



TO: GENERAL COMMITTEE

SUBJECT: VETERANS DRIVE NEW TRUNK WATERMAIN - SALEM TO MCKAY (EN1258) AND VETERANS DRIVE ROAD EXPANSION - SALEM TO MCKAY (EN1457) - ACQUISITION OF 851 VETERAN'S DRIVE

WARD: 7

PREPARED BY AND KEY CONTACT: D. FOX, P. ENG., ENGINEERING PROJECT MANAGER EXTENSION 4301

SUBMITTED BY: S. DIEMERT, P. ENG., DIRECTOR OF INFRASTRUCTURE

GENERAL MANAGER APPROVAL: B. ARANIYASUNDARAN, P. ENG., GENERAL MANAGER OF INFRASTRUCTURE AND GROWTH MANAGEMENT

CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That the property known municipally as 851 Veteran's Drive, legally described as Part Lot 6 Concession 10, Innisfil, RO1340803, being all of PIN 580970004 (herein after, the "Subject Property"), be purchased by the Corporation of the City of Barrie on terms satisfactory to both the General Manager of Infrastructure and Growth Management and the Director of Legal Services.
2. That the City Clerk be authorized to execute all associated and required documents in a form approved by the Director of Legal Services.
3. That the approved budget for project EN1258 be increased by \$1,300,000 with amendments to the project funding plan consisting of a \$1,105,000 increase to funding from Development Charges Reserve and a \$195,000 increase to funding from Tax Capital Reserve.
4. That the forecast Capital Budget for EN1457 in 2025 be reduced by \$1,300,000 with amendments to the project funding plan consisting of a \$1,105,000 decrease to funding from Development Front Ending and a \$195,000 decrease to funding from Tax Capital Reserve.

PURPOSE & BACKGROUND

5. This Staff Report is to provide staff with the authority to acquire the Subject Property to implement improvements on Veteran's Drive between Salem Road and McKay Road West.
6. Project EN1258 comprises the construction of two watermains along Veterans Drive from Salem Road to McKay Road to service the developments proposed by Watersands Developments, Mattamy Homes, and other future developments. In the future Project EN1457 will comprise of road widening, and the construction of sidewalks, cycling, sanitary and storm sewer infrastructure.
7. The acquisition of property at this time is proposed for the following reasons:
 - a) To allow for the construction of the watermains in the appropriate location within the roadway,
 - b) Enable future road widening to proceed in a timely manner, and

- c) Avoid the need for future expropriation and purchase the required lands at market value.
8. Under the Veteran's Drive Watermain and Road Project Agreement executed January 27, 2022, between the City of Barrie, Watersand Construction Ltd, and the Salem Landowners Group Inc., two watermains and associated utility relocations are currently being implemented on Veteran's Drive. A local 400mm watermain is being installed on the west side of the right-of-way and a 500mm trunk watermain is being installed on the east side of the right-of-way which is realigned in the vicinity of the Subject Property.
9. During the design process that was initiated in 2020, the alignment of the trunk watermain and telecommunications infrastructure had to be located outside of the standard location within the right-of-way due to property constraints at the Subject Property
10. As part of the project, communications outreach was sent to residents and stakeholders in 2022. The owners of 851 Veteran's Drive approached the City to inquire about the feasibility of having the City acquire the Subject Property.
11. An appraisal of the Subject Property was provided by the owner to City staff and the appraisal was deemed acceptable by the City's Legal Services Department.
12. Staff have drafted an Agreement of Purchase and Sale for the Subject Property under the authority of Council motion 21-G-184, dated June 28, 2021.
13. The owners of the Subject Property approve the proposed Agreement of Purchase and Sale with costs including \$1,260,000 for the Subject Property, \$21,675 for land transfer taxes, \$5,515.85 in moving expenses and approximately \$2,000 for legal fees. The transaction is anticipated to close in September 2022.

ANALYSIS

14. Acquisition of the Subject Property by negotiated agreement provides for immediate possession of the land, avoids potential expropriation of the required property, and mitigates associated costs.
15. Immediate possession and vacancy of the property will eliminate any construction related inconveniences to occupants of the Subject Property and will allow for infrastructure to be placed in the ultimate location; avoiding future relocation costs when Veteran's Drive is widened to five lanes.
16. The current construction of the watermain under EN1258 was originally part of a larger project to also include the widening of Veteran's Drive to a five-lane urban cross section between Salem Road and McKay Road West, as presented in the Salem Secondary Plan Area Transportation Improvements Environmental Study Report, filed in October 2017 and endorsed by Council per Council resolution 17-G-151, dated June 19, 2017.
17. To expedite the development of the south end of the Salem Secondary Plan, the project was divided into two components, the watermain servicing under EN1258 and the road widening under EN1457 (scheduled for construction start in 2027, per the 2022 Capital Plan).
18. Where possible, the design of EN1258 was developed accounting for the future five-lane cross section of Veteran's Drive. Property was conveyed by the adjacent participating landowners of the Salem Secondary Plan Area for a future 34m right-of-way. However, there are a few properties in this corridor that are non-participating landowners and property needs from these stakeholders would have to be negotiated and purchased.

19. To meet construction schedule targets, the watermain alignment was designed to circumvent the Subject Property outside of the standard location for the watermain within the road right-of-way.
20. The opportunity for an amicable transaction presented itself in March 2022. Since the property will be needed for the future widening of Veteran's Drive to a five-lane cross section, the prudent action is to proceed with the transaction at this time to implement the watermain in the appropriate location within the right-of-way and avoid some current constructability issues.
21. In addition to the Subject Property, the ultimate improvements for Veteran's Drive to a five-lane cross section will require additional property from non-participating landowners. The specific property needs will be identified through the detailed design process.
22. Funding for this acquisition is proposed through a combination of Development Charges Reserves (85%) and Tax Capital Reserve (15%) to account for the benefit to existing components of the project as per the Development Charges Background Study.

ENVIRONMENTAL AND CLIMATE CHANGE IMPACT MATTERS

23. This project has followed the guidelines for a Municipal Class EA, as well as physical, natural, social, cultural/heritage, and economic environmental matters have been considered in the development of the recommendations and subsequent detailed design. Environmental matters have been considered in the development of the final design and current construction works.

ALTERNATIVES

24. There is one alternative available for consideration by General Committee:

Alternative #1

Council could amend the recommendation by removing the ability for staff to complete the required acquisitions through a negotiated Agreement of Purchase and Sale.

This alternative is not recommended given this is an amicable transaction and the property will eventually be required for the widening of Veteran's Drive to a five-lane cross section. The deferral of this opportunity could result in a more expensive transaction in a few years' time and avoids the potential for any additional costs associated with expropriation should the future transaction not be amicable. Also, not having this property would require that some infrastructure be installed in a temporary alignment in 2022 and may have to be relocated once the ultimate five-lane widening of Veteran's Drive is undertaken.

FINANCIAL

25. Projects EN1258 and EN1457 were included in the 2022 Capital Budget.
26. In the 2022 Capital Budget, the total budget for EN1258 is \$10,248,000 with \$10,212,997 funded from Developer Front Ending, and \$35,304 funded from the Tax Capital Reserve.
27. In the 2022 Capital Budget, the total budget for EN1457 is \$22,236,814 with \$18,900,500 funded from Developer Front Ending, and \$3,336,314 funded from the Debenture Proceeds Tax.
28. The current and proposed funding plans for the project is shown in the table below. In summary, it is proposed to advance the expenditures in the amount of \$1,300,000 from EN1457 to EN1258.



29. As the funding for project EN1457 is “forecast” and not “approved” within the 2022 Capital Plan, the proposed changes have the net effect of “approving” an additional \$1,300,000 within the Capital Budget.

Funding Source	Current	Proposed	Change
EN1258			
Tax Capital Reserve	\$35,304	\$230,304	\$195,000
DC Reserve	\$0	\$1,105,000	\$1,105,000
Developer Front Ending	\$10,212,997	\$10,212,997	\$0
Total	\$10,248,000	\$11,548,301	\$1,300,000

Funding Source	Current	Proposed	Change
EN1457			
Debenture Proceeds -Tax	\$3,336,314	\$3,140,314	(\$195,000)
Developer Front Ending	\$18,900,500	\$17,795,500	(\$1,105,000)
Total	\$22,236,814	\$20,936,814	(\$1,300,000)

LINKAGE TO 2018–2022 STRATEGIC PLAN

30. The recommendation(s) included in this Staff Report support the following goals identified in the 2018-2022 Strategic Plan:
- Growing Our Economy
 - Fostering a Safe and Healthy City
 - Improving the Ability to Get Around Barrie
31. The recommendations support the development of the Salem Secondary Plan area and enable the cost-effective delivery of water, wastewater, stormwater, and transportation infrastructure.

APPENDIX "A"

Subject Property

Part Lot 6 Concession 10 Innisfil, RO1340803, being all of PIN 580970004

