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Item No. 14.1

**Halifax Regional Council
October 1, 2024
November 12, 2024**

TO: Mayor Savage and Members of Halifax Regional Council

FROM: Cathie O'Toole, Chief Administrative Officer

DATE: August 8, 2024

SUBJECT: Fall River Water Extension

INFORMATION REPORT

ORIGIN

November 23, 2021 Regional Council motion (Item No.15.7.2):

MOVED by Councillor Deagle Gammon, seconded by Councillor Russell

THAT Halifax Regional Council request a staff report on the cost and feasibility of extending the Water Service Boundary along NS Trunk Highway 2 to Howe Avenue, and including all the land between Highway 2 and Highway 102, commonly referred to as Schwartzwald Subdivision.

MOTION PUT AND PASSED UNANIMOUSLY

EXECUTIVE SUMMARY

Council's November 23, 2021 motion directed Staff to provide a report on the cost and feasibility of extending the water service boundary in Fall River along Highway 2 to service the residents within the Schwartzwald subdivision. This follows the successful extension of water services to several residents and businesses within the community. The feedback and results have proven to be positive and beneficial to the overall community.

Extending the Water Service Boundary to cover the Schwartzwald subdivision will require a Regional Subdivision By-law amendment. Prior to the By-law amendment, preliminary cost estimates are needed to help determine the water extension feasibility. Professional services are required to complete the cost estimates. Professional services are estimated to cost \$50,000.

Municipal costs associated with extending central services are typically funded by a Local Improvement Charge (LIC) collected from benefiting properties. In addition, external funding sources are needed to help offset these costs. Costs associated with studying the project's feasibility cannot be recouped from benefitting properties if the project does not proceed.

BACKGROUND

The Regional Plan designates Fall River as a Rural District Growth Centre. While some residents and businesses fronting Fall River Road and Highway 2 now receive central water service, the majority of residents in the community receive water from private wells. Completing the extension of water services along Fall River Road and Highway 2 has developed a vibrant and sustainable village centre as well as access to quality water to over 200 properties.

In November 2016, Regional Council entered into a contract with the Halifax Regional Water Commission for the design and construction of central water services to some areas in Fall River. The water service extension was along Fall River Road from Windsor Junction Road to Highway 2, a portion of Ingram Drive, along Lockview Road and MacPherson Road, and along Highway 2 from Fall River Road to Highway 102 Interchange.

To help deliver the water service extension, the Halifax Regional Municipality (HRM) received significant federal funding via the Clean Water & Wastewater Fund (CWWF). This fund helped cover approximately 75% of the project's total cost. The remaining 25% was funded by a LIC apportioned to the benefiting properties.

Halifax Water completed the design and construction of the water system on HRM's behalf and the project was substantially complete by the end of 2018

In 2021, Regional Council subsequently requested a staff report on the cost and feasibility of extending the Water Service Boundary along NS Trunk Highway 2 to Howe Avenue and including all the land between Highway 2 and Highway 102, commonly referred to as Schwartzwald Subdivision.

DISCUSSION

External professional services are required to provide accurate costs and a feasibility analysis of extending the Water Service Boundary along NS Trunk Highway 2 to Howe Avenue and including Schwartzwald subdivision. Professional services for this information are estimated at **\$50,000**.

While the Regional Plan generally discourages the extension of urban infrastructure into rural areas, it recognizes that expansions to the Water Service Area boundary may be appropriate in certain circumstances where there is evidence of water quality or quantity problems. Furthermore, extending the Water Service Boundary to cover the Schwartzwald subdivision will require a Regional Subdivision By-law amendment.

Groundwater constraints are a significant issue in this area as confirmed in two watershed studies that were produced for the Shubenacadie Lakes Watershed. One of those studies confirmed that the groundwater aquifer was over abstracted and advised that there were several locations that had a severe problem. Schwartzwald Subdivision is one of these identified locations.

Under the Regional Plan, the River-lakes Secondary Plan forms a Rural District Growth Centre where the provision of central water for Fall River may be considered. To complete this, an amendment to the Regional Subdivision By-law pursuant to Policies SU-13 and SU-14 of the Regional Plan is required.

Next Steps

Once the feasibility analysis is completed, staff will return to Council with the results, upon which Council can decide whether to proceed with a detailed study to define an ultimate water service boundary, required pipe sizes, associated infrastructure, and detailed cost estimates.

FINANCIAL IMPLICATIONS

Costs associated with the professional services can be accommodated with the approved 2024/25 operating budget in cost centre C450 for Planning and Development. While this is an overage compared to what was approved in the 2024/25 operating budget, it can be accommodated due to expected vacancy savings. If the project proceeds, the costs associated with the professional services can be recovered through an LIC.

Water & wastewater extension projects can be prohibitively costly in the absence of external (Federal/Provincial) funding, and most Federal and Provincial funding programs do not apply to costs incurred in advance of funding approval.

COMMUNITY ENGAGEMENT

No community engagement was required.

LEGISLATIVE AUTHORITY

79A (1) Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if

(a) the expenditure is included in the Municipality's operating budget or capital budget or is otherwise authorized by the Municipality;

(b) the expenditure is in respect of an emergency under the Emergency Management Act;
or

(c) the expenditure is legally required to be paid.

(2) The Municipality may expend money provided for in an operating budget or capital budget for a purpose other than that set out in the operating budget or capital budget for that fiscal year if the expenditure does not affect the total of the amounts estimated for the operating budget and the capital budget.

(3) The Municipality may authorize expenditures from its operating budget or transfer money from the operating budget to its capital budget if the total amount of such expenditures and transfers for the fiscal year does not exceed the total amount of estimated revenue from all sources in excess of the amount estimated for those sources in the operating budget for that fiscal year.

(4) The Municipality may authorize capital expenditures that are not provided for in its capital budget if the total of such expenditures does not exceed the greater of

(a) the amount authorized to be transferred from the operating budget to the capital budget under subsection (3);

(b) the borrowing limits established for the Municipality under Section 109; or

(c) the amount withdrawn from a capital reserve fund under subsection 120(4).

(5) In the event of ambiguity in whether or not the Municipality has the authority under this or any other Act to spend money or to take any other action, the ambiguity may be resolved so as to include, rather than exclude, powers the Municipality had on the day before this Section came into force.

ATTACHMENTS

None

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