



KALTASIN

SEWER EXPANSION INITIATIVE

Public Meeting

September 13th, 2022

INTRODUCTIONS

DISTRICT OF SOOKE

- Jeff Carter, Director of Operations
- Raechel Gray, Director of Financial Services
- Christina Moog, Communications Coordinator
- Paul Bohemier, Manager of Wastewater

URBAN SYSTEMS

- Shaun Heffernan, Senior Local Government Advisor
- Dan Huang, Senior Project Advisor
- Alex Kempa, Project Engineer

STANTEC

- Shaun Swarbrick, Civil Engineer

PURPOSE OF MEETING

- Work collaboratively with Sooke residents to explore potential sewer service expansion
- Inform residents of the benefits and potential costs of establishing a potential sewer service
- Outline next steps
- Answer and record questions for additional follow-up

AGENDA

#1

SEWER SERVICE
BACKGROUND

#2

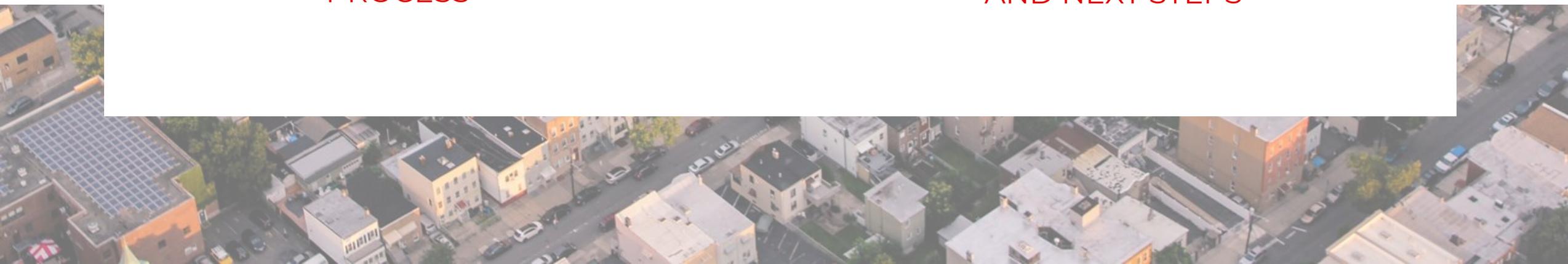
PHASED SEWER
SYSTEM EXPANSION
APPROACH

#3

COMMUNICATIONS
AND PETITION
PROCESS

#4

FUTURE
CONSIDERATIONS
AND NEXT STEPS





SEWER SERVICE BACKGROUND

SEWER SERVICE BACKGROUND



- Sooke Core Sewer Specified Area (SSA) established in 2003 (Bylaw 147) for new municipal wastewater collection and treatment system servicing approximately 5,500 residents
- Borrowed \$8.8 million under 20-year debenture which expires in 2026, property owners within SSA pay an annual parcel tax which covers both debenture financing as well as annual O+M (currently \$653 per parcel)
- DCC applicable for new growth.

HOW WE GOT HERE



PHASED SEWER SYSTEM EXPANSION
APPROACH

PHASED SEWER SYSTEM EXPANSION APPROACH

- The District of Sooke (the District) is looking to expand the sewer system by establishing two new sewer service areas in Kaltasin and Whiffin Spit.
- These areas have been identified by the District's *Liquid Waste Management Plan* since 2010 to help protect the community's natural environment and better accommodate sustainable community growth.
- Earlier this year, the District of Sooke and T'Sou-ke Nation began a process to review options for extending the District's sewer system to areas of:
 - T'Sou-ke Nation, and
 - The District of Sooke currently operating on septic systems.
- There will be a process for the residents to have their say and confirm whether or not the sewer initiative should proceed (**to be discussed**).

PHASED SEWER SYSTEM EXPANSION APPROACH

- The purpose of these expansions are:
 1. To ensure compliance with the District's Liquid Waste Management Plan (LWMP).
 - a) A LWMP identifies challenges and issues related to liquid waste in a community and develops potential solutions to be implemented over the next ~20 years
 - b) The LWMP identified Kaltasin as a priority neighborhood for future sewer expansion based on economic and environmental criteria
 2. To reduce potential environmental impacts of failing septic systems on the Sooke Basin and Sooke River.
 3. To encourage sustainable land use through the development of compact community centres within Sooke, in alignment with the Official Community Plan.

- A presentation to Council in December 2021 outlined the proposed sewer expansion initiative and three readings were given to the proposed Loan Authorization Bylaw.

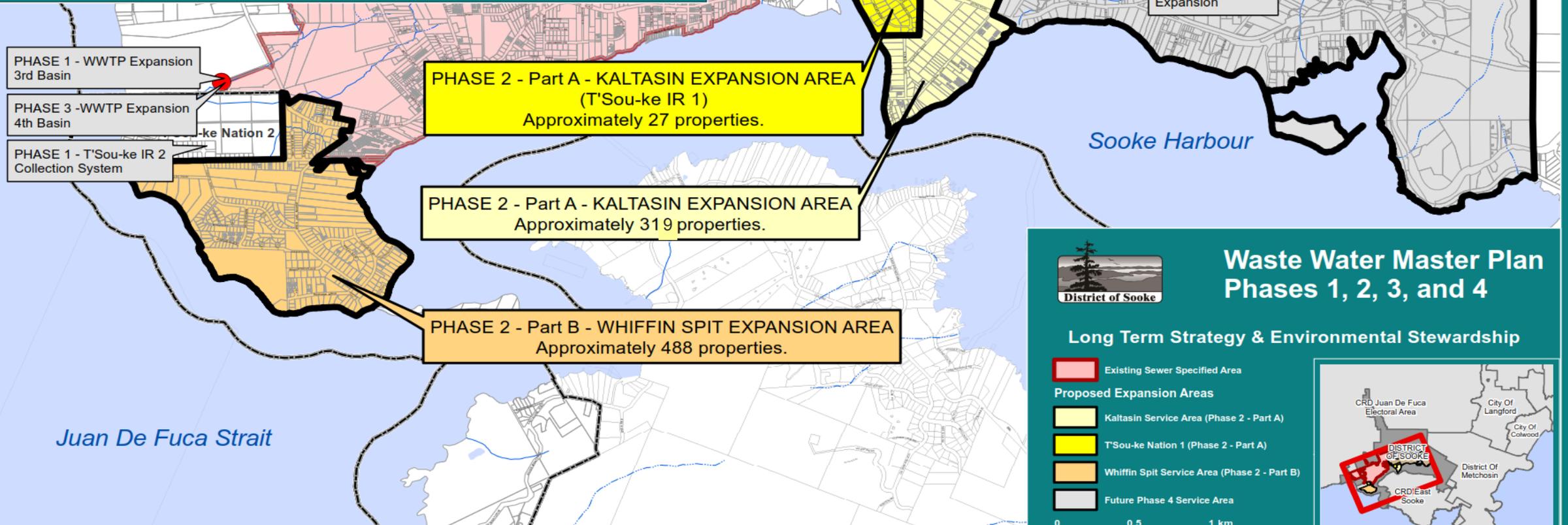
Sooke Basin Environmental Quality Restoration - PHASE 1,2,3,4

PHASES	DESCRIPTION	Project Estimates	Status/Funding Source
Phase 1	WWTP Expansion	\$6,500,000	Funded - IP Complete 2023
	T'Sou-ke IR2 Collection System	\$7,750,000	Funded - IP Complete 2023
Total Project Cost Phase 1		\$14,250,000	
Phase 2 - "Part A"	Kaltasin Collection System	\$8,700,000	ICIP Grant / DOS Loan
	Force Main - DCC Project	\$1,100,000	DCC Reserve Fund
	T'Sou-ke IR1 Collection System	\$2,200,000	Indigenous Service Canada (ISC) - Application IP
	T'Sou-ke IR1 Shared Cost for Kaltasin	\$4,400,000	ICIP Grant / T'Sou-ke Nation Funding
	T'Sou-ke IR1 Capacity Contribution	\$1,500,000	ICIP Grant / T'Sou-ke Nation Funding
Total Project Cost Phase 2 - Part A		\$17,900,000	
Phase 2 - "Part B"	Whiffin Spit Collection System	\$16,000,000	ICIP Grant / DOS Loan
	Total Project Cost Phase 2 - Part B		\$16,000,000
Phase 3	WWTP Expansion	\$8,000,000	Future 2025-2035
Total Project Cost Phase 3		\$8,000,000	
Phase 4	Collection Systems NE Sooke	\$22,500,000	Future 2025-2035
Total Project Cost Phase 4		\$22,500,000	

TOTAL PROJECT COST (Phase 1-4) \$78,650,000

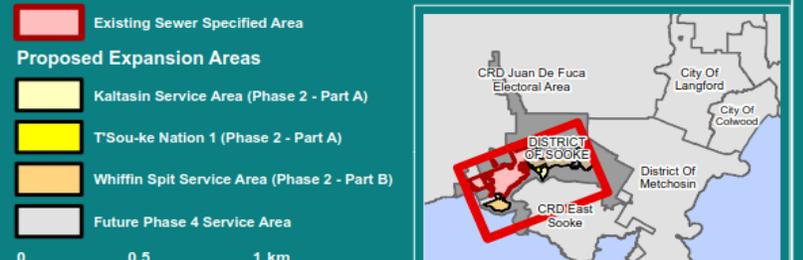
*All proposed T'Sou-ke Nation funding commitments are subject to T'Sou-ke Nation Chief and Council Approval

**Proposed service area designs will accommodate all future residential, commercial, and industrial growth capacity projections for both District of Sooke and T'Sou-ke Nation.

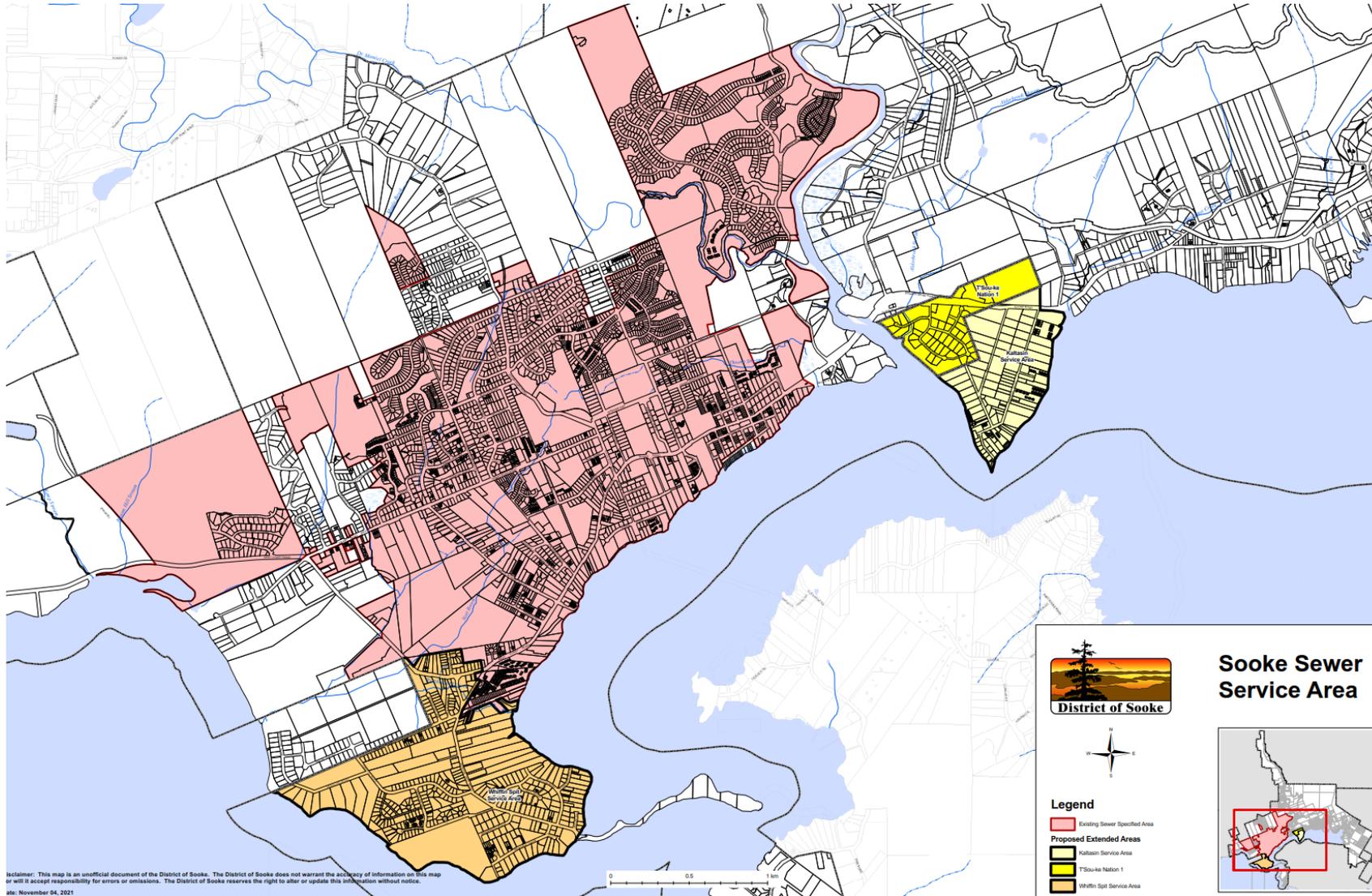


Waste Water Master Plan Phases 1, 2, 3, and 4

Long Term Strategy & Environmental Stewardship



PHASED SEWER SYSTEM EXPANSION APPROACH



PHASED SEWER SYSTEM EXPANSION APPROACH -KALTASIN

- The Kaltasin sewer system expansion project can be broken into three major components:
 1. Sooke Road forcemain to the existing system;
 2. Collection System expansion; and
 3. A new sewer pump station.
- The system would service T'Sou-ke Nation IR1, and approximately 310 existing privately-owned parcels and multifamily strata units
- If T'Sou-ke Nation and the District collectively financed the wastewater force main, pump station and a portion of the collection system, substantial cost savings would be realized.
- There is a tentative agreement between T'Sou-ke Nation and the District to proceed with this approach.

PHASED SEWER SYSTEM EXPANSION APPROACH -KALTASIN

- Based on the cost for this partnership model the total costs to the District of Sooke and its taxpayers would be approximately \$8.7 million if no additional funding is received through grant funding.

Proposed Kaltasin Sewer System Costs

Project Components	Estimated Project Costs*
Sooke Road Forcemain	\$ 3.0 Million
Kaltasin Collection System	\$ 4.7 million
Pump Station	\$ 1.0 million
Contingencies	Project costs include a 40% contingency
Total Cost	\$ 8.7 million

* It should be noted that due to the high development activity in the region the current costs of construction may change.

** T'Sou-ke Nation would pay the costs for the IRI sewer collection system as well as their portion of the other shared system costs

COST AND DESIGN CONSIDERATIONS

Cost Estimates

- Class C/D Cost Estimate
- Including Considerable Contingencies
- Estimates would be refined as design progresses
- Contingencies in place to allow for unknown site conditions

Design Details

Details to be Advanced to Approx. 80% Design Stage in Remainder of 2022

- Pump station location
- Odour control mitigation
- Archaeological Investigations
- Geotechnical Investigations
- Environmental Investigations
- Refined Piping Alignments
- Review of Individual Pump Requirements

PHASED SEWER SYSTEM EXPANSION APPROACH -KALTASIN

Proposed Parcel Taxes (one-time or financed over 25 years)

Funding Scenario Based On Grants Received	Approximate Total Cost to be paid for by Taxpayer*	Proposed Tax One Time Charge	Proposed Annual Parcel Financed over 25 years @ 4.39%*
1. Full Grant Received - Covers Approx. 60%-73% of Total Costs	\$2.35 million - \$3.50 million	\$7,400 - \$11,000	\$550 - \$815 per year
2. No Grant Received	At this time, it is unlikely the District will continue to explore expansion if the grant application is not successful		
*It should be noted that the amounts provided are estimates and are subject to change.			

PHASED SEWER SYSTEM EXPANSION COSTS

- 1. Parcel Tax:** New parcel tax (for local service area capital works) – this covers bringing pipes to the property line. Option to be financed over 25 years.
- 2. Onsite Costs:** On-site decommissioning of septic tank and connection fee to the municipal system – individual sewer connection to dwelling or building (wide range of potential costs based on property conditions).
- 3. User Fees** - A new Annual Sewer Utility Fee (to be determined) to cover costs related to ongoing Operation and Maintenance (O+M) and Asset Management.

Costs	Estimated Project Costs*
Parcel Tax <i>(One-time / Financed over 25 years)</i>	(a)
Operations and Maintenance Costs <i>(annual)</i>	(b)
On-site Costs <i>(one-time fixed cost)</i>	(c)
Total Cost to Owner	= (a) + (b) + (c)



PETITION PROCESS AND BORROWING

Discussion to inform the framing of the Petition process

PHASED SEWER SYSTEM EXPANSION APPROACH

- Even if a grant for 60% - 73% of the project is secured, the remaining 27% - 40% of the project costs would be borrowed by the District, then recovered by existing and future property owners in the benefitting area, likely through a parcel tax on property taxes.
- Based on current legislation, the District has chosen to establish new parcel taxes for a sewer service, on a per parcel basis (one parcel/folio = one charge).
- If more properties are created through development and / or redevelopment the total costs per property will be dispersed across more taxpayer and will decrease.

LAS ESTABLISHMENT & BORROWING

- A local area service (LAS) must be established by bylaw. The bylaw must:
 - Describe the service
 - Define the boundaries of the local service area
 - Identify the methods of cost recovery for the service, including:
 - The form of local service tax (property value tax and/or parcel tax); and
 - The portion of the costs of the service that are to be recovered by the local service tax
- If borrowing is required to establish a LAS a Loan Authorization Bylaw must also be approved for each of the LASs through a separate initiative.

COUNCIL INITIATIVE - SUBJECT TO PETITION AGAINST

Council Initiative - Subject to Petition Against (i.e., Counter Petition)

The proposed legislative mechanism chosen to initiate the establishment of a local area service by providing an opportunity for a petition against the proposed service - which means that the bylaw cannot be adopted if at least 50% of owners, representing at least 50% of the assessed value of land and improvements that would be subject to the local tax, sign a petition opposing the local area service.

***This would only occur if the full grant is received**



FUTURE CONSIDERATIONS

Key Considerations Going Forward

MANDATORY CONNECTIONS BYLAW

- Sooke has a Mandatory Connection Bylaw (since 2006) which requires properties within SSA to decommission their septic and connect to the municipal sewer system (when available) within 6 months
 - ▶ Failure to comply has MTI implications (\$1,000 fine for late connection, \$100 fine for failure to decommission septic tank)
- As part of this process this Bylaw will be updated to include a 2-year mandatory connection timeline from the time the system is operational for both Kaltasin and Whiffin Spit.
- A few property owners have indicated recent significant investments into new septic systems. As long as the parcel tax is being collected (to cover the debenture), the District may consider not imposing the mandatory connection requirement for Kaltasin and Whiffin Spit parcels for a period of up to 5 years if they installed a septic system after January 1st, 2020.

PROPOSED TIMELINE

- Advance engineering designs to 70 – 80% (Fall 2022)
- Finalize costs for Whiffin and Kaltasin SSA, as well as existing SSA (Fall / Winter 2022)
- Confirm T'Sou-ke funding is in place for their share of the project, as well as the IR#1 collection system (Early 2023)
- Confirm Grant Application Response (Early 2023)
- Council Initiative - Subject to Petition Against contingent on grant funding (Spring / Summer 2023)

PROPOSED TIMELINE FOR DISCUSSION

- If grant application is successful:
 - Finalize engineering detailed design to tender ready state (Late 2023)
 - Project procurement (Late 2023)
 - Construction and implementation (2024)
 - Wastewater systems online (Spring 2025)
 - Mandatory connection in place (2025 – 2030)

ENGAGEMENT MOVING FORWARD

- Engagement on Kaltasin and Whiffin Spit will continue to be separate processes
- Project updates via Let's Talk Sooke
- Answer and post responses to questions submitted via surveys and on the Let's Talk Sooke page and future community newsletters
- Post Council Initiative - Subject to Petition Against framework and Q & A

THANK YOU