



Town of Erin

Corporate Report

Department: Infrastructure Services	Report Number: WW2024-01
Business Unit: Wastewater	Meeting Date: 10/24/2024
Presented/ Prepared By: Brian Kavanagh, Director of Infrastructure Services & Town Engineer	

Subject

Wastewater Project Update

Recommendation

That report number WW2024-01 “Wastewater Project Update” be received for information;

And that Council directs staff to submit an application for Intake II of the Housing Enabling Water Systems Fund (HEWSF) and continue to advocate for funding from this and other grant programs to be applied to the development of local sanitary sewer collection systems for existing residents and businesses;

And that Council directs staff to include funds in the 2025 draft capital budget to advance the technical and financial planning required to prepare for the development of local sanitary sewer collection systems for existing residents and businesses;

And that Council directs staff to prepare a draft sanitary sewer connection by-law, informed through public consultation, that will provide residents and businesses with insight into the requirements for future connection to local sanitary sewers, and will include flexible terms to lessen financial impacts;

And that Council directs staff to report back with updates regarding grant funding outcomes, a draft sewer connection by-law and technical and financial planning details.

Background

Council passed a motion in December of 2023 requesting the following information regarding the Town’s wastewater system construction project:

- a summary of the project including current finances, scheduling, potential cost overruns and ownership of associated financial liability;

- a set of recommendations for how existing property owners can manage their septic systems until the time of hookup;
- clarification on the process of instituting a sewer connection by-law; and,
- summary of the steps being taken on advocating for funding necessary for connection of existing houses and businesses to the wastewater system.

This report addresses the above items.

Discussion

1.0 Project Scope and Schedule

The following report sections detail the scope of work and associated completion schedule for the seven main components of the wastewater project, starting from the system high point in Hillsburgh and working through to the final outfall.

1.1 Hillsburgh Gravity Sewer

This portion of the project includes the installation of a gravity sewer, watermain and roadway reconstruction along Trafalgar Road between Upper Canada Drive/Church Street and the Elora Cataract Trail. The work includes the extension of water services and sewer laterals up to the property line for each property along the alignment.

The Hillsburgh gravity sewer has been successfully completed. The contractor is currently addressing minor deficiency items, ensuring that all aspects of the construction meet the Town's quality standards.

1.2 Elora Cataract Trail Linear Works

Construction along the Elora Cataract Trail will occur between Trafalgar Road and Main Street/Wellington Road 124, connecting the future Hillsburgh and Erin Village wastewater collection systems via gravity sewer. A new watermain connecting Hillsburgh to the water distribution system in Erin Village will also be installed, and 26 culverts crossing the trail between Hillsburgh and Erin Village will be upgraded.

Once the gravity sewer installation is completed, the Trail pathway will be restored to a better condition and all trees that are removed will be replaced with approximately four times as many new trees.

The linear works associated with the Elora Cataract Trail will be awarded in early 2025, with construction expected to be completed by Spring 2026. The construction schedule meets the timing requirements of development projects that rely on this infrastructure.

1.3 Erin Village Gravity Sewer & Twin Forcemains

The sanitary gravity sewer and twin forcemain construction in Erin Village along Main Street between the Elora Cataract Trail and Dianne Road, and along Water Street, commenced in July 2023.

The sewer installation utilizes micro-tunneling, a trenchless pipe installation method. As part of this process, micro-tunneling shafts have been installed at eight locations along Main Street.

Construction of the Erin Village gravity sewer is progressing and the micro-tunneling is planned for completion by the end of 2024, with restoration in Spring 2025.

1.4 Dundas Street East Gravity Sewer

The sanitary gravity sewer construction in Erin Village along Dundas Street East between Main Street and 10th Line commenced this Summer 2024 and is being constructed by developers.

The sewer installation utilizes both micro-tunneling and open-cut construction. As part of this process, a micro-tunneling shaft has been installed in front of the Legion parking lot with temporary lights controlling two-way traffic through this area.

Completion of the Dundas Street East gravity sewer works is anticipated by the end of 2024.

1.5 Erin Village Pumping Station

The Erin Village Sewage Pumping Station, located at the northeast corner of Lions' Club Park, will convey wastewater to the Erin Water Resource Recovery Facility. The sewage pumping station has been designed to complement the natural features within the park and will be secured from access by the public.

This contract includes a back-up emergency generator located on the west side of Williams Street, just north of March Street.

The Erin Village Pumping Station is scheduled for completion in Fall 2025, including reconstruction of the park. To ensure the water resource recovery facility can begin operations before the pumping station is fully completed, an interim pumping solution will be implemented.

1.6 Erin Water Resource Recovery Facility (WRRF)

The Erin Water Resource Recovery Facility is located on Wellington Road 52, west of 10th Line. The facility will treat the incoming raw wastewater from the Hillsburgh and Erin Village communities, producing treated effluent that achieves Ontario regulatory objectives and limits.

The facility is designed to produce one of the strictest discharge requirements in North America and will include Canada's first municipal effluent cooling system to limit effluent discharge temperatures and ensure the cold-water aquatic habitat of the West Credit River will not be affected.

Construction work is currently in progress and is anticipated to be completed in June 2025. Based on recent occupancies being granted in Solmar's Erin Glen subdivision, a

temporary hauling solution has been arranged that involves wastewater being trucked to Orangeville's Water Pollution Control Plant until the Town's WRRF is operational.

1.7 WRRF Effluent Sewer and Outfall

Treated effluent from the WRRF will be discharged to the West Credit River via an effluent sewer and outfall that run along Wellington Road 52 and Winston Churchill Boulevard.

Construction of the effluent sewer and outfall has been completed. The Town purchased a house adjacent to the outfall area to accommodate construction and provide access to infrastructure. An easement will be registered to allow for ongoing access, after which the property is planned to be sold.

2.0 Project Financial Responsibilities and Controls

The project is being fully funded by the developers whose projects will rely on the wastewater system. Extra costs, such as those associated with unforeseeable underground conditions and those required to meet conservation authority or Ministry of Environment, Conservation and Parks permit requirements, are being managed diligently to contain costs and minimize associated financial liabilities for developers.

An example of a cost control initiative is the decision to retender the Elora Cataract Trail linear works following a significant scope change required for permitting. This change was made to attain the best possible value for money for project stakeholders.

To ensure open communication and transparency with the Town's developer stakeholders, the Town holds monthly meetings that address project finances, schedule and other pertinent topics.

3.0 Funding for Existing Neighbourhood Wastewater Systems

Successfully implementing wastewater collection systems in existing Town neighbourhoods, including both residential and commercial/industrial properties, relies heavily on securing grant funding from the Provincial and/or Federal government.

The Town did not receive funding through its submission to Intake I of the Province's Housing-Enabling Water Systems Fund (HEWSF), however Intake II of HEWSF was announced earlier this year. The program is application-based and aims to protect communities by investing in the development, repair, rehabilitation and expansion of core water, wastewater, and stormwater projects to promote growth and enable housing.

Intake II totals \$250M, with the Province funding up to 73% of eligible project costs, with the municipality required to fund all remaining eligible project costs (27%). Applications are due by November 1st, 2024.

Town staff met with Ministry of Infrastructure staff on September 27, 2024 to gain insight into Intake II of the HEWSF grant, and to seek advice on achieving success in our next application. Staff will utilize this information to put forward a strong submission, and are

committed to actively pursuing all relevant funding opportunities to support the future construction of local sewer systems in existing neighbourhoods.

4.0 Septic System Planning

There is uncertainty regarding the timing of potential grant funding that would allow for the advancement of sanitary sewer construction in existing neighbourhoods. This uncertainty can be challenging for residents and business owners who are managing septic system lifecycle requirements, and for those considering buying, renovating, expanding or selling property in Town. To support these residents, the Town will:

- Commit to transparent and timely communication to ensure that residents who are contemplating buying or selling a home, and those considering rehabilitating or expanding the capacity of their septic system, can make informed decisions.
- Complete a diligent planning process to inform resident communications, including the preparation of a draft sanitary sewer connection by-law (detailed in Section 4.1) and the completion of technical and financial planning required to prepare for the development of local sanitary sewer collection systems for existing residents and businesses (detailed in Section 4.2).

Septic system owners should continue to maintain and pump out their septic systems as they normally would. Upon completion, the sanitary sewer connection by-law and the technical and financial planning process, detailed below, will help inform residents regarding decisions for septic system requirements above and beyond routine maintenance.

4.1 Sanitary Sewer Connection By-law

A sanitary sewer connection by-law is a regulatory framework that governs the process by which homeowners and businesses can connect to the municipal sewer system. The connection by-law ensures that the transition from septic systems to municipal sewer services is efficient, compliant and equitable. The Town's connection by-law will include the following:

- **Connection Requirements:** Specifications detailing what is required for a property to connect to the sewer system, including technical standards for installation.
- **Connection Fees:** Information on applicable fees associated with connecting to the sewer system, ensuring transparency and fairness.
- **Maintenance Responsibilities:** Clear guidelines outlining the responsibilities of homeowners for maintaining their connections and ensuring compliance with municipal standards.

- **Timelines:** Established timelines for when properties must connect to the sewer system, in relation to the timing of successful project funding, allowing residents to plan accordingly.
- **Flexibility:** Providing flexibility for homeowners who may need additional time or resources for connection and associated costs. Flexibility may include the number of years allowed to hook-up to the new sanitary sewer, and the number of years that associated payments can be spread out.

The following steps are required for implementation of the Town's sanitary sewer connection by-law:

1. **Research and Review:** Conduct a thorough review of existing by-laws in similar municipalities, and unique Town circumstances, to ensure best practices are followed.
2. **Drafting:** Collaborate with legal and engineering staff to draft a by-law that meets the specific needs of the Town and its residents and businesses. If required, draft an Official Plan Amendment to accompany the connection by-law.
3. **Public Consultation:** Engage with residents and businesses through public meetings, surveys and other platforms to gather input and address any concerns regarding the proposed by-law.
4. **Finalization:** Revise the draft by-law based on feedback received during the consultation phase.
5. **Approval:** Present the final draft to Council for review and approval.
6. **Implementation:** Once approved, ensure that the by-law is communicated effectively to residents and businesses, including information on how to initiate the connection process.
7. **Monitoring and Enforcement:** Establish a system for monitoring compliance and addressing any issues that arise post-implementation.

4.2 Technical and Financial Planning

It is recommended that funds be included in the 2025 draft capital budget to advance the technical and financial planning required to prepare for the development of local sanitary sewer collection systems for existing residents and businesses. Items to be addressed as part of the technical and financial planning include:

- Sewer system components and solutions that are required for each neighbourhood, including shallow sewers, maintenance holes, connections to trunk sewers and pumping stations.

- Review of elevations, density, proximity to a trunk sewer and other factors that determine the feasibility of a shallow sewer system.
- Preparation of mapping based on the technical review that indicates key sanitary sewer system requirements and delineation of which properties are within the feasibility area.
- Determination of ages and conditions of existing septic systems that may influence the prioritization and phasing of construction.
- Review of wellhead protection areas and related prioritization of construction phasing.
- Cost estimates for construction of sanitary sewer systems in existing neighbourhoods.
- Grant funding levels required to proceed to construction in each neighbourhood.
- Consideration of a local improvement process to fund the project.
- Financial implications of phased construction and payment programs.

Preparation of a conceptual design will address a number of these items and will also help inform resident and business owner decisions regarding the maintenance of their septic systems. If, for example, an owner of a property is determined to be outside the area of feasibility for shallow sewer construction, they will have certainty as to the future of their septic system. For owners of property within the feasibility area, the prioritization and phasing program development will provide some level of understanding of the relative timeframes for construction and hookup.

5.0 Setting Sanitary Sewer Rates

Through a separate report to Council in November 2024, staff will seek the implementation of an interim sanitary sewer rate that will contribute to the funding of wastewater services provided to recently occupied and soon to be occupied homes.

The interim sanitary sewer rate is planned to be in place until actual operating and maintenance expenses for the wastewater system can be gathered for a period of time adequate to analyze and derive reasonable estimates of the long-term requirements to fund the system in a sustainable manner, and the sanitary sewer rate required to do so.

6.0 Communication

Communicating with residents remains a critical component of the wastewater project. The main goals of the Town's communication are to inform residents of impacts and project benefits, address concerns and misconceptions, and to enhance community engagement and input to the process and planning initiatives.

Quarterly open house meetings are held at Town Hall and have been well attended. The Town's website has a dedicated section for project information and updates, and will be refreshed regularly. Project liaison meetings are held monthly. Staff will continue to make use of various methods of communicating regularly with residents.

Strategic Pillar

Investment in Community Assets

Financial Impact

The following table provides a financial summary of the project up to June 30, 2024. It includes the total contract value for each component of the project, spending to date and the percentage spent as an indication of progress toward completion. Note that the linear works portion of the project includes water infrastructure in addition to the core wastewater infrastructure component.

Component	Total Contract Value	Spent to Date (up to June 30, 2024)	% Spent
Linear Works	\$ 49,616,008	\$ 32,964,561	66%
Sewage Pumping Station	\$ 15,207,859	\$ 5,975,368	39%
Water Resource Recovery Facility	\$ 122,878,870	\$ 100,930,061	82%
Design	\$ 5,790,399	\$ 5,564,392	96%
Construction Management	\$ 7,302,799	\$ 6,180,207	85%
Total	\$ 200,795,935	\$ 151,614,589	76%

The wastewater project is being fully funded by the developers whose projects will rely on the wastewater system. Extra costs are being managed diligently to contain costs and minimize associated financial liabilities. In addition to the project costs, developers are contributing an amount of \$10,152,710 which is being set aside for future use to support the funding of local sanitary sewer systems in existing neighbourhoods in Erin and Hillsburgh.

Staff will include funds in the 2025 draft capital budget to advance the technical and financial planning required to prepare for the development of local sanitary sewer collection systems for existing residents and businesses.

Conclusion

The wastewater project is advancing successfully. The project schedule, finances and construction quality are being managed diligently, prioritizing value for money and the provision of a wastewater system that supports subdivision developments as they come online.

Staff have prepared a workplan to advance the provision of wastewater systems in existing neighbourhoods. Key components of the plan include stakeholder communication, seeking grant funding, engaging residents and businesses in the preparation of a draft connection by-law, and completing technical and financial planning.

These items will support residents and businesses as they manage the lifecycle requirements of their septic systems.

Attachments

None.

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