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The Regional Municipality of Durham Report

To: Works Committee
From: Commissioner of Works
Report: #2024-W-20
Date: June 5, 2024

Subject:

Approval of Unbudgeted Capital Project Financing for the Relocation of Feeder mains, Water mains and Local Sanitary Sewers at Highway 401 on Wilson Road South in the City of Oshawa

Recommendation:

That the Works Committee recommends to Regional Council:

- A) That unbudgeted capital financing in the amount of \$8,670,000* for the relocation of Feeder mains, Water mains and Local Sanitary Sewers at Highway 401 on Wilson Road South in the City of Oshawa be approved; and
- B) That financing for the unbudgeted capital project be provided from the reallocation of funds from approved projects as follows:

Previously approved Financing:

Water Supply Capital Budget (Project ID: D2221)

User Revenue	\$550,000
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Sanitary Sewer Capital Budget (Project D2221)

User Revenue	\$50,000
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Total Previously Approved Funding	\$600,000
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Additional Financing

2024 Water Supply Capital Budget

Item #35: Allowance for unknown requirements in conjunction with Area Municipality Road Programs in various locations (Project ID: M2403)

User Revenue \$200,000

Item #40: Water works to rectify identified system deficiencies independent of road programs in various locations (Project ID: M2499)

User Revenue \$633,300

Item #45: Replacement of a watermain on Kingston Rd. (Highway No. 2) from Dixie Rd. to Bainbridge Dr., Pickering (Project ID: D1802)

User Revenue \$820,000

Item #44: Replacement of a watermain on Kingston Rd. (Highway No. 2) from Steeple Hill to Merriton Rd., Pickering (Project ID: D1848)

User Revenue \$850,000

Item #59: Replacement of the watermain on R.R. 26 (Thickson Rd.) from 84 m north of William Smith Dr. to 60 m south of William Smith Dr. and from Wentworth Ave. to the Canadian National Railway, Whitby (Project ID: W1901)

Asset Management Reserve Fund \$246,700

Item #87: Replacement of watermain on Mary St. from Rossland Rd. to Robert St., Oshawa (Project ID: O2202)

User Revenue \$200,000

Item #101: Replacement of watermain on Caleb St. from Clarke St. to Queen St., Port Perry (Project ID: S1901)

Asset Management Reserve Fund \$550,000

Item #246: Ajax Water Supply Plant – Chlorine Solution Line Replacement, Ajax (Project ID: D2019)

Asset Management Reserve Fund \$3,000,000

Item #283: Beaverton Water Supply Plant – Chlorine Solution Line Replacement, Brock (Project ID: D1930)

User Revenue \$1,800,000

Total Water Supply Funding:	\$8,300,000
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2024 Sanitary Sewerage Capital Budget

Item #24: Works to rectify identified system deficiencies independent of the road programs in various locations (Project ID: M2499)

User Revenue	\$274,377
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Item #396: Allowance for unknown requirements (Project ID: M2409)

User Revenue	\$95,623
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Total Sanitary Sewerage Funding	\$370,000
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Total Additional Financing	<u>\$8,670,000</u>
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Total Revised Project Financing	<u>\$9,270,000</u>
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Report:

1. Purpose

- 1.1 The purpose of this report is to obtain Regional Municipality of Durham (Region) council approval for unbudgeted project financing for the relocation of feeder mains, water mains and sanitary sewers on Wilson Road South at Highway 401 in the City of Oshawa.
- 1.2 Dollar amounts followed by an asterisk (*) include disbursements and are before applicable taxes.

2. Background

- 2.1 The Ministry of Transportation Ontario (MTO) is delivering a series of bridge replacement projects in Oshawa to prepare for the future widening of highway 401, including the replacement of the Highway 401 bridge over Wilson Road South.
- 2.2 The new, wider bridge at Wilson Road South will accommodate the future widening of Highway 401 but requires the lowering of the road profile of Wilson Road South under Highway 401. The Region is partially contributing to the bridge replacement to oversize the bridge span to accommodate the future widening of Wilson Road South to 4 lanes (2 southbound lanes and 2 northbound lanes).

Wilson Road South at Highway 401 is currently 2 lanes (1 southbound lane and 1 northbound lane). The increased bridge span will also accommodate cycling lanes on Wilson Road South.

- 2.3 Due to the lowering of Wilson Road South, the two existing feeder mains, local water mains and two local sanitary sewers, the new bridge structure footprint, and the storm sewers must be relocated.
- 2.4 The existing 750-millimetre (mm) concrete pressure pipe (CPP) feeder main on Wilson Road South was constructed in 1957. It services downtown Oshawa and the surrounding area.
- 2.5 The existing 1,200 mm CPP feeder main on Wilson Road South was constructed in 1977. This critical feeder main services south and east Oshawa.
- 2.6 The 150 mm cast iron water main on Wilson Road South was constructed in 1954 and services residential customers in the immediate local area of Oshawa.
- 2.7 The 200 mm concrete sanitary sewers north and south of Highway 401 on Wilson Road South were constructed in 1952. These sewers service residential customers on Wilson Road South, Sterling Avenue and Ortono Avenue in Oshawa.
- 2.8 In June 2023, Regional Council approved Works Committee Report #2023-W-24, for the sole sourcing of engineering services for the detailed design for the relocation of the Region's infrastructure. The consultant advanced the detailed design for the Region's infrastructure in parallel with MTO's bridge design, and in February 2024, provided Region staff with a design package that coordinated the scope of required Region infrastructure relocations with the bridge design.
- 2.9 MTO has since advised that the bridge design has been expedited and is now complete, allowing them to tender the contract in June 2024. MTO has also advised that the relocation of the Region's infrastructure must be staged and completed before work on the new bridge structure can begin.
- 2.10 MTO and Region staff have finalized the terms and conditions of an agreement for a 50/50 cost share for the relocation of regional infrastructure as part of MTO's construction contract.
- 2.11 Funding of \$3,500,000 is included in the nine-year forecast for construction in 2025, MTO has, however, advanced the project to 2024.

3. Financial Implications

- 3.1 Section 14.2 of the Region's Budget Management Policy requires the approval of the Treasurer and CAO, and the applicable Standing Committee and Regional Council for unbudgeted capital project expenditures in excess of \$50,000.
- 3.2 Section 17.1 of the Region's Budget Management Policy requires the approval of the applicable Standing Committee and Regional Council for the reallocation of capital funding exceeding \$250,000.
- 3.3 Financing for the unbudgeted capital project required for the relocation of the feeder mains, water mains and sanitary sewers to accommodate reconstruction of the Wilson Road South overpass can be provided from the following source:

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3.4 Funding is available from savings from two projects that have been tendered and awarded and four that have been deferred. Funding for the deferred projects will be included in the 2025 Business Plans and budget.

4. Relationship to Strategic Plan

4.1 This report aligns with the following strategic goals and priorities in the Durham Region Strategic Plan:

- a. Service Excellence Goal 5.1: Optimize resources and partnerships to deliver exceptional quality services and value.
- b. Service Excellence Goal 5.2: Collaborate for a seamless service experience.

5. Conclusion

5.1 It is recommended that unbudgeted project financing be approved to complete the relocation of feeder mains, water mains and sanitary sewers on Wilson Road South at Highway 401, in the City of Oshawa.

5.2 This report has been reviewed by the Finance Department and the Commissioner of Finance concurs with the financial recommendations.

5.3 For additional information, contact: Michael Harris, Manager of Design Contracts, Environmental Services Branch, at 905-668-7711, extension 3458.

Respectfully submitted,

Original signed by:

Ramesh Jagannathan, MBA, M.Eng., P.Eng., PTOE
Commissioner of Works

Recommended for Presentation to Committee

**Original signed by Brian Bridgeman,
Commissioner of Planning and
Economic Development for**

Elaine C. Baxter-Trahair
Chief Administrative Officer