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CONSTRUCTION OF THE TABLELAND PORTION OF THE EAST HOLLAND TRUNK SEWER TOWN OF AURORA

The Transportation and Works Committee recommends the adoption of the recommendations contained in the following report, September 23, 2004, from the Commissioner of Transportation and Works:

1. RECOMMENDATIONS

It is recommended that:

1. Council receive this report for information purposes.
2. The Regional Clerk forward a copy of this report to the Clerk of the Town of Aurora.

2. PURPOSE

The purpose of this report is to outline the current status of the construction of the tablelands portion of the East Holland Trunk Sewer (EHTS) located in the Town of Aurora.

3. BACKGROUND

The EHTS is required to achieve the ultimate servicing requirements of the Town of Aurora and consists of two portions (*Attachment 1*). The east-west portion extends along St. John's Sideroad between the Aurora Pumping Station to approximately 200m east of Bayview Avenue. The north-south portion extends between Wellington Street and St. John's Sideroad and is located on the tablelands west of the tributary of the East Holland River on lands owned by members of the Aurora 2B Developer Group.

In May, 2003, Council approved the principles for the terms of a prepaid Development Charge Credit Agreement with the Aurora 2B Developer Group. The terms of the agreement included:

- The road widening of Bayview Avenue from Wellington Street to St. John's Sideroad at an estimated cost of \$4.0 million to be funded 100% by the Aurora 2B Developer Group.
- The initiation of the Environmental Assessment for the Aurora Equalization Tank at an estimated cost of \$250,000 to be funded 100% by the Aurora 2B Developer Group.

- The construction of the EHTS (St. John's Sideroad portion) at an estimated cost of \$7.0 million to be funded 80% by the Aurora 2B Developer Group and 20% by the Region.
- The detailed design of the tableland portion of the EHTS to be funded 100% by the Aurora 2B Developer Group.

To date, the works associated with the prepaid Development Charge (DC) Credit Agreement are proceeding as planned. The Aurora 2B Developer Group has front-end financed the projects and will receive DC Credits.

3.1 The East Holland Trunk Sewer

Due to the Region's plan to reconstruct St. John's Sideroad from Yonge Street to Bayview Avenue, the Aurora 2B Developer Group requested the Region advance the St. John's Sideroad portion of the EHTS to improve efficiency and avoid having to reconstruct the road twice. As a result, this component of the EHTS was included in the original DC Credit Agreement.

The tableland portion of the EHTS must be completed to service development in the Aurora 2B area. At the time of the original Council report for the DC Credit Agreement, staff estimated that Developers would initiate construction of the tableland portion of the sewer in 2005 and Regional staff recommended that a further report regarding the construction of the tableland portion of the EHTS be brought forward when the works were required. However, due to York Durham Sewage System servicing constraints associated with the construction of the 16th Avenue Trunk Sewer, the 19th Avenue and Lower Leslie Trunk Sewer, and the South East Collector, along with water servicing allocations, it is now anticipated that the tableland portion of sewer may not be in service until 2008.

The Aurora 2B Developer Group has expressed an interest in constructing the tableland portion of the EHTS so they may more efficiently coordinate the construction of their proposed subdivisions. As a result, Regional staff has requested that the Developer Group prepare a Project Delivery Proposal (PDP) to outline the Group's plan on completing the project. Certain aspects of the PDP will also be included in the principles of the DC Credit Agreement covering the tableland portion of the EHTS.

3.2 Construction of a 200m Section of the Tableland Portion of the EHTS

The final alignment of the tableland portion of the EHTS will be below Mavrinac Road located west of the tributary of the East Holland River between Wellington Avenue and St. John's Sideroad (*Attachment 1*). The lands are currently owned by members of the Developer group and Mavrinac Road will eventually be owned by the Town of Aurora.

In April 2004, Preserve Homes, a member of the Aurora 2B Developer Group, informed Regional staff that they would be required to construct a 200m portion of Mavrinac Road immediately north of Wellington Street to comply with commitments made to a third party purchaser. Plan of Subdivision 19T-01A05 which contains residential lots and two

business park blocks, was draft approved by the Ontario Municipal Board on April 16, 2003. As part of the first phase of their development, Preserve Homes was required to provide access to and deliver the proposed business park blocks at the Mavrinac Road and Wellington Street intersection. At this time, Preserve Homes determined the 200m section of Mavrinac Road had to be constructed prior to the end of 2004.

4. ANALYSIS AND OPTIONS

Preserve Homes suggested three alternatives to handle the construction of the EHTS beneath Mavrinac Road:

1. Construct the trunk sewer later, after Mavrinac Road is completed.
2. Move the trunk sewer into the Business Park block and construct it when required.
3. Construct the small piece of the trunk sewer under Mavrinac Road at the same time as the road construction.

4.1 Option 1: Construct the Trunk Sewer after Mavrinac Road

Under this alternative, the entire tableland portion of the EHTS would be constructed when required, as one contract, after the construction of the 200m portion of Mavrinac Road. This would involve the reconstruction of Mavrinac Road at a later date to accommodate the sewer construction, which would increase the overall cost for the construction of the sewer.

4.2 Option 2: Move the Trunk Sewer into the Business Park

To facilitate this alternative, the sewer alignment along this 200m portion would be adjusted within one of the business park lands on the east or west side of Mavrinac Road. Preserve Homes indicated the owner's schedule for the construction of these blocks would possibly proceed prior to the Region's schedule for the construction of the EHTS. Preserve also indicated that the Landowner would want their blocks to be free of encumbrances. Regional staff would prefer the sewer remain within the Mavrinac Road allowance versus an easement for purposes of operation and maintenance. In addition, any adjustment of the sewer alignment would require an addendum to the Class Environmental Assessment Study Report conducted for the EHTS.

4.3 Option 3: Construct the Trunk Sewer with Mavrinac Road

With this option, Preserve Homes will construct the 200m section of the EHTS in conjunction with the construction of Mavrinac Road. If pursued, the 200m portion of sewer would not be placed into service until the remainder of the EHTS was constructed and all downstream constraints resolved. This option represents the most cost effective approach for both the Region and the Developer Group as future disruption and reconstruction of Mavrinac Road will not be required. Regional staff would prefer this option providing Preserve Homes agreed to the following:

- Should Preserve Homes construct the sewer before Regional staff received Council approval to do so, they would proceed at their own risk and accept the possibility that Council may choose not to accept the conditions of this arrangement.
- Preserve Homes would indemnify the Region against any and all claims associated with the 200m section of the EHTS.
- The sewer works would become eligible for development charge credit once the remainder of the sewer was constructed and in service.
- Preserve Homes would be responsible to provide undertakings from the remaining land owners within the tablelands area, agreeing to the construction of the balance of the sewer as one contract.
- The sewer would be constructed according to the Region's design and in accordance with Regional standards and specifications. This would include pre-construction/construction meetings between the contractor and Regional staff to review the construction process, the contractor's method of construction, and the materials to be used.
- Preserve Homes would be responsible for the costs of a qualified full-time inspector to conduct daily inspections on behalf of the Region.
- The maintenance period for the 200m section of sewer would begin once the balance of the sewer was in place and operational for whatever period is deemed acceptable for the entire sewer.
- The construction of the 200m section of sewer did not have a negative impact on commitments made by the Region to area residents as a result of the Class Environmental process.

Preserve Homes has indicated their agreement to this approach and have proceeded with the design and coordination of their subdivision and construction activities. It is anticipated that a formal agreement will be arranged at a later date once the PDP has been received for the remainder of the trunk sewer construction and the Principles approved by Council. Once constructed, the 200m portion of sewer would not be placed into service until the remainder of the EHTS was completed and all downstream capacity constraints were resolved.

5. FINANCIAL IMPLICATIONS

The 200 metre section of sewer works to be installed beneath Mavrinac Road is estimated to cost \$130,000. This cost will be included in the Prepaid Development Charge Credit Agreement for the tableland component along with the total cost of constructing the

sewer from Wellington Street to St. John's Sideroad. Preserve Homes will not be eligible for a Development Charge credit for these works until the entire tableland component of the EHTS has been constructed. The amount of these works eligible for credit will be determined in conjunction with the preparation of the agreement for the construction of the tableland component of the EHTS. A report will be brought to Committee and Regional Council in the near future on the principles of the agreement by Finance and Administration.

6. LOCAL MUNICIPAL IMPACT

Mavrinac Road will eventually be owned by the Town of Aurora. The Town has indicated their agreement with Regional staff's proposed approach to the construction of the EHTS beneath Mavrinac Road.

7. CONCLUSION

This report outlines the current status of the construction of the EHTS between Wellington Street and St. John's Sideroad. Preserve Homes, a member of the Aurora 2B Developer Group, has indicated their intention to construct a 200m portion of Mavrinac Road which the sewer alignment falls beneath. In order to avoid costs associated with demolition of the road at the time of construction of the sewer, Regional staff concur that Preserve Homes may construct this portion of the sewer at their own risk, providing certain conditions pertaining to the Region's interests are met. The developer has agreed to the Region's approach and is proceeding with the design and coordination of their subdivision and construction activities. A Development Charge Credit Agreement will be arranged to include the 200m section of sewer once the remainder of the sewer works is required.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is included with this report.)