

**LATE ITEMS**  
**REGULAR MEETING OF CITY COUNCIL**  
**WEDNESDAY, JULY 17, 2013**

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**HEARINGS**

**3b) Discretionary Use Application – Restaurant**  
**2917 Early Drive – Brevoort Park Neighbourhood**  
**B1 District**  
**Applicant: Prairie Harvest Café**  
**(File No. CK. 4355-013-003)**

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- Paul Lepage, undated, submitting comments regarding the above.

**3c) Proposed Amendments to the Official Community Plan – Schedule “A”**  
**City Park Land Use Policy Map**  
**342 Sites North of Queen Street between 7<sup>th</sup> Avenue N and 4<sup>th</sup> Avenue N**  
**“Low/Medium Density Residential” to**  
**“Low Density Residential – No Conversions”**  
**Applicant: City of Saskatoon**  
**Proposed Bylaw No. 9105**  
**(File No. CK. 4351-013-008)**

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- Michael Murphy, President, City Park Community Association, dated July 10, 2013, submitting comments regarding the above.
- Lloyd Beazley, dated July 12, 2013, submitting comments regarding the above.
- Marc Wiebe, dated July 16, 2013, submitting comments and a petition containing approximately 72 signatures requesting the owners of 812 – 5<sup>th</sup> Avenue North amend their intent to construct a four-unit building and instead build a duplex.

**3d) Proposed Amendments to the Zoning Bylaw**  
**342 Sites North of Queen Street between 7<sup>th</sup> Avenue N and 4<sup>th</sup> Avenue N**  
**City Park Neighbourhood**  
**Low Density Multiple-Unit Dwelling District (RM1) to**  
**One and Two-Unit Residential District (R2)**  
**Applicant: City of Saskatoon**  
**Proposed Bylaw No. 9106**  
**(File No. CK. 4351-013-008)**

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- Michael Murphy, President, City Park Community Association, dated July 10, 2013, submitting comments in support of the proposed amendments to zoning.  
**(See attachment 3c)**
- Lloyd Beazley, dated July 12, 2013, submitting comments regarding the above.  
**(See attachment 3c)**

- Marc Wiebe, dated July 16, 2013, submitting comments and a petition containing approximately 72 signatures requesting the owners of 812 – 5<sup>th</sup> Avenue North amend their intent to construct a four-unit building and instead build a duplex. (See attachment 3c)

#### MATTERS REQUIRING PUBLIC NOTICE

- 4a) **Proposed Closure of Right-of-Way  
Closure of Portion of Monck Avenue and Portion of Devonshire Crescent  
between Diefenbaker Drive to Centennial Drive in the Pacific Heights  
Neighbourhood  
(File No. CK. 6295-013-004)**
- 

- Wendy Bunko, dated July 16, 2013, submitting comments regarding the above.

#### ADDENDUM TO ADMINISTRATIVE REPORT NO. 12-2013

Attached is an addendum to Administrative Report No. 12-2013.

#### Section F – UTILITY SERVICES

- F3) **Cosmo Sole-Source Agreement for Provision of Recycling Services to  
Multiple-Unit Dwellings  
(Files CK. 7830-5 & WT. 7832-23)**
- 

- Peter Gerrard, Executive Director, Cosmopolitan Industries, dated July 16, 2013, requesting permission for Heney Klypak, President, Cosmopolitan Industries, to speak to Council regarding the above.

#### REPORT NO. 11-2013 OF THE PLANNING AND OPERATIONS COMMITTEE

Attached is Report No. 11-2013 of the Planning and Operations Committee.

#### REPORT NO. 11-2013 OF THE ADMINISTRATION AND FINANCE COMMITTEE

Attached is Report No. 11-2013 of the Administration and Finance Committee.

#### REPORT NO. 14-2013 OF THE EXECUTIVE COMMITTEE

Attached is Report No. 14-2013 of the Executive Committee.

## SPEAKERS LIST

(NOT including Presentations, Hearings or Matters Requiring Public Notice  
(\* represents late letter)

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### ADDENDUM TO ADMINISTRATIVE REPORT NO. 12-2013

F3) Cosmo Sole-Source Agreement for Provision of Recycling Services to  
Multiple-Unit Dwellings  
(Files CK. 7830-5 & WT. 7832-23)

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\*1. **Heney Klypak**

### MISCELLANEOUS MATTERS

2. **Dennis Page** - combative sports

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### PowerPoint Presentations

The following PowerPoint presentations from the Administration are scheduled for  
this meeting:

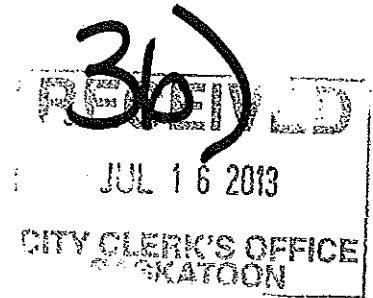
### ADMINISTRATIVE REPORT NO. 12-2013

A2) Regional Planning Strategy  
(Files CK. 4250-1 and PL. 4110-12)

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Planning and Development Manager Alan Wallace will provide a PowerPoint for the  
above matter.

City of Saskatoon  
Community Services Department  
222 3<sup>rd</sup> Ave N  
Saskatoon SK S7K 0J5



**RE: Notice of Public Hearing**  
**Discretionary Use Application – PL 4350 D7/13**  
**Applicant: Prairie Harvest Café**  
**Intended Use: Expansion to Existing Restaurant**  
**Civic Address: 2917 Early Drive**

**Dear Mr McAdam:**

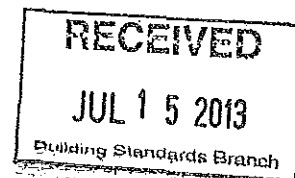
In response to the Notice of Public hearing mentioned above, I strongly oppose the expansion of this restaurant.

I am a longtime resident of Webb Crescent which is located directly behind the restaurant. I have endured the noise of the fan and now that there is a deck, at times, we are unable to enjoy our own backyard and deck due to the excessive noise of the patrons.

This is a residential area and we should keep it that way.

Sincerely,

  
Paul Lepage  
14 Webb Cres  
Saskatoon SK S7H 3L4





4351-013-008

RECEIVED  
JUL 11 2013  
CITY CLERK'S OFFICE  
SASKATOON

30) +3d)

**From:** michaeljmurphy@sasktel.net  
**Sent:** July 10, 2013 3:02 PM  
**To:** Web E-mail - City Clerks  
**Cc:** Emmons, Mark (CY - Planning and Development); Hill, Darren (City Councillor); Randy Spilchen  
**Subject:** City Council Meeting of July 17th: City Park Proposed Official Community Plan Amendments and Rezoning

Re: City Park Proposed Official Community Plan Amendments and Rezoning

His Worship and City Council:

I am writing on behalf of City Park Community Association to enthusiastically support the proposed Community Plan amendments and rezonings. We discussed these changes at a recent meeting and unanimously endorsed them as they are fully in line with the changes recommended in the Local Area Plan.

We very much appreciate the work done by the City's Planning and Development Branch in consulting extensively with us and with City Park residents so as to bring these proposals to fruition.

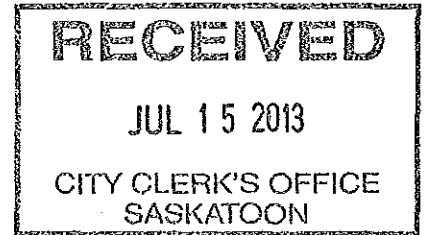
Yours sincerely

Michael Murphy  
President, City Park Community Association  
713 9th Ave. North, Saskatoon S7K 2Y8  
306-244-5267

3c)+3d)

4351-013-008

**From:** CityCouncilWebForm  
**Sent:** July 12, 2013 11:59 PM  
**To:** City Council  
**Subject:** Write a Letter to City Council



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Lloyd Beazley  
223 Peberdy Court  
Saskatoon, Saskatchewan  
S7K7N4

EMAIL ADDRESS:

[lbeazley@shaw.ca](mailto:lbeazley@shaw.ca)

COMMENTS:

Re: Bylaws #8770 and #8769  
City Park Local Area Planning  
Files 4115-OCP13/13 AND PL 4350-Z14/13

It is my understanding that passing of these by laws will maintain the quality of the neighbourhood by restricting development on 50 foot lots to duplexes or single family homes.

If this low density housing is the intent of these two bylaws I fully support passage of these bylaws.

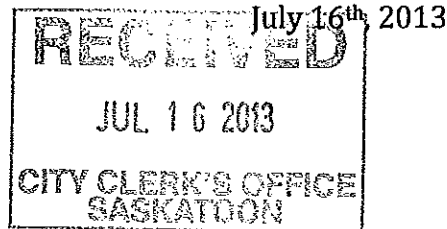
FYI I control the corporation that owns 920 4th Ave. N.

My experience with a 4 plex development at 923 5th Avenue North has been less than satisfactory and more of these infills will negatively impact City Park.

I wrote to Councillor Hill earlier on some of the impacts the development at 923 5th North has had on the infrastructure in the area. I wait his response.

4351-013-008  
3c) + 3d)

Saskatoon City Councillors & Staff,  
222-3<sup>rd</sup> Avenue North,  
Saskatoon, Sask.,  
S7K 0J5



As you will see, the attached request is not addressed to City Council; rather this copy is intended as a courtesy to demonstrate the strength of feeling in the response of many residents of City Park to the proposed building of a four-plex on the site of 812 - 5<sup>th</sup> Avenue North.

The views expressed in this request to the new owners, developers Josh Walchuk and Stacy Dybvig, closely support the content of the Local Area Plan under consideration this week. The residents are strongly supportive of the LAP, and it is a source of regret and bewilderment that it has taken three years for the LAP to reach the stage of approval now being addressed. This long delay accounts for some of the actions that have stimulated this response.

All the signatures on the attached request have been obtained from residents living close to 812 - 5<sup>th</sup> Avenue North, including an overwhelming majority response from the immediate neighbourhood. The houses on the block in question are almost all original period houses, generally attractively spaced in a popular area. Residents consistently welcomed an opportunity to express their response to a building they do not feel to be appropriate to the area.

Our hope is that the new owners of the lot in question will modify their plans and build a duplex instead of a four unit dwelling that would overwhelm the houses around it and dominate the block rather than complement it.

Sincerely,



Marc Wiebe,  
803 - 5<sup>th</sup> Avenue North,

(on behalf of 72 signees from 57 households)

**Proposed development at 812 - 5<sup>th</sup> Avenue North**

It has come to our attention that the City of Saskatoon Building Standards Branch has granted a permit for the construction of a four-plex structure at 812 - 5<sup>th</sup> Avenue North.

This is contrary to the measures proposed in the Local Area Plan, developed over the past several years, with considerable local input, which allows for only two-unit dwellings. The Local Area Plan was approved by City Council in 2010 and the appropriate land use changes and rezoning are expected to come into effect in the near future.

Although we understand that the issuing of this permit by the Building Standards Branch was permissible under existing regulations, it runs counter to the spirit of the City Park Local Area Plan. We request that the new guidelines be respected and honoured. The neighbourhood planning framework was arrived at with much volunteer commitment from the residents of City Park through the Community Association coupled with the facilitation of the process and drafting of the Local Area Plan by professional planners with the Planning and Development Branch of the City of Saskatoon.

Request to Josh Walchuk and Stacy Dybvig.

*"We the undersigned residents of City Park, request that the owners of 812 - 5<sup>th</sup> Avenue North, in the spirit of the City Park Local Area Plan, amend their intent to construct a four-unit building and instead build a duplex, in keeping with the ambience and aesthetic values of the established neighbourhood."*

Signed	PRINT NAME	ADDRESS	PHONE #
	Mare Wiebe	803 5 <sup>th</sup> Ave N SK2RT	306-665-0819
	Lily Ross	811 5 <sup>th</sup> Ave N SK2RT	(306) 381-7170
	Jeff Phillips	815 5 <sup>th</sup> Ave N	306-241-7063
	B. Monteith	819 5 <sup>th</sup> Ave	306-221-3064
	Chae Harlington	821 5 <sup>th</sup> Ave N	306-281-2220
	Croft Harlington	821 5 <sup>th</sup> Ave N	306 381-3981
	Timothy LeMay	825 5 <sup>th</sup> Ave N.	306 381-3651
	Simone Denis	829 - 5 <sup>th</sup> Ave. No.	306-665-6817
	REG HANDFIELD	824 - 5 <sup>th</sup> Ave N	306 - 652-4441
	PETER FLOOD	818 - 5 <sup>th</sup> Ave N.	306-652-0486.
	JOAN FLOOD	818 - 5 <sup>th</sup> Ave N	306-652-0486
	Al Ireland	804 5 <sup>th</sup> Ave N.	306-244-7386
	PATRICIA POLOWICH	804 5 <sup>th</sup> Ave N	306-244-7386

**Proposed development at 812 - 5<sup>th</sup> Avenue North**

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Signed	PRINT NAME	ADDRESS	PHONE #
	KENT MACAULAY	802 - 4 <sup>th</sup> Ave. N. SASKATOON	(306) 653-2148
	Thom Knutson	802 4th Ave N. Saskatoon	(306) 653-2148
	Catherine Lewis	324 4 <sup>th</sup> Ave N. Saskon	717-5025
	Denise Dean	826 4 <sup>th</sup> Ave N	716 1514
	Thomas Stevens	832 4 <sup>th</sup> Ave N.	242-1022
	Shawn Smith	294th Ave N	221-5611
	Marshall Carlson	827 4 <sup>th</sup> Ave N	230-5035
	BLAIR HESTON	825 4 <sup>th</sup> Ave N	(306) 979-4854
	Len Kirkland	811 - 4 <sup>th</sup> Ave N	306-664-4629
	Karen Kirkland	811-4 <sup>th</sup> Av. N	306-664-4629
	SHARON MURRAY	801-4 <sup>th</sup> Ave N	306-343-6587
	Joanne Franko	812 4 <sup>th</sup> Ave N	306-244-9841
	SAMANTHA KLASSEN	833-4 <sup>th</sup> AVE. N.	(306) 979-3230



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Signed	PRINT NAME	ADDRESS	PHONE #
	Larry Mullen	904 4 <sup>th</sup> Ave. N.	242-4981
	Anne Smart	904 4 <sup>th</sup> Ave. N.	242-4981
	Darcie Mossop	908 4 <sup>th</sup> Ave N	290-8547
	Travis Marfleet	926 4 <sup>th</sup> Ave N	291-6602
	CAROLINE KEESH	928 4 <sup>th</sup> N	665-2659
	FRANK KEESH	928 4 <sup>th</sup> AVE N	665-2659
	Christine McLellan	930 4 <sup>th</sup> Ave N	967-6461
	Lorraine Roadhouse	913-4 <sup>th</sup> Ave N	242 2834
	M. von Mattzahn	924 4 <sup>th</sup> Ave N	202 7226
	Greg Roadhouse	932 4 <sup>th</sup> Ave N	292-376
	Tyler Sorowski	936 4 <sup>th</sup> Ave N	717-6243
	Keith Lysyshyn	933 4 <sup>th</sup> Ave N.	251-2422

**Proposed development at 812 - 5<sup>th</sup> Avenue North**


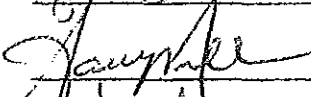
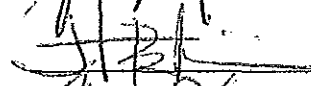
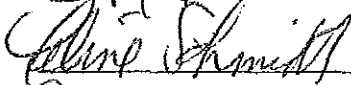
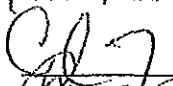

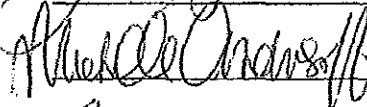
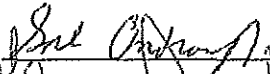

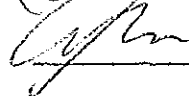
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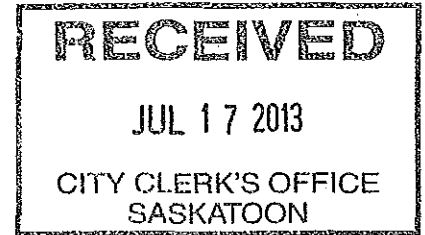
Signed	PRINT NAME	ADDRESS	PHONE #
	A. J. Ehman	910 5 <sup>th</sup> Ave N.	665-5957
	G. Miller	806 4 <sup>th</sup> Ave	722 6000
	JOHN BERTOLINI	910 5 <sup>th</sup> Ave N	665-5957
	Celine Schmidt	938 5 <sup>th</sup> Ave N	683-0201
	Cal Zimmermann	925 5 <sup>th</sup> Ave N.	306-664-4927
	Jim Rasmussen	902 5 <sup>th</sup> Ave. N.	(306) 242-9041
	Michelle Androsoff	901 6 <sup>th</sup> Ave N	306 665-1869
	Gord Androsoff	901 6 <sup>th</sup> Ave N	306 665-1869
	Glen Densham	839-6 Ave N	306-249-2721
	NICK LAGARDE	830 5 <sup>th</sup> Ave N	306 974 0704





6295-013-004  
Ha)

**From:** CityCouncilWebForm  
**Sent:** July 16, 2013 11:50 PM  
**To:** City Council  
**Subject:** Write a Letter to City Council



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

wendy bunko  
546 devonshire crescent  
saskatoon, Saskatchewan  
S7L 5W1

EMAIL ADDRESS:

[bunkoreferee@msn.com](mailto:bunkoreferee@msn.com)

COMMENTS:

regarding Devonshire closure and monck ave

will u be burying the power lines on monck???

the white shirts claimed at previous meetings that we could not leave a lot sized parcel of land to grass because it was too difficult to mow. Seems to me I recently seen a rideum mower on the boulevard of Diefenbaker. I am not asking that they would need to go around trees or be cautious of falling off the boulevard. The need for this is to maintain the goat trail {white shirt description} that we have been using since 1977. we built garages in the back for this reason. Deleting this goat trail, which is plowed occasionally thru the winter, is that it is over one mile from the front of my house. the little patch of green would be the closest for 1 k, at the schools.

His Worship the Mayor and City Council  
The City of Saskatoon

## **ADMINISTRATIVE REPORTS**

### **Section E – INFRASTRUCTURE SERVICES**

**E3) Sole Source Award of Engineering Services  
Capital Project 1493 – East River Bank Stabilization  
Geotechnical Monitoring, Investigation and Recommendation of  
Remediation Alternatives for the Slope Failure  
Between 11<sup>th</sup> Street East and Saskatchewan Crescent East  
(Files CK. 4000-1 & IS. 7821-3)**

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- RECOMMENDATION:**
- 1) that a sole source proposal submitted by Golder Associates Ltd. for engineering services, Change Order 2: Geotechnical Monitoring Services, Cherry Lane Slope Instability, on a time and expense basis, at an estimated total cost of \$79,097 (including G.S.T. and P.S.T.) be accepted;
  - 2) that a sole source proposal submitted by Golder Associates Ltd. for engineering services Change Order 3: Geotechnical Investigation and Evaluation of Remedial Options of Slope Movement at Cherry Lane, on a time and expense basis, at an estimated total cost of \$365,020 (including G.S.T. and P.S.T.) be accepted;
  - 3) that a post-budget allocation from 2667 Infrastructure Reserve – Storm Water of \$475,000 to Capital Project 1493 - East River Bank Stabilization to fund this increased scope of work be approved; and
  - 4) that the City Solicitor be instructed to prepare the necessary engineering services agreement Change Orders for execution by His Worship the Mayor and the City Clerk, under the Corporate Seal.

## **TOPIC AND PURPOSE(S)**

The purpose of this report is to obtain City Council's approval for the sole source award of engineering services for geotechnical instrumentation, monitoring, investigation and recommendation of remedial options for the slope located between 11<sup>th</sup> Street East and Saskatchewan Crescent East and the appropriate funding to support this work

## **REPORT HIGHLIGHTS**

1. The river bank slope between 11<sup>th</sup> Street East and Saskatchewan Crescent East remains unstable and in a critical condition.
2. The City of Saskatoon has required increased monitoring activities of the moving slope.
3. The City of Saskatoon is taking a leadership role in coordinating a collective solution for the stabilization of the slope.
4. The Administration is recommending that the sole source engineering services agreement submitted by Golder Associates Ltd. be accepted.
5. The Administration is recommending that the work be supported by a post-budget allocation from 2667 Infrastructure Reserve – Storm Water to Capital Project 1493 – IS – East River Bank Stabilization.

## **STRATEGIC GOALS**

The recommendations in this report support the following City of Saskatoon Strategic Goals:

- Quality of Life, as taking action to stabilize the riverbank in this area is in the direct interest of public safety; and
- Asset and Financial Sustainability, as the City will be investing in the long-term functional sustainability of the riverbank in this area to ensure that it can continue to be viable residential property.

## **BACKGROUND**

In June 2012, a slope failure occurred on the river bank between 11<sup>th</sup> Street East and Saskatchewan Crescent East. This failure directly impacted the backyards of two properties. This was known as the west slide area. A temporary evacuation was issued for these properties due to concerns with a gas line in the lane. This gas line has since been removed. In response to the slope failure, Infrastructure Services initiated an investigation and monitoring program within the lane (Cherry Lane) between the private

properties. Golder Associates Ltd. was retained to provide this geotechnical expertise and the investigation lead to a report that was delivered to residents recommending actions they could take on their property to remediate their yards and prevent further failure.

Monitoring of the lane continued on a monthly basis throughout 2012 and into the spring of 2013, showing negligible movement of the slope.

## **REPORT**

### **The slope remains unstable and in critical condition**

On June 24, 2013, a report was received that visible movement in the slope had been noticed. Infrastructure Services and Golder Associates Ltd. responded immediately and found that a new slide location east of the 2012 location had developed. There was visible movement above and below the lane.

This new slide prompted an increase in monitoring and inspection of the lane from monthly to daily inspections. The movement that was noted was at a rate of centimetres per day, which is an order of magnitude increase from 2012. Since June 24, 2013, the east slide location has moved over 1 metre horizontally. This is significant and alarming movement. To date, monitoring continues to show movement upwards of 3 to 5 centimetres a day. The west slide location of last year has also begun to show movement again.

The current understanding of the stratigraphy and geometry of the slope suggests that this slide is occurring on a plane up to 9 metres below the surface. This makes it a very serious situation. Homes both above and below the slope are in danger of being damaged by the continual slope movement. A slope failure of this magnitude is also very difficult to remediate while still moving. The forces at play are very large. These critical factors prompted the City to issue a voluntary evacuation recommendation to the affected property owners. Although no structural movement has been reported, the slope movement indicates this may happen in the near future leading to a mandatory evacuation.

### **The City of Saskatoon has increased monitoring activities**

Under the engineering services agreement with Golder Associates Ltd., which was established in 2012, monitoring activities were expected to occur monthly. This frequency was deemed adequate to observe the slope during minimal movement.

Following June 24, 2013, monitoring and inspection activities were required to be dramatically increased in order to be able to observe and react to the increased movement. This increased monitoring has been happening on a daily basis with data being recorded every other day. This amount of monitoring is necessary in order to be able to properly inform residents. As a result of this increased monitoring, a Change Order (Change Order 2) is required to address the costs of increased monitoring. The cost of this increased monitoring is estimated at \$74,270 (excluding G.S.T. and P.S.T.) and will extend the increased inspection to the middle of August 2013.

The City of Saskatoon is taking a leadership role in developing solutions

In response to the 2012 slide, Infrastructure Services retained Golder Associates Ltd. and directed them to maintain monitoring within the City right-of-way on Cherry Lane. The movement and remediation on private property was left as the responsibility of the private property owners. Golder Associates Ltd. completed a report in March 2013 that summarized their understanding of the slide based on this defined scope.

When the east slide location began to occur in 2013, Golder Associates Ltd. continued monitoring activities within the lane only as originally directed. However, as movement continued to increase and became critical, Infrastructure Services was directed by the City Manager to expand the scope of investigation work to include investigation on private property with the purpose of fully understanding the situation to lead to remediation alternatives. This is the new scope of work defined in Change Order 3.

This work is estimated at \$342,742, and will involve an extensive 11 stage investigation and analysis that will lead to a report on recommended remediation. This work is estimated to be completed in November 2013. At that time, Infrastructure Services will report back on how the group of owners could proceed with remediation.

Administration recommends sole source award to Golder Associates Ltd.

In order to complete the expanded work as described, the Administration is recommending that Golder Associates Ltd. be awarded the sole source extension of their existing engineering services agreement. The situation with the moving slope is critical and public safety is a risk. Therefore, immediate action is necessary and should not be delayed by an Request for Proposal (RFP). Also, Golder's extensive involvement and understanding of this slope make them the prudent choice to proceed. Both Change Orders have been developed in negotiation with Golder Associates Ltd., and Infrastructure Services is confident that the work defined, the costs and the schedule are reasonable and, therefore, should be accepted.

Administration recommends post- budget approval

East river bank stabilization projects are managed under Capital Project 1493 – IS – East River Bank Stabilization. This capital project is funded by the Storm Water Utility through 2667 Infrastructure Reserve – Storm Water.

Currently there is \$2.2 million of approved budget in Capital Project 1493. The plans for this budget include:

- design and construction of 17<sup>th</sup> Street and Saskatchewan Crescent slope failure which is slated to be completed in 2013 - \$2,000,000;
- annual comprehensive east river bank monitoring and inspection program - \$40,000; and
- Cherry Lane monitoring and inspection - \$100,000.

In order to fund the expanded scope of work defined by Change Order 3, an additional \$475,000 is being requested from 2667 - Infrastructure Reserve – Storm Water. Currently, there is adequate funding in the reserve and this post-budget request does not negatively affect the long-term plans of the Storm Water Utility. The \$475,000 request allows for some contingency as there is the potential for increased investigation beyond the proposed scope based on changing conditions.

**OPTIONS TO THE RECOMMENDATIONS**

An option would be to issue an RFP to retain a geotechnical consultant to continue monitoring in the lane to provide information to the City on the status of the slope. This option is not recommended as the RFP process would require critical time to complete and the slope continues to be active and unpredictable. Also, continuing with Golder Associates provides for continuity and access to current data.

An option could also be to encourage the private property owners to retain their own professional advice and remediate their property, which was the option chosen in 2012. However, the slope movement this year has become more critical and the actions of residents need to be coordinated so that others are not negatively impacted. This option is, therefore, not recommended, as the City of Saskatoon is proposing that it take a leadership role in coordinating a solution in the interests of public safety and long-term sustainability of the riverbank.

**POLICY IMPLICATIONS**

City Council approval of the sole source award of engineering services to Golder Associates Ltd. is in accordance with Policy C02-030 – Purchase of Goods, Services and Work which states:

“4.3 Sole Source Contract – Sole source procurement is permitted in the following circumstances:

- d) In an emergency that has created an immediate and serious need, which could risk the health or safety of any person or threaten public or private property and environment or adversely affect the operation of the City;”

**FINANCIAL IMPLICATIONS**

The estimated net cost to the City of Saskatoon for Change Order 2 from Golder Associates Ltd. for continued monitoring of slope movement is as follows:

Estimated Cost	\$74,270.00
P.S.T (5% of 30%)	\$ 1,114.05
G.S.T.	<u>\$ 3,713.50</u>
Sub-Total	\$79,097.55
G.S.T. Rebate	<u>\$ (3,713.50)</u>
<b>Net Cost to City</b>	<b>\$75,384.05</b>

There is sufficient funding available within approved 2013 Capital Project 1493 – East River Bank Stabilization

Budgeted	Unbudgeted	Capital	Operating	Non-Mill Rate	External Funding
X		\$75,384.05			

The estimated net cost to the City of Saskatoon for Change Order 3 from Golder Associates Ltd. for the expanded investigation and recommendation of remedial options is as follows:



Estimated Cost	\$342,742.00
P.S.T (5% of 30%)	\$ 5,141.13
G.S.T.	\$ 17,137.10
Sub-Total	\$365,020,23
G.S.T. Rebate	\$ (17,137.10)
<b>Net Cost to City</b>	<b>\$347,883.13</b>

There is insufficient funding available within approved 2013 Capital Project 1493 – East River Bank Stabilization. Therefore, post-budget approval is required to transfer \$400,000 from 2667 Infrastructure Reserve – Storm Water to Capital Project 1493.

Budgeted	Unbudgeted	Capital	Operating	Non-Mill Rate	External Funding
	X	\$347,883.13			

**PUBLIC AND/OR STAKEHOLDER INVOLVEMENT**

Stakeholders of this project have been identified and engaged as follows:

- Residents of slope failure area;
- Immediately affected residents (voluntary evacuation); and
- Third party engineering professionals retained by residents.

**COMMUNICATION PLAN**

Since the 2012 slope failure, the City has been open and transparent with residents and City Councillors, sharing the engineers' report on their study. Once the west side slope failure was identified and monitoring along the back lane began in late June, staff started providing regular updates to affected and adjacent residents approximately twice a week, with the results from the contract engineer's measurements; and notice of concerns as they arise. Informal engagement has occurred with local residents throughout the course of the slope movement, and the City has been available for any questions.

Communications objectives are two-fold: engaging, coordinating and updating affected residents; and updating and reassuring all citizens that the City is the public authority and acting in the interest of public safety.

Formal meetings have occurred as follows:

1. A small information meeting was held with immediately affected residents and their consultants on July 11, 2013, to discuss the situation and to encourage cooperation with immediate solutions.
2. A larger closed information session with affected residents in the slope area was held on July 16, 2013, to engage the homeowners and to ensure they understand the seriousness of the situation; to discuss the need for voluntary evacuation; and to stress the requirement of obtaining their own advice on current structural stability of their property. This meeting also provided the opportunity to discuss the expanded scope of geotechnical investigation leading to the recommendation of remedial options.

Saskatoon Fire and Protective Services (SFPS) are playing an active role in communications. Representatives from SFPS spoke directly with residents of the affected homes to collect information about inhabitants of each home and contact information in case of an emergency. The emergency measures Command Bus was on-site for the couple of days of the voluntary evacuation advisement in case there were questions. Residents were reassured that the Saskatoon Police Service will also be engaged should residents choose to evacuate, in order to ensure property is secure from vandals.

While the slope failure primarily affects a small number of homes, all residents are entitled to information about the right-of-way impacts and the City's involvement. The media was notified once the City felt a recommendation for voluntary evacuation was necessary, in order to reinforce the City's urgent message. A webpage linked from the City's homepage includes all public messages. The media will continue to be updated at any point there is new information.

#### **DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION**

Completion of engineering work leading up to the recommendation of a remedial option is scheduled to be completed by November 2013.

Another report is expected to follow in December 2013 recommending a remedial option and strategies to coordinate with the private property owners to have it implemented.

### **ENVIRONMENTAL IMPLICATIONS**

The environmental impact of a recommended remedial option is unknown at this time. Once options are evaluated and one is selected an assessment of environmental implications will be performed and this information will be reported at that time

### **PRIVACY IMPACT**

The work required to properly investigate the slope requires soil investigation and surveying on private property. Saskatoon Fire and Protective Services have obtained the permission of all residents in the area to conduct this work on their property.

### **SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)**

A CPTED review is not required.

### **PUBLIC NOTICE**

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

## **Section F – UTILITY SERVICES**

### **F3) Cosmo Sole-Source Agreement for Provision of Recycling Services to Multiple-Unit Dwellings (Files CK. 7830-5 and WT. 7832-23)**

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**RECOMMENDATION:** that the Administration be directed to conduct public open houses based on the program and rate model outlined in this report.

#### **TOPIC AND PURPOSE**

The purpose of this report is to advise Council that the Administration and Cosmo have developed the terms of a possible long term agreement between the City and Cosmo for the provision of recycling services for multiple-unit dwellings. The Administration is seeking approval to take this program to two public open houses.

#### **REPORT HIGHLIGHTS**

After extensive negotiation, the Administration and Cosmo have agreed on the general terms of a possible contract. Upon completion of the open houses, Administration will report back to Council with the results and a final recommendation. Council approval will be required for the final program, the budget for the program, and the agreement with Cosmo.

#### **STRATEGIC GOAL**

This report supports a number of Strategic Goals. Continuous Improvement is supported, as this is felt to be a unique opportunity to evolve a long-standing and complex partnership into a new relationship that remains mutually beneficial. Quality of Life is supported, as this contract ensures the long term viability of Cosmo Industries, who provide programming for special needs individuals. Environmental Leadership is supported through the expansion of comprehensive recycling services to all Saskatoon residents.

#### **REPORT**

A Memorandum of Understanding bearing an effective date of June 18, 2012 was signed between the City and Cosmopolitan Industries, and is included as Attachment 1. The purpose of the Memorandum of Understanding was to confirm the commitment by the City and Cosmo to negotiate an agreement for the provision of curbside recycling for multiple-unit dwellings and to provide a framework for those negotiations. The Administration and Cosmo have worked together to develop the possible terms of an agreement, which are outlined below.

Proposed Terms of the Agreement

The negotiations have resulted in the following terms:

- Cosmo will provide a co-mingled recycling service to all multiple-unit dwellings (MUDs) in Saskatoon.
- Materials accepted will be the same as the single-family program. Glass will be accepted in the Cosmo program.
- The fee paid by the City to Cosmo will be the same per-door fee paid to Loraas through the single-family contract for the duration of the City/Loraas contract.
- The term of the contract between the City and Cosmo will be 15 years. For the years after the Loraas contract expires, the fee increases or decreases will be based on CPI unless the new single-family contract varies by more than 10% from the existing contract. If the variance is greater than 10% for the single-family contract, Cosmo and the City will negotiate a price, and will proceed to arbitration if a fee cannot be negotiated.
- Cosmo will purchase the building, located at 28-34<sup>th</sup> Street East, at the cost outlined in the current lease agreement. The agreement gives Cosmo the legal option of purchasing the building and land for a price of 65% of the appraised value of the land only.
- In lieu of a lump-sum payment, the City will accept an annual principle-and-interest payment from Cosmo. The term of the arrangement will be 30 years, and the interest payable will be 3% annually. Cosmo could at any point make full payment for outright ownership of the building and property in the amount of the outstanding principle remaining. Timing of title transfer and other details will be further negotiated in order to protect both parties' interests.
- At the end of the contract, an extended or re-negotiated agreement will result in a continuation of the building purchase arrangement. If the contract is not extended or re-negotiated, the contract will contain provisions to ensure payment of the remaining principle to the City.
- The City will pay to Cosmo a mutually agreeable payment in lieu of paper to honour the spirit of the existing agreement until commencement of the MUD program. This period is from January 1, 2013 through to the commencement of the MUD recycling program, which is expected to be in and around June of 2014. These costs are not

to exceed \$25,000 per month, or \$300,000 per year, and must be demonstrated to the satisfaction of the City. The amount owing will be payable in the first month of the contract, and will be reduced by the annual mortgage payment from Cosmo for the first year of the contract.

- The existing agreement between the City and Cosmo will be eliminated, and will be replaced with the new comprehensive MUD recycling agreement.
- Advertising, education, promotion, and advocacy of recycling for MUDs will be the responsibility of Cosmo rather than the City. As such, the City will pay to Cosmo 75% of the fee the City collects per door for these functions, which will be the same amount collected per door as single family units and will not fall below the rate set for 2014. This arrangement will be in place for the life of the single-family contract. At the conclusion of the single-family contract, Cosmo and the City will negotiate a new arrangement. In 2013, the City collected \$0.34 per household per month; therefore, the amount owing to Cosmo for education would have been \$0.255 per unit per month (approximately \$97,920 for the year).
- The City will direct the external confidential shredding and paper recycling in its various departments to Cosmo as a sole source supplier. Boards and the Police Commission are exempt from this requirement, although they will be encouraged to use Cosmo as their service provider. Cosmo will charge competitive market rates for this service as mutually agreed on a regular basis.
- Where appropriate, civic departments will use Cosmo for their internal recycling programs. The City will be paid market rates for unprocessed recyclables, including those recyclables collected at depots the City chooses to maintain. The City will be responsible for delivery charges, similar to any other commercial or industrial entity.
- Cosmo is responsible to provide all totes and bins for use with this program, and will be responsible for maintenance and replacement. As with the single family program, Cosmo will retain ownership of the bins.
- The City will accept, free of charge, appropriate waste materials at its Regional Waste Disposal Facility. In year 1 of the contract, the maximum tonnage will be 80 tonnes, for a total value of approximately \$8,000. Allowable maximum tonnage will increase proportionally by the annual increase in customer base. Cosmo will be responsible for transport of the solid waste to the landfill.

- Cosmo will continue to be a not for profit organization providing programming for individuals with intellectual disabilities in a similar or expanded capacity as is currently done today.
- All other terms will be based largely on the single-family contract. Examples include reporting requirements, billing requirements, operational communication and management with the City, and termination of agreement clauses.
- For MUDs who have existing contracts with other service providers, the City will not pay Cosmo any fees for these units until July 1, 2014. Starting July 1, 2014, the City will pay to Cosmo the fees for these units. This date is two years from the date of signing of the MOU, and approximately one year from the date of this report.

#### Program Details

The proposed program is based on providing appropriate sized containers to buildings, and being extremely flexible in the way service is provided. Every building has different needs, and Cosmo will be responsible to work with each and every MUD property to develop a workable solution.

The core service will be bi-weekly collection of recyclables. For complexes with more than 80 units, weekly collection will be provided in the base service, and for complexes with more than 160 units, twice-weekly service will be provided in the base service.

Where totes are required, they will be very similar in size to those being used for single-family curbside collection.

#### Proposed Fee Structure

Under the proposed terms of the contract with Cosmo, the City will pay to Cosmo the same per-door fee as is paid to Loraas through the single-family contract. The Administration has investigated a number of recycling programs, and has found that the rates charged to MUDs varies based on program design. The details of this review are included as Attachment 2.

The fees proposed to be payable to Cosmo are undoubtedly higher than what would be realized if the work were put out for public tender. Cosmo is dealing with extremely small tonnages considering they will need to purchase, install, and maintain equipment and facilities for processing the materials.

Administration is proposing that the rates charged to MUDs be reduced to account for the fact that the City's desire to continue to support Cosmo is attributable to the entire City, not just MUD residents. MUD Utility Rates could be reduced on a sliding scale based on the number of units in the particular development. High-rise buildings are less costly to service per unit than smaller complexes. Administration proposes the fees charged to these types of buildings therefore be lower.

Table 1 below describes the amount payable to Cosmo based on the proposed service terms, while Table 2 describes the proposed MUD Utility Rate structure. Both tables are based on 2013 rates, even though the program will commence at some point in 2014. This was done in order to compare the proposal to the existing single family fee structure.

Table 1 – Estimated Amount That Would be Payable to Cosmo

	Number of Units in the Development			Total
	1 to 39	40 to 99	100+	
Estimated # Units	10,371	6,994	14,635	32,000
Fee Paid to Cosmo per Door per Month	\$3.83	\$3.83	\$3.83	
Total Payable to Cosmo per Year	\$476,659	\$321,442	\$672,619	\$1,470,720

Table 2 – Proposed MUD Recycling Utility Rate Structure

	Number of Units in the Development			Total Annual Cost of Rate Reduction
	1 to 39	40 to 99	100+	
Estimated Number of Properties Receiving Rate Reduction	731 (73%)	149 (14%)	128 (12%)	
Comparable Total Fee Charged to Single Family Households	\$4.66	\$4.66	\$4.66	
Proposed Monthly Rate Reduction for MUDs	\$0.00	\$0.50	\$1.00	
Proposed Monthly Rate to Charge MUDs	\$4.66	\$4.16	\$3.66	
Annual Cost of Rate Reduction	\$0	\$49,230	\$206,028	\$255,258

The rate reductions were determined considering the information contained in Attachment 2, although there is a wide variation in fees charged. The Administration proposes the following sources of funding for this proposed rate reduction, to make up the difference between what is collected from residents and what is payable to Cosmo.



Table 3 – Sources of Funding

Sources of Funding (Anticipated)	Estimated Revenue
Annual Cosmo Mortgage Payment for the Property	\$50,000
Insurance Savings for Property	\$4,500
Annual Operating Savings from Reduced Depot Program	\$150,000
Expected Revenue from Depot Recyclables	\$30,000
Total	\$234,500

There is a slight difference between the identified funds and the proposed rate reduction cost. Between now and the time the final contract is negotiated, details will be finalized and alternate funding sources will be identified. In particular, the proposed Provincial Multi-Material Recycling Program (MMRP) could provide significant revenue to the City to offset the costs of recycling. The MMRP includes specific language around protecting existing recyclers such as Cosmo, and the proposed agreement is expected to be fully supportive of the intent of the Province.

The come-and-go open houses will provide the public an opportunity to speak with members of the Administration and Cosmo about the proposed program, and to ask questions. The public will also be invited to send comments via email to the City. Comments will be summarized and presented to Council. The open houses are expected to occur in August.

### OPTIONS

Council has many options available.

The MOU only obligates the City to try to negotiate an appropriate MUD recycling program with Cosmo. If we cannot negotiate an appropriate agreement, there is no obligation for the City to enter into a MUD Recycling Agreement with Cosmo. Council could resolve to tender the work through a Request for Proposal process. This would result in a contract with a new service provider who may or may not be Cosmo, and the City would also be required to resolve the current agreement with Cosmo. The Administration has made no attempt to negotiate the value of the current contract with Cosmo.

Executive Committee may give direction to the Administration regarding negotiating alternate or additional terms of an agreement.

### **POLICY IMPLICATIONS**

There are no policy implications. Bylaws will require amendment to enable the Administration to apply the Utility costs to MUDs in a similar way as is done for single family units.

### **FINANCIAL IMPLICATIONS**

The program is proposed to be an extension of the recycling Utility established for single-family homes. The majority of the funding will be generated through the Utility.

The rate reduction funding proposed in this report is from sources considered to be general revenues. This has been done in an attempt to address the issue of the entire City bearing a possible financial implication of the sole-source arrangement with Cosmo.

Due to the Utility funding approach and the fact that the rate reduction proposed is funded by savings and new revenue from building payments, there is no net mill rate increase or decrease for the strategy proposed.

MUD units will have a new mandatory monthly recycling payment.

### **PUBLIC AND/OR STAKEHOLDER INVOLVEMENT**

The open houses are an important step in this process. It will give residents an additional opportunity to provide input into the proposed program and rate structure.

### **COMMUNICATION PLAN**

Promotion of public open houses would include PSAs, on the City's website, notices in Community Association newsletters, advertising on the City Page, notices in On Campus News and the PAWS web-site, newsletters and web-sites of the Saskatchewan Rental Housing Industry Association (SRHIA), Condo Owners Association, and Saskatoon Housing Authority.

### **DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION**

Following the open houses, Administration will compile the results of the public feedback, and report to Council with a recommendation. This is expected to occur in September of 2013.

**ENVIRONMENTAL IMPLICATIONS**

Environmental implications will be reported in detail at the conclusion of the open houses.

**DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION**

A report will be submitted to City Council with results of the open houses in the last quarter of 2013.

**PUBLIC NOTICE**

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

**ATTACHMENTS**

1. Memorandum of Understanding, effective date of June 18, 2012
2. Review of MUD Recycling Programs

Respectfully submitted,

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Mike Gutek, General Manager  
Infrastructure Services Department

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Jeff Jorgenson, General Manager  
Utility Services Department

## Memorandum of Understanding

This Memorandum bearing effective date of June 18, 2012.

**Between:**

**The City of Saskatoon**, a municipal corporation pursuant to the provisions of *The Cities Act*, S.S. 2002, Chapter C-11.1 (the "City")

and

**Cosmopolitan Industries Ltd.**, a non-profit charitable corporation with a registered office in the City of Saskatoon, in the Province of Saskatchewan ("Cosmo")

(collectively referred to as the "Parties")

**Whereas:**

- A. The City intends to create a curbside recycling program for multi-unit dwellings ("MUD's").
- B. Cosmo has supported individuals with intellectual disabilities by providing recycling services in the City of Saskatoon for several decades.
- C. The City wishes to encourage the work of Cosmo in the provision of vocational opportunities for individuals with intellectual disabilities.
- D. Cosmo wishes to obtain the contract for curbside MUD recycling in the City of Saskatoon to allow it to continue and grow its program of providing vocational opportunities for individuals with intellectual disabilities.

Therefore, the City and Cosmo express their common understanding as follows:

**Purpose of Memorandum**

1. The purpose of this Memorandum of Understanding is to confirm the commitment by the City and Cosmo to negotiate an agreement (the "Agreement") for the provision of curbside recycling for MUD's and to provide a framework for those negotiations.

### Principles and Objectives

2. The negotiations between the Parties and the Agreement resulting from those negotiations will recognize and contain the following principles and objectives:
  - (a) the curbside recycling program for MUD's will be a source-separated, multi-stream recycling program that will apply to all MUD's in the City of Saskatoon. Payment and receipt of bins will be mandatory for MUD's as part of the program;
  - (b) the curbside recycling program for MUD's will include options with respect to how the service will be provided in order to accommodate the physical limitations of individual MUD sites;
  - (c) Cosmo will be responsible for the customer call centre and collection and processing of recyclables from the MUD recycling program similar to the services being provided by Loraas Recycle under the single-family residential curbside recycling program;
  - (d) MUD's with current recycling contracts will be given a period of time, which is yet to be decided by City Council, before being required to join the City's MUD recycling program;
  - (e) the terms of the Agreement will generally be based on the terms of the Agreement between the City and Loraas Recycle for the single-family residential curbside recycling program;
  - (f) the length of the Agreement will be as agreed to by the Parties but must be based on a commercially reasonable business plan; and
  - (g) Cosmo must undertake public community consultations prior to implementation of a MUD recycling program.

### Time Frame

3. The Parties will commence negotiations of the Agreement with the intention of having an Agreement in place by no later than January 1, 2014.

**Agreement Subject to City Council Approval**

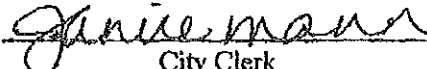
4. Any Agreement negotiated by the Parties is subject to Council approval which includes budget approval of the MUD recycling program.

In Witness Whereof this Memorandum of Understanding has been executed on behalf of the City and Cosmo by the proper officers in that behalf.

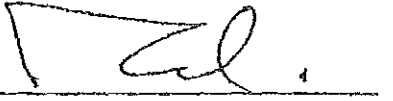
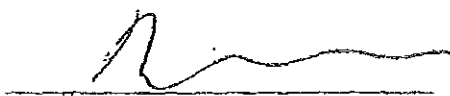
The City of Saskatoon

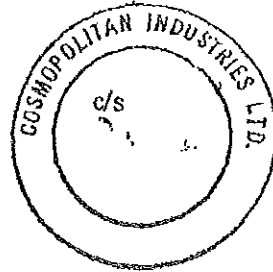
  
DEPUTY Mayor

c/s

  
City Clerk

Cosmopolitan Industries Ltd.



## Review of MUD Recycling Programs

### Examples of Municipal Recycling Program Fees

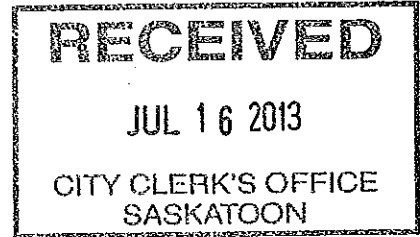
Program	Monthly Fee Charged	Basic Elements
Courtenay	\$1.42/unit	Single stream, roll-out carts (not included in price), bi-weekly pick-up (tip)
Coquitlam	\$3.33/unit	Source separated, blue box or wheeled bin, weekly pick-up (tip)
Red Deer	\$4.25/unit	single stream, glass excluded, container size and pick-up schedules vary
Kamloops	\$8.50 per tip	4 cubic yard bin provided
Vancouver	\$9.00/unit + \$10/tip	Single stream, can sign up with City (at their rates) or hire a private contractor
Hamilton	\$35 - \$45 per building	Source separated, price dependent on the number of units





F3)  
7830-5

**From:** Peter Gerrard [pgerrard@cosmoindustries.com]  
**Sent:** July 16, 2013 3:04 PM  
**To:** Bryant, Shellie (Clerks)  
**Cc:** 'Heney Klypak'  
**Subject:** July 17 Council



Shellie

Heney Klypak, our President, would appreciate the opportunity to address Council tomorrow night with respect to the Sole-Source Agreement for Provision of Recycling Services to Multiple-Unit Dwellings.

**Peter Gerrard**  
Executive Director



Are YOU a Paper  
Angel for Cosmo?  
Click here to see  
our 30 sec. video.

Cosmopolitan Industries  
#28 34th St. E.  
Saskatoon, SK. S7K 3Y2  
Phone: (306) 664-3158  
Fax: (306) 244-5509  
Website: [cosmoindustries.com](http://cosmoindustries.com)

His Worship the Mayor and City Council  
The City of Saskatoon

**REPORT**

of the

**PLANNING AND OPERATIONS COMMITTEE**

Composition of Committee

Councillor R. Donauer, Chair  
Councillor C. Clark  
Councillor T. Davies  
Councillor M. Loewen  
Councillor P. Lorje

**1. Award of Contract – Kinsmen Park Train**  
**(Files CK. 4205-9-3 and LS 4206-KI-12)**

- RECOMMENDATION:**
- 1) that Arizona Railroad Depot, LLC be awarded a contract to complete (detail design, fabrication, and installation) the train and rail in Kinsmen Park for a total of \$494,935.50 USD plus applicable import duty, import fees, and import taxes.
  - 2) that the City Solicitor be instructed to prepare the necessary agreement for execution by His Worship the Mayor and the City Clerk under the Corporate Seal.

Your Committee has considered and supports the attached report of the General Manager, Community Services Department dated July 2, 2013, requesting City Council approve the awarding of the contract for fabricating and installing a new train and rail system in Kinsmen Park.

**2. 2012 Annual Report – Water and Wastewater  
(Files CK. 430-37 and WT 430-2)**

**RECOMMENDATION:** that the information be received.

Your Committee has considered the attached report of the General Manager, Utility Services Department dated June 3, 2013, presenting the 2012 Water and Wastewater Treatment Branch Annual Report outlining the performance and activities of the Branch in 2012, including a comparative analysis to previous years and submits it for information.

Hard copies of the attachment were provided at the Committee level and not being recopied at this time. The report can be viewed in the City Clerk's Office, at the Frances Morrison Branch of the Public Library and on the City's website at [www.saskatoon.ca](http://www.saskatoon.ca) (click "r" in the alphabetic directory and look under "Reports to Council").

**3. Wastewater Treatment Plant  
Long-Term Capital Development and Expansion Plan  
(Files CK. 7800-1 and WWT – 7990-80)**

**RECOMMENDATION:**

- 1) that the Administration be directed to continue to proceed based on the recommended Long-Term Capital Development and Expansion Plan as outlined in this report;
- 2) that the Administration incorporate the Long-Term Capital Development and Expansion Plan into the Utility's long-term rate model;
- 3) that the Administration implement the recommended odour abatement strategies, which are expected to reduce the odour emitted from the plant by 76%;
- 4) that the Administration bring forward a report to Administration and Finance Committee outlining what a permanent odour monitoring system would entail; and
- 5) that the Administration be directed to make odour abatement a primary consideration in all operating and capital works undertaken at the Plant.

Your Committee has considered the attached report of the General Manager, Utility Services Department dated May 15, 2013, presenting the Wastewater Treatment Plant's Long-Term Capital Development and Expansion Plan that forecasts anticipated upgrades and expansions required to meet capacity, reliability, and regulatory treatment objectives for a 30-year planning period. Odour abatement is an integral component of the plan.

Following review of this matter, your Committee puts forward the above-noted recommendation.

**4. Uses of Places of Worship for Funeral Services**  
**(Files CK. 4350-011-6 and PL 4350-1)**

- RECOMMENDATION:**
- 1) that the General Manager, Community Services Department be requested to prepare the required notice for advertising the proposed amendment;
  - 2) that the City Solicitor be requested to prepare the required bylaw to amend Zoning Bylaw No. 8770;
  - 3) that at the time of the public hearing, City Council consider the Administration's recommendation to amend Zoning Bylaw No. 8770 to clarify the definitions for "Place of Worship" and "Funeral Home," add a definition for Funeral and Wedding Establishments and identify Funeral and Wedding Establishments as a permitted use in the IL1, M3, M4, B3, B4, B4A, B5, B5A, B5B, B5C, and B6 Zoning Districts; and
  - 4) that this matter be referred to the Municipal Planning Commission prior to the public hearing.

Your Committee has considered the attached report of the General Manager, Community Services Department dated July 2, 2013, regarding the above matter. The purpose of this report is to provide further clarification to a City Council report dated November 19, 2012, recommending amendments to Zoning Bylaw No. 8770 to specify that a Place of Worship may not be used principally for the provision of wedding or funeral services. Provision for this type of use is accommodated by adding a definition for Funeral and Wedding Establishments which would be permitted in specified industrial, institutional, and commercial zoning districts. Modifications to the definitions of Place of Worship and Funeral Homes are also proposed to specify the uses which may take place within these types of facilities.

Following review of this matter, your Committee puts forward the above-noted recommendation.

**5. Integrated Growth Plan – Financing Growth – Request for Proposals  
(Files CK. 4110-2 and PL 4110-1)**

**RECOMMENDATION:** that the information be received.

Your Committee has considered the attached report of the General Manager, Community Services Department dated July 4, 2013, presenting the information to be contained in the Request for Proposals for a Financing Growth Study and submits it for information.

**6. Vacant Lot and Adaptive Reuse Incentive Program  
214 Avenue D South – The Edge  
(Files 4110-45 and PL 4110-71-33)**

**RECOMMENDATION:**

- 1) that City Council approve a five-year tax abatement equivalent to 87 percent of the incremental taxes for the redevelopment of 214 Avenue D South;
- 2) that the five-year tax abatement take effect in the next taxation year following completion of the project; and
- 3) that the City Solicitor be instructed to prepare the appropriate agreement, and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.

Your Committee has considered and supports the attached report of the General Manager, Community Services Department dated July 2, 2013, requesting approval for a five-year tax abatement for the incremental property tax for the redevelopment of the property located at 214 Avenue D South under the Vacant Lot and Adaptive Reuse Program.

**7. Pleasant Hill Village – Project Update and Rent-to-Own Proposal**  
**(Files CK. 4131-31 and PL 951-22-5)**

- RECOMMENDATION:**
- 1) that the Administration proceed with the necessary steps to establish a new Rent-to-Own Program with Cress Housing, as described in the report of the General Manager, Community Services dated July 2, 2013;
  - 2) that the City Solicitor be requested to prepare the necessary agreements, and that His Worship the Mayor and the City Clerk be authorized to execute these agreements under the Corporate Seal; and
  - 3) that the General Manager, Community Services Department, be requested to provide a status report on the Pleasant Hill Village Project to City Council in one year.

Your Committee has considered and supports the attached report of the General Manager, Community Services Department dated July 2, 2013, providing a project update on Pleasant Hill Village and seeking direction to proceed with a Rent-to-Own program in order to facilitate more sales and offer an alternative method of home ownership.

Respectfully submitted,

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Councillor R. Donauer, Chair

**TO: Secretary, Planning and Operations Committee**  
**FROM: General Manager, Community Services Department**  
**DATE: July 2, 2013**  
**SUBJECT: Award of Contract – Kinsmen Park Train**  
**FILE NO.: CK. 4205-9-3 and LS. 4206-KI-12**

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**RECOMMENDATION:** that a report be submitted to City Council recommending:

- 1) that Arizona Railroad Depot, LLC be awarded a contract to complete (detail design, fabrication, and installation) the train and rail in Kinsmen Park for a total of \$494,935.50 USD plus applicable import duty, import fees, and import taxes.
- 2) that the City Solicitor be instructed to prepare the necessary agreement for execution by His Worship the Mayor and the City Clerk under the Corporate Seal.

### **TOPIC AND PURPOSE**

This report is requesting City Council approve the awarding of the contract for fabricating and installing a new train and rail system in Kinsmen Park.

### **REPORT HIGHLIGHTS**

1. The RFP outlines the objectives for the design and installation of the new train and train loop, in addition to the services and deliverables in which the successful proponent is responsible for.
2. Each Proponent was evaluated based on a predetermined set of criteria.
3. After reviewing each proposal in detail, the selection committee determined that Arizona Railroad Depot LLC be awarded the contract for the Kinsmen Park Train.
4. Awarding the construction tender for Kinsmen Park Phase One has been delayed; as a result, Arizona Railroad Depot LLC has agreed to amend their original construction and payment schedule.

### **STRATEGIC GOALS**

Meeting the Strategic Goals of Asset and Financial Sustainability, along with Quality of Life begins with the vision of “Saskatoon continues to grow and prosper, working with its partners and neighbours for the benefit of all.” Creating great partnerships can create a lasting legacy for the benefit of the entire city.

The City of Saskatoon (City), through partnerships with the private sector, has established levels of service for rehabilitation of Kinsmen Park. Citizens have access to facilities and programs that promote active living, and enjoy the natural beauty and benefits of parks, trails, and the river valley that brings people together. The revitalized

Kinsmen Park will continue to bring people together through community, culture, and recreation.

## **BACKGROUND**

In October 2010, the Potash Corporation of Saskatchewan (PotashCorp) announced a sponsorship to revamp Kinsmen Park and Area. In addition, Canpotex committed to sponsor the rejuvenation of the train in Kinsmen Park.

In December 2010, City Council approved funding for the Kinsmen Park and Area Master Plan. This project involved establishing a Master Plan for Kinsmen Park that also included the existing Mendel Art Gallery building and grounds, and the Shakespeare on the Saskatchewan Site.

In April 2012, City Council approved the Request for Proposal (RFP), and awarded a contract to Space2Place Design Inc. (Space2Place) for the Detailed Design and Construction Administration of Kinsmen Park Phase One.

In May 2013, a RFP calling for a proponent with expertise in train design, fabrication and installation was released to the public, including targeted companies with prior experience. The RFP requires the proponent to work with the City and Space2Place throughout the project. The successful proponent would be responsible for project management, construction administration, and insurance throughout the duration of the project.

## **REPORT**

The RFP was released on May 6, 2013, and closed on May 28, 2013, with a budget of \$680,000. Proposals were received from Arizona Railroad Depot, LLC (Arizona Railroad), Rockford Engineering Works Ltd., and Severn Lamb.

### **RFP Objectives**

The RFP outlined the following objectives, services, and deliverables to be met by the successful proponent:

1. Objectives for the new train include:
  - a) one-third scale locomotive to resemble a modern day Dash 9 freight train engine with a diesel fuel supply;
  - b) three carriages to resemble Canpotex freight cars;
  - c) accessible caboose with covered overhead seating and wheelchair ramp; and
  - d) overall capacity of one driver and a minimum of 44 adults or 66 children.
  
2. Objectives for the new train loop and track include:
  - a) supply and installation of the train loop and bypass siding according to specified measurements;
  - b) leveling of tracks;



- c) supply and installation of four pedestrian crossings at specified locations along the track, including “lead in” and “lead out” for each crossing; and
  - d) optional pricing item to supply and install railway signals.
3. Services provided by the successful proponent includes:
- a) chairing Project Initiation meetings, as well as Design Development meetings with the Steering Committee, either in person or through teleconference;
  - b) providing project management and construction administration in coordination with the City and Space2Place;
  - c) providing general liability insurance of no less than \$2,000,000 in coverage per occurrence; and
  - d) providing liability insurance in respect of owned licensed vehicles of no less than \$1,000,000 in coverage per occurrence.
4. The successful proponent is responsible for the following products and/or deliverables:
- a) all drawings of the locomotive, carriages, and accessible caboose are to be approved by the City prior to fabrication.;
  - b) in consultation with Space2Place, the park construction contractors, and the City develop a Staging Plan to illustrate the timing of development;
  - c) in consultation with Space2Place and the City, develop a Management Plan to speak to ongoing site management and maintenance practices;
  - d) all soft copies of plans, images, and costs are to be provided to the City in appropriate formatting;
  - e) itemize all development components and associated costs for completion of projects; and
  - f) present the preliminary site development, staging, and management plans to the Selection Committee and, if required, to an open house organized by the Leisure Services Branch.

### Proponent Evaluation Criteria

The proponents were evaluated based on the following:

1. Previous experience on related projects, references and team (20 points);
2. Project schedule, milestones, and controls for completion as per schedule (20 points);
3. Fees (20 points);
4. Project approach (15 points);
5. Coordination of construction (15 points); and
6. General quality of proposal (10 points).

### Selection Committee Findings

Each member of the Selection Committee was asked to evaluate all proposals and submit their evaluation and score. After reviewing the submissions in detail, the Selection Committee rated Arizona Railroad the highest of the three proposals. The

Selection Committee determined that Arizona Railroad was best suited for completion of this project and identified the following attributes and challenges with the proposal:

Supportive Attributes:

- 1) Proposal falls within budget, and is the only proposal received within the prescribed budget amount;
- 2) Meets operational requirements from a design and recognition perspective;
- 3) Proposal includes a well laid out schedule based on the overall project moving forward;
- 4) Experienced in design and fabrication of trains, cars, and rail installation; and
- 5) Meets the RFP required objectives, services, and deliverables.

Challenges:

- 1) Maintenance of the train engine in the future could be a challenge as the identified Briggs and Stratton Vanguard Diesel engine is not as common in Canada as it is in the United States. In consultation with City Mechanics, parts are available through Lambert Distributing Inc., a Canadian distributor of Briggs and Stratton Vanguard.

The Selection Committee is recommending that City Council accept the proposal from Arizona Railroad.

Revised Terms of Agreement

Awarding the construction tender for Kinsmen Park Phase One has been delayed, and as a result, the original timeline and payment schedule listed in Arizona Railroad's proposal will be amended. Arizona Railroad has agreed to amend the timeline and payment schedule to reflect the revised construction timeline as requested by the City.

The City agrees to accept the risk of commodity price changes that may occur as a result of the amended timeline. In consultation with the City Solicitor's Office, the justification for this assumed risk is due to commodity price changes in steel, fuel, and labour being beyond Arizona Railroad's control. With Arizona Railroad's proposal falling within the proposed budget, there are sufficient funds to allow for such contingencies.

**OPTIONS TO THE RECOMMENDATION**

- 1) City Council may choose not to accept Arizona Railroad's proposal. The Administration does not support this recommendation.
- 2) All proposal prices shall be firm for 60 days after closing. Without the approval within this timeframe, the Kinsmen Train RFP would need to be rewritten and resubmitted, possibly delaying Kinsmen Park Phase One even further.

## **POLICY IMPLICATIONS**

There are no policy implications.

## **FINANCIAL IMPLICATIONS**

The financial implications of this request will be supported by approved capital funding and external private contributions (i.e. partnerships) in the amount of \$680,000. The funding amounts are based on commitments from private contributors. No other financial impact will be generated for this construction item.

Canpotex Private Contribution	Arizona Railroad Depot, LLC	Contingency
\$680,000	\$494,935	\$185,065

## **PUBLIC AND/OR STAKEHOLDER INVOLVEMENT**

No further stakeholder involvement has been identified at this time.

## **COMMUNICATION PLAN**

A Communication Plan for Kinsmen Park is being developed through the Marketing Section of the Community Services Department that will highlight significant milestones. The Communication Plan will be finalized once the City awards the construction tender for Kinsmen Park Phase One.

## **DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION**

Kinsmen Park Phase One Development Redesign is targeted for release and award in November 2013. Upon awarding the construction tender, a revised construction schedule will be provided. The Administration will provide an information report on Kinsmen Park Phase One in September, 2013.

## **ENVIRONMENTAL IMPLICATIONS**

No environmental and/or greenhouse gas implications have been identified at this time.

## **PRIVACY IMPACT**

No privacy implications.

## **SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)**

A CPTED study was conducted on the development plan for Phase One construction. The recommendations were reviewed and revised based on discussions with the detail designer (Space2Place). With the 13 recommendations that were administered, a report to the Senior Leadership team was presented on June 19, 2013. Eleven

recommendations were approved, one recommendation is pending design of the Mendel Parking Lot improvements, and one recommendation will be re-addressed through the overall detailed design of the Kinsmen Park Phase One.

**PUBLIC NOTICE**

Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

Written by: Chelsie Schafer, Open Space Consultant

Reviewed by: “Cary Humphrey”  
Cary Humphrey, Manager  
Leisure Services Branch

Approved by: “Randy Grauer”  
Randy Grauer, General Manager  
Community Services Department  
Dated: “July 5/13”

Approved by: “Randy Grauer” for  
Murray Totland, City Manager  
Dated: “July 5/13”

**TO: Secretary, Planning and Operations Committee**  
**FROM: General Manager, Utility Services Department**  
**DATE: June 3, 2013**  
**SUBJECT: 2012 Annual Report – Water and Wastewater**  
**FILE NO: CK. 430-37 and WT. 430-2**

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**RECOMMENDATION:** that a copy of this report be forwarded to City Council for information.

### **TOPIC AND PURPOSE**

To present City Council with the 2012 Water and Wastewater Treatment Branch Annual Report that outlines the performance and activities of the branch in 2012 and includes a comparative analysis to previous years.

### **REPORT HIGHLIGHTS**

1. The Water Treatment Plant Residual Handling Facility is fully operational.
2. Saskatoon Water, Wastewater and Infrastructure Levy bills are the lowest of major cities in Alberta, Manitoba and Saskatchewan.
3. There has been a significant reduction in employee lost time and severity rate.
4. Water and Wastewater Utilities provided almost \$7 million in Grants-in-lieu of Taxes to the City of Saskatoon.
5. \$1.7 million was added to the Stabilization Reserve.
6. Fifty Capital Projects are in progress with total approved funding of \$113 million.

### **STRATEGIC GOAL(S)**

This report supports the City of Saskatoon Strategic Goal of Asset and Financial Sustainability through reducing the gap in funding required to rehabilitate and maintain our infrastructure by establishing levels of service for rehabilitation of assets and identifying supporting financial strategies and by developing funding strategies for expenses related to new capital expenditures.

This report also supports the long-term strategy to plan and invest in infrastructure needed to attract and support new businesses and skilled workers to the city by ensuring fees and permits are competitive with other jurisdictions inside and outside the province under the Strategic Goal of Economic Diversity and Prosperity.

### **REPORT**

The Water Treatment Plant is responsible for the operation and maintenance of the City's water treatment plant, raw water intake and three potable water storage reservoirs.

The Wastewater Treatment Plant is responsible for the operation and maintenance of the City's wastewater treatment plant, 27 remote pumping facilities and the biosolids facility where solids, resulting from the treatment process, are handled and disposed.

The Water and Wastewater Treatment Plants are designated Level 4 facilities, the highest level of certification in Canada. The treatment of water and wastewater is regulated by rigid provincial and national standards outlined in the Permit to Operate by the Saskatchewan Water Security Agency (formerly known as Ministry of Environment).

The 2012 Water & Wastewater Treatment Branch Annual Report (Attachment 1) highlights information relating to properties served, water volumes sold, wastewater treatment plant effluent flow, customer satisfaction, improved water and wastewater employee safety performance, utility bill comparison, variances from the 2012 Operating budget, key operating and capital performance indicators, residential water conservation and capital projects in progress.

#### Water Treatment Plant Residual Handling Facility fully operational

The construction of a Residual Handling Facility (RHF) at the Water Treatment Plant (WTP) was required by Environment Canada, Department of Fisheries and Oceans and Saskatchewan Water Security Agency. The purpose of the RHF is to remove chlorine and solids, mostly consisting of sand and inert ferric, from the WTP effluent that is discharged to the South Saskatchewan River. Since July 30, 2012, the RHF has been fully operational and accepting all Water Treatment Plant effluent.

#### Saskatoon Water, Wastewater and Infrastructure Levy bills lowest in Alberta, Manitoba and Saskatchewan

In spite of a 7.5% rate increase on January 1, 2012, the average residential water and sewer utility bill for Saskatoon (\$59.72/month) remains significantly less than other major Prairie cities. For example, the average bill in the second lowest utility, Calgary (\$84.05/month), was 40.7% higher than Saskatoon, and Regina's bill (\$95.54/month) was 60% higher.

#### Significant reduction in employee lost time and severity rate

In 2012, the Branch experienced 2 lost-time incidents for a total of 6 lost time days, down 96% from 2011. As a result, both the lost-time frequency rate and severity rate improved from 2011.

#### Water and Wastewater Utilities provided almost \$7 million in Grants-in-lieu of Taxes to City of Saskatoon

City policy states that the grants-in-lieu of taxes will equal 10% of budgeted metered revenue excluding revenue designated for transfer to the Water Treatment Capital Reserve and Wastewater Treatment Capital Reserve. In 2012, this totalled \$6.97 million.

### \$1.7 million was added to the Stabilization Reserve

Water and Wastewater Utility Revenue, including the Infrastructure Levy and Flood Protection Levy was \$90 million in 2012. Management reduced operation expenses \$5.1 million (5.5%) more than offsetting reduced revenues of \$3.4 million (3.9%). The favourable variance of \$1.7 million was placed in the Stabilization Reserve to offset possible shortfalls in future years.

Revenue was under budget primarily due to the 7.4% lower than anticipated budget volumes sold.

### Capital Projects in Progress

At 2012 year end, there were 16 active projects in the Water Treatment Section with total approved funding of \$76 million of which \$47 million remained to be spent, and there were 34 active projects in the Wastewater Treatment Section with total approved funding of \$37 million of which \$24 million remained to be spent.

The Avenue H Reservoir Expansion, Ultraviolet Disinfection and High Lift Pumping (\$42 million) was 40% complete at year end. Construction of the 42<sup>nd</sup> Street Reservoir and Pumphouse Expansion (\$30 million) will commence in May 2013. An odour source and mitigation study was conducted at the WWTP to determine the major sources of odour and possible solutions.

### **COMMUNICATION PLAN**

A copy of the 2012 Annual Report Water and Wastewater Treatment Branch is available for viewing at the Public Libraries under the July 16, 2013 Planning and Operations Committee Agenda, and on the City of Saskatoon website ([www.saskatoon.ca](http://www.saskatoon.ca), click on "c" for City Clerk's and Look under Reports and Publications).

### **DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION**

This report is provided on an annual basis and no further follow-up is required at this time.

### **ENVIRONMENTAL IMPLICATIONS**

There are no environmental and/or greenhouse gas implications.

### **PUBLIC NOTICE**

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

**ATTACHMENT**

1. 2012 Annual Report – Water and Wastewater Treatment Branch

Written by: Reid Corbett, Manager, Water and Wastewater Treatment Branch

Approved by: “Jeff Jorgenson”  
Jeff Jorgenson, General Manager,  
Utility Services Department  
Dated: June 28, 2013



# 2012 Annual Report

## Water & Wastewater Treatment Branch



# 2012 Water & Wastewater Treatment Branch Annual Report

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The Water Treatment Plant is responsible for the operation and maintenance of the City's Water Treatment Plant, Raw Water Intake and three potable water storage reservoirs. Infrastructure Services, Public Works Branch, is responsible for the operation and maintenance of the water distribution system.



*Aerial view of Water Treatment Plant and Meter Shop – Avenue H*

The Water and Wastewater Treatment Branch and the Public Works Branch work in unison to supply all consumers with safe and reliable, high quality, potable water at an acceptable pressure.



*Aerial view of Wastewater Treatment Plant – Whiteswan Drive*

The Wastewater Treatment Plant is responsible for the operation and maintenance of the City's Wastewater Treatment Plant, 27 remote pumping facilities and the Biosolids Facility where solids, resulting from the treatment process, are handled and disposed. Infrastructure Services, Public Works

Branch, is responsible for the operation and maintenance of the wastewater collection system. Wastewater is delivered to the plant by an extensive network of pump stations and underground pipes, treated to produce a high quality effluent and returned back to the South Saskatchewan River.

The Water and Wastewater Treatment Plants are designated Level 4 facilities, the highest level of certification in Canada. The treatment of water and wastewater is regulated by rigid provincial and national standards outlined in the Permit to Operate by the Saskatchewan Water Security Agency (formerly known as Ministry of Environment).

## 2012 Water & Wastewater Treatment Branch Annual Report

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The Meter Shop is responsible for the purchase, installation, testing, repair and replacement of water meters, as well as the installation and termination of water services. The Meter Shop is also responsible for the Cross Connection Control program initiated in 2003. This program exists to ensure that proper backflow prevention devices are installed on institutional, commercial and industrial service connections and tested annually to protect the potable water in the City's distribution system from becoming contaminated by the private systems.

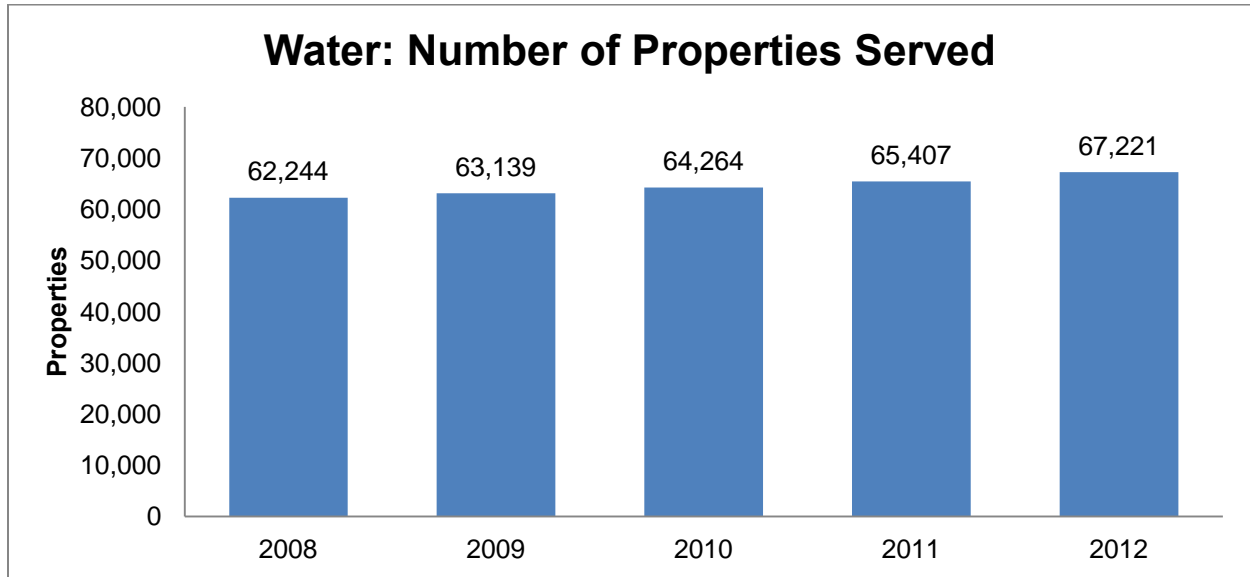
All customer billing, meter reading, and collections services are the responsibility of the Corporate Services Department.

### **OUR CUSTOMER**

#### **Customers Served**

Customers include residential households, commercial and industrial businesses, and institutions within the city. The City of Saskatoon also sells potable water to SaskWater. They receive this water at seven supply points around the perimeter of the city and re-distribute to 27,298 consumers outside of Saskatoon.

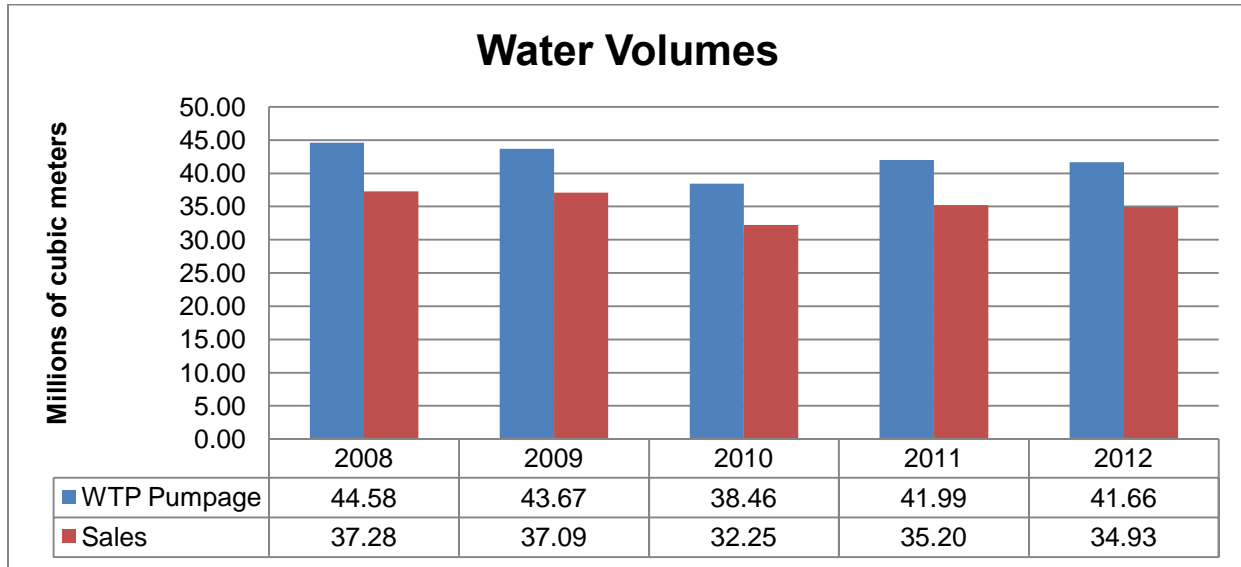
The number of water meters in service is an accurate representation of the number of properties served as 100% of customers are metered. The approximate number of properties served in 2012 was 67,221, consisting of 61,882 residential households and 5,339 multi-unit dwellings (greater than 4 units), industrial, commercial, and institutional properties. This represents an increase of 8.0% in the last five years. Water treatment and distribution and wastewater collection and treatment are provided to all 236,600 citizens of Saskatoon.



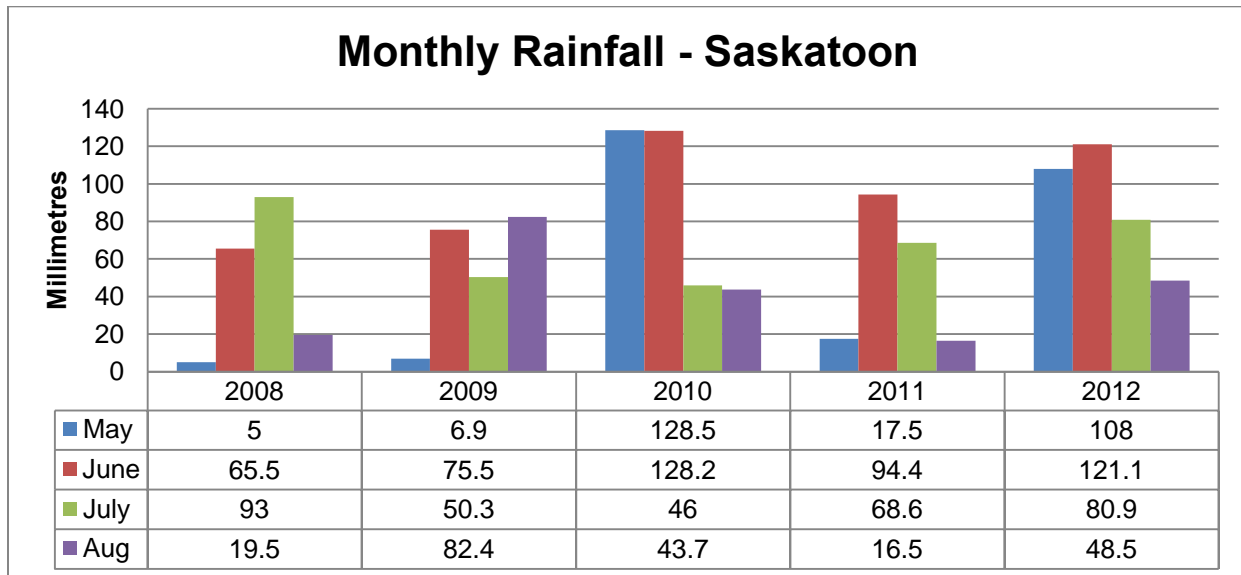
Based on customer meter readings, the volume of water sold to all customers in 2012 was 34.9 million cubic metres. This is a 3.1% drop in volume from the previous five-year average volume of 36.0 million cubic metres. The decline in 2012 water volumes is mostly due to higher than normal rainfall in June and July which resulted in a reduction in residential and commercial irrigation.

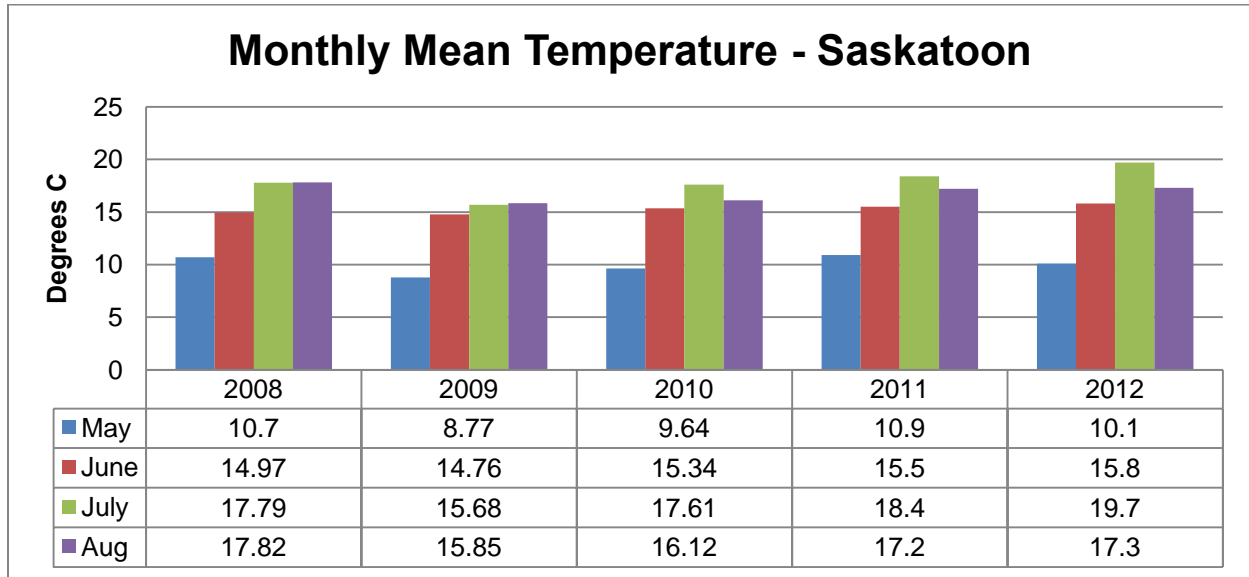
The following chart shows both water volume sales and water treatment pumpage. Water Treatment Plant (WTP) pumpage measures the volume of treated water pumped from the WTP into the distribution system. The difference in values is due to water loss (e.g. leaking water main joints), unmetered use (e.g. flushing water mains, fire flow), and estimated consumption and year end unbilled volumes.

# 2012 Water & Wastewater Treatment Branch Annual Report

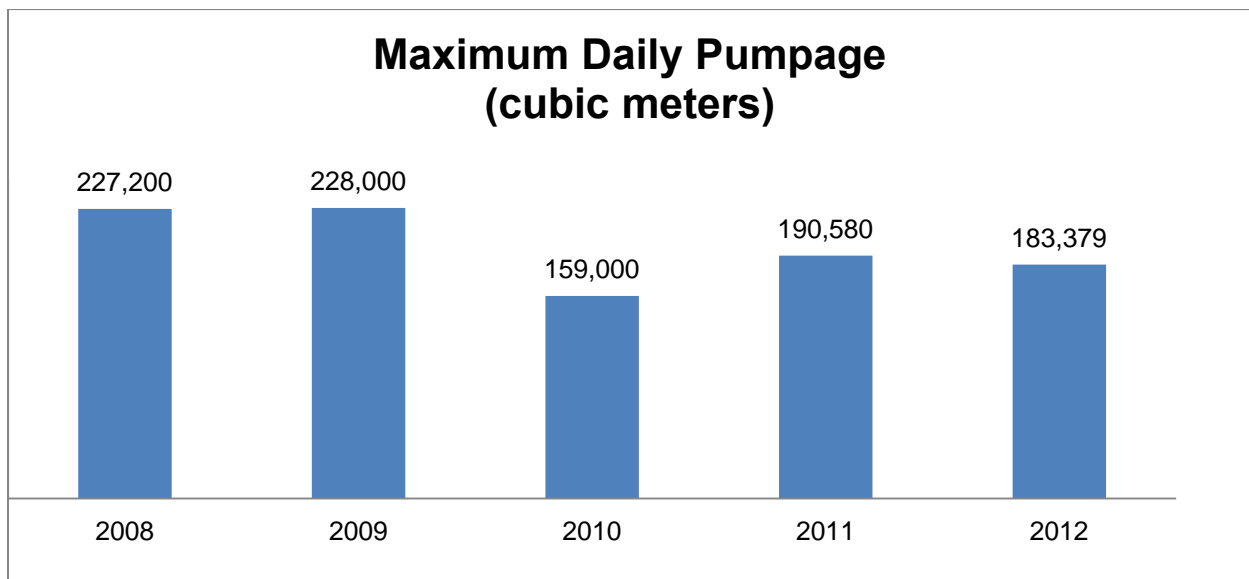


Variations in annual water sales correlate closely with summer rainfall and temperatures which show irrigation is a significant portion of total sales volume.





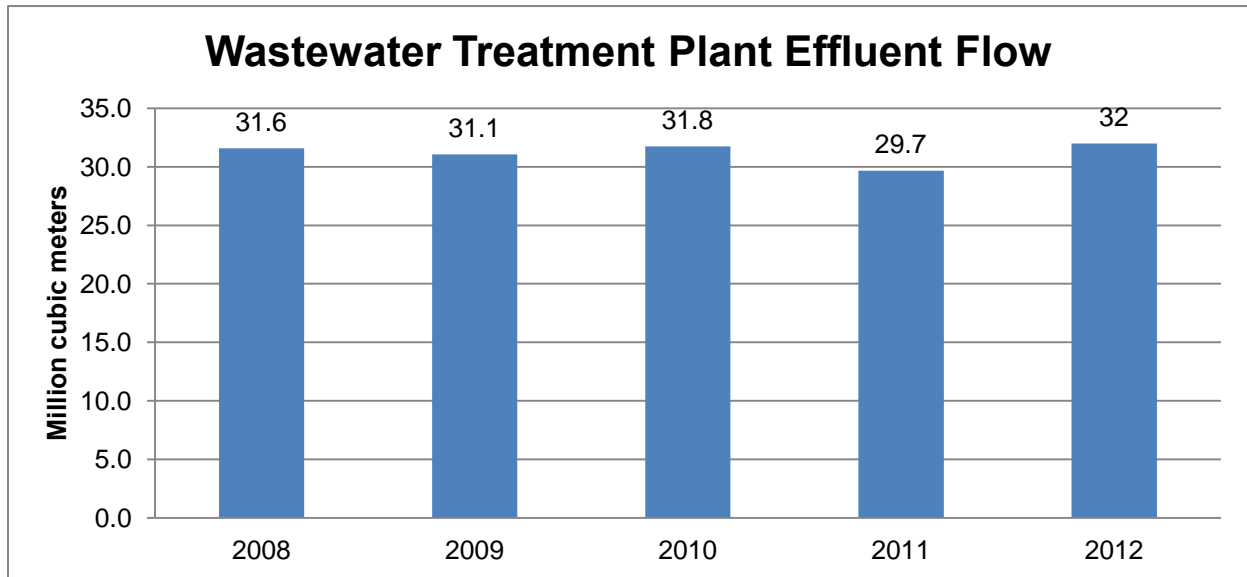
A maximum daily pumpage of 183,379 m<sup>3</sup> (183 million litres per day) occurred in July of 2012. The following chart shows that maximum daily pumpage in 2012 is 19% less than the 2008 to 2009 average maximum pumpage due to higher than average rainfall, cooler temperatures and conservation initiatives.



## 2012 Water & Wastewater Treatment Branch Annual Report

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Wastewater Treatment Plant (WWTP) flows increase in wet weather conditions due to inflow (e.g. weeping tiles) and infiltration (e.g. leaky pipe joints and manholes) into the wastewater collection system. One primary sedimentation basin was taken out of service to provide additional surcharge capacity during high flow events and emergencies. Using the empty basin to store excess flow reduced the risk of unintentional untreated wastewater discharge into the river. Infrastructure Services have designed and installed various infrastructure to attenuate the inflow and infiltration into the collection system. Although summer peak flows have been higher in 2010, 2011 and 2012, the total effluent volumes discharged to the river have not increased proportionately partly due to lower residential indoor water consumption. The significantly higher rainfall in 2012 resulted in the increase in effluent flow compared to 2011.



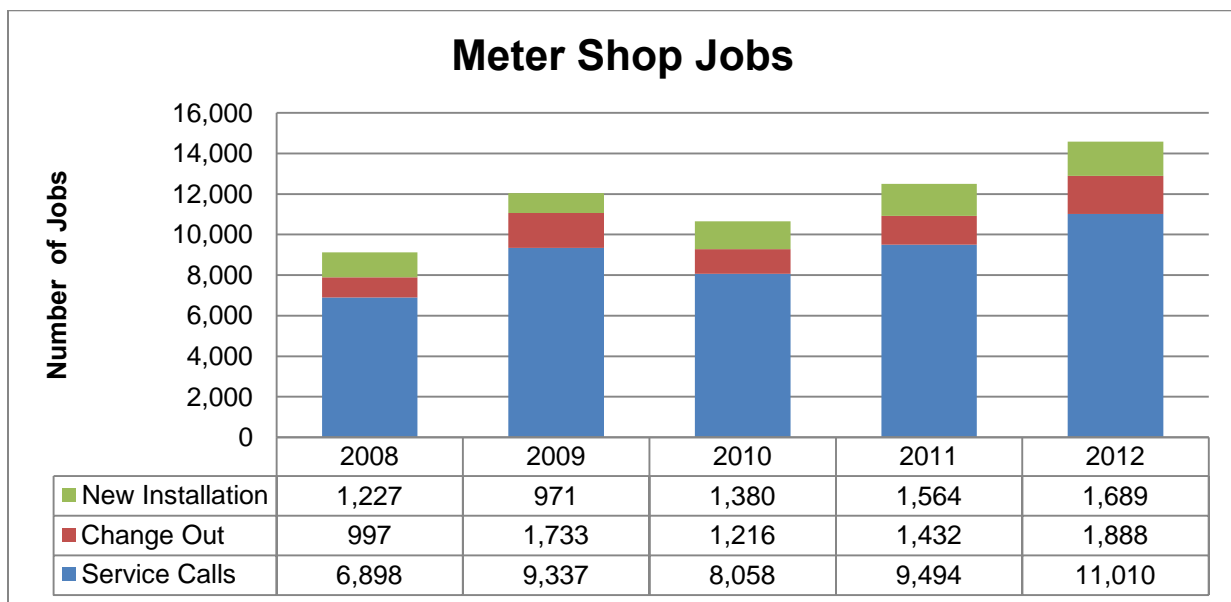


# 2012 Water & Wastewater Treatment Branch Annual Report



In 2012, the Meter Shop undertook 14,587 total jobs which included 1,689 new meter installations, 1,888 meter

replacements, and 11,010 service calls. Service calls result from work orders, generated by Corporate Services, to check malfunctioning meters, or if a cut-off/reconnect has been ordered.



Presently, there are 5,365 active backflow prevention devices. In 2012, 827 new devices were installed and 96.1% of all devices were tested, which is an increase from the 95.6% of all devices tested in 2011. Of the 3.9% not tested, almost all of these water connections were inactive in 2012 due to construction.

## Comparisons

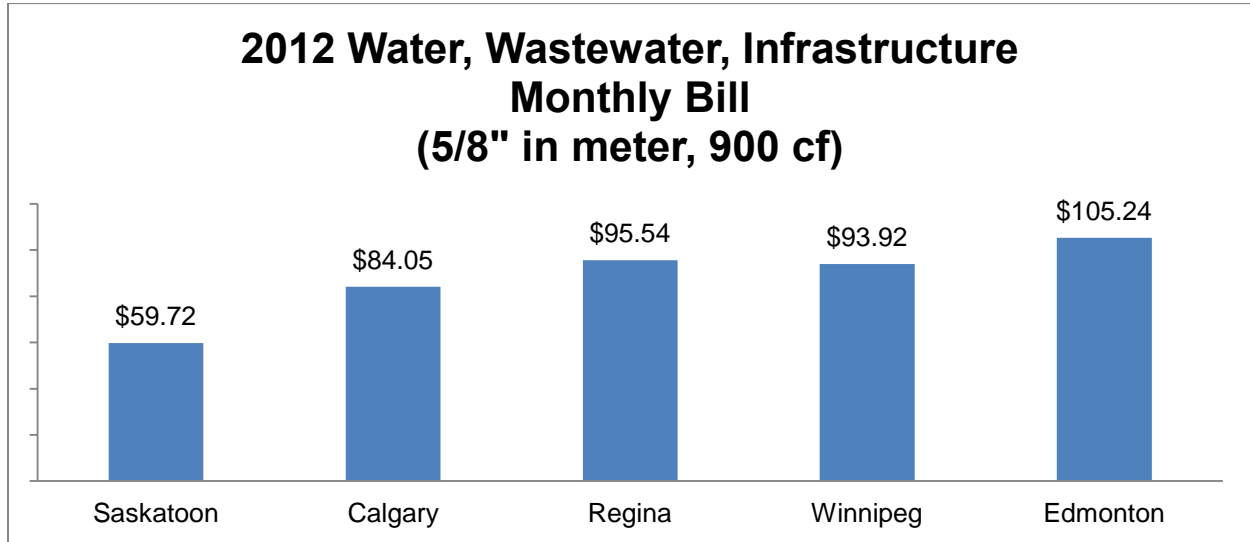
The following chart compares monthly water, wastewater, and infrastructure bills for residential customers. Saskatoon bills remain significantly less than other cities in Alberta, Manitoba and Saskatchewan. For example, assuming a 5/8" meter connection



# 2012 Water & Wastewater Treatment Branch Annual Report

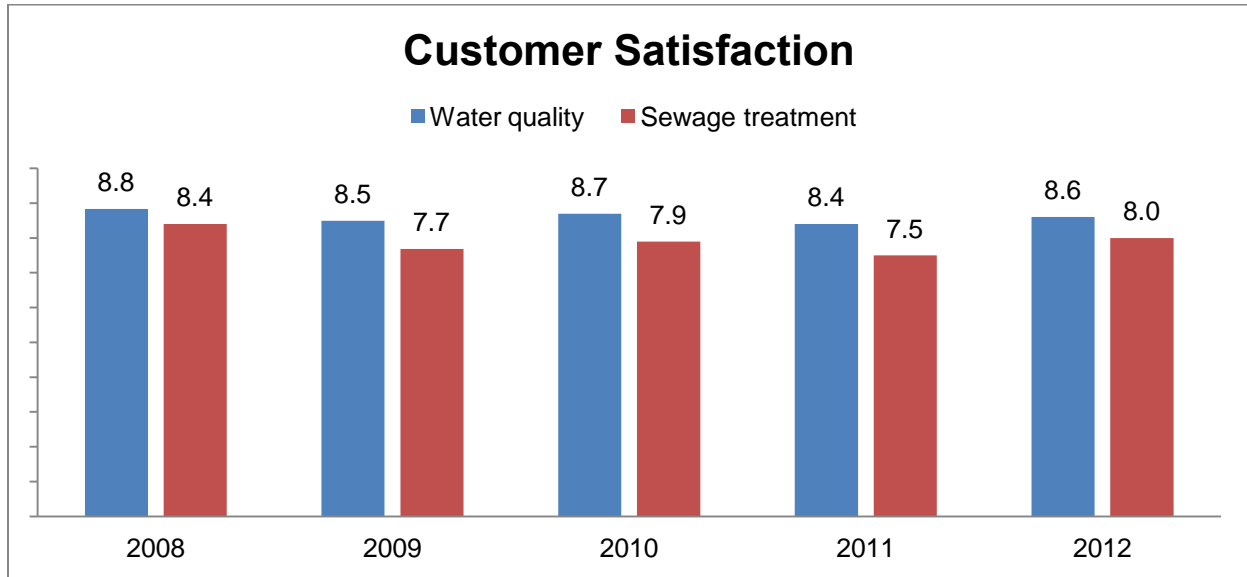
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and a monthly volume of 900 ft<sup>3</sup>, Calgary bills are 35% more and Regina bills are 56% more than Saskatoon.



## Customer Satisfaction

In the City of Saskatoon 2012 Civic Services Satisfaction Study, Saskatoon citizens ranked water treatment and wastewater treatment as two of the most important civic services. A score of 10 means “excellent” and 5 means “average”. In 2012, citizens indicated a satisfaction level of 8.6 for water quality and 8.0 for sewage treatment. Scores exceeding 7.5 are considered to be good. Water quality has consistently received the highest score and sewage treatment has consistently scored in the top four of all services provided by the City.



## OUR PEOPLE

### Employee Safety



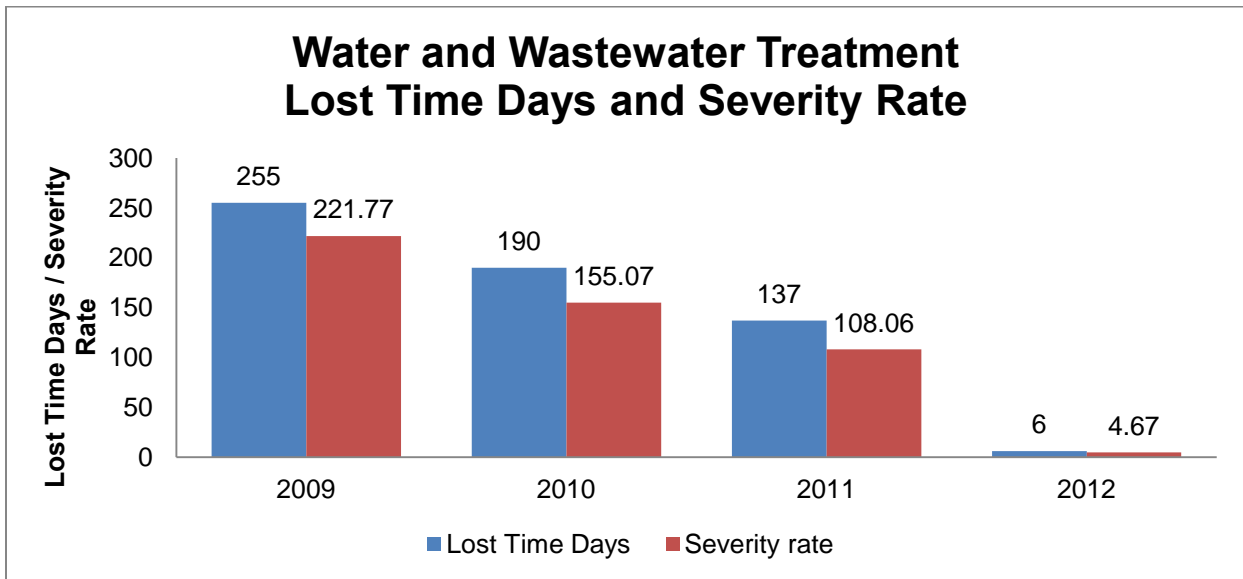
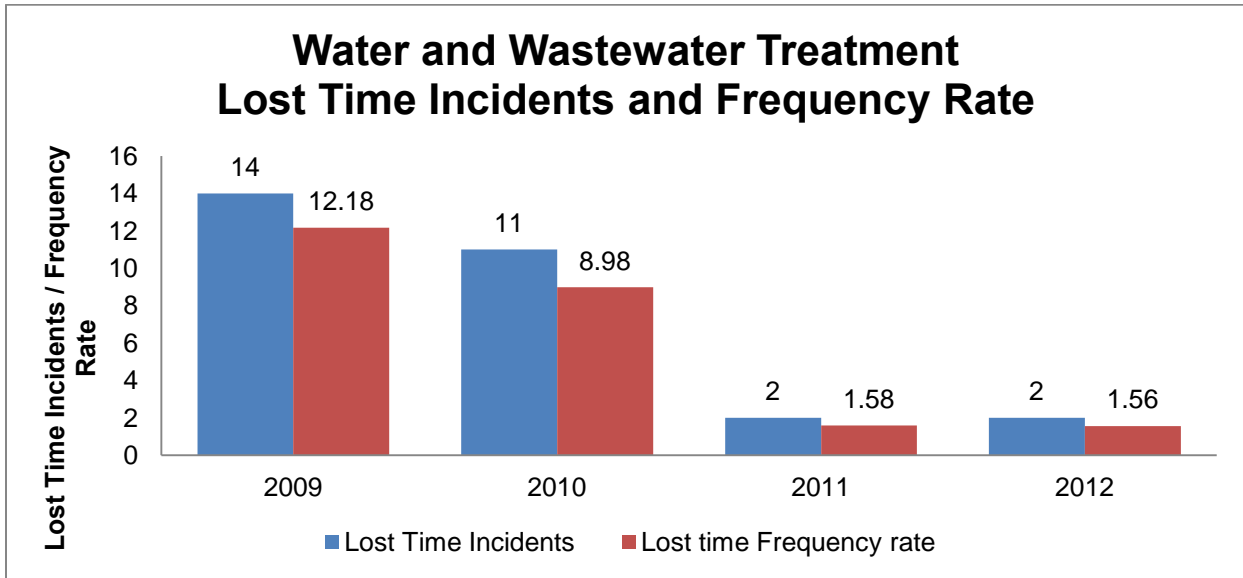
The Water Treatment Plant (WTP) and the Meter Shop together employ 70.7 full time employees (FTEs); the Wastewater Treatment Plant (WWTP) employs 53.0 FTEs. Branch management and staff have placed a strong emphasis on safety in the workplace by holding safety meetings, “tool box” meetings, work observations, and work planning. The Branch achieved the number of safety meetings planned for the year and undertook 98 work observations.

In 2012, the WWTP staff, WTP staff and Meter Shop staff achieved two years, one year and three years, respectively, without a lost time incident.

In 2012, the Branch experienced 2 lost-time incidents for a total of 6 lost-time days. Both these key performance indicators are equal or better than 2011. As a result, both the lost-time frequency rate (1.56) and severity rate (4.67) improved from 2011. The

# 2012 Water & Wastewater Treatment Branch Annual Report

Branch achieved this reduction by working together with the Occupational Health and Safety Committee, staff and management to keep safety #1 in everything we do.

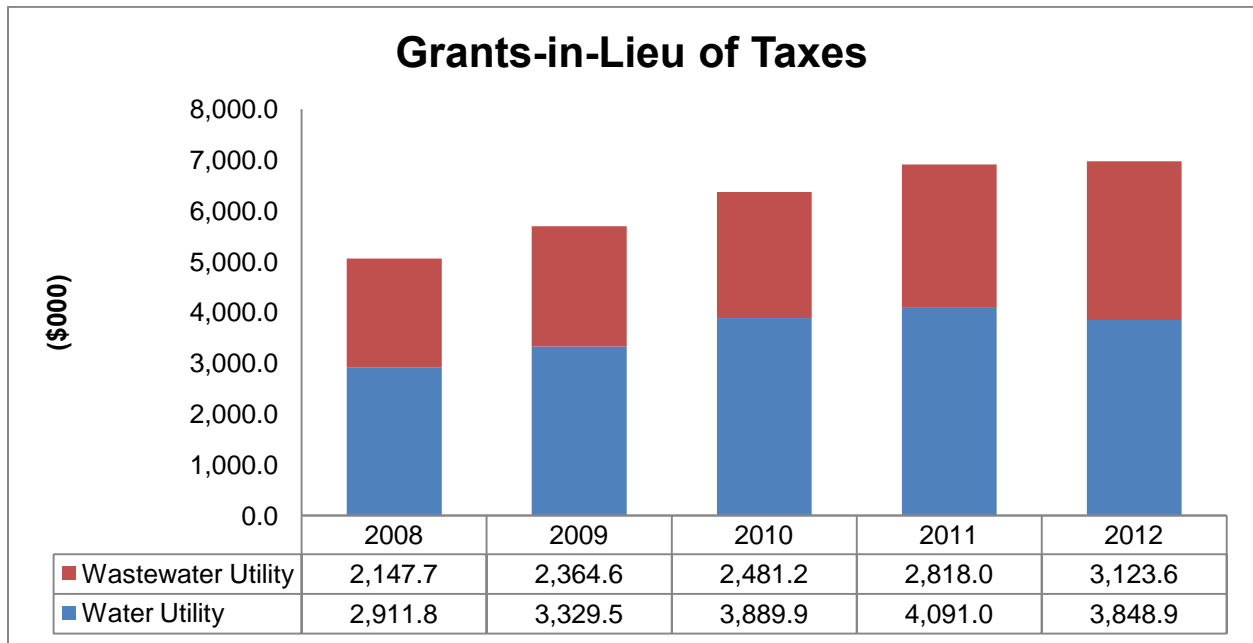


## OUR FINANCES

### Revenues Contributed to the City of Saskatoon

The Water and Wastewater Utility provides the City of Saskatoon with a grant-in-lieu of taxes. City policy states that the grant-in-lieu of taxes will equal 10% of budgeted metered revenue excluding revenue designated for transfer to the water treatment capital reserve and wastewater treatment capital reserve.

In 2012, the Water and Wastewater Utilities transferred a total of \$6,972,500 to the City; \$3,848,900 from the Water Utility and \$3,123,600 from the Wastewater Utility.



### Revenues

The Water and Wastewater Utilities are fully funded through their rates. In 2009, Council approved average annual rate increases of 7.5% for each of the years 2010, 2011, and 2012 based on an administrative recommendation.

The financials include water distribution and wastewater collection programs which are the responsibility of Infrastructure Services. The Infrastructure Services Department's

## 2012 Water & Wastewater Treatment Branch Annual Report

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operating costs cover the operation and maintenance of the water distribution system and wastewater collection system. This includes emergency work to repair watermain and service connection breaks, sewer failures, and to clean and clear sewer main blockages.

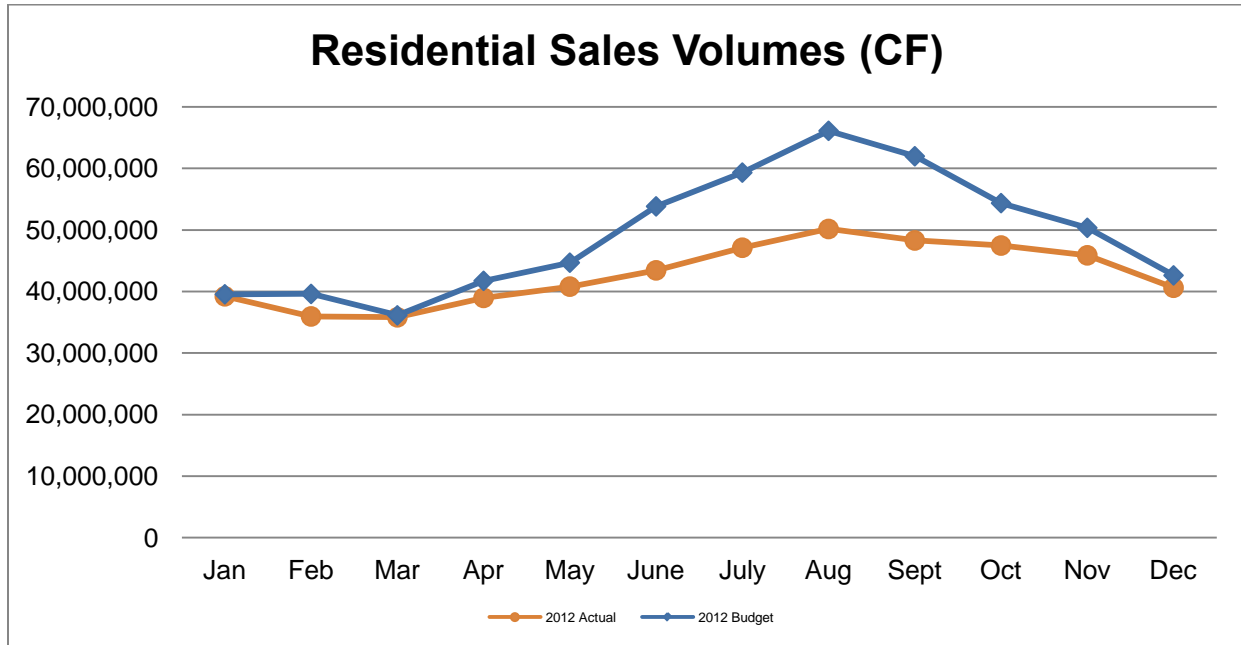
The Infrastructure Levy is used to fund Infrastructure Services water distribution and wastewater collection system capital rehabilitation and replacement projects needed to address aging infrastructure, including elimination of the watermain replacement backlog to meet current service levels.

### **Water Utility Revenue**

Total water revenue in 2012 was \$49,188,000 which is \$2,386,000 (4.6%) less than budget.

Metered revenue was \$44,193,000 which is \$2,104,000 (4.5%) less than budget. The unfavourable revenue variance is due to the sales volume, which was 7.4% less than budget. Approximately 68% of metered revenue is from volumetric charges and the remaining 32% from fixed charges. Revenue from the sale of water consists of sales to residential customers (48% of total) and industrial/commercial/institutional customers (52% of total). The following chart shows 2012 actual and budgeted summer residential sales volumes.

# 2012 Water & Wastewater Treatment Branch Annual Report

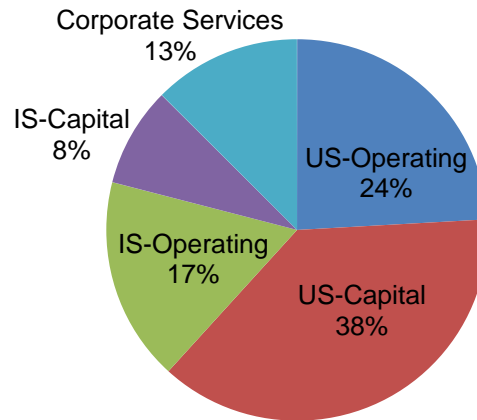


Infrastructure Levy revenue is a volumetric charge that funds the Infrastructure Services capital reserve. This revenue was \$323,000 (7.4%) less than budget due to the lower than budget volumes.

Other revenue, which consists of the fire protection charge, late payment penalties and some miscellaneous revenue, was slightly more than budgeted.

The following chart shows how the Water Utility revenue is distributed among Utility Services (US), Corporate Services, Infrastructure Services (IS), and General Revenues (as grant-in-lieu). US-Operating costs include treatment, pumping, storage, meter shop, administration, and general. US-Capital costs fund all capital work related to the treatment plant and reservoirs. The Corporate Services portion includes grant-in-lieu of taxes, cross charges for customer billing and collections, and corporate administration. IS-Operating includes the operating costs for the distribution system, and IS-Capital funds Infrastructure Services capital reserve to fund capital projects.

## Distribution of Water Revenue



The total 2012 non-capital related operating cost to supply potable water to 263,898 consumers (Saskatoon and SaskWater) was \$26,002,000 or \$98.53 per capita. The total 2012 capital related operating cost was \$22,220,000 or \$84.20 per capita.

# 2012 Water & Wastewater Treatment Branch Annual Report

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## 2012 Water Utility Operating Budget Variance (\$000)

	Budget	Actual	Variance	%
<b>Revenue:</b>				
Metered Revenue	\$46,296	\$44,193	(\$2,104)	-4.54%
Infrastructure Levy	4,394	4,071	(323)	-7.36%
Other Revenue	885	925	41	4.58%
<b>Total Revenue</b>	<b>\$51,575</b>	<b>\$49,188</b>	<b>(\$2,386)</b>	<b>-4.63%</b>
<b>Expenses:</b>				
US -Treatment, Pumping Storage	\$9,406	\$8,441	(\$965)	-10.26%
US-Meters	1,479	1,440	(39)	-2.63%
US-Admin & General	2,421	1,745	(677)	-27.94%
US-Capital Charges	17,889	18,149	260	1.45%
Corporate Services	2,321	2,193	(128)	-5.51%
Grant-in-Lieu of Taxes	3,849	3,849	0	0.00%
IS-Distribution	9,816	8,334	(1,482)	-15.10%
IS-Provision to Capital	4,394	4,071	(323)	-7.36%
<b>Total Expense</b>	<b>\$51,575</b>	<b>\$48,221</b>	<b>(\$3,354)</b>	<b>-6.50%</b>
Revenue less Expense (To)/From Stabilization Reserve	\$0	\$967	\$967	
Return on Investment	0	(\$967)		
	\$0	\$0	\$0	0.00%

Note: Some columns may not add to indicated totals due to rounding.

Utility Services and Infrastructure Services management made significant reductions in operating expenses to offset the revenue variance. In fact, expenses were lowered more than revenue and \$967,000 was transferred to the Stabilization Reserve which can be used to offset budget variances in future years.

The rationale behind the favourable expense variances are as follows:

1. Favourable variance of approximately \$180,000 in chemical costs due to reduced usage due to chemical optimization and lower water demand (less water treated).
2. Favourable variance of approximately \$210,000 in power and pumping costs due to higher efficiency raw water pumps at the new intake and less water pumped due to lower demand.
3. Various favourable variance of approximately \$510,000 due to the number of job vacancies left unfilled (mechanics and labourers), freeze on fixed assets,



## 2012 Water & Wastewater Treatment Branch Annual Report

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deferral of maintenance projects to 2013 repair of large electrical equipment, such as, Motor Control Centres and pump motors.

4. Infrastructure Services Engineering was down due to high cost recovery from building permits.
5. Number of water main breaks in 2012 was at a record low of 187 compared to the five-year average number of breaks of 256.
6. Hydrant repairs and replacements were both down in 2012.

### **Wastewater Utility Revenue**

Total wastewater revenue in 2012 was \$40,926,000 which is \$1,078,000 (2.6%) less than budget.

Metered revenue was \$30,563,000 which is \$1,266,000 (4.0%) less than budget. Wastewater metered revenue is billed based on water volumes. The unfavourable revenue variance is due to the water sales volume which was 7.4% less than budget. Approximately 57% of metered revenue is from volumetric charges and the remaining 43% is from fixed charges. Metered revenue consists of sales to residential customers (48% of total) and industrial/commercial/institutional customers (52% of total).

Infrastructure Levy revenue is a volumetric charge that is transferred to Infrastructure Services capital reserve. This revenue is \$446,000 (7.4%) less than budget due to the lower than budget volumes.

Other revenue, which consists of liquid waste hauler fees, late payment penalties, and some miscellaneous revenue, was \$309,000 (38.3%) more than budget.

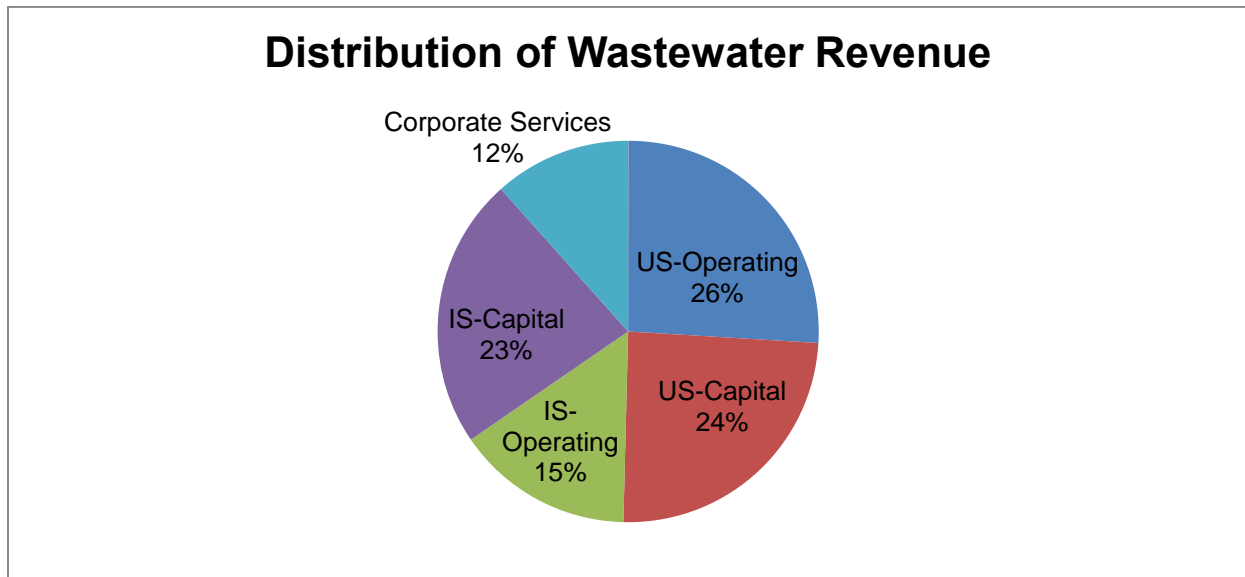
Flood Protection Levy revenue is a fixed charge that is transferred to Infrastructure Services capital reserve. This revenue is \$325,000 (9.9%) more than budget due to a higher than budgeted number of meters.

## 2012 Water & Wastewater Treatment Branch Annual Report

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The following chart shows how the Wastewater Utility revenue is distributed among Utility Services (US), Infrastructure Services (IS), and Corporate Services. US-Operating costs include treatment, lift stations, sludge handling and disposal, and administration.

US-Capital funds all wastewater plant and lift station capital works. Corporate Services portion includes a grant-in-lieu of taxes, cross charges for customer billing and collections, and corporate administration. IS-Operating funds operating costs for the sanitary sewer collection system and IS-Capital is the Infrastructure Levy revenue and Flood Protection Levy that are transferred to the Infrastructure Services capital reserve to fund capital projects.



The total 2012 non-capital related operating cost to treat the City's wastewater was \$21,148,000 or \$89.38 per capita. The total 2012 capital related operating cost was \$19,075,000 or \$80.62 per capita.

# 2012 Water & Wastewater Treatment Branch Annual Report

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## 2012 Wastewater Utility Operating Budget Variance (\$000)

	Budget	Actual	Variance	%
<b>Revenue:</b>				
Metered Revenue	\$31,829	\$30,563	(\$1,266)	-3.98%
Infrastructure Levy	6,068	5,621	(446)	-7.36%
Other Revenue	808	1,117	309	38.26%
Flood Protection Levy	3,300	3,625	325	9.85%
<b>Total Revenue</b>	<b>\$42,005</b>	<b>\$40,926</b>	<b>(\$1,078)</b>	<b>-2.57%</b>
<b>Expenses:</b>				
US -Treatment	\$7,426	\$6,773	(\$653)	-8.79%
US-Lift Stations	1,117	1,360	243	21.75%
US-Sludge Handling & Disposal	1,663	1,493	(170)	-10.23%
US-Admin & General	809	818	8	1.05%
US-Capital Charges	9,940	9,829	(111)	-1.12%
Corporate Services	1,623	1,543	(80)	-4.95%
Grant-in-Lieu of Taxes	3,124	3,124	0	0.00%
IS-Collection	6,936	6,039	(897)	-12.93%
IS-Provision to Capital	9,368	9,246	(121)	-1.30%
<b>Total Expense</b>	<b>\$42,005</b>	<b>\$40,224</b>	<b>(\$1,781)</b>	<b>-4.24%</b>
Revenue less Expense (To)/From Stabilization Reserve	\$0	\$703	\$703	
Reserve	0	(\$703)		
Return on Investment	\$0	\$0	\$0	0.00%

Note: Some columns may not add to indicated totals due to rounding.

Utility Services and Infrastructure Services management made significant reductions in operating expenses to offset the revenue variance. In fact, expenses were lowered more than revenue and \$703,000 can be transferred to the Stabilization Reserve. The Stabilization Reserve can be used to offset budget variances in future years.

The rationale behind the favourable expense variances are as follows:

1. Vacancies left unfilled.
2. Some savings on chemicals at the plant through optimization.
3. Various savings by deferring important but non-critical work (example: grit haul contract was delayed until site assessment study completed).
4. Significant overall plant savings through process optimization made possible by a new control system commissioned in April 2012.
5. Sewer Service connection expense less than budget.

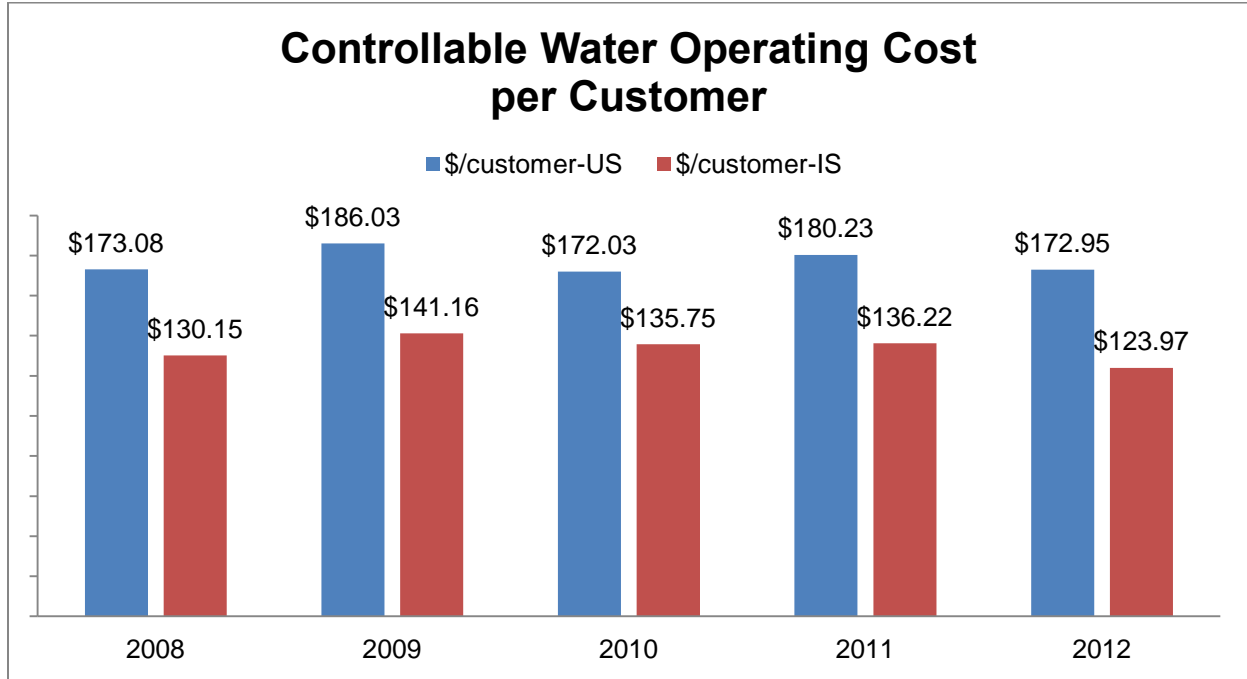
# 2012 Water & Wastewater Treatment Branch Annual Report

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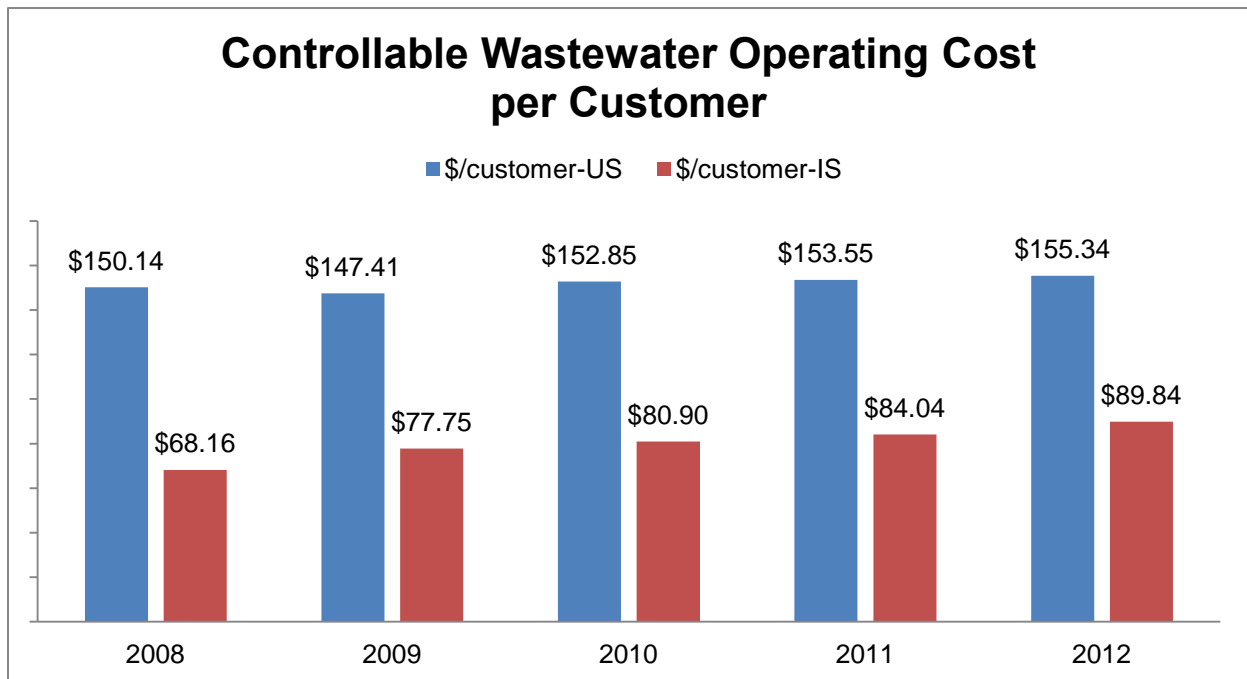
## Key Performance Indicators

Unmetered water is determined as the difference between the amount of treated water pumped from the Water Treatment Plant and the amount metered at customer premises. This difference is due to water loss through leaks or unauthorized water use, authorized but unmetered consumption, and estimated consumption and year-end unbilled volumes. Over the past five years, this difference has ranged from 15 to 17% of pumpage volumes. For a given level of sales consumption, any improvement in water loss would result in lower water volume treated and lower water treatment operating costs. Reduction of water loss will require maintenance and investment in the water distribution system.

Utility Services controllable water operating costs include treatment, pumping, storage, meter shop, administration, and general. Controllable operating costs exclude the cost of Corporate Services, debt servicing costs, and provisions to capital reserves. Infrastructure Services operating costs include the operating costs for the distribution system. Faced with a large unfavourable revenue variance, management was able to reduce controllable water costs per customer from 2009, due in part to lower chemical and electricity costs resulting from reduced volume treated and pumped. The average increase in this metric over the five-year period was 0.0% for Utility Services and decreased 1.3% for Infrastructure Services.



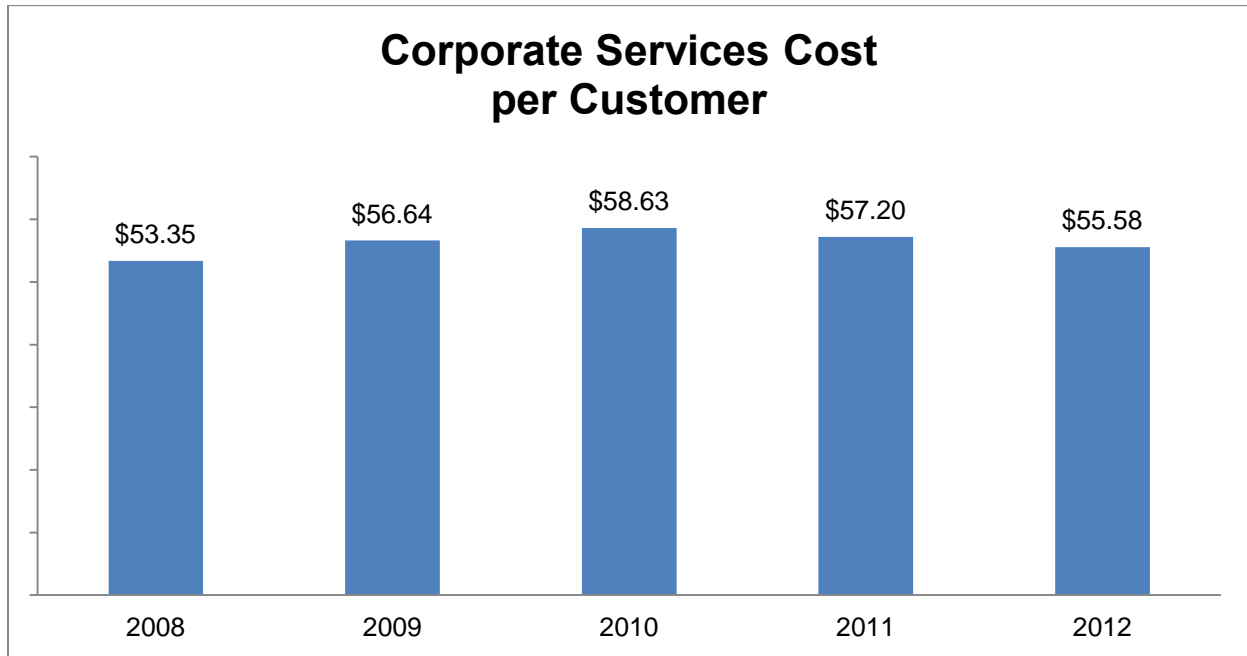
Utility Services controllable wastewater operating costs include treatment, lift stations, sludge handling and disposal, administration, and general. Infrastructure Services wastewater operating costs include the operating costs for the wastewater collection system. The average increase in this metric over the five-year period was 0.9% and 7.1% per year respectively for Utility Services and Infrastructure Services.



## 2012 Water & Wastewater Treatment Branch Annual Report

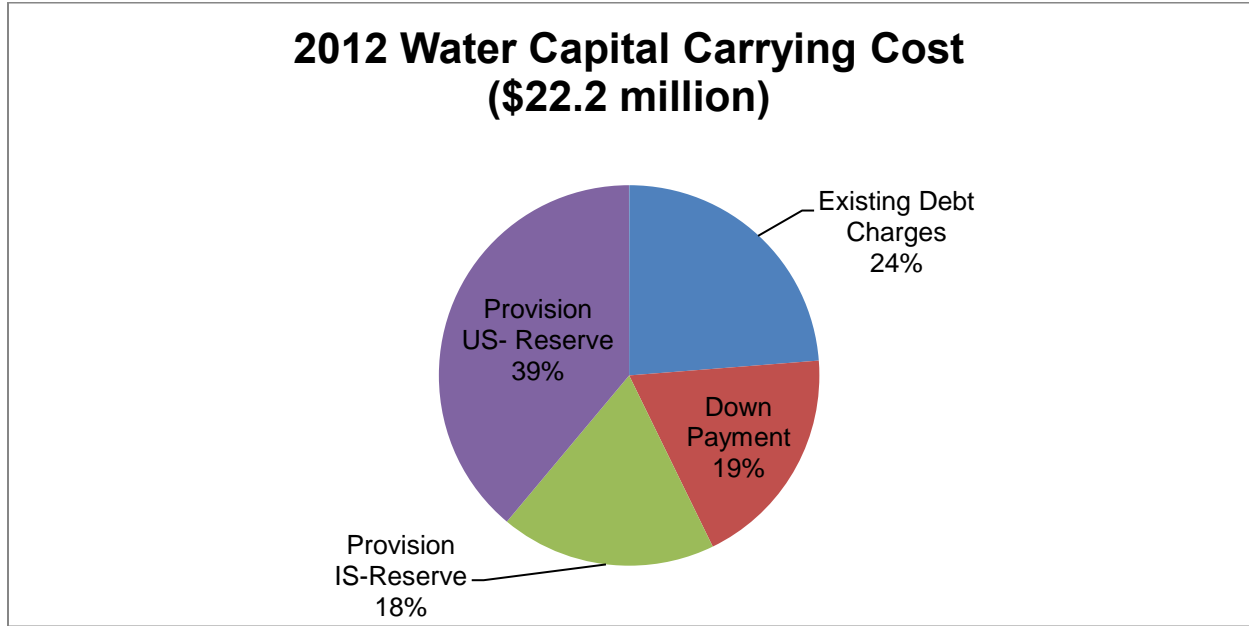
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Corporate Services costs include customer billing and collections, administrative overhead, and computer services charges. The following chart shows the combined annual Corporate Services costs for water and wastewater.

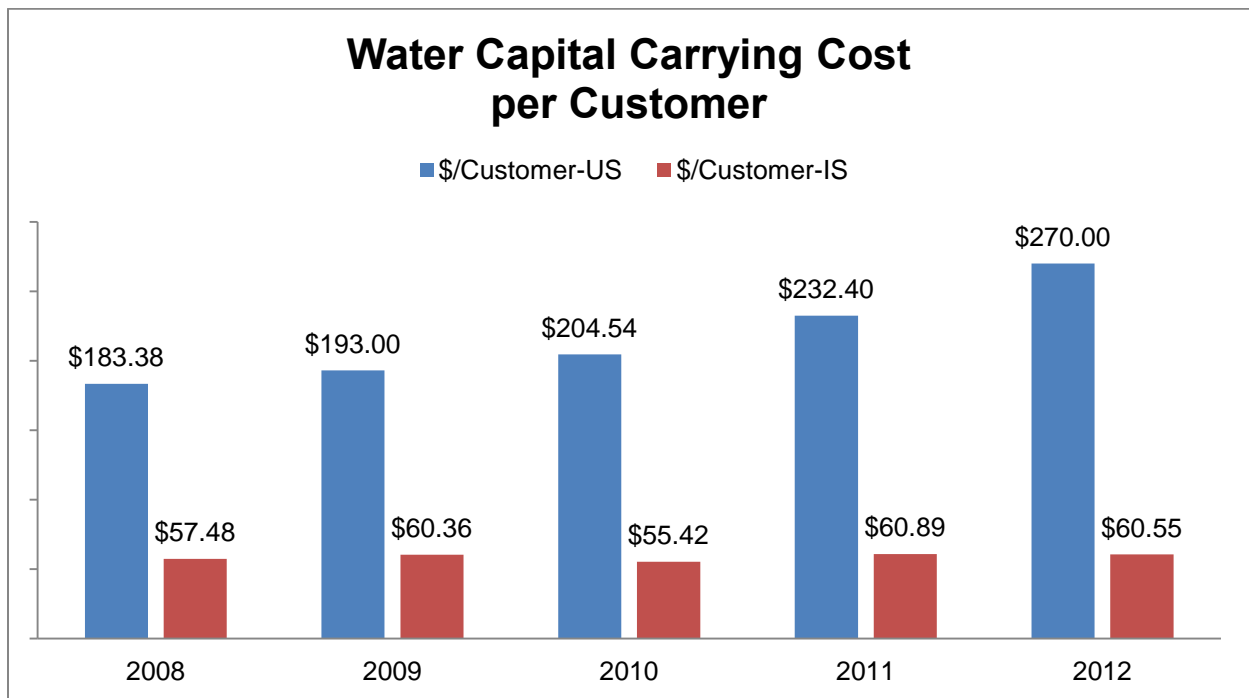


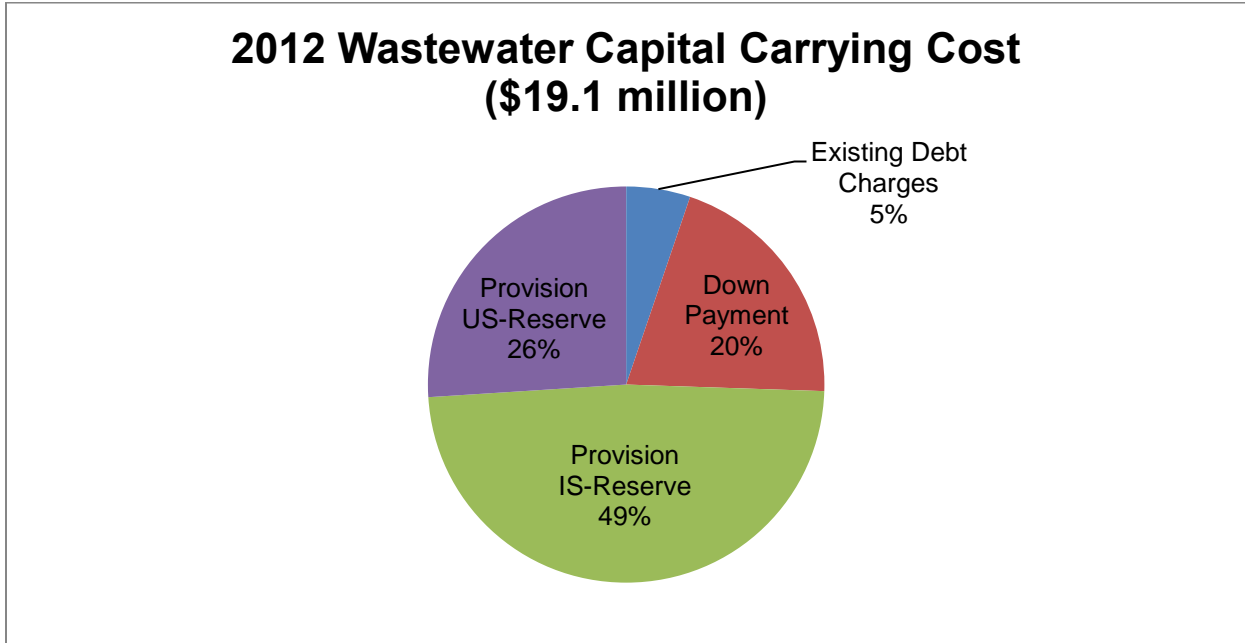
The Utility's capital expenditures are funded from capital reserves and debt. Provisions to capital reserves and debt servicing costs are all funded from utility rates and termed capital carrying cost.

The following charts show the composition of annual capital carrying costs funded from revenue. Down payment includes approximately 10% of newly approved debt and earlier approved, but still unissued, debt. Provision to the Infrastructure capital reserve for water is funded by the Infrastructure Levy and for wastewater the Infrastructure Levy and Flood Protection Levy.

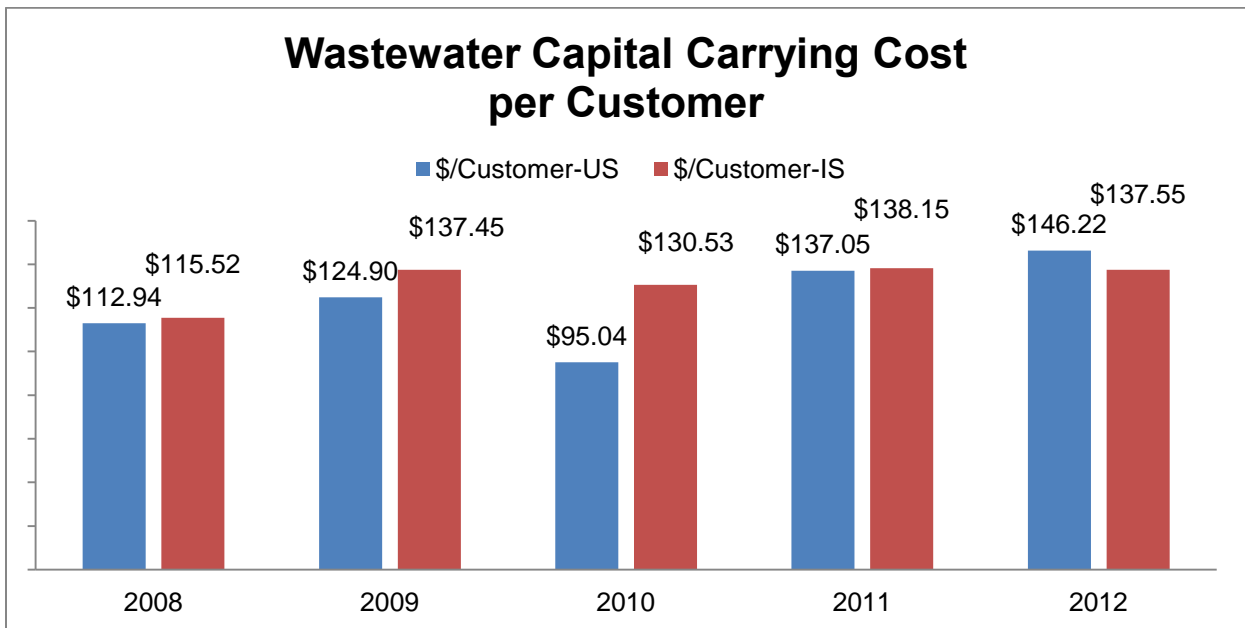


Water capital carrying costs per customer has increased at a rate of 10.2% per year for Utility Services from \$183.38 in 2008 to \$270.00 in 2012. This ratio has increased at a rate of 1.3% per year for Infrastructure Services from \$57.48 in 2008 to \$60.55 in 2012.





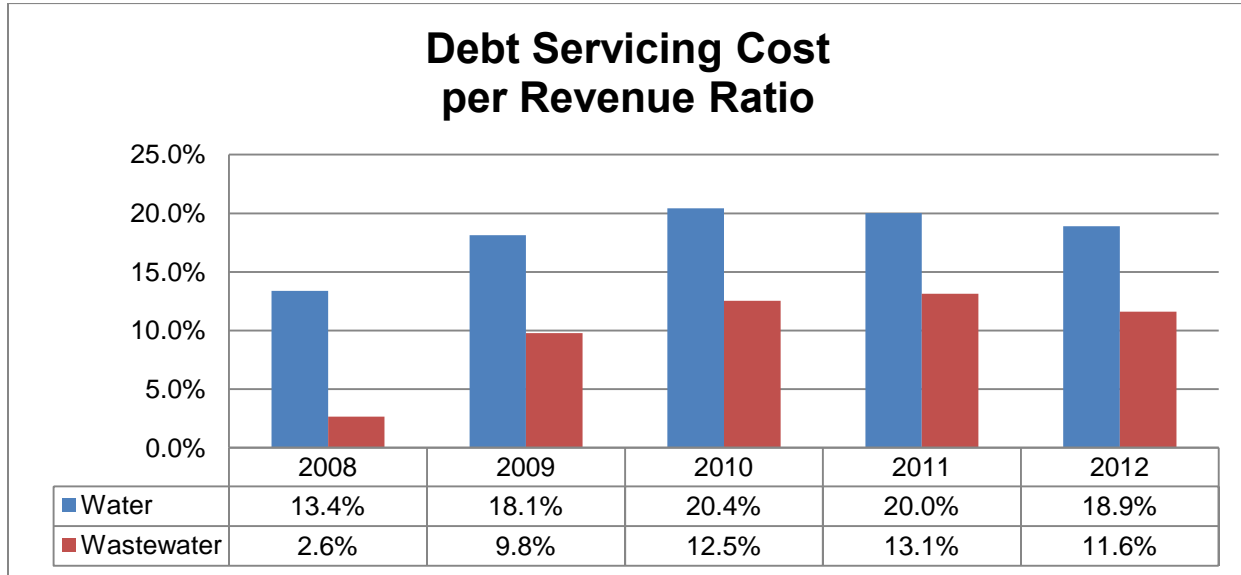
Wastewater capital carrying costs per customer has increased at a rate of 6.7% per year for Utility Services from \$112.94 in 2008 to \$146.22 in 2012. This ratio has increased at a rate of 4.5% per year for Infrastructure Services from \$115.52 in 2008 to \$137.55 in 2012.





# 2012 Water & Wastewater Treatment Branch Annual Report

The ratio of debt servicing cost to revenue for Utility Services water and wastewater is shown in the following chart. Debt servicing cost includes existing debt principal and interest, debt reduction charges, and revenue excludes the Infrastructure and Flood Protection Levies. This ratio indicates that the level of debt relative to revenue is manageable for the Utility.



## OUR WORK

The provincial government Permit to Operate requires stringent monitoring and reporting. City chemists, technologists, and treatment plant operators conduct over 50,000 water treatment quality tests and a further 5,000 distribution water quality tests every year as part of the water quality control program. The City of Saskatoon consistently meets or exceeds all regulatory limits for drinking water quality as per Saskatchewan Water Security Agency Permit to Operate.

The public expects, and the Branch is committed to, responsible watershed management and stewardship. The Utility is a member of South Saskatchewan Watershed Stewards Incorporated, a community based non-profit corporation that was formed to implement the South Saskatchewan River Watershed Source Water

## 2012 Water & Wastewater Treatment Branch Annual Report

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Protection Plan. Protecting the river and its surrounding watershed is vital to the long-term sustainability of our water supply.

The City of Saskatoon consistently meets or exceeds all regulatory limits for final wastewater effluent quality as per Saskatchewan Water Security Agency Permit to Operate. Phosphorous is the key nutrient the Wastewater Treatment Plant removes because of its negative impacts on the Saskatchewan River. The implementation of the ultraviolet disinfection facility, to replace chlorine disinfection at the Wastewater Treatment Plant, has improved the quality of the final effluent being discharged to the South Saskatchewan River.

The Utility supports the Provincial Operator Certification Program, for both the Water and Wastewater Treatment Plants, which helps protect both the public and the environment.

Information on the water treatment process, water quality test results and other water quality topics and information is provided in a Consumer Confidence Report which is distributed annually to households in Saskatoon and can be found on the City's website. Guided tours of both the Water Treatment and Wastewater Treatment Plants are available to the public to increase awareness of the operations of the utilities and the provision of safe reliable water as well as the production of quality effluent returned to the South Saskatchewan River.

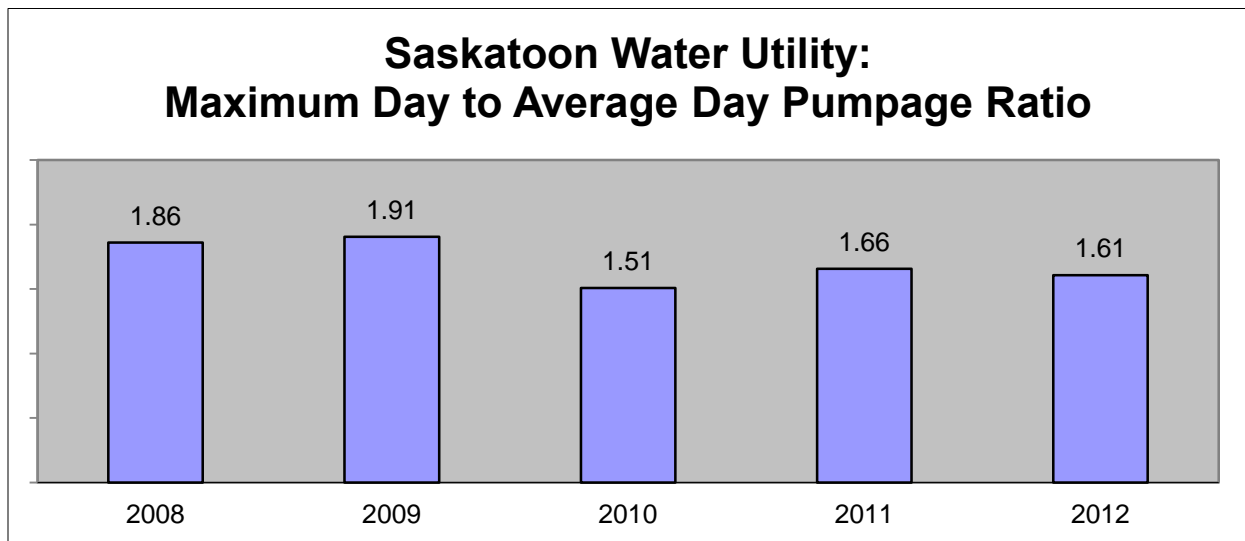
### **Conservation**

The 2009 Water Treatment Long Term Capital Development and Expansion Plan recommended the development of a water conservation plan to defer the need for a new water treatment plant, and other capital expenditures attributed to increased demand. The 2010-2012 rate plan implemented new conservation-oriented rates. In addition, customer education to attenuate the summer maximum day volume (peak demand management) will also defer some capital expenditures. In 2010, the maximum day pumpage was very low because of the virtual elimination of summer irrigation. As a result, the peaking ratio of

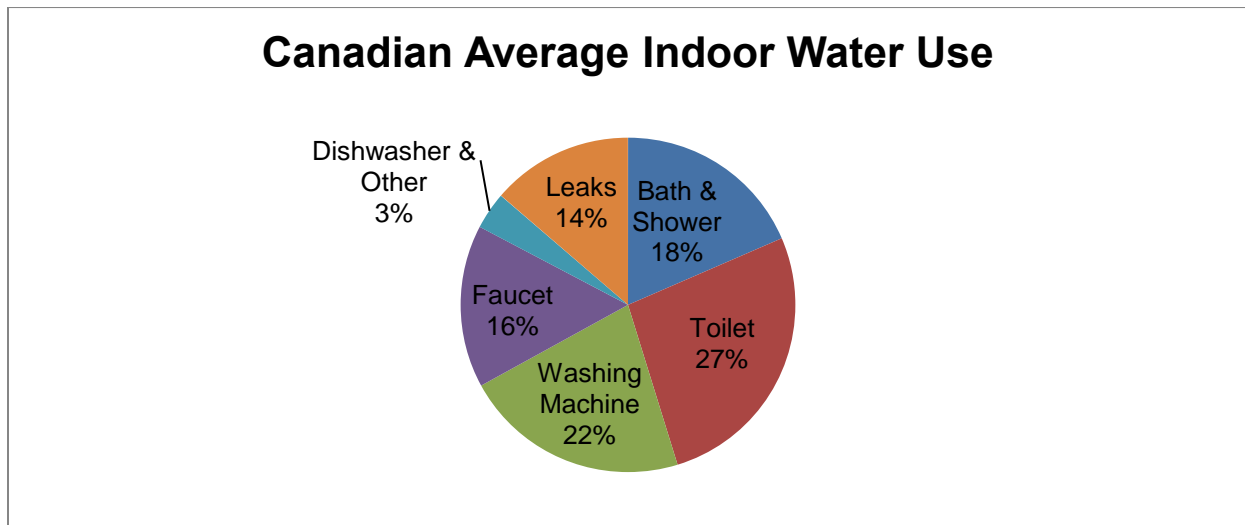
## 2012 Water & Wastewater Treatment Branch Annual Report

maximum day to average day fell to 1.51. In 2011, the mandatory water restriction and wetter than normal months, of June and July reduced the peaking ratio to 1.66.

Lower summer irrigation in 2012 resulted in a peaking ratio of only 1.61. As conservation rates and customer education begin to impact customer behaviour, this ratio should fall from the 1.9 level experienced in 2009; however, it is not anticipated to reach as low as the 2010 level on a consistent basis. A dry, hot summer is needed to get a better evaluation of the peaking ratio.



The following chart provides an indication how water is consumed in Canadian homes.

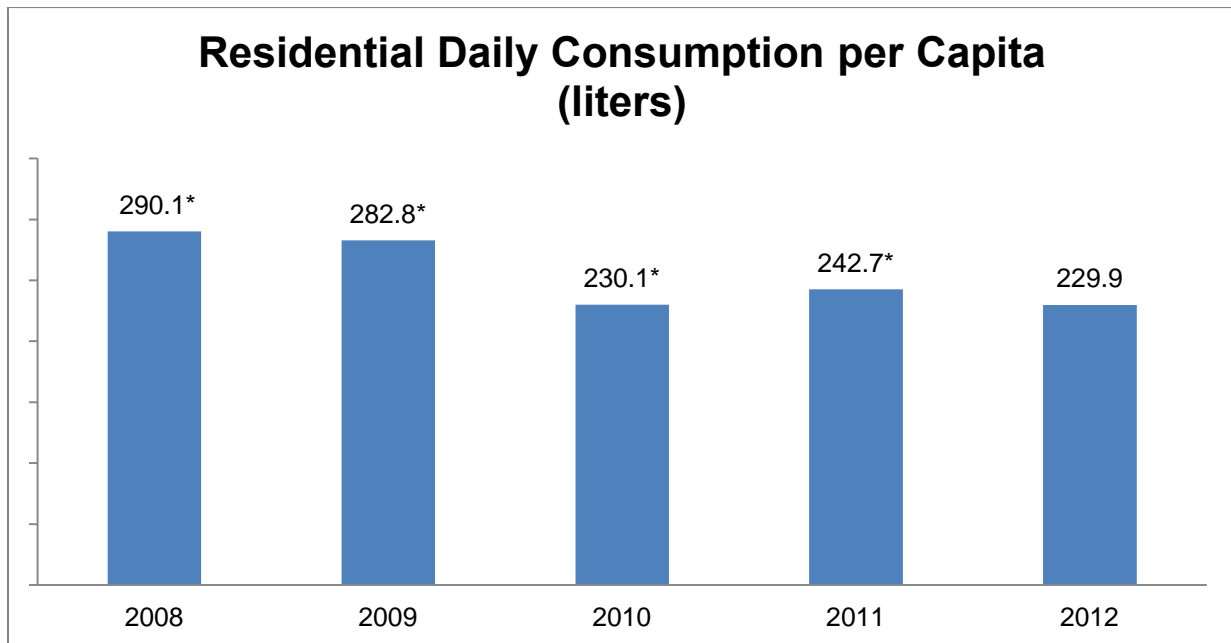


## 2012 Water & Wastewater Treatment Branch Annual Report

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The above proportioning of indoor water use can vary significantly depending on whether low-flow toilets, showers and washing machines are used. Studies show that households with low-flow fixtures use approximately 25% less indoor water than households without water efficient fixtures.

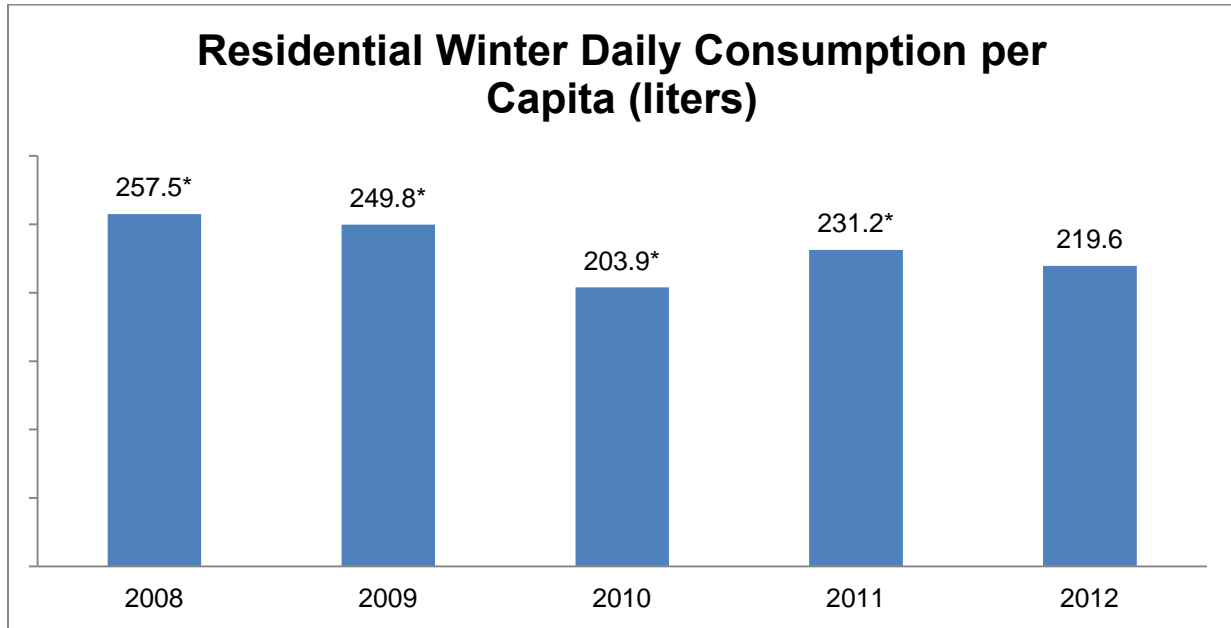
The following chart provides a measure of Saskatoon residential consumption on a per day per capita basis averaged over the entire year and, therefore, includes outdoor use.



\*estimated values prior to 2012 as multi-unit residential was classified as commercial

There has been a downward trend for residential daily consumption per capita; however, due to fluctuating seasonal irrigation demands this value varies significantly from year to year. In 2010, 2011 and 2012, this metric is lower than usual due to the wet summers and the 2011 mandatory water restriction. By comparison, the most recent National Benchmarking initiative showed a median Canadian consumption of 217 litres per capita per day in 2011.

The following chart provides a measure of residential consumption on a per capita per day basis averaged over the months of January to March and October to December when outdoor water use is not a factor.



\*estimated values prior to 2012 as multi-unit residential was classified as commercial

A comparison of residential sales during the winter months shows a steady decline in per capita daily indoor consumption of 3.9% per year since 2008 or a total decline of 14.7%. Studies from other municipalities confirm that this downward trend in indoor residential use has been occurring over the last decade. Although quite significant now, it is anticipated that this trend will flatten after most households are fitted with low-flow fixtures. The decline in indoor use accounts for 64% of the total decline in the average daily per capita consumption when irrigation is considered.

## Capital Projects in Progress



*Aerial view of construction of Avenue H Reservoir Expansion*

The Engineering Services section provides project management services for capital expansion and asset replacement for the Branch. At 2012 year end, there were 16 active projects in the Water Treatment section with total approved funding of \$76 million of which \$47 million remained to be spent. The Avenue H Reservoir Expansion, Ultraviolet Disinfection and High Lift Pumping (\$42 million) is 40% complete. The 42<sup>nd</sup> Street Reservoir and Pumphouse Expansion (\$30 million) will commence construction in May 2013.

The Wastewater Treatment section had 34 active projects at year end with approved funding of \$37 million of which \$24 million remained to be spent. Significant projects included Energy Recovery (\$4.6 million), Lift Station Upgrades (\$6.0 million), and Operations/Maintenance Facility Upgrade (\$7.8 million).

An Odour Source and Mitigation study was conducted at the Wastewater Treatment Plant to determine the major sources for odour and possible solutions. In 2013, a consulting firm will be hired to determine odour abatement options and provide a detailed design for 2014 construction.

## Water Treatment Plant Residual Handling Facility

The construction of a Residual Handling Facility (RHF) at the Water Treatment Plant (WTP) was required by Environment Canada, Department of Fisheries and Oceans and Saskatchewan Water Security Agency. The purpose of the RHF is to remove chlorine and

## 2012 Water & Wastewater Treatment Branch Annual Report

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solids, mostly consisting of sand and inert ferric, from the WTP effluent that is discharged to the South Saskatchewan River.

Since July 30, 2012, the RHF has been fully operational and accepting all Water Treatment Plant effluent. City staff has spent much time and effort on innovative upgrades to the initial design to achieve consistent operation of the facility and ensure compliance with the regulators' directives.

### **IN CONCLUSION**

Through its approved 2012 Operating Budget and the approved Five Year Capital Plan including the 2012 Capital Budget, the Utility was able to maintain operations and fund capital projects related to treated water and wastewater quality, city growth, and regulatory matters.

The success of the Utility is dependent on the dedication and skills of its employees and their efforts are greatly appreciated. Our competent team of plant operators, tradespersons, maintenance staff, engineers, technologists, technicians, chemists, and administrators all play a crucial role. The guidance and support of the General Manager, City Manager and City Council is appreciated.

The Utility and its staff look forward to the challenges and the opportunities that the future will provide.

**TO: Secretary, Planning and Operations Committee**  
**FROM: General Manager, Utility Services Department**  
**DATE: May 15, 2013**  
**SUBJECT: Wastewater Treatment Plant**  
**Long Term Capital Development and Expansion Plan**  
**FILE NO: CK. 7800-1 and WWT. 7990-80**

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**RECOMMENDATIONS:** that a report be forwarded to City Council recommending

- 1) that the Administration be directed to continue to proceed based on the recommended Long Term Capital Development and Expansion Plan as outlined in this report;
- 2) that the Administration incorporate the Long Term Capital Development and Expansion Plan into the Utility's long term rate model;
- 3) that the Administration implement the recommended odour abatement strategies, which are expected to reduce the odour emitted from the plant by 76%;
- 4) that the Administration bring forward a report to Administration and Finance Committee outlining what a permanent odour monitoring system would entail; and
- 5) that the Administration be directed to make odour abatement a primary consideration in all operating and capital works undertaken at the Plant.

### **TOPIC AND PURPOSE**

To present the Wastewater Treatment Plant's (WWTP) Long Term Capital Development and Expansion Plan (LTCDEP) that forecasts anticipated upgrades and expansions required to meet capacity, reliability, and regulatory treatment objectives for a 30 year planning period. Odour abatement is an integral component of the plan.

### **REPORT HIGHLIGHTS**

1. Stantec Consulting Ltd. (Stantec) was retained to complete a LTCDEP for the WWTP.
2. Concurrently, Stantec was retained to conduct a comprehensive Odour Source and Mitigation Study for the WWTP.



3. Considering factors including social, environmental, and financial, a long term capital development and expansion plan was developed. This plan will allow the City to meet regulatory requirements; increase plant capacity to meet city growth; ensure ongoing reliability of the plant; and reduce odour emitted by the WWTP by 76% in the near term.

### **STRATEGIC GOAL**

This strategy supports a number of Strategic Goals. Environmental Leadership is supported by ensuring changing regulatory requirements continue to be anticipated and met. The goal of Asset and Financial Sustainability is supported by the comprehensive long term strategy that is based on the most prudent use of funds available to the Utility. Quality of Life will be improved for neighbouring citizens through the odour abatement strategy proposed. And finally, the LTCDEP for the WWTP is integral to the goal of Sustainable Growth, as the City's ability to continue to treat sewage is a foundational requirement of a growing city.

### **BACKGROUND**

The City of Saskatoon Wastewater Treatment Plant (WWTP), located at 470 Whiteswan Drive, was established as a primary treatment facility in 1971 and a Biological Nutrient Removal (BNR) facility was added in 1996. The plant is presently designed to treat an average daily flow of 120 million litres per day (ML/d). Due to pending changes in effluent regulations, availability of improved treatment technologies, and the changing sewage flows of the growing city, a comprehensive LTCDEP was considered necessary for future planning.

The overall objective was to develop a 30 year plan that provides direction regarding the future of the WWTP and the bio-solids facility. The master plan would be based on a solid technical analysis, sound cost estimates, and a justifiable decision-making procedure. A similar study was completed for the Water Treatment Plant in 2009 and has been used to guide the plant capital programs, budgeting, and 30 year expansion plans.

Capital Project #2221 - WWT - Long Term Capital Development Plan was funded in the 2011 Capital Budget at \$420,000. A call to qualified engineering consulting firms resulted in proposals from three consultants. Stantec Consulting Ltd. was determined by the Administration to be the most suitable proponent for the project and was awarded the work by City Council at its meeting held on January 16, 2012. The consulting contract for odour abatement was also procured through RFP, and was awarded to Stantec on October 11, 2011.

It was identified early on in the project that odour abatement strategies must be integral to the LTCDEP. The July 2012 "City of Saskatoon Wastewater Treatment Plant Odour Source and Mitigation Study", identified odour sources, ranked them from greatest to lowest contribution to emissions, reviewed treatment alternatives, and recommended the preferred strategy. Subsequent to the study a Request for Proposal (RFP) was

issued calling for engineering services to review design issues in the 2012 functional study followed by detailed design, tendering, construction management, and commissioning of an odour abatement solution. The award of these services was approved by Council June 24, 2013.

## **REPORT**

Stantec's LTCDEP analysis focused on a detailed review of future flows and existing conditions, and an evaluation of current and possible treatment processes. Once these technical evaluations were complete, a number of solutions were considered, and four solutions were evaluated in detail. Three of the solutions involved various configurations of expansion at the existing plant site, while the fourth option was to continue to operate the existing site and construct a second WWTP. The approach included a review of the best available technologies in the industry.

A decision matrix and evaluation criteria was developed. The evaluation criteria included economic, environmental, social, and operation and maintenance considerations. The recommended option was the least cost, and had the most favourable positive impact on odour for the adjacent neighbourhoods due to significant opportunities to reduce odour emissions from the plant.

Attachment 1 includes a more thorough description of the studies performed, and the Executive Summaries of the studies are available for viewing at the Public Libraries under the July 16, 2013 Planning and Operations Committee Agenda, or on the City of Saskatoon's website ([www.saskatoon.ca](http://www.saskatoon.ca), click on "c" for City Council and Look under Report for Publications).

The Administration has reviewed the recommended project staging in detail, and has optimized the coordination and timing of the recommended projects as detailed in Attachment 2. This optimization, although a deferral of many of the works suggested by the consultant, has been determined to be the most effective order of works and has been sanctioned by the City's Professional Engineers responsible for the plant. This optimization process is expected to allow the City to meet all regulatory, capacity, and reliability objectives while maintaining Utility rates that have been, and are expected to continue to be, lower than comparable utilities in Western Canada.

Highlights of the strategy are as follows:

Year	Project
2014	Odour Abatement System – Eliminate pumping to the primary settling basins.
2014 or 2015	Energy recovery and cogeneration
2018	Construct 4 <sup>th</sup> digester tank
2022-2024	Construct new headworks – receiving and screening
2022	Bioreactor expansion
2022-2024	Additional primary clarification basins
2023-2024	Ultraviolet disinfection expansion
2029-2032	Construct 3 <sup>rd</sup> bioreactor train
2029-2032	Construct 3 <sup>rd</sup> secondary clarifier train
2031-2032	Primary effluent pumping expansion
2037	N40 forcemain construction
2042-2044	Construct 5 <sup>th</sup> primary settling basin

### **OPTIONS TO THE RECOMMENDATION**

Council could direct the Administration to pursue a more aggressive construction schedule. This would result in increased utility rates.

### **POLICY IMPLICATIONS**

There are no policy implications.

### **FINANCIAL IMPLICATIONS**

Capital and operational costs at the WWTP are entirely supported by wastewater utility rates. The total value of the capital works over the next 30 years is estimated at \$319,000,000 in 2013 dollars based on the original Option #1. The alternate optimized option reduces this value to \$245,000,000 over the next 30 years.

Although there is no direct funding request associated with approval of the recommendations in this report, the Administration is seeking approval to incorporate the LTCDEP into the Utility's long term rate model. The 2013 budget is aligned with the LTCDEP, and budgets for 2014 and beyond will be set during the annual budget process.

### **PUBLIC AND/OR STAKEHOLDER INVOLVEMENT**

The management of the Water and Wastewater Treatment Branch were deeply involved in all stages of the LTCDEP. Their review of the draft copy resulted in the preparation of the alternative upgrade plan that used less conservative criteria and extended the upgrade timelines.

## **COMMUNICATION PLAN**

The LTCDEP has a planning period of 30 years and details capital and operating expenditures over that period. Timely, clear and concise information on the LTCDEP, and related projects and expansions will be communicated and accessible to residents and stakeholders to keep them informed and engaged. Various communications will be used, such as informational open houses, the City's website, news media, social media, print ads in the City Page, etc

A communication strategy will be developed to give the communities adjacent to the WWTP an opportunity to understand the significant odour reductions that will result from adoption of this plan, and the capital project work to commence in 2014. This communications strategy will be developed in 2013.

## **ENVIRONMENTAL IMPLICATIONS**

The recommendation has positive implications with regard to the discharge effluent at the WWTP. The magnitude of the impact on water quality, along with other potential environmental and greenhouse gas emission implications will be included in future reports approving specific capital expenditures.

## **PRIVACY IMPACT**

There are no privacy implications.

## **SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)**

Capital expenditures on facilities recommended by the report will have a CPTED Review.

## **PUBLIC NOTICE**

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

## **ATTACHMENTS**

1. Process Used by Stantec to Prepare the Long Term Capital Development and Expansion Plan
2. Administrative Action Plan – Wastewater Treatment Plant Long Term Capital Development and Expansion Plan

Written by: Larry Schultz, Engineering Services Manager, and  
Jeff Jorgenson, Utility Services General Manager

Reviewed by: Reid Corbett, Manager, Water and Wastewater Treatment Plant

Approved by: "Brenda Wallace" for  
Jeff Jorgenson, General Manager  
Utility Services Department  
Dated: July 4, 2013

Approved by: "Murray Totland"  
Murray Totland, City Manager  
Dated: July 8, 2013

**Process Used by Stantec to Prepare the  
Long Term Capital Development and Expansion Plan**

Phase I - Determine future flows and existing conditions

The initial task of Phase I of the project was to develop the 30 year influent wastewater flow and loading projections. Population projections were completed from the 2011 census information with growth rates ranging from 1.0% to 2.5%. A discussion with City staff, including the Planning and Development Branch, resulted in a decision to use a 2.0% growth rate over the 30 year planning period. Although this growth rate is lower than those more recently reported, as long as flows are continually monitored, the timing of capital projects will be adjusted as needed to match demand. Analysis of historical data showed a decrease in per capita flows in recent years and an average, based on the years 2008-2011, of 395 litres per capita per day (L/c/d) was used. The growth and flow rates were used to evaluate existing capacity and forecast future upgrades.

A condition assessment was completed on large component infrastructure at the Wastewater Treatment Plant (WWTP) to identify capital expenditures required to address replacement of these components and include the financial analysis. Overall, the condition assessment concluded that the facility was in good condition and well maintained. A cost estimate and year of replacement was developed for each component and these were included in the economic section of the master plan.

The last task of Phase I was the development of a decision matrix and evaluation criteria that would be used to assess each of the master plan options. The evaluation criteria included economic, environmental, social, and operation and maintenance considerations.

Phase II - WWTP process evaluations

Phase II of the project involved process evaluations of the liquid and solid trains and the biosolids management processes. The evaluations included review of the existing processes, current performance, and remaining capacity of the systems. Stantec was also requested to consider odour issues and seek opportunities for odour abatement. This was followed by determining the sizing and timing of upgrades required to meet the 30 year capacity and regulatory objectives. The evaluations included a review of the best available technologies (BAT) and concluded with recommended upgrades that define the WWTP master plan.

Stantec consulted with the Water Security Agency (WSA), formerly known as the Saskatchewan Ministry of Environment, and found that Saskatoon can expect effluent limits that will comply with the federal requirements and guidelines of the Canadian Council of Ministers of the Environment (CCME). The regulations should be finalized in

2013, and each jurisdiction will be required to establish site specific effluent discharge objectives. The WSA provided their estimates of the effluent requirements and the City Administration and Stantec agreed on a set of effluent criteria to be used in the master plan.

The liquids train assessment resulted in an upgrade schedule for these components over the 30 year planning period. From the BAT review, it was recommended that the current liquids train processes and practises continue. The solids train review identified an upgrade and expansion schedule for the major components. Based on the current operation of the solids treatment train, the only recommended area that should consider different technology involved the fermenters. This relates to a separate odour control study recently conducted by Stantec. The recommended fermenter conversion that sends sludge to the bioreactor rather than the current configuration will significantly reduce odours during normal operations. A foul air handling system, as part of the fermenter upgrades, will divert foul air. Design for this project is scheduled for 2013 and construction in 2014. The Administration submitted a detailed report to Council June 24, 2013.

The biosolids management assessment resulted in an upgrade and expansion schedule. Discussions with the WSA indicated no changes in the regulatory requirements, regarding biosolids management, were expected in the near future.

#### Four master plan options evaluated

Upon completion of the process assessments and evaluations, four overall upgrade and expansion options were short-listed for evaluation. A listing of the estimated capital and operating costs for each option was prepared and normalized to a net present value (NPV) using a net discount rate of 4% over the 30 year period. In addition to comparing the options on an economic basis, environmental, social and operational impacts were considered. A sensitivity analysis, with different weightings given to both economic and non-economic factors, was completed to determine the significance of their impact on the final scoring.

From the analysis, it was recommended that the Administration implement a WWTP capital development and expansion plan based on Master Plan Option #1. This option consisted of continuation of conventional BNR treatment at the existing site and nearly doubles the plant capacity. It was also recommended that the Administration continues to monitor census information, wastewater flow, operating and performance, and future regulatory requirements to ensure the Long Term Capital Development and Expansion Plan remains current.

#### Alternate master plan

The recommended option #1 was based on an average per capita flow rate of 395 L/c/d and a constant peaking factor that can occur due to wet weather conditions. Upon review of the plan, Administration requested an alternate plan be developed based on

the most current per capita flows and a decreasing peaking factor. Administration recognized a recent decreasing per capita use and anticipates that the peaking factor would decrease due to better technology and upgrades of the existing sewage collection system. The alternate plan used 356 L/c/d and a linearly declining peaking factor, from 3.0 to 2.6 times the average flow, over the 30 year planning period. Justification for alterations to these parameters is detailed in Attachment 2.

Based on the alternate flow projections, most of the required upgrades will be later than the Option #1 upgrade schedule suggests. For the alternate plan, the upgrade schedule extends beyond the 30 year planning period but includes all the same upgrades as option #1 for comparative purposes. The alternate upgrade plan represents a less conservative basis than the Option #1 plan, but combined with the original recommendations, Administration has a master plan that provides options in site development and budgeting for future upgrades and expansion.



**Administrative Action Plan - Wastewater Treatment Plant  
Long Term Capital Development and Expansion Plan**

The Long Term Capital Development and Expansion Plan (LTCDEP) was developed based on a 30 year horizon. The plan is based on four drivers; average sewage flows, peak sewage flows, regulatory requirements, and condition of existing equipment.

Wastewater treatment plants are designed for average and peak flows. A proper design ensures the desired level of treatment is achieved for both conditions. However, a hydraulic increase over the design flows of either condition could result in surcharge of the system, overflow to the river, or poorly disinfected effluent. The LTCDEP was developed to reasonably prevent any of these from occurring.

Average sewage flows are often stated as a function of population and expressed in litres of water per capita per day (Lpcd). They can include or exclude industrial, commercial and institutional (ICI). For this study, ICI was included in determining average daily flows. If people continue to use the same amount of water year after year, the relationship between population and average flow is linear. However, in recent years, water conservation has resulted in a trend of less water being used per person, especially in the home. To account for water conservation, assumptions were made that future flows would be based on the most recent flow data (365 Lpcd) and not on a historical average (395 Lpcd).

Peak sewage flows are influenced by rainfall. Flows at the WWTP substantially increase due to inflow and infiltration of storm water into the sanitary sewer collection system during rainfall events. The relationship between peak sewage flow and average sewage flow is expressed as a peaking factor. The current peaking factor is three times the average daily flow. Therefore, in order to treat all of the sewage, the WWTP needs to be hydraulically designed to treat three times the average flow for short duration periods in the summer months. A reduction in inflow and infiltration through infrastructure upgrade and installation of future water tight collection systems will result in a reduction in the peaking factor. It is estimated that over the 30 year planning period, the peaking factor will drop, from 3.0 to 2.6 times the average flow which is consistent with Infrastructure Services sanitary sewer model. Due to the unpredictability of climate change, the peaking factor will be continually monitored.

Regulatory requirements have been the driver for most of the previous expansions at the WWTP in Saskatoon. Regulations change as new technologies are developed to both treat and measure the quality of the effluent being discharged. Stantec and the City participated in a series of meetings with the Water Security Agency (WSA) to help forecast future regulatory expectations. Due to the advanced state of the WWTP, it was determined that future regulations are not expected to substantially drive the 30 year expansion plan. However, technology in the wastewater treatment industry is progressing rapidly, therefore, unforeseen changes in the regulations could occur.

The last driver considered for capital expansion is replacement of equipment due to its condition. Stantec conducted inspections on all equipment valued over \$100,000, reviewed all processes, and interviewed WWTP personnel to aid in the development of the existing equipment upgrade plan. This plan accounts for approximately 10% of the total cost of the overall plan.

Figure 1 shows the two plans that were developed as part of the LTCDEP. The regulatory requirements and existing equipment upgrades were constant for both plans. The original plan uses historical flow averaging and a constant peaking factor. The alternate plan uses the assumption of current average flows and a reducing peaking factor.

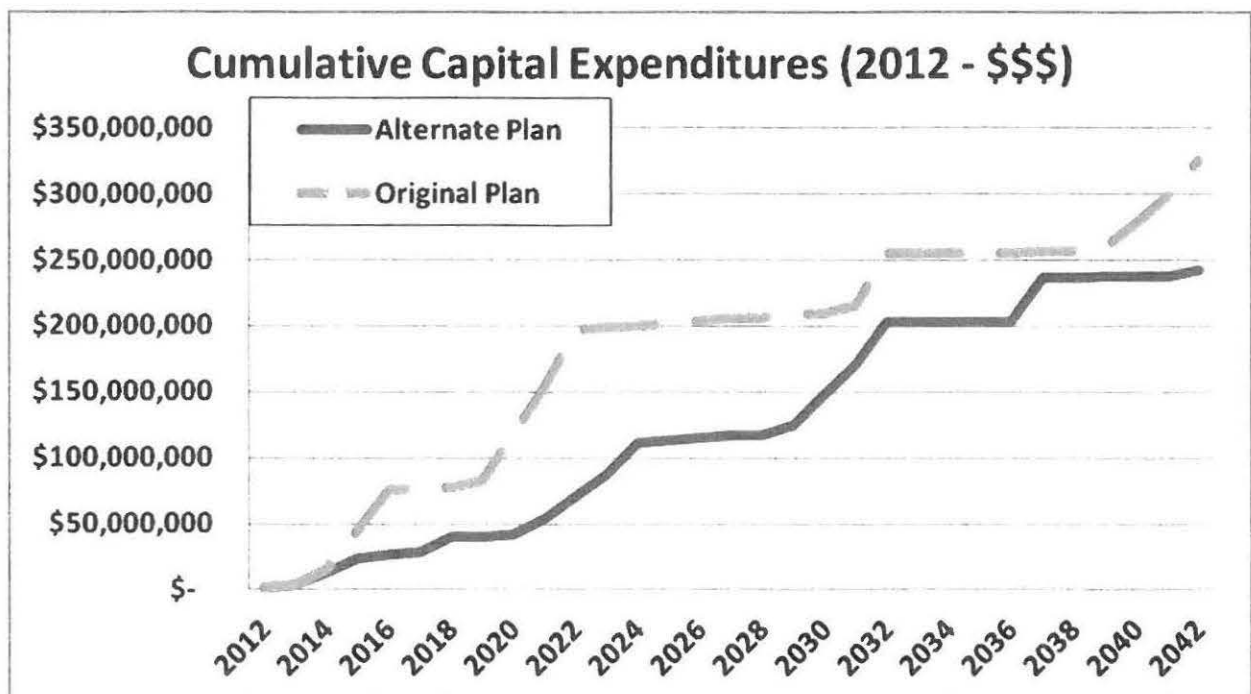


Figure 1: Cumulative Capital Expenditures

Based on a review of the aforementioned drivers, Administration is proceeding with the alternate plan of Option #1 for planning purposes. Due to the variability of future regulations, average flows, and peaking flows, the LTCDEP will be constantly monitored to ensure it remains current. A detailed review will take place in 10 years to ensure our future budgeting is in line with the needs of the remaining 20 years.

In addition to the options previously presented in the report, WWTP staff are currently exploring innovative options to further delay capital expansions with a unique wet weather peak flow treatment strategy.

The 30 year development plan assumes full treatment of all influent even though during a wet weather event, the majority of increased flow is highly diluted due to inflow and infiltration. This optimization plan coincides with work already in place to attenuate peak flows during high flow events, as well as, continue to provide protection of the South Saskatchewan River and downstream users.

With this plan, expansion will take place as the Plant approaches normal operation capacity and will incorporate innovative solutions to deal with peak flow events that are only present over a small window of operation. To facilitate this, the WWTP staff has approached the WSA to discuss possible peak treatment options.

**TO: Secretary, Planning and Operations Committee**  
**FROM: General Manager, Community Services Department**  
**DATE: July 2, 2013**  
**SUBJECT: Uses of Places of Worship For Funeral Services**  
**FILE NO.: CK. 4350-011-6 AND PL. 4350-1**

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**RECOMMENDATION:** that a report be submitted to City Council recommending:

- 1) that the General Manager, Community Services Department be requested to prepare the required notice for advertising the proposed amendment;
- 2) that the City Solicitor be requested to prepare the required bylaw to amend Zoning Bylaw No. 8770;
- 3) that at the time of the public hearing, City Council consider the Administration's recommendation to amend Zoning Bylaw No. 8770 to clarify the definitions for "Place of Worship" and "Funeral Home," add a definition for Funeral and Wedding Establishments and identify Funeral and Wedding Establishments as a permitted use in the IL1, M3, M4, B3, B4, B4A, B5, B5A, B5B, B5C, and B6 Zoning Districts; and
- 4) that this matter be referred to the Municipal Planning Commission prior to the public hearing.

### **TOPIC AND PURPOSE**

The purpose of this report is to provide further clarification to a City Council report dated November 19, 2012, recommending amendments to Zoning Bylaw No. 8770 to specify that a Place of Worship may not be used principally for the provision of wedding or funeral services. Provision for this type of use is accommodated by adding a definition for Funeral and Wedding Establishments which would be permitted in specified industrial, institutional, and commercial zoning districts. Modifications to the definitions of Place of Worship and Funeral Homes are also proposed to specify the uses which may take place within these types of facilities.

### **REPORT HIGHLIGHTS**

1. Amendments previously recommended to restrict uses within a Place of Worship have been modified to address concerns of stakeholders.
2. Revisions to the definitions for Funeral and Wedding Establishments, Funeral Home, and Place of Worship clarify the activities permitted within these uses.
3. Proposed zoning districts and development standards are established for Funeral and Wedding Establishments.

## **STRATEGIC GOAL**

This report supports the long-term strategy to work collaboratively with local businesses to promote Saskatoon as a great place to live, work, and raise a family under the Strategic Goal of Economic Diversity and Prosperity.

## **BACKGROUND**

At a public hearing on February 11, 2013, City Council considered amendments to Zoning Bylaw No. 8770 that would clarify the uses permitted under the definition of Places of Worship. These amendments were proposed in response to a request from City Council to identify bylaw amendments that would restrict Places of Worship from being used principally to provide secular funeral or wedding services. A report dated November 19, 2012, provided to City Council on February 11, 2013, (see Attachment 1) outlines the background to this request, and the amendments recommended at that time.

In response to concerns expressed at the February 11, 2013 public hearing, City Council defeated the bylaw amendments and requested that the Planning and Development Branch further review the issue. Additional consultation has been undertaken with the funeral home industry and the City Solicitor's Office, and further revisions to the proposed bylaw amendments are now proposed.

## **REPORT**

### **Modified Amendments to Restrict Uses of Places of Worship**

Following defeat of the proposed bylaw amendment, staff from the Planning and Development Branch and City Solicitor's Office met with representatives from the Saskatoon Funeral Home to discuss the concerns they had noted to City Council. Revisions to the definitions were identified to ensure the following objectives:

- 1) clearly identify the uses that may be permitted in a Place of Worship;
- 2) distinguish between the range of uses permitted in a Funeral Home and a Funeral and Wedding Establishment; and
- 3) restrict a Place of Worship from being repurposed as a Funeral and Wedding Establishment, unless it is zoned for that use.

### **Revised Definitions for Funeral and Wedding Establishments, Funeral Home, and "Place of Worship"**

The following outlines the changes made to the previously recommended definitions, and resulting definitions now proposed for City Council's consideration:

- 1) The definition for Funeral and Wedding Establishment has been expanded to identify uses and activities which are not permitted:

“Funeral and Wedding Establishment” means a building used primarily for wedding and funeral ceremonies, which may include a banquet hall, but does not include administrative or sales offices, sales or display areas, facilities for the preparation of the human body for interment or cremation, the sheltering of human remains except in conjunction with the ceremony, or garages for funeral or wedding vehicles or limousines.

- 2) The definition for a Place of Worship remains unchanged from that proposed in the previous report to City Council:

“Place of Worship” means a place used for worship and related religious, philanthropic, or social activities, and includes accessory rectories, manses, meeting rooms, and other buildings. Typical uses include churches, chapels, mosques, temples, synagogues, and parish halls, but does not include a Funeral and Wedding Establishment.

- 3) Modifications to the definition of Funeral Home clarifies that a range of uses may be located in that facility, by changing the phrase “and includes” to “and may include”:

“Funeral Home” means a building designed for the purpose of furnishing funeral services to the public and may include facilities intended for the preparation of the human body for interment or cremation, but shall not include facilities for cremation.

### Proposed Zoning Districts and Development Standards for “Funeral and Wedding Establishments”

The development standards proposed for a Funeral and Wedding Establishment remain unchanged from those outlined in the report to City Council, and are as follows:

- Permitted Use: Funeral and Wedding Establishments to be a permitted use in the following zoning districts: IL1, M3, M4, B3, B4, B4A, B5, B5A, B5B, B5C and B6. Funeral homes are also permitted in these zoning districts.

Parking requirements for a Funeral and Wedding Establishment would be set at a similar rate as those established for Funeral Homes in the following districts:

- M3 and M4 Districts: one space per 10 m<sup>2</sup> of gross floor area devoted to public assembly;
- B3, B4, and B4A Districts: one space per 10 m<sup>2</sup> of building floor area devoted to public assembly;
- IL1 District: 1 space per 93 m<sup>2</sup> of gross floor area; and
- B5, B5A, B5B, B5C, and B6 Districts: no parking requirements.

Should the proposed amendments be approved, the current use of the Place of Worship at 704 Windsor Street, to conduct services for funerals and weddings that may or may not have a religious reference, would become a non-conforming use. As outlined in Section 4.5 of Zoning Bylaw No. 8770 and Sections 88, 89, and 90 of *The Planning and Development Act 2007*, this use may continue. Should the use discontinue for a period of more than 12 months on that site, any future use of that land must be in conformity with Zoning Bylaw No. 8770.

### **OPTIONS TO THE RECOMMENDATION**

City Council may direct the Administration to determine other options for defining a Place of Worship to exclude the use of these facilities primarily to offer secular services for funerals and weddings.

### **POLICY IMPLICATIONS**

The recommended amendments to Zoning Bylaw No. 8770 will clarify the definition of Place of Worship and Funeral Home and provide specific policies identifying the zoning districts where facilities that serve only as Funeral and Wedding Establishments may be located. A new definition for Funeral and Wedding Establishments will be added to Zoning Bylaw No. 8770.

### **FINANCIAL IMPLICATIONS**

There are no financial implications.

### **PUBLIC AND/OR STAKEHOLDER INVOLVEMENT**

Following the defeat of the proposed bylaw amendment in February 2013, staff from the Development Review Section, Planning and Development Branch, and the City Solicitor's Office, met with representatives from Saskatoon Funeral Home to discuss concerns they had noted, and to develop revised wording for the amendments to address these concerns. A letter with a summary of the proposed modifications was circulated to all registered owners of funeral home establishments in Saskatoon for review (see Attachment 2).

Four letters have been received providing comments (see Attachment 2). In general, the proposed amendments are viewed favourably; however, all expressed concerns that the funeral establishment that was established in a residential area at 704 Windsor Street under the previous interpretation of the use of Place of Worship, has an unfair financial advantage.

### **COMMUNICATION PLAN**

Stakeholder groups (i.e. funeral home owners) will be sent a notice of the public hearing when the proposed amendments are brought forward for consideration by City Council.

### **DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION**

A public hearing date is tentatively scheduled for September 9, 2013, pending approval of the recommendations.

### **ENVIRONMENTAL IMPLICATIONS**

No environmental and/or greenhouse gas implications have been identified at this time.

### **PRIVACY IMPACT**

There are no privacy implications.

### **SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)**

A CPTED review is not required.

### **PUBLIC NOTICE**

Public Notice is required for consideration of this matter, pursuant to Section 11, Subsection (a) of Public Notice Policy No. C01-021.

Once this application has been considered by City Council, a date for a public hearing will be set, and advertized in accordance with Public Notice Policy No. C01-021. A notice will be placed in The StarPhoenix two weeks prior to the date of the public hearing. Notice will also be sent to stakeholder groups as well as anyone who has submitted written comments on this proposal.

### **ATTACHMENTS**

1. Report to City Council – Uses of Place of Worship for Funeral Services, dated November 19, 2012.
2. Correspondence – Stakeholder Groups

Written by: Jo-Anne Richter, Senior Planner

Reviewed by: “Alan Wallace”  
 Alan Wallace, Manager  
 Planning and Development Branch



Approved by: “Randy Grauer”  
Randy Grauer, General Manager  
Community Services Department  
Dated: “July 4/13”

Approved by: “Randy Grauer” for  
Murray Totland, City Manager  
Dated: “July 5/13”

TO: Secretary, Executive Committee  
FROM: General Manager, Community Services Department  
DATE: November 19, 2012  
SUBJECT: Uses of Place of Worship for Funeral Services  
FILE NO.: CK 4350-1 and PL 4350-1

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**RECOMMENDATION:** that a report be submitted to City Council recommending:

- 1) that the General Manager, Community Services Department, be requested to prepare the required notices for advertising the proposed amendments;
- 2) that the City Solicitor be requested to prepare the required bylaw to amend Zoning Bylaw No. 8770;
- 3) that at the time of the public hearing, City Council consider the Administration's recommendation to amend Zoning Bylaw No. 8770 to clarify the definition for "Place of Worship," add a definition for "Funeral and Wedding Establishments," and identify "Funeral and Wedding Establishments" as a permitted use in the IL1, M3, M4, B3, B4, B4A, B5, B5A, B5B, B5C, and B6 Zoning Districts; and
- 4) that this matter be referred to the Municipal Planning Commission prior to the public hearing.

### **TOPIC AND PURPOSE**

The purpose of this report is to amend Zoning Bylaw No. 8770 to specify that a Place of Worship may not be used principally for the provision of wedding or funeral services. Provision for this type of use is accommodated by adding a definition for "Funeral and Wedding Establishments," which would be permitted in specified industrial, institutional, and commercial zoning districts.

### **REPORT HIGHLIGHTS**

1. A "Place of Worship" has been interpreted in the past to include secular or non-denominational funeral and wedding services as a principle use.
2. A new definition for "Funeral and Wedding Establishments" and a revised definition for "Place of Worship" will clarify that this use is not permitted as a principle use in a Place of Worship.
3. Proposed development standards for "Funeral and Wedding Establishments" have been identified in this report.

## STRATEGIC GOALS

This report supports the long-term strategy to work collaboratively with local businesses to promote Saskatoon as a great place to live, work, and raise a family under the Strategic Goal of Economic Diversity and Prosperity. The recommendations also support the long-term strategy to plan collaboratively with regional partners and stakeholders under the Strategic Goal of Sustainable Growth.

## BACKGROUND

At its June 27, 2011 meeting, City Council received a report from the Administration that outlined the interpretation applied to "Place of Worship" in permitting the use of a building to conduct services for weddings and funerals that may or may not have religious reference. This interpretation was provided in approving a request from Mourning Glory Funeral Services to use a vacant church building at 704 Windsor Street for the purposes of providing funeral services and associated social gathering space.

City Council referred the report to the Executive Committee, where the matter was discussed at its July 11, 2011 meeting, and was resolved that:

- a) the matter be referred back to the Administration to report on a new definition of "Place of Worship" in consultation with stakeholders; and
- b) the City Solicitor be requested to provide an In Camera legal opinion regarding existing businesses.

The City Solicitor has provided the requested legal opinion.

## REPORT

This report provides an updated definition of "Place of Worship," specifically excluding using a Place of Worship principally for the provision of secular wedding or funeral services. Secular or non-denominational wedding and funeral services would be accommodated in facilities identified as Funeral and Wedding Establishments. This use is defined and permitted in certain industrial, institutional, and commercial zoning districts.

### Interpretation of Uses Permitted in a Place of Worship

In 2010, the Planning and Development Branch received a request for a development permit to modify and use a former church building as a funeral and wedding chapel. The current definition of "Place of Worship" has been determined by your Administration to include a place where non-denominational or secular services for wedding and funerals are conducted. A building used for the preparation of a body for interment or cremation is considered a funeral home, and this use is not permitted in a Place of Worship.

Subsequently, concerns were identified by City Council about the implications of this interpretation, and the Planning and Development Branch has been requested to review and more clearly define a Place of Worship to exclude the establishment of a funeral or wedding chapel as a principle use in a Place of Worship.

Places of Worship are a permitted use in most residential districts, with approximately one hundred such uses established in residential districts throughout the city. When a Place of Worship is sold, it typically is retained for the same use by another faith-based organization or repurposed for other permitted or discretionary uses, such as a dance studio (defined as a private school).

#### Revised Definition for "Place of Worship" and New Definition for "Funeral and Wedding Establishments"

Currently, Zoning Bylaw No. 8770 defines a Place of Worship as "A place used for worship and related religious, philanthropic, or social activities and includes accessory rectories, manses, meeting rooms and other buildings. Typical uses include churches, chapels, mosques, temples, synagogues and parish halls."

In consultation with the Solicitors Office, the Planning and Development Branch recommends that a definition for a "Funeral and Wedding Establishment" be added to Zoning Bylaw No. 8770, and that the definition for a Place of Worship be modified specifically to exclude a Funeral and Wedding Establishment.

A proposed definition for a Funeral and Wedding Establishment is:

- "Funeral and Wedding Establishment – means a building used primarily for wedding and funeral services, which may include a banquet hall, but does not include facilities intended for the preparation of the human body for interment or cremation."

A modified definition for Place of Worship specially excludes a Funeral and Wedding Establishment as a principle use:

- "Place of Worship - means a place used for worship and related religious, philanthropic, or social activities, and includes accessory rectories, manses, meeting rooms, and other buildings. Typical uses include churches, chapels, mosques, temples, synagogues, and parish halls, but does not include a Wedding and Funeral Establishment."

A Place of Worship may continue to provide wedding or funeral services as a faith-based worship activity.

### Funeral and Wedding Establishments Will Meet Development Standards Consistent with Those Established for Funeral Homes

Your Administration recommends that Funeral and Wedding Establishments be identified as a permitted use in the following industrial, institutional, and commercial zoning districts: IL1, M3, M4, B3, B4, B4A, B5, B5A, B5B, B5C, and B6. These zoning districts currently permit Funeral Homes as a permitted use.

Parking requirements for a Funeral and Wedding Establishment would be set at the same rate as Funeral Homes:

- M3 and M4 Districts: One space per 10m<sup>2</sup> of gross floor area devoted to public assembly;
- IL1, B3, B4, and B4A Districts: One space per 10m<sup>2</sup> of gross floor area devoted to public assembly; and
- B5, B5A, B5B, B5C, and B6 Districts: no parking requirements.

All other development standards for Funeral and Wedding Establishments will be consistent with those established for Funeral Homes within that particular zoning district.

### OPTIONS TO THE RECOMMENDATION

City Council may direct the Administration to determine other options for defining a Place of Worship specifically to exclude the use of these facilities primarily to offer secular services for funerals and weddings.

### POLICY IMPLICATIONS

The recommended amendments to Zoning Bylaw No. 8770 will clarify the definition of "Place of Worship" and provide specific policies identifying the zoning districts in which facilities that will serve only as Funeral and Wedding Establishments may be located.

### FINANCIAL IMPLICATIONS

There are no financial implications.

### PUBLIC AND/OR STAKEHOLDER INVOLVEMENT

No specific public or stakeholder consultation has been undertaken with respect to this matter.

COMMUNICATION PLAN

Stakeholder groups (funeral home owners) will be notified of the proposed text amendments and sent a Notice of Public Hearing at such time as the proposed amendments are brought forward for consideration by City Council.

ENVIRONMENTAL IMPLICATIONS

No environmental and/or greenhouse gas implications have been identified at this time.

PRIVACY IMPACT

There are no privacy implications.

SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

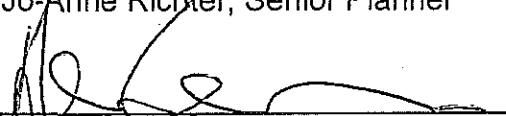
A CPTED review is not applicable.

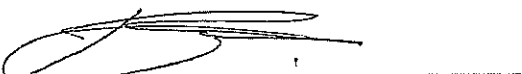
PUBLIC NOTICE

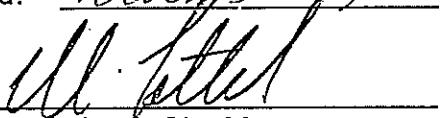
Public Notice is required for consideration of this matter, pursuant to Section 11, Subsection (a) of Public Notice Policy No. C01-021.

Once this application has been considered by the Municipal Planning Commission, a date for a public hearing will be set, and it will be advertised in accordance with Public Notice Policy No. C01-021. A notice will be placed in The StarPhoenix two weeks prior to the date of the public hearing, as well as any people who have submitted written comments on this proposal.

Written by: Jo-Anne Richter, Senior Planner

Reviewed by:   
Alan Wallace, Manager  
Planning and Development Branch

Approved by:   
Randy Grauer, General Manager  
Community Services Department  
Dated: November 26, 2012

Approved by:   
Murray Totland, City Manager  
Dated: Nov. 23/12

cc: His Worship the Mayor



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222 3<sup>rd</sup> Avenue North Saskatoon Saskatchewan S7K 0J5  
Phone (306) 975-2645 Fax (306) 975-7712

March 27, 2013

ACADIA - MCKAGUE'S FUNERAL CENTRE  
915 Acadia Dr  
Saskatoon, SK S7H 5N4

FILE COPY

**RE: Proposed Zoning Bylaw Text Amendment  
Uses of Place of Worship for Funeral Services  
Our File No.: PL 4350 Z1/13**

Dear Sir/Madam:

Further to the letter we sent to you in January, 2013, we would like to provide an update on the above noted proposal. In June 2012, City Council received a report from Administration outlining the interpretation applied to "place of worship" in permitting the use of a building to conduct services for funerals or weddings that may or may not have religious reference.

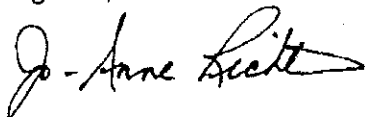
At Council's request, the Planning and Development Branch recommended amendments to the City of Saskatoon Zoning Bylaw by adding a definition for "funeral and wedding establishment" and amending the definition for "place of worship" to specifically exclude the provision of funeral and wedding services as a principal use. Appropriate zoning districts and development standards for "funeral and wedding establishments" were also specified. In response to concerns expressed at the public hearing, on February 11, 2013, Council defeated the recommendations, and requested that the Planning Department further review this issue.

In further discussions with representatives of the funeral home industry, modifications to the proposed definitions have been identified, and are outlined on the attachment. For comparison purposes, the definitions currently included in the Zoning Bylaw are also provided.

You have been notified of these proposed amendments, as you are a registered owner of a Funeral Home, and may have particular interest in this proposed amendment.

Please contact us to provide any comments you may have, or discuss or clarify any questions or concerns, by April 15, 2013. Following this review period, a report to Council will be drafted proposing the revised definitions outlined on the attachment, and incorporating any comments provided by representatives of the industry.

Regards,



**Jo-Anne Richter, Senior Planner**  
Planning and Development Branch (975-7621)

JMR:kd

Attachment

Current Definitions – City of Saskatoon Zoning Bylaw	Proposed Definitions (text highlighted in bold indicates amended sections)
<p>“funeral and wedding establishment” - Currently not defined in the Zoning Bylaw</p>	<p><b>“funeral and wedding establishment”</b> means a building used primarily for wedding and funeral ceremonies, which may include a banquet hall, but does not include administrative or sales offices, sales or display areas, facilities for the preparation of the human body for interment or cremation, the sheltering of human remains except in conjunction with the ceremony, or garages for funeral or wedding vehicles or limousines.</p>
<p>“funeral home” means a building designed for the purpose of furnishing funeral services to the public and includes facilities intended for the preparation of the human body for interment or cremation, but shall not include facilities for cremation.</p>	<p>“funeral home” means a building designed for the purpose of furnishing funeral services to the public and <b>may include</b> facilities intended for the preparation of the human body for interment or cremation, but shall not include facilities for cremation.</p>
<p>“place of worship - A place used for worship and related religious, philanthropic, or social activities and includes accessory rectories, manses, meeting rooms and other buildings. Typical uses include churches, chapels, mosques, temples, synagogues and parish halls.</p>	<p>“place of worship “ - means a place used for worship and related religious, philanthropic, or social activities, and includes accessory rectories, manses, meeting rooms, and other buildings. Typical uses include churches, chapels, mosques, temples, synagogues, and parish halls, <b>but does not include a funeral and wedding establishment.</b></p>

**Notes:**

In addition to the above noted amendments to the definitions, the following recommendations would be proposed;

- The proposed amendments would not affect the zoning districts in which funeral homes, or places of worship may be located, or the development standards that apply to funeral homes or places of worship.
- Funeral and wedding establishments would be permitted in the same zoning districts that funeral homes are currently permitted.

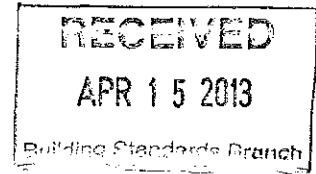




SASKATOON  
FUNERAL HOME

April 15<sup>th</sup> 2013

Jo-Anne Richter, Senior Planner  
Planning and Development Branch  
City of Saskatoon  
222 3<sup>rd</sup> Avenue North  
Saskatoon, SK  
S7K 0J5



**RE: Proposed Zoning Bylaw Text Amendment  
Uses of Place of Worship for Funeral Services  
Your File No.: PL 4340 Z1/13**

Dear Ms. Richter;

Thank you for your letter of March 27, 2013. We appreciate your update and request for comments regarding the proposed Bylaw Text Amendments.

We, of course, express our disappointment in the original decision making process and interpretations that have led to the current situation of a funeral business being permitted to establish and operate in a residential zone. The imbalance this creates is certainly disheartening and unfair for those of us in the industry who have located in permitted zoning districts, complied with required development standards and for the history of our business have and continue to pay municipal taxes based on our location and use. We appreciate the Proposed Zoning Bylaw Text Amendments will prevent this situation from happening in the future. However we trust all would acknowledge that it does not restore a level playing field for our industry. Unfortunately it seems that the decisions made and actions taken have created a problem that is beyond the capacity of administration to correct and outside the authority of Council to intercede.

The end result places one business in the privileged position of operating outside the zoning development standards and requirements that apply to all others in its industry along with enjoying preferential municipal tax levels.

We are sure you can appreciate that we are not overjoyed with the conclusion. We do however appreciate the attention and concern of Council. We also understand the Bylaw drafting challenges you face and thank administration for engaging in discussions with representatives of our industry to get the amended text to this point. We remain open to any further discussion you may wish to engage in regarding this situation.

Yours truly,

Morgan Edwards  
Manager



Hillcrest  
Memorial Gardens & Funeral Home  
by Arbor Memorial

April 15<sup>th</sup> 2013

Jo-Anne Richter, Senior Planner  
Planning and Development Branch  
City of Saskatoon  
222 3<sup>rd</sup> Avenue North  
Saskatoon, SK  
S7K 0J5

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Uses of Place of Worship for Funeral Services  
Your File No.: PL 4340 Z1/13**

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We must first express our disappointment in the original decision making process and interpretations that have led to the current situation of a funeral business being permitted to establish and operate in a residential zone. The imbalance this creates is certainly disheartening and unfair for those of us in the industry who have located in permitted zoning districts, complied with required development standards and for the history of our business and on into the future, have paid and will be required to pay municipal taxes based on our location and use.

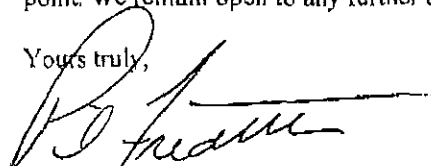
We appreciate the Proposed Zoning Bylaw Text Amendments will prevent this situation from happening in the future. However we hope Council recognizes this is a bit like 'closing the barn door' after the horse has left' and we trust all would acknowledge that it certainly does not restore a level playing field for our industry.

It would seem that the decisions made and actions taken have created a problem that is beyond the capacity of administration to correct or reverse and outside the authority of Council to intercede. A sorry situation indeed.

The end result places one business in the privileged position of operating outside the zoning development standards and requirements that apply to all others in its industry along with enjoying municipal tax levels based on residential zoning, while all others are prevented from establishing a similar operation in a similar manner.

We are sure you can appreciate that we are not overjoyed with the conclusion. We do however thank administration for engaging in discussions with representatives of our industry to get the amended text to this point. We remain open to any further discussion you may wish to engage in regarding this dilemma.

Yours truly,

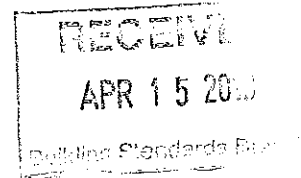


Phil Froette  
Manager



April 15<sup>th</sup> 2013

Jo-Anne Richter, Senior Planner  
Planning and Development Branch  
City of Saskatoon  
222 3<sup>rd</sup> Avenue North  
Saskatoon, SK  
S7K 0J5



**RE: Proposed Zoning Bylaw Text Amendment  
Uses of Place of Worship for Funeral Services  
Your File No.: PL 4340 Z1/13**

Dear Ms. Richter;

Thank you for your letter of March 27, 2013 containing an update and request for comments regarding the proposed Bylaw Text Amendments.

We appreciate the attention and concern that Council has given to this dilemma. As well we thank Administration for being open and receptive to questions, concerns and ideas we and our architect have expressed and shared throughout this review process. It has become apparent that the decisions made and actions taken have created a problem that exceeds the capacity of Administration to correct or reverse and is beyond the authority of Council to intercede.

We understand the Proposed Zoning Bylaw Text Amendments will prevent this situation from happening in the future. However we trust all would acknowledge that it does not restore a level playing field for our industry. It is unfortunate that the end result places one business in the privileged position of operating outside the zoning development standards and requirements that apply to all others in its industry along with enjoying municipal tax levels based on residential zoning.

We appreciate your verbal clarification this past week that 'general assembly' uses of a funeral establishment for purposes other than an actual funeral ceremony would be in contravention of the proposed Bylaw. Further we would suggest that your final Note should perhaps included the wording *... are currently permitted and would be subject to the same development standards that apply to funeral homes.*

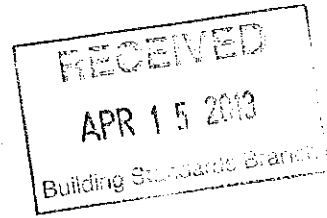
We, of course express our disappointment in the original decision making that led to the current situation. The imbalance created is certainly disheartening and unfair for those of us in the industry who have located in permitted zoning districts, complied with required development standards and for the history of our business paid municipal taxes based on our location and use. We are sure you can appreciate that we are not overjoyed with the conclusion. We do however understand the Bylaw drafting challenges you face and thank Administration for engaging in discussions to get the amended text to the point of making the best of a bad situation.

Yours truly,  
  
Bill Edwards  
Owner





**PARK**  
FUNERAL CHAPEL



April 15<sup>th</sup> 2013

Jo-Anne Richter, Senior Planner  
Planning and Development Branch  
City of Saskatoon  
222 3<sup>rd</sup> Avenue North  
Saskatoon, SK S7K 0J5

**RE: Proposed Zoning Bylaw Text Amendment  
Uses of Place of Worship for Funeral Services  
Your File No.: PL 4340 Z1/13**

Dear Ms. Richter;

Thank you for your letter of March 27, 2013. We appreciate your update and request for comments regarding the proposed Bylaw Text Amendments.

We must first express our disappointment in the original decision making process and interpretations that have led to the current situation of a funeral business being permitted to establish and operate in a residential zone. The imbalance this creates is certainly disheartening and unfair for those of us in the industry who have located in permitted zoning districts, complied with required development standards and for the history of our business and on into the future, have paid and will be required to pay municipal taxes based on our location and use.


We appreciate the Proposed Zoning Bylaw Text Amendments will prevent this situation from happening in the future. However we hope Council recognizes this is a bit like 'closing the barn door after the horse has left' and we trust all would acknowledge that it certainly does not restore a level playing field for our industry.

It would seem that the decisions made and actions taken have created a problem that is beyond the capacity of administration to correct or reverse and outside the authority of Council to intercede. A sorry situation indeed.

The end result places one business in the privileged position of operating outside the zoning development standards and requirements that apply to all others in its industry along with enjoying municipal tax levels based on residential zoning, while all others are prevented from establishing a similar operation in a similar manner. In light of this decision, we request a similar tax reduction for our business to make a level playing ground for all involved.

We are sure you can appreciate that we are not overjoyed with the circumstances up to now. We do however thank administration for engaging in discussions with representatives of our industry to get the amended text to this point. We remain open to any further discussion you may wish to engage in regarding this dilemma and look forward to a resolution that treats us all in an equal way. We await your reply.

Yours truly,

  
Greg Lalach  
Manager

311 Third Avenue North  
Saskatoon, Sask.  
S7K 2H9  
(306) 244-2103

A Division of  
Memorial Gardens  
(Saskatchewan) Limited



**TO: Secretary, Planning and Operations Committee**  
**FROM: General Manager, Community Services Department**  
**DATE: July 4, 2013**  
**SUBJECT: Integrated Growth Plan – Financing Growth – Request for Proposals**  
**FILE NO.: CK. 4110-2 and PL. 4110-1**

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**RECOMMENDATION:** that a copy of this report be forwarded to City Council for information.

### **TOPIC AND PURPOSE**

The purpose of this report is to present the information to be contained in the Request for Proposals (RFP) for a Financing Growth Study.

### **REPORT HIGHLIGHTS**

1. This report provides a general description of the contents and process for undertaking a Financing Growth Study.
2. Financing Growth is one component of the Integrated Growth Plan (IGP) implementation.
3. There are three separate parts to the study:
  - a. Understanding current and future growth costs and the relationship between density and costs;
  - b. Quantify efficiencies assumed to be inherent in the City of Saskatoon's (City) IGP; and
  - c. Provide material to form the basis of a communication tool for the general public, business community, and stakeholders.
4. The study is expected to be completed by spring 2014.

### **STRATEGIC GOAL**

This information addresses the City's Strategic Goal of Asset and Financial Sustainability. How growth is financed and to what extent growth costs are covered by the general tax payer versus the development community is an important consideration to maintain financial sustainability.

### **BACKGROUND**

The IGP was adopted by City Council in March 2012. The IGP contains six subject areas which will be fully addressed prior to the implementation of the IGP:

- 1) Core Bridge;
- 2) Rapid Transit;
- 3) Nodes, Corridors and Infill Strategy;
- 4) Employment Area Strategy;
- 5) Water, Wastewater, and Utilities Servicing; and
- 6) Financing Growth.

The Core Bridge, Nodes and Corridors, and Rapid Transit subject areas will be addressed by the IGP Implementation Project. Employment Areas, Water, Wastewater, and Utilities Servicing will be examined at a later stage in the IGP Project. Financing Growth is being examined now to understand the influence density and compact urban form has on the overall financial position of the City.

## **REPORT**

The IGP is based on principles of sustainability and mobility. Inherent in these principles is the assertion that a more compact, densely developed city, based on a strong public transit system, walkable neighbourhoods, mixed uses, and complete streets will be a more economical city to build and maintain, while adding to the quality of life of its residents.

Many cities have recently completed similar studies which will be examined to determine the applicability to Saskatoon. There are three major components to this study:

1. It will provide information to help the City understand the current and future costs of infrastructure and civic services required to support future population growth;
2. Quantify the efficiencies which are assumed to be inherent in the City's new IGP and urban growth strategies contained in the IGP; and
3. Provide material and information which will form the basis of a communication tool designed to help the general public, businesses, and stakeholders understand the relationship between property taxes and costs of growth.

One significant outcome of this study will be a public communications tool which will enable the Administration and City Council to help explain to residents and stakeholders in our community the relationship between growth, taxes, who bears the costs of growth and why, and the relationship between costs of growth and density.

A steering committee has been formed to guide the work of a consultant. The Steering Committee is comprised of the following members:

Alan Wallace	Manager, Planning and Development Branch
Rob Frank	Manager, Strategic Services Branch
Chris Hallam	Manager, Construction and Design Branch
Daryl Schmidt	Land Development Manager
Linda Andal	Financial Policy and Strategy Analyst
Don Armstrong	Dundee Development Corporation

The proposed content for the RFP (see Attachment 1) was reviewed by the Developers Liaison Committee on June 24, 2013. No significant concerns or changes were noted.

The budget for this study has been set at \$65,000 with a small contingency. The funding is in place and contained within the IGP Capital Project.

### **DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION**

The Financing Growth Study will commence in fall 2013, and is expected to be completed by spring 2014. A report to City Council will highlight the findings and make recommendations tied to the strategies contained in the IGP.

### **PUBLIC NOTICE**

Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

### **ATTACHMENTS**

1. Financing Growth Request for Proposals – Summary

Written by: Alan Wallace, Manager  
Planning and Development Branch

Approved by: “Randy Grauer”  
Randy Grauer, General Manager  
Community Services Department  
Dated: “July 5/13”

Approved by: “Randy Grauer” for  
Murray Totland, City Manager  
Dated: “July 5/13”

## FINANCING GROWTH REQUEST FOR PROPOSALS – SUMMARY

### Purpose

The City of Saskatoon (City) invites qualified consultants to submit proposals for the preparation of a high level Financing Growth Report which will form part of the City's new Integrated Growth Plan (IGP). The Financing Growth Report is comprised of three parts:

1. It will provide information to help the City understand the current and future costs of infrastructure and civic services required to support future population growth, and the relationship between urban growth strategies (density) and cost of growth;
2. Quantify the efficiencies which are assumed to be inherent in the City's new IGP and new urban growth strategies contained in the IGP; and
3. Provide material and information which will form the basis of a communication tool designed to help the general public, businesses, and stakeholders understand the relationship between property taxes and costs of growth.

### Background

#### Understanding Growth Costs

Saskatoon is a rapidly growing city of 250,000 people. The growth rate of the city is projected to be 2.5 percent for the foreseeable future. The projected population of Saskatoon is 400,000 in 20 years.

Understandably, many residents in Saskatoon make the assumption that growth leads to increased revenue for the City, and in turn, means that property taxes can be held constant or even drop due to growth. Property taxes can rise during periods of growth. Property taxes pay for the ongoing delivery of services; operation and maintenance of facilities; and upgrading and replacement of sidewalks, lanes, roadways, bridges, interchanges, and other infrastructure. This means the City is a major purchaser of fuel, concrete, asphalt, and other goods and services from the private sector. In a growing economy, the cost of these goods and services can rise rapidly, which has an upward effect on property taxes. Property taxes are not calculated on a neighbourhood basis, they are calculated for the city as a whole, and correspond to a balanced budget to pay for the services the citizens want from their City.

#### New Integrated Growth Plan

In 2012, City Council adopted a new Strategic Plan following a broad community visioning process called Saskatoon Speaks. Two of the Strategic Plan's goals ('Moving Around' and 'Sustainable Growth') are being addressed through a new IGP.

City Council has approved the IGP in principle. The IGP contains the following new land use and transportation strategies to guide the growth of Saskatoon to a population of 500,000:

- 1) update the basic building blocks of new development;



- 2) establish infill corridors;
- 3) support strategic infill areas;
- 4) amend policies and develop incentives to support strategic infill;
- 5) develop a city-wide land use plan for employment areas;
- 6) establish rapid transit corridor(s);
- 7) reinvent the bus transit system based on the rapid transit corridor;
- 8) new roads and bridges; and
- 9) develop and implement funding strategies.

When reflecting on the stated values of the community with respect to the environment, moving around, and quality of life, it became clear that the City's approach to transportation, transit, and land use needs to change. Even if a funding strategy were put in place to fund infrastructure construction based on the existing approach to growth, the future shape and characteristics of the city would most likely disappoint its residents. The fundamental building blocks used to shape Saskatoon must be updated to match the vision and expectations of our citizens and to ensure Saskatoon is able to become a model for sustainable cities.

The 2012 City Integrated Growth Plan: A Bridging Document outlined the future plan for City development, involving a combination of 'greenfield' and intensification initiatives, as well as the implementation of a rapid transit system. A key recommendation of the IGP is to align land-use intensification efforts along key corridors with the rapid transit system.

### Financing Growth

The City's main source of revenue for the construction of infrastructure in new areas within the city is prepaid service rates. The prepaid service rates were established on the premise that new development should pay most of the costs of services provided. City Council has resolved that general revenues (from property taxes) are not to be used to fund the services covered by these rates.

The prepaid rates are divided into two major servicing categories: direct services, which benefit the frontage of new property; and offsite services, which benefit the neighbourhood or catchment area as a whole.

The legislative authority which allows municipalities to charge these direct and offsite levies is the Section 169 of *The Planning and Development Act, 2007*.

Property taxes pay for the ongoing maintenance and operation of infrastructure, amenities, and services provided by the City.

### Scope of Project

There are three major parts which comprise the Financing Growth Study. These are intended to be high level reviews which will help the City address the following:

- 1) It will provide information to help the City understand the current and future costs of infrastructure and civic services required to support future population growth;
- 2) quantify the efficiencies which are assumed to be inherent in the City's new IGP and urban growth strategies contained in the IGP; and
- 3) provide material and information which will form the basis of a communication tool designed to help the general public, businesses, and stakeholders understand the relationship between property taxes and costs of growth.

### **Part A – High Level Review of Existing System of Levies and Growth Costs**

- a) Conduct a basic inventory of core City services and amenities necessary to maintain the current quality of life and infrastructure in Saskatoon;
- b) Determine the primary funding source for each of the core city services and amenities;
- c) Provide a description suitable for general communication purposes, of the ways the City currently pays for both growth and operation, and maintenance of existing city services and amenities;
- d) Provide a high level analysis, suitable for general communication purposes, describing to what degree growth pays for growth and why, including a basic description of the impact growth strategies and urban planning plays in affecting costs;
- e) Examine the underlying legislative basis (*The Planning and Development Act, 2007*) and philosophy which provides the rationale for the levy system, costs and benefits of growth, and who bears the main burden of costs; and
- f) Conduct a scan of recent growth financing strategies in the following cities: Regina, Edmonton, Winnipeg, and Calgary. Draw attention to any best practices from these or other centres with recent examples.

### **Part B – High Level Analysis of Integrated Growth Plan Efficiencies and Financing Options**

- a) Provide a general analysis and quantification of the potential cost savings inherent within the IGP versus current growth model as defined in the City's Official Community Plan;
- b) Provide a set of options for financing growth including changes to the City's system of prepaid service rates;
- c) Examine the potential opportunities for reallocating funds from current sources of revenue towards key elements of the IGP such as Rapid Transit stations and roadway/streetscape improvements. For example, adding costs for water main, fill mains, and reservoirs to the off-site levies and redirect utility charges towards implementation of the IGP; and
- d) Examine options for new incentive programs to help attract private investment in line with objectives contained in the IGP.

### **Part C – Provide Information and Resources to Create Communication Tool**

- a) Provide material and information which will form the basis of a communication tool designed to help the general public, businesses, and stakeholders in Saskatoon understand the relationship between property taxes and costs of growth; and
- b) The information gained through this study should be provided in a manner which will allow the creation of a general information tool for consumption by the general public.

**TO: Secretary, Planning and Operations Committee**  
**FROM: General Manager, Community Services Department**  
**DATE: July 2, 2013**  
**SUBJECT: Vacant Lot and Adaptive Reuse Incentive Program**  
**214 Avenue D South – The Edge**  
**FILE NO: CK. 4110-45 and PL. 4110-71-33**

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**RECOMMENDATION:** that a report be submitted to City Council, recommending:

- 1) that City Council approve a five-year tax abatement equivalent to 87 percent of the incremental taxes for the redevelopment of 214 Avenue D South;
- 2) that the five-year tax abatement take effect in the next taxation year following completion of the project; and
- 3) that the City Solicitor be instructed to prepare the appropriate agreement, and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.

### **TOPIC AND PURPOSE**

The purpose of this report is to request City Council's approval for a five-year tax abatement for the incremental property tax for the redevelopment of the property located at 214 Avenue D South under the Vacant Lot and Adaptive Reuse Program.

### **REPORT HIGHLIGHTS**

1. The Administration recommends the approval of a five-year tax abatement for the incremental property taxes for a 16 unit townhouse development located at 214 Avenue D South.
2. The estimated incremental property tax abatement for 214 Avenue D South, based on the 2013 tax value, is \$15,981 annually or \$79,905 over five years.

### **STRATEGIC GOAL**

This report supports the City of Saskatoon's (City) long-term Strategic Goal of Quality of Life by increasing the supply of quality housing.

### **BACKGROUND**

During its March 7, 2011 meeting, City Council approved the Vacant Lot and Adaptive Reuse (VLAR) Incentive Program. The VLAR Incentive Program is designed to encourage infill development on chronically vacant sites and adaptive reuse of vacant buildings within Saskatoon's established neighbourhoods.

Applicants have the choice of a five-year tax abatement, or a grant with the maximum incentive amount calculated based on the increment between the existing municipal taxes and the taxes owing upon completion, multiplied by five years. Applications are scored against an evaluation system where points are awarded for features included in a project that meet a defined set of policy objectives. The score out of 100 that a project earns determines what proportion of the maximum incentive amount it receives.

## **REPORT**

On June 10, 2013, the Planning and Development Branch, Neighbourhood Planning Section, received an application under the VLAR Incentive Program from LeFevre and Company Property Agents Ltd. for the construction of a 16 unit townhouse development at 214 Avenue D South, in the Riversdale neighbourhood. The project is located on a former vacant warehouse site.

The warehouse building had been vacant for the past two years. Due to a structurally collapsed roof system, the building was not suitable for occupants, and was demolished on May 14, 2013. The 48 month vacancy requirement has not been met; however, the project does satisfy the 12 consecutive month vacancy requirement under “Derelict Vacant Building” as defined in the VLAR Incentive Program Policy No. C09-035.

The application was reviewed using the program’s evaluation system. The project at 214 Avenue D South received a total of 87 points out of 100, for 87 percent of the maximum incentive amount. The project received 50 base points, plus 20 points for a residential multi-unit dwelling, 10 points for being located approximately 130 metres from an existing transit stop, 5 points for an 18 stall parking garage, and 2 points for providing racks and lockable storage for bicycles.

The applicant is applying for a five-year tax abatement of the incremental property taxes. According to the office of the City Assessor, the incremental increase in annual property taxes for the property is estimated to be \$18,369; based on the 2013 tax year. The maximum incentive amount would be \$91,845 (over five years). The value of this abatement over the five-year period, based on an earned incentive amount of 87 percent, is estimated to be \$79,905 or \$15,981 annually.

After a review of this application, the Administration has concluded that this project is consistent with the intent of VLAR Incentive Program Policy No. C09-035. The Administration is recommending that City Council approve the five-year property tax abatement commencing in the next taxation year after completion of the project.

## **OPTIONS TO THE RECOMMENDATION**

City Council could decline support of this project. Choosing this option would represent a departure from VLAR Incentive Program Policy No. C09-035. The Administration is not recommending this option.

**POLICY IMPLICATIONS**

There are no policy implications.

**FINANCIAL IMPLICATIONS**

The incremental property tax abatement for the project at 214 Avenue D South is forgone revenue and will not impact the VLAR Incentive Reserve. However, the City will forgo 87 percent of the increase in tax revenue resulting from this project over a five-year period.

**PUBLIC AND/OR STAKEHOLDER INVOLVEMENT**

No public and/or stakeholder involvement is required.

**COMMUNICATION PLAN**

There is no communication plan.

**DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION:**

The Edge is expected to be completed in February 2014. The property tax abatement, if approved, will begin the year following project completion and continue for five years.

**ENVIRONMENTAL IMPLICATIONS**

No environmental and/or greenhouse gas implications have been identified at this time.

**PRIVACY IMPACT**

There are no privacy implications.

**SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)**

A CPTED review is not required.

**PUBLIC NOTICE**

Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

**ATTACHMENT**

1. Location Map – 214 Avenue D South – The Edge

Written by: Pamela Larson, Planner

Reviewed by: “Alan Wallace”  
Alan Wallace, Manager  
Planning and Development Branch

Approved by: “Randy Grauer”  
Randy Grauer, General Manager  
Community Services Department  
Dated: “July 2/13”

Approved by: “Murray Totland” for  
Murray Totland, City Manager  
Dated: “July 4/13”

# - The Edge - 214 Avenue D South

Printed: June 26, 2013  
Scale: 1:2,358



Disclaimer: This information is supplied solely as a courtesy and the City of Saskatoon makes no guarantee as to its accuracy. The recipient accepts all risks and expenses which may arise from the use of this information.

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**TO: Secretary, Planning and Operations Committee**  
**FROM: General Manager, Community Services Department**  
**DATE: July 2, 2013**  
**SUBJECT: Pleasant Hill Village – Project Update and Rent-To-Own Proposal**  
**FILE NO.: CK. 4131-31 and PL. 951-22-5**

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**RECOMMENDATION:** that a report be submitted to City Council recommending:

- 1) that the Administration proceed with the necessary steps to establish a new Rent-to-Own Program with Cress Housing, as described in this report;
- 2) that the City Solicitor be requested to prepare the necessary agreements, and that His Worship the Mayor and the City Clerk be authorized to execute these agreements under the Corporate Seal; and
- 3) that the General Manager, Community Services Department, be requested to provide a status report on the Pleasant Hill Village Project to City Council in one year.

### **TOPIC AND PURPOSE**

The purpose of this report is to provide City Council with a project update on Pleasant Hill Village and to seek direction to proceed with a Rent-to-Own program in order to facilitate more sales and offer an alternative method of home ownership.

### **REPORT HIGHLIGHTS**

1. Infrastructure work and the final phase of Grace Adams Park (Phase II) are progressing as planned.
2. The sales incentive grant and the property tax abatement, adopted on May 28, 2012, have been instrumental in closing five sales since June 2012. Four sales were completed in the period from December 2010 to May 2012.
3. There are nine units remaining to be sold. There is interest in the units; however, obtaining mortgage financing has been an obstacle to closing sales. A new Rent-to-Own Program could be an effective tool to help buyers purchase a new home in Pleasant Hill.

### **STRATEGIC GOAL**

This report supports the City of Saskatoon's (City) Strategic Goal of Quality of Life by providing support to those in our community who wish to move from rental to affordable home ownership in Pleasant Hill Village.

## **BACKGROUND**

The Pleasant Hill Village project commenced in autumn of 2006. One of the fundamental objectives of the Pleasant Hill Village project was to offer home ownership opportunities in a neighbourhood where rental occupancy rates were high. Pleasant Hill Village is intended to attract families who want to live in a new home, in a community with a new school and wellness centre, daycare, a new seniors' residence and surrounded by new, attractive park space.

Interest in a home ownership project from home builders was limited at the outset. In order to attract home builders to the project, the City agreed to purchase any unsold units after a six month marketing period at a fixed price. Furthermore, each builder was required to offer 50 percent of the completed units to Quint Development Corporation (Quint) and Cress Housing (Cress).

By December 1, 2010, the City had purchased 18 unsold units. Twelve of the units are located at 1505 and 1507 19<sup>th</sup> Street West (Parkview Green) and six of the units are located at 315 Avenue N South (Pleasant Hill Solar Village). The City has retained the services of two realtors to market and sell the remaining units. In the period from December 2010 to May 2012, there were four market sales. The remaining unsold units are offered at a fixed (2010) price. The dwellings are all ground-oriented townhouses designed for families with purchase prices ranging between \$189,922 and \$241,034.

During its May 28, 2012 meeting, City Council adopted a new 9.99 Percent Sales Incentive Grant, funded from the Affordable Housing Reserve, and a five-year property tax abatement for the project.

## **REPORT**

### **Project Update**

This year, 2013, is the final year for major public improvements in Pleasant Hill Village. The list below highlights the major work to be undertaken. A complete description is provided in Attachment 1.

#### **A. New Storm Sewer**

Avenue O South is currently under construction, including sewer infrastructure, catch basins, and excavation for the storm sewer. This will ensure drainage of the area is adequate under most conditions.

#### **B. New Cul-de-Sac, Sidewalks, and Curbing**

The cul-de-sacs at Columbian Place and 19<sup>th</sup> Street will be created and resurfaced in accordance with the approved concept plan.

C. Grace Adam Park Phase II

The final phase of the park has been tendered and the final park development is expected to be complete by the fall of 2013.

D. St. Mary's Wellness and Education Centre and Columbian Place

Both of these cornerstone developments were officially opened in the fall of 2012. St. Mary's enrolment exceeded forecasts. Columbian Place is fully-occupied with a waiting list.

E. Neighbourhood Entrance Sign

Two pallets of red bricks from the old St. Mary School building were salvaged and will be used to form a new neighbourhood entrance sign adjacent to Avenue P South.

F. Concrete Drainage Swale and Decks – Pleasant Hill Solar Village

The low elevation of the housing development at 315 Avenue N South contributed to drainage issues. In 2012, the City installed a concrete swale to properly drain the site at Pleasant Hill Solar Village. The Administration will work with the condominium association to design and construct a deck over the drainage swale.

G. Land Transfer Between the City and Greater Saskatoon Catholic Schools

The land exchange between the City and the Greater Saskatoon Catholic School Board is expected to occur by the end of summer 2013.

Rent-To-Own Proposal

Although there has been an increase in sales since the sales incentive grant and property tax abatement were introduced last year, sales are slower than expected. Since the introduction of the sales incentive, there have been five market sales. As of May 2013, nine units remain with a total value of over \$1.8 million.

According to the realtors, interest in the dwellings remains high. There have been many cases of those who are very interested in living in the Pleasant Hill neighbourhood, but have credit issues preventing them from obtaining a mortgage.

Throughout 2012, the Community Services Department has been in contact with several housing providers regarding creative ways to solve the issue of slow sales. Rent-to-own programs are often used by builders in slow markets. It helps people who are currently renting to make the jump into home ownership.

### What is Rent to Own?

Rent-to-own programs are a creative way to make the purchase of a home possible by those who have credit issues and need time to repair their credit score, or simply need time to build their equity to a point where a mortgage can be obtained. According to lending institutions, a household with a poor credit history may be able to repair their credit score in as little as six months.

The concept of rent to own:

1. A pre-screened household will enter into an agreement to rent the dwelling for a fixed time period; usually until such time as they are able to qualify for a traditional mortgage from a lender.
2. Rent is predetermined and set at an amount similar to a mortgage payment.
3. A predetermined portion of rent goes to the owner as revenue, and a predetermined amount of rent is "saved" as equity to be used by the renter towards the purchase of the dwelling unit.
4. A small administration fee is also deducted from rent to cover all administration and property management costs.

### Why Rent to Own for Pleasant Hill Village?

The rent-to-own option is appealing for a number of reasons:

- a) it maintains the objective of increased home ownership in Pleasant Hill;
- b) it allow tenants to achieve ownership within a short time frame;
- c) it does not affect the market value of existing dwellings in the area (i.e. no price reduction);
- d) it does not affect the marketability of the future parcels; and
- e) it provides a revenue source to cover costs of the program.

### Rent-To-Own Administration

A Rent-to-Own Program requires an agency to administer the program. The agency would be responsible for items such as screening applications, typical maintenance within the dwelling unit (site maintenance is covered by condominium fees), rent collection, financial duties and tracking equity, enforcement of rules and regulations covered by the rental/purchase agreement, including evictions if necessary.

Many organizations were approached with the rent-to-own concept. Cress has agreed to work with the City and administer the program. The idea was endorsed by the Saskatoon Tribal Council and has given Cress authority to enter into negotiations with the City. Cress will conduct a pre-screening of applicants for the program to ensure there is a reasonable chance of home ownership.

There has been a great deal of interest shown by First Nations in the Pleasant Hill Village project, and there is a growing need for creative solutions to assist First Nations people into affordable home ownership. Cress is unlikely to fill all of the vacant units in the short term. Therefore, all remaining vacant units will continue to be marketed and available for purchase in the marketplace.

Attachment 2 provides a sample of how the Rent-to-Own Program would work financially. The spreadsheet provides a detailed model of a Rent-to-Own program for a typical unit in Pleasant Hill Village valued at \$214,000:

1. A small deposit is required to enter into the program.
2. A fixed-term agreement is signed which lays out the terms and conditions of the rental period and the target amount of equity earned from rent.
3. The fixed term is determined by the length of time needed to reach the target. A 20 percent down payment is recommended as the target to avoid paying mortgage insurance fees at the time of unit purchase.
4. If a household leaves the program and does not follow through on purchase, they will forfeit all of the rent paid to date, plus a portion of the deposit attributed to maintenance or damages.
5. The program is designed to allow the renter to build equity so that the mortgage payments and rent payments are very similar upon purchase (to avoid default).

Attachment 2 shows that after 32 months of renting, the renter will have earned 20 percent of the purchase price, or \$40,574, to use towards a down payment. The 1 percent deposit is included. This includes the City's purchase incentive grant of 9.99 percent. The purchase incentive grant is being included as an added incentive to encourage renters to stay in the program and shorten the rental period. The income ranges needed to secure mortgage financing after a 32 month rental period is \$42,000 to \$52,000.

After the fixed-term agreement has expired, the renter should be in a position to purchase the unit at the fixed price with 20 percent down payment. Twenty percent is deemed to be a suitable target as this is the amount needed to circumvent mortgage insurance. The benefit of a fixed price is that all of the property appreciation, which occurs during the rental period, can also be used towards obtaining mortgage financing.

### **OPTIONS TO THE RECOMMENDATION**

City Council could choose to reject the Rent-to-Own Proposal and direct the Administration to continue under the current model while exploring alternatives with other financial institutions or agencies.

### **POLICY IMPLICATIONS**

There are no policy implications.

## **FINANCIAL IMPLICATIONS**

The costs to the City associated with holding nine vacant dwelling units is now approximately \$50,000 per year. The holding costs do not include realtor commissions. All holding costs, realtor commissions, and marketing costs are paid from the Pleasant Hill Village Revitalization budget. There will be start-up costs associated with the Rent-to-Own Program, such as appliance purchase and installation. Start-up costs will be funded from the Pleasant Hill Revitalization budget. All start-up costs will be recovered over time from rent revenue or at the time of unit purchase. Administration fees are yet to be negotiated; however, typical property management fees are 5 percent.

The Pleasant Hill Revitalization budget has been revised to include actual costs for the remaining major infrastructure work, including new cul-de-sacs, water/sewer installations, and curbing and sidewalks. As of June 1, 2013, the budget is showing approximately \$0.5 million that is unallocated. These unallocated funds are recommended to cover start-up costs for the Rent-to-Own Program. The Rent-to-Own-Program is potentially revenue generating through the rent paid by the tenant. Any revenue generated from the program will be returned to the Property Realized Reserve.

## **PUBLIC AND/OR STAKEHOLDER INVOLVEMENT**

No public and/or stakeholder involvement is required.

## **COMMUNICATION PLAN**

If the Rent-to-Own Program is approved, a marketing program will be developed.

## **ENVIRONMENTAL IMPLICATIONS**

No environmental and/or greenhouse gas implications have been identified at this time.

## **PRIVACY IMPACT**

There are no privacy implications.

## **SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)**

A CPTED assessment is not required.

## **PUBLIC NOTICE**

Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

**ATTACHMENTS**

1. Pleasant Hill Village Project Update
2. Sample Rent-to-Own Program

Written by: Nikki Newenham-Kahindi, Senior Planner  
Alan Wallace, Manager, Planning and Development Branch

Approved by: “Randy Grauer”  
Randy Grauer, General Manager  
Community Services Department  
Dated: “July 2, 2013”

Approved by: “Murray Totland”  
Murray Totland, City Manager  
Dated: “July 4, 2013”



**PLEASANT HILL VILLAGE PROJECT UPDATE**

This marks the seventh and final year for major construction, including re-construction of roadways, sidewalks and parks. Below is an outline of the main elements to be completed in 2013.

A. Infrastructure Work

Avenue O South is currently under construction and includes sewer infrastructure, catch basins, and excavation for the storm sewer. This will ensure drainage of the area is adequate under most conditions. This work is currently underway, with the removal of the former Avenue O pavement and sidewalks has occurred.

B. Cul-de-Sac, Sidewalks, and Curbing

The cul-de-sac at Columbian Place and 19<sup>th</sup> Street will be created and resurfaced. A Saskatoon Light and Power pole was relocated, and KC Charities was required to relocate their fence, which had encroached onto City property, to accommodate the construction and creation of the new cul-de-sac. A portion of the overhead wiring will be buried during construction. The expected completion date is at end June 2013.

C. Grace Adam Park - Phase II

The final phase of the park is expected to be out to tender by the end of May and expected to close by the end of June. Work will commence on the final phase of construction as soon as the infrastructure work is complete. Park construction is expected to be completed by autumn of 2013. It will be usable upon maturity by spring of 2014.

D. St. Mary's Wellness and Education Centre and Columbian Place

Both of these cornerstone developments were officially opened in autumn of 2012. Drawing close to the end of its first school year, the newest Greater Saskatoon Catholic School has been, and continues to be, pivotal to the success of the Pleasant Hill Village. Columbian Place is fully occupied and the residents will provide a presence and more "eyes on the park" creating a safer community.

Further components that have been completed since the last update include the bus layby in front of the school building and traffic calming measures on either side of the railway tracks on Avenue N South.

E. Neighbourhood Entrance Sign

Two pallets of red bricks from the old St. Mary School building were set aside with the intent of incorporating them into the design of the neighbourhood entrance sign. The sign will be located on the southwest corner of Pleasant Hill Village, with Grace Adam Park north of the railway tracks and on the east side of Avenue P, as illustrated on the approved concept plan. The sign will be custom built and design input will be sought from the community association, so that it appropriately reflects the character of the Pleasant Hill community.

F. Concrete Swale and Decks – Pleasant Hill Solar Village

The low elevation of the housing development at 315 Avenue N South and the higher elevation of the adjacent Knights of Columbus Charities' development, Columbian Place, contributed to drainage issues and associated flooding affecting the townhouses backing the seniors' development. The Community Services and Infrastructure Services Departments worked together to design and install a concrete swale to properly drain the Cenith development. This has been an effective drainage solution since October 2012; however, renders the yards essentially unusable by residents. The Administration will work with the condominium association to design and construct a simple and uniform deck backing the townhouse which will be flush with the patio entrances, cover the unsightly swale and render the yard space more usable for residents. The swale and decks combined serve to address the drainage issues and increase saleability of the vacant units. The deck will be completed by autumn of 2013.

G. Land Transfer Between the City of Saskatoon and Greater Saskatoon Catholic Schools

The Land Exchange and Development Agreement between the City of Saskatoon and the Board of Education of St. Paul's Roman Catholic Separate School Division No. 20 of Saskatchewan (the Board), dated the 19th of May 2013, outlined a number of prerequisites to the lands being transferred, one being a Phase II Environmental Site Assessment (ESA). On the 27th of February 2013, the Planning and Development Branch received a Phase II ESA, by P. Machibroda Engineering Ltd. (PMEL). Environmental Services has reviewed the report, and found the findings to be "well documented and reported, and can be used as evidence to support the fact that impacts do not exist within the study area". Further prerequisites to finalising the transfer of lands have also been met and a Municipal Reserve exchange report will proceed in July 2013.

**R2O Program**

Purpose: Available to families with school aged kids who wish to purchase a home in Pleasant Hill Village  
 Intended for working households with credit issues, no credit or simply need equity to purchase.

**NOTE**

a	Purchase Price	\$ 213,549		Sale price of Pleasant Hill Village dwelling
b	No. of Available Units	\$ 1		Unsold Dwellings in Pleasant Hill Village
	Target:	\$ 40,574	20%	Amount of Equity earned during rental period
c	Deposit	\$ 2,135	1%	Sometimes called 'option fee'. Includes damage deposit, non-refundable if leave program.
f	Homebuyers Grant	\$ 21,334	9.99%	City Sales Incentive "Gift" available at time of purchase
		\$ 17,105		Required during rental period to reach 20% equity
d	Remaining Value to mortgage	\$ 172,975		Amount of mortgage needed at end of rental period

**RENT TO OWN PROGRAM:**

h	Estimated Monthly Mortgage Payment	\$ 897		From Equity Building spreadsheet - without taxes based on Remaining Value to Mortgage
i	Monthly Rent	\$ 700		Offered to tenant - try to equate with monthly mortgage payment.
j		\$ 525	75%	Proportion of rent allocated towards Target (Variable depending on circumstance)
	Monthly Charges:			If they move out, all but damage deposit is foregone.
k	Condo Fees	\$ 165		Includes payment to agency who manages the rent to own program.
l	Utilities and Taxes	\$ 245		From Equity Building spreadsheet (calculated on purchase price).
m	total rent payment	\$ 1,110		Tried to keep total rent payment equal to payments upon purchase.
n	Months to Reach Target	32.6		Credit Repair notes from ACU indicate 6 to 24 months needed to repair credit.
o	Years to Reach Target	2.7		Note: Dwelling will appreciate; allocate appreciation to renter to shorten rental period.
p	Revenue Collected from Rent/unit	\$ 5,702		Residual rent collected over rental period (per unit)
q	Total Revenue Collected from all units	\$ 5,702		Residual rent collected over rental period for all vacant units.

incomes	32%	monthly
\$ 30,000	\$ 9,600	\$ 800
\$ 33,000	\$ 10,560	\$ 880
\$ 38,000	\$ 12,160	\$ 1,013
\$ 40,000	\$ 12,800	\$ 1,067
\$ 42,000	\$ 13,440	\$ 1,120
\$ 45,000	\$ 14,400	\$ 1,200
\$ 48,000	\$ 15,360	\$ 1,280
\$ 50,000	\$ 16,000	\$ 1,333
\$ 52,000	\$ 16,640	\$ 1,387

Range of incomes supported by R2O program.

<b>Start-up costs:</b>	5 appliances	units	total
Appliances	\$ 3,000	1	\$ 3,000
Start-up, Orientation and Marketing			\$1,000
(Coast Wholesale Appliances offers 6 appliances for \$3000)			\$4,000

Appreciation of Property	
1.0% annual	
\$ 213,549	\$ 2,135
\$ 215,684	\$ 2,157
\$ 217,841	\$ 2,178
\$ 220,020	\$ 2,200
\$ 222,220	\$ 2,222
\$ 224,442	\$ 2,244
	\$ 13,138

	Costs / Unit	Total	Net	Rev./Yr.	Rev./Month
Startup Costs:	\$ 286	Revenue	Revenue	\$ 1,994	\$ 166
Left over Revenue for Admin/Unit:		\$ 5,702	\$ 5,416		
	per door/mo.	Admin Fee	Admin Fee/Mo.	Total mgmt per door	Revenue minus total Mgmt costs
Property Management	\$ 20	5%	\$ 35	\$ 55	\$ 111

(5% of rent)

His Worship the Mayor and City Council  
The City of Saskatoon

**REPORT**

**of the**

**ADMINISTRATION AND FINANCE COMMITTEE**

Composition of Committee

Councillor T. Paulsen, Chair  
Councillor D. Hill  
Councillor A. Iwanchuk  
Councillor Z. Jeffries  
Councillor E. Olauson

**1. Amendments to Bylaw 7200 – The Traffic Bylaw  
Speed Limit Changes  
(Files CK. 6320-1 and IS. 6320-1)**

**RECOMMENDATION:** that Bylaw 7200, The Traffic Bylaw and corresponding  
Schedule 4 – Maximum Speeds be amended as follows:

- 1) update Subsection 6(c) to establish that the speed limit is 80 kph on Circle Drive from a point 200 metres north of Laurier Drive to a point 620 metres south of 11<sup>th</sup> Street;
- 2) update Subsection 7(c) to establish that the speed limit is 90 kph on Circle Drive South from a point 620 metres south of 11<sup>th</sup> Street West to the south intersection of Highways No. 11 and 16;
- 3) that a speed limit of 90 kph on Valley Road from Circle Drive South to the South City Limit be established; and
- 4) that City Council consider Bylaw 9125.

Your Committee has considered and supports the attached report of the General Manager, Infrastructure Services Department dated July 2, 2013 requesting to amend the Traffic Bylaw to reflect changes to speed limits

**2. Interior/Exterior Bus Advertising Contract  
(Files CK. 1402-3 and WT 7300-1)**

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- RECOMMENDATION:**
- 1) that the option to renew be exercised and that this contract be renewed for five (5) years commencing October 1, 2013 and ending September 30, 2018;
  - 2) that the terms of the contract be amended as outlined in the report of the General Manager, Utility Services Department dated June 4, 2013; and
  - 3) that the City Solicitor's Office be instructed to prepare an amendment to the bus advertising contract with Rawlco Radio Ltd. and that His Worship the Mayor and the City Clerk be authorized to execute the amended contract.

Your Committee has considered and supports the attached report of the General Manager, Utility Services Department dated June 4, 2013 regarding the above matter. The Terms of Reference in the current Interior/Exterior Bus Advertising Contract agreement was for a five year period, with the option to be renewed for a period of up to five additional years.

**3. Creation of a Revenue-Generating Parking Lot, Parcel XX, 25<sup>th</sup> Street  
Extension and Funding Source for Screening Fence Around Parcel XX and  
Parcel F/E  
(Files CK. 6122 x 1702-1 and LA. 4021-6)**

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- RECOMMENDATION:**
- 1) that Parcel XX, along the 25<sup>th</sup> Street Extension, be used as an interim revenue-generating parking lot;

- 2) that a post budget approval of \$67,000 from the Property Realized Reserve be granted for parking improvements to Parcel XX and the construction of a parking lot screening fence around Parcel F/E and Parcel XX;
- 3) that the revenues collected from the Parcel XX parking lot be allocated to the Property Realized Reserve to offset the costs associated with the creation of this parking lot and the installation of parking lot screening fences along the City-owned Parcel XX and Parcel F/E; and
- 4) that the Real Estate Manager enter into a parking management agreement with a private parking lot management company to manage the parking lot on Parcel XX.

Your Committee has considered and supports the attached report of the City Manager dated June 13, 2013 requesting approval for the creation of a revenue-generating parking lot adjacent to the 25<sup>th</sup> Street Extension. Revenues generated from this parking lot would be used to install a landscaping fence around Parcel XX and Parcel F/E along the 25<sup>th</sup> Street Extension.

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Councillor D. Hill, A/Chair

1.

**TO: Secretary, Administration and Finance Committee**  
**FROM: General Manager, Infrastructure Services Department**  
**DATE: July 2, 2013**  
**SUBJECT: Amendments to Bylaw 7200 – The Traffic Bylaw**  
**Speed Limit Changes**  
**FILE: IS. 6320-1**

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**RECOMMENDATION:** that the following report be submitted to City Council recommending that Bylaw 7200, The Traffic Bylaw and corresponding Schedule 4 – Maximum Speeds be amended as follows:

- 1) update Subsection 6(c) to establish that the speed limit is 80 kph on Circle Drive from a point 200 metres north of Laurier Drive to a point 620 metres south of 11<sup>th</sup> Street;
- 2) update Subsection 7(c) to establish that the speed limit is 90 kph on Circle Drive South from a point 620 metres south of 11<sup>th</sup> Street West to the south intersection of Highways No. 11 and 16;
- 3) that a speed limit of 90 kph on Valley Road from Circle Drive South to the South City Limit be established; and
- 4) that Council consider Bylaw 9125 (Attachment 1).

### **TOPIC AND PURPOSE**

The purpose of this report is to amend the Traffic Bylaw to reflect changes to speed limits.

### **REPORT HIGHLIGHTS**

1. With the completion of Circle Drive South, Infrastructure Services reviewed the existing speed limits on the roadways in close proximity to the project.

### **STRATEGIC GOALS**

The changes to the speed limits, as outlined in this report, support the City of Saskatoon Strategic Goal, Moving Around, as they will optimize the flow of people and goods in and around the city.

## **BACKGROUND**

Speed limits are set to balance road traffic safety concerns with the effect on travel time and mobility. The goal is to establish a reasonable and safe speed limit that is appropriate for a particular roadway based on its design and classification. The posted speed limit should also ensure continuity and reflect the behaviour of the majority of drivers under favourable conditions.

## **REPORT**

With the completion of Circle Drive South, Infrastructure Services reviewed the existing speed limits on the roadways in close proximity to the project and is recommending the following changes:

### **Circle Drive South north of Laurier Drive to south of 11<sup>th</sup> Street:**

The newly constructed segment of Circle Drive South to the south of Clancy Drive is designed for a maximum speed limit of 80 kph from Laurier Drive to approximately 620 metres south of 11<sup>th</sup> Street. The 80 kph maximum speed is deemed appropriate considering the road characteristics and safety.

### **Circle Drive South south of 11<sup>th</sup> Street West to the intersection of Highways 11 and 16:**

This newly built section of Circle Drive South roadway (including the Circle Drive South Bridge) is designed for a posted speed limit of 90 kph, which is deemed appropriate considering the road characteristics, expected driver behaviour and safety parameters.

### **Valley Road from Circle Drive South to the south City Limit:**

The maximum speed limit of 90 kph is recommended for the new section of Valley Road from Circle Drive South to the south City Limit. This speed limit is based on the roadway design characteristics and is deemed to be appropriate.

## **OPTIONS TO THE RECOMMENDATION**

There are no options to recommendation.

## **POLICY IMPLICATIONS**

Upon approval by City Council, amendments to Bylaw 7200, The Traffic Bylaw, will be required.



**FINANCIAL IMPLICATIONS**

The cost implications are nominal and are provided for as part of the Circle Drive South project.

**PUBLIC AND/OR STAKEHOLDER INVOLVEMENT**

There is no stakeholder involvement.

**COMMUNICATIONS PLAN**

Once the speed limit changes are approved and the Traffic Bylaw is amended, permanent signage will be put in place to notify drivers of the speed limits.

**DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION**

No further report is required.

**ENVIRONMENTAL IMPLICATIONS**

No environmental and/or greenhouse gas emissions have been identified at this time.

**PRIVACY IMPACT**

There are no privacy implications.

**SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)**

A CPTED review is not required.

**PUBLIC NOTICE**

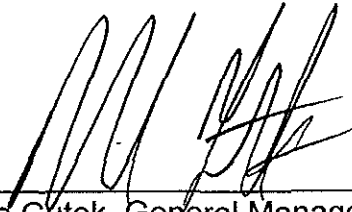
Public Notice, pursuant to Section 3 of Policy C01-021, Public Notice Policy, is not required.

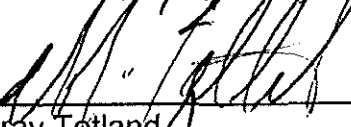
**ATTACHMENT**

1. Bylaw 9125, Traffic Amendment Bylaw, 2013 (No.3).

Written by: Lanre Akindipe, Traffic Systems Engineer  
Transportation Branch

Approved by: Angela Gardiner, Manager  
Transportation Branch

Approved by:   
Mike Gutek, General Manager,  
Infrastructure Services Department  
Dated: July 9/2013

Approved by:   
Murray Totland  
City Manager  
Dated: July 9/13

AF LA CDS Speed Limit Changes

## BYLAW NO. 9125

### The Traffic Amendment Bylaw, 2013 (No. 3)

The Council of The City of Saskatoon enacts:

#### Short Title

1. This Bylaw may be cited as *The Traffic Amendment Bylaw, 2013 (No. 3)*.

#### Purpose

2. The purpose of this Bylaw is to amend Bylaw No. 7200, *The Traffic Bylaw* to establish the speed limits for the Circle Drive South Bridge and connecting roadways.

#### Bylaw No. 7200 Amended

3. Bylaw No. 7200 is amended in the manner set forth in this Bylaw.

#### Schedule No. 4 Amended

4. Schedule No. 4 is amended by:
  - (a) in clause 6(c) by striking out "250 metres north" and substituting "620 metres south";
  - (b) in clause 7(c) by striking out "between Idylwyld Drive and" and substituting "from a point 620 metres south of 11th Street West to";
  - (c) in clause 7(j) by striking out "." and substituting ";;" and
  - (d) by adding the following after clause 7(j):

"(k) Valley Road from Circle Drive South to the South City Limit."



**TO: Secretary, Administration and Finance Committee**  
**FROM: General Manager, Utility Services Department**  
**DATE: June 4, 2013**  
**SUBJECT: Interior/Exterior Bus Advertising Contract**  
**FILE NO: WT 7300-1**

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**RECOMMENDATION:** that the Administration and Finance Committee submit a report to City Council recommending:

- 1) that the option to renew be exercised and that this contract be renewed for five (5) years commencing October 1, 2013 and ending September 30, 2018;
- 2) that the terms of the contract be amended as outlined in the report; and
- 3) that the City Solicitor's Office be instructed to prepare an amendment to the bus advertising contract with Rawlco Radio Ltd. and that His Worship the Mayor and the City Clerk be authorized to execute the amended contract.

### **TOPIC AND PURPOSE**

The Terms of Reference in the current Interior/Exterior Bus Advertising Contract agreement was for a five year period, with the option to be renewed for a period of up to five additional years. Your Administration seeks approval to exercise the option to renew.

### **REPORT HIGHLIGHTS**

The current contract was awarded for the period of October 1, 2008 to September 30, 2013, with a minimum guarantee of \$590,000 in revenue, promotional, and advertising benefits per annum for a total minimum value of \$2,950,000 over five (5) years. The terms in the proposed option to renew would be for the period of October 1, 2013 to September 30, 2018, with a minimum guarantee of \$840,000 in revenue, promotional, and advertising benefits per annum for a total minimum value of \$4,200,000 over five (5) years.

### **STRATEGIC GOAL**

The recommendations contained in this report support the long-term strategy to increase revenue sources and reduce reliance on residential property taxes under the Strategic Goal of Asset and Financial Sustainability.

## **BACKGROUND**

Saskatoon Transit's current agreement for the exclusive right to sell and install advertising on the Transit fleet is with Rawlco Radio Ltd. The terms of this contract guarantee a minimum annual value to Saskatoon Transit of \$590,000. Included in this annual value is advertising revenue equal to the greater of \$400,000 per year or 40% of gross advertising sales, \$100,000 in promotional partnerships per year, \$50,000 in radio advertising and radio station website advertising per year, and 4% of interior and exterior bus advertising valued at \$40,000 per year.

With the current agreement expiring September 30, 2013, Rawlco Radio Ltd. approached Saskatoon Transit on June 20, 2013 with an offer letter (Attachment 1) to extend the current Advertising Rights Agreement.

## **REPORT**

On June 20, 2013, Rawlco Radio Ltd. presented an offer to extend the current advertising agreement. This agreement would commence on October 1, 2013 and end September 30, 2018. The Administration wishes to renew this agreement with the following contract amendments.

Advertising revenue will remain at 40% of gross advertising sales (reconciled and payable annually) with the guaranteed revenue per year increasing to \$650,000. A yearly audited statement of gross sales will be required from Rawlco Radio Ltd. The guaranteed revenue per year is not inclusive of the \$190,000 in promotional partnerships and advertising (non-revenue benefits) accessible to Saskatoon Transit from Rawlco Radio Ltd. This \$190,000 is comprised of promotional partnerships of \$100,000, radio advertising of \$50,000, and interior and exterior bus advertising of \$40,000 all of which will be indexed against the yearly price increases by Rawlco Radio Ltd. providing for an equal volume of benefit year-over-year for the life of the contract.

Due to the fluctuations in Saskatoon Transit's bus fleet, the exterior advertising space available for use will be provided to Rawlco Radio Ltd. on a yearly basis. This breakdown will provide the number of buses in the fleet as well as the advertising categories available (i.e. number of king board, full wrap, etc).

In order to address concerns associated with the safe operation of the bus, Rawlco Radio Ltd. and Saskatoon Transit have determined an appropriate operating model for the application of vinyl wraps on windows. As previously agreed, no more than 50% of windows will be covered on the side the wrap is installed. Also, the street window on the driver's side, the window behind the driver's door, the curb-side door, the window right behind the front door and the rear window when installed by the manufacturer will not be covered. Additionally, no advertising will be allowed on the front of the bus or the roof battery pack of a Hybrid style bus. Finally, perforated vinyl will be replaced every 6 months, or as needed, to ensure it remains in perforated condition and designs will be managed in order to minimize the impact on visibility.

In order to keep uniformity within the fleet, any wrap or partial wrap which covers Saskatoon Transit's logo in its usual position and/or the bus number will have these elements incorporated into the the wrap design. Before installation, all artwork will be forwarded to Saskatoon Transit for approval.

### **OPTIONS TO THE RECOMMENDATION**

An alternative to the recommendation is to carry out a Request for Proposal. This option is not being recommended at this time based on the favourable agreement presented and the efficiency created in extending the current relationship with Rawlco Radio Ltd.

### **POLICY IMPLICATIONS**

There are no policy implications at this time.

### **FINANCIAL IMPLICATIONS**

<b>Oct 1, 2013 to Sept 31, 2018</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Revenue*	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000
Promotional and Advertising Benefits**	\$190,000	\$190,000	\$190,000	\$190,000	\$190,000

\*The greater of \$650,000 or 40% of gross advertising revenue

\*\*Indexed with increases by Rawlco Radio Ltd.

### **PUBLIC AND/OR STAKEHOLDER INVOLVEMENT**

Consultation with other municipalities has found advertising agreements structured similarly to the renewal presented by Rawlco Radio Ltd.

### **COMMUNICATION PLAN**

Rawlco Radio Ltd. will be contacted to inform them of the renewal of the advertising contract.

### **DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION**

If approved, follow-up will be needed in May of 2018 to review any proposals brought forth at that time and compile and distribute a Request for Proposal, if needed.

### **ENVIRONMENTAL IMPLICATIONS**

There are no environmental implications.

**PRIVACY IMPACT**

There are no privacy implications.

**SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)**

A CPTED review is not required.

**PUBLIC NOTICE**

Public Notice, pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

**ATTACHMENT**

1. Letter - Rawlco Radio Ltd. – Dated June 20, 2013

Written by: Mike Moellenbeck, Accounting Coordinator, Saskatoon Transit

Approved by: Brenda Wallace  
for: Jeff Jorgenson, General Manager,  
Utility Services Department  
Dated: July 4, 2013

Approved by: [Signature]  
for: Murray Totland, City Manager  
Dated: July 5, 2013

Bus Advertising



June 20, 2013

Mr. Jeff Jorgenson  
Utilities Services Manager  
City of Saskatoon  
222 – 3<sup>rd</sup> Avenue North  
Saskatoon, SK S7K 0J5

Dear Jeff,

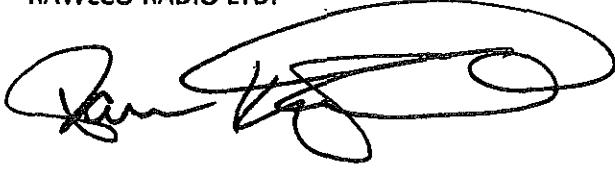
Based on our ongoing discussions and negotiations, I have amended our offer to reflect the increase in dollars that we have agreed to. Terms we are committing to are as follows:

- 5 Year extension of the current deal commencing October 1, 2013 and ending September 30, 2018.
- Annual fee to the city to be the greater of:
  - a.) \$650,000 per annum, payable monthly, or
  - b.) 40% of revenue (reconciled annually).
- We would continue to provide advertising and promotional services as outlined in the current agreement.
- We have worked with City Transit closely on the installation of vinyl on the buses and window coverage and believe that we have a good operating model on how vinyl is applied to windows that exceeds what we had agreed to do. We will continue to do that for the coming 5 year term. That involves the following:
  - No more than 50% of windows will be covered on either side of a bus.
  - The street side window and the window behind the driver street side will not be covered.
  - The curbside doors will not be covered with vinyl.
  - The window right behind the front door will not be covered.
  - We will replace perforated vinyl that is covering windows on a 6 month basis to ensure the vinyl remains in perforated condition.
  - We will continue as much as possible to try and come up with creative designs that minimizes window coverage.



City Transit has been excellent to work with. We are very excited to move this forward and we look forward to 5 more great years of doing business with Saskatoon Transit.

Yours Sincerely,  
RAWLCO RADIO LTD.

A handwritten signature in black ink, appearing to read 'Ian Koturbash', with a large, stylized flourish extending to the right.

Ian Koturbash, CMA  
Sr. VP Finance & Administration

TO: Secretary, Administration and Finance Committee  
 FROM: City Manager  
 DATE: June 13, 2013  
 SUBJECT: Creation of a Revenue-Generating Parking Lot, Parcel XX, 25<sup>th</sup> Street Extension and Funding Source for Screening Fence Around Parcel XX and Parcel F/E  
 FILE NO: LA.4021-6

---

**RECOMMENDATION:** that a report be submitted to City Council recommending:

- 1) that Parcel XX, along the 25<sup>th</sup> Street Extension, be used as an interim revenue-generating parking lot;
- 2) that a post budget approval of \$67,000 from the Property Realized Reserve be granted for parking improvements to Parcel XX and the construction of a parking lot screening fence around Parcel F/E and Parcel XX;
- 3) that the revenues collected from the Parcel XX parking lot be allocated to the Property Realized Reserve to offset the costs associated with the creation of this parking lot and the installation of parking lot screening fences along the City-owned Parcel XX and Parcel F/E; and
- 4) that the Real Estate Manager enter into a parking management agreement with a private parking lot management company to manage the parking lot on Parcel XX.

**TOPIC AND PURPOSE**

To receive approval for the creation of a revenue-generating parking lot adjacent to the 25<sup>th</sup> Street Extension. Revenues generated from this parking lot would be used to install a landscaping fence around Parcel XX and Parcel F/E along the 25<sup>th</sup> Street Extension.

**REPORT HIGHLIGHTS**

1. Parking lot screening fences will improve the look and feel of the soon to open 25<sup>th</sup> Street Extension.
2. Potential annual revenue generation of \$42,350 from the Parcel XX parking lot.
3. A private parking lot management company would look after the management of the Parcel XX parking lot.

4. Having Parcel XX and Parcel F/E as interim parking lots will increase the marketability of the lots when the time comes to sell.

### **STRATEGIC GOAL**

This report supports the Asset and Financial Sustainability Strategic Goal and the short-term priority of developing a funding strategy to pay for new capital expenses by using the revenues from the parking lot to pay for a visually pleasing fence around Parcel XX and Parcel F/E.

### **BACKGROUND**

The extension of 25<sup>th</sup> Street from 1<sup>st</sup> Avenue to Idylwyld Drive is nearing completion. The 25<sup>th</sup> Street Extension involves lands that were purchased by the Property Realized Reserve for the roadway extension and the creation of future development sites as part of the North Downtown Redevelopment Project.

### **REPORT**

Parking lot screening fences will improve the look and feel of the 25<sup>th</sup> Street Extension. The extension of 25<sup>th</sup> Street from 1<sup>st</sup> Avenue to Idylwyld Drive is scheduled to open for traffic very soon. It is anticipated that this section of road will be well traveled. Currently, some of the City lands adjacent to the roadway are not as visually pleasing as they could be (informal parking lots, storage areas, etc.). With this in mind, the Administration would like a parking lot screening fence to be installed along Parcel XX and Parcel F/E, as shown on Attachment 1. These fences would be complementary to the parking lot screening fences that the City's Development Review Section endorses and the fence being installed along the Saskatoon Health Region site as part of the 25<sup>th</sup> Street Extension. Estimated cost of these screening fences is \$35,000.

It is anticipated that Parcel XX and Parcel F/E would be used as interim parking lots until such time as the parcels are ready to be sold by public tender. Before the time of sale, Administration will explore options to ensure the parcels are developed within a timely manner and that surface parking does not remain in use for an extended period. Prior to the parcels being sold, the following should be established:

- North Downtown Master Plan finalized;
- Completion of Police Headquarters on 25<sup>th</sup> Street;
- Density projections/requirements established for the parcels;
- Decision on architectural controls or design guidelines for the area;
- Decision made on district energy for the area.

### Potential annual revenue generation of \$42,350 from Parcel XX.

Based on 65 parking stalls, a vacancy rate of 10%, a monthly parking rate of \$80 per stall and a parking lot management fee of 20% (credit card transaction costs would also be deducted from the potential revenues estimated at 5%), a potential for \$42,350 in annual revenue is possible. Credit card transaction costs would also be deducted from the potential revenues. These revenues would be used to offset the costs of the screening fences around Parcel XX and F/E (\$35,000), as well as the estimated upfront costs of \$32,000 associated with improving Parcel XX to a functional parking lot.

### Private parking lot management company to look after the management of the lot.

Discussions with various private parking lot management companies has indicated that typical services would include daily litter picking and inspection of the lot, a management fee of approximately 20% of gross revenues, and the provision of notification to the City's Parking Services group to issue tickets.

The notion to enlist the services of a private parking lot management company was arrived at during discussions with the City's Parking Services Manager.

### Parcel XX and Parcel F/E as interim parking will increase the marketability of the lots.

As is typical with the sale of development sites, there is often a lag period between when the development site changes hands to when plans and permits have been approved for construction. During this lag period, the development site is often used as an interim pay parking lot. Having the development site set up for parking prior to the sale makes the site more attractive to prospective purchasers as the potential for immediate revenues are in place.

Parcel F/E is currently being used for City Yards and internal staff parking. Intentions are to keep using this lot under the current parking arrangement until the time comes for the lot to be sold for future development. The extension of 25<sup>th</sup> Street has redefined the configuration of Parcels F and E. As depicted on Attachment 1, additional parking stalls would be available with a minor fence relocation, some area grading/gravel, and the installation of some parking curb stops.

## OPTIONS TO THE RECOMMENDATION

An option would be to not approve the concept of turning Parcel XX into an interim parking lot. In this scenario, a fence would need to be installed around Parcel XX to prevent vehicles from accessing and parking on the lands. A funding source (with no plan for repayment) would need to be identified for this access restricting fence and the decision on whether or not to erect a visually pleasing parking fence around Parcel F/E would need to be made.

## POLICY IMPLICATIONS

There are no identified policy implications.

### **FINANCIAL IMPLICATIONS**

Up-front capital costs are estimated at \$67,000, however, it is anticipated that these costs would be offset by parking revenues generated from Parcel XX over a period of two years.

Payments from the revenue generated from the parking lot management company would be sent to the City on a monthly basis.

### **PUBLIC AND/OR STAKEHOLDER INVOLVEMENT**

Real Estate Services discussed the logistics of using Parcel XX as a parking lot with the City's Transportation Branch Manager and the Parking Services Manager. They were supportive of using a private parking lot management company to manage and to collect revenue from the parking lot.

Various discussions have also taken place with the Engineer in charge of the 25<sup>th</sup> Street Extension project to ensure fencing and parking improvements do not conflict with roadway construction activities.

### **COMMUNICATION PLAN**

The private parking lot management company would look after the marketing of the lot for monthly and daily parkers.

### **DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION**

It is expected that this parking lot would remain in use until such time as Parcel XX is ready for sale through the public tender process. At such time, a report would be brought forward to Council regarding the sale.

### **ENVIRONMENTAL IMPLICATIONS**

There are no environmental and/or greenhouse gas implications.

### **PRIVACY IMPACT**

There are no privacy implications.

### **SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)**

A CPTED review is not required.

### **PUBLIC NOTICE**


Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

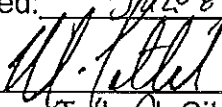
ATTACHMENT

1. Proposed Parking Diagram for Parcel XX and F/E.

Written by: Scott McCaig, Real Estate Advisor, Real Estate Services

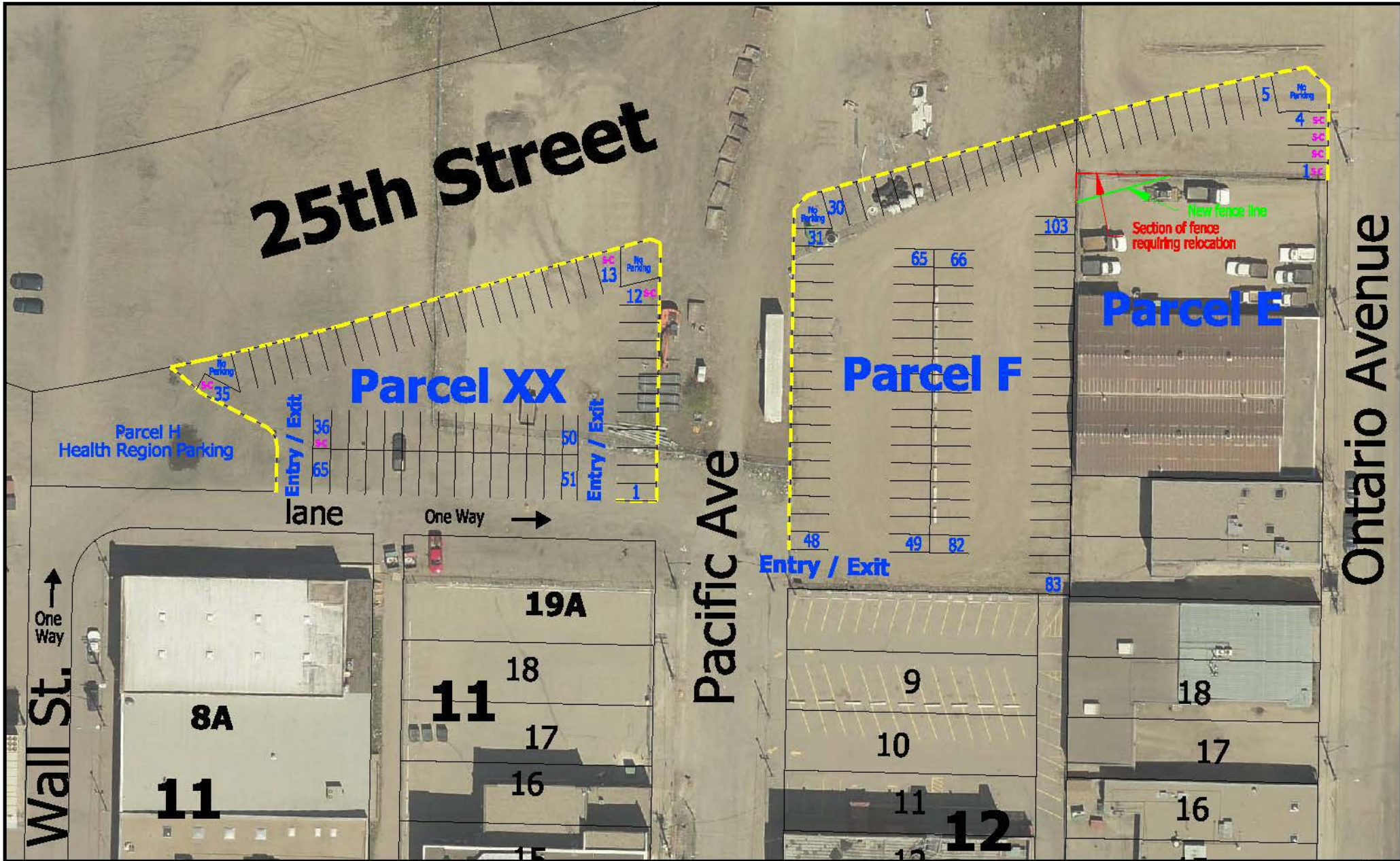
Reviewed by: Keith Pfeil, Manager, Real Estate Services  
Phil Haughn, Manager, Parking Services  
Jeanna South, Special Projects Manager, Corporate Projects

Approved by:   
FOR Doug Drever, Manager, Corporate Projects  
Dated: July 8, 2013

Approved by:   
Murray Toffland, City Manager  
Dated: July 8/13



# Proposed Parking Diagram for Parcel XX and F/E



**Parcel XX (for Pay Parking)**  
 67 Proposed Parking Stalls  
 149 m of Parking Lot Screening Fence

**Parcel F/E (Used by City Staff)**  
 103 Proposed Parking Stalls  
 151 m of Parking Lot Screening Fence



Screening Fence =   
 Small Car Parking Spot =



His Worship the Mayor and City Council  
The City of Saskatoon

## **REPORT**

of the

## **EXECUTIVE COMMITTEE**

### Composition of Committee

His Worship Mayor D. Atchison, Chair  
Councillor C. Clark  
Councillor T. Davies  
Councillor R. Donauer  
Councillor D. Hill  
Councillor A. Iwanchuk  
Councillor Z. Jeffries  
Councillor M. Loewen  
Councillor P. Lorje  
Councillor E. Olauson  
Councillor T. Paulsen

- 1. Communications to Council**  
**From: Scott Ford, Credit Union Centre**  
**Date: July 4, 2013**  
**Subject: Request for Extension of Time – Noise Bylaw**  
**July 16 to 21, 2013 in Kiwanis Park – A Taste of Saskatchewan Festival**  
**(File No. CK. 185-9)**
- 

**RECOMMENDATION:** that the request for an extension to the time where amplified sound can be heard, under the Noise Bylaw, until 10:30 p.m., July 16 to 21, 2013 in Kiwanis Park for the Annual Taste of Saskatchewan Festival be granted, subject to any administrative conditions.

Attached is a communication dated July 4, 2013 from Scott Ford, Director of Marketing & Events, Credit Union Centre, requesting an extension to the time where amplified sound can be heard, under the Noise Bylaw, until 10:30 p.m., July 16 to 21, 2013 in Kiwanis Park for the Annual Taste of Saskatchewan Festival.

As the event is scheduled to commence on July 16, 2013, prior to the scheduled City Council meeting on July 17, 2013, your Committee granted advance notice of approval of the requested exemption with respect to the time amplified sound can be heard, subject to any administrative conditions.

**2. Parking Policy – Parking Infrastructure Upgrade and City Card Replacement  
(File No. CK. 6120-3)**

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**RECOMMENDATION:** that parking continue to be a core business of the City of Saskatoon, and that the upcoming Request for Proposals for the Parking Infrastructure Upgrade project indicate that proposals involving monetizing of the parking asset will not be accepted.

Your Committee has considered the attached report of the General Manager, Infrastructure Services Department dated July 10, 2013, and agrees that parking continue to be a core business of the City of Saskatoon. Your Committee supports the recommendation that the upcoming Request for Proposals for the Parking Infrastructure Upgrade project indicate that proposals involving monetizing of the parking asset will not be accepted.

**3. Purchase Agreement and Direct Sale of Land to ASL Paving Ltd.  
(File No. CK.4215-1)**

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**RECOMMENDATION:**

- 1) that the direct sale of Surface Parcel C, Block 221, Plan G826, Ext. 0 and Parcel Z, Plan G826, former 40<sup>th</sup> Street Right of Way, to ASL Paving Ltd. be approved; and
- 2) that the City Solicitor be requested to prepare the sale agreement and that His Worship the Mayor and City Clerk be authorized to execute the agreement under the Corporate Seal.

Your Committee has considered the attached report of the General Manager, Community Services Department dated June 27, 2013, and supports the recommended direct sale of land currently under lease by ASL Paving Ltd.

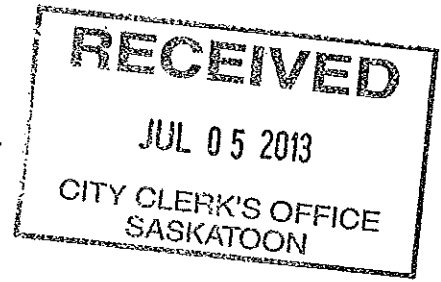
Report No. 14-2013  
Executive Committee  
Wednesday, July 17, 2013  
Page 3

Respectfully submitted,

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His Worship Mayor D. Atchison, Chair

From: CityCouncilWebForm  
Sent: July 04, 2013 7:03 PM  
To: City Council  
Subject: Write a Letter to City Council



TO HIS WORSHIP THE MAYOR AND MEMBERS OF CITY COUNCIL

FROM:

Scott Ford  
101-3515 Thatcher Avenue  
Saskatoon, Saskatchewan  
S7R 1C4

EMAIL ADDRESS:

[scottford@creditunioncentre.com](mailto:scottford@creditunioncentre.com)

COMMENTS:

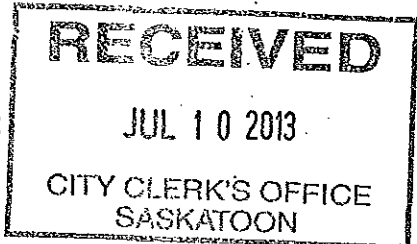
Credit Union Centre respectfully requests permission to allow our Taste Of Saskatchewan entertainers to perform until 10:30pm on July 16 to 21, 2013 in Kiwanis Park at this year's annual A Taste Of Saskatchewan festival.

This request has been approved in past years and I apologize for the short notice.

Thank You for your consideration.

Sincerely,

Scott Ford  
Director of Marketing & Events  
Credit Union Centre



TO: Secretary, Executive Committee  
FROM: General Manager, Infrastructure Service Department  
DATE: July 10, 2013  
SUBJECT: Parking Policy - Parking Infrastructure Upgrade and City Card Replacement  
FILE NO: CK. 6120-3 and IS. 6120-1

**RECOMMENDATION:** that the following report be submitted to City Council recommending that parking continue to be a core business of the City of Saskatoon, and that the upcoming Request for Proposals for the Parking Infrastructure Upgrade project indicate that proposals involving monetizing of the parking asset will not be accepted.

**TOPIC AND PURPOSE**

This report is to seek direction from City Council regarding the acceptability of submissions for the Parking Infrastructure Upgrade project which include monetizing of the parking asset. This is considered to be the case where a third party will lease the City's parking asset for a pre-determined period of time.

**REPORT HIGHLIGHTS**

1. Monetizing of the parking asset involves a third party leasing and operating the City's parking program for a predetermined time period.
2. While the terms of the lease under this arrangement may vary, it would include relinquishing some or complete control of the City's parking asset.
3. The Administration recommends that proposals involving monetizing of the parking asset not be considered acceptable submissions to the upcoming Request for Proposals.

**STRATEGIC GOALS**

This report supports the City of Saskatoon Strategic Goals, Asset and Financial Sustainability and Economic Diversity and Prosperity. The upgrade to parking infrastructure may increase revenue and reduce reliance on residential property taxes. The Administration is working collaboratively with economic development authorities and local businesses on parking infrastructure requirements, which will help to promote Saskatoon as a great place to live, work and raise a family.

**BACKGROUND**

The Executive Committee, at its special meeting held on June 10, 2013, considered a report of the General Manager Infrastructure Services Department regarding the minimum requirements for the upcoming Request for Proposals (RFP) for the Parking Infrastructure Upgrade project. The Committee heard from various vendors in the

parking industry and approved a number of minimum requirements. The Administration is currently developing the RFP.

## REPORT

In order to properly evaluate proposals for the upcoming RFP, the Administration has investigated the implications of entering into a contract with a third party to lease, operate and maintain the City's parking asset for a predetermined period of time (for example, 30 to 50 years).

Typically, in a scheme where the parking asset is monetized, a third party will make a payment to the municipality in exchange for temporary ownership of the parking asset. During this time period, the third party will own, operate and maintain the asset, and recoup the revenue from the parking meters.

The value of the proposals has a direct relationship with the level of control that is relinquished. Monetizing arrangements typically require the City to relinquish control of a number of components of the parking program, including parking rates, levels of service, and enforcement.

In certain situations, monetization of a parking asset may provide value to a municipality. Some municipalities have entered into such arrangements as a solution to provide a short-term influx of funds to off-set deficits in general funds. In order to be able to properly evaluate the potential benefits of such an arrangement for the City of Saskatoon's parking asset, a business case, including a public sector comparator, would need to be developed. The cost of undertaking this exercise could range from \$100,000 to \$250,000.

The experiences of other municipalities have been mixed thus far. Based on these experiences, the following must be considered:

- Revenue may not be realized in the first year, and may be spread out throughout the length of the agreement.
- Parking rates are likely to increase.
- Closing roads or hooding meters for civic purposes (i.e. maintenance, repairs and transit temporary needs) may end up costing the City.
- The level-of-service provided to the customer would be relinquished to the third party.
- Management of enforcement, including the quality of enforcement provided, may become the responsibility of the third party.
- The City may lose control over the ability to ensure adequate turnover in metered areas, if enforcement is managed by a third party.
- Future revenue to the City will be capped at a predetermined rate.
- The City may lose control of land for off-street parking lots that may be used for future development.

- Any changes to the roadway that may impact a parking stall, may end up costing the City.

Essentially, the City would be selling or leasing the asset and would no longer be in the business of parking during the term of the agreement.

Revenues from parking meters are currently used to fund a number of programs, including the Urban Design Program. This is a unique arrangement, where a portion of the revenue is reinvested back into the areas where it is generated, to improve the streetscaping along the roadways. Any changes to the revenue stream should consider this arrangement.

The Administration is recommending that parking continue to be a core business of the City of Saskatoon, and that the upcoming RFP indicate that monetization or proposals that have partnering arrangements that reflect this concept will not be acceptable solutions. The RFP will outline the minimum requirements previously approved by City Council, and will consider shorter term supply, installation, financing, and possibly operational, proposals. The RFP will clearly outline that the City will maintain control of the parking asset.

### **OPTIONS**

If there is an interest in exploring the City monetizing its parking asset, the Administration would need to undertake a value for money analysis, at an estimated cost of from \$100,000 to \$250,000. This is required to evaluate and determine the value of the parking asset. Undertaking this review would likely delay the project by approximately six months.

### **FINANCIAL IMPACT**

There is no financial impact to the recommendation.

### **STAKEHOLDER CONSULTATION**

The Parking Committee strongly believes that parking meters provide a service to the public and are not simply a revenue generator. As such, they believe that it is important for the City to maintain control over parking rates, times, locations and enforcement. Ensuring adequate payment alternatives and turnover is of prime importance to the Committee.

### **ENVIRONMENTAL IMPLICATIONS**

There are no environmental implications.

## COMMUNICATIONS PLAN

Parking meters and parking availability in general are important issues for residents of Saskatoon. Updates on the process of awarding the parking meter supplier will be provided to City Council at key milestones, such as the proposed Request for Proposals and recommendation for awarding the contract to the successful proponent. A comprehensive communication strategy will be developed and implemented as the details of the technology and timeline are determined in order to inform the public of the changes to the parking system and education on any new features prior to implementation.

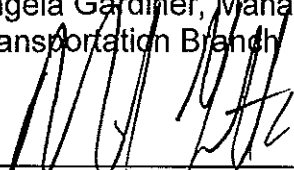
## DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION

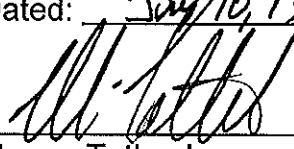
A report for approval of the Request for Proposals will be submitted in August or September, 2013.

## PUBLIC NOTICE

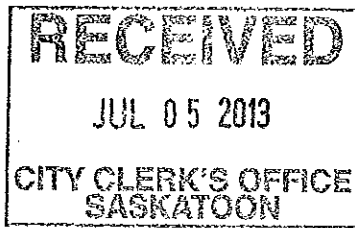
Public Notice, pursuant to Section 3 of Policy C01-021, Public Notice Policy, is not required.

Written by: Angela Gardiner, Manager  
Transportation Branch

Approved by:   
Mike Gutek, General Manager  
Infrastructure Services  
Dated: July 10, 13

Approved by:   
Murray Totland  
City Manager  
Dated: July 10/13





4215-1

3.

**IN CAMERA**  
Economic/Financial and Other Interests

**TO:** Secretary, Executive Committee  
**FROM:** General Manager, Community Services Department  
**DATE:** June 27, 2013  
**SUBJECT:** Purchase Agreement and Direct Sale of land to ASL Paving Ltd.  
**FILE NO.:** LA. 4221-013-004

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**RECOMMENDATION:** that a report be submitted to City Council recommending:

- 1) That City Council approve the direct sale of Surface Parcel C, Block 221, Plan G826, Ext. 0 and Parcel Z, Plan G826, former 40<sup>th</sup> Street Right of Way, to ASL Paving Ltd.; and
- 2) That the City Solicitor be requested to prepare the sale agreement and that His Worship the Mayor and City Clerk be authorized to execute the agreement under the Corporate Seal.

**TOPIC AND PURPOSE**

This Report provides information on the direct sale of land currently under lease by ASL Paving Ltd.

**REPORT HIGHLIGHTS**

1. A direct sale offer was proposed to ASL Paving Ltd., for the purchase of land adjacent to their sites that are currently under lease.
2. Sale of Serviced City-Owned Lands – Policy Number C09-033 outlines the terms by which the direct sale of land can take place to ASL Paving Ltd.
3. Specific terms and conditions of the proposal are laid out regarding the direct land sale to ASL Paving Ltd.

**STRATEGIC GOAL(S)**

The direct sale of these parcels supports the City of Saskatoon's Strategic Goal of Asset and Financial Sustainability by increasing revenue sources and reducing reliance on residential property taxes.

## BACKGROUND

ASL Paving Ltd. operates a road building and commercial paving business, with their head office located at 1840 Ontario Avenue. They have been leasing the adjacent parcel Z, a former 40<sup>th</sup> Street Right of Way, since July of 1969. Parcel C, a former spur line, also runs adjacent to their land and has been used by ASL Paving Ltd. for many years. On May 24, 2013 a letter was sent to ASL Paving Ltd. outlining the price and conditions of the sale based on City Council approval.

## REPORT

### Direct Sale Proposal

The Land Branch is proposing the direct sale of Parcel C, Block 221, Plan G826 for the market price of \$144,000 (plus G.S.T.), and Parcel Z, Plan G826 for the market price of \$420,000 (plus G.S.T.). These parcels have been used by ASL Paving Ltd. for many years. The direct sale is in accordance with City of Saskatoon policy (stated below).

### Direct Sale Policy

Sale of Serviced City-Owned Lands – Policy Number C09-033 states:

#### “3.2 Policy

The Administration may pursue or entertain direct sale, or long-term leases under the City's Industrial Land Incentives Program, of civic lands when one or more of the following conditions are present:

- c) A situation which involves extending an option to purchase to adjacent existing owners to directly purchase lots which would facilitate expansion prior to offering for tender.”

### Terms and Conditions:

1. Purchase Price – Purchase price of Parcel C, Block 221, Plan G826 is \$144,000 plus G.S.T. Price of Parcel Z, Plan G826 is \$420,000 plus G.S.T.
2. Price Includes – All direct and offsite service levies. The purchaser is responsible for their own service connections to street mains and other shallow buried utilities (e.g. gas, power, and telephone).
3. Costs – Each to pay own legal fees.
4. Easements – Purchaser to agree that the City and other utility agencies will register easements for existing utilities within the parcel.
5. Conditions of Land – The property is being sold “as is”. There are no representations or warranties, express or implied, as to the fitness of the land for any particular purpose. Any subsurface environmental investigations to evaluate for soil conditions on the sites will be at the purchaser's own expense.

6. Deposit – Within five business days of City Council's approval of the sale, a non-refundable deposit in the amount of ten percent of the purchase price will be required.
7. Possession Date – Upon payment of the balance in full no later than 90 days of City Council's approval of the sale.
8. Conditions Precedent – Subject to approval by City Council.

### **OPTIONS TO THE RECOMMENDATION**

The only option would be to not proceed with the direct sale of the land and to continue leasing the parcels.

### **POLICY IMPLICATIONS**

There are no policy implications.

### **FINANCIAL IMPLICATIONS**

The proceeds from the sale of this land will be deposited into the Property Realized Reserve.

### **PUBLIC AND/OR STAKEHOLDER INVOLVEMENT**

ASL Paving Ltd. was proposed an offer to purchase parcels adjacent to 1840 Ontario Avenue, with a letter detailing the City's terms of sale upon approval of City Council.

### **COMMUNICATION PLAN**

No communication plan is required.

### **DUE DATE FOR FOLLOW-UP AND/OR PROJECT COMPLETION**

Within five days of Council approval, a ten percent non-refundable deposit is required to be paid. Within 90 days of Council approval the remaining balance is due in full in order for possession to be granted.

### **ENVIRONMENTAL IMPLICATIONS**

No environmental and/or greenhouse gas implications have been identified at this time.

### **PRIVACY IMPACT**

There are no privacy implications.

### **SAFETY/CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)**

There are no CPTED implications.

**PUBLIC NOTICE**

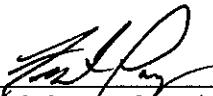
Public Notice, pursuant to Section 3 of Public Notice Policy No. C01-021, is not required.

**ATTACHMENT**

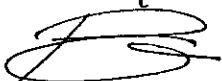
1. Map showing location of Parcel C and Parcel Z.

Written by: Jeremy Meinema, Finance and Sales Manager


Reviewed by:

  
\_\_\_\_\_  
Frank Long, Land Bank Manager  
Dated: July 3, 2013

Approved by:

  
\_\_\_\_\_  
Randy Grauer, General Manager  
Community Services Department  
Dated: July 4, 2013

Approved by:

*for*   
\_\_\_\_\_  
Murray Totland, City Manager  
Dated: July 5, 2013

# Location Map



The Land Branch does not guarantee the accuracy of this plan.  
To ensure accuracy, please refer to the Registered Plan of Survey. This plan is not to scale.