



Report to Council

Department: Infrastructure Services

Division: Capital Works and Asset Management

Date: May 16, 2022

Prepared by: Kevin Girard, P.Eng., MBA
Director of Infrastructure Services

Report Number: Capital Works and Asset Management-2022-04

Subject: County Road 20 Connecting Link Rehabilitation

Number of Pages: 5

Recommendation(s)

That Capital Works and Asset Management – 2022-04 entitled, "County Road 20 Connecting Link Rehabilitation" prepared by Kevin Girard dated May 16, 2022 be received;

That Council approve the expenditure of \$100,000 for the Town of Essex share of the rehabilitation of County Road 20 from Walnut Street South to eastern limit of the County Road 20 connecting link from unspent OCIF (Ontario Community Infrastructure Funds).

Purpose

This report has been prepared in response to Council resolution R22-02-059. Expenditures outside of the approved Budget require Council approval.

Background & Discussion

On February 22, 2022, Council passed the following resolution:

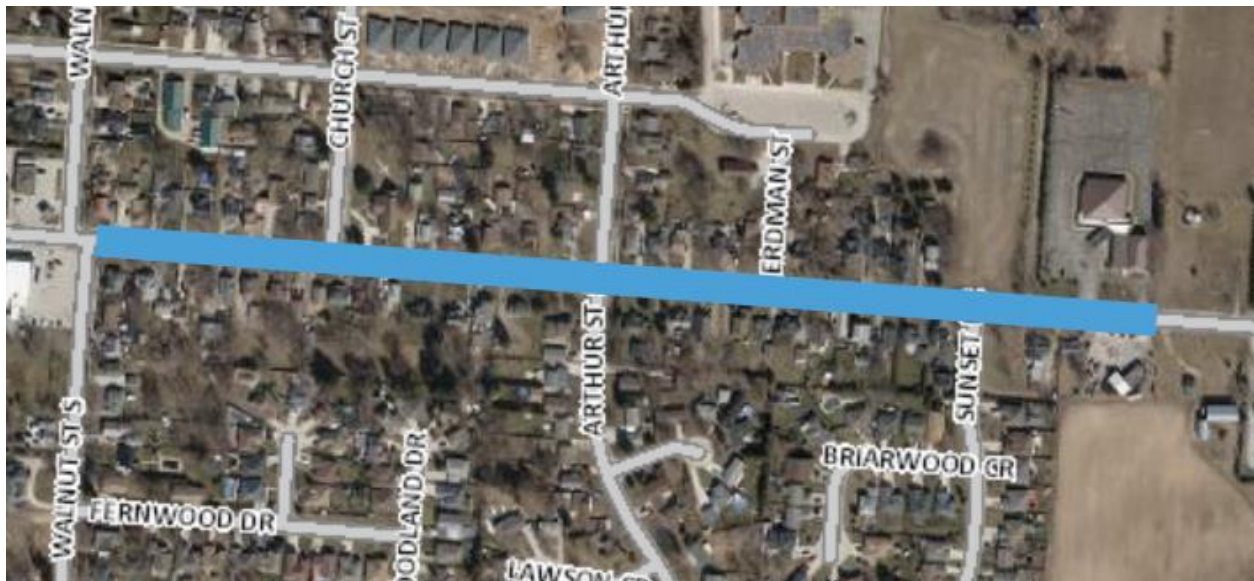
R22-02-059

That Council direct Administration to explore and report back regarding the cost of rehabilitating County Road 20 from Walnut Street easterly to the County of Essex Connecting Link limit in Harrow, and that the County of Essex be consulted on completing this in partnership under the Connecting Link agreement.

Moved by Councillor Bondy

Seconded by Joe Garon

After consultation with County of Essex Administration, they are in agreement to complete the asphalt resurfacing of the County Road 20 connection link from Walnut Street South to the eastern connecting link limit in the community of Harrow, as shown in the figure below. The County has agreed to manage the project, procurement, and construction of the works on behalf of the Town and invoice the Town its share of the expense. It should be noted that although County Administration is in agreement, the allocation of County funding needs to be approved by County Council, which is being requested by County Administration on May 18, 2022. In the instance that County Council does not approve the expenditure, the project will not be completed in 2022.



Using the cost sharing agreement specified in the connecting link agreement, the Town’s estimated share for this project is \$74,000 plus applicable HST and asphalt escalation. The County’s portion of the estimated costs are \$137,000 plus HST and asphalt escalation.

The Town continually monitors asphalt escalation increases, which increased substantially since the Town’s 2021 budget preparation (see table below), therefore, it is recommended that the Town budget of \$100,000 to complete the works.

MTO AC Price Index		
Month	Price per tonne of Asphalt Cement	% Increase (month to month)
October 2021	\$904.60	-
November 2021	\$917.50	1.4%
December 2021	\$917.50	-
January 2022	\$917.50	-
February 2022	\$917.50	-
March 2022	\$1,065.45	16.1%
April 2022	\$1,156.00	8.5%
Total price increase since Oct 2021		27.7%

It should be noted, that this escalation in Asphalt Cement may also impact the Town’s current 2022 Capital budget and procurement for projects such as the Essex Streetscape, 5th Concession Rehabilitation, Bell Road Rehabilitation, Victoria Street (Oxley), Victor Street, Viscount Parkway, Maidstone-Arthur-Gosfield Intersection, North Malden Road, and Brien Ave Storm Sewer. In addition, this may also impact the Town’s 2022 Operations Budget for crack sealing, overlays, and spray patching. The impact at this point is unknown and administration will continue to monitor the costs and budgeted amounts and report to Council as necessary. Although the actual financial impact on the 2022 budget is not known at this time and cannot be determined, the Town will report back to Council, as needed, through future Council reports.

Financial Impact

There were no funds allocated in the 2022 Capital Budget to complete the resurfacing of County Road 20. As previously mentioned herein, it is recommended that a budget of \$100,000 be

allocated to this project which would be funded using unspent OCIF (Ontario Community Infrastructure Funds). Should the County of Essex Council not approve the County's share of the expense, the project would be cancelled and there would be no financial impact to the Town.

Consultations

Kate Giurissevich, Director, Corporate Services/Treasurer

Norm Nussio, Manager, Operations and Drainage

David McBeth, Manager, Capital Works and Asset Management

Link to Strategic Priorities

- Manage, invest and plan for sustainable municipal infrastructure which meets current and future needs of the municipality and its citizens.
- Create a safe, friendly and inclusive community which encourages healthy, active living for people of all ages and abilities.
- Provide a fiscal stewardship and value for tax dollars to ensure long-term financial health to the municipality.
- Manage responsible and viable growth while preserving and enhancing the unique rural and small town character of the community.
- Improve the experiences of individuals, as both citizens and customers, in their interactions with the Town of Essex.

Report Approval Details

Document Title:	County Road 20 Connecting Link Rehabilitation - Capital Works and Asset Management-2022-04.docx
Attachments:	
Final Approval Date:	May 9, 2022

This report and all of its attachments were approved and signed as outlined below:

A handwritten signature in black ink, appearing to read 'Doug Sweet', with a long horizontal stroke extending to the right.

Doug Sweet, Chief Administrative Officer - May 9, 2022 - 10:58 AM