

COUNCIL – MAY 26, 2003

RESERVATION OF WATER SUPPLY CAPACITY MAPLE PRESSURE DISTRICT SEVEN WATER SYSTEM

Recommendation

The Commissioner of Engineering and Public Works recommends:

That subject to the Region of York confirming the availability of water supply capacity in the Maple Service Areas of the Vaughan Water Distribution Systems of the York Water Supply System for an additional 12,800 persons;

1. Water supply capacity for 2,800 persons equivalent (about 800 units) be reserved from the Vaughan Water Distribution Systems for residential development within OPA No.332, OPA No.350 and the Block Plans approved to date in OPA No.400, which may be allocated by Council at the site plan or draft plan of subdivision approval stage; and
2. Water supply capacity for 10,000 persons equivalent (about 2,860 units) be reserved from the Maple Pressure District Seven Water System for residential development in Blocks 18 and 33 West in OPA No.600, which may be allocated by Council at the draft plan of subdivision approval stage.

Purpose

The purpose of this report is to reserve water supply capacity from the Vaughan Water Distribution Systems for development in the Maple area consistent with the reservation of interim sewage servicing capacity adopted by Council on June 24, 2003 in order to satisfy a provision of the financial agreement between the City and the Block 33 West Landowners Group for the design and construction of the proposed Pressure District Seven Trunk Watermain on Teston Road.

Background - Analysis and Options

On June 24, 2002, Vaughan Council adopted the following resolution:

“That subject to the Region of York confirming satisfactory arrangements are in place with the Blocks 18 and 33 West Landowners Groups for the up-front financing of the design and construction of the proposed Langstaff Sanitary Trunk Sewer, and that interim servicing capacity is available in the Maple Collector for an additional 12,800 person;

- 1 *Sewage servicing capacity for 2,800 persons equivalent (about 800 units) be reserved from the additional interim capacity in the Maple Service Area for residential development within OPA No.332, OPA No.350 and the Block Plans approved to date in OPA No.400, which may be allocated by Council at the site plan or draft plan of subdivision approval stage; and*
- 2 *Sewage servicing capacity for 10,000 persons equivalent (about 2,860 units) be reserved from the additional interim capacity in the Maple Service Area for residential development in Blocks 18 and 33 West in OPA No.600, which may be allocated by Council at the draft plan of subdivision approval stage.”*

The Region and the Blocks 18 and 33 West Landowners Groups are currently finalizing a Prepaid Development Charge Credit Agreement that would provide for the construction of the Langstaff Trunk Sewer and the release of the additional interim sewage servicing capacity in the Maple Service Area.

On March 10, 2003, Council resolved the following with regards to the up-front financing of the City's proposed Pressure District Seven Trunk Watermain on Teston Road:

- 1 *That a By-law be enacted authorizing the Mayor and Clerk to execute a Financial Agreement with the Block 33 West Landowners Group with respect to the up-front financing of the cost associated with the design and construction of the Pressure District Seven Teston Road Trunk Watermain between Cranston Park Avenue and the proposed north/south primary road (Street 'A') in Block 33 West; and*
- 2 *That the Region of York be requested to include the design and construction of the Pressure District Seven Teston Road Trunk Watermain between Cranston Park Avenue and the proposed north/south primary road (Street 'A') in Block 33 West with the York-Peel Feedermain design-build project subject to the City executing a financial agreement with the Block 33 West Landowners Group for the up-front financing of the Teston Road Watermain and the completion of the Environmental Assessment for the Maple Pressure District Seven Trunk Watermain Network Extension.*

The Region subsequently included the design and construction of the Pressure District Seven Trunk Watermain in the Request for Proposal for the York-Peel Feedermain design/build project but requested the City to confirm that the Environmental Assessment was completed and funding was in place for the works by May 22, 2003.

The Environmental Assessment was completed and received final clearance from the Ministry of the Environment on April 28, 2003. Over the past several weeks, City staff and the Block 33 West Landowners Group have been negotiating the terms of the financial agreement with the goal of finalizing the agreement before the Region's May deadline.

On May 20, 2003, City and Regional staff met to discuss the status of long-term water supply for Vaughan. As a result of this meeting, there is now some uncertainty with respect to the availability of adequate water supply capacity to meet the development anticipated in Vaughan in the coming years. Staff subsequently advised the Block 33 West Landowners Group of this situation.

On May 21, 2003, the Block 33 West Landowners Group executed the financial agreement; however, recognizing the present uncertainty regarding water supply and the significant financial investment being made by the Block 33 West Landowners Group, Section 2.7 of the final agreement sets out that:

"The Parties acknowledge and agree that:

- (a) *if on or before May 26, 2003, City Council does not reserve an allocation of water capacity in the Region's and City's water systems to the lands in Block 33 West to the Landowners' satisfaction for the same amount of new development in respect of which an allocation of sanitary sewer capacity was reserved by City Council, by resolution dated June 2002, to the lands in Block 33 West; or*
- (b) *if on or before May 27, 2003 the Region does not confirm to the City additional available water capacity in the Region's water system in an amount corresponding to the number of units for which an allocation of sanitary sewer capacity was reserved for the Block 33 West lands by the aforementioned City Council resolution;*

then the landowners may, on or before May 28, 2003, deliver written Notice to the City that this Agreement is terminated and at an end (a "Termination Notice")... Upon the delivery of such Termination Notice the Parties shall have no further obligation to each other hereunder."

If the financial agreement is terminated then the City's trunk watermain would be deleted from the Region's York-Peel Feedermain contract, which would have implications on the overall cost and timing of the City's watermain project, and the timing of development in Block 33 West. The Region has been advised of the significance of this provision in the agreement.

The necessary by-law authorizing the Mayor and Clerk to sign the financial agreement with the Block 33 West Landowners Group is being submitted to Council for approval concurrently with this report.

Conclusion

Accordingly, to facilitate the design and construction of the proposed Pressure District Seven Trunk Watermain on Teston Road between Cranston Park Avenue and Street "A" in Block 33 West, Staff recommend that Council reserve water supply capacity from the Vaughan Water Distribution Systems for development in Maple area consistent with the reservation of the interim sewage servicing capacity adopted by Council on June 24, 2002 subject to the Region of York confirming the availability of the necessary water supply. Should Council concur, the recommendations of this report could be adopted.

Attachments

N/A

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Respectfully submitted,

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Commissioner of Engineering and Public Works

ADP/