

The Corporation of the City of Kawartha Lakes

Council Report

Report Number EA2019-010

Date: September 24, 2019

Time: 2:00 p.m.

Place: Council Chambers

Ward Community Identifier: Wards 5 and 7

Title: Early-Start Approval for 2020 Phase of Downtown Lindsay Reconstruction

Description: This report proposes early-start approval for the 2020 phase of downtown Lindsay reconstruction in order to realize cost efficiencies and increased project management effectiveness.

Author and Title: Adam Found, Manager of Corporate Assets

Recommendation(s):

That Report EA2019-010, **Early-Start Approval for 2020 Phase of Downtown Lindsay Reconstruction**, be received; and

That the 2020 phase of downtown Lindsay reconstruction, as indicated in Tables 1 and 2 of Report EA2019-010, be approved and included in the forthcoming 2020 capital budgets for tax-supported and water-wastewater services.

Department Head:_____

Financial/Legal/HR/Other:_____

Chief Administrative Officer:_____

Background:

In early 2019, Council approved the 2019 phase of downtown Lindsay reconstruction through adoption of the 2019 Tax-Supported Capital Budget and the 2019 Water-Wastewater Capital Budget. That phase comprises Peel Street from William Street to Victoria Avenue and Russell Street from Lindsay Street to Victoria Avenue. The 2020 phase of the project comprises Lindsay Street from Russell Street to the Lindsay Street Bridge and Kent Street from Lindsay Street to William Street. Tables 1 and 2 below outline this phase of the work along with estimated capital costs and financing:

Table 1: Proposed 2020 Phase of Downtown Lindsay Reconstruction - Road Part

Road Section	Estimated Cost (\$)	Financing (\$)			
		Capital Reserve	DC Reserve	Federal Gas Tax Reserve	Total
Lindsay St. - Russell St. to Lindsay St. Bridge	1,563,000	406,700	156,300	1,000,000	1,563,000
Kent St. - Lindsay St. to William St.	2,925,000	1,232,500	292,500	1,400,000	2,925,000
Total	4,488,000	1,639,200	448,800	2,400,000	4,488,000

Table 2: Proposed 2020 Phase of Downtown Lindsay Reconstruction - Water-Wastewater Part

Road Section	Estimated Cost (\$)	Financing (\$)			Total
		Water Reserve	SCF Grant	Sewer Debenture	
Lindsay St. - Russell St. to Lindsay St. Bridge	1,530,200	179,033	356,537	994,630	1,530,200
Kent St. - Lindsay St. to William St.	1,919,194	255,253	512,425	1,151,516	1,919,194
Total	3,449,394	434,286	868,962	2,146,146	3,449,394

This report requests Council provide early-start approval for the 2020 phase of downtown Lindsay reconstruction.

Rationale:

As has become evident through finalization of project design and progression of the reconstruction of Peel Street and Russell Street, the reconstruction of downtown streets is quite unlike that of the typical urban street in Kawartha Lakes. In particular, downtown reconstruction is considerably more costly, complex and time-consuming, on a per unit area basis, due to such factors as the following:

1. Elevated volume, density, complexity and duration of daily traffic and related parking issues.

2. Maintenance of public and supplier access to downtown businesses.
3. Emplacement of special streetscape fixtures and amenities (e.g. pedestrian crossings, decorative streetlights, wide sidewalks etc.).
4. Replacement of traffic signals and related systems.
5. Increased presence or risk of soil contamination and similar environmental issues.
6. Presence of buildings and structures extending nearly or fully to road allowance property lines.
7. Elevated overall project scale, complexity and staging.
8. Elevated need for coordination of public and stakeholder interests.
9. Elevated need for communications and public relations management.

Many of these factors are likely to weigh heavily on vendors potentially interested in bidding on tenders for downtown reconstruction projects. Road reconstruction experience suggests timely procurement can triple the number of bids otherwise received, resulting much greater price competition. As such, timely procurement is essential to efficient and effective project delivery. Staff therefore recommends the 2020 phase of downtown Lindsay reconstruction be approved by October, 2019 in order to maximize the opportunity for the City to realize not only cost efficiencies but also project management and staging benefits (e.g. minimized impact on downtown businesses, greater opportunity for vendors to secure staging sites etc.).

Other Alternatives Considered:

The alternative to staff's recommendation is for Council to provide approval for the subject project during regular capital budget deliberations, which are scheduled for November 26-27, 2019. As this course would introduce a two-month delay in project procurement, and would therefore be expected to unnecessarily result in increased capital cost and decreased project management effectiveness, staff does not recommend it. For projects as large and complex as downtown reconstruction, a considerable advantage lies in undertaking procurement in October-November compared to the following January-February.

Financial/Operation Impacts:

Tables 1 and 2 above have been developed under the assumption of early procurement. Without early procurement, the number of bids could be in the 2-3 range instead the 6-9 range, resulting in project costs being as much as 10%-20% higher, all else equal, based on the experience of Peel Street and Russell Street reconstruction. This could result in approximately \$700,000 to \$1,400,000 of avoidable capital cost being incurred.

Relationship of Recommendation(s) To The 2016-2019 Strategic Plan:

The recommendations of this report align with the following strategic enablers: (i) Responsible Fiscal Resource Management and (ii) Efficient Infrastructure and Asset Management.

Consultations:

Supervisor of Infrastructure Construction and Design
Director of Engineering and Corporate Assets

Department Head E-Mail: jrohas@kawarthalakes.ca

Department Head: Juan Rojas, Director of Engineering and Corporate Assets