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March 13, 2023

## **Township of Zorra – Storm Water Utility Fee By-Law Development**

### **Assignment**

rw2 Engineering (rw2) was retained by the Township of Zorra (Zorra) to assess the system operations and financing for the storm drainage systems in the communities of Thamesford and Embro. The initial phase of this project was completed in May of 2022. After the initial assignment, Zorra assigned rw2 to develop a Storm Water Utility Fee By-Law to implement the proposed fee.

This report is intended for the use of Council and Staff to review the implications of the draft By-Law prior to Council passing the final By-Law.

### **Background**

The initial phase of the assignment looked at options for long term financing of the urban storm water systems in the communities of Embro and Thamesford. Council agreed to implement a storm water fee, consistent with the trend for many municipalities in North America. Collecting a small fee over a long period of time from many properties and then using this money wisely, like water and wastewater utilities, is a sound business and asset management decision.

Attachment #1 is the Storm Water Utility By-Law Staff Manual (manual). The proposed By-Law is enclosed as Attachment #2.

rw2 considered several issues when drafting the draft By-Law and the manual:

1. Everyone pays in one form or another. Properties that are exempt under the new fee will mostly still pay Drain Maintenance under the Drainage Act.
2. The fees for 2023 will be for a half year and then transition to the full fee in 2024 as a phase in for the program.
3. The minimum fee applies to almost 99% of all properties and the highest yearly fee is approximately \$400.
4. The 2022 report by rw2 proposed a fee between \$60 and \$84 per year. Further study of the actual property list shows that an initial fee of \$72 per year will be adequate to collect the revenue required initially. As this fee will be considered as part of the Township Fees and Charges By-Law, the future needs and the reserve can be reviewed annually to see where the funding level needs to be set. Setting the rates lower than the highest threshold previously set out is another phase-in measure for this fee.
5. The proposed By-Law (Attachment #2) is set up to minimize future work for staff to administer the fees as follows:
  - a. The mapping is set up so that it will only need to be amended with a future Official Plan Urban Boundary Adjustment.
  - b. Staff will update the maps and billing list as properties are severed or subdivisions are registered.
  - c. The fee will be updated as part of the Township Fees and Charges by-Law so the By-Law will not need constant updating.
  - d. Billing will be on the tax bills as this is the most efficient way to collect this money.

### **Next Steps**

1. Council consideration of the Draft By-Law on April 5, 2023 with a recommendation that Council direct staff to finalize the Stormwater Management Utility By-Law for Council consideration at an upcoming meeting.
2. Pass the By-Law in May or June 2023
3. Storm water fees start on July 1, 2023
4. Negotiate an Agreement with Oxford for storm sewers on County Roads (one year to implement)
5. Develop work plan for storm water utility (probably over next two years)

## Conclusions

- The use of a storm water fee, initially at \$72 per year per property 0.4 hectares or less will generate the revenue to maintain the urban storm water systems and build a reserve for future capital requirements; initially estimate of yearly revenue is \$125,000 per year.
- 16 properties (1.2% of total) are subject to a rate higher than the minimum fee and this seems to be a very fair method to assess the costs.
- Assessing this as a half year fee for 2023 is a good transition as the storm water utility program will be around for a long time.

Respectfully submitted,



Robert Walton, P.Eng.

Encl – Attachment #1 – Storm Water Utility By-Law Staff Manual  
Attachment #2 – Draft By-Law

## Attachment #1

# **Township of Zorra Storm Water Utility Fee By-Law**

## **Storm Water Utility By-Law Staff Manual**

### **Guiding Principals**

The Township of Zorra has two major urban areas with storm sewers systems and storm water management facilities; Thamesford and Embro. These communities are serviced by water and wastewater utilities and have on-going development. The existing storm drainage systems contain both storm sewers funded through taxation and municipal drains. The report by rw2 Engineering Ltd. dated April 18, 2022, and brought to Council on May 4, 2022 as agenda item 7(b), set out the business plan for developing a storm water fee to collect revenue from the urban properties to fund the storm sewers system and the maintenance costs for the municipal drains attributable to the urban properties. As these communities develop, the By-Law is set up to deal with the increased number of properties to assess the storm water fee to. This manual is intended to set out the guiding principles of the By-Law so that Township staff can update the property list that the fee applies to on a regular basis.

### **Application of the By-Law**

- a. The maps that are schedules to the By-Law set out the area where the fees will apply subject to exemptions set out in the By-Law.
- b. All properties that are developed or can get a building permit are to be assessed a fee.
- c. All properties eligible to be assessed that front on a road that has ditches or storm sewers shall be charged at least the minimum charge under the By-Law.
- d. The minimum fee under the By-Law is set out in the Township Fees and Charges By-law and it applies to all properties less than 4000 square metres (sq.m.) in area.
- e. All properties over 4000 sq.m. shall have a prorated charge based on the comparison of the property size and runoff co-efficient to a 4000

sq.m. property with a runoff co-efficient of 0.45. (fee = \$/ha fee x property size (ha) x actual property runoff co-efficient/0.45)

- f. Properties awaiting development, especially agricultural, are exempt from the fee but will pay maintenance fees for maintenance on Municipal Drains as per the applicable Drain By-Law.
- g. Properties that have fees under the storm water By-Law are exempt from additional maintenance fees under the Drainage Act as the reserve for the storm water By-Law will cover such costs.
- h. Properties that do have fees under the By-Law that need improvements to the storm drainage system may have other fees to be paid as part of the development process, i.e., Development Charges or other connection fees.
- i. The schedule of properties charged under the By-Law shall be updated at least yearly by Township staff.
- j. When a new subdivision is assumed or a lot is created by severance, the new properties shall be added to the list of properties to be subject to the fee. If a property is not fully developed and there are areas still subject to Drainage Act maintenance fees, a re-apportionment pursuant to Section 65 of the Drainage Act for that Property split will be required. The developed properties will all be subject to the storm water utility fee.
- k. Over time, the Township will consider the reports under the Drainage Act that apply to these communities and decide if they will abandon the Drain or use the provisions of the Drainage Act to update the works.
- l. Township roads and properties are exempt from the fees. It is proposed that the Township will budget for and add 15% on top of the collected fees each year to add to the utility reserve. This is like the Township paying the roads and property assessments on Municipal Drains.
- m. County roads and properties are also exempt from the fee but it is proposed that The Township and County negotiate a separate agreement to cover this important partnership as the systems are definitely interconnected.

**THE CORPORATION OF THE  
TOWNSHIP OF ZORRA**



**BY-LAW NO. ###-23**

**A BY-LAW TO ESTABLISH A STORMWATER  
MANAGEMENT UTILITY AND TO ESTABLISH THE  
PROVISION OF RATES**

**WHEREAS** municipalities are authorized to levy fees and charges pertaining to a stormwater system pursuant to *Sections 9, 11 and 391 of The Municipal Act, S.O. 2001 c.25* as amended;

**AND WHEREAS** the Corporation of the Township of Zorra desires to create a separate stormwater utility to fund the operation, maintenance and capital projects pertaining to stormwater management;

**AND WHEREAS** *subsection 391(2) of the Municipal Act, 2001* provides that a fee or charge imposed for capital costs related to services or activities may be imposed on persons not receiving an immediate benefit from the services or activities but who will receive a benefit at some later point in time;

**AND WHEREAS** it is deemed just that the cost of operating, maintaining and upgrading the stormwater drainage system is paid for by those who benefit from this system, or who will benefit from the system in the future;

**AND WHEREAS** the Township desires to maintain a funding option for the long-term enhancement and operation of its existing stormwater drainage system through effective and efficient capital construction, operation and maintenance programs;

**AND WHEREAS** the Council of the Township of Zorra deems it appropriate and beneficial to set such stormwater rates, and amend those rates from time to time;

**NOW THEREFORE THE COUNCIL OF THE TOWNSHIP OF ZORRA ENACTS AS FOLLOWS:**

1. Scope

The areas subject to this fee are defined in the Schedule 'A' to this by-law, and exclude properties outlined in Section 2 - Exemptions of this by-law.

Schedule 'A' may be amended as required, delegated to and by the Township Clerk, to update the Schedule to include additional properties as they become subject to the Stormwater Rate within the boundary defined in this by-law, without an amendment to this by-law.

This delegation does not apply to major changes in the boundary that may occur from amendments to the Official Plan of the County of Oxford, or an expansion of the Settlement Boundaries for the subject areas.

2. Exemptions

The following Properties are exempt from this fee:

- Lands Owned by the Corporation of the Township of Zorra
- Lands Owned by the Corporation of the County of Oxford
- Railroads
- Cemeteries
- Agricultural lands (subject to Drain Maintenance under Drainage Act)
- Future Development lands (subject to Drain Maintenance under Drainage Act)

Attachment # 2 – Draft By-Law

3. Rates

Stormwater rates are hereby imposed as outlined in the “Township of Zorra User Fee By-law” as is amended from time to time.

4. Billing and Late Payment

The Township is appointed to collect the rates and charges imposed under this by-law, and the amounts assessed and imposed by this by-law shall be added to the Collector’s Roll and levied in the same manner and at the same time as the property taxes levied against each property.

The stormwater rate and charges imposed by this by-law are a lien and charge upon the land upon which the said rates and charges are imposed, and if the said rate and charges or any part thereof remain unpaid after the due date, the Treasurer shall collect the owing amount and apply any late penalties or interest in the same manner as the property taxes levied against each property.

No person shall be entitled to any discounts for the early payment of any Stormwater Charge under this by-law.

5. Effective Date

This by-law shall come into effect on July 1, 2023.

**READ A FIRST AND SECOND TIME THIS ## day of ##, 2023.**

**READ A THIRD TIME AND FINALLY PASSED THIS ## day of ##, 2023.**

\_\_\_\_\_  
**MAYOR  
MARCUS RYAN**

\_\_\_\_\_  
**CLERK  
KAREN MARTIN**

**SCHEDULE “A” TO BY-LAW NUMBER ###-23**

Areas Subject to Stormwater Rate

Key Map E-1

Key Map E-2

Key Map E-3

Key Map E-4

Key Map E-5

Key Map E-6

Key Map T-1

Key Map T-2

Key Map T-3

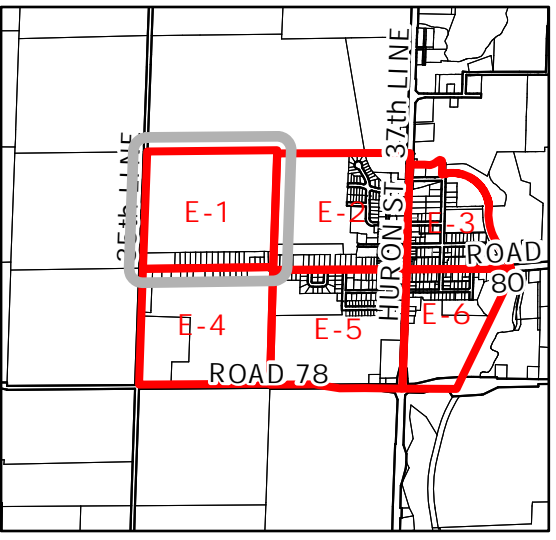
Key Map T-4

Key Map T-5

Key Map T-6

Key Map T-7





# KEY MAP E-1

LATEST AMENDING BYLAW: xx-22  
Nov 04, 2022

## EMBRO

TOWNSHIP OF ZORRA  
WEST ZORRA

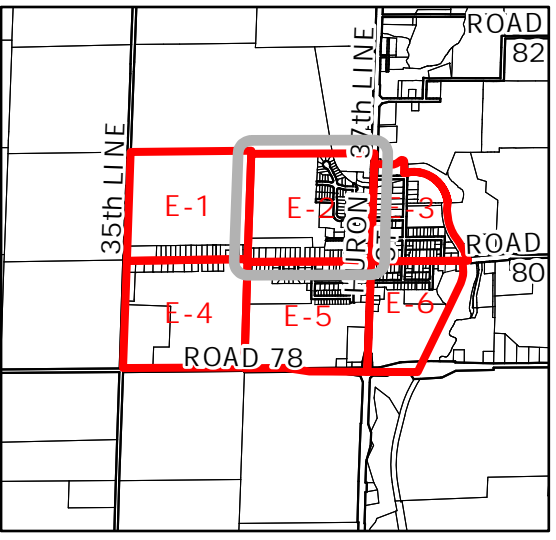
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### PARCELS BY AREA

- 0-0.4 ha
- MORE THAN 0.4 ha
- SERVICED VILLAGE BOUNDARY





# KEY MAP E-2

LATEST AMENDING BYLAW: xx-22  
Nov 04, 2022

## EMBRO

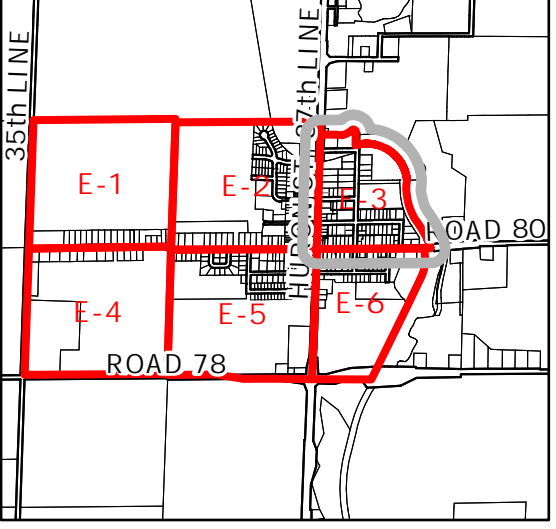
TOWNSHIP OF ZORRA  
WEST ZORRA

SCALE 1 : 2,500



- PARCELS BY AREA
- 0-0.4 ha
  - MORE THAN 0.4 ha
  - SERVICED VILLAGE BOUNDARY





# KEY MAP E-3

LATEST AMENDING BYLAW: xx-22  
Nov 04, 2022

## EMBRO

TOWNSHIP OF ZORRA  
WEST ZORRA

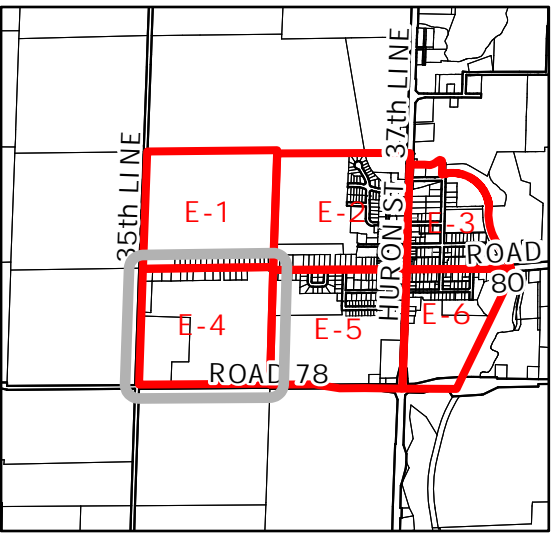
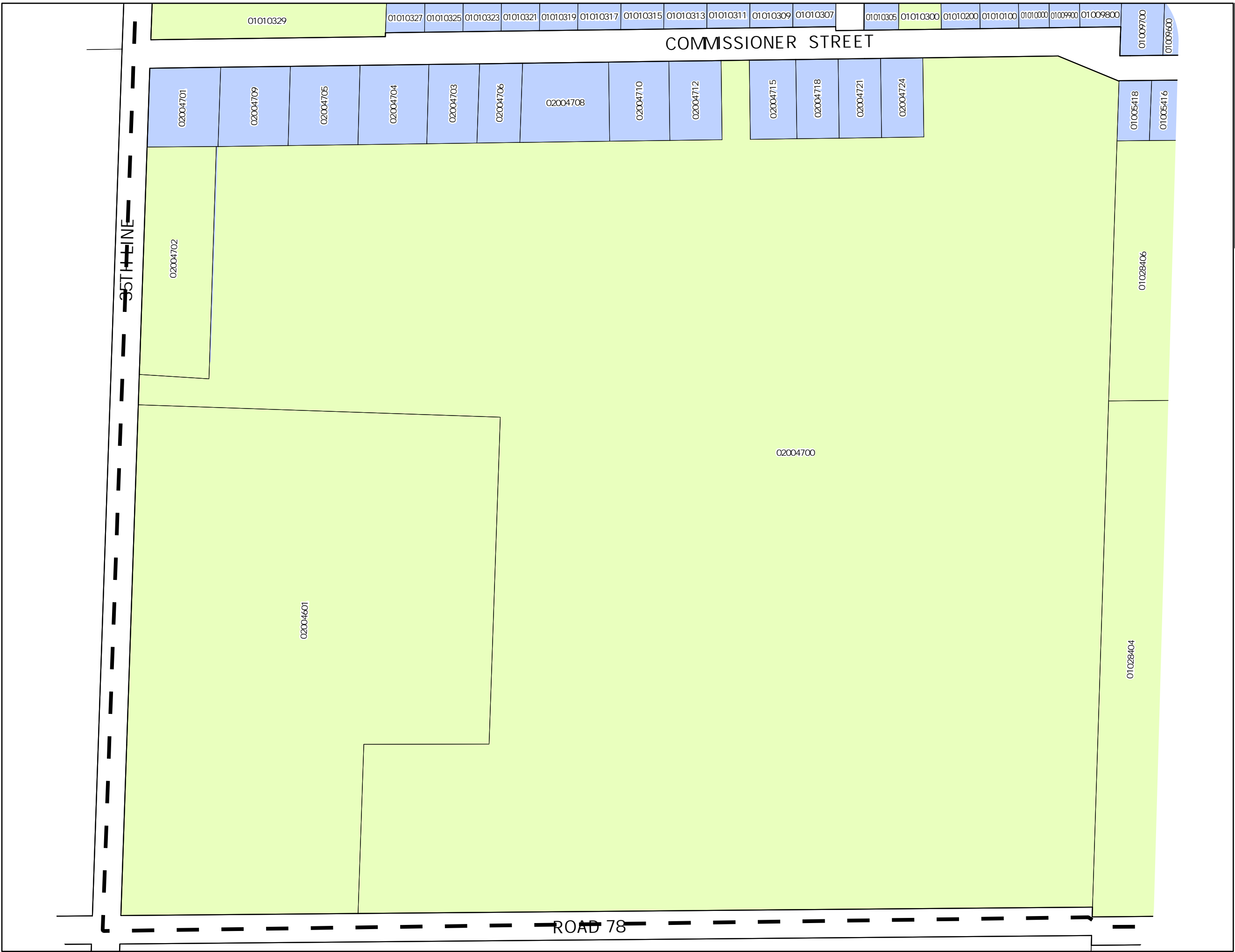
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### PARCELS BY AREA

- 0-0.4 ha
- MORE THAN 0.4 ha
- SERVICED VILLAGE BOUNDARY





# KEY MAP E-4

LATEST AMENDING BYLAW: xx-22  
Nov 04, 2022

## EMBRO

TOWNSHIP OF ZORRA  
WEST ZORRA

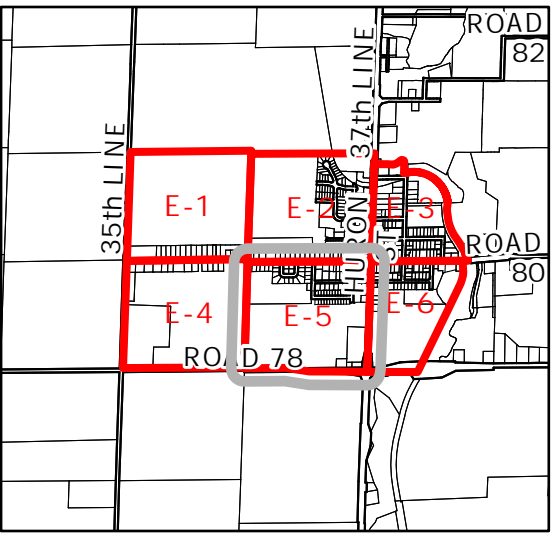
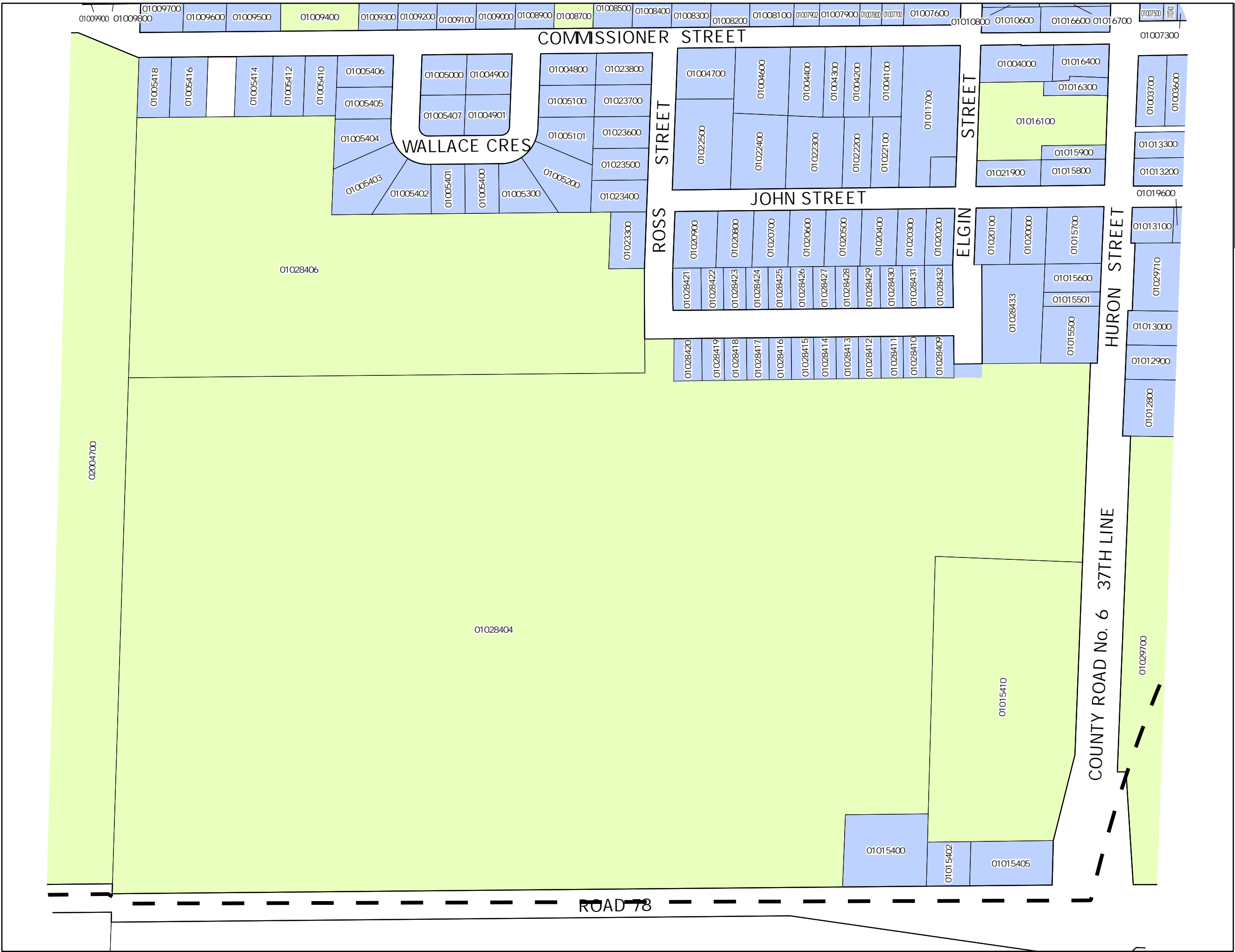
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### PARCELS BY AREA

- 0-0.4 ha
- MORE THAN 0.4 ha
- SERVICED VILLAGE BOUNDARY





# KEY MAP E-5

LATEST AMENDING BYLAW: xx-22  
Nov 04, 2022

## EMBRO

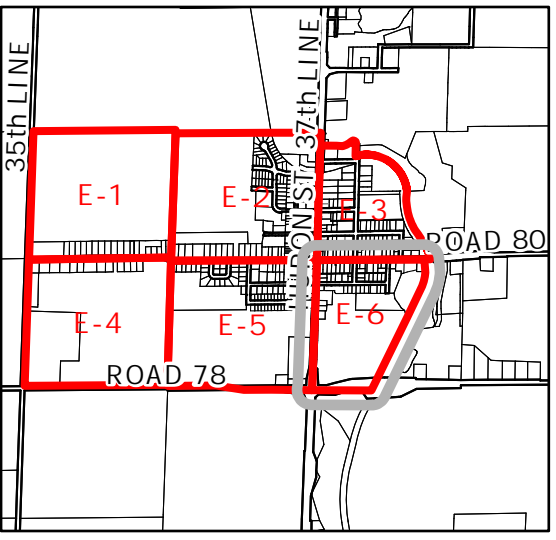
TOWNSHIP OF ZORRA  
WEST ZORRA

SCALE 1 : 2,500



- PARCELS BY AREA
- 0-0.4 ha
  - MORE THAN 0.4 ha
  - SERVICED VILLAGE BOUNDARY





# KEY MAP E-6

LATEST AMENDING BYLAW: xx-22  
Nov 04, 2022

## EMBRO

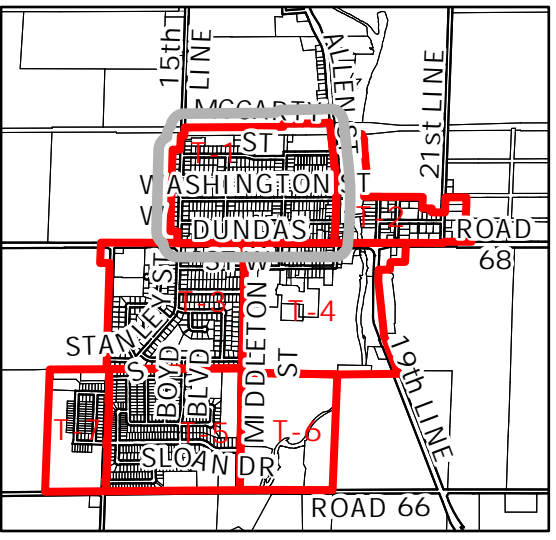
TOWNSHIP OF ZORRA  
WEST ZORRA

SCALE 1 : 2,500



- PARCELS BY AREA
- 0-0.4 ha
  - MORE THAN 0.4 ha
  - SERVICED VILLAGE BOUNDARY





### KEY MAP T-1

LATEST AMENDING BYLAW: xx-22  
Nov 04, 2022

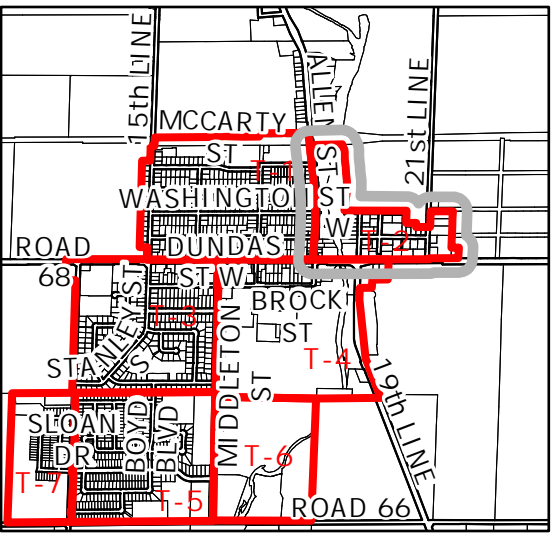
### THAMESFORD TOWNSHIP OF ZORRA

EAST MISSOURI  
SCALE 1 : 2,750



- PARCELS BY AREA
- 0-0.4 ha
  - MORE THAN 0.4 ha
  - SERVICED VILLAGE BOUNDARY





# KEY MAP T-2

LATEST AMENDING BYLAW: xx-22  
Nov 04, 2022

**THAMESFORD**  
TOWNSHIP OF ZORRA  
EAST MISSOURI  
SCALE 1 : 2,500

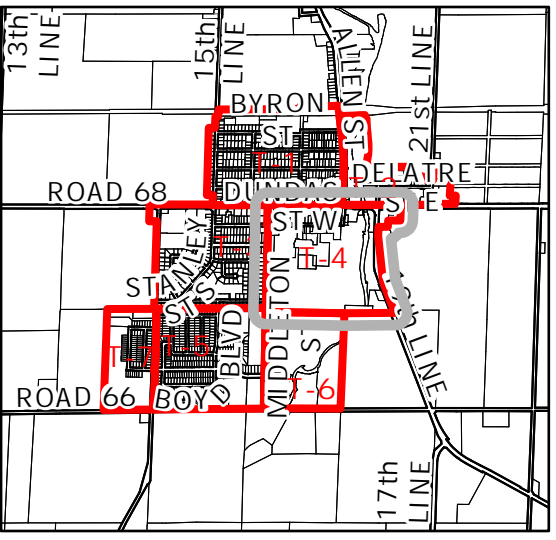
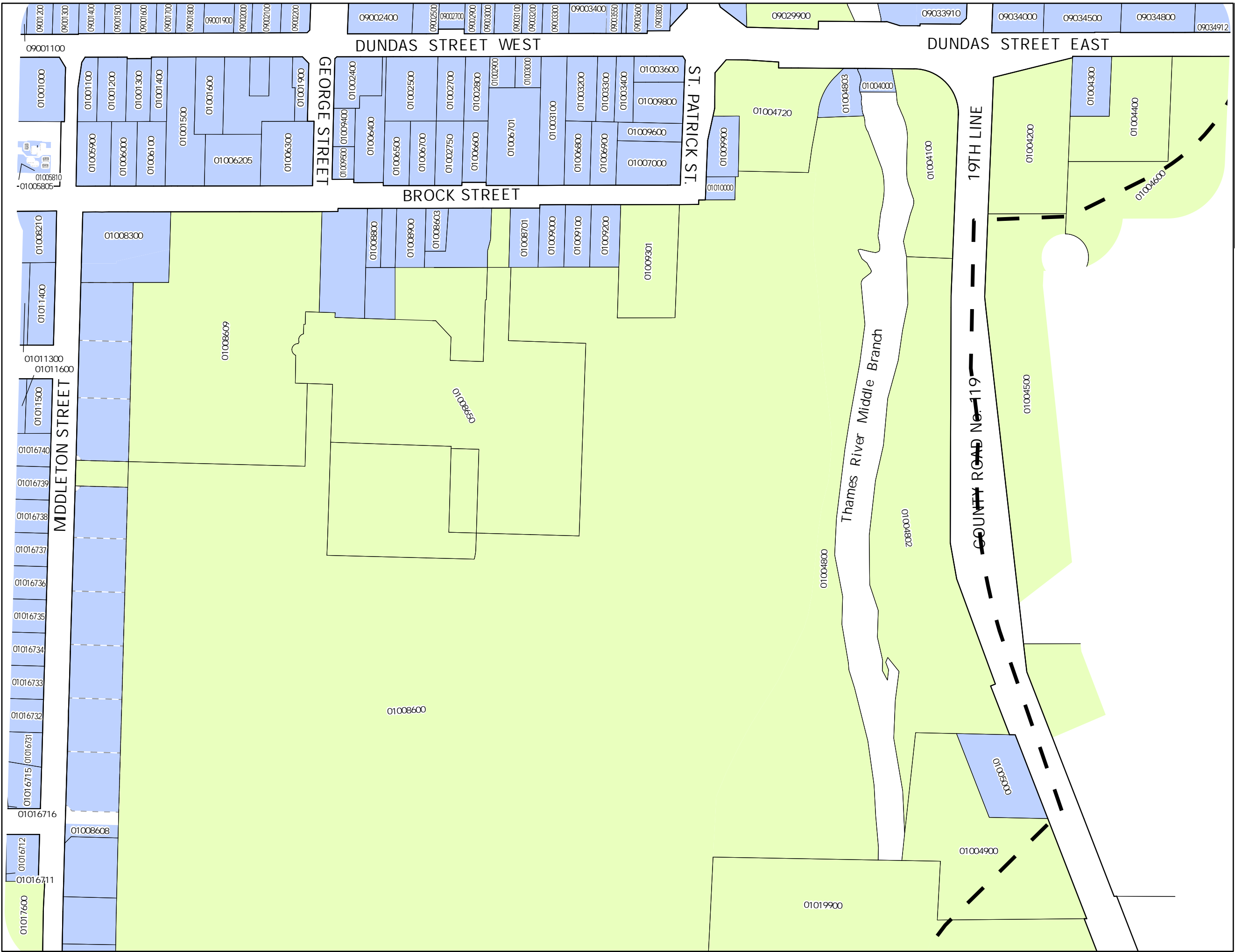


- PARCELS BY AREA
- 0-0.4 ha
  - MORE THAN 0.4 ha
  - SERVICED VILLAGE BOUNDARY









### KEY MAP T-4

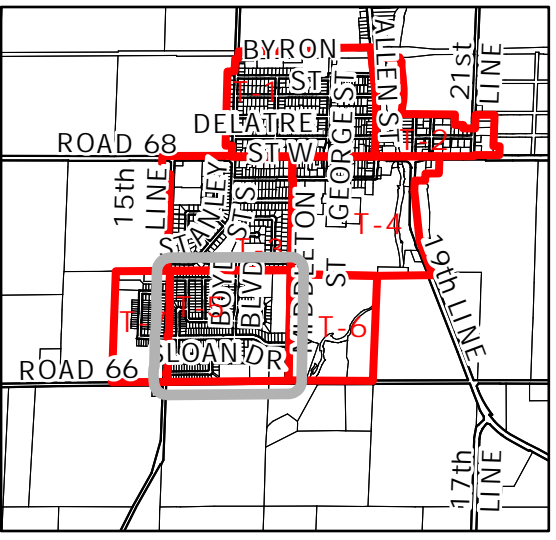
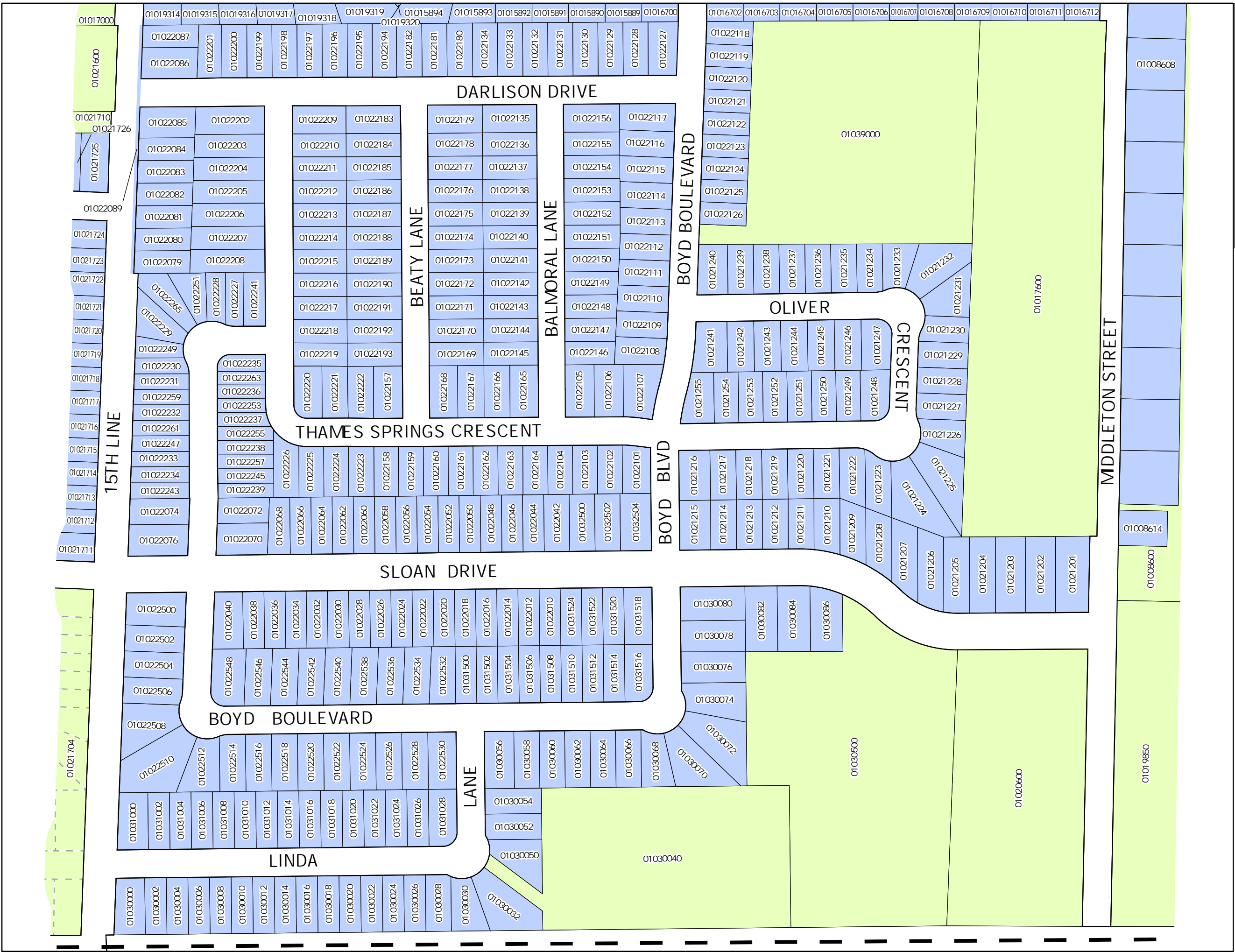
LATEST AMENDING BYLAW: xx-22  
Nov 04, 2022

**THAMESFORD**  
TOWNSHIP OF ZORRA  
NORTH DORCHESTER  
SCALE 1 : 2,750



- PARCELS BY AREA
- 0-0.4 ha
  - MORE THAN 0.4 ha
  - DRAFT PLAN PROPERTY
  - SERVICED VILLAGE BOUNDARY





### KEY MAP T-5

LATEST AMENDING BYLAW: xx-22  
Nov 04, 2022

### THAMESFORD

TOWNSHIP OF ZORRA  
NORTH DORCHESTER

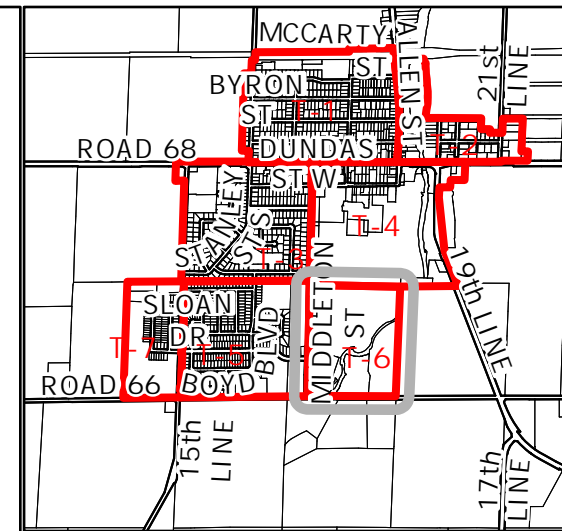
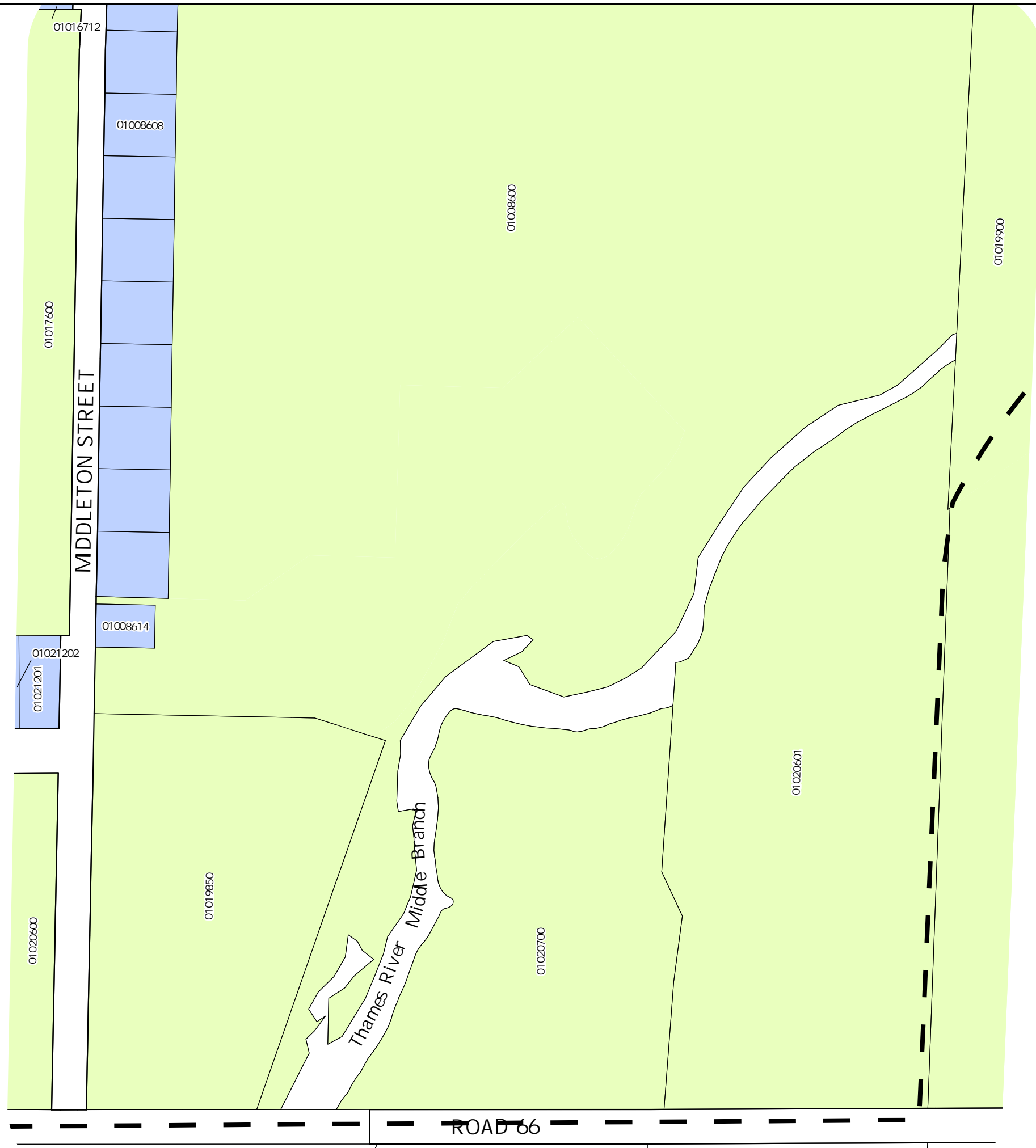
SCALE 1 : 2,500



#### PARCELS BY AREA

- 0-0.4 ha
- MORE THAN 0.4 ha
- DRAFT PLAN PROPERTY
- SERVICED VILLAGE BOUNDARY





# KEY MAP T-6

LATEST AMENDING BYLAW: xx-22  
Nov 04, 2022

## THAMESFORD

TOWNSHIP OF ZORRA  
NORTH DORCHESTER

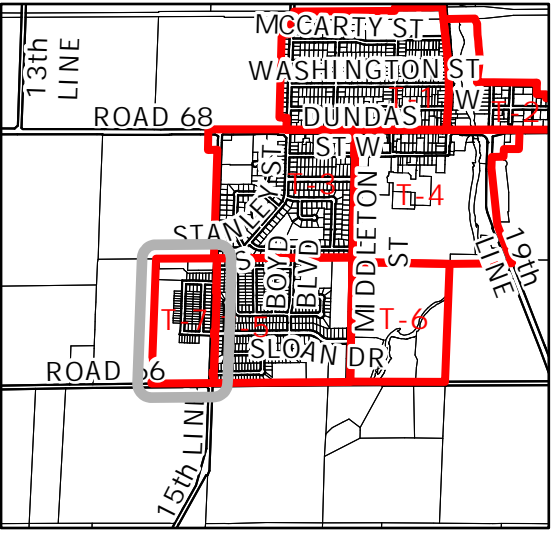
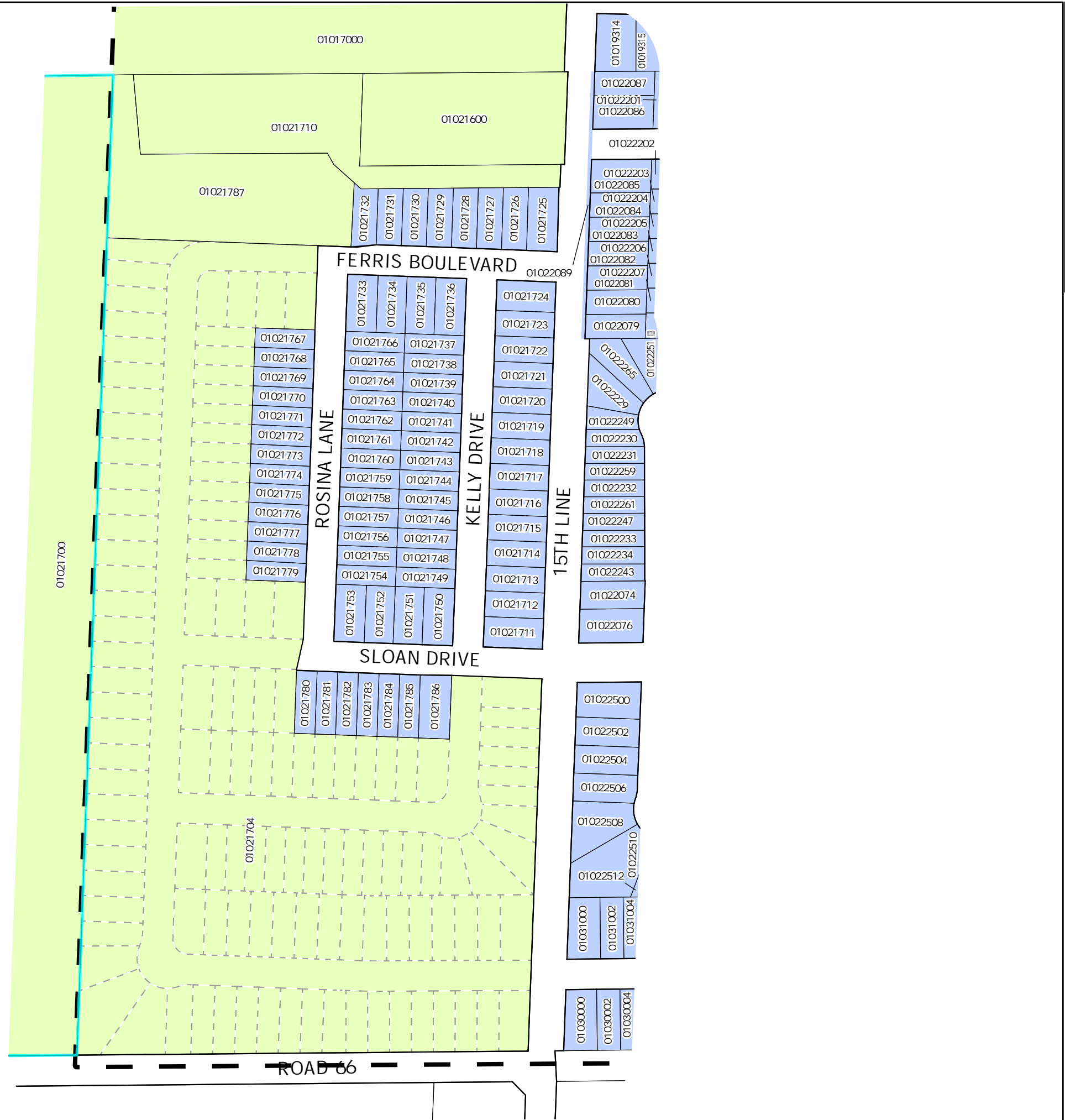
SCALE 1 : 2,500



### PARCELS BY AREA

- 0-0.4 ha
- MORE THAN 0.4 ha
- SERVICED VILLAGE BOUNDARY





# KEY MAP T-7

LATEST AMENDING BYLAW: xx-22  
Nov 04, 2022

**THAMESFORD**  
TOWNSHIP OF ZORRA  
NORTH DORCHESTER

SCALE 1 : 2,750



- PARCELS BY AREA
- 0-0.4 ha
  - MORE THAN 0.4 ha
  - DRAFT PLAN PROPERTY
  - SERVICED VILLAGE BOUNDARY



## TOWNSHIP OF ZORRA USER FEE BY-LAW

### Stormwater Rates

1.1 All Users

1.2 The following stormwater rates are imposed upon owners of each lot that is within the settlement areas as outlined in Section 1 of this by-law.

	Monthly Rate
All properties less than 0.4 hectares in size subject to Stormwater Charge.	\$6.00
Properties larger than 0.4 hectares in size subject to Stormwater Charge. For these properties, the fee shall consider the runoff generated (C factor) and adjusted up or down compared to an average C of 0.45. All properties are subject to the minimum charge set above. Properties that drain away from the storm sewer system (all or part of lands) are still subject to the minimum fee above.	\$15.00/ha