

2018 Capital Budget Amendment – Township Road 550, Range Road 221 to Highway 830 Construction**Report Purpose**

To amend the 2018 Capital Budget for the Township Road 550 construction project due to an increase in cost and a change in scope.

Recommendation

THAT an amendment to the 2018 Capital Budget for the Township Road 550 project to increase the cost by \$1,650,000 (from \$4,165,000 to \$5,815,000) to be funded \$1,500,000 from Developer Contribution and \$150,000 from municipal reserves, be approved.

Our Prioritized Strategic Goals

Goal 2 - Manage, invest and plan for sustainable municipal infrastructure

Goal 8 - Foster an environment for safe communities

Report

The project to construct Township Road 550 from Highway 830 to Range Road 220(N), as approved at the July 3, 2018 Council Meeting, was approved as fully funded by development contributions. Detailed design began after the development agreements were signed, shortly after the July 2018 Council approval. The detailed design of Township Road 550 is now 90% complete and current construction cost estimates are \$1,500,000 higher than previously estimated. The original budget was based on cost estimates provided by the developer, without any supporting detailed design.

The most current detailed design has also determined the need to remediate existing County-owned infrastructure such as replacing culverts and sign maintenance, all estimated at \$150,000. The developer is only responsible to pay for extending the culverts to the increased road widths. Without replacing the existing damaged culverts in place, it would impact storm drainage in the area, potentially damaging the new roadway, and creating higher replacement costs in the future. These maintenance-related items are not appropriate to be paid for with developer funds.

The following table provides the estimated planned spending for the project:

Year	2019	2020	2021	Total
Expenditure by Year	\$2,000,000	\$3,700,000	\$115,000	\$5,815,000

Council and Committee History

July 3, 2018 Council approved the Addition to the 2018 Capital Budget – Township Road 550, Range Road 221 to Highway 830 Council Report

Other Impacts

Policy: FIN-001-024: Financial Reserves; FIN-001-027: Tangible Capital Assets Financial Reporting Policy

Legislative/Legal: n/a

Interdepartmental: Corporate Finance, Corporate Planning, Planning and Development Services

Master Plan/Framework: n/a

Enclosures

- 1 Project Limits Map – Township Road 550
- 2 Estimated Costs – Township Road 550