

**STAFF REPORT:      ENGINEERING & PUBLIC WORKS DEPARTMENT**

**REPORT TO:**            Council  
**MEETING DATE:**    October 24, 2011  
**REPORT NO.:**        EPW.11.091  
**SUBJECT:**            Castle Glen Thunder Hill Development  
                                 Winter Maintenance  
  
**PREPARED BY:**      Reg Russwurm, Director of Engineering and  
                                 Public Works

**A. Recommendations**

THAT Council received Staff Report EPW.11.091, "Castle Glen Thunder Hill Development Winter Maintenance"; and,

THAT Council authorize award of the Castle Glen Thunder Hill Development winter maintenance contract to Blue Mountain Four Season Ltd. at the quoted hourly rates for an estimated cost of \$16,200 for January 1, 2012 through spring 2012 by negotiated agreement as permitted under the Purchasing of Goods and Supplies Corporate Policy, POL.COR.07.05 and the Purchasing of Goods and Supplies Procedures Policy, FS.08.08, Schedule F, subsection 1(b) for the 2011 / 2012 winter season; and,

THAT Council authorize Staff to proceed with the remedial works (gravel application and manhole location) in the Castle Glen Thunder Hill Development at an estimated cost of \$12,000; and,

THAT Council instruct Staff to prepare a fee and charges bylaw for consideration by Council to recover direct expenses including contracted services, materials and field staff time plus 15% administration fee for indirect costs related to Staff time to administer the contract and coordinate the works from the benefiting properties within the Castle Glen Thunder Hill Development.

**B. Background**

The Thunder Hill Phase of Castle Glen Estates is comprised of two Registered Plans. Plan 910 was registered on April 22, 1968. Plan 921 was registered on December 16, 1969 and represented a re-orientation of the interior lots in Plan 910.

The streets in both Plans were dedicated as public highways however the former Township of Collingwood did not assume the streets for maintenance purposes.

There is a private, communal lagoon system servicing a total of 86 lots with an additional lot utilized as a maintenance base.

Castle Glen Development Corporation has performed all maintenance of the streets in Plans 910 and 921 for many years, as well as maintain the private, communal lagoon system.

In correspondence dated February 24, 1982 and January 17, 1983, then Township Clerk Robert Waind advised individuals that the roads and streets in Thunder Hill were private and still under the control of the developer. It was further noted that before Township Council would entertain assuming the roads, the roads would have to be brought up to Ministry of Transportation and Communications standards and until that time, the Township assumes no responsibility.

At the March 3, 1993 Township Council meeting, there was general discussion of servicing the Castle Glen development lands and specifically the Thunder Hill phase. At that time, Council concurred three options existed for Thunder Hill; the developer could provide an engineering assessment of existing works for possible assumption, condominium conversion of the internal roads or the Local Improvement Project process, which would be supported for sewer and water works and could include roadbed improvements for assumption purposes. It is unknown if any of these three options were further considered.

In correspondence dated October 16, 2001, then Town Clerk Stephen Keast advised Michael Larkin, President of Castle Glen Development Corporation that the internal roads within Plans 910 and 921 have never been assumed by the municipality and maintenance has been and remains the responsibility of Castle Glen Development Corporation.

At the April 28, 2003 Town Council meeting, regarding resident concerns with the private road maintenance within Thunder Hill, Deputy Mayor Knott reported the internal roads have never been assumed by the municipality and the Town has no maintenance role.

Revisions to the *Municipal Act, 2001*, require a By-law be enacted to formally assume streets as public highways and the simple expenditure of public funds or contracting for service does not represent assumption.

In an e-mail message to Director of Engineering and Public Works Reg Russwurm dated September 7, 2011, Michael Larkin advised that Castle Glen Development Corporation will no longer perform winter maintenance on the internal roads in Plans 910 and 921 after December 31, 2011.

In an e-mail message to Director of Engineering and Public Works Reg Russwurm dated September 13, 2011, Michael Larkin advised there was no formal road maintenance agreement in place, rather the original developer had conducted winter maintenance on the internal roads and Mr. Larkin kept up the practice after purchasing the development lands. The residents of the development have been billed for the maintenance activities by Mr. Larkin.

In reaction to the position taken by Mr. Larkin, Staff recommend the Town take on the responsibility for winter maintenance in Plans 910 and 921, at least from January 1, 2012 to spring 2012, on an emergency basis to ensure the residents of the Thunderhill Development have adequate snow removal service on the unassumed roads. Consideration as to whether to continue with summer road maintenance and subsequent winter control for the 2012/2013 season will be given in 2012 in consultations with the area resident representatives.

### **Contracted Snow Removal**

Five contractors known to perform winter maintenance works were contacted and requested to provide quotes for winter maintenance to Class 5 road standard, as defined in the *Municipal Act, 2001* on the unassumed roads in Plans 910 and 921. The responses from the contractors are as shown under Financial Impacts.

The Purchasing of Goods and Supplies Corporate Policy, POL.COR.07.05, allows for negotiated procurement. The Purchasing of Goods and Supplies Procedures Policy, FS.08.08, Schedule F, subsection 1(b), allows for negotiated procedures with prior written approval, being this Staff Report, when due to market conditions, required goods or services are in short supply, or urgent acquisition of goods or services is necessary due to unexpected circumstances.

Since Town equipment is otherwise fully utilised and to ensure cost separation, Staff recommend that award of the 2012 Castle Glen Thunder Hill Development winter maintenance contract be made to Blue Mountain Four Season Ltd. at the quoted hourly rates for an estimated cost of \$16,200 by negotiated agreement as permitted under the Purchasing of Goods and Supplies Corporate Policy, POL.COR.07.05 and the Purchasing of Goods and Supplies Procedures Policy, FS.08.08, Schedule F, subsection 1(b).

### **Additional Town Costs**

It is estimated that \$10,000 to \$14,000 worth of work on the internal roads will be required prior to the winter season. Application of crushed gravel will be required in portions of the internal roads and all manholes must be located and marked for winter maintenance operators to avoid shifting manhole covers during snow ploughing. A median figure of \$12,000 is added to show the estimated total cost in the Financial Impacts section of this Report.

Arrangements are underway with Michael Larkin to enable Town forces to undertake work within the Thunderhill Development to locate and protect the sanitary system upon the approval of this work by Council.

### **Administration Fee**

Staff also recommend that a 15% Administration Fee be applied to the Town's direct cost (contractor, materials, field staff). The fee would cover the following Town's managerial and administrative costs associated with:

- Coordination of Staff and contracted resources
- Additional road inspection costs of contracted routes
- Contract administration (contractor callout and log book)
- Complaints/follow-up
- Invoicing

### **Cost Recovery**

Since the Thunderhill Development has a long and complicated history, it is not clear as to the status of the development agreement and who is the Developer for the purposes of the Development Agreement. After a review of documentation, the Town is of the opinion that this service has been provided on a fee for service basis, and as such, should continue to be paid as a fee for service. To enable the Town to recover the costs expended, Staff feel a fee and charges bylaw must be prepared for consideration by Council to recover direct expenses including contracted services, materials and field staff time plus a 15% administration fee for indirect costs related to Staff time to administer the contract and coordinate the works from the benefiting properties within the Castle Glen Thunder Hill Development. Staff recommend that Council direct Staff to prepare such a bylaw.

### **Assumption of the Road Works**

The purpose of this report is not to address municipal assumption of the road works, however it is appropriate that the next steps be considered. Town Staff will continue discussions with representatives of the Castle Glen Rate Payers Association as to their wishes to continue with winter maintenance contracted through the Town, and as to what improvements will be needed to bring the roads to a standard at which the Town can assume the road works. The first step in this effort will be to undertake an engineering study to assess the current state of the road works, to consider options to which road improvements could be undertaken and to provide an opinion of costs of various scenarios. The Town, in discussion with the residents, will then decide as to the necessary road standard. A cost recovery by-law will be required to recoup the Town's costs from the benefitting property owners.

At this time, the sanitary system within the development is privately owned and operated and there is no discussion to differ.

**C. The Blue Mountains' Strategic Plan**

The consideration of winter maintenance requirements furthers the Town's Strategic Plan Goal No. 2, "Addressing the Town Municipal Infrastructure Needs" and Goal No. 6, "Providing a strong, well managed municipal government".

**D. Environmental Impacts**

Snow removal is an energy intensive activity. The Contractor will be asked to participate in the Town's anti-idling initiative and to take reasonable steps to reduce their energy consumption.

**E. Financial Impact**

The quotes received for snow removal and sanding in the Thunder Hill Development are shown in the chart below. The prices shown are based on an estimated 36 winter maintenance events at four hours plowing per event. The sand/salt mix application is based on an estimated 24 events.

<b>Contractor</b>	<b>Plowing charge per Hour</b>	<b>Sanding charge per Trip</b>	<b>Standby Charges</b>	<b>Quoted Contract Total</b>
Blue Mountain Four Season	\$85	\$165	\$0	\$16,200
Yard Boys Ltd	\$73	\$340	\$0	\$18,672
Arnott Construction	\$75	\$250	\$10,350	\$27,150
Zwart's Topsoil	\$150	\$415	\$3,500 travel	\$35,060
Sheridan Management	Declined to quote			

The Town's Additional Costs are estimated at \$12,000 as the median of the \$10,000 to \$14,000 estimate. A 15% Administration Fee will be added to the Town's direct costs.

Funding for the proposed works and winter maintenance would come from Contract Services within the 2012 Roads and Drainage Budget with ultimate recovery of the Town's costs through a fee and charges bylaw.

**F. Attached**

1. Castle Glen Thunder Hill location map for reference purposes.

Respectfully submitted,

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Reg Russwurm  
Director of Engineering and Public Works

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