at the end of a five-year grace period from the completion of the replacement system.

Vincent Lalonde, P.Eng.  
General Manager, Engineering

VL/RL/KDZ/brb  
Attachment

Appendix I – West Bridgeview LPS Local Area Service Benefiting Area Map

# APPENDIX I: PROJECT #4709-904



**LEGEND**

- Low Pressure Sewer LSA
- Proposed Sewer Extension
- Railways
- Future SFPR Layout
- Parks
- Lots

Produced by GIS Section: June 22, 2009, CS



## West Bridgeview Low Pressure Sewer Local Area Service Map

**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.