

Ridgewood Road New Sanitary Sewer - Preliminary Design Funding

Date: April 4, 2022

To: Infrastructure and Environment Committee

From: General Manager, Toronto Water

Wards: Ward 25 - Scarborough-Rouge Park

SUMMARY

The purpose of this report is to seek direction from City Council regarding the cost to fund a preliminary engineering design of a new sanitary sewer on Ridgewood Road in Ward 25, Scarborough - Rouge Park which, if ultimately constructed, would serve only 55 properties, currently serviced by private property septic tanks. Some residents of these properties have expressed an interest to their local Councillor in exploring the possibility of funding the new sanitary sewer construction through a local improvement charge for the benefit of these local residents. Toronto Water staff have undertaken a basic preliminary cost estimate of the potential associated construction costs. A preliminary engineering design of the sanitary sewer works to the 30% design stage would better serve to inform these local residents of the estimated costs, so that they can decide if they wish to support and further pursue a local improvement charge process, whereby the actual cost of the improvement is shared among the benefiting properties.

Should a future local improvement charge process proceed and be authorized, Toronto Water would seek to recover the cost of the preliminary engineering design within the local improvement charge as a cost of the work.

RECOMMENDATIONS

The General Manager, Toronto Water, recommends that:

1. City Council authorize the General Manager, Toronto Water, to undertake the preliminary engineering design at a cost of up to \$200,000 net of all applicable taxes and charges (\$203,520 net of HST recoveries), of a new sanitary sewer on Ridgewood Road for the benefit of certain local residents on Ridgewood Road in Ward 25, Scarborough - Rouge Park, funded from Toronto Water's 2022 Approved Capital Budget and 2023-2031 Approved Capital Plan.

FINANCIAL IMPACT

The total cost of the preliminary engineering design of a new sanitary sewer on Ridgewood Road is estimated to be up to \$200,000 net of all applicable taxes and charges. The total cost to the City of \$203,520 net of HST recoveries can be accommodated within Toronto Water's 2022 Approved Capital Budget and 2023-2031 Approved Capital Plan (Sewer Asset Planning, CWW452-04) from already approved, but unspent funding for projects that have been awarded or completed under budget. The spending of \$100,000 net of all applicable taxes and charges (\$101,760 net of HST recoveries) is forecasted in each of 2022 and 2023.

If the Local Improvement Charge process does not proceed, or the preliminary engineering design cost cannot be included as a cost of the work in the Local Improvement Charge, then the cost of the preliminary engineering design will not be recovered by the City.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

There is no applicable decision history for this item.

COMMENTS

Ridgewood Road Servicing

Ridgewood Road is located in southeast Scarborough, in Ward 25. Approximately 55 properties on Ridgewood Road are serviced by septic tanks where a municipal sanitary sewer does not exist. Please see Attachment 1 for a map showing the location of Ridgewood Road.

Local residents of these 55 properties have expressed interest to their Councillor that the construction of a new sanitary sewer on Ridgewood Road for their benefit be funded through a local improvement charge.

Local Improvement Charge

A local improvement is infrastructure that is constructed to benefit a specific group of properties. The actual cost of the improvement is shared among the benefiting properties with each property paying a share of the actual cost of the improvement through a local improvement charge levied by the municipality to recoup the costs of the improvement constructed for the specific benefit of those properties.

Local improvement charges are governed by Ontario Regulation 596/06 under the City of Toronto Act, 2006 (Regulation). If the City has authority to undertake a work, it may seek to undertake that work as a local improvement in accordance with the Regulation which sets out the requirements and procedures to be followed in doing so. By undertaking a work as a local improvement, the City can raise all or any part of the cost of the work through the imposition of local improvement charges. The cost of the work may include engineering costs.

Preliminary Design

Toronto Water staff have undertaken a basic preliminary cost estimate and concluded that the construction of a new sanitary sewer on Ridgewood Road to service these 55 properties would be approximately \$3.55M, at a cost of about \$65,000 per benefitting property. This estimate is very preliminary and high level, and could be impacted by many site specific characteristics and circumstances. Such considerations include significant grade differential, necessity to integrate with existing system elevations and unknown soil conditions. In order to properly define the scope of the work and develop an appropriately detailed cost estimate, a preliminary engineering design is required.

The preliminary engineering design work would include the following: field work including topographic and underground surveys, data collection, servicing analysis to assess system capacity and determine infrastructure to accommodate the sanitary sewage from Ridgewood Road, and preliminary design of the sanitary sewer works to the 30% design stage. The cost of this work is estimated to be within an upset limit of \$200,000 net of all applicable taxes and charges (\$203,520 net of HST recoveries).

The timing to procure and complete preliminary design is estimated to be approximately a year. This time can vary depending on the procurement process and complexities encountered during the design stage.

The \$200,000 net of all applicable taxes and charges (\$203,520 net of HST recoveries) required to fund this preliminary design can be accommodated within Toronto Water's 2022 Approved Capital Budget and 2023-2031 Approved Capital Plan utilizing unspent funding from Sewer Asset Planning projects (CWW452-04) awarded or completed under budget.

Infrastructure Coordination on Ridgewood Road

Transportation Services staff have advised that future sidewalk construction and road reconstruction is planned on Ridgewood Road, from Lawrence Ave East to East Avenue. This construction was previously programmed for later in 2022. However, given discussions with the local Councillor's office regarding local improvements in the area, this work has been deferred, pending the outcome of the sanitary sewer issue since the most cost effective and efficient delivery of works is to bundle construction projects, which also avoids unnecessary disruption to local residents. Should construction of the sanitary sewer proceed and be authorized at some future date, the sidewalk and road reconstruction will be bundled and constructed in tandem. In that event, it is anticipated that the sidewalk and road reconstruction work will remain funded by Transportation

Services unlike the sanitary sewer work which would proceed, if it does, as a local improvement charge.

CONTACT

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SIGNATURE

Lou Di Gironimo
General Manager, Toronto Water

ATTACHMENT 1

Figure: Ridgewood Road map

