

## Pickering Town Line Agreement

**Date:** May 13, 2024  
**To:** Infrastructure and Environment Committee  
**From:** General Manager, Transportation Services  
**Wards:** Ward 25 - Scarborough-Rouge Park

### SUMMARY

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This report requests authority to negotiate, enter into and execute an agreement with The Corporation of the City of Pickering for the ongoing maintenance, repair and construction of the Pickering Town Line road, a jointly shared 2.75 km north-south local road extending between Finch Avenue East and Steeles Avenue East. The agreement identifies cost-sharing and the protocols of co-operation between The Corporation of the City of Pickering and the City of Toronto for the road, generally as further detailed in this report. This new agreement would replace the old agreement between both parties, which old agreement recently expired on January 1, 2023. The work-related terms will generally continue as they were, with the Corporation of the City of Pickering continuing to undertake all works on behalf of both parties. The new agreement is based on generally the same terms of the previous agreement, with the maintenance unit costs updated to reflect the increases due to inflation during the past ten (10) years and the term updated. In addition, a definition of capital improvements is included, provisions surrounding capital improvements are included, and a new provision dealing with design and contract administration fees are included. It is anticipated that the annual cost for the ongoing maintenance of the Pickering Town Line road will be in the range of \$3700 to \$6200, which will be shared equally by both municipalities.

### RECOMMENDATIONS

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The General Manager, Transportation Services, recommends that:

1. City Council grant approval to negotiate, enter into and execute an agreement with The Corporation of the City of Pickering for the ongoing maintenance, repair and construction, and the cost-sharing of such maintenance, repair and construction, of the Pickering Town Line road on terms and conditions generally as set out in the report (May 13, 2024) from the General Manager, Transportation Services and on such other terms and conditions satisfactory to the General Manager of Transportation Services and in a form satisfactory to the City Solicitor.

## **FINANCIAL IMPACT**

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Maintenance cost of \$3,100 for Toronto's portion for the cost sharing of maintaining the Pickering Town Line road has been included in the 2024 Transportation Services' Operating Budget.

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

## **DECISION HISTORY**

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City Council, at its meeting of September 22, 23, 24 and 25, 2003, adopted, as amended, Clause 19 of Report No. 7 of the Works Committee, titled "Pickering Town Line Agreement Renewal," authorizing the execution of a new agreement between Toronto and Pickering. That agreement became effective January 1, 2003, and expired on January 1, 2013, although the practices under that arrangement continued.

City Council, at its meeting of April 3, 2013, adopted the report, "Pickering Town Line Agreement Renewal" (Item PW21.4).

<https://secure.toronto.ca/council/agenda-item.do?item=2013.PW21.4>.

## **COMMENTS**

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In 2015, the City of Toronto and The Corporation of the City of Pickering entered into a cost-sharing agreement with a term from January 2, 2013 to January 1, 2023 respecting the ongoing maintenance and repair of the road known as Pickering Town Line. This road extends from Finch Avenue East to Steeles Avenue East (2.75 kilometres in length), functions as a local road and forms the boundary between the City of Toronto and The Corporation of the City of Pickering, as shown in the location map in Attachment 1 appended to this report. The agreement executed in 2015 by both parties recently expired on January 1, 2023, with both parties seeking to enter into an updated agreement.

City staff of both Toronto and Pickering have reviewed the terms and conditions in the expired agreement for the ongoing maintenance, repair and construction, and the cost-sharing of such maintenance, repair and construction, of the Pickering Town Line road. The work-related terms are still acceptable to both parties with the exception of work activity unit costs, which needed to be updated to reflect the inflationary cost increases since the last agreement and are further detailed in Attachment 2, appended to this report. As noted earlier, many work-related terms of the new agreement are generally the same as the previous agreement with Pickering. There are some additional new

terms, including a definition of capital improvements, provisions surrounding capital improvements, and a provision dealing with design and contract administration fee. Some of the key elements of the agreement are highlighted below.

#### **Included in the Agreement:**

- The City of Pickering will carry out all inspection, maintenance and capital improvement work, with all associated costs shared equally between Toronto and Pickering on a 50/50 basis.
- Should maintenance and repair and construction on the road be required and Toronto's financial obligation exceed \$50,000.00, the City of Pickering agrees to obtain Toronto's consent in writing.
- Capital improvements will require the mutual agreement of both parties.
- City of Pickering will be entirely responsible for all roadway winter maintenance and the City of Toronto will compensate the City of Pickering for all winter maintenance work with expenses shared on a 50/50 basis.
- The City of Pickering will charge 9.15 percent (i.e., 50 percent share of the 18.3 percent administrative fee for third party projects) of the final contract value for design, construction, and supervision as compensation for Pickering's staff time for contract administration for the capital improvement work.
- Similar to the previous agreement between the two parties, the City of Pickering will indemnify and save harmless the City of Toronto from and against any claims arising from, or in any way related to, any alleged failure by the City of Pickering to maintain the condition of the Pickering Town Line road as required by the agreement.
- The activity unit-costs of work that the City of Pickering will use to invoice the City of Toronto will be based on Pickering's current average costs. The City of Pickering will invoice Toronto on April 30th and November 30th in each year of the term of the agreement for one-half of the City of Pickering's costs in the preceding period of up to six months of the maintenance and repair.
- The term of this new agreement will begin on January 2, 2023 (back-dated from old agreement) and expire on December 31, 2024. The agreement will also automatically renew on a year-by-year basis beginning on January 1st of each year and expiring on December 31 of that same year, unless terminated in accordance with the termination provision in the agreement.

It is recommended that authority be granted to negotiate, enter into and execute an agreement with The Corporation of the City of Pickering for the ongoing maintenance, repair and construction, and the cost-sharing of such maintenance, repair and construction of the Pickering Town Line road on terms and conditions generally as set out in this report and on such other terms and conditions satisfactory to the General Manager of Transportation Services and in a form satisfactory to the City Solicitor.

## **CONTACT**

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## **SIGNATURE**

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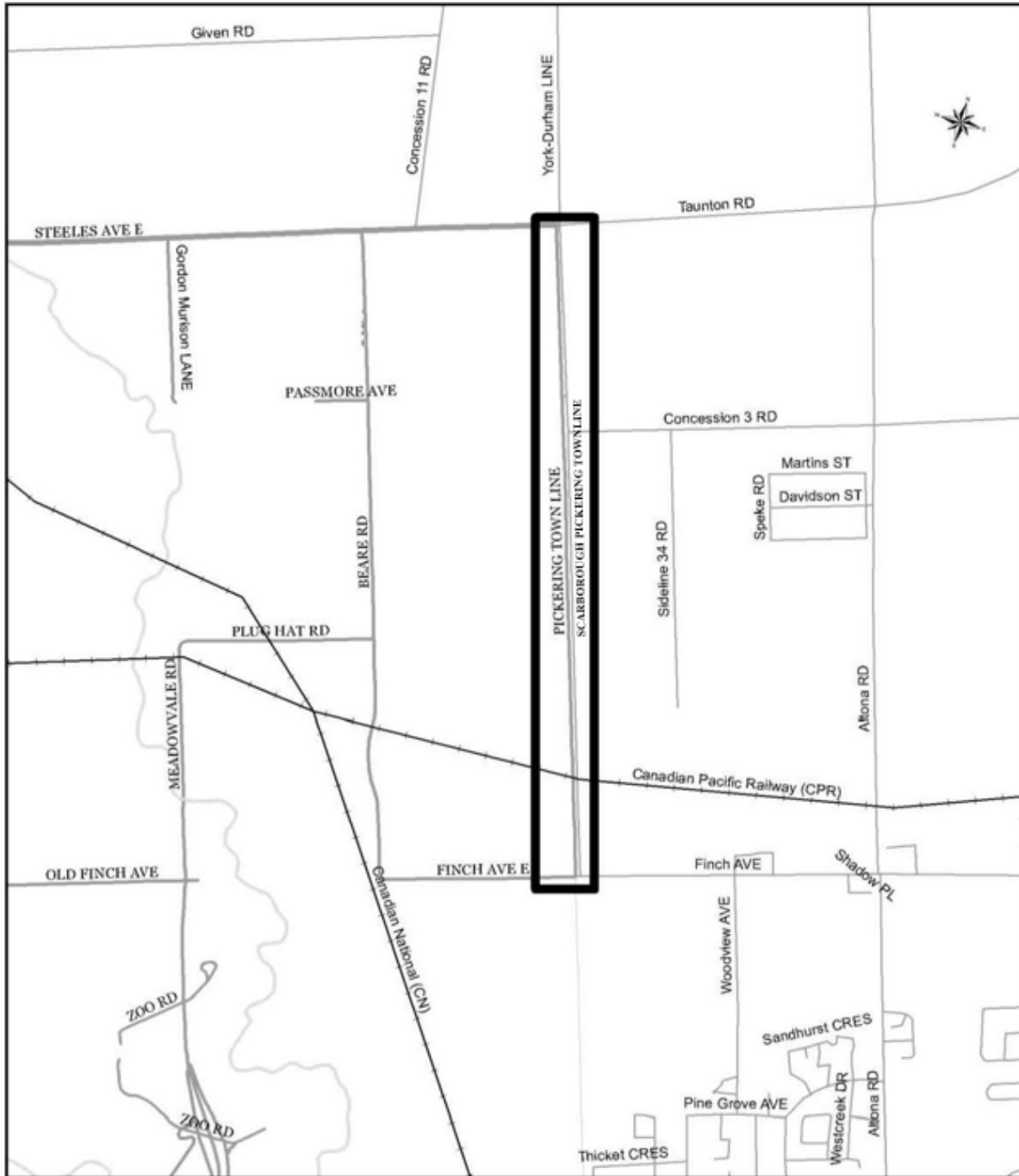
Barbara Gray,  
General Manager, Transportation Services

## **ATTACHMENTS**

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Attachment 1: Pickering Town Line Location Map  
Attachment 2: Average Maintenance Unit Costs for Pickering Town Line

# Attachment 1: Pickering Town Line Location Map



## Attachment 2: Average Maintenance Unit Costs for Pickering Town Line

Activity	Frequency / Resources	Updated Unit Costs*
<b>Winter Maintenance</b>	Average cost in last 4 years	\$4,513.60 per year
<b>Summer Maintenance</b>		
Illegal dumping cleanup	At least once a week, 1 to 2 man crew	\$101.26 per visit
Cold patch repairs (potholes)	At least once a week, 1 to 2 man crew	\$290.78 per visit
Replacement of damaged guard rail post	Approx. 2 (per year), 2 man crew - 1 hour	\$158.50 per visit
Replacement of Signage (regulatory & advisory)	Regulatory Signs Advisory signs	\$86.80 per sign \$37.20 to \$49.60 per sign
Line painting	2 man crew, 1 hour	\$31.00 per metre
Selective Paving	Asphalt patching, as required	\$37.20 per metre
Ditching	As required	\$49.60 per metre
<b>Capital Work</b>	As jointly agreed	As per contract value

- \* - Unit costs reflect the total cost to Pickering, 50% of which will be paid by Toronto  
 - Unit costs, will be jointly reviewed periodically and adjusted for inflation  
 - New unit rates reflect a 10-year 24% inflationary increase since the last agreement