

TRANSPORTATION

County Highways 2023 Budget Summary

2023 Operating Budget

County levy increased overall by 5.27% (or approximately \$1,191,000) as per increases as indicated below:

Significant increase in capital and operational costs due to the massive impact of inflation on material costs, notably fuel and asphalt (see notes below)

Slight increase to Federal Gas Tax funding (\$2,367,914), however the formula component of the Ontario Community Infrastructure Fund has decreased to \$1,112,838 for a reduction of 15%.

Significant insurance premium increases in 2023 affecting operating budget.

2022 winter maintenance surplus (\$300,000) and draw from winter maintenance reserves (\$200,000) recommend to be used in 2023.

Per kilometer annual maintenance costs estimated \$10,200 (winter maintenance costs \$7,000)

2023 Capital Budget

Transfer to capital reserves for roads projects increased to \$15,120,000 which includes capital projects as recommended in the Middlesex County Cycling Strategy.

Transfer to capital reserves for bridge and special projects increased to \$5,220,000.

Transfer to equipment capital as per asset management policies increased to \$980,000 in accordance with approved five-year machinery replacement program.

Transfer to facilities capital as per asset management policies of \$200,000.

Wind Farm Compensation Reserves in the amount of \$800,000 proposed to be used to fund infrastructure renewal on County Road 7 (Elginfield Road) adjacent to electricity transmission lines.

Approximately 91.2 lane km scheduled for reconstruction/rehab in 2023. Major road reconstruction with County forces scheduled for Pike Road and Mullifarry Drive in

Adelaide Metcalfe. Continued partnerships with Lucan Biddulph, Thames Centre and North Middlesex for urban renewal projects in Lucan, Dorchester and Parkhill.

Detailed design and preliminary construction and utility relocation for the Glendon/Vanneck/Coldstream/Jeffries roundabout continues in 2023 with tendering of the project expected this summer.



2023 BUDGET

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Major bridge projects include Black's Bridge, Bothwell Bridge, Narin Bridge, Waubuno Creek Bridge and Pike Road Bridge. Smaller culvert and bridge rehabilitations to be completed by County forces. Continued investment to fund the replacement of the Thorndale Bridge sometime over the next 5 to 7 years.

New traffic signals anticipated at the intersection of Littlewoods Drive and Carriage Road and Metcalfe Street and Head Street.

2023 Fire Dispatch/Emergency Management/911

Budgeting for expected return to normal activity levels of pre COVID pandemic functions.

2023 Environmental Services

No change as per agreement with the City of London for household special waste. No special projects are anticipated in 2023.

County Highways Budget Considerations

1% of total highways budget ≈ \$320,000

Guiding Principles Operating Budget

The County of Middlesex operates on the principle of operating in both summer and winter with a generally static number of employees. Our staff perform various maintenance activities in the summer and winter maintenance in the winter months. Our fleet and staffing complement has been designed to provide a consistent level of service and although the total length of roads in the County system has increased several times since 1999 our full time staff complement has only increased by one full time employee.

The individual items in the County maintenance budget are estimated for our expected activities, but since we are working with a static number of employees and equipment and over expenditure in one area consequently requires an under expenditure in another.



2023 BUDGET

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Any reduction in a single maintenance item results in a change to our overall service levels and may necessitate a reduction in staff. Outside of the potential union issues with staff reductions, there would be a serious impact on the County winter maintenance operations. A reduction in our fleet would necessitate the hiring of private snow plow operators, which our history has shown to be at least 30% more expensive than using our own forces for winter maintenance.

Guiding Principles Capital Budget

The County's road capital budget is calculated with an estimated service life of 18 years for pavements. For our current road network that would mean an average of 47.5 km (95 lane km) should be rehabilitated each year. Our proposed road transfer to capital allows us to maintain this practice. A reduction would result in a decline in the overall condition of our road network. The construction of the infrastructure recommended in the Middlesex County Cycling Strategy is expected to cost approximately \$64,000,000 over the next 20 years.

The bridge replacement and rehabilitation program is designed with good asset management and life cycle event programming. Our bridge infrastructure is aging and demand for structure replacements are increasing as more bridges are reaching the end of their expected service life.

County of Middlesex continues to support local infrastructure renewal projects along County roads and have taken the position as to not be a barrier to the progression of these important capital programs, however this does create additional pressure on the County's capital budget.