




CITY OF HAMILTON
PUBLIC WORKS DEPARTMENT
Engineering Services Division

TO:	Chair and Members Public Works Committee
COMMITTEE DATE:	August 11, 2021
SUBJECT/REPORT NO:	Cost Recovery Using Funding Methodology for Municipal Infrastructure Extensions - Rymal Road from Approximately 200m East of Second Road West to Upper Centennial Parkway (PW21046) (Ward 9)
WARD(S) AFFECTED:	Ward 9
PREPARED BY:	Roumiana Nikolova (905) 546-2424 Ext. 2817
SUBMITTED BY:	Gord McGuire Director, Engineering Services Public Works Department
SIGNATURE:	

RECOMMENDATION

- (a) That the General Manager of Finance and Corporate Services be authorized and directed to prepare a cost recovery by-law in accordance with the *Municipal Act, 2001* the *City of Hamilton Act, 1999* and the City's Funding Methodology for Municipal Infrastructure Extensions Policy to recover the local portion of infrastructure extension construction costs to be incurred, in addition to permit fees, against the benefiting properties identified in Appendix "B" attached to Report PW21046 with the following terms:
- (i) The charge to each property, as identified in Appendix "B" attached to Report PW21046; the current flat fee as of the date of payment/connection in accordance with the City's annual user fee by-law;
 - (ii) The charge shall be due at the earlier of the time of connection (building permit), as a condition of severance, or may be paid at any time;
 - (iii) At time of connection, the benefitting owners may elect to spread the payment over 15 years by placing the charge on tax roll; interest shall apply based on the City's then current 15 year borrowing rate;

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

SUBJECT: Cost Recovery Using Funding Methodology for Municipal Infrastructure Extensions - Rymal Road from Approximately 200m East of Second Road West to Upper Centennial Parkway (PW21046) (Ward 9) - Page 2 of 4

- (iv) Any unpaid amounts may be added to the property tax roll and collected in the same manner as municipal taxes.

EXECUTIVE SUMMARY

This report seeks authorization for the preparation of a cost recovery by-law, in accordance with the Funding Methodology for Municipal Infrastructure Extensions Policy, for the estimated cost contained in Appendix “B” attached to Report PW21046 of a new municipal sanitary sewer on lands known as Rymal Road East, from approx. 200m East of Second Road to Upper Centennial Pkwy in the City of Hamilton, (Appendix “A” attached to Report PW21046).

This Funding Methodology for Municipal Infrastructure Extensions project (see Appendix “A” attached to Report PW21046) consists of sanitary sewer construction on Rymal Road from 200m East of Second Road West to Upper Centennial Parkway, including sanitary laterals (from the main sewer to the property line). Cost recovery from benefitting property owners and as outlined in Appendix “B” attached to Report PW21046, will be collected by the City prior to issuance of a sewer permit. The monies collected will be placed in the appropriate City Development Charges account.

The property located at 2133 Rymal Rd is excluded from the cost recovery since under its current designation and zoning it is not developable.

The sanitary sewers will be constructed in conjunction with Contract Number: C15-50-19 (HSW) – Rymal Road East – Fletcher Road to Upper Centennial Pkwy that involves road reconstruction and widening, sidewalk, sanitary and storm sewer construction, traffic signals and street lighting installation.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The estimated cost of \$302,573.97 for this report referred to in Appendix “B” attached to Report PW21046 will be collected from benefitting property owners upon connection and prior to issuance of a sewer connection permit, as per the “Funding Methodology for Municipal Infrastructure Extensions Policy” approved by Council.

Staffing: None

Legal: None

HISTORICAL BACKGROUND

As part of project Contract Number: C15-50-19 (HSW) Rymal Road East - Fletcher Road to Upper Centennial Pkwy, sanitary sewers will be constructed to accommodate growth and future development along Rymal Road (see Appendix "A" attached to Report PW21046).

Existing residential and commercial properties within the project limits will have the opportunity to connect to the sewer via private sewer laterals which will be installed as part of the project. Installing the private sewer laterals as part of the project will eliminate future road cuts to the newly constructed road. These municipal service extensions will be fully funded from Development Charges where adjacent owners will be required to pay the applicable flat fee and sewer laterals cost at the time of permit issuance for the connection to the sanitary sewers.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

This project is in compliance with the "Funding Methodology for Municipal Infrastructure Extensions Review and Update" (TOE02005b/FCS02026b/PED07248) approved by Council.

RELEVANT CONSULTATION

In spring of 2019 notices were sent to property owners to inform them of the future Rymal Road East reconstruction project. The notices included information regarding the cost recovery for the planned sanitary sewer and service laterals that would be provided to their properties. Benefitting property owners provided information on the preferred location of the service lateral to their property.

Consultation with City staff was conducted to prepare this report.

Corporate Services - Legal and Risk Management Services

- Contacted for special service agreements.
- Municipal Act Consultation for the assessment of the cost recovery.

Corporate Services – Budgets and Fiscal Policy; Financial Planning, Administration and Policy

- Consultation on the preparation of the cost recovery charges as per the Recommendation in this report.

SUBJECT: Cost Recovery Using Funding Methodology for Municipal Infrastructure Extensions - Rymal Road from Approximately 200m East of Second Road West to Upper Centennial Parkway (PW21046) (Ward 9) - Page 4 of 4

Planning and Economic Development - Infrastructure Planning

- Contacted for Special Service Agreements
- Land Development

Public Works:

- Asset Management - Capital budget

ANALYSIS AND RATIONALE FOR RECOMMENDATION

Sanitary sewer and lateral services will be installed on Rymal Road East as part of the reconstruction of Rymal Road from 200m East of Second Road to Upper Centennial Parkway. The approval of the recommendations contained in this report will enable the City to recover a portion of cost associated with the construction of the sanitary sewer from the benefitting property owners for this project prior to issuance of a permit to connect in accordance with the Funding Methodology for Municipal Infrastructure Extensions Policy.

In accordance with the Funding Methodology for Municipal Infrastructure Extensions Review and Update (TOE02005b/FCS02026b/PED07248), where the cost to construct the mainline sanitary sewer is being funded from Development Charges revenues the applicable User Flat Rate Fees will be implemented.

ALTERNATIVES FOR CONSIDERATION

Not Applicable

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Built Environment and Infrastructure

Hamilton is supported by state-of-the-art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report PW21046: Location Map – Rymal Road East

Appendix “B” to Report PW21046: Municipal Act Service Extension Cost