



STAFF REPORT ACTION REQUIRED

Capital Budget Amendment to Allow Commencement of Storm Sewer and Watermain Work Related to Sheppard East LRT

Date:	May 19, 2009
To:	Budget Committee
From:	Executive Director, Technical Services
Wards:	41 and 42
Reference Number:	P:\2009\Cluster B\Tec\BC09009.doc

SUMMARY

The purpose of this report is to request authority for Toronto Water to amend its 2009 Capital Budget to allow the tender and award of the first phase of the Sheppard Avenue East Light Rail Transit (LRT) project in early July of 2009.

While Provincial and Federal funding of the project was announced on Friday, May 15, 2009, the specific details of the funding arrangement remain to be developed. In order to maintain the tendering schedule necessary to meet the project timelines, Toronto Water is requesting approval to amend its 2009 Capital Budget to include funding for the project with the intent to recover the costs of the storm sewer relocation when funding details have been resolved with the Province (Metrolinx).

RECOMMENDATIONS

The Executive Director of Technical Services recommends:

1. That Toronto Water's 2009 Capital Budget be increased by up to \$2.8 million funded from Water Capital Reserve Fund XR6003 to include a new sub-project entitled CPW542-05 – Sheppard Avenue Infrastructure Relocation, to fund the cost of reconstructing the existing watermain on Sheppard Avenue East from 100m west of Scunthorpe Road to Gateforth Drive.
2. That Toronto Water's 2009 Capital Budget be increased by an additional \$3.0 million funded from Water Capital Reserve Fund XR6003 to increase funding to the new sub-

project entitled CPW542-05 – Sheppard Avenue Infrastructure Relocation to fund the cost of relocating the existing storm sewer on Sheppard Avenue East from Scunthorpe Road to Gateforth Drive, to be recovered from the Province (Metrolinx) on the confirmation of details of their funding contribution.

Financial Impact

The \$5.8 million required to fund the infrastructure relocation was not included in Toronto Water's approved 2009 Capital Budget; but can be accommodated from the Water Capital Reserve Fund XR6003 and would increase Toronto Water's approved 2009 Capital Budget from \$499.438 million to \$504.238 million. A recovery of approximately \$3.0 million with respect to the storm sewer is anticipated from the Province (Metrolinx) upon confirmation funding details for the Sheppard Avenue East LRT project.

The Deputy City Manager and Chief Financial Officer and Toronto Water have reviewed this report and agree with the financial impact information.

COMMENTS

In 2007, the TTC developed a plan that built upon the transit concepts in several studies, including the Toronto Official Plan, the TTC Ridership Growth Strategy, Building a Transit City, and Mayor Miller's "Transit City" Platform (2006), and recommended a widely-spaced network of electric light-rail lines throughout the city, each in its own right-of-way, with traffic permitted to cross the tracks only at signalised intersections. There are seven new lines proposed, with a total length of 120 km, all connecting with the City's existing and planned rapid transit routes. By 2031, the new lines would carry 175 million riders per year.

One of the seven new light rail lines proposed in the Toronto Transit City Light Rail Plan is the Sheppard East LRT. This line is proposed to extend from Don Mills Subway Station to Morningside Avenue and potentially further east to Meadowvale Road. The Federal and Provincial governments announced their funding contributions to this project on Friday, May 15, 2009.

The construction of Sheppard East LRT impacts on Toronto Water's watermain and sewer infrastructure installed along the length of Sheppard Avenue proposed for construction. The watermain was originally scheduled for replacement by 2013-2014; however, in order to minimize disruption to property owners along Sheppard Avenue, the decision was made to accelerate its replacement to allow it to be replaced in conjunction with the TTC project. The storm sewer installed along this section is located within the area intended for track construction and requires to be relocated to facilitate future maintenance activities. As this work is driven by the construction of the new track allowance, it is expected that the funding would be the responsibility of the Province and therefore, recovered from the Province (Metrolinx)..

At the onset of the Sheppard East LRT project, the Toronto Transit Commission and the City planned to start construction of the first phase of the project by the end of 2009. The original schedule was to start watermain and storm sewer construction in October 2009 to allow time for the utility companies to relocate their plant during the summer months. Track work was planned to commence in the spring following completion of the sewer and watermain work.

In February and March of this year, Toronto Hydro encountered a Level 3 emergency with their surface handwells and was unable to start the design of their plant relocations. Although the other utilities, such as Bell Canada, Rogers Cable and Enbridge have work planned due to the LRT construction, Toronto Hydro will have the largest impact on the overall schedule of the project.

Since Toronto Hydro was delayed in starting their design and in order to maintain schedule, it is necessary to bring forward the storm sewer and watermain contract originally scheduled for October and start in early July. This will allow the underground work to be completed this year and give the utility companies access to the site over the winter months. All underground and utility work is scheduled to be completed by the end of April 2010 to enable the proposed track and surface work to begin as soon as possible in 2010.

The utility companies' and the City's underground work can not be performed at the same location in the same timeframe. The proposed schedule is for the utility companies to work between McCowan Road and Scunthorpe Road as soon as possible. After the completion of the City's water and sewer contract, the utility companies can complete their work between Scunthorpe Road and Gateforth Drive. Essentially, the utility companies will work on the west half of the contract while the City works on the east half, during the summer and fall months. After the completion of the underground work, the utilities will finish off their work on the east half during the winter. There are no underground City works proposed for the west half of the contract.

As neither the acceleration of the watermain replacement nor the relocation of the sewer were contemplated when Toronto Water developed its 2009 Capital Budget Submission in the summer of 2008, there is currently no approved funding to proceed with these works. An amendment to Toronto Water's approved 2009 Capital Budget is therefore requested in order to allow the watermain and storm sewer construction to commence in early July and ensure that the overall schedule for the first phase of the Sheppard East LRT can be maintained.

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SIGNATURE

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