

NO: **R120**

COUNCIL DATE: **July 13, 2009**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **July 9, 2009**

FROM: **General Manager, Engineering**

PROJECT FILE: **4709-903**

SUBJECT: **Local Area Service Initiative for Bridgeview West Cell Steep Grade Gravity Sewer System**

RECOMMENDATION

The Engineering Department recommends that Council:

1. 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 West Cell with a Steep Grade Gravity Sewer (SGS) System as illustrated in Appendix I at an estimated charge of \$49,000 per acre, which will allow the City to recover its contribution to the project from the benefiting properties; and
2. Authorize staff to initiate the LAS as a Council initiative subject to the counter petitioning process provided in the Community Charter.

INTENT

The purpose of this report is to obtain Council approval to initiate a LAS for the West Bridgeview SGS Area, which will put in place a more reliable sanitary sewer system for area property owners and will allow the City to recover its contribution to the project from the benefiting properties.

BACKGROUND

In 2006, Council adopted a replacement strategy for the Bridgeview Vacuum Sewer System (VSS) after considering Corporate Report No. R251; 2006. The replacement strategy 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. Earlier this year Council considered Corporate Report R065; 2009 and approved a policy regarding Interim Sewer Connections in Bridgeview that permits 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.

This work is the first stage of the Bridgeview Replacement System and is in line with the replacement strategy adopted by Council. The installation of the replacement system will remove the impediment to new development and/or redevelopment in the area since the existing sewer system does not have capacity to accommodate any new development.

The West Cell Sewer SGS Replacement System is comprised of a pump station and a series of lateral sewer mains, which are constructed at steep grades, deep horizontal direct-drilled sewers, and service connections all as illustrated in Appendix I.

DISCUSSION

Rationale on Cost Sharing

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 are no active connections to the sewer 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 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 cost apportionment, except for the service connections, shall be based on the area of each benefiting lot as the SGS includes a pump station and a series of sewer collection mains where the whole system operates as a single entity. Some of the gravity sewers are duplicated on some of the lot frontages, as header pipes will be installed to provide a shallower depth for the service connections where the primary sewer is too deep for a reasonable connection to be made, making across-the-board frontage cost allocation difficult. The LAS will be set to only recover the amount

of the City contribution for the West Cell SGS, which is one-third of the estimated total construction costs. It is estimated that the LAS charge for a typical new residential lot in Bridgeview will be about \$10,000. Since the majority of the area is already developed, the City will be bearing a large portion of the local component of the project costs. However, on a net present value basis, this option is less expensive than the ongoing costs of the operation of the VSS. The cost of the service connections to each lot will be the responsibility of the lot owner. Charges will be collected at the time of new development or new service connection for lots where there was no prior service connection.

Public Open House

An Open House will be held to explain the proposed sewer replacement work, the LAS initiative and the counter petitioning process and the timing for payment of charges under the LAS. 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

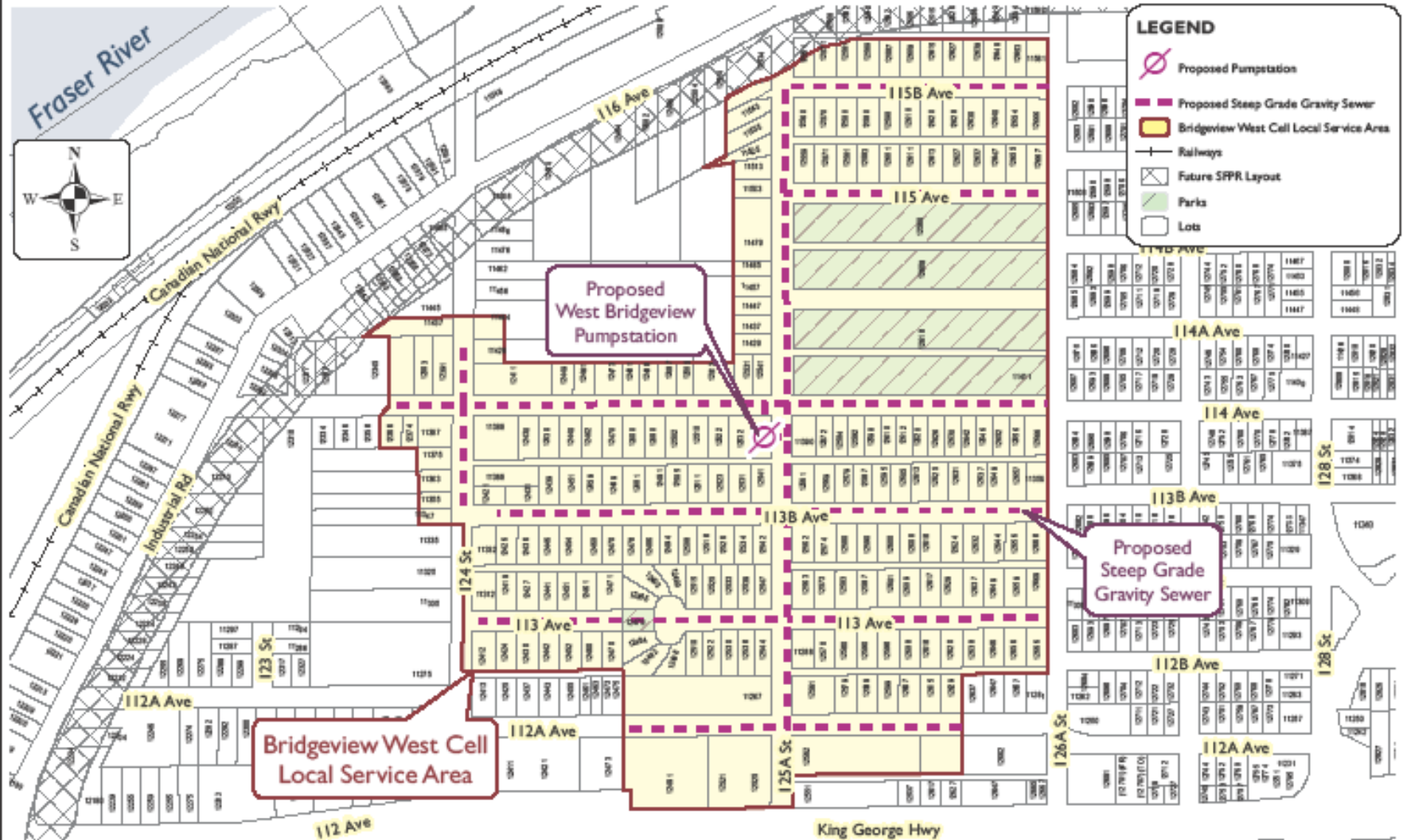
The BC Build Canada Infrastructure Program has awarded a grant of \$5.67 million as two-thirds of the cost to construct the Bridgeview West Cell Sewer Replacement. A Council initiated LAS is recommended for the Bridgeview West Cell Sewer Replacement system to recover the City's one-third cost contribution, with the LAS charge to be apportioned by area and collected at the time of new development or new connection.

Vincent Lalonde, P.Eng.
General Manager, Engineering

VL/KDZ/brb
Attachment

Appendix – Bridgeview West Cell Sewer Replacement System LAS Map

APPENDIX I



LEGEND

- Proposed Pumpstation
- Proposed Steep Grade Gravity Sewer
- Bridgeview West Cell Local Service Area
- Railways
- Future SPPR Layout
- Parks
- Lots

Produced by GIS Section: July 6, 2009, CS



Bridgeview West Cell, Local Area Service Map PROJECT #4709-903

**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.

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