

**THE CORPORATION OF THE MUNICIPALITY OF SOUTH BRUCE  
BY-LAW NUMBER 2013-77**

**BEING A BY-LAW AUTHORIZING THE CONSTRUCTION  
OF THE TEESWATER FORMOSA SANITARY SEWER  
SYSTEM AND TO ESTABLISH A SERVICED AREA IN  
THE SETTLEMENT AREAS OF TEESWATER AND  
FORMOSA AND TO IMPOSE CONNECTION  
REQUIREMENTS AND CHARGES TO OBTAIN  
REVENUE TO PAY THE CAPITAL COST THEREOF.**

**WHEREAS** the Municipality undertook and completed a class environmental assessment pursuant to the Environmental Assessment Act for the construction of a sewage treatment plant, pumping stations and sanitary trunk and for the associated Sanitary Sewers within a designated Sewer Service Area in the communities of Teeswater and Formosa as shown on Schedule "A" attached hereto;

**AND WHEREAS** the Municipal Works are, and will remain, under the jurisdiction of the Municipality and have sufficient capacity to collect and treat wastewater from the lands set out in Schedules "A" and "C" to this By-law;

**AND WHEREAS** such construction of a portion of the Sanitary Sewers has been completed and the costs thereof have been temporarily financed by the Municipality, pending permanent financing by debenture;

**WHEREAS** by subsection 11(3) item 4 of the Municipal Act, The Municipality of South Bruce, which is a lower-tier Municipality, may pass by-laws within the "Public Utilities (which includes collection of sanitary sewage and sewage treatment)" sphere of jurisdiction and subsection 8(3) of the Municipal Act provides that a by-law under Section 11 respecting a matter may regulate or prohibit respecting the matter;

**AND WHEREAS** section 391 of the Municipal Act provides that a Municipality may pass by-laws imposing charges on any class of persons for capital costs payable by it for sewage and other services which will be provided by the Municipality after the charges are imposed;

**AND WHEREAS** sections 9, 11 and Part XII of the Municipal Act, 2001, and the Regulations thereto authorize the imposition of a charge for capital costs related to the Municipal sewage services, and thus the Sanitary Sewer, upon the owners of lands to whom such services are provided;

**AND WHEREAS** Ontario Regulation 581/06 provides that fees or charges imposed for the use of a sewage system under the Act and added to the tax roll under subsection 398(2) of the Municipal Act have priority lien status as described in section 1 of the *Municipal Act, 2001*;

**AND WHEREAS** the Municipality of South Bruce will employ qualified personnel or an outside 3<sup>rd</sup> party to operate and maintain the Sanitary Sewer Concurrent Works;

**AND WHEREAS** Council deems it necessary, desirable and in the public interest to require all Owners to connect to the Sanitary Sewer and related Service Pipes pursuant to its authority under Sections 8 and 11 of the *Municipal Act 2001*;

**AND WHEREAS** the Municipality has held several public meetings prior to the

enactment of this By-law and provided notice thereof and of its intention to consider this By-law and has made available to the members of the public information with respect to the Sanitary Sewer, the Concurrent Works and the estimated capital costs thereof;

**NOW THEREFORE** the Council of The Corporation of The Municipality of South Bruce **HEREBY ENACTS AS FOLLOWS:**

Definitions

1. In this Bylaw, including the Recitals and in this Section:

**“Benefitting Owner”** means the registered owner in fee simple of a Benefitting Property;

**“Benefitting Property”** means each separately assessed property connected to or fronting on the Sanitary Sewer as set out in Schedule “C”;

**“Capital Charge”** means the charge for the Sanitary Sewer in the amount identified in Schedule “F”, assessed to an owner for each Owner’s Lot or Lots in accordance with the provisions of this By-law and is calculated by multiplying the Residential Equivalent unit by \$12,172.65;

**“Concurrent Works”** means the construction, restoration, repair or replacement of works, concurrent with the construction of the Sanitary Sewer, including but not limited to water mains and laterals, road reconstruction or restoration, grading, drainage, ditching, and sidewalk construction;

**“Concurrent Works Capital Cost”** means the cost of constructing the Concurrent Works, inclusive of all items of cost usually and properly chargeable to capital account, and where applicable, the interest amounts payable on the debentures to be issued from the funds of the Municipality to finance the construction of the Concurrent Works;

**“Council”** means Council of the Municipality of South Bruce;

**“Estimated Capital Cost”** means the total estimated capital cost of constructing the Sanitary Sewer as set out in Schedule “F”;

**“Exempt Properties”** means all properties that exceed a distance of 200 feet from serviced Municipal road allowance;

**“Grinder Pump Charge Adjustment”** means each property that has a grinder pump service will receive a \$500.00 reduction recognizing the increase costs of installation and electrical requirements.

**“Lot”** means a lot listed on Schedule “C” to this By-law and includes Benefitting Property and also includes the creation of any lot or lots from a Lot by way of consent to sever or any other approval under the provisions of the Planning Act;

**“Municipality”** means the Corporation of the Municipality of South Bruce;

**“Owner”** means the registered owner in fee simple of a Lot and includes Benefitting Owner;

**“Permit to Connect”** means the permit issued by the Municipality permitting the installation of a Service Pipe;

**“Private Connection”** means the connection on private property of the plumbing system of any building or structure on a Lot to a Service Pipe;

**“Residential Unit Equivalent”** means a unit of sewer capacity determined to be equivalent to the capacity (or average capacity) typically used by, or allocated to a single family residential dwelling unit as described in the Teeswater Formosa Sewage Works: Benefitting Properties Cost Apportionment Equivalent Residential Report.

**“Service Pipe”** means the lateral sewer pipe within the Municipal road allowance from the Sanitary Sewer to the property line on any Lot;

**“Sanitary Sewer”** means any part of the sewer collection system constructed by the Municipality, including any part constructed by third parties on behalf of the Municipality, within the Sewer Service Area;

**“Sewer Service Area”** means the area designated as such in Schedule “A” to this By-law;

**“Subsequent Capital Charge”** means a charge, in addition to the Capital Charge, that may be assessed to an Owner for each Owner’s Lot or Lots listed in Schedule C upon completion of the Sanitary Sewer in the event of the Total Capital Cost exceeds the Estimated Capital Cost;

**“Total Capital Cost”** means the total cost of constructing the Sanitary Sewer, inclusive of all items of cost usually and properly chargeable to capital account, and where applicable, the interest amounts payable on the debentures to be issued for these works and the imputed interest cost on the money supplied from the funds of the Municipality to finance the Benefitting Owners’ shares of the cost of the Sanitary Sewer;

### Schedules

2. The following Schedules are attached to and form part of this By-law:

Schedule A	Sewer Service Area
Schedule B	Sewage Connection & Decommissioning policies/procedures
Schedule C	ERU Table
Schedule D	Payment Form
Schedule E	Exemptions (septic <10 years)
Schedule F	Summary of Costs
Schedule G	ERU Methodology

### Capital Cost of Concurrent Works

3. The Concurrent Works Capital Cost shall be funded by the Municipality of South Bruce through general tax revenues, pursuant to its general taxing powers under the *Municipal Act, 2001*.

### Capital Cost of Sanitary Sewer and Charges Imposed

4. That the final cost of the capital works is **estimated** to be \$12,172.65 in Schedule “F” to be funded as outlined in Schedule “C” of this By-law.

5. The Estimated Capital Cost of the Sanitary Sewer shall be paid by the Benefitting Owners as set out on Schedule “C” and a Capital Charge is hereby imposed on the Owners on a Residential Unit Equivalent basis in the amounts set out in Schedule “C” to pay for their respective portions of the Estimated Capital Cost.

6. The Capital Charge known as the Teeswater and Formosa Sewer Servicing Charge (TFSSC), for the recovery of capital costs incurred by the Municipality for the construction of the said Municipal sewer services to be funded by Property Owners as set out in Schedule "C". The TFSSC imposed herein on Schedule "C" is only an estimate, and for each Owner listed therein. The property owners, by notifying the Treasurer by the 20<sup>th</sup> of November, 2013 using the prescribed form detailed in Schedule "D", may elect the following options:

- (a) The property owners may elect to pay the TFSSC in full. When this option is exercised, payment must be received in full by the Municipality of South Bruce no later than the 20<sup>th</sup> day of December, 2013.
- (b) The property owners may elect to pay the TFSSC in partial no later than the 20<sup>th</sup> day of December, 2013. The balance will be amortized in equal annual installments over a period of 5, 15, or 25 years as selected by the property owner with interest thereon at the established rate available to the Municipality.
- (c) The property owners may elect to pay the TFSSC in equal annual installments by amortizing payments over a period of 5, 15 or 25 years as selected by the property owner with interest thereon at the established rate available to the Municipality.
- (d) The annual payments under subparagraphs 6. b) & c) of this by-law shall become due and payable to the Municipality commencing in 2013, on the same date and in the same manner in each year as the first installment of or payment under the final tax bill for property taxes for the applicable property collected by the Municipality.
- (e) In the event that any property owner(s) does not pay the charges imposed herein on or before the 20<sup>th</sup> day of December, 2013 and has not made an election to pay the charges over a period of time as provided for in paragraph 6 of this by-law by notifying the Treasurer by 20<sup>th</sup> day of November, 2013 using the prescribed form detailed in Schedule "D", then the charges shall be deemed to be payable over the 25-year period as provided for in subparagraph 6. c) of this by-law.

7. If an Owner elects to pay the Capital Charge in accordance with paragraph 6. b) or c) herein, the Treasurer is authorized to add the Capital Charge to the tax roll for each Lot and the Capital Charge imposed on any Owner under this By-law shall be a lien and charge upon the lot for which it has been assessed and shall be collected in the same manner as Municipal taxes. If the Capital Charge or any part of the Capital Charge remains unpaid after the due date, interest at a rate of 1.25% per month shall be added to the outstanding amount of the Capital Charge and any such interest shall be added to the tax roll for the Lot in question and shall be a lien and charge upon such Lot and shall be collected in the same manner as Municipal taxes.

8. That the Treasurer is authorized and directed to add any charge imposed hereunder which has not been paid on or before the 20<sup>th</sup> day of December, 2013, or as otherwise noted, to the tax roll for the applicable property pursuant to and in accordance with the provisions of subsection 398 (1) of the *Municipal Act*, and to collect them in accordance with paragraph 6. c) of this by-law in the same manner as property taxes collected by the Municipality.

9. The Capital Charges added to the tax rolls under subsection 398(2) of the *Municipal Act, 2001* have priority lien status as described in section 1 of the Act, and the Capital Charges, including interest:

- (a) may be collected in the same manner as taxes on the Benefitting Property;
- (b) may be recovered with costs as a debt due to the Municipality from the assessed owner of the Benefitting Property at the time the Capital Charges are added to the tax roll and from any subsequent owner of the Benefitting Property or any part of it;
- (c) are a special lien on the property in the same manner as taxes under subsection 349(3) of the *Municipal Act, 2001*; and
- (d) may be included in the cancellation price under Part XI of the *Municipal Act, 2001* in the same manners as are taxes on the Benefitting Property.

10. The Municipality shall provide every Lot listed on Schedule "C" with one Service Pipe.

11. In the event that a Lot shown on Schedule "C", whether vacant or improved, is further subdivided by way of consent to sever, plan of subdivision, plan of condominium or other similar approval under the Planning Act and the Capital Charge has been paid for the Original Lot shown on Schedule "C", then (a) the Municipality's development charges By-law or other such by-law enacted by council to establish a charge for capital cost recovery for the connection of new development to the Teeswater/Formosa Sanitary Sewer System shall apply to all newly created lots/units and not the Capital Charge pursuant to this By-law; and (b) the Owner must obtain a Permit to Connect and install or pay the Municipalities cost of installing, a Sewer Pipe to the property line of each newly created lot. Before a Private Connection can be made on a newly created lot/unit, Council must confirm that a sufficient supply of sewer capacity is available and allocated to such lot/unit. If a sufficient supply of sewer capacity is not available to such newly created lots/units at the time a development application is approved, a Private Connection shall nonetheless be required when a sufficient supply does become available, notwithstanding that such Lot may already be developed or improved at that time.

12. If upon completion of construction of the Sanitary Sewer the Total Capital Cost exceeds the Estimated Capital Cost:

- (a) the difference between the Total Capital Cost and the Estimated Capital cost shall be apportioned amongst all the Lots listed in Schedule "C" using the Residential Unit Equivalent methodology as defined in schedule "G" of this By-law; and
- (b) the Subsequent Capital Charge shall be calculated and imposed on the Lots listed in Schedule "C".

The method and timing of payment of the Subsequent Capital Charge shall be determined by Council and Council may take into consideration, among other matters, the quantum of the Total Capital Cost and the quantum of the Subsequent Capital Charge.

13. That as of the date of connection or the 1<sup>st</sup> day of November, 2013, whichever is earlier providing substantial completion has been issued, the property owner will be subject to Operational and Maintenance Fees under the User Fee By-law #2012-106 as amended or replaced. The Maintenance portion of the Operational and Maintenance fees will be reprieved until the 1<sup>st</sup> day of November, 2023.

14. That properties operating with grinder pumps will receive a grinder pump charge adjustment as defined in paragraph 1 of this by-law. The total sum of all grinder pump charge adjustments shall be divided by the number of Residential

Equivalent Units receiving gravity service and this amount shall be added to the Capital Charge for all properties receiving gravity service.

### **Requirement for Mandatory Connection to Sanitary Sewer and Decommissioning of Septic System**

15. Any Lot upon which there exists one or more buildings or structures which are either a dwelling or other habitable space or are a commercial, industrial or institutional building shall connect to the Sanitary Sewer and shall install a Private Connection to the Service Pipe in accordance with the provisions of this By-law other than exempt properties.

16. The Owner of a lot upon which there exists any building or structure requiring a Private Connection pursuant to this By-law shall install such Private Connection within 12 months of receiving written notice from the Municipality that a Private Connection can be made. Connection to the Municipal service is the responsibility of the property owner and at the property owner's expense.

17. No Private Connection shall be made or completed or used on any Lot set out in Schedule "C" unless all applicable permits have been issued by the Municipality as outlined in Schedule "D" of the By-law.

18. No Private Connection shall be made or completed or used on any newly created lot as contemplated under paragraph 12 herein unless:

- (a) a permit to Connect has been issued by the Municipality.
- (b) the Service Pipe has been constructed in a good and workmanlike manner and in accordance with the specifications issued by the Municipality; and
- (c) a plumbing permit has been issued by the Municipality

19. Concurrent with establishing the Private Connection, the Owner of the Lot shall decommission the septic system on such Lot in accordance with the specifications issued by the Municipality as outlined in Schedule "B" to this By-law. No Private Connection shall be covered until a final inspection has been made by the Municipality Chief Building Official and/or his designate.

20. No person shall, after twelve (12) months following the notice given by the Municipality pursuant to paragraph 15 of this By-law, construct operate, use or maintain an on-site private sewage system, including septic tank system and/or holding tank.

21. In the event an Owner fails to make a Private Connection as required by the provisions of this By-law, or operates or uses or permits to be operated or used any site private sewer system, including septic system and/or holding tank, contrary to paragraph 19 of this By-law, the Municipality may give written notice to such Owner of the contravention and direct that the Owner do such matter or thing as may be required to comply with the notice of direction within thirty (30) days from the date of the notice, the Municipality, by its employees or agents, may enter upon the Lot on which such contravention is occurring and undertake to do such matter of thing directed to be done, including but not limited to the construction of a Private Connection, and any expense incurred by the Municipality in connection therewith shall be paid by the Owner to the Municipality upon receipt of an invoice from the Municipality and in accordance with the terms set out in such invoice. If the amount of the invoice, or any part thereof, remains unpaid after the due date set out in the invoice, interest at rate 1.25% per month shall be added to the outstanding amount and any such

outstanding amount and interest shall be added to the tax roll for the Lot in question and shall be a lien and charge upon such Lot and shall be collected in the same manner as municipal taxes.

22. Special consideration shall be given to properties with Septic Systems newer than 10 years or less within the Service Area on or since October 23<sup>rd</sup>, 2004. The said properties have been individually identified on Schedule "E" attached hereto. The properties listed are required to connect to the new sewer service on or before the date identified on Schedule "E". Residential Unit Equivalent capital charges will apply as of the date of commissioning. Operational and Maintenance fees will not apply until a connection is required as identified in Schedule "E".

22. That all future development requiring sanitary sewers in the *Serviced Area* must connect to the municipal sewer services.

23. The Mayor and Treasurer are hereby authorized to obtain interim financing of the Estimated Capital Cost of construction of the Sanitary Sewer from Municipality reserves or other financing deemed appropriate by the Treasurer, to be repaid immediately upon receipt of payments from Owners of the Lots set out in Schedule "C" or from the proceeds from debentures currently available to, or to be obtained by, the Municipality.

24. All grinder pumps are the property of the Municipality which includes purchase, installation, maintenance, and replacement. All installations must be installed by a municipally approved contractor.

25. All required maintenance to the grinder pumps must be completed by an approved contractor of the municipality.

### **General**

26. Notwithstanding any other provisions of this By-law, if a lot is located within the Sewer Service Area but is not listed on Schedule "C", all provisions of this By-law shall apply to such lot as if it is listed on Schedule "C".

27. That the Manager of Operations is authorized and directed to take all steps and follow the processes necessary or desirable in order to duly implement and carry out the construction of the municipal sewer services and concurrent works for the Teeswater and Formosa settlement areas.

28. If any clause, provision, or requirement in or under this by-law should be determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such clause, provision or requirement, and all other clauses, provisions or requirements hereof shall continue in full force and effect.

### **Coming into force of By-law**

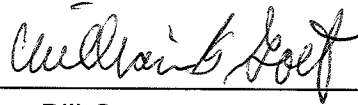
**NOW THEREFORE BE IT RESOLVED THAT** The Council of The Corporation of the Municipality of South Bruce **HEREBY ENACTS AS FOLLOWS:**

**THAT** this by-law shall be known as and may be cited as the "Sewer Connection" By-Law.

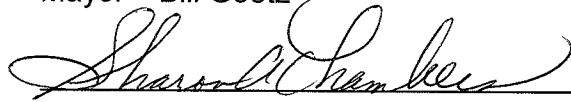
**THAT** any by-law including By-Law # 2012-54 that is inconsistent with this by law is hereby rescinded as of the effective date this by-law was approved.

**AND FURTHER THAT** this By-law shall come into force and take effect on the final day of passing thereof.

That this by-law be READ a first and second time this 22<sup>nd</sup> day of October, 2013.

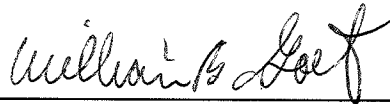


Mayor – Bill Goetz

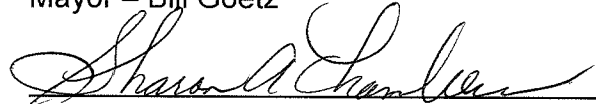


CAO/Clerk – Sharon Chambers

That this by-law be READ a third time and finally passed this 22<sup>nd</sup> day of October, 2013.



Mayor – Bill Goetz



CAO/Clerk – Sharon Chambers