



TOWN OF MINTO

DATE: April 26, 2017

REPORT TO: Mayor and Council

FROM: Bill White C.A.O. Clerk; Gordon Duff, Treasurer

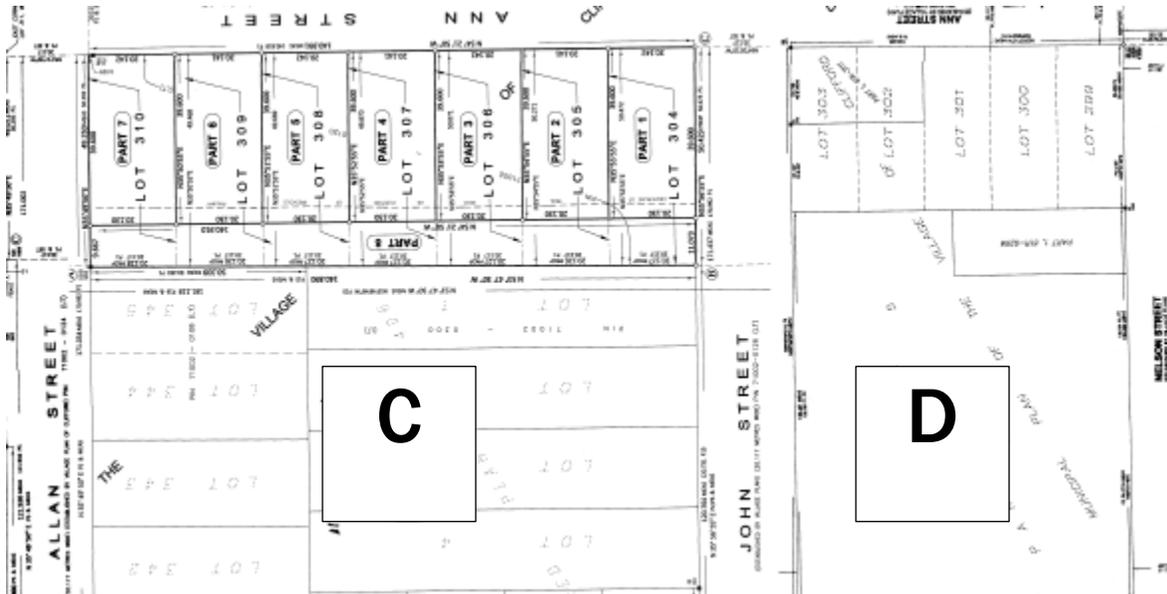
SUBJECT: Triton Engineering; Reconstruction Ann Street Tender

STRATEGIC PLAN:

7.2 Promote and pursue in partnership with trail groups and landowners a trail link from Palmerston to Harriston to Clifford, and develop additional trails, paths and walking tours throughout each area to link parks, natural and historic areas.

BACKGROUND:

The 2017 budget included 310,000 to service Block C on Ann Street between Allan and John. This work will service 7 lots suitable for future development. The additional \$200,000 cost to service Block D was set for 2019 to service an additional 3 lots between John and Nelson Street (see below). In total 10 more lots would be available for sale when Blocks C and D are serviced.



The request for quotations was tendered to complete Block C and D with a view to decreasing the scope of work if necessary. At budget there was discussion around the cost/benefit of finishing the street while the contractor was on-site. The price quoted includes the cost of servicing both Block C and D with restoration to a gravel road.

As homes are built the Town must budget for future storm sewer installation, curbs and paving. While homes are being completed quickly, curbs and pavement can be damaged if installed too early as many contractors will be accessing lots to build homes. The cost for

storm drainage, curbs and pavement is in the area of \$565,000. The earliest this work is recommended is 2018.

COMMENTS:

The request for quotations was circulated by Triton Engineering to known contractors and posted on the Town website with a closing of April 25, 2017. One quotation was received from Moorefield Excavating in the amount of \$371,865 for both Blocks C and D. This includes 10% contingency, watermain, complete removal and replacement of the ultra-rib sanitary sewer, and water and sewer lateral connections to each lot.

Triton Engineering reviewed the proposal and reports the bid complies with specifications. If the Town wished to complete both blocks this year slightly over \$400,000 is needed inclusive of taxes and engineering. Moorefield's prices are lower than anticipated as preliminary budget for both blocks was \$510,000. It is suggested Council consider additional funding from land sales to offset the added cost of finishing Blocks C and D.

FINANCIAL CONSIDERATIONS:

The Town's budget for Block C is \$310,000. To proceed with Blocks C and D, about \$90,000 from future land sales could be added to fund the project without impacting borrowing or tax rate. Having the entire street serviced decreases the time the road is under construction which is of interest to existing and new homeowners. The Town sold the most recent lot on Ann Street for \$28,000 and given interest in the property will have sufficient revenue from land sales to fund the added cost.

When the Town bought the former rails lands to settle the lawsuit the \$440,000 purchase price was funded by future land sales. The eventual sale of all buildable lots should amount to over \$645,000 to the Town including two infill lots sold in 2015 for fourplex development in Block A, and the 14 lots sold or under offer to date.

RECOMMENDATION:

That Council receives the C.A.O. Clerk and Treasurer's April 26, 2017 report Triton Engineering Reconstruction Ann Street Tender and that the quotation Moorefield Excavation of \$371,865 to service two blocks between Allan Street to Nelson Street (Blocks C and D) be approved with additional funds needed to cover the project cost coming from land sales.

Bill White C.A.O. Clerk

Gordon Duff Treasurer