

Subject:

FW: Pine Valley North ASDC Withdrawal Letter

Attachments:

2018 05 14-11118-DC Withdrawal SPS & Forcemain External.pdf; 20180511095616.pdf

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Communication
COUNCIL: <u>May 23 / 18</u>
FAA Rpt. No. <u>5</u> Item <u>b.1.2</u>

From: Derek Smith [mailto:dsmith@tmig.ca]

Sent: Monday, May 14, 2018 3:51 PM

To: Mirabella, Laura <Laura.Mirabella@vaughan.ca>; Coles, Todd <Todd.Coles@vaughan.ca>

Cc: Frieri, Michael <Michael.Frieri@vaughan.ca>; Pearce, Andrew <Andrew.Pearce@vaughan.ca>; Gaetano Franco <gaetano.franco@castlepointinvestments.ca>; Myron Pestaluky <myronp@deltaurban.com>

Subject: Pine Valley North ASDC Withdrawal Letter

Good afternoon Laura & Todd,

Please accept the attached letter as our request to remove ASDC for the Block 40/47 sanitary pumping station, forcemain and associated sanitary infrastructure from the City of Vaughan 2018 DC By-Law prior to Council's approval on May 23, 2018.

Please don't hesitate to contact me if you have any questions.

Thank you.

Derek Smith, P.Eng.
Director of Land Development

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May 14th, 2018

Project 11118

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

**Attention: Ms. Laura Mirabella, Chief Financial Officer & City Treasurer
Mr. Todd Coles, City Clerk**

Subject: Response to Preliminary Comments
Pedestrian Bridges
O.Reg.166/06 – Block 40/47

Dear Ms. Mirabella and Mr. Coles,

Further to my letter dated September 29, 2017 (copy attached) in which we were seeking the City to pursue implementation of either; a City-Wide Development Charge, or an Area Specific Development Charge as part of the 2018 City DC By-Law process. We have reviewed certain issues related to the implementation of this project for the reimbursement of the Pine Valley North sanitary pumping station and sanitary forcemain works, and therefore wish to request the City of Vaughan to remove the proposed area specific development charge identified as ASDC Charges D-36-1, D-36-2, D-36-3, D-36-4, and D-36-5 as shown on Attachment 2 of the F.A.A committee report dated May 7, 2018 (excerpt attached) from the 2018 DC By-Law which has been scheduled for the May 23, 2018 Council meeting.

Based on this request to withdraw the ASDC Charges D-36-1, D-36-2, D-36-3, D-36-4, and D-36-5 for the Pine Valley North sanitary pumping station and forcemain works we intend on continuing to pursue reimbursement of these works from the benefitting lands in accordance with the provisions of Section 15.2.1 of the Pine Valley North Spine Services Agreement dated May 15, 2017 (excerpt attached). Once the final as-constructed costs have been determined we will contact the City to reinstate the process to enact the ASDC's for the benefitting lands.

Please feel free to contact me at (905) 738-5700 x.246 if there are any questions regarding this submission.

Yours truly,
The Municipal Infrastructure Group Ltd.

Derek Smith, P.Eng.
cc: Myron Pestaluky, Delta Urban

Excerpt

TMIG letter dated September 29, 2017
City-Wide / ASDC Request Submission



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September 29, 2017

PROJECT NUMBER 11118

Mr. Michael Frieri
Manager of Engineering Planning & Studies
City of Vaughan
2141 Major Mackenzie Drive
Vaughan, Ontario L6A 1T1

Dear Mr. Frieri

**Re: City of Vaughan 2018 DC By-Law Review
Pine Valley North Spine Services Agreement
Pine Valley North Wastewater Pumping Station & Sanitary Drainage Works DC Reimbursement**

We wish to request that the Pine Valley North Wastewater Pumping Station and Sanitary Drainage Works project contained within the Pine Valley North Spine Services Agreement be considered for inclusion in the 2018 City-Wide DC By-Law and included in the DC budget funding for 2018/2019.

The Pine Valley North Wastewater Pumping Station and Sanitary Drainage Works have been included in the Pine Valley North Spine Services Agreement dated May 15, 2017. These works have been designed and constructed to accommodate the sanitary drainage from Blocks 40/47, 41, 48, and 55 and have been contemplated in the Spine Services Agreement under Section 15.2.1 to be recovered through a future Area-Specific Development Charge (A.S.D.C) for development areas and/or special local municipal levies/fees for existing estate residential areas. These works are not currently in the 2013 City-Wide DC By-Law or A.S.D.C By-Laws and we request that the City of Vaughan make the appropriate consideration and provisions for inclusion of these works in the 2018 City-Wide DC By-Law, or failing that, a new Area Specific Development Charge By-Law, and the 2018/2019 DC funding for the reimbursement of these works. These works have been designed and are currently under construction by the Pine Valley North SPS Landowners Group through the Spine Servicing agreement.

The Pine Valley North Spine Services Agreement dated May 15, 2017 contains these works under Section 15.2.1, 15.6.1, Schedule M1 and Schedule N which outline the reimbursement provisions and costs for the Pine Valley North Wastewater Pumping Station and Sanitary Drainage Works. The total cost included in the spine servicing agreement is \$13,497,201 (excluding HST).

Please note that 10% contingencies, 15% soft costs, 7.5% city project management fee, and 3% city administration fee have been included in the above noted cost estimates for reimbursement, HST has been excluded.

Please feel free to contact me at 905-738-5700 if there are any questions regarding this submission.

Sincerely,

THE MUNICIPAL INFRASTRUCTURE GROUP LTD.

Derek Smith, P.Eng.
Director of Land Development
dsmith@tmig.ca

cc: Mr. Andrew Pearce, C.E.T., City of Vaughan
Mr. Myron Pestaluky, P.Eng., Delta Urban Inc.
Mr. Daniel Steinberg, Davies Howe LLP

Excerpt
Attachment 2
F.A.A. Committee report dated May 7, 2018

ASDC Charges Based on Dwelling Unit and GFA

Service	Reference Code	2018 Proposed Charge – Singles and Semis	2018 Proposed Charge – Townhouses & Multiples	2018 Proposed Charge – Large & Small Apartments	2018 Proposed Charge – Per M ² Non-Residential GFA
VMC West - Interchange Sanitary Sewer Improvements	D-34	\$705	\$581	Lg - \$430 Sm - \$310	\$6.80
VMC SE Doughton Sanitary Sewer Improvements	D-35	\$948	\$782	Lg - \$578 Sm - \$417	\$9.15
Pine Valley North SPS and Forcemain (Block 40) – Area 1	D-36-1	\$3,400	\$2,805	Lg - \$2,074 Sm - \$1,495	\$19.10
Pine Valley North SPS and Forcemain (Block 40) – Area 2	D-36-2	\$4,927	\$4,064	Lg - \$3,005 Sm - \$2,166	\$27.68
Pine Valley North SPS and Forcemain (Block 40) – Area 3	D-36-3	\$3,836	\$3,164	Lg - \$2,339 Sm - \$1,686	\$21.55
Pine Valley North SPS and Forcemain (Block 40) – Area 4	D-36-4	\$3,534	\$2,915	Lg - \$2,156 Sm - \$1,554	\$19.85
Pine Valley North SPS and Forcemain (Block 40) – Area 5	D-36-5	\$4,778	\$3,941	Lg - \$2,914 Sm - \$2,100	\$26.84

¹All rates subject to normal indexing - rates shown are current as of May 23, 2018

Excerpt
Section 15.2

Pine Valley North Spine Services Agreement dated May 15, 2017

- 15.1.10 The Trustee and the Participating Owners shall indemnify and save harmless the City and the Region of York from any claim or action resulting from municipal water or sewer services not being available when anticipated.
- 15.1.11 The Trustee and/or applicable Participating Owner shall install anti-tampering devices on all hydrants along the watermain forming part of the Spine Services to the satisfaction of the City. Prior to Assumption of the municipal services by the City, each applicable Participating Owner and/or the Trustee shall have the anti-tampering devices removed.
- 15.1.12 Upon commissioning (inclusive of pressure testing and chlorination in accordance with Section 7) of any watermain constructed under this Agreement, a watermain flushing program shall be implemented to ensure chlorine residuals meet all applicable standards to the satisfaction of the City's Environmental Services Department. The extent and duration of the flushing program will be determined by the City. The Trustee and each of the Participating Owners forming part of the Block 40/47 Landowners Group acknowledge they shall be responsible for all costs associated with the ongoing watermain flushing program as required by the City and until the City confirms the flushing program may be terminated. The Trustee and the Participating Owners hereby acknowledge that all costs incurred for the watermain flushing program shall be paid for by the Block 40/47 Landowners Group.

15.2 SANITARY DRAINAGE WORKS

- 15.2.1 The Trustee, on behalf of the Participating Owners, acknowledges that the design and construction of all necessary Sanitary Drainage Works (SDW) including but not limited to the Pine Valley North Sanitary Pumping Station (SPS) and associated access road, forcemain, sanitary sewers and all related appurtenances; will be carried out solely at its/their risk and expense, and as a component of the Spine Services for the Lands in accordance with the approved Construction Drawings listed on Schedule "B" and to the satisfaction of the City, the Toronto and Region Conservation Authority, the Ministry of Natural Resources and Forestry, and the Region of York.

The Trustee shall let all contracts, ensure adequate supervision of all construction activity is provided, and ensure all necessary certifications are provided by the Consultant to the satisfaction of the City. The City acknowledges the Trustee has provided information indicating the total estimated value for construction of the SDW is \$13,497,201 (excluding applicable taxes) inclusive of all construction costs, engineering, surveying, obtaining approvals and permits, construction supervision, City fees, and all costs reasonably relating to the SDW as outlined on Schedule "M1".

When construction of the SDW has been substantially completed to the satisfaction of the City, the Trustee shall provide the City with a final as-constructed cost report that details the components that have been designed to accommodate all benefitting lands and their respective cost. The report shall include a detailed breakdown of the final as-constructed costs of the SDW certified by a professional engineer and copies of all final executed construction contracts, approved contract extras and change orders related to the construction of the SDW, all to the satisfaction of the City. The City shall review this information and determine the applicable/as-constructed costs attributable to the servicing of all benefitting areas/lands. The decision of the City for the final value of servicing costs and the proportionate share applicable to any and all benefitting areas/lands shall be final.

The City acknowledges that the SDW are designed to accommodate the servicing of external benefitting lands that may develop in the future as illustrated on Schedule "N". The owners of external benefitting land areas are not party to this Agreement, nor are they party to the Cost Sharing Agreement, and are therefore not part of the Participating Owners group financing the construction of the SDW.

The Trustee acknowledges that the SDW outlined in this Agreement are not included in the City's current Development Charges Background Study or associated By-Laws, and there is no commitment on the part of the City to include these works as a growth related

project in a future Development Charge By-Law or Background Study. The City and the Trustee acknowledge and agree that:

- a) the Trustee may provide the City with a formal request to include the SDW works in a future Area-Specific Development Charge By-Law. Upon receipt of the Trustee's request, the City shall use its reasonable best efforts to include the SDW works in an Area-Specific Development Charge By-Law Project (ASDC). The Trustee acknowledges that there is no guaranteeing that the SDW works will be included in an ASDC. In the event the works are permitted by legislation to be included as an Area-Specific Development Charge Project and subject to no outstanding Ontario Municipal Board appeals, the City and the Trustee may amend this Agreement to include the specific terms and conditions of any reimbursement to the Trustee; and
- b) In the event the external benefitting lands identified as Existing Estate Residential on Schedule "N" utilize the SDW paid for by the Trustee, the City, so far as it is legally empowered to do, shall use its reasonable efforts to collect a proportionate share of the cost of the SDW as determined by the City from the owner of the benefitting lands through the use of a by-law for special services enacted to collect a special local municipal levy pursuant to the Municipal Act, and/or a Fees and Charges By-law enacted pursuant to the Municipal Act.

This arrangement shall apply for a period of only five years after execution of this Agreement and shall then cease and be of no effect. The City will however support an amendment to the Agreement should the Trustee require an extension to this recovery and reasonable efforts by the City. The City may use its reasonable efforts to collect the servicing costs from an owner within the external Existing Estate Residential benefitting lands but shall not be required to institute any action.

Should the Trustee and/or Participating Owners not be able to recover in whole or in part from any of the external benefitting landowners, the City will not assume any liability for the cost of the SDW and will have no obligation to reimburse the Trustee or the Participating Owners for any expenses incurred for which recoveries were not received.

- 15.2.2 The Trustee shall design and construct the SPS, associated forcemain, water meter and all appurtenances, and shall commission the SPS to the satisfaction of the City including payment of all hydro, water and wastewater charges associated with commissioning of the SPS.
- 15.2.3 The Trustee shall equip the SPS with a Supervisory Control and Data Acquisition (SCADA) system satisfactory to the City's Environmental Services Department. The Trustee shall work with the City to finalize all necessary SCADA system standards and specifications to the satisfaction of the City's Environmental Services Department and prior to commissioning of the SPS. The Trustee shall be responsible for all costs associated with the SCADA system implementation and integration.
- 15.2.4 The SPS shall be commissioned to the satisfaction of the City prior to receiving sewage flows from the service/drainage area as identified in Schedule "N". A written acknowledgement may be issued by the City upon satisfactory commissioning of the SPS once the Trustee has:
 - a) Successfully conducted all necessary testing and applicable commissioning procedures to confirm the SPS is functioning as designed and to the satisfaction of the City;
 - b) Provided the City with certification from a professional consulting engineer confirming the SPS, associated forcemain and all appurtenances have been constructed in accordance with the approved Construction Drawings, City Standards and Specifications and sound engineering practices;

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- c) Transferred to the City all manufacturers' warranties associated with all applicable equipment and mechanical components of the SPS;
- d) Provided the City with a comprehensive operating and maintenance manual for the SPS to the satisfaction of the City; and
- e) Provided a certification from the Consultant that the SPS and associated forcemain and appurtenances have been constructed in accordance with the approved construction drawings, city standards and good engineering practices; and
- f) Equipped the SPS with a connected SCADA system to the satisfaction of the City.

15.2.5 Once the SPS has been commissioned to the satisfaction of the City, the City shall operate and maintain the SPS at the expense of the Trustee until Assumption. The City shall invoice the Trustee on a semi-annual basis for the total costs incurred in operating and maintaining the SPS, including hydro charges and any extra or non-standard costs incurred until Assumption. If payment of the invoices is not made within thirty (30) days, the City may draw upon the MSLC for the required sum.

15.2.6 The Trustee shall undertake performance monitoring of the SPS upon commissioning and report to the City at least annually thereafter until the facility is fully assumed by the City. Such performance monitoring shall include flow monitoring, background and transient pressure monitoring, pump performance testing, system curve testing and other related testing and inspection to ensure the appropriate operation of the facility and its components. Results of the performance monitoring shall include data analysis and interpretation, the identification of any issues of concern, and the development of recommendations for operational and related improvements. This work shall be conducted by an independent, qualified and experienced firm acceptable to the City. The performance monitoring program shall be at the expense of the Trustee.

15.2.7 The Trustee shall undertake regular flow monitoring of the incoming flows to the SPS until assumption of the SPS by the City. The flow monitoring program shall assess wet weather flows entering the SPS for a minimum period of sixteen (16) months (April to November inclusive and for 2 consecutive years). The scope of the flow monitoring program shall be to the satisfaction of the City. This work shall be conducted by an independent, qualified and experienced firm acceptable to the City. The flow monitoring program shall be at the expense of the Trustee.

15.3 PEDESTRIAN-UTILITY BRIDGE STRUCTURES / VALLEY CROSSINGS

15.3.1 The Trustee, on behalf of the Participating Owners, acknowledges that the design and construction of the Pedestrian-Utility Bridge Structures/Valley Crossings (PUBS) in Block 40 inclusive of all associated utilities, infrastructure and related appurtenances; will be carried out solely at its/their risk and expense, and as a component of the Spine Services for the Lands in accordance with the approved Construction Drawings listed on Schedule "B" and to the satisfaction of the City, the Toronto and Region Conservation Authority and the Ministry of Natural Resources and Forestry.

The Trustee shall let all contracts, ensure adequate supervision of all construction activity is provided, and ensure all necessary certifications are provided by the Consultant to the satisfaction of the City. The City acknowledges the Trustee has provided information indicating the total estimated value for construction of the PUBS and all related appurtenances is \$17,839,599 (excluding applicable taxes); inclusive of all construction costs, engineering, surveying, obtaining approvals and permits, construction supervision, City fees, and all costs reasonably relating to the PUBS as outlined on Schedule "M2".

The Trustee acknowledges the PUBS outlined in this Agreement are not included in the City's current Development Charges Background Study or associated By-Laws; and there is no commitment on the part of the City to include these works as a growth related project in a future Development Charge By-law or Background Study.

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