



THE CORPORATION OF THE CITY OF VERNON

**MEMORANDUM**

**TO:** Patricia Bridal, Chief Administrative Officer **FILE:** 5410-10-32 Ave

**PC:** James Rice, Director, Operation Services **DATE:** May 11, 2023  
Debra Law, Director, Financial Services

**FROM:** Jeff Reeves, Senior Project Manager

**SUBJECT:** 32<sup>ND</sup> AVENUE (PLEASANT VALLEY ROAD TO 20<sup>TH</sup> STREET) FUNDING

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Construction pricing for the 32<sup>nd</sup> Avenue (Pleasant Valley Road to 20<sup>th</sup> Street) project was received on May 2, 2023 and has resulted in a current project budget of \$2,244,388. The original project funding of \$1,720,000 was approved by Council in December 2022. Additional funding in the amount of \$524,388 is required to complete this project. Continued inflationary pressure since the project budget was prepared in August 2022 has resulted in increases in construction costs that are consistent with the pricing received on other 2023 infrastructure projects.

Administration plans to report back to Council on the annual construction escalation in July of 2023. As part of the construction escalation report, Administration will include strategies for dealing with cost escalation in the 2024 Infrastructure Program budgets and updated Rolling 5 Year Infrastructure Program.

Administration is recommending that the 32<sup>nd</sup> Avenue (Pleasant Valley Road to 20<sup>th</sup> Street) project proceed, and that Council consider funding an additional \$362,456 from the Infrastructure Reserve that has a current balance of \$665,286 and \$161,932 from the Sanitary Reserve that has a current balance of \$4,305,176.

**RECOMMENDATION:**

THAT Council receive the memorandum titled "32<sup>nd</sup> Avenue (Pleasant Valley Road to 20<sup>th</sup> Street) Funding" dated May 11, 2023, and respectfully submitted by the Senior Project Manager, Infrastructure;

AND FURTHER, that Council authorize an increase in the amount of \$524,388 for the 32<sup>nd</sup> Avenue (Pleasant Valley Road to 20<sup>th</sup> Street) project budget, funded by \$362,456 from the Infrastructure reserve and \$161,932 from the Sanitary General reserves.

Respectfully submitted:

Jeff Reeves  
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Jeff Reeves  
Senior Project Manager, Infrastructure

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Reviewed By:



May 16 2023  
1002911  
Mark Dowhanluk, P.Eng.  
Manager, Infrastructure

Approved for the Agenda by the CAO ☒


Att: 1 32nd Avenue Reconstruction 20th to 22nd Street – Project Sheet

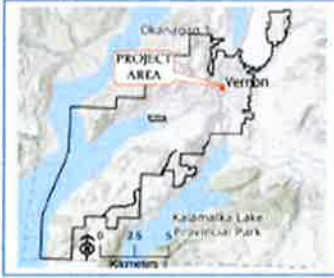



Attachment 1

## 32<sup>nd</sup> AVENUE RECONSTRUCTION

### PLEASANT VALLEY ROAD TO 20<sup>th</sup> STREET

PROJECT #2023-07





**Total Capital Costs:** \$ 1,720,000

**Operation and Maintenance Estimated Yearly Costs:** \$ 1500

**Project Summary**

The project scope includes, sanitary and storm main replacement on 32<sup>nd</sup> Avenue from Pleasant Valley Road to 20<sup>th</sup> Street, new curb, gutter, sidewalk, associated drainage, water and sanitary services. The driver for the project is poor road and utility condition on an Arterial Road.

RDNO will also be partnering on the project to renew water Infrastructure.