
TO: GENERAL COMMITTEE

SUBJECT: FERNDALE DRIVE NORTH RECONSTRUCTION, TIFFIN STREET TO
DUNLOP STREET - PROVISION OF SANITARY SERVICING
AWARD OF CONTRACT 2016-030T

WARD: 5

**PREPARED BY AND
KEY CONTACT:** R. MADORE, C.E.T.,
SENIOR PROJECT MANAGER (Ext. 4303) *fen*

SUBMITTED BY: J. WESTON, M.A.Sc., P. Eng., PMR
DIRECTOR OF ENGINEERING *[Signature]*

**GENERAL MANAGER
APPROVAL:** R. FORWARD, MBA, M.Sc., P. Eng.,
GENERAL MANAGER OF INFRASTRUCTURE & GROWTH MANAGEMENT

**CHIEF ADMINISTRATIVE
OFFICER APPROVAL:** C. LADD
CHIEF ADMINISTRATIVE OFFICER *[Signature]*

RECOMMENDED MOTION

1. That a by-law be prepared to authorize the recovery of capital costs for the installation of sanitary servicing of unserviced properties on Ferndale Drive North between Tiffin Street and Dunlop Street through the collection of a per metre frontage charge plus lateral costs for benefitting properties abutting the proposed new sections of sanitary sewer, as provided under Section 326 of the Municipal Act, with the option of payment of the sanitary charges over a 10 year period with interest.
2. That additional funding in the amount of \$328,968 for the watermain component of this project as described in Appendix "A" of Staff Report ENG005-16, be approved.
3. That Contract 2016-030T for Ferndale Drive North Reconstruction from Tiffin Street to Dunlop Street West be awarded to Arnott Construction Limited, in accordance with their tender dated March 15, 2016, in the amount of \$5,324,287 excluding HST.

PURPOSE & BACKGROUND

4. The purpose of this report is to obtain authority to proceed with the recovery of a proportional share from the benefitting landowners of capital costs for installing sanitary servicing and to allow for resident input on charges based on tender pricing as per established protocols; and, to seek funding adjustments to allow for the award of the Ferndale Drive North Reconstruction project.
5. On April 2, 2007, City Council adopted motion 07-G-149 regarding LOCAL IMPROVEMENT AND SECTION 326 (MUNICIPAL ACT) SERVICING COST APPORTIONMENTS as follows:

"That Appendix "A" to Staff Report FIN037-07 be adopted as the policy for apportioning costs under a local improvement petition or Section 326 of the *Municipal Act, 2001, S.O. 2001, c. 25* installations."

A copy of the Apportionment Policy is attached in Appendix "B".

6. The City's Standard Operating Procedure (SOP) for Works under Municipal Act Section 326 and Local Improvements requires a Council Award of the construction contract which allows the property owners an opportunity to make deputations if they are opposed to the servicing installation.
7. A letter was distributed the week of June 16, 2014 to the affected Property Owners explaining:
 - a) Reasons for the project;
 - b) The intent of the City to collect frontage charges for the sanitary sewer and services under Section 326 of the Municipal Act, 2001; and
 - c) Allow property owners the opportunity to investigate and request their servicing needs.A copy of the letter is attached in Appendix "C".
8. The Ferndale Drive North Reconstruction project was approved for construction in the 2016 Business Plan. The work includes the widening of Ferndale Drive North from Tiffin Street to Dunlop Street to 4 lanes, sidewalks on both sides of the road, street lights, curb and gutter, storm sewer, culvert replacement, sanitary sewers and a new watermain.
9. Tenders for Contract 2016-030T closed on March 15, 2016 at 2:00 p.m. Nine (9) tenders were opened on March 15, 2016 at 2:15 p.m., all were deemed compliant. The engineer's estimate for the construction portion of the project was \$6,000,000. The three lowest bids (excluding HST) are:
 - a) Arnott Construction \$ 5,324,287.00
 - b) BJ Enterprises \$ 5,345,743.52
 - c) Mar-King Construction \$ 5,489,321.07

ANALYSIS

10. Arnott Construction is a well-known contractor and has successfully completed several projects of similar scope and size for the City of Barrie such as Essa Road Improvements, Ferndale Drive to Coughlin Road (Contract 2015-004T).
11. Ferndale Drive North from Dunlop Street to Tiffin Street will be closed for approximately six months in 2016 for construction. Access will remain open to local businesses. A detour route from the intersection of Ferndale Drive and Dunlop Street to Miller Drive then back to the intersection of Tiffin Street and Ferndale Drive will be provided during construction.
12. Work will commence at Tiffin Street and Ferndale Drive as no work can commence in or around Dyments Creek until July 1st.
13. Construction is expected to start in May 2016 with base asphalt to be placed by December 2016 and opened to traffic for the winter of 2016/2017. Top coarse asphalt and landscaping are to be completed by July 1, 2017.

ENVIRONMENTAL MATTERS

14. The following environmental matters have been considered in the development of the recommendation:
 - a) Provision of sanitary sewer will allow existing septic systems to be decommissioned eliminating potential pollution sources for ground water and surface water.
 - b) The Lake Simcoe Protection Plan

15. The City of Barrie's continued efforts in reducing phosphorus loads to Lake Simcoe through the removal of private septic systems demonstrates an environmental commitment by the City of Barrie to making a positive change within the Lake Simcoe Watershed and ensures that the City stays at the forefront of environmental issues that affect Lake Simcoe.

ALTERNATIVES

16. There are two Alternatives available for consideration by General Committee:

Alternative #1 General Committee may recommend award of the contract to another contractor.

This Alternative is not recommended as it as it would result in higher costs and would not conform to the City's current procurement process.

Alternative #2 General Committee could elect not to collect sanitary frontage and lateral costs from the benefitting property owners

This Alternative is not recommended as it would not be consistent with the existing policies of collecting servicing costs from benefitting property owners.

FINANCIAL

17. The total project cost including design, tendered prices, contract administration, inspection, staff time, utility relocations, property acquisition and contingencies is estimated at \$9,452,987. The total budget funding for this project is \$9,124,019. Details of the total project costs are shown in Appendix "A".
18. The water component of this project is \$328,968 (49%) over budget, and as per our Financial Capital Control Policy, Council approval is required when a project is in excess of 10% over budget. As identified in Appendix "A", the water component is funded from the water rate capital reserve.
19. Letters were mailed to property owners advising of staff's proposed recommendations, the date the recommendations will be presented to General Committee and the calculated frontage and lateral costs for their property based on the following rates:
- a) Sanitary Frontage Cost = \$318.95/m
 - b) Sanitary Lateral Cost = \$3,966/lateral

A copy of the letter is attached in Appendix "D".

LINKAGE TO 2014 – 2018 COUNCIL STRATEGIC PLAN

20. The recommendation(s) included in this Staff Report support the following goals identified in the 2014-2018 Strategic Plan:

Well Planned Transportation

21. The widening of Ferndale Drive North to four lanes between Tiffin Street and Dunlop Street will increase the traffic capacity and complete the road network that has been constructed in the area.

APPENDIX "A"

Contract 2016-030 Ferndale Drive North Reconstruction

File 2016-030

Funding Details

CAPITAL BUDGET FUNDING

Component	Roads	Sanitary	Storm	Sidewalks	Water	Culverts	Street Lights	TOTAL
Account Numbers	14-16-2510-0308	14-16-2515-0308	14-16-2520-0308	14-16-2525-0308	14-16-2535-0308	14-16-2521-0308	14-16-2363-0308	
TaxCapital Reserve	\$ 1 973 200		\$ 417 157	\$ 57 062		\$ 225 920	\$ 50 838	\$ 2 724 177
DCA	\$ 3 726 616		\$ 768 362	\$ 105 938	\$ 1 598	\$ 412 080	\$ 94 162	\$ 5 108 756
Developer Agreements	\$ 20 184		\$ 14 500			\$ 22 000		\$ 56 684
Section 326 - Residents								\$ -
Water Rate					\$ 664 402			\$ 664 402
Wastewater Rate		\$ 570 000						\$ 570 000
TOTAL	\$ 5 720 000	\$ 570 000	\$ 1 200 019	\$ 163 000	\$ 666 000	\$ 660 000	\$ 145 000	\$ 9 124 019

PROPOSED BUDGET FUNDING

Component	Roads	Sanitary	Storm	Sidewalks	Water	Culverts	Street Lights	TOTAL
Account Numbers	14-16-2510-0308	14-16-2515-0308	14-16-2520-0308	14-16-2525-0308	14-16-2535-0308	14-16-2521-0308	14-16-2363-0308	
TaxCapital Reserve	\$ 1 899 470		\$ 467 597	\$ 73 053		\$ 235 560	\$ 50 838	\$ 2 726 518
DCA	\$ 3 588 779		\$ 858 147	\$ 135 625	\$ 2 336	\$ 428 104	\$ 94 162	\$ 5 107 152
Developer Agreements	\$ 20 184		\$ 14 500			\$ 22 000		\$ 56 684
Section 326 - Residents		\$ 276 455						\$ 276 455
Water Rate					\$ 992 632			\$ 992 632
Wastewater Rate		\$ 293 545						\$ 293 545
TOTAL	\$ 5 508 433	\$ 570 000	\$ 1 340 244	\$ 208 678	\$ 994 968	\$ 685 664	\$ 145 000	\$ 9 452 987

FUNDING ADJUSTMENT

Component	Roads	Sanitary	Storm	Sidewalks	Water	Culverts	Street Lights	TOTAL
Account Numbers	14-16-2510-0308	14-16-2515-0308	14-16-2520-0308	14-16-2525-0308	14-16-2535-0308	14-16-2521-0308	14-16-2363-0308	
TaxCapital Holding Account	\$ (73 730)		\$ 50 440	\$ 15 991		\$ 9 640	\$ -	\$ 2 341
DCA	\$ (137 837)		\$ 89 785	\$ 29 687	\$ 738	\$ 16 024	\$ -	\$ (1 604)
Developer Agreements	\$ -		\$ -			\$ -		\$ -
Section 326 - Residents		\$ 276 455						\$ 276 455
Water Rate					\$ 328 230			\$ 328 230
Wastewater Rate		\$ (276 455)						\$ (276 455)
TOTAL (SURPLUS)	\$ (211 567)	\$ -	\$ 140 225	\$ 45 678	\$ 328 968	\$ 25 664	\$ -	\$ 328 968

APPENDIX "B"

Apportionment Policy from SR FIN037-07

Appendix A

Local Improvement and Section 326 (Municipal Act) Servicing Cost Apportionment Policy

1. Lots that do not have a front and rear yard width that differ by more than 6 metres are considered regular-shaped and will be assessed their share of the costs utilizing their actual frontage on the works.
2. Triangular or irregularly-shaped lots defined as having front and rear width distances that differ by more than 6 metres are to be assessed their share of the costs by adding the front and rear width and dividing by two. This is to apportion costs on a "just and equitable basis having regard to the situation, value and area of the lot compared to other lots" as described in Ontario Regulation 586/06. If as a result of the averaging the adjusted frontage is greater than 30 metres then the property will be assessed 30 metres.
3. Lots with frontage in excess of 30 metres that will not derive any additional benefit as other lots will have their assessed frontage adjusted to 30 metres. In the event the lot is severed/sub-divided in the future the new lot(s) will be assessed frontage costs at the same per metre rate as the original works and such costs will be payable in full as a condition of the granting of the severance/plan of sub-division.
4. For lots where the works abut only a portion of a property frontage the property will be assessed costs based on the average of the frontages of regular shaped lots affected by the works. In situations where the property has already been assessed some portion in the past for similar type works then a reduction would be to the assessed frontage to recognize the previous charge.
5. For corner lots that are affected by works that abut both their frontage and side (flankage) yards the full amount of the flankage will be exempt from charges until such time that a severance is requested. In the event the lot is severed in the future the new lot will be assessed frontage costs at the same per metre rate as the original works and such costs will be payable in full as a condition of the granting of the severance.
6. For lots that have both their front and rear yards abut on the works then rear portion will be exempted from charges until such time that a severance is requested. In the event the lot is severed in the future the new lot will be assessed frontage costs at the same per metre rate as the original works and such costs will be payable in full as a condition of the granting of the severance.

APPENDIX "C"

Letter Mailed to Affected Property Owners

CITY HALL
70 COLLIER STREET
TEL. (705) 739-4210
FAX. (705) 739-4248



P.O. BOX 400
BARRIE, ONTARIO
L4M 4T5

THE CORPORATION OF THE CITY OF BARRIE
Engineering Department
"Committed to Service Excellence"

June 13, 2014

File: T04-FER

Attention: Property Owner

Dear Sir/Madam:

**Re: Ferndale Drive Reconstruction (Tiffin Street to Dunlop Street)
Schedule and Servicing**

The City of Barrie is proposing to reconstruct Ferndale Drive from Tiffin Street to Dunlop Street. The proposed work includes the reconstruction of the road to four lanes, a new watermain and services, sanitary sewer and laterals, storm sewer, culvert crossing, bike lanes, sidewalks and streetlights. The first phase of construction is the relocation of the utilities which will start this summer. Pending the completion of the utility work and Council approval, it is anticipated that construction will start in 2015.

A significant portion of Ferndale Drive is not currently serviced with sanitary sewers. Under Section 326 of the *Municipal Act, 2001*, the City intends to collect a frontage charge for properties that are to be connected to the proposed sanitary sewer. Sanitary lateral costs are also to be collected. Details on the estimated cost for each property will be issued at a later date.

The City of Barrie has retained the Ainley Group to complete the detail design of Ferndale Drive. To confirm the servicing requirements for your property, we have asked the Ainley Group to contact each property owner along this section of roadway.

Please find attached a letter from the Ainley Group and a drawing of your frontage. Please take the time to review this information and respond to the Ainley Group. This will allow for the completion of the design and address your servicing needs.

If you have any questions, please contact the undersigned at (705) 739-4220, extension 4303.

Yours truly,

A handwritten signature in black ink, appearing to read "Russ Madore".

Russ Madore CET, LEL
Project Manager

RM/mv

APPENDIX "D"

Letter Mailed to Affected Property Owners

CITY HALL
70 COLLIER STREET
TEL. (705) 739-4210
FAX. (705) 739-4248



P.O. BOX 400
BARRIE, ONTARIO
L4M 4T5

THE CORPORATION OF THE CITY OF BARRIE
Engineering Department
"Committed to Service Excellence"

April 7, 2016

File: 2016-030T

Name
Address
Municipality, Prov Postal

Dear Sir/Madam:

**Re: Property Located at # Ferndale Drive North
Ferndale Drive North Reconstruction – Tiffin Street to Dunlop Street
Contract 2016-039T**

The City of Barrie is proceeding with the reconstruction and widening of Ferndale Drive North from Tiffin Street to Dunlop Street. The project includes: road reconstruction and widening to 4 lanes, sidewalks on both sides of the road, street lights, curb and gutter, storm sewer, culvert replacement, sanitary sewers and a new watermain.

This section of Ferndale Drive North from Tiffin Street to Dunlop Street is deficient in certain areas with respect to sanitary sewer and services. The sanitary sewer is going to be installed as part of the Ferndale Drive North reconstruction project.

The City intends to pass a by-law under Section 326 of the Municipal Act, 2001 to collect a frontage charge for the new sanitary sewer and sanitary services benefiting adjacent property owners.

The City's consultant has been in contact with the property owners along Ferndale Drive North to confirm the location of the proposed services and any additional servicing requirements. This information has been included in the engineering drawings. A plan showing the proposed servicing has been attached.

The tendering process for this project has been completed. On March 15, 2016 the City of Barrie opened the tenders for the above noted contract. The low tenderer was Arnott Construction Limited.

Based on the information provided, the low tenderer's prices and the apportionment procedure the costs for your property are as follows:

Sanitary Servicing

The sanitary sewer is calculated at \$318.95 per metre of frontage. The sanitary lateral, the pipe from the main to the property line, is calculated at \$3,966.00 each.

ENGINEERING DEPARTMENT

File: 2016-030T

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«Name»

April 7, 2016

Item	Sanitary Sewer
Frontage = m	*30m
Cost per metre	\$318.95
Frontage Cost (Frontage x Cost/metre)	\$
Sanitary Service Cost (sewer main to property line)	\$3,966.00
Total Cost (frontage cost + service cost)	\$
Annual Charge (10 years)	\$
Sanitary Servicing Program - interest estimate included	

*Maximum frontage charge per property is 30m.

Payment Options

Details

- | | |
|--|--|
| 1. Full Payment | Payment in full for the costs at the time of completion of construction. |
| 2. Agreement for Payment over 10 Years | At the time of completion of construction, an Agreement for payment over ten years is entered into. The payment includes interest costs.
The interest cost will be established as the cost of debenturing at the completion of the project. |

If you wish to change your proposed sanitary servicing, please contact the undersigned.

Water Servicing

The existing watermain will be replaced as part of this project. Any existing water services 25mm dia. or smaller will be replaced with a new 25mm dia. service. Any existing water services larger than 25mm will be replaced with the same size. There will be no charge for the new service.

Some property owners have requested a new or additional water service as they did not have a service or wish to have additional services installed for future development. The cost of the new or additional water services are to be paid for by the benefiting property owners. Please note that from the completion of the road works the City will not allow any construction activities in the road for a period of 5 years.

Based on the information received from the property owner and the tenderer prices the cost for your water servicing is as follows:

Item	Water Service Cost
Replace Existing Water Service with a 25mm dia. Service	No Charge
Install a new 25mm dia. Water Service	\$
Install a 38mm dia. Water Service	\$
Install a 150mm dia Water Service	\$

The water services are not part of the proposed by-law under Section 326. Invoices for the water services will be sent out after Substantial Completion of the project.

The cost to have water or sanitary services extended from your property line to your home is not established by the City of Barrie and, as a result, we are unable to provide an estimated cost. You will need to consult with a plumber or other contractor to obtain an estimate for this work.

A Staff Report will be presented to General Committee on April 18, 2016 at 7:00 p.m. in the Council Chambers recommending that a by-law be prepared to authorize the recovery of the capital costs for the

ENGINEERING DEPARTMENT

File: 2016-030T

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«Name»

April 7, 2016

installation of sanitary servicing of un-serviced properties on Ferndale Drive North between Tiffin Street and Dunlop Street as provided under Section 326 of the Municipal Act.

Individuals opposed to the recommendations of General Committee may make a deputation to Council on April 25, 2016 stating their objections. A request for deputation must be made in writing prior to 12:00 noon on **Wednesday, April 20, 2016** to the City Clerk.

If you have any questions concerning the above, please contact the undersigned at (705) 739-4220, extension 4303.

Yours truly,

R. Madore CET, LEL
Senior Project Manager

RM/mb

cc: Mayor Lehman
Councilor Silveira
Councilor Prowse
M. Jermey, Deputy Treasurer
J. Weston, Director of Engineering
D. McAlpine, City Clerk