

Item:



Finance, Administration and Audit Committee Report

DATE: Wednesday, June 06, 2018

WARD(S): 2

TITLE: Capital Budget Amendment -
Wastewater Sewer Crossing Highway 427 Expansion Project
Vaughan West Employment Area -Block 59

FROM: Jason Schmidt-Shoukri, Deputy City Manager, Planning and
Growth Management

Stephen Collins, Deputy City Manager, Public Works

ACTION: DECISION

Purpose

To seek Council approval to create a new 2018 Capital Project and to enter into the necessary agreements with the Block 59 West Developers Group and the Ministry of Transportation to provide for the installation of a steel casing pipe crossing under the Highway 427 Expansion in conjunction with the LINK 427 work.

Report Highlights

- The wastewater servicing scheme for Block 59 requires a sewer crossing of Highway 427, south of John Lawrie Street.
- The Block 59 West Developers Group wish to include the installation of a steel casing pipe crossing in conjunction with the construction of the Highway 427 Expansion project to facilitate the installation of a sanitary sewer in the future.
- Ministry of Transportation (MTO) is prepared to include this steel casing pipe in the Hwy 427 Expansion project subject to the execution of an agreement with City to secure the necessary funding.
- Block 59 West Developers Group has committed to fund the full cost of the infrastructure. A Financial Agreement with the Block 59 West Developers Group is required to secure the necessary funding for the crossing works.

Recommendations

1. That a new 2018 capital project be created in the amount of \$450,000 inclusive of applicable taxes and administration recovery for the design and construction of a steel casing pipe crossing under the Highway 427 Expansion, funded from a contribution from the Block 59 West Landowners Group;
2. That a By-law be enacted authorizing the Mayor and Clerk to execute a Financial Agreement with the Block 59 West Landowners Group to secure the necessary funds for the design and construction of a steel casing pipe crossing the Highway 427 Expansion within Block 59;
3. That a By-law be enacted authorizing the Mayor and Clerk to execute the necessary Agreement (s) with the Ministry of Transportation of Ontario to include the installation of the steel casing pipe crossing in conjunction with the construction of the Highway 427 Expansion; and
4. That the inclusion of this matter on a Public Committee or Council agenda with respect to amending the Capital Budget identified as “Capital Budget Amendment- Wastewater Sewer Crossing Highway 427 Expansion Project Vaughan West Employment Area -Block 59 ” is deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-200, as amended.

Background

The Highway 427 Expansion bisects the West Vaughan Employment Area and requires a sanitary sewer crossing to provide wastewater servicing to Block 59

The 6.6 kilometre expansion of Highway 427 Extension from Highway 7 to Major Mackenzie Drive is now under construction by the consortium of LINK 427. The highway expansion bisects the West Vaughan Employment Area, including Block 59 as shown on Attachment 1.

The wastewater servicing scheme for most of the employment lands on the west side of the Highway 427 Expansion in Block 59 is proposed to drain easterly under the Highway 427 Expansion and ultimately outlet to the future Western Vaughan Regional Trunk Sewer on Highway 27. This servicing scheme will require a municipal sanitary sewer crossing of Highway 427 Expansion near John Lawrie Street.

Previous Reports/Authority

There are no previous reports on this matter.

Analysis and Options

The installation of a steel casing pipe will facilitate the future installation of the sanitary sewer when needed

The employment lands on the west side of Highway 427 in Block 59 are expected to develop over the next few years. In anticipation of this development, the Block 59 West Landowners Group wishes to pre-install a steel casing pipe under Highway 427 to facilitate the installation of the necessary sanitary sewer when needed in the future. Installing the steel casing pipe in conjunction with the highway construction is cost effective.

The Block 59 West Landowners Group has made a commitment to fully fund the cost of installing the casing pipe.

The Ministry of Transportation is prepared to arrange to have the steel casing pipe installed in conjunction with the Highway 427 Expansion project, subject to a funding commitment from the City

MTO staff have advised that there still is an opportunity to add the required steel casing pipe to the Highway 427 Expansion project subject to the City agreeing to fund the full cost of the additional works. The necessary arrangements between MTO and the City with respect to the casing pipe must be in place in June so the works can be integrated with the highway construction. The proposed casing pipe is estimated to cost approximately \$450,000, inclusive of taxes and administration recovery.

Agreements amongst the parties are required to facilitate the works

Several agreements will need to be executed amongst the parties to facilitate the installation of the steel casing pipe. First, the Block 59 West Landowners Group will need to execute a financial agreement with the City and provide the City with a letter of credit for the value of the works. With this in place, the City can execute the necessary agreement (s) with MTO for the installation of the casing pipe. The City will draw on the financial securities to pay for the works.

The detailed design and construction of the steel casing pipe crossing will be completed by the proponent selected by MTO to undertake the construction of Highway 427, LINK 427

Financial Impact

The Block 59 West Landowners Group has made a commitment to fully fund the cost of installing the casing pipe at a total estimated cost of \$450,000 inclusive of applicable taxes and administration recovery.

A 2018 capital project budget of \$450,000 is requested for the design and construction of a steel casing pipe crossing under the Highway 427 Expansion, with funding from the Block 59 West Landowners Group. The Block 59 West Landowners Group will need to execute a financial agreement with the City to secure the necessary funds prior to any works being initiated.

Broader Regional Impacts/Considerations

The proposed wastewater servicing scheme for Block 59 is consistent with the Regional Wastewater Master Plan.

Conclusion

The wastewater servicing scheme for Block 59 necessitates a sewer crossing of the Highway 427 Expansion, near John Lawrie Street. The Block 59 West Developers Group is committing to fund the full cost associated with installing a steel casing pipe in conjunction with the construction of the Highway 427 Extension project. This casing pipe will facilitate the future installation of the sanitary sewer crossing. Several agreements will need to be executed amongst the parties to facilitate the works.

This report has been prepared in consultation with Vince Musacchio, Director, Infrastructure Planning and Corporate Asset Management, and Rita Selvaggi, Interim Director, Financial Planning & Development Finance.

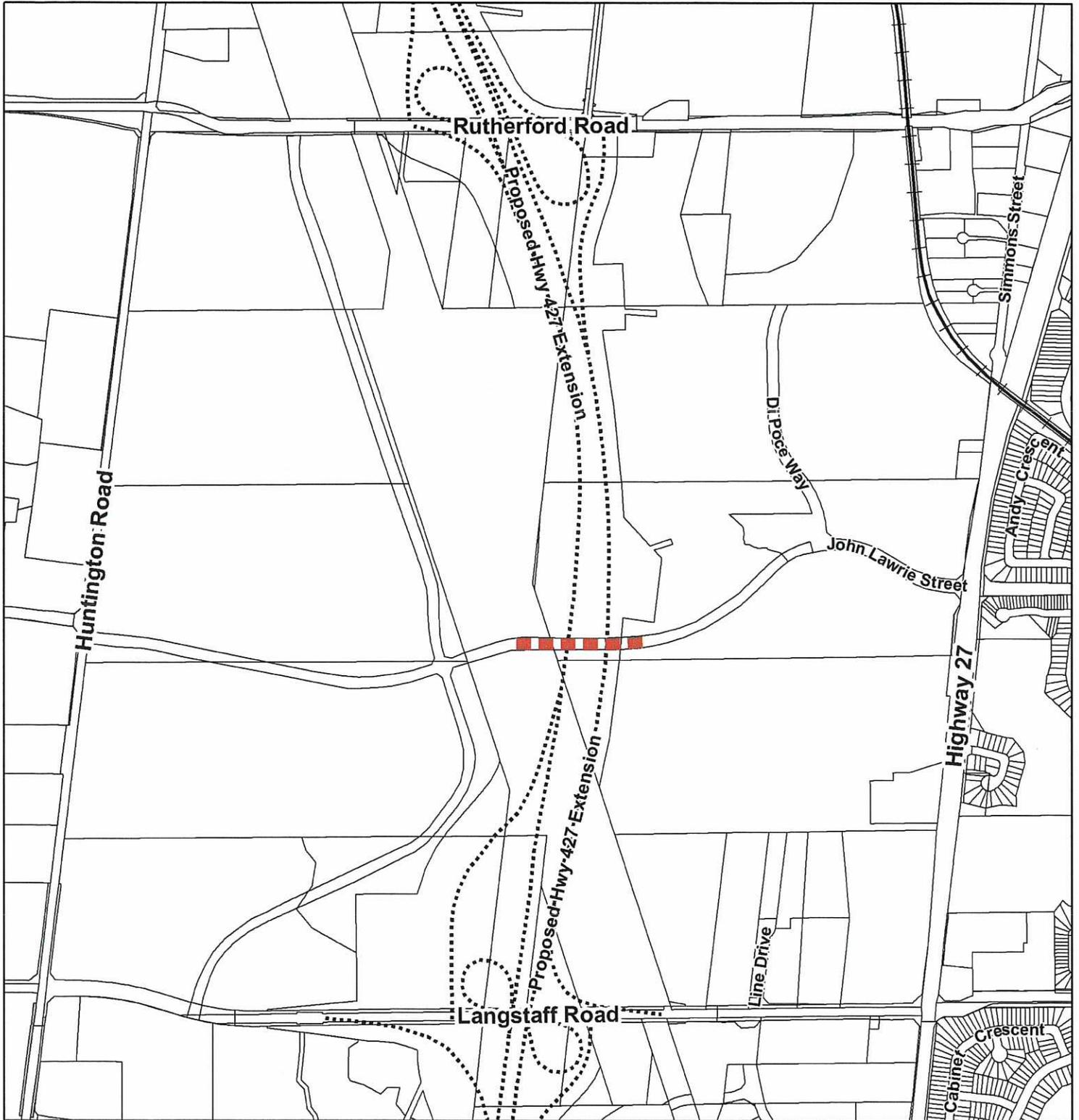
Attachment

1. Location Plan

Prepared by

Andrew Pearce, Director, Development Engineering, Ext 8255

ATTACHMENT No.1



BLOCK 59 WASTEWATER SEWER CROSSING - HIGHWAY 427 EXTENSION LOCATION PLAN

Legend

■ ■ ■ WASTEWATER CROSSING (STEEL CASING LINER)



NOT TO SCALE



April 26, 2018

Our Ref: L11-741

City of Vaughan
2141 Major Mackenzie Drive
Vaughan, ON L6A 1T1

Attn: Mr. Stephen Collins, P. Eng., Deputy City Manager, Public Works

**Re: Block 59, Street "A" - Wastewater Sewer Crossing under the Hwy. #427 Ext.
Request for a City and Block 59 West Landowners Group Funding Agreement**

Further to recent efforts by yourself and those of City staff and on behalf of the Block 59 West Landowners Group ("LOG"), we (the City and the LOG) will require Council's approval for the LOG to proceed with funding any Hwy. #427 Extension crossing costs.

In consideration of Link 427's construction schedule, please accept this letter as the LOG's formal request to enter into a Funding Agreement with the City to facilitate the installation of a steel casing (liner) under the Hwy. #427 extension for the future construction of a municipal wastewater sewer required to service the Block 59 West employment lands. The said agreement would be subject to any credits / reimbursements / recoveries to the LOG in respect of such funding, as agreed to by the City and the LOG.

The City of Vaughan, MTO and Cole Engineering Group Ltd. staff have been meeting to coordinate the City's / LOG municipal servicing requirements under the future extension of Hwy. #427, and subsequently into Link 427's construction schedule. We are seeking the City's cooperation to immediately initiate the required documentation (recommendation report to council, etc.) to enable the LOG to proceed in cooperation with the City and MTO, to fund the works described above prior to the commencement of construction by Link 427.

Should you have any questions or require additional information, please contact our office.

Yours truly,

COLE ENGINEERING GROUP LTD.

A handwritten signature in black ink, appearing to read 'Nik Mracic', is written over the company name.

Nik Mracic, MCIP, RPP
Vice President, Urban Development

c.: Mr. Daniel Kostopoulos, City of Vaughan
Mr. Jason Schmidt-Shoukri, City of Vaughan
Mr. Vince Musacchio, City of Vaughan
Mr. Andrew Pearce, City of Vaughan
Mr. Mike Frieri, City of Vaughan
Ms. Pauline Van Roon, MTO
Mr. Dean Kemper, MTO
Block 59 West LOG

COLE ENGINEERING GROUP LTD.

HEAD OFFICE

70 Valleywood Drive
Markham, ON CANADA L3R 4T5

T. 905.940.6161 | 416.987.6161 F. 905.940.2064
www.ColeEngineering.ca

