



Report to: General Committee

Meeting Date: September 21, 2020

SUBJECT: Assumption of McCowan Road Watermain and associated infrastructure constructed by the Regional Municipality of York

PREPARED BY: Shumin Gao, Acting Manager of System Engineering, Ext: 6230

RECOMMENDATION:

1. That the report entitled “Assumption of McCowan Road Watermain and associated infrastructure constructed by the Regional Municipality of York” be received;
2. That Staff be authorized to assume the ownership of the new McCowan Road 150mm diameter PVC watermain and associated infrastructure constructed by The Regional Municipality of York;
3. That the Director of Environmental Services be authorized to execute the Memorandum of Understanding between The Regional Municipality of York and the City of Markham related to the assumption of McCowan Road Watermain and associated infrastructure, to the satisfaction of the City Solicitor; and
4. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

N/A

PURPOSE:

The purpose of this report is to obtain Council approval to assume the ownership of the new 150mm diameter PVC watermain and associated infrastructure along McCowan Road north of Major Mackenzie Drive (see Attachment A) which was constructed by The Regional Municipality of York (the Region) in 2020 and to enter into a Memorandum of Understanding regarding same.

BACKGROUND:

In approximately 2006 or 2007, three (3) private wells ran dry due to the Region’s 16th Avenue Sanitary Trunk Sewer Dewatering construction project. These wells provide

water supply for three (3) residential houses in a rural area located on McCowan Road, between Major Mackenzie Drive East and Elgin Mill Road East (see Attachment A).

The Region entered an agreement in approximately May or June 2009 with each owner of the affected properties to provide municipal water to these houses by installing a watermain and water service connections on McCowan Road. In their agreement with the Region, the property owners agreed to pay for the water consumption to be billed by the City of Markham. In 2020, the Region designed and constructed a new 150mm diameter PVC watermain to the City's design standards. The Region has proposed, and City staff support, that the City assume the ownership of this watermain.

OPTIONS/ DISCUSSION:

The *Municipal Act, 2001* (the Act) provides that the Region and the City each have non-exclusive jurisdiction over water distribution. Section 89(a) of the Act further provides that where both the Region and the City have the authority to distribute water in the City, the Region shall only supply water to the City (and not to individual homeowners). The City is the only entity that can distribute water to those affected residents on McCowan Road.

In order to distribute water to the affected residents, a new 150mm diameter PVC watermain, two (2) valve chambers, two (2) fire hydrants and four (4) water service connections were constructed along the McCowan Road right of way (see Attachment A) by the Region.

The Region and the City have discussed how to allocate ownership, and responsibilities for the maintenance and operation of the water valve chambers, the watermain, fire hydrants and all related appurtenances as well as billing related to water consumption. These responsibilities are set out in detail in a Memorandum of Understanding (MOU) summarized below:

- City of Markham owns and maintains the new watermain, fire hydrants and water service connections
- Region owns and maintains the two (2) new valve chambers according to the Regional Ownership Boundary for Water and Wastewater Infrastructure Policy
- The demarcation that separates the Region's and City's assets follows the Water and Wastewater Asset Ownership Agreement between the Region and the City.

The MOU has not been finalized as of the date of this report. It is presently being negotiated between the Region's and City's Legal Departments.

FINANCIAL CONSIDERATIONS:

There is no incremental impact to the Waterworks Life Cycle Reserve Study over the next 25 years as the newly assumed assets have useful lives greater than 25 years. (Useful life: Watermain 90 years, service connection 90 years, hydrant 60 years).

There will be minimal incremental operating impact for the maintenance of these assets which will be accommodated within the existing operating budget.

HUMAN RESOURCES CONSIDERATIONS:

N/A

ALIGNMENT WITH STRATEGIC PRIORITIES:

Assumption of the new 150mm diameter watermain along McCowan Road, which was constructed by the Region to the City's design standards, enables the City's to provide municipal water services to its customers.

BUSINESS UNITS CONSULTED AND AFFECTED:

Legal Services and Financial Services have been consulted in the preparation of this report.

RECOMMENDED BY:

Phoebe Fu
Director, Environmental Services

Andy Taylor
CAO

ATTACHMENTS:

Attachment A - Three Affected Residential Homes with Watermain Proposed to be Assumed.

Attachment A

