

Staff Report

Presented By: Ruhul Amin, Manager, Engineering Services

Meeting Date: April 28, 2025

Subject: 2025 Budget Amendment and Fund Transfer for Townline Road and Peel Street

Attachment(s): None

Recommendation

That Council approve an amendment to the 2025 Capital Budget to include Townline Road Repairs and remove Concession 14;

That Council approve \$160,000 in additional funding for the Townline Road Repairs Project, funded by transfers from 320-86382 Lehn Street - Mill to Green and 320-86828 Bricker Street - Lloyd to Maple projects; and

That Council approve \$370,000 in additional funding for the Peel Street – Knowles to Lambert project, funded by transfers from 320-86810 Concession 14 Resurfacing and 320-86382 Lehn Street - Mill to Green projects.

Report Summary

Saugeen Shores and Kincardine have identified urgent repairs required for Townline Road, with a total cost of \$320,000, to be shared equally between both municipalities (Town portion is \$160,000). Additionally, Saugeen Shores has tendered the Peel Street project, which now requires an additional \$370,000 for necessary drainage improvements. This report outlines the rationale for these budget amendments and seeks approval for the transfer of funds to support both the Townline Road and Peel Street projects.

Background/Analysis

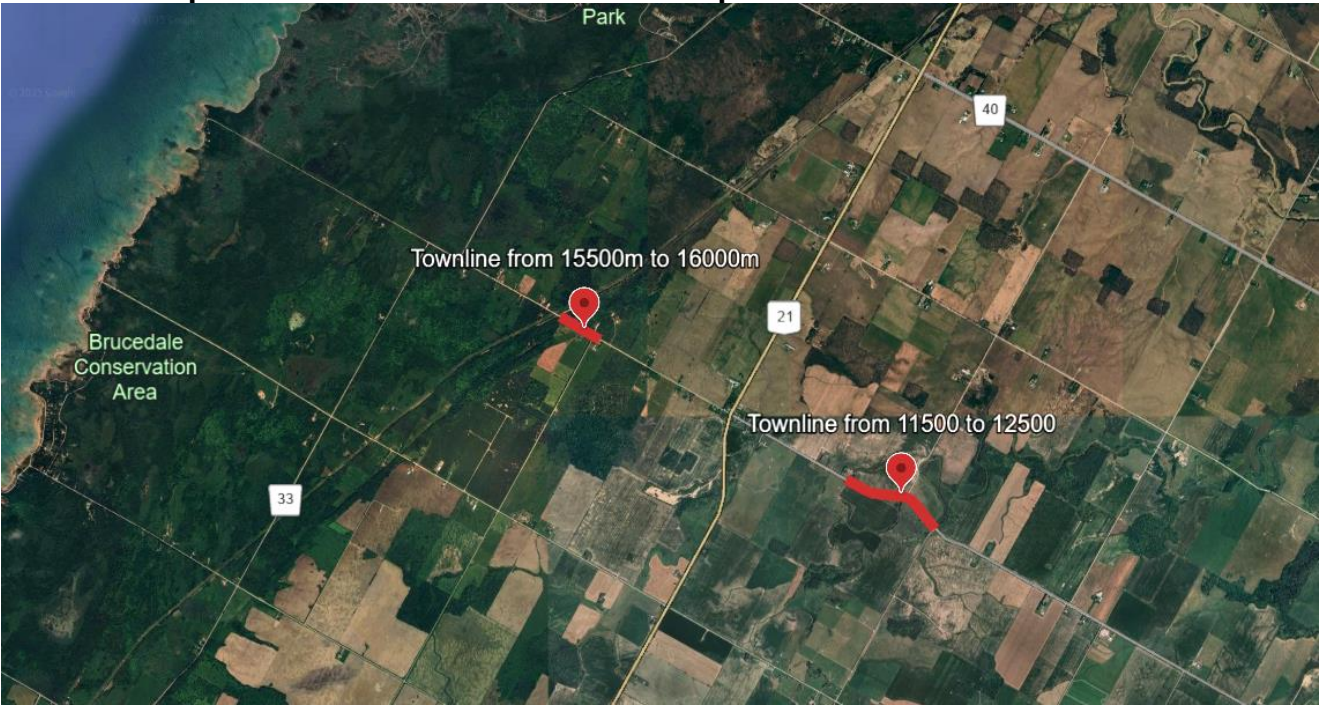
Townline Repairs 2025

In 2024, the Town of Saugeen Shores and Municipality of Kincardine conducted a joint geotechnical investigation of Townline Road, identifying several segments in need of repair to maintain an acceptable service level. A follow-up joint field inspection in the fall revealed two critical segments requiring immediate attention: one spanning 1,000 meters from Side

Road 10 to the west, and another 500 meters from J & I Side Road to the west (see map below). These repairs are essential to prevent road closures and ensure safety.

The estimated cost for these repairs is \$320,000, which will be equally shared between the two municipalities. Kincardine Council was able to approve the project as part of its 2025 capital budget, and Saugeen Shores needs to include it in its 2025 budget to facilitate the necessary repairs on Townline Road.

Location Map: Townline Road sections to be repaired



Peel Street Project:

The Town of Saugeen Shores tendered three projects—Peel Street, Macauley Street, and Burns Street—together as a package and received bids on March 11, 2025. The approved budget and bid prices are shown below in Table 1.

Table 1: Peel Street, Macauley Street, and Burns Street Budget and Tender Costs

| Project# | Descriptions | Approved Budget in 2024 | Tender Cost | Differences |
|---|----------------------------------|-------------------------|----------------|-----------------------|
| 320-86799 | Peel St.- Knowles to Lambert | \$249,791.5 | \$763,257.72 | (\$603,284.75) |
| 320-86798 | MacAuley Street-Peel to Adelaide | \$668,542.96 | \$540,913.69 | \$127,629.27 |
| 320-86800 | Burns Lane-Peel to Adelaide | \$548,895.28 | \$381,214.52 | \$167,680.76 |
| | Total | \$1,467,229.74 | \$1,775,204.46 | (\$307,974.72) |
| | Contingency | | | (\$50,000.00) |
| Total Net Shortfall (after internal adjustment within individual projects) | | | | (\$357,974.74) |

During the development of the 2023 budget, the Peel Street Project was initially scoped for standard road resurfacing with naturalized stormwater management systems. However, the consultant identified the need for an additional drainage infiltration gallery at the western end of Peel Street to mitigate flooding in the MacAuley Street area, resulting in an increase of over \$500,000 in project costs. When combined with the MacAuley Street and Burns Lane project costs being lower than estimated, the net shortfall is just under \$360,000.

Capital Budget Savings:

The following have been identified as opportunities to cover the funding shortfalls for the Townline Road and Peel Street projects noted above:

- An approved budget of \$340,000 has been allocated for improvements to Concession 14, from Carlisle Street to the landfill. As part of the proposed landfill expansion, a sanitary main will be installed to service the town's landfill, with the expansion expected to be completed within five years. Concession 14 will be reconstructed to accommodate this sanitary main as part of the Landfill Expansion Project. In consultation with the landfill project team, it has been determined that funds allocated for the Concession 14 Resurfacing (320-86810) can be reallocated to support these projects.
- Additionally, due to lower-than-expected contracted prices, savings from Lehen St. - Mill to Green (320-86382) and Bricker St. - Lloyd to Maple (320-86828) projects, , can also be redirected.

The details of these transfers are set out in Table 2 and Table 3 below.

Table 2: Transfer Request for Townline Road Repairs Project

| Project | Approved Budget | Contracted Amount | Estimated Savings | Transfer Request to Townline Road |
|--|-----------------|-------------------|-------------------|-----------------------------------|
| Lehnen St- Mill to Green (320-86382) | \$815,000 | \$670,031.10 | \$144,968.90 | \$80,000 |
| Bricker St- Lloyd to Maple (320-86828) | \$157,780 | \$62,870 | \$94,910 | \$80,000 |

Table 3: Transfer Request for Peel St.- Knowles to Lambert

| Project | Approved Budget | Contracted Amount | Estimated Savings | Transfer Request to Peel Street |
|---------------------------------------|-----------------|-------------------|-------------------|---------------------------------|
| Concession 14 Resurfacing (320-86810) | \$340,000 | \$0 | \$340,000 | \$340,000 |
| Lehnen St- Mill to Green (320-86382) | \$815,000 | \$670,031 | \$144,969 | \$30,000 |

Linkages

- Strategic Plan Alignment: Pillar 1: Meeting the Needs of a Growing Community
- Business Plan Alignment: Development Services Capital Highlight

Financial Impacts/Source of Funding

Increased funding in the project(s) is contained through budget transfers as outlined.

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Reviewed By: Mark Paoli, Director, Development Services

Approved By: Kara Van Myall, Chief Administrative Officer