



Report to: DSC

Report Date: Sept 27, 2011

SUBJECT: Victoria Square and Cachet Estate Community Local Service Improvements

PREPARED BY: Mohammed Razzaq, Ext. 7920
Alain Cachola, Ext. 2711

RECOMMENDATION:

THAT the report entitled "Victoria Square and Cachet Estate Community Local Service Improvements" be received;

AND THAT the proposed Local Service Improvement Projects for Victoria Square North, Victoria Square South and Cachet Estate not proceed at this time;

AND THAT staff be authorized to cancel Request for Tender 196-T-10, Victoria Square North Community Local Service Improvement, which closed on September 15, 2010.

AND THAT the final cost for the study and design in the amount of \$ 15,752.20 along with the Engineering fees for time spent to date on the Victoria Square and Cachet Estate local service improvement projects be charged to the corresponding accounts as outlined in this report;

AND THAT the Mayor and Clerk be authorized to enter into agreement(s) with individual residents and group of residents who are requesting installation of sanitary sewer and/or watermain for their properties subject to conditions outlined in this report;

AND THAT the remaining funds of \$21,507.56 in project 58-5350-9500-005 (Victoria Square Community Sanitary Sewer & Watermain Installation) and \$64,076.11 in project 53-5350-10553-005 (Cachet Estates Sanitary Sewer System) be returned to the original funding source and the projects be closed;

AND THAT funding in the amount of \$18,115.03 be transferred from the Waterworks Stabilization Reserve to project 640-101-5699-7640 (Engineering Studies) to fund the total project cost of the Victoria Square South works;

AND THAT the staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

Not applicable

PURPOSE:

The purpose of this report is to advise Council on the residents' survey results for the Local Service Improvement Projects for Victoria Square North, Victoria Square South and Cachet Estate Community and to obtain approval to cancel the projects.

BACKGROUND:

Victoria Square North:

Victoria Square North Community is located on the northwest and northeast corners of Elgin Mills and Woodbine Avenue (see Attachment A). These properties are currently served by individual septic system and wells.

In December 2008, fourteen (14) homeowners, constituting more than two-thirds of the total nineteen (19) homeowners, submitted a petition to the Town to install sanitary sewer and watermain system on Woodbine Avenue and Elgin Mills Road. There are a total of nineteen (19) properties that can connect to the proposed new sanitary sewer and eighteen (18) to the proposed new watermain.

At the Council meeting held on March 10, 2009, the Asset Management Department was authorized to retain a consultant to undertake the detailed design, construction tendering, and all related administrative items. A capital project account for \$90,000 was setup to fund this study.

Due to the restructuring of the departments this project was transferred to the Infrastructure and Capital Works Section of the Engineering Department in April 2010. The consultant completed the design and the project was tendered by the Engineering Department (RFT 196-T-10) with a closing date of September 15, 2010.

The Town received a total of five (5) bids. Based on the low bid costs, the Engineering Department staff derived the estimated construction costs in the order of \$ 32,000/lot each for the sanitary sewer and the watermain for a total of \$64,000 for both the services.

The Engineering Department staff, together with Councillor Alan Ho, then held a Public Information meeting on November 25, 2010 at the Victoria Square Community Centre. The meeting was attended by more than 20 area residents. Engineering staff explained the details of the design and the costs and procedures of the sanitary sewer and watermain installation. At the end of the meeting, the residents were requested to confirm their support in favour or against this local service improvements project by December 10, 2010. The residents were advised that failing to cast a vote would constitute a "No" vote.

As of the deadline of December 10, 2010, the department only received one (1) "No" vote. No other votes were received. The Engineering staff then sent a letter to the residents in December 2010, notifying them of the insufficient support for the project and informing them that the staff would be recommending to Council to not proceed with this project.

Victoria Square South:

Victoria Square South Community is located on the southeast and southwest corners of Elgin Mills and Woodbine Avenue (see Attachment B.) These properties are currently served by individual septic system and wells.

In March 2010, sixteen (16) out of twenty four (24) homeowners, constituting two-thirds of the homeowners, submitted a petition to the Town to install sanitary sewer and watermain system on Woodbine Avenue, Elgin Mills Road, Victoria Street and Royal Albert Street. However, based on further review by Town staff it was recognized that there were thirty one (31) properties that could connect to the proposed new sanitary sewer and watermain and therefore, the study included all thirty one (31) properties. Town staff then retained a consultant to undertake the feasibility design study and to determine the cost estimate for the detailed design and construction. The Engineering Studies account was temporarily used to fund this study as a capital project was not setup. The estimated project cost was in the order of \$37,500/lot for watermain and \$40,900/lot for sanitary sewer. The cost estimate provided in the study was comparable to the tendered costs for the Victoria Square North project. The increase in the cost per lot is a result of the wider frontage of the Victoria Square South lots.

The Engineering Department staff, together with Councillor Alan Ho, then held a Public Information meeting on February 24, 2011 at the Victoria Square Community Centre. The meeting was attended by more than 30 area residents. Engineering staff explained the details of the design and the costs and procedures of the sanitary sewer and watermain installation. At the end of the meeting, the residents were requested to confirm their support in favour or against this local service improvements project by March 31, 2011. The residents were advised that failing to cast a vote would constitute a "No" vote. As of the deadline of March 31, 2011, the Department only received seven (7) votes in favour of this work. The Engineering staff then sent a letter to the residents in April of 2011, notifying them of the insufficient support for the project and informing them that the staff would be recommending to Council to not proceed with this project.

Cachet Estate:

Cachet Estate is located on the south side of Major Mackenzie Drive between Woodbine Avenue and Warden Avenue (see Attachment C). These properties are currently served by individual septic systems and municipal water.

In July 2010, one hundred and fifty nine (159) out of the two hundred and thirty seven (237) homeowners, constituting two-thirds of the homeowners, submitted a petition to the Town to install sanitary sewers in Cachet Estate Community. However, based on further

review by Town staff, it was recognized that there were two hundred and forty (240) properties that could connect to the proposed new sanitary sewer and therefore, the study included all two hundred and forty (240) properties. Town staff then retained a consultant to undertake the feasibility design study and to determine the cost estimate for the detailed design and construction. A capital project account for \$124,380 was setup to fund this study. The project cost was estimated at \$41,750/lot. The cost estimate of the sanitary sewer provided in the study was again comparable to the tendered costs for the Victoria Square North project.

The Engineering Department staff, together with Councillors Alan Ho and Regional Councillor Gord Landon, then held a Public Information meeting on May 18, 2011 at the Council Chamber. The meeting was attended by more than 150 area residents. Engineering staff along with the consultant explained the details of the design, costs, and procedures of the sanitary sewer installation. The Devil's Elbow Ratepayers Association held another meeting at the Council Chamber on June 2, 2011 to discuss the implications of the project. The Town Staff was also present at this meeting. After this meeting, the staff mailed the petitions to all the residents and they were asked to respond with their votes and confirm their support in favour or against this local service improvements project by July 21, 2011.

During the two meetings, the residents were advised that failing to cast a vote would constitute a "No" vote. As of the deadline of July 21, 2011, the Department only received seventy nine (79) votes in favour of and fifty five (55) against this work. One hundred and six (106) properties did not respond and they were considered 'No' votes. The Engineering staff then sent a letter to the residents on August 04, 2011, notifying them of the insufficient support for the project and informing them that the staff would be recommending to Council to not proceed with this project.

FUTURE LOCAL SERVICE IMPROVEMENT:

If in the future, the Town receives sufficient support from residents to reconsider the local service improvements for any of these three (3) areas, the work completed to date will be used to update the cost estimates and reissue a petition.

Some residents in these communities have expressed a desire to proceed with the installation of sanitary sewer and/or watermain at their own cost to service their lots. The Town will not be able to recover the costs if other residents decide to connect to this installed sewer. Staff has no objection with these resident requests and will entertain such requests subject to the following conditions.

- All work will have to meet the Town of Markham design standards and be approved by the Engineering Department;
- The residents need to understand that the cost for the project maybe higher or lower than the feasibility study estimate;

- The Town will not be responsible to recover costs from other property owners who wish to connect into the sewer or watermain;
- All work will require a maintenance period to ensure its proper operations prior to assumption by the Town.
- The residents will enter into an agreement with the Town to the satisfaction of the Director of Engineering, Town Solicitor and CAO;

Staff anticipates that there will be multiple requests in the future and therefore seek Council's general authorization to the Mayor and Clerk to execute agreement(s) to secure such work.

Council needs to be aware that phasing of the infrastructure will result in various servicing costs per lot and some future residents may incur substantial cost increase if they require provision of municipal services. In addition, phasing the projects in different stages will result in additional time and effort from Town staff to administer these projects.

8 Cumberland Court:

The owner of 8 Cumberland Court, Mrs. Bic Ha Tsang, has requested for permission to design and construct a municipal sanitary sewer on Cumberland Court to provide municipal sanitary service to her property. A written request from Mr. Tsang is attached. (Attachment D). The Town would like to proceed with this work subject to all the above conditions being met.

FINANCIAL TEMPLATE:

The final cost for the study, design and engineering fees for each of the local service improvement projects is listed below.

Victoria Square

North

Project Name: Victoria Square Community Sanitary
Sewer & Watermain Installation
Account Number: 58-5350-9500-005

Original Budget:	\$90,000.00	B
Spent to date:	\$61,142.61	
Budget Remaining:	\$28,857.39	
Engineering Fees:	\$7,349.83	
Remaining Balance:	\$21,507.56	

This account will be closed and the remaining balance of \$21,507.56 will be returned to the original funding source.

Victoria Square**South**

Project Name: Engineering Studies
Account Number: 640-101-5699-7640

Consultant Fees:	\$15,752.20	A
Engineering Fees:	\$2,362.83	B
Total Project Cost:	\$18,115.03	

Funding of \$18,115.03 will be transferred from the Waterworks Stabilization Reserve to fund the total project cost.

Cachet Estate

Project Name: Cachet Estates Sanitary Sewer System
Account Number: 53-5350-10553-005

Original Budget:	\$124,380.00	
Spent to date:	\$56,595.23	
Budget Remaining:	\$67,784.77	
Engineering Fees:	\$3,708.66	B
Remaining Balance:	\$64,076.11	

This account will be closed and the remaining balance of \$64,076.11 will be returned to the original funding source.

A - Outstanding Consultant Fees to be charged (\$15,752.20)

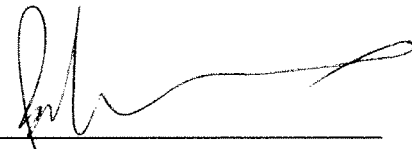
B - Outstanding Engineering Fees to be charged (\$13,421.32)

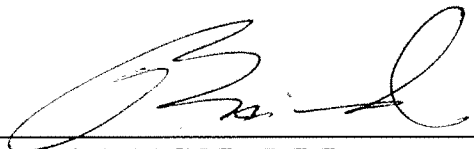
BUSINESS UNITS CONSULTED AND AFFECTED:

The Purchasing Department has been consulted and will cancel the RFT 196-T-10 and notify the bidders accordingly as soon as the Council approves this request. Bid bonds will be refunded.

The Legal and Finance Departments have received and commented on this report.

RECOMMENDED

BY: 
for **Alan Brown, C.E.T.**
Director of Engineering


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

ATTACHMENTS:

- Attachment A - Key Plan for Victoria Square North
- Attachment B - Key Plan for Victoria Square South
- Attachment C - Key Plan for Cachet Estate
- Attachment D - Resident Sanitary Sewer Request