



Staff Report

Report To: Council

Report From: Karl Schipprack, Director of Development & Community Services/CBO

Meeting Date: October 1, 2024

Subject: West Grey Police Services Property Update

Recommendations:

THAT in consideration of staff report 'West Grey Police Services Property Update', council:

1. Directs staff to proceed with servicing lands for the new West Grey Police Services building, the Grey County paramedic building, and proposed subdivision at a cost of \$1,323,860 (cost includes a \$50,000 contingency and approximately \$152,000 to be billed to Grey County) plus HST;
2. Authorizes the Mayor and Clerk to sign all necessary documents with Cedarwell Excavating to complete the road and servicing works;
3. Directs staff to enter into an agreement with Hydro One for two easements to allow Hydro One equipment to be placed on municipal land;
4. Directs staff to enter into an agreement with Grey County for the shared cost of construction, access, and maintenance of a hydro transformer that will be located on West Grey lands that will provide hydro to the West Grey Police Station and the Grey County Paramedic Station; and
5. Directs staff to investigate and report back on options for the future sale of the residential lots located on the police station lands.

Highlights:

- West Grey staff proposed a full residential development of the area around the future police station.
- On December 5, 2023, council approved Cobide Engineering to complete all required documents to create a subdivision on the Police Services property and complete all engineering for the road construction, storm water, water supply and sanitary.

- On April 16, 2024, council approved the construction cost of the West Grey police services building in the amount of \$8,800,000 plus HST and awarded the contract to Domm Construction. This cost did not include the road and servicing for the police services building, Grey County paramedic building, or the proposed residential area around the police services building.
- West Grey and Grey County agreed on a purchase price for the property for the paramedic station, of \$150,000 plus the cost to service the paramedic building (approximately \$152,000) and to enter into a cost sharing agreement.
- Hydro One requires two access/equipment easements on municipal property to service the lands.
- An agreement with Grey County is required for the shared use of a hydro transformer to provide hydro to the police and paramedic buildings.
- Staff are seeking direction on how to move forward with the sale of the residential lands after development subdivision planning requirements are complete.

Previous Report/Authority:

[May 2, 2023 – Property Development](#)

[December 5, 2023 - West Grey Police Services Property Update](#)

Analysis:

Police Lands Servicing Costs

The proposed location of the West Grey Police Services building, Grey County Paramedic Station and residential subdivision is 451 Durham Rd. West, legally know as PLAN 500 PT PARKLOTS 4 TO 7; N CHESTER ST PT UNNAMED ST; PLAN 513 LOTS 16 TO 18 PT; LOTS 6 TO 8 & 11 TO 15 RP17R3223 PARTS 3 TO 6 9 12 14.

In May of 2023, West Grey staff proposed to complete a site plan and a budget to develop the area around the new police station.

West Grey staff have been working with Cobide Engineering, to develop a subdivision plan that will provide different styles of housing. The site will have 27 lots that can provide a combination of townhouses, semi-detached homes, single family dwelling lots and one large lot for an apartment building.

The road work and site servicing were removed from the police station construction tender. Cobide Engineering completed engineered plans and tender documents for all the site works including water, sewer, storm water management (SWM), roads, curbs, gutters and sidewalks. This tender also included all connection stubs for all the proposed residential properties, so all properties will be fully serviced prior to sale.

On August 24, 2024, the tender for the site works was issued with a closing date of September 11, 2024. West Grey received seven bids ranging from \$1,323,860 to \$2,313,506. All bids include a \$50,000 contingency. The portion of the tender price that will service the Grey County paramedic station (approximately \$152,000) will be paid by Grey County through the agreement to purchase and our cost sharing agreement.

Cedarwell Excavating Inc.	\$1,323,860 + HST
Roubus Farm Services	\$1,617,009 + HST
Moorefield Excavating	\$1,636,419 + HST
JT Excavating	\$1,710,385 + HST
SMRS Construction	\$1,964,992 + HST
EC King	\$2,092,582 + HST
MacDonnell Excavating	\$2,313,506 + HST
Cobide Engineering Estimate	\$1,860,830 + HST

Cobide Engineering reviewed the tenders, and their comments are:

“Based on the above results, the lowest Tender received for the project was submitted by Cedarwell Excavating Inc. This Tender is over \$500,000 below our Final Engineer’s Estimate which was completed just prior to tendering based on expected market conditions. There were a number of contractors bids below our estimate and based on discussions with various contractors, there are a lot looking to fill the remainder of the year which has likely led to the aggressive pricing.

We have worked with Cedarwell Excavating Inc. in the past on similar type construction projects as have neighboring municipalities and are confident that they will be able to complete this project within the stipulated timelines”.

Agreement with Hydro One:

In review of the proposed work on the police station lands Hydro One has requested two

access/equipment easements on municipal land (see attached plan from Hydro One). The first easement will be located on an unopened road allowance on the north side of Grey County Road 4 directly across from the proposed access to the site. The easement will provide for a guide wire to be installed to support a new hydro pole. The second easement is for grounding grids to be placed underground next to a switching box. The agreement is being reviewed by our solicitor.

Agreement with Grey County:

West Grey staff have proposed a shared hydro transformer for the West Grey police building and the Grey County paramedic building as a cost saving for both parties. The transformer will supply hydro to the police services building and the paramedic building. It will be located on the police services property and an easement will be created for the location of the underground line to the paramedic building. Hydro One and Grey County have agreed in principal and details are being confirmed. An agreement for the sharing of construction costs, legal access and any future maintenance will be required.

Future sale of residential lands:

When all the planning, legal requirements, and the servicing of the lots is complete, West Grey will be looking to sell the lots. There are several options to consider prior to the sale of these lots, including:

1. Does council want the lots to be sold for the highest possible price?
2. Does council want to consider proposals for attainable/affordable housing?
3. Does council want to consider proposals for purpose-built rentals?
4. Are there any other considerations council would like staff to investigate?

These discussions are preliminary, and staff will be seeking direction from council on how to proceed with the future sale of the residential lots at a later date.

Financial Implications:

All costs will be funded by short-term borrowing and proceeds from the sale of the lots will be used to pay the loan.

Communication Plan:

Communication of this report is through the posting of council meeting agendas on the Municipality of West Grey website.

Consultation:

Travis Burnside, Cobide Engineering
Geoff Aitken, Manager of Public Works
Kerri Mighton, Director of Finance/Treasurer, West Grey

Attachments:

1. Site plan of West Grey Police Services property.
2. Site plan indicating locations of Hydro One easements.

Recommended by:

Karl Schipprack, CBCO, Director of Community and Development Services/CBO

Submission approved by:

Michele Harris, Chief Administrative Officer

For more information on this report, please contact Karl Schipprack, Director of Community and Development Services/CBO at cbo@westgrey.com or 519-369-2200 ext. 234.