

In the Craigleith area, the Town is currently meeting or exceeding the minimum maintenance standards. However, the truck on the Craigleith route is not able to complete the route until well after noon on most snow events. This leaves much of the Craigleith area unplowed until midday. The drivers are called out at 1 am and continue until around 1 pm. The residents have made it known they are not satisfied with the change of contract drivers and or with the timing of the plow routes.

A third snowplow truck in the Craigleith area would assist to clear roads areas prior to the skiers arrival in the mornings. The additional truck would be based out of the Arnott yard in Collingwood and would start at the Town line. In the past, the Town trucks have assisted with Craigleith Route when it was possible. Currently, the Town and the County are adjusting their routes to reflect the change of Sideroad 15/ Scenic Caves Road to County Road 119. It is anticipated that the Town will not need to send a truck down the escarpment. A third Arnott snowplow truck in the Craigleith area would allow the patrol truck to focus on other areas of the Municipality. The Village Core and Jojo Weider area will still be patrolled in the evening by Town staff.

Staff negotiated with Arnott Construction to extend the unit prices for the 2008/2009 season to include a 3rd truck at the same hourly rate of \$84.00. In order for the Contractor to confidently purchase an additional plow truck, the Contractor needs the assurance of a sufficient contract term. Therefore, Staff are recommending that the Town commit to the remaining 1 year of the original contract plus the 3 year optional component. The Contractor and Staff have negotiated a 3% annual cost of living allowance on the wage component for the balance of the 3 years of the contract.

To calculate the annual cost of living allowance rate increase, 25% of the \$84.00 was used as the wage component (\$21/ hr) for 2008/2009. The balance of the hourly rate covers the cost of the truck, repairs and insurance. A 3% increase can be calculated on the wage component for each year, 2009/2010 at \$21.63 and 2010/2011 will be \$22.28 and 2011/2012 will be \$22.95.

This will make the rate for 2008/2009 \$84.00 (21 + 63)
2009/2010 \$84.63 (21.63 + 63)
2010/2011 \$85.28 (22.28 + 63)
2011/2012 \$85.95 (22.95 + 63)

The addition of a third contract snowplow truck will not significantly increase the overall cost to the Municipality because the equivalent length of road must be travelled. It does though improve the level of service in the Craigleith and Thornbury areas. The 2 routes will be divided between three trucks to reduce each drivers shift. The current 22 hours will be divided between 3 drivers but will lead to 8 hour shifts (total 24 hours versus 22 hours) and a total increase of costs by 2 hours per snow event. It can be estimated there will be 45 snow events for a total increase of 90 hours per year. The cost of 90 hours at \$84/hr is \$7,560 plus an indexed fuel allowance. The standby rates will also apply for approximately 75 days at \$100 per day, for a total of \$7500.

The benefits can be found in reduced driver fatigue, less wear on equipment and so fewer down days, better levels of service in the Craigleith and Thornbury areas.

The Craigleith Route was 594 hours in 08/09 and the Thornbury Route was 420 hours in 08/09 for a total of 1014 hrs. The contract estimated a total of 1100 annual hours.

C. The Blue Mountains’ Strategic Plan

The appropriate allocation of the funding from MTO furthers the Town Strategic Plan Goal # 2, “Addressing the Town Municipal Infrastructure Needs”.

D. Environmental Impacts

Snow removal is an energy intensive activity. The Contractor will be asked to participate in the Town’s anti-idling initiative and to take reasonable steps to reduce their energy consumption.

E. Budget Impact

The total additional cost of adding an additional truck can be estimated at:

Additional Driving time:	\$7,560	(90 hrs)
Fuel index costs	\$936	(90 x \$10.40)
Standby time	\$7,500	
Total	\$15,996	

Plus one additional driver will need to be added the driver Training Seminar this fall at cost of \$20.

Given the hourly rate outlined above, a 10% annual fuel increase allowance and 1100 annual plow hours, the expected seasonal costs over the term of the contract are as presented below:

Year	Wage	Truck	Fuel	Total Hourly Plow Rate	For Est. 1100 Plow hours	Daily Standby	For Est. 225 days Standby	Est. Total Annual Cost
08/09	\$21.00	\$63.00	\$10.40	\$94.40	\$103,840	\$100.00	\$22,500	\$126,340
09/10	\$21.63	\$63.00	\$11.44	\$96.07	\$105,677	\$100.00	\$22,500	\$128,177
10/11	\$22.28	\$63.00	\$12.58	\$97.86	\$107,646	\$100.00	\$22,500	\$130,146
11/12	\$22.95	\$63.00	\$13.84	\$99.79	\$109,769	\$100.00	\$22,500	\$132,269

F. Attached

1. Fuel Index chart

Respectfully submitted,

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