

MANAGEMENT REPORT

Date: April 30, 2025
To: Infrastructure, Transportation and Safety Sub-Committee
From: Nathan Bottema, Project Engineer
Report Number: ITS25-008
Attachments: None

Title: O'Loane Trunk Sanitary Sewer Extension Project – Open House and Recommendations

Objective: To present the feedback from the Open House, and to obtain Council approval to initiate the O'Loane Trunk Sanitary Sewer Extension Project.

Background: The Stratford West Secondary Plan, completed in 2008, identified the O'Loane Trunk Sanitary Sewer Extension as part of the master servicing strategy to accommodate predominantly residential growth in northwest Stratford.

The first segment of the O'Loane Avenue Trunk Sanitary Sewer was completed in 2008, extending from the Water Pollution Control Plant to a point approximately 200 metres south of Huron Street. The currently proposed second phase would extend the trunk sewer from its existing terminus to Galt Road, covering a length of 420 metres.

The City engaged MTE Consultants Inc. in September 2024 to complete the design and tender specifications to extend the O'Loane Trunk Sanitary Sewer from 200m south of Huron Street to Galt Road. The consultant will also be responsible for contract administration and field inspections.

The proposed specific improvements scheduled for this project are the:

- Installation of 420m sanitary trunk sewer, upwards of 11m deep
- Installation of a local sanitary sewer south of Huron Street
- Installation of sanitary services to property line
- Provisions for future connections at Huron Street and Galt Road
- Reinstate the asphalt roadway, curb and gutter, and sidewalks

The trunk sewer is proposed to be installed via trenchless methods to limit the impact to public, traffic flow on Huron Street, and existing infrastructure. Three access shafts

are proposed to serve as the launching and/or receiving pits for the microtunneling operation.

If Council authorizes the project, construction is planned to begin in the summer of 2025 and concluding in the summer of 2026.

Analysis: On March 26, 2025, an invitation to attend the virtual open house was delivered to all properties within the project limits. The property owners and tenants were requested to visit the Engage Stratford page and review a presentation, project plans, anticipated construction schedule, and complete a Resident/Owner Questionnaire prior to April 4, 2025. An option to discuss the project and complete the questionnaire in-person was also provided.

During the Open House period, the City of Stratford received feedback through various channels, including resident questionnaires and direct communication. Additionally, the project page on the Engage Stratford webpage recorded 24 visits, reflecting a mild level of public interest. The main concerns raised focused on access to businesses and the request for service connections.

The 2025 approved capital program contains \$2,290,000 in budgeted expenses for this project and allocated an additional \$2,000,000 in 2026 for an estimated total project cost of \$4,290,000. Funding applications for the complete trunk sewer extension to Perth Line 36 (Quinlan Road), submitted through the Housing Enabling Water System fund, were unsuccessful. Staff will continue to pursue funding opportunities to support the entire project.

The trunk sewer was identified in the 2022 Development Charges Background Study as a requirement to facilitate growth.

The funding as outlined in the 2025 budget is \$171,600 from existing capital reserve funds and \$4,118,400 from Sanitary Development Charges. The available balance in the Sanitary Development Charges Reserve fund is approximately \$1.3 million which means there is currently insufficient cash available in the reserve fund of \$2.8 million which will require borrowing to proceed.

This could take the form of borrowing from other development charges funds to be repaid as development charges are collected. This effectively puts the Sanitary Development Charge Reserve Fund into a deficit until DCs are collected from development, which could impact other development charge-funded projects in the future. Alternatively, external debt instruments could be explored, which would be repaid from development charges collected in future years.

In either case, there would be no tax levy impact to proceed.

Financial Implications:

Financial impact to current year operating budget: If Council authorizes proceeding with the project, a tender will be issued and return to Council for approval and/or further direction. Any variances from the approved amounts and sources noted would also be identified.

Financial impact on future year operating budget:

The eventual capital project work will increase annual operating and maintenance cost in future years as the trunk sewer is extended and utilized. The works should have no impact to the property tax levy, as all costs for sanitary are paid through user fees and user fee reserve funds.

Link to asset management plan and strategy:

These new assets, while initially funded from development charges, would be added to the asset management plan and require planning for future maintenance and replacement. Components include the trunk line, mains, valves, manholes and any technological components. New asset replacement for each component is planned for based on estimated useful life of those components. The increases to the asset base would increase future capital planning forecasts and funding strategies would be updated accordingly (noting again, that the funding strategies are based upon user fees for the water and wastewater assets).

Alignment with Strategic Priorities:

Enhance our Infrastructure

This report aligns with this priority as the O’Loane Trunk Sanitary Sewer Extension project expands our sewer infrastructure for future growth within our community.

Alignment with One Planet Principles:

Equity and Local Economy

Creating safe, equitable places to live and work which support local prosperity and international fair trade.

Land and Nature

Protecting and restoring land for the benefit of people and wildlife.

Staff Recommendation: THAT the report titled, “O’Loane Trunk Sanitary Sewer Extension Project – Open House and Recommendations” (ITS25-008), be received for information;

THAT the design as presented to the public during the Open House on Engage Stratford be accepted;

THAT staff be authorized to proceed with construction tendering;

AND THAT the borrowing for the required amounts be authorized and structured as an internal loan from other existing Development Charges to be repaid by future development charges collected.

Prepared by: Nathan Bottema, Project Engineer

Recommended by: Taylor Crinklaw, Director of Infrastructure Services
Adam Betteridge, Interim Chief Administrative Officer