SUBJECT: 2006 Capital Budget Reallocation (PW06067) - (City Wide)

RECOMMENDATION:

(a) That the appropriation adjustments, as outlined in Schedule A to Report PW06067, be approved.

(b) That the watermain replacement on Lakeshore Road at an estimated cost of $200,000 be included in the 2006 Water Program, to be coordinated with the development driven project being the reconstruction of Lakeshore Road as part of the Bridgeport Subdivision and that all associated expenditures be charged to Capital Budget Project ID 5140671301 (Replacement Projects Coordinated with Roads).

Scott Stewart, C.E.T.
General Manager
Public Works

EXECUTIVE SUMMARY:

It is being recommended that the 2006 Roads Capital Budget be amended by deleting the replacement of Bridge 360 - Blackheath Road, 360m north of Haldibrook Road and Bridge 397 - Glancaster Road, 325m south of Butter Road East. Based on detailed investigations carried out at the design stage, resulting in modifications to the project scope, the required needs of the structures do not warrant structural replacement at this time. The current needs for the structures can be completed by current maintenance procedures and the associated funding totalling $950,000 is being recommended for
reallocation to the rehabilitation of Mohawk Road from Upper Sherman to Upper Wentworth.

It is also being recommended that surplus funds within the Roads Program totalling $550,000 resulting from favourable tenders be reallocated to the rehabilitation of Mohawk Road from Upper Sherman to Upper Wentworth.

It is also being recommended that the 2006 Water Program be amended to include the Development projects as presented to Council during the 2006 Capital Budget process with the addition of the watermain replacement on Lakeshore Road in the amount of $200,000 and that this project be funded from surplus due to favourable tenders.

BACKGROUND:

The information provided in this report affects various wards and has City wide implications.

Due to an increase in funding requirements needed as identified by projects completing the tender and award process in 2006, as a result of increased oil prices, along with amendments to the project scope for the rehabilitation of Mohawk Road from Upper Sherman to Upper Wentworth have significantly increased the estimated cost of this project. At the design stage, it was determined that the most cost effective and efficient means of proceeding with this project was to do a complete reconstruction rather than a combination of rehabilitation and reconstruction as originally programmed. In order to proceed with this work in 2006, an analysis of the Roads Program was done and various sources of funding have been identified on the attached Schedule A to report PW 06-xxx.

During the 2006 Capital Budget Process, funding in the amount of $950,000 was approved for the rehabilitation of two (2) structures; Bridge 360 - Blackheath Road (Project ID 40300618611) in the amount of $500,000 and Bridge 397 - Glancaster Road (Project ID 40300618612) in the amount of $450,000. This funding is no longer required as the project scopes have been modified as a result of additional investigation carried out through the design process. The required improvements are to be addressed through current maintenance procedures, resulting in minimal capital expenditure. The proposed future needs and/or capital improvement scheduling for the structures in question are to be identified through the 2007 Capital Budget process.

Favourable tenders in the amount of $550,000 within the 2005 Annual Road and Sidewalk Rehabilitation program and the Pavement Management Network Analysis project has resulted in an available surplus of $350,000 and $200,000 respectively.

The rehabilitation of Lakeshore Road, as part of the Bridgeport Subdivision is a development driven project and requires watermain replacement coordination. An analysis of the Water Program identified a surplus due to favourable tenders in the 2006 Coordinated Watermain Replacement Program.

ANALYSIS/RATIONALE:

Should Council not approve the reallocation of existing funds within the Roads and Water Programs for the increased cost to reconstruct Mohawk Road from Upper Sherman to Upper Wentworth and the watermain replacement in coordination with
development on Lakeshore Road, these projects would be deferred to 2007 and be subject to future approval through the Capital Budget process.

**ALTERNATIVES FOR CONSIDERATION:**

N/A

**FINANCIAL/STAFFING/LEGAL IMPLICATIONS:**

Outlined in Schedules A, B, and C

**POLICIES AFFECTING PROPOSAL:**

N/A

**RELEVANT CONSULTATION:**

The Planning and Economic Development Department has identified the need to coordinate watermain replacement on Lakeshore Road at an estimated cost of $200,000 to be included in the 2006 Water Program.

**CITY STRATEGIC COMMITMENT:**

By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

- **Community Well-Being is enhanced.** ☑ Yes  ☐ No
  
  Public services and programs are delivered in an equitable manner, coordinated, efficient, effective and easily accessible to all citizens.

- **Environmental Well-Being is enhanced.** ☑ Yes  ☐ No
  
  A sustainable transportation network provides many options for people and goods movement; vehicle-dependency is reduced.

- **Economic Well-Being is enhanced.** ☑ Yes  ☐ No
  
  Investment in Hamilton is enhanced and supported.

**Does the option you are recommending create value across all three bottom lines?**

☑ Yes  ☐ No

City of Hamilton strategic commitment for “A city that spends wisely and invests strategically” is being met through the implementation of the pre-approval policy for Capital Projects.

**Do the options you are recommending make Hamilton a City of choice for high performance public servants?**

☐ Yes  ☑ No
<table>
<thead>
<tr>
<th>Project Number</th>
<th>Project Description</th>
<th>2006 Budget</th>
<th>Increase/ (Decrease)</th>
<th>Revised</th>
<th>2006 Budget</th>
<th>Increase/ (Decrease)</th>
<th>Revised</th>
<th>2006 Budget</th>
<th>Increase/ (Decrease)</th>
<th>Revised</th>
<th>REASON FOR ADJUSTMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>4030618611</td>
<td>Bridge 360 - Blackheath Road (Ward 11)</td>
<td>500,000</td>
<td>(500,000)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>500,000</td>
<td>(500,000)</td>
<td>0</td>
<td>Project delayed due to scope modification. Project to be rebudgeted during 2007 Budget Process.</td>
</tr>
<tr>
<td>4030618612</td>
<td>Bridge 397 - Glancaster Road (Ward 11)</td>
<td>450,000</td>
<td>(450,000)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>450,000</td>
<td>(450,000)</td>
<td>0</td>
<td>Project delayed due to scope modification; Project to be rebudgeted during 2007 Budget Process.</td>
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<tr>
<td>4030519101</td>
<td>Annual Road and Sidewalk Replacement (Citywide)</td>
<td>7,572,000</td>
<td>(350,000)</td>
<td>7,222,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>7,572,000</td>
<td>(350,000)</td>
<td>7,222,000</td>
<td>Surplus funding as a result of favourable tenders in the 2005 Annual Road &amp; Sidewalk Replacement program.</td>
</tr>
<tr>
<td>4030618612</td>
<td>Pavement Management Network Analysis (Citywide)</td>
<td>450,000</td>
<td>(200,000)</td>
<td>250,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>450,000</td>
<td>(200,000)</td>
<td>250,000</td>
<td>Surplus funding as a result of favourable tenders.</td>
</tr>
<tr>
<td>4030611015</td>
<td>Mohawk - Upper Sherman to Upper Wellington (Ward 7)</td>
<td>1,330,000</td>
<td>1,500,000</td>
<td>2,830,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1,330,000</td>
<td>1,500,000</td>
<td>2,830,000</td>
<td>Increased cost associated with oil price increases and scope modifications.</td>
</tr>
</tbody>
</table>

TOTAL INCREASE/(DECREASE) | 0 | 0 | 0 | 0