

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON
MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

REPORT
RAPPORT

Our File/N/Réf. **50 50-98-0001 / 06-98-0002**
Your File/V/Réf.

DATE 7 April 1998

TO/DEST. Co-ordinator
Corporate Services and Economic Development Committee

FROM/EXP. Environment and Transportation Commissioner

SUBJECT/OBJET **ROAD MAINTENANCE AGREEMENTS BETWEEN THE CITY
OF VANIER AND THE REGIONAL MUNICIPALITY OF
OTTAWA-CARLETON**

DEPARTMENTAL RECOMMENDATIONS

That the Corporate Services and Economic Development Committee recommend Council approve the following:

- 1. Execution of a Non-Winter Road Maintenance Service Agreement with the City of Vanier as outlined in Annex A;**
- 2. Providing notice to the City of Vanier with respect to extending the period of the new Non-Winter Road Maintenance Agreement until 31 August 2000 and annually thereafter until terminated by either party in accordance with the terms of the agreement;**
- 3. Providing notice to the City of Vanier with respect to extending the period of the current Winter Road Maintenance Agreement with the City of Vanier until 31 August 2000 and annually thereafter until terminated by either party in accordance with the terms of the Agreement.**

BACKGROUND

Under agreement, the City of Vanier has provided the Region with road maintenance services on Regional roads since the inception of the Region in 1969.

A former agreement with Vanier was terminated by the Region on 23 October 1995. In accordance with Regional Council's direction on 10 July 1996, a new Winter Road Maintenance Agreement with Vanier was formulated on 26 September 1996.

Attached is a proposed new Non-Winter Road Maintenance Agreement that deals with those road maintenance activities not included in the Winter Agreement.

The terms of this new proposed agreement were ratified by Vanier's City Council at its meeting of 17 March 1998.

DISCUSSION

The following road maintenance activities are addressed by the proposed new Non-Winter Agreement:

- a) Road Surface and Base Repairs
- b) Summer Road Patrol
- c) Machine Sweeping
- d) Manual Sweeping
- e) Iron work Repair
- f) Litter Pickup
- g) Drainage Structures: inspection, clearing, cleaning and repair (catchbasins etc.)
- h) Special events (barricades)
- i) Regional share of storm sewer maintenance
- j) Miscellaneous/Emergency Response - generally any other activities associated with the above-noted road maintenance works that were previously carried out by the City of Vanier for the Region under past Service Agreements.

The original 1997 budget allocation for these non-winter works was \$57,100.00. The City of Vanier has identified efficiencies sufficient to reduce the preliminary 1998 Budget Estimates for this same work to \$43,400.00, a significant savings of 24%.

The proposed agreement provides for the non-winter works to be carried out in accordance with the Region's Quality Standards and provides for the ability to adjust these standards if necessary to meet budgetary constraints.

The proposed agreement lists the Regional roads to be included, the reporting requirements to be followed and a payment mechanism based a cost only recovery basis for Vanier. Other standard provisions such as those relating to liability, arbitration and notices etc. are also included.

The initial termination date of the Non-Winter Agreement, 31 August 1999, was selected to coincide with the same date for the existing Winter Agreement. There is provision for renewal of both agreements on the basis of 12 months written notice in advance of the termination date by the Region and acceptance by Vanier. In this regard, it is proposed that in conjunction with the approval of a new Non-Winter Agreement, the Region provide the City of Vanier with notice expressing its desire to extend the period of both the new Non-Winter and the existing Winter

Agreements to 31 August 2000 and annually thereafter until terminated by either party in conformance with the termination terms of the agreements.

The City of Vanier provides de-icing chemical and abrasive application, snow plowing and snow removal services as well as winter road patrol services under the existing Winter Road Maintenance Agreement and, similarly as for the non-winter services, Vanier has identified efficiencies sufficient to reduce a proposed budget of \$174,000.00 for 1997 to \$140,800.00 for 1998. This is a 19% savings.

Upon renewal, both agreements provide for termination by either party with 12 months written notice provided the termination takes effect on 31 August of any year.

EXPENDITURE JUSTIFICATION

The Non-Winter and Winter Road Maintenance Service Agreements provide for the maintenance of Regional roads by the City of Vanier to Regional standards. Road maintenance is a statutory obligation of the Region under Section 284 of the *Municipal Act*.

CONSULTATION

Public consultation is not applicable to this process.

FINANCIAL STATEMENT

Funds have been provided in the 1998 Draft Operating Budget Estimates, Account No. 012-32321-2841, Hardtop Maintenance, Account No. 012-32323-2841, Drainage Maintenance and Account No. 012-38111-2841, Winter Maintenance.

*Approved by
M. J. E. Sheflin, P. Eng.*

LAR/ms

FINANCE DEPARTMENT COMMENT

Funding for the 1998 portion of this agreement has been provided for in the 1998 Draft Operating Estimates. The remainder of the agreement represents a pre-commitment against future operating budgets.

Subject to Council Approval.

*Approved by C. Colaiacovo
on behalf of the Finance Commissioners*

Attach. (1)

ANNEX A

THIS AGREEMENT made in triplicate this day of May, 1998.

BETWEEN:

THE REGIONAL MUNICIPALITY OF OTTAWA-CARLETON,
hereinafter called the "REGION"

OF THE FIRST PART,

AND:

THE CORPORATION OF THE CITY OF VANIER
hereinafter called the "AREA MUNICIPALITY"

OF THE SECOND PART

WHEREAS certain roads and streets within the Area Municipality are Regional Roads for which the Region is responsible for maintenance;

AND WHEREAS the Region and the Area Municipality wish to work together in a co-operative effort to provide quality road maintenance services to the residents of the Region in the most cost effective manner possible;

WITNESSETH that in consideration of the mutual covenants herein contained the Region and the Area Municipality agree as follows:

1. DEFINITIONS

- a. "City Engineer" means the person so appointed from time to time by the Area Municipality.
- b. "Environment and Transportation Commissioner" means the person so appointed from time to time by Regional Council.
- c. "Force Majeure" means an act of God, strike, lock-out or other labour dispute, act of the Queen's or public enemy, war declared or undeclared, blockade, revolution, riot, insurrection, civil commotion, lightning, fire, storm, flood, earthquake, explosion, governmental restraint or embargo, inability to obtain or delay in obtaining governmental approvals, permits, licences or allocations and any other cause (other than lack of funds), whether of the kind specifically enumerated or not, which is not reasonably within the control of the Party claiming Force Majeure.

- d. “Quality Standards” means those levels of service and standards of quality set forth in Schedule “B” hereto as amended from time to time by the Region.
- e. “Regional Roads” means those roads or parts of roads more particularly described in Schedule “C” to this Agreement as amended from time to time by the Region.
- f. “Road Maintenance” shall mean those activities set forth in Schedule “A” hereto and such other related activities as may be required by the Region, with the agreement of the Area Municipality, to be performed from time to time.

2. AREA MUNICIPALITY TO MAINTAIN REGIONAL ROADS

- (1) The Area Municipality shall with its equipment and operators, including materials, facilities, vehicles and contractors perform the services required to carry out the Road Maintenance activities on Regional Roads in accordance with the quality standards. The Road Maintenance activities, the quality standards and the Regional Roads referred to herein are set forth in Schedules A, B and C respectively.
- (2) The Area Municipality shall submit a work plan in the format as detailed in Schedule “D” by March 1st of each year of the term of this Agreement, including any extensions agreed to by the Parties, and the work plan shall be subject to written approval by the Region.

The work plan and the mix of resources to implement the work plan shall be structured in such a way as to provide for effective, efficient and economical operations and the Parties agree that a work plan may be amended at any time, upon mutual agreement.

- (3) The Area Municipality shall not commence Road Maintenance activities in any year of the term of this Agreement prior to the Region approving the applicable annual work plan.

3. CONTRACTING OUT

The Area Municipality shall submit tenders in advance of being called, and all proposed contract awards to the Environment and Transportation Commissioner for approval of the tender price, to ensure that the award of the tender provides competitive prices for work on Regional Roads, and that the tender is not unbalanced to the detriment of the Region. This section shall not apply to contracts for the supply of material jointly tendered by the Area Municipality and the Region.

4. ALTERATIONS TO REGIONAL ROAD SYSTEM

In the event that:

- (1) new roads are added to the Regional Road System within the geographic limits of the City of Vanier, then, in the discretion of the Region, notice of such additions shall be given to the Area Municipality as herein provided and, subject to the approval of the Area Municipality such roads shall be maintained by the Area Municipality in accordance with Section 2 of this Agreement;
- (2) a Regional Road is deleted from the Regional Road System within the geographic limits of the City of Vanier, then this Agreement shall cease to apply to such roads as of the effective date of the deletion of the road from the Regional Road System;

The Parties further acknowledge and agree that, where there is mutual agreement between the parties, Regional Roads located outside the geographic limits of the City of Vanier may be added to this Agreement.

5. CHANGES TO MAINTENANCE SERVICES

The Environment and Transportation Commissioner and the City Engineer are authorized to alter by up to 10% the extent of services provided under this Agreement through mutually acceptable additions or deletions to Schedules "A", "B" and "C".

6. PERFORMANCE STANDARDS

The services to be provided by the Area Municipality under this Agreement shall comply with the Quality Standards set forth in Schedule "B" hereto; provided that the Environment and Transportation Commissioner reserves the right to modify these standards based on budgetary constraints or based on emergency conditions having regard for the safe and efficient management of pedestrian and vehicular traffic and the proper maintenance of the Regional Road System. Any modifications to the Quality Standards that are initiated under this Section shall not be subject to the limitation concerning changes stated in Section 5 of this Agreement.

7. RESPONSIBILITY OF ENVIRONMENT AND TRANSPORTATION COMMISSIONER

- (1) The Environment and Transportation Commissioner shall be generally responsible to the Regional Council for all of the services required to be performed under this Agreement and to approve of such services before payment is made therefor.
- (2) The Environment and Transportation Commissioner shall provide for and authorize Regional personnel to monitor and inspect the services to be performed by the Area Municipality under this Agreement, in which event the persons so designated shall be accorded access at all reasonable times to such documents, information, records, individuals, and work locations as may be required for them to effectively perform their duties.
- (3) The Environment and Transportation Commissioner may authorize and the City Engineer may accept as payment or partial payment for services provided under this Agreement the provision of like services by the Region on adjacent roads of the Area Municipality, where, in the opinion of both Parties, it is economically advantageous to do so.

8. INFORMATION AND ACCESS TO RECORDS

- (1) The Area Municipality shall provide detailed information of Road Maintenance operations to the Region every two months. These reports shall be in a form and content mutually agreed to by the Parties and shall be submitted by the fifth (5th) day following the last day of each two month period.
- (2) In addition to the authority of Regional personnel to access information in section 7(2) above, the Region shall have the right, on ten (10) days notice, to conduct an audit of all records and information and have access to all staff and sub-contractors of the Area Municipality for the purpose of ensuring that all amounts invoiced by the Area Municipality under this Agreement accurately reflect work and Road Maintenance activities carried out pursuant to the terms of this Agreement.
- (3) The Area Municipality shall respond in writing to Regional personnel, as soon as possible, or in any event within five (5) working days, of receipt of all written requests for information concerning Road Maintenance activities from Regional Councillors and residents of Ottawa-Carleton.
- (4) The Area Municipality shall provide the Region with bi-monthly summaries of service requests received and service requests that have been carried out.

- (5) The Area Municipality shall provide the Region with an annual report which shall include proposals and opportunities to provide the Road Maintenance services at reduced cost based on service delivery efficiencies, standards or service level modifications, and other improvements. The Parties also agree to meet at mutually agreeable times to discuss all available efficiencies and improvements to service delivery.

9. PAYMENT

- (a) The Region shall pay to the Area Municipality for the provision of the services approved by the Environment and Transportation Commissioner and performed under this Agreement an amount equal to the cost of the provision of such services and the supply of the necessary materials, as more particularly described in Subsection (b) below, together with any tax imposed by the Federal and Provincial Governments on services provided under this Agreement.

- (b) Without limiting the generality of Sub-section (a), the costs of such services and the supply of necessary materials referred to therein shall include:

- 1) labour (hourly rated employees);
- 2) payroll burden (such as pensions, health care plans, insurance plans, employee health tax, and paid leave, etc.);
- 3) materials and supplies;
- 4) the rental of privately owned equipment;
- 5) the rental of municipally owned equipment at MTO rates as revised from time to time;
- 6) contracted work;
- 7) salaries or wages for front line supervisors, including payroll burden as defined in b.(2) above;
- 8) other direct charges of an unforeseen nature, or charges for which the Area Municipality's recording system does not differentiate responsibility between the Area Municipality and the Region, the cost allocation of which shall be agreed to by exchange of correspondence between the Environment and Transportation Commissioner and the City Engineer. Examples of activities which fall into this category include:

- stockpiling and loading of maintenance materials
- on call premium for workers placed on call but not called out to work overtime
- training
- wearing apparel and safety equipment
- hand tools/supplies

10. BILLINGS

- (1) The Area Municipality shall render to the Region a bi-monthly invoice for the Road Maintenance services performed by the Area Municipality during the preceding two months, which account shall be paid by the Region upon receipt and approval of the invoice.
- (2) The annual final adjustment billing shall be submitted by the Area Municipality to the Region when year-end postings have been made and the books for the Area Municipality have been closed.
- (3) If an account is not paid within thirty (30) days of its receipt and approval, interest shall be added thereto commencing the thirty-first (31st) day after the date of approval at the prime rate of interest determined, from time to time, by the Royal Bank of Canada. Any interest charges paid by the Region for items under dispute which are subsequently adjusted in favour of the Region, shall be refunded to the Region.
- (4) Any and all delays in submission of invoices and the reports required by subsection 8(1) will result in corresponding delays in payment by the Region.

11. YEAR-END REPORT

The Area Municipality shall, annually, forthwith after year-end postings have been made, submit to the Region a summary of maintenance activities in the preceding year on Regional Roads as follows:

- a. tonnage of asphalt used;
- b. number and estimated value of accident damage claims;
- c. number and value of accident damage claims recovered; and,
- d. other technical data which may be required for statistical purposes so long as reasonable advance notice of the need for this data is given by the Region.

12. LIABILITY - VEHICLES

With respect to claims, demands and causes of actions of any nature and kind arising from the Area Municipality's use of licensed and unlicensed vehicles in carrying out the provisions of this Agreement:

- a. The Area Municipality shall be liable and responsible for, and indemnify and save the Region harmless from all claims.
- b. The Area Municipality shall also be liable and responsible for the cost of investigating and defending the claims referred to above.

13. LIABILITY - ROADS

The Region shall be liable and responsible for, and indemnify and save the Area Municipality harmless from, all claims, demands and causes of action of any nature and kind arising from the performance of, or the failure to perform, the Area Municipality's maintenance obligations under this Agreement, save and except for those claims, demands and causes of action that are attributable to the negligent manner in which the Area Municipality has performed, or failed to perform, Road Maintenance activities under this Agreement.

14. ARBITRATION

In the event of any dispute between the Parties, hereto during the term of this Agreement, or afterwards, or after the determination or breach of this Agreement as to any matter arising thereunder, either Party hereto shall be entitled to give to the other notice of such dispute and to demand arbitration thereof.

Such notice and demand being given, the Parties shall at once mutually appoint an arbitrator. If the Parties fail to agree upon an arbitrator, the matter shall be governed by the procedures set out in the *Arbitrations Act*, R.S.O. 1990, c. A.24. The decision of the arbitrator shall be final and binding upon the Parties who covenant that their disputes shall be so decided by arbitration alone and not by recourse to any Court by way of action of law.

The cost of arbitration shall be apportioned against the Parties hereto or against any one of them as the arbitrator may decide.

15. FORCE MAJEURE

If either Party is rendered unable wholly or in part by Force Majeure to perform its obligations under this Agreement (other than any obligation to pay money), such Party shall give to the other Party prompt written notice of such Force Majeure with reasonably full particulars thereof and, insofar as known, the probable extent to which it will be unable to perform or be delayed in performing such obligation, whereupon such obligation of the Party giving the notice shall, so far as it is affected by the Force Majeure, be suspended during but no longer than the continuance of such Force Majeure. A Party giving notice of Force Majeure shall use all possible diligence to remove such Force Majeure as quickly as possible, provided, however, that this requirement shall not require the settlement of strikes, lock-outs, labour disputes or other labour difficulties by the Party concerned on terms contrary to its wishes.

16. PERIOD OF AGREEMENT

- (1) This Agreement shall take effect on the 1st day of January, 1998 and shall remain in effect until the 31st day of August, 1999.

- (2) In the event that the Region wishes to renew this Agreement, the Region shall provide the Area Municipality with twelve (12) months written notice prior to the initial termination date.
- (3) In the event that the Region provides notice in accordance with subsection (2) above and the Area Municipality agrees, the Agreement shall continue in effect until August 31, 2000 and annually thereafter until terminated by either party providing twelve (12) months written notice of termination prior to an annual termination date (August 31).

17. TERMINATION

Either Party may terminate this Agreement during the initial seventeen (17) month term by providing the other Party with twelve (12) months written notice of its intention to do so, provided the termination takes effect on August 31 of any year of the term.

18. AMENDMENTS TO AGREEMENT

The two parties recognize that any part of this Agreement may be amended from time to time by mutual agreement without terminating the Agreement. The parties further agree that all minor amendments that do not affect the general spirit and intent of this Agreement, may be approved by the Environment and Transportation Commissioner for the Region and the City Engineer for the Area Municipality.

19. NOTICES

All notices required to be given pursuant to this Agreement shall be in writing and either delivered by hand, mailed by registered first-class mail, postage prepaid, or sent by telecommunication as follows:

In the case of the Area Municipality:

City Clerk
The Corporation of the City of Vanier
300 Des Peres-Blancs Avenue
Vanier, Ontario
K1L 7L5

In the case of the Region:

Regional Clerk
The Regional Municipality of Ottawa-Carleton
111 Lisgar Street
Ottawa, Ontario
K2P 2L7

Any such notice or other communication shall conclusively be deemed to have been given and received, if delivered, on the day on which it was delivered and if mailed, on the third business day following the day on which it was mailed and, if sent by telecommunication, on the first business day following the day on which it was dispatched. No Party shall mail any notice or other communications hereunder during any period in which Canadian postal workers are on strike or if such strike is imminent and it may reasonably be anticipated to affect the normal delivery or mail.

A Party may change its address for receipt of notices or other communications hereunder by giving notice thereof to the other Party.

20. SUCCESSORS AND ASSIGNS BOUND

This Agreement shall enure to the benefit of and be binding upon the Parties hereto, their successors and assigns.

IN WITNESS WHEREOF the parties hereto have affixed their respective corporate seals attested by the hands of the respective duly authorized officers.

) THE REGIONAL MUNICIPALITY
) OF OTTAWA-CARLETON
)
)
)
) _____
) CHAIR
)
)
)
) _____
) CLERK
)
) THE CORPORATION OF THE
) CITY OF VANIER
)
)
)
) _____
) MAYOR
)
)
)
) _____
) CLERK

ROAD MAINTENANCE ACTIVITIES

1. Road Surface and Base Repair-includes cold patch repair
2. Summer Road Patrol
3. Machine Sweeping
4. Manual Sweeping
5. Iron work Repair
6. Litter Pickup
7. Drainage Structures: inspection, clearing, cleaning and repair (catchbasins, culverts, ditches, curb/gutter)
8. Special events (barricades etc.)
9. Regional share of storm sewer maintenance
10. Miscellaneous/Emergency Response - includes the pickup and disposal of dead animals, cleanup of debris at accident scenes, attendance to road and traffic hazards (signs, flashers, and ensuring the call-in of appropriate forces to deal with drainage structures, spills, cold patch repair and other road maintenance matters) and generally all activities associated with the above-noted road maintenance works and previously carried out by the City of Vanier for the Region under past Service Agreements including, but not limited to, the cleanup of debris resulting from the illegal or accidental discharge of materials onto the road, the removal of abandoned vehicles as well as cleanup, disposal and the clearing of drainage structures due to building fires.

**REGIONAL ROADS
Maintained By the City of Vanier**

- | | |
|-----------------|--|
| McArthur Avenue | <ul style="list-style-type: none">• River Road to Vanier City Limits (Belisle Street) |
| Montreal Road | <ul style="list-style-type: none">• River Road to Vanier City Limits (Ducharme Blvd.) |
| River Road | <ul style="list-style-type: none">• Montreal Road to McArthur Avenue |
| Vanier Parkway | <ul style="list-style-type: none">• Coventry Road to Vanier City Limits (Beechwood Ave.) |

ROAD MAINTENANCE ACTIVITIES WORK PLAN FORMAT

The Work plan shall contain, as a minimum, the following information:

Budget

Budget and related information for each work item

Who

Contact persons undertaking the work (24 hour access) including but not limited to:

- The Director of the work
- The Manager of the work
- Supervising foremen (district supervisors)

What/Where

- Brief description of all activities and the work involved
- Detailed up to date beat sheets (and maps if readily available)
- Sub-contractors, excluding hired equipment, to be used and the proportion of work by activity
- Emergency response crews out of which yards
- Material control procedures
- Type and quantity of material to be used as well as storage facility details
- Efficiency improvements and technological changes to be implemented

When

- Mobilization Plans
- When is work performed and under what circumstances (complaints, road patrol, planned programme, per quality standards).

Note: All of the above-noted information is to be provided at the beginning of the contract. Subsequent annual work plans need only address proposed changes, but the complete work plan (previously approved work plan with the proposed changes) is subject to annual approval by the Region under the terms of the Service Agreement.