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# HALDIMAND COUNTY

## Report FPC-02-2022 Downtown Dunnville Street Tree Planting Budget Amendment

For Consideration by Council in Committee on June 21, 2022

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### OBJECTIVE:

To obtain approval for a capital budget increase of \$55,000 to be able to facilitate the supply and installation of new street trees within the downtown core of Dunnville.

### RECOMMENDATIONS:

1. THAT Report FPC-02-2022 Downtown Dunnville Street Tree Planting Budget Amendment be received;
2. AND THAT the revised budget as outlined in Report FPC-02-2022 be approved.

**Prepared by:** Adam Chamberlin, Project Manager, Forestry

**Reviewed by:** Jeremy Misner, Manager, Facilities, Parks, Cemeteries and Forestry Operations

**Respectfully submitted:** Philip Mete, P. Eng., General Manager of Public Works Operations

**Approved:** Craig Manley, MCIP, RPP, Chief Administrative Officer

### EXECUTIVE SUMMARY:

Based on the lowest compliant tender pricing the Dunnville Street Tree Planting project requires a budget reallocation and a budget revision to increase the total funding for the work. The higher than expected tender pricing is related to increased material costs and price increase due to supply chain issues.

The net results of the budget reallocation and the budget amendment results in an increase of \$55,000 in total project budget to be funded from the CRR-General.

### BACKGROUND:

The County's Forest Strategy and Management Plan identifies the goals of transitioning towards a proactive approach to tree establishment and replacement. Applying the right tree in the right place principle. In addition, the Forest Strategy and Management Plan recommends new technologies in selected areas for the integration of trees within hardscapes such as downtown cores. Large, healthy trees within downtown cores are important green infrastructure assets that reduce storm water runoff, air pollution and provide shade. Tree lined streets contribute to increased well-being for people living, working and visiting the area as well as an economic generator for local businesses.

Over the years, various projects were completed and provided the downtown cores of Caledonia, Cayuga, Dunnville, Hagersville and Jarvis with street trees. The existing street trees, locations, planting pits, guards and grates are in fair to poor condition. Many with missing components and some with dead trees. Some trees partially block business signage and restrict access to on street parking.

Existing damage to the tree pits, mismatched grates, broken guards and damaged electrical boxes create potential safety hazards to the public. Replacing and planting the right tree in the right location will promote tree health without creating conflicts with other infrastructure, businesses and parking. The goals of this project are:

1. Promoting collaboration between the County, service groups, volunteers, businesses and residents who live, work and contribute to the downtown cores.
2. Development of a comprehensive design for street tree planting within the hardscape areas of the downtown cores.
3. Maximizing canopy cover within the downtown cores as well as the associated community benefits the trees provide.
4. Planting the right tree in the right place to minimize future maintenance costs.
5. Reusing existing tree hardware and developing a standard for tree hardware.
6. Reduce conflicts between street trees and other infrastructure.
7. Utilizing the existing planting infrastructure such as structural soils and planting pits.
8. Increase the beautification of the downtown cores as gateways to their communities.
9. Successful implementation and installation of the design.

## **ANALYSIS:**

FPC-11-2022 closed on May 24, 2022 with two compliant bids. The lowest acceptable bid for the tender was received in the amount of \$275,000 (including non-rebateable HST).

Based on the tender review staff believe that the higher than estimated bid prices are a result of increased material supply costs for the tree hardware (grates/guards) and other economic factors tied to supply chain issues.

To offset a portion of the funding, Staff have identified an option to re-allocate \$50,000 from Urban Forest Management and Operating Plan Five-Year Update.

In 2020, staff identified a \$75,000 budget for design/project management and \$100,000 budget for the installation of new street trees within each of the downtown cores. In 2021 staff awarded a five-year contract for the design/project management phase of the project starting in the town of Dunnville. Staff in collaboration with the design consultant conducted the Dunnville pre-design, data collection, site inventory and analysis, preliminary design, public consultations, detailed design, drawing preparation and tender preparation.

Due to the limited time between the award of the project and the need to install new concrete before winter, the Dunnville installation was postponed to 2022. The postponement of the Dunnville installation to 2022 has allowed staff to combine the 2021 and 2022 installation budgets for a total combined capital budget of \$200,000 for 2022.

Staff recommend increasing the 2022 capital budget by \$55,000 to accommodate the remaining purchase price increases as well as a \$25,000 contingency budget to accommodate for unexpected cost increases that may occur due to the complexity of installing the street trees within the downtown core during the busy summer season. The scope of the project has been developed in collaboration with the local businesses, residents and community groups who have committed their time and efforts to creating a street tree planting design that is suitable for all stakeholders. Any change or reduction in the project scope to lower the costs will require additional consultation with the stakeholders resulting in delaying the project until next year and incurring additional design/project management costs. Staff

will update the ten-year capital budget forecast to reflect the actual costs for the installation of the street trees for the future phases of this project in the downtown cores of Caledonia, Cayuga, Hagersville and Jarvis. The Urban Forest Management and Operating Plan update will be identified in the capital budget for 2026 and rescheduled over a ten-year period.

## FINANCIAL/LEGAL IMPLICATIONS:

The 2022 Tax Supported Capital Budget includes \$175,000 related to this project with funding from CRR – General. When a project/bid award exceeds the original budget by 20% or maximum \$75,000, per the Procurement Policy, a report to Council is required.

As a result of the changes proposed in this report, the following budget amendments are required.

	<b>Current Approved Budget</b>	<b>Changes</b>	<b>Proposed Revised Budget</b>
<b>Expenditures:</b>			
Downtown Street Tree Removal and Planting (including 2021 carryover)	278,000	105,000	383,000
Urban Forest Management & Operating Plan	50,000	(50,000)	0
<b>Total Expenditures:</b>	<b>\$328,000</b>	<b>\$55,000</b>	<b>\$383,000</b>
<b>Financing:</b>			
CRR-General	328,000	55,000	383,000
<b>Total Financing:</b>	<b>\$328,000</b>	<b>\$55,000</b>	<b>\$383,000</b>

There are currently sufficient funds within the Capital Replacement Reserve – General to accommodate this budget increase. However, as noted in the 2022 Tax Supported Capital Budget, there is a strain on this reserve resulting in low balances in 2022 and 2023, and ultimately a deficit in years 2028 to 2030. The increase to this project will ultimately impact the County's existing long range capital funding plan. The increased cost and timing of the program going forward will need to be evaluated as part of the annual budget process relative to other priorities.

## STAKEHOLDER IMPACTS:

Not applicable.

## REPORT IMPACTS:

Agreement: No

By-law: No

Budget Amendment: Yes

Policy: No

## REFERENCES:

None.

## **ATTACHMENTS:**

1. Downtown Dunnville Detailed Design Drawings