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TO	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON TUESDAY AUGUST 21, 2012
FROM:	GEORGE KOTSIFAS, P. Eng. CHIEF BUILDING OFFICIAL & DIRECTOR , DEVELOPMENT AND COMPLIANCE DIVISION and JOHN BRAAM, P. Eng. ACTING EXECUTIVE DIRECTOR OF PLANNING, ENVIRONMENTAL & ENGINEERING SERVICES AND CITY ENGINEER
SUBJECT:	PROPOSED NEW PROCEDURES AND FEE STRUCTURE FOR DEVELOPER-LED WATER SERVICING UNDER THE MUNICIPAL DRINKING WATER WORKS PERMIT

RECOMMENDATION

That, on the recommendation of the Chief Building Official & Director, Development and Compliance Division, in consultation with the Acting Executive Director of Planning, Environmental & Engineering Services and City Engineer, the following actions **BE TAKEN** with respect to applications for extension or alteration to the City's drinking water infrastructure:

- a) this report **BE RECEIVED** respecting the new procedure for applications for permission to alter drinking water infrastructure under the City's Drinking Water Works Permit;
- b) that the proposed fee structure **BE APPROVED** for all private water servicing applications; effective upon Council approval;
- c) the attached proposed by-law **BE INTRODUCED** at the Council meeting of August 28, 2012, to amend section 2.1 of By-law W-3 Appendix "C";
- d) the attached proposed by-law **BE INTRODUCED** at the Council meeting of August 28, 2012, to amend schedule 1 of By-law A-42 Appendix "D"; and
- e) Civic Administration **BE AUTHORIZED** to implement the attached process and by-law.

PURPOSE

On December 17, 2010, the City of London was issued a comprehensive Drinking Water Works Permit by the Ministry of the Environment (MOE). This permit eliminates the historic process which required the MOE to issue a Certificate of Approval (C of A) for each project involving extension or alteration of the City's Water System. Under the former C of A process, the City of London was authorized by the MOE through the Transfer of Review program to review C of A applications for water servicing projects not considered environmentally sensitive and recommend or reject the works to the MOE. The MOE issued the final certificate.

Under the Transfer of Review Program the MOE allowed the City of London to collect a fee to recover costs for the review and recommendation of each application. However, under the new permit process, the MOE did not establish a fee structure that licensed municipalities could use to recover costs for the review of applications. This report recommends establishing a fee schedule to replace the previous C of A process for the recovery of review, approval, and record keeping costs. A simplified application form has also been developed to collect additional technical information for use in assessing the merits of each application.

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DISCUSSION

The new Drinking Water Works Permit recognizes the City’s continued authority to review and approve designs for water infrastructure. New water works not constructed by the City require review and approval by the City to ensure any permanent extension of the network will ‘fit’ with the network, meet Design Standards and be operationally efficient. This authority does not extend to environmentally sensitive projects or large distribution mains greater than 750 mm which must still be reviewed by the MOE as direct submission. Under the requirements of the new Permit, the City is responsible for the full review, approval, and record keeping of new water infrastructure to ensure it meets both MOE guidelines and municipal standards and specifications. Records of water approvals must be kept on file for at least 10 years for MOE auditing purposes.

Procedures for Water Servicing under Permit System:

Applicants wishing to construct water servicing as part of development application must now submit a Form 1: *Record of Watermains Authorized as a Future Alteration*. The request is made through Development Services for processing. Form 1 requests can be received any time after receipt of the 2nd Submission of servicing drawings and the proposed water works must be consistent with the water design studies accepted by the Water Engineering Division. The applicant cannot begin installing water servicing until the Form 1 approval is in place. Subsequent to that, the water system will not be inspected or charged until full acceptance of servicing drawing. Appendix “A” includes a sample Form 1.

Staff have developed an application form for applicants to use when requesting a Form 1. The “Drinking Water Infrastructure Alteration” Application is attached as Appendix “B”. The proposed application form is essentially a simplified version of the previous MOE form for Drinking Water Approval, and will provide staff with additional information to evaluate and review proposed applications. Proposed amendment to the Water By-law W-3 to reflect the above mentioned is attached as Appendix “C”.

Proposed Fee Structure:

The new Drinking Water Works Permit has been in effect since December 17, 2010 at which point the C of A for water works was made redundant and the City lost the ability to recover the cost for processing C of A water applications. In lieu of a set fee schedule, other municipalities across Ontario have begun re-establishing their own fee structures based on their particular needs.

In the past, a flat fee of \$1,200 per application was recovered for water C of A. This rate was set by the MOE. The fee did not reflect the widely varying complexity of applications and in staff’s estimation did not fully cover the average cost of review for Certificate of Approval applications. City staff have considered the work involved and the financial impact to applicants and are recommending that a tiered fee structure be introduced. The proposed fee structure is shown in Table 1 below.

Table 1

Tier	Description	Cost	Rationale
1	Small residential subdivisions, subdivision phases, and site plans (<80 residential units), as well as industrial and institutional subdivisions and site plans.	\$1,200	Reflects cost recovery on small applications and helps to affirm the City of London’s policy of encouraging industrial and institutional growth by not exposing such applicants to a higher fee.
2	Large residential subdivisions and site plans (>80 units), as well as commercial subdivisions and site plans.	\$2,400	These are generally more complex applications with the requirement for water looping.

Instituting a set fee structure for the review of water servicing application has multiple benefits including:

1. Helping the review agency recover some of the costs incurred for the review.
2. Minimizing staff time in performing accounting and administrative functions.

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3. Maximizing staff time for performing the technical review, approval, and record keeping functions of each application.
4. Providing proponents with cost certainty before submitting an application.

This fee would be collected from projects that require water servicing which are developer driven by private proponents or other agencies such as Provincial and Federal governments. City of London capital projects or industrial subdivision projects would be exempt from this fee.

Legal Authority to Collect Fee





Sections 9, 10, and 391 of the *Municipal Act, 2001, S. O. 2001, c.25*, as amended, authorize municipalities to impose fees or charges on persons for various services or activities and for the use of its property. Therefore it is proposed to amend the Various Fees and Charges By-Law A-42 to reinstate a fee structure for water serving approvals. The proposed by-law amendment is included in Appendix "D".

CONCLUSION

Following Council Approval of the proposed recommendations, all new requests for Form 1 Record of Watermain Authorized as a Future Alteration as part of a development application would require the attached application form and applicable fee. For interim submissions already under review, the review would be completed without fee.

Acknowledgment:

This report was reviewed by Dave Mounter from Legal Services as well as the Water Engineering Division.

PREPARED BY:	REVIEWED BY:
	
ISMAIL ABUSHEHADA, P. Eng. MANAGER, DEVELOPMENT ENGINEERING, DEVELOPMENT SERVICES	JENNIE RAMSAY, P. Eng. MANAGER, DEVELOPMENT SERVICES
RECOMMENDED BY:	RECOMMENDED BY:
	
GEORGE KOTSIFAS, P. Eng. CHIEF BUILDING OFFICIAL & DIRECTOR, DEVELOPMENT AND COMPLIANCE DIVISION	JOHN BRAAM, P. Eng. ACTING EXECUTIVE DIRECTOR OF PLANNING, ENVIRONMENTAL & ENGINEERING SERVICES AND CITY ENGINEER

August 8, 2012
JR/IA

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APPENDIX A: FORM 1 for Drinking Water Alteration



**Form 1 - Record of Watermains
Authorized as a Future Alteration**

RETAIN COMPLETED FORM - DO NOT SEND TO MOE

Part 1 - Drinking Water Works Permit Number

(Insert the Drinking Water Works Permit number authorizing the addition, modification, replacement or extension of watermains)

006-201

Part 2 - Description of watermain addition, modification, replacement or extension (Use attachments if required)

The description shall include:

- 1) A brief description above of the undertaking (e.g. street name(s); subdivision name; project name); and
- 2) An attachment including a plan view drawing identifying at a minimum:
 - a) location(s) of the undertaking (e.g. showing street names, easements, etc.); and
 - b) nominal diameter of the watermain(s) associated with the addition, modification, replacement or extension.

Part 3 - Verification by Professional Engineer

I hereby verify that I am a Professional Engineer who is licensed to practice in the Province of Ontario and the design of the watermain addition, modification, replacement or extension:

- 1) Has been prepared by a Professional Engineer who is licensed to practice in the Province of Ontario;
- 2) Has been designed only to transmit water and has not been designed to treat water;
- 3) Satisfies the design criteria set out in the Ministry of the Environment publication "Watermain Design Criteria for Future Alterations Authorized under a Drinking Water Works Permit – March 2009", as amended from time to time; and
- 4) Is consistent with or otherwise addresses, the design objectives contained within the Ministry of the Environment publication "Design Guidelines for Drinking Water Systems, 2008", as amended from time to time.

Name (Print)	PEO Licence Number
Signature	Date (yyyy/mm/dd)

Part 4 - Verification by Owner

I hereby verify that:

- 1) The maximum demand for water exerted by consumers who are serviced by the addition, modification, replacement or extension of the watermain will not result in an exceedance of the rated capacity of a treatment subsystem or the maximum flow rate for a treatment subsystem component as specified in the licence, or the creation of adverse conditions within the drinking water system;
- 2) The watermain addition, modification, replacement or extension will not adversely affect the distribution system's ability to maintain a minimum pressure of 140 kPa at ground level at all points in the distribution system under maximum day demand plus fire flow conditions.
- 3) Secondary disinfection will be provided to water within the added, modified, replaced or extended watermain to meet the requirements of O. Reg. 170/03;
- 4) The watermain addition, modification, replacement or extension is wholly located within the municipal boundary over which the owner has jurisdiction;
- 5) The owner consents to the watermain addition, modification, replacement or extension; and
- 6) I am authorized by the owner to complete this verification.

Name of Owner (Print)	Name of Owner Representative (Print)
Signature	Date (yyyy/mm/dd)

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APPENDIX B: Drinking Water Infrastructure Alteration Application



Drinking Water Infrastructure Alteration Application

For Office Use Only		
File Name		
Payment Received \$	Date	Initials

General

The personal information collected on this form is collected under the authority of the *Municipal Act, 2001*, *Safe Drinking Water Act (SDWA)* and *Drinking-Water Systems Regulation (O. Reg. 170/03)* and will be used to evaluate applications in reference to the *City of London Water Permit Number 006-201*. Questions about this collection should be addressed to the Manager, Development Engineering - Development Services & Compliance at 300 Dufferin Ave., London, ON, N6A 4L9. Tel: 661-2500 ext. 5742

Instructions

1. This form must be completed with respect to all the requirements in order for it to be considered as an application for permission to alter drinking water infrastructure.

INCOMPLETE APPLICATIONS WILL BE RETURNED TO THE APPLICANT

2. A complete application consists of:

- a. Form 1 - Record of Watermains Authorized as a Future Alteration
- b. A completed and signed Drinking Water Infrastructure Alteration Application
- c. A certified cheque or money order, in Canadian funds, made payable to the City of London for the application fee as follows (Check applicable box):

Tier 1 - Small residential subdivisions and site plans (<80 units), industrial & institutional site plans \$1,200

Tier 2 - Large residential subdivisions and site plans (>80 units), commercial site plans \$2,400

The City may require additional information during the technical review of any application accepted as complete.

3. The completed application, as outlined in (2.) must be sent to:

ATTN: Manager, Development Engineering
Development Services & Compliance Division
City of London
P.O. Box 5035
300 Dufferin Ave.
London, ON, N6A 4L9

4. *Information contained in this application is not considered confidential and will be made available to the public upon request. Information submitted as supporting information may be claimed confidential but will be subject to the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA).*

Application summary

Applicant name (legal name of individual or organization as evidenced by legal documents)	Project schedule - Estimated date of connection
Project name (project identifier to be used as a reference in correspondence)	

Applicant information

Applicant name		
Business name		
Street address, including unit identifier		
City / Municipality	Province <input type="text"/>	Postal Code
Telephone number (including area code & extension)	E-mail address	

Project technical information contact

Company name	Name (Surname, Given name)
Mailing address	
Telephone number (including area code & extension)	E-mail address



Drinking Water Infrastructure Alteration Application

Site Information (Location of the drinking water system)

Site name		
Site Information (municipal address, proximity to nearest major intersection) OR Legal description (Attach copy of a legal survey)		
Present land use	Present official plan designation	Present zoning category

Environmental Assessment Act (EAA) requirements

Are the proposed works subject to the requirements of an EAA?

- Yes - please check one of the following:
- The works are exempt from requirements of the EAA under:
 - Schedule A Schedule A+ Schedule B Schedule C
 - The works for which this application is made have fulfilled all requirements of the EAA through the completion of the requirements of the Municipal Class EA process for Municipal Water and Wastewater Projects in accordance with the procedure set out in:
 - Schedule A Schedule A+ Schedule B Schedule C
- No, the works are not subject to the EAA for the reason specified below:

Supporting Information Checklist

This is a list of all supporting information to this application and is subject to the MFIPPA

Supporting Information	Attached	Reference	Can be disclosed
General			
Are the works to be constructed on private property? If yes, provide name, address, and consent of land/site owner in Reference column.	<input type="radio"/> Yes <input type="radio"/> No		<input type="radio"/> Yes <input type="radio"/> No
Legal survey (if required)	<input type="radio"/> Yes <input type="radio"/> No		<input type="radio"/> Yes <input type="radio"/> No
Technical			
Site plan	<input type="radio"/> Yes <input type="radio"/> No		<input type="radio"/> Yes <input type="radio"/> No
Design brief/report	<input type="radio"/> Yes <input type="radio"/> No		<input type="radio"/> Yes <input type="radio"/> No
Final plans	<input type="radio"/> Yes <input type="radio"/> No		<input type="radio"/> Yes <input type="radio"/> No
Other attached information	<input type="radio"/> Yes <input type="radio"/> No		<input type="radio"/> Yes <input type="radio"/> No

Pipe data form

Description of proposed watermain(s) (including service area / development)
Description of existing works (in proximity to proposed works)



Drinking Water Infrastructure Alteration Application

For each watermain, please provide the following details in the chart below (if more space is required, attach to this form)

Street	From	To	Diameter (MM)	Roughness

Are all of the watermains a minimum of 150 mm in diameter? Yes No
 If no, please explain:

What is the expected operating pressure range for this watermain under maximum day demand

to (please indicate units:)

Will the pressure drop below 275 kPa (40psi)? Yes No

If 'yes', please provide an explanation for this situation and future plans to address the problem:

Is there sufficient pressure (138 kPa or 20 psi) reserved for fire flow protection? Yes No

If no, revise the proposal to ensure sufficient pressure

If this is a feeder main or pipe dedicated to transporting potable water only

(i.e. having no service connections), have hydraulic transients been considered? Yes No

If 'yes', describe the results

Are there any dead end points in the system? Yes No

If 'yes', are there blow off valves & meter pits planned for dead end points? Yes No

If 'no', then please provide hydraulic analysis:

If 'yes', how will water stagnation be addressed?

Automatic Flushing Point Blow off point Other

Are there any tees or cross connections? Yes No

If 'yes', then complete below

Are there at least two (2) shut-off valves at each tee-connection, Yes No
 and at least three (3) shut-off valves at each cross-connection?

If no, how will disruptions to the system be minimized during repairs or emergencies?

Statement of client

I, the undersigned hereby declare that, to the best of my knowledge, the information contained herein and the information submitted in support of this application is complete and accurate and that the Project Technical Information Contact identified in this form is authorized to act on my behalf for the purpose of obtaining Drinking Water Construction Clearance.

Name (Surname, Given name)	Title
Signature	Date

Print completed form and manually sign here.

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APPENDIX C: Proposed Amendment to Water By-law W-3

Bill No.

By-law No.

A By-law to amend By-law W.-3 being the Water By-law.

WHEREAS section 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS on January 24, 2005 Municipal Council of The Corporation of the City of London enacted By-law W.-3, being a Water By-Law;

AND WHEREAS it is deemed expedient to amend this By-laws;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. By-law W.-3, being the Water By-law is hereby amended by replacing Section 2.1 with the following:

2.1 Application and payment prior to installation

The owner shall apply to the City for a water service and before the service is installed, shall pay the charges indicated in the Water Rates and Charges By-Law for watermain tapping charge and frontage charge.

2.1.1 Application and payment prior to installation of water mains

The owner shall apply to the City through a *Drinking Water Work Future Alteration Application*, in conjunction with the Ministry of the Environment's *Form 1 – Record of Watermains Authorized as a Future Alteration*, and before the watermain is installed, shall pay the charges indicated in the Various Fees and Charges By-law for Engineering Review services.

2. This By-law comes into force and effect on the day it is passed.

PASSED in Open Council , 2012

Joe Fontana

Mayor

Catharine Saunders

City Clerk

First reading –

Second reading –

Third reading –

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APPENDIX D: Amendment to Various Fees and Charges By-law A-42

Bill No.

By-law No.

A By-law to amend By-law A.-42, being a by-law to establish various fees and charges.

WHEREAS section 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS on December 6, 2011 Municipal Council of The Corporation of the City of London enacted By-law A.-42, being a by-law to impose various fees and charges;

AND WHEREAS it is deemed expedient to amend this By-laws;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

3. Schedule "1" of By-law A.-42, being a by-law to impose various fees and charges, is hereby amended by replacing the Development Approvals portion of Schedule "1" with the chart attached hereto.
4. This By-law comes into force and effect on the day it is passed.

PASSED in Open Council , 2012

Joe Fontana

Mayor

Catharine Saunders

City Clerk

First reading –

Second reading –

Third reading –

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Schedule 1

SERVICE GROUPING: DEVELOPMENT SERVICES - ENGINEERING RELATED SERVICES

Program/Activity	Fee
<p>Administration</p> <p>M.O.E. Certificate of Approval</p>	<p>Range of Fixed Fees</p>
<p>Drawing Review</p>	<p>\$60/lot of block/submission</p>
<p>Drinking Water Infrastructure Alteration Approvals</p>	
<p style="padding-left: 20px;">Tier 1 - Small residential (<80 units), industrial and institutional subdivisions and site plans</p>	<p>\$1,200</p>
<p style="padding-left: 20px;">Tier 2 - Large residential subdivisions (>80 units), and commercial subdivisions and site plans</p>	<p>\$2,400</p>