

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF DECEMBER 10, 2013

Item 22, Report No. 52, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on December 10, 2013.

**22 PARTIAL ASSUMPTION – BLOCK 12 SPINE MUNICIPAL SERVICES
WARD 4 - VICINITY OF TESTON ROAD AND BATHURST STREET**

The Committee of the Whole recommends approval of the recommendation contained in the following report of the Commissioner of Engineering and Public Works and the Director of Development/Transportation Engineering, dated November 26, 2013:

Recommendation

The Commissioner of Engineering and Public Works and the Director of Development/Transportation Engineering recommend:

1. THAT Council enact the necessary by-law assuming the municipal services listed on Attachment No.2 which were constructed pursuant to the Phase 1 Block 12 Spine Services Agreement; and
2. THAT the value of the Municipal Services Letter of Credit posted with the City in connection with the Phase 1 Block 12 Spine Services Agreement be adjusted to reflect:
 - a. the assumption of the municipal services by the City;
 - b. remaining works and financial obligations pursuant to the Spine Services Agreement;
 - c. retention of \$55,000 to guarantee the satisfactory completion of the outstanding landscape works;
 - d. retention of \$170,000 for the decommissioning of the temporary sewage pumping station; and
 - e. retention of \$114,500 to secure the Owner's financial obligation towards the repair of fifteen (15) cracked sewer connection tees fittings in the spine sewer systems in accordance with City's Cracked Tee Protocol.

Contribution to Sustainability

The municipal services recommended for assumption in this report have been designed and constructed in accordance with City standards which include consideration for sustainability.

Economic Impact

Upon assumption of these municipal services, approximately 5.5 kilometers of roadway and associated municipal services including sanitary and storm sewers, watermain, stormwater management facilities, street lighting, sidewalk, etc., will be added to the City's network of infrastructure. This additional infrastructure is valued at \$21,481,960 and will incur the normal expense associated with annual operation and maintenance activities of approximately \$283,400 shown on the following chart:

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Item Description	As Constructed Costs	Approximate Annual Operating Costs (*)
Watermain	\$2,912,660	\$ 38,810
Sanitary sewers	\$2,772,200	\$ 25,140
Storm sewers	\$5,823,590	\$ 8,530
Storm water management facilities	\$3,002,600	\$ 20,460
Road	\$3,820,740	\$ 88,470
Trees/Streetscaping/Landscaping/Boulevard Maintenance	\$2,434,970	\$ 79,790
Street lights	\$715,200	\$ 22,200
Totals	\$21,481,960	\$283,400

() Annual Operating Costs derived from the 2009-2013 Public Works Operating Budget and the Parks and Forestry Operations Department.*

The life cycle costs associated with this additional infrastructure will be accounted for in the City's future multi-year budgets.

Communications Plan

The pertinent City departments will be notified of the assumption of this subdivision.

Purpose

The purpose of this report is to inform Council that the majority of the municipal services constructed pursuant to Phase 1 Spine Services Agreement between the Block 12 Developers Group and the City are complete and can be considered for assumption by the City.

Background - Analysis and Options

The Block 12 Developers Group executed a Spine Services Agreement with the City on November 24, 2005 to facilitate the construction of the spine municipal services in the first phase of the development in Block 12. By February 2012, the majority of the spine services were completed including:

- approximately 5.5 kilometers of roadway and associated municipal services
- six storm water management facilities
- temporary sewage pumping station

The Block 12 Developers Group has maintained these spine services during the required maintenance period and has rectified all noted deficiencies. Accordingly, the Developers Group has requested that these spine roads and municipal services be assumed by the City. The municipal services being recommended for assumption are generally shown on Attachment No. 1 and listed in more detail on Attachment No.2.

The Block 12 temporary sewage pumping station will be decommissioned in the near future

Although the Spine Services Agreement provides for the assumption of the temporary pumping station, the station can be decommissioned in the near future after the sanitary sewer system in the abutting Longyard Subdivision to the south has been constructed and commissioned. It is anticipated that this sewer outlet will be constructed by the end of 2014. The Block 12

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Developers Group is required to pay the cost of decommissioning the station pursuant to the Spine Services Agreement. These works will be secured through the existing Municipal Services Letter of Credit.

Additional securities will be held for outstanding landscape works

Development Planning staff has advised that the construction of certain landscape and streetscape works are outstanding. Accordingly, staff is recommending that \$55,000 be retained in the value of the existing Municipal Services Letter of Credit to guarantee the satisfactory completion of these outstanding landscape works.

In-sewer camera inspections identified cracked service connection tee fittings within the Block 12 spine servicing works.

An in-sewer camera inspection identified fifteen cracked service connection tee fittings in the sewer systems, which were subsequently repaired using a fiberglass tee liner. According to the City's cracked tee protocol, the Developer is to provide the City with a letter of credit equivalent to the estimated cost of replacing the sewer fittings, which in this case is \$114,500. Over the next five years, the performance of the fiberglass tee liners will be monitored periodically by the City. Staff recommends that periodically throughout the 5 years the tee fittings be assessed for their performance and the securities reduced as appropriate. At the end of the five years, the City will determine whether the fiberglass tee liners can be accepted as a permanent fix going forward and the securities released or whether a cash payment is still required for the ultimate replacement of the fittings according to the protocol. Accordingly, staff is recommending that \$114,500 be retained in the value of the existing Municipal Services Letter of Credit to guarantee the Developers Group's financial obligations respecting this matter.

All required documents and clearances for assumption have been received

All documentation required by the Spine Servicing Agreement for assumption has been submitted. Engineering staff, in conjunction with the Developer's Consulting Engineer, have conducted all the necessary inspections of the municipal services in the development and are now generally satisfied with the extent of the works.

The Commissioner of Engineering and Public Works has received clearance from all pertinent City Departments including Development/Transportation Engineering, Building Standards, Parks Development, Public Works, and Clerks.

The Development Finance and Investments Department has confirmed that all of the City's financial requirements associated with the assumption of these municipal services have been satisfied subject to retention of the securities noted in this report.

Relationship to Vaughan Vision 2020

The development of this subdivision and the assumption of the municipal services are consistent with Vaughan Vision 2020, which encourages management excellence through planned and managed growth and the maintenance of City assets and infrastructure. This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Regional Implications

The Region of York have conducted their own inspection of municipal services located within the Teston Road, Bathurst Street, Dufferin Street and Major Mackenzie Drive right-of-ways and have found the works to be satisfactory.

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Conclusion

The majority of the spine roads and municipal services that were constructed pursuant to the Phase 1 Block 12 Spine Services Agreement have been completed. Accordingly, it is appropriate that the roads and municipal services identified on Attachment No. 2 be assumed by the City. The value of the Municipal Services Letter of Credit shall be adjusted to secure the Block 12 Developers Group's remaining obligations under the terms of the Spine Services Agreement and as noted in this report.

Attachments

1. Location Map
2. List of municipal services to be assumed

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(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)