

The Regional Municipality of York

Committee of the Whole
Environmental Services
January 14, 2021

Report of the Commissioner of Environmental Services

Amendment to Marianneville Developments Limited Inflow and Infiltration Reduction Project Tri-party Agreement

1. Recommendations

1. Council approve an amendment to the tri-party agreement with the Town of Newmarket and Marianneville Developments Limited to allow the Developer to undertake additional inflow and infiltration reduction work in the Town of Newmarket.
2. Council authorize the Commissioner of Environmental Services to execute the amendment to the tri-party agreement with the Town of Newmarket and Marianneville Developments Limited and other amendments with landowners moving forward.
3. Council authorize the Commissioner of Environmental Services to execute future amendments to existing tri-party project agreements under the principles of the Developer-funded Inflow and Infiltration Reduction Program.
4. The Regional Clerk forward a copy of this report to the Town of Newmarket and Marianneville Developments Limited.

2. Summary

This report seeks Council authorization for the Commissioner of Environmental Services to amend the Developer-funded Inflow and Infiltration Reduction Project (the Project) tri-party agreement with the Town of Newmarket (the Town) and Marianneville Developments Limited (Marianneville). The amendment will allow Marianneville to expand the Project area and receive additional servicing capacity for newly proposed development lands, based on Council-approved principles from [September 24, 2015](#).

This report also seeks authority for the Commissioner of Environmental Services to execute future amendments to existing tri-party agreements under the principles of the Developer-funded Inflow and Infiltration Reduction Program (the Program).

Key Points:

- The Developer-funded Inflow and Infiltration Reduction Program supports implementation of the Region's Inflow and Infiltration Reduction Strategy, a

requirement under the Environmental Compliance Approval for the Southeast Collector Trunk Sewer

- Under the Program, a developer can carry out remedial works in the local sewer network and recover wastewater servicing capacity for use in their development by entering into a tri-party agreement with the Region and local municipality
- In capacity constrained areas, the recovered capacity helps the local municipality meet its growth needs through infrastrretching which helps to offset costly infrastructure upgrades
- To accommodate new developments, Marianneville has proposed expansion of the original project area, requiring an overall combined total of 7,686 persons of assignable wastewater capacity to be achieved through additional remedial works at no cost to the Region or the Town

3. Background

York Region's Developer-funded Inflow and Infiltration Reduction Program enables a developer to earn wastewater capacity through tri-party agreements with the Region and local municipality

The Region's Developer-funded Inflow and Infiltration Reduction Program commenced in 2010 to encourage repair of existing sewer networks which would then unlock capacity within the same sewage drainage area (sewershed) for new development. The Program enables a developer to undertake inflow and infiltration reduction work at their own cost and risk, in exchange for assignment of wastewater capacity using a predetermined ratio. This approach ensures one person of new capacity is allocated for every two or more persons of capacity earned through remedial works. It also contributes to the goal of 40 million litres/day of inflow and infiltration reduction by 2031 under the Environmental Compliance Approval for the Southeast Collector Trunk Sewer. The supporting municipality may also choose to include additional requirements for their growth needs. Marianneville is one of several developers that have participated in the Program since 2010.

A tri-party agreement with Marianneville was initiated in July 2016

On [September 24, 2015](#), Council authorized the Commissioner of Environmental Services to enter into a tri-party agreement with the Town and Marianneville to undertake a Developer-funded Inflow and Infiltration Reduction Project in Newmarket. The agreement was executed on July 26, 2016 and is based on principles to ensure alignment with the Region's overall Inflow and Infiltration Reduction Program. The tri-party agreement established a maximum capacity assignment threshold that could be earned through remedial works, identified the benefitting development lands and limited the Project to the Newmarket Sewage Pumping Station sewershed, which ultimately drains to the Aurora Sewage Pumping Station. Consistent with the Program, capacity earned through remedial works is shared between the Region and Marianneville, whereby one person of capacity is allocated to Marianneville for every two persons capacity earned through remedial works. This helps manage risk and contributes to achieving the Region's inflow and infiltration reduction target.

The agreement further stipulates that approval of any new project areas and additional capacity assignment beyond the stipulated threshold will require consideration by Regional Council based on viability and defined criteria.

4. Analysis

Amendment of the Marianneville agreement is proposed to accommodate three new benefitting developments

The existing Marianneville tri-party agreement accommodates a servicing capacity of 2,748 persons for Glenway East and Yonge-Millard developments. Marianneville has requested an agreement amendment to include up to three new benefitting development lands as shown in Attachment 1, one of which is currently under negotiation for acquisition. Expansion of the eligible area for inflow and infiltration reduction work is also requested. The future developments will require additional wastewater capacity of 2,137 persons as shown in Table 1.

Inflow and infiltration reduction work in the expanded project area will provide a net capacity benefit to the Aurora Sewage Pumping Station

Sanitary sewer flows generated within the expanded project area drain to the Aurora Sewage Pumping Station. Expanded inflow and infiltration remedial works will improve capacity constraints at the downstream Aurora Sewage Pumping Station, since the work undertaken by the developer will help reduce extraneous flows to the pumping station, as per the Program principles.

A total servicing capacity assignment threshold of 7,686 persons is proposed in the amended tri-party agreement

As sewage servicing capacity in the Aurora Sewage Pumping Station sewershed remains constrained until Upper York Sewage Solutions is commissioned. In the interim, opportunities to recover additional capacity through remedial works helps bridge servicing capacity gaps in the area. The proposed amendment expands the project area for inflow and infiltration reduction works and increases the capacity assignment threshold from 3,800 to 7,686 persons, providing up to 3,886 persons additional servicing capacity to support growth in Newmarket. Consistent with the original Agreement, the Town will receive a portion of the recovered capacity to be used at its discretion. The new threshold also includes a capacity safeguard to address potential density changes in Marianneville's development proposals which may be identified through the development approvals process (Table 1).

Table 1
Summary of Existing and Proposed Capacity Assignment
(persons of capacity)

| Capacity Assignment Component | Existing Agreement | Additional Requested | Amended Agreement |
|-------------------------------|--------------------|----------------------|-------------------|
| Marianneville | 2,748* | 2,137 | 4,885 |
| Town Growth Needs | 755 | 765 | 1,520 |
| Capacity Safeguard Amount | 297 | 984 | 1,281 |
| TOTAL | 3,800 | 3,886 | 7,686 |

*2,591 persons at the time of agreement execution plus reallocated capacity safeguard amount of 157 persons due to density changes identified through development proposals

Recommend that the Commissioner of Environmental Services be authorized to execute future amendments to existing tri-party agreements

The Region is currently a party to five Developer-funded Inflow and Infiltration Reduction Project tri-party agreements in Aurora, Newmarket (2), Richmond Hill and Vaughan. On [January 25, 2018](#), Regional Council authorized the Commissioner of Environmental Services to execute new Developer-funded Inflow and Infiltration Reduction Project agreements going forward. This report further requests Council authorization for the Commissioner of Environmental Services to amend existing Project agreements, under the approved Program principles, where requested by the local municipality.

5. Financial implication

There are no Regional financial implications for this proposed amendment. The Project implemented under the amended tri-party agreement will be fully funded by Marianneville as per the principles outlined in the existing agreement. The recovered capacity through the sewer repair works helps the Town meet its growth needs through cost effectively infrestretching using built infrastructure capacity in both the Town and Regional systems.

Securities for the inflow and infiltration reduction works are being held by the Town. Provisions in the tri-party agreement require additional securities where proposed works relate to the Regional sanitary system. No such proposals have been made to date.

6. Local Impact

The Developer-funded Inflow and Infiltration Reduction Program helps bridge the capacity gap caused by the delay in commissioning of the Upper York Sewage Servicing project and supports growth in the Town of Newmarket. [Town of Newmarket Council](#) has endorsed the proposed tri-party agreement amendment with York Region and Marianneville Developments Limited.

7. Conclusion

An amendment to the Marianneville Inflow and Infiltration Reduction Project tri-party agreement is requested to include additional benefitting developments, increase the Council endorsed threshold for servicing capacity assignment and expand the project area. The project implemented under the amending agreement will create additional capacity for growth in the Town of Newmarket, bridging the capacity gap due to delays in Upper York Sewage Solutions approval. This report seeks Council authorization for the Commissioner of Environmental Services to execute the Marianneville agreement amendment. Authorization is also requested for the Commissioner of Environmental Services to execute future tri-party agreement amendments, under the Program.

For more information on this report, please contact Wendy Kemp, Director, Infrastructure Asset Management (A) at 1-877-464-9675 ext. 75141. Accessible formats or communication supports are available upon request.

Recommended by: **Erin Mahoney, M. Eng.**
Commissioner of Environmental Services

Approved for Submission: **Bruce Macgregor**
Chief Administrative Officer

December 11, 2020
Attachments (1)
eDOCS# 11515311