



INFRASTRUCTURE SERVICES *Staff Report*

REPORT NO: IS-2024-42

TO: Council

SUBMITTED BY: Jeff Molenhuis P.Eng. Director of Infrastructure Services

PREPARED BY: Ken VanderWal P.Eng. Manager of Engineering

REVIEWED BY: Greg Clark, Acting CAO

DATE: December 16, 2024

SUBJECT: Assumption Process for Storm Outlet in MAK Subdivision

RECOMMENDATION:

THAT Council authorize the Mayor and CAO to execute the purchase and sale agreement for Part 1 on 58R-22163, subject to the approval of the Director of Infrastructure Services, for the amount of twenty-four thousand Canadian dollars.

SUMMARY:

The MAK Subdivision was approved for construction in 2005. The approval at the time did not include an adequate storm outlet to a proper legal outlet. Township Staff have worked with the developer in the course of the assumption process to acquire the necessary drainage outlet. The land purchase is being funded by the Developer.

BACKGROUND:

The MAK subdivision is a multi-phased development in New Hamburg. It has been undergoing assumption processes and security reduction processes over the last 2 years. Some deficiencies have been noted, and are required to be addressed by the developer before release of securities can be granted. This includes the subject matter of this report.

REPORT:

The MAK subdivision was entered into Subdivision agreement on November 13 2005, an original letter of Credit was posted at that time in the amount of \$1,607,871.00. The letter of Credit was reduced to \$1,006,593.00 in November of 2017 at which time 81 of the 117 lots had been completed.

Throughout 2023 and 2024, the Township of Wilmot worked with the Developer to resolve the final outstanding items required to fully assume the MAK subdivision. This included final surface asphalt as well as addressing municipal watermain deficiencies. The consultants for the Developer completed all remaining items for assumption on July 27, 2024.

Throughout this review, it was noted that the storm drainage requirements were not met, whereby the full storm-outlet from the stormwater management facility to the Nith River was not in place legally and the drainage flows over private property. Staff worked with the developers engineer to secure this outlet, by either requiring a rework of the existing stormwater drainage pattern or acquisition of the lands necessary for the outlet.

Musso Appraisals evaluated the required parcel of land in July of 2024, determining a "Fair Consideration Payable for 1.6 Acres under Conservation Control to be \$24,000.00. The Developer agreed to this price and has requested that the amount be removed from the Existing Letter of Credit to acquire the property in question. As such, the purchase cost is covered through the Developer's Letter of Credit. Infrastructure Services have requested the withdrawal of this amount from the existing Letter of Credit and the release of the remaining \$982,593.00 to close out the assumption process.

ALIGNMENT WITH THE TOWNSHIP OF WILMOT STRATEGIC PLAN:

Environmental Protection

FINANCIAL CONSIDERATIONS:

The purchase of the lands is fully funded by the Developer, as well as the Completion of the R-Plan and the Surveying. The Township will be required to pay legal fees for the transfer of ownership estimated at less than \$5,000.00.

ATTACHMENTS:

Plan of Survey 58R-22163 completed by McKechnie Surveying deposited October 3 2024