



TOWNSHIP OF NORTH HURON

REPORT

Item No.

REPORT TO: Reeve Vincent and Members of Council
PREPARED BY: Jeff Molenhuis
DATE: 17/10/2016
SUBJECT: Cowbell Brewery Watermain Extension Agreement
ATTACHMENTS: Development Agreement with 2363769 Ontario Ltd.

RECOMMENDATION:

THAT the Council of the Township of North Huron hereby receive the report Cowbell Brewery Watermain Extension Agreement for information;

AND THAT a By-law authorizing the Reeve and Clerk to enter into the Development Agreement between the Township and 2363769 Ontario Ltd. be brought forward for Council consideration.

EXECUTIVE SUMMARY

Cowbell Brewery requires a watermain extension to provide municipal water services for domestic purposes to the new development project. The watermain extension was included in the 2016 Capital Budget. The details of the agreement, including insurance and security, have been reviewed by Staff, the developer and a third party engineer. The capital cost of the watermain and a portion of engineering fees are being split by the Developer and the Municipality, to a maximum of \$85,000 for the Municipality.

DISCUSSION

The purpose of this Agreement is to clearly outline the current standards, obligations and responsibilities of the Developer and the Township for the construction of the watermain. The agreement also outlines milestones in the process to ensure the work is satisfactory and provide for release of securities. The Developer agrees to construct the works in accordance with the terms of Agreement, including completion of the work to a standard suitable to the Township.

The following has been provided to the Township as required by the Developer prior to entering into the Agreement:

- Deposit of the Securities; and
- Certificate of Insurance.

The design drawings for the extension were reviewed by Township staff, third party consultants and the Township's water operations contractor, and were found to conform to relevant design standards. County consent is needed to allow for installation of the works within their right of way.

FINANCIAL IMPACT

The total estimated project cost at the time of this report would be in the order of \$170,000. Staff have been working with the Developer's agent and BM Ross to refine the estimate

figures for the purpose of security and to establish the cost-sharing component for the Township.

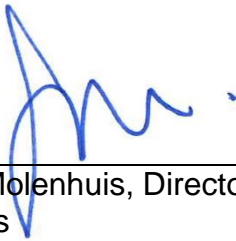
The funding agreed to by the Municipality is 50% of the project to a maximum of \$85,000, inclusive of capital construction cost and municipal engineer third party review cost. The 2016 Capital Budget for Waterworks included an item in line with this cost-sharing agreement. Under the Cross Border Services Agreement, Central Huron will contributing 25% of project costs to a maximum of \$43,000.

FUTURE CONSIDERATIONS

No future considerations at this time.

RELATIONSHIP TO STRATEGIC PLAN

Goal 3 the Township is healthy and safe. Goal 4 the administration is fiscally responsible and strives for operational excellence.

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Jeff Molenhuis, Director of Public Works

A handwritten signature in blue ink, appearing to read 'Sharon Chambers', positioned above a horizontal line.

Sharon Chambers, CAO