

DATE OF MEETING JULY 15, 2020

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SUBJECT **HAMMOND BAY ROAD WIDENING AND UTILITY IMPROVEMENTS PROJECT**

OVERVIEW

Purpose of Report:

To advise Council of a budget transfer in order to cover the additional costs associated with the construction of the Hammond Bay Road Widening and Utility Improvements Project.

DISCUSSION

The Hammond Bay Road Widening and Utility Improvements Project was included in the 2019 Financial Plan with a budget of \$2,072,254. After the tender closed, Council added an additional \$256,720 to the project to start the construction phase with an appropriate budget. Construction of the project is now complete, and as a result of some unexpected construction conditions detailed below, the budget was exceeded by about 6% (\$150,000).

The project was completed to stabilize slopes and replace aging underground utilities in the section of Hammond Bay Road between Prince John Way and Stephenson Point Road. Work began in the fall of 2019 and was completed in May 2020. Several factors contributed to the project being over budget, including:

- Poor soil conditions led to more road reconstruction than expected.
- Once the vegetation was removed, it was apparent that additional upslope retaining mesh was required.
- A small slope failure occurred during the winter due to extremely saturated soils. Clean up occurred during the winter months and mitigation elements, including planting, were implemented.
- Traffic control was repeatedly adjusted to accommodate all modes of traffic including the successful use of a signal. This was more costly but improved traffic flows during construction substantially.

The additional \$150,000 required to cover these costs can be found within existing budgets in the 2020 – 2024 Financial Plan. Given the magnitude of the budget transfer, specific disclosure to Council is warranted.

SUMMARY POINTS

- The costs for the Hammond Bay Road Widening and Utility Improvements Project, exceeded the budget by about \$150,000.
- The project had unexpected challenges during construction which led to the cost overruns.
- Funds are available within the 2020 – 2024 Financial Plan to cover the additional costs of the project.

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