

SUBJECT: Utility Relocation for Hwy 404 Midblock Crossing North of Hwy 7

PREPARED BY: Nehal Azmy, Senior Capital Works Engineer, Ext 2197

RECOMMENDATION:

- 1) **THAT** the report entitled “Utility Relocation for Hwy 404 Midblock Crossing North of Hwy 7” be received;
- 2) **AND THAT** the tendering process for the relocation of existing utilities for Hwy 404 Midblock Crossing North of Hwy 7, be waived in accordance with Purchasing By-Law 2004-341 Part II, Section 7 Non-Competitive Procurement item 2 (e) which states “Tenders, Requests for Proposal and Requests for Quotation may not be required for goods and services to be provided by Utilities”;
- 3) **AND THAT** Staff be authorized to issue Purchase Orders to the various utility companies (Rogers Cable Communications Inc., PowerStream Inc., Enbridge Gas Distribution Inc. and Bell Canada) for the relocation of their facilities in the amount of \$895,884.88 (inclusive of HST), and be funded from the Hwy 404 Mid-Block Crossing, North of Hwy 7 account # 083-5350-12046-005;
- 4) **AND THAT** a contingency in the amount of \$89,588.49 inclusive of HST, be established to cover any additional construction costs and that the Director of Engineering be authorized to approve expenditures of this contingency up to the specified limit in accordance with the Expenditure Control Policy;
- 5) **AND THAT** the Engineering Department Capital Administration Fee in the amount of \$88,692.60 inclusive of HST, be transferred to revenue account 640-998-8871 (Capital Admin Fees).
- 6) **AND THAT** the City of Markham upfront the total cost for the relocation of facilities in the total amount of \$1,074,165.98 (inclusive of HST), and recover 67% of the cost from the Region of York and Town of Richmond Hill as their share of the costs following the execution of the Cost Sharing Agreement between the Region of York, City of Markham and Town of Richmond Hill;
- 7) **AND THAT** Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to obtain approval to proceed with the relocation of utilities in advance of tendering the construction works for the Hwy 404 Midblock Crossing North of Hwy 7.

BACKGROUND:

The Hwy 404 Midblock Crossing North of Hwy 7 project is tentatively scheduled to begin construction in mid 2015. Relocation of existing utilities (Rogers Cable Communications Inc., PowerStream Inc., Enbridge Gas Distribution Inc. and Bell Canada) at Allstate Parkway and Centurian Drive intersection is required prior to the start of road/bridge construction to avoid delays to the project.

OPTIONS/ DISCUSSION:

The City has agreements with the utility companies which defines the responsibility of each party relating to the sharing of relocation costs. The utility companies have completed their respective designs and cost estimates for this project. To expedite the relocation process, staff is requesting approval to issue Purchase Orders to the various utility companies. The municipality share of the relocation costs is determined by the terms of the Municipal Access Agreement / Public Service Works on Highway Act with the various utility companies.

Cost Sharing Agreement

The Hwy 404 Midblock Crossing North of Hwy 7 project will be funded jointly by the Region of York, the City of Markham and the Town of Richmond Hill.

The Region is in the process of drafting a Tri Party Cost Sharing Agreement to specify the obligations of the various benefitting parties. The City of Markham is to upfront the cost for the utility relocation work and the Region of York and Town of Richmond Hill will pay their share (67%) of the utility relocation costs following the execution of the Tri Party Cost Sharing Agreement to the satisfaction of the CAO and City Solicitor which is anticipated by early 2015.

FINANCIAL CONSIDERATIONS:

The Hwy 404 Mid-Block Crossing, North of Hwy 7 project (account # 083-5350-12046-005) has a budget of \$7,657,630. \$5,657,630 of the total budget will be utilized for property acquisition, legal services, capital administration fees, and other items as budgeted for in this account leaving a remaining balance of \$2,000,000. Funds for the relocation / installation of utilities are listed in Table 1.

Table 1 - Utility Relocation/Installation

Item	Total Cost (Incl. HST Impact)	Utility Company Share (Incl. HST Impact)	Municipality Share (Incl. HST Impact)
Rogers	\$ 97,132.97	\$ 41,281.53	\$ 55,851.44
Power Stream Relocation	\$ 1,393,389.63	\$ 844,823.75	\$ 548,565.87
Power Stream - New Ducts & Transformers	\$ 128,181.94	\$ 5,876.64	\$ 122,305.30
Bell	\$ 268,435.76	\$ 171,695.07	\$ 96,740.69
Enbridge	\$ 206,919.80	\$ 134,498.23	\$ 72,421.57
TOTAL	\$ 2,094,060.10	\$ 1,198,175.22	\$ 895,884.88
Contingency at 10%	\$ 209,406.01	\$ 119,817.52	\$ 89,588.49
Engineering fees at 9%	\$ 207,311.95	\$ 118,619.35	\$ 88,692.60
TOTAL COSTS	\$ 2,510,778.06	\$ 1,436,612.08 *	\$ 1,074,165.98 **

* Utility companies share is as per Municipal Access Agreement.

** Municipality share in the total amount of \$1,074,165.98 to be shared between York Region, City of Markham and Town of Richmond Hill as per Tri party Cost Sharing Agreement for this project.

The remaining funds in account 083-5350-12046-005 of \$925,834.02 (\$2,000,000 - \$1,074,165.98) will be used for construction.

SCHEDULE

The construction schedule is subject to property acquisitions, funding, execution of the agreements and utility relocations; which is anticipated to be completed so that construction for this project will commence by mid 2015.

ALIGNMENT WITH STRATEGIC PRIORITIES:


The Hwy 404 Midblock Crossing north of Hwy 7 has long been contemplated as a strategic priority. This project provides the necessary upgrades to the existing infrastructure.

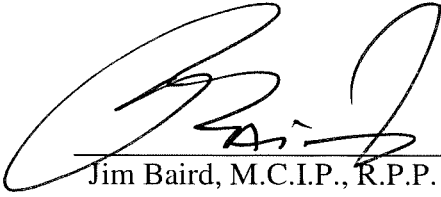
This project is in line with the City of Markham's strategic focus relating to Growth Management, Transportation/Transit, Safety, the Environment, and Municipal Services.

BUSINESS UNITS CONSULTED AND AFFECTED:

The Finance Department has been consulted and their comments have been incorporated.

RECOMMENDED BY:



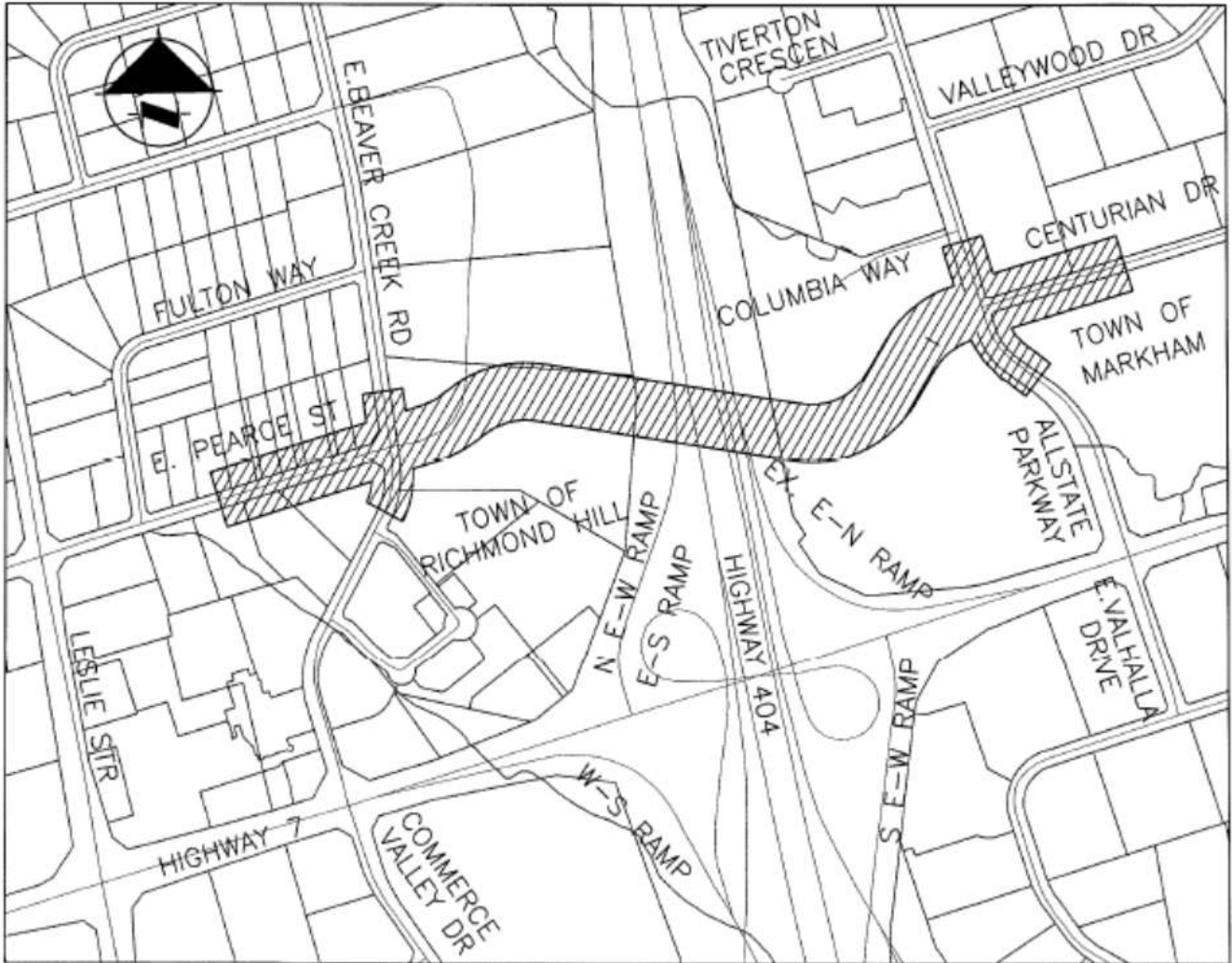
Alan Brown, C.E.T.
Director of Engineering

Jim Baird, M.C.I.P., R.P.P.
Commissioner, Development Services

ATTACHMENT:

Attachment "A" - Hwy 404 Midblock Crossing North of Hwy 7 - Location Map

ATTACHMENT “A”



**HWY 404 MIDBLOCK CROSSING NORTH OF HWY 7
LOCATION MAP**