

**CITY OF HAMILTON**

**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT**  
*Economic Development Division*

**PUBLIC WORKS DEPARTMENT**  
*Capital Planning and Implementation Division*

**CORPORATE SERVICES DEPARTMENT**  
*Budgets and Finance Division*

<b>Report to:</b> Chair and Members Planning and Economic Development Committee	<b>Submitted by:</b> Lee Ann Coveyduck General Manager Planning and Economic Development  Scott Stewart, C.E.T. General Manager Public Works  Joseph L. Rinaldo General Manager Finance and Corporate Services
<b>Date:</b> October 25, 2005	<b>Prepared by:</b> Neil Everson x2359 Gary Moore x2382 Joe Spiler x4519 Sylvia Renshaw x4114

**SUBJECT: Ancaster Industrial Business Park Storm Water Pond #2  
Enhancements (PED05173/PW05131/FCS05120) (Ward 12)**

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**RECOMMENDATION:**

- (a) That the appropriation for Capital Budget Project ID 3620507102 be increased by \$1.05 million, funded from the Development Charge Reserve #110304 in the amount of \$735,000, and Development Charge Reserve #110305 in the amount of \$315,000.
- (b) That the contract listed below be awarded on a unit price basis in accordance with the specifications issued by the General Manager, Public Works Department, and that the works associated with this award be charged to the Capital Budget accounts as outlined on the attached Schedule A – Tender Information Summary.

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PW-05-46(S)

Ancaster Industrial Park, Stormwater Management Pond and Associated Works

Anders Contracting, (Hagersville, Ontario)

\$2,011,167.00 (includes \$150,000.00 contingency and \$131,571.72 G.S.T.)

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Lee Ann Coveyduck  
General Manager  
Planning and Economic Development Department

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Scott Stewart, C.E.T.  
General Manager  
Public Works

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Joseph L. Rinaldo  
General Manager  
Finance and Corporate Services

**EXECUTIVE SUMMARY:**

In the 2005 Capital Budget Council approved \$921,000 for the construction of the revised storm water management (SWM) enhancements to Pond #2 funded from storm water development charge collections.

The related Municipal Class Environmental Assessment (EA) process for the extension of Tradewind Drive and improvements to the stormwater management ponds commenced in September 2003 concurrently with the development of Stackpole I and II plants. The EA was completed July 2005. During the EA process the Ward Councillor, staff and the consultant met with a local landowner to address the concerns raised on various occasions. A written objection to the Minister of the Environment requesting a Part II Order asking for a complete review of the project under the Environmental Assessment Act was submitted by the local landowner. Subsequently, staff submitted all related documents to the Ministry of the Environment for their review, direction and approval. Understanding that the Ministry is addressing many environmental assessments, staff expected some delay. However, the multitude of submissions Province-wide to the Ministry of the Environment and their misplacing of City documents requiring another complete submission further delayed the approval.

As a result, the Contract PW-05-46(S) was tendered in September 2005 for the construction of the Storm Water Management Pond. Seven (7) bids were received with

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the lowest bid being \$1.7 million excluding contingency and G.S.T. The enhancements to Ancaster the SWM Pond #2 are required to allow development of the Ancaster Industrial Business Park lands that drain into Pond #2. These enhancements meet with Ministry of the Environment quality and quantity guidelines for a 100-year storm. The insufficient cost estimate was a result of expediting the SWM Pond for Stackpole's developments. Consequently, it was a high level estimate with the absence of details such as:

1. The design of the storm water facility as tendered included the extension of the storm sewer from the intersection of Tradewind Drive and Cormorant Road southerly to the westerly end of the pond.
2. Also included is the construction of a bypass storm sewer from the existing trunk storm sewer in the easement (along the east side of the pumping station site) to the easterly end of the pond. This bypass required the construction of a large splitter manhole to divert the flows to the new storm sewer.
3. When the final design was completed, the grading of the facility at the easterly end of the pond required the removal (to an off-site location) of a considerable amount of fill which was not foreseen at the pre-design stage.

Thus, an additional \$1.05 million is required to complete the project. See Table 1 for a financial summary.

**TABLE 1**

<b>ANCASTER INDUSTRIAL PARK REVENUE / EXPENDITURE SUMMARY as at September 30, 2005</b>		
Actual Expenditures to date	\$	9,358,000
Committed Expenditures:		
Tradewind Drive Extension	\$	1,016,000
Cormorant Looping & Stormwater Pond #1	\$	3,000,000
Stormwater Pond #2	\$	1,971,000
Cormorant Drive	\$	651,300
Total Expenditures	\$	15,996,300
Actual Revenues to date	\$	(13,298,160)
Unfunded to date	\$	2,698,140
Proposed Revenues		
Tradewind Drive recovery at 50%	\$	(508,000)
DC Funding for Stormwater Pond #2	\$	(1,050,000)
Future City Industrial Land Sales @ \$120,000 x 20 acres	\$	(2,400,000)
Total Proposed Revenue (Surplus)	\$	(1,259,860)

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**BACKGROUND:**

On April 10, 2000, Regional Council approved Report 04-00 (PDR00066, Item 3) of the Economic Development and Tourism Committee which authorized and directed staff to proceed with a \$1 million 2001 Capital Budget submission for the extension of Tradewind Drive to Cormorant Road in the Ancaster Industrial Business Park.

In 2001, City Council approved \$1 million dollars in the Capital Budget for the extension of Tradewind Drive in the Ancaster Industrial Park. As a result of new Provincial regulations on storm water management, a further \$65,000 from the Economic Development Department's park preparation account was used to conduct an analysis of the SWM issues related to the extension. The analysis, including an environmental assessment, determined that an additional \$856,000 (\$65,000 + \$856,000 = \$921,000 total) would be required to implement the SWM plan in order to allow the road extension and development of the remainder of the City-owned and privately-held properties in the park.

In addition to safety issues, the construction and completion of this road was essential for existing and new companies located in the park. Without the road extension an excess of 150 acres of prime industrial land would remain unserved and Hamilton would continue to fail to attract large industrial and commercial companies to locate in the City.

In the 2005 Capital Budget, Council approved \$921,000 for the construction of the revised SWM enhancements to Pond #2 funded from storm water development charge collections.

The related projects recommended as part of the Ancaster Industrial Business Park Municipal Class EA process commenced in September 2003 and received approval from the Ministry of the Environment (MOE) in July 2005. During the design phase MOE permits were required. During the EA process the Ward Councillor, staff and the consultant met with a local landowner on various occasions to address the concerns raised. Discussions and written responses to the landowner were carried out by staff from September 2003 to August 2005. The property owners' issues included the duration of the overland flows, flooding and erosion. A written objection to the Minister of the Environment requesting a Part II Order asking for a complete review of the project under the Environmental Assessment Act was submitted by the local landowner. Subsequently, staff submitted all related documents to the Ministry of the Environment for their review, direction and approval. Understanding that the Ministry is addressing many environmental assessments, staff expected some delay. However, the multitude of submissions Province-wide to the Ministry of the Environment and their misplacing of City documents requiring another complete submission delayed the process even further.

As a result, the Contract PW-05-46(S) was tendered in September 2005 for the construction of the SWM Pond. The lowest bid came in at \$1.7 million excluding contingency and G.S.T. Thus, an additional \$1.05 million is required to complete the project.

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**ANALYSIS/RATIONALE:**

Stackpole Plant 1 and Plant 2 were developed concurrently with the Ancaster Industrial Business Park SWM Pond #1, #2 and Tradewind Drive Extension EA. The Stackpole lands and other Ancaster Industrial Business Park lands drain into SWM Pond #2 thus requiring the quantity and quality enhancements to the existing SWM Pond #2 which then meet the Ministry of the Environment guidelines for the 100-year storm pond.

**ALTERNATIVES FOR CONSIDERATION:**

Following are the alternatives that may be considered:

1. Not awarding and not completing the work of the contract.

The direction from the Ministry of the Environment (MOE) pertaining to the Ancaster Industrial Business Park Municipal Class Environmental Assessment must be followed in accordance with the Environmental Assessment Act. Not awarding and not completing the work would be in contravention of the MOE requirements for the development that has already taken place such as Stackpole Plants I and II. Hence it is recommended that Contract PW-05-46(S) be awarded.

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

**Financial:** On June 26, 2001, City Council approved the commitment of \$1 million in the 2001 Capital Budget for the Tradewind Drive extension project. A one (1) foot reserve will be placed along Tradewind Drive Extension enabling the City to recoup the return on its investment once private landowners develop their lands and connect to the services.

Further, approval was also given to fund \$65,000 for the preparation of the revised SWM plan from 2001 Capital Budget – (#3629107007 Park Preparation). Subsequent to detailed analysis carried out by A.J. Clarke it was determined that the SWM Pond #2 enhancements would be approximately \$856,000.

In the 2005 Capital Budget, Council approved \$921,000 for the construction of the revised SWM enhancements to Pond #2 funded from storm water development charge collections. An additional \$1.05 million is required to commence and complete the project with costs being recovered through development charges.

**Staffing:** N/A

**Legal:** N/A

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**POLICIES AFFECTING PROPOSAL:**

Approval of this report will not alter or contravene established policies of the City of Hamilton.

**RELEVANT CONSULTATION:**

Staff from the Public Works and Planning and Economic Development Departments were involved in the review of the revised SWM plan. The City's Finance and Corporate Services Department was consulted on the financial implications of the road extension and the SWM implications.

**CITY STRATEGIC COMMITMENT:**

By evaluating the “**Triple Bottom Line**”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

**Community Well-Being is enhanced.**  **Yes**  **No**

Enhancement of SWM Pond #2 will allow for further development in Ancaster IBP creating additional employment opportunities for Hamilton.

**Environmental Well-Being is enhanced.**  **Yes**  **No**

Water quality and quantity are protected.

**Economic Well-Being is enhanced.**  **Yes**  **No**

Completing Ancaster IBP SWM Pond #2 enhancements will allow for further investment in Hamilton.

**Does the option you are recommending create value across all three bottom lines?**

**Yes**  **No**

This project positively enhances the environmental integrity of SWM Pond #2, while supporting employment growth and economic well-being for Hamilton.

**Do the options you are recommending make Hamilton a City of choice for high performance public servants?**

**Yes**  **No**

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Attach. (1)

**Public Works Department**  
**TENDER INFORMATION SUMMARY**  
**APPENDIX A TO REPORT PED05173/PW05131/FCS05120**  
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CONTRACT NUMBER: **PW-05-46 (S)**

Ancaster Industrial Park, Stormwater Management Pond and Associated Works

LIST OF BIDDERS	BIDS (NOT INCLUDING GST & CONTINGENCY)	INCREASED CONTINGENCY	7%GST	TOTAL AWARD INCL 7%GST & CONTINGENCY	LOCATION AND TYPE OF WORK	TOTAL EST'D COST (INCL ENG, ETC.)	2005 APPROPRIATION IN BUDGET	APPROPRIATION ADJUSTMENT REQUIRED	COMMENTS
1. <b>Anders Contracting (Hagersville)</b>	<b>\$1,729,596.00</b>	<b>150,000.00</b>	<b>131,571.72</b>	<b>2,011,167.72</b>	<b>Section 1</b> <b>Ancaster Industrial Park, Stormwater Management Pond No.2</b>				
2. Rankin Construction Inc. (Hamilton)	\$1,781,015.00				<b>Storm sewer Construction and Related Works</b>				
3. Drainstar Contracting Ltd. (Concord)	\$1,801,046.00				<b>Section 2</b> <b>Site Preparation and Grading</b>				
4. Bianchi Contracting (2004) Inc. (Bolton)	\$1,851,193.26				<b>Section 3</b> <b>Miscellaneous Works</b>				
5. Dufferin Construction Company (Oakville)	\$1,906,380.00				Project ID 3620507102	\$1,950,000	\$900,000	\$1,050,000	
6. Aecon Construction and Materials Limited (Toronto)	\$1,930,738.50								
7. King Paving & Materials Company (Burlington)	\$2,884,900.00								