

NO: R211

COUNCIL DATE: October 23, 2017

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **October 17, 2017**

FROM: **General Manager, Engineering** FILE: **6520-20 (Hwy99)**
General Manager, Finance XC: **6520-20 (GH2)**

SUBJECT: **Local Area Service - Fergus Sanitary Pump Station and Forcemain**
[Project # 4706-453] Bylaw, 2016, No. 18601 – Final Costs and Apportionment

RECOMMENDATION

The Engineering Department and the Finance Department recommend that Council:

1. Approve amendments to *Local Area Service Fergus Sanitary Pump Station and Forcemain [Project # 4706-453] Bylaw, 2016, No. 18601* to reflect the final costs of construction covered by the Bylaw and the apportionment thereof across the benefitting properties all as detailed in Appendix “I” attached to this report; and
2. Authorize the City Clerk to bring forward the necessary amendment Bylaw, a copy of which is attached as Appendix “II” to this report, for the required readings and final adoption.

INTENT

The purpose of this report is to provide information about the final project costs related to *Local Area Service Fergus Sanitary Pump Station and Forcemain [Project # 4706-453] Bylaw, 2016, No. 18601* and to obtain approval to bring forward an amendment Bylaw to ensure the cost apportionment across the benefitting properties reflects the final costs of construction of the project.

DISCUSSION

At its regular meeting on February 2, 2015, Council approved the recommendations of Corporate Report No. R018; 2015, thereby approving the use of a Council-initiated Local Area Service (“LAS”) as the means by which to finance a portion of the construction of the Fergus Sanitary Pump Station and Forcemain to service the southern portions of the Sunnyside Heights Neighbourhood Concept Plan (“NCP”) and Highway 99 Corridor Local Area Plan (“LAP”) areas, as illustrated in Appendix “III” attached to this report.

Following a successful counter petitioning process, which is a necessary part of the Council-initiated LAS procedure, Council approved the LAS by way of Council Resolution No. R16-35. Subsequently, *Local Area Service Fergus Sanitary Pump Station and Forcemain [Project # 4706-453] Bylaw, 2016, No. 18601* was given the required readings.

The construction work has now been completed and final costs of the construction have been determined. The final cost of the works was approximately 11.1% below the estimate that was originally provided to the owners of the properties within the benefitting area.

Based on the Completion Certificate, which is included as Appendix “IV” attached to this report, the works authorized under Bylaw, 2016, No. 18601 were completed at a cost of \$9,862,405.15.

Appendix “I” attached to this report details the apportionment of the final costs of the project to the benefiting properties.

The remaining costs associated with the project were financed through four Development Cost Charge (“DCC”) Front-Ending Agreements, one Development Works Agreement, sanitary sewer DCC revenues already received from development in the NCP and LAP areas, and sanitary sewer DCC revenues already received from other parts of the City, as outlined in Corporate Report No. R001; 2016.

SUSTAINABILITY CONSIDERATIONS

This project supports the objectives of the City’s Sustainability Charter. In particular, the Fergus Sanitary Pump Station and Forcemain relates to the Sustainability Charter theme of Infrastructure. Specifically, this project supports the following Desired Outcomes:

- All Infrastructure DO1: City facilities and infrastructure systems are well managed, adaptable and long lasting, and are effectively integrated into regional systems;
- All Infrastructure DO2: Infrastructure systems provide safe, reliable and affordable services; and
- All Infrastructure DO3: Infrastructure systems are designed to protect human health, preserve environmental integrity, and be adaptable to climate change impacts.

CONCLUSION

Based on the above discussion, it is recommended that Council:

- Approve amendments to *Local Area Service Fergus Sanitary Pump Station and Forcemain [Project # 4706-453] Bylaw, 2016, No. 18601* to reflect the final costs of construction covered by the Bylaw and the apportionment thereof across the benefitting properties all as detailed in Appendix “I” attached to this report; and
- Authorize the City Clerk to bring forward the necessary amendment Bylaw, a copy of which is attached as Appendix “II” to this report, for the required readings and final adoption.

Fraser Smith, P.Eng, MBA
General Manager, Engineering

Kam Grewal, CPA, CMA
General Manager, Finance

JA/SLW/cc

Appendix “I” - Cost Apportionment Report

Appendix “II” - Bylaw No. 19390 amending *Local Area Service Fergus Sanitary Pump Station and Forcemain [Project # 4706-453] Bylaw, 2016, No. 18601*

Appendix “III” - Local Area Service Map

Appendix “IV” - Completion Certificate

APPENDIX “I”

CITY OF SURREY

ENGINEER’S REPORT – FINAL COSTS & APPORTIONMENT

LOCAL AREA SERVICE – FERGUS SANITARY PUMP STATION AND FORCEMAIN

ON COUNCIL INITIATIVE – SUBJECT TO PETITION AGAINST

Pursuant to Section 14 of the Local Area Service Fergus Sanitary Pump Station and Forcemain [Project # 4706-453] Bylaw, 2016, No.18601, the following provides the final cost and apportionment thereof:

Works:	Fergus Sanitary Pump Station and Forcemain
Location:	Sunnyside Heights area, roughly bounded by 161A Street, 168 Street, 20/23 Avenue and the eastern edge of the Highway 99 Local Area Plan boundary.

Total Cost	\$9,862,405.15
Developers’ Contribution as Development Cost Charge Front-Enders Agreements and Development Works Agreement	\$5,550,000
City’s Contribution as Development Cost Charges already received	\$2,250,000
City’s Contribution as Development Cost Charges already received in 2015 from developments in other parts of the City	\$440,000
Total Local Service Tax (A less (B+C+D))	\$2,062,405.15
Total Area of the Properties in the Local Service Area	715,735.19 sq.m.
LAS Unit Charge per Square Metre of Parcel Area	\$2.88 (*)
Amortization Period	15 years
Annual Interest Rate	5.35%

(*) Multiplying the Parcel Area by the LAS Unit Charge may not result in the exact Local Service Tax amount shown in the following table due to rounding.

Cost Distribution (not including interest)

	Address		Parcel Area (sq.metres)	Local Service Tax * (Total)
	House	Road		
1	16778	20 Ave	2,282	\$ 6,574.57
2	16756	20 Ave	2,304	\$ 6,638.71
3	16732	20 Ave	2,326	\$ 6,703.56
4	16708	20 Ave	2,129	\$ 6,135.26
5	16674	20 Ave	2,166	\$ 6,240.31
6	16648	20 Ave	2,074	\$ 5,976.02
7	1919	167 St	4,378	\$ 12,615.53
8	1949	167 St	4,045	\$ 11,656.87
9	1942	167 St	4,638	\$ 13,365.13
10	1918	167 St	4,058	\$ 11,692.00
11	1913	168 St	4,048	\$ 11,663.50
12	1945	168 St	4,097	\$ 11,806.32
13	16515	18 Ave	4,207	\$ 12,123.67
14	1821	165A St	4,115	\$ 11,858.00
15	1841	165A St	4,123	\$ 11,880.70
16	1861	165A St	4,120	\$ 11,871.24
17	1980	165A St	4,081	\$ 11,760.61
18	16588	20 Ave	2,084	\$ 6,004.09
19	1960	165A St	4,052	\$ 11,676.78
20	1940	165A St	4,044	\$ 11,653.17
21	1920	165A St	4,371	\$ 12,594.09
22	1894	165A St	4,604	\$ 13,265.45
23	1864	165A St	4,486	\$ 12,925.71
24	1834	165A St	1,869	\$ 5,385.79
25	1935	165A St	4,047	\$ 11,660.58
26	1955	165A St	4,046	\$ 11,657.29
27	16508	20 Ave	4,045	\$ 11,655.53
28	16663	19 Ave	4,254	\$ 12,258.42
29	16651	19 Ave	4,214	\$ 12,142.34
30	16621	19 Ave	4,046	\$ 11,659.14
31	1915	165A St	4,044	\$ 11,653.02
32	1881	165A St	4,047	\$ 11,661.32
33	16620	20 Ave	2,263	\$ 6,521.72
34	16606	20 Ave	3,583	\$ 10,325.47
35	16679	16 Ave	11,202	\$ 32,278.77
36	1909	165A St	5,349	\$ 15,414.58
37	1891	165A St	4,144	\$ 11,939.84
38	16468	20 Ave	3,837	\$ 11,055.25

	Address		Parcel Area (sq.metres)	Local Service Tax * (Total)	
	House	Road			
39	1753	168 St	4,042	\$	11,646.57
40	1733	168 St	4,042	\$	11,648.30
41	1707	168 St	4,043	\$	11,650.04
42	16488	20 Ave	4,299	\$	12,386.78
43	1960	164 St	6,237	\$	17,972.98
44	1946	164 St	6,237	\$	17,973.46
45	1906	164 St	6,726	\$	19,380.47
46	1870	164 St	6,898	\$	19,877.29
47	1852	164 St	5,011	\$	14,438.22
48	16453	18 Ave	3,473	\$	10,006.43
49	16460	20 Ave	4,040	\$	11,640.69
50	1980	164 St	4,040	\$	11,641.56
51	16485	18 Ave	4,039	\$	11,638.90
52	16558	18 Ave	25,790	\$	74,315.77
53	16607	16 Ave	36,582	\$	105,411.13
54	1869	168 St	20,014	\$	57,671.79
55	1889	168 St	19,969	\$	57,540.02
56	1785	168 St	7,127	\$	20,536.22
57	16755	16 Ave	4,429	\$	12,763.46
58	1643	168 St	4,421	\$	12,738.37
59	1671	168 St	5,239	\$	15,096.69
60	1681	168 St	5,037	\$	14,513.83
61	16470	18 Ave	1,093	\$	3,148.46
62	16421	20 Ave	9,901	\$	28,529.04
63	16437	20 Ave	9,902	\$	28,532.02
64	16465	20 Ave	5,025	\$	14,480.72
65	16505	20 Ave	3,259	\$	9,391.60
66	16543	20 Ave	3,158	\$	9,101.19
67	16273	20 Ave	23,603	\$	68,012.69
68	16367	20 Ave	19,198	\$	55,319.43
69	16355	20 Ave	19,193	\$	55,304.91
70	16321	20 Ave	8,085	\$	23,296.54
71	16301	20 Ave	19,879	\$	57,281.11
72	2172	160 St	39,607	\$	114,129.27
73	16172	24 Ave	20,218	\$	58,257.73
74	1947	164 St	5,880	\$	16,943.07
75	16344	20 Ave	4,398	\$	12,673.56
76	16370	20 Ave	5,997	\$	17,279.23
77	16322	20 Ave	2,037	\$	5,868.29

	Address		Parcel Area (sq.metres)	Local Service Tax * (Total)
	House	Road		
78	1891	164 St	176	\$ 507.74
79	16662	16 Ave	1,900	\$ 5,474.10
80	16692	16 Ave	4,269	\$ 12,300.38
81	16712	16 Ave	4,694	\$ 13,526.07
82	16736	16 Ave	4,694	\$ 13,525.72
83	16766	16 Ave	4,694	\$ 13,525.63
84	16790	16 Ave	4,692	\$ 13,521.43
85	16725	15 Ave	2,888	\$ 8,323.02
86	16615	18 Ave	4,371	\$ 12,594.93
87	16510	18 Ave	6,574	\$ 18,942.45
88	16541	16 Ave	8,078	\$ 23,276.08
89	16641	18 Ave	4,094	\$ 11,797.84
90	16653	16 Ave	7,236	\$ 20,849.95
91	16688	18 Ave	19,185	\$ 55,280.85
92	16691	16 Ave	28,213	\$ 81,296.23
93	16715	16 Ave	4,609	\$ 13,281.12
94	16733	16 Ave	4,609	\$ 13,280.64
95	16770	15 Ave	4,032	\$ 11,617.51
96	1461	168 St	2,657	\$ 7,656.19
97	16737	15 Ave	4,056	\$ 11,688.65
98	16203	20 Ave	783	\$ 2,255.23
99	16759	15 Ave	4,058	\$ 11,693.99
100	1543	168 St	4,534	\$ 13,065.39
101	16655	18 Ave	4,186	\$ 12,062.12
102	16687	18 Ave	4,095	\$ 11,801.14
103	16711	18 Ave	4,405	\$ 12,692.57
104	16739	18 Ave	4,405	\$ 12,692.66
105	16763	18 Ave	4,097	\$ 11,806.40
106	1837	168 St	4,130	\$ 11,901.85
107**	2228	162 St	15,332	\$ 44,179.09

* Multiplying the Parcel Area by the LAS Unit Charge may not result in the exact Local Service Tax amount shown in the table due to rounding.

** Funds were previously contributed towards the Works in relation to 2228 - 162 Street, which funds are being held by the City. Despite Section 6 of the Bylaw, the Local Service Tax for 2228 - 162 Street will become payable in full at the time the revised Schedule B is approved by Council and appended to this Bylaw, and payment will be drawn from the funds already held by the City.

APPENDIX “II”

CITY OF SURREY

BYLAW NO 19390

A bylaw to amend the provisions of “Local Area Service Fergus Sanitary Pump Station and Forcemain [Project # 4706-453] Bylaw, 2016, No. 18601”.

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The Council of the City of Surrey, ENACTS AS FOLLOWS:

- 1. “Local Area Service Fergus Sanitary Pump Station and Forcemain [Project # 4706-453] Bylaw, 2016, No. 18601” is hereby amended as follows:

Appendix II is deleted in its entirety and replaced with a new Appendix II Engineer’s Report
 – Final Costs & Apportionment, attached hereto and forming part of this Bylaw.

- 2. This Bylaw shall be cited for all purposes as “Local Area Service Fergus Sanitary Pump Station and Forcemain [Project # 4706-453] Bylaw, 2016, No. 18601, Amendment Bylaw, 2017, No. 19390”.

PASSED FIRST READING on the ____ day of _____, 2017.

PASSED SECOND READING on the ____ day of _____, 2017.

PASSED THIRD READING on the ____ day of _____, 2017.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk, and sealed with the Corporate Seal on the ____ day of _____, 2017.

_____MAYOR

_____CLERK

APPENDIX II

CITY OF SURREY

ENGINEER'S REPORT – FINAL COSTS & APPORTIONMENT

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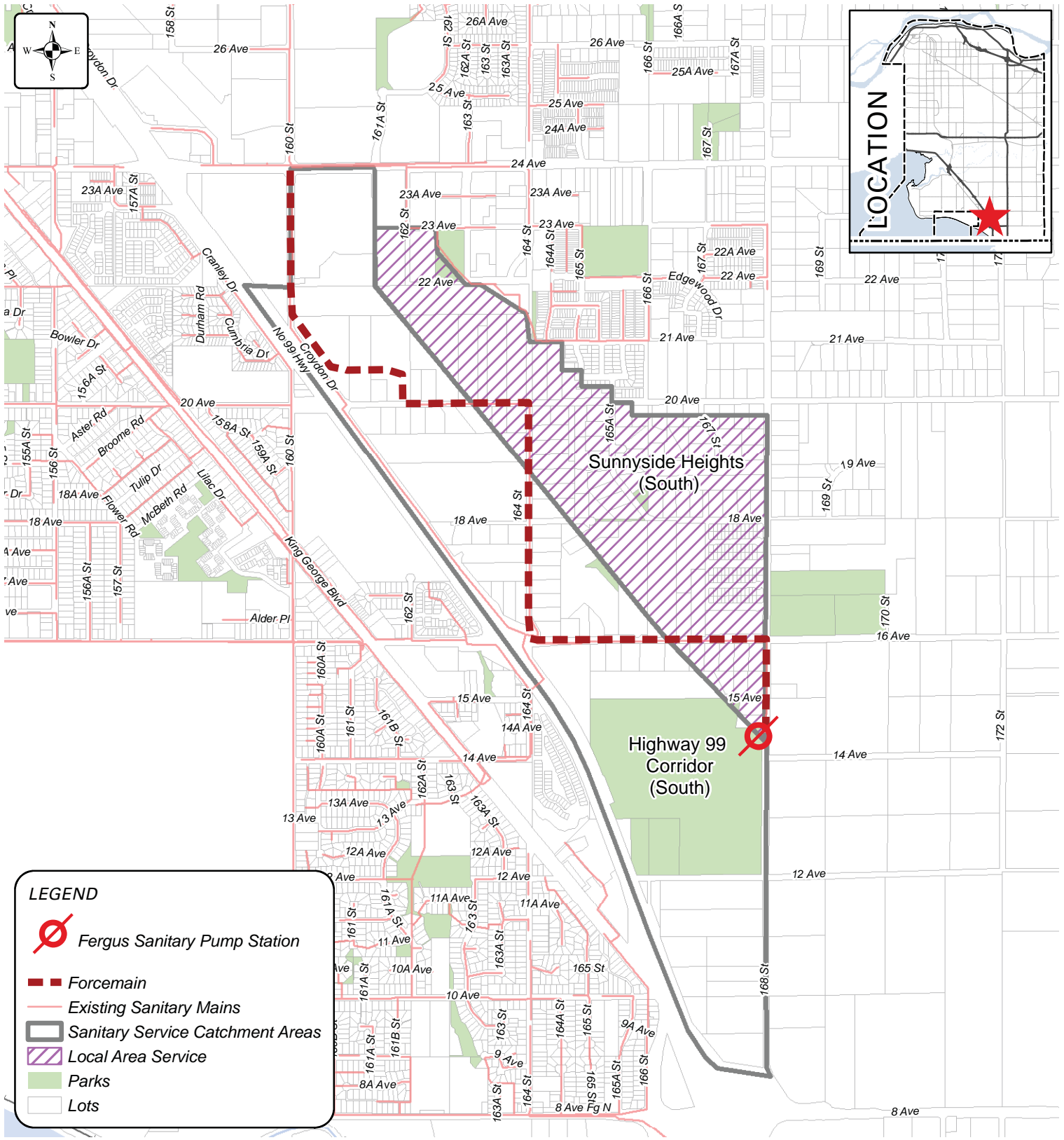
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99	16759	15 Ave	4,058	\$ 11,693.99
100	1543	168 St	4,534	\$ 13,065.39
101	16655	18 Ave	4,186	\$ 12,062.12
102	16687	18 Ave	4,095	\$ 11,801.14
103	16711	18 Ave	4,405	\$ 12,692.57
104	16739	18 Ave	4,405	\$ 12,692.66
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LEGEND

- Fergus Sanitary Pump Station
- Forcemain
- Existing Sanitary Mains
- Sanitary Service Catchment Areas
- Local Area Service
- Parks
- Lots

Produced by GIS Section: 20-Sep-2017, C9W



Local Service Area 4706-453
Fergus Sanitary Pump Station
and Forcemain

ENGINEERING
DEPARTMENT



COMPLETION CERTIFICATE

Date: October 2, 2017

File: 4706-453

This is to certify that the Works authorized under the “Local Area Service Fergus Sanitary Pump Station and Forcemain [Project # 4706-453] Bylaw, 2016, No.18601”, are complete.

Fraser Smith, P.Eng, MBA
General Manager,
Engineering

As required under the “Local Area Service Fergus Sanitary Pump Station and Forcemain [Project # 4706-453] Bylaw, 2016, No.18601”, I hereby certify that the final cost of the Works has amounted to \$9,862,405.15.

Kam Grewal, CPA, CMA
General Manager, Finance

- c.c. - City Clerk
- Property Tax Manager
- Local Improvement Clerk