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NEWS

'Development will pay for development': Breaking down the municipal and personal costs of Erin wastewater treatment plant

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For more than a decade, the plans to build a wastewater system in the Town of Erin moved at a snail's pace, with questions as to how the town is going to pay for it.

However, since the province gave the proposal the green light in August 2019, momentum has been snowballing to get this project off the ground.

Mayor Allan Alls has said time and again that "development will pay for development." So, we're going to take a look at how that will happen.

The Costs

The mayor states that taxpayers will not see a rise in tax rates to pay for the building of the treatment plant.

However, residents will have to pay for the personal costs of hooking up to the system, a portion of the costs of the system and to decommission their current septic tanks.

Those fees are estimated to be around $4,000 to $8,000 to hook up through a private contractor and $15,000 to $18,000 to pay for their portion of the wastewater system to the town in either a lump sum or financed over 10 to 15 years.

So, technically, the system will cost residents a pretty penny to get on board — but that won't be seen on the tax bill.

Rural residents will not be affected by the project, says the mayor, explaining that the direct costs will only be paid by residents hooking up to the system, as well as by developers.

The plan is to have developers foot the lion's share of costs for the project, including the design and construction of the plant itself.

The town is in talks with developers to 'front-end' a number of development charges in order to increase some cash flow before construction starts.

At a recent public meeting, planner Gary Scanalon of Watson and Associates presented the proposed development charges for water and wastewater, which are aimed at helping to cover the cost of the treatment plant.

"We look at the costs that are outside of the subdivision," said Scanalon, explaining that the wastewater treatment plant will cost around $67 million and the wastewater collection system is estimated to cost around $20.3 million.

The town has purchased the land formerly known as the Miller Farm from Solmar developments on which to build the wastewater treatment plant.

This was the second choice of two sites; the first being the Halton Crushed Stone pit at the edge of Erin Village.

"The biggest driver was the time delay," said Alls, noting that the gravel pit is still in the midst of an expansion and hadn't received the licence from the provincial government yet, even though it had been given approvals.

The town instead made a deal with Solmar to purchase their site.

"The property has been purchased for a nominal price," Alls said, adding that taxpayer money was not used. "I can reach in my pocket and pay for it."

Alls said that the development charges Solmar is expected to pay will be completely separate from the land agreement.
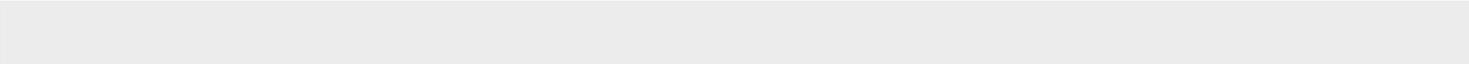
Alls said that the town is in talks with the federal and provincial government for funding to assist with the wastewater build.

If there isn't government assistance, he said the build-out to connect current residents will cost much more than the estimated $15,000 to $18,000 and the town will have to roll out those connections at a much slower pace.

When finished, the wastewater treatment plant will be able to accommodate 14,500 residents. Currently, under the Wellington County official plan, the town is expected to grow by up to 10,000 residents by 2041.

Alls said that number may change in the next couple of years as the plan is renewed.

STORY BEHIND THE STORY: *The municipal and personal costs of building a wastewater treatment plant in Erin will be significant. This is an important story to tell because homeowners will pay to hook up to the system, plus the town needs to find close to $87 million of funding.*

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