



Report to Council

REPORT NO.: PW-23-28
DATE: May 18, 2023
ATTACHMENT: College Line Construction Drawings
SUBJECT: **CAPITAL PROGRAMMING CHANGE OF SCOPE**

Recommendation:

THAT Report No. PW-23-28 entitled “Capital Programming Change of Scope” be received;

AND THAT Staff defer reconstruction of College Line from Springwater Road to Rogers Road and Chalet Line from Carter Road to East Limit to 2024, and proceed with reconstruction of College Line from Rogers Road to Imperial Road in 2023.

Background:

The 2023 Capital Budget programming includes road surface reconstruction complete with double surface treatment to be completed internally by the Township Roads Department. Such reconstruction is shown in Appendix B of the Budget Book (attached), and includes the required surface works on College Line from Springwater Road to Rogers Road, Rogers Road to Imperial Road, and Chalet Line from Carter Road to the East Limit.

Upon consideration of the 2023 Capital Budget which commenced in early March 2023, staff proceeded with planning and design of the subject reconstruction projects. Upon detailed inspection/design undertaking of the planned roadworks sections of College Line and Chalet Line, it is realized that best management efforts for such reconstruction works cannot be undertaken within the Road Needs Study advised budget amounts.

Comments/Analysis:

The 2023 Budget had earmarked \$428,900 in funding for the following road segments:

- a) College Line – Rogers Road to Imperial Road;
- b) College Line – Springwater Road to Rogers Road; and,
- c) Chalet Line – Carter Road to East Limit.

These road segments were identified for priority candidates for double surface treatment rehabilitation through the Township's most recent roads needs study. Upon further inspection, staff are recommending the scope of work required on these road segments be expanded beyond surface rehabilitation to also include widening, ditching, replacement of subsurface cross-culverts, replacement of driveway culverts and driveway restoration. In order to complete all road segments as originally intended, the Township would require \$970,000, an increase of \$541,100 from the 2023 Budget.

In light of this discovery, staff seek Council's direction and have laid out three options for consideration which are identified in the table below.

Capital Programming Change of Scope Options			
Options	Budget	Cost	Variance
1: College Line a) Rogers Rd to Imperial Rd	\$428,900	\$378,000	\$50,900
2: College Line a) Rogers Rd to Imperial Rd b) Springwater Rd to Rogers Rd	\$428,900	\$708,900	(\$280,000)
3: College Line a) Rogers Rd to Imperial Rd b) Springwater Rd to Rogers Rd Chalet Line c) Carter Rd to East Limit	\$428,900	\$970,000	(\$541,100)

Option 1: Reduce project scope to fall within available budget

The 2021 Road Needs Study identified College Line from Rogers Road to Imperial Road as a recommended 2022 capital resurfacing project, and the section from Springwater Road to Rogers Road as 2023 Capital resurfacing project along with Chalet Line. This timeline suggests College Line from Rogers Road to Imperial Road as the foremost priority undertaking.

To maintain the \$428,900 available budget, staff can reconstruct the recommended 2022 section of College Line (Rogers Road to Imperial Road) leaving an available surplus of \$50,900 to undertake ditching work on the remainder of College Line (Springwater Road to Rogers Road) and Chalet Line.

Option 2: Proceed with College Line reconstruction, and Defer Chalet Line

Noting the eventual undertaking required for Option 1 deferred works (College Line from Springwater Road to Rogers Road, and Chalet Line), staff could proceed with the full reconstruction program of College Line noting the budget exceedance, and defer Chalet Line. Should staff proceed with the College Line program, as planned, the total budget exceedance in 2023 is estimated to be \$280,000.

Option 3: Proceed with complete 2023 intended program

Noting the eventual undertakings required and available staff capacity in 2023, the complete reconstruction program may be completed, noting a total budget exceedance in 2023 estimated to be \$541,100.

Financial Implications to Budget:

Staff recommend Council take a conservative approach and select Option 1: Reduce project scope to fall within available budget. The 2023 Capital Budget was already an ambitious plan which required \$824,895 in spending beyond the Township's annual funding capacity therefore requiring a draw upon reserves. Further, pricing has been unfavourable during the year with a number of projects expected to exceed their budgets. A list of additional capital budget approvals and their overall impact is provided in the following table.

2023 Year-to-date Budget Revisions		
Project	Amount	Approval Reference
Gravel Resurfacing	\$16,090	PW-23-25 (April 20)
Guiderails	14,607	PW-23-29 (May 4)
Carter Bridge	37,367	PW-23-28 (March 16)
Fire Hall 3 HVAC	(50,000)	PW-23-22 (April 6)
Admin Office Renovations	(15,000)	PW-23-22 (April 6)
Temperance Line	38,000	PW-23-27 (April 27)
Single Surface Treatment Resurfacing	26,800	PW-23-28 (April 6)
½ Ton, ¾ Ton Vehicles	16,693	PW-23-22 (May 18)
Additional Funding Requirement	\$92,215	

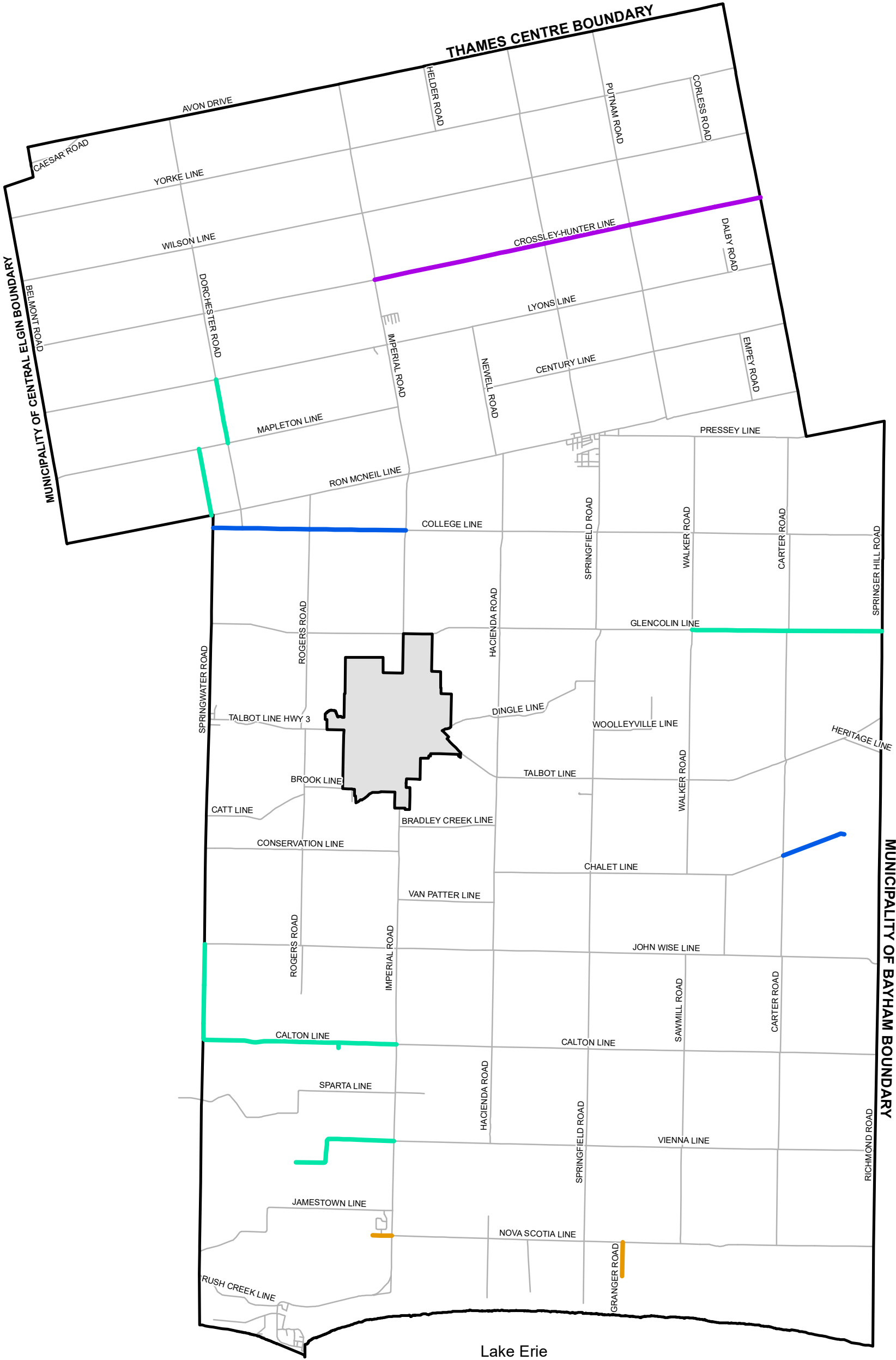
Based on the Township's current capital forecasts, staff expect an ending Capital Reserve balance of \$5,627,342. Therefore, if Council wishes to pursue option 2 or 3, the Township has the financial capacity to do so. Although these options are certainly viable, staff are recommending against them due to rising uncertainty in the Township's current 10-year capital plan. Many of the roads projects in the 10-year plan are drawn from the Township's most recent roads needs study which estimates costing solely on surface rehabilitation and may not consider the full set of works required to properly rehabilitate each road segment based on their individual circumstances. As such, staff are recommending the Township work within its current budget and complete the highest priority segment in this year's plan: College Line – Rogers Road to Imperial Road (being Option 1 herein) while deferring College Line –Springwater Road to Rogers Road and Chalet Line to the 2024 Budget where staff can better quantify the future financial impact of these works through the use of a revised/adjusted 10-year plan.

Submitted by:	Approved for Council:
Matt Sweetland, P.Eng., Director of Public Works	Adam Betteridge, Chief Administrative Officer

Township of Malahide

2023 Road Surface Treatments

Appendix B - 2023 Road Projects Map



- Single Surface Treatment
- Double Surface Treatment
- Gravel Resurfacing
- Single Surface Treatment with Edge Padding

