

BUDGET COMMITTEE SEPTEMBER 18, 2003

EAST VAUGHAN SALT STORAGE STRUCTURE – REQUEST FOR ADDITIONAL FUNDS

Recommendation

The Commissioner of Engineering and Public Works, in consultation with the Director of Reserves and Investments, recommends that:

1. An additional \$250,000 be approved to cover the costs of site preparation for the east Vaughan salt structure;
2. A contingency in the amount of \$25,000 also be approved to cover any potential additional site preparation or construction costs not yet identified;
3. That the inclusion of the matter on a Public Council Agenda for the additional funding request as “East Vaughan Salt Storage Structure – Request For Additional Funds” is deemed sufficient notice pursuant to Section 2 (1) (c) of By-law 394-2002; and
4. That the source of funding be from City Wide Development Charges – Public Works (\$247,500) and Taxation (\$27,500).

Purpose

To update Council on the status of the east Vaughan salt storage structure, and to seek additional funds in the amount of \$275,000.

Background - Analysis and Options

The east Vaughan salt storage location is to be built on lands owned by the City that were part of Vaughan Hydro's Greenwood Transformer Station. The site itself is unimproved, and a portion of that property was being farmed as late as last year.

The original proposed location of the east Vaughan salt dome was closer to the south end of the City's property. Currently, the proposed location is further to the north of the property. This change was done for a number of reasons, including locating the facility closer to the leased building used by Parks Department staff. A draft site plan, showing both the proposed salt dome was circulated to the various departments for comments. To date, no objections or comments have been received.

In order to put the salt dome on the proposed east Vaughan site, a number of site improvements must be made. This includes: removing approximately 0.7 metres of topsoil from the proposed road and dome area; installing a granular base for the road and dome area; and, hard surfacing the area on which the dome sits, and the surrounding loading and vehicle parking areas. In addition, power needs to be brought into the site for lighting of the interior and exterior areas, as well as for the winter maintenance vehicle's block heaters.

On September 11, 2001, a report was presented to Committee that stated:

“The capital cost to construct a salt storage facility would be approximately \$300,000 - \$400,000. This figure is based on prices obtained by staff to construct a dome similar to those in use at the JOC, with added costs for project management and engineering fees. The actual cost cannot be determined until soil tests have been performed to determine the suitability of the soil for load bearing purposes, and formal tenders have been submitted. In addition, hydro servicing is required for lighting and vehicle “plug-ins”.”

The preliminary estimates for site preparation at the east Vaughan site, based on a review of the site plan and soil samples, indicate that the costs to prepare the east Vaughan site for construction are approximately \$300,000, not including the dome itself. However, the costs for the road can potentially be reduced through the re-use of the asphalt grindings from various City road re-surfacing projects.

At present, there is approximately \$221,000 remaining in the capital project fund. Of the \$221,000, the structure will cost approximately \$155,000, leaving a total of \$66,000 to prepare and supply electricity to the site. As was indicated earlier, preliminary estimates indicate that site preparation would be approximately \$300,000 for the east Vaughan site. As such, approximately \$250,000 in additional funds is required to fund this project, excluding contingencies. Should Council adopt this additional funding request, sufficient funding is available.

Conclusion

Staff recommend that the additional funding for the salt dome at the east Vaughan site in the amount of \$275,000 be approved. Should Council concur with the proposed additional funding request, the action would be considered as an amendment to the Capital Budget. Pursuant to the Municipal Act 2001, Section 292 (1) before amending a budget, a municipality shall give notice of its intention to amend the budget at a Council meeting. Where a capital project has been subject to a public meeting during the adoption of the approved capital budget, and where additional funding is required to complete the approved works, inclusion of the matter in a staff report requesting additional funding on a public Committee or Council agenda is deemed sufficient notice pursuant to section 2 (1) (c) of By-law 394-2002. Therefore, no additional notice is required.

Attachments

N/A

Report prepared by:

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Respectfully submitted,

Bill Robinson, P. Eng.
Commissioner of Engineering and Public Works

Brian T. Anthony
Director of Public Works