

Staff Report

Presented By: Ruhul Amin, Manager, Engineering Services

Meeting Date: September 9, 2024

Subject: Road Capital Projects Update and Fund Transfer to 2024 Asphalt Resurfacing

Attachment(s): None

Recommendation

That Council approve a fund transfer of \$350,000.00 to the 2024 Asphalt Resurfacing Project from savings on the Hemlock Street Project and the Chesley Street Project.

Report Summary

The intent of this report is to outline a synopsis of 2024 Road Projects from a financial perspective. Council is being asked to approve a fund transfer of \$350,000.00 to the 2024 Asphalt Resurfacing (310-86343) from the savings of Hemlock Street (320-86791) Project and Chesley Street (320-86793) Project.

Background/Analysis

During the Business Plan process in 2023, Engineering staff provided high-level cost estimates for 2024 capital road projects based on the information available at that time. As the Town has received bids and engineering proposals for most of the road capital projects planned in 2024, budget numbers have been updated based on current information.

The Town received a number of project bids below cost estimates whereas only few bids were above the estimated costs. Overall, there will be a projected net savings of \$1.2M from the road capital budget even after covering the projected fund transfer and projected change orders costs.

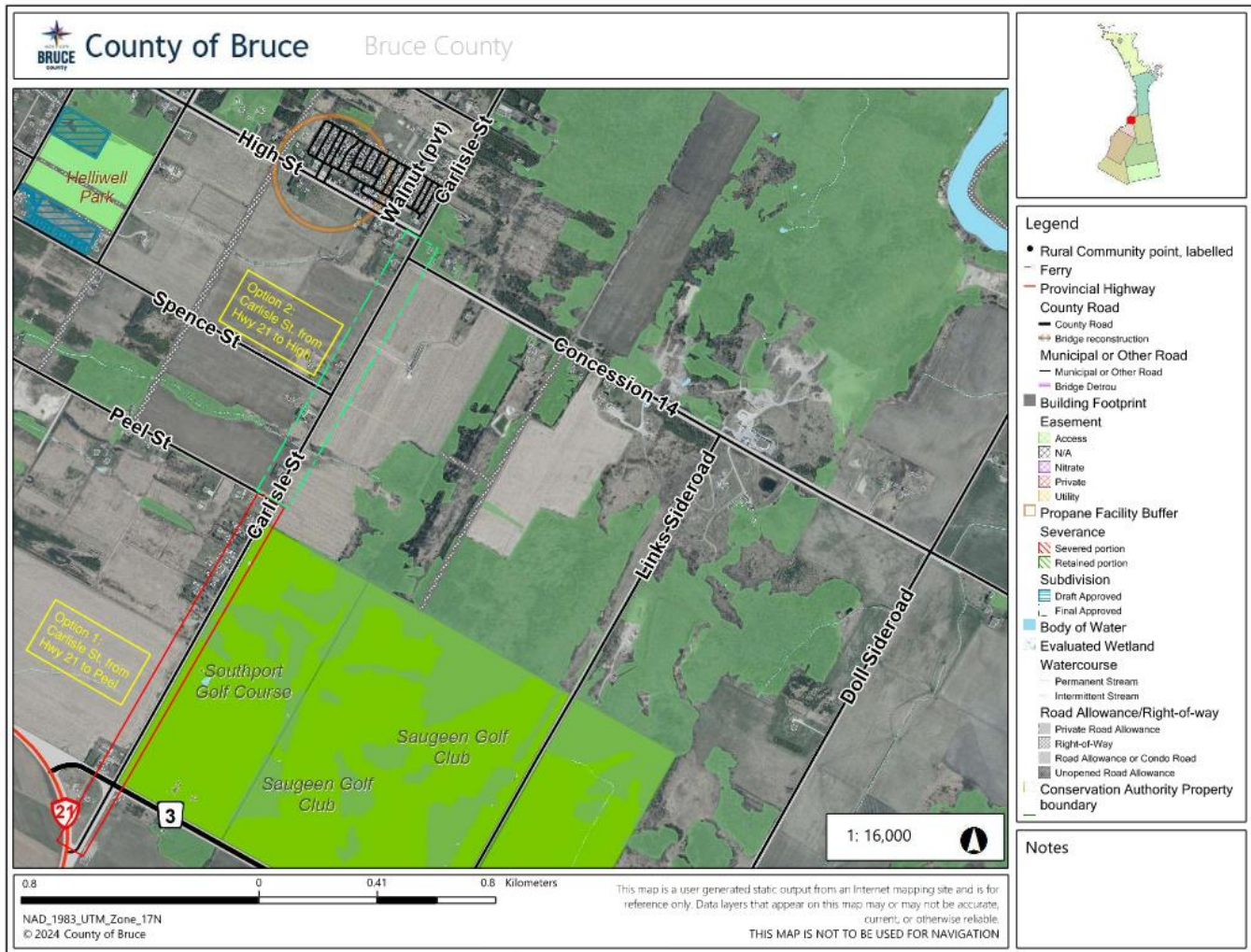
One project for which the lowest bid is above the approved budget is the 2024 Asphalt Resurfacing project. Based on the Pavement Condition Index (PCI), Carlisle Street was identified as the appropriate location for Road Resurfacing in 2024. The budget was in 2024 capital budget \$108,160.00

Additionally, with the savings noted above, there is an opportunity to adjust the 2024 Road Capital Program to fund, and even expand, the Resurfacing Project. The Town received bids for this project and the following are the lowest bids details for two options:

Option 1: Highway 21 to Peel Street - approximately 1.4 km
 Lowest Bid excluding Provisional: \$253,203.25
 Would require a fund transfer of \$150,000.00.

Option 2: Highway 21 to High Street - approximately 2.5 km
 Lowest Bid including Provisional: \$433,189.55
 Would require a fund transfer of \$350,000.00.

Picture 1: Carlise Street



In 2023, the Town completed around 920m resurfacing on Clarendon Street from Carlise Street to Anglesia Street, at a cost of approximately \$180,000.00; compared to that project, the bid for Option 2 noted above is economic as the scope also includes paved shoulders on both sides of the road. Resurfacing of Carlise Street from Highway 21 to High Street will

improve this alternate route of Hwy 21 which is in keeping with the Transportation Master Plan. Engineering Staff recommends proceeding with the Option 2.

Financial Considerations

There is an approved budget of \$108,160.00 for the Asphalt Resurfacing in the 2024 capital budget. Hemlock Street and Chesley Street projects were tendered combined as a package and there will be savings of over \$400,000.00 from these two projects combined according to the received lowest bids.

The recommendation is for a fund transfer of \$350,000.00 to the 2024 Asphalt Resurfacing (310-86343) from the savings of Hemlock Street (320-86791) Project and Chesley Street (320-86793) Project as per the following distribution:

Fund Transfer from Hemlock Street (320-86791) Project: \$75,000.00
Fund Transfer from Chesley Street (320-86793) Project: \$275,000.00

According to the Town's Purchasing Policy (Section 6.13.2.3), Council may authorize any transfers in excess of \$100,001.

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

Cost associated with this program are contained within the existing budget.

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Reviewed By: Mark Paoli, Director, Development Services
Approved By: Kara Van Myall, Chief Administrative Officer