Agenda
12.5
July 6/15

THE CORPORATION OF THE TOWNSHIP OF NORTH HURON

BY-LAW NO. 55-2015

Being a by-law to authorize the Reeve and Clerk to sign, on behalf of Council, A Cross Border Servicing Policy for the Corporation of the Township of North Huron.

WHEREAS the Municipal Act, 2001, as amended permits the Councils of all municipalities to enter into certain agreements;

AND WHEREAS Council is desirous of executing a Cross Border Servicing Policy for the Corporation of the Township of North Huron.

NOW THEREFORE, the Council of the Corporation of the Township of North Huron ENACTS the following:

1. The Reeve and Clerk to sign, on behalf of Council, a Cross Border Servicing Policy for the Corporation of the Township of North Huron.

2. A copy of the said Terms of Reference is attached hereto and designated as Schedule A to this By-law.

3. That this By-law shall come into force and takes effect on the day of the final passing thereof.

READ A FIRST AND SECOND TIME THIS 6TH DAY OF JULY, 2015.

READ A THIRD TIME AND PASSED THIS 6TH DAY OF JULY, 2015.

CORPORATE SEAL

Neil G. Vincent

Neil G. Vincent, Reeve

Kathy Adams, Director of
Corporate Services/Clerk

NORTH HURON	Township of North Huron	
	Section: Utilities	Policy number: 2015-01
	Sub-section:	Effective Date: July 2, 2015
	Subject: **Cross Border Servicing Policy**	Revision Date:
		Prepared By: SC

1) **Purpose:**

   a. To establish a fair and equitable process for handling requests from adjacent municipalities to provide water and sanitary sewer services to properties outside of the Township of North Huron.

   b. To ensure that the Township of North Huron water and wastewater systems are adequately compensated for capacity being assigned to users located outside of the Township borders.

   c. To ensure that new development achieved as a result of cross border servicing is financially beneficial to both the receiving municipality and the Township of North Huron.

2) **Policy Statement:** The Township of North Huron is interested in working with neighbouring municipalities to support economic development in the region. The provision of water and sanitary sewer services to properties outside of the municipality is one way the Township can help to facilitate development that creates jobs.

   Where development is proposed in an abutting municipality, the Township of North Huron will consider providing water and sanitary sewer services, where feasible, on properties suitably zoned for the proposed uses. In exchange for services, the Township of North Huron's requirements are as follows;

3) **Cross Border Servicing Agreement:** The receiving municipality shall enter into a Cross Border Servicing Agreement in the form required by the Township of North Huron. Agreements may be for multiple properties, or may be negotiated on a case by case basis for individual properties and developments, at the discretion of the Township of North Huron.

   The Cross Border Servicing Agreement shall include, but not be limited to the following;

   a. Provisions outlining the financial contributions required by North Huron from the receiving municipality to extend the services, including;

      i. An Infrastructure Recovery Fee (IRF) for each property in the receiving municipality that will receive water service. The IRF will be calculated based on the capacity being allocated to each property (Capacity Assignment) in the receiving municipality. The IRF is intended to compensate the Township of North Huron fully for the Capacity Assignment. The IRF shall be subject to change from time to time, based on engineering reviews which may be initiated by the Township of North Huron.

ii. An Infrastructure Recovery Fee (IRF) for each property in the receiving municipality that will receive sewer service. The IRF will be calculated based on the Capacity Assignment for each property in the receiving municipality. The IRF is intended to compensate the Township of North Huron fully for the capacity being assigned. The IRF shall be subject to change from time to time, based on engineering reviews which may be initiated by the Township of North Huron.

iii. Full cost recovery for the installation of water and/or sewer services to the property line of the receiving property, based on the actual cost to install the services.

iv. Recovery of any other capital costs or professional fees that may be required to service a particular development.

v. Recovery of the cost of preparing the Cross Border Servicing Agreement.

b. Provisions outlining the ongoing operating fees and reserve contributions that will be assessed by North Huron to the receiving properties, including, but not limited to;

i. Monthly water and sewer operating fees shall be charged at the "Out of Township Boundary" rate established in the most recent version of the Township of North Huron Fee By-law. Operating fees shall be subject to change from time to time based on periodic rate studies which may be undertaken by the Township of North Huron.

ii. Monthly reserve contributions for both water and sewer services shall be charged at the "Out of Township Boundary" rate established in the most recent version of the Township of North Huron Fee By-law. Reserve contributions are subject to change from time to time, based on periodic rate studies which may be undertaken by the Township of North Huron.

c. Provisions which recognize ongoing partnership between the receiving municipality and the Township of North Huron, including;

i. A requirement for the receiving municipality to contribute annually to other Township of North Huron services or programs which may include but not be limited to recreation, cemeteries, libraries, day care centres, airport, economic development, etc., as mutually agreed by the Parties; and/or,

ii. A requirement for the receiving municipality to share taxation revenue resulting from the proposed development, as mutually agreed by the Parties; and/or,

iii. Other financial contributions, as mutually agreed by the Parties.

4) **Mediation:** In order to facilitate and expedite the negotiation of a Cross Border Servicing Agreement, the Township of North Huron and the receiving municipality may mutually agree to hire a neutral third party to mediate the process. The cost of the mediation shall be at the expense of the receiving municipality, unless otherwise agreed by the Township of North Huron.

5) **Pre-Agreement Costs:** In some cases, the Township of North Huron may incur engineering, consulting or other professional costs associated with investigating the adequacy of North Huron water and sanitary sewer systems to service a particular development prior to striking a CBSA with the receiving municipality. The Township of North Huron shall require agreement from the receiving municipality to cover the cost of such investigation prior to proceeding with the work.

6) **Proviso:** This Cross Border Servicing Policy provides a general summary of the Township of North Huron's requirements for municipalities seeking to obtain water and sanitary sewer services from the Township. Notwithstanding any of the provisions set out in this Policy, the Township of North Huron shall reserve the right to negotiate any other conditions within Cross Border Servicing Agreements, at their sole discretion.