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**TO:** GENERAL COMMITTEE


**SUBJECT:** PROVISION OF SANITARY AND WATER SERVICING FOR  
MAPLEVIEW DRIVE EAST, HURONIA ROAD TO COUNTRY LANE

**WARDS:** 9

**PREPARED BY AND  
KEY CONTACT:** D. JAMES, P. Eng.,  
SENIOR PROJECT ENGINEER (Ext. 4444) 

**SUBMITTED BY:** J. WESTON, M.A.Sc., P. Eng., PMP  
DIRECTOR OF ENGINEERING 

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

**CHIEF ADMINISTRATIVE  
OFFICER APPROVAL:** C. LADD  
CHIEF ADMINISTRATIVE OFFICER 

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**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 Mapleview Drive East between Huronia Road and Country Lane, as outlined in Staff Report ENG006-16, through the collection of a per metre frontage charge plus lateral costs for benefiting 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 a by-law be prepared to authorize the recovery of capital costs for the installation of water servicing on Mapleview Drive East between Huronia Road and Country Lane, as outlined in Staff Report ENG006-16, through the collection of a per metre frontage charge plus lateral costs for benefiting properties abutting the proposed new sections of watermain, as provided under Section 326 of the Municipal Act, with the option of payment of the water charges over a 10 year period interest free.
3. That in support of the Fisheries Act Application for the Lover's Creek crossing of Mapleview Drive East, the Mayor and Treasurer be authorized to provide a Letter of Credit to Fisheries and Oceans Canada in the amount of \$2,106,400 for a period of three years with the financing costs charged to the Mapleview Drive East, Huronia Road to Country Lane capital project.
4. That a letter to Fisheries and Oceans Canada, with copies sent to MP John Brassard and MP Alex Nuttall, be drafted expressing the City of Barrie's concern regarding the requirement for the provision of a Letter of Credit for financial security when the possibility of default on the project by a municipality is minimal.

**PURPOSE & BACKGROUND**

5. The purpose of this report is to obtain authority and funding to proceed with the recovery of a proportional share from the benefitting landowners for the capital costs for installing sanitary servicing and water servicing.
6. The project area is outlined in Appendix "A". There is no existing sanitary sewer or watermain on this section of Mapleview Drive East.

7. On December 17, 2001, Council adopted Motion 01-G-541 PROVISIONS OF WATER SERVICES IN UNDER SERVICED RESIDENTIAL AREA. To encourage connections to the potable water system property owners are allowed to spread payments over 10 years with no interest, details are included in Appendix B:
8. On April 2, 2007, City Council adopted motion 07-G-149 regarding LOCAL IMPROVEMENT AND SECTION 326 (MUNICIPAL ACT) SERVICING COST APPORTIONMENTS to establish the policy for recovery of costs from benefitting property owners, a copy of the Apportionment Policy is attached in Appendix C.
9. On June 25, 2007, City Council adopted motion 07-G-365 regarding the Mapleview Drive East Municipal Class Environmental Assessment; details are contained in Appendix D.
10. The Lake Simcoe Region Conservation Authority (LSCRA) was able to provide advice and approvals under the Federal Fisheries Act until November 25, 2013. After that time a new approval procedure was put in place by the Federal Department of Fisheries and Oceans Canada (DFO). Under the new procedure the first step is a screening process which leads to most simple projects being pre-approved. The Mapleview Drive East Lovers Creek crossing screening was completed. DFO determined that full application is required, complete with a Letter of Credit (LOC) to cover the cost of construction, construction supervision, and two years of monitoring and reporting by the environmental consultants which is estimated at \$2,106,400. The LOC will have to be kept in place for the duration of construction (1 year) plus the monitoring period (2 years), for a total of 3 years.
11. It is not normal practice for Municipalities to issue irrevocable letters of credit however the Applications For Authorization under Paragraph 35(2)(B) of the Fisheries Act Regulations states:
  3. (1) Subject to section 4, an application under paragraph 35(2)(B) of the Act must be submitted to the Minister in writing and must include:
    - (a) the information and documentation listed in Schedule 1; and
    - (b) an irrevocable letter of credit issued by a recognized Canadian financial institution to cover the costs of implementing the offsetting plan.
12. Public communications has included a Schedule C Municipal Class Environmental Assessment for Mapleview Drive from Bayview Drive to Yonge Street completed in 2007 incorporating a mandatory public consultation process. In the past 2 years ROW widenings and/or easements have been purchased from all properties fronting the works. The abutting property owners have also been recently contacted regarding water and sanitary servicing of their properties.

## **ANALYSIS**

13. The Mapleview Drive East, Huronia Road to Country Lane road and servicing construction were included in the 2014 and 2016 Business Plans. The sanitary and water works would be constructed under the authority of Section 326 of the Municipal Act, 2001, and therefore, by-laws will be required to recover costs from benefitting property owners.
14. A letter was distributed the week of March 7, 2016 to the affected Property Owners explaining:
  - a) Reasons for the project;
  - b) The cost estimate that will be applied to their property; and
  - c) Payment plans available to the Property Owners.

15. Typically the frontage costs are based on estimated construction costs however in this case the sanitary sewer is a 1050mm diameter trunk sewer over 8 metres deep and the domestic watermain is a 300mm in diameter. Using actual construction costs would be too onerous on the abutting property owners. In this situation on the past projects the frontage and lateral rates have therefore been based on a 250mm sanitary sewer 4 metres deep and on a 200mm diameter watermain. Based on the Engineering Department construction unit rates for 2015 and inflated by the Non Residential Building Construction Price Index (1.83%).
16. Tendering is planned for early April with construction of the new Lover's Creek culverts in the summer of 2016 so that the creek can be diverted into the new channel during the DFO timing restriction window. Construction on Maplevue Drive East is expected to be completed in 2016 with the sanitary sewer being extended south on Huronia Road to the existing Sewage Pumping Station in 2017. Construction is going to be undertaken while maintaining one lane of traffic in each direction.

### **ENVIRONMENTAL MATTERS**

17. The following environmental matters have been considered in the development of the recommendation:
  - a) The Lake Simcoe Protection Plan.
  - b) The installation of a watermain to provide domestic service and to provide a missing watermain link to improve system redundancy.
18. 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.
19. The new domestic watermain will reduce the use of private wells thereby increasing the water quality security of the water supply for abutting properties.

### **ALTERNATIVES**

20. The following Alternative is available for consideration by General Committee:

#### **Alternative #1**

General Committee could elect not to collect water and 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

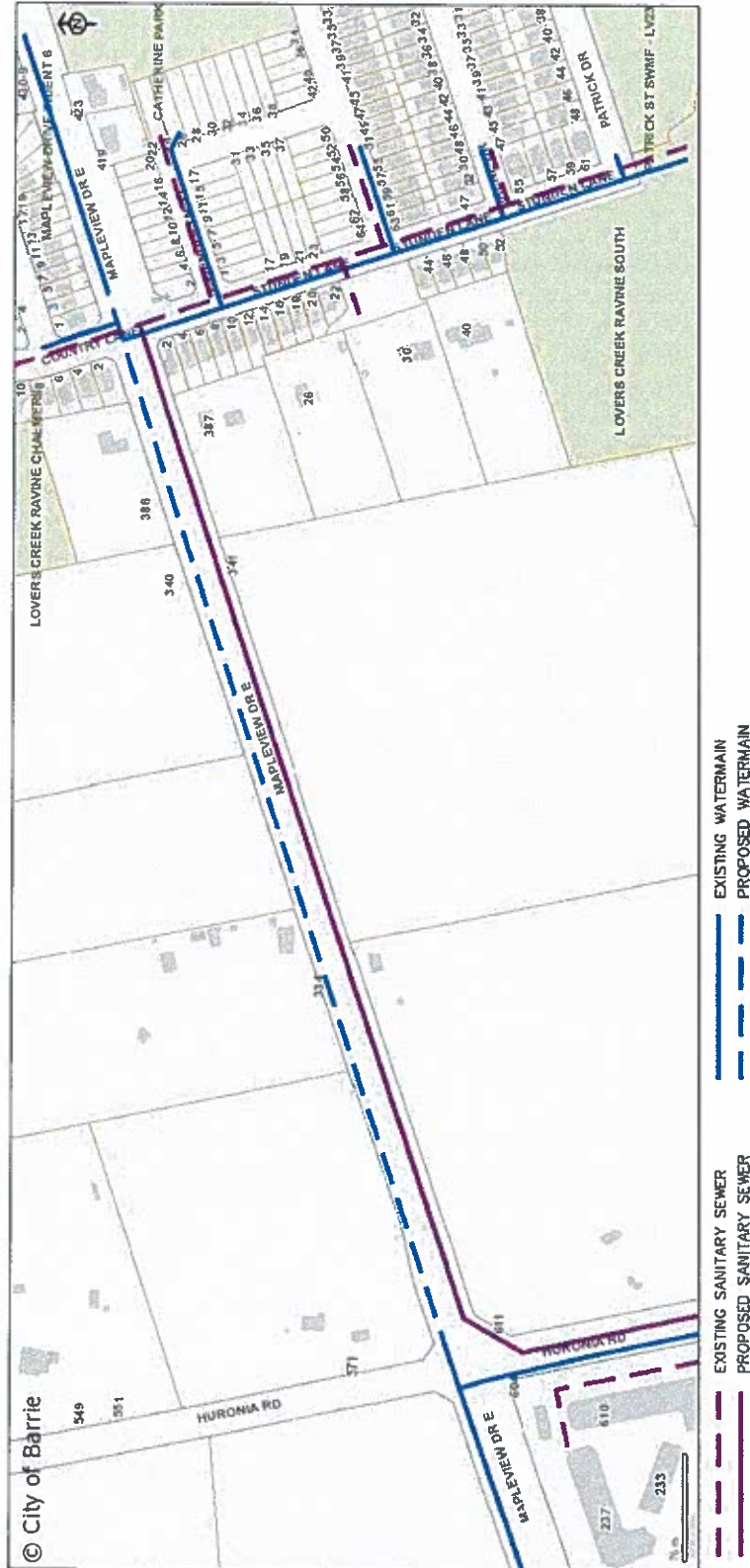
**FINANCIAL**

21. A letter notifying residents and property owners of the project was issued by postal mail on March 9, 2016. Council members received a copy of the letter. The estimated frontage costs and lateral costs are:
  - a) Sanitary: Frontage Cost = \$210.00/m; Lateral Cost = \$4,100/lateral
  - b) Water: Frontage Cost = \$215.00/m; Lateral Cost = \$4,200/lateral
22. The estimated Total Project Cost for the Mapleview Drive East, Huronia Road to Country Lane is \$10.1M. The domestic water component total is estimated at \$539,000 and it is anticipated that \$85,200 will be recovered from property owners. The sanitary component total is estimated at \$1.98M and it is anticipated that \$83,200 will be recovered from property owners.
23. There is a cost 0.50% per year to provide the DFO required LOC. If the full amount of the LOC were in place for 3 years the cost to the City would be approximately \$31,600. However, DFO has confirmed the LOC can be reduced as the project progresses, so the cost should be less than \$31,600.
24. Issuing an LOC will impact the City's Annual Repayment Limit (ARL) which is set at maximum of 25% of own source revenue under Provincial legislation. Exceeding this limit requires Ontario Municipal Board approval. With this in mind staff contacted the DFO in an effort to seek an alternative form of security, or preferably, exemption from the requirement. DFO staff acknowledge that it may be unusual and difficult for municipalities to issue a LOC, however the requirement is stipulated in the Fisheries Act and therefore DFO staff have no latitude to accept alternate forms of security or waive the requirement.
25. The City has received an updated ARL for 2016 from the Province. The City's ARL is currently at approximately 9.1% (maximum permitted is 25%). The addition of the LOC will increase the ARL to approximately 9.8%. The City's ARL is expected to remain within the legislated limit with the addition of the LOC. Therefore, OMB approval is not required.

**LINKAGE TO 2014 – 2018 COUNCIL STRATEGIC PLAN**

26. The recommendation(s) included in this Staff Report support the following goals identified in the 2014-2018 Strategic Plan:
  - Vibrant Business Environment
  - Well Planned Transportation
27. The recommendations will provide a sanitary sewer collection system for unserved properties on Mapleview Drive East, which help improve the environment of the Lake Simcoe Watershed by reducing the phosphorus loading associated with septic systems.

APPENDIX A



Appendix B

Motion 01-G-541 PROVISIONS OF WATER SERVICES IN UNDER SERVICED RESIDENTIAL  
AREA

"That the City of Barrie implement a City front-ended local water servicing plan based on the following provisions:

- a) That the scope of the program be for water servicing needs outlined in Table 2 of the December 4, 2001 memo to the Municipal Works Committee from the Director of Municipal Works;
- b) That the plan include provisions for ten-year interest-free bridge financing by the City of Barrie for any resident who agrees to pay the water frontage charges at the time of the installation of the water services, and who agrees to connect to the water system within ten years, and who may require the bridge financing;
- c) That the bridge financing cost for the plan, estimated at approximately \$130,000 annually, be funded from the water rate;
- d) That the apportionment for the City's construction costs be funded from the water rate;
- e) That the calculation of costs be based on a metre frontage rate; and
- f) That the City of Barrie amend its policy for Local Improvements which currently exempts 100% of the cost for the first 100 feet of flankage, to provide an exemption for all water flankage costs subject to the stipulation that, if at any time in the future the property is subject to an application for a severance that would create additional lot(s), the full amount of frontage charges for the new lot(s) would be due and payable to the City of Barrie. (01-G-352) (01-MWC-76) (File: E00)."

Appendix C

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 D

**Mapleview Drive East Class EA Approval Motion**

That further to Motion 06-G-031, and based on the Municipal Class Environmental Assessment (Class EA) Study for Mapleview Drive East, from Bayview Drive to Yonge Street, that the Preferred Design Alternatives be adopted as follows:

- a) Lover's Creek Crossing – 100-Year Flow Conveyance.
- b) Railway Crossing – Grade Separate the Railway Crossing (Railway Bridge over Mapleview Drive East)

That in accordance with the requirements of the Class EA process, the Engineering Department publish a Notice of Completion for this Class EA project.

That based on the successful completion of the Class EA process:

- c) The Engineering Department proceed with the implementation of the Preferred Solution and Design Alternatives with infrastructure upgrades as part of the road works, as per the below phasing, subject to the approval of Capital Works programs and future budgets:
  - i) Phase 1 - Reconstruction of Mapleview Drive East, from Bayview Drive to just east of Welham Road (2008).
  - ii) Phase 2 - Reconstruction of Mapleview Drive East, from just east of Welham Road to Stunden Lane/Country Lane including Railway Bridge (2009).
  - iii) Phase 3 - Reconstruction of Mapleview Drive East, from Stunden Lane/Country Lane to Yonge Street including 100-Year Culverts at Lover's Creek (2010).
- d)
  - i) That the Legal and Real Estates Services Staff be authorized to acquire the required property interests, including the commencement of expropriation procedures, if necessary, subject to Council approval.
  - ii) That the Mayor and Clerk be authorized to execute the required Statutory Forms of Application.
  - iii) That Notices of Application for Approval to Expropriate be served and published, subject to the recommendation of the City Solicitor, the Manager of Legal and Real Estate Services, and that any requests for inquiries received, pursuant to the Notice of Application for Approval, be forwarded to the Chief Inquiry Office, and the Inquiry Officer be requested to report to Council with respect to any such request.
- c) That in accordance with the City's Policy for Minimizing Construction Impacts on Business, the contract documents be prepared requiring that one lane of traffic be maintained during the construction, where possible.