

INFORMATION REPORT

TO: Chair and Members Public Works Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: February 16, 2011	
SUBJECT/REPORT NO: Opportunities for Reduction - Public Works Program - Red Hill (PW11013) - (City Wide) (Outstanding Business List Item)	
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SIGNATURE:	

Council Direction:

This report is intended to address the Outstanding Business List Item by providing an overview of the Red Hill Valley Parkway Program (RHVP) performance for the fiscal years of 2008 and 2009.

Information:

The Red Hill Valley Parkway consisting of several assets including the paved surface, overpasses, safety devices (e.g. guard rail, fences, etc.), traffic control, storm water ponds, bridges, culverts, a trail network through the valley and the newly landscaped creek and valley was commissioned in November of 2007. Maintenance program recommendations for these assets were provided through the "Parkway and Red Hill Valley Sustainability Plan" and were based on the City's current practices and on Regulation 239/02 Minimum Maintenance Standards for Municipalities .

Initial divisional maintenance cost estimates (exclusive of Winter Control Program Services) were reduced during 2008 budget deliberations to \$588,890 by the exclusion of costs for terrestrial consulting/monitoring and some storm water pond maintenance activities. The variances between approved 2008 budget and actual expenditures are provided in Table 1.

Table 1. RHVP Maintenance Costs 2008

Program	Budget	Actual	Variance
Road Maintenance			
Surface Maintenance, Bridges & Structures	\$340,850	\$52,065	\$288,785
Drainage (<i>in road allowance</i>)	\$94,000	0	\$94,000
Storm Water Mgmt (<i>Facilities</i>)	\$12,000	\$5,223	\$6,777
Traffic Control	\$47,040	\$13,104	\$33,936
Open Space Mgmt	\$67,000	\$17,110	\$49,890
Trail Maintenance	\$28,000	\$22,002	\$5,998
Total	\$588,890	\$109,504	\$479,386

The corresponding 2009 budget and actual expenditures are provided in Table 2.

Table 2. RHVP Maintenance Costs 2009

Program	Budget	Actual	Variance
Road Maintenance			
Surface Maintenance, Bridges & Structures	\$351,075	\$171,874	\$179,201
Drainage (<i>in road allowance</i>)	\$96,820	0	\$96,820
Storm Water Mgmt (<i>Facilities</i>)	\$12,360	\$117,617	-\$105,257
Traffic Control	\$48,451	\$11,350	\$37,101
Open Space Mgmt	\$69,010	\$110,976	-\$41,966
Trail Maintenance	\$28,840	\$39,756	-\$10,916
Total	\$606,556	\$451,573	\$154,983

In reviewing the RHVP operating costs for 2008 and 2009, the following factors are possible contributing factors to the positive variances within this budget:

- Assumptions in the preparation of estimates within the Sustainability Plan such as:
 - Unit cost comparisons (Linc vs. Red Hill)
 - Day one vs. Mid life cycle asset maintenance requirementsmay have resulted in average annual expenditures for the program activities.
- How actual costs are captured affects the ability to isolate RHVP expenditures from city wide activity costs.
- Performance of warranty repairs under the Capital Project reduced the need for maintenance activity.
- Performance of remediation work resulting from the storm events in 2009 reduced the need for maintenance activity.

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The significant reduction in the total positive variance from 2008 to 2009 can be attributed to improved program data quality and the completion of capital warranty works. A continuation of this trend to smaller variances is expected as the infrastructure and its components begin to mature and move through their lifecycle. Staff will continue to monitor and track the performance of RHVP programme and activity costs and identify any opportunities for budget reduction in the future.