

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 3540.



The Regional Municipality of Durham Report

To: Works Committee
From: Acting Commissioner of Works
Report: #2023-W-19
Date: June 7, 2023

Subject:

Revisions to the Regional Cost Sharing Agreement for the Replacement of the Pringle Creek Bridge on Brock Street South (Regional Road 46), in the Town of Whitby

Recommendation:

That the Works Committee recommends to Regional Council:

- A) That Regional Council authorize additional funding for construction of the Brock Street South Pringle Creek bridge crossing in the amount of \$330,000 through the existing servicing agreement between the Region and Brookfield Homes (Ontario) Whitby Limited, in keeping with the Statistics Canada Non-Residential Building Construction Price Index; and
- B) That the additional funding be provided by re-allocation of financing from approved projects as follows:

Previously Approved Financing:

Brock Street-Pringle Creek Bridge (Project ID: R1730)	
Bridge Rehabilitation Reserve	\$750,000

Proposed Reallocation:

Liverpool Road Over CNR Bridge (Project ID: R1630)	
Bridge Rehabilitation Reserve Fund	\$99,765

White's Creek Bridge (Project ID: R1827)

Bridge Rehabilitation Reserve Fund	\$62,048
CPR Simcoe Bridge North of Snowridge (Project ID: R2009)	
Bridge Rehabilitation Reserve Fund	\$78,575
Various Bridge Work (Project ID: R1727)	
Bridge Rehabilitation Reserve Fund	\$73,730
Trent Canada Overpass (Project ID: R1631)	
Bridge Rehabilitation Reserve Fund	<u>\$15,882</u>
Total Additional Regional Financing	<u>\$330,000</u>
Total Revised Project Financing	<u>\$1,080,000</u>

Report:**1. Purpose**

- 1.1 Brookfield Homes (Ontario) Whitby Limited (Brookfield) signed a Regional servicing agreement in 2017 to replace the existing bridge on Brock Street South, in the Town of Whitby (Whitby) over Pringle Creek with a new, longer-span bridge. Through the servicing agreement, the Regional Municipality of Durham (Region) committed to pay \$750,000 towards the project (Project ID: R1730, Bridge Rehab Reserve Fund - Brock Street-Pringle Creek Bridge). The purpose of this report is to seek approval for increased funding from the Region for this project.

2. Background

- 2.1 Brookfield owns developable lands on both sides of the existing Pringle Creek crossing on Brock Street South in Whitby (Attachment #1). The existing bridge opening size creates significant regulatory floodplain impacts on the upstream (east) side of the bridge. This significantly limits the amount of development which can occur on the Brookfield lands.
- 2.2 Brookfield wishes to reconstruct the bridge with an increased opening size which will decrease the floodplain impacts on the east side of the road and thereby increase the extent of developable lands in Brookfield's ownership.

- 2.3 In 2017, the Region entered into a servicing agreement with Brookfield. At the time of the agreement, staff conducted a condition assessment of the existing bridge. There were no plans to replace the structure at that time, however, the Region planned to rehabilitate the existing structure in 2020 at an estimated cost of \$750,000. Through the servicing agreement, the Region agreed to contribute this \$750,000 towards the bridge replacement's total estimated cost of \$3,150,000.
- 2.4 Since 2017, the estimated costs for the bridge replacement and related road improvements have increased substantially. The cost increases are due to delays caused by an extensive Environmental Assessment process with significant stakeholder engagement, as well as contamination issues in Pringle Creek and Whitby Harbour, poor quality soils surrounding the existing bridge and the requirement for soil improvement strategies, general increases in construction costs, and supply chain issues across all construction projects.
- 2.5 Brookfield estimates that the total project cost is now \$5,783,000, representing an 84 per cent increase above the original estimate. They have requested that the Region increase its contribution toward the bridge replacement to help offset this substantial cost increase.
- 2.6 The principle reflected in the servicing agreement with Brookfield and endorsed by Council in 2017 (Report #2017-COW-13) is that the Region would contribute toward the cost of the bridge replacement the amount that would otherwise be spent on rehabilitation of the existing bridge. Consistent with this principle, the Region proposes to increase the amount of its contribution to reflect the inflation in rehabilitation costs that would have occurred between 2017 and 2023.
- 2.7 Regional development charges are indexed annually using the Statistics Canada Non-Residential Building Construction Price Index. This compounded index between 2017 and 2023 is approximately 44 per cent. The Region's original \$750,000 total contribution is therefore proposed to be increased by 44 per cent to \$1,080,000, an increase of \$330,000.

3. Financial Implications

- 3.1 Section 15.3 of the Region of Durham's budget Management Policy states that where additional project financing in excess of \$250,000 is required in order to award a tender for capital work, an updated capital project approval report will be submitted to the applicable Standing Committee and Regional Council prior to the award of the applicable contract.

- 3.2 The recommended financing for the revised project budget of \$1,080,000 can be provided as follows:

Previously Approved Financing:

Brock Street-Pringle Creek Bridge (Project ID: R1730)	
Bridge Rehabilitation Reserve	\$750,000

Proposed Reallocation:

Liverpool Road Over CNR Bridge (Project ID: R1630)	
Bridge Rehabilitation Reserve Fund	\$99,765

White's Creek Bridge (Project ID: R1827)	
Bridge Rehabilitation Reserve Fund	\$62,048

CPR Simcoe Bridge North of Snowridge (Project ID: R2009)	
Bridge Rehabilitation Reserve Fund	\$78,575

Various Bridge Work (Project ID: R1727)	
Bridge Rehabilitation Reserve Fund	\$73,730

Trent Canada Overpass (Project ID: R1631)	
Bridge Rehabilitation Reserve Fund	<u>\$15,882</u>

Total Additional Regional Financing	<u>\$330,000</u>
--------------------------------------------	-------------------------

Total Revised Project Financing	<u>\$1,080,000</u>
----------------------------------------	---------------------------

- 3.3 Funding is available for reallocation from the projects noted above as they are substantially completed with surplus funding remaining in the projects.

4. Previous Reports and Decisions

- 4.1 Report #2017-COW-13 "Proposed Regional Cost Sharing Agreement for the Replacement of the Pringle Creek Bridge on Brock Street South (Regional Road 46), in the Town of Whitby", approved by Regional Council on January 18, 2017 authorized the execution of a cost sharing agreement with Brookfield Homes (Ontario) Limited which required pre-budget approval for the commitment of Regional funds.

5. Relationship to Strategic Plan

- 5.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:
- a. Goal 5 Service Excellence – to provide exceptional value to Durham taxpayers through responsive, effective, and fiscally sustainable services delivery.
 - b. Priority 5.1 – Optimize resources and partnerships to deliver exceptional quality services and value.

6. Conclusion

- 6.1 It is recommended that Regional Council authorize additional funding towards the Brock Street South Pringle Creek bridge crossing in the amount of \$330,000 through the existing servicing agreement between the Regional Municipality of Durham and Brookfield Homes (Ontario) Whitby Limited, to recognize the significant cost increases for this project, in keeping with the Statistics Canada Non-Residential Building Construction Price Index.
- 6.2 This report has been reviewed by the Finance Department and the Commissioner of Finance concurs with the financial recommendation.
- 6.3 For additional information, contact: Paul Gillespie, Manager Development Approvals, at 905-668-7711, extension 3443.

7. Attachments

7.1 Attachment #1: Location Plan

Respectfully submitted,

Original signed by:

Ramesh Jagannathan
MBA, M.Eng., P.Eng., PTOE
Acting Commissioner of Works

Recommended for Presentation to Committee

Original signed by:

Elaine C. Baxter-Trahair
Chief Administrative Officer

