



STAFF REPORT

Title: 2020 Capital Budget Amendment - 8th Street Roadway Extension Phase 2A Project

Meeting Date: June 9, 2020

Executive Summary:

In 2020 Council approved the 8 Street Roadway Extension Phase 2A project with an allocated budget of \$500,000. Phase 2A work included completion of water, storm and road improvement to local road standard to approx. 80 meters south of 18th Avenue.

As part of the design process Phase 2B (completion up to 20 Avenue) was included and tendered as a provisional item. The construction value for the Phase 2A scope is \$593,000 and for both 2A and 2B (provisional) the construction value is \$1,080,000. The noted values include construction, engineering, geotechnical and contingencies.

The additional budget required for Phase 2A is \$93,000 and for Phase 2A & 2B (provisional) is \$580,000.

The 8 Street Phase 2A and 2B Roadway Extension project can be completed at full scope by transferring \$570,000.00 from the offsite levy account and the Gas Tax grant.

The current \$500,000 allocated for Phase 2A was funded as follows:

- Offsite Levies: \$350,000; and
- MSI Capital grant: \$150,000

Administration is recommending to complete both Phase 2A & 2B therefore requesting additional funding of \$580,000.

Background:

The improvement on 8 Street from 16 Ave to 20 Ave was split into two phases: Phase 1 (16 Ave to 18 Ave) was completed in 2014. Phase 2 (18 Ave to 20 Ave) is currently a gravel rural road which receives many service requests due to drainage concerns and dust control.

The Phase 2 drainage and water pressure concerns were to be addressed with the completion of Lefebvre subdivision development. As the development is not happening in the near future, it is important to address the issues impacting current development.



Phase 2 was split into two phases: Phase 2A and Phase 2B. Phase 2A was approved in the 2020 Capital Budget to include water, sewer and storm improvements and to bring approx. 80 meters of road to a residential road standard. Phase 2B, the remaining 120 meters to 20th Avenue that would also include water and storm improvements and bring the road to residential road standards was designed and tendered as a provisional item to obtain prices.

After review of the tender submissions (the bid were very competitive), administration is recommending to complete both Phase 2A and 2B by allocating additional funds in the amount of \$580,000. The project funding will be from the following sources:

- Offsite Levy funds increase from \$350,000 to \$540,000;
- Gas Tax Fund \$370,000; and
- MSI Grant increase from: \$150,000 (Previously Allocated) to \$170,000.
- Total funding from above sources will be \$1,080,000.

Allocation of additional funds will allow 8th Street from 18th Avenue to 20th Avenue to be completed in its full scope rather than an interim fix.

Alternatives:

1. Advise Administration to award the project at a reduced scope to stay within the allocated budget of \$500,000.
2. Advise administration to transfer the necessary funds from another funding source.
3. Pass a motion to allocate an additional \$580,000 to the 8th Street Roadway Extension Project by transferring an additional \$190,000 from the offsite levy fund, increasing the MSI grant by \$20,000 and \$370,000 from the Gas Tax grant.
4. Reject a motion to allocate an additional \$580,000 to the 8th Street Roadway Extension Project by transferring an additional \$190,000 from the offsite levy fund, increasing the MSI grant by \$20,000 and \$370,000 from the Gas Tax grant.

Recommended Action:

Administration recommends that Council pass a motion to allocate an additional \$580,000 to the 8th Street Roadway Extension Project by transferring an additional \$190,000 from the offsite levy fund, increasing the MSI grant by \$20,000 and \$370,000 from the Gas Tax Fund. This will amend the 2020 Capital budget from \$9,457,390 to 10,037,390.

Budget Implications (Yes or No):

Yes

Submitted by:

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