



REPORT NO: INF2019-004 Transfer of Funds
for 2019 Scratch Coat Project

Date	03/06/2019
Submitted by	Richard Campeau
Subject	Transfer of Funds for 2019 Scratch Coat Project
File N°	N/A

1) **NATURE/GOAL :**

The nature of this report is to transfer funds from the Landry Road Culvert Replacement project to the Scratch Coat project.

2) **DIRECTIVE/PREVIOUS POLICY :**

N/A

3) **DEPARTMENT'S RECOMMENDATION :**

WHEREAS all the required contracts have recently been awarded for the Culvert Replacement project on Landry road, including a 10% contingency which has been secured; and

WHEREAS a surplus of approximately \$90,000 is projected at the completion of the project;

THAT the Committee of the Whole recommends that Council authorizes that the budget for the Culvert Replacement project on Landry road be reduced from \$373,500 to \$318,500; and

THAT the difference, being an amount of \$55,000 be transferred to the Capital program Scratch Coat pavement on Old Hwy 17 which consequently will be increased from \$175,000 to \$230,000.

ATTENDU QUE tous les contrats nécessaires ont récemment été octroyé pour le projet de remplacement de ponceau sur le chemin Landry, incluant une contingence de 10% a été sécurisé; et

ATTENDU QU'un surplus d'approximativement 90 000 \$ est anticipé.

QUE le Comité plénier recommande au Conseil d'autoriser que le budget pour le projet de remplacement de ponceau sur le chemin Landry soit diminué de 373 500 \$ à 318 500 \$; et

QUE la différence, soit le montant de 55 000\$ soit réaffecté au programme capital, soit le resurfaçage du pavé sur la vieille 17 qui par conséquent augmentera ce budget de 175 000\$ à 230 000\$.

4) **BACKGROUND :**

It was proposed in the Ten (10) year Capital Program to apply scratch coat pavement on Marion, Blue Jay and Cardinal streets. The department of Infrastructure and Planning had therefore originally proposed to have scratch coat pavement installed on these streets in the 2019 Capital budget. Afterwards, during the budget deliberations, the Committee recommended to Council to place scratch coat pavement on Old Hwy 17 instead of the previous three (3) streets. It had been understood at the time that the budget item would most likely be under budgeted and readjusted at the time of award.

5) **DISCUSSION :**

The Department has recently awarded all required contracts for the completion of the Culvert Replacement project on Landry Road. At the present time, it is projected to have a remaining balance of approximately \$90,000 after the completion of this project.

Please see below the current information and status for the Culvert Replacement project on Landry road.

<u>Budget 2019</u>	
Budget account: IF-2019-05	\$373,500

<u>Costs</u>	
Contract prices and committed costs (Incl. contingences de 10% et HST)	\$283,346
Total Costs	<u>\$283,346</u>
Balance/Shortfall	\$90,000

Furthermore, the department of Infrastructure and Planning is joining the United Counties of Prescott-Russell's (UCPR) contract for the Scratch Coat Paving on Old Hwy 17. Cornwall Gravel Co. (CGC) is the lowest bidder and has been awarded the contract to perform the paving work for 2019.

Please see below the current information and status for the Scratch Coat Capital project.

<u>Budget 2019</u>	
Budget account: IF-2019-04	\$175,000

<u>Costs</u>	
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Contract price (excl HST)	\$204,886
Impact of the TVH (1.8%)	<u>\$3,688</u>
Total Costs	<u>\$208,574</u>
Balance/ Shortfall	\$33,574

In order to address unexpected issues, the department would like to secure 10% (\$20,500) of the contract amount as contingencies. This amount will only be spent if required.

The Department will therefore require \$55,000 in order to complete the approved scope of work from the 2019 Capital program.

In the event additional funds are not approved, the Department will need to reduce the scope of work, most likely reducing the length of paving to be done from 2.1 Km to approx. 1.6 Km.

6) **CONSULTATION:**

N/A

7) **RECOMMENDATIONS OR COMMENTS FROM COMMITTEE/ OTHER DEPARTMENTS :**

N/A

8) **FINANCIAL IMPACT (expenses/material/etc.):**

The approved funding source for the Scratch Coat Paving project on Old Hwy 17 is as follows:

- \$175,000 provided from Federal Gas Tax (FGT)

In order to remedy the lack of funds, the Department recommends to transfer \$55,000 from the Culvert Replacement project which is also funded from the Federal Gas Tax (FGT).

9) **LEGAL IMPLICATIONS :**

N/A

10) **RISK MANAGEMENT :**

N/A

11) **STRATEGIC IMPLICATIONS :**

N/A

12) **SUPPORTING DOCUMENTS:**

N/A