THE CORPORATION OF THE TOWNSHIP OF SOUTH STORMONT

BY-LAW NO. 2026-023

BEING a by-law to for establishing a water and wastewater capacity allocation policy for new connections to municipal services in the Township.

WHEREAS the *Municipal Act, 2001*, c. 25, s. 5 (1) provides that the powers of a municipal corporation are to be exercised by its council;

AND WHEREAS the *Municipal Act, 2001*, c. 25, s. 5 (3) provides that the powers of every council are to be exercised by by-law;

AND WHEREAS the *Municipal Act, 2001*, c. 25, s.11 provides that a municipality may pass by-laws respecting matters within the sphere of public utilities;

AND WHEREAS the *Municipal Act, 2001*, c.25, s. 326 (1) authorizes the council of a local municipality, in authorizing the installation of special services, to pass a by-law to identify a special service and determine which of the costs are related to that special service;

AND WHEREAS the *Municipal Act, 2001* c. 25, s. 326 (4) authorizes the council of a local municipality, in authorizing the installation of special services, to levy a special local municipal levy upon owners or occupants of land who derive or will or may derive a benefit, to pay all or such portion of the capital costs as the by-law may specify;

AND WHEREAS the *Municipal Act, 2001*, c. 25, s. 391, authorizes Council to pass a by-law imposing fees or charges for services or activities provided and for costs payable by it for services or activities provided and for use of its property;

AND WHEREAS the *Municipal Act, 2001*, c. 25, s. 398 states that the Treasurer of a local municipality may add fees and charges imposed by the municipality to the tax roll for the property in the local municipality and collect them in the same manner as municipal taxes and, in the case of fees and charges for the supply of a public utility, the property to which the public utility was supplied and, in all other cases, any property for which all of the owners are responsible for paying the fees and charges.

NOW THEREFORE Council of the Corporation of the Township of South Stormont enacts as follows:

1. That the Township of South Stormont follow the Capacity Allocation Policy as set out in Schedule "A" attached hereto and forming part of this by-law are hereby adopted and shall be in effect as noted in the Schedule.

2. All vacant lands, severances, subdivisions within the settlement areas of South Stormont where municipal servicing with water and wastewater are provided shall comply with this by-law in order to allow for municipal servicing.

3. Any other by-laws inconsistent with this by-law are hereby repealed.

READ AND PASSED in open Council, signed and sealed this 22nd day of April, 2026.

Original signed
_____
Mayor

Original signed
_____
Clerk

Schedule "A"

Water and Wastewater Capacity Allocation Policy

Definitions

1. Committed Capacity: defined as the portion of a water and/or wastewater treatment plant's reserve capacity that has been allocated or reserved for a development that has received municipal approval and commitment, as further defined herein, but has not yet had a wastewater generating and/or water demanding user connected to the wastewater collection and/or water distribution system.
2. Equivalent Residential Unit (ERU): defined as a three (3) bedroom single detached residence with an average occupancy of 3 persons per equivalent residential unit or 1.35 m^3/d/ERU.
3. Infill Lot/Development: defined as a development within an urban settlement boundary of less than or equal to ten (10) equivalent residential units that is fronting an existing water distribution system or wastewater collection system.
4. Uncommitted Reserve Capacity: defined as the hydraulic reserve capacity of either the water or wastewater treatment plant that is available for future allocation as calculated using the Ministry of the Environment Conservation and Parks procedure D-5-1.

Policy Statement

The communal water and wastewater systems within the Township of South Stormont have finite capacity. Future capacity commitments for these must be made in a transparent and logical manner that promotes community growth and efficient use of the finite remaining capacity of the system.

Nothing in this policy shall limit Council's authority to exercise its discretion or to modify the requirements of this policy.

Intent

The intent of this policy is to define the process for allocation of water and wastewater capacity for development in the community and to ensure that the committed capacity translates into connected users in a timely and efficient manner.

This Policy shall apply to the following types of projects within the Urban Service Area:

a. Subdivision Draft Plan Approval
b. Condominium Draft Plan Approval
c. Site Plan Approval
d. Consents

Developments in Process

Upon enacting the by-law associated with this policy, any existing committed or in process developments, regardless of size, will have twelve (12) months to secure building permits for construction.

After the twelve (12) months have elapsed, the committed capacity for the development will be subject to the terms and conditions of this policy.

The Township shall notify all vacant landowners of the new policy upon enactment.

Infill Lots

The allocation policy does not apply to individual in-fill lots or privately serviced lots fronting on municipal services due to their limited impact on the overall system capacity.

The services connections for these developments will no longer be held as allocated or committed. Developers of these types of properties shall receive their service(s) connections commitment upon approval of their site plan or building permit.

In a situation where there is no capacity allocation available at the time of approval or permitting, then the development may not proceed/connect to the sanitary or water system until capacity is available.

Uncommitted Reserve Capacity

The Township completes an annual update for the uncommitted reserve capacity for all water and wastewater treatment plants. The uncommitted reserve capacity and a list of all committed developments considered in the calculation will be made available to the development community for their review via a report to Council presented by April 30th of each year updated to December 31st of the previous year.

Municipal Commitments

The Township may, at its discretion, retain uncommitted capacity for public infrastructure needs independent from this policy. Examples of this are municipal offices, recreational facilities, emergency services, publicly supported affordable or supportive housing, retirement housing and long term care homes, commercial/institution/industrial (ICI) lands owned by the municipality, etc.

This capacity shall be identified and reported as part of the uncommitted reserve capacity assessment and shall not be subject to rescinding or dormancy unless otherwise directed by Council.

Procedure

The following procedure outlines the process by which an allocation will be considered by Council:

1. Applications for capacity allocation will be accepted anytime throughout the year and will be considered by Council on a quarterly basis. Council will consider competing requests for allocation, in accordance with this Policy at an open meeting of Council.
2. A proponent shall file a request, in writing, for consideration by Council in accordance with the corresponding development application.

   The supporting documentation will indicate:

   - the status of the project or project phase in terms of planning and public works approvals;
   - the number and type of units to be serviced in the project or project phase; and

   - will be supported by design flow calculations, prepared by a professional engineer, for projected water and wastewater flows.

3. Each request shall be evaluated by staff against the criteria outlined in this Policy, the details of which will be presented to Council in a report for consideration.
4. The maximum capacity allocation that may be committed to any one application shall be limited by the available uncommitted reserve capacity of both the water treatment plant and the wastewater treatment plant, and in no case shall the allocation exceed 25% of the uncommitted reserve capacity of the more limiting facility.
5. Following Council's approval of a request, the development will be deemed "Committed Capacity", as defined herein, and subject to the terms and conditions of this agreement.
6. If there is insufficient capacity to service all applications for capacity commitment, Council will assess the relative merits of a request for services connections by considering the following criteria, which are set out in order of priority:
    1. Development that is consistent with the Township's Official Plan, Zoning By-Law and fiscal responsibilities that is within the existing settlement areas and are serviced with full water and wastewater servicing.
    2. The ability for the project to be serviced immediately with minimal or no Municipal investment in infrastructure.
    3. Priority will be given to institutional, commercial and industrial (ICI) including Township initiated projects over residential projects, as a means of diversifying the tax base.
    4. Priority will be given to ICI projects which provide significant new employment opportunities over those ICI projects which provide fewer direct jobs or only construction and spin-off jobs.
    5. Priority will be given to projects which are farther advanced through the development approval process, in terms of planning and public works approvals
    6. The priority among residential projects will be given to:
        a. Attainable housing projects which contribute towards a diversification or a variety of unit types, tenures, lot sizes, etc.
        b. Residential intensification and infilling projects.
    7. The consideration of other possible factors such as:
        i. prior investment in public infrastructure improvements;
        ii. the provision of serviced employment lands;
        iii. the provision of a minor or major collector road or the completion of existing local streets; and
        iv. any other public benefits as determined by Council.

Rescinding of Capacity

Subject to Council Approval, committed capacity will be rescinded by the Township and made available to other developments when:

1. **Draft Plan Approval:** Capacity committed to a draft plan approved subdivision or vacant land condominium will be rescinded if a subdivision or condominium agreement is not entered into by the developer within thirty-six (36) months following the date the draft plan approval is issued. If the capacity committed during the draft plan approval is greater than the capacity required at the time the subdivision

agreement is executed, than any additional capacity will be rescinded (i.e. capacity allocated at draft plan approval was for 50 ERUs and the subdivision agreement is for 30 ERUs, the 20 ERUs that are not included in the subdivision agreement will be rescinded).

2. **Subdivision/Site Plan Control Agreement:** Capacity committed to a development that has entered into a subdivision or site plan control agreement will be rescinded if construction of underground services has not started within twenty-four (24) months from the date the subdivision/site plan control agreement was executed.

Dormant Committed Capacity

In order to ensure that the committed allocation is efficiently transitioned into fully connected users, the following staged approach shall be used to address dormant committed capacity:

1. After thirty six (36) months from the date that the subdivision or site plan control agreement is executed, or for infill developments from the date the capacity is committed by council, if a wastewater generating and/or water demanding user is not connected to the system the Township will apply the minimum billing for both water and wastewater as defined in the most current water and wastewater rates by-law and to each committed unit. This will continue until a water/wastewater user is connected, at which time the water/sewer bill will be transferred into the new user's name.
2. If payment of the water/sewer bills becomes past due by more than six (6) months the owner shall be notified in writing that the committed capacity will be rescinded and any future allocation will have to restart with a formal request for a subsequent capacity commitment to the Township. In this situation, if the allocation is reinstated, any outstanding amounts owing must be paid within five (5) business days, and minimum billing shall commence immediately upon reinstatement.

Transfer of Allocation

Allocation of services connections for water and wastewater services shall be associated with a specific development. Developers may not transfer, sell, or otherwise convey services connections allocated from one development to another.

If a development is cancelled or delayed, a Developer may choose to decline the services connections allocation prior to the application of the minimum charges and that allocation will be returned to the uncommitted reserve capacity available for all development in the serviced areas. Developers may not direct declined allocation to another development. Recovered uncommitted reserve capacity shall be applied equitably based on the requirements of this policy.