



**Village of Rycroft  
Request for Decision**

**Council Meeting Date: February 1, 2023**

**TOPIC:** Village Road Pavement Plan

**RECOMMENDED ACTION:** That Council consider road pavement plan options and direct Administration accordingly.

**BACKGROUND:** This proposal includes options for the surfacing of the East end of the Village while upgrading the two blocks (52 and 49 streets) where immediate attention is needed. More information on the status of the underground utilities will be analyzed, but as this is the most recent subdivision area in town, the water and sewer structure is also the best we have. While there is always the chance that something fails, if the valves are exercised and are working properly, our chances of a significant failure are fairly low.

We have calculated \$1,890 per linear meter for the new construction work, but note that this will change based on detailed design, inflation, and market conditions at the time of tendering. The plan is suggested for the 2024 and 2025 construction seasons.

**OPTION "A"**

**Phase #1 for 2024 Construction**

Install sidewalks on one side of the road, install curb and gutter, and base\pave the following gravel roadways:

- 1) 44 Street from 45 Avenue to 46A Avenue.
- 2) 46A Avenue from 44 Street to 46 Street.
- 3) 46 Street from 46A Avenue to 47 Avenue.
- 4) 47 Avenue from 46 Street to 49 Street.
- 5) Reconstruct 49 Street from 46 Avenue to 47 Avenue (optional).

This would cover about 7 blocks (1,000 linear meters) of new construction and 1 block (200 linear meters) of full reconstruction on 49 street.

Based on a cost estimate of \$1,890 per linear meter for new construction and \$562,000 for the 49 Street reconstruction, an estimate for this work would be about \$2,452,000 (1,000 x \$1,890 = \$1,890,000, plus \$562,000).

**Phase #2 for 2025 Construction**

Install sidewalks on one side, install curb and gutter, and base\pave the following roadways to complete the surfacing of the East area of the village:

- 1) 45A Avenue from 44 Street to 45 Street
- 2) 45 Street from 45A Avenue to 46 Avenue
- 3) 46 Avenue from 44 Street to 49 Street
- 4) 46 Street from 45 Avenue to 46 Avenue
- 5) 47 Street from 45 Avenue to 47 Avenue
- 6) 48 Street from 45 Avenue to 47 Avenue
- 7) 52 Street from 46 Avenue to 47 Avenue (overlay, optional)

Completing this will finish surfacing and sidewalk construction on the east end of town. This project would cover about 10 blocks (1,650 linear meters) of new construction and 1 block (200 linear meters) of surface repairs and single lift overlay on 52 street.

Based on the same cost estimate of \$1,890 per linear meter for new construction and \$66,000 for the overlay, an estimate for this work would be \$3,184,500 ( $1,650 \times \$1,890 = \$3,118,500$ , plus \$66,000).

### **OPTION "B"**

#### Phase #1 for 2024 Construction

Install sidewalks on one side of the road, install curb and gutter, and base\pave the following roadways:

- 1) 47 Street from 45 Avenue to 47 Avenue
- 2) 48 Street from 45 Avenue to 47 Avenue
- 3) 46 Avenue from 47 Street to 49 Street
- 4) 47 Avenue from 47 Street to 49 Street
- 5) Reconstruct 49 Street from 46 Avenue to 47 Avenue (optional)

Undertaking this section first would allow for pavement expansion from the core outwards creating a continuous network of paved roadways. It would also have the benefit of working along the drainage path from south to north. This project would cover about 8 blocks (1,200 linear meters) and 1 block (200 linear meters) of full reconstruction (optional).

A cost estimate based on \$1,890 per linear meter for new construction and \$562,000 for the 49th Street full reconstruction would be \$2,830,000 ( $1,200 \times \$1,890 = \$2,268,000$ , plus \$562,000).

#### Phase #2 for 2025 construction

Install sidewalks on one side of the road, install curb and gutter, and base\pave the following roadways:

- 1) 44 Street from 45 Avenue to 46A Avenue
- 2) 46A Avenue from 44 Street to 46 Street
- 3) 46 Street from 46A Avenue to 47 Avenue
- 4) 47 Avenue from 46 Street to 47 Street
- 5) 45A Avenue from 44 Street to 45 Street
- 6) 45 Street from 45A Avenue to 46 Avenue
- 7) 46 Avenue from 44 Street to 47 Street
- 8) 46 Street from 45 Avenue to 46 Avenue
- 9) 52 Street from 46 Avenue to 47 Avenue (overlay, optional)

This would cover about 11 blocks (1,450 linear meters) of new construction and 1 block (200 linear meters) of pavement overlay on 52 street (optional).

A cost estimate based on \$1,890 per linear meter for new construction and \$66,000 for the 52nd Street overlay would be \$2,806,500 ( $1,450 \times \$1,890 = \$2,740,500$ , plus \$66,000).

**FINANCIAL IMPLICATIONS:** Option "A" is estimated at \$2,452,000 for year one, and \$3,184,500 for year two for a total cost of \$5,636,500. Option "B" is estimated at \$2,830,000 for year one, and \$2,806,500 for year two for a total cost of \$5,636,500.

On December 1, 2022, the Village had \$1,396,592 in the Restricted Capital Reserve Road Project account. There is another \$292,347 in the General Municipal Capital Reserve account for a total of \$1,688,939 of available reserve funds for the project.

The total budgeted project cost is \$5,636,500. Let's say we could have \$2,000,000 in reserves for the project after we get the 2023 Saddle Hills County grant of \$500,000. That leaves us short \$3,636,500.

On December 31, 2021 the amount of Village Debt Limit Unused was \$2,448,490. So even if use used all of our borrowing power, we are short ~\$1.3M.

Saddle Hills County did note that they would be open to hearing presentations on Regional Development Initiatives. If their grant was increased to \$2,000,000 in 2024, and \$2,000,000 in 2025, we would have the funds to complete the project, and could collect the local improvement tax to refund our roads reserve fund, and otherwise use the funds towards our future sustainability.

Council has passed the Local Improvement Tax Policy FIN.08. The policy states that 'For pavement, sidewalk, curb and gutter projects, the cost is shared 50% / 50% between the Village at large and property owners, minus any available grant money.' The last time Council did a major paving project in 2017/18, the Bylaw 205-19 stated: "The local improvement tax will be collected for the thirty (30) years and the total amount levied annually against the benefit owners is \$5.26 per frontage/flankage foot". Council will have to publicly advertise a Local Improvement Tax Bylaw and a Borrowing Bylaw. Our goal will be to get the local improvement tax close to \$5.26/foot, likely a little higher due to inflation, to keep it consistent with other property taxes in the Village.

Option A Phase 1 is 1,200 meters or 3,936 feet. This would be subject to closer scrutiny, but our initial calculation, assuming a charge for frontage and flankage, minus exempt Village owned properties, we calculate a linear frontage tax footage of ~5,830 feet. The number is higher because both sides of the road have a frontage tax. Taxed at a local improvement rate of \$5.75/frontage foot (~10% increase from 2019) would result in \$33,522/year in extra local improvement fee taxes after the improvement is in place. Option A Phase 2 is 1,850 meters or 6,069 feet. For this we calculate a linear frontage tax footage of ~10,802 feet. Taxed at a local improvement rate of \$5.75/frontage foot would result in \$62,112/year in extra local improvement fee taxes. Therefore, after the 2 years the increased local improvement tax for option A would be ~\$33,522 + \$62,112 = ~\$95,634 every year for 30 years.

Option B Phase 1 is 1,400 meters or 4,593 feet. Option B Phase 2 is 1,650 meters or 5,413 feet. Taxed at a local improvement rate of \$5.75/frontage foot would result in approximately the same total of \$95,634 in extra local improvement fee taxes at its completion.

**SYNOPSIS:** Initially, there are certainly economic scale issues to consider. As an example, the 49 Street work if scheduled on its own may well be above this estimate. The 52 Street work would not be impacted as much as the scope is somewhat limited. There are also timing issues. As these estimates are based on 2022/23 bids, there could certainly be impacts from inflation if the work is delayed. Leaving the 52 Street component for too long will increase costs as it would require reconstruction, adding an extra cost of ~\$500,000. This is also the case with other roadways where timely maintenance can prevent extensive work.

Option A would provide a continuous paved road from 45 Avenue to the town core, would leave all residents within a block of pavement until the second phase is done, and would provide for safe pedestrian access along the main corridor.

The disadvantage is that we will have to very cognizant of drainage as we will be building the ease\west piece at the downstream end of the south to north drainage path. This can be easily addressed if the second phase is built soon after, but if there is going to be a considerable gap, this could cause some maintenance issues.

Option B has the advantage of building out from the core and would not cause any drainage headaches should Phase 2 be delayed. The disadvantage is that the highest traffic roadway is not being paved and there are still concerns with pedestrian accommodation from the east end of town.

**PROCESS:** Once a decision is reached on the plan and the schedule, we will put out an RFP for Engineering, select an Engineer, and move forward with a full detailed survey. We would have the full survey completed to address all potential logistic issues including drainage, underground utilities, etc. The approved design would be completed, quantities calculated, and an estimate will be prepared based on the schedule and market conditions at the time.

Council would need to pass a Local Improvement Tax Bylaw. If Council needs to borrow money, Council will need to pass a Borrowing Bylaw.

A contract will be created, advertised, and tendered. Results, recommendations, and an estimate would then be presented to Council for approval.

Then the work would be scheduled, and construction would proceed in accordance with the contract.

**POLICY AND/OR LEGISLATIVE IMPLICATIONS:** Council has passed the Local Improvement Tax Policy FIN.08. Council would need to pass a Local Improvement Tax Bylaw. If Council needs to borrow money, Council will need to pass a Borrowing Bylaw.

**ALTERNATIVE OPTIONS:** Council could

- get a grant preferably from SHC that we don't have to re-pay, else hopefully another grant comes up
- borrow - to our maximum limit, and we still would not have enough
- raise taxes – they would need to be raised outrageously to get to the point of recovery
- scale back the job into 4 years, and determine how that will be funded
- reduce the quality of the project e.g. No curb, gutter, sidewalk– see how the Town's paving has held up after one year this summer
- save until we have enough to do it and just put up with what we have

**ATTACHMENTS:**

1. Option A and Option B Maps
2. Village of Rycroft Local Improvement Tax policy Fin.08

Peter Thomas

Chief Administrative Officer

Date January 26, 2023

Jim Uhl

Capital Projects Coordinator

Date January 26, 2023