



MEMO

TO: Daryl Keleher, Senior Director
Altus Group Economic Consulting

FROM: Heather L Mifflin, Director of Finance / Treasurer
County of Brant

DATE: June 24, 2019

Re: Brant County Development Charges Background Study

Thank you for your letter of June 7, 2019 regarding the County's Draft Development Charge Background Study. The County of Brant offers the responses below following the format and order of comments within your letter.

Highway Services

1. The cost of many projects varies significantly from those in the Brant County 2014 Development Charges Background Study (2014 DC Study) (**Figure 1**). We would like to understand the reasons for the cost increases.

Figure 1 Change in Capital Costs of Highway Services, 2019 & 2014 DC Study, County of Brant

	2019 DC Study	2014 DC Study	Change	% Change
	<i>Dollars</i>		<i>Percent</i>	
Reconstruction on Grand River Street North, Paris (due to storm)	\$4,855,000	\$738,300	\$4,116,700	558%
New sidewalk on Silver St.	\$89,200	\$25,500	\$63,700	250%
New Sidewalk on Rest Acres Rd. from King Edward St. to Cobblestone	\$270,000	\$90,000	\$180,000	200%
New Sidewalks (Dundas St. W., Consolidated Dr., Curtis Ave) Paris E:	\$104,000	\$40,700	\$63,300	156%
New Sidewalks along Grand River Street North Paris	\$222,000	\$138,800	\$83,200	60%

Source: Watson & Associates Economists, County of Brant 2019 & 2014 DC Background Study

Response:

Traffic volume projections have increased significantly since 2014, which has led to the current recommendation to upgrade Grand River Street North to a 4-lane cross section with significant improvements to major intersections. This represents a significant scope change since the 2014 DC Study.

Similarly, the scope of work for the sidewalk improvements noted in Figure 1 has increased since 2014.

- Will there be any capacity added to due to the works undertaken in the “Reconstruction on Grand River Street North, Paris (due to storm)”? If there is no new capacity being added to accommodate traffic generated by new growth, the project should not be funded through development charges.

Response:

The project description for Reconstruction on Grand River St. N. should not include ‘(due to storm)’. The main purpose of the project will be to increase the capacity of the road for anticipated traffic volume increases due to community growth. The County is in the midst of Grand River Street North Class EA.

- What is the nature of the works to be conducted under “Intersection improvements (various)”, where are they located, and how were the costs determined?

Response:

Various intersections throughout the County will be upgraded as identified in the County’s Transportation Master Plan and as per the County’s Local Servicing Policy (1.3.c). Improvements will be completed when warranted, as traffic increases and levels of service decrease. The County has included 5 intersections at \$500,000 each and 1 at \$2.3M. The County is reviewing the benefit to existing and may adjust by amendment to the background study.

- The costs for several projects in the 2019 DC Study vary from the County’s 2019 Capital Budget (**Figure 2**). What are the reasons for the cost differences?

Figure 2 Difference in Capital Costs, 2019 Capital Budget and 2019 DC Study, County of Brant

	2019 DC Study	Capital Budget (2019 Onwards)	Change	% Change
		Dollars		Percent
Rest Acres Road Widening SW Paris Phase 2	17,200,400	10,500,000	6,700,400	64%
Watt's Pond Road - Ayr to Brant-Oxford	3,220,000	2,000,000	1,220,000	61%
New Sidewalks along Grand River Street North Paris	222,000	138,800	83,200	60%
Main St. N & Andrew Intersection Improvements	71,800	62,400	9,200	15%

Source: Altus Group based on Watson & Associates, County of Brant 2019 DC Background Study & 2019 Capital Budget, County of Brant

Response:

Similar to Grand River Street N. project, traffic volume projections have increased significantly since 2014, which has led to the current recommendation to upgrade Rest Acres Road to a 4-lane cross section with significant improvements to major intersections. This represents a significant scope change since the 2014 DC Study.

Watt’s Pond Road is the anticipated western diversion for Paris traffic to the 403.

New sidewalks on Grand River St N is part of a much bigger project, described above, which will be combining as a single project in the final development charge.

5. What is the basis for the 10% Benefit to Existing (BTE) deduction for the Bishopsgate Interchange?

According to a news article dated March 29, 2019¹, there are significant benefits for the existing community:

- a. “would help alleviate traffic pressure from Rest Acres Road”...“there are congestion issues on Rest Acres Road at that interchange...diverting traffic to Bishopsgate Road would alleviate this congestion”;
- b. “would make it easier for first responders to access the 403”; and
- c. “new interchange will also reduce the space between interchanges along 403 since the closest interchange west of Rest Acres Road is over 11 kilometres away – which is not ideal”.

<https://www.brantfordexpositor.ca/news/local-news/case-made-for-new-highway-403-interchange>

Response:

This is being reviewed and the County anticipates changes in an addendum to the background study. The County is in agreement. A 10% BTE will be added for this project.

6. Will the County be receiving any funding from upper levels of government for the Bishopsgate Interchange?

Response:

Not known at this time but included in the revised estimate.

7. Given the existing congestion issues on Rest Acres Road, why is the Phase 2 Rest Acres Road Widening allocated only a 10% BTE?

Response:

The County is not aware of any existing congestion issues on Rest Acres Road. The existing road has capacity to accommodate the current traffic volumes (2017 AADT = 11,750).

8. The 2016 County Transportation Master Plan Update (TMPU) appears to indicate that the Watt’s Pond Road project (19-98 and 19-99) is a road reconstruction project, and that the work will include “full reconstruction of the road surface and ditching”. Given this, is the 5% BTE allocation in the 2019 DC Study sufficient if no new capacity is being added, and the existing road is being reconstructed?

Response:

This is the part of Watt’s Pond road that is being converted from gravel to hardtop.

9. We were unable to find the Falkland Improvements (2 roundabouts) in the *TMPU*. What is the basis for this project being included in the *2019 DC Study*?

Response:

The Bishopsgate Road and Highway 403 Class EA was completed independently and subsequent to the Transportation Master Plan. Information specific to this study can be found on the County’s website:

<https://www.brant.ca/en/environmental-assessments.aspx#>

Fire Services

10. The cost of certain projects in the *2019 DC Study* have increased significantly since the *2014 DC Study*. What are the reasons for the cost increases (**Figure 3**)?

Figure 3 Change in Capital Costs of Fire Services, 2019 & 2014 DC Study, County of Brant

	2019 DC Study	2014 DC Study	Change	% Change
		Dollars		Percent
Renovate Fire Hall Onondaga - Engineering	\$2,158,500	\$400,000	\$1,758,500	440%
Renovation/Expansion Scotland Fire Hall - Engineering	\$2,045,800	\$460,000	\$1,585,800	345%
Renovation/Expansion Cainsville Fire Hall- Construction	\$1,930,000	\$500,000	\$1,430,000	286%

Source: Watson & Associates Economists, County of Brant 2019 & 2014 DC Background Study

Response:

The costs used for these projects in the 2019 DC Study are the actual tendered costs based on final design.

11. What is the nature of the work to be done for the “Renovate Fire Hall Onondaga – Engineering”? If there is no new capacity being added to the facility due to new growth, then the project should not be funded through DCs.

Response:

A new Fire Hall is being constructed in Onondaga, with an increased capacity.

Water

12. Why has the cost for “Airport Additional Water Storage and Supply” increased from \$3,745,000 in the *2014 DC Study* to \$9,500,000 in the *2019 DC Study*?

Response:

The scope of the project has increased since 2014. This project has been tendered and the addendum to the background study will show a revised amount of \$8,750,000.

13. Why has the cost for “Additional Water Source for Paris” increased from \$8,629,000 in the *2014 DC Study* to \$15,000,000 in the *2019 DC Study*?

Response:

The current project value shown in the 2019 DC Study is based on the Paris Master Servicing Plan Update, which is currently being finalized. The majority of the cost increase would be attributable to increased population growth forecasts since 2014.

14. The *2014 DC Study* included a 10% BTE for the “Additional Water Source for Paris” item, but no such allocation is made in the *2019 DC Study*. Please explain why the BTE allocation for this project has been eliminated.

Response:

The additional water source is 100% for new growth. The project was looked at by GM BluePlan as part of the Paris Master Servicing Plan Update.

15. Can you please explain why the timing of the “Additional Water Source for Paris” has been moved back from 2025/26 in the *2014 DC Study* to 2028 in the *2019 DC Study*? The timing of this work should not be pushed back, as this may result in the unnecessary delay of future development in the area.

Response:

The year 2028 is identified as the year when the existing water source will be at 100% capacity. Study, design and construction work will proceed ahead of this date. Planning for this project will start in 2020-2021.

16. What assumptions were made in devising the \$12,065,900 item for “Other Trunk Main Upgrades”? Please provide the details of how this amount was calculated.

Response:

Two main options are currently being evaluated as part of the Paris Master Servicing Plan Update (expand the groundwater supply in north Paris vs. connection to the Brantford municipal water supply). The anticipated cost option was used for the DC Study.

Wastewater

17. Why have the costs for the St. George Water Pollution Control Plant increased from \$11,325,500 in the *2014 DC Study* to \$31,600,000 in the *2019 DC Study*?

Response:

The Class EA is still ongoing and the cost shown in the DC Study is based on the recommended alternative, which has been impacted by increased population projections and more stringent effluent limits imposed by the MECP.

18. The costs for the East Paris Sewage Pumping Station have increased from \$1,032,000 in the *2014 DC Study* to \$1,964,000 in the *2019 DC Study*. Please explain the reasons for this cost increase.

Response:

The latest cost estimate was developed through the Paris Master Servicing Plan Update, incorporating the latest design requirements, flow projections and construction cost increases since 2014.

19. Why has the cost for the Paris Water Treatment Plant Expansion increased from \$6,202,100 in the *2014 DC Study* to \$24,324,000 in the *2019 DC Study*?

Response:

The latest cost estimate was developed through the Paris Master Servicing Plan Update, incorporating the latest design requirements, flow projections and construction cost increases since 2014. The background study will be amended to \$17.4M for this project.

Local Service Policy

20. The County's local service policy in Appendix E of the 2019 DC Study contains some provisions that appear to conflict with each other (**Figure 4**). Among the list of types of Local and Collector Roads that are direct developer responsibilities there is one item that is shown as being eligible for inclusion in the DC, while in the list of types of such roads that are DC eligible, there is one item that is identified as being a 'direct developer responsibility'. Can you clarify if what is shown in the local service policy is as intended, or if there is an error in the wording?

Figure 4

Brant County - Local Service Policy – 2019 DC Study

E.1.1 Local and Collector Roads (including land)

The costs of the following items shall be **direct developer responsibilities** as a local service:

- a. Collector Roads Internal to Development, inclusive of all land and associated infrastructure – direct developer responsibility under s. 59 of the D.C.A. as a local service.
- b. Collector Roads External to Development, inclusive of all land and associated infrastructure – **included in D.C. calculation** to the extent permitted under s. 5 (1) of the D.C.A. (dependent on local circumstances).
- c. All local roads – considered to be the developer's responsibility.

The costs of the following items **shall be paid through D.C.s:**

- d. Collector Roads External to Development, inclusive of all land and associated infrastructure – if needed to support a specific development or required to link with the area to which the plan relates **direct developer responsibility** under s. 59 of the D.C.A.

Source: Brant County 2019 DC Study, Appendix E

Response:

Thank you for noting the inconsistency in the policy. The County is reviewing the policy and revising accordingly.

Library

21. Where was the need for the New Main Branch and St. George Branch identified?

Response:

A Needs Assessment Background Report for the Paris/New Main Branch was published in 2016. A Paris Branch Library Facility Planning Study report was published in 2017.

St. George library usage has increased dramatically since 2004, in correlation with community growth, and is expected to continue to increase given the growth identified in the St. George Area Study.

22. Has the County completed a Library Master Plan?

Response:

The Library's current strategic plan 2017-2019 included comprehensive community consultation and demographic study. The Paris Branch Library Facility Planning

Study considered the entire library system in context. A complete Library Master Plan is included in this DC study, planned for 2025.

23. What are the “Tech Kits” and “Maker Kits” that are listed in the LOS inventory?

Response:

Tech Kits and Maker Kits are literacy-related tools on a wide range of interests, all of which are available to borrow.

24. The *Development Charges Act (Act)* does not allow for the inclusion of computer equipment. The Level of Service (LOS) inventory for Library includes “Tablets”. As this would appear to be ineligible under the *Act*, this item should be removed from the LOS calculation.

Response:

Computer equipment is eligible as long as it is integral to the delivery of the service. Computer equipment for staff use is not eligible, however, equipment that is used by the public to access the service is eligible.

In the case for tablets, it is considered a library collection material to access digital content (e-books, subscriptions, etc.).

Indoor Recreation

25. There is provision in the *2019 DC Study* for an addition to the Brant Sports Complex. However, upon review of the *Brant County Recreation Master Plan (Master Plan)*, an addition is not being recommended; rather, it states that “discussions” have been held about an addition, which would presumably be for a gymnasium. The *Master Plan* recommends that a possible gym location be at the Syl Apps CC, but a similar recommendation does not appear to be made for any addition to the Brant Sports Complex. What is the explanation for this apparent disparity?

Response:

It was recommended that a Needs Assessment be completed for the Brant Sports Complex. Due to changes from the Ontario Hockey Association the demand for change room space has drastically increased. The Business Plan identifies the location for the gymnasium as attached to the existing Brant Sports Complex. Further to this, a “community hub” style centre has been recommended for the Syl Apps location.

26. The LOS inventory includes several “Gyms Within Schools”. We assume that the County does not own these properties. Is that so? If not, does the County lease them? The Act only allows for inclusion of works on properties owned or leased by the municipality.

Response:

The County does rent the school.

27. How has the number of County ‘gym use hours’ been calculated? How has the 63% share estimated been applied to the LOS calculation?

Response:

Number calculated on number of actual hours rented annually.

Outdoor Recreation

28. The costs for many works vary significantly from those in the 2014 DC Study (Figure 5). Please explain the reasons for the cost increases.

Figure 5 Change in Capital Costs of Outdoor Recreation Service, 2019 & 2014 DC Study, County of Brant

	2019 DC Study	2014 DC Study	Change	% Change
	<i>Dollars</i>			<i>Percent</i>
Parks				
Victoria Park Upgrade	\$160,000	\$30,000	\$130,000	433%
Empire (St. George)	\$482,000	\$188,600	\$293,400	156%
Brookfield (Watts Pond)	\$280,000	\$185,000	\$95,000	51%
Park Trails				
Grandville - Trail	\$250,000	\$35,000	\$215,000	614%

Source: Watson & Associates Economists, CCounty of Brant 2019 & 2014 DC Background Study

Response:

Victoria Park - \$30,000 was original estimate to upgrade the playground area. The scope has changed to a park expansion with the road re-alignment next to the park therefore there will be grading and expansion of the ball diamond as well as a junior playground, parking.

Empire St. George – Further planning for the area has determined the County will need to construct two ball diamonds with lighting and a parking lot that were not previously contemplated.

Brookfield Watts Pond – More detailed costing for Pickleball courts as well as addition of a parking lot.

Grandville Trail – Expansion of trail distance from this subdivision to loop into LIV on Powerline and New Parks in Grandville as well as Clever Rd. area.

29. The costs for several items vary from the 2019 Capital Budget (**Figure 6**). Please explain the reasons for the cost differences.

Figure 6 Difference in Capital Costs, 2019 Capital Budget and 2019 DC Study, County of Brant

	2019 DC Study	Capital Budget (2019 Onwards)	Change	% Change
		<i>Dollars</i>		<i>Percent</i>
Grandville - Trail	250,000	35,000	215,000	614%
Mountain Bike Trails	160,000	60,000	100,000	167%
Burford Walking Trails	96,000	60,000	36,000	60%

Source: Altus Group based on Watson & Associates, County of Brant 2019 DC Background Study & 2019 Capital Budget, County of Brant

Response:

Grandville Trail – Expansion of trail distance from this subdivision to loop into LIV on Powerline and New Parks in Grandville as well as Clever Rd. area.

Mountain Bike Trails – More detailed cost estimate for Nith Peninsula Trail development

Burford Walking Trails – Expansion of trails from Lions Park as noted in Trail Masterplan for the Brant West Area.