

STAFF REPORT: Engineering and Public Works Department

REPORT TO: Council
MEETING DATE: March 9, 2009
REPORT NO.: EPW.09.019
SUBJECT: 2009 Grant Application Opportunities
PREPARED BY: Reg Russwurm, Director of Engineering and Public Works

A. Recommendations

THAT Council receive Report EPW.09.019 entitled "2009 Grant Application Opportunities", and

THAT Council authorise Staff to prepare grant applications for funding programs as appropriate for the terms of the funding program, expectations of success and Council priority for the following projects in order of preference.

- 1 Town Administration Building Construction
- 2 Plan 915 Reconstruction (2010)
- 3 Plan 915 Reconstruction (2009)
- 4 Waste Receiving Area Improvements
- 5 Lakewood Drive WWPS
- 6 Lake Drive Servicing Extension
- 7 Georgian View Sanitary Extension

B. Background

Over the past few months various announcements have been made by the federal and provincial governments concerning forthcoming economic stimulus and infrastructure replacement funding and grants. The funding vehicles by which the monies will be rolled out or allocated has not been announced however it is anticipated that the programs will be focused on small projects, large projects and the second intake of the Building Canada Fund – Communities Component.

In order to be prepared for what is expected to be a short turn around funding application process, Staff recommend that a priority list of "shovel ready" projects be prepared to ensure that the Town is well positioned to make a timely and appropriate application. Key to the economic stimulus funding is that the projects be ready for construction (i.e. shovel ready) and do not still require extensive approval or design work. Although Staff are recommending pre-approval to seek funding, Staff will bring forward appropriate Council resolutions if necessary under a specific application.

The following chart is a summary of the possible projects identified by staff as suitable for funding applications. An outline of each project is provided in Attachment 1 for reference. The costing information is based on figures used in the draft 2009 Capital Budget. The projects have been given a ranking by Staff as a point of discussion. Projects were prioritised based on; i) Town financing not fully in place, ii) impact on taxation, iii) impact on user rates, and iv) contribution by others.

Project	Taxation	Sale of Land	Bldg Dept	Water	Waste-water	Total	Priority
Plan 915 Reconstruction (2009) ⁽¹⁾	\$325,375	---	---	\$210,000	\$410,445	\$945,820	3
Plan 915 Reconstruction (2010) ⁽¹⁾	\$938,625	---	---	\$657,000	\$744,555	\$2,340,180	2
Georgian View Sanitary Extension ^{(2) (3)}	\$150,000	---	---	---	\$1,690,000	\$1,840,000	7
Lake Drive Servicing Extension ⁽⁴⁾	\$632,000	---	---	\$437,000	\$509,000	\$1,578,000	6
Lakewood Drive WWPS	---	---	---	---	\$250,000	\$250,000	5
Waste Receiving Area Improvements ⁽⁵⁾	\$643,000	---	---	---	---	\$643,000	4
Town Hall Construction	\$7,950,000	\$1,000,000	\$695,000	\$1,042,500	\$1,042,500	\$7,950,000	1

Table Notes:

1. The Plan 915 Reconstruction Project has been presented in two phases to provide flexibility in the application process however it may be possible to apply as one project depending on the funding timing and if the Town is willing to defer the proposed 2009 works.
2. A cost sharing arrangement will be required with the adjacent developer (Georgian Bay Estates)
3. Of the \$1,690,000 cost allocated to wastewater, \$700,000 is for the reconstruction of the roadway as part of the sewer installation. The Town has committed to a lump sum of \$150,000 for the road works. All of the Town's costs not otherwise funded will be recovered from the benefiting property owners.
4. All of the Town's costs not otherwise funded will be recovered from the benefiting property owners.
5. \$395,352 in grant funding has already been received for this project.

Given the economic climate, the impact of an application on local job creation will be important. The economic impact can be in the form of Direct, Indirect or Induced. The funds expended on a project have a direct effect on man-hours in the region through wages to employees of the engineering and construction firms involved in the work. The expenditure also has indirect effects through the wages paid by the suppliers of material and products to the projects. Induced effects come about through the household spending of the direct and indirect employees within their communities. While a Province of Ontario web site suggested that all forms of development have an impact that can be captured by a multiplier, staff have not been able to locate a published multiplier effect. After conversations with a local Contractor familiar with municipal reconstruction and by educated extrapolation, Staff feel that for every \$1.0 million of construction there is 9,100 man-hours of Direct impact (\$350,000 value) and 3,300 man-hours of Indirect impact (\$130,000 value). Another way to look at it is that around 48% of construction costs have a Direct and Indirect economic impact in labour costs. Staff have not been able to determine the Induced economic impact of a project to date and continue to source validated information. It must be noted though that the economic impact of a project is highly dependent on the proportion of costs between labour, equipment and materials.

C. The Blue Mountains' Strategic Plan

The Town's Strategic Plan Goal # 2 "Addressing the Town's Municipal Infrastructure needs" and Strategic Goal #6, "Providing a strong, well managed municipal government" are in part satisfied by the recommended action.

D. Environmental Impacts

none

E. Budget Impact

Should the Town be successful in obtaining upper level government funding, the project budget would be revised accordingly.

F. Attached

1. Project Outlines

Respectfully submitted,

Reg Russwurm
Director of Engineering and Public Works

ATTACHMENT 1

Project 1: Plan 915 Reconstruction

Description of Works

The Town of The Blue Mountains (Town) wishes to complete the reconstruction of Carmichael Crescent, Plater Street, Campbell Crescent and Kinsey Place in the Craigleith area of the Town immediately adjacent to the Blue Mountain Resort ski hill. These streets are commonly known as Plan 915 Development. The original construction of these roads was completed in 1967 and the area included private servicing with both water and sanitary works. The works were later assumed by the Town in the best interest of the residents. The four streets, commonly known as Plan 915, are 1300m in length and service 122 residential lots.

The reconstruction works are driven by the need to replace all municipal infrastructures – roads, drainage, street lights, water, sanitary - and not just one or two.

The roads are in need of reconstruction due to significant degradation of the asphalt resulting in cracking, wheel rutting and pot holing. Patch maintenance has taken place over the past number of years however replacement is the cost effective solution at this time in conjunction with the underground services. The existing rural standard road will be replaced with a similar rural standard with open ditches.

Although ditch maintenance has been done on a regular basis, the existing ditches will be cleaned, deepened and realigned to better allow the low lying properties to drain better. New driveway and road crossing culverts will be installed giving renewed life to the overall drainage infrastructure.

The existing street lights do not meet current electrical standards and also do not provide road lighting illumination to the Town's standard for local roads. For safety reasons, the lights will be replaced.

The existing watermain was originally constructed as a private water system and consists of 100mm and 150mm diameter pipe made of sub-municipal standard material with some history of breaks and leaks. There is a concern that the sub-standard material will not be sustainable in the longer term given the increased water pressure as part of a municipal system. The 100mm pipe will be replaced with at least the minimum standard 150mm to ensure adequate fire protection. An entirely new water system will be constructed for the streets including new lateral services to the properties.

Similarly, the sanitary system is in need of replacement. It consists of asbestos cement material no longer installed due to the hazards posed during installation and particularly maintenance. All legislative requirements will be followed during the replacement / abandonment of the sewer. Some of the sewer is partially collapsed which doesn't permit proper maintenance and monitoring plus likely restricts flow capacity and creates leak points.

Due to the poor condition of the five types of municipal infrastructure described above, this project is an ideal candidate for funding because excellent value will be received for the reconstruction dollar.

The Blue Mountains' Strategic Plan

This work furthers the Town's Strategic Plan by addressing Goal #2 "Addressing the Town's municipal infrastructure needs".

Environmental Benefits

The replacement of the watermain will assist in reducing water losses and therefore assist in reducing water use and energy in the production of potable water. This will result in the Town expending less energy. The replacement of the sanitary system will reduce infiltration into the sewers thereby reducing the energy use of treatment and effluent discharges. Of even greater importance is eliminating potential leaks from the sanitary sewers that cause direct discharge of untreated sewage into the ground.

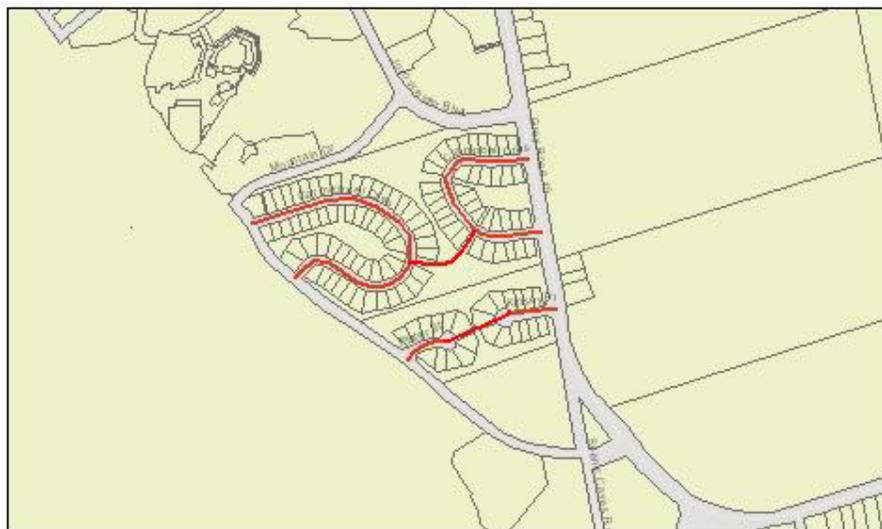
Economic Stimulus

The budget for the project totals \$3,286,000 and is outlined in the table below. Construction projects of the type described generally result in 48% of the capital cost being expended on labour costs. Therefore, the Plan 915 Reconstruction Project will result in \$1,577,300 in direct and indirect labour costs spent locally.

PLAN 915 RECONSTRUCTION BUDGET

Infrastructure	2009	2010	Total
Roads and Drainage	\$303,375	\$820,625	\$1,124,000
Street Lighting	\$22,000	\$118,000	\$140,000
Water	\$210,000	\$657,000	\$867,000
Sanitary	\$410,445	\$744,555	\$1,155,000
Total	\$945,820	\$2,340,180	\$3,286,000

Plan 915 Reconstruction Location Map



Project 2: Georgian View Sanitary Extension

Description of Works

The Town of The Blue Mountains (Town) wishes to extend wastewater services into the Georgian View Subdivision as shown on the attached map. These 38 residential lots are currently serviced by municipal water but have septic systems for wastewater treatment. An adjacent golf course clubhouse discharges to a holding tank in anticipation of wastewater servicing through the Georgian View Subdivision. In addition, upstream development growth is hindered until the wastewater outlet is in place.

The total length of sewer to be installed is around 770m which will permit the servicing of the 38 subdivision lots and 113 development lots. As part of the system installation, the existing roads will be reconstructed as necessary to permit the installation and to correct problems that have developed in the 20+ year old road structure. Heavy truck traffic to the holding tank has shortened the life of the main road.

The Blue Mountains' Strategic Plan

This work furthers the Town's Strategic Plan by addressing Goal #2 "Addressing the Town's municipal infrastructure needs".

Environmental Benefits

By eliminating the need for septic systems, septic bed effluent will stop being directed into the environment. Similarly, removing the holding tank will avoid the transport of raw sewage that has leak potential and the generation of green house gases associated with trucking.

Economic Stimulus

The budget for the project totals \$1,840,000 and is detailed in the table below. Construction projects of the type described generally result in 48% of the capital cost being expended on labour costs. Therefore, the Georgian View Sanitary Extension Project will result in \$883,200 in direct and indirect labour costs spent locally. The servicing will permit the development of 113 lots which will have an economic impact on the local economy as lands are developed and houses constructed. Furthermore, residents will avoid future repairs and maintenance costs for private septic systems and increase the value of their properties.

GEORGIAN VIEW SANITARY EXTENSION BUDGET

Infrastructure	Total
Roads and Drainage	\$850,000
Wastewater	\$990,000
Total	\$1,840,000

Georgian View Sanitary Extension Location Map



Project 3: Lake Drive Water and Wastewater Servicing**Description of Works**

The Town wishes to extend municipal water and wastewater services along Lake Drive as shown on the attached map. These 38 residential lots are currently serviced by a mix of wells and cisterns for water supply and septic beds and holding tanks for wastewater. In conjunction with the proposed service extension, the Town will take the opportunity to undertake some drainage and road improvements.

The road, approximately 890m long, is currently a dead-end single lane gravel surface with limited space to turn vehicles around which precludes garbage pickup at the driveway and requires the Town to hire a farm tractor at additional expense to remove snow from the road. The Town will also move several hydro poles that have been struck by vehicles and place them in a more favourable location. The road will be upgraded to a minimal municipal road standard to permit safer travel for vehicles and pedestrians. A turnaround will be constructed to permit truck turnaround to enable door to door garbage pickup similar to the rest of the Town.

The Blue Mountains' Strategic Plan

This work furthers the Town's Strategic Plan by addressing Goal #2 "Addressing the Town's municipal infrastructure needs".

Environmental Benefits

The homes along Lake Drive front the Georgian Bay. The provision of municipal water will enable the residents to have adequate potable water because they will no longer have to rely on wells next to the shore that are impacted by the Georgian Bay, nor incur the cost and generate the green house gases resulting from trucking water to a cistern. The current septic tile beds have an obvious detrimental effect on the Georgian Bay by the release of treated and partially treated septic effluent.

The garbage collection is currently done by the residents placing their waste in a centralized bin. This has led to abuses resulting in the overfilling and spreading of garbage around the site. The debris is then spread around by animals which results in increased operational costs. The Town has a one bag limit to manage waste production but it cannot be enforced in the current setup.

The drainage improvements will direct water more effectively to the Georgian Bay and avoid flooding concerns on private property.

Economic Stimulus

The budget for the project totals \$1,578,000 and is detailed in the table below. Construction projects of the type described generally result in 48% of the capital cost being expended on labour costs. Therefore, the Lake Drive Servicing Extension Project will result in \$757,000 in direct and indirect labour costs spent locally.

Residents will avoid future repairs and maintenance costs for private wells and septic systems and the Town will avoid increase maintenance and servicing costs associated with a narrow road platform.

LAKE DRIVE SERVICING EXTENSION BUDGET

Infrastructure	Total
Roads and Drainage	\$632,000
Water	\$437,000
Sanitary	\$509,000
Total	\$1,578,000

Lake Drive Servicing Extension Location Map



Project 4: Lakewood Drive Wastewater Pumping Station

Description

The existing Wastewater Pumping Station on Lakewood Drive servicing 35 residences requires replacement. The wet well is an old steel receptacle that has been in service for approximately forty years and is deteriorating due to the corrosive nature of sewage. The pumping equipment and electrical equipment is also reaching the end of its useful life. The new wet well will be a concrete structure that will have a live expectancy in excess of fifty years.

The Blue Mountains' Strategic Plan

This work furthers the Town's Strategic Plan by addressing Goal #2 "Addressing the Town's municipal infrastructure needs".

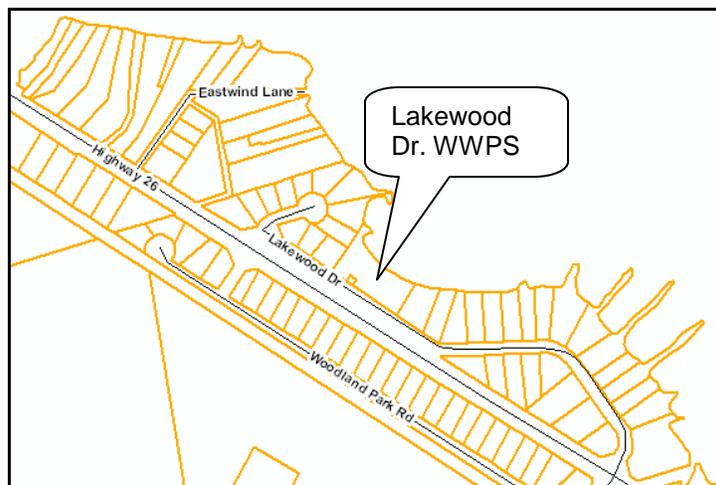
Environmental Benefits

The replacement of existing steel tank with a concrete unit complete with upgraded pumps and pump panel would greatly reduce the chance of the wet well leaching into the ground and pump failure from occurring. The pumping station is adjacent to the Georgian Bay and therefore there is little ability for attenuation prior to the sewage reaching the natural environment.

Economic Stimulus

The budget for the project totals \$250,000. Since more than the typical proportion of the project costs is associated with the purchase of equipment, it is unclear at this time what will be the amount of direct or indirect economic impact.

Lakewood Drive Wastewater Pumping Station Location Map



Project 5: Solid Waste Site Receiving Area Improvements

Description of Works

The Town has identified that improvements to the operational layout of the Solid Waste Disposal Site are required. Current site organization is challenged to provide a waste receiving area that is convenient, safe and encourages greater waste diversion.

The current layout of the Site requires patrons to drive over 1.5 kilometres on gravel laneways and tracks that are shared with heavy equipment. Some of the lanes traverse slopes of more than 10%. These lanes lead into an active open pit mine that is also used for a storage area and drop off point for brush, clean wood and waste wood. Patrons are also required to drive up to the active landfilling area, exit their vehicles and unload in an unfamiliar and potentially dangerous environment. This area is often subject to steep slopes, reduced traction, and uneven terrain. This type of driving condition leads to vehicle wear and tear plus puts patrons into uncommon and potentially dangerous situations related to steep embankment drop offs and conflicts with landfill and mining related machinery and heavy equipment.

An improved central receiving area will eliminate the need for light vehicles to enter the active landfill and mining areas of the site. Only commercial vehicles will continue to tip at the active landfill face. The new receiving area will consist of an elevated vehicle unloading area to facilitate the disposal of waste, compostables and recyclable items into modular bins and bulking areas. The improvement works will furthermore allow staff to better monitor and control sorting of materials which will result in capturing more recyclables and compostables.

In addition to the creation of a centralised receiving area, the works will also consider the relocation of the scale and/or scale house, drainage improvements and the addition of paved surfaces in the receiving area.

The Blue Mountains' Strategic Plan

Town's Strategic Plan Goal # 2 "Addressing the Town's Municipal Infrastructure needs" is in part satisfied by the recommended action.

Environmental Benefits

The provincial policy for municipal waste diversion is 60% by 2008. This new infrastructure will assist the Town in realizing that diversion target. The Town has developed a Waste Diversion Plan with 60% as a waste diversion goal. An increased focus on waste sorting achieved by the new receiving area will move the Town closer to the 60% goal.

Economic Stimulus

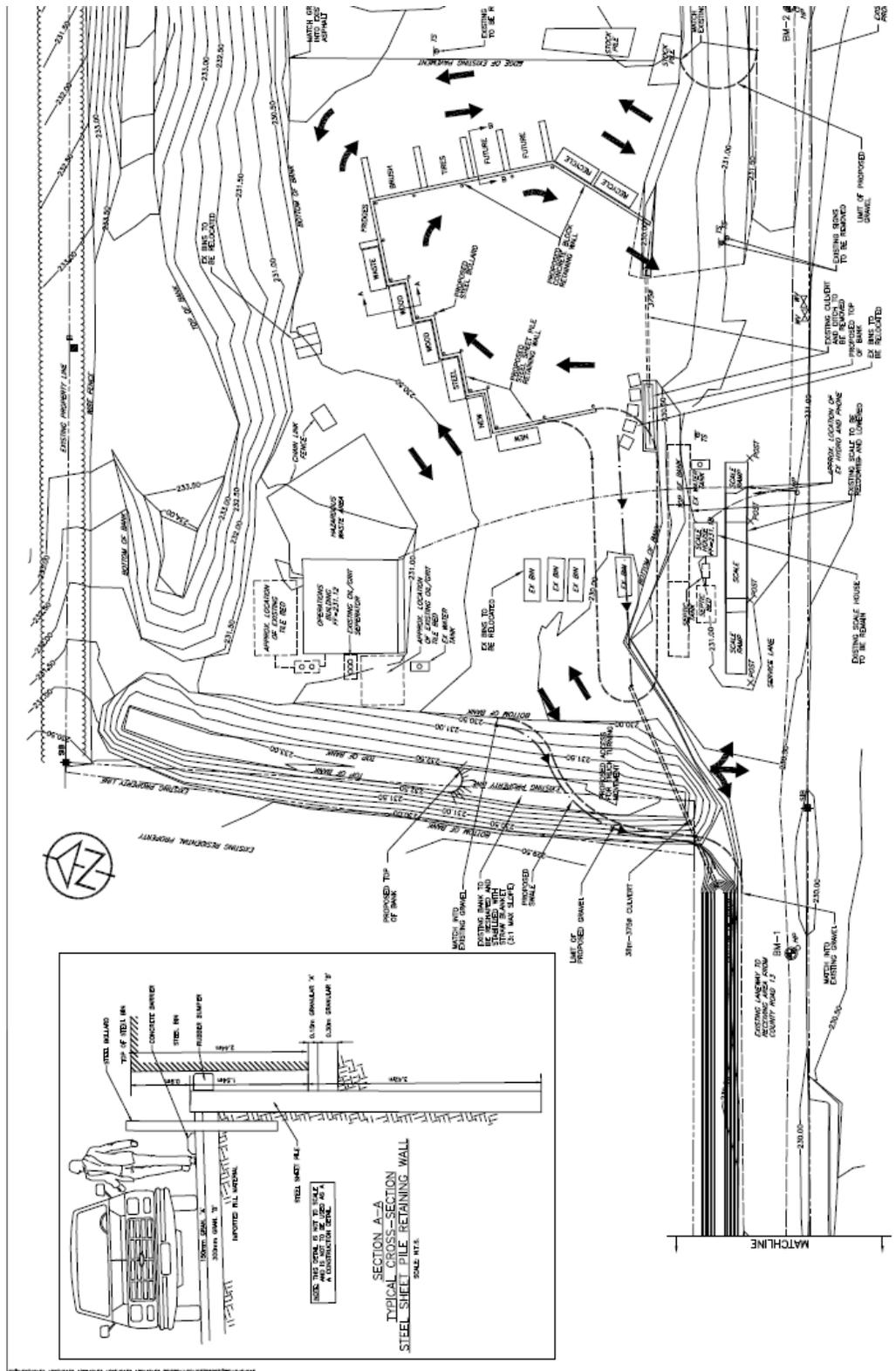
The current budget for the Receiving Area Improvements Project is \$643,300 as outlined in the table below. The Town was successful in obtaining \$395,352 through Federal Municipal Investment and Infrastructure Initiative (MIII) for the core construction activities and the purchase of roll-off bins. Following the detailed design process conducted by C.C.Tatham, it was identified that an additional \$248,000 will be required to incorporate a comprehensive and effective drainage plan, elevated pad with structural retaining walls and relocated scale. This brings the total project budget to \$643,300. Construction projects of the type described

generally result in 48% of the capital cost being expended on labour costs. Therefore, the Solid Waste Site Receiving Area Improvement Project will result in \$308,800 in direct and indirect labour costs spent locally.

SOLID WASTE RECEIVING AREA IMPROVEMENTS BUDGET

Infrastructure	Total
Core Construction (MIII)	\$351,200
Site Improvements	\$248,000
Equipment (roll-off bins)	\$44,100
Total	\$643,300

Solid Waste Receiving Area Improvements Location Map



Project 6: Town Administrative Building Construction

Description of Works

In 2003 The Blue Mountains determined that due to growth in the Community and the related increase in Staffing necessary to address growth and other services, there was a need to review our Town Hall Administrative Office Space needs. In this regard, the Town retained the services of a consultant in 2004 to prepare a Town Hall Administrative Office Space Needs Analysis. The Consultant concluded that a building of approximately 16,765 square feet was required to meet the Town's projected growth over the next 10 years (2004 – 2014). Due to budgetary and land constraints, detailed work did not proceed in earnest. Numerous alterations and other space creation endeavours proceeded to temporarily accommodate new staff.

In the spring of 2007, Town Staff updated this Report and concluded that approximately 18,500 square feet was required with it being noted that the majority of the additional space, approximately 2,000 square feet, was attributable to the delivery of in-house engineering services. Subsequent to Council's receipt of this Report, Council authorized Town Staff to proceed with the preliminary/schematic design of a new Town Hall having an area of approximately 18,500 square feet and on May 26, 2008 appointed a Town Hall Steering Committee to provide input to the Design Consultants re site, building elevations and programming. Steering Committee meetings in mid 2008 quickly concluded that in order to meet the needs and expectations of the community as it relates to the site (public washrooms, expandable council chamber), to provide sensible and realistic common areas that would mitigate the impact of disturbances in work environments (central print and storage rooms) and to provide adequate amenities for staff (lunch room, bike storage, change and shower facilities), a building in the magnitude of 21,000 square feet would be desirable.

The Blue Mountains' Strategic Plan

Town's Strategic Plan Goal # 2 "Addressing the Town's Municipal Infrastructure needs" is in part satisfied by the recommended action.

Environmental Benefits

The Town Hall facility will be constructed to a LEED Silver standard as a minimum.

Economic Stimulus

With respect to project construction costs, Town Staff note that the Township of Springwater recently commenced construction of a LEED Silver Town Hall. The building is approximately 21,000 square feet with a contract price of \$5.6 million (\$267.00/square foot) - excluding site works, landscaping, etc.

The Town's 2009 Proposed Capital Project Form identifies the cost of a 21,000 square foot Town Hall as \$5,775,000 (exclusive of land acquisition, engineering, construction, moving, FFE, demolition and site works). This estimated construction cost is based on input from a LEED Certified General Contractor/Project Manager, two Architectural firms and the construction cost of the new Springwater Town Hall contract price.

For Budget purposes the following assumptions have been made:

Description	Assumption
Proposed Building	21,000 sq ft
Estimated Cost Per Square Foot (LEED Silver)	\$275.00/sq ft
Total Estimated Construction Cost	\$5,775,000
Total Land Assembly/Acquisition Costs (includes costs associated with Parking Lot Expansion Lands, Gas Station, Retail Store and MNR/ORC acquisition)	\$1,000,000
Design Services	\$475,000
Moving Costs	\$50,000
Furniture, Fixtures & Equipment	\$250,000
Demolition of Gas Station, UGT Removal, Retail Store, Town Hall	\$150,000
Site Works, Landscaping	\$250,000
TOTAL	\$7,950,000