

Staff Report

Report To: Council
Report From: Geoff Aitken, CET – Manager of Public Works
Meeting Date: May 16, 2023
Subject: IPW-2023-04 - Surface Treatment-Reallocation of Capital Funds

Recommendations:

That in consideration of staff report IPW-2023-04 - Surface Treatment-Reallocation of Capital Funds, council:

1. directs staff to reallocate \$25,000 of the Surface Treatment budget for Highland Estates/Concession 6 and \$60,000 from the Victoria Avenue project to the Concession 2 project to fund an estimated \$85,000 shortfall on the Concession 2 project; and
2. postpones the reconstruction of Victoria Avenue until residential development is complete with the balance of the funds allocated for the Victoria Avenue project (\$90,000 tax levy) being set aside in a reserve specifically dedicated to future road work on Victoria Avenue.

Highlights:

- Two bids were received for the 2023 Surface Treatment tender.
- Staff recommend awarding the tender to the higher bid.
- No additional funds are requested; staff propose reallocating funds from other projects to offset the shortfall.

Previous Report/Authority:

None.

Analysis:

Tender RFT WG23-07; *Supplying, Hauling and Placement of Surface Treatment* was issued for the following road work:

- #1: Concession 6 from the Artemesia/Glenelg Townline to Highland Estates;

- #2: Highland Estates;
- #3: Concession 2 from Durham Road E. to Northline; and
- #4: Spot improvements.

Two bids were received: Miller Paving Company (Miller) at \$180,000 and Duncor Enterprises (Duncor) at \$265,000. Miller has completed work for West Grey in the past and staff is working with them to have warranty work and deficiencies addressed on the projects previously completed. Staff will monitor the repair work to ensure that no future deficiencies are identified. Staff recommend this surface treatment tender be awarded to Duncor at the bid cost of \$265,000. In the 2023 capital budget \$180,000 is allocated, leaving a shortfall of \$85,000.

Financial Implications:

To fund the \$85,000 shortfall, the following is proposed:

- 1- Reallocate \$25,000 to Concession 2 from the Highland Estates/Concession 6 item. In 2023, the Highland Estates subdivision will receive surface treatment, Concession 6 will be widened, and the culvert replaced. Surface treatment on Concession 6 will be completed in 2024.
- 2- For 2023 there is \$150,000 allocated to rebuild (base work only) Victoria Avenue in Ayton. The \$150,000 is made up of a combination of \$60,000 from OCIF and \$90,000 from the tax levy. Surfacing would occur at a later date.

Deferring the reconstruction of Victoria Avenue to 2024 would allow the OCIF \$60,000 to be reallocated to the Concession 2 project. The \$90,000 levy will be placed in a reserve specifically dedicated to the reconstruction of Victoria Avenue.

- 3- Spot improvements are a part of the operating budget and have no impact on the capital budget.

With this proposal, there is no request for additional funds but rather to reallocate existing funds.

Communication Plan:

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

Consultation:

Supervisor, Rural Operations, Infrastructure & Public Works

Director of Infrastructure and Development

Director of Finance/Treasurer

Director of Legislative Services/Clerk

Attachments:

None.

Recommended by:

Geoff Aitken, CET, Manager of Public Works

Karl Schipprack, Director of Infrastructure and Development

Submission approved by:

Laura Johnston, Chief Administrative Officer

For more information on this report, please contact Geoff Aitken, Manager of Public Works at publicworks@westgrey.com or 519-369-2200 x 227.