

## Report TR-TAPS-52-16

**To:** Chair Bell and Members of the Transportation and Public Safety Committee  
**From:** Pat Hoy, Director of Transportation Services  
**Meeting Date:** October 6, 2016  
**Subject:** 2017 Transportation Services Department Budget Overview  
**Status:** Recommendation adopted by Committee as amended per Resolution TAPS107-16; Endorsed by County Council November 1, 2016 per Resolution CC136-16;

### Recommendation(s)

1. That Report TR-TAPS-52-16 regarding the 2017 Transportation Services Department budget be received; and
2. That the 2017 Transportation Services Department budget as presented/amended be forwarded to County Council for consideration.

### Background

#### ***Overview***

The Transportation Services Department's overall net budget of operating and capital combined totals a net levy increase of \$469,572 (2.78 percent) over the 2016 budget. This reflects a 0.88% increase to the corporate tax levy requirement for 2017.

#### ***Ordinary Maintenance***

Combining the summer and winter maintenance as well as miscellaneous revenue, a \$124,500 (1.61 percent) increase from the 2016 budget to the 2017 budget is recommended. Some significant modifications include:

#### **Pavement Edge Repair**

Pavement edge repair has been reduced from \$100,000 to \$80,000. The ongoing reduction in surface treated roads has led to a reduction in the edge repairs required.

#### **Mowing**

Mowing is increased from \$75,000 to \$100,000. Maintenance will be working towards identifying the mowing requirements for various Grey Roads (i.e. average length of grass when mowing is required).

## Brushing

Brushing is increasing from \$310,000 to \$360,000. Grey County has been informed that the presence of the Emerald Ash Borer in Grey County will lead to a large number of ash trees requiring removal in the next five years to maintain road safety.

## Catch Basin Repair

Catch basin repair has been reduced for maintenance staff as the majority of the concrete catch basin work is now included in the bridge crew budget.

## 3 Cable Guide Rail Replacement

3 cable guide rail replacement has been added in the amount of \$100,000. Many of our cables are nearing the end of their serviceable life and should be replaced. Grey County is currently undertaking a program (started in 2016) to replace cables on guiderail sections not due for construction in the near future. In order to phase in the cost of the program, \$50,000 of the cost will be paid from the Transportation Services General Reserve in 2017.

## Maintenance Traffic Signals

Maintenance traffic signals expenditure has been reduced from \$145,000 to \$100,000. Cost savings have been realized due to ongoing upgrades and scheduled maintenance to existing equipment.

## Winter Maintenance

Winter Maintenance has been increased by 1.6 percent for 2017. The proposed amount was based on the five year average, and takes into account the expected savings attributed to hiring eight winter Part-Time Operators (TR-TAPS-47-16).

## ***Construction, Resurfacing and Minor Capital***

The overall expenditure for this budget is projected to be \$12,749,000. The levy contributes \$7,252,262 and the remaining revenue comes from other sources. This represents a \$260,110 (3.72 percent) increase in the construction levy. The 2017-2021 Draft Five Year Capital Forecast (TR-TAPS-30-16) outlined a construction, resurfacing and minor capital levy of \$7,378,705. Assisting this budget is \$573,710 in funding from the Ontario Community Infrastructure Fund (an increase in funding of \$249,195 from the Five Year Capital Forecast for 2017 and the 2016 budget of \$324,515).

Overall the projects scheduled for 2017 construction are the same as the projects identified in report TR-TAPS-30-16, with the following exceptions:

1. Grey Road 3 and Grey Road 16 intersection (Keady). Grey County will be investigating stormwater solutions for this project. It is proposed that the project be postponed until 2018.

2. Grey Road 10 in Hanover from 12<sup>th</sup> Street to 16<sup>th</sup> Street. Delaying this project until 2018 works better as Hanover will be completing underground work.
3. Grey Road 10 Structures 10590 and 10900. Bruce County has been dealing with a consultant on the project and it seems unlikely that the project will be ready for construction by 2017.

Modifications have also been made to some of the estimated costs as the scope of work has been better refined.

The attached 2017 Major Capital Construction Map identifies the proposed construction projects.

Two additional expenditures are being proposed:

### **Surveying Equipment**

The Engineering Division requires updated survey equipment, as the current equipment is outdated. The cost is expected to be \$40,000, which will be funded from the Transportation Services General Reserve.

### **Solar Flashing Lights at Stop Signs**

It is being proposed to replace all hydro-powered flashing lights at stop signs in 2017. It has been the Department's practice to change to solar, as replacements have been required. Immediate replacement will save hydro costs and will reduce staff requirements to undertake locates. The expected cost is \$3,000 per light. The cost of replacement will be funded from the Transportation Services General Reserve and will be repaid to the reserve over a five year period beginning in 2018.

### ***Supervision and Overhead***

The proposed 2017 net budget of \$1,543,445 is \$41,712, (2.78 percent) higher than in 2016. The majority of the increase is from the new dispatch service, increased insurance costs and the replacement costs for computers that are at the end of their life cycle.

### ***Housing and Depots***

The net operating and capital budget for 2017 represents a decrease of \$9,750. The main decrease is due to the removal of the Durham Paint Shop budget.

The Capital budget will remain at \$300,000. The Dundalk material and equipment storage structure budgeted for \$300,000 in 2016 was not completed. Transportation Services will be reviewing the operation of the facilities in Patrol D (Dundalk and Flesherton Depots) to develop a plan moving forward.

## ***Equipment***

In 2017, as per the Five Year Capital Forecast, the Department will be purchasing \$1,224,500 of new equipment, including a new grader and two new tandem trucks. The purchases will be funded from the Equipment Reserve and from the sale of equipment. As per report TR-TAPS-48-16, the purchase of the tandems has been recommended to proceed prior to approval of the budget. In order to maintain an adequate balance in the Equipment Reserve, there will be \$675,000 transferred into the Reserve in 2017.

## ***Asset Management***

The asset management budget identifies engineering studies planned for 2017. The proposed \$53,000 increase in this budget can be attributed to the creation of the Asset Management Coordinator position.

## ***Quarry***

The Quarry levy is again \$12,000 in 2017. The operating cost will consist of direct routine costs to maintain the status of the Quarry. Grey County is anticipating using some granular material out of the Quarry in 2017. It is anticipated that there will be costs to establish a Quarry strategy, which will be funded partially from the Transportation Services General Reserve.

## **Financial / Staffing / Legal / Information Technology Considerations**

The Transportation Services 2017 budget as proposed, requests a net levy of \$17,344,307, which represents an increase of \$470,172 (2.79 percent) from the 2016 approved budget. This reflects a 0.88% increase to the corporate tax levy requirement for 2017.

## **Link to Strategic Goals / Priorities**

Communication and planning are key values to Grey County's strategic plan. This Report provides information to the Transportation and Public Safety Committee and County Council on the proposed work to be completed in 2017, for the planning of the long term health of Grey County's road system.

## **Attachments**

Attachment to TR-TAPS-52-16 2017 Major Capital Construction Map  
Attachment to TR-TAPS-52-16 2017 Transportation Services Budget

## **Supporting Documentation**

[TR-TAPS-47-16 Request For Winter Part-Time Operators](#)

[TR-TAPS-30-16 Transportation Services 2017-2021 Draft Five Year Capital Forecast](#)

Respectfully submitted by,

Pat Hoy  
Director of Transportation Services