

## **Amendments to the Sewers, Water Supply and Fees By-laws**

<b>Date:</b>	October 4, 2013
<b>To:</b>	Public Works and Infrastructure Committee
<b>From:</b>	General Manager, Toronto Water
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2013\Cluster B\TW\pw13018

### **SUMMARY**

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This report proposes amendments to Chapter 681 (the “Sewers By-law”) and Chapter 851 (the “Water Supply By-law”) of the Municipal Code to update the documents with current practices and to meet the rapid pace of development in the City, including public transit development.

The recommended amendments to the Sewers By-law improves consistency of certain administrative provisions between the Sewers By-law and the Water Supply By-law, authorizes a single municipal sewer service connection to development projects where appropriate, improves the ability to trace damage to the City’s sewage works caused by construction-related activities, amends provisions associated with sanitary discharge permits, improves clarity by adding definitions and technical corrections, prohibits against furnishing false information and authorizes the General Manager, Toronto Water to enter into and execute any agreements or permits required under this Chapter.

The recommended amendments to the Water Supply By-law authorizes a single municipal water service connection to development projects where appropriate, allows for qualified in-house professionals employed by a company to perform the installation, testing, replacing or repairing of backflow prevention devices and provides clarification to Sector Categories.

Finally, recommended amendments within this report that impact fees will result in associated amendments within Municipal Code Chapter 441 – Fees and Charges.

### **RECOMMENDATIONS**

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The General Manager, Toronto Water, recommends that:

1. City Council amend Municipal Code Chapter 681 - Sewers substantially in accordance with the draft By-law attached as Appendix "A" to this report.

2. City Council amend Municipal Code Chapter 441 - Fees and Charges Schedule "C", Toronto Municipal Code Chapter 441 - Fees and Charges, Appendix D - Schedule 3, Wastewater Services, substantially in accordance with the draft By-law attached as Appendix "B" to this report.
3. City Council amend Municipal Code Chapter 851 - Water Supply substantially in accordance with the draft By-law attached as Appendix "C" to this report.
4. City Council authorize the City Solicitor to introduce any necessary Bills required to implement these recommendations, subject to any necessary refinements, including stylistic, format and organization, as may be identified by the City Solicitor and General Manager, Toronto Water.
5. This report be forwarded to the Budget Committee for its meeting on November 6, 2013 to be considered concurrently with the 2014 Water and Wastewater Rates and Services Fees report and Toronto Water's 2014 Operating Budget, along with the appropriate recommendations to amend the Municipal Code, as detailed in this report.

## **Financial Impact**

This report recommends measures that will allow for improved cost recovery of damage to City sewage works from private construction-related activities by introducing a deposit requirement to cover the cost of Closed Circuit Television Camera (CCTV) systems that document the pre- and post-construction state of City sewage works in the vicinity of the construction.

Presently, there is no sufficient information to quantify that impact. Toronto Water will continue to monitor related activities and include any resulting financial impacts for consideration with Toronto Water's future year operating and capital budgets.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

On November 27, 28 and 29, 2012, the City of Toronto Council adopted the referenced fees of Schedule B Reference Number 20 related to water service line investigations and Schedule C Reference Number 10 for blocked sewer investigations that were enacted by Council: November 29, 2012: <http://www.toronto.ca/legdocs/bylaws/2012/law1636.pdf>

A staff report submitted in 2009 related to private water entering the sanitary sewer can be found at: <http://www.toronto.ca/legdocs/mmis/2009/pw/bgrd/backgroundfile-18619.pdf>

## **COMMENTS**

### **1. Condominium Developments**

Certain amendments to the Sewers By-law and the Water Supply By-law are recommended to update the documents with respect to the new types of development projects being created and to meet the rapid pace of development in the City, including public transit development.

It is proposed that the General Manager, Toronto Water, be authorized, under certain conditions, to permit a single municipal sewer service connection and a single municipal water service connection to service a single property containing multiple buildings, parcels of tied land or condominiums. These conditions would include compliance with the Building Code, the Standards and Specifications and requirements that the owner of the lands receiving the municipal service connection is responsible for any consumption from, discharge to or use of the connection and that the manner of ownership will not impair the City's ability to collect fees or charges or enforce compliance with the relevant by-laws.

The amendments would also allow for condominium units and parcels of tied land to be serviced by a single municipal water service connection without a requirement for any units with a footprint on the ground and adjacent to a supply line to have separate service connections.

The proposed amendments would introduce similar language to both the Sewers By-law and Water Supply By-law with respect to service connections. The Sewers By-law is more general in its application regarding service connections than the Water Supply By-law. Also, it is proposed that both by-laws delegate the authority to permit single service connections to a single property containing multiple buildings, parcels of tied land or condominiums to the General Manager, Toronto Water. Presently, only the Water Supply By-law has such delegation.

### **2. Service Connection Investigations**

Under the Water Supply By-law, a property owner may request Toronto Water to investigate a leak or defect in the water service connection, subject to the provision of a deposit and payment of the City's costs where the leak or defect is on the property owner's private water service connection. This provision exists under Section 4 (J) of the Water Supply By-law.

It is recommended that a similar provision be included in the Sewers By-law with respect to a defect in a sewer connection. A provision in Chapter 441 of the Municipal Code already allows Toronto Water to charge such a fee for such requests. Accordingly, the Sewers By-law requires a housekeeping amendment to grant the General Manager, Toronto Water, authority to perform sewer service connection investigations with a similar deposit and payment approach as the Water Supply By-law for water service connections.

### **3. Damage to Sewers from Development Projects**

While the City has the right to seek compensation from anyone damaging City infrastructure under the authority of Chapter 681 - Sewers Section 13.2 (A) and (B), a key to successfully enforcing that right and recovering the City's costs and damages lies in tracing the cause of the damage. With the rapid pace of development in the City, Toronto Water has experienced several locations where it has been unable to recover damages caused to its sewers adjacent to private property developments. Damage may occur from developments which utilize a shoring system which ties back or secures the shoring within the municipal road allowance in the vicinity of City sewer systems, resulting in the puncturing/damaging of the City sewers at times.

Other development projects have deposited a significant amount of concrete in the sewer causing blockages, basement flooding and raw sewage escaping to the natural environment. However, there are instances where multiple developments are constructed adjacent to each other, and the same sewer, making it difficult to establish which project caused the damage. Pre- and post-construction inspections of the local sewer system by means of a closed circuit television (CCTV) camera would enhance the City's ability to trace the cause and to recover its costs and damages.

Accordingly, Toronto Water recommends that the Sewers By-law be amended to authorize the General Manager, Toronto Water, to require a developer or other person undertaking construction activities in the vicinity of City sewage works to pay the cost of pre- and post-construction inspections by CCTV camera systems of such sewage works. The application of CCTV cameras will provide a record of the state of the sewage works prior to and after the construction activities. Chapter 441 - Fees would, in turn, need to be amended to reflect fee for such inspections.

### **4. Enhanced Customer Service for Discharge Permits**

The increase in development projects in the City, including public transportation projects by Metrolinx and the Toronto Transit Commission, has resulted in increased demand for sewer discharge permits and sanitary discharge agreements.

The Sewers By-law permits the discharge of water which has originated from a source other than the City's water supply ("private water") into a City sewer by entering into a sanitary discharge agreement or permit.

In the course of excavation and development, groundwater as well as snow melt and rain water must be removed from the construction area. This is defined as "private water" and as such cannot be discharged to the City sanitary sewer system without a sanitary discharge agreement. For treating this private water, the City levies a surcharge of 57% of the Block One Rate (a billing rate structure) as defined in Municipal Code 441. In the case of a one-time, infrequent or small quantity discharge, Council has authorized the issuing of a permit where the total fee for a one year or lesser term is anticipated to be \$500 or less calculated in accordance with the above mentioned rate.

Historically, discharge permits are issued for short term de-watering activities while formal sanitary discharge agreements are used for longer term discharges into the sanitary sewer system. The execution process for a sanitary discharge agreement can take up to two months as proponents assemble all of the required documentation (such as articles of incorporation) to allow for the agreement to be prepared. Also, large organizations and government agencies have challenges in having agreements signed quickly by their authorized signing authority. Discharging private water into the sanitary sewer is not allowed until all parties have signed the agreement.

Over the years, wastewater service rates have increased which, in turn, has decreased the corresponding volume of water allowable under a permit to be discharged before the maximum \$500 permit threshold is reached. At current rates, the \$500 permit threshold will allow the discharge of just over 300 m<sup>3</sup> to a sanitary sewer. This volume threshold is now far lower than needed to cover any discharge period until a sanitary discharge agreement is executed.

Therefore, Toronto Water recommends that the Sewers By-law and the Fees By-law be amended to authorize the General Manager, Toronto Water, to issue a sanitary discharge permit in place of an agreement where the anticipated fee is \$20,000 or less and the discharge is anticipated to be up to one year in length. This would allow for development to continue until such time as a formal sanitary discharge agreement can be executed.

## **5. Additional Amendments to the Sewers By-law**

Toronto Water recommends that the Sewers By-law be amended to clarify for proponents who intend to discharge private water to a City storm sewer system, under Section 4 of the Sewers By-law, that an application for review is required by the General Manager Toronto Water, for water quality and sewer capacity review purposes. While this has been occurring as a course of practice it is not clearly outlined in the By-law. Once the General Manager is satisfied with the application to discharge to the storm sewer system, a permit is issued for the discharge within a certain time period.

Toronto Water recommends that the General Manager or the General Manager's delegates or designates be authorized to enter into and execute any agreements or permits required under this Chapter. This would facilitate the issuance of agreements and permits in a timely manner.

On occasion, Toronto Water receives false or misleading information during compliance and enforcement activities and in written or personal communications, applications and forms submitted. As a result, Toronto Water recommends that the Sewers By-law be amended to create a specific offence for misleading or providing false information to Toronto Water in any manner.

## **6. Additional Amendments to the Water Supply By-law**

For the reasons noted above under the Sewers By-law amendments, Toronto Water also recommends that the Water Supply By-law be amended to create a specific offence for misleading or providing false information to Toronto Water in any manner.

The Water Supply By-law provides for a list of qualifications a person must have to install, test or repair backflow prevention devices. Currently, the By-law does not allow for companies to utilize their own staff, assuming they are qualified according to the by-law, to perform such work. This report recommends the addition of company-employed personnel who meet the qualification requirements for the installation, testing or repair of backflow prevention devices. This will allow companies to save money and address the backflow prevention device requirements in a timely manner as they will not be relying on contractor schedules for compliance.

In addition, Irrigation System installers have been removed from Schedule 6 as they can perform work only on irrigation systems and these systems are not a part of the premise isolation program.

Based on experience dealing with facilities in various industrial sectors, an amendment to Schedule 5 of the Water Supply By-law is recommended to provide clarity to the hazard levels of metal fabrication, gas stations and automotive repair sectors.

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## **SIGNATURE**

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## **ATTACHMENTS**

Appendix A: Draft Amendments to Municipal Code Chapter 681- Sewers  
Appendix B: Draft Amendments to Municipal Code Chapter 441 - Fees and Charges  
Appendix C: Draft Amendments to Municipal Code Chapter 851- Water Supply