REPORT TO: COMMITTEE OF THE WHOLE
FROM: Robert Brindley, Chief Administrative Officer
DATE: February 17, 2015
SUBJECT: Royal Oaks Treatment Plant Expansion – Security Reduction

REPORT HIGHLIGHTS

- Staff and the Township Engineer recommend that the securities for the Royal Oaks Waste Water Treatment Plant be reduced.
- The securities should be reduced from $855,000 to $85,500.
- The remainder of the securities will be held until after the maintenance period.

RECOMMENDATION

THAT the report from the Chief Administrative Officer regarding Royal Oaks Treatment Plant Expansion – Security Reduction dated February 17, 2015, be received; and

THAT the amount of securities retained for the Royal Oaks Treatment Plant Expansion be reduced from $855,000 to $85,500.

REPORT

The Township received a request from the developer’s consultant for a reduction of securities held by the Township for the expansion of the Royal Oaks Waste Water Treatment Plant to service the Black Creek Estates Subdivision.

The Ainley Group, the Township’s Engineer, has reviewed the request and recommends that the development securities associated with the expansion of the Royal Oaks Waste Water Treatment Plant be reduced from $855,000 to $85,500 in accordance with Subdivision Agreement. The Township will hold on to the remaining $85,500 until the expiration of the waste water treatment plant maintenance period.

BACKGROUND

Over the course of Council’s term, there will be staff reports that review a subdivision’s progress through phases like Substantial Completion, Final Completion and Security Reductions. The following provides information on the development of a subdivision and the numerous steps that are required after a plan receives draft plan approval:
**Engineering Drawings**

The Developer's Engineer prepares engineering drawings and supporting reports and submits to the Township for review and acceptance. After a number of comprehensive reviews of the engineering drawings and supporting reports to ensure conformance with Township standards, MOE guidelines, NVCA requirements by the Township and Township Engineer, the engineering drawings and supporting reports are ultimately “Accepted for Construction” by the Township Engineer. Subsequent to the acceptance of the engineering drawings and supporting reports, the Township endorses the MOE applications for Environmental Compliance Approvals and the design drawings & associated reports are submitted to the MOE for approval.

**Subdivision Agreement** (Note this can be prepared in conjunction with the preparation of the Engineering Drawings)

Subsequent to the Developer’s request to proceed with the development, the Township’s Solicitor prepares the “Draft” Subdivision Agreement which incorporates any specific draft plan conditions, cost estimates, financial security requirements, list of engineering plans and reports, and legal plans. The Township Planning Department provides verifications to the County of Simcoe on all clearances of Draft Plan Conditions. The Developer provides all required documentation, insurance and development securities. The Subdivision Agreement is subsequently executed by the Developer and the Township. The final Subdivision Agreement is registered and the final M-Plan is subsequently registered. In some instances, the Developer obtains Township permission to proceed under Pre-Servicing Agreement, in order to get services underway at his own risk prior to registration of the Subdivision Agreement.

**Development Servicing**

Once the Engineering Drawings and associated reports are “Accepted for Construction” the subdivision agreement and the plan of subdivision have been “Registered”, site servicing can proceed. However as noted above if the Developer chooses to initiate site servicing before the Subdivision Agreement is finalized, and the subdivision agreement allows this, then a Pre-Servicing Agreement must be entered into with the Township.

**Substantial Completion**

Before the Certificate of Substantial Completion can be issued by the Township, all site servicing works must be completed including: sanitary and storm sewer collection, sewage treatment systems, stormwater management facilities, temporary environmental control devices, water distribution system, utilities (hydro, gas & communications), streetlights, boulevard grading, road structure to base course asphalt, Installation of traffic control, street and environmental control signs.

Successful completion of all site service testing and inspection including: deflection testing of the sewer pipes, leakage testing of the sanitary sewers, visual inspection of all maintenance holes, closed circuit TV inspection of sewer mains, swabbing of the watermain, flushing of the watermain, leakage testing of the watermain, chlorination of the watermain, bacteriological testing of the watermain, submission and review of geotechnical reports, ESA Certification of streetlight installations, and certification by the Developer’s Engineer that the municipal services are substantially complete.
On-site inspection with the representatives from Township, Township’s Engineers and Developer’s Engineers is undertaken to identify any deficiencies. Correction of any deficiencies that are identified as being significant i.e. incomplete work or work requiring immediate attention to allow for adequate functioning of the site servicing or to ensure public safety and environmental protection must be completed.

The Township Engineer will then recommend the issuance of the Certificate of Substantial Completion. The Issuance of the Certificate of Substantial Completion is then carried out by the Director of Public Works. This allows the release of individual Building Permits by the Township Building Department.

**Final Completion:**

Final completion requires the completion of all remaining site servicing works as applicable including: walkways and parks, boulevard grading, topsoil and sodding, completion of sidewalks, completion of storm water management pond plantings, fencing and gates where applicable.

The certification of Final completion by the Developer’s Engineer includes: the submission of "as-constructed" drawings by the developer’s engineer, verification of the storm water management facility, Surveyor’s Certificate and replacement of all survey bars, and the Developer's Statutory Declaration of accounts paid.

On-site inspections are completed with the representatives from Township, Township’s engineers and developer’s engineers as required to identify deficiencies and a correction of all deficiencies and completion of all work is undertaken in accordance with the engineering drawings and Township Standards.

The Township Engineer will recommend issuance of the Certificate of Final Completion. The Township will then issue the Certificate of Final Completion and commence the minimum two (2) year Maintenance Period.

**Final Acceptance:**

Upon the expiration of the minimum two (2) year maintenance period the Developer's Engineer certifies the completion of all remaining site servicing works and correction of all deficiencies as applicable including: top stage curb and gutter, top asphalt, nursery trees on identified lots and line painting.

The Developer’s Engineer will request that the development receive a Certification of Final Acceptance.

On-site inspection will then be undertaken with the representatives from Township, Township’s Engineers and Developer’s Engineers as required to identify any deficiencies. Correction of all deficiencies and completion of all work in accordance with the engineering drawings and Township Standards must be completed. Completion of all requirements under the Subdivision Agreement will be reviewed again. The Township Solicitor will verify that all dedications, easements and legal agreements are satisfactory.

The Township Engineer will recommendation issuance of the Certificate of Final Acceptance. The Township will issue the Certificate of Final Acceptance which is the final assumption of the development by the Township.
Security Reductions

Throughout the site servicing, Substantial Completion, Final Completion and Final Acceptance process, the developer is entitled to the reduction in securities held by the Township. Application is typically made by the developer’s engineer certifying the works are completed and the engineer provides a detailed summary of the required securities. The request is reviewed by the Township engineer in accordance with the Subdivision Agreement and a recommendation is provided to the Township for the appropriate reductions. The process culminates with the final release of all securities six (6) months after issuance of the Certificate of Final Acceptance by the Township.

OUTSTANDING MATTER OF INTEREST

Some members of Council may be aware of an odour issue that has occurred in the area Orchardview Street (sewer gas). The Township is currently reviewing the cause and solution(s) to this intermittent problem. Securities are still being held in the Vespra Valley Estates security account to ensure funds are available should the need arise to make adjustments to the infrastructure.

BUDGET IMPLICATIONS

The Township is currently holding securities, in the form of a Letter of Credit, in the amount of $855,000 as it relates to the expansion of the Royal Oaks Waste Water Treatment Plant. With the release of $769,500, the Township will continue to hold $85,500 in securities until the maintenance period has expired.

CONCLUSION

The Developer is requesting that the securities for the Royal Oaks Treatment Plant Expansion be reduced from $855,000 to $85,500. Staff and the Ainley Group have reviewed this request and recommend that the securities be reduced to reflect the status of the project. The remaining $85,500 will be held until the maintenance period has expired.

GUIDING PRINCIPLES

The above initiative supports Council’s guiding principle of:

1. Infrastructure, Financial Management & Service Delivery

APPROVALS

Submitted by: Robert Brindley, Chief Administrative Officer
Budget Implications Reviewed by: Jeff Schmidt CPA, CGA, BAS, Director Finance
Approved by: Robert Brindley, Chief Administrative Officer
Version code: D12 06/02/2015 3:58:13 PM 1712454

SHARED/D0 - Development and Planning/D12 Subdivision Plans/Current Subdivisions/SU-2011-02 Black Creek Estates/Certificates & Securities