

REGION OF OTTAWA-CARLETON
RÉGION D'OTTAWA-CARLETON

REPORT
RAPPORT

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 Your File/V/Réf.

DATE 29 August 2000

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

FROM/EXP. Planning and Development Approvals Commissioner
 Environment and Transportation Commissioner

SUBJECT/OBJET **DESIGN FUNDING FOR INFRASTRUCTURE RELATED TO
 ECONOMIC DEVELOPMENT**

DEPARTMENTAL RECOMMENDATIONS

That Corporate Services and Economic Development Committee recommend that Council approve:

- 1. the direction to staff to begin the design of key infrastructure projects needed to support economic development as outlined in this report;**
- 2. the transfer of funds in the amounts of \$1,100,000 from Transportation and Transitway capital accounts as identified in Annex A;**
- 3. the transfer of \$3,930,000 and \$2,000,000 from the Transportation and Transitway Regional Development Charge Reserve Funds, respectively;**
- 4. the establishment of new project authorities as identified in Annex A;**
- 5. that the Chief Administrative Officer be delegated the authority to award professional engineering consulting contracts subject to the availability of funds as identified in the departmental budgets using the expedited process for consultant selection for the projects outlined in this report.**

PURPOSE

The purpose of this report is to advance funding for the design of identified infrastructure projects needed to support the recent increase in economic development, particularly high tech. Commencing design work in 2000 will save a construction season while funding for these infrastructure projects is identified. The standard consultant selection process requires 3-4 months. If design work is to commence in 2000, an expedited consultant selection process is required. An expedited process is proposed in this report, specifically for application to the design of the infrastructure projects identified in this report.

BACKGROUND

A report to the 12 September meeting of Planning and Environment Committee reports more broadly on recent growth trends, both residential and non-residential, and the infrastructure which may be required by 2006 to support development if current growth rates continue. The focus on this report is specifically on infrastructure to support Business Park development and on projects where a construction season could be saved if funding for design were approved in the 2000 budget.

The existing infrastructure and currently designated Business Parks are meeting demand at present, but the recent surge in economic growth has intensified the need for various water, wastewater and transportation projects to support the growth which has happened recently and is expected to continue.

For all urban areas of the region, it is important that the water and wastewater services to support Business Park development be either in place or designed, so that extensions may proceed expeditiously as demand requires. Jobs in urban Kanata and the Nepean South Urban Centre are increasing at rates higher than projected in the Regional Official Plan. Research recently completed by the Corporate Research Group into historic land absorption trends, growth rate scenarios and driving forces for site selection by high tech industries leads to the conclusion that in the short term there will continue to be a marked preference to locate in the west part of urban Ottawa-Carleton, i.e. west of the Rideau River. The recent high tech growth in the west has created a demand for additional transportation facilities there. In other urban centres, where growth in jobs is less rapid, the emphasis is on ensuring the availability of water and wastewater services.

INFRASTRUCTURE REQUIREMENTS FOR URBAN BUSINESS PARKS

Kanata Urban Centre

All of the urban land in Kanata and Stittsville has access to trunk water and sewer services, but additional capacity is required to support full development. While spare capacity still exists, the provision of additional capacity needs to be accelerated. This was recognized in the 2000 Budget, where projects such as upgrades to the Hazeldean wastewater pumping station and the Kanata North elevated water tank were brought forward. The March Road Sewer/Tri-Township Collector Upgrade is necessary to ensure continued wastewater capacity. This project includes the rehabilitation and upgrade of the Tri-Township Collector and the upgrade or replacement of the March Pumping Station and gravity sewer. An Environmental Assessment (EA) process has been initiated and is expected to be completed by year end. Budget authority of \$2.4M is currently allocated for this project. This authority

will also cover design of the project. There is a need to advance \$10.0M in construction funding to complete the construction of these works by the end of 2003. This has been reflected in the 2001 budget proposals. Study and property acquisition for the new north Kanata elevated tank is underway. The 2001 budget proposals advance authority for design in 2001 and construction in 2002 from the 2004 timing proposed in the 2000 budget.

Recent growth has created congestion at the 417 interchanges at Eagleson and Terry Fox. The Castlefrank overpass is needed to relieve this pressure and to serve the development in the Kanata Town Centre. The Region has initiated the EA for the Castlefrank Interchange and it should be completed within the next three months. It is recommended that \$1.0M in funding be approved to initiate design work in 2000 and that funding of \$9.0M be provided in 2001 to initiate construction. The Region/new City should continue to communicate to the Province the benefits that the interchange provides to the provincial network and request that the Province share the costs.

The Kanata Centrum Transitway Station and Park-and-Ride facility should proceed at the same time as the interchange and is necessary to support improved transit in this area. Good transit facilities will provide an option to car travel. The park-and-ride is required to supplement the Eagleson Road Park-and-Ride facility which currently operates at or near capacity. Funding of \$1 million is required to initiate design in 2000 with an additional \$9 million for construction.

The Terry Fox Drive requires extensions north of the Queensway from Campeau Dr. to March Rd. and south of the Queensway from the current endpoint at approximately Michael Cowpland Dr. to Hope Side Rd. at Eagleson Rd. This project will benefit Kanata North Business Park by providing significant relief to March Road and it will also provide access to the Kanata South Business Park. Together the two extensions provide continuity in the system and will greatly benefit the whole community. Funding of \$2.0 million is required in 2000 to initiate design.

Nepean South Urban Centre

The South Merivale Business Park is fully serviced. The explosive growth of JDS Uniphase has created road congestion. An interim improvement of the Woodroffe Avenue/Fallowfield Road intersection has been approved and funded, and construction will start this fall. Funding of \$6.5 million will be requested in the 2001 budget to initiate construction of the full intersection. There is a need to widen Merivale Road to four lanes from Slack Road to Highway 16 to improve the transportation access to the business park. The EA for this project will be initiated this year within existing authority. The 2001 budget submission recommends that \$1.5M be budgeted in 2001 to complete the design work and that \$8.0M be budgeted in 2002 to proceed with construction.

In concert with the widening of Merivale Road there is also a need to improve transit operation along Woodroffe Avenue from Baseline through the Greenbelt. The portion north of the Greenbelt to Baseline is incorporated in existing work plans and budgets. The portion through the Greenbelt (Sportsplex to Fallowfield) is under study as to the best alternative. It is recommended that \$1.5 million be committed in 2000 to initiate the design work for the section through the Greenbelt. The 2001 budget proposals

contain authority for construction 2001-2003 for the entire distance from Baseline (work begun in 2000) to Fallowfield..

The Park-and-Ride at Fallowfield Rd. and Woodroffe Ave. is under construction with a modest initial phase of 175 spaces. It is anticipated that these will be utilized rapidly and that there will be a need to expand the facility to its full potential in 2003. Funding of \$5.0 million should be provided at that time.

The Strandherd/416 Business Park is currently unserved, but land has recently been acquired by high tech interests. An interim wastewater system can be built utilizing the local sewer system to service most of the park. The estimated cost for this project is approximately \$1.0M; funding is available from the City of Nepean and the EA is currently in progress. The longer term solution rests with the construction of the West Rideau Collector and the Jock River Collector. Funding for the Jock River Collector is in the Nepean Development Charge By-law. Given the interim solution proposed and the uncertainty of timing of the need for the West Rideau Collector, it is recommended that \$1.5 million be budgeted in 2001 to proceed with the design of the facility and that construction funding be advanced when the longer term need is better established.

The transportation infrastructure required to service this business park is related to the requirements for the South Merivale Business Park and consists in the widening of Fallowfield Rd. from Strandherd Dr. to Merivale Rd. The EA work is complete and it is recommended that \$2.0M be committed now to initiate the design work. The 2001 budget will propose authority to begin construction in 2001 and continue over a three year period, at a cost of \$21.0M.

Further to the projects relating specifically to the above business parks, the West Transitway Extension (Phase 1B), from Pinecrest to the Bayshore Transitway Station is also required to support the rapid growth being experienced in the west. Funding commitments of \$21.5 million should be provided over the short term to support this project.

Gloucester South Urban Centre

The River Ridge Industrial Area, which currently is neither subdivided nor zoned, can be serviced by extensions to the River Ridge trunk sewer and River Ridge feeder mains as required.

An Environmental Assessment is currently underway for the widening of River Road between Limebank and Hunt Club.

Orleans Urban Centre

In Orleans, the Youville, Taylor Creek, and Cardinal Creek Business Parks are fully serviced. The Ottawa River Business Park currently has trunk water services and interim wastewater servicing. The Ottawa River subtrunk will provide the permanent solution. This sewer in combination with the Trim

Road sewer is being studied in order to identify an appropriate engineering solution and design can begin in 2000. Authority has been requested in the 2001 budget to construct these facilities.

The Orleans South Business Park has a total of 592 hectares (ha). Of this, 258 ha can be serviced by existing water and wastewater trunk services.

Water service to the remainder of the business park requires extensions to the Orleans South Watermain along the Hydro easement. The Environmental Assessment and the design for this watermain are complete. The easements have also been acquired except for the section of the hydro easement within the Talos lands just west of Tenth Line Road. Since the Region has advanced funding for the portion of the Cumberland sewer to service the Talos lands east of Tenth Line Road, negotiations with Talos for the easement are expected to conclude positively soon. Funding for the watermain in the hydro easement has been identified in the draft 2001 Budget. Should the need for this watermain arise, the project can be tendered and proceed to construction expeditiously.

Completion of wastewater services for the Orleans South Business Park requires further extensions of both the Forest Valley and Cumberland Gravity sewers. The Environment and Transportation Department is presently proceeding with consultant selection for the design for the Forest Valley Pumping Station, forcemain and gravity sewer. Completion of the design is anticipated by the Spring of 2001 followed by a tender call for construction in the Summer of 2001. Funds for construction have been requested in the 2001 draft budget.

A phase of the Cumberland gravity sewer is under construction this year. The plan was to extend this sewer on a developer build basis as development proceeded. This sewer needs to be extended through several residential properties to reach the Orleans South Business Park. If the industrial requirement arises before the development of the intervening residential properties, a sewer can be built on Tenth Line.

Work is underway on the EA of the Innes Road widening from Orleans to Tenth Line (and from Highway 417 to Blair). The EA is expected to be completed in mid 2001. Authority is being requested in the 2001 budget to proceed with design in 2001, with additional authority in subsequent years to permit phased construction with completion by 2006. This project will improve Innes Road along the entire frontage of the Orleans South Business Park.

The Orleans Park & Ride is currently operating at capacity. Alternatives for providing additional capacity are being investigated. The 2001 budget proposals provide EA and design funding in 2001 and authority for construction in 2002.

Given the 2000 commitment to design and the recommendation that the above-noted projects remain in the 2001 budget, Orleans Urban Centre is in a good position to accept employment growth in its Business Parks.

CONSULTANT SELECTION PROCESS

The usual consultant selection process can take 3-4 months to complete. In light of the desire to commence design work on these projects as soon as possible and the likelihood of few Committee and Council meetings after the municipal election, an expedited consultant selection process is outlined below, which uses MERX to shortlist consultants and provides for delegated authority to the Chief Administrative Officer (CAO).

The process outlined below would take 6-8 weeks as opposed to the 14-18 weeks required for the normal procurement process.

1. Develop generic terms of reference to cover the planning/environmental assessment assignment and generic terms of reference to cover all design assignments.
2. Use MERX to post the generic terms of references to solicit interest from the consulting industry. From submissions, shortlist 8-10 consulting firms who have demonstrated expertise on RMOC planning/EA studies and/or RMOC arterial road/transitway design, etc. as well as previous knowledge on specific work packages.
3. Interview each shortlisted firm to explore staff availability, previous relevant experience and direct experience with any or all of the specific work packages.
4. Match consulting firms with assignments best suited to firm's expertise and background. Request proposals based on detailed terms of reference from consulting firms on project specific basis
5. Receive and evaluate written proposals and work plans.
6. Award contracts to firms best suited to the identified assignment. Delegate contract awards to CAO subject to funds being available.

PUBLIC CONSULTATION

There has been no public consultation on this report. The high tech industry has met with the Chair and the Transition Board to express their concerns about infrastructure keeping pace with their rapid expansion. These concerns have been widely reported in the media.

EXPENDITURE JUSTIFICATION

An investment in the EA (for Merivale) and design for the other recommended projects has no downside risk, as this infrastructure is needed now and will be built sooner than later. This action would place the new City in a very favourable position to access federal and provincial programs with designs "on the shelf" and it would allow the tendering of some of these works by the end of 2001 with a start

of construction in the spring of 2002, i.e. save a construction season.

Moving immediately on the design effort would also indicate a responsiveness to the “market signals” from the business community which would set the tone for a customer focused approach for the new City. This is a proactive action to address community needs.

FINANCIAL STATEMENT

A detailed financial statement is provided in Annex A. Authority of \$470,000 already exists for the Fallowfield widening. The remainder of the funding would come from Regional Development Charge Reserves and from transfer of \$1.1 million in surplus authority from completed projects (Wellington Street Rehabilitation and MacKenzie King Transitway station).

CONCLUSION

It is recommended that the Region approve \$7.5 million to initiate design work this year on the following infrastructure projects:

- Castlefrank Interchange - \$ 1 m
- Kanata Centrum Transitway Station and Park-and-Ride - \$1 million
- Terry Fox Drive extensions - \$2 m
- Fallowfield Road (Strandherd to Merivale) - \$2 m
- Southwest Transitway extension through Greenbelt - \$1.5 m

This investment will allow for the servicing of a number of business parks which will meet future growth projections. It will save a year in the delivery of these projects; place the new City in a good position to apply for senior government infrastructure funding; and respond to the expressed needs of the high tech business community to the benefit of all the residents of Ottawa-Carleton.

In order for design work to commence soon, it is recommended that the expedited consultant selection process described above, be approved for the listed projects and for the EA of Merivale Road from Slack Road to Highway 16.

Approved by
N. Tunnacliffe, MCIP, RPP

Approved by
M. Sheflin, P. Eng.

ANNEX A - FINANCIAL STATEMENT - REGION WIDE FUND

	<u>900426</u> Castlefrank Interchange \$	<u>900624</u> Terry Fox Extensions \$	<u>900044</u> Fallowfield Widening \$	<u>900060</u> Wellington St Rehab \$
Approved Budget to Date	-	-	470,000	11,048,000
Increase (Decrease) in Authority	200,000	400,000	-	(600,000)
Transfer from RDC Reserves	<u>800,000</u>	<u>1,600,000</u>	<u>1,530,000</u>	<u>-</u>
New Authority/Revised Budget 1,000,000	2,000,000	2,000,000	10,448,000	
Total paid and committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,946,728)</u>
Balance Remaining	<u>1,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>1,501,272</u>

Funds are available for transfer from Internal Order No. 900060, Wellington St Rehabilitation (reference page 511), 2000 Capital Budget, in the amount of \$600,000 to Internal Order No. 900426, Castlefrank Interchange (\$200,000) and to Internal Order No. 900624, Terry Fox Extensions (\$400,000), respectively. Funds in the amount of \$3,930,000 are available for transfer from the Transportation RDC Reserve Fund to Internal Order No. 900426, Castlefrank Interchange (\$800,000), Internal Order No. 900624, Terry Fox Extensions (\$1,600,000), and to Internal Order No. 900044, Fallowfield Road (Strandherd to Merivale) (\$1,530,000).

FINANCIAL STATEMENT - TRANSIT FUND

	<u>900627</u> Kanata Ctr Transit Stn/ Park&Ride \$	<u>900273</u> Transitway System Improvements \$	<u>900277</u> Mackenzie King Station \$
Approved Budget to Date	-	14,980,000	12,760,000
Increase (Decrease) in Authority	200,000	300,000	(500,000)
Transfer from Transit RDC Reserves	<u>800,000</u>	<u>1,200,000</u>	<u>-</u>
New Authority/Revised Budget 1,000,000	16,480,000	12,260,000	
Total Paid and Committed	<u>-</u>	<u>(12,709,274)</u>	<u>(8,731,868)</u>

Balance Remaining	<u>1,000,000</u>	<u>3,770,726</u>	<u>3,528,132</u>
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Funds are available for transfer from Internal Order No. 900277, Mackenzie King Station (reference page 514), 2000 Capital Budget, in the amount of \$500,000 to Internal Order No. 900627, Kanata Centrum Transitway Station and Park & Ride (\$200,000) and to Internal Order No. 900273, Transitway System Improvements (\$300,000) respectively. Funds in the amount of \$2,000,000 are available for transfer from the Transit RDC Reserve Fund to Internal Order No. 900627, Kanata Centrum Transitway Station and Park & Ride (\$800,000) and to Internal Order No. 900273, Transit System Improvements (\$1,200,000).