

**2021 Capital Budget Amendment – Class II Improvements – Range Road 210, Township Road 550 to Highway 15****Report Purpose**

To amend the 2016, 2021, and 2022 Capital Budgets to increase the cost of the Class II Improvements – Range Road 210, Township Road 550 to Highway 15 project due to higher-than-anticipated land, utility, and construction costs. These Capital Budget amendments are administrative and aimed to combine the funding for the Township Road 210 upgrades into one project.

**Recommendations**

1. THAT an amendment to the 2016 Capital Budget to close the Ash Street, Range Road 223 to Ordze land project, and release remaining funds in the amount of \$805,380 (from a budget of \$875,500 to actual spend of \$70,120), back to Municipal Reserves, be approved.
2. THAT an amendment to the 2022 Capital Budget to decrease the cost of the Annual Rural Road Rehab Program 2022 project in the amount of \$194,620 (from \$10,500,000 to \$10,305,380), back to Municipal Reserves, be approved.
3. THAT the amendment to the 2021 Capital Budget to increase the Class II Improvements – Range Road 210, Township Road 550 to Highway 15 project by \$1,000,000 (from \$8,900,000 to \$9,900,000), to be funded from Municipal Reserves, be approved.

**Our Prioritized Strategic Goals**

Goal 3 Priority - Growth and development that prioritizes community well-being and economic benefits

Goal 3 Priority - Investment in our infrastructure that supports development and complete

**Report**

The 2021 Capital Budget included the project to upgrade Range Road 210 to a Class II standard, from Township Road 550 to Highway 15. The Range Road 210 project includes an improvement of the roadway from a narrow existing Class 3 roadway to a 7.5m wide hot-mix asphalt Class 2 roadway. This upgrade will be able to support the increase in vehicular traffic along with creating an agricultural corridor to support residents in the area.

Design and land acquisition for this work began in 2021, with construction beginning in 2022. 2022 construction included completing the upgrades between Township Road 552 and Highway 15, as well as completing a bridge replacement just north of Township Road 550. Planned construction for 2023 includes completing the roadway upgrades between Township Road 550 and Township Road 552.

During the pursuit of the project, there were various areas that incurred an increase in costs. Land acquisition, scope, and costs increased, including appropriate incidentals and consultant fees. Franchise utility coordination costs exceeded originally estimated amounts due to the site-specific design of the ditch profiles. In addition, there were increases in construction

costs related to area-wide industry economic impacts as well as increases in quantities to complete the required scope of work.

Failure to move forward on this capital budget amendment would result in truncating the scope in the southern half of the project, resulting in a narrow existing road remaining as is for a portion of the corridor between Township Road 550 and Township Road 552.

The Ordze extension project, although approved in 2016, was paused due to the South of Wye Area Redevelopment Study and changes to traffic patterns in the area. The project incurred \$70,120 of expenses. The project is now being closed, and it will be brought back in a future capital budget, if and when warranted based on growth of traffic volumes.

Project Name	2023	2024	2025	Total
Ordze Extension	(\$805,380)			(\$805,380)
2022 Annual Rural Road Program	(\$194,620)			(\$194,620)
Class II Improvement	\$1,000,000			\$1,000,000
Net Impact	\$0			\$0

**Council and Committee History**

December 2, 2021 Council approved the 2022 Capital Budget

November 30, 2020 Council approved the 2021 Capital Budget

December 8, 2015 Council approved the 2016 Capital Budget

**Other Impacts**

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

**Legislative/Legal:** N/A

**Financial/Budget:** This amendment is a net zero financial impact, moving money from two projects into another to cover cost increases.

**Interdepartmental:** Corporate Finance

**Master Plan/Framework:** N/A